

EDUCATIONMATTERS, CALGARY'S TRUST FOR PUBLIC EDUCATION

FINANCIAL STATEMENTS

DECEMBER 31, 2024

EDUCATIONMATTERS, CALGARY'S TRUST FOR PUBLIC EDUCATION
TABLE OF CONTENTS
DECEMBER 31, 2024

	Page
Independent Auditor's Report	1
Financial Statements	
Statement of Financial Position	4
Statement of Operations	5
Statement of Changes in Fund Balances	6
Statement of Cash Flows	7
Notes to the Financial Statements	8
Schedule of Expenditures	15

INDEPENDENT AUDITOR'S REPORT

To the Board of Governors of EducationMatters, Calgary's Trust for Public Education

Opinion

We have audited the financial statements of EducationMatters, Calgary's Trust for Public Education (the "Trust"), which comprise the statement of financial position as at December 31, 2024, and the statement of operations, statement of changes in fund balances and statement of 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 the Trust as at December 31, 2024, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO").

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 Trust 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.

Information other than the Financial Statements and Auditor's Report thereon

Management is responsible for the other information. The other information is comprised of the information, other than the financial statements and our auditor's report thereon, in the Annual Report.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

The Annual Report is expected to be made available to us after the date of this auditor's report. If, based on the work we will perform on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact to those charged with governance.

INDEPENDENT AUDITOR'S REPORT, continued

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 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.

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

Those charged with governance are responsible for overseeing the Trust'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. 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 Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

INDEPENDENT AUDITOR'S REPORT, continued

- 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 Trust'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 the Trust 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.

Baker Tilly Catalyst LLP

**CALGARY, ALBERTA
MAY 14, 2025**

**CHARTERED PROFESSIONAL
ACCOUNTANTS**

EDUCATIONMATTERS, CALGARY'S TRUST FOR PUBLIC EDUCATION
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2024

	2024	2023
Assets		
Current		
Cash and cash equivalents (Note 3)	\$ 4,657,984	\$ 4,236,376
Accounts receivable	3,447	941
Prepaid expenditures	23,384	22,214
	<u>4,684,815</u>	<u>4,259,531</u>
Investments (Notes 4 and 7)	8,346,635	7,422,098
Capital assets	<u>-</u>	<u>2,248</u>
	<u>8,346,635</u>	<u>7,424,346</u>
	<u>\$13,031,450</u>	<u>\$11,683,877</u>

Liabilities and Fund balances

Current		
Accounts payable and accrued liabilities	\$ 27,725	\$ 23,162
Deferred contributions (Note 5)	341,000	341,000
	<u>368,725</u>	<u>364,162</u>
Fund balances		
Operating fund	123,309	86,244
Long-term self-sustainability fund (Note 7)	958,732	778,444
Flow-through fund	4,189,077	3,783,555
Endowment fund (Note 7)	7,391,607	6,671,472
	<u>12,662,725</u>	<u>11,319,715</u>
	<u>\$13,031,450</u>	<u>\$11,683,877</u>

Approved on behalf of the board

 _____ Board Chair

 _____ Treasurer

EDUCATIONMATTERS, CALGARY'S TRUST FOR PUBLIC EDUCATION

STATEMENT OF OPERATIONS FOR THE YEAR ENDED DECEMBER 31, 2024

	Long-term		Flow-					
	Operating	Sustainability	Self-	Through	Endowment	2024 Total	2023 Total	
	Fund	Fund	Fund	Fund	Fund			
Revenue (Note 8)								
Contributions	\$ 40,000	\$ -	\$ -	\$ 3,295,639	\$ 207,054	\$ 3,542,693	\$ 3,481,379	
Calgary Board of Education grants								
(Note 5)	510,000	-	-	-	-	510,000	510,000	
Realized gain on investments	136,558	27,829	-	-	227,636	392,023	397,007	
Interest and fees	14,558	-	-	-	-	14,558	16,365	
Interfund fees (Note 6)	188,150	-	-	(84,888)	(103,262)	-	-	
	889,266	27,829	3,210,751	331,428	4,459,274	4,404,751		
Expenditures (Note 8)								
Expenditures (Schedule 1)	775,088	5,252	2,805,229	173,853	3,759,422	2,638,737		
Other income								
Unrealized gain on investments	8,887	71,711	-	562,560	643,158	446,596		
Excess of revenue over expenditures	\$ 123,065	\$ 94,288	\$ 405,522	\$ 720,135	\$ 1,343,010	\$ 2,212,610		

EDUCATIONMATTERS, CALGARY'S TRUST FOR PUBLIC EDUCATION
STATEMENT OF CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2024

	Operating Fund	Long-term Self- Sustainability Fund	Flow- Through Fund	Endowment Fund	2024 Total	2023 Total
Balance, beginning of year	\$ 86,244	\$ 778,444	\$ 3,783,555	\$ 6,671,472	\$11,319,715	\$ 9,107,105
Excess of revenue over expenditures	123,065	94,288	405,522	720,135	1,343,010	2,212,610
Interfund transfers (Note 6)	(86,000)	86,000	-	-	-	-
Balance, ending of year	\$ 123,309	\$ 958,732	\$ 4,189,077	\$ 7,391,607	\$12,662,725	\$11,319,715

EDUCATIONMATTERS, CALGARY'S TRUST FOR PUBLIC EDUCATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024

	2024	2023
Cash flows from operating activities		
Excess of revenue over expenditures	\$ 1,343,010	\$ 2,212,610
Adjustments for		
Amortization	2,248	1,498
Realized gain on investments	(392,023)	(843,603)
Unrealized gain on investments	(643,158)	-
	<u>310,077</u>	<u>1,370,505</u>
 Change in non-cash working capital items		
Accounts receivable	(2,506)	(316)
Prepaid expenditures	(1,170)	(9,179)
Accounts payable and accrued liabilities	4,563	(1,150)
	<u>310,964</u>	<u>1,359,860</u>
 Cash flows from investing activities		
Purchase of investments	(334,013)	(310,620)
Proceeds from sale of investments	444,657	473,124
	<u>110,644</u>	<u>162,504</u>
 Increase (decrease) in cash	<u>421,608</u>	<u>1,522,364</u>
Cash, beginning of year	<u>4,236,376</u>	<u>2,714,012</u>
 Cash, end of year	<u>\$ 4,657,984</u>	<u>\$ 4,236,376</u>
 Cash consists of:		
Cash	\$ 491,414	\$ 412,994
Treasury bills (Note 3)	4,166,570	3,823,382
	<u>\$ 4,657,984</u>	<u>\$ 4,236,376</u>

EDUCATIONMATTERS, CALGARY'S TRUST FOR PUBLIC EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

1. Nature of operations

EducationMatters, Calgary's Trust for Public Education (the "Trust") was formed by way of a trust indenture on January 20, 2003. The Trust is a registered charity and a public trust under the Income Tax Act (Canada) and, accordingly, is exempt from income taxes and can issue donation receipts for income tax purposes. The Trust's mandate is to promote citizen engagement with and inspire passion for public education and to mobilize resources for programs that enhance public education.

The Board of Trustees of the Calgary Board of Education (the "CBE Board") appoints all Trust governors. At least two, but not more than 50%, of the Trust governors must be members of the CBE Board.

2. Significant accounting policies

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant policies are detailed as follows:

(a) Cash and cash equivalents

Cash and cash equivalents are defined as cash and short-term investments, with terms to maturity of three months or less at the date of purchase.

(b) Revenue recognition

The Trust follows the restricted fund method of accounting.

The Trust receives contributions in the form of donations to specified funds, operating grants, financial assistance and event funding. The Trust recognizes contributions when the amounts can be reasonably estimated and collection is assured.

Restricted contributions related to general operations of the Trust are recognized as revenue in the long-term self-sustainability fund in the period in which the related expenditures are incurred.

The Trust recognizes interest, dividends and interfund fee revenue when the amounts are earned on an accrual basis. Interest income earned on flow-through funds is allocated to the long-term self-sustainability fund.

EDUCATIONMATTERS, CALGARY'S TRUST FOR PUBLIC EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

2. Significant accounting policies, continued

(c) Foreign exchange

The Trust uses the temporal method to translate its foreign currency transactions.

Monetary assets and liabilities are translated at the exchange rate in effect at the statement of financial position date. Other assets and liabilities are translated at the rate in effect on the transaction date. Balances for the current year appearing in the statement of operations are translated at average year rates. Exchange gains and losses are included in the statement of operations.

(d) Trust funds

The Trust holds long-term self-sustainability, flow-through and endowment funds.

The Trust restricts endowment fund grants in any fiscal period to a maximum of 4.5% of the market value of the endowment at the end of the prior fiscal year.

Long-term self-sustainability fund contributions received that relate to services to be provided in a subsequent period are shown as deferred contributions on the statement of financial position.

Flow-through funds are spent during the year in which they are received or the year following to support a wide range of programs and projects.

Endowment funds are created by donors to provide long-term support for discretionary spending, general fields of interest or designated specific programs or projects.

(e) Interfund fees

Interfund fees are charged to the flow-through and endowment funds in lieu of charging administrative expenses to those funds. Endowment funds are generally charged an interfund fee of 1.5% in accordance with donor agreements and flow-through funds are generally charged an interfund fee of 3.5% of each gift received.

(f) Donated material and services

The Trust does not record gifts-in-kind unless fair market value is readily determinable. Gifts of publicly traded shares are recognized at fair market value at the date of donation.

EDUCATIONMATTERS, CALGARY'S TRUST FOR PUBLIC EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

2. Significant accounting policies, continued

(g) Financial instruments

(i) Measurement of financial instruments

The Trust initially measures its financial assets and liabilities at fair value, except for certain related party transactions that are measured at the carrying amount or exchange amount, as appropriate.

The Trust subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statement of operations in the period incurred.

Financial assets measured at amortized cost include cash and cash equivalents and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Financial assets measured at fair value include the pooled investment funds.

(ii) Impairment

For financial assets measured at amortized cost, the Trust determines whether there are indications of possible impairment. When there is an indication of impairment, and the Trust determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in the statement of operations. A previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may not be greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of operations.

(iii) Transaction costs

The entity recognizes its transaction costs in the statement of operations in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transactions costs that are directly attributable to their organization, issuance or assumption.

EDUCATIONMATTERS, CALGARY'S TRUST FOR PUBLIC EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

3. Cash and cash equivalents

Cash and cash equivalents include short-term investments of \$4,166,570 (2023 - \$3,823,382) consisting entirely of investments in Canadian treasury bills with maturity dates of 90 days or less. Short-term investments yield an average interest rate of 4.76% (2023 - 4.70%).

4. Investments

	<u>2024</u>	<u>2023</u>
Pooled Funds - Endowment Fund	\$ 7,387,903	\$ 6,643,654
Pooled Funds - Long-term Self-Sustainability Fund	958,732	778,444
	<u>\$ 8,346,635</u>	<u>\$ 7,422,098</u>

Investments are comprised of \$8,346,635 (2023 - \$7,422,098) in pooled investment funds measured at fair value. The Trust's policy is to liquidate gifted shares on the same day as they are received. There were gifted shares measured at fair value of \$1,246,186 (2023 - \$91,502) held at December 31, 2024.

5. Related party transactions

The Trust is economically dependent on contributions from the Calgary Board of Education ("CBE") and is committed to provide services to the CBE in fund development, grants and student awards. During the year, the Trust received \$510,000 (2023 - \$510,000) from the CBE. Contributions in the amount of \$341,000 (2023 - \$341,000) were deferred to 2025 in accordance with spending the funds over a twelve-month period and are included in the deferred contributions on the statement of financial position.

The Trust rented office space and purchased services of \$16,800 (2023 - \$5,586) and \$7,302 (2023 - \$8,689), respectively, from the CBE.

Grants awarded to the CBE schools by the Trust are distributed to recipients by way of the CBE. In 2024, this amount was \$2,224,691 (2023 - \$1,232,668).

These transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount which is the amount of consideration established and agreed to by the related parties.

EDUCATIONMATTERS, CALGARY'S TRUST FOR PUBLIC EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

6. Interfund fees

The Flow-Through Fund generated fees of \$84,888 and the Endowment Fund generated fees of \$103,262, all of which were transferred to the Operating Fund.

In addition, the prior year operating surplus of \$86,000 was transferred to the Long-term Self-Sustainability Fund from the Operating Fund.

7. Endowment and Long-term Self-Sustainability Fund

Endowment funds are invested to provide long-term support, and are comprised of the following:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 3,704	\$ 27,818
Investments	7,387,903	6,643,654
	<u>\$ 7,391,607</u>	<u>\$ 6,671,472</u>

Long-term Self-Sustainability Funds are invested to provide long-term sustainability and are comprised of the following:

	<u>2024</u>	<u>2023</u>
Investments	\$ 958,732	\$ 778,444

8. Additional information on fund development

(a) Expenditures incurred to raise funds

	<u>2024</u>	<u>2023</u>
Fund development salaries and benefits	\$ 178,921	\$ 213,617
Fund development expenditures	45,709	29,359
	<u>\$ 224,630</u>	<u>\$ 242,976</u>

EDUCATIONMATTERS, CALGARY'S TRUST FOR PUBLIC EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

8. Additional information on fund development, continued

(b) Funds raised during 2024 were \$3,542,693 (2023 - \$3,481,379).

(c) Summary of disbursements:

	<u>2024</u>	<u>2023</u>
Grants (Note 5)	\$ 2,224,691	\$ 1,232,668
Scholarships	754,391	592,849
	<u>\$ 2,979,082</u>	<u>\$ 1,825,517</u>

(d) Allocation of total expenditures and disbursements

Total expenditures and disbursements after allocation of salaries and benefits to the cost centres consist of the following:

	<u>2024</u>	<u>2023</u>
Grant disbursements	\$ 2,979,082	\$ 1,825,517
Program expenditures	500,006	519,644
Fund development expenditures, excluding events	224,630	242,976
Investment fees	53,456	49,101
Amortization expense	2,248	1,498
	<u>\$ 3,759,422</u>	<u>\$ 2,638,736</u>

Salary and benefit costs are incurred to operate the Trust and its programs in a cost-effective manner while maximizing all opportunities to further the Trust's mission. The Trust allocates salary and benefits based on the actual time spent in each cost centre by each staff person.

9. Financial instruments

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

EDUCATIONMATTERS, CALGARY'S TRUST FOR PUBLIC EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

9. Financial instruments, continued

(a) Foreign exchange risk

Foreign currency risk arises from fluctuations in foreign exchange rates that may affect the value of the Trusts investments denominated in currencies other than the Canadian dollar. The Organization holds investments in foreign markets which are subject to changes in exchange rates.

The Organization does not actively hedge foreign exchange risk but monitors its exposure on an ongoing basis and may adjust its investment strategy accordingly.

(b) Market risk

Market risk is the risk that the value of a financial instrument will fluctuate as a result 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 Trust is exposed to market risk through its pooled investments invested in equity securities traded in an active market.

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Trust is exposed to interest rate risk on its fixed income instruments within the pooled investment account. Fixed-rate financial instruments subject the Trust to a fair value risk.

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

EDUCATIONMATTERS, CALGARY'S TRUST FOR PUBLIC EDUCATION
SCHEDULE OF EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2024

	Operating Fund	Long-term Self- Sustainability Fund	Flow- Through Fund	Endowment Fund	2024 Total	2023 Total
Expenditures						
Grants and scholarships (Notes 5 and 8)	\$ -	\$ -	\$ 2,805,229	\$ 173,853	\$ 2,979,082	\$ 1,825,516
Salaries and benefits	327,719	-	-	-	327,719	605,540
Contract staff	184,659	-	-	-	184,659	15,000
Computer applications and support	62,718	-	-	-	62,718	69,738
Professional fees	55,799	-	-	-	55,799	23,693
Investment fees (Note 8)	48,204	5,252	-	-	53,456	49,101
Fund development (Note 8)	45,709	-	-	-	45,709	29,359
Office	31,232	-	-	-	31,232	13,706
Rent (Note 5)	16,800	-	-	-	16,800	5,586
Amortization	2,248	-	-	-	2,248	1,498
Total expenditures	\$ 775,088	\$ 5,252	\$ 2,805,229	\$ 173,853	\$ 3,759,422	\$ 2,638,737