

Master Gardeners of Ontario Inc.

Financial Statements

for the year ended

April 30, 2019

(Unaudited)

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For the year ended April 30, 2019
(Unaudited)

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Directors of Master Gardeners of Ontario Inc.

We have reviewed the statement of financial position of Master Gardeners of Ontario Inc. as at April 30, 2019 and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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 is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of Master Gardeners of Ontario Inc. as at April 30, 2019, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Wilton White Hill LLP

Chartered Professional Accountants

Licensed Public Accountants

Smithville, Ontario

September 16, 2019

Master Gardeners of Ontario Inc.
Statement of financial position
as at April 30, 2019
(Unaudited)

	2019	2018
Assets		
Current		
Cash	\$ 67,508	\$ 72,041
Investments, note 2	48,885	48,270
Accounts receivable	58	58
Contributions receivable, note 4	1,000	-
Sales taxes recoverable	817	234
Prepaid expenses	2,859	2,749
	<u>\$ 121,127</u>	<u>\$ 123,352</u>
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 3,000	\$ 3,000
	<u>3,000</u>	<u>3,000</u>
Net assets		
Net assets - unrestricted	70,127	72,352
Net assets - restricted, note 5	48,000	48,000
	<u>118,127</u>	<u>120,352</u>
	<u>\$ 121,127</u>	<u>\$ 123,352</u>

The accompanying notes form an integral part of the financial statements.

Approved on behalf of the Board

By: _____ Director

By: _____ Director

Master Gardeners of Ontario Inc.

Statement of changes in net assets

for the year ended April 30, 2019

(Unaudited)

Net Assets	Unrestricted	Restricted	2019	2018
Balance, beginning of year	\$ 72,352	\$ 48,000	\$ 120,352	\$ 121,241
Deficiency of revenue over expenditures	(2,225)	-	(2,225)	(889)
Balance, end of year	\$ 70,127	\$ 48,000	\$ 118,127	\$ 120,352

The accompanying notes form an integral part of the financial statements.

Master Gardeners of Ontario Inc.
Statement of operations
for the year ended April 30, 2019
(Unaudited)

	2019	2018
Revenue		
Group memberships	\$ 19,065	\$ 19,750
Donations designated for groups	4,275	2,400
Other income	2,217	1,931
Conference income	1,000	-
Interest income	687	452
	27,244	24,533
Expenditures		
Special initiatives	5,792	5,000
Donations to groups	4,275	2,400
Insurance	3,765	3,617
Education program	3,480	2,850
Professional fees	3,014	3,118
Badges and certificates	2,585	1,830
Conference expenses	2,233	1,065
Zone and board travel and related expenses	1,965	2,154
Web expenses	1,633	1,444
Office and general	588	442
Canada Blooms	130	220
Bank charges and interest	9	6
Gardening guides	-	1,221
Promotion and membership	-	55
	29,469	25,422
Deficiency of revenue over expenditures	\$ (2,225)	\$ (889)

The accompanying notes form an integral part of the financial statements.

Master Gardeners of Ontario Inc.**Statement of cash flows**

for the year ended April 30, 2019

(Unaudited)

	2019	2018
Cash used in:		
Operating activities		
Deficiency of revenue over expenditures	\$ (2,225)	\$ (889)
Change in non-cash working capital balances		
Accounts receivable	-	923
Contributions receivable	(1,000)	-
Sales taxes recoverable	(584)	777
Prepaid expenses	(110)	99
Accounts payable and accrued liabilities	-	(1,280)
Cash used in operations	(3,919)	(370)
Investing activities		
Increase in short-term investments	(615)	(439)
Decrease in cash	(4,534)	(809)
Cash position, beginning of year	72,041	72,850
Cash position, end of year	\$ 67,507	\$ 72,041

The accompanying notes form an integral part of the financial statements.

Master Gardeners of Ontario Inc.

Notes to the financial statements

April 30, 2019

(Unaudited)

Purpose of the organization

Master Gardeners of Ontario Inc. (MGOI), a corporation without share capital, organized under the laws of the province of Ontario, is a registered charity under the Income Tax Act. The Charity functions as the certifying body for the Master Gardener designation in Ontario and provides horticultural education to the public.

1. Accounting policies

MGOI has prepared these financial statements in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Fund accounting and revenue recognition

MGOI follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when revenue is received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

Financial instruments

i) Measurement

MGOI's financial instruments consist of cash, cash equivalents, short-term investments, accounts receivable and accounts payable. All financial assets and liabilities are initially measured at fair value. Financial assets and liabilities are subsequently measured at amortized cost.

ii) Impairment

Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired.

Cash and equivalents

Cash and equivalents consist of cash on deposit and short-term deposits with maturity dates of less than 90 days.

Fixed assets

Fixed assets are recorded as operating expenses in the year of acquisition. As set out in Section 4431 of Part III of the CICA Handbook, not-for-profit organizations with average annual revenues of less than \$500,000 may expense property and equipment as purchased (rather than capitalizing expenditures and amortizing purchase prices over respective useful lives). During the year the Charity spent nil on fixed assets (2018 - nil).

Contributed services

Volunteers contribute about 40,000 hours per year to assist Master Gardeners of Ontario Inc. in carrying out its activities. Due to the difficulty in determining the fair value of these services, contributed services are not recognized in the financial statements.

Contributed materials

From time to time, MGOI receives donated material for events such as silent auctions. These donations are only recorded as revenue when the fair value of the contribution can be reasonably estimated.

Master Gardeners of Ontario Inc.

Notes to the financial statements

April 30, 2019

(Unaudited)

1. Accounting policies, continued

Estimates

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 assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Significant financial statement items that require the use of estimates are the amount of accrued liabilities and donated materials. These items are reviewed periodically and adjustments are made, as appropriate, in the statements of operations and changes in net assets in the year they become known.

2. Short-term investments

Short-term investments are comprised of investment certificates issued by a Canadian chartered bank.

3. Financial instrument risks

MGOI's financial instruments are described in note 1. MGOI is not exposed to significant currency, credit, liquidity, interest rate, market or other price risks, nor is it exposed to any material concentrations of risk. There has been no change in risk exposures from the prior year.

4. Contributions receivable

During the year, \$1,000 was pledged for the Canada Blooms event. In accordance with MGOI's policy presented in note 1, \$1,000 was reported as revenue in the year. This pledge was collected shortly after the year end.

5. Net assets - restricted

The Board of Directors has by resolution established the following restricted funds:

Purpose	Amount
Educational endeavours	\$ 20,000
Support in the event MGOI encounters financial difficulties	\$ 25,000
Uninsured risks for errors in advice given by members to the public	\$ 3,000

6. Non-monetary transactions

The following materials were contributed during the year. They were recognized in the financial statements at their fair value:

Day lilies	<u><u>\$ 500</u></u>
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