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**GREENPEACE CANADA**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Greenpeace Canada  
TORONTO  
Ontario

### *Opinion*

We have audited the accompanying financial statements of Greenpeace Canada which comprise the statement of financial position as at December 31, 2022 and the statement of income and changes in net assets and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the entity as at December 31, 2022 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium-sized Entities.

### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Responsibilities of Management and Those Charged with Governance 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.

In preparing the financial statements, management is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity's financial reporting process.

### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*Norton McMullen LLP*

NORTON McMULLEN LLP

Chartered Professional Accountants, Licensed Public Accountants

MARKHAM, Canada

March 25, 2023

# GREENPEACE CANADA

## STATEMENT OF FINANCIAL POSITION

As at December 31,	2022	2021
<b>ASSETS</b>		
<b>Current</b>		
Cash and cash equivalents	\$ 2,398,252	\$ 2,922,291
Temporary investments (Note 2)	1,000,000	-
Accrued interest receivable	19,641	-
Accounts receivable	12,555	7,733
Due from other Greenpeace organizations (Note 4)	-	55,617
Prepaid expenses	104,893	79,729
	<u>\$ 3,535,341</u>	<u>\$ 3,065,370</u>
<b>Capital Assets (Note 5)</b>	<u>108,758</u>	<u>67,621</u>
	<u>\$ 3,644,099</u>	<u>\$ 3,132,991</u>

### LIABILITIES


<b>Current</b>		
Accounts payable and accrued liabilities	\$ 637,150	\$ 406,982
Due to Stichting Greenpeace Council (Note 6)	652,847	267,115
Deferred income (Note 7)	490,067	115,804
Due to other Greenpeace organizations (Note 4)	5,238	-
	<u>\$ 1,785,302</u>	<u>\$ 789,901</u>

<b>NET ASSETS</b>	<u>1,858,797</u>	<u>2,343,090</u>
	<u>\$ 3,644,099</u>	<u>\$ 3,132,991</u>

Contingency (Note 8)  
Commitments (Note 9)

Approved on behalf of the Board of Directors of Greenpeace Canada

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Ginger Gosnell-Myers, Chair

DocuSigned by:  
  
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Frans Blom, Treasurer

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# GREENPEACE CANADA

## STATEMENT OF INCOME AND CHANGES IN NET ASSETS

For the year ended December 31,

2022

2021

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### INCOME

Donor contributions	\$ 8,185,645	\$ 8,646,427
Stichting Greenpeace Council funding	1,702,385	1,960,610
Bequests	496,799	772,450
Campaign grants	448,036	166,349
Investment income	48,502	8,564
	<u>\$ 10,881,367</u>	<u>\$ 11,554,400</u>

### EXPENSES

Campaign expenses		
Food and nature	\$ 2,157,256	\$ 1,971,004
Contributions to international campaigns	2,029,000	2,057,000
Climate and energy	1,517,776	1,254,223
Support services to Stichting Greenpeace Council	1,015,653	742,992
Oceans and plastics	406,530	237,021
Public outreach and education	127,886	116,373
Total campaign expenses	<u>\$ 7,254,101</u>	<u>\$ 6,378,613</u>
Fundraising	3,148,057	3,800,519
Finance and operations	963,502	816,457
	<u>\$ 11,365,660</u>	<u>\$ 10,995,589</u>

### EXCESS (DEFICIENCY) OF INCOME OVER EXPENSES

\$ (484,293) \$ 558,811

### NET ASSETS - Beginning

2,343,090 1,784,279

### NET ASSETS - Ending

\$ 1,858,797 \$ 2,343,090

See accompanying notes

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# GREENPEACE CANADA

## STATEMENT OF CASH FLOWS

For the year ended December 31,

2022

2021

### CASH AND CASH EQUIVALENTS WERE PROVIDED BY (USED IN):

#### OPERATING ACTIVITIES

Excess (deficiency) of income over expenses	\$ (484,293)	\$ 558,811
Items not affecting cash:		
Depreciation	<u>30,891</u>	<u>22,179</u>
	\$ (453,402)	\$ 580,990
Net change in non-cash working capital balances:		
Accrued interest receivable	(19,641)	-
Accounts receivable	(4,822)	5,150
Due to Stichting Greenpeace Council	385,732	169,431
Due from/to other Greenpeace organizations	60,855	(19,336)
Prepaid expenses	(25,164)	(15,107)
Accounts payable and accrued liabilities	230,168	(11,328)
Deferred income	<u>374,263</u>	<u>90,360</u>
	\$ 547,989	\$ 800,160

#### INVESTING ACTIVITIES

Purchase of fixed assets	\$ (72,028)	\$ (77,204)
Purchase of temporary investments	<u>(1,000,000)</u>	<u>-</u>
	\$ (1,072,028)	\$ (77,204)

#### FINANCING ACTIVITIES

Repayment of Stichting Greenpeace Council loan	\$ -	\$ (100,000)
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**INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS** \$ (524,039) \$ 622,956

**CASH AND CASH EQUIVALENTS - Beginning** 2,922,291 2,299,335

**CASH AND CASH EQUIVALENTS - Ending** \$ 2,398,252 \$ 2,922,291

Cash and cash equivalents consist of the following:

Cash	\$ 2,392,884	\$ 2,918,144
Marketable securities	<u>5,368</u>	<u>4,147</u>
	\$ 2,398,252	\$ 2,922,291

See accompanying notes

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**GREENPEACE CANADA**  
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**NATURE OF OPERATIONS**

Greenpeace Canada, which was incorporated under the Canada Corporations Act by letters patent without share capital on May 3, 1989 and continued under the Canada Not-for-profit Corporations Act effective June 24, 2014, is an independent, campaigning organization that uses non-violent, creative confrontation, research, training and public engagement 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) (l) of the Income Tax Act (Canada).

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

These financial statements were approved by the Board of Directors and authorized for issue on March 25, 2023.

**1. SIGNIFICANT ACCOUNTING POLICIES**

**a) Basis of Presentation**

These financial statements have been prepared in accordance with International Financial Reporting Standards for Small and Medium-sized Entities issued by the International Accounting Standards Board and are consistent with the previous period. These financial statements have been prepared on the historical cost basis, with the exception of marketable securities, which are measured at fair value, and incorporate the significant accounting policies set out below.

These financial statements are presented in Canadian dollars.

These accounting policies are consistent with the prior year.

**b) Use of Estimates**

The preparation of financial statements requires management to make estimates and assumptions based on currently available information. Such estimates and assumptions affect the reported amounts of assets and liabilities as at the date of the financial statements and the reported amounts of income and expenses during the year. Actual results could differ from the estimates used.

Significant estimates include the estimated useful life of fixed assets.

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1. **SIGNIFICANT ACCOUNTING POLICIES** - Continued

c) **Foreign Currency Translation**

Accounts in foreign currencies have been translated into Canadian dollars using the temporal method. Under this method, monetary assets and liabilities are translated at the year-end exchange rate, while non-monetary assets are translated at the rate of exchange prevailing at the date of the transaction. Income and expenses are translated at the rate in effect on the transaction date.

d) **Cash and Cash Equivalents**

Cash and cash equivalents consist of bank balances, highly liquid term deposits and marketable securities.

e) **Fixed Assets**

Fixed assets are recorded at cost less accumulated amortization. Amortization is being provided over the estimated useful life of the assets using the following annual rates and methods:

Computer equipment	3 year straight-line
Furniture and equipment	3 year straight-line
Leasehold improvements	over the remaining term of the lease

f) **Leases**

Rental payments under operating leases are charged to the excess (deficiency) of income over expenses on a straight-line basis over the term of the relevant lease.

g) **Revenue Recognition**

Donor contributions and bequests are recorded when funds are received.

Funding received from Stichting Greenpeace Council and for specific campaigns is recognized as income in the year in which the related expenses are incurred. Funding received that relates to future periods or restricted purposes is recorded as deferred income and recognized as income in the period the expenses are incurred.

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



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1. **SIGNIFICANT ACCOUNTING POLICIES** - Continued

h) **Allocation of Expenses**

Expenses related to 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 have been allocated proportionately on the basis of direct costs.

Fundraising costs include expenses for fundraising co-ordination, donor database and processing fees and donor canvassing, education and marketing. Public outreach and education includes direct costs and allocated salaries.

i) **Contributed Services**

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

j) **Financial Instruments**

**Measurement of Financial Instruments**

Greenpeace Canada initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions. Greenpeace Canada subsequently measures all its financial assets and financial liabilities at amortized cost, except for balances with affiliated organizations, which are measured at carrying value and marketable securities which are measured at fair value. Changes in fair value are recognized in the excess (deficiency) of income over expenses.

Financial assets measured at amortized cost include cash, temporary investments and accounts receivable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Other than marketable securities, Greenpeace Canada has no financial assets measured at fair value and has not elected to carry any financial asset or liability at fair value.

**Impairment**

Financial assets measured at amortized cost are tested for impairment when events or circumstances indicate possible impairment. Write-downs, if any, are recognized in excess of income over expenses and may be subsequently reversed to the extent that the net effect after the reversal is the same as if there had been no write-down. There are no impairment indicators in the current year.

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**2. TEMPORARY INVESTMENTS**

Temporary investments consist of the following:

	2022	2021
GIC, 3.48%, maturing June 8, 2023	<u>\$ 1,000,000</u>	<u>\$ -</u>

**3. BANKING ARRANGEMENTS**

Greenpeace Canada has arranged a demand revolving operating credit facility with a maximum amount available of \$275,000, which is secured by a general security agreement on all property belonging to the Organization. When in use, the facility bears interest at prime plus 1.5% per annum payable monthly. The facility was undrawn at December 31, 2022 and December 31, 2021.

Greenpeace Canada also has \$108,000 of credit available through its corporate credits cards.

**4. DUE TO/FROM OTHER GREENPEACE ORGANIZATIONS**

These amounts are unsecured, non-interest bearing and repayable during the next fiscal year.

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**5. CAPITAL ASSETS**

Capital assets consist of the following:

	Computer Equipment	Furniture and Equipment	Leasehold Improvements	Total
<b>Cost</b>				
<b>As at December 31, 2020</b>	\$ 106,353	\$ 18,601	\$ -	\$ 124,954
Additions	24,200	11,004	42,000	77,204
Fully-depreciated assets	<u>(79,788)</u>	<u>(18,601)</u>	<u>-</u>	<u>(98,389)</u>
<b>As at December 31, 2021</b>	\$ 50,765	\$ 11,004	\$ 42,000	\$ 103,769
Additions	72,028	-	-	72,028
Fully-depreciated assets	<u>(15,474)</u>	<u>-</u>	<u>-</u>	<u>(15,474)</u>
<b>As at December 31, 2022</b>	<u>\$ 107,319</u>	<u>\$ 11,004</u>	<u>\$ 42,000</u>	<u>\$ 160,323</u>
<b>Accumulated Amortization</b>				
<b>As at December 31, 2020</b>	\$ 93,757	\$ 18,601	\$ -	\$ 112,358
Depreciation	16,936	3,668	1,575	22,179
Fully-depreciated assets	<u>(79,788)</u>	<u>(18,601)</u>	<u>-</u>	<u>(98,389)</u>
<b>As at December 31, 2021</b>	\$ 30,905	\$ 3,668	\$ 1,575	\$ 36,148
Depreciation	20,923	3,668	6,300	30,891
Fully-depreciated assets	<u>(15,474)</u>	<u>-</u>	<u>-</u>	<u>(15,474)</u>
<b>As at December 31, 2022</b>	<u>\$ 36,354</u>	<u>\$ 7,336</u>	<u>\$ 7,875</u>	<u>\$ 51,565</u>
<b>Net Book Value</b>				
<b>As at December 31, 2021</b>	<u>\$ 19,860</u>	<u>\$ 7,336</u>	<u>\$ 40,425</u>	<u>\$ 67,621</u>
<b>As at December 31, 2022</b>	<u>\$ 70,965</u>	<u>\$ 3,668</u>	<u>\$ 34,125</u>	<u>\$ 108,758</u>

**6. DUE TO STICHTING GREENPEACE COUNCIL**

This amount is unsecured, non-interest bearing and repayable during the next fiscal year.

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**7. DEFERRED INCOME**

Deferred income consists of:

	Balance Beginning	Funding Received	Income Recognized	Balance Ending
Climate and energy	\$ 84,656	\$ 650,389	\$ 244,978	\$ 490,067
Food and nature	<u>31,148</u>	<u>-</u>	<u>31,148</u>	<u>-</u>
	<u>\$ 115,804</u>	<u>\$ 650,389</u>	<u>\$ 276,126</u>	<u>\$ 490,067</u>

**8. CONTINGENCY**

In 2013, one corporation 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 these financial statements.

**9. COMMITMENTS**

Greenpeace Canada is committed to lease office and storage space in three Canadian cities, under leases expiring from August 31, 2023 to May 31, 2028. The lease commitments, including estimates for realty taxes, utilities, common operating costs and annual cost escalation increases, are as follows:

2023	\$ 335,220
2024	245,421
2025	244,326
2026	217,692
2027	222,046
Thereafter	<u>226,487</u>
	<u>\$ 1,491,193</u>

**10. KEY MANAGEMENT COMPENSATION**

During the year, the total remuneration for the members of the senior management (Directors Council) whilst they held one of these six positions was \$606,260 (2021 - \$614,640). Total remuneration for the most senior position was \$100,567 (2021 - \$123,528).

No remuneration was paid to any of the directors in 2022 and 2021.

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**GREENPEACE CANADA**  
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**11. FINANCIAL INSTRUMENTS**

**Risks and Concentrations**

Greenpeace Canada is exposed to various risks through its financial instruments. The following analysis provides a summary of Greenpeace Canada's exposure to and concentrations of risk at December 31, 2022:

a) **Credit Risk**

Credit risk is the risk that one party to a financial instrument will cause financial loss for the other party by failing to discharge an obligation. Greenpeace Canada is not exposed to significant credit risk.

b) **Liquidity Risk**

Liquidity risk is the risk that Greenpeace Canada will encounter difficulty in meeting obligations associated with financial liabilities. Greenpeace Canada is exposed to this risk mainly with respect to its accounts payable and accrued liabilities. Greenpeace Canada manages this risk by managing its working capital, ensuring that sufficient credit is available and by generating sufficient cash flow from operations. There has been no change in the assessment of liquidity risk from the prior year.

c) **Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk, and price risk. Greenpeace Canada is mainly exposed to currency risk as follows:

i) **Currency Risk**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. As at December 31, 2022, cash of \$45,381 (2021 – \$45,249) is denominated in US dollars and has been converted into equivalent Canadian dollars at the exchange rate in effect at the year end. Foreign exchange gains and losses are included in the excess (deficiency) of income over expenses and total \$Nil for 2022 (2021 - \$418). The exposure to this risk changes as the transaction amounts change and as the exchange rate fluctuates. The average US exchange rate for 2022 was 1.30 (2021 - 1.25).