

**GLOBAL COMPACT NETWORK CANADA**  
**FINANCIAL STATEMENTS**  
**Year Ended December 31, 2024**

**GLOBAL COMPACT NETWORK CANADA**  
**INDEX TO FINANCIAL STATEMENTS**  
**Year Ended December 31, 2024**

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Global Compact Network Canada

### *Opinion*

We have audited the financial statements of Global Compact Network Canada (the organization), which comprise the statement of financial position as at December 31, 2024, and the statements of revenues and expenditures, changes in net assets and 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 organization as at December 31, 2024, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

### *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 organization in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical 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.

### *Other Matter*

The financial statements for the year ended December 31, 2023 were audited by another auditor who expressed an unmodified opinion on those financial statements on .

### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, 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 organization'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 organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization'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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Independent Auditor's Report to the Members of Global Compact Network Canada (*continued*)

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 organization'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 organization'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 organization 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.



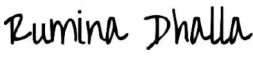
OakTree Chartered Professional Accountants Inc.

Burnaby, British Columbia  
May 20, 2025

**GLOBAL COMPACT NETWORK CANADA**
**STATEMENT OF FINANCIAL POSITION**
**December 31, 2024**

	General	Restricted	2024 Total 2024	2023 Total 2023
	2024	2024		
<b>ASSETS</b>				
<b>CURRENT</b>				
Cash	\$ 766,056	\$ 236,704	\$ 1,002,760	\$ 1,003,010
Accounts receivable	11,705	-	11,705	46,016
Harmonized sales tax recoverable	7,898	-	7,898	3,355
Prepaid expenses	1,401	-	1,401	-
Government funding receivable	-	184,727	184,727	88,923
	787,060	421,431	1,208,491	1,141,304
<b>PROPERTY, PLANT AND EQUIPMENT (Net of accumulated amortization) (Note 4)</b>				
	4,397	4,957	9,354	7,964
	\$ 791,457	\$ 426,388	\$ 1,217,845	\$ 1,149,268
<b>LIABILITIES AND NET ASSETS</b>				
<b>CURRENT</b>				
Accounts payable	\$ 15,278	\$ 4,868	\$ 20,146	\$ 17,011
Wages payable	-	-	-	393
Employee benefits payable	1,740	-	1,740	1,306
	17,018	4,868	21,886	18,710
<b>DEFERRED CONTRIBUTIONS (Note 5)</b>				
	-	135,407	135,407	128,370
	17,018	140,275	157,293	147,080
<b>NET ASSETS</b>	774,439	286,113	1,060,552	1,002,188
	\$ 791,457	\$ 426,388	\$ 1,217,845	\$ 1,149,268

**On behalf of the Board**
  
 Director

  
 Director

See notes to financial statements

**GLOBAL COMPACT NETWORK CANADA**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**Year Ended December 31, 2024**

	General	Restricted	2024	2023
<b>REVENUES</b>				
Participation fees	\$ 775,154	\$ -	\$ 775,154	\$ 726,205
Programs	11,211	-	11,211	59,245
Projects	9,048	-	9,048	7,431
Government funding: 50-30 Challenge (Note 5)	-	991,606	991,606	924,158
Government funding: Male Allyship (Note 5)	-	111,292	111,292	-
Government funding: NRCAN (Note 5)	-	81,579	81,579	-
Government funding: WAGE (Note 5)	-	27,028	27,028	192,082
Government funding: PRME (Note 5)	-	9,145	9,145	-
Donation	6,531	-	6,531	-
	801,944	1,220,650	2,022,594	1,909,121
<b>EXPENSES</b>				
Salaries and wages	570,580	402,253	972,833	780,413
Professional fees	34,289	632,265	666,554	717,281
Travel	20,846	34,985	55,831	49,444
Office	19,193	70,291	89,484	50,675
Insurance	9,170	-	9,170	5,018
Advertising and promotion	7,217	26,086	33,303	32,314
Amortization	1,165	760	1,925	1,305
Interest and bank charges	609	2,238	2,847	1,446
Supplies	492	555	1,047	-
Training	25	8,490	8,515	-
Donations	-	153	153	-
Programs	-	-	-	3,292
	663,586	1,178,076	1,841,662	1,641,188
<b>EXCESS OF REVENUES OVER EXPENSES</b>	\$ 138,358	\$ 42,574	\$ 180,932	\$ 267,933

See notes to financial statements

**GLOBAL COMPACT NETWORK CANADA**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**Year Ended December 31, 2024**

	General	Restricted	2024	2023
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 699,632	\$ 320,924	\$ 1,020,556	\$ 752,623
Excess of revenues over expenses	138,358	42,574	180,932	267,933
Transfer to (from) funds ( <i>Note 5</i> )	(67,905)	64,069	(3,836)	-
Other adjustments	4,354	(141,454)	(137,100)	(18,368)
<b>NET ASSETS - END OF YEAR</b>	\$ 774,439	\$ 286,113	\$ 1,060,552	\$ 1,002,188

See notes to financial statements

**GLOBAL COMPACT NETWORK CANADA****STATEMENT OF CASH FLOWS****Year Ended December 31, 2024**

	2024	2023
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenses	\$ 180,932	\$ 267,933
Item not affecting cash:		
Amortization of property, plant and equipment	1,924	1,305
	<b>182,856</b>	<b>269,238</b>
Changes in non-cash working capital:		
Accounts receivable	34,311	37,469
Government funding receivable	(95,804)	20,894
Accounts payable	3,138	(555)
Prepaid expenses	(1,401)	-
Harmonized sales tax payable	(4,543)	31,840
Deferred contributions	7,037	19,911
Wages payable	(393)	(32,978)
Employee deductions payable	434	(13,186)
	<b>(57,221)</b>	<b>63,395</b>
Cash flow from operating activities	<b>125,635</b>	<b>332,633</b>
<b>INVESTING ACTIVITY</b>		
Purchase of property, plant and equipment	<b>(3,314)</b>	<b>(5,486)</b>
<b>FINANCING ACTIVITY</b>		
Funds transfer	<b>(122,571)</b>	<b>(18,368)</b>
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<b>(250)</b>	<b>308,779</b>
Cash - beginning of year	<b>1,003,010</b>	<b>694,231</b>
<b>CASH - END OF YEAR</b>	<b>\$ 1,002,760</b>	<b>\$ 1,003,010</b>

See notes to financial statements



# GLOBAL COMPACT NETWORK CANADA

## NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2024

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### 1. PURPOSE OF THE ORGANIZATION

Global Compact Network Canada (the "organization") is a not-for-profit organization of Ontario. As a registered charity the organization is exempt from the payment of income tax under Subsection 149(1) of the Income Tax Act.

The Organization, launched in June 2013, is spearheading the Sustainable Development Goals and the 10 Principles of the UN Global Compact. In doing so, it unified and builds the capacity of the Canadian private sector to embrace sustainable business practices by convening and accelerating opportunities for multi-stakeholder collaboration. The Organization's vast network allows it to host interactive e-sessions, in person panels, roundtables, and other discussions on latest corporate responsibility topics with a wide range of stakeholders from government, civil society, corporations, unions, and indigenous groups to facilitate dialogue and engage greater action.

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### 2. BASIS OF PRESENTATION

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPPO).

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### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### (a) Comparative figures

Certain comparative amounts have been reclassified to conform to the current year's presentation.

#### (b) Fund accounting

Global Compact Network Canada follows the restricted fund method of accounting for contributions.

The General Fund accounts for the organization's program delivery and administrative activities. This fund reports unrestricted resources and restricted operating grants.

The Restricted Fund reports only restricted resources that are to be used for purposes stipulated by the funding organization.

#### (c) Cash and cash equivalents

Cash includes cash and cash equivalents. Cash equivalents are investments in treasury bills and are valued at cost plus accrued interest. The carrying amounts approximate fair value because they have maturities at the date of purchase of less than ninety days.

#### (d) Contributed services

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

#### (e) Government grants

Government grants are recorded when there is a reasonable assurance that the organization had complied with and will continue to comply with, all the necessary conditions to obtain the grants.

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# GLOBAL COMPACT NETWORK CANADA

## NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2024

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Measurement uncertainty

Certain amounts in the financial statements are subject to measurement uncertainty and are based on the organization's best information and judgment. Actual results could differ from these estimates.

Examples of significant estimates include:

- providing for amortization of property, plant and equipment and goodwill;
- the estimated useful lives of assets;
- the recoverability of tangible assets;

(g) Net assets

- a) Unrestricted net assets comprise the excess of revenue over expenses accumulated by the organization each year, not of transfers, and are available for general purposes.

(h) Revenue Recognition

Global Compact Network Canada follows the deferral method of accounting for contributions, which includes participation fees, sponsorship, program, and government funding.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

(i) Property, plant and equipment

Property, plant and equipment is stated at cost or deemed cost less accumulated amortization and is amortized over its estimated useful life on a declining balance basis at the following rates and methods:

Equipment 20% declining balance method

The organization regularly reviews its property, plant and equipment to eliminate obsolete items. Government grants are treated as a reduction of property, plant and equipment cost.

Property, plant and equipment acquired during the year but not placed into use are not amortized until they are placed into use.

### 4. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value
Equipment	\$ 15,490	\$ 6,136	\$ 9,354	\$ 7,964

# GLOBAL COMPACT NETWORK CANADA

## NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2024

### 5. GOVERNMENT FUNDING

	2024	2023
<u>The Accelerated Systemic Change: The Case for Gender Equality Leadership for Sustainable Recovery ("WAGE")</u>		
The Accelerated Systemic Change: The Case for Gender Equality Leadership for Sustainable Recovery ("WAGE") is a project funded by the Government of Canada- Minister for the Department of Women and Gender Equality. The maximum funding available to the Organization is \$540,553 for the period commencing on September 21, 2021 and ending on March 31, 2024. The funds are externally restricted and to be used solely for the WAGE project. Total funding received is \$540,543 (2023 - \$513,515).		
Government funding recognized	\$ 27,028	\$ 193,622
Salaries	(17,731)	(128,560)
Professional fees	(49,903)	(43,814)
Travel	(10,878)	(11,641)
Marketing	(9,160)	(2,132)
Administrative	(3,796)	(5,863)
Interest and bank charges	(215)	(72)
Net change	(64,655)	1,540
Opening deferred contribution balance	110,002	108,462
Ending deferred contribution balance	45,347	110,002

#### NRCan's Climate Change Adaptation Program

The UN Global Compact Network Canada is participating in NRCan's Climate Change Adaptation Program (2022–2027) to help Canada's regions and industries adapt to a changing climate. The program supports decision-makers in implementing adaptation measures, enhances workforce climate adaptation knowledge, and increases access to adaptation tools and resources. Projects under this initiative will focus on developing and sharing knowledge, tools, and best practices to assist communities, policymakers, and natural resource businesses in making adaptation-informed decisions. Deliverables will include case studies, reports, and guidance documents designed to facilitate climate resilience planning and action across Canada.

Government funding recognized	81,579	-
Salaries	(96,247)	-
Professional fees	(885)	-
Travel	(704)	-
Marketing	(2,856)	-
Administrative	(12,042)	-
Net change	(31,155)	-
Opening deferred contribution balance	-	-
Funds transferred from (to) general fund	31,155	-
Ending deferred contribution balance	-	-

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# GLOBAL COMPACT NETWORK CANADA

## NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2024

### 5. GOVERNMENT FUNDING (continued)

#### WAGE Male Allyship

With support from the Department of Women and Gender Equality, the UN Global Compact Network Canada is leading a 30-month initiative to advance gender equity in workplace leadership through the promotion of male allyship. This initiative will identify systemic barriers to allyship — including gender norms, leadership models, and power dynamics—and will culminate in the development of a Male Allyship Action Guide to help organizations integrate allyship into their diversity, equity, and inclusion (DEI) strategies. Through research and engagement, this initiative will amplify the voices of women, particularly those from equity-deserving groups, and foster stronger networks between male allies and women leaders. The project will also drive policy and practice changes by delivering actionable strategies and best practices, ensuring that organizations are equipped to create more inclusive and equitable workplace cultures.

Government funding recognized	111,292	-
Salaries	(31,052)	-
Professional fees	(9,242)	-
Travel	(39)	-
Administrative	(2,977)	-
Interest and bank charges	(127)	-
Net change	67,855	-
Opening deferred contribution balance	-	-
Ending deferred contribution balance	67,855	-

#### 50-30 Challenge

The Government of Canada established the 50-30 Challenge Ecosystem Fund to support participants by linking them to best practices and tools, providing guidance and advising on other diversity supports specific to each organization's unique needs. The Ecosystem partners will also promote the What Works Toolkit, and report on the progress of 50-30 participants to Innovation, Science and Economic Development Canada. The maximum funding available to the Organization for this project is \$2,920,029 for the period commencing on February 7, 2022 and ending on March 31, 2025. The funds are externally restricted and to be used solely for the 50-30 project. Total funding received is \$2,402,755 (2023 - \$1,411,150).

Government funding recognized	991,605	924,158
Salaries	(571,083)	(251,869)
Professional fees	(257,222)	(634,125)
Travel	(14,336)	(8,894)
Marketing	(136,685)	(14,504)
Administrative	(10,384)	(14,502)
Interest and bank charges	(1,895)	(264)
Net change	-	-
Opening deferred contribution balance	-	-
Funds transferred from (to) general fund	-	-
Ending deferred contribution balance	-	-

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## GLOBAL COMPACT NETWORK CANADA

### NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2024

#### 5. GOVERNMENT FUNDING *(continued)*

##### PRME

The UN Global Compact Network Canada, in partnership with PRME Chapter North America, serves as the Chapter's Treasurer and facilitates the allocation of Chapter Development Funding to support the growth of responsible management education initiatives. As part of this collaboration, Global Compact Network Canada oversees financial processes, expenditure approvals, and fund disbursements to ensure alignment with PRME's mission. Funding supports key activities such as annual meetings, faculty workshops, administrative support, recruitment efforts, and marketing initiatives aimed at expanding PRME's reach and engagement across North America. Global Compact Network Canada works closely with the PRME Secretariat to ensure transparent reporting on fund usage, reinforcing PRME's commitment to advancing sustainability and responsible management education in higher education institutions across the region.

Government funding recognized	9,145	26,053
Education expense	(5,308)	(7,685)
Net change	3,837	18,368
Opening deferred contribution balance	18,368	-
Ending deferred contribution balance	22,205	18,368
Total deferred contribution from all programs	\$ 135,407	\$ 128,370

#### 6. FINANCIAL INSTRUMENTS

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date.

Financial assets measured at amortized cost include cash and accounts receivable. Financial liabilities measured at amortized cost include accounts payables and accrued liabilities and GST/HST payable.

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