

The Conference Board of Canada

**Consolidated financial statements
May 31, 2025**



**Shape the future
with confidence**

Management's responsibility for financial reporting

The consolidated financial statements have been prepared by management in accordance with accounting standards for not-for-profit organizations. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. Financial statements are not precise since they include certain amounts based on estimates and judgments. Management has ensured that the consolidated financial statements are presented fairly in all material respects. The financial information presented elsewhere in the Annual Report is consistent with that in the consolidated financial statements.

The Conference Board of Canada [the "Corporation"] maintains adequate systems of internal accounting and administrative controls consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and that assets are appropriately accounted for and adequately safeguarded.

Through its Finance and Audit Committee, the Board of Directors [the "Board"] of the Corporation is responsible for reviewing and approving the consolidated financial statements and ensures management fulfills its responsibilities for financial reporting.

The Finance and Audit Committee is appointed by the Board and is composed of directors who are not employees of the Corporation. The Finance and Audit Committee meets periodically with management and with external auditors to discuss internal controls, auditing matters and financial and reporting issues to satisfy itself that each party is properly discharging its responsibilities. The Finance and Audit Committee reviews the consolidated financial statements and the external auditor's report and also considers the engagement or reappointment of the external auditors. The Finance and Audit Committee considers its findings when approving the consolidated financial statements for issuance.

The consolidated financial statements have been audited by Ernst & Young LLP, the external auditor, in accordance with Canadian auditing standards. Ernst & Young LLP has full and free access to the Finance and Audit Committee.



Susan Black
President and Chief Executive Officer



Elena Bowes
Chief Financial Officer

October 9, 2025

Independent auditor's report

To the Members of the Board of Directors
The Conference Board of Canada

Opinion

We have audited the consolidated financial statements of **The Conference Board of Canada** [the "Corporation"], which comprise the consolidated statement of financial position as at May 31, 2025, and the consolidated statement of operations, consolidated statement of changes in net assets and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Corporation as at May 31, 2025, and its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the consolidated 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 consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the consolidated financial statements

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



As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation'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 Corporation'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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Corporation to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Ernst & Young LLP

Ottawa, Canada
October 9, 2025

Chartered Professional Accountants
Licensed Public Accountants



The Conference Board of Canada

Consolidated statement of financial position

[expressed in thousands of dollars]

As at May 31

	2025	2024
	\$	\$
Assets		
Current		
Cash	4,074	6,286
Accounts receivable	1,515	969
Investments, at fair value <i>[note 3]</i>	11,438	12,254
Prepaid expenses	640	591
Other current assets <i>[note 5]</i>	1,895	668
Total current assets	19,562	20,768
Tangible capital and intangible assets, net <i>[note 4]</i>	3,297	1,645
Goodwill <i>[note 7]</i>	498	—
	23,357	22,413
Liabilities and net assets		
Current		
Accounts payable and accrued liabilities	1,086	1,435
Deferred revenue <i>[note 6]</i>	4,697	4,949
Current portion of contingent consideration <i>[note 7]</i>	267	—
Total current liabilities	6,050	6,384
Long-term		
Long-term portion of contingent consideration <i>[note 7]</i>	387	—
Total long-term liabilities	387	—
Net assets		
Unrestricted	16,920	16,029
Total net assets	16,920	16,029
	23,357	22,413

See accompanying notes

On behalf of the Board:



Director



Director

The Conference Board of Canada

Consolidated statement of operations

[expressed in thousands of dollars]

Year ended May 31

	2025	2024
	\$	\$
Revenue		
Research	13,781	13,419
Publications	5,328	5,294
Councils	3,127	3,333
Other convening	409	211
	22,645	22,257
Expenses		
Salaries and benefits	18,012	17,613
Professional services and consultants	2,462	2,904
Travel and meetings	987	866
General and administrative	906	926
Amortization <i>[note 4]</i>	637	418
Marketing	118	286
	23,122	23,013
Deficiency of revenue over expenses before the undernoted items	(477)	(756)
Other income (expenses)		
Interest, dividends and realized gains and losses	1,873	735
Unrealized gain (loss) on investments	(505)	856
Excess of revenue over expenses for the year	891	835

See accompanying notes

The Conference Board of Canada

Consolidated statement of changes in net assets

[expressed in thousands of dollars]

Year ended May 31

	Unrestricted	Total 2025	Total 2024
	\$	\$	\$
Net assets, beginning of year	16,029	16,029	15,194
Excess of revenue over expenses for the year	891	891	835
Net assets, end of year	16,920	16,920	16,029

See accompanying notes

The Conference Board of Canada

Consolidated statement of cash flows

[expressed in thousands of dollars]

Year ended May 31

	2025	2024
	\$	\$
Operating activities		
Excess of revenue over expenses for the year	891	835
Add (deduct) items not involving cash		
Unrealized loss (gain) on investments	505	(856)
Amortization	637	418
	<u>2,033</u>	<u>397</u>
Net change in non-cash working capital balances related to operations	(2,680)	(443)
Cash used in operating activities	<u>(647)</u>	<u>(46)</u>
Investing activities		
Purchase of investments	(6,498)	(2,043)
Sale of investments	6,809	6,801
Consideration paid in relation to the Vicinity Jobs acquisition <i>[note 7]</i>	(939)	—
Purchase of tangible capital and intangible assets	(937)	(575)
Cash provided by (used in) investing activities	<u>(1,565)</u>	<u>4,183</u>
Net increase (decrease) in cash during the year	<u>(2,212)</u>	<u>4,137</u>
Cash, beginning of year	6,286	2,149
Cash, end of year	<u>4,074</u>	<u>6,286</u>

See accompanying notes

The Conference Board of Canada

Notes to consolidated financial statements

[expressed in thousands of dollars]

May 31, 2025

1. Incorporation and objectives

The Conference Board of Canada [the "Corporation"] is incorporated under the name AERIC Inc. and under the *Canada Not-for-profit Corporations Act*. It is a corporation without share capital and qualifies for tax-exempt status as a registered charity under paragraph 149(1)(f) of the *Income Tax Act* (Canada). An annual license agreement with The Conference Board, Inc. governs the use of the name The Conference Board of Canada.

The objectives of the Corporation are exclusively charitable, scientific and educational as follows:

- To conduct objective scientific research and investigation in the fields of business, economics and public affairs and to make available, through periodicals and other publications, the information resulting from such activities to its members and to other persons, firms, corporations, associations, educational and other institutions, the federal and provincial governments of Canada and any department, bureau or agency thereof, and to the general public;
- To assemble, analyze and disseminate, on a non-political basis, objective information in regard to economic conditions and management experience in Canada and other countries;
- To conduct educational and scientific conferences of executives, professional specialists and others for discussion of economic, business and public affairs; and
- To contribute to the educational and professional training of executives, and in general to encourage and promote the sound development of Canadian industries.

2. Summary of significant accounting policies

Basis of preparation

The consolidated financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the *CPA Canada Handbook – Accounting*.

Basis of consolidation

The consolidated financial statements include the accounts for the Corporation and NAERIC Centre for International Studies ["NAERIC"], also a not-for-profit organization that is inactive. All significant intercompany transactions and balances are eliminated upon consolidation. There were no intercompany transactions or balances in NAERIC during the years covered by these consolidated financial statements.

Revenue recognition

Research and international

Revenue is recognized over time based on the nature of the underlying contract:

Fixed price contracts are recognized using the estimated percentage of completion method, which uses the actual costs incurred and the estimated costs to complete. Earned revenue recognized using the percentage of completion method, that has not yet been billed, is included in other current assets.

Non-fixed price contracts are recognized as time and materials are incurred, using rates identified in the contract.

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Notes to consolidated financial statements

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Publications and councils

Subscription and membership fees are prorated over the life of the subscription period.

Other convening

Revenue is recognized for fee-paid services for other convening, consisting of conferences and educational courses, based on when the related service is provided.

Investment income

Investment income, which is recorded on the accrual basis, includes interest income, dividend income, realized gains or losses on sale of investments and change in unrealized gains or losses on investments.

Deferred revenue

Billings in excess of revenue recognized for research, publications, councils and other convening are recorded as deferred revenue and recognized as services are subsequently provided.

Tangible capital and intangible assets

Tangible capital and intangible assets are recorded at cost. Amortization is calculated using the straight-line method. The estimated useful lives of the assets are as follows:

Tangible capital assets

Computer servers	6 years
Computer hardware	3 years

Intangible assets

Software	2 years
System technology (including Intellectual Property)	5 years
Customer contracts & relationships	5 years

The development costs of the internally generated system technology directly attributable to the project and having future economic benefits have been capitalized as incurred, and amortization commences in the period that the asset becomes operational.

Effective June 1, 2024, the Company adopted Accounting Guideline AcG-20, *Customer Arrangements – Cloud Computing*, which provides guidance on accounting for expenditures related to cloud computing arrangements.

Under this guideline, the Company evaluated its cloud computing contracts and determined that certain implementation and customization costs met the recognition criteria for an intangible asset under Section 3064, *Goodwill and Intangible Assets*. As a result, these costs were capitalized and are being amortized on a straight-line basis over the estimated useful life of five years, which reflects the period over which the related benefits are expected to be realized.

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[expressed in thousands of dollars]

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During the year, the Company capitalized \$874 in implementation and customization costs related to cloud computing arrangements. Amortization expense for the year ended May 31, 2025 related to these assets was \$455. The adoption of ACG-20 did not result in any retroactive adjustments to prior-period figures.

During the year, the Company completed a business combination that included identifiable intangible assets consisting of Customer Contracts and Relationships and Intellectual Property. These intangible assets were recognized at fair value at the acquisition date and are being amortized on a straight-line basis over their estimated useful lives, which reflect the periods over which the economic benefits are expected to be realized.

When a tangible capital asset or an intangible asset no longer contributes to the Corporation's ability to provide services, its carrying amount is written down to its residual value.

Tangible capital and intangible assets are classified as held for sale when management commits to a plan, the asset is available for immediate sale in its present condition, an active program to locate a buyer has been initiated, the sale is probable and expected to be recognized as a sale within one year, the asset is being actively marketed for sale at a price that is reasonable, and it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn. Assets held for sale are measured at the lower of their carrying value and their fair value less selling costs and are no longer amortized.

Business combination and goodwill

Consideration transferred to acquire businesses is measured at fair value on the acquisition date. Any deferred or contingent consideration to be transferred is recognized at fair value at the acquisition date. Subsequent changes to the fair value of the deferred or contingent consideration are recognized in other income.

Goodwill is not amortized and is rather tested for impairment whenever events or changes in circumstances indicate that the carrying amount exceeds the fair value. When the carrying value amount exceeds its fair value, an impairment loss is recognized in the amount equal to the excess. An impairment loss is not subsequently reversed.

Accrued liabilities

Accrued liabilities include provisions, which are recognized when the Corporation has a present legal or constructive obligation as a result of past event, when it is probable that an outflow of resources will be required to settle the obligation and when a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in the consolidated statement of operations.

Use of estimates

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent and liabilities as at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the carrying amount of tangible capital and intangible assets and obligations related to employee future benefits. Actual results could differ from those estimates.

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[expressed in thousands of dollars]

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Financial instruments

Cash and investments are measured at fair value. Transaction costs incurred on the acquisition of financial instruments that are measured subsequently at fair value are expensed as incurred. Changes in fair value are recognized in the consolidated statement of operations.

Accounts receivable, accounts payable and accrued liabilities approximate their fair value due to their short-term nature.

Contingent consideration arising from business combinations is recorded initially at the acquisition-date fair value. Contingent consideration classified as an asset or a liability is remeasured at fair value when the contingency is resolved, with the gain or loss recognized in other income or expenses.

Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate in effect at year-end. Operating revenue and expenses are translated at exchange rates in effect on the date of the transaction. Gains or losses arising from these translations are included in income, except to the extent that they relate to investments, in which case they are recognized in the same manner as investment income.

Cash

Cash consists of cash on deposit for day-to-day operational purposes. Cash and investments held for investing rather than operational purposes are classified as Investments.

3. Investments

Investments consist of the following:

	2025		2024	
	Fair value \$	Cost \$	Fair value \$	Cost \$
Cash and guaranteed investment certificates	71	71	201	201
Canadian equities	1,688	1,296	2,651	2,151
US equities and other	2,903	2,459	3,424	2,321
Bonds	6,776	6,659	5,978	6,124
	11,438	10,485	12,254	10,797

The Corporation manages its investment portfolio according to a statement of investment policy, which has established target asset mixes, approved by the Board.

The bonds bear a yield to maturity from 0% to 6.34% [2024 – 0% to 6.57%] maturing between June 2025 and April 2078 [2024 – June 2024 and April 2078].

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Market risk

Market risk comprises interest rate risk, price risk and foreign currency risk.

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect the value of the investments. As the Corporation's interest-bearing investments do not generate significant amounts of interest, changes in market interest rates do not have a significant direct effect on the Corporation's income.

Price risk

Price risk arises as a result of trading equity securities and bonds. Fluctuation in the price risk exposes the Corporation to a risk of loss. The Corporation mitigates this risk through controls to monitor and limit concentration levels.

Foreign currency risk

Foreign currency risk arises from gains and losses due to fluctuation in foreign currency exchange rates on the Corporation's foreign equity securities. Based on the target asset mix as per internal investment policy, foreign equities represent 25% [2024 – 28%] of the overall investment portfolio. As the Corporation closely monitors its investment mix, the changes in foreign currency rates do not have a significant effect on the Corporation's results.

Liquidity risk

Liquidity risk arises as a result of not being able to meet the cash requirements in a timely and cost-effective manner. The Corporation matches the timing of investment maturities to projected cash outflows and, as such, liquidity does not present a significant financial risk to the Corporation.

4. Tangible capital and intangible assets

	2025		2024	
	Cost	Accumulated amortization	Net book value	Net book value
	\$	\$	\$	\$
Tangible capital assets				
Computer hardware	1,524	1,387	137	199
	1,524	1,387	137	199
Intangible assets				
Software	363	353	10	37
System technology	5,525	3,702	1,823	1,409
Intellectual property	700	12	688	—
Customer relationships and contracts	650	11	639	—
	7,238	4,078	3,160	1,446
	8,762	5,465	3,297	1,645

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Amortization of \$637 was charged to the consolidated statement of operations during the year [2024 – \$418].

5. Other current asset

Other current asset consists of the following:

	2025 \$	2024 \$
Research	1,895	668

Other current asset represents earned revenue that is not yet billed.

6. Deferred revenue

Deferred revenue consists of the following:

	2025 \$	2024 \$
Research	451	1,195
Publications	2,914	2,269
Councils	1,329	1,467
Other convening	3	18
	4,697	4,949

7. Business combination

On May 1, 2025, the Corporation acquired certain assets and assumed certain liabilities of Vicinity Jobs Inc., engaged in the business of providing data, labour market solutions, and consulting services located in British Columbia, Canada, for a total purchase price of \$1,500, net of working capital adjustments. The results relating to the acquired assets have been included in the consolidated financial statements since the acquisition date.

The purchase consideration included a cash payment of \$939, and a deferred, non-interest-bearing promissory note of \$800, contingent on the business generating annual revenue targets over the next three years, and payable in three equal annual instalments of \$267. The deferred purchase consideration is not contingent on employment, and has been accounted for as part of the business combination. The contingent purchase consideration was recorded at \$650 on May 1, 2025, representing the present value of expected future payments using an imputed interest rate of 7.5%.

The goodwill recognized reflects the value of expected synergies arising from the acquisition, and the expertise and reputation of the assembled workforce acquired.

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Notes to consolidated financial statements

[expressed in thousands of dollars]

May 31, 2025

The following table summarizes the fair value of each major class of assets acquired and liabilities assumed, recognized at the acquisition date:

	\$
Assets	
Prepaid	51
Accounts receivable	322
Tangible capital assets	2
Intangible capital assets related to intellectual property, customer contracts and relationships	1,350
	1,725
Liabilities	1
Accounts payable	691
Deferred revenue	692
Net identifiable assets acquired	1,033
Goodwill	498
Fair value of consideration	1,531
Cash paid	939
Adjustment for final working capital	(58)
Present value of contingent consideration	650
Fair value of consideration	1,531

8. Comparative figures

Certain amounts in the consolidated financial statements for the year ended May 31, 2024 have been reclassified for comparative purposes to conform to the presentation in the consolidated financial statements for the year ended May 31, 2025.