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**GREEN THUMBS GROWING KIDS**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2022**

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## INDEPENDENT AUDITOR'S REPORT

To the Members of Green Thumbs Growing Kids,

### Opinion

We have audited the financial statements of Green Thumbs Growing Kids (the organization), which comprise the statement of financial position as at December 31, 2022, and the statements of operations and changes in net 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 Green Thumbs Growing Kids as at December 31, 2022 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.

### 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 the 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.

### 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 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.

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.

## INDEPENDENT AUDITOR'S REPORT (continued)

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 your 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.

*Pemylegion Chung LLP*

Chartered Professional Accountants  
Licensed Public Accountants

March 29, 2023  
Toronto, Ontario

# GREEN THUMBS GROWING KIDS

## STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2022

	2022	2021
<b>ASSETS</b>		
Current assets		
Cash	\$ 143,569	\$ 121,941
Amounts receivable	18,993	23,467
HST rebate recoverable	1,459	1,513
Prepaid expenses	<u>5,631</u>	<u>3,059</u>
	<u>\$ 169,652</u>	<u>\$ 149,980</u>
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities		
Accounts payable and accrued liabilities	\$ 5,879	\$ 8,073
Deferred contributions (note 3)	<u>64,272</u>	<u>59,238</u>
	<u>70,151</u>	<u>67,311</u>
Net assets		
Unrestricted	<u>99,501</u>	<u>82,669</u>
	<u>\$ 169,652</u>	<u>\$ 149,980</u>

Approved on behalf of the Board:

  
\_\_\_\_\_, Director

*Clord*  
\_\_\_\_\_, Director

see accompanying notes

# GREEN THUMBS GROWING KIDS

## STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2022

	2022	2021
<b>REVENUE</b>		
Contributions (notes 3 and 4)	\$ 310,168	\$ 294,525
Service fees	28,146	6,233
Interest	265	227
Membership fees	<u>140</u>	<u>280</u>
	<u>338,719</u>	<u>301,265</u>
<b>EXPENSES</b>		
Personnel	278,831	238,743
Program	12,808	22,842
Occupancy costs	11,080	10,826
Office and general	6,518	5,017
Professional fees	6,203	5,499
Travel	2,056	3,053
Insurance	1,879	1,727
Fundraising	1,874	88
Website	<u>638</u>	<u>454</u>
	<u>321,887</u>	<u>288,249</u>
<b>EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR</b>	16,832	13,016
Net assets, beginning of year	<u>82,669</u>	<u>69,653</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 99,501</u>	<u>\$ 82,669</u>

see accompanying notes

# GREEN THUMBS GROWING KIDS

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2022

	2022	2021
<b>OPERATING ACTIVITIES</b>		
Excess of revenue over expenses for the year	\$ 16,832	\$ 13,016
Net change in non-cash working capital items (see below)	<u>4,796</u>	<u>12,176</u>
<b>NET INCREASE IN CASH FOR THE YEAR</b>	21,628	25,192
Cash, beginning of year	<u>121,941</u>	<u>96,749</u>
<b>CASH, END OF YEAR</b>	<u>\$ 143,569</u>	<u>\$ 121,941</u>

Net change in non-cash working capital items:

Decrease (increase) in current assets-		
Amounts receivable	\$ 4,474	\$ (19,927)
HST rebate recoverable	54	577
Prepaid expenses	(2,572)	(522)
Increase (decrease) in current liabilities-		
Accounts payable and accrued liabilities	(2,194)	2,151
Deferred contributions	<u>5,034</u>	<u>29,897</u>
	<u>\$ 4,796</u>	<u>\$ 12,176</u>

see accompanying notes

# GREEN THUMBS GROWING KIDS

## NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2022

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Green Thumbs Growing Kids (the organization or GTGK) is incorporated without share capital in the Province of Ontario. The organization is exempt from income tax in Canada as a registered charitable organization under the Income Tax Act (Canada).

The organization's mission is to teach urban children and their families to grow and appreciate fresh, nutritious foods, grown in an environmentally sustainable and socially just manner, in hands-on programs.

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Management is responsible for the preparation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations. Outlined below are those policies considered particularly significant:

#### **Revenue recognition**

The principal sources of revenue and recognition of these revenues for financial statement purposes are as follows:

##### *Contributions*

The organization follows the deferral method of revenue recognition for contributions.

Externally restricted contributions, including grants and restricted donations, related to current expenses are recognized as revenue in the current year. Externally restricted contributions received in the year for expenses to be incurred in the following year are recorded as deferred contributions. Unrestricted contributions, including donations and amounts received from fundraising, is recorded when received.

##### *Contributed materials and services*

Contributed materials and services which are normally purchased by the organization are not recorded in the accounts.

##### *Fees for service*

Fee for service revenue is recognized in the year in which the services are performed.

##### *Membership fees*

Membership revenue is recognized as revenue on a straight-line basis over the term of the membership. Membership fees received related to future years are deferred.

##### *Interest income*

Interest income is recognized as revenue when earned.

### 2. FINANCIAL INSTRUMENTS

The organization's financial instruments include cash, amounts receivable, accounts payable and accrued liabilities. Amounts receivable, accounts payable and accrued liabilities are initially recorded at fair value and are subsequently recorded net of any provisions for impairment in value.

# GREEN THUMBS GROWING KIDS

## NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2022

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### 3. DEFERRED CONTRIBUTIONS

Deferred contributions at year end are as follows:

	2022	2021
City of Toronto	\$ 20,000	\$ 1,218
LUSH Charity Pot	20,000	-
ECHO Foundation	12,641	15,000
Kiwanis Foundation	3,962	-
Monat Gratitude Inc.	3,962	-
Balsam Foundation	3,192	27,020
Midtown Ravines Group	515	-
George Brown College	-	16,000
	<u>64,272</u>	<u>59,238</u>
	\$ 64,272	\$ 59,238

Continuity of deferred contributions for the year is as follows:

Deferred contributions, beginning of year	\$ 59,238	\$ 29,341
Add cash received from contributions	315,202	324,422
Less contribution revenue recognized	<u>(310,168)</u>	<u>(294,525)</u>
Deferred contributions, end of year	<u>\$ 64,272</u>	<u>\$ 59,238</u>



# GREEN THUMBS GROWING KIDS

## NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2022

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### 4. CONTRIBUTIONS

Contribution revenue is as follows:

	2022	2021
Grants		
Miziwe Biik Aboriginal Employment and Training City of Toronto	\$ 62,972	\$ 34,233
Investing In Neighbourhoods	27,416	21,257
Urban Forestry	21,218	14,600
PollinateTO	-	2,650
Balsam Foundation	23,828	-
ECO Canada	23,342	9,558
ECHO Foundation	22,359	12,873
George Brown College	16,000	-
Service Canada: Canada Summer Jobs	13,982	25,491
Greenbelt Foundation	7,778	-
Monat Gratitude Inc.	6,038	-
Kiwanis Foundation	6,038	-
Midtown Ravines Group	4,485	-
The Natural Sciences and Engineering Research Council of Canada (NSERC)	-	53,064
Ontario Trillium Foundation	-	27,653
Mondelez Canada Inc.- Kraft Cares	-	4,000
Tree Canada	-	3,500
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Total grants	235,456	208,879
Donations	<hr/>	<hr/>
	74,712	85,646
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	\$ 310,168	\$ 294,525