

THE CLEAN NOVA SCOTIA FOUNDATION
Non-Consolidated Financial Statements
Year Ended March 31, 2024

THE CLEAN NOVA SCOTIA FOUNDATION
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Year Ended March 31, 2024

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LYLE TILLEY DAVIDSON
Chartered Professional Accountants

INDEPENDENT AUDITOR'S REPORT

To the Directors of The Clean Nova Scotia Foundation

Qualified Opinion

We have audited the non-consolidated financial statements of The Clean Nova Scotia Foundation (the "Foundation"), which comprise the non-consolidated statement of financial position as at March 31, 2024, and the non-consolidated statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and notes to the non-consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying non-consolidated financial statements present fairly, in all material respects, the financial position of the Foundation as at March 31, 2024, 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 for Qualified Opinion

In common with many charitable organizations, the Foundation derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Foundation and we were not able to determine whether any adjustments might be necessary to donation revenue, excess of revenues over expenditures, and cash flows from operations for the years ended March 31, 2024 and 2023, current assets as at March 31, 2024 and 2023, and net assets as at April 1 and March 31 for both the 2024 and 2023 years. Our audit opinion on the financial statements for the year ended March 31, 2023 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 Non-consolidated Financial Statements* section of our report. We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the non-consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those 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 Non-consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the non-consolidated 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 non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

(continues)

Independent Auditor's Report to the Directors of The Clean Nova Scotia Foundation *(continued)*

In preparing the non-consolidated financial statements, management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation's financial reporting process.

Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the non-consolidated 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 non-consolidated 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 non-consolidated 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 Foundation'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 Foundation'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 non-consolidated 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 Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the non-consolidated financial statements, including the disclosures, and whether the non-consolidated 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.



Halifax, Nova Scotia
June 17, 2024

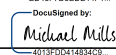
CHARTERED PROFESSIONAL ACCOUNTANTS

THE CLEAN NOVA SCOTIA FOUNDATION
Non-Consolidated Statement of Financial Position
March 31, 2024

	2024	2023
ASSETS		
CURRENT		
Cash and cash equivalents (Note 4)	\$ 23,710,635	\$ 24,891,883
Short term investments (Note 5)	3,134,123	2,952,309
Accounts receivable (Note 6)	8,047,102	11,135,726
Inventory	51,186	18,613
Harmonized sales tax recoverable	136,990	86,600
Prepaid expenses	141,544	194,122
	35,221,580	39,279,253
INVESTMENT IN 3326481 NOVA SCOTIA LIMITED (Note 7)	100	100
TRADEMARK	530	530
CAPITAL ASSETS (Note 8)	1,149,653	1,216,230
PROMISSORY NOTE RECEIVABLE (Note 9)	541,079	532,139
	\$ 36,912,942	\$ 41,028,252
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities (Note 10)	\$ 2,709,726	\$ 1,659,289
Deferred revenue (Note 11)	27,739,774	33,929,549
	30,449,500	35,588,838
NET ASSETS	6,463,442	5,439,414
	\$ 36,912,942	\$ 41,028,252

LEASE COMMITMENTS (Note 14)

ON BEHALF OF THE BOARD

 Signed by: Laura Rees Director
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 DocuSigned by: Michael Mills Director
4013F0D414834C6

THE CLEAN NOVA SCOTIA FOUNDATION
Non-Consolidated Statement of Revenues and Expenditures
Year Ended March 31, 2024

	2024	2023
REVENUES		
Service contracts and sponsorships	\$ 10,999,827	\$ 8,103,291
Government contracts and grants:		
Provincial	12,141,889	6,045,513
Federal	9,120,267	6,162,713
Municipal	202,428	72,050
	<u>21,464,584</u>	<u>12,280,276</u>
Investment income, net of fees (Notes 9, 13)	300,127	166,010
Other income	114,049	160,979
Donations	2,628	83,378
	<u>416,804</u>	<u>410,367</u>
	<u>32,881,215</u>	<u>20,793,934</u>
EXPENDITURES		
Direct program costs:		
Subcontractor services	21,300,031	12,084,468
Compensation and recruitment	6,267,475	4,772,631
Materials and safety supplies	503,709	277,007
Travel	431,372	319,674
Training and professional development	260,950	174,167
Telecommunications and information technology	256,886	138,820
Consulting and professional services	212,380	354,271
Advertising, marketing and promotion	146,917	76,703
Meetings and events	129,448	105,750
Office supplies	119,626	135,104
Amortization	14,359	13,862
Membership dues and fees	5,557	5,953
	<u>29,648,710</u>	<u>18,458,410</u>
General and administration:		
Compensation and recruitment	1,345,668	1,298,911
Occupancy and maintenance	245,771	193,790
Amortization	202,137	235,910
Insurance	162,054	98,681
Telecommunications and information technology	106,286	97,600
Office, shipping and storage supplies	103,687	100,864
Consulting and professional services	53,750	73,369
Travel	49,286	30,484
Financial services fees and interest	12,000	9,243
Training and professional development	32,339	27,268
Meetings and events	14,124	15,091
Marketing and communications	9,981	14,581
Membership dues and fees	6,222	5,400
	<u>2,343,305</u>	<u>2,201,192</u>
	<u>31,992,015</u>	<u>20,659,602</u>
EXCESS OF REVENUES OVER EXPENDITURES FROM OPERATIONS	889,200	134,332
OTHER INCOME		
Unrealized gain on marketable securities	134,828	-
EXCESS OF REVENUES OVER EXPENDITURES	\$ 1,024,028	\$ 134,332

THE CLEAN NOVA SCOTIA FOUNDATION
Non-Consolidated Statement of Changes in Net Assets
Year Ended March 31, 2024

	Unrestricted	Investment in Capital Assets	Operating Reserve Fund	Building & Capital Asset Fund	Opportunity Reserve Fund	2024	2023
NET ASSETS - BEGINNING OF YEAR	\$ -	\$ 1,207,524	\$ 2,921,793	\$ 293,410	\$ 1,016,687	\$ 5,439,414	\$ 5,305,082
Excess (deficiency) of revenues over expenditures	1,240,524	(216,496)	-	-	-	1,024,028	134,332
Interfund transfers (Note 12)	(1,090,606)	-	966,553	21,650	102,403	-	-
Capital projects	(149,918)	149,918	-	-	-	-	-
NET ASSETS - END OF YEAR	\$ -	\$ 1,140,946	\$ 3,888,346	\$ 315,060	\$ 1,119,090	\$ 6,463,442	\$ 5,439,414

THE CLEAN NOVA SCOTIA FOUNDATION
Non-Consolidated Statement of Cash Flows
Year Ended March 31, 2024

	2024	2023
OPERATING ACTIVITIES		
Excess of revenues over expenditures	\$ 1,024,028	\$ 134,332
Items not affecting cash:		
Amortization	216,496	249,772
Gain on disposal of capital assets	(300)	(1,500)
	<u>1,240,224</u>	<u>382,604</u>
Changes in non-cash working capital:		
Accounts receivable	3,088,624	(5,626,944)
Inventory	(32,573)	(18,613)
Harmonized sales tax recoverable	(50,390)	(27,678)
Prepaid expenses	52,578	(36,555)
Accounts payable and accrued liabilities	1,050,437	(2,085,047)
Deferred revenue	(6,189,775)	20,062,706
	<u>(2,081,099)</u>	<u>12,267,869</u>
Cash flow from (used by) operating activities	<u>(840,875)</u>	<u>12,650,473</u>
INVESTING ACTIVITIES		
Purchase of capital assets	(149,919)	(80,978)
Proceeds on disposal of capital assets	300	1,500
Addition to promissory note receivable	(8,940)	(8,792)
Purchase of short term investments	(181,814)	(2,952,309)
Cash flow used by investing activities	<u>(340,373)</u>	<u>(3,040,579)</u>
INCREASE (DECREASE) IN CASH FLOW	<u>(1,181,248)</u>	<u>9,609,894</u>
Cash and cash equivalents - beginning of year	<u>24,891,883</u>	<u>15,281,989</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 23,710,635</u>	<u>\$ 24,891,883</u>
CASH AND CASH EQUIVALENTS CONSIST OF:		
Cash	\$ 8,084,190	\$ 18,483,841
Cash equivalent	<u>15,626,445</u>	<u>6,408,042</u>
	<u>\$ 23,710,635</u>	<u>\$ 24,891,883</u>

THE CLEAN NOVA SCOTIA FOUNDATION
Notes to Non-Consolidated Financial Statements
Year Ended March 31, 2024

1. NATURE OF OPERATIONS

The Clean Nova Scotia Foundation (the "Foundation") was established by statute of the Nova Scotian Legislature: the Clean Nova Scotia Foundation Act, 1988, c. 7, s. 1. The Foundation is a Canadian Registered Charity under the Income Tax Act, registration number 11922-7684, and as such is exempt from paying income taxes.

Our Mission:

We provide individuals and communities with the means, knowledge, and opportunity to make responsible environmental choices.

Our Vision:

To cultivate a sustainable society by delivering innovative, effective and education programs that result in meaningful environmental change.

Our Values:

Achieving our mission and attaining our vision depends on the efforts of hundreds of employees, volunteers, and community partners. Some of us make our contribution by engaging directly in delivery programs; others, by supporting and enabling those core activities in essential ways. Whatever our individual roles, and wherever we work within the Foundation, we owe it to one another to uphold certain basic values of the community. These include:

- We are honest with our partners, the public and with each other.
- We innovate and develop programs through the talents and creative ideas of each employee.
- We value teamwork; we foster collaboration.
- We treat each other with respect.
- We deliver the best outcomes and highest quality service through the dedicated effort of every team member.
- We value a fun working environment.

The more we embrace these values in our daily lives, the more we create and sustain a culture of trust, cooperation, innovation and mutual understanding and advance a commitment to the environment and our communities, which all of us share.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

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

Financial instruments

Financial instruments are recorded at fair value when acquired or issued, except for transactions with related parties which are recorded at the exchange amount. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized 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.

(continues)

THE CLEAN NOVA SCOTIA FOUNDATION
Notes to Non-Consolidated Financial Statements
Year Ended March 31, 2024

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Cash and cash equivalents

Cash and cash equivalents consists of cash on hand, Canadian dollar denominated deposits held in Canadian financial institutions in chequing accounts and Canadian guaranteed investment certificates maturing in the next fiscal period. Interest income accruing on deposits is recorded in interest income on an accrual basis.

Investments

Investments are long term Canadian guaranteed investment certificates where the Foundation has the intention and the ability to hold the certificates until their maturity date as well as bonds, equities and other variable income instruments. Investments for which there are quoted prices in an active market are carried at fair value. Unrealized gains or losses are reported as part of net income. Investments for which there is not an active market are carried at amortized cost except when it is established that their value is impaired. Impairment losses, or reversal of previously recognized impairment losses, are reported as part of net income.

Investments in 3326481 Nova Scotia Limited

The Foundation's investment in 3326481 Nova Scotia Limited is accounted for by the cost method. The Foundation owns 100% of the outstanding voting shares of 3326481 Nova Scotia Limited.

Revenue recognition

The Clean Nova Scotia Foundation follows the deferral method of accounting for contributions, which includes donations and government grants.

The Foundation receives donations and grants from a number of different sources to cover operating, research, and capital expenditures. The operating portion of the contributions are recorded as revenue in the period to which they relate. The capital portions of the contributions are recorded as deferred contributions and amortized into revenue at a rate corresponding with the amortization rate for the related capital assets. When a portion of a contribution relates to a future period, it is deferred and recognized in the subsequent period.

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. Externally restricted contributions are recognized as revenue in the year in which the related expenses are recognized.

Service contract revenue is generally recognized according to the percentage of completion method, based primarily on contract cost incurred to date compared to total estimated contract costs. Changes to total estimated contract costs or losses, if any, are recognized in the period in which they are determined. Pre-contract costs are expensed as incurred. Revenue recognized in excess of amounts billed is classified as current assets under account revenue. Amounts billed to clients in excess of revenue recognized to date are classified as current liability under deferred revenue. The Foundation anticipates that the majority of incurred costs associated with contract work in process will be billed and collected in the following fiscal year.

(continues)

THE CLEAN NOVA SCOTIA FOUNDATION
Notes to Non-Consolidated Financial Statements
Year Ended March 31, 2024

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital assets

Purchased capital assets are stated at cost. Donated capital assets are recorded at fair value at the date of acquisition. Repairs and maintenance costs are charged to expenditures. Betterments, which extend the estimated useful life of an asset, are capitalized.

The carrying value of capital assets is reviewed each reporting period to determine whether there is any indication of impairment. Whenever events or changes in circumstances indicate a capital asset no longer has long term service potential to the Foundation, the excess of its net carrying amount over any residual value would be recognized as an expense. Such a write down is not reversed if the service potential subsequently improves. The assessment of fair values requires the use of estimates and assumptions for discount rates, future capital requirements and operating performance. Changes in any of the assumptions of estimates used in determining the fair value of the assets could impact the impairment analysis.

Capital assets are amortized based on their useful life using the following rates and methods:

Real estate	6%	declining balance
Motor vehicles	30%	declining balance
Furniture and equipment	20%	declining balance
Paving	20%	declining balance
Computer and network hardware	3 years	straight-line
Leasehold improvements	term of the lease	straight-line method
ERP system	5 years	straight-line
Developed software	3 years	straight-line

A half year's amortization is taken in the year of acquisition. Amortization to the nearest whole month is taken in the year of disposal.

Impairment of long-lived assets

The Foundation tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds its fair value.

Contributed services

The fair value of contributed services cannot be reasonably determined and are therefore not reflected in these financial statements.

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THE CLEAN NOVA SCOTIA FOUNDATION
Notes to Non-Consolidated Financial Statements
Year Ended March 31, 2024

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

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. The areas that are most subject to estimation and judgment include the useful lives of capital assets, and accrued liabilities.

Government assistance

Government assistance related to future expenditures is recorded as deferred government assistance and is amortized to income as eligible expenditures are incurred. Government assistance for current expenses is recorded as other income.

Government grants

Government grants are recorded when there is a reasonable assurance that the Foundation has complied with and will continue to comply with, all the necessary conditions to obtain the grants.

Fund accounting

Internally restricted funds presented in the Statement of Changes in Net Assets are used for specific initiatives as approved by the Board of Directors and are described below:

- The Operating Reserve Fund is a designated fund that is intended to provide an internal source of funds for situations such as an increase in expenditures, one-time unbudgeted expenditures, and unanticipated losses in funding, or uninsured losses. The Board has approved transfers of unrestricted remaining surplus annually into this fund.
- The Building & Capital Asset Fund is intended to provide a ready source of funds for repair or acquisition of buildings, leaseholds, furnitures, fixtures, and equipment necessary for the effective operation of the Foundation. The Board has approved transfers of 10% of depreciation to a maximum of \$50,000 annually into this fund.
- The Opportunity Reserve Fund is intended to provide funds to meet special targets of opportunity or need that further the mission of the Foundation which may or may not have specific expectation of incremental or long-term increased income. This fund is an intended source of internal funds for organizational capacity building such as staff development, research and development, or investment in infrastructure that will build long-term capacity. The Board has approved transfers of 10% of operating surplus annually into this fund.

THE CLEAN NOVA SCOTIA FOUNDATION
Notes to Non-Consolidated Financial Statements
Year Ended March 31, 2024

3. FINANCIAL INSTRUMENTS

The Foundation is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The Foundation's financial instruments consists of the following: cash and cash equivalents, accounts receivable, promissory note receivable, investment in 3326481 Nova Scotia Limited, and accounts payable and accrued liabilities. The following analysis provides information about the Foundation's risk exposure and concentration as of March 31, 2024.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Foundation's principal financial assets are cash, investments, and accounts receivable, which are subject to credit risk. Cash and investment-related credit exposure is minimized by dealing mostly with credit-worthy counterparties such as highly rated financial institutions. The Foundation is exposed to credit risk from customers with respect to accounts receivable. Management believes that accounts receivable-related credit risk is minimized by the credit-worthiness of the Foundation's principal clients being government or government-regulated entities.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Foundation is exposed to this risk mainly in respect of its receipt of funds from its customers and accounts payable and accrued liabilities. The Foundation monitors its cash balances generated from operations to meet its requirements.

Fair value

The fair value of marketable investments, accounts receivable, contract work in process, accounts payable and accrued liabilities approximates their carrying values due to their short maturity.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Foundation is mainly exposed to interest rate risk and other price risk.

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 Foundation manages exposure through its normal operating and financing activities. The Foundation is exposed to interest rate risk primarily through its guaranteed investment certificates.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Foundation is exposed to other price risk through its investment in quoted shares.

THE CLEAN NOVA SCOTIA FOUNDATION
Notes to Non-Consolidated Financial Statements
Year Ended March 31, 2024

4. CASH AND CASH EQUIVALENTS

	2024	2023
Guaranteed investment certificates	\$ -	\$ 6,408,042
Mutual fund - money market	15,626,446	-
Cash equivalents	15,626,446	6,408,042
Cash	8,084,189	18,483,841
Cash and cash equivalents	\$ 23,710,635	\$ 24,891,883

5. SHORT TERM INVESTMENTS

	2024	2023
Canadian bonds	\$ 2,141,998	\$ 2,071,022
Canadian equities	341,447	292,395
Other variable income	650,678	588,892
	\$ 3,134,123	\$ 2,952,309

6. ACCOUNTS RECEIVABLE

Accounts receivable are stated net of doubtful accounts, which are estimated at \$nil (2023 - \$nil).

	2024	2023
Trade accounts receivable	\$ 4,473,461	\$ 8,867,824
Accrued contract revenue	3,468,324	2,170,258
Accrued receivables & reimbursements	-	21,321
Due from 3326481 Nova Scotia Limited	105,317	76,323
	\$ 8,047,102	\$ 11,135,726

Included in accounts receivable is \$105,317 due from a subsidiary corporation, 3326481 Nova Scotia Limited (2023- \$76,323).

7. INVESTMENT IN 3326481 NOVA SCOTIA LIMITED

	2024	2023
Investment in Subsidiary 3326481 NS Ltd	\$ 100	\$ 100

In 2020 the Foundation incorporated 3326481 Nova Scotia Limited and subscribed to 100% of the common shares. The purpose of this subsidiary corporation is the purchase of 122 Portland Street, which is located next door to the current Foundation office. The Foundation has invested in this corporation for the purpose of future expansion or appreciation of property value.

The investment in 3326481 Nova Scotia Limited is carried at cost.

THE CLEAN NOVA SCOTIA FOUNDATION
Notes to Non-Consolidated Financial Statements
Year Ended March 31, 2024

8. CAPITAL ASSETS

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value
Property and equipment				
Real estate	\$ 695,853	\$ 431,060	\$ 264,793	\$ 281,694
Motor vehicles	253,157	155,407	97,750	72,019
Furniture and equipment	789,723	564,855	224,868	255,310
Paving	38,130	24,678	13,452	19,217
Computer equipment and network hardware	227,488	159,478	68,010	60,980
Leasehold improvements	667,310	224,503	442,807	524,293
	<u>2,671,661</u>	<u>1,559,981</u>	<u>1,111,680</u>	<u>1,213,513</u>
Intangible assets				
ERP system	360,488	322,515	37,973	2,717
Developed software	50,163	50,163	-	-
	<u>410,651</u>	<u>372,678</u>	<u>37,973</u>	<u>2,717</u>
	<u>\$ 3,082,312</u>	<u>\$ 1,932,659</u>	<u>\$ 1,149,653</u>	<u>\$ 1,216,230</u>

9. RELATED COMPANY

	2024	2023
<u>Related company transactions</u>		
3326481 Nova Scotia Limited		
<i>Subsidiary corporation</i>		
Investment income - interest income	\$ 8,940	\$ 8,792

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Advances to related parties

	2024	2023
Promissory note receivable		
3326481 Nova Scotia Limited \$500,000 promissory note receivable bearing interest at 1.68% per annum calculated semi-annually, repayable in monthly interest-only payments of \$700. The loan matures on June 25, 2039 and is secured by a collateral mortgage over 122 Portland Street and assignment of fire insurance and rents.	\$ 541,079	\$ 532,139

Accrued interest of \$41,079 on the promissory note is expected to be repaid during fiscal 2025. The principal balance of \$500,000 is due in full as at the maturity date of June 25, 2039.

THE CLEAN NOVA SCOTIA FOUNDATION
Notes to Non-Consolidated Financial Statements
Year Ended March 31, 2024

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Included in accounts payable and accrued liabilities are \$107,034 in government remittances payable (2023 - \$79,216).

11. DEFERRED REVENUE

	<u>2024</u>	<u>2023</u>
Electrified Rebate	\$ 12,563,429	\$ 18,828,197
Community Climate	6,246,767	5,000,000
Clean Transportation	1,754,606	2,112,642
Coastal Mapping	1,501,761	-
Clean Leaders	1,495,958	2,203,352
BIPOC Training - NS Department of Energy and Mines	1,168,672	2,012,332
Youth Climate Council	705,993	800,000
NSHP Boost	648,929	-
Resilient Retrofits	386,459	513,269
Coastal Restoration Fund	306,091	-
Other programs	184,285	93,466
Thriving Forests	123,452	-
FMC Pace	119,610	718,462
CEF Loan Loss Fund	105,000	-
Clean Investment Plan	100,000	-
Efficiency Nova Scotia - Home Warming	93,113	-
Climate Anxiety	68,629	-
OSW/GH Education Design	62,734	-
HW Warranty Reserve	50,000	-
Amended Contracts Payable - Green Jobs	31,302	-
Amended Contracts Payable - Science Horizons	22,984	-
PEI Climate Action Grant	-	103,463
Green Hydrogen Action Plan	-	92,500
Climate Education	-	13,382
Home Warming Waitlist	-	1,438,484
	<u>\$ 27,739,774</u>	<u>\$ 33,929,549</u>

As stipulated in certain agreements, the Clean Foundation is required to invest funds advanced that are not required in the short term for initiative purposes in short term Canadian investment grade securities with a rating of AA or higher. Any investment income or gains resulting are to be added to the funds available for the initiative use. The interest earned during the year for project purposes has been deferred for future initiative use.

12. INTERFUND TRANSFERS

During the year the Foundation approved the following transfers from Unrestricted Net Assets:

\$966,553 to the Operating Reserve Fund

\$21,650 to the Building and Capital Asset Fund

\$102,403 to the Opportunity Reserve Fund

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13. INVESTMENT INCOME

	<u>2024</u>	<u>2023</u>
Investment revenue	\$ 326,960	\$ 166,010
Investment fees	<u>(26,833)</u>	<u>-</u>
	<u>\$ 300,127</u>	<u>\$ 166,010</u>

14. LEASE COMMITMENTS

The Foundation has various long term leases with respect to equipment and premises. Future minimum lease payments as at year end are as follows:

2025	\$ 184,539
2026	182,803
2027	170,807
2028	172,942
2029	<u>73,261</u>
	<u>\$ 784,352</u>

15. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.