10 Carden Shared Space
Financial Statements
Year Ended December 31, 2025

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INDEPENDENT AUDITORS' REPORT

To the Directors of 10 Carden Shared Space

Opinion

We have audited the financial statements of 10 Carden Shared Space, which comprise the statement of financial position as at December 31, 2025, and the statement of operations, changes in fund balances, 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 10 Carden Shared Space 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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of 10 Carden Shared Space in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other 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 audit 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 10 Carden Shared Space'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 10 Carden Shared Space or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing 10 Carden Shared Space's financial reporting process.

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Auditors' 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 auditors' 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 10 Carden Shared Space'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 10 Carden Shared Space's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause 10 Carden Shared Space 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.

Emphasis of Matter - Restated Comparative Information

We draw attention to Note 3 to the financial statements, which explains that certain comparative information for the year ended December 31, 2024 have been restated. Our opinion is not modified in respect of this matter.

Other matters

The financial statements of 10 Carden Shared Space for the year ended December 31, 2024 were audited by another accounting firm, who expressed a unqualified opinion on the statements dated May 29, 2025.

Pollard Gagliardi Navickas LLP

Waterloo, Ontario

Pollard Gagliardi Navickas LLP
Chartered Professional Accountants
Licensed Public Accountants

10 Carden Shared Space
Statement of Financial Position
As at December 31, 2025

	2025	2024
	$	$
Assets		
Current		
Cash	**13,408**	85,441
Term deposits (Note 4)	**91,134**	88,050
Accounts receivable	**228,050**	105,700
HST recoverable	**13,759**	97,903
Due from 42 Carden Shared Space (Note 6)	**121,882**	85,973
Loan receivable from 42 Carden Shared Space (Note 6)	**203,500**	0
Prepaid expenses	**8,993**	8,993
	680,726	472,060
Non-current		
Loans receivable - Harvest Impact (Note 7)	**53,045**	210,727
Loan receivable from 42 Carden Shared Space (Note 6)	**0**	203,500
Tangible capital assets (Notes 2 & 5)	**1,218,462**	1,140,894
Investments - 42 Carden Shared Space	**0**	2,501
	1,271,507	1,557,622
	1,952,233	2,029,682
Liabilities		
Current		
Accounts payable and accrued charges (Note 3)	**161,944**	172,403
Government remittances payable	**16,804**	12,735
Deferred contributions (Note 10)	**72,584**	7,397
	251,332	192,535
Long-term		
Deferred contributions - Harvest Impact (Note 11)	**665,689**	775,689
Deferred capital contributions (Note 12)	**916,840**	948,839
	1,582,529	1,724,528
	1,833,861	1,917,063
Fund balances		
Unrestricted fund (Note 3)	**88,372**	82,619
Special projects fund	**30,000**	30,000
	118,372	112,619
	1,952,233	2,029,682

Approved on Behalf of the Board:

______________________________ Director

______________________________ Director

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

10 Carden Shared Space
Statement of Changes in Fund Balances
Year Ended December 31, 2025

	Special projects fund $	Unrestricted fund $	Total $
Balance, beginning of year, as previously stated (Note 3)	**30,000**	**140,155**	**170,155**
Prior period correction of an error (Note 3)	**0**	**(57,536)**	**(57,536)**
Balance, beginning of year, as restated (Note 3)	**30,000**	**82,619**	**112,619**
Excess of revenue over expenses	**0**	**5,753**	**5,753**
Balance, end of year	**30,000**	**88,372**	**118,372**

Year Ended December 31, 2024

	Special projects fund $	Unrestricted fund $	Total $
Balance, beginning of year	30,000	149,884	179,884
(Deficit) of revenue over expenses (Note 3)	0	(67,265)	(67,265)
Balance, end of year (Note 3)	30,000	82,619	112,619

10 Carden Shared Space
Statement of Operations
Year Ended December 31, 2025

	2025	2024
	$	$
Revenue		
Project grants (Note 8)	**709,721**	520,563
Guelph Farmer's market (Note 14)	**219,015**	190,934
Nourish kitchen program	**115,090**	104,026
Harvest Impact	**103,123**	132,754
Shared event space	**97,645**	95,385
Operating grant (Note 8)	**84,883**	69,052
Event and connecting	**51,491**	65,453
Consulting and facilitation (Note 6)	**44,180**	70,235
Memberships	**34,035**	28,347
Donations and sponsorships	**23,283**	23,939
Miscellaneous	**2,678**	13,011
Interest income (Note 6)	**13,609**	9,575
Co-working	**0**	48,502
Amortization of deferred capital contributions (Notes 8 & 12)	**58,783**	13,125
	1,557,536	1,384,901
Expenses		
Wages and benefits (Note 3)	**788,168**	739,388
Project and program (Note 3)	**163,685**	187,630
Rent and maintenance (Notes 6 & 15)	**134,122**	133,047
Guelph Farmers' Market (Note 3)	**95,366**	93,446
Network and placemaking	**64,677**	73,100
Professional fees (Note 3)	**47,704**	57,649
Harvest Impact	**40,913**	26,921
Board and team development	**34,747**	14,341
Discounts	**23,733**	25,345
Nourish kitchen	**32,794**	37,450
Interest and bank charges	**14,696**	11,009
Insurance	**9,027**	8,481
Bad debt (recovery)	**3,447**	(1,102)
Amortization of tangible capital asset	**71,574**	29,113
	1,524,653	1,435,818
Excess (deficit) of revenue over expenses from operations	**32,883**	(50,917)
Other earnings (expenses)		
Flow through income (Note 13)	**141,906**	132,413
Flow through expense (Note 13)	**(139,036)**	(148,761)
Participation in 42 Carden Shared Space (Note 6)	**(30,000)**	0
	(27,130)	(16,348)
Excess (deficit) of revenue over expenses for the year	**5,753**	(67,265)

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

10 Carden Shared Space
Statement of Cash Flows
Year Ended December 31, 2025

	2025	2024
	$	$
CASH FLOWS FROM OPERATING ACTIVITIES:		
(Deficit) of revenue over expenses	**5,753**	(67,265)
Amortization of tangible capital assets	**71,574**	29,113
Amortization of deferred capital contributions	**(58,783)**	(13,125)
Accounts receivable	**(122,350)**	264,371
Investments - 42 Carden Shared Space	**2,501**	0
HST payable / recoverable	**84,144**	112,202
Accounts payable and accrued charges	**(10,459)**	(16,561)
Government remittances payable	**4,069**	(66,199)
Deferred contributions	**65,187**	(349,028)
Due from 42 Carden Shared Space	**(35,909)**	(85,973)
Deferred contributions - Harvest Impact	**(109,999)**	(10,000)
	(104,272)	(202,465)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Additions to tangible capital assets	**(149,141)**	(91,931)
Loans receivable - Harvest Impact	**157,682**	148,176
Loan receivable from 42 Carden Shared Space	**0**	(203,500)
	8,541	(147,255)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Loan repayments	**0**	(40,000)
Deferred capital contributions	**26,782**	129,100
	26,782	89,100
Change in cash and equivalents	**(68,949)**	(260,620)
Cash and equivalents, beginning of year	**173,491**	434,111
Cash and equivalents, end of year	**104,542**	173,491
Cash and equivalents consist of the following:		
Cash	**13,408**	85,441
Term deposits	**91,134**	88,050
	104,542	173,491

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1 Nature of operations

10 Carden Shared Space was incorporated on November 17, 2009, to provide a platform for those working across sectors and engage in collaborative work to improve the community. The organization provides a downtown coworking and event meeting space, offers a range of community-oriented programming including one-on-one mentorship, promotion of social causes, learning and workshops and community animation forming intentional collaborations. The organization operates in Downtown Guelph.

The organization is a not-for-profit organization incorporated without share capital and is exempt from income tax under the Income Tax Act.

2 Accounting policies

The financial statements have been prepared using the Canadian accounting standards for not-for-profit organizations (ASNPO) and include the following significant accounting policies.

Fund accounting

The organization uses deferral fund accounting method where externally restricted contributions are deferred and internally restricted amounts are separated in to different funds. The organization has three funds as follows:

Operating reserve fund

The operating reserve fund reports resources allocated by the organization for expenditures in future years and that can be distributed for general operating activities as required. This fund is internally restricted. This fund has been combined with the unrestricted fund during the year and has been applied retrospectively.

Special projects fund

The special projects fund reports resources allocated by the organization for expenditures towards special initiatives as required. This fund is internally restricted.

Unrestricted fund

The unrestricted fund reports resources available for the organization's general operating activities.

Revenue recognition

The organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Guelph Farmers' Market, sponsorships, shared event space, nourish kitchen program, coworking fees and other income are recognized as revenue in the period earned.

Membership fees are recognized as revenue when received or receivable and collection is reasonably assured.

Cash and cash equivalents

The organization’s policy is to disclose bank balances under cash and cash equivalents, including term deposits with a maturity of three months or less from the date of acquisition.

Tangible capital assets

Tangible capital assets are stated at cost. Amortization is provided for using the declining balance method over the estimated useful lives as follows:

Furniture and equipment	20%
Leasehold improvements	15 years straight-line

2 Accounting policies continued

Use of estimates

The preparation of financials statements in conformity with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenditure during the reported period. Actual results may vary from current estimates. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in the periods in which they become known. Financial statement areas requiring estimates include useful lives of tangible capital assets and accounts payable and accrued charges and deferred contributions.

Financial instruments

Measurement of financial instruments

The entity initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions.

The entity 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 (deficit) of revenue over expenses.

Financial assets measured at amortized cost include cash, term deposits, accounts receivable, loan receivables and amount due from 42 Carden Shared Space.

Financial liabilities measured at amortized cost include the accounts payable and accrued charges, and government remittances payable.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in (deficit) of revenue over expenses. The previously recognized impairment loss may be reversed to the extent of the improvement, 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 not been recognized previously. The amount of the reversal is recognized in (deficit) of revenue over expenses.

Transaction costs

The entity recognizes its transaction costs in (deficit) of revenue over expenses in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

3 Prior period correction of an error

Certain balances were misstated in the prior year due to errors in the application of accounting policies as outlined in Note 2. The following adjustments were made to the prior year balances:

	Initial balances as previously reported	Prior period adjustment	Adjusted balance as of December 31, 2024
	$	$	$
Statement of financial position			
Accounts payable and accrued charges	(114,867)	(57,536)	(172,403)
Statement of operations			
Wages and employee benefits	704,652	34,736	739,388
Project and program	184,430	3,200	187,630
Guelph Farmers' Market	85,606	7,840	93,446
Professional fees	45,889	11,760	57,649

4 Term deposits

Term deposits include principal balances of $50,000 with a compound interest rate of 3.05% maturing April 2026 and $35,414 with a compound interest rate of 3.05% maturing June 2026 plus accrued interest totaling $91,134. (2024 - $88,050)

The organization pledged, as additional security on their mortgage, $85,000 by way of a hold placed on existing GIC's held by VCIB. The hold shall be released upon the Financial Covenant being satisfied without the use of the additional $85,000 pledge, to be tested during the Loan's annual review.

The organization has restricted $30,000 (2024 - $30,000) of term deposits for the special projects fund.

5 Tangible capital assets

			2025	2024
	Cost	**Accumulated Amortization**	**Net Book Value**	Net Book Value
	$	**$**	**$**	$
Furniture and equipment	**118,339**	**56,140**	**62,199**	63,953
Leasehold improvements - Farmers' Market	**863,349**	**82,475**	**780,874**	171,951
Leasehold improvements under construction - Farmers' Market	**375,389**	**0**	**375,389**	904,990
	1,357,077	**138,615**	**1,218,462**	1,140,894

During the year, the organization held assets not in use in the amount of $375,389 (2024 - $904,990) which represent a washroom addition to the Guelph Farmer's Market and 25% of prior year's leasehold improvement not in use.

6 Related party transactions

The organization had the following transactions with a related organization, 42 Carden Shared Space. These organizations are related through common control. These transactions were made in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

	2025	2024
	$	$
Transactions:		
Consulting and facilitation (Property management)	**15,000**	15,000
Rent expense	**129,727**	129,727
Participation in 42 Carden Shared Space	**30,000**	0
Interest income	**9,565**	8,527
Balances as at year end:		
Due from 42 Carden Shared Space	**121,882**	85,973
Loan receivable from 42 Carden Shared Space	**203,500**	203,500

10 Carden Shared Space owns a community bond Series C in 42 Carden Shared Space with a cost of $nil (2024 - $2,501).

The loan receivable from 42 Carden Shared Space includes interest at 4.7% per annum with no set repayment terms. The amount is due by December 31, 2026.

The amounts due from 42 Carden Shared Space are non-interest bearing, unsecured and have no specific repayment terms.

7 Loans receivable - Harvest Impact

In the year, the organization issued $nil (2024 - $25,000) in loans to various organizations, as part of the Harvest Impact Loan program. Loans ranging from $2,500 to $40,000 were issued in the past with interest rates between 0% to 7%.

During the year, the organization had written off loans forgiven of $10,000 (2024 - $10,000) and had received loan payments of $147,682 (2024 - $138,176).

8 Project and operating grants

Project and operating grants consist of funding from the following:

	2025	2024
	$	$
The Government of Canada	**89,490**	136,701
The Government of Ontario	**434,976**	129,047
The City of Guelph	**63,131**	54,000
Non-government funding	**264,564**	282,992
	852,161	602,740

9 Flow through funds

The organization has two flow through funds held by the Guelph Community Foundation. Under the terms of the flow through funds, the capital and investment income can be distributed to qualified donees by the Guelph Community Foundation, as agreed upon by the foundation in consultation with the organization. The flow through funds are controlled by the Guelph Community Foundation and are not included in the organization's assets. The market value of the flow through funds held is as follows:

	2025	2024
	$	$
Harvest Impact Fund	**13,048**	13,048
Change Fund	**2,788**	27,768
	15,836	40,816

The distribution from the flow through funds during the year was $nil (2024 - $nil).

10 Deferred contributions

Deferred contributions, which consist of the unexpended portion of project grants received that relates to future periods less related expenditures, is as follows:

	2025	2024
	$	$
Balance, beginning of the year	**7,397**	356,427
Plus: amount received related to the following year	**698,024**	783,087
Less: amount recognized as revenue in the year	**(632,837)**	(1,132,117)
	72,584	7,397

11 Deferred contributions - Harvest Impact

Deferred contributions - Harvest Impact funding consists of initial granting received through the Our Food Future circular economy project, which capitalized the Harvest Impact fund, with non-repayable capital to seed the lending activities of the fund. The deferred is allocated towards maintaining program operations and any loans forgiven are offset against the deferred contributions.

	2025	2024
	$	$
Balance, beginning of the year	**775,689**	785,689
Less: amount recognized as revenue in the year	**(110,000)**	(10,000)
	665,689	775,689

During the year, $10,000 (2024 - $10,000) was recognized through revenue as forgiven loans. In the current year $100,000 relates to operational costs to maintain and advance the next steps for the Harvest Impact program.

12 Deferred capital contributions

Deferred capital contributions are recognized as revenue at the same basis as the amortization of the underlying tangible capital asset.

	2025	2024
	$	$
Balance, beginning of the year	**948,839**	761,906
Plus: amount received related to the following year	**26,784**	200,058
Less: amount recognized as revenue in the year	**(58,783)**	(13,125)
	916,840	948,839

13 Indigenous Food Sovereignty and Security

The Indigenous Food Sovereignty and Security includes the following initiatives within the flow through project income and expenses:

	Income	**Expenses**
	$	**$**
Medicine Bundles	**2,421**	**2,421**

14 Guelph Farmers' Market

Revenue for the Guelph Farmers' Market consists of the following:

	2025	2024
	$	$
Farmers' Market - Saturday	**182,029**	173,122
Farmers' Market - Thursday	**9,957**	5,472
Non-rental programs	**3,972**	10,649
Community & member use	**23,057**	1,691
	219,015	190,934

15 Commitments

The entity is obligate under a rental agreement for the premises from which it operates. The minimum annual lease payments are as follows:

	$
Year Ended December 31, 2026	**130,950**
Year Ended December 31, 2027	**132,192**

The organization entered into a six year lease with the City of Guelph for the Guelph Farmers' Market Commencing on January 1, 2023. Base rent will be owed to the City of Guelph based on the total amount of annual vendor fees and rental charges received. The City of Guelph will be paid between 0% - 20% of these fees.

16 Financial risks and concentration of risk

The organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the organization’s risk exposure and concentrations at the statement of financial position date.

Liquidity risk

Liquidity risk is the risk that the organization will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its accounts payable and accrued charges, and government remittances payable.

Credit risk

The organization is exposed to credit risk on the accounts receivable and loans receivable. The organization provides credit to its clients in the normal course of its operations.

16 Financial risks and concentration of risk continued

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 risk, interest rate risk and other price risk.

(a) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The organization does not have significant exposure to currency risk.

(b) 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 organization does not have significant exposure to interest rate risk.

(c) 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 not exposed to other price risk.

The extent of the organization's exposure to the above risks did not change during the fiscal year.

17 Comparative figures

Certain comparative figures have been reclassified to conform to the current year presentation.