



Powered by People. Defined by Connection.

Annual Report | Fiscal Year 2024-2025



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Reflecting with Intention. Planning with Purpose

Year in Review

Fiscal year 2024-2025 was one of measured growth, stability, and intentional reflection for Atlantic Education International (AEI). Growth continued, but at a pace that kept our focus on quality, learner experience, and partnership integrity. In addition to delivering strong programming outcomes, the organization dedicated significant time and focus to evaluating what is working well, identifying internal and external risks and pressures, and strengthening the foundation for sustainable success in the years ahead.

For nearly 30 years, AEI has created transformative education experiences rooted in New Brunswick's values of quality, hospitality, and heart. During that time, we have empowered thousands of learners, built enduring global partnerships, and earned an international reputation grounded in trust, integrity, and educational excellence.

This year also marked the final year of AEI's three-year strategic plan, a plan shaped by a collective ambition to grow revenue, expand global reach, and diversify markets and partnerships by leveraging AEI's strong reputation. As this chapter came to a close, the organization shifted its focus toward reflection, learning, and readiness, ensuring that future growth is both intentional and sustainable.

For nearly 30 years, AEI has created transformative education experiences rooted in New Brunswick's values of quality, hospitality, and heart.

Beyond delivering exceptional programming, AEI advanced a number of organization-wide initiatives to strengthen its foundation. This work emphasized improving systems and internal processes and building greater clarity and shared understanding of how we operate and work together. As part of this effort, AEI initiated an organization-wide capabilities assessment, using a collaborative approach to explore roles, responsibilities, and capacity across the organization. Collectively, these efforts represent important first steps in a multi-year journey to support greater alignment, accountability, and sustainability, ensuring AEI is well-positioned to navigate change and prepare for its next strategic chapter.



Message from the Chair of the Board

Atlantic Education International exists because of people. Students, families, educators, staff, and communities are at the center of everything we do. As Chair of the Board, I have had the opportunity to connect with students in New Brunswick and around the world. Those conversations are a powerful reminder of the responsibility AEI carries, the impact of our work, and the quality of our curriculum.

The Board is proud of AEI's continued commitment to being a people-first organization. That commitment shows in how students are supported, how staff are valued, and how decisions are made. It also shows in the care taken to balance opportunity with responsibility. Growth matters, but it must be thoughtful and grounded in our ability to guarantee quality and trust.

AEI's strength lies in the quality of the education it represents. New Brunswick's education system is built on strong values, high standards, and a focus on student well-being. The Board takes its role

seriously in safeguarding that quality as AEI works with partners at home and abroad. Every partnership reflects not only on AEI, but on the province as a whole.

This past year has required steady leadership and careful oversight as we have grown and changed. The Board has remained focused on long-term sustainability, sound governance, and support for the organization's leadership and staff. We are encouraged by the direction AEI is taking and by the thoughtful approach to growth that continues to guide the organization.

On behalf of the Board, I want to thank John McLaughlin for his time leading and growing AEI. John has strengthened our foundation as an organization. I'd also like to thank Megan Stevenson for her steady leadership, ensuring stability and focus during the transition. And a special welcome to Stephanie Underhill Tomilson, who has taken the reins as we move into a new chapter for AEI. We look forward to the leadership and perspective she brings as we

move into an important moment in our organization's journey.

I want to thank the AEI team for their professionalism, care, and commitment. Their work matters to students and families in New Brunswick and around the world. We are proud to support the team as AEI continues to move forward with purpose and integrity.



Ryan Donaghy

Chair of the Board
Atlantic Education International

Message from Leadership:

Stability, Stewardship, and Shared Purpose.

This past year has been one of focus and forward momentum for Atlantic Education International. Across a complex and evolving global landscape, AEI remained grounded in our responsibility to students, our accountability to the public trust and our commitment to one another. Stability, stewardship, and shared purpose are not simply words to us. They describe how we show up for our partners and each other. They are the principles that guide our decisions and our growth.

Stability comes from clarity. We support international students safely and responsibly in New Brunswick. We also extend New Brunswick's education system internationally in ways that protect quality and credibility over time. This clarity allows us to move forward with confidence. It also allows us to approach growth with care. Over this past year, we paid close attention to capacity and readiness as we moved forward. This approach allowed us to keep students supported and teams grounded.

Stewardship sits at the core of AEI's role. We are entrusted with student well-being, with the reputation of New Brunswick's education system, and with public confidence in how international education is delivered. That responsibility

shapes every partnership we approve and every market we enter. Student safety, brand integrity, and employee trust remain at the centre of our work.

Shared purpose connects our work across teams and borders. It is visible in the professionalism and judgment our staff bring to their roles. It shows in the care they extend to students and partners. This shared commitment strengthens AEI's operations and supports consistent progress. We are proud of the way our team carries this responsibility each day.

I would like to acknowledge and thank our former CEO, John McLaughlin, whose leadership helped build the foundation we continue to strengthen today. His commitment to AEI's mandate and reputation has had a lasting impact, and we move forward with appreciation for his contribution.

I would also like to sincerely thank our COO, Megan Stevenson, who stepped in as Acting CEO for part of last year and has provided steady leadership throughout this year of transition.

Looking ahead, our focus is clear. We will continue to grow AEI responsibly while strengthening how we work and

supporting the people who make this organization successful. Our new strategic plan sets the direction for this next chapter. It brings focus to our priorities, supports better decision-making, and gives our teams a shared understanding of where we are going and why.

I am grateful to our staff, partners, agents, schools, host families, and government colleagues for their continued collaboration and care. Your shared commitment is what makes AEI's work possible and will help carry our direction forward.



Stephanie Underhill Tomilson

President & Chief Executive Officer
Business Development

Meaningful Education. Lasting Impact

Who we are

At AEI, we believe the heart of education is human connection. Guided by this belief, AEI delivers exceptional educational experiences to individuals and communities around the world by pairing a world-class curriculum with a people-first, relationship-driven approach and culture. What sets AEI apart is not only what we deliver, but also how we deliver it, through trust, strong relationships, and a deeply people-centred approach.

Our Purpose:

To enrich the lives of individuals and communities, both around the world and here at home, through access to meaningful educational experiences.

Our Curriculum

The New Brunswick curriculum is internationally recognized for its quality, relevance, and value. Designed to build strong foundations in literacy and numeracy while fostering global competencies, it equips students with the skills, confidence, and adaptability needed to thrive in an ever-changing world.

Our People-Driven Approach

Rooted in values of quality, hospitality, and compassion, AEI's people-first approach ensures learners receive the care, guidance, and support they need to succeed. Whether welcoming students to New Brunswick or partnering with schools and educators abroad, our work is grounded in creating personalized, enriching educational journeys for every learner.

Our Vision



Global learners empowered by a New Brunswick education rooted in quality, hospitality, and heart; rich in human connection.

Our mission



By championing people and partnerships, we create defining experiences that positively impact global learners and leave a lasting impact on communities.

Our Values



- Quality
- Integrity
- Dedication
- Connection
- Inclusivity
- Community

Our Strategic Pillars

-
1. Our partnerships
 2. Our programs
 3. Our students
 4. Our brand

PILLAR 01 OUR PARTNERSHIPS

Grounded in New Brunswick. Connected to the World.

GLOBAL PRESENCE WITH LOCAL CARE

We believe partnerships thrive when they are built on trust, shared purpose, and meaningful support. This past year, our work focused on strengthening service delivery and enhancing the ways we support partners across our global network.

To support this work, we developed comprehensive curriculum bundles for educators in our offshore schools, introduced targeted training modules to better support students, homestay families, and independent contractors, and created intentional opportunities for connection with partners and agents. These engagements allowed us to learn directly from those we work with, strengthen collaboration, and inform continuous improvement across programs.

COMMITMENT TO QUALITY

As an authorized agent of the Province of New Brunswick, AEI is deeply committed to upholding the integrity of the New Brunswick curriculum and ensuring that all programming reflects both AEI's standards and the high expectations of the province it represents.

In pursuit of this commitment, AEI sets clear expectations for how programs

are delivered and takes the quality of its relationships with partners and agencies seriously. When expectations are not met, AEI will take decisive action to protect program quality and the reputation of New Brunswick education. In parallel, the organization continues to implement and refine robust quality assurance processes across its operations to ensure standards are consistently upheld in our offshore schools and that students in New Brunswick are safe, welcomed, and cared for by homestay families.

OPENING DOORS

AEI is deeply committed to education, to the Province of New Brunswick, and to its continued prosperity. As part of this

commitment, AEI recognizes the important role it can play in strengthening pathways that encourage international students to choose New Brunswick, and Canada more broadly, as a place to build their future.

In 2024-2025, AEI expanded existing post-secondary partnership arrangements, entered into new collaborations, and saw increased interest in partnership opportunities from post-secondary institutions across New Brunswick and Atlantic Canada. This work reflects a broader effort to strengthen pathways to post-secondary education, supporting talented, globally minded students as they transition to further study and contribute to the social, cultural, and economic vitality of the communities we call home.



“

Thank you [AEI] for your thoughtful guidance and steadfast support throughout the accreditation process. We truly value the partnership we've built with your team and appreciate the constructive, collaborative approach you bring to improving the delivery [of the New Brunswick Program] within our school."

Offshore school partner

My hope is that you will always continue to deliver the same high level of quality and consistency that you have always provided."

Offshore school partner



I love working with AEI due to the professionalism, flexibility, and empathy."

International recruitment agent

Even though I've only been the Program Manager for our Canadian students for a short time, I already feel incredibly grateful for everything you do and all the amazing work that goes into it. I truly appreciate your support and am so excited to continue this wonderful cooperation with you!"

International recruitment agent

PILLAR 02 OUR PROGRAMS

Delivering with Purpose.

THE NEW BRUNSWICK OFFSHORE SCHOOLS PROGRAM







At AEI, we believe everyone deserves access to world-class education. Through the New Brunswick Offshore Schools Program, AEI accredits schools outside New Brunswick, supports educators in delivering high-quality learning, and provides accredited schools, educators, and students with the tools they need to succeed and earn a New Brunswick high school graduation diploma.

The New Brunswick high school graduation diploma is more than a graduation certificate; it's a passport to global opportunities. This internationally recognized credential gives students an edge in gaining admission to post-secondary programs worldwide.

At the close of 2024-2025, AEI had 61 accredited offshore schools across 11 countries.



THE STATS | NBOSP

-  11 countries
-  61 schools
-  5280 students
-  828 potential graduates
-  13 new expressions of interest for 2025-2026
-  942 educators supported



Quality assurance:

42 accreditation inspections completed

27 school visits conducted

THE NEW BRUNSWICK INTERNATIONAL STUDENT PROGRAM

AEI's International Student Program offers students ages 11-18 the opportunity to experience life and learning in New Brunswick, studying in the New Brunswick Anglophone public school system while living with a New Brunswick host family. More than an academic pathway, the program is an immersive experience rooted in care, connection, and belonging.

Over the years, thousands of students from around the world have built lasting relationships, gained a global perspective, and discovered a second home in New Brunswick. At the same time, the presence of international students enriches New Brunswick schools and communities, broadening perspectives, fostering cross-cultural understanding, and creating meaningful global connections for local students, families, and educators. Together, these shared experiences strengthen communities and deepen understanding on both sides.

At the close of 2024-2025, NBISP welcomed 849 students from 37 countries to New Brunswick.



THE NEW BRUNSWICK STUDY ABROAD PROGRAM

Since 2021, AEI's Study Abroad Scholarship has supported New Brunswick students to pursue meaningful learning experiences abroad, removing financial barriers and expanding global perspectives. In 2024/ 25, seven students studied abroad.



students to Germany



students to Switzerland

THE STATS | NBISP

- 📅

849 students
(654 fte)
- 🏠

721 active homestay
families
- 🌐

37 countries
- 💰

\$17 Million +
in economic impact to
NB via the participating
international students
- 🏫

47 NB schools participated
(middle and high)
- 👤

98 active agents



Top 5 countries students come from:



Germany



Spain



Brazil



Türkiye



Japan

Placement Breadth:

NBISP placements were distributed across all four Anglophone School Districts, with 47 participating middle and high schools.



1. **ASD-N:** 8 schools
2. **ASD-S:** 14 schools
3. **ASD-W:** 13 schools
4. **ASD-E:** 12 schools

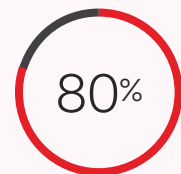
Host Satisfaction & Support:



100%
of surveyed hosts felt
supported by NBISP



100%
of surveyed hosts felt
satisfied with program
communications



80%
rated overall satisfaction
4 or 5 out of 5

Top rewarding aspects from the experience:

- ✓ Cultural exchange
- ✓ Shared traditions and meals
- ✓ Supporting student transitions

PILLAR 03 OUR STUDENTS

Student-Centred by Design.

Our students are at the heart of everything we do. Whether arriving in New Brunswick or studying our curriculum abroad, their stories reflect the power of education to connect, inspire, and transform lives.

Each year, we hear countless examples of how AEI-supported experiences shape students' futures. For some, it is their first time living abroad or stepping into a new education system. For others, it is the moment they arrive in New Brunswick, discovering a new sense of belonging and possibility. Many go on to pursue post-secondary education, secure meaningful career pathways, and build lasting ties with the communities that welcomed them.

The impact of these experiences extends far beyond individual learners. International students enrich classrooms and school communities across New Brunswick, contributing their talents, perspectives, and passions on stage, in the classroom, and on athletic teams. Local students gain global awareness, cultural understanding, and friendships that stretch across borders. Families open their homes and hearts, forming connections that often last a lifetime.

Importantly, the presence of globally diverse learners also shapes the experiences of educators in New Brunswick schools. Teachers and



school staff gain new perspectives that influence how they approach teaching, learning, and inclusion, bringing global contexts to their classrooms in ways that go well beyond a single academic year.

Similarly, students studying the New Brunswick curriculum abroad carry these shared values back to their own schools and communities, while maintaining a meaningful connection to New Brunswick. Outbound students, through study-abroad opportunities, return home with new insights and relationships that deepen their

understanding of the world and their role within it.

From small rural communities to larger urban centers, the ripple effects of these students' journeys can be felt across the province and around the globe. At AEI, being student-centred means designing programs that recognize learners as individuals, value the relationships that surround them, and measure success not only by outcomes but also by the lasting impact students have on classrooms, communities, and lives.

“

The homestay experience has significantly enriched our family’s cultural understanding and global awareness. Hosting a student from a different background gave us the opportunity to learn firsthand about their culture, their values, and daily life... it was a powerful reminder that while we may come from different parts of the world, we share many common hopes and values.

Homestay family



“

I love everything here. The snow, the people, everything is so good.

Spanish student

PILLAR 04 OUR BRAND

Trust Built Through Quality and Relationships.

OUR HISTORY

Now in its 30th year, AEI has helped students from around the world discover what New Brunswick does best: high-quality public education, safe and welcoming communities, and authentic Canadian experiences that shape who they become.

Established by the Province of New Brunswick in 1997, AEI is the official agent for the province's international education programs. Authorized by the Anglophone Sector of the Department of Education and Early Childhood Development, AEI promotes and

distributes New Brunswick's educational programs and resources internationally, connects learners with the province's bilingual public schools, and shares the New Brunswick curriculum with the world.

Over time, AEI has grown into a respected leader in international education through programs including the New Brunswick International Student Program (NBISP) and the Offshore Schools Program (NBOSP). As a Crown corporation, AEI generates revenue from outside the province and reinvests

proceeds to strengthen education and support New Brunswick's economy.

AEI's impact is measured in outcomes and experiences: access to a world-class education, strong graduation rates, and diverse school communities paired with authentic cultural exchange, homestay life, and connections to New Brunswick's people, culture, and environment.



OUR PROMISE

We provide eye-opening, life-changing experiences for global learners. Quality education has the power to improve the future of individuals, schools, communities, and entire economies. As a group tasked with sharing New Brunswick's values and curriculum with the world, we promise to:

- 01** > Treat everyone we meet with warmth and respect
- 02** > Communicate as openly, honestly and frequently as we possibly can
- 03** > Work together to solve problems and overcome barriers
- 04** > Champion cultural diversity

Board of Directors

Ryan Donaghy

Chair and Deputy Minister
Education and Early Childhood
Development (Anglophone Sector)

Dr. Tiffany Bastin

Vice Chair and Assistant
Deputy Minister
Education and Early Childhood
Development (Anglophone Sector)

Lana Tingley Lacroix

Chief of Protocol Officer
Intergovernmental Affairs

Cameron Bodnar

Director of Policy, Marketing Intelligence
and Strategic Initiatives
Opportunities New Brunswick

David McTimoney

Superintendent
Anglophone West School District

Fernanda Damiani

Manager, Provincial
and International Relations
Post-Secondary Education
Training and Labour

Sara Morris Colter

Vice President, Corporate Services
Regional Development Corporation

Our Team

Executive team



Stephanie Underhill Tomilson
President & Chief Executive Officer
Business Development



Megan Stevenson
Vice President & Chief Operating Officer

Corporate team



Keith Endresen
People & Culture
Coordinator



Nancy Léger
Financial
Controller



Holly Lydon
Finance and Human
Resources Support Officer



Dawn Weatherbie
Education and
Training Specialist



Caroline Kennedy
Office Administrator

New Brunswick International Student Program



Jeff Holder
Director



Christina Campbell
Admissions
Coordinator



Karen Maldonado
Program
Support Officer



Marie Mourant
Client Success
Coordinator



Debbie Thomas
Regional
Manager
(ASD-S)



Wendy Brooks
Homestay
Administrator
(ASD-S)



Debbie Walls
Regional Manager
(ASD-N)



Mary Waddell
Regional
Manager
(ASD-W)



Heather Bourque
Homestay
Administrator
(ASD-E)



Andrea Yoshida
Homestay
Administrator
(ASD-E)



David Hunter
Homestay
Administrator
(ASD-N)

New Brunswick Offshore School Program



Terry Currie
Director



Greg Tucker
Education
Specialist



Jenny Fawcett
Education
Specialist



Linden Steeves
Education
Specialist

Financial Statements

Year ended August 31, 2025

INDEPENDENT AUDITOR'S REPORT

To the Members of Atlantic Education International Inc.

Opinion

We have audited the financial statements of Atlantic Education International Inc. (the "organization"), which comprise the statement of financial position as at August 31, 2025, and the statements of operations and accumulated surplus, changes in net financial 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 the organization as at August 31, 2025, and the results of its operations and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the organization in accordance with 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.

Emphasis of Matter

We draw attention to the prior period adjustment of Note 12, which explains that certain comparative information presented for the year ended August 31, 2024 has been restated. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 PSAS, 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.

(continues)

Independent Auditor's Report to the Members of Atlantic Education International Inc. *(continued)*

In preparing the financial statements, management is responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

(continues)

Independent Auditor's Report to the Members of Atlantic Education International Inc. *(continued)*

Teed Saunders Doyle

Fredericton, New Brunswick
April 17, 2026

CHARTERED PROFESSIONAL ACCOUNTANTS

ATLANTIC EDUCATION INTERNATIONAL INC.
Statement of Financial Position
August 31, 2025

	2025	2024 <i>(Restated)</i>
FINANCIAL ASSETS		
Cash	\$ 13,558,577	\$ 11,805,999
Accounts receivable <i>(Note 4)</i>	<u>802,695</u>	<u>800,233</u>
	<u>14,361,272</u>	<u>12,606,232</u>
LIABILITIES		
Accounts payable <i>(Note 5)</i>	821,259	620,634
Deferred revenue <i>(Note 6)</i>	7,263,575	7,024,534
Due to other parties <i>(Note 7)</i>	<u>4,217,649</u>	<u>2,979,031</u>
	<u>12,302,483</u>	<u>10,624,199</u>
NET FINANCIAL ASSETS	<u>2,058,789</u>	<u>1,982,033</u>
NON-FINANCIAL ASSETS		
Prepaid expenses	163,200	126,563
Tangible capital assets <i>(Note 8)</i>	<u>62,742</u>	<u>48,496</u>
	<u>225,942</u>	<u>175,059</u>
ACCUMULATED SURPLUS <i>(Note 9)</i>	<u>\$ 2,284,731</u>	<u>\$ 2,157,092</u>
LEASE COMMITMENTS <i>(Note 11)</i>		

The accompanying notes are an integral part of the Financial Statements.

ATLANTIC EDUCATION INTERNATIONAL INC.
Statement of Changes in Net Financial Assets
Year Ended August 31, 2025

	Budget	2025	2024 <i>(Restated)</i>
EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR	\$ 33,258	\$ 127,639	\$ 446,199
Amortization of tangible capital assets	17,500	19,172	14,881
Purchase of tangible capital assets	-	(33,418)	(10,385)
Increase in prepaid expenses	-	(36,637)	(7,115)
	17,500	(50,883)	(2,619)
INCREASE IN NET FINANCIAL ASSETS	50,758	76,756	443,580
NET FINANCIAL ASSETS - BEGINNING OF YEAR - AS PREVIOUSLY REPORTED	-	1,434,984	1,338,453
PRIOR PERIOD ADJUSTMENTS (Note 12)	-	547,050	200,000
NET FINANCIAL ASSETS - BEGINNING OF YEAR - AS RESTATED	1,434,984	1,982,033	1,538,453
NET FINANCIAL ASSETS - END OF YEAR	\$ 1,485,742	\$ 2,058,789	\$ 1,982,033

The accompanying notes are an integral part of the Financial Statements.

ATLANTIC EDUCATION INTERNATIONAL INC.
Statement of Operations and Accumulated Surplus
Year Ended August 31, 2025

	Budget	2025	2024 <i>(Restated)</i>
REVENUES			
NBISP student fees	\$ 14,157,750	\$ 14,398,130	\$ 13,709,138
NBOSP program fees	2,856,050	3,200,438	2,186,031
Innovation fund	100,000	91,541	121,546
Autism learning partnership	20,000	3,722	1,939
Summer camp	490,000	-	-
Interest	240,000	419,266	578,162
Other income	-	3,400	151,220
	<u>17,863,800</u>	<u>18,116,497</u>	<u>16,748,036</u>
EXPENSES			
Program expenses			
NBISP expenses <i>(Note 14)</i>	12,570,450	12,678,618	12,139,147
NBOSP expenses <i>(Note 14)</i>	732,500	535,106	220,107
Innovation fund	100,000	91,560	121,527
Autism learning partnership	14,000	1,108	969
Summer camp	490,000	25,967	13,053
Study abroad scholarship program	175,000	114,913	60,219
Corporate expenses			
Amortization	17,500	19,172	14,881
Bad debts	100,000	11,500	492,465
Bank fees	15,000	8,591	8,484
Bursaries and scholarships	20,000	11,250	13,750
General expenses	62,900	30,445	21,407
Information technology	50,000	49,470	59,072
Marketing, promotion, and advertising	227,500	242,680	216,645
Office expenses	90,000	55,696	37,008
People and culture	50,000	27,625	10,430
Professional fees	150,000	298,790	28,470
Rent and utilities	114,000	100,329	100,160
Wages and benefits	2,401,692	2,386,038	1,744,043
	<u>17,380,542</u>	<u>16,688,858</u>	<u>15,301,837</u>
EXCESS OF REVENUE OVER EXPENSES BEFORE ALLOCATIONS TO OTHER PARTIES	483,258	1,427,639	1,446,199
Allocations to other parties <i>(Note 7)</i>	(450,000)	(1,300,000)	(1,000,000)
EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR	<u>33,258</u>	<u>127,639</u>	<u>446,199</u>
ACCUMULATED SURPLUS - BEGINNING OF YEAR - AS PREVIOUSLY REPORTED	1,610,043	1,610,043	1,510,893
PRIOR PERIOD ADJUSTMENT <i>(Note 12)</i>	-	547,050	200,000
ACCUMULATED SURPLUS - BEGINNING OF YEAR - AS RESTATED	<u>1,610,043</u>	<u>2,157,092</u>	<u>1,710,893</u>
ACCUMULATED SURPLUS - END OF YEAR <i>(Note 9)</i>	<u>\$ 1,643,301</u>	<u>\$ 2,284,731</u>	<u>\$ 2,157,092</u>

The accompanying notes are an integral part of the Financial Statements.

ATLANTIC EDUCATION INTERNATIONAL INC.

Statement of Cash Flows
Year Ended August 31, 2025

	2025	2024 <i>(Restated)</i>
OPERATING ACTIVITIES		
Annual surplus	\$ 127,639	\$ 446,199
Item not affecting cash:		
Amortization of tangible capital assets	19,172	14,881
	<u>146,811</u>	461,080
Changes in non-cash working capital:		
Accounts receivable	(2,462)	(4,084)
Prepaid expenses	(36,637)	(7,115)
Accounts payable	200,625	218,437
Due to other parties	1,238,618	359,805
Deferred revenue	239,041	385,726
	<u>1,639,185</u>	952,769
	<u>1,785,996</u>	1,413,849
INVESTING ACTIVITY		
Purchase of tangible capital assets	<u>(33,418)</u>	(10,385)
INCREASE IN CASH FLOW	1,752,578	1,403,464
CASH - BEGINNING OF YEAR	<u>11,805,999</u>	<u>10,402,535</u>
CASH - END OF YEAR	<u>\$ 13,558,577</u>	<u>\$ 11,805,999</u>

The accompanying notes are an integral part of the Financial Statements.

ATLANTIC EDUCATION INTERNATIONAL INC.

Notes to Financial Statements

Year Ended August 31, 2025

1. NATURE OF OPERATIONS

Atlantic Education International Inc. is an organization with a mandate from the New Brunswick Minister of Education and Early Childhood Development (EECD) to undertake educational initiatives of an international nature. The organization is primarily involved with exporting the New Brunswick school curriculum and recruiting international students to study in New Brunswick schools. Atlantic Education International Inc. is a government business enterprise of the Province of New Brunswick and is exempt from federal and provincial income taxes under paragraph 149 of the Income Tax Act.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian public sector accounting standards (PSAS). Canadian public sector accounting standards are part of Canadian GAAP.

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 unrealized 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.

Cash and cash equivalents

Cash includes cash and cash equivalents. Cash equivalents are investments in treasury bills 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.

At year end, \$4,217,649 (2024 - \$2,979,031) of the total cash balance is due to other parties and is restricted for external use related to designated activities.

Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards 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.

Tangible capital assets

Tangible capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives on a declining balance basis at the following rates and methods:

Computer equipment	30% declining balance method
Furniture and fixtures	20% declining balance method
Leasehold improvements	4 to 5 years straight-line method

The organization regularly reviews its tangible capital assets to eliminate obsolete items.

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

(continues)

ATLANTIC EDUCATION INTERNATIONAL INC.
Notes to Financial Statements
Year Ended August 31, 2025

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Capital management

The organization considers its capital to be its accumulated surplus which is \$2,284,731 as at August 31, 2025. The organization's primary objective when managing capital is to continue as a going concern and adequately fund its programs, services and operations.

Revenue recognition

Services

The organization's services are generally provided based upon orders or contracts with its customers that include fixed or determinable prices based upon monthly, daily, hourly or job rates. Revenue is recognized over the term of the contract as the services are provided.

Contributions

The organization follows the deferral method of accounting for contributions, which consist of project financing received for the innovation fund.

Interest income

Interest income is recognised as interest accrued on a time basis by reference to the principal outstanding and to the effective interest rate applicable. The effective interest rate applicable is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Deferred revenue

The organization's services are generally provided based upon contracts with its customers. Amounts received for services that will be performed in future years are deferred until the services are provided.

Foreign currency translation

Accounts in foreign currencies have been translated into Canadian dollars using the temporal method. Under this method, monetary assets and liabilities have been translated at the year end exchange rate. Non-monetary assets have been translated at the rate of exchange prevailing at the date of transaction. Revenues and expenses have been translated at the average rates of exchange during the year, except for amortization, which has been translated at the same rate as the related assets.

Foreign exchange gains and losses on monetary assets and liabilities are included in the determination of earnings.

ATLANTIC EDUCATION INTERNATIONAL INC.

Notes to Financial Statements

Year Ended August 31, 2025

3. FINANCIAL INSTRUMENTS

The organization 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 organization's risk exposure and concentration as of August 31, 2025.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from customers. In order to reduce its credit risk, the organization conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The organization has a significant number of customers 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 organization is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources and accounts payable.

Currency risk

Currency risk is the risk to the organization's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The organization is exposed to foreign currency exchange risk on cash, accounts receivable, and accounts payable held in U.S. dollars. The organization does not use derivative instruments to reduce its exposure to foreign currency risk.

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

4. ACCOUNTS RECEIVABLE

	<u>2025</u>	<u>2024</u>
Accounts receivable - General	\$ 1,272,000	\$ 1,202,268
Accounts receivable - NBISP application fees	<u>82,500</u>	<u>170,665</u>
	1,354,500	1,372,933
Allowance for doubtful accounts	<u>(551,805)</u>	<u>(572,700)</u>
	<u>\$ 802,695</u>	<u>\$ 800,233</u>

During the year, the organization allowed for and expensed \$11,500 (\$492,465 - 2024) as bad debts.

5. ACCOUNTS PAYABLE

	<u>2025</u>	<u>2024</u>
Accounts payable and accrued liabilities	\$ 625,858	\$ 198,453
Province of New Brunswick	94,552	272,875
NBISP - Admin fees	44,587	59,212
Credit card balances	33,408	70,498
Payroll remittances payable	<u>22,854</u>	<u>19,596</u>
	<u>\$ 821,259</u>	<u>\$ 620,634</u>

ATLANTIC EDUCATION INTERNATIONAL INC.

Notes to Financial Statements

Year Ended August 31, 2025

6. DEFERRED REVENUE

	<u>2025</u>	<u>2024</u>
Education and Early Childhood Development (EECD) - Innovation Fund	\$ 304,683	\$ 180,273
NBISP student fees	6,958,892	6,500,013
NBOSP program fees	-	344,248
	<u>\$ 7,263,575</u>	<u>\$ 7,024,534</u>

7. DUE TO OTHER PARTIES

Balances due to other parties represent liabilities for amounts held on behalf of other parties which are restricted for external use related to designated activities.

	<u>2025</u>	<u>2024</u>
Anglophone Schools and School Districts Fund	\$ 2,305,148	\$ 2,105,148
Education and Early Childhood Development (EECD) - Special Projects Fund	1,912,501	873,883
	<u>\$ 4,217,649</u>	<u>\$ 2,979,031</u>

During the year, an allocation of \$200,000 (\$1,000,000 - 2024) was approved by the Board to be allocated to the Anglophone Schools and School Districts Fund. No funds were paid out (\$600,000 - 2024), received (\$nil - 2024), or spent (\$nil - 2024) during the year.

During the year, an allocation of \$1,100,000 (\$nil - 2024) was approved by the Board to be allocated to the Special Projects Fund. Funds of \$31,310 (\$26,771 - 2024) were received and funds of \$92,692 (\$66,965 - 2024) were spent on designated activities for the Special Projects Fund. No funds were paid out (\$nil - 2024) during the year.

8. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	<u>2025 Net book value</u>	<u>2024 Net book value</u>
Computer equipment	\$ 10,385	\$ 4,673	\$ 5,712	\$ 8,827
Furniture and fixtures	50,316	10,507	39,809	12,167
Leasehold improvements	42,924	25,703	17,221	27,502
	<u>\$ 103,625</u>	<u>\$ 40,883</u>	<u>\$ 62,742</u>	<u>\$ 48,496</u>

9. ACCUMULATED SURPLUS - AEI RESERVE FUND

\$650,000 (\$547,050- 2024) of the accumulated surplus of \$2,284,731 (\$2,157,092 - 2024) has been internally restricted for the AEI Reserve Fund. The fund has been established to guard against unanticipated negative impacts on the organization's operations or financial position.

	<u>2025</u>	<u>2024</u>
Opening balance	\$ 547,050	\$ 200,000
Current year transfer	102,950	347,050
Ending balance	<u>\$ 650,000</u>	<u>\$ 547,050</u>

ATLANTIC EDUCATION INTERNATIONAL INC.

Notes to Financial Statements

Year Ended August 31, 2025

10. RELATED PARTY TRANSACTIONS

Expense transactions in the normal course of operations with the Province of New Brunswick are as follows:

	<u>2025</u>	<u>2024</u>
NBISP expenses	\$ 3,535,407	\$ 4,021,149
Allocations to other parties	1,300,000	1,000,000
Wages and benefits	423,540	357,313
Information technology	28,966	45,955
Office expenses	8,914	4,923
People and culture	3,092	-
Marketing, promotion, and advertising	-	1,500
	<u>\$ 5,299,919</u>	<u>\$ 5,430,840</u>

All related party transactions are recorded at the exchange amount as established and agreed to by the related parties and are subject to normal trade terms.

Accounts payable and accrued liabilities include \$220,087 (\$272,875 - 2024) owing to the Province of New Brunswick. Due to other parties (Note 7) include \$4,217,649 (\$2,979,031 - 2024) owing to the Province of New Brunswick. Liabilities are non-interest bearing with no set repayment terms.

The organization is related to the Province of New Brunswick as it is a government business enterprise of them.

11. LEASE COMMITMENTS

The organization has a long term lease for its premises. Future minimum lease payments are as follows:

2026	\$ 44,125
2027	40,448
	<u>\$ 84,573</u>

The organization will also be charged operating expenses that will be based on actual costs and therefore are unable to be disclosed.

12. PRIOR PERIOD ADJUSTMENTS

The August 31, 2025 financial statements have been restated due to a change in accounting presentation. This resulted in a restatement of fiscal 2024 financial results as follows: a decrease of \$547,050 due to other parties, an increase of \$200,000 to opening accumulated surplus, a decrease of \$347,050 to allocations to other parties, and an increase of \$547,050 to ending accumulated surplus.

13. COMPARATIVE FIGURES

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

ATLANTIC EDUCATION INTERNATIONAL INC.

Notes to Financial Statements

Year Ended August 31, 2025

14. PROGRAM EXPENSES

	Budget	2025	2024
New Brunswick International Student Program (NBISP)			
Homestay fees	\$ 6,363,900	\$ 6,284,950	\$ 5,783,336
Student and medical expenses	1,133,300	1,129,042	465,228
Tuition transfers	3,325,000	3,491,238	4,020,100
Program expenses	1,748,250	1,773,388	1,870,483
New Brunswick International Student Program (NBISP) total	\$ 12,570,450	\$ 12,678,618	\$ 12,139,147
New Brunswick Offshore Student Program (NBOSP)			
Reimbursables	\$ 275,000	\$ 223,095	\$ 49,831
Program expenses	457,500	312,011	170,276
New Brunswick Offshore Student Program (NBOSP) total	\$ 732,500	\$ 535,106	\$ 220,107



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