CONSERVATION COUNCIL OF NEW BRUNSWICK INC.

Financial Statements

Year Ended June 30, 2026

CONSERVATION COUNCIL OF NEW BRUNSWICK INC.

Index to Financial Statements

Year Ended June 30, 2026

	Page
INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position	2
Statement of Changes in Net Assets	3
Statement of Revenues and Expenses	4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 9

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of Conservation Council of New Brunswick Inc.

We have reviewed the accompanying financial statements of Conservation Council of New Brunswick Inc. (the organization) that comprise the statement of financial position as at June 30, 2026, and the statements of changes in net assets, revenues and expenses and cash flows 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 accounting standards for not-for-profit organizations (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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Basis for Qualified Conclusion

In common with many not-for-profit organizations, the organization derives revenue from fundraising activities, the completeness of which is not susceptible to us obtaining evidence we considered necessary for the purpose of the review. Accordingly, the evidence obtained of these revenues was limited to the amounts recorded in the records of the organization Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the year ended June 30, 2026, current assets and net assets as at June 30, 2026. Our review conclusion on the financial statements for the year ended June 30, 2025 was modified accordingly because of the possible effects of this limitation of scope.

Qualified Conclusion

Based on our review, except for the possible effects of the matter described in the *Basis for Qualified Conclusion* paragraph, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Conservation Council of New Brunswick Inc. as at June 30, 2026, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Teed Saunders Doyle

Fredericton, New Brunswick
October 16, 2026

CHARTERED PROFESSIONAL ACCOUNTANTS

teed saunders doyle | chartered professional accountants & advisors

CONSERVATION COUNCIL OF NEW BRUNSWICK INC.

Statement of Financial Position

June 30, 2026

	2026	2025
ASSETS		
CURRENT		
Cash	**$ 429,076**	$ 585,663
Accounts receivable	**25,932**	25,811
Harmonized sales tax receivable	**16,910**	15,224
Prepaid expenses	**8,908**	9,603
	480,826	636,301
PROPERTY AND EQUIPMENT *(Note 6)*	**64,267**	67,012
INVESTMENTS *(Note 5)*	**597,195**	490,868
	$ 1,142,288	$ 1,194,181
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	**$ 41,028**	$ 54,237
Deferred revenue *(Note 7)*	**345,925**	430,291
	386,953	484,528
NET ASSETS		
General fund	**617,068**	568,641
Restricted fund *(Note 10)*	**74,000**	74,000
Property and equipment fund	**64,267**	67,012
	755,335	709,653
	$ 1,142,288	$ 1,194,181

ON BEHALF OF THE BOARD

X Tom McLean Director, President

Robert Jackson Director

CONSERVATION COUNCIL OF NEW BRUNSWICK INC.

Statement of Changes in Net Assets

Year Ended June 30, 2026

	General Fund	Restricted Fund *(Note 10)*	Property and Equipment Fund	**2026**	2025
NET ASSETS - BEGINNING OF YEAR	$ 568,641	$ 74,000	$ 67,012	**$ 709,653**	$ 733,292
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	48,427	-	(2,745)	**45,682**	(23,639)
NET ASSETS - END OF YEAR	$ 617,068	$ 74,000	$ 64,267	**$ 755,335**	$ 709,653

CONSERVATION COUNCIL OF NEW BRUNSWICK INC.

Statement of Revenues and Expenses

Year Ended June 30, 2026

	2026	2025
REVENUES		
Project revenue *(Note 8)*	**$ 1,225,096**	$ 1,131,124
Investment *(Note 9)*	**146,423**	45,850
Donations and special events	**77,449**	112,219
Wage subsidies	**9,130**	11,018
Memberships	**3,463**	3,742
Sales and service	**2,626**	1,569
	1,464,187	1,305,522
EXPENSES		
Project expenses *(Note 8)*	**1,153,332**	1,050,844
Bank charges	**2,556**	1,409
Building and property	**16,682**	15,024
Dues and subscriptions	**1,351**	1,540
Equipment purchases and rentals	**12,668**	4,241
Fundraising	**9,978**	9,336
Investment counsel fees	**7,309**	7,552
Member services	**5,863**	3,601
Office, occupancy and general	**27,834**	31,252
Professional fees	**14,353**	15,767
Salaries and wages	**162,966**	165,291
Travel	**676**	1,050
Website	**192**	19,346
	1,415,760	1,326,253
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES FROM OPERATIONS	**48,427**	(20,731)
OTHER INCOME (EXPENSES)		
Amortization	**(2,745)**	(2,908)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	**$ 45,682**	$ (23,639)

CONSERVATION COUNCIL OF NEW BRUNSWICK INC.

Statement of Cash Flows

Year Ended June 30, 2026

	2026	2025
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	**$ 45,682**	$ (23,639)
Item not affecting cash:		
Amortization of property and equipment	**2,745**	2,908
	48,427	(20,731)
Changes in non-cash working capital:		
Accounts receivable	**(121)**	(7,611)
Harmonized sales tax receivable	**(1,686)**	(9,627)
Prepaid project expenses	**695**	(469)
Accounts payable	**(13,209)**	25,257
Deferred revenue	**(84,366)**	(50,497)
	(98,687)	(42,947)
	(50,260)	(63,678)
INVESTING ACTIVITIES		
Purchase of property and equipment	**-**	(1,644)
Investments	**(106,327)**	(37,759)
	(106,327)	(39,403)
DECREASE IN CASH FLOW	**(156,587)**	(103,081)
CASH - BEGINNING OF YEAR	**585,663**	688,744
CASH - END OF YEAR	**$ 429,076**	$ 585,663

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 and is exempt from tax by virtue of paragraph 149(1)(1) of the Income Tax Act.

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 (ASNPO).

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 and is amortized over its estimated useful life on a declining balance basis at the following rates:

Buildings	4%
Computer equipment	30%
Furniture and fixtures	20%
Project equipment	30%

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

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

Deferred revenue

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

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.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Other revenue is recognized on the accrual basis as it is earned and collectability is reasonably assured.

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.

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

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 unrealised gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Measurement uncertainty

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. Actual results could differ from these estimates.

3. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of June 30, 2026.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from customers. In order to reduce its credit risk, the organization conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, and accounts payable.

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 rate risk, interest rate risk and other price risk. The organization is mainly exposed to currency risk and interest risk.

Currency risk

Currency risk is the risk to the organization's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The organization is exposed to foreign currency exchange risk on cash and marketable securities held in U.S. dollars. The organization does not use derivative instruments to reduce its exposure to foreign currency risk.

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3. FINANCIAL INSTRUMENTS *(continued)*

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the organization manages exposure through its normal operating and financing activities. The organization is exposed to interest rate risk primarily through fixed and floating interest rates on investments.

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

4. OPERATING LINE OF CREDIT

The company has a credit facility with Omista Credit Union, which includes an approved operating line that can be drawn upon to a maximum of $35,000, which bears interest at 6.45%. As at June 30, 2026, the amount owing was $nil (2025 - $nil).

5. INVESTMENTS

	2026	2025
Fixed income	**$ 51,732**	$ 71,975
Equities	**489,015**	364,077
GIC	**56,448**	54,816
	$ 597,195	$ 490,868

Investments have been classified as long term on the Statement of Financial Position as the Organization has no intention to realize these monies for operating activities within the next fiscal year.

As at June 30, 2026, the market value of investments includes unrealised gains of $395,071 (2025 - unrealised gains $208,548).

The GIC has a maturity date of July 4, 2027 and earn interest at a rate of 2.9%.

6. PROPERTY AND EQUIPMENT

	Cost	Accumulated amortization	**2026 Net book value**	2025 Net book value
Land	$ 29,660	$ -	**$ 29,660**	$ 29,660
Buildings	65,549	36,254	**29,295**	30,516
Computer equipment	10,322	9,247	**1,075**	1,536
Furniture and fixtures	12,804	8,625	**4,179**	5,224
Project - Computer equipment	21,791	21,784	**7**	10
Project - Equipment and furniture	8,429	8,392	**37**	49
Project - Marine equipment	29,873	29,859	**14**	17
	$ 178,428	$ 114,161	**$ 64,267**	$ 67,012

For information purposes, the Council's premises at 180 St. John Street, Fredericton has a net book value (consisting of land and building) of $41,495 recorded in the financial statements. The fair value of this property at year-end is estimated to be $644,500.

7. DEFERRED REVENUE

	2026	2025
Marine conservation	**$ 20,333**	$ 13,977
Biodiversity	**127,346**	170,456
Forest conservation	**107,067**	58,122
Sustainable energy	**91,179**	187,736
	$ 345,925	$ 430,291

8. PROJECT REVENUE AND EXPENSES

	2026	2025
Project revenue		
Biodiversity	**$ 447,537**	$ 633,128
Forest conservation	**174,969**	1,878
Marine conservation	**66,215**	149,115
Sustainable energy	**536,375**	347,003
	1,225,096	1,131,124
Project expenses		
Biodiversity	**346,334**	461,442
Forest conservation	**168,010**	1,878
Marine conservation	**71,411**	160,641
Sustainable energy	**567,577**	426,883
	1,153,332	1,050,844
Net project surplus	**$ 71,764**	$ 80,280

Project revenue includes funding of $387,713 (2025 - $391,250) received or receivable from the Federal Government and $95,760 (2025 - $74,067) received or receivable from the Provincial Government.

9. INVESTMENT REVENUE

	2026	2025
Unrealized gains on investments	**$ 145,037**	$ 27,344
Interest income	**1,386**	18,506
	$ 146,423	$ 45,850

10. RESERVE FUND

The Board has established a reserve fund with a target balance sufficient to cover approximately four months of operating expenditures. The reserve funds are not segregated and are included in long-term investments.