Atlantic Council for International Cooperation

Financial Statements

March 31, 2026

Atlantic Council for International Cooperation
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Independent Auditor's Report

To the Board of Atlantic Council for International Cooperation:

Opinion

We have audited the financial statements of Atlantic Council for International Cooperation (the "Organization"), which comprise the statement of financial position as at March 31, 2026, and the statements of operations, changes in net assets, cash flows and the related schedules for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2026, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for 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 Organization 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.

Other Matter

The financial statements for the year ended March 31, 2025 were audited by another practitioner who expressed an unmodified opinion on those statements on June 11, 2025.

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 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.

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 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.

Dartmouth, Nova Scotia

July 7, 2026

MNP LLP

Chartered Professional Accountants

Atlantic Council for International Cooperation
Statement of Financial Position
As at March 31, 2026

	2026	*2025*
Assets		
Current		
Cash	**472,875**	656,398
Accounts receivable *(Note 3)*	**264,093**	156,573
Prepaid expenses	**-**	960
Short-term investments *(Note 4)*	**5,677**	39,392
	742,645	853,323
Long-term Investments *(Note 5)*	**80,029**	74,125
	822,674	927,448
Liabilities		
Current		
Accounts payable and accrued liabilities	**53,332**	51,698
Employee deductions payable	**22,192**	18,159
Deferred contributions *(Note 7)*	**116,263**	304,238
	191,787	374,095
Net Assets		
Unrestricted	**491,090**	420,958
Internally Restricted	**139,797**	132,395
	630,887	553,353
	822,674	927,448

Approved on behalf of the Board

e-Signed by Kathryn Lear
2026-06-23 15:17:07:07 GMT
Director

e-Signed by Heather Dicks
2026-06-23 14:05:49:49 GMT
Director

The accompanying notes are an integral part of these financial statements

Atlantic Council for International Cooperation
Statement of Operations
For the year ended March 31, 2026

	Unrestricted	*Internally Restricted*	*2026*	*2025*
Revenue				
Project *(Note 7) (Schedule 1)*	**1,620,100**	**-**	**1,620,100**	1,569,736
Interest	**-**	**7,402**	**7,402**	13,044
Membership fees	**3,395**	**-**	**3,395**	4,040
Summer students	**11,006**	**-**	**11,006**	4,588
Other revenue	**960**	**-**	**960**	-
	1,635,461	**7,402**	**1,642,863**	1,591,408
Project expenses *(Schedule 2)*	**1,549,763**	**-**	**1,549,763**	1,479,619
Other expenses				
Other	**238**	**-**	**238**	3,691
Summer students	**15,328**	**-**	**15,328**	5,722
	15,566	**-**	**15,566**	9,413
Total expenses	**1,565,329**	**-**	**1,565,329**	1,489,032
Excess of revenue over expenses	**70,132**	**7,402**	**77,534**	102,376

The accompanying notes are an integral part of these financial statements

Atlantic Council for International Cooperation
Statement of Changes in Net Assets
For the year ended March 31, 2026

	Unrestricted Net Assets	*Internally restricted Net Assets*	***2026***	*2025*
Net assets, beginning of year	**420,958**	**132,395**	**553,353**	450,977
Excess of revenue over expenses	**70,132**	**7,402**	**77,534**	102,376
Net assets, end of year	**491,090**	**139,797**	**630,887**	553,353

The accompanying notes are an integral part of these financial statements

Atlantic Council for International Cooperation
Statement of Cash Flows
For the year ended March 31, 2026

	2026	*2025*
Cash provided by (used for) the following activities		
Operating		
Excess of revenue over expenses	**77,534**	102,377
Accrued interest on investments	**-**	(4,280)
	77,534	98,097
Changes in working capital accounts		
Accounts receivable	**(107,520)**	(109,547)
Prepaid expenses	**960**	(960)
Accounts payable and accrued liabilities	**1,634**	(43,575)
Employee deductions payable	**4,033**	(11,691)
Deferred contributions	**(187,975)**	(201,849)
	(211,334)	(269,525)
Investing		
Maturity of investments	**27,811**	-
Decrease in cash resources	**(183,523)**	(269,525)
Cash resources, beginning of year	**656,398**	925,923
Cash resources, end of year	**472,875**	656,398

The accompanying notes are an integral part of these financial statements

1. Incorporation and nature of the organization

Atlantic Council for International Cooperation (the "Organization") is a not-for-profit body incorporated under the Societies Act of Nova Scotia and is exempt from income tax under paragraph 149(1)(b) of the Income Tax Act (Canada).

The Organization is a coalition of individuals, organizations, and institutions working in the Atlantic region, which are committed to achieving global sustainability in a peaceful and healthy environment, with social justice, human dignity, and participation for all. The Organization supports its members in international corporation and education through collective leadership, networking, information, training, and coordination, and represents their interests when dealing with governments and others.

2. Significant accounting policies

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) and include the following significant accounting policies:

Fund accounting

The Organization follows the deferral method of accounting for contributions and reports using fund accounting, and maintains two funds: Unrestricted Fund and Internally Restricted Fund.

The Unrestricted Fund reports the Organization's revenue and expenses related to project delivery and administrative activities.

The Internally Restricted Fund is made up two combined funds: Restricted Fund and the Operational Reserve Fund. Interest earned on the Internally Restricted Fund is to be maintained within the fund.

The Operational Reserve Fund will be used to fund new projects for the period before actual project funds have been received. The purpose of the Restricted Fund is to be used to cover costs in the event the Organization has to discontinue operations.

Cash

Cash includes balances with banks. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Short-term and long-term investments

Short-term investments consist of guaranteed investment certificates (GICs) with a maturity date less than 1 year but greater than 3 months.

Long-term investments consist of GICs with a maturity date greater than 1 year.

GICs are recorded at their principal value plus accrued interest which approximates fair value.

Revenue recognition

The Organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income is recognized as revenue when earned.

Membership revenue is recognized over the period in which the related services or benefits are provided, typically on a straight-line basis over the membership term.

Government assistance

Government assistance is recorded in the financial statements when there is reasonable assurance that the Organization has complied with and will continue to comply with, all conditions necessary to obtain the assistance. Advances for expenses that have not yet been incurred are recorded as deferred revenue.

2. Significant accounting policies *(Continued from previous page)*

Overhead

The overhead portion of project contracts is included in revenue under project overhead. Upon receipt of these funds, the balance is deferred and transferred into income as related overhead expenses are incurred.

Allocation of expenses

Operating expenditures are allocated to projects directly as they are incurred under the specific project. Expenditures that relate to the projects generally, but do not relate to a specific project are classified as project overhead. Expenditures that do not relate to the projects are classified as other expenses.

Measurement uncertainty (use of estimates)

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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Accrued liabilities are estimated based on the Organization's obligation to pay for goods and services that have been provided, for which invoices have not yet been received. All accruals are supported by correspondence from suppliers or based on similar expenditures in other periods.

By their nature, these judgments are subject to measurement uncertainty, and the effect on the financial statements of changes in such estimates and assumptions in future years could be material. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues over expenses in the years in which they become known.

Financial instruments

The Organization recognizes financial instruments when the Organization becomes party to the contractual provisions of the financial instrument.

Arm's length financial instruments

Financial instruments originated/acquired or issued/assumed in an arm’s length transaction (“arm’s length financial instruments”) are initially recorded at their fair value.

At initial recognition, the Organization may irrevocably elect to subsequently measure any arm’s length financial instrument at fair value. The Organization has not made such an election during the year.

The Organization subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those designated in a qualifying hedging relationship or that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost less impairment. With the exception of financial liabilities indexed to a measure of the Organization’s performance or value of its equity and those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in excess of revenues over expenses. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

2. Significant accounting policies *(Continued from previous page)*

Financial instruments *(Continued from previous page)*

Financial asset impairment

The Organization assesses impairment of all its financial assets measured at cost or amortized cost. The Organization groups assets for impairment testing when available information is not sufficient to permit identification of each individually impaired financial asset in the group; there are numerous assets affected by the same factors; no asset is individually significant, etc. Management considers whether the issuer is having significant financial difficulty; whether there has been a breach in contract, such as a default or delinquency in interest or principal payments; etc. in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Organization determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

Any impairment, which is not considered temporary, is included in current year excess of revenues over expenses.

The Organization reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in excess of revenues over expenses in the year the reversal occurs.

3. Accounts receivable

	2026	*2025*
Accounts receivable (Note 7)	**217,847**	135,015
Harmonized sales tax receivable	**46,246**	21,558
	264,093	156,573

4. Short-term investments

	2026	*2025*
3.20% Guaranteed Investment Certificate matured April 8, 2025.	**-**	5,593
3.20% Guaranteed Investment Certificate matured August 13, 2025.	**-**	5,518
2.80% Guaranteed Investment Certificate matured March 28, 2026.	**-**	11,312
2.80% Guaranteed Investment Certificate matured March 28, 2026.	**-**	16,969
2.30% Guaranteed Investment Certificate maturing August 8, 2026.	**5,677**	-
	5,677	39,392

5. Long-term investments

	2026	*2025*
4.05% Guaranteed Investment Certificate maturing April 8, 2027.	**11,722**	11,706
3.45% Guaranteed Investment Certificate maturing April 8, 2027.	**62,459**	62,419
2.80% Guaranteed Investment Certificate maturing April 8, 2026, and subsequently reinvested	**5,848**	-
	80,029	74,125

The guaranteed investment certificate (GIC) maturing April 8, 2026 was reinvested subsequent to year-end. The new GIC bears interest at 2.45%, and matures on April 8, 2027.

6. Internally restricted net assets

Internally restricted assets consists of $35,000 included in an operational reserve fund and $60,000 in a restricted reserve fund. Interest earned is maintained in the internally restricted net assets, and accumulates year over year.

7. Deferred contributions

Deferred contributions consist of unspent contributions externally restricted for ongoing projects. Recognition of these amounts as revenue is deferred to periods when the specified expenditures are made. Changes in the deferred contribution balance are as follows:

	2026	*2025*
Balance, beginning of year	**304,238**	506,087
Amount received during the year	**1,432,125**	1,367,887
Less: Amount recognized as revenue during the year	**(1,620,100)**	(1,569,736)
Balance, end of year	**116,263**	304,238

During the year, the Organization received funding of $922,150 from Global Affairs Canada for ongoing projects. From the funding received, $819,799 was recognized as project revenue, of which $184,815 is included in accounts receivable.The remaining funding was deferred in line with the applicable accounting policy.

At the end of the year, deferred contributions are composed of the following balances:

	2026	*2025*
Inter-Council Network	**55,027**	221,053
Inspiring Action for Global Citizenship	**61,236**	83,185
	116,263	304,238

8. Financial instruments

The Organization, as part of its operations, carries a number of financial instruments. It is management's opinion that the Organization is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk.

The Organization is exposed to interest rate cash flow risk with respect to its short-term and long-term investments as they are at a fixed rate.

Liquidity risk

Liquidity risk is the risk that the Organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly in respect of its accounts payable and accrued liabilities.

Credit risk

Credit risk is the risk of financial loss because a counter party to a financial instrument fails to discharge its contractual obligations.

The Organization manages its credit risk by performing regular credit assessments of its customers and provides allowances for potentially uncollectible accounts receivable.

8. Financial instruments *(Continued from previous page)*

Credit risk *(Continued from previous page)*

A credit concentration exists related to accounts receivable because substantially all of its accounts receivable are from government agencies. However, the Organization believes that there is minimal risk associated with the collection of these amounts.

9. Comparative figures

Certain comparative figures have been reclassified to conform with current year presentation.

Atlantic Council for International Cooperation
Schedule 1 - Schedule of Project Revenue
For the year ended March 31, 2026

	2026	*2025*
Project revenue		
Inspiring Action for Global Citizenship	**709,206**	619,833
Inter-Council Network	**402,649**	439,095
Resilient Youth, Supported Inclusion, Network Growth	**482,533**	475,728
Spur Change	**16,422**	35,080
Fund for Innovation and Transformation (FIT)	**2,570**	-
Canada LIFTS	**6,720**	-
Total project revenue	**1,620,100**	1,569,736

Atlantic Council for International Cooperation
Schedule 2 - Schedule of Project Expenses
For the year ended March 31, 2026

	2026	*2025*
Project Expenses		
Inspiring Action for Global Citizenship *(Schedule 3)*	**671,365**	583,329
Inter-Council Network *(Schedule 4)*	**390,052**	415,785
Resilient Youth, Supported Inclusion, Network Growth *(Schedule 5)*	**464,591**	446,741
Spur Change *(Schedule 6)*	**15,185**	33,764
Fund for Innovation and Transformation (FIT)	**2,570**	-
Canada LIFTS	**6,000**	-
Total project expenses	**1,549,763**	1,479,619

Atlantic Council for International Cooperation
Schedule 3 - Schedule of Inspiring Action for Global Citizenship Expenses
For the year ended March 31, 2026

	2026	*2025*
Expenses		
Accounting and legal	**12,104**	6,816
Advertising and promotion	**9,824**	8,595
Bank charges and interest	**2,505**	736
Consulting fees	**6,244**	1,211
Dues,memberships and fees	**2,211**	2,618
General and administrative	**2,437**	1,840
Insurance	**2,906**	497
Meeting and conventions	**42,522**	23,512
Office and supplies	**981**	7,627
Rent	**8,828**	8,385
Telephone and internet	**1,897**	2,560
Training	**16,931**	12,717
Travel	**98,010**	55,516
Wage and benefits	**463,965**	450,698
Total expenses	**671,365**	583,328

Atlantic Council for International Cooperation
Schedule 4 - Schedule of Inter-Council Network Expenses
For the year ended March 31, 2026

	2026	*2025*
Expenses		
Accounting and legal	**11,990**	6,678
Advertising and promotion	**15,756**	15,437
Bank charges and interest	**970**	958
Consulting fees	**7,800**	3,364
Dues, memberships and fees	**4,368**	2,487
General and administrative	**720**	5,124
Insurance	**2,444**	-
Meetings and conventions	**5,591**	105
Office and supplies	**892**	1,117
Rent	**9,149**	9,675
Telephone and internet	**2,179**	1,783
Training	**7,468**	350
Travel	**82,651**	135,912
Wages and benefits	**238,074**	232,795
Total expenses	**390,052**	415,785

Atlantic Council for International Cooperation

Schedule 5 - Schedule of Resilient Youth, Supporting Inclusion, Network Growth Expenses

For the year ended March 31, 2026

	2026	*2025*
Expenses		
Accounting and legal	**11,990**	6,175
Advertising and promotion	**366**	434
Bank charges and interest	**1,588**	1,413
Consulting fees	**3,232**	1,851
Dues, memberships and fees	**1,329**	1,720
General and administrative	**32,581**	7,480
Insurance	**2,444**	-
Meetings and conventions	**-**	8,126
Office and supplies	**586**	1,993
Rent	**2,086**	8,382
Stipends	**148,790**	109,820
Telephone and internet	**243**	35
Training	**19,884**	583
Travel	**144,731**	205,952
Wages and benefits	**94,741**	92,777
Total expenses	**464,591**	446,741

Atlantic Council for International Cooperation
Schedule 6 - Schedule of Spur Change Expenses
For the year ended March 31, 2026

	2026	*2025*
Expenses		
Advertising and promotion	**1,035**	20,824
Meetings and conventions	**3,115**	-
Travel	**724**	1,974
Wages and benefits	**10,311**	10,966
Total expenses	**15,185**	33,764