

Financial Statements

Memphrémagog Conservation Inc.

March 31, 2025

COMPILATION ENGAGEMENT REPORT

To Management of Memphrémagog Conservation Inc.

On the basis of information provided by management, we have compiled the balance sheet of Memphrémagog Conservation Inc. as at March 31, 2025, the statement of operations and net assets for the year then ended, and note 2, which describes the basis of accounting applied in the preparation of the compiled financial information ("financial information").

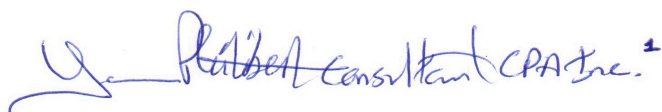
Management is responsible for the accompanying financial information, including the accuracy and completeness of the underlying information used to compile it and the selection of the basis of accounting.

We performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, *Compilation Engagements*, which requires us to comply with relevant ethical requirements. Our responsibility is to assist management in the preparation of the financial information.

We did not perform an audit engagement or a review engagement, nor were we required to perform procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial information.

Prior to compiling the Memphrémagog Conservation Inc.'s financial statements, we prepared journal entries having material impact on the financial statements.

Readers are cautioned that the financial information may not be appropriate for their purposes.



Yann Philibert Consultant CPA Inc.¹

Magog, Quebec
May 15, 2024

¹ By Yann Philibert, CPA, CPA permit No. 121634

Memphrémagog Conservation Inc.

BALANCE SHEET

As at March 31

	2025	2024
	\$	\$
ASSETS		
Current		
Cash	28 297	91 083
Accounts receivable and other receivables	52 900	30 602
Donations and grants receivable	26 392	17 456
Prepaid expenses	2 297	1 722
Inventories	2 318	4 717
	112 204	145 580
Investments <i>[note 5]</i>	143 214	128 217
Capital assets <i>[note 4]</i>	15 496	10 056
	270 914	283 853
LIABILITIES		
Current		
Account payables and accrued liabilities	27 417	18 144
Sales tax payable	1 087	1 187
Deferred revenues	17 235	33 187
	45 739	52 518
NET ASSETS		
Unrestricted fund	118 565	132 441
Restricted fund - Scholarship	76 510	67 894
Restricted fund - Conservation	30 100	31 000
	225 175	231 335
	270 914	283 853

See accompanying notes

On behalf of the Board

Director

Director

Memphrémagog Conservation Inc.

STATEMENT OF OPERATIONS

For the year ended March 31

	2025		2024
	\$		\$
INCOME			
Membership fees	113 683		99 208
Donations and events	33 563		57 748
Services and miscellaneous income	92 774		65 238
Grants and contributions <i>[note 3]</i>	109 375		100 906
	<u>349 395</u>		<u>323 100</u>
EXPENSES			
Projects			
Salaries and professionnall fees	221 902	218 200	
Capital assets depreciation	3 007	3 007	
Other projets expenses	<u>32 634</u>	<u>21 044</u>	242 251
Communications and promotion	5 431		8 397
Administrative expenses			
Salaries and professionnall fees	76 541	54 465	
Insurance	713	609	
Other office expenses	13 825	10 369	
Capital assets depreciation	<u>1 502</u>	<u>30</u>	<u>65 473</u>
	<u>355 555</u>		<u>316 121</u>
Excess (Deficiency) of income over expenses	<u>(6 160)</u>		<u>6 979</u>

See accompanying notes

Memphrémagog Conservation Inc.

STATEMENT OF NET ASSETS

For the year ended March 31

	Unrestricted fund	Restricted fund - Scholarship	Restricted fund - Conservation	2025	2024
	\$	\$	\$	\$	\$
Net assets, beginning of the year	132 441	67 894	31 000	231 335	224 356
Excess (Deficiency) of income over expenses	(13 876)	8 616	(900)	(6 160)	6 979
Inter-fund transfer	—	—	—	—	—
Net assets, end of the year	118 565	76 510	30 100	225 175	231 335

See accompanying notes

Memphrémagog Conservation Inc.

NOTES TO FINANCIAL STATEMENTS

As at March 31

1. GOVERNING STATUTES AND PURPOSE OF THE ORGANIZATION

The organization, incorporated under the Part III of the Companies Act (Quebec), aims to ensure the safeguard of the Lake Memphremagog environment and its watershed for future generations. The organization is registered has charitable organization under the Income Tax Act.

2. BASIC OF ACCOUNTING APPLIED IN THE PREPARATION OF THE FINANCIAL INFORMATION

The method of accounting applied in the preparation of the financial information is based on historical cost, taking into account cash operations as well as the following elements:

- Accounts receivable and other receivables, less, if applicable, a provision for bad debts;
- Donations and grants receivable, when the conditions allowing collection are met;
- Prepaid expenses;
- Inventories, less, if applicable, a provision for obsolescence;
- Property, plant and equipment are depreciated using the following method and rates:

	<u>Méthode</u>	<u>Taux</u>
Boat	Linear	5 years
Office equipment	Linear	5 years
Computer equipment and software	Linear	3 years

- Accounts payable and accrued liabilities;
- Deferred revenue recognized when sums are received for future expenses or for services to be rendered after the end of the year;
- Revenue recognized when the conditions of donations and grants are met or services have been rendered.

3. GRANTS AND CONTRIBUTIONS

	2025	2024
	\$	\$
Government of Canada	23 801	14 686
Government of Québec	31 864	18 941
Municipalities and cities	38 397	27 777
Foundations and others	15 313	39 502
	109 375	100 906

Memphrémagog Conservation Inc.

NOTES TO FINANCIAL STATEMENTS

As at March 31

4. CAPITAL ASSETS

	2025		
	Cost	Accumulated depreciation	Net carrying amount
	\$	\$	\$
Boat	37 405	(31 390)	6 015
Office equipment	1 887	(252)	1 635
Computer equipment and software	9 761	(1 915)	7 846
	49 053	(33 557)	15 496

	2024		
	Cost	Accumulated depreciation	Net carrying amount
	\$	\$	\$
Boat	37 405	(28 383)	9 022
Computer equipment	1 699	(665)	1 034
	39 104	(29 048)	10 056

5. INVESTMENTS

	2025	2024
	\$	\$
Deposit, at cost	71 704	60 323
Scholarship investment, at cost	71 510	67 894
	143 214	128 217

During the period ended March 31, 2025, scholarship investment recorded net distribution of \$570 and investment income net of investment expenses of \$4,186.

The fair market value of the scholarship investments is \$76,088 as at March 31, 2025 [\$69,707 as at March 31, 2024].