CPAWS
CANADIAN PARKS AND WILDERNESS SOCIETY

Financial Statements

For the year ended March 31, 2011

Collins Barrow
Chartered Accountants

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INTERNATIONAL

Canadian Parks and Wilderness Society
Financial Statements
For the year ended March 31, 2011

Contents

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Chartered Accountants

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Independent Auditor's Report

To the Members of the
Canadian Parks and Wilderness Society

Report on the Financial Statements

We have audited the accompanying financial statements of the Canadian Parks and Wilderness Society, ("the Society"), which comprise the statement of financial position as at March 31, 2011 and the statements of operations and changes in net assets 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 Canadian generally accepted accounting principles, 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.

Auditor's 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 audit 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 the auditor's 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, the auditor considers 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 of our qualified audit opinion.

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Independent Auditor's Report (continued)

Basis for Qualified Opinion

In common with many charitable organizations, the Society and its controlled Foundation (the financial position and results of operations of which are disclosed in note 7 to the financial statements), derive revenue from sources the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of revenues was limited to the amounts recorded in the records of the Society and its controlled Foundation. Our audit opinion on the financial statements for the year ended March 31, 2010 was also qualified because of the possible effects of this limitation in scope. Therefore we were not able to determine whether any adjustments might be necessary to: the Society`s revenue, revenue disbursements, and excess (deficiency) of revenue over expenses for the years ended March 31, 2011 and 2010, assets and transfers payable to incorporated chapters and the controlled Foundation as at March 31, 2011 and 2010, and net assets at both the beginning and end of the March 31, 2011 and 2010 years; and as disclosed in note 7 to the financial statements the controlled Foundation's revenue and excess (deficiency) of revenue over expenses for the years ended March 31, 2011 and 2010, its assets as at March 31, 2011 and 2010, and its net assets at both the beginning and end of the March 31, 2011 and 2010 years.

Further, like the Society, the consolidated controlled unincorporated chapters derive revenue from sources the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of their revenue was limited to the amounts recorded in the records of the controlled unincorporated chapters. Our audit opinion on the financial statements for the year ended March 31, 2010 was also qualified because of the possible effects of this limitation in scope. Therefore we were not able to determine whether any adjustments might be necessary to the controlled unincorporated chapters' or Society`s revenue and excess (deficiency) of revenue over expenses for the years ended March 31, 2011 and 2010, assets as at March 31, 2011 and 2010 and net assets at both the beginning and end of the March 31, 2011 and 2010 years.

Qualified Opinion

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion Paragraphs, the financial statements present fairly, in all material respects, the financial position of the Canadian Parks and Wilderness Society as at March 31, 2011, and its results of operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

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Independent Auditor's Report (continued)

Report on Other Legal and Regulatory Requirements

As required by the Canada Corporations Act, we report that in our opinion, the accounting principles in Canadian generally accepted accounting principles have been applied on a basis consistent with that of the preceding year.

Collins Barrow Ottawa LLP

Chartered Accountants, Licensed Public Accountants
November 5, 2011
Ottawa, Ontario

Canadian Parks and Wilderness Society
Statement of Financial Position

March 31	2011	2010
Assets		
Current		
Cash (Note 1)	$ 703,099	$ 419,991
Short-term investments (Note 2)	700,000	700,000
Accounts receivable (Note 3)	97,657	72,014
Prepaid supplies, expenses and deposits	20,754	24,627
	1,521,510	1,216,632
Capital assets (Note 4)	162,052	170,892
	$ 1,683,562	$ 1,387,524
Liabilities and Net Assets		
Current		
Accounts payable and accrued liabilities	$ 76,648	$ 58,019
Deferred contributions (Note 5)	555,843	644,753
Transfers payable to incorporated chapters (Note 6)	278,558	106,676
Transfers payable to the controlled Foundation (Note 7)	60,816	3,638
	971,865	813,086
Commitments (Note 9)		
Net assets (Note 10)		
Internally restricted net assets		
Invested in capital assets (Note 11)	162,052	170,892
Reserve fund	295,711	207,926
Unrestricted net assets	253,934	195,620
	711,697	574,438
	$ 1,683,562	$ 1,387,524

On Behalf of the Board:

Raymond Plourde

Trustee

Trustee

Canadian Parks and Wilderness Society
Statement of Changes in Net Assets

For the year ended March 31	Internally Restricted Net Assets			2011	2010
	Invested in Capital Assets	Reserve Fund	Unrestricted	Total	Total
Balance, beginning of year	$ 170,892	$ 207,926	$ 195,620	$ 574,438	536,208
Excess (deficiency) of revenue over expenses for the year	(12,130)	1,007	148,382	137,259	38,230
Acquisition of capital assets	3,290	-	(3,290)	-	-
Internal transfer	-	86,778	(86,778)	-	-
Balance, end of year	$ 162,052	$ 295,711	$ 253,934	$ 711,697	$ 574,438

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Canadian Parks and Wilderness Society
Statement of Operations

For the year ended March 31	2011	2010
Revenue (Note 6)		
Designated revenue	$ **1,355,318**	$ 1,282,968
Individual donations	**983,130**	935,662
Bequests	**378,379**	46,112
Foundation and corporate grants and donations	**897,362**	900,550
Other revenue (Note 7)	**84,515**	97,763
Amortization of deferred contributions related to capital assets (Note 8)	**-**	112,250
	3,698,704	3,375,305
Expenses		
Revenue disbursements (Note 6)	**1,476,575**	1,239,053
Development and membership	**452,045**	492,726
Conservation programs	**513,633**	446,704
Communication and public education	**128,599**	192,296
General and administrative	**463,102**	338,478
Amortization of capital assets (Note 4)	**12,130**	127,907
Controlled unincorporated chapter expenses excluding amortization of capital assets (Note 12)	**515,361**	499,911
	3,561,445	3,337,075
Excess of revenue over expenses for the year	$ **137,259**	$ 38,230

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Nature and Purpose of the Organization

The Canadian Parks and Wilderness Society ("the Society") is incorporated under the laws of Canada as a not-for-profit organization without share capital under Part II of the Canada Corporations Act. The Society is a registered charity and as such, it is exempt from income taxes, and may issue tax receipts for donations. The Society is dedicated to protecting Canada's wild ecosystems in parks, wilderness and similar natural areas. The Society also promotes awareness and understanding of ecological principles and the inherent values of wilderness through education, appreciation and experience. Regional activities are conducted by "Regional Chapters" of the Society some of which are controlled unincorporated chapters and some of which are incorporated chapters that are not controlled by the Society, but operate through agency agreements. The Regional Chapters are The Wildlands League, Saskatchewan, Manitoba, Ottawa Valley, Southern Alberta, Northern Alberta, British Columbia, Quebec, Nova Scotia, New Brunswick, Newfoundland, the Yukon and the Northwest Territories.

Basis of Presentation

Under Canadian generally accepted accounting principles (GAAP), controlled not-for-profit organizations could be reported by either consolidating the controlled organizations or by providing summary disclosure of the controlled organizations.

These financial statements reflect the assets, liabilities, net assets, revenues and expenses of the Society and its controlled unincorporated chapters. Transactions and balances between the Society and the controlled unincorporated chapters have been eliminated in these financial statements.

These financial statements do not include the financial position, results of operations and cash flows of the incorporated chapters that are not controlled by the Society but act as agents for the Society.

Under the Society's bylaws, the Society's Board of Trustees may from time to time establish chapters to promote and carry out the objects of the Society and may revoke a chapter's status.

Further, under the Society's bylaws, the Society's Board of Trustees may cause a dissolution of any unincorporated chapter and the net assets would revert to the Society.

Upon cessation of an unincorporated chapter's operations or of an incorporated chapter's status as a chapter of the Society, all usage of the chapter name and Society trade-marks immediately cease. The chapter shall return all materials which have been provided by the Society to the chapter and shall destroy all letterhead and other similar material on which the name of the Society appears. In addition, the chapter shall immediately comply with all financial and other directives provided by the Society, including provision of all financial information regarding the affairs of the chapter.

Basis of Presentation (continued)

The controlled unincorporated chapters consolidated in these financial statements are Manitoba, Quebec, New Brunswick and Newfoundland.

The incorporated chapters not consolidated in these financial statements are The Wildlands League, Saskatchewan, Ottawa Valley, Southern Alberta, Northern Alberta, British Columbia, Nova Scotia, the Yukon and the Northwest Territories.

The Society exercises control over the Foundation for Canadian Parks and Wilderness ("the Foundation") by virtue of the Society being the sole member of the Foundation and therefore has the ability to appoint all of the Foundation's Board of Directors. The controlled Foundation is not consolidated in these financial statements, which is an acceptable accounting policy under GAAP since alternative disclosures have been provided in note 7 to these financial statements.

Use of Estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future. These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in the period in which they become known.

Significant estimates include assumptions used in: estimating the amounts and collectibility of accounts receivable; in establishing the useful lives and related amortization of capital assets; in estimating provisions for accrued liabilities; and in estimating the amount of contributions earned and deferred.

Financial Instruments

The accounting standards for financial instruments require that financial assets and liabilities be classified according to their characteristics, management's intention, or the choice of category in certain circumstances. Financial assets must be classified as either held-for-trading, held-to-maturity, available-for-sale or loans and receivables. Financial liabilities must be classified as held-for-trading or other liabilities. When initially recognized, financial assets and financial liabilities are recorded at fair value on the statement of financial position. In subsequent periods, financial assets and financial liabilities classified as held-for-trading will be valued at fair value with gains or losses arising from a change in fair value recognized in operations as they occur, or as a component of deferred contributions if the change in fair value of a held-for-trading financial asset is restricted. Financial assets classified as available-for-sale are also recorded at fair value with any change in fair value recognized in the statement of changes in net assets until realized or if there is a decline in value that is considered other than temporary in which case the loss would be transferred to the statement of operations.

Financial Instruments (continued)

Items that are classified in the following categories, will be measured at amortized cost using the effective interest method with gains or losses recognized in operations when realized. These categories are loans and receivables, investments held-to-maturity and other liabilities.

The Society's financial instruments as at March 31, 2011 consist of cash, short-term investments, accounts receivable, deposits, accounts payable and accrued liabilities, and transfers payable to incorporated chapters and the controlled Foundation. They are not classified as being held-for-trading purposes or available-for-sale so they are valued at amortized cost which approximates fair value at the end of the year-end due to their short-term maturities and/or if they are interest bearing, due to their short-term maturities or their bearing of a variable rate of interest.

Unless otherwise noted, it is management's opinion that the Society is not exposed to significant interest, currency or credit risks arising from these financial instruments.

Financial Instruments Disclosures

The Canadian Institute of Chartered Accountants (CICA) Handbook Section 3862, Financial Instruments - Disclosures and CICA Handbook Section 3863, Financial Instruments - Presentation replaced CICA Handbook Section 3861, Financial Instruments - Disclosure and Presentation for certain entities, revising and enhancing the disclosure requirements and carrying forward unchanged the presentation requirements. These new Sections would provide additional information to enable users of the financial statements to evaluate the significance of financial instruments for an entity's financial position and performance, the nature and extent of risks arising from financial instruments to which an entity is exposed, and how an entity manages those risks. The Society would have had to adopt these new Sections for its March 31, 2010 fiscal year. However, the CICA eliminated the requirement for not-for-profit organizations to adopt these standards. As a result, the Society has opted to disclose and present financial instruments under the CICA Handbook Section 3861, Financial Instruments - Disclosure and Presentation in these financial statements instead of the more onerous CICA Handbook Sections 3862 and 3863, which is a permitted option under the transition rules for not-for-profit organizations in these standards.

Transaction Costs

Transaction costs, if any, related to the Society's financial instruments are charged to operations as incurred.

Financial Risk Management

The Society manages its most significant assets of cash and short-term investments according to its cash needs and in such a way as to earn investment income as well as to ensure that amounts invested in financial markets are not a risk. The Society is not involved in any hedging relationships through its operations and does not hold or use any derivative financial instruments for trading purposes.

Canadian Parks and Wilderness Society
Summary of Significant Accounting Policies

March 31, 2011

Revenue Recognition

The Society follows the deferral method of accounting for contributions which consist of designated revenue; individual donations; bequests; and foundation and corporate grants and donations. Externally restricted contributions other than endowment contributions are recognized as revenue in the year in which the related expenses are incurred. Endowment contributions are recognized as direct increases in net assets. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably assured.

Unrestricted and internally restricted interest and investment revenue is included in other revenue and is being recognized as revenue when it is earned with the passage of time. Externally restricted interest and investment revenue, if any, is initially included in deferred contributions and recognized as revenue, being included in other revenue, in the year in which the related expenses are incurred.

Contributed Materials and Services

Volunteers contribute an indeterminable number of hours per year to the Society. Due to the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

Donated materials are recorded as donations revenue at their fair value at the time the materials are donated if these materials are used in the normal course of operations, would otherwise be purchased by the Society and their fair value can be reasonably estimated. Donated materials are not material to the Society's financial statements.

Capital Assets

Capital assets are recorded at cost; and in the case of donated capital assets, at fair value on the date of contribution, when it can be reasonably determined. The amortization of capital assets commences when the assets are put in service. When a capital asset no longer contributes to the Society's ability to provide services, its carrying amount is written down to its residual value.

The following capital assets are amortized to operations over their expected useful lives on a declining balance basis at the following annual rates:

Building	4%
Computer equipment and software	30%

Website development costs consist of website application and development stage costs and graphics development costs. Costs capitalized consist of third party costs only. Internal costs including overheads have not been capitalized and are charged to operations as incurred since it is management's opinion that these costs are not necessarily incremental in nature to the organization and in many respects would not be practicable to determine. Website development

Capital Assets (continued)	costs are amortized to operations on a straight-line basis over their expected useful life of two years. As set out in note 4 to these financial statements, website development costs became fully amortized during the Society's 2010 fiscal year. Contributions of and amounts related to capital assets and donated capital assets are amortized to operations and included as revenue on the same basis as the amortization of the respective capital asset. Donated capital assets are not material to the Society's financial statements.
Net Assets	Internally restricted net assets invested in capital assets is comprised of the amount of capital assets acquired with unrestricted funds as explained in note 11 to these financial statements. The reserve fund was established in 2008 by the Society's Board of Trustees and is therefore internally restricted. The reserve fund is only to be used at the discretion of the Society's Board of Trustees and the Board of Directors of the Society's Foundation for items that the Boards deem necessary. The intent is to have funds available to fund charitable operations in times of financial difficulty. The reserve fund is to be funded through transfers from unrestricted net assets that are sourced from a portion of unrestricted bequest revenue and operational surpluses since the establishment of the reserve fund in 2008. Unrestricted net assets represents the Society's net assets that may be used by the Society for any purpose it deems appropriate.
Allocation of Expenses	Except for the amortization of capital assets, the Society's expenses, excluding controlled unincorporated chapters, are presented in the statement of operations on a functional program basis. Certain costs incurred are applicable to more than one function, are directly related to the output of the applicable function, and are therefore considered shared direct costs. The Society does not allocate costs among functions that do not directly contribute to the output of the applicable function using formulae or other allocation bases. Therefore the functional expense totals do not include any indirect costs. Specifically, general and administrative expenses, and development and membership expenses in the statement of operations represent the total amounts incurred for the year and have not been allocated among other functional expense categories. Development and membership expenses consist substantially of fundraising expenses.
Statement of Cash Flows	A statement of cash flows has not been provided since the sources and uses of cash are readily apparent from the information included in the financial statements.

Future Changes in Accounting Standards

The CICA has announced that all Canadian reporting entities, subject to certain exceptions which include not-for-profit organizations, will adopt International Financial Reporting Standards (IFRS) as Canadian generally accepted accounting principles for years beginning on or after January 1, 2011. The Society, at its option, may adopt IFRS if it so chooses.

The CICA has also announced that for years beginning on or after January 1, 2012 Canadian private sector not-for-profit organizations (i.e. those not controlled by government entities) will have a new financial reporting framework and that early adoption will be permitted.

For organizations that do not adopt IFRS but rather adopt the new not-for-profit standards the existing not-for-profit accounting standards will remain, supplemented by the new private enterprise standards. The new private enterprise standards include recognition, measurement and presentation changes and simplifications in many areas as well as reduced required disclosures in the financial statements whereas IFRS would require to some extent different and expanded recognition, measurement, presentation and disclosure standards.

The Society expects to adopt the new not-for profit standards but has yet to determine the potential impacts of doing so.

1. Cash

The bank accounts are held at Canadian chartered banks and other Canadian financial institutions being credit unions. Substantially all of the accounts earn interest at a variable rate. As at March 31, 2011 these rates were nominal.

The net increase in cash for the 2011 fiscal year was $283,108 which was the result of cash generated substantially all by operating activities.

For the 2010 fiscal year, the cash balance decreased by $620,906. This decrease was the result of the acquisition of short-term investments set out in note 2 to these financial statements of $700,000 offset by cash generated substantially all by operating activities of $79,094.

2. Short-Term Investments

The short-term investments of $700,000 consist of guaranteed investment certificates (GIC's) held at one Canadian chartered bank and earn interest at a rate between 0.75% to 1.25% (2010 - 0.35%). The GIC's have maturity dates between April 14, 2011 and June 17, 2011 (2010 - April 5, 2010 and May 10, 2010).

3. Accounts Receivable

The accounts receivable consists of the following:

	2011	2010
Receivables from incorporated chapters	**$ -**	$ 24,401
Grants receivable	**78,832**	29,973
Receivable from the controlled Foundation (Note 7)	**5,100**	5,000
Other receivables	**13,725**	12,640
	$ 97,657	$ 72,014

4. Capital Assets

	2011			2010		
	Cost	**Accumulated Amortization**	**Net Book Value**	Cost	Accumulated Amortization	Net Book Value
Building	**$ 225,780**	**$ 79,448**	**$ 146,332**	$ 225,780	$ 73,351	$ 152,429
Computer equipment	**44,154**	**30,058**	**14,096**	40,864	24,722	16,142
Computer software	**16,248**	**14,624**	**1,624**	16,248	13,927	2,321
Website development costs	**224,499**	**224,499**	**-**	224,499	224,499	-
	$ 510,681	**$ 348,629**	**$ 162,052**	$ 507,391	$ 336,499	$ 170,892

The website development costs were incurred during the 2009 fiscal year and relate to the Big Wild program that was operated during the 2009 and 2010 fiscal years. Therefore, $nil (2010 - $112,250) of the total amortization of $12,130 (2010 - $127,907) is related to program activities. The purchase of this asset was fully funded by specific contributions as set out in note 8 to these financial statements.

5. Deferred Contributions

Deferred contributions represent unspent externally restricted grants and donations received. The externally restricted grants and donations received are not recorded as revenue in the statement of operations until expended on the specific project for which the funds were received. The deferred contributions at year-end are for future operating expenses of the following projects and activities.

	2011	2010
Big Wild	**$ 22,800**	$ 79,061
Boreal Campaign	**221,159**	203,809
Integration Studies	**10,544**	10,544
Nova Scotia Protected Area	**221,619**	282,193
Oceans	**60,095**	51,030
Other	**12,626**	18,116
Yellowstone to Yukon	**7,000**	-
	$ 555,843	$ 644,753

6. **Incorporated Chapters**

The Society's policy is to deliver some of its conservation programs through its incorporated chapters. Grants and donations received are contracted to the incorporated chapters under agency agreements for these purposes. The Society maintains a cost recovery program to recover a portion of its administrative costs incurred during the processing of grants and donations.

Designated revenue consists of donations, bequests and grants that are specifically designated for a program. These items are normally applied for by the incorporated chapter on behalf of the Society. The Society initially receives these amounts and then contracts with the appropriate incorporated chapter.

Revenue disbursements of $1,476,575 (2010 - $1,239,053) presented in the Society's statement of operations represent the total amounts that were contracted to the incorporated chapters during the year under the Society's budget allocation policy. These would include a portion of the designated revenue, individual donations, bequests, foundation and corporate grants and donations, and other revenue.

The policy of the Society is to make transfers to the incorporated chapters under the respective agency agreements for unrestricted donations received for charitable work. As at March 31, 2011 there was an amount of $51,935 (2010 - $84,237) included in revenue disbursements expense that was yet to be transferred to the incorporated chapters for these donations. In addition there were designated donations for charitable programs to be carried out by the incorporated chapters that were received by the Society and included in revenue disbursements expense that were yet to be transferred to the designated incorporated chapters in the amount of $226,623 (2010 - $22,439). All the amounts to be transferred do not bear interest.

The building that is owned by the Society, as set out in note 4 to these financial statements, is used by one of the incorporated chapters in exchange for which all incremental costs related to the use of the building are the responsibility of the incorporated chapter. The chapter is not charged the annual amortization expense of the building.

7. **Foundation for Canadian Parks and Wilderness**

During the fiscal year March 31, 2011 the Foundation for Canadian Parks and Wilderness ("the Foundation") made donations of $5,100 (2010 - $5,000) to the Society. These donations are included in other revenue in the Society's statement of operations.

The Foundation is incorporated under the laws of Canada as a not-for-profit organization without share capital under Part II of the Canada Corporations Act. The Foundation is also a registered charity and as such, it is exempt from income taxes and may issue tax receipts for donations. The Foundation manages an endowment fund, which was established to support the Society. The Foundation also promotes the conservation of natural land and marine ecosystems in Canada through public education, scientific studies and protection. In doing so the Foundation may solicit and receive donations, grants and bequests to fund its administration as well as projects undertaken directly or by other organizations promoting the same objectives of the Foundation.

7. **Foundation for Canadian Parks and Wilderness** (continued)

This controlled Foundation has not been consolidated in these financial statements. Financial statements of the Foundation are available on request. A summary of the Foundation's assets, liabilities, net assets, revenues and expenses for the years ended March 31, 2011 and 2010 is as follows:

	2011	2010
Financial Position		
Assets		
Cash and accounts receivable	$ 238,818	$ 137,632
Cash allocated for endowment purposes	26,402	26,402
Total Assets	$ 265,220	$ 164,034
Liabilities	$ 9,530	$ 9,151
Net Assets		
Endowment	26,402	26,402
Unrestricted	229,486	128,481
Total Net Assets	255,888	154,883
Liabilities and Net Assets	$ 265,418	$ 164,034
Results of Operations		
Revenue		
Donations	$ 108,434	$ 18,042
Investment	398	88
Other	458	-
	109,290	18,130
Expenses		
Donations to the Society	5,100	5,000
Administrative	3,185	3,654
Total Expenses	8,285	8,654
Excess of revenue over expenses for the year	$ 101,005	$ 9,476

7. **Foundation for Canadian Parks and Wilderness** (continued)

The Foundation's financial instruments as at March 31, 2011 and/or March 31, 2010 consisted of cash, accounts receivable, cash allocated for endowment purposes, and accounts payable and accrued liabilities.

As at March 31, 2011 and/or March 31, 2010, cash, cash allocated for endowment purposes, accounts receivable, and accounts payable and accrued liabilities, were not classified as being held-for-training purposes or available-for-sale so they were valued at amortized cost which approximated fair value at the year-end due to their short-term maturities and/or if they were interest bearing due to their short-term maturities or their bearing of a variable rate of interest.

Included in accounts receivable of the Foundation is $60,816 (2010 - $3,638) receivable from the Society with respect to $106,782 (2010 - $16,390) of donations and bequests received by the Society on behalf of the Foundation as well as bequests received by the Society for it's own account, a portion which the Society transfers to the Foundation. This account has no specific repayment terms or conditions and is interest free. In the Society's statement of financial position, these amounts due to the Foundation are shown as transfers payable to the controlled Foundation.

Included in the liabilities of the Foundation is $5,100 (2010 - $5,000) payable to the Society representing the balance of the 2011 fiscal year donation to the Society of $5,100 (2010 - $5,000). The liability has no specific repayment terms or conditions and is interest free. In the Society's statement of financial position this amount due from the Foundation is included in accounts receivable as set out in note 3 to these financial statements.

The Society provides administrative services to the Foundation at no cost. The Society also incurs expenses on behalf of the Foundation and these amounts are then repaid by the Foundation at cost. These amounts have no specific repayment terms or conditions and are interest free.

8. **Deferred Contributions Related to Capital Assets**

Deferred contributions related to capital assets is calculated as follows:

	2011	2010
Balance, beginning of year	$ -	$ 112,250
Amounts amortized to revenue during the year	-	(112,250)
Balance, end of year	$ -	$ -

9. **Commitments**

As part of its normal operations, the Society and its controlled unincorporated chapters have various commitments with various expiry dates related to the purchase of services and for the rental of equipment and premises for its 2012 fiscal year and thereafter.

The most significant agreement is for the lease of office space for the Society's national office. The lease agreement expires May 31, 2016. In addition to the Society's national office space lease there are also lease agreements for the Manitoba and Quebec unincorporated chapters that expire April 2014 and October 2012 respectively. The annual rents include additional rent representing operating costs and applicable taxes.

The estimated total payments for these noted items is for the next six fiscal years and are approximately:

2012	$ 88,086
2013	79,737
2014	64,763
2015	52,817
2016	51,922
2017	8,654
	$ 345,979

10. **Capital Disclosures**

The Society's capital disclosures are in accordance with CICA Handbook Section 1535, Capital Disclosures, which establishes standards for disclosure of information related to an entity's objectives, policies and processes for managing capital.

The Society's capital is comprised as its net assets which total $711,697 (2010 - $574,438). Internal restrictions on the Society's capital consists of: its reserve fund in the amount of $295,711 (2010 - $207,926) as described in the net assets section of the summary of significant accounting policies accompanying these financial statements; and the amounts invested in its capital assets of $162,052 (2010 - $170,892) as described in the net assets section of the summary of significant accounting policies accompanying these financial statements and note 11 to these financial statements. Therefore after these restrictions, the Society's available capital consists of its unrestricted net assets in the amount of $253,934 (2010 - $195,620). Of this unrestricted balance approximately $137,000 (2010 - $88,000) is related to the controlled unincorporated chapters that have been consolidated in these financial statements. The Society is not subject to externally imposed restrictions of its capital.

The Society manages its capital structure and makes adjustments to it in light of changes in the economic conditions and the risk characteristics of the underlying assets to meet its organizational objectives. These objectives are stated in the nature and purpose of the organization section of the summary of significant accounting policies accompanying these financial statements.

The Society's objectives when managing its capital are also to maintain flexibility between:

- enabling it to operate efficiently;
- providing liquidity for growth opportunities;
- having funds available for cyclical expenditures (i.e. expenditures not recurring annually); and
- having funds available for unexpected increases in expenditures or decreases in revenues.

As set out in the note 5 to the financial statements, the Society has deferred contributions of $555,843 (2010 - $644,753) available to fund specific future projects.

The Society's financial risk management policies, as set out in the summary of significant accounting policies accompanying these financial statements, have been established to assist the Society in meeting the objectives set out above by ensuring the Society's major assets, being cash and short-term investments, are not at excessive risk and the Society has sufficient liquidity. The Society's Board of Trustees does not establish quantitative return on capital criteria.

10. **Capital Disclosures** (continued)

In addition, as set out in the summary of significant accounting policies and note 7 to these financial statements, the Society controls the Foundation for the Canadian Parks and Wilderness which has not been consolidated in these financial statements. As such, the net assets referred to in this note exclude the Foundation's net assets of $255,888 (2010 - $154,883).

11. **Internally Restricted Net Assets Invested in Capital Assets**

Internally restricted net assets invested in capital assets is calculated as follows:

	2011	2010
Capital assets - net book value (Note 4)	**$ 162,052**	$ 170,892

12. **Controlled Unincorporated Chapter Expenses**

The statement of operations includes the expenses of the controlled unincorporated chapters. However, these chapters do not report their expenses on a functional basis and it was not practicable to reclassify them. Therefore, except for amortization of capital assets, they have not been consolidated on a functional basis and are presented separately. A summary of these expenses on an object basis is as follows:

	2011	2010
Salaries and benefits	**$ 350,936**	$ 348,702
Professional and consulting fees	**56,034**	38,823
Premises	**45,304**	47,180
Travel	**26,094**	35,627
Communications	**19,736**	17,872
Other	**17,257**	11,707
	$ 515,361	$ 499,911

13. **Comparative Amounts**

In certain instances, 2010 amounts presented for comparative purposes have been reclassified to conform with the financial statement presentation adopted for the current year.