Financial Statements

Jane Goodall Institute for Wildlife Research, Education and Conservation

Toronto, Ontario

June 30, 2013

Contents

PRENTICE YATES & CLARK
CHARTERED ACCOUNTANTS

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Independent Auditors' Report

To the Members of Jane Goodall Institute for Wildlife Research, Education and Conservation:

We have audited the accompanying financial statements of Jane Goodall Institute for Wildlife Research, Education and Conservation, which comprise the statement of financial position as at June 30, 2013, June 30, 2012 and July 1, 2011 and the statements of changes in net assets, operations and cash flows for the years ended June 30, 2013 and June 30, 2012 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 accounting standards for not-for-profit organizations, 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 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 Organization'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 Organization'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 qualified audit opinion.

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CLARK

Independent Auditors' Report - continued

Basis for Qualified Opinion

In common with many charitable organizations, the Organization derives revenue from donations the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to donation revenue, special events revenue, surplus, current assets and net assets.

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis of Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Jane Goodall Institute for Wildlife Research, Education and Conservation as at June 30, 2013, June 30, 2012 and July 1, 2011 and the results of its operations and its cash flows for the years ended June 30, 2013 and June 30, 2012 in accordance with Canadian accounting standards for not-for-profit organizations.

Toronto, Ontario
November 6, 2013

Prentice Yates & Clark

Chartered Accountants Licensed Public Accountants

Statement of Financial Position

Statement of Financial Position		2013		2012		July 1, 2011
Current Assets						
Cash and temporary investments, Note 4	$	936,836	$	954,547	$	853,213
Accounts receivable		20,782		37,300		75,598
Prepaid expenses		6,418		5,436		11,535
Inventory		291		3,660		6,796
Total Current		964,327		1,000,943		947,142
Long-Term Investments, Note 4		150,000		0		203,515
Capital Assets, Note 5		8,633		14,076		19,524
		1,122,960		1,015,019		1,170,181
Current Liabilities						
Accounts payable and accrued liabilities		50,294		57,714		58,093
Deferred revenue		58,918		10,328		145,544
Total Liabilities		109,212		68,042		203,637
Net Assets						
Unrestricted						
Capital assets fund, per statement		8,633		14,076		19,524
Development fund, per statement		1,005,115		932,901		947,020
		1,013,748		946,977		966,544
		1,122,960		1,015,019		1,170,181

Approved by The Board

Mohnish Kamat
Director

Andrew Wright
Director

The notes on pages 9 through 15 form an integral part of these financial statements.

Statement of Changes in Net Assets

	Development Fund	Capital Assets Fund	2013	2012
Balance beginning	$ 932,901	$ 14,076	$ 946,977	$ 966,544
Add (deduct)				
Surplus (Deficit)	70,667	(3,896)	66,771	(19,567)
Transfer of capital assets	1,547	(1,547)	0	0
Balance June 30	1,005,115	8,633	1,013,748	946,977

Jane Goodall Institute for Wildlife Research, Education and Conservation

Year ended June 30, 2013

Statement of Operations		2013		2012
Revenue				
Donations and Government Grants				
African project donations and grants	$	764,018	$	425,071
Roots & Shoots youth education donations and grants		188,609		126,291
General donations		413,772		287,312
Total Donations and Government Grants		1,366,399		838,674
Other Revenue				
General revenue		49,579		10,702
Investment income and foreign exchange		12,759		11,789
Lectures and events		227,758		226,227
Sales of merchandise		2,829		52,861
Total Other Revenue		292,925		301,579
Total Revenues		1,659,324		1,140,253
Expenses				
Program Expenses				
African project expenses		1,001,488		545,163
Communication expenses		105,036		113,091
Roots & Shoots expenses		244,367		199,312
Total Program Expenses		1,350,891		857,566
Administration Expenses				
Administration		95,284		106,901
Cost of merchandise		4,230		30,368
Fundraising		138,252		159,537
Total Administration Expenses		237,766		296,806
Other Expenses				
Amortization		3,896		5,448
Total Expenses		1,592,553		1,159,820
Surplus (Deficit)		66,771		(19,567)

Statement of Cash Flows

		2013		2012
Operating Activities				
Surplus (deficit)	$	66,771	$	(19,567)
Items not requiring an outlay of cash:				
Amortization		3,896		5,448
Impairment loss on capital assets		1,547		0
		72,214		(14,119)
Changes in Non-Cash Working Capital				
Accounts receivable		16,518		38,298
Prepaid expenses		(982)		6,099
Inventory		3,369		3,136
Accounts payable and accrued liabilities		(7,420)		(379)
Deferred revenue		48,590		(135,216)
		60,075		(88,062)
Cash Flows From (Used In) Operating Activities		132,289		(102,181)
Investing Activities				
Decrease (increase) in long-term investments		(150,000)		203,515
Cash Flows (Used In) From Investing Activities		(150,000)		203,515
Net (decrease) increase in during the year		(17,711)		101,334
Cash and temporary investments at beginning of year		954,547		853,213
Cash And Temporary Investments at End Of Year		936,836		954,547

Notes to Financial Statements

Status and Nature of Activities

Jane Goodall Institute for Wildlife Research, Education and Conservation (the Organization) is a non-profit corporation dedicated to supporting wildlife research, education and conservation. The Organization works to promote the understanding, care and preservation of earth's living creatures and of their shared natural environment.

The objectives of the Organization are as follows:

- Increase Canadian awareness of and compassion for the plight of endangered animals, with a focus on chimpanzees;

- Foster public understanding of the interconnected nature of the human, animal and ecological communities;

- Increase support for habitat and species conservation, particularly for wild chimpanzees;

- Promote activities that ensure the well-being of wild and captive chimpanzees;

- Provide training in and support for environmental and humanitarian education and action; and

- Inspire and engage Canadians to take action in local and global environmental and humanitarian initiatives.

The Organization is a registered charitable organization under the Income Tax Act, incorporated without share capital by letters patent under the Canadian Corporations Act.

Note 1 Significant Accounting Policies

Funds

The Capital Assets Fund accounts for all transactions related to capital assets including amortization. The Development Fund is a reserve fund derived from unrestricted surpluses. The purpose of the fund is to accrue funds to allow for new program or development initiatives for the Organization, and to provide a reserve fund to the organization in case of need.

Inventory

Inventory is valued at the lower of cost and net realizable value. Cost is determined on the basis of the first-in, first-out method (FIFO).

Note 1 Significant Accounting Policies - continued

Revenue Recognition

The Organization follows the deferral method of accounting for contributions. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can reasonably be estimated and collection is reasonably assured. Contributions received in advance of a program year and unearned are recorded as deferred revenue and recognized as revenue in the period in which the related expense is incurred.

Investment income includes interest from cash and investments, realized gains and losses distributed on investments and foreign exchange gains or losses on minor transaction in foreign currencies. Interest from fixed income investments is recognized over the term of these investments using the effective interest method. The remaining investment income is recognized on an accrual basis.

General revenue consists of education and outreach fees, marketing and licensing fees and other miscellaneous revenues. These revenues are recognized when the service is provided.

Revenue from lectures and events are recognized when the services are provided.

Revenue from sales of merchandise are recognized when the sale of the merchandise is completed.

Capital Assets

Capital assets are recorded at cost. The provision for amortization is calculated on the declining balance basis and charged to the statement of operations at the following rates:

Computer & Software	30%
Office equipment	20%
Video equipment	30%

Financial Instruments

Measurement of Financial Instruments

The Organization initially measures its financial assets and financial liabilities at fair value, except for certain non-arm's length transactions.

The Organization subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in income.

Financial assets measured at amortized cost include cash and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable .

Note 1 **Significant Accounting Policies - continued**

Use of Estimates

The preparation of financial statements requires the management to make assumptions about future events that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Allocation of Expenses

The Organization supports African projects and the Roots & Shoots program as well as communications and awareness raising as part of its mandate. The costs of each program include the costs of personnel and other expenses that are directly related to providing the programs. The Organization also incurs a number of general support expenses that are common to the administration of the organization and each of its programs.

A portion of salaries and benefits and general office expenses that are not already clearly tied to specific program areas have been allocated to program functions over the past year. These expenses are allocated as described in Note 6 and applied consistently each year. Expenses are reflected in both dollar terms and as a percentage of total expenses in that area.

Note 2 **Impact of the Change in the Basis of Accounting**

The Organization has elected to apply Canadian accounting standards for Not-for-Profit Organizations (NFPOs).

These financial statements are the first financial statements for which the Organization has applied Canadian accounting standards for NFPOs.

The financial statements for the year ended June 30, 2013 were prepared in accordance with the accounting principles and provisions set out in the First-Time Adoption, Section 1501, for first-time adopters of this basis of accounting.

The application of adopting this new financial reporting framework had no impact on the previously reported financial position as at July 1, 2011 and June 30, 2012 or to previously reported deficit or net assets for the year ended June 30, 2012. Consequently, a reconciliation of previously reported deficit to deficit as reported using accounting standards for NFPOs was not prepared.

Note 3 Financial Instruments

Risk Management Policy

The Organization is exposed to various risks through its temporary investments and its accounts receivable. Temporary investments are primarily in the form of guaranteed investment certificates diversified among a number of financial institutions. The following analysis provides a measure of the risks at June 30, 2013.

Credit Risk

The Organization is subject to concentrations of credit risk through its accounts receivable. The accounts receivable balance is made up of mostly receivables from government organizations within Canada. The maximum credit risk is equivalent to the carrying value. Management believes that the credit risk concentration with respect to its accounts receivable is low. Management assesses collectibility of its receivables on a periodic basis, and any receivables deemed uncollectible are written off.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. These fluctuations may be significant. The methods and assumptions management uses when assessing market risks have not changed substantially from the prior period and are summarized as follows:

(i) Interest Rate Risk

The Organization manages its investments based on its cash flow needs and with a view to optimizing its investment income. The Organization has invested its excess cash in guaranteed investment certificates as the means for managing its interest rate risk. See Note 4 for further details.

(ii) Foreign Currency Risk

The Organization's functional currency is the Canadian Dollar. It is the opinion of management that the Corporation is not exposed to significant foreign currency risks as the majority of its transactions are in Canadian Dollars.

(iii) Commodity Price Risk

The Organization is subject to normal price risk associated with consumer products.

Note 4 **Cash, Investments and Reserve Funds**

	2013	2012	July 1, 2011
Cash			
Petty cash	$ 200	$ 200	$ 200
Operating current accounts	215,005	133,230	134,745
CIDA current account	42,986	787	113,403
Brokers cash account	0	954	28
Temporary Investments			
Guaranteed investment certificates earning interest between 0.8%- 1.3%, maturing February-June 2014	678,645	819,376	604,837
	936,836	954,547	853,213
Long-Term Investments			
Guaranteed investment certificates, earning 1.85% interest and maturing June 2015	150,000	0	203,515
	1,086,836	954,547	1,056,728
Composed of:			
Cash and temporary investments	936,836	954,547	853,213
Long-term investments	150,000	0	203,515
	1,086,836	954,547	1,056,728

	2013	2012
Investment income includes:		
Interest	12,293	11,950
Realized gains	58	1,044
	12,351	12,994

Note 5 **Capital Assets**

		Cost		Accumulated Amortization		Net 2013
Computers and software	$	18,499	$	(12,414)	$	6,085
Office equipment		4,653		(2,486)		2,167
Video equipment		1,613		(1,232)		381
		24,765		(16,132)		8,633

		Cost		Accumulated Amortization		Net 2012
Computers and software	$	45,153	$	(34,886)	$	10,267
Office equipment		7,305		(4,035)		3,270
Video equipment		1,613		(1,074)		539
		54,071		(39,995)		14,076

Note 6 Salaries and Benefits, General Office Expenses and Electronic Communications Expenses

Salaries and benefits consists of remuneration to employees not directly attributable to the Roots & Shoots or any other project or department. General office expenses consists of office supplies and telephone which are not directly attributable to any project or department. Electronic communication expenses consist of IT support related costs which are not directly attrbutable to any project or department. The total amount of allocated salaries and benefits, general office expenses and electronic communications expenses during the year totaled $354,816.

Salaries and benefits have been allocated as follows:

	%		2013	%		2012
African project expenses	21	$	70,422	22	$	74,527
Communication expenses	24		83,336	20		68,655
Roots & Shoots expenses	14		47,236	21		71,231
Administration expenses	14		47,730	15		52,375
Fundraising	27		92,194	22		76,138
Total remuneration during the year	100		340,918	100		342,926

General office expenses have been allocated as follows:

	%		2013	%		2012
African project expenses	16	$	1,372	14	$	1,666
Communication expenses	10		870	10		1,155
Roots & Shoots expenses	41		3,484	40		4,620
Administration expenses	11		1,074	13		1,463
Fundraising	22		1,927	23		2,634
Total expenses during the year	100		8,727	100		11,538

Electronic communication expenses have been allocated as follows:

	%		2013
African project expenses	24	$	1,241
Communication expenses	22		1,138
Roots & Shoots expenses	14		724
Administration expenses	13		724
Fundraising	27		1,344
Total expenses during the year	100		5,171