NOVA SCOTIA COLLEGE OF COUNSELLING THERAPISTS

Financial Statements

Year Ended April 30, 2026

STRONG

NOVA SCOTIA COLLEGE OF COUNSELLING THERAPISTS
Index to Financial Statements
Year Ended April 30, 2026

	Page
INDEPENDENT AUDITOR'S REPORT	1 - 2
FINANCIAL STATEMENTS	
Statement of Revenues and Expenditures	3
Statement of Changes in Net Debt	4
Statement of Financial Position	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 10

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INDEPENDENT AUDITOR'S REPORT

To the Members of Nova Scotia College of Counselling Therapists

Opinion

We have audited the financial statements of Nova Scotia College of Counselling Therapists (the "College"), which comprise the statement of financial position as at April 30, 2026, and the statements of revenues and expenditures, changes in net debt and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the College as at April 30, 2026, and the results of its operations and 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 the College in accordance with 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 the College'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 College or to cease operations, or has no realistic alternative but to do so.

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

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional 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 College'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 College'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 College 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.

Strong & Associates

Bedford, Nova Scotia
November 13, 2026

Chartered Professional Accountants Inc.

NOVA SCOTIA COLLEGE OF COUNSELLING THERAPISTS
Statement of Revenues and Expenditures
Year Ended April 30, 2026

	2026	2025
REVENUES		
Memberships	**$ 400,627**	$ 354,621
Interest	**1,392**	1,468
	402,019	356,089
EXPENSES		
Salaries and wages	**231,251**	205,666
Legal and professional conduct	**57,776**	52,721
Administrative support	**42,783**	27,095
Software	**33,940**	46,542
Amortization	**26,511**	27,256
Accounting and audit fees	**24,251**	33,715
Contract services	**23,960**	4,336
Rent	**15,732**	15,859
Professional development	**14,373**	3,653
Payroll interest and penalties *(Note 6)*	**8,625**	17,877
Office	**3,673**	2,258
Dues, fees and registrations	**3,027**	2,821
Insurance	**2,445**	2,312
Telephone	**2,406**	2,306
Interest and bank charges	**1,984**	2,476
Advertising and public relations	**991**	142
Stakeholder engagement	**185**	277
	493,913	447,312
DEFICIENCY OF REVENUES OVER EXPENSES FROM OPERATIONS	**(91,894)**	(91,223)
OTHER INCOME (EXPENSES)		
Impairment loss *(Note 3)*	**(73,000)**	-
DEFICIENCY OF REVENUES OVER EXPENSES	**$ (164,894)**	$ (91,223)

NOVA SCOTIA COLLEGE OF COUNSELLING THERAPISTS
Statement of Changes in Net Debt
Year Ended April 30, 2026

	Unrestricted Fund	Internally Restricted fund	**2026**	2025
NET ASSETS (DEFICIT) - BEGINNING OF YEAR	$ (51,738)	$ 156,338	**$ 104,600**	$ 195,823
DEFICIENCY OF REVENUES OVER EXPENSES	(164,894)	-	**(164,894)**	(91,223)
FUND TRANSFERS *(Note 7)*	150,000	(150,000)	**-**	-
NET ASSETS (DEFICIT) - END OF YEAR	$ (66,632)	$ 6,338	**$ (60,294)**	$ 104,600

NOVA SCOTIA COLLEGE OF COUNSELLING THERAPISTS
Statement of Financial Position
April 30, 2026

	2026	2025
ASSETS		
CURRENT		
Cash	**$ 534,400**	$ 296,535
Accounts receivable	**6,041**	9,700
Prepaid expenses	**8,421**	25,933
	548,862	332,168
INTERNALLY RESTRICTED FUNDS - CASH *(Note 7)*	**6,338**	156,338
PROPERTY AND EQUIPMENT *(Note 3)*	**8,330**	78,851
LONG TERM INVESTMENTS *(Note 4)*	**26,178**	25,010
LEASE DEPOSIT	**2,415**	2,415
	$ 592,123	$ 594,782
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	**$ 50,388**	$ 97,117
Wages payable	**127**	1,165
Employee deductions payable *(Note 6)*	**94,864**	86,238
Deferred income *(Note 5)*	**507,038**	305,662
	652,417	490,182
NET ASSETS (DEFICIT)		
Unrestricted fund	**(66,632)**	(51,738)
Internally restricted fund *(Note 7)*	**6,338**	156,338
	(60,294)	104,600
	$ 592,123	$ 594,782

ON BEHALF OF THE BOARD

_____ *Executive Member*

_____ *Executive Member*

NOVA SCOTIA COLLEGE OF COUNSELLING THERAPISTS
Statement of Cash Flows
Year Ended April 30, 2026

	2026	2025
OPERATING ACTIVITIES		
Deficiency of revenues over expenses	**$ (164,894)**	$ (91,223)
Items not affecting cash:		
Amortization of property and equipment	**26,511**	27,256
Impairment loss	**73,000**	-
	(65,383)	(63,967)
Changes in non-cash working capital:		
Accounts receivable	**3,659**	(9,700)
Prepaid expenses	**17,512**	(10,013)
Accounts payable and accrued liabilities	**(46,728)**	58,883
Employee deductions payable	**8,626**	18,643
Wages payable	**(1,038)**	(5,419)
Deferred income	**201,376**	52,734
	183,407	105,128
Cash flow from operating activities	**118,024**	41,161
INVESTING ACTIVITIES		
Purchase of property and equipment	**(28,991)**	(29,841)
Funding long term investments	**(1,168)**	(25,010)
Cash flow used by investing activities	**(30,159)**	(54,851)
INCREASE (DECREASE) IN CASH FLOW	**87,865**	(13,690)
Cash - beginning of year	**452,873**	466,563
CASH - END OF YEAR	**$ 540,738**	$ 452,873
CASH CONSISTS OF:		
Cash - unrestricted	**$ 534,400**	$ 296,535
Internally restricted funds	**6,338**	156,338
	$ 540,738	$ 452,873

1. PURPOSE OF THE COLLEGE

Nova Scotia College of Counselling Therapists (the "College") is the professional regulatory body for registered Counselling Therapists licensed to practice in Nova Scotia. The College is a non-profit organization exempt from tax under Section 149(1) of the Income Tax Act.

The College operates to ensure professionals meet academic, clinical experience, and supervision requirements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

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

Cash and cash equivalents

Cash includes funds held in bank accounts with financial institutions. Cash equivalents are investments in guaranteed investment certificates ("GICs") and are valued at cost plus accrued interest. The carrying amounts approximate fair value because they have maturities at the date of purchase of less than ninety days.

Investments

Investments consist of Guaranteed Investments Certificates ("GICs") with maturity greater than twelve months from date of acquisition. GICs maturing within twelve months from the year end date are classified as current.

Property and equipment

Property and equipment is stated at cost or deemed cost less accumulated amortization and is amortized over its estimated useful life on a declining balance basis at the following rates:

Computer software	100%
Computer equipment	30%
Furniture and fixtures	20%

The property and equipment is tested for impairment whenever events of changes in circumstances indicate that its carrying amount may not be recoverable. An impairment loss is recognized in the statements of operation and is measured as the amount by which carrying amount of the property and equipment exceeds its fair value. Government grants are treated as a reduction of property and equipment cost.

Property and equipment acquired during the year but not placed into use are not amortized until they are placed into use.

Fund accounting

Nova Scotia College of Counselling Therapists follows the restricted fund method of accounting for contributions.

The General Fund accounts for the College's revenue and expenses related to the operation and administration activities. This fund reports unrestricted resources.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

The Internally Restricted Fund reports only restricted resources that are to be used for legal expenses in excess of those provided for in the annual budget.

Revenue recognition

Nova Scotia College of Counselling Therapists follows the restricted fund method of accounting for contributions.

- Memberships

  Revenue from membership fees is recognized proportionately over the fiscal period to which the fees relate.

- Program and Services

  Revenue from program and services is recognized as the program or service is rendered.

Contributed services

Volunteers contribute many hours per year to assist in carrying out the mandate of the College. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

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.

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealised 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.

3. PROPERTY AND EQUIPMENT

	Cost	Accumulated amortization	**2026 Net book value**	2025 Net book value
Computer software	$ 121,181	$ 121,068	**$ 113**	$ 67,141
Computer equipment	35,243	27,193	**8,050**	11,501
Furniture and fixtures	885	718	**167**	209
	$ 157,309	$ 148,979	**$ 8,330**	$ 78,851

During the year, the College recognized an impairment loss of $73,000 related to registration database, as the carrying amount of the asset was determined to be not recoverable and exceeded its fair value. The impairment loss has been recognized in the statement of operations.

4. LONG TERM INVESTMENTS

	Purchase date	Maturity date	Interest rate %	**2026**	2025
GIC	June 3, 2024	June 3, 2026	4.65	**$ 26,178**	$ 25,010

Subsequent to year end, the Company renewed its guaranteed investment certificate ("GIC") for an additional two-year term. The GIC bears interest at 2.50% per annum and matures on June 3, 2028.

5. DEFERRED INCOME

	2026	2025
Balance, beginning of year	**$ 305,662**	$ 252,928
Amounts received	**542,190**	360,710
Amount recognized as revenue	**(340,814)**	(307,976)
Balance end of year	**$ 507,038**	$ 305,662

Deferred income is comprised of membership fees received in advance.

6. EMPLOYEE DEDUCTIONS PAYABLE

During the year end, the College obtained access to its Canada Revenue Agency ("CRA") account to confirm remittance requirements and amounts outstanding. Upon review, management noted the T4 information returns for the 2021 and 2022 calendar years were not filed. Management conducted a detailed review of payroll records and filed amended returns for these years. These returns have been processed and approved by CRA. A request for relief on these interest and penalties has been submitted to CRA, however at this time, management is unable to determine whether any portion of this request will be approved by CRA. The fiscal year expense includes both the expense owed by the College and interest and penalties. The amount outstanding of $94,864 has been paid in full subsequent to year end.

7. INTER-FUND TRANSFER

During the year, inter-fund transfers of $150,000 were made from the internally restricted fund to the general fund, as approved by the Board of Directors (2025 – $Nil). The internally restricted funds are for use in the event of a legal challenge, or other unforeseen professional fees in excess of that provided for in the annual budget.

8. FINANCIAL INSTRUMENTS

The College is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the College's risk exposure and concentration as of April 30, 2026.

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8. FINANCIAL INSTRUMENTS *(continued)*

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The College is exposed to credit risk from its members. The College has a significant number of members which minimizes concentration of credit risk.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The College is exposed to this risk mainly in respect of its receipt of funds from its members and other related sources, and accounts payable and accrued liabilities.

Unless otherwise noted, it is management's opinion that the College is not exposed to significant other price risks arising from these financial instruments.

9. COMPARATIVE FIGURES

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