

**Canadian Agricultural Safety Association**  
**Non-Consolidated Financial Statements**  
*March 31, 2025*

To the Directors of Canadian Agricultural Safety Association:

### Opinion

We have audited the non-consolidated financial statements of Canadian Agricultural Safety Association (the "Association"), which comprise the non-consolidated statement of financial position as at March 31, 2025, and the non-consolidated statements of operations, changes in net assets and cash flows for the year then ended, and notes to the non-consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying non-consolidated financial statements present fairly, in all material respects, the non-consolidated financial position of the Association as at March 31, 2025, and the results of its non-consolidated operations and its non-consolidated 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 Non-Consolidated Financial Statements section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the non-consolidated 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.

### Other Information

Management is responsible for the other information. The other information comprises of the Annual report. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the non-consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the non-consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the non-consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### Responsibilities of Management and Those Charged with Governance for the Non-Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the non-consolidated 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 non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated financial statements, management is responsible for assessing the Association'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 Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Non-Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the non-consolidated 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 non-consolidated 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 non-consolidated 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 Association'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 Association'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 non-consolidated 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 Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the non-consolidated financial statements, including the disclosures, and whether the non-consolidated 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.

Winnipeg, Manitoba

September 4, 2025

*MNP LLP*

Chartered Professional Accountants

# Canadian Agricultural Safety Association

## Non-Consolidated Statement of Financial Position

As at March 31, 2025

	2025	2024
<b>Assets</b>		
<b>Current</b>		
Cash	406,374	593,741
Internally restricted cash	102,232	-
Grants and accounts receivable	120,613	24,354
Prepaid expenses and deposits	17,971	8,344
Inventory	18,330	13,920
	<b>665,520</b>	<b>640,359</b>
<b>Capital assets (Note 4)</b>	<b>42,806</b>	<b>55,409</b>
	<b>708,326</b>	<b>695,768</b>
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	130,456	77,078
Deferred revenue (Note 5)	222,005	185,347
	<b>352,461</b>	<b>262,425</b>
<b>Commitments (Note 6)</b>		
<b>Net Assets</b>		
Invested in capital assets	42,806	55,409
Internally restricted for contingencies	102,232	-
Unrestricted	210,827	377,934
	<b>355,865</b>	<b>433,343</b>
	<b>708,326</b>	<b>695,768</b>

Approved on behalf of the Board

  
Director

  
Director

# Canadian Agricultural Safety Association

## Non-Consolidated Statement of Operations

*For the year ended March 31, 2025*

	2025	2024
<b>Revenue</b>		
Grants		
Agriculture and Agri-Food Canada	536,529	580,303
Farm Credit Canada	37,638	40,961
Interest	4,590	6,509
Memberships	12,422	10,475
Merchandise sales	16,700	64,543
Partnerships and sponsorships	348,179	323,549
Training, license fees and other	14,150	400
	<b>970,208</b>	<b>1,026,740</b>
<b>Expenses</b>		
Administrative	44,188	26,198
Amortization	13,783	16,035
Assistive grants	14,665	15,000
Communication	40,426	44,586
Consulting services	329,352	271,298
Cost of sales	64,655	78,140
Occupancy	35,759	38,868
Office equipment and maintenance	22,368	27,300
Professional fees	64,740	77,146
Promotional materials	831	52,575
Salaries and benefits	371,583	324,767
Travel and conference	45,225	45,803
	<b>1,047,575</b>	<b>1,017,716</b>
<b>Excess (deficiency) of revenue over expenses before other items</b>	<b>(77,367)</b>	<b>9,024</b>
<b>Other items</b>		
Restricted fund interest income	2,232	-
Foreign exchange loss	(802)	(1,628)
Loss on disposal of capital assets	(1,541)	-
	<b>(111)</b>	<b>(1,628)</b>
<b>Excess (deficiency) of revenue over expenses</b>	<b>(77,478)</b>	<b>7,396</b>

*The accompanying notes are an integral part of these financial statements*

**Canadian Agricultural Safety Association**  
**Non-Consolidated Statement of Changes in Net Assets**

*For the year ended March 31, 2025*

	<i>Invested in Capital Assets</i>	<i>Internally Restricted for Contingencies</i>	<i>Unrestricted</i>	<i>2025</i>	<i>2024</i>
Balance, beginning of year	55,409	-	377,934	433,343	425,947
Excess (deficiency) of revenue over expenses	-	2,232	(79,710)	(77,478)	7,396
Amortization of capital assets	(13,783)	-	13,783	-	-
Interfund transfers - acquisition of capital assets	2,721	-	(2,721)	-	-
Interfund transfers - disposal of capital assets	(1,541)	-	1,541	-	-
Interfund transfers - internally restricted for contingencies	-	100,000	(100,000)	-	-
Net assets, end of year	42,806	102,232	210,827	355,865	433,343

*The accompanying notes are an integral part of these financial statements*

# Canadian Agricultural Safety Association

## Non-Consolidated Statement of Cash Flows

*For the year ended March 31, 2025*

	2025	2024
<b>Cash provided by (used for) the following activities</b>		
<b>Operating</b>		
Excess (deficiency) of revenue over expenses	(77,478)	7,396
Amortization	13,783	16,035
Loss on disposal of capital assets	1,541	-
	(62,154)	23,431
Changes in working capital accounts		
Grants and accounts receivable	(96,259)	338,204
Prepaid expenses and deposits	(9,627)	19,085
Inventory	(4,410)	14,043
Accounts payable and accrued liabilities	53,378	(18,992)
Deferred revenue	36,658	694
	(82,414)	376,465
<b>Financing</b>		
Repayment of long-term debt	-	(28,000)
<b>Investing</b>		
Purchase of capital assets	(2,721)	(15,401)
<b>Increase (decrease) in cash resources</b>	(85,135)	333,064
<b>Cash resources, beginning of year</b>	593,741	260,677
<b>Cash resources, end of year</b>	508,606	593,741
<b>Cash resources are composed of:</b>		
Cash	406,374	593,741
Internally restricted cash	102,232	-
	508,606	593,741

*The accompanying notes are an integral part of these financial statements*

# Canadian Agricultural Safety Association

## Notes to the Non-Consolidated Financial Statements

For the year ended March 31, 2025

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### 1. Nature of the organization

Canadian Agricultural Safety Association (the "Association") is a national non-profit organization dedicated to improving the health and safety of farmers, their families, and workers. The Association works collaboratively with agricultural health and safety specialists and producers in all provinces and territories to promote health and safety on farms and ranches in Canada.

The Association was incorporated under the Canada Business Corporations Act in 1995. The Association is a non-profit organization and is exempt from income tax under section 149(1)(l) of the Income Tax Act, Canada.

### 2. Significant accounting policies

These non-consolidated financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations.

#### **Revenue recognition**

The Association follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Merchandise sales are recognized as revenue immediately when merchandise is sold. Unrestricted contributions including memberships and other revenues sources are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

#### **Cash and internally restricted cash**

Cash includes balances with banks, and includes \$102,232 (2024 - \$nil) of internally restricted cash.

#### **Inventory**

Inventory held for resale is stated at the lower of cost and net realizable value with cost being determined as a selling price less average markup. Inventory held for promotion is stated at the lower of cost and replacement cost.

#### **Controlled not-for-profit entity**

The Association's non-consolidated financial statements do not include the accounts of FarmSafe Foundation, which is controlled by the Association.

All transactions with the controlled entity are disclosed as related party transactions.

#### **Capital assets**

Capital assets are recorded at cost less accumulated amortization. Amortization based on the estimated useful life of the underlying asset is calculated at the following rates:

	<b>Method</b>	<b>Rate</b>
Furniture and office equipment	straight-line	3 years
Training equipment	straight-line	30 %
Computer equipment	declining balance	20 %
Leasehold improvements	declining balance	20 %

#### **Long-lived assets**

Long-lived assets consist of capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

When the Association determines that a long-lived asset no longer has any long-term service potential to the Association, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations. Write-downs are not reversed.



**2. Significant accounting policies** *(Continued from previous page)*

***Measurement uncertainty (use of estimates)***

The preparation of non-consolidated 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 revenues and expenses during the reporting period.

Grants and accounts receivables are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Inventory is valued at the lower of cost and net realizable value after estimation of the net realizable value. Amortization is based on the estimated useful lives of capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in the statement of operations in the periods in which they become known.

***Financial instruments***

The Association recognizes financial instruments when the Association becomes party to the contractual provisions of the financial instrument.

***Arm's length financial instruments***

Financial instruments originated/acquired or issued/assumed in an arm's length transaction ("arm's length financial instruments") are initially recorded at their fair value.

At initial recognition, the Association may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. The Association has not made such an election during the year.

The Association subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those designated in a qualifying hedging relationship or that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. All other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in excess (deficiency) of revenues over expenses. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

***Related party financial instruments***

The Association initially measures the following financial instruments originated/acquired or issued/assumed in a related party transaction ("related party financial instruments") at fair value:

- Investments in equity instruments quoted in an active market
- Debt instruments quoted in an active market
- Debt instruments when the inputs significant to the determination of its fair value are observable (directly or indirectly)
- Derivative contracts.

All other related party financial instruments are measured at cost on initial recognition. When the financial instrument has repayment terms, cost is determined using the undiscounted cash flows, excluding interest, dividend, variable and contingent payments, less any impairment losses previously recognized by the transferor. When the financial instrument does not have repayment terms, but the consideration transferred has repayment terms, cost is determined based on the repayment terms of the consideration transferred. When the financial instrument and the consideration transferred both do not have repayment terms, the cost is equal to the carrying or exchange amount of the consideration transferred or received (refer to Note 7).

At initial recognition, the Association may elect to subsequently measure related party debt instruments that are quoted in active market, or that have observable inputs significant to the determination of fair value, at fair value.

The Association has not made such an election during the year, thus all such related party debt instruments are subsequently measured at amortized cost.

**Canadian Agricultural Safety Association**  
**Notes to the Non-Consolidated Financial Statements**  
*For the year ended March 31, 2025*

**2. Significant accounting policies** *(Continued from previous page)*

**Financial instruments** *(Continued from previous page)*

The Association subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those designated in a qualifying hedging relationship or that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Financial instruments that were initially measured at cost and derivatives that are linked to, and must be settled by, delivery of unquoted equity instruments of another entity, are subsequently measured using the cost method less any reduction for impairment.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of related party financial instruments are immediately recognized in excess (deficiency) of revenues over expenses.

**Financial asset impairment**

The Association assesses impairment of all its financial assets measured at cost or amortized cost. The Association groups assets for impairment testing when no asset is individually significant. Management considers whether the issuer is having significant financial difficulty; whether there has been a breach in contract, such as a default or delinquency in interest or principal payments, in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Association determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

With the exception of related party debt instruments and related party equity instruments initially measured at cost, the Association reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

For related party equity instruments initially measured at cost, the Association reduces the carrying amount of the asset (or group of assets), to the amount that could be realized by selling the asset(s) at the statement of financial position date.

Any impairment, which is not considered temporary, is included in current year excess (deficiency) of revenues over expenses.

The Association reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in excess (deficiency) of revenues over expenses in the year the reversal occurs.

**3. Line of credit**

The Association has a line of credit of up to \$100,000 (2024 - \$100,000) which bears interest at prime plus 3% (effective rate of 7.95% as at March 31, 2025 and 10.2% as at March 31, 2024). The line of credit is secured by a general security agreement providing a first fixed and floating charge on all assets of the Association. The line of credit was unused at year end.

**4. Capital assets**

	<b>Cost</b>	<b>Accumulated amortization</b>	<b>2025 Net book value</b>
Furniture and office equipment	54,306	49,153	5,153
Training equipment	522,078	491,683	30,395
Computer equipment	22,760	21,270	1,490
Leasehold improvements	18,898	13,130	5,768
	<b>618,042</b>	<b>575,236</b>	<b>42,806</b>

# Canadian Agricultural Safety Association

## Notes to the Non-Consolidated Financial Statements

For the year ended March 31, 2025

### 4. Capital assets (Continued from previous page)

	Cost	Accumulated amortization	2024 Net book value
Furniture and office equipment	54,306	47,962	6,344
Training equipment	539,289	501,143	38,146
Computer equipment	22,760	20,898	1,862
Leasehold improvements	18,244	9,187	9,057
	634,599	579,190	55,409

### 5. Deferred revenue

	Balance, Beginning of Year	Received during the Year	Recognized during the Year	2025 Balance, End of Year
Back to Ag	36,657	46,960	(17,638)	65,979
Grain Safety Program	112,500	195,000	(215,000)	92,500
Grain Safety Program - Rescue Tubes	5,000	-	(5,000)	-
Farm Credit Canada - Be Grain Safe	-	10,000	-	10,000
Farm Credit Canada - Mental Health Hub	-	15,000	-	15,000
Farm Credit Canada Restricted Deferred Funds	25,000	10,000	(35,000)	-
Kids Safety Hub	-	70,000	(35,000)	35,000
Other	6,190	3,621	(6,285)	3,526
	185,347	350,581	(313,923)	222,005

	Balance, Beginning of Year	Received during the Year	Recognized during the Year	2024 Balance, End of Year
Back to Ag	46,444	5,465	(15,252)	36,657
Grain Safety Program	53,750	255,000	(196,250)	112,500
Grain Safety Program - Rescue Tubes	42,500	5,000	(42,500)	5,000
BASF Canada	-	10,000	(10,000)	-
Farm Credit Canada Restricted Deferred Funds	37,500	25,000	(37,500)	25,000
Other	4,459	1,731	-	6,190
	184,653	302,196	(301,502)	185,347

### 6. Commitments

The Association has entered into various agreements with estimated minimum annual payments as follows:

2026	84,900
2027	7,500
	92,400

# Canadian Agricultural Safety Association

## Notes to the Non-Consolidated Financial Statements

For the year ended March 31, 2025

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### 7. Related party transactions

The Association established FarmSafe Foundation / Foundation Securiferme ("Foundation"), a registered charity supporting farm safety education and training. The Association controls the Foundations as CASA board members are the only voting members of the Foundation. Additionally, the CASA Treasurer and Executive Director serve as directors of the Foundation.

The Foundation's financial statements have not been consolidated in the Association's financial statements. Financial statements of the Foundation are available on request.

The financial summary for the Foundation as at and for the year ended March 31, 2025 and March 31, 2024 are as follows:

	2025	2024
<b>Statement of financial position</b>		
Total assets	32,167	27,777
Total liabilities	10,751	16,216
Total net assets	21,416	11,561
<b>Results of operations</b>		
Total revenue	10,123	4,129
Total expenses	268	5,695
Excess (deficiency) of revenue over expenses	9,855	(1,566)
Cash flows from operating activities	4,390	(45,817)

### 8. Financial instruments

The Association, as part of its operations, carries a number of financial instruments. It is management's opinion that the Association is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

#### **Credit Risk**

Credit risk is the risk that the Association will incur a loss due to the failure by its debtors to meet their contractual obligations. Financial instruments that potentially subject the Association to significant concentrations of credit risk consist primarily of grants and accounts receivable. The Association is not exposed to significant credit risk as the grants receivable are primarily from government agencies with funding due under contractual agreement, and accounts receivable are typically collected when due.

#### **Liquidity risk**

Liquidity risk is the risk that the Association will not be able to meet its obligations as they fall due. The Association maintains adequate levels of working capital to ensure all its obligations can be met when they fall due, and has access to temporary financing through financing through authorized lines of credit.

### 9. Economic dependence

The Association is economically dependent on funding from the Agriculture and Agri-Food Canada and other agencies for its continued operations.