

The Couchiching Conservancy
Financial Statements
For the Year Ended October 31, 2025

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Independent Auditors' Report

To the Members of The Couchiching Conservancy

Qualified Opinion

We have audited the accompanying financial statements of The Couchiching Conservancy, which comprise the statement of financial position as at October 31, 2025, and the statements of operations and 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, except for the possible effect of the matter described in the *Basis for Qualified Opinion* section of our report, the financial statements present fairly, in all material respects, the financial position of The Couchiching Conservancy as at October 31, 2025, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many not-for-profit organizations, The Couchiching Conservancy derives revenue from donations and special events, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of The Couchiching Conservancy. Therefore, we were not able to determine whether any adjustments might be necessary to donations, special events revenues, net assets, and cash flows from operations for the years ended October 31, 2025 and 2024, current assets as at October 31, 2025 and 2024, and net assets as at November 1 and October 31 for both the October 31, 2025 and 2024 years. Our audit opinion on the financial statements for the year ended October 31, 2025 was modified accordingly because of the possible effects of this limitation in scope.

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 Entity in accordance with the 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 qualified audit opinion.

Responsibilities of Management and Those Charged with Governance 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.

In preparing the financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity'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. 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 Entity'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 Entity'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 Entity 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.



Hehn Trickey Professional Corporation
Chartered Professional Accountants

*Authorized to practise public accounting by
the Chartered Professional Accountants of Ontario*

Orillia, Ontario
March 12, 2026

The Couchiching Conservancy
Statement of Financial Position
As at October 31, 2025

	Operating Fund	Acquisition & Capital Fund	Other Fund	October 31 2025	October 31 2024
Assets					
Current					
Cash and bank	\$ 163,772	\$ -	\$ -	\$ 163,772	\$ 368,333
Short-term investments (Note 3)	476,877	581,662	511,440	1,569,979	1,293,168
Accounts receivable	22,469	-	-	22,469	20,231
Government grants receivable	2,744	-	-	2,744	1,556
Accrued interest receivable	8,183	-	-	8,183	6,916
Interfund receivable (Note 8)	76,649	(50,000)	(26,649)	-	-
Prepaid expenses	10,811	50,000	-	60,811	9,975
	761,505	581,662	484,791	1,827,958	1,700,179
Long-term investments (Note 3)	-	-	-	-	190,977
Endowment assets (Note 4)	-	-	1,369,835	1,369,835	1,084,557
Capital assets (Note 5)	7,890	7,493,545	-	7,501,435	6,930,828
	\$ 769,395	\$ 8,075,207	\$ 1,854,626	\$ 10,699,228	\$ 9,906,541
Liabilities and Net Assets					
Current					
Accounts payable (Note 7)	\$ 53,233	\$ -	\$ -	\$ 53,233	\$ 42,943
Deferred contributions (Note 6)	307,857	-	-	307,857	393,183
	361,090	-	-	361,090	436,126
Net Assets					
Unrestricted (Note 9)	80,414	-	-	80,414	82,514
Invested in capital assets (Note 9 and 10)	7,890	7,493,545	-	7,501,435	6,930,828
Internally restricted - acquisition reserve (Note 10)	-	400,001	-	400,001	400,001
Internally restricted - President's reserve (Note 9)	320,001	-	-	320,001	300,001
Externally restricted - Corridor campaign reserve (Note 10)	-	31,661	-	31,661	189,372
Externally restricted - Priority One campaign reserve (Note 10)	-	150,000	-	150,000	-
Internally restricted - other (Note 11)	-	-	1,329,911	1,329,911	1,143,394
Externally restricted - other (Note 11)	-	-	524,715	524,715	424,305
	408,305	8,075,207	1,854,626	10,338,138	9,470,415
	\$ 769,395	\$ 8,075,207	\$ 1,854,626	\$ 10,699,228	\$ 9,906,541

The accompanying notes are an integral part of these financial statements.

The Couchiching Conservancy
Statement of Operations and Changes in Net Assets
For the Year Ended October 31, 2025

	Operating Fund	Acquisition & Capital Fund	Other Fund	October 31 2025	Budget (Note 13)	October 31 2024
Revenues						
Donations (Schedule 1)	\$ 569,287	\$ 295,177	\$ 200,077	\$ 1,064,541	\$ 1,324,512	\$ 1,170,980
Grants (Schedule 1)	157,078	430,183	-	587,261	920,546	439,027
Investment income (Note 4)	252,379	-	-	252,379	150,000	359,657
Merchandise and services	7,952	-	-	7,952	6,400	7,875
Miscellaneous	218	-	-	218	-	-
Rent	30,456	-	-	30,456	-	-
Special events	44,198	-	-	44,198	65,000	69,095
	1,061,568	725,360	200,077	1,987,005	2,466,458	2,046,634
Expenses						
Advertising and promotion	1,120	1,416	-	2,536	8,000	4,633
Amortization	3,172	9,771	-	12,943	-	12,033
Bank charges and interest	8,999	-	-	8,999	7,900	8,175
Dues, fees and licences	4,844	-	-	4,844	4,400	4,201
Fundraising and volunteers	3,586	-	-	3,586	8,000	7,393
General and office	20,662	-	-	20,662	29,614	16,504
Insurance	9,024	-	-	9,024	9,000	8,837
Materials and supplies	46,718	-	-	46,718	57,569	24,777
Printing and postage	5,479	-	-	5,479	6,300	6,239
Professional fees and closing costs	62,651	41,092	-	103,743	98,474	64,265
Property taxes and maintenance	13,070	-	-	13,070	16,200	13,462
Property and easement acquisitions	-	597,315	-	597,315	1,160,956	718,629
Property lease	19,286	-	-	19,286	22,925	18,656
Purchased merchandise	3,580	-	-	3,580	-	362
Rent	-	30,456	-	30,456	-	-
Special events	7,025	-	-	7,025	6,800	5,149
Subcontracts	22,468	-	-	22,468	60,826	34,182
Training and conference	14,486	-	-	14,486	30,000	11,195
Travel	9,400	3,110	-	12,510	17,417	10,472
Utilities and telephone	10,088	-	-	10,088	9,181	8,358
Wages and benefits	689,464	60,000	-	749,464	704,896	635,178
	955,122	743,160	-	1,698,282	2,258,458	1,612,700
Excess (deficiency) of revenues over expenses	106,446	(17,800)	200,077	288,723	208,000	433,934
Interfund transfers	(87,168)	318	86,850	-	-	-
Property and easement acquisitions	-	579,000	-	579,000	-	685,000
Net assets, beginning of year	389,027	7,513,689	1,567,699	9,470,415	9,470,415	8,351,481
Net assets, end of year (Note 9, 10 and 11)	\$ 408,305	\$ 8,075,207	\$ 1,854,626	\$ 10,338,138	\$ 9,678,415	\$ 9,470,415

The accompanying notes are an integral part of these financial statements.

The Couchiching Conservancy
Statement of Cash Flows
As at October 31, 2025

	Operating Fund	Acquisition & Capital Fund	Other Fund	October 31 2025	October 31 2024
Cash provided by (used in)					
Operating activities					
Excess of revenues over expenses (expenses over revenues)	\$ 106,446	\$ (17,800)	\$ 200,077	\$ 288,723	\$ 433,934
Items not involving cash					
Amortization of capital assets	3,172	9,771	-	12,943	12,033
Property and easement acquisitions	-	579,000	-	579,000	685,000
Interfund transfers	(87,168)	318	86,850	-	-
	22,450	571,289	286,927	880,666	1,130,967
Changes in non-cash working capital balances					
Accounts receivable	(2,238)	-	-	(2,238)	13,963
Government grants receivable	(1,188)	-	-	(1,188)	89,996
Accrued interest receivable	(1,267)	-	-	(1,267)	638
Prepaid expenses	(50,836)	-	-	(50,836)	2,373
Accounts payable	10,291	-	-	10,291	10,982
Deferred contributions	(85,327)	-	-	(85,327)	4,950
Change in interfund balances	(34,791)	50,000	(15,209)	-	-
	(142,906)	621,289	271,718	750,101	1,253,869
Investing and financing activities					
Property and easement acquisition	-	(579,000)	-	(579,000)	(685,000)
Purchase of furniture and equipment	(4,550)	-	-	(4,550)	(3,012)
Purchase of long term investments	-	-	190,977	190,977	(190,977)
Purchase of endowment assets, investment income and increase in cash surrender value of insurance policy	-	-	(285,278)	(285,278)	(177,706)
	(4,550)	(579,000)	(94,301)	(677,851)	(1,056,695)
Increase in cash during the year	(147,456)	42,289	177,417	72,250	197,174
Cash and cash equivalents, beginning of year	788,105	539,373	334,023	1,661,501	1,464,327
Cash and cash equivalents, end of year	\$ 640,649	\$ 581,662	\$ 511,440	\$ 1,733,751	\$ 1,661,501
Represented by					
Cash and bank	\$ 163,772	\$ -	\$ -	\$ 163,772	\$ 368,333
Short-term investments (Note 3)	476,877	581,662	511,440	1,569,979	1,293,168
	\$ 640,649	\$ 581,662	\$ 511,440	\$ 1,733,751	\$ 1,661,501

The accompanying notes are an integral part of these financial statements.

The Couchiching Conservancy

Notes to Financial Statements

October 31, 2025

1. Significant Accounting Policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Nature of Organization The Couchiching Conservancy was incorporated without share capital under the laws of Canada on November 4, 1993. The objectives of the organization are as follows:

- a) To preserve, protect, restore and improve the natural environment of the Couchiching Severn region.
- b) To encourage and foster an understanding and awareness of the natural environment and its value in enhancing our quality of life.
- c) To acquire, maintain and preserve lands, or interests in lands, of ecological, recreational, scientific, scenic, heritage or open space value.
- d) To promote and undertake research and data collection on the natural environment and to distribute the findings to the public.

The organization is a registered charity and, as such, is exempt from income tax and may issue income tax receipts to donors.

Fund Accounting The organization follows the restricted fund method of accounting for contributions.

The Operating Fund accounts for the organization's program delivery and administrative activities, which include the stewardship of existing properties and the indirect costs of property acquisition. This fund reports unrestricted resources and restricted operating grants.

The President's Reserve is part of the operating fund created by a motion of the Board of Directors for future core operating expenditures of the organization.

The Acquisition and Capital Fund reports the assets, liabilities, revenues and direct expenses related to the organization's property acquisitions. The Board of Directors established this fund for the purpose of acquiring lands in accordance with the organization's objectives.

The Corridor Campaign Reserve is part of the acquisition and capital fund and is comprised of restricted contributions received for the purchase of properties within the corridor.

The Couchiching Conservancy
Notes to Financial Statements
October 31, 2025

1. Significant Accounting Policies (continued)

Fund Accounting (continued)

The Priority One Campaign Reserve is part of the acquisition and capital fund and is comprised of restricted contributions received for the purchase and protection of core properties.

The Other Fund encompasses the Property Protection Reserve Fund, the Carden Conservation Reserve Fund, the Stewardship Endowment Fund and the Heartwood Endowment Fund.

The Property Protection Reserve Fund reports the assets, revenues and expenditures related to the organization's property protection investments. The Board established this fund to provide investment income to maintain properties acquired, as well as to provide a source of funds for the enforcement of ecological conditions covering properties owned, protected under a conservation easement or under a management agreement.

The Carden Conservation Reserve Fund reports the assets, revenues and expenditures related to funds designated by the organization to be used directly for conservation activities on the Carden Plain.

The Stewardship Endowment Fund was established in accordance with funding agreements for the purchase of particular properties, and is to be used for the stewardship of lands within the Natural Area Conservation Plan. Investment income earned on these funds is unrestricted and is reported in the operating fund.

The Heartwood Endowment Fund was established with the purpose of providing the Couchiching Conservancy with a stable and ongoing funding stream with the intention of further increasing the permanency of the organization. It is to be used for operations, stewardship and further investment. It is not to be used for land acquisitions. The investments held in this Endowment Fund are invested based on a long-term time horizon. Investment income earned on these funds is unrestricted and is reported in the operating fund.

The Couchiching Conservancy
Notes to Financial Statements
October 31, 2025

1. Significant Accounting Policies (continued)

Revenue Recognition The organization follows the restricted fund method whereby restricted contributions and grants are recognized in the fund corresponding to the purpose for which they were contributed. In the absence of a corresponding restricted fund, restricted contributions and grants are deferred and recognized as revenue of the general fund in the year in which the related expenses are incurred. Endowment contributions are recognized as revenue of the other fund. Unrestricted contributions and grants are recognized as revenues of the general fund. Contribution and grants are recognized in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Revenue from merchandise and services and special events is recognized at the time of shipment, when the service is rendered or when the event occurs.

Rental revenue is recognized over the course of the related rental period.

Investment income is recognized quarterly from the fund statements provided by The Community Foundation of Orillia and Area (CFOA) and annually from the statements provided by BMO Life Assurance Company. Investment income from CFOA includes realized income and unrealized gains and losses (Note 4). CFOA reports on a quarterly calendar basis, thus investment income is only reported up to September 30th of each fiscal year. Investment income is unrestricted and is reported in the operating fund

Contributed Materials and Services

Contributed materials and services which are used in the normal course of the organization's operations and would otherwise have been purchased are recorded at their fair value at the date of contribution if fair value can be reasonably estimated. Volunteers contribute their time to assist the organization in carrying out its various activities and contributions are recognized at their fair value at the date of contribution if fair value can be reasonably estimated.

The Couchiching Conservancy
Notes to Financial Statements
October 31, 2025

1. Significant Accounting Policies (continued)

Financial Instruments *Initial and subsequent measurement*

The organization initially measures its financial assets and liabilities at fair value.

The organization subsequently measures all its financial assets and liabilities at cost or amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in the fair value of these financial instruments are recognized in net income in the period incurred.

Financial assets measured at cost or amortized cost include cash, accounts receivable, government grants receivable and accrued interest receivable.

Financial liabilities measured at cost or amortized cost include accounts payable and interfund balances.

Financial assets measured at fair value include short-term investments and endowment assets.

Impairment

For financial assets measured at cost or amortized cost, the organization determines whether there are indications of possible impairment. When there is an indication of impairment, and the organization determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in net income. A previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may not be greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

The Couchiching Conservancy
Notes to Financial Statements
October 31, 2025

1. Significant Accounting Policies (continued)

Capital Assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Where fair value cannot be reasonably determined, contributed capital assets are recorded at a nominal amount.

Furniture and equipment are included in the Operating Fund and buildings are included in the Acquisition and Capital Fund. Amortization based on the estimated useful life of the asset is calculated as follows:

Buildings	- 45 years straight line basis
Furniture and equipment	- 10 years straight line basis
Computer equipment	- 5 years straight line basis

The purchase of property and easements by the Acquisition and Capital Fund are charged to the statement of operations and changes in net assets in the period of acquisition. These acquisitions are then transferred to the statement of financial position as capital assets and in the fund balances as an investment in capital assets.

Use of Estimates

The preparation of financial statements in accordance Canadian Accounting Standards for Not-for-Profit Organizations requires management to make estimates that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

**Cash and Cash
Equivalents**

Cash and cash equivalents consist of cash on hand, bank balances and short-term investments.

The Couchiching Conservancy
Notes to Financial Statements
October 31, 2025

2. Financial Instruments

The organization has a comprehensive risk management framework to monitor, evaluate and manage the principle risks assumed with financial instruments. The risks that arise from transacting financial instruments include credit risk, liquidity risk and other price risk.

(a) Credit risk:

The organization is exposed to credit risk with respect to accounts receivable, grants receivable, accrued interest receivable, short-term investments and long-term investments. The organization assesses, on a continuous basis, the accounts receivable on the basis of amounts it is virtually certain to receive. The credit risk with respect to the short-term and long-term investments is insignificant since the majority are held in large financial institutions.

(b) Liquidity risk:

The organization's exposure to liquidity risk is dependent on the receipt of funds from its major funding sources and other related fundraising sources, whether in the form of grant revenue, fundraising or investment income.

(c) Other price risk:

The portion of the organization's investments in publicly-traded securities exposes the organization to price risks as equity investments are subject to price changes in an open market. The company does not use derivative instruments to alter the effects of this risk.

The Couchiching Conservancy
Notes to Financial Statements
October 31, 2025

3. Short-term Investments

	<u>2025</u>	<u>2024</u>
Advantage savings account with interest at 0%	\$ 73	\$ 74
Community Foundation of Orillia managed fund, redeemable, earnings vary depending on quarterly results (Note 4)	1,318,038	1,240,763
Guaranteed investment certificate with interest at 3.25% maturing in April 2026	54,896	52,331
Guaranteed investment certificate with interest at 3.8%, maturing in June 2026	80,269	80,269
Guaranteed investment certificate with interest at 5.4%, maturing in November 2025	116,703	110,708
	\$ 1,569,979	\$ 1,484,145
Less amounts due or available within one year included in current assets as short-term investments	1,569,979	1,293,168
	\$ -	\$ 190,977

The Community Foundation of Orillia managed fund balance represents the fund balance at September 30 of the related fiscal year.

The Couchiching Conservancy
Notes to Financial Statements
October 31, 2025

4. Endowment Assets

	<u>2025</u>	<u>2024</u>
Heartwood Endowment Fund		
Community Foundation of Orillia managed fund, redeemable, earnings vary depending on quarterly results	\$ 758,645	\$ 572,088
Cash surrender value of an insurance policy	<u>86,475</u>	<u>88,164</u>
	<u>845,120</u>	<u>660,252</u>
Stewardship Endowment Fund		
Community Foundation of Orillia managed fund, redeemable, earnings vary depending on quarterly results	<u>524,715</u>	<u>424,305</u>
	<u>\$ 1,369,835</u>	<u>\$ 1,084,557</u>
Investment Income (Loss)		
Meridian Credit Union - GICs	\$ 9,826	\$ 11,831
Community Foundation of Orillia	244,242	348,284
BMO Life Assurance Company	<u>(1,689)</u>	<u>(458)</u>
	<u>\$ 252,379</u>	<u>\$ 359,657</u>

The above investment income is unrestricted and as a result, is recognized in the operating fund.

The insurance policy is held by the BMO Life Assurance Company and consists of a guaranteed interest account. Investment income includes interest income and market value adjustments.

The Community Foundation of Orillia (CFOA) holds funds in trust for The Couchiching Conservancy in a pooled fund with other funds that are invested with Connor, Clark and Lunn. It reports the investment income quarterly. The pooled investment fund at October 31, 2025 consists of fixed income, Canadian equity, Canadian income equity, global equity, alternative investments and hedge strategies. Investment income includes dividend and interest income, realized investment gains and losses on the sale of investments and unrealized gains and losses on investments measured at fair value. As the organization's funds are pooled with CFOA's other funds, it is not possible to separate the realized investment income from its unrealized income.

The earnings and unrealized gains (losses) reflect CFOA investment income earned from October 1 to September 30 of the related fiscal year.

In addition to the endowment funds above, the Community Foundation of Orillia and Area controls the Land Stewardship Endowment Fund which grants investment income to the Conservancy annually - 2025 - \$2,200 (2024 - \$2,200). The value of this endowment fund at October 31, 2025 was \$42,845 (2024 - \$40,912). As this endowment fund is not controlled by the conservancy, the value of the fund is not reflected in these financial statements.

The Couchiching Conservancy
Notes to Financial Statements
October 31, 2025

5. Capital Assets

			2025	2024
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Acquisition and Capital Fund				
Building - Grant Woods	\$ 439,708	\$ 92,825	\$ 346,883	\$ 356,654
Easement - Dale	125,000	-	125,000	125,000
Easement - Deadman	46,500	-	46,500	46,500
Easement - Frantzke	191,000	-	191,000	191,000
Easement - Hancock	95,000	-	95,000	95,000
Easement - Ironside Property	35,540	-	35,540	35,540
Easement - Konda Property	1	-	1	1
Easement - Larsen Property	198,500	-	198,500	198,500
Easement - Leadbeater Property	48,000	-	48,000	48,000
Easement - Ling	181,000	-	181,000	181,000
Easement - Mack Williams	75,000	-	75,000	75,000
Easement - Probst Property	36,750	-	36,750	36,750
Easement - Russell Property	7,500	-	7,500	7,500
Easement - Scout Valley	1	-	1	1
Easement - Wilkins Property	22,500	-	22,500	22,500
Land - Adams Property	220,000	-	220,000	220,000
Land - Agnew-Melnyk Nature Reserve	121,000	-	121,000	121,000
Land - Alexander Hope-Smith Nature Reserve	145,000	-	145,000	145,000
Land - Berndt-Campbell Lane	3,342	-	3,342	3,342
Land - Blackwell Nature Reserve	129,000	-	129,000	-
Land - Bluebird Ranch	233,018	-	233,018	233,018
Land - Butler Property	9,552	-	9,552	9,552
Land - Carthew Bay Reserve	80,800	-	80,800	80,800
Land - Cedar Grove Nature Reserve	59,000	-	59,000	59,000
Land - Church Woods	750,000	-	750,000	750,000
Land - Church Woods Road Allowance	2	-	2	2
Land - Deverell-Morton Reserve	471,033	-	471,033	471,033
Land - Eldridge Nature Reserve	450,000	-	450,000	-
Land - Elliott Woods	100,000	-	100,000	100,000
Land - Fawcett Nature Reserve	45,000	-	45,000	45,000
Land - Grant Wetlands	147,500	-	147,500	147,500
Land - Grant Woods	288,423	-	288,423	288,423
Land - Hewetson Property	77,000	-	77,000	77,000
Land - Jennett Woods	175,000	-	175,000	175,000
Land - Marley Reserve	71,000	-	71,000	71,000
Land - McDarker Wetlands	16,752	-	16,752	16,752

(Continued)

The Couchiching Conservancy
Notes to Financial Statements
October 31, 2025

5. Capital Assets (continued)

			2025	2024
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Acquisition and Capital Fund (continued)				
Land - McIsaac Wetlands	20,000	-	20,000	20,000
Land - Mitchell-Bruce Nature Reserve	535,000	-	535,000	535,000
Land - Nicholson Nature Reserve	100,000	-	100,000	100,000
Land - Pitts Property	281,211	-	281,211	281,211
Land - Prospect Marsh	82,500	-	82,500	82,500
Land - Roehl Reserve	23,105	-	23,105	23,105
Land - Ron Reid Nature Reserve	501,979	-	501,979	501,979
Land - Starr Property	114,194	-	114,194	114,194
Land - Taylor Nature Reserve	210,326	-	210,326	210,326
Land - Thomas Agnew Reserve	45,000	-	45,000	45,000
Land - Turnbull Ranch	299,400	-	299,400	299,400
Land - Turnbull Road Allowance	13,972	-	13,972	13,972
Land - Waterthrush Woods	16,000	-	16,000	16,000
Land - Whitney Wetland Nature Reserve	65,000	-	65,000	65,000
Land - Wolf Run Alvar	184,261	-	184,261	184,261
	7,586,370	92,825	7,493,545	6,924,316
Operating Fund				
Furniture and fixtures	6,359	6,359	-	-
Computer equipment	20,347	12,457	7,890	6,512
	26,706	18,816	7,890	6,512
	\$ 7,613,076	\$ 111,641	\$ 7,501,435	\$ 6,930,828

The easements for the Konda Property and Scout Valley have been recognized at a nominal value of \$1 each and the Church Woods road allowance has been recognized at a nominal value of \$2. Valuations were not necessary to obtain these easements and property, and due to the cost of obtaining appraisals, fair market valuations were not completed and are not planned.

The Couchiching Conservancy
Notes to Financial Statements
October 31, 2025

6. Deferred Contributions

	<u>2025</u>	<u>2024</u>
Citizen Science		
Balance, beginning of year	\$ 279,610	\$ 275,842
Plus: contributions received	81,614	210,067
Less: contributions spent	<u>(175,581)</u>	<u>(206,299)</u>
Balance, end of year	<u>185,643</u>	<u>279,610</u>
Ironside - Website		
Balance, beginning of year	6,000	-
Plus: contributions received	-	8,000
Less: contributions spent	<u>(2,000)</u>	<u>(2,000)</u>
Balance, end of year	<u>4,000</u>	<u>6,000</u>
Non-Project		
Balance, beginning of year	-	2,600
Plus: contributions received	-	-
Less: contributions spent	<u>-</u>	<u>(2,600)</u>
Balance, end of year	<u>-</u>	<u>-</u>
Other Project		
Balance, beginning of year	2,658	-
Plus: contributions received	20,000	6,675
Less: contributions spent	<u>-</u>	<u>(4,017)</u>
Balance, end of year	<u>22,658</u>	<u>2,658</u>
Heartwood Operating		
Balance, beginning of year	4,007	4,007
Plus: contributions received	-	-
Less: contributions spent	<u>-</u>	<u>-</u>
Balance, end of year	<u>4,007</u>	<u>4,007</u>
SARBEX		
Balance, beginning of year	100,908	105,784
Plus: contributions received	56,619	56,502
Less: contributions spent	<u>(65,978)</u>	<u>(61,378)</u>
Balance, end of year	<u>91,549</u>	<u>100,908</u>
Total Deferred Contributions	<u>\$ 307,857</u>	<u>\$ 393,183</u>

The Couchiching Conservancy
Notes to Financial Statements
October 31, 2025

7. Accounts Payable

	<u>2025</u>	<u>2024</u>
Government liabilities	\$ 16,756	\$ 11,307
Accrued liabilities	36,477	31,636
	\$ 53,233	\$ 42,943

8. Interfund balances

The interfund balances are non-interest bearing and carry no formal terms of repayment.

9. Operating Fund

	<u>2025</u>	<u>2024</u>
Unrestricted		
Balance, beginning of year	\$ 82,514	\$ 63,421
Surplus for the year	105,068	361,915
Interfund transfer of operating surplus to president's reserve	(20,000)	(136,059)
Interfund transfer of operating surplus to acquisition reserve	-	(167,868)
Interfund transfer of operating surplus to property protection fund	-	(31,000)
Interfund transfer of operating surplus to priority one campaign reserve	(87,168)	-
Interfund transfer to acquisition reserve for Agnew-Melnyk land acquisition costs	-	(7,895)
Balance, end of year	80,414	82,514
Invested in Capital Assets		
Balance, beginning of year	6,512	5,762
Computer equipment purchases	4,550	3,012
Amortization for the year	(3,172)	(2,262)
Balance, end of year	7,890	6,512
President's Reserve - Internally Restricted		
Balance, beginning and end of year	300,001	163,942
Interfund transfer of operating surplus	20,000	136,059
Balance, end of year	320,001	300,001
	\$ 408,305	\$ 389,027

The Couchiching Conservancy
Notes to Financial Statements
October 31, 2025

10. Acquisition and Capital Fund

	<u>2025</u>	<u>2024</u>
Invested in Capital Assets		
Balance, beginning of year	\$ 6,924,316	\$ 6,249,087
Amortization for the year	(9,771)	(9,771)
Property and easement acquisitions	<u>579,000</u>	<u>685,000</u>
Balance, end of year	<u>7,493,545</u>	<u>6,924,316</u>
Acquisition Reserve - Internally Restricted		
Balance, beginning of year	400,001	232,133
Surplus (deficit) for the year	(8,029)	81,205
Interfund transfer from corridors campaign reserve for land purchases	157,711	-
Interfund transfer of operating surplus	-	167,868
Interfund transfer to stewardship endowment fund regarding Mitchell Bruce and Cedar Grove nature reserve purchases	-	(89,100)
Interfund transfer to stewardship endowment fund regarding Blackwell and Eldridge nature reserve purchases	(86,850)	-
Interfund transfer of restricted contributions to priority one campaign reserve	(62,832)	-
Interfund transfer from operating fund for Agnew-Melnyk land acquisition costs	-	7,895
Balance, end of year	<u>400,001</u>	<u>400,001</u>
Corridor Campaign Reserve - Externally Restricted		
Balance, beginning of year	189,372	235,262
Deficit for the year	-	(45,890)
Interfund transfer to acquisition reserve for land purchases	<u>(157,711)</u>	<u>-</u>
Balance, end of year	<u>31,661</u>	<u>189,372</u>
Priority One Campaign Reserve - Externally Restricted		
Balance, beginning of year	-	-
Interfund transfer of restricted contributions from the acquisition reserve	62,832	-
Interfund transfer of operating surplus	<u>87,168</u>	<u>-</u>
Balance, end of year	<u>150,000</u>	<u>-</u>
	<u>\$ 8,075,207</u>	<u>\$ 7,513,689</u>

The Couchiching Conservancy
Notes to Financial Statements
October 31, 2025

11. Other Fund

	<u>2025</u>	<u>2024</u>
Property Protection Reserve Fund		
Balance, beginning of year	\$ 500,000	\$ 469,000
Interfund transfer of operating surplus	-	31,000
Interfund transfer to the stewardship endowment fund regarding the Agnew-Melnyk nature reserve purchase	<u>(13,560)</u>	-
Balance, end of year	<u>486,440</u>	500,000
Carden Conservation Reserve Fund		
Balance, beginning and end of year	<u>25,000</u>	25,000
Heartwood Endowment Fund		
Balance, beginning of year	618,394	572,669
Surplus for the year	<u>200,077</u>	45,725
Balance, end of year	<u>818,471</u>	618,394
Balance, end of year - internally restricted	<u>1,329,911</u>	1,143,394
Stewardship Endowment Fund		
Balance, beginning of year	424,305	335,205
Interfund transfer from the acquisition fund regarding Blackwell and Eldridge nature reserve purchases	86,850	-
Interfund transfer from the acquisition fund regarding Mitchell Bruce and Cedar Grove nature reserve purchases	-	89,100
Interfund transfer from the property protection reserve fund regarding the Agnew-Melnyk nature reserve purchase	<u>13,560</u>	-
Balance, end of year - externally restricted	<u>524,715</u>	424,305
	<u>\$ 1,854,626</u>	<u>\$ 1,567,699</u>

The Couchiching Conservancy
Notes to Financial Statements
October 31, 2025

12. Commitments

As part of a habitat offset agreement, the organization signed an agreement to lease a property in the Township of Carden for an initial period from February 2015 to January 2020. The lease carried a cost of \$13,970 per year and the organization exercised the option to extend the property lease for an additional 2 years at a cost of \$17,463 per year. On December 8, 2021, an agreement was reached to extend the lease for another five years from February 2022 to January 2027 at a cost of \$17,463 per year.

In addition, the organization committed to leasing another property in the Township of Carden for an initial period of October 2016 to September 2021. The lease carries a cost of \$1,305 per year. The organization reached an agreement to further extend the lease to September 2027 at the same cost per year.

The minimum annual lease payments for the next three years is as follows:

2026	\$	18,768
2027		4,366

13. Budget Information

The budget figures presented for comparison purposes are unaudited.

14. Contributed Materials and Services

These statements include \$88,097 (2024 - \$62,861) of contributed materials and services (including volunteer labour) that have been recorded at their fair value at the time of contribution.

15. Comparative Figures

Certain prior year figures have been reclassified to conform to the current year presentation.

The Couchiching Conservancy
Schedule 1 - Donations and Grant Revenue
For the Year Ended October 31, 2025

	Operating Fund	Acquisition & Capital Fund	Other Fund	October 31 2025	October 31 2024
Donations					
General	\$ 483,382	\$ 158,984	\$ 200,077	\$ 842,443	\$ 410,261
In kind - general	73,593	-	-	73,593	50,261
In kind - membership	12,312	2,193	-	14,505	12,600
Membership	-	-	-	-	12,858
Property and easements	-	134,000	-	134,000	685,000
	\$ 569,287	\$ 295,177	\$ 200,077	\$ 1,064,541	\$ 1,170,980
Grant Revenue					
Government of Canada	\$ 52,416	\$ -	\$ -	\$ 52,416	\$ 56,488
Province of Ontario	44,894	-	-	44,894	65,581
Other	59,768	430,183	-	489,951	316,958
	\$ 157,078	\$ 430,183	\$ -	\$ 587,261	\$ 439,027