SEEDS OF DIVERSITY CANADA - PROGRAMME SEMENCIER DU PATRIMOINE CANADA

Financial Statements

For the Year Ended July 31, 2024

SEEDS OF DIVERSITY CANADA - PROGRAMME SEMENCIER DU PATRIMOINE CANADA
Index to Financial Statements
For the Year Ended July 31, 2024

	Page
INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position	2
Statement of Revenue and Expenditures	3 - 4
Statement of Changes in Net Assets	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 11

CURTIS VILLAR LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of Seeds of Diversity Canada - Programme Semencier Du Patrimoine Canada

We have reviewed the accompanying financial statements of Seeds of Diversity Canada - Programme Semencier Du Patrimoine Canada (the organization) that comprise the statements of financial position as at July 31, 2024 and July 31, 2023, and the statements of revenue and expenditures, changes in net assets and cash flows for the years 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 (ASNPO), 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 reviews. We conducted our reviews 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 reviews, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Seeds of Diversity Canada - Programme Semencier Du Patrimoine Canada as at July 31, 2024 and July 31, 2023, and the results of its operations and its cash flows for the years then ended in accordance with ASNPO.

Curtis-Villar LLP

Guelph, Ontario
December 9, 2024

CURTIS-VILLAR LLP
Chartered Professional Accountants
Licensed Public Accountants

SEEDS OF DIVERSITY CANADA - PROGRAMME SEMENCIER DU PATRIMOINE CANADA

Statement of Financial Position

As at July 31, 2024

	General Fund *Unrestricted* 2024	HASP Fund *Restricted* 2024	Seed Library Fund *Restricted* 2024	**2024 Total 2024**	2023 Total 2023
ASSETS					
CURRENT					
Cash	$ 36,844	$ 11,165	$ -	**$ 48,009**	$ 133,123
Marketable securities *(Note 3)*	231,740	43,587	-	**275,327**	161,129
Accounts receivable	11,583	-	-	**11,583**	10,305
Inventory	4,720	-	-	**4,720**	7,244
Harmonized sales tax recoverable	4,833	-	-	**4,833**	6,826
Prepaid expenditures	1,038	-	-	**1,038**	1,210
Due to funds *(Note 4)*	-	-	90,908	**90,908**	83,692
	$ 290,758	$ 54,752	$ 90,908	**$ 436,418**	$ 403,529
LIABILITIES AND NET ASSETS					
CURRENT					
Accounts payable and accrued liabilities	$ 8,365	$ -	$ -	**$ 8,365**	$ 24,794
Deferred income *(Note 5)*	109,715	-	-	**109,715**	92,347
Due to restricted funds *(Note 4)*	86,578	4,329	-	**90,907**	83,692
	204,658	4,329	-	**208,987**	200,833
NET ASSETS					
Unrestricted *(Note 1)*	86,100	-	-	**86,100**	76,367
Restricted *(Note 1)*	-	50,423	90,908	**141,331**	126,329
Net assets	-	-	-	**-**	-
	86,100	50,423	90,908	**227,431**	202,696
	$ 290,758	$ 54,752	$ 90,908	**$ 436,418**	$ 403,529

ON BEHALF OF THE BOARD

_____ *Director*

_____ *Director*

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements

SEEDS OF DIVERSITY CANADA - PROGRAMME SEMENCIER DU PATRIMOINE CANADA

Statement of Revenue and Expenditures

For the Year Ended July 31, 2024

	General Fund *Unrestricted*	HASP Fund *Restricted*	Seed Library Fund *Restricted*	**2024 Total**	2023 Total
REVENUE					
Youth in Food Systems *(Note 7)*	$ 165,546	$ -	$ -	**$ 165,546**	$ 155,315
Donations	74,659	-	5,550	**80,209**	68,912
Seed library and BFICSS *(Note 7)*	28,086	-	3,469	**31,555**	53,009
Unrealized gain	6,549	7,652	-	**14,201**	(2,175)
Sale of publications	13,422	-	-	**13,422**	10,371
Investment income	10,561	1,359	-	**11,920**	7,349
Membership fees	-	-	-	**-**	2,179
	298,823	9,011	9,019	**316,853**	294,960
COST OF SALES					
Youth In Food Systems	165,591	-	-	**165,591**	151,803
Seed library and BFICSS	33,810	-	-	**33,810**	39,347
E-bulletin and communications	10,085	-	-	**10,085**	7,095
Seeds directory	8,045	-	-	**8,045**	11,385
Cost of publications	6,413	-	-	**6,413**	5,340
	223,944	-	-	**223,944**	214,970
GROSS PROFIT	74,879	9,011	9,019	**92,909**	79,990
EXPENDITURES					
Salaries and wages	21,812	-	-	**21,812**	16,946
Fundraising	14,410	-	-	**14,410**	13,157
Office rent	12,650	-	-	**12,650**	12,374
Professional fees	4,106	-	-	**4,106**	4,590
Postage and delivery	3,991	-	-	**3,991**	2,652
Office	3,385	-	-	**3,385**	3,739
Trade show	2,929	-	-	**2,929**	2,672
Interest and bank charges	1,838	-	-	**1,838**	1,655
Insurance	1,729	-	-	**1,729**	1,796
Equipment rentals	392	-	-	**392**	610
Telephone	300	-	-	**300**	300
Staff training	254	-	-	**254**	51

(continues)

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements

SEEDS OF DIVERSITY CANADA - PROGRAMME SEMENCIER DU PATRIMOINE CANADA

Statement of Revenue and Expenditures *(continued)*

For the Year Ended July 31, 2024

	General Fund Unrestricted	HASP Fund Restricted	Seed Library Fund Restricted	**2024 Total**	2023 Total
Meetings and conventions	250	-	-	**250**	267
Travel	128	-	-	**128**	-
	68,174	-	-	**68,174**	60,809
EXCESS OF REVENUE OVER EXPENDITURES	$ 6,705	$ 9,011	$ 9,019	**$ 24,735**	$ 19,181

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements

SEEDS OF DIVERSITY CANADA - PROGRAMME SEMENCIER DU PATRIMOINE CANADA

Statement of Changes in Net Assets

For the Year Ended July 31, 2024

	General Fund *Unrestricted*	HASP Fund *Restricted*	Seed Library Fund *Restricted*	**2024 Total**	2023 Total
NET ASSETS - BEGINNING OF YEAR	$ 76,367	$ 42,636	$ 83,692	**$ 202,695**	$ 183,513
Excess of revenue over expenditures	6,706	9,011	9,019	**24,736**	19,182
Interfund transfers *(Note 6)*	3,027	(1,223)	(1,804)	**-**	-
NET ASSETS - END OF YEAR	$ 86,100	$ 50,424	$ 90,907	**$ 227,431**	$ 202,695

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements

SEEDS OF DIVERSITY CANADA - PROGRAMME SEMENCIER DU PATRIMOINE CANADA

Statement of Cash Flows

For the Year Ended July 31, 2024

	General Fund *Unrestricted* 2024	HASP Fund *Restricted* 2024	Seed Library Fund *Restricted* 2024	**2024 Total 2024**	2023 Total 2023
OPERATING ACTIVITIES					
Excess of revenue over expenditures	$ 6,705	$ 9,011	$ 9,019	**$ 24,735**	$ 19,181
Changes in non-cash working capital:					
Accounts receivable	(1,278)	-	-	**(1,278)**	15,593
Inventory	2,524	-	-	**2,524**	(3,585)
Accounts payable and accrued liabilities	(16,432)	-	-	**(16,432)**	12,469
Deferred income	3,960	-	-	**3,960**	(3,807)
Prepaid expenditures	172	-	-	**172**	(18)
Harmonized sales tax payable	(1,993)	-	-	**(1,993)**	(123)
Due to (from) funds	5,990	1,225	(7,215)	**-**	-
Interfund transfers	3,027	(1,223)	(1,804)	**-**	-
	(4,030)	2	(9,019)	**(13,047)**	20,529
Cash flow from operating activities	2,675	9,013	-	**11,688**	39,710
INVESTING ACTIVITIES					
Purchase of marketable securities	(474,574)	-	-	**(474,574)**	(301,299)
unrealized gain (loss)	(6,549)	(7,654)	-	**(14,203)**	2,175
Proceeds from sale of marketable securities	395,558	-	-	**395,558**	330,072
Gain (loss) from sales of marketable securities	(3,583)	-	-	**(3,583)**	(652)
Cash flow from (used by) investing activities	(89,148)	(7,654)	-	**(96,802)**	30,296
INCREASE (DECREASE) IN CASH FLOW	(86,473)	1,359	-	**(85,114)**	70,006
Cash - beginning of year	123,317	9,806	-	**133,123**	63,117
CASH - END OF YEAR	$ 36,844	$ 11,165	$ -	**$ 48,009**	$ 133,123
CASH CONSISTS OF:					
Cash	$ 12,256	$ -	$ -	**$ 12,256**	$ 123,317
Investment cash balance	24,588	11,165	-	**35,753**	9,806
	$ 36,844	$ 11,165	$ -	**$ 48,009**	$ 133,123

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements

1. DESCRIPTION OF BUSINESS

Seeds of Diversity Canada - Programme Semencier du Patrimoine Canada (the "organization") was incorporated in Canada as a not-for-profit organization without share capital on September 26, 1995. The organization is a registered charitable organization under the Income Tax Act (Canada) and is therefore exempt from income taxes.

The objectives of the organization are to promote the conservation and the use of heritage and unique plant varieties, including but not limited to, searching out, preserving, perpetuating, studying and encouraging the cultivation of heirloom and endangered varieties of food crops. In addition, the organization aims to educate the general public, farmers, gardeners, museums, gene banks, clubs and schools about the importance of heirloom and endangered varieties of food crops and the need for their continued cultivation and preservation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO). Canadian accounting standards for not-for-profit organizations are part of Canadian GAAP.

Cash and cash equivalents

Cash includes the bank balance, cash on hand, and the cash balance of the investment account. There are no cash equivalents.

Inventory

Inventory consists of books for resale and is recorded at the lower of cost and net realizable value. Cost is determined by the first-in, first-out method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated selling costs.

Property, plant and equipment

Property, plant and equipment are expensed in the year of purchase. The property, plant and equipment currently held include equipment and computer hardware. There were no capital purchases this year.

Revenue recognition

The organization follows the deferral method of accounting for revenue.

Unrestricted grants and donations related to general operations are recognized as revenue of the General Fund in the year in which the related expenditures are incurred. Restricted contributions related to the HASP Fund and Seed Library Fund are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. This revenue includes grants, donations, seed library and BFICSS, and Healthy Kids.

Revenue from Seed library and BFICSS, sales of publications, conference and shows, investment income, government assistance, donations, unrealized gains and miscellaneous income are recognized when received. Miscellaneous income consists of advertising revenue, and credit card rebate.

(continues)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Fund accounting

Seeds of Diversity Canada - Programme Semencier Du Patrimoine Canada follows the restricted fund method of accounting for contributions.

The General Fund accounts for the organization's program delivery and administrative activities. This fund reports unrestricted resources and restricted operating grants.

The Heather Apple Seed Preservation Fund (the "HASP Fund") is a fund established to hold and manage directed contributions from lifetime membership fees and donations, and to earn income for the organization's general operations. The lifetime membership fee provides full membership for life for a onetime payment of $1,000. The fund consists of the full value of the contributions, capital gains and/or losses on the investment, and 10% of the income generated by the investment of the contributions. The remaining 90% of investment income will be disbursed to the general fund, twice yearly.

The Seed Library Fund was established in 2009. The fund represents 80% of donations received for this project for the year, and is restricted to being invested perpetually to fund perpetual maintenance of seed collection. The remaining 20% of the donations to this project are used in the current year to fund the purchase of a variety of seeds to be stored in the seed collection library.

Contributed services

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

Financial instruments policy

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.

Corporate income taxes

The organization is a not-for-profit organization and is therefore exempt from corporate income taxes.

3. MARKETABLE SECURITIES

	2024	2023
Government of Canada Treasury bill	**$ 99,645**	$ -
CI Financial Corp SR unsecured	**15,280**	9,986
Coast Cap SAV FED CR UNION	**15,043**	9,894
George Weston Ltd.	**13,471**	9,567
Canadian Imperial Bank of Commerce	**11,281**	6,853
Toronto-Dominion Bank	**10,436**	7,652
Ford Credit Canada Senior notes	**10,209**	10,000
Laurentian Bank of Canada SR Unsecured SER DPNT	**9,591**	9,409
Canadian Imperial Bank of Commerce	**9,568**	7,783
Royal Bank of Canada	**9,411**	7,975
Bank of Nova Scotia	**8,317**	6,574
Manulife Financial Corp	**7,981**	8,883
Bank of Montreal	**7,336**	7,720
Canadian PAC KANS City ltd com	**6,947**	8,680
Loblaw Companies Ltd	**6,810**	4,680
Canadian National Railway	**6,233**	7,832
Algonquin Power CO Senior Debs Green Bond	**5,033**	-
Bank of Nova Scotia SR UNSEC Bail-In Note	**4,942**	4,744
First National Financial SR Unsecured SR 3	**4,863**	-
Bank of Montreal	**4,542**	4,779
Bank of Nova Scotia	**4,256**	4,383
Telus Corporation	**4,132**	3,945
General Motors Fin Of CDA	**-**	5,002
Ford Credit Canada LTD	**-**	4,953
Brookfield PPTY Fin Inc 4.300%	**-**	4,906
Province of Ontario Deb	**-**	4,929
	$ 275,327	$ 161,129
Cost	**$ 259,381**	$ 159,384

4. DUE TO (FROM) UNRESTRICTED AND RESTRICTED FUNDS

Due from unrestricted fund account represents the amount of funds that are owed from the unrestricted fund bank account and require allocation to the restricted funds bank and/or investment account. Due to restricted funds account are the contra amounts. There are no specific terms of repayment, and the amounts bear no interest.

5. DEFERRED INCOME

Deferred income represents the portion of deferred membership fees and deferred project income received for the Youth in Food Systems project. Membership fees are collected on a calendar year basis. Management calculates deferred revenue based on the expiry date of the membership fee revenue received. Accordingly, deferred revenue includes a deferral of one-year membership fees and multi-year membership fees, based on their expiry dates.

	2024	2023
Balance, beginning of year	**$ 92,347**	$ 96,154
Add: deferred grant	**205,095**	188,360
Less: amount recognized as revenue in the year	**(199,727)**	(192,167)
Balance, end of year	**$ 97,715**	$ 92,347

6. INTERFUND TRANSFER

There were interfund transfers during the year to reallocate 20% of the Seed Library Fund revenue to the general fund ($1,804) and to reallocate 90% of the HASP investment income to the general fund ($1,223). The HASP investment income is calculated using the realized income and does not include the unrealized gains and losses. These internally restricted amounts are not available for use without approval of the board of directors. The funds were transferred from the unrestricted funds.

7. MAJOR CONTRIBUTIONS

	2024	2023
Weston Family Foundation	**$ 79,000**	$ 95,560
Smart Waterloo Region	**50,000**	-
Catherine and Maxwell Meighen Foundation	**15,000**	-
Canada Summer Jobs	**14,298**	-
Private Donor	**11,000**	-
Ontario Trillium Foundation	**-**	42,600
	$ 169,298	$ 138,160

Major contributions are used to fund the Youth in Food Systems and the Seed Library and BFICSS programs.

8. COST OF SALES

Included within cost of publications for the year ended July 31, 2024, are charges to inventory within the normal course of business, made throughout the year, of $6,413 (2023 - $5,340). These charges include the disposal of obsolete and damaged product, shrinkage, and permanent markdowns to net realizable values.

9. 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 July 31, 2024.

(a) Credit risk

(continues)

9. FINANCIAL INSTRUMENTS *(continued)*

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to minimal credit risk with respect to receivables.

(b) 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 accounts payable.

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The organization is mainly exposed to other price risk associated with its investments in quoted shares as the fair value will fluctuate because of changes in market prices. This risk is reduced to a minimum as the majority of the shares are invested in the Canadian financial sector.

(d) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The organization is exposed to other price risk through its investment in quoted shares.

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