

**Independent Auditors' Report**

To the Board of Directors of Greenpeace Canada

We have audited the accompanying financial statements of Greenpeace Canada, which comprise the balance sheet as at December 31, 2015 and the statements of operations and changes in net assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's responsibility for the financial statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards for Small and Medium-sized Entities, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditors' responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of Greenpeace Canada as at December 31, 2015 and the results of its operations and its cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium-sized Entities.

**DRAFT FOR APPROVAL  
APRIL 11, 2016**

Outstanding issue:

- Date of approval f/s

**GREENPEACE CANADA  
FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**GREENPEACE CANADA**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2015**

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## BALANCE SHEET

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	Notes	December 31	
		2015	2014
<b>ASSETS</b>			
Current assets			
Cash and marketable securities	2	\$ 2,636,450	\$ 1,598,989
Accounts receivable		33,952	5,678
Receivable due from Stichting Greenpeace Council	3	-	2,386
Receivable from other Greenpeace organizations	4	-	54,184
Prepaid expenses		48,113	79,157
<b>Total current assets</b>		<u>2,718,515</u>	<u>1,740,394</u>
Fixed assets	5	348,645	488,778
<b>Total assets</b>		<u>\$ 3,067,160</u>	<u>\$ 2,229,172</u>
<b>LIABILITIES AND NET ASSETS</b>			
Current liabilities			
Accounts payable and accrued liabilities		\$ 623,942	\$ 471,608
Payroll and government remittance payable		1,181	810
Payable to Stichting Greenpeace Council	6	10,914	-
Payable to other Greenpeace organizations	7	4,471	3,800
Unexpended campaign funds	8	51,798	-
Current portion of loan payable to Stichting Greenpeace Council	9	191,571	-
<b>Total current liabilities</b>		<u>883,877</u>	<u>476,218</u>
Loan payable to Stichting Greenpeace Council		201,083	-
		<u>1,084,960</u>	<u>476,218</u>
<b>Net assets</b>			
Invested in fixed assets		348,645	488,778
Unrestricted net assets		1,633,555	1,264,176
<b>Total net assets</b>		<u>1,982,200</u>	<u>1,752,954</u>
<b>Total liabilities and net assets</b>		<u>\$ 3,067,160</u>	<u>\$ 2,229,172</u>

See accompanying notes

Approved on behalf of the Board of  
Directors of Greenpeace Canada

  
Glen Brown, Chair


  
Frans Blom, Treasurer

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2015

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	Note	2015	2014
<b>REVENUE</b>			
Donor contributions		\$ 9,636,858	\$ 10,145,376
Bequests		1,093,215	390,882
Restricted grants from Stichting Greenpeace Council		1,531,802	948,513
Campaign grants	8	364,318	540,414
Investment income		14,705	23,749
<b>Total revenue</b>		<u>12,640,898</u>	<u>12,048,934</u>
<b>EXPENSES</b>			
Campaign expenses			
Oceans		125,868	454,041
Forests		1,052,546	1,462,314
Polar		1,280,402	781,636
Climate and energy		1,452,323	1,459,417
Contributions to international campaigns		2,503,000	2,492,000
Support services to Stichting Greenpeace Council		859,502	714,083
Public outreach and education		1,427,074	1,506,665
<b>Total campaign expenses</b>		<u>8,700,715</u>	<u>8,870,156</u>
Finance and operations		894,516	1,003,763
Fundraising costs		2,816,421	3,045,089
<b>Total expenses</b>		<u>12,411,652</u>	<u>12,919,008</u>
<b>EXCESS OF REVENUE OVER EXPENSES (EXPENSES OVER REVENUE) FOR THE YEAR</b>		229,246	(870,074)
Net assets, beginning of year		<u>1,752,954</u>	<u>2,623,028</u>
<b>NET ASSETS, END OF YEAR</b>		<u>\$ 1,982,200</u>	<u>\$ 1,752,954</u>

See accompanying notes

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2015

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	2015	2014
<b>CASH PROVIDED FOR (USED IN) IN OPERATIONS</b>		
Excess of revenue over expenses (expenses over revenue) for the year	\$ 229,246	\$ (870,074)
Depreciation (non-cash item)	182,358	185,833
	<u>411,604</u>	<u>(684,241)</u>
Changes in working capital items:		
Decrease (increase) in accounts receivable	(28,274)	834
Decrease (increase) in receivable from Stichting Greenpeace Council	2,386	133,951
Decrease (increase) in receivable from other Greenpeace organizations	54,184	18,601
Decrease (increase) in prepaid expenses	31,044	148,015
Increase (decrease) in accounts payable and accrued liabilities	152,334	79,525
Increase (decrease) in payroll and government remittances payable	371	82
Increase (decrease) in payable to Stichting Greenpeace Council	10,914	-
Increase (decrease) in payable to other Greenpeace organizations	671	(10,324)
Increase (decrease) in unexpended campaign funds	51,798	(176,356)
Net cash provided from (used in) operations	<u>687,032</u>	<u>(489,913)</u>
<b>CASH USED IN INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(42,225)	(23,776)
<b>CASH PROVIDED FOR FINANCING ACTIVITIES</b>		
Loan payable to Stichting Greenpeace Council	392,654	-
<b>NET CASH ACTIVITY FOR THE YEAR</b>	1,037,461	(513,689)
Cash and marketable securities, beginning of year	1,598,989	2,112,678
<b>CASH AND MARKETABLE SECURITIES, END OF YEAR</b>	<u>\$ 2,636,450</u>	<u>\$ 1,598,989</u>
Composed of the following:		
Cash	\$ 929,066	\$ 73,797
Term deposits less than one year	1,503,697	1,520,685
Term deposits greater than one year	200,417	-
Marketable securities	3,270	4,507
	<u>\$ 2,636,450</u>	<u>\$ 1,598,989</u>

See accompanying notes

GREENPEACE CANADA

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2015

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Greenpeace Canada, which was incorporated under the Canada Corporation Act by letters patent without share capital on May 3, 1989 and continued under the Canada Not-for-profit Corporations Act effective July 24, 2014, is an independent, campaigning organization that uses non-violent, creative confrontation to expose global environmental problems, and to force solutions that are essential to a green and peaceful future.

Greenpeace Canada works closely with Stichting Greenpeace Council and other Greenpeace organizations worldwide. Greenpeace Canada makes contributions to Greenpeace's international campaigns and Stichting Greenpeace Council funds some campaigns undertaken by Greenpeace Canada on its behalf each year.

Greenpeace Canada is exempt from income tax as a not-for-profit organization under Section 149 (1) (I) of the Income Tax Act (Canada).

Greenpeace Canada's principal place of business is 33 Cecil Street, Toronto, Ontario.

**1. Summary of significant accounting policies**

**Basis of presentation**

These financial statements have been prepared using the standards of International Financial Reporting Standards for Small and Medium-sized Entities (IFRS-SMEs) issued by the International Accounting Standards Board. The financial statements are presented in Canadian dollars.

Outlined below are those policies considered particularly significant.

**Cash and cash equivalents**

Cash and cash equivalents are recorded at cost plus accrued interest and include all term deposits regardless of term as these term deposits are viewed as highly liquid.

**Financial instruments**

Financial instruments are measured at cost, except for marketable securities which are carried at market value. Changes in market value during the year are recorded in the statement of operations.

**Fixed assets**

Fixed assets are recorded at cost less accumulated depreciation.

Depreciation is calculated using the straight-line method at rates calculated to write-off the assets over their estimated useful lives as follows:

Computer equipment	33%
Furniture and equipment	33%
Action equipment	33%
Vehicles	over 5 years from the model year
Leasehold improvements	over the remaining term of the lease

Fully-depreciated assets with no further useful life are written-off.

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2015

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**1. Summary of significant accounting policies (continued)****Revenue recognition**

Donor contributions, including bequests, are recorded when funds are received.

Contributions from Stichting Greenpeace Council are recognized when earned.

Funding received for specific campaigns is recognized as revenue in the year in which the related expenses are incurred. Funding received that relates to future periods is deferred as unexpended campaign funds, and recognized as revenue in the period the expense is incurred.

Investment income includes realized income as well as changes in market value during the year.

**Leases**

Rentals payable under operating bases are charged to the Statement of Operations as incurred.

**Expenses recognition and allocation**

Expenses are recorded when goods or services are received.

In the accompanying statement of operations and changes in net assets, costs for various campaigns and other activities have been summarized by management on a functional basis. Costs that cannot be identified with a particular campaign, and that benefit more than one campaign category, have been allocated proportionately on the basis of direct costs.

Fundraising costs include expenses for fundraising coordination, donor database and processing fees and donor canvassing, education and marketing. Public outreach and education represent thirty percent of these costs and are allocated as such.

**Contributed services**

Volunteers contribute many hours per year to assist the organization in carrying out its activities. Because of the difficulty in determining their fair value, contributed services are not recognized in these financial statements.

**Foreign currency translation**

Monetary assets and liabilities denominated in foreign currencies have been translated into Canadian dollars at the rate of exchange prevailing at year end. Revenue and expense items are translated at the daily exchange rate.

**Use of estimates**

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amount of assets, liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the period. Actual results could vary from these estimates. Variances from the estimate are adjusted, if necessary, and they are reported in the period in which they become known.



NOTES TO THE FINANCIAL STATEMENTS  
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**2. Banking arrangements**

Greenpeace Canada has arranged a demand operating credit facility to a maximum of \$275,000, which is secured by a general security agreement on all property belonging to the organization, bears interest at prime plus 1.5% per annum, and is repayable monthly.

The bank line of credit at year-end was \$nil (2014 - \$nil) as the organization did not draw on the facility during the year.

Greenpeace Canada also has \$112,000 (2014 - \$104,000) of credit available through its corporate credit cards.

**3. Receivable from Stichting Greenpeace Council**

This amount is unsecured, non-interest bearing and receivable during the current fiscal year.

**4. Receivable from other Greenpeace organizations**

These amounts are unsecured, non-interest bearing assets and receivable during the current fiscal year.

**5. Fixed assets**

	Computer equipment	Furniture and equipment	Action equipment	Leasehold improvements	Total
<b>Cost</b>					
Balance, beginning of year	\$ 94,108	\$ 19,880	\$ 10,626	\$ 1,318,153	\$ 1,442,767
Additions	39,949	2,276	-	-	42,225
Disposals	(4,215)	-	-	-	(4,215)
Balance, end of year	<u>\$ 129,842</u>	<u>\$ 22,156</u>	<u>\$ 10,626</u>	<u>\$ 1,318,153</u>	<u>\$ 1,480,777</u>
<b>Accumulated depreciation</b>					
Balance, beginning of year	\$ 65,499	\$ 11,738	\$ 7,218	\$ 869,534	\$ 953,989
Depreciation	32,687	6,148	2,020	141,503	182,358
Disposals	(4,215)	-	-	-	(4,215)
Balance, end of year	<u>\$ 93,971</u>	<u>\$ 17,886</u>	<u>\$ 9,238</u>	<u>\$ 1,011,037</u>	<u>\$ 1,132,132</u>
<b>Net book value</b>					
2015	<u>\$ 35,871</u>	<u>\$ 4,270</u>	<u>\$ 1,388</u>	<u>\$ 307,116</u>	<u>\$ 348,645</u>
2014	<u>\$ 28,609</u>	<u>\$ 8,142</u>	<u>\$ 3,408</u>	<u>\$ 448,619</u>	<u>\$ 488,778</u>

NOTES TO THE FINANCIAL STATEMENTS  
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6. **Payable to Stichting Greenpeace Council**  
This amount is unsecured, non-interest bearing liability and repayable during the current fiscal year.
7. **Payable to other Greenpeace organizations**  
These amounts are unsecured, non-interest bearing liabilities and repayable during the current fiscal year.
8. **Unexpended campaign funds**

	2015	2014
Unexpended campaign funds, beginning of year	\$ -	\$ 176,356
Campaign funds received during the year	416,116	364,058
Campaign funds expended during the year		
Climate change and energy	(284,868)	(306,444)
Forests	(79,450)	(170,303)
Polar	-	(63,667)
	<u>(364,318)</u>	<u>(540,414)</u>
Unexpended campaign funds, end of year	<u>\$ 51,798</u>	<u>\$ -</u>

	2015	2014
Represented by the following campaigns		
Climate and energy	<u>\$ 51,798</u>	<u>\$ -</u>

9. **Loan payable to Stichting Greenpeace Council**

	2015	2014
Loan payable to Stichting Greenpeace Council, bearing interest at 0.40% per annum with interest and principal instalment of \$197,571 on July 31, 2016 with the balance due on July 31, 2017	\$ 392,000	\$ -
Accrued interest	654	-
	<u>392,654</u>	<u>-</u>
less current portion	<u>(191,571)</u>	<u>-</u>
	<u>\$ 201,083</u>	<u>\$ -</u>

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**10. Contingent liabilities**

One corporation has commenced proceedings against Greenpeace Canada and two of its staff seeking \$7 million in damages. Neither the possible outcome nor the amount of possible settlement from these proceedings can be foreseen. No provision for them has been made in the financial statements.

**11. Lease commitments**

Greenpeace Canada is committed to lease office and storage space in six Canadian cities, under leases expiring from June 30, 2016 to June 30, 2020. The lease commitments, included estimates for realty taxes, utilities, common operating costs and annual cost escalation increases, are as follows:

2016	\$ 481,102
2017	379,183
2018	247,884
2019	13,429
2020	7,295
	<u>\$ 1,128,893</u>

**12. Related party transactions**

During the year, the total remuneration for the members of the senior management (Directors Council) whilst they held one of these four positions was \$351,659 (2014 - \$294,762). Total remuneration for the most senior position was \$118,388 (2014 - \$116,222).

No remuneration was paid to any of the directors in 2015 and 2014.

**13. Financial instruments**

Greenpeace Canada is not exposed to significant interest, currency or credit risks relating to its financial instruments.

**14. Approval of financial statements**

These financial statements were approved by the Board of Directors and authorized for issue on • .