

**CONSERVATION COUNCIL OF NEW BRUNSWICK INC.**

**Financial Statements**

**Year Ended June 30, 2023**

**CONSERVATION COUNCIL OF NEW BRUNSWICK INC.**

**Statement of Financial Position**

**June 30, 2023**

	2023	2022
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 728,853	\$ 268,192
Marketable securities <i>(Cost \$208,627)</i>	427,931	378,110
Accounts receivable	13,314	167,331
Prepaid project expenses	8,603	9,166
	1,178,701	822,799
<b>PROPERTY AND EQUIPMENT <i>(Note 4)</i></b>	<b>71,353</b>	<b>64,765</b>
	<b>\$ 1,250,054</b>	<b>\$ 887,564</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable	\$ 18,108	\$ 24,975
Current portion of long term debt <i>(Note 6)</i>	30,000	-
Government remittances payable	3,727	934
Deferred revenue <i>(Note 5)</i>	552,969	316,440
	604,804	342,349
<b>LONG TERM DEBT <i>(Note 6)</i></b>	<b>-</b>	<b>40,000</b>
	<b>604,804</b>	<b>382,349</b>
<b>NET ASSETS</b>		
General fund	556,485	416,450
Restricted fund	24,000	24,000
Third fund	64,765	64,765
	645,250	505,215
	<b>\$ 1,250,054</b>	<b>\$ 887,564</b>

**ON BEHALF OF THE BOARD**

\_\_\_\_\_ *Director*

\_\_\_\_\_ *Director*

CONSERVATION COUNCIL OF NEW BRUNSWICK INC.

Statement of Changes in Net Assets

Year Ended June 30, 2023

	General Fund	Restricted Fund	Third Fund	2023	2022
NET ASSETS -					
BEGINNING OF YEAR	\$ 416,450	\$ 24,000	\$ 64,765	\$ 505,215	\$ 508,730
EXCESS OF REVENUE OVER EXPENSES	140,035	-	-	140,035	(3,515)
NET ASSETS - END OF YEAR	\$ 556,485	\$ 24,000	\$ 64,765	\$ 645,250	\$ 505,215

**CONSERVATION COUNCIL OF NEW BRUNSWICK INC.**

**Statement of Revenues and Expenditures**

**Year Ended June 30, 2023**

	2023	2022
<b>REVENUE</b>		
Project revenue <i>(Note 7)</i>	\$ 747,982	\$ 568,907
Donations	155,689	102,294
Special events and fundraising	1,976	-
Memberships	3,782	3,547
Project administration	110,791	31,069
Sales and service	2,497	2,353
Wage subsidies	59,207	16,030
Investment <i>(Note 9)</i>	58,750	1,590
	<b>1,140,674</b>	<b>725,790</b>
<b>EXPENSES</b>		
Amortization	2,411	1,618
Bank charges	1,419	1,355
Building and property expense	18,915	12,842
Dues and subscriptions	2,696	7,641
Equipment purchases and rentals	2,904	3,130
Fundraising	21,722	21,580
In-kind directors travel	210	-
Investment counsel fees	6,225	6,712
Member services	2,795	518
Office, occupancy and general expenses	35,856	27,076
Professional fees	12,148	12,893
Project expense <i>(Note 7)</i>	749,209	563,521
Salaries and wages	154,129	70,419
	<b>1,010,639</b>	<b>729,305</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FROM OPERATIONS</b>	<b>130,035</b>	<b>(3,515)</b>
<b>OTHER INCOME</b>	<b>10,000</b>	<b>-</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES</b>	<b>\$ 140,035</b>	<b>\$ (3,515)</b>

**CONSERVATION COUNCIL OF NEW BRUNSWICK INC.**

**Statement of Cash Flows**

**Year Ended June 30, 2023**

	2023	2022
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenue over expenses	\$ 140,035	\$ (3,515)
Items not affecting cash:		
Amortization of property and equipment	2,411	1,618
Amortization	45	61
Forgivable portion of CEBA loan	<u>(10,000)</u>	<u>-</u>
	<u>132,491</u>	<u>(1,836)</u>
Changes in non-cash working capital:		
Accounts receivable	154,017	(118,464)
Accounts payable	(6,868)	(4,263)
Deferred revenue	236,529	137,754
Prepaid project expenses	563	(1,229)
Government remittances payable	<u>2,793</u>	<u>(349)</u>
	<u>387,034</u>	<u>13,449</u>
Cash flow from operating activities	<u>519,525</u>	<u>11,613</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(9,042)	-
Marketable securities activity	<u>(49,822)</u>	<u>22,936</u>
Cash flow from (used by) investing activities	<u>(58,864)</u>	<u>22,936</u>
<b>INCREASE IN CASH FLOW</b>	<b>460,661</b>	<b>34,549</b>
Cash - beginning of year	<u>268,192</u>	<u>233,643</u>
<b>CASH - END OF YEAR</b>	<b><u>\$ 728,853</u></b>	<b><u>\$ 268,192</u></b>

CONSERVATION COUNCIL OF NEW BRUNSWICK INC.

Notes to Financial Statements

Year Ended June 30, 2023

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1. PURPOSE OF THE ORGANIZATION

The Conservation Council of New Brunswick Inc. is a citizen-based not-for-profit environmental organization that promotes public policies that recognize the importance of a healthy environment. The organization is a registered charity under the Income Tax Act.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

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

Cash and cash equivalents

The organization considers cash on hand, short-term deposits and balances with banks, net of overdrafts as cash or cash equivalents. Bank borrowings are considered to be financing activities.

Property and equipment

Property and equipment is stated at cost or deemed cost less accumulated amortization. Donated assets are recorded at fair market value at the date of donation. Property and equipment is amortized over its estimated useful life on a declining balance basis at the following rates:

Buildings	4%
Computer equipment	30%
Furniture, fixtures and equipment	20%
Marine equipment	30%

The organization regularly reviews its property and equipment to eliminate obsolete items.

Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Significant estimates include allowances for doubtful accounts receivable and useful lives of property and equipment. Actual results could differ from these estimates.

Deferred revenue

Deferred revenue represents project funding received prior to year-end for which expenses have not been incurred.

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CONSERVATION COUNCIL OF NEW BRUNSWICK INC.

Notes to Financial Statements

Year Ended June 30, 2023

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Revenue recognition

Conservation Council of New Brunswick Inc. follows the deferral method of accounting for contributions.

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. Marketable securities are recorded at market value and investment income is accrued as earned.

Donated materials

Donated property, marketable securities and other non-cash donations are recorded as contributions at their estimated fair market value at the date of the donation.

Financial instruments policy

The organization considers any contracts a financial asset, liability, or equity instrument as a financial instrument, except in certain limited circumstances. The organization accounts for the following as financial instruments:

1. Cash and cash equivalents
2. Trade and other receivables
3. Payables and accruals
4. Marketable securities

A financial asset or liability is recognized when the organization becomes party to contractual provisions of the instrument.

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

Financial assets or liabilities obtained in related party transactions are measured in accordance with the accounting policy for related party transactions except for those transactions that are with a person or entity whose sole relationship with the organization is in the capacity of management in which case they are accounted for in accordance with financial instruments.

The organization subsequently measures its financial assets and financial liabilities at cost or amortized cost less any reduction for impairment, except for marketable securities which are measured at fair value.

The organization removes financial liabilities, or a portion of, when the obligation is discharged, cancelled, or expires.

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3. FINANCIAL INSTRUMENTS

It is management's opinion that the organization is not exposed to significant interest, liquidity, or price risks arising from financial instruments.

**CONSERVATION COUNCIL OF NEW BRUNSWICK INC.**

**Notes to Financial Statements**

**Year Ended June 30, 2023**

**4. PROPERTY AND EQUIPMENT**

	Cost	Accumulated amortization	2023 Net book value	2022 Net book value
Land	\$ 29,660	\$ -	\$ 29,660	\$ 29,660
Buildings	65,549	32,437	33,112	34,491
Computer equipment	8,678	8,395	283	404
Furniture and fixtures	12,804	4,641	8,163	31
Project - Computer equipment	21,791	21,769	22	31
Project - Equipment and furniture	8,429	8,372	57	74
Project - Marine equipment	29,873	29,817	56	74
	<u>\$ 176,784</u>	<u>\$ 105,431</u>	<u>\$ 71,353</u>	<u>\$ 64,765</u>

For information purposes, the Council's premises at 180 St. John Street, Fredericton has a net book value (consisting of land and building) of \$45,311 recorded in the financial statements. The fair value of this property at year-end is estimated to be \$415,000.

**5. DEFERRED REVENUE**

	2023	2022
Marine conservation	\$ 33,385	\$ 147,136
Biodiversity	1,572	3,109
Healthwatch	-	10,613
Sustainable energy	492,012	155,582
Wage subsidies	26,000	-
	<u>\$ 552,969</u>	<u>\$ 316,440</u>

**6. LONG TERM DEBT**

	2023	2022
OMISTA Credit Union (CEBA) interest-free loan with no principal repayments, (with \$10,000 forgiven if \$30,000 repaid by December 31, 2023 or convert to a 5% monthly interest-only term loan on January 1, 2024 with \$40,000 principal repayment to be repaid in full by December 31, 2025).	\$ 30,000	\$ 40,000
Amounts payable within one year	<u>(30,000)</u>	-
	<u>\$ -</u>	<u>\$ 40,000</u>



CONSERVATION COUNCIL OF NEW BRUNSWICK INC.

Notes to Financial Statements

Year Ended June 30, 2023

7. PROJECT REVENUE AND EXPENSES

	2023	2022
<b>Project revenue</b>		
Biodiversity	\$ 63,446	\$ 63,155
Forest conservation	-	40,000
Fresh water protection	-	3,740
Healthwatch	10,613	-
Marine conservation	151,682	138,284
Sustainable energy	478,301	323,728
Waste management	43,940	-
	<u>747,982</u>	<u>568,907</u>
<b>Project expenses</b>		
Amortization	45	61
Biodiversity	74,439	58,440
Forest conservation	-	39,974
Fresh water protection	-	1,247
Healthwatch	10,613	-
Project expense	146,934	136,768
Sustainable energy	469,877	327,031
Waste management	47,301	-
	<u>749,209</u>	<u>563,521</u>
Net project surplus (loss)	<u>\$ (1,227)</u>	<u>\$ 5,386</u>

8. SALARY AND WAGES EXPENSE

Salary and wages expense includes \$30,000 (2022 - \$nil) paid or payable as a financial settlement to a former Executive Director.

9. INVESTMENT REVENUE

Net investment revenue includes unrealized gains on marketable securities of \$37,137 (2022 - unrealized losses of \$35,476).

10. RESERVE FUND

The Board established a reserve fund with a target of accumulating \$24,000 which would approximate three months of operating expenditures.