

CALGARY HORTICULTURAL SOCIETY

FINANCIAL STATEMENTS (Audited)

March 31, 2025

a member of



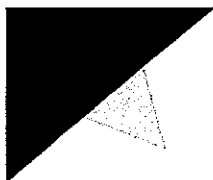
**FEDERATION OF
CALGARY COMMUNITIES**

CALGARY HORTICULTURAL SOCIETY

March 31, 2025

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MICHAEL IHEKUNA CPA

Chartered Professional Accountant

Independent Auditor's Report

To the Members of:
Calgary Horticultural Society

Report on the Audit of the Financial Statements

Qualified Opinion

I have audited the Statement of Financial Position of the Calgary Horticultural Society as at March 31, 2025 and the Statements of Operations, Net Assets and Cash Flows and a summary of significant accounting policies and other explanatory notes for the year ended March 31, 2025.

In my opinion, except for the effects of adjustments, if any, which I might have determined to be necessary had I been able to satisfy myself of the completeness of fundraising activities, these financial statements present fairly, in all material respects, the financial position of the Calgary Horticultural Society as at March 31, 2025 and the results of its operations and cash flows for the year ended March 31, 2025 in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many not-for-profit associations, the Calgary Horticultural Society derives revenue from certain fundraising activities, the completeness of which is not subject to satisfactory audit verification. Accordingly, my verification of these revenues was limited to the amounts recorded in the records of the Calgary Horticultural Society and I was not able to determine whether any adjustments might be necessary to revenue, excess of revenue over expenses, assets and net assets. I conducted my audit in accordance with Canadian auditing standards. I am independent of the Calgary Horticultural Society in accordance with the ethical requirements that are relevant to my audit 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 qualified audit opinion.

Management's Responsibility

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

In preparing the financial statements, management is responsible for assessing the Calgary Horticultural Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

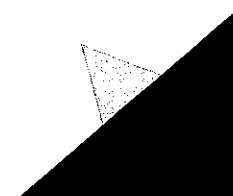
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, concluding on the appropriateness of management's use of the going concern basis of accounting as well as evaluating the overall presentation of the financial statements.

I communicate with those charged with governance regarding 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.

Calgary, Alberta
Date of board approval

Michael Ihekuna CPA
Chartered Professional Accountant

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As at March 31, 2025

	<u>2025</u>	<u>2024</u>
ASSETS		
Current assets		
Cash and cash equivalents, unrestricted	\$ 239,034	\$ 3,829
Externally restricted assets (Note 3)	240,111	160,327
Investments (Note 8)	-	185,500
Accounts receivable, unrestricted	6,575	8,499
Goods and Services Tax receivable	-	2,623
Prepaid expenses	12,926	8,214
	<u>498,646</u>	<u>368,992</u>
Capital assets (Note 4)	<u>17,472</u>	<u>23,940</u>
	<u>\$ 516,118</u>	<u>\$ 392,932</u>

LIABILITIES AND NET ASSETS

Current liabilities		
Accounts payable and accrued liabilities	\$ 37,262	\$ 38,158
Deferred cash contributions (Note 3)	240,111	160,327
Deferred revenue	98,287	87,399
Goods and Services Tax payable	3,596	-
	<u>379,256</u>	<u>285,884</u>
Deferred capital contributions (Note 5)	<u>7,131</u>	<u>10,128</u>
	<u>386,387</u>	<u>296,012</u>
Net assets		
Unrestricted	36,996	714
Internally restricted (Note 6)	82,394	82,394
Invested in capital assets	10,341	13,812
	<u>129,731</u>	<u>96,920</u>
	<u>\$ 516,118</u>	<u>\$ 392,932</u>

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS

Director
Director

See Notes to the Financial Statements

CALGARY HORTICULTURAL SOCIETY
STATEMENT OF CHANGES IN NET ASSETS
(Audited)

For the Year Ended March 31, 2025

	<u>Unrestricted</u>	<u>Internally restricted</u>	<u>Invested in capital assets</u>	<u>2025 Totals</u>	<u>2024 Totals</u>
Balances, beginning of the year	\$ 714	82,394	13,812	96,920	139,283
Excess of revenue (expenses)	<u>36,282</u>	<u>-</u>	<u>(3,471)</u>	<u>32,811</u>	<u>(42,363)</u>
Balances, end of the year	<u>\$ 36,996</u>	<u>82,394</u>	<u>10,341</u>	<u>129,731</u>	<u>96,920</u>

See Notes to Financial Statements

CALGARY HORTICULTURAL SOCIETY
STATEMENT OF OPERATIONS
(Audited)

For the Year Ended March 31, 2025

	<u>2025</u>	<u>2024</u>
Revenue		
Grants (Note 11)	\$143,814	\$166,724
Membership fees	139,180	137,997
Registrations	84,673	87,756
Casino Contributions (Note 7)	55,928	31,582
Sponsorships	38,000	29,300
Donations	20,724	18,670
Fundraising / Raffles	18,177	204
Booth Rentals / Admissions	10,713	3,553
Calendar sales	10,314	6,958
Miscellaneous	5,575	427
Interest	4,220	6,734
Advertising	3,555	4,292
Speaker Presentations	-	-
CEBA Loan Forgiveness	-	20,000
	<u>535,598</u>	<u>514,197</u>
Expenses		
Wages and benefits	276,989	372,189
Program expenses	104,200	-
Rent - facilities and equipment	32,210	40,161
Computer hardware / software	18,348	16,396
Raffle costs	10,600	-
Online service charges	10,050	9,140
Professional fees	9,478	8,197
Insurance	6,758	7,359
Postage	6,268	5,823
Advertising	5,633	7,550
Printing / photocopying	5,001	9,963
Utilities	4,282	4,308
Office supplies	3,202	16,270
Volunteer recognition	2,193	1,911
Workshop supplies	1,781	14,781
Meals and entertainment	1,602	2,667
Membership & dues	721	4,865
Speakers	-	29,780
Repairs and maintenance building	-	153
	<u>499,316</u>	<u>551,513</u>
Excess / (deficiency) of revenue before amortization	36,282	(37,316)
Amortization of deferred capital contributions (Note 5)	2,997	3,937
Amortization expense	<u>(6,468)</u>	<u>(8,984)</u>
Excess / (deficiency) of revenue over expenses	\$ 32,811	\$ (42,363)

See Notes to Financial Statements

CALGARY HORTICULTURAL SOCIETY

STATEMENT OF CASH FLOWS

(Audited)

For the Year Ended March 31, 2025

	<u>2025</u>	<u>2024</u>
Funds provided by (used in) operations		
Deficiency of revenue over expenses	\$ 32,811	\$ (42,363)
Charges not requiring cash outlay:		
Amortization expense	6,468	8,984
Amortization of deferred capital contributions	(2,997)	(3,937)
Changes in non-cash operating working capital:		
Account receivable	(25,077)	89,733
Prepaid expenses	(4,712)	(7,710)
Accounts payable and accrued charges	(895)	16,989
Unearned revenue	10,888	16,949
Goods and services tax receivable	6,219	1,404
Net increase / (decrease) in working capital	<u>22,705</u>	<u>80,049</u>
Cash flows from financing activities		
(Use of) transfer to deferred cash contributions	79,784	(35,105)
Deferred capital contribution	-	5,226
Long term debt	-	(60,000)
	<u>79,784</u>	<u>(89,879)</u>
Cash flows from investing activities		
Purchase of capital assets	-	(7,194)
Investment (purchases) / redemption	185,500	34,500
	<u>185,500</u>	<u>27,306</u>
Increase in cash and cash equivalents	<u>287,989</u>	<u>17,476</u>
Cash and cash equivalents, beginning of the year	<u>164,156</u>	<u>146,680</u>
Cash and cash equivalents, end of the year	<u>\$ 452,145</u>	<u>\$ 164,156</u>
Cash and cash equivalents consist of:		
Unrestricted cash	\$ 239,034	\$ 3,829
Externally restricted cash (Note 3)	213,111	160,327
	<u>\$ 452,145</u>	<u>\$ 164,156</u>

See Notes to Financial Statements

CALGARY HORTICULTURAL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
(Audited)

March 31, 2025

1. NATURE OF THE ORGANIZATION

The Calgary Horticultural Society (the "Society") is an organization dedicated to supporting, promoting and educating the public about gardening in the City of Calgary. This is done through distributions of newsletters, workshops, events, clinics, member plant shares and meetings of its members and the public. The Society is incorporated under the Societies Act of Alberta and is a registered charity under the Income Tax Act Section 149 (1), and is therefore not subject to the payment of income tax.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) in Part III of the CPA Canada Handbook, and in management's opinion, have been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

(a) Revenue recognition

The Society follows the deferral method of accounting for contributions. Externally restricted contributions are recognized as revenue in the year in which the related expenses were incurred. Unrestricted contributions are recognized as revenue when received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

Operating revenue and expenses are recorded on the accrual basis.

(b) Cash and cash equivalents

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

(c) Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization. Capital assets are amortized over their estimated useful life on a declining balance basis at the follow rates:

Equipment	30%
Website and software	20%

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

CALGARY HORTICULTURAL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
(Audited)

March 31, 2025

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Financial Instruments

The Society initially measures its financial assets and financial liabilities at fair value. It subsequently measures all of its financial assets and financial liabilities at amortized cost. The financial assets measured at amortized cost includes cash and cash equivalents, investments and accounts receivable. The financial liabilities measured at amortized cost include accounts payable and accrued liabilities. Management has determined that the Society is not exposed to significant interest, currency, price, market or credit rate risk.

(e) Unearned revenue

Membership fees received before the year end to which they relate and other monies collected prior to the provision of service or the delivery of goods are recognized as unearned revenue.

(f) Contributed Services

Volunteers contribute a significant number of hours to assist the organization in carrying out its activities. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

(g) Goods and services tax

The society is registered for Goods and services tax and uses the net tax method where 60% of the GST collected is remitted to the CRA and GST ITC's are recoverable at 50% as a rebate. The unrecoverable portion is recorded as an expense with the rebate treated as receivable.

(h) Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of the prepaid portion of expenses, the useful life of capital assets and the accrual of liabilities during the reporting period. Actual results could differ from those estimates.

3. EXTERNALLY RESTRICTED ASSETS / DEFERRED CASH CONTRIBUTIONS

Funds generated from casino activities are restricted to spending according to Alberta Gaming and Liquor Commission and reported as deferred cash contributions until spent. Externally restricted grants are subject to conditions imposed by the specific funders.

	2025	2024
Casino bank	\$ 83,695	\$ 54,751
Grant funds held in general bank (Note 11)	<u>129,416</u>	<u>105,576</u>
Externally restricted cash	213,111	160,327
City of Calgary orchard project receivable	2,000	-
New horizons for seniors program receivable	<u>25,000</u>	<u>-</u>
Total externally restricted assets	<u><u>\$ 240,111</u></u>	<u><u>\$ 160,327</u></u>

CALGARY HORTICULTURAL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
(Audited)

March 31, 2025

4. CAPITAL ASSETS

	Cost	Accumulated Amortization	2025	2024
Equipment	\$ 74,061	\$ 62,304	\$ 11,757	\$ 16,796
Website and software	104,485	98,770	5,715	7,144
	<u>\$ 178,546</u>	<u>\$ 161,074</u>	<u>\$ 17,472</u>	<u>\$ 23,940</u>

5. DEFERRED CAPITAL CONTRIBUTIONS

Restricted funds that have been used to purchase capital assets are deferred and amortized over the estimated useful life of the related assets.

	2025	2024
Balance at the beginning of the year	\$ 10,128	\$ 8,839
Capital assets addition	-	5,226
Less: Amortization of deferred capital contributions	(2,997)	(3,937)
	<u>\$ 7,131</u>	<u>\$ 10,128</u>

6. INTERNALLY RESTRICTED ASSETS

The Society has internally restricted net assets for emergency purposes should unforeseen circumstances threaten the continued operations of the Society in the amount of \$82,394 (2023 - \$82,394. These internally restricted amounts are not available for use without the approval of the Board of Directors.

7. CASINO CONTRIBUTIONS

	2025	2024
Beginning of the year	\$ 54,751	\$ 9,783
AGLC Casino proceeds	84,863	79,593
Casino advisor fee	(2,540)	-
Casino advisor proceeds	2,540	-
Interest earned	30	29
Bank charges	(21)	-
Spend on capital assets (Note 5)	-	(3,072)
Unspent and carried forward	(83,695)	(54,751)
Spent on operations	<u>\$ 55,928</u>	<u>\$ 31,582</u>

CALGARY HORTICULTURAL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
(Audited)

March 31, 2025

8. INVESTMENTS

During the year, GIC's matured and were reinvested. In the prior year, the society held \$185,000 non redeemable GIC's, maturing May 19, 2024 at 3.45% per annum

9. FINANCIAL INSTRUMENTS

The Society's financial instruments consist of unrestricted cash and cash equivalents, restricted cash, accounts receivable, investments, accounts payable and accrued liabilities, all of which are reported at amortized cost. Due to their short term nature, the carrying value of these financial instruments approximate their fair value.

10. FUNDRAISING EXPENSES

As required under section 7(2) of the Charitable Fundraising Regulation of Alberta, the following amounts are disclosed:

Direct costs incurred for the purpose of soliciting contributions
\$ Nil

Amounts paid as remuneration to employees whose principal duties involve fundraising
\$ Nil

CALGARY HORTICULTURAL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
(Audited)

March 31, 2025

11. GRANTS

	2025	2024
Calgary foundation	\$ -	\$ -
Calgary foundation proceeds	1,068	-
Spent on operation	(1,068)	-
Deferred to next year	-	-
	<u>-</u>	<u>-</u>
City of Calgary - Community Garden Funding	12,500	12,500
Spent on operation	(5,125)	(12,500)
Deferred to next year	7,375	-
	<u>7,375</u>	<u>-</u>
M Brown Donation	463	463
Spent on operation	-	-
Deferred to next year	463	463
	<u>463</u>	<u>463</u>
Yardsmart	34,655	30,500
Yardsmart proceeds	45,500	44,000
Spent on operation	(46,030)	(39,845)
Deferred to next year	34,125	34,655
	<u>34,125</u>	<u>34,655</u>
Calgary Parks - Community Gardens Resource Network	3,650	15,650
Transfers	-	-
Spent on operation	(3,650)	(12,000)
Deferred to next year	-	3,650
	<u>-</u>	<u>3,650</u>
Nutrien Grant	26,135	-
Proceeds	30,000	30,000
Spent on operation	(28,929)	(3,865)
Deferred to next year	27,206	26,135
	<u>27,206</u>	<u>26,135</u>
Calgary Arts Development Authority	13,585	-
Spent on operation	(2,000)	-
Deferred to next year	11,585	-
	<u>11,585</u>	<u>-</u>
Government of Canada - Horizons for Seniors	25,000	25,000
Spent on operation	-	(25,000)
Deferred to next year	25,000	-
	<u>25,000</u>	<u>-</u>
CIP Grant Funding	10,000	9,443
Spent on operation	(2,588)	(9,443)
Deferred to next year	7,412	-
	<u>7,412</u>	<u>-</u>
Other Miscellaneous grants	-	1,899
Spent on operation	-	(1,899)
Deferred to next year	-	-
	<u>-</u>	<u>-</u>
City of Calgary - Waste and recycling	40,674	50,000
Proceeds	55,000	55,000
Spent on operations	(54,424)	(62,172)
Spent on capital assets	-	(2,154)
Deferred to next year	41,250	40,674
	<u>41,250</u>	<u>40,674</u>
Summary:		
Grants contributed to operations	\$ 143,814	\$ 166,724
Grants deferred to next year (Note 3)	\$ 129,416	\$ 105,577