

**Ontario Horticultural Association Statement of Operations**
**Year ended December 31, 2005**

	General Fund	STBI Restricted Fund	Total 2005	Total 2004
<b>Revenue</b>				
Affiliation fees	\$ 113,985	\$	<b>\$ 113,985</b>	\$ 39,393
Convention (Schedule A)	83,570		<b>83,570</b>	51,830
Receipts from fundraising	74,754		<b>74,754</b>	3,021
Trillium project (Note 5)	31,015		<b>31,015</b>	78,455
Liability insurance premiums	25,033		<b>25,033</b>	19,457
Premium - net		9,556	<b>9,556</b>	6,573
Sale of OHA supplies	4,818		<b>4,818</b>	7,676
Interest	1,243	2,539	<b>3,782</b>	4,971
Donations	2,825		<b>2,825</b>	1,241
Newsletter subscriptions	1,545		<b>1,545</b>	1,955
Advertising	338		<b>338</b>	381
Receipts from sponsors	100		<b>100</b>	2,200
Associate memberships	100,		<b>100</b>	50
	<b>339,326</b>	<b>12,095</b>	<b>351,421</b>	<b>217,203</b>
<b>Expenses</b>				
Convention (Schedule A)	57,123		<b>57,123</b>	54,035
Meetings	37,587		<b>37,587</b>	37,204
Trillium project (Note 5)	31,015		<b>31,015</b>	78,455
Insurance	25,289		<b>25,289</b>	18,441
Fundraising	25,112		<b>25,112</b>	339
District and executive	14,675,		<b>14,675</b>	15,037
Newsletter	9,385		<b>9,385</b>	8,941
Secretary salary	8,964		<b>8,964</b>	6,144
Treasurer honourarium office	7,481		<b>7,481</b>	2,693
Professional fees	4,079		<b>4,079</b>	3,000
Exhibitions	2,652		<b>2,652</b>	2,717
OHA supplies and youth manuals	2,432		<b>2,432</b>	1,118
Printing, stationary and mailing	1,615		<b>1,615</b>	1,976
Yearbook	1,550		<b>1,550</b>	2,795
Education, promotion and publicity	1,082		<b>1,082</b>	2,098
Awards, bursaries and donations	912		<b>912</b>	1,799
Amortization	834		<b>834</b>	476
Special projects	728		<b>728</b>	2,500
STBI Administration		492	<b>492</b>	170
Bank charges	368		<b>368</b>	346
Memoriam	222		<b>222</b>	763
Bad debts	87		<b>87</b>	
	<b>233,192</b>	<b>492</b>	<b>233,684</b>	<b>241,047</b>
Excess (deficiency) of revenues over expenses	\$ 106,134	\$11,603	<b>\$ 117,737</b>	\$ (23,844)

## Ontario Horticultural Association

### Statement of Financial Position and Fund Balances

December 31, 2005

	General Fund	STBI Restricted Fund	Total 2005	Total 2004
<b>ASSETS</b>	\$ 122,648	\$4,342	<b>\$ 126,990</b>	\$ 46,142
Current				
Cash				
Receivables	47,070	1,824	<b>48,894</b>	3,037
Inventory	1,067		<b>1,067</b>	1,614
Prepays	26,790		<b>26,790</b>	2,354
Due to reserve fund from operating	(7,488)	7,488		
	190,087	13,654	<b>203,741</b>	53,147
Investments (Note 3)	51,470	89,518	<b>140,988</b>	159,925
Property, plant and equipment (Note 4)	2,289		<b>2,289</b>	1,538
	\$ 243,846	\$ 103,172	<b>\$ 347,018</b>	\$ 214,610
<b>LIABILITIES</b>	\$ 10,014	\$	<b>\$ 10,014</b>	\$ 20,990
Current				
Payables and accruals				
Payable to societies	1,671		<b>1,671</b>	1,671
Deferred revenue	30,885	7,960	<b>38,845</b>	13,198
	42,570	7,960	<b>50,530</b>	35,859
<b>FUND BALANCES</b>	95,142	83,609	<b>178,751</b>	202,595
Fund balances, beginning of year				
Excess (deficiency) of revenues over expenses for the year	106,134	11,603	<b>117,737</b>	(23,844)
Fund balances, end of year	201,276	95,212	<b>296,488</b>	178,751
	\$ 243,846	\$ 103,172	<b>\$ 347,018</b>	\$ 214,610

APPROVED ON BEHALF OF THE BOARD:

Director

Director

The accompanying notes are an integral part of these financial statements

**Takalo & Burt**  
Chartered Accountant

# **Ontario Horticultural Association Notes to the Financial Statements December 31, 2005**

## **1. PURPOSE OF ORGANIZATION**

Ontario Horticultural Association promotes horticultural education and preservation of the environment. The organization is a charitable corporation without share capital incorporated under the laws of the Province of Ontario. As a result, on dissolution of the corporation, any surplus existing is to be disposed of to charitable organizations in Ontario.

## **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Since precise determination of many assets and liabilities are dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations. These have been made by management using careful judgement.

### **Method of Accounting**

The organization uses the restricted fund method of accounting. Sources of revenue and expenditures are reported using the accrual basis of accounting. The accrual basis of accounting recognizes revenue as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods and services and the creation of a legal obligation to pay.

### **Investments**

Investments are valued at the lower of cost and market.

### **Inventory**

Inventory of Ontario Judging and Exhibiting Standards books are valued at the lower of cost and net realizable value. Cost is determined on the first in, first out basis. All other supplies are recorded as expenses on the statement of operations in the year the supplies are purchased.

### **Property, Plant and Equipment**

Property, plant and equipment are recorded at cost. Rates of depreciation applied using the declining balance method to write-off the cost of property, plant and equipment over their estimated useful lives are as follows:

Exhibition display panels 30% Office equipment 20% Computer 30%

Property, plant and equipment acquisitions that are funded by government grants are expensed in the year of acquisition as an offset against the corresponding grant revenue.

### **Contributed Services**

The organization relies on volunteers to assist with the organization in operating its programs. Because of the difficulty of determining their fair market value, the value of contributed services are not recorded in these financial statements.

**Ontario Horticultural Association  
Notes to the Financial Statements  
December 31, 2005**

**3. INVESTMENTS**

The Association held various unrestricted term deposits with a cost of \$51,470 (2004 - \$81,026) as at December 31, 2005, with interest rates ranging from 2.00% to 3.50%. The market values of the investments held on December 31, 2005 amounted to \$51,470 (2004 - \$81,026).

The Association held various restricted term deposits with a cost of \$89,518 (2004 - \$78,899) as at December 31, 2005, with interest rates ranging from 2.00% to 5.50%. The market values of the investments held on December 31, 2005 amounted to \$89,518 (2004 - \$78,899).

**4. PROPERTY, PLANT  
AND EQUIPMENT**

	<b>Accumulated Cost Depreciation</b>		<b>Net Book Value 2005</b>	<b>Net Book Value 2004</b>
Exhibition display panels	\$3,579	\$3,221	<b>\$358</b>	\$511
Office equipment	3,481	2,660	<b>821</b>	1,027
Computer	1,586	476	<b>1,110</b>	
	<b>\$8,646</b>	<b>\$6,357</b>	<b>\$2,289</b>	\$1,538

**5. TRILLIUM PROJECT**

The Association entered into a contract with the Trillium Foundation in November 2003 to provide up to \$117,000 in grant funding to offset qualified expenditures of up to \$117,000.

The purpose of the program is to improve the image of the Association, to maintain and redesign the Association's website, to strengthen the Association's communications and to develop and support the Association's volunteer network.

In 2005, the association recorded \$31,015 (2004 - \$78,455) in grant revenue related to the Trillium project. The association expects to complete the grant project in 2006 and to record \$7,500 in Trillium grant revenue in the 2006 fiscal period.

**6. STATEMENT OF CASH FLOWS**

The statement of cash flows is not considered meaningful and consequently has been omitted from these financial statements.

**7. FINANCIAL INSTRUMENTS**

**Fair Value**

The organization's financial instruments include cash, investments, accounts receivable, accounts payables, accruals and deferred revenue. The carry value of these instruments approximates their fair value due to their immediate or short-term maturity.

**Takalo & Burt** CHARTERED ACCOUNTANTS

## Ontario Horticultural Association Schedule of Convention Income

### Schedule A

Year ended December 31	2005	2004
Banquet and meals	\$ 39,690	\$ 25,217
Registration	36,045	21,010
Tours	5,035	3,837
Sponsorships	2,400	
Concessions	400	800
Fundraising and miscellaneous	-	516
	\$ 83,570	\$ 51,380

### Schedule of Convention Expenses

Year ended December 31	2005	2004
Banquet and meals	\$ 35,511	\$ 30,119
Meetings	4,746	-
Space, signage and security	4,387	12,599
Program	3,703	3,014
Tours	3,291	3,307
Registrar's honourarium	1,964	2,384
Prizes	1,871	1,505
Administration	1,650	1,107
	\$ 57,123	\$ 54,035

**Takalo & Burt**  
Chartered Accountant