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**ASSOCIATION FOR CORPORATE GROWTH -  
TORONTO CHAPTER  
FINANCIAL STATEMENTS  
FEBRUARY 28, 2026**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Association for Corporate Growth - Toronto Chapter

### *Opinion*

We have audited the financial statements of Association for Corporate Growth - Toronto Chapter which comprise the statement of financial position as at February 28, 2026, and the statement of operations and changes in net assets, 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 entity as at February 28, 2026, 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 the entity 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 these 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 the entity'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 entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity'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 entity'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 entity'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 entity 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.

NORTON McMULLEN LLP  
Chartered Professional Accountants, Licensed Public Accountants

MARKHAM, Canada



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**ASSOCIATION FOR CORPORATE GROWTH - TORONTO CHAPTER**  
**STATEMENT OF FINANCIAL POSITION**

As at February 28,

2026

2025

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**ASSETS**

**Current**

Cash	\$ 255,746	\$ 333,617
Temporary investments	50,000	-
Accounts receivable (Note 2)	74,769	105,093
Prepaid expenses	<u>52,929</u>	<u>17,247</u>
	<u>\$ 433,444</u>	<u>\$ 455,957</u>

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**LIABILITIES**

**Current**

Accounts payable and accrued liabilities (Notes 3 and 4)	\$ 59,355	\$ 155,532
Deferred revenue	<u>28,140</u>	<u>6,229</u>
	\$ 87,495	\$ 161,761

**NET ASSETS**

	<u>345,949</u>	<u>294,196</u>
	<u>\$ 433,444</u>	<u>\$ 455,957</u>

**Commitments (Note 5)**

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Approved by the Board:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

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**ASSOCIATION FOR CORPORATE GROWTH - TORONTO CHAPTER**  
**STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS**

For the year ended February 28,

2026

2025

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**REVENUES**

Events and sponsorships	\$ 995,847	\$ 938,478
Membership fees (Note 3)	53,425	71,627
Other	44,922	30,655
	<u>\$ 1,094,194</u>	<u>\$ 1,040,760</u>

**EXPENSES**

Events	\$ 644,983	\$ 673,010
Office and general	381,504	331,782
Telephone, fax and internet	8,733	5,258
Professional fees	5,800	5,500
Bank charges	1,421	21,697
	<u>\$ 1,042,441</u>	<u>\$ 1,037,247</u>

**EXCESS OF REVENUES OVER EXPENSES**

\$ 51,753 \$ 3,513

**NET ASSETS - Beginning**

294,196 290,683

**NET ASSETS - Ending**

\$ 345,949 \$ 294,196

# ASSOCIATION FOR CORPORATE GROWTH - TORONTO CHAPTER

## STATEMENT OF CASH FLOWS

For the year ended February 28,

2026

2025

**CASH WAS PROVIDED BY (USED IN):**

**OPERATING ACTIVITIES**

Excess of revenues over expenses	\$ 51,753	\$ 3,513
Net change in non-cash working capital balances:		
Accounts receivable	30,324	(29,982)
Prepaid expenses	(35,682)	(15,919)
Accounts payable and accrued liabilities	(96,177)	59,368
Deferred revenue	21,911	(1,516)
	\$ (27,871)	\$ 15,464

**INVESTING ACTIVITIES**

Purchase of temporary investment	(50,000)	-
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**INCREASE (DECREASE) IN CASH**

	\$ (77,871)	\$ 15,464
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**CASH - Beginning**

	333,617	318,153
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**CASH - Ending**

	\$ 255,746	\$ 333,617
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# ASSOCIATION FOR CORPORATE GROWTH - TORONTO CHAPTER

## NOTES TO FINANCIAL STATEMENTS

FEBRUARY 28, 2026

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### NATURE OF OPERATIONS

The Association for Corporate Growth Inc. ("ACG"), a not-for-profit corporation formed under the laws of the State of Illinois, is the premier global association for professionals involved in corporate growth, corporate development and mergers and acquisitions for mid-market companies. The Association for Corporate Growth - Toronto Chapter (the "Organization") serves as the local ACG chapter and provides a forum for educating and networking amongst its members who are interested in corporate growth opportunities.

The Organization is incorporated without share capital and is exempt from income tax as a not-for-profit organization under paragraph 149(1)(l) of the Income Tax Act.

### 1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

#### a) Use of Estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions based on currently available information. Such estimates and assumptions affect the reported amounts of assets and liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from the estimates used.

#### b) Cash and Cash Equivalents

Cash and cash equivalents consists of bank balances only.

#### c) Revenue Recognition

Revenue is recognized when received or receivable and collection of the relevant receivable is probable, persuasive evidence of an arrangement exists and the amount is fixed or determinable.

Events and sponsorship revenue is recognized when the event has taken place or the sponsorship agreement has been fulfilled.

Membership fees are initially received by the ACG. The appropriate portion of the membership fee is subsequently paid to the Organization. Membership fee revenue is recognized on the date of receipt of payment.

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# ASSOCIATION FOR CORPORATE GROWTH - TORONTO CHAPTER

## NOTES TO FINANCIAL STATEMENTS

FEBRUARY 28, 2026

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### 1. SIGNIFICANT ACCOUNTING POLICIES - Continued

#### d) Contributed Services

Contributions of services are recognized both as contributions and expenses in the statement of operations when a fair value can be reasonably estimated, when the services are used in the normal course of the Organization's operations and would otherwise have been purchased.

The Organization receives contributed services from many of its members. These services are not normally purchased by the Organization and their fair value can not be reasonably estimated. The Organization does not recognize these contributed services in these financial statements.

#### e) Financial Instruments

##### Measurement of Financial Instruments

The Organization initially measures its financial assets and liabilities originated or exchanged in arm's length transactions at fair value. Financial assets and liabilities originated or exchanged in related party transactions, except for those that involve parties whose sole relationship with the Organization is in the capacity of management, are initially measured at cost.

The Organization subsequently measures all its financial assets and liabilities at cost or amortized cost.

Financial instruments subsequently measured at amortized cost include cash, temporary investment and accounts receivable. Financial liabilities subsequently measured at amortized cost include accounts payable and accrued liabilities.

The Organization has no financial assets measured at fair value and has not elected to carry any financial asset or liability at fair value.

##### Impairment

Financial assets measured at amortized cost are tested for impairment when events or circumstances indicate possible impairment. Write-downs, if any, are recognized in the excess of revenues over expenses and may be subsequently reversed to the extent that the net effect after the reversal is the same as if there had been no write-down. There are no impairment indicators in the current year.

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# ASSOCIATION FOR CORPORATE GROWTH - TORONTO CHAPTER

## NOTES TO FINANCIAL STATEMENTS

FEBRUARY 28, 2026

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### 2. ACCOUNTS RECEIVABLE

Included in accounts receivable is HST recoverable of \$24,237 (2025 - \$33,536).

### 3. RELATED PARTY BALANCES AND TRANSACTIONS

ACG collected and transferred \$3,770 (2025 - \$4,778) in membership fees as a payment processing agent to the Organization. Furthermore, the Organization refunded \$51,900 (2025 - \$79,375) in membership fee rebates to ACG. These transactions were carried out in the normal course of operations and have been measured at the exchange amount, which is the amount of consideration agreed upon by the related parties.

At year-end there is a net balance payable of \$14,062 (2025 - \$82,891) due to ACG included in accounts payable and accrued liabilities.

### 4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

There are no government remittances payable included in accounts payable and accrued liabilities (2025 - \$3,107).

### 5. COMMITMENTS

The Organization has entered into an agreement with Managing Matters Inc. commencing March 1, 2026 to February 28, 2027 for management services (included in office and general). Future minimum annual payments under the agreement for the next year are as follows:

2027	<u>\$ 362,791</u>
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### 6. FINANCIAL INSTRUMENTS

#### Risks and Concentrations

The Organization is exposed to various risks through its financial instruments. The following analysis provides a summary of the Organization's exposure to and concentrations of risk at February 28, 2026:

#### a) Credit Risk

Credit risk is the risk that one party to a financial instrument will cause financial loss for the other party by failing to discharge an obligation. The Organization's main credit risks relate to its accounts receivable. The Organization provides credit to its members in the normal course of operations. There were no concentrations of credit risk as at February 28, 2026 and there has been no change in the assessment of credit risk from the prior year.

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**ASSOCIATION FOR CORPORATE GROWTH - TORONTO CHAPTER**  
**NOTES TO FINANCIAL STATEMENTS**  
**FEBRUARY 28, 2026**

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7. **FINANCIAL INSTRUMENTS** - Continued

b) **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 with respect to its accounts payable and accrued liabilities. The Organization manages this risk by managing its working capital and by generating sufficient cash flow from operations. There has been no change in the assessment of liquidity risk from the prior year.

c) **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 price risk. The Organization is not exposed to significant market risk.