

**FIRST DAWN EASTERN EDGE REGIONAL COUNCIL**  
**Non-Consolidated Financial Statements**  
**Year Ended December 31, 2025**

**FIRST DAWN EASTERN EDGE REGIONAL COUNCIL**  
**Index to Non-Consolidated Financial Statements**  
**Year Ended December 31, 2025**

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of First Dawn Eastern Edge Regional Council

### *Opinion*

I have audited the non-consolidated financial statements of First Dawn Eastern Edge Regional Council (the "Regional Council"), which comprise the statement of financial position as at December 31, 2025, and the statements of operations, 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 my opinion, the accompanying non-consolidated financial statements present fairly, in all material respects, the financial position of the Regional Council as at December 31, 2025, 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*

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Regional Council in accordance with ethical requirements that are relevant to my audit of the non-consolidated financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 ASNPO, 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.

In preparing the non-consolidated financial statements, management is responsible for assessing the Regional Council'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 Regional Council or to cease operations, or has no realistic alternative but to do so.

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

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

My 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

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Independent Auditor's Report to the Members of First Dawn Eastern Edge Regional Council (*continued*)

- 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 my 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 Regional Council'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 Regional Council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the non-consolidated financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Regional Council 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.

I 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 I identify during my audit.

St. John's, NL  
March 24, 2026



Brian T. Scammell Professional Corporation  
Chartered Professional Accountant

**FIRST DAWN EASTERN EDGE REGIONAL COUNCIL**

**Statement of Financial Position**

**December 31, 2025**

	2025	2024
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 460,515	\$ 449,646
Term deposits (Note 3)	295,001	283,111
Current portion of accounts receivable	94,256	99,860
Current portion of loans and notes receivable	11,583	71,001
Harmonized sales tax recoverable	33,978	13,742
Due from related parties (Note 4)	15,233	13,246
Prepaid expenses	-	525
	<b>910,566</b>	931,131
ACCOUNTS RECEIVABLE	2,198	2,198
LOANS AND NOTES RECEIVABLE (Note 5)	83,759	255,391
LONG TERM INVESTMENTS (Note 6)	9,448,931	9,141,856
CAPITAL ASSETS (Note 7)	134,045	142,913
	<b>\$ 10,579,499</b>	\$ 10,473,489
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable and accruals	\$ 49,878	\$ 333,314
Due to related parties (Note 4)	32,354	27,383
Due to United Church Bookstore (Note 8)	55,000	70,000
	<b>137,232</b>	430,697
<b>NET ASSETS</b>		
Operating Fund - Unrestricted	1,606,137	1,484,229
Internally Restricted Fund (Schedule 1)	7,090,342	6,825,999
Externally Restricted Fund (Schedule 2)	1,745,788	1,732,564
	<b>10,442,267</b>	10,042,792
	<b>\$ 10,579,499</b>	\$ 10,473,489

**ON BEHALF OF THE BOARD**

\_\_\_\_\_ Director

\_\_\_\_\_ Director

**FIRST DAWN EASTERN EDGE REGIONAL COUNCIL**

**Statement of Operations**

**Year Ended December 31, 2025**

	Operating Fund - Unrestricted	Internally Restricted Fund	Externally Restricted Fund	2025	2024
<b>REVENUES</b>					
Grant - United Church of Canada <i>(Note 4)</i>	\$ 572,000	\$ -	\$ -	\$ 572,000	\$ 583,375
Property sales	37,761	75,044	-	<b>112,805</b>	88,227
United Church bookstore	20,000	-	-	<b>20,000</b>	20,000
Miscellaneous	-	11,714	1,554	<b>13,268</b>	23,561
Student assistance repayment	-	-	2,325	<b>2,325</b>	13,150
Loan interest and Pitts fund	1,000	-	-	<b>1,000</b>	1,391
Donations	-	445	-	<b>445</b>	531
	630,761	87,203	3,879	<b>721,843</b>	730,235
<b>EXPENSES</b>					
Salaries and wages	417,485	-	-	<b>417,485</b>	389,464
Loan forgiveness	215,515	-	-	<b>215,515</b>	-
Mission and Support Services	155,331	-	-	<b>155,331</b>	155,303
Other	-	116,517	30,164	<b>146,681</b>	206,165
Office operating	54,899	45,359	-	<b>100,258</b>	86,090
Annual meeting	69,370	-	-	<b>69,370</b>	40,618
Professional fees	15,198	-	-	<b>15,198</b>	13,471
Amortization	8,870	-	-	<b>8,870</b>	10,622
Executive	7,414	-	-	<b>7,414</b>	13,602
Regional Council	6,138	-	-	<b>6,138</b>	3,717
Student assistance	-	4,000	2,100	<b>6,100</b>	5,500
Scholarships	-	6,000	-	<b>6,000</b>	7,200
Division of Human Resources	4,389	-	-	<b>4,389</b>	3,938
Division of Finance and Administrative Resources	1,544	-	-	<b>1,544</b>	738
Division of Faith, Support and Planning	194	-	-	<b>194</b>	255
	956,347	171,876	32,264	<b>1,160,487</b>	936,683
<b>DEFICIENCY OF REVENUES OVER EXPENSES</b>					
<b>FROM OPERATIONS</b>	<b>(325,586)</b>	<b>(84,673)</b>	<b>(28,385)</b>	<b>(438,644)</b>	<b>(206,448)</b>

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**FIRST DAWN EASTERN EDGE REGIONAL COUNCIL**

**Statement of Operations (continued)**

**Year Ended December 31, 2025**

	Operating Fund - Unrestricted	Internally Restricted Fund	Externally Restricted Fund	2025	2024
<b>OTHER INCOME (EXPENSES)</b>					
Investment income	404,147	-	-	<b>404,147</b>	332,381
Gain on sale of investments	306,892	-	-	<b>306,892</b>	383,073
Unrealized gain on investments	176,485	-	-	<b>176,485</b>	301,589
Interest on term deposits	10,187	-	-	<b>10,187</b>	15,752
Investment management fees	(59,592)	-	-	<b>(59,592)</b>	(54,511)
	838,119	-	-	<b>838,119</b>	978,284
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	\$ 512,533	\$ (84,673)	\$ (28,385)	\$ <b>399,475</b>	\$ 771,836

See notes to non-consolidated financial statements

**FIRST DAWN EASTERN EDGE REGIONAL COUNCIL**

**Statement of Changes in Net Assets**

**Year Ended December 31, 2025**

	Operating Fund - Unrestricted	Internally Restricted Fund	Externally Restricted Fund	2025	2024
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 1,484,229	\$ 6,825,999	\$ 1,732,564	\$ <b>10,042,792</b>	\$ 9,270,956
Excess of revenues over expenses	512,533	(84,673)	(28,385)	<b>399,475</b>	771,836
Interfund transfers <i>(Note 11)</i>	(390,625)	349,016	41,609	-	-
<b>NET ASSETS - END OF YEAR</b>	\$ 1,606,137	\$ 7,090,342	\$ 1,745,788	\$ <b>10,442,267</b>	\$ 10,042,792

See notes to non-consolidated financial statements

**FIRST DAWN EASTERN EDGE REGIONAL COUNCIL****Statement of Cash Flows****Year Ended December 31, 2025**

	2025	2024
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenses	\$ 399,475	\$ 771,836
Items not affecting cash:		
Amortization of capital assets	8,870	10,622
Unrealized gain on investments	(176,485)	(301,589)
Gain on sale of investments	(306,892)	(383,073)
	(75,032)	97,796
Changes in non-cash working capital:		
Accounts receivable	5,604	(26,726)
Prepaid expenses	525	(525)
Accounts payable and accruals	(283,437)	239,962
Harmonized sales tax recoverable	(20,236)	3,040
	(297,544)	215,751
Cash flow from (used by) operating activities	(372,576)	313,547
<b>INVESTING ACTIVITIES</b>		
Purchase of term deposits	(11,890)	81,239
Repayment of loans and notes receivable	232,049	13,869
Addition to loans and notes receivable	(1,000)	(37,202)
Purchase of investments	(2,148,708)	(3,459,100)
Proceeds from sale of investments	2,325,009	3,141,555
Cash flow from (used by) investing activities	395,460	(259,639)
<b>FINANCING ACTIVITIES</b>		
Advances from (to) related parties	2,985	(7,122)
Advances to United Church Bookstore	(15,000)	-
Cash flow used by financing activities	(12,015)	(7,122)
<b>INCREASE IN CASH FLOW</b>	<b>10,869</b>	<b>46,786</b>
Cash - beginning of year	449,646	402,860
<b>CASH - END OF YEAR</b>	<b>\$ 460,515</b>	<b>\$ 449,646</b>

See notes to non-consolidated financial statements

# FIRST DAWN EASTERN EDGE REGIONAL COUNCIL

## Notes to Non-consolidated Financial Statements

Year Ended December 31, 2025

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### 1. PURPOSE OF THE REGIONAL COUNCIL

First Dawn Eastern Edge Regional Council (the "Regional Council") is a Regional Council of the United Church of Canada operating in Newfoundland and Labrador. Its principal activities include the provision of services to the pastoral charges and incorporated ministries affiliated with the United Church of Canada in Newfoundland and Labrador.

The Regional Council is a registered charity under the Income Tax Act and is not subject to income tax.

### 2. SUMMARY OF 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).

#### *Fund accounting*

The Operating Fund accounts for the Regional Council's administrative activities. This fund reports unrestricted resources and restricted operating grants, as well as externally restricted contributions for which there is no corresponding restricted fund.

The Internally Restricted Funds are funds maintained by the Regional Council for various purposes and are restricted in their purpose and generally cannot be used for general operations of the Regional Council.

The Externally Restricted Funds are funds that have been established to honour the restricted purposes of the donors as set out in the Schedule of Externally Restricted Funds. Generally, only the income earned by the trusts may be expended.

#### *Cash and cash equivalents*

Cash and cash equivalents include cash on hand, balances with banks, and short-term investments with maturities of three months or less.

#### *Investments*

Long term investments, which consist primarily of equities, bonds, mortgage-backed securities, term certificates and cash are carried at market value.

#### *Capital assets*

Capital assets are 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 and methods:

Buildings	5%	declining balance method
Computer equipment	55%	declining balance method
Furniture and fixtures	20%	declining balance method
Alarm system	20%	declining balance method

Capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

#### *Financial instruments*

The Regional Council recognizes its financial instruments when the Regional Council becomes party to the contractual provisions of the financial instrument.

Financial assets measured at amortized cost include cash, term deposits, accounts receivable, loans and notes receivable, amounts due from related parties, and some long-term investments. Long-term investments held with RBC Phillips, Hager & North Investment Counsel are measured at fair value.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, and amounts due to related parties.

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FIRST DAWN EASTERN EDGE REGIONAL COUNCIL

Notes to Non-consolidated Financial Statements

Year Ended December 31, 2025

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

*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 Council may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. The Council has made such an election during the year with respect to the investments held with RBC Phillips, Hager & North Investment Counsel.

The Council subsequently measures all other financial assets and liabilities at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of instruments subsequently measured at fair value are immediately recognized in excess of revenue 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.

*Related party financial instruments*

The Council initially measures the following financial instruments originated/acquired or issued/assumed in a related party transaction ("related party financial instruments") at fair value:

- Investments in equity instruments quoted in an active market.
- Debt instruments quoted in an active market.
- Debt instruments when the inputs significant to the determination of its fair value are observable (directly or indirectly).
- Derivative contracts.

All other related party financial instruments are measured at cost on initial recognition. When the financial instrument has repayment terms, cost is determined using the undiscounted cash flows, excluding interest, dividend, variable and contingent payments, less any impairment losses previously recognized by the transferor. When the financial instrument does not have repayment terms, but the consideration transferred has repayment terms, cost is determined based on the repayment terms of the consideration transferred. When the financial instrument and the consideration transferred both do not have repayment terms, the cost is equal to the carrying or exchange amount of the consideration transferred or received (refer to Note 4).

At initial recognition, the Council may elect to subsequently measure the related party debt instruments that are quoted in an active market, or that have observable inputs significant to the determination of fair value, at fair value. The Council has not made such an election during the year; thus all such related party debt instruments are subsequently measured at amortized cost.

The Council 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. Financial instruments that were initially measured at cost and derivatives that are linked to, and must be settled by, delivery of unquoted equity instruments of another entity, are subsequently measured using the cost method less any reduction for impairment.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of related party financial instruments are immediately recognized in excess of revenues over expenses.

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FIRST DAWN EASTERN EDGE REGIONAL COUNCIL

Notes to Non-consolidated Financial Statements

Year Ended December 31, 2025

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

***Financial asset impairment***

The Council assesses impairment of all its financial assets measured at cost or amortized cost. The Council groups assets for impairment testing when 1) available information is not sufficient to permit identification of each individually impaired financial asset in the group, 2) there are numerous assets affected by the same factor, 3) no asset is individually significant, etc. Management considers whether the issuer is having significant financial difficulty or whether there has been a breach in contract, such as a default or delinquency in interest or principal payments in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Council determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

With the exception of related party debt instruments initially measured at cost, the Council reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of the financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

For related party equity instruments initially measured at cost, the Council reduces the carrying amount of the asset (or group of assets), to the amount that could be realized by selling the asset(s) at the statement of financial position date.

For related party debt instruments initially measured at cost, the Council reduces the carrying amount of the asset (or group of assets), to the highest of: the undiscounted cash flows expected to be generated by holding the asset, or group of similar assets, excluding the interest and dividend payments of the instrument; the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

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

The Council 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.

***Post retirement benefit plan***

The employees of the Council participate in a defined benefit pension plan administered and held nationally by the United Church of Canada. Defined contribution plan accounting is applied to this multi-employer contributory defined benefit. The Regional Council is not responsible for this obligation due to the employees under this benefit plan.

***Revenue recognition***

First Dawn Eastern Edge Regional Council follows the restricted fund method of accounting for contributions.

Restricted contributions are recognized as revenue of the appropriate restricted fund in the year in which the contribution is received or receivable. All restricted contributions for which there is no specific restricted fund are recognized as revenue in the operating fund when the related expenses are incurred.

Unrestricted contributions are recognized as revenue of the operating fund when received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Investment income earned on restricted investments is recognized as revenue as it is earned in the appropriate fund. Other investment income is recognized in the operating fund.

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**FIRST DAWN EASTERN EDGE REGIONAL COUNCIL**

**Notes to Non-consolidated Financial Statements**

**Year Ended December 31, 2025**

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

***Measurement uncertainty***

The preparation of non-consolidated 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 non-consolidated 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. Amortization of capital assets is based on the estimated useful lives of capital assets.

By their nature, these judgements are subject to measurement uncertainty, and the effect on the non-consolidated 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.

***Contributed services***

A number of volunteers contribute their time each year to the Regional Council. Due to the difficulty of determining the fair value of these items, no amounts are recognized in the financial statements.

**3. TERM DEPOSITS**

	<b>2025</b>	<b>2024</b>
Royal Bank of Canada, one year non-redeemable GIC at 2.850%, maturing on July 28, 2026	\$ 195,001	\$ -
Royal Bank of Canada, one year redeemable GIC, with a variable rate, maturing on July 28, 2026	100,000	-
Royal Bank of Canada, one year non-redeemable GIC at 4.200%, matured on July 26, 2025	-	283,111
	<b>\$ 295,001</b>	<b>\$ 283,111</b>

**4. DUE TO RELATED PARTIES**

The following is a summary of the Regional Council's related party transactions:

	<b>2025</b>	<b>2024</b>
<u>Related party transactions</u>		
<b>General Council of the United Church of Canada</b>		
<i>(Governing body of the Regional Council)</i>		
Grants - operational	\$ 392,000	\$ 401,375
Grants - mission work	180,000	180,000
Salaries expenses	(460,948)	(446,315)
Office expenses	(8,851)	(10,972)
Mission & support grants	(74,494)	(76,938)
Reimbursements	(32,593)	(54,497)
	<b>\$ (4,886)</b>	<b>\$ (7,347)</b>

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**FIRST DAWN EASTERN EDGE REGIONAL COUNCIL**

**Notes to Non-consolidated Financial Statements**

**Year Ended December 31, 2025**

**4. DUE TO RELATED PARTIES (continued)**

	2025	2024
<i>Related party transactions (continued)</i>		
<b>Fundy St. Lawrence Dawning Waters Regional Council</b>		
<i>(Related through common control)</i>		
Expenses paid by the Regional Council on behalf of Fundy St. Lawrence Dawning Waters	\$ 27,717	\$ 23,249
Funds paid to the Regional Council by Fundy St. Lawrence Dawning Waters	(25,529)	(15,277)
Expenses paid by Fundy St. Lawrence Dawning Waters on behalf of the Regional Council	(1,304)	(1,878)
Funds deposited by Fundy St. Lawrence Dawning Waters due to the Regional Council	525	300
Copying fees charged to (from) Fundy St. Lawrence Dawning Waters to the Regional Council	267	(11)
	<b>\$ 1,676</b>	<b>\$ 6,383</b>
<b>Bermuda-Nova Scotia Regional Council</b>		
<i>(Related through common control)</i>		
Expenses paid by the Regional Council on behalf of Bermuda-Nova Scotia Regional Council	\$ 28,835	\$ 24,173
Funds paid to the Regional Council by Bermuda-Nova Scotia Regional Council	(28,806)	(15,869)
Expenses paid by Bermuda-Nova Scotia Regional Council on behalf of the Council	-	(44)
Copying fees charged to (from) Bermuda-Nova Scotia Regional Council to the Regional Council	282	(3)
	<b>\$ 311</b>	<b>\$ 8,257</b>
<b>United Church Bookstore</b>		
<i>(Controlled by the Council)</i>		
Administration income	\$ 20,000	\$ 20,000
Expenses paid by the Regional Council on behalf of the United Church Bookstore	9,054	8,704
Funds paid to the Regional Council by the United Church Bookstore	(29,139)	(28,704)
	<b>\$ (85)</b>	<b>\$ -</b>

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.

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**FIRST DAWN EASTERN EDGE REGIONAL COUNCIL**

**Notes to Non-consolidated Financial Statements**

**Year Ended December 31, 2025**

**4. DUE TO RELATED PARTIES (continued)**

Related party balances

	<b>2025</b>	<b>2024</b>
Current portion due from related parties		
Bermuda-Nova Scotia Regional Council	\$ 7,506	\$ 7,195
Fundy St. Lawrence Dawning Waters Regional Council	7,727	6,051
	<b>\$ 15,233</b>	<b>\$ 13,246</b>

	<b>2025</b>	<b>2024</b>
Current portion due to related parties		
General Council of the United Church of Canada	\$ 32,269	\$ 27,383
United Church Bookstore	85	-
	<b>\$ 32,354</b>	<b>\$ 27,383</b>

Advances to and from related parties are non-interest bearing and are expected to be repaid within the next fiscal year.

**5. LOANS AND NOTES RECEIVABLE**

The Regional Council lends money to various organizations affiliated with The United Church of Canada. These loans are repayable in varying monthly installments at an interest rate of 2% per year. The \$83,759 (2024 - \$255,391) in loans and notes receivable include \$0 (2024 - \$198,371) due from Cochrane Community Outreach and Performance Centre Inc. This loan was forgiven in the year.

**6. LONG TERM INVESTMENTS**

	<b>2025</b>	<b>2024</b>
Equities	\$ 3,848,826	\$ 3,794,006
Fixed income	4,670,055	4,406,824
Other	930,050	941,026
	<b>\$ 9,448,931</b>	<b>\$ 9,141,856</b>

All these investments are presented at fair value. For the year ended December 31, 2025, there was an unrealized gain of \$176,485 (2024 - \$301,589) recorded in other income.

**FIRST DAWN EASTERN EDGE REGIONAL COUNCIL**

**Notes to Non-consolidated Financial Statements**

**Year Ended December 31, 2025**

**7. CAPITAL ASSETS**

	Cost	Accumulated amortization	<b>2025 Net book value</b>	2024 Net book value
Land	\$ 1	\$ -	\$ 1	\$ 1
Buildings	546,313	417,859	<b>128,454</b>	135,215
Computer equipment	4,985	4,253	<b>732</b>	1,626
Alarm system	8,070	4,351	<b>3,719</b>	4,648
Furniture and fixtures	162,947	161,808	<b>1,139</b>	1,423
	<b>\$ 722,316</b>	<b>\$ 588,271</b>	<b>\$ 134,045</b>	<b>\$ 142,913</b>

**8. DUE TO UNITED CHURCH BOOKSTORE**

The amount due of \$55,000 (2024 - \$70,000) is payable to the United Church Bookstore which is controlled by the Regional Council. Interest is charged on the amount at the same rate as the other trust funds (2025 - 4%, 2024 - 4%).

**9. INSURANCE ASSESSMENT RESERVE**

In prior years, the Regional Council had a self-insurance program whereby a portion of the insurance premium levied to each pastoral charge was used for self-insurance. All claims by the pastoral charges under a specific amount were paid from the self-insurance funds. At the end of each fiscal year, the funds remaining in the self-insurance plan, if applicable, would be refunded to the Regional Council for use in future years, if the need arises. The balance of \$100,000 (2024 - \$116,772) represents the cumulative amount of self-insurance premiums of prior years, plus allocated income and expenses as disclosed in Schedule 1. The Regional Council no longer uses a self-insurance program and insurance costs are passed on to the individual pastoral charges. The balance remaining in the account will be used for insurance expenditures as determined by the Council's Executive.

Transactions in the reserve, which is presented in Schedule 1 as part of the internally restricted funds, included:

	<b>2025</b>	<b>2024</b>
Interest earned	\$ 4,671	\$ 5,678
Insurance expenses	<b>(43,688)</b>	(28,022)
Administration fee to Regional Council	<b>(2,335)</b>	(2,839)
Excess of expenses over revenue	<b>(41,352)</b>	(25,183)
Insurance reserve, beginning of year	<b>141,352</b>	141,955
Insurance reserve, end of year	<b>\$ 100,000</b>	\$ 116,772

**10. FINANCIAL INSTRUMENTS**

The Regional Council 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 Regional Council's risk exposure and concentration as of December 31, 2025.

*(continues)*

**FIRST DAWN EASTERN EDGE REGIONAL COUNCIL**

**Notes to Non-consolidated Financial Statements**

**Year Ended December 31, 2025**

**10. FINANCIAL INSTRUMENTS (continued)**

***Credit risk***

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Regional Council is exposed to credit risk from its accounts receivable and its loan and notes receivable. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Regional Council is also exposed to concentration risk as 43% of accounts receivable relates to George Street United Church; this concentration risk is mitigated since the amount will be collected when the property in St. John's is sold.

***Liquidity risk***

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Regional Council is exposed to this risk mainly in respect of its receipt of funds from its charges and payments of its expenses.

***Market risk***

Market risk is the risk that the fair value or 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 Regional Council is mainly exposed to interest rate 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 Regional Council manages exposure through its normal operating and financing activities. The Regional Council is exposed to interest rate risk primarily through its long-term investments.

***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 Regional Council is exposed to other price risk through its investment in quoted shares.

**11. INTERFUND TRANSFERS**

	Operating Fund - Unrestricted	Internally Restricted Fund	Externally Restricted Fund	2025
Transfer of administration surplus	\$ (487,864)	\$ 487,864	\$ -	\$ -
Transfer of Mission and Support surplus	(24,669)	24,669	-	-
Interest allocated from discretionary fund	-	(68,991)	68,991	-
Interest allocated from discretionary fund to other internally restricted funds	-	(96,779)	-	(96,779)
Interest allocated to other internally restricted funds from discretionary fund	-	96,779	-	96,779
Transfer of administration fees from externally restricted funds and internally restricted funds to operating fund	150,394	(115,899)	(34,495)	-
Other transfers	(28,486)	21,373	7,113	-
	<b>\$ (390,625)</b>	<b>\$ 349,016</b>	<b>\$ 41,609</b>	<b>\$ -</b>

**FIRST DAWN EASTERN EDGE REGIONAL COUNCIL**

**Notes to Non-consolidated Financial Statements**

**Year Ended December 31, 2025**

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**12. ECONOMIC DEPENDENCE**

The Regional Council received a significant portion of its operating revenue from the General Council of the United Church of Canada. Should the General Council of the United Church of Canada reduce its grants to the Regional Council, management is of the opinion that continued viable operations would be doubtful.

**13. COMPARATIVE FIGURES**

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

**FIRST DAWN EASTERN EDGE REGIONAL COUNCIL**  
**Schedule of Internally Restricted Funds**  
**Schedule 1**  
**Year Ended December 31, 2025**

	Balance Opening Jan. 1/25	Revenue	Expenses	Excess (Deficiency) of Revenue over Expenses	Interfund Transfers	Balance Ending Dec. 31/25
Archives	\$ 110,658	\$ 24,000	\$ 606	\$ 23,393	\$ 9,862	\$ 143,913
Capstone Project	1,500	-	-	-	1,500	3,000
Centennial 2025	2,000	-	1,190	(1,190)	-	810
Chaplaincy Fund	21,313	445	21,313	(20,868)	(445)	-
Compassionate Assistance Fund	108,333	-	11,000	(11,000)	2,167	99,500
Coughlan College Trust Fund	1,645,641	8,337	24,306	(15,970)	37,629	1,667,300
Discretionary Fund	3,570,803	-	5,000	(5,000)	230,045	3,795,848
Explorer Program	7,153	-	-	-	(7,153)	-
Health, Joy, Excellence	14,753	1,147	2,170	(1,023)	-	13,731
Insurance Assessment Reserve Fund (Note 9)	116,772	1,065	44,752	(43,688)	26,915	100,000
Intentional Interim Ministry Refresher	6,216	-	-	-	(6,216)	-
Mission Support Held	109,295	-	20,578	(20,578)	25,114	113,831
New Church Development	29,471	-	-	-	589	30,060
New Ministry Initiatives	341,323	47,999	10,000	37,999	19,724	399,047
Post-Graduate Education Fund For Ministry Personnel	83,233	-	4,000	(4,000)	1,665	80,898
Property Reserve Fund	194,622	3,045	26,960	(23,916)	-	170,706
Social Ministries Trust	379,854	1,166	-	1,166	7,620	388,640
Summerside Church	68,058	-	-	-	-	68,058
Syrian Refugee	15,000	-	-	-	-	15,000
<b>Grand Total</b>	<b>\$ 6,825,999</b>	<b>\$ 87,203</b>	<b>\$ 171,876</b>	<b>\$ (84,673)</b>	<b>\$ 349,016</b>	<b>\$ 7,090,342</b>

**FIRST DAWN EASTERN EDGE REGIONAL COUNCIL**  
**Schedule of Externally Restricted Funds**  
**Schedule 2**  
**Year Ended December 31, 2025**

	Balance Opening Jan. 1/25	Revenue	Expenses	Excess (Deficiency) of Revenue over Expenses	Interfund Transfers	Balance Ending Dec. 31/25
Agnes Pratt Home Fund	\$ 79,003	\$ -	\$ 1,580	\$ (1,580)	\$ 1,580	\$ 79,003
Ministers' Children Attending Post Secondary Education	43,909	-	2,000	(2,000)	878	42,787
Loon Bay Camp Fund	1,020	-	-	-	20	1,040
Carmanville Church Fund	5,000	-	-	-	-	5,000
Curling Memorial Church Fund	18,041	-	361	(361)	361	18,041
Blackhead Historic Site Fund	2,600	-	52	(52)	52	2,600
Gulliford Bequest - CNIB	624	-	-	-	12	636
Pelley Estate Fund	856,450	-	7,000	(7,000)	9,657	859,107
Red Harbour (Port Elizabeth) Fund	213	-	-	-	4	217
William Seeley Mercer Memorial	6,600	-	132	(132)	132	6,600
Emmanuel House Fund	51,003	-	1,020	(1,020)	1,020	51,003
Methodist College Fund	230,000	-	4,600	(4,600)	4,600	230,000
Pine Hill Bursary Fund	10,000	-	200	(200)	200	10,000
Student Assistance Fund	144,265	2,525	2,600	(75)	10,129	154,319
Retired Ministers' Fund	48,679	1,354	9,200	(7,846)	8,300	49,133
Hant's Harbour Fund	1,000	-	-	-	20	1,020
Holy Land Visit Fund	49,431	-	-	-	989	50,420
Burry Heights Fund	44,003	-	880	(880)	880	44,003
Cochrane Street Fund	42,003	-	840	(840)	840	42,003
Greenspond Fund	10,000	-	200	(200)	200	10,000
Captain & Mrs. Leslie Winsor Fund	10,000	-	200	(200)	200	10,000
Prince of Wales Colligate Fund	7,400	-	148	(148)	148	7,400
Senior Citizens' Home Beatrice Gear Fund	7,000	-	140	(140)	140	7,000
Grates Cove United Church Fund	6,777	-	-	-	136	6,913
Elsie M. Oldford Trust	2,000	-	-	-	-	2,000
Wallace & Muriel Baker Trust	5,000	-	100	(100)	100	5,000
John T. Murphy Memorial Trust	50,544	-	1,011	(1,011)	1,011	50,544
<b>Grand Total</b>	<b>\$ 1,732,564</b>	<b>\$ 3,879</b>	<b>\$ 32,264</b>	<b>\$ (28,385)</b>	<b>\$ 41,609</b>	<b>\$ 1,745,788</b>