

**ONTARIO AGRI-FOOD EDUCATION INC.**  
*(Operating as AgScape)*  
**Financial Statements**  
**December 31, 2025**

**ONTARIO AGRI-FOOD EDUCATION INC.**

*(Operating as AgScope)*

**Index to Financial Statements**

**Year Ended December 31, 2025**

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Ontario Agri-Food Education Inc. (Operating as AgScape)

### *Opinion*

We have audited the financial statements of Ontario Agri-Food Education Inc., operating as AgScape ("AgScape"), which comprise the statement of financial position as at December 31, 2025, and the statements of changes in net assets, operations 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 AgScape as at December 31, 2025, 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 AgScape 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 AgScape'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 AgScape or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing AgScape'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.

(continues)

Independent Auditor's Report to the Members of Ontario Agri-Food Education Inc. (Operating as AgScape)  
(continued)

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.

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 AgScape'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 AgScape's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw 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 AgScape 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.

*Hogg, Shain & Scheck PC*

Toronto, Ontario  
April 16, 2026

Authorized to practise public accounting by the  
Chartered Professional Accountants of Ontario

**ONTARIO AGRI-FOOD EDUCATION INC.**

*(Operating as AgScape)*

**Statement of Financial Position**

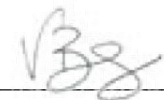
**As at December 31, 2025**

	2025	2024
<b>ASSETS</b>		
<b>CURRENT</b>		
Accounts receivable <i>(Note 3)</i>	\$ 320,936	\$ 313,270
Prepaid expenses	<u>10,270</u>	<u>11,859</u>
	331,206	325,129
<b>INVESTMENTS <i>(Note 4)</i></b>	<u>1,525,943</u>	<u>1,372,881</u>
	<u>\$ 1,857,149</u>	<u>\$ 1,698,010</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Bank indebtedness <i>(Note 6)</i>	\$ 231,068	\$ 121,802
Accounts payable and accrued liabilities	48,228	87,283
Deferred revenues <i>(Note 5)</i>	<u>54,000</u>	<u>91,625</u>
	333,296	300,710
<b>NET ASSETS</b>		
<b>UNRESTRICTED - OPERATING FUND</b>	(7,216)	21,363
<b>EXTERNALLY RESTRICTED - HEALTHY EATING PROGRAM FUND</b>	200,263	257,656
<b>INTERNALLY RESTRICTED - RESERVE FUND</b>	<u>1,330,806</u>	<u>1,118,281</u>
	1,523,853	1,397,300
	<u>\$ 1,857,149</u>	<u>\$ 1,698,010</u>

**OPERATING LINES OF CREDITS *(Note 6)***

**APPROVED ON BEHALF OF THE BOARD**

 \_\_\_\_\_ Director  
Sarah Andrewes

 \_\_\_\_\_ Director  
Victoria Berry

*See the accompanying notes to these financial statements*

**ONTARIO AGRI-FOOD EDUCATION INC.**

*(Operating as AgScape)*

**Statement of Changes in Net Assets**

**Year Ended December 31, 2025**

	Unrestricted - Operating Fund	Externally Restricted - Healthy Eating Program Fund	Internally Restricted - Reserve Fund	<b>2025</b>	2024
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 21,363	\$ 257,656	\$ 1,118,281	\$ <b>1,397,300</b>	\$ 1,307,039
Excess (deficiency) of revenues over expenses	(116,579)	30,607	212,525	<b>126,553</b>	90,261
Interfund transfer <i>(Note 8)</i>	88,000	(88,000)	-	-	-
<b>NET ASSETS - END OF YEAR</b>	\$ (7,216)	\$ 200,263	\$ 1,330,806	\$ <b>1,523,853</b>	\$ 1,397,300

*See the accompanying notes to these financial statements*

**ONTARIO AGRI-FOOD EDUCATION INC.***(Operating as AgScape)***Statement of Operations****Year Ended December 31, 2025**

	<b>2025</b>	<b>2024</b>
<b>REVENUES</b>		
Ontario Ministry of Agriculture, Food and Agribusiness grants	\$ 1,133,207	\$ 818,962
Donations	187,465	114,931
Memberships	74,225	84,850
Dividend and interest income <i>(Note 9)</i>	51,564	59,695
Agriculture in the Classroom Canada	33,931	43,000
Annual General Meeting	30,520	30,170
Resource development	11,893	10,212
Program grants	10,550	30,000
Employment grants	8,323	4,012
	<b>1,541,678</b>	<b>1,195,832</b>
<b>EXPENSES <i>(Note 10)</i></b>		
Career events	349,063	249,116
Teacher Ambassador program	278,750	262,253
Career agricultural fairs	263,807	26,427
Experiential events	185,166	196,706
Administration	160,300	132,009
Resources	129,685	148,553
Educator and adult workshops	106,140	98,439
Fundraising	70,328	69,735
Website	63,334	-
	<b>1,606,573</b>	<b>1,183,238</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES FROM OPERATIONS</b>	<b>(64,895)</b>	<b>12,594</b>
<b>OTHER INCOME</b>		
Other investment income <i>(Note 9)</i>	191,448	77,667
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<b>\$ 126,553</b>	<b>\$ 90,261</b>

*See the accompanying notes to these financial statements*

**ONTARIO AGRI-FOOD EDUCATION INC.***(Operating as AgScape)***Statement of Cash Flows****Year Ended December 31, 2025**

	2025	2024
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenses	\$ 126,553	\$ 90,261
Item not affecting cash:		
Unrealized gain on investments	<u>(189,991)</u>	<u>(55,218)</u>
	<u>(63,438)</u>	<u>35,043</u>
Changes in non-cash working capital:		
Accounts receivable	(7,666)	(118,416)
Prepaid expenses	1,589	(9,343)
Accounts payable and accrued liabilities	(39,055)	50,402
Deferred revenues	<u>(37,625)</u>	<u>(4,897)</u>
	<u>(82,757)</u>	<u>(82,254)</u>
Cash flows used by operating activities	<u>(146,195)</u>	<u>(47,211)</u>
<b>INVESTING ACTIVITY</b>		
Change in investments (net)	<u>36,929</u>	<u>(31,021)</u>
Cash flows from (used by) investing activity	<u>36,929</u>	<u>(31,021)</u>
<b>DECREASE IN CASH</b>	<b>(109,266)</b>	<b>(78,232)</b>
<b>BANK INDEBTEDNESS - BEGINNING OF YEAR</b>	<u><b>(121,802)</b></u>	<u><b>(43,570)</b></u>
<b>BANK INDEBTEDNESS - END OF YEAR</b>	<u><b>\$ (231,068)</b></u>	<u><b>\$ (121,802)</b></u>

*See the accompanying notes to these financial statements*

**ONTARIO AGRI-FOOD EDUCATION INC.**

*(Operating as AgScape)*

**Notes to Financial Statements**

**Year Ended December 31, 2025**

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**1. NATURE OF THE ORGANIZATION**

Ontario Agri-Food Education Inc. (operating as AgScape) ("AgScape") was incorporated on February 17, 1992 as a corporation without share capital. AgScape has been designated by the Ontario Ministry of Agriculture, Food and Agribusiness as an incorporated organization within the meaning of the Agricultural and Horticultural Organizations Act, R.S.O. 1990, Chapter A.9. As a registered charity, AgScape is exempt from the payment of income tax under subsection 149(1) of the Income Tax Act (Canada).

AgScape works to build awareness and understanding of the agriculture and food industry in Ontario classrooms and for the general public.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of presentation

These financial statements are the representation of management. They have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") in Part III of the CPA Canada Handbook and include the following accounting policies.

Fund accounting

AgScape reports its activities using fund accounting, and maintains three funds: Operating Fund, Healthy Eating Program Fund (externally restricted), and Reserve Fund (internally restricted).

The Operating Fund reports AgScape's program delivery and administrative activities, as well as unrestricted resources, and operating grants.

The Healthy Eating Program Fund, formerly described as the "Vitamin Settlement Fund", was established in 2006 to hold funds received by AgScape as part of the settlement of class action lawsuits brought against a number of defendants alleging that they had conspired to fix prices and markets for vitamins in Canada (referred to as the Canadian National Settlement of Vitamin Class Action). The Healthy Eating Program funds opportunities to promote and supply healthy eating initiatives throughout Ontario, consistent with the mission of AgScape.

The Reserve Fund is an internally restricted fund established by the Board of Directors to develop the financial resources necessary to ensure the long-term viability of AgScape through donations, fundraising, and investment income.

Revenue recognition

AgScape uses the restricted fund method of accounting for restricted contributions. Restricted contributions, including grants, are recorded in the year received. Restricted contributions for which no specific fund was established, are recognized as revenue of the Operating Fund in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue of the Operating Fund, when received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

Membership revenue is recognized, when invoiced and collection is reasonably assured, generally during AgScape's fiscal year. If membership revenue is received in advance, it is recorded as deferred revenues and then recognized when earned a the subsequent year.

Investment income is recognized as revenue when earned. Investment income includes realized and unrealized gains (losses), dividends, and interest income.

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ONTARIO AGRI-FOOD EDUCATION INC.

*(Operating as AgScape)*

Notes to Financial Statements

Year Ended December 31, 2025

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

Revenue recognition (continued)

Revenues from resource development and the Agriculture in the Classroom Canada are recognized upon completion of the related projects, provided that collection is reasonably assured. As these revenues relate to specific projects, amounts received or receivable in respect of projects not completed at the reporting date are recorded as deferred revenue. Such deferred amounts are recognized as revenue in the period in which the related projects are completed.

Revenue earned from the Annual General Meeting is recognized when the meeting is held and collection is reasonably assured.

Financial instruments

AgScape initially measures its financial assets and liabilities at fair value.

AgScape subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments, which are measured at fair value.

Financial assets measured at amortized cost include accounts receivable. Financial liabilities measured at amortized cost include bank indebtedness and accounts payable.

Impairment of financial instruments

Financial assets measured at cost or amortized cost are tested for impairment, if there are indications of possible impairment. The impairment loss is measured as the difference between the carrying value and estimated recoverable amount. A previously recognized impairment loss may be reversed to the extent of the improvement, either directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal, had the impairment loss not been recognized previously. The amount of any write-down or reversal is recognized in excess of revenues over expenses.

Allocation of expenses

AgScape engages in various programming. The costs of these programs include the costs of personnel and other expenses that are directly related to the programs, as well as general support costs. Direct costs are allocated in full to their programs while general support costs are allocated to the programs based on an estimate of the percentage of personnel time spent on each program.

Contributed goods and services

Donated goods are recorded when a fair value can be reasonably estimated and when they would otherwise have been purchased if not donated.

A substantial part of AgScape's activities are carried out by volunteers whose services are donated. These services are not normally purchased by AgScape and, as such, donated services are not recorded in these financial statements.

Use of estimates

The preparation of financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Such estimates are periodically reviewed and adjustments are made as appropriate in the year they become known. Such estimates include determining the collectability of accounts receivable and allocation of expenses to programs based on time. Actual results may differ from these estimates.

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ONTARIO AGRI-FOOD EDUCATION INC.

(Operating as AgScape)

Notes to Financial Statements

Year Ended December 31, 2025

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3. ACCOUNTS RECEIVABLE

Accounts receivable includes \$284,721 (2024 - \$288,403) owing from the Ontario Ministry of Agriculture, Food and Agribusiness which was received subsequent to year-end.

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4. INVESTMENTS

	<u>2025</u>	<u>2024</u>
Operating Fund:		
Mutual funds	\$ -	\$ 875
	<u>-</u>	<u>875</u>
Externally Restricted - Healthy Eating Program Fund:		
Equities	194,607	222,278
Cash and cash equivalents	4,465	34,440
	<u>199,072</u>	<u>256,718</u>
Internally Restricted - Reserve Fund:		
Equities	1,324,870	982,527
Cash and cash equivalents	2,001	132,761
	<u>1,326,871</u>	<u>1,115,288</u>
	<u>\$ 1,525,943</u>	<u>\$ 1,372,881</u>

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5. DEFERRED REVENUES

Deferred revenues at December 31 comprise the following:

	<u>2025</u>	<u>2024</u>
Support for Teacher Ambassador Program	\$ 25,000	\$ 38,000
Memberships	13,000	24,625
Support for Annual General Meeting	8,500	1,500
Support for resource development projects	7,500	7,500
Support for Experiential events	-	20,000
	<u>\$ 54,000</u>	<u>\$ 91,625</u>

The continuity of deferred revenues is as follows:

Balance, beginning of year	\$ 91,625	\$ 96,522
Add: amounts received during the year	155,425	173,703
Less: amounts recorded as revenues during the year	<u>(193,050)</u>	<u>(178,600)</u>
Balance, end of year	<u>\$ 54,000</u>	<u>\$ 91,625</u>

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ONTARIO AGRI-FOOD EDUCATION INC.

*(Operating as AgScape)*

Notes to Financial Statements

Year Ended December 31, 2025

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**6. OPERATING LINES OF CREDIT**

AgScape has a bank operating line of credit of \$200,000 (2024 - \$200,000) of which \$175,285 (2024 - \$84,847) was utilized at year-end, and a second bank operating line of credit of \$60,000 (2024 - \$60,000) of which \$58,136 (2024 - \$53,117) was utilized at year-end. These amounts are included within bank indebtedness which is shown on a net basis.

The withdrawn balances are due on demand, bear interest at bank prime plus 1%, and are secured by a General Security Agreement.

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**7. ECONOMIC DEPENDENCE**

AgScape is economically dependent on the grants it receives from the Ontario Ministry of Agriculture, Food and Agribusiness.

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**8. INTERFUND TRANSFER**

In 2025, the Board approved a transfer of \$88,000 (2024 - \$50,000) from the Healthy Eating Project Fund to manage operating cash flows.

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**9. INVESTMENT INCOME (LOSS)**

	<u>2025</u>	<u>2024</u>
Dividend income	\$ 50,670	\$ 59,645
Interest income	<u>894</u>	<u>50</u>
Total dividend and interest income	<u>\$ 51,564</u>	<u>\$ 59,695</u>
Unrealized gain	\$ 189,991	\$ 55,218
Realized gain on sale of investments	16,743	34,530
Investment advisor fees	<u>(15,286)</u>	<u>(12,081)</u>
Total other investment income	<u>\$ 191,448</u>	<u>\$ 77,667</u>

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ONTARIO AGRI-FOOD EDUCATION INC.

(Operating as AgScape)

Notes to Financial Statements

Year Ended December 31, 2025

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10. ALLOCATION OF EXPENSES

Certain staff costs and general expenses pertain to more than one function of AgScape. These expenses have been allocated to various programs on the Statement of Operations. Salaries, contracts and benefits are allocated based on the time devoted to each of these functions. General expenses are allocated on a proportionate basis. The expenses have been allocated as follows:

	<u>2025</u>	<u>2024</u>
<b>Salaries, contracts, and benefits</b>		
Teacher Ambassador program	\$ 169,735	\$ 187,439
Experiential events	135,788	151,578
Career events	133,788	104,995
Administration	122,209	78,534
Resources	101,841	115,706
Career agricultural fairs	70,720	26,427
Educator and adult workshops	67,894	71,233
Fundraising	61,105	62,312
Website	20,368	-
	<u>\$ 883,448</u>	<u>\$ 798,224</u>
<b>General expenses</b>		
Teacher Ambassador program	\$ 22,584	\$ 18,853
Experiential events	18,067	15,228
Administration	16,260	12,327
Resources	13,551	11,602
Educator and adult workshops	9,033	7,251
Fundraising	8,130	7,251
Website	2,710	-
	<u>\$ 90,335</u>	<u>\$ 72,512</u>

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11. FINANCIAL INSTRUMENTS

AgScape 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 AgScape's risk exposure and concentration as of December 31, 2025.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with its financial liabilities. AgScape is exposed to this risk mainly in respect of its accounts payable. AgScape has access to sufficient liquid resources to pay its liabilities as they come due.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in market interest rates. AgScape is exposed to interest rate risk with respect to its operating line of credit.

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ONTARIO AGRI-FOOD EDUCATION INC.

*(Operating as AgScape)*

Notes to Financial Statements

Year Ended December 31, 2025

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11. FINANCIAL INSTRUMENTS *(continued)*

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. AgScape is exposed to other price risk with respect to its investments in equities. AgScape uses professional, independent advisors to monitor its investment portfolio and provide low-risk investment solutions.

It is management's opinion that AgScape is not exposed to significant credit or currency risks arising from its financial instruments.

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