



# Financial Statements

The Earth Rangers Foundation

December 31, 2025

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# Independent Auditor's Report

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To the Members of  
The Earth Rangers Foundation

## Opinion

We have audited the financial statements of The Earth Rangers Foundation ("Earth Rangers"), 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, the accompanying financial statements present fairly, in all material respects, the financial position of Earth Rangers as at December 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 ("ASNPO").

## 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 Earth Rangers 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 ASNPO, 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 Earth Rangers' 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 Earth Rangers or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Earth Rangers' financial reporting process.

# Independent Auditor's Report (continued)

## 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 Earth Rangers'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 Earth Rangers' 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 Earth Rangers 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.

Mississauga, Canada  
April 23, 2026

*Doane Grant Thornton LLP*

Chartered Professional Accountants  
Licensed Public Accountants

# The Earth Rangers Foundation

## Statement of Financial Position

December 31

2025

2024

### Assets

#### Current

Cash	\$ 1,121,868	\$ 1,228,231
Short-term investments (Notes 3 & 7)	3,084,002	3,181,603
Accounts receivable (Note 12)	383,301	279,284
HST rebate recoverable	63,728	75,212
Prepaid expenses (Note 6)	156,427	126,184
Due from The Earth Rangers USA Foundation (Note 12)	<u>90,294</u>	<u>199,074</u>
	<b>4,899,620</b>	5,089,588
Capital assets (Note 4)	<b>14,353,928</b>	14,738,451
Intangible assets (Note 5)	<b>28,526</b>	-
Prepaid lease (Note 6)	<u>457,638</u>	<u>490,314</u>
	<b><u>\$ 19,739,712</u></b>	<b><u>\$ 20,318,353</u></b>

### Liabilities

#### Current

Accounts payable and accrued liabilities (Note 7)	\$ 310,954	\$ 290,907
Deferred contributions (Note 8)	<u>3,278,490</u>	<u>3,661,604</u>
	<b>3,589,444</b>	3,952,511
Contributions to fund capital and intangible assets (Note 9)	<u>14,382,454</u>	<u>14,738,451</u>
	<b><u>17,971,898</u></b>	<b><u>18,690,962</u></b>
<b>Unrestricted net assets</b>	<u>1,767,814</u>	<u>1,627,391</u>
	<b><u>\$ 19,739,712</u></b>	<b><u>\$ 20,318,353</u></b>

Commitments (Note 14)

On behalf of the Board of Directors

\_\_\_\_\_ Director \_\_\_\_\_ Director

## The Earth Rangers Foundation

### Statement of Operations and Changes in Net Assets

Year ended December 31	Programs 2025 (Note 2)	Other 2025 (Note 2)	Total 2025	Programs 2024 (Note 2)	Other 2024 (Note 2)	Total 2024
<b>Revenue</b>						
Donations (Note 10)	\$ 2,180,551	\$ -	\$ 2,180,551	\$ 1,692,900	\$ -	\$ 1,692,900
Sponsorships	1,382,156	-	1,382,156	1,521,526	-	1,521,526
The Schad Foundation donation (Notes 8 & 12)	-	1,372,238	1,372,238	85,067	1,403,271	1,488,338
Government and other grants	1,031,683	-	1,031,683	1,003,391	-	1,003,391
Amortization of contributions to fund capital and intangible assets (Note 9)	14,609	716,532	731,141	3,432	713,150	716,583
Other (Notes 11 & 12)	224,354	210,912	435,266	365,463	67,691	433,154
Interest	-	99,216	99,216	-	130,048	130,048
	<u>4,833,353</u>	<u>2,398,898</u>	<u>7,232,251</u>	<u>4,671,779</u>	<u>2,314,160</u>	<u>6,985,940</u>
<b>Expenses</b>						
Operating	4,417,177	1,541,943	5,959,120	4,517,339	1,433,271	5,950,610
Depreciation of capital assets	14,609	714,845	729,454	3,432	713,150	716,583
External program costs (Note 12)	401,567	-	401,567	151,008	-	151,008
Amortization of intangible assets	-	1,687	1,687	-	-	-
	<u>4,833,353</u>	<u>2,258,475</u>	<u>7,091,828</u>	<u>4,671,779</u>	<u>2,146,421</u>	<u>6,818,201</u>
<b>Excess of revenue over expenses for the year</b>	-	140,423	140,423	-	167,739	167,739
<b>Net assets, beginning of year</b>	-	1,627,391	1,627,391	-	1,459,652	1,459,652
<b>Net assets, end of year</b>	<u>\$ -</u>	<u>\$ 1,767,814</u>	<u>\$ 1,767,814</u>	<u>\$ -</u>	<u>\$ 1,627,391</u>	<u>\$ 1,627,391</u>

See accompanying notes to the financial statements.

# The Earth Rangers Foundation

## Statement of Cash Flows

Year ended December 31

2025

2024

### Operating

Excess of revenue over expenses	\$ 140,423	\$ 167,739
Adjustments for items not affecting cash		
Amortization of prepaid lease	32,676	32,676
Depreciation of capital assets	729,454	716,583
Amortization of intangible assets	1,687	-
Amortization of contributions to fund capital and intangible assets	<u>(731,141)</u>	<u>(716,583)</u>
	<b>173,099</b>	200,415
Change in non-cash working capital items		
Accounts receivable	(104,017)	(9,347)
Prepaid expenses	(30,243)	1,618
HST rebate recoverable	11,484	4,884
Due from The Earth Rangers USA Foundation	108,780	(172,027)
Accounts payable and accrued liabilities	20,047	47,728
Deferred contributions	<u>(383,114)</u>	<u>646,945</u>
	<u>(203,964)</u>	<u>720,216</u>

### Investing

Purchase of capital assets	(56,225)	(96,262)
Purchase of intangible assets	(30,213)	-
Maturity (purchase) of short-term investments, net	<u>97,601</u>	<u>(252,346)</u>
	<u>11,163</u>	<u>(348,608)</u>

### Financing

Contributions restricted for capital purposes	<u>86,438</u>	<u>96,262</u>
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**(Decrease) increase in cash**

**(106,363) 467,870**

### Cash

Beginning of year	<u>1,228,231</u>	<u>760,361</u>
End of year	<u>\$ 1,121,868</u>	<u>\$ 1,228,231</u>

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# The Earth Rangers Foundation

## Notes to the Financial Statements

Year ended December 31, 2025

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### 1. Description

The Earth Rangers Foundation ("Earth Rangers") was incorporated under Letters Patent on June 10, 1999 and its objectives were amended by Supplementary Letters Patent on March 2, 2011. Charitable status was received retroactive to November 1, 2000. On April 9, 2014, Earth Rangers approved its Articles of Continuance to continue from the Canada Corporations Act to the Canada Not-for-profit Corporations Act.

Earth Rangers is a registered charity and is exempt from income taxes. Earth Rangers' registration number is 89220 0528 RR0001.

The objectives of Earth Rangers are summarized as follows:

- (a) To preserve, protect, restore and improve the natural resources and environment.
  - (b) To educate and increase the public's understanding of natural ecosystems by:
    - (i) establishing, providing, promoting, operating, maintaining, assisting or supporting qualified donees that have as their charitable purposes the protection, conservation or restoration of natural ecosystems;
    - (ii) educating young people about natural ecosystems, biodiversity and preservation activities and conserving natural ecosystems through programming including seminars, conferences, public forums, television programming, live shows and internet programs.
  - (c) To receive and maintain a fund or funds and to apply all or part of the principal and income therefrom, from time to time:
    - (i) to and for the benefit of other qualified donees as the Board of Directors may determine, having charitable purposes and objects similar to Earth Rangers, and/or;
    - (ii) for charitable purposes of an educational nature, and in particular, to provide scholarships, fellowships, bursaries, prizes and financial assistance to young Canadians, and to provide equipment, furnishings, teaching aids, and supplies to educational institutions in Canada and to educational institutions outside Canada who are qualified donees under the provisions of the Income Tax Act (Canada).
  - (d) To do all such other things as are incidental and ancillary to the above listed objects of Earth Rangers.
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# The Earth Rangers Foundation

## Notes to the Financial Statements

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Year ended December 31, 2025

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### 2. Significant accounting policies

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO"). The significant policies are detailed as follows:

#### Financial instruments

Earth Rangers considers any contract creating a financial asset, liability or equity instrument as a financial instrument. Earth Rangers accounts for the following as financial instruments:

- cash
- short-term investments
- accounts receivable
- due from The Earth Rangers USA Foundation
- accounts payable

#### Financial instruments in arm's length transactions

##### *Initial measurement*

Earth Rangers initially measures financial assets and financial liabilities originating, acquired, issued or assumed in arm's length transactions at fair value.

##### *Subsequent measurement*

Earth Rangers subsequently measures these financial assets and financial liabilities at amortized cost, except for short-term investments which are measured at fair value. Changes in financial instruments measured at fair value are recognized in excess of revenue over expenses for the year.

##### *Financing fees and transaction costs*

At initial recognition, the value of financial assets and financial liabilities in arm's length transactions that are subsequently measured at cost or amortized cost are adjusted for financing fees and transaction costs that are directly attributable to their origination, acquisition, issuance or assumption. The fees and costs are subsequently amortized into excess of revenue over expenses for the year on a straight-line basis over the term of the related debt. All other transaction costs are recognized in excess of revenue over expenses in the period incurred.

##### *Derecognition*

Earth Rangers removes financial liabilities, or a portion of, when the obligation is discharged, cancelled or expires.

##### *Impairment*

Financial assets measured at cost or amortized cost are tested for impairment when indicators of impairment exist at the end of the reporting period. Previously recognized impairment losses are reversed to the extent of the improvement provided the financial asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in excess of revenue over expenses for the year.

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# The Earth Rangers Foundation

## Notes to the Financial Statements

Year ended December 31, 2025

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### 2. Significant accounting policies (continued)

#### Financial instruments (continued)

##### Financial instruments in related party transactions

###### *Initial measurement*

Financial assets and financial liabilities in related party transactions are initially measured at cost, with the exception of certain instruments which are initially measured at fair value. Earth Rangers does not have any financial assets or financial liabilities in related party transactions which are initially measured at fair value.

Gains or losses arising on initial measurement differences are generally recognized in excess of revenue over expenses for the year when the transaction is in the normal course of operations, and in equity when the transaction is not in the normal course of operations, subject to certain exceptions.

###### *Subsequent measurement*

Financial assets and financial liabilities recognized in related party transactions are subsequently measured based on how Earth Rangers initially measured the instrument. Financial instruments initially measured at cost are subsequently measured at cost, less any impairment for financial assets. Financial instruments initially measured at fair value, of which Earth Rangers has none, would be subsequently measured at amortized cost or fair value based on certain conditions.

#### Capital assets

Purchased capital assets are recorded at historical cost and donated capital assets are recorded at fair value at the date of contribution. Earth Rangers provides for depreciation using the straight-line method at rates designed to depreciate the cost of the capital assets over their estimated useful lives. The annual depreciation rates are as follows:

Building	Straight-line	40 years
Data and AV equipment	Straight-line	5 years
Automotive equipment	Straight-line	10 years
Furniture, fixtures, tools and equipment	Straight-line	10 years
Land improvements	Straight-line	10 years
Shows	Straight-line	3 years

Costs directly related to the development of shows are included in capital assets when Earth Rangers can reliably demonstrate that there is a future economic benefit associated with these costs. These costs are expensed over their estimated useful lives which is the number of years the shows are expected to be presented. Such costs are expensed immediately when there is insufficient evidence that the costs are recoverable.

Capital assets are tested for impairment when events or changes in circumstances indicate that an asset might be impaired. The assets are tested for impairment by comparing the net carrying value to their fair value or replacement cost. If the asset's fair value or replacement cost is determined to be less than its net carrying value, the resulting impairment is reported in the statement of operations. Any impairment recognized is not reversed.

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# The Earth Rangers Foundation

## Notes to the Financial Statements

Year ended December 31, 2025

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### 2. Significant accounting policies (continued)

#### Intangible assets

Intangible assets are recorded at cost. Earth Rangers allocates salary and benefit costs related to personnel who work directly on the development of intangible assets, including the website and application software.

Earth Rangers provides for amortization using the straight-line method at rates designed to amortize the cost of the intangible assets over their estimated useful lives. The annual amortization rates are as follows:

Website	3 years
Application software	3 years

Intangible assets are tested for impairment when events or changes in circumstances indicate that an asset might be impaired. The assets are tested for impairment by comparing the net carrying value to their fair value or replacement cost. If the asset's fair value or replacement cost is determined to be less than its net carrying value, the resulting impairment is reported in the statement of operations. Any impairment recognized is not reversed.

#### Prepaid lease payments

Prepaid lease payments are amortized over the initial term of the lease.

#### Revenue recognition

Earth Rangers follows the deferral method of accounting for contributions, which include donations and grants. 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 deferred and recognized as revenue in the year in which the related expenses are recognized. Contributions used to fund capital assets are also deferred and amortized, and therefore recognized as income in the statement of operations and changes in net assets on a straight-line basis over the estimated useful lives of the capital assets financed by those contributions.

Sponsorships are recognized over the term of the sponsorship.

Interest and dividend income is recorded on the accrual basis.

Other revenue is recognized when earned and collection is reasonably assured.

#### Contributed materials and services

Due to the difficulty in determining their fair value, contributed services are not recognized in the financial statements. Contributed materials are recognized in the financial statements at the fair market value when acquired.

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# The Earth Rangers Foundation

## Notes to the Financial Statements

Year ended December 31, 2025

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### 2. Significant accounting policies (continued)

#### Segmented information shown on the statement of operations and changes in net assets

"Programs" represent expenses related to program activities that are funded by corporations and other third parties, as well as by The Schad Foundation in the event of a deficit.

"Other" represents non-program expenses that are primarily funded by The Schad Foundation. Non-program expenses include development, finance, information technology and administration. The Schad Foundation also funds all capital assets purchased by Earth Rangers, if not otherwise funded by another external source.

Operating expenses are recognized between "programs" and "other" based on the function to which the expenses are directly related.

#### Use of estimates

Management reviews the carrying amounts of items in the financial statements at each statement of financial position date to assess the need for revision or any possibility of impairment. Certain items in the preparation of these financial statements require management's best estimate. Management determines these estimates based on assumptions that reflect the most probable set of economic conditions and planned courses of action. These estimates are reviewed periodically and adjustments are made to excess of revenue over expenses as appropriate in the year they become known.

Items subject to management's estimates include the allowance for doubtful accounts, estimated useful lives of capital and intangible assets and contributions used to fund capital and intangible assets.

#### Reporting of controlled entities

Earth Rangers reports its financial results on a non-consolidated basis from the results of The Earth Rangers USA Foundation, a controlled not-for-profit organization incorporated in the United States.

#### Cloud computing arrangements

Earth Rangers applies the simplification approach to account for expenditures in cloud computing arrangements, and recognizes the expenditure as an expense when it receives the services. In 2024, Earth Rangers expensed \$4,381 of implementation costs relating to cloud computing arrangements in operating expenses.

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# The Earth Rangers Foundation

## Notes to the Financial Statements

Year ended December 31, 2025

### 3. Short-term investments

	<u>2025</u>	<u>2024</u>
Guaranteed investment certificate maturing on December 4, 2026 and bearing interest at the bank's prime rate less 2.00% per annum. As at December 31, 2025, the effective interest rate was 2.45% per annum.	<b>\$ 2,975,000</b>	\$ -
Guaranteed investment certificate maturing on September 19, 2026 and bearing interest at 2.00% per annum.	<b>109,002</b>	-
Guaranteed investment certificate maturing on November 27, 2025 and bearing interest at 2.00% per annum. As at December 31, 2024, the effective interest rate was 3.45% per annum.	-	3,075,000
Guaranteed investment certificate maturing on September 19, 2025 and bearing interest at 2.25% per annum.	-	106,603
	<b><u>\$ 3,084,002</u></b>	<b><u>\$ 3,181,603</u></b>

### 4. Capital assets

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2025 Net Book Value</u>
Building	\$ 26,747,001	\$ 12,927,885	\$ 13,819,116
Data and AV equipment	2,229,408	1,862,972	366,436
Automotive equipment	173,525	94,253	79,272
Furniture, fixtures, tools and equipment	2,192,869	2,136,945	55,924
Work in process	26,920	-	26,920
Land improvements	1,662,387	1,658,018	4,369
Shows	52,404	50,513	1,891
	<b><u>\$ 33,084,514</u></b>	<b><u>\$ 18,730,586</u></b>	<b><u>\$ 14,353,928</u></b>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2024 Net Book Value</u>
Building	\$ 26,747,001	\$ 12,259,089	\$ 14,487,912
Data and AV equipment	1,913,193	1,829,137	84,056
Automotive equipment	171,730	82,223	89,507
Furniture, fixtures, tools and equipment	2,192,869	2,128,217	64,652
Land improvements	1,662,387	1,654,424	7,963
Shows	52,404	48,043	4,361
	<b><u>\$ 32,739,584</u></b>	<b><u>\$ 18,001,133</u></b>	<b><u>\$ 14,738,451</u></b>

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# The Earth Rangers Foundation

## Notes to the Financial Statements

Year ended December 31, 2025

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#### 4. Capital assets (continued)

Included in furniture, fixtures, tools and equipment is \$39,229 (2024 - \$39,229) worth of artwork that is no subject to depreciation.

During the year, Earth Rangers received donations of data and AV equipment which has been recorded at its fair value of \$286,911 (2024 - nil) and automotive equipment that has been recorded at its fair value of \$1,795 (2024 - nil).

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#### 5. Intangible assets

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2025 Net</u>	<u>2024 Net</u>
Website	\$ 3,800,847	\$ 3,800,847	\$ -	\$ -
Application software	327,856	316,682	11,174	-
Work in process	17,352	-	17,352	-
	<u>\$ 4,146,055</u>	<u>\$ 4,117,529</u>	<u>\$ 28,526</u>	<u>\$ -</u>

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#### 6. Prepaid lease

In 2002, Earth Rangers entered into a lease agreement with the Toronto Region Conservation Authority for the rental of land within the Kortright Centre for Conservation. Earth Rangers currently operates out of a building constructed on the rented land. The lease was fully paid in a prior year for a period that covers up to July 31, 2042. The lease can be extended for a minimum of another 40 years at no cost. The lease payments have been recorded as a prepaid lease on the statement of financial position and are being amortized over the initial lease term on a straight-line basis. The current portion of the prepaid lease of \$32,676 (2024 - \$32,676) is included in prepaid expenses.

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#### 7. Credit facilities

Earth Rangers has a revolving demand facility of \$500,000 that is due on demand and bears interest at the bank's prime rate + 0.74%, in addition to a \$100,000 credit card facility billed monthly. The facilities are secured by a general security agreement constituting a first ranking security interest in all personal property of Earth Rangers, including a guaranteed investment certificate held in the amount of \$109,002 as collateral (2024 - \$106,603) as described in Note 3. As at December 31, 2025, Earth Rangers has not used its demand facility (2024 - nil) and has accessed \$56,008 of its available credit card facility (2024 - \$34,687), included in accounts payable and accrued liabilities.

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# The Earth Rangers Foundation

## Notes to the Financial Statements

Year ended December 31, 2025

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### 8. Deferred contributions

Deferred contributions represents unspent externally restricted donations and grants. These amounts are expected to be used for operating expenses in the next fiscal year and therefore are classified as current liabilities.

Deferred contributions at year-end is as follows:

	<u>2025</u>	<u>2024</u>
The Schad Foundation	\$ 2,189,671	\$ 1,948,346
Foundations and other registered charities	743,111	1,345,833
Other private sources	258,065	242,912
Government	87,643	124,513
	<u>\$ 3,278,490</u>	<u>\$ 3,661,604</u>

Changes in the deferred contribution balances are as follows:

	<u>2025</u>	<u>2024</u>
Balance, beginning of year	\$ 3,661,604	\$ 3,014,659
Externally restricted donations received		
The Schad Foundation	1,700,000	1,500,000
Foundations and other registered charities	743,111	1,345,833
Other private sources	258,065	242,912
Government	87,643	124,513
	<u>6,450,423</u>	<u>6,227,917</u>
Deferred contributions recognized		
The Schad Foundation	(1,372,238)	(1,488,338)
Foundations and other registered charities	(1,345,833)	(602,958)
Other private sources	(242,912)	(341,743)
Government	(124,512)	(52,691)
	<u>(3,085,495)</u>	<u>(2,485,730)</u>
Transfer of deferred contributions to fund capital and intangible assets	<u>(86,438)</u>	<u>(80,583)</u>
Balance, end of year	<u>\$ 3,278,490</u>	<u>\$ 3,661,604</u>

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# The Earth Rangers Foundation

## Notes to the Financial Statements

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Year ended December 31, 2025

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### 9. Contributions to fund capital and intangible assets

These contributions represent the unamortized amount of contributions received for the purchase of capital and intangible assets. The amortization of these deferred contributions is recorded as revenue in the statement of operations and changes in net assets. The change in this balance is as follows:

	<u>2025</u>	<u>2024</u>
Balance, beginning of year	\$ 14,738,451	\$ 15,358,772
Restricted contributions received for capital purposes	86,438	96,262
In-kind contributions	288,706	-
Amortization	<u>(731,141)</u>	<u>(716,583)</u>
	<u>\$ 14,382,454</u>	<u>\$ 14,738,451</u>

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### 10. Donations

	<u>2025</u>	<u>2024</u>
Foundations and other registered charities	\$ 1,770,534	\$ 1,245,855
Individuals	205,907	223,962
Other private sources	<u>204,110</u>	<u>223,083</u>
	<u>\$ 2,180,551</u>	<u>\$ 1,692,900</u>

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### 11. Other revenue

	<u>2025</u>	<u>2024</u>
Shared services revenue	\$ 218,000	\$ 218,000
Rent	92,248	92,248
Feed-in tariff	45,811	48,666
Miscellaneous	33,817	28,616
Community programs	33,000	17,000
Gear sales	7,390	9,074
Conference and events	<u>5,000</u>	<u>19,550</u>
	<u>\$ 435,266</u>	<u>\$ 433,154</u>

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# The Earth Rangers Foundation

## Notes to the Financial Statements

Year ended December 31, 2025

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### 12. Related party transactions

#### The Schad Foundation

Earth Rangers is related to The Schad Foundation by virtue of a common member.

In 2025, Earth Rangers received a letter of intent from The Schad Foundation to donate a total of \$6,500,000 over the next four years. Earth Rangers received donations specified to cover certain costs of \$1,700,000 (2024 - \$1,500,000) from The Schad Foundation. These donations were recorded as deferred contributions as described in Note 8.

Earth Rangers provides administrative services to The Schad Foundation. For the year ended December 31, 2025, Earth Rangers incurred \$30,000 (2024 - \$30,000) for services performed for The Schad Foundation which was recorded as other revenue within non-program activities. As at December 31, 2025, there is \$2,500 (2024 - \$2,500) included in accounts receivable that is due from The Schad Foundation.

#### The Earth Rangers USA Foundation

Earth Rangers controls The Earth Rangers USA Foundation by virtue of being its sole member and having the right to appoint all of The Earth Rangers USA's Board of Directors. The Earth Rangers USA Foundation shares the same purpose as Earth Rangers, with its intended community of service being the United States of America. The Earth Rangers USA Foundation was incorporated on September 13, 2021, and was approved as being exempt from federal income tax under Internal Revenue Code Section 501(c)(3) retroactive to the date of incorporation. There are no restrictions on the resources controlled by the entity, and there are no significant differences in accounting policies from the controlling entity.

The financial position of The Earth Rangers USA Foundation reflects assets of \$194,457 U.S. dollars ("USD") (2024 - \$182,368 USD), liabilities of \$167,478 USD (2024 - \$153,141 USD), and net assets of \$26,979 USD (2024 - \$29,227 USD) as at December 31, 2025. Revenues for the year ended December 31, 2025 are \$452,682 USD (2024 - \$296,715 USD). Expenses for the year ended December 31, 2025 are \$452,682 USD (2024 - \$296,715 USD). Cash flows from operations for the year ended December 31, 2025 are \$41,604 USD (2024 - \$72,501 USD). The results of The Earth Rangers USA Foundation have not been subject to audit or review.

The amount receivable from The Earth Rangers USA Foundation is non-interest bearing and without specific terms of repayment.

Earth Rangers provided grants of \$377,964 (2024 - \$111,538) to The Earth Rangers USA Foundation to support the expansion of The Earth Rangers USA Foundation which was recorded as part of external program costs within program activities.

Earth Rangers provides administrative services to The Earth Rangers USA Foundation. For the year ended December 31, 2025, Earth Rangers incurred \$188,000 (2024 - \$188,000) for services performed for The Earth Rangers USA Foundation which was recorded as other revenue within program activities.

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# The Earth Rangers Foundation

## Notes to the Financial Statements

Year ended December 31, 2025

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### 13. Financial instruments

Earth Rangers is exposed to various risks through its financial instruments. The following analysis provides a measure of risk exposures and concentrations at December 31, 2025.

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Earth Rangers' main credit risk relates to its accounts receivable. It is the opinion of management that Earth Rangers is not exposed to significant credit risk arising from its financial instruments.

(b) Liquidity risk

Liquidity risk arises from the possibility that Earth Rangers might encounter difficulty in meeting its obligations related to financial liabilities. Earth Rangers is mainly exposed to liquidity risk with respect to its accounts payable. It is the opinion of management that Earth Rangers is not exposed to significant liquidity risk arising from its financial instruments.

(c) Interest rate risk

Interest rate risk is the risk that the fair value of an interest bearing financial instrument will fluctuate due to changes in market interest rates. Earth Rangers is exposed to its interest rate risk on its short-term investments described in Note 3 and its credit facilities described in Note 7. It is the opinion of management that Earth Rangers is not exposed to significant interest rate risk arising from its financial instruments.

There have been no changes to management's assessment of their exposure to the above risks from the prior year.

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### 14. Commitments

As at December 31, 2025, the Earth Rangers has the following outstanding commitments with respect to leased office equipment:

2026	<u>\$ 1,729</u>
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Subsequent to year-end, Earth Rangers entered into an agreement related to the development of its website and application software. The estimated cost is \$298,100 plus HST, and will be paid in 2026.

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