WILDLIFE PRESERVATION CANADA/CONSERVATION DE LA FAUNE AU CANADA

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

WILDLIFE PRESERVATION CANADA/CONSERVATION DE LA FAUNE AU CANADA

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YEAR ENDED DECEMBER 31, 2025

Chartered Professional Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of: Wildlife Preservation Canada/Conservation de la Faune au Canada

Opinion

We have audited the accompanying financial statements of Wildlife Preservation Canada/Conservation de la Faune au Canada, which comprise the statement of financial position as at December 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, these financial statements present fairly, in all material respects, the financial position of Wildlife Preservation Canada/Conservation de la Faune au Canada as at December 31, 2025 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.

Basis of 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 Wildlife Preservation Canada/Conservation de la Faune au Canada 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 opinion.

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 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 organization's ability to continue as a going concern, disclosing, as applicable, matters related to a 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.

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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 judgement 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 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.

RLB LLP

Guelph, Ontario
June 2, 2026

Chartered Professional Accountants
Licensed Public Accountants

WILDLIFE PRESERVATION CANADA/CONSERVATION DE LA FAUNE AU CANADA

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2025

	2025	2024
A S S E T S		
CURRENT		
Cash	$ 669,107	$ 440,482
Accounts receivable	181,711	180,678
Prepaid expenses	12,665	4,733
Temporary investments - term deposits	0	376,911
	863,483	1,002,804
TANGIBLE CAPITAL ASSETS (note 4)	4,928	4,843
RESTRICTED CASH - ENDOWMENT	0	25,000
RESTRICTED TERM DEPOSITS - ENDOWMENT	25,000	0
	$ 893,411	$ 1,032,647
L I A B I L I T I E S		
CURRENT		
Accounts payable and accrued liabilities	$ 20,305	$ 23,004
Government remittances payable	32,414	26,645
Deferred income (note 5)	0	49,082
	52,719	98,731
N E T A S S E T S		
ENDOWMENT FUND (note 6)	25,000	25,000
UNRESTRICTED NET ASSETS (note 6)	815,692	908,916
	840,692	933,916
	$ 893,411	$ 1,032,647

See notes to the financial statements

WILDLIFE PRESERVATION CANADA/CONSERVATION DE LA FAUNE AU CANADA

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2025

	2025	2024
REVENUES		
Individual donations (note 7)	$ 583,033	$ 409,684
Government grants	569,150	643,635
Corporate and foundation donations	545,707	547,325
Other income	56,250	17,826
Contracted projects	35,896	89,740
	1,790,036	1,708,210
EXPENDITURES		
Project implementation	1,503,103	1,380,424
Administrative	195,032	141,784
Fundraising and communications	172,329	195,471
Conservation grants	12,796	30,234
	1,883,260	1,747,913
DEFICIT OF REVENUES OVER EXPENDITURES for the year	(93,224)	(39,703)
NET ASSETS, beginning of year (note 6)	933,916	948,619
ENDOWMENT CONTRIBUTIONS (note 6)	0	25,000
NET ASSETS, end of year (note 6)	$ 840,692	$ 933,916

See notes to the financial statements

WILDLIFE PRESERVATION CANADA/CONSERVATION DE LA FAUNE AU CANADA

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2025

	2025	2024
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Deficit of revenues over expenditures for the year	$ (93,224)	$ (39,703)
Items not requiring an outlay of cash		
Amortization	1,155	1,326
Loss on disposal of capital assets	427	0
	(91,642)	(38,377)
Changes in non-cash working capital		
Accounts receivable	(1,033)	22,865
Government grants receivable	0	85,000
Prepaid expenses	(7,932)	(910)
Accounts payable and accrued liabilities	(2,699)	1,841
Government remittances payable	5,769	2,924
Deferred income	(49,082)	(73,779)
	(146,619)	(436)
CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES		
Temporary investments - term deposits	376,911	(376,911)
Additions to capital assets	(1,667)	0
	375,244	(376,911)
NET INCREASE (DECREASE) IN CASH	228,625	(377,347)
NET CASH, BEGINNING OF YEAR	440,482	817,829
NET CASH, END OF YEAR	$ 669,107	$ 440,482

See notes to the financial statements

1. NATURE OF ORGANIZATION

Wildlife Preservation Canada/Conservation de la Faune au Canada is a not-for-profit organization incorporated under the laws of Ontario without share capital and is a registered charity under the Income Tax Act. Wildlife Preservation Canada/Conservation de la Faune au Canada is exempt from income tax. Its purpose is to save endangered species within Canada from extinction.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) contained in Part III of the CPA Canada Handbook. Policies considered significant are as follows:

(a) REVENUE RECOGNITION

The organization utilizes the deferral method of accounting for contributions. This treatment aligns the project revenue with the related expenditures and provides more intuitive and accurate reporting.

Revenue from government sources or donations, received for specific causes or related to specific projects is recognized in the same period as the underlying expenditures.

Donation revenue, other than for a specific cause, is recognized when received. Revenue from other sources is recognized when the underlying service is performed and collection is reasonably assured.

Externally restricted bequests are recognized in the same period as the underlying designated activity or expenditure. Undesignated bequests are recognized when received.

Endowment contributions are recognized as a direct increase in net assets in the period of donation.

(b) TANGIBLE CAPITAL ASSETS

Tangible capital assets are recorded at cost and amortized on the basis of their estimated useful life using the following methods and rates:

Computer	- 30 % declining balance basis
Vehicles	- 30 % declining balance basis
Equipment	- 20 % declining balance basis

Amortization is recorded at 50% of the above rates in the year of addition.

(c) USE OF ESTIMATES

The preparation of financial statements in conformity with Canadian generally accepted accounting principles for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Significant areas requiring management's estimates include useful lives of tangible capital assets. Actual results could differ from those estimates.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) FINANCIAL INSTRUMENTS

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

The organization subsequently measures all its financial assets and financial liabilities at amortized cost.

Impairment
At the end of each reporting period, the organization assesses whether there are any indications that a financial asset measured at cost may be impaired. If there are indicators of impairment, and the organization determines there has been a significant adverse change in the expected amount or timing of future cash flows, an impairment is recognized. If circumstances change, a previously recognized impairment may be reversed.

Transaction costs
Transaction costs attributable to financial instruments subsequently measured at fair value are recognized in income in the period incurred. Transaction costs related to financial instruments originated or exchanged in an arm’s length transaction that are subsequently measured at cost or amortized cost are recognized in the original cost of the instrument. When the instrument is measured at amortized cost, transaction costs are recognized in income over the life of the instrument using the straight-line method.

(e) CONTRIBUTED MATERIALS AND SERVICES

Contributed assets and materials, used in the normal course of operations, are recognized in the financial statements as donations when the fair value can be reasonably estimated and the materials would otherwise have been purchased.

3. FINANCIAL INSTRUMENTS

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

The extent of the organization's exposure to these risks did not change in 2025 compared to the previous period.

The organization does not have a significant exposure to any individual customer or counterparty.

4. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated Amortization	Net 2025	Net 2024
Computer	$ 10,944	$ 9,376	$ 1,568	$ 215
Vehicles	0	0	0	427
Equipment	18,924	15,564	3,360	4,201
	$ 29,868	$ 24,940	$ 4,928	$ 4,843

5. DEFERRED INCOME

The organization receives donations and grants in advance for conservation work planned in the future. These amounts are deferred until the work has been completed.

The remaining deferred income consists of grants received during 2025 which are intended to support conservation activities planned for the upcoming fiscal year.

	2025	2024
Balance, beginning of year	$ 49,082	$ 122,861
Less amount recognized as revenue in the year	(49,082)	(122,861)
Plus amount received related to the following year	0	49,082
Balance, end of year	$ 0	$ 49,082
Comprised of the following amounts:		
Government funded projects	$ 0	$ 49,082

6. NET ASSETS

The organization has a number of directly funded conservation projects and a number of projects that are funded through general operations as the opportunity and need arise. Due to the nature of conservation efforts, significant capital is often needed to hire the proper professional staff, set up research areas, purchase materials, and write proposals and outlines. The conservation projects cannot get fully underway without all of the required resources. There can be, and often are, delays between receiving funding and spending resources on the projects. Additionally, while certain conservation projects are directly funded through government agencies or industry grants, funding provided is often the maximum funding allowed so any extra costs needed are funded through the organization's reserves. Other significant conservation projects are funded through the entity’s own net assets as the opportunity and need arise.

For these reasons, the organization has built up what it believes to be sufficient reserves to cover unforeseen interruptions in current funding, provide the ability to address conservation risks in Canada that are not currently backed by agencies or industry, and fund its own conservation initiatives.

Included in net assets is a $25,000 gift received in 2024 restricted for endowments, to be known as the Darville Frog Conservation Endowment Fund. Investment income earned on the endowment is used to support the organization's frog conservation programs in Canada.

7. CONTRIBUTED MATERIALS AND SERVICES

The organization has recognized the following contributed assets and materials in its financial statements as donations:

	2025
Contributed securities	$ 61,675