



Royal
Botanical
Gardens
CANADA

2024 ANNUAL REPORT



OUR ROLE

Royal Botanical Gardens (RBG) is the largest botanical garden in Canada, a National Historic Site, and registered as a charitable organization with a mandate to bring together people, plants and nature.

The 2024 business priorities looked to find a balance between the resources required to meet short to mid-term operational objectives while making progress on long-term planning priorities to ensure RBG is well positioned into the future.

THE KEYS TO SUCCESS ARE:

- Growing engagement and visitation beyond the current visitor base.
- Nurturing a culture that is entrepreneurial, end-user oriented, highly adaptable and future oriented.
- Securing additional resources to support biodiversity and ecological stewardship programs.
- Establishing standards and robust business processes across the organization to support RBG's objectives and goals.

The 2024 Business Plan reflected short-term priorities that not only supported the organization in the near term but also helped to pilot and inform long-term planning priorities. In developing the business priorities and allocating funding against the various deliverables, RBG worked to balance the organization's commitment to its conservation, preservation, science and education mandates, while also understanding the importance of developing experiences to grow visitation and revenue to support the long-term financial sustainability of the organization.

Fast Facts

Officially incorporated in **1941**

1993 Designated a National Historic site

 **2,137** Acres in size including:

130 Acres of cultivated gardens and an arboretum

2,007 Acres of nature sanctuaries

 **27 km** Nature Trails



OUR MISSION

We dedicate our expertise in horticulture, conservation, science and education to connect people, plants and place for the purpose of nurturing and preserving healthy growing life on our planet.



OUR VISION

A world in which everyone is awake to the beauty, diversity and necessity of plants.



INITIATIVES

- Continue to protect and restore nature sanctuaries and environmentally sensitive habitats
- Manage the collections and create display gardens to use as a backdrop for a wide variety of artistic, cultural and culinary events and activations to grow engagement and visitation beyond the current visitor base
- Nurture a culture that is entrepreneurial, end-user oriented, highly adaptable and future oriented
- Execute early work and planning that will lay the foundation for the implementation of the Master Plan.

BOARD OF DIRECTORS

Keith Scott, Chair
Deboah Harasym, Vice Chair

Appointed by Council, City of Hamilton

Councillor Craig Cassar
November 2022 – November 2026
Councillor Alex Wilson
November 2022 – November 2026

Appointed by Council, Regional Municipality of Halton

Councillor Kelvin Galbraith
December 2018 – November 2026
Len Collins, *Citizen-at-Large Representative*
May 2023 – November 2026

Additional Members in Place of Appointments by the Governor-in-Council

Kevin Brady
June 2013 – September 2025
Lisa Marcuzzi
September 2021 – September 2027

Additional Members in Place of Appointments by the Lieutenant-Governor-in-Council, Province of Ontario

Alexandra Lawson
June 2022 – June 2026
Luke Wilson
March 2022 – March 2025

RBG Appointees

Marlis Butcher
March 2021 – June 2025
David Conrath
March 2015–June 2024
David Farrar, *Ex-Officio, President & Vice Chancellor, McMaster University*
September 2019 – June 2025

Frank Ferragine
December 2021 – June 2026
Ingrid Hann
May 2020 – June 2027

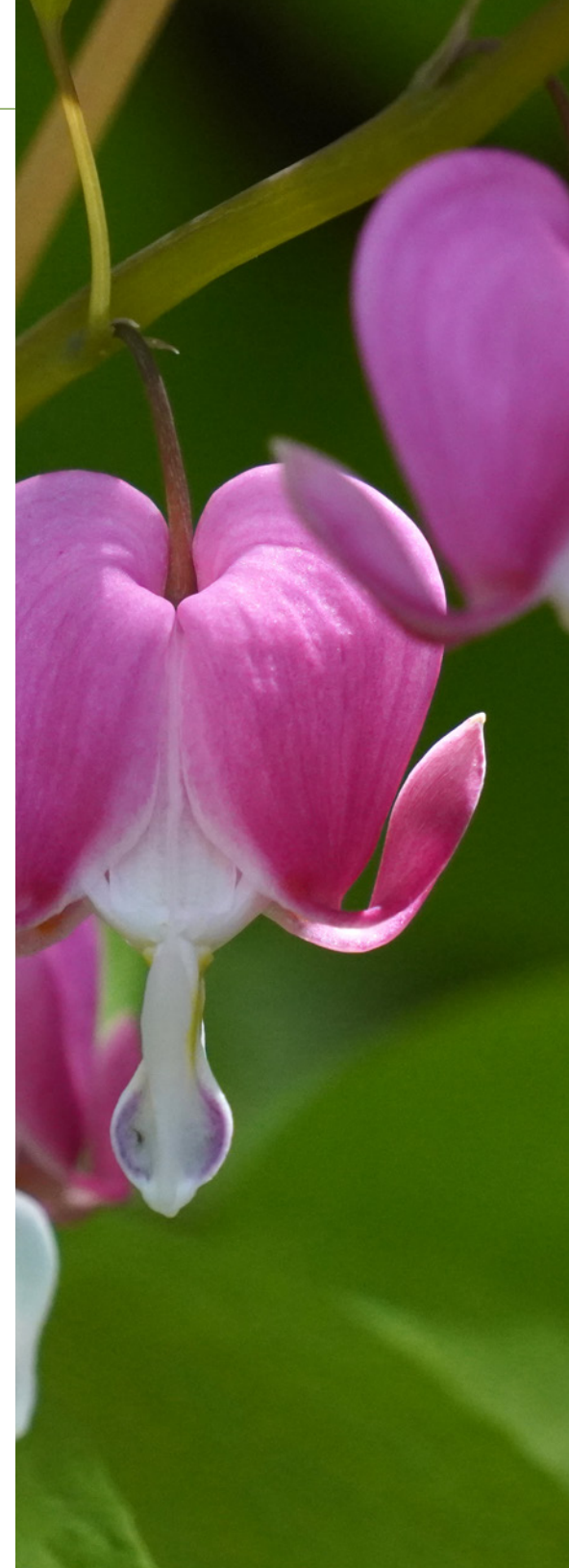
Deborah Harasym
March 2018 – June 2025
Matt Johnston
May 2021 – June 2027

Robert Norman
May 2021 – June 2026
Keith Scott
May 2015 – June 2026

Gavin Sheppard
March 2021 – June 2025

Representing RBG Volunteers

MJ Irvine
June 2023 – December 2024



2024 HIGHLIGHTS

HORTICULTURE EXCELLENCE



PROTECTING OUR NATURAL LANDS



PROTECTING MARSHLANDS



ADVANCING ENVIRONMENTAL EDUCATION



TOTAL ATTENDANCE





MESSAGE FROM BOARD CHAIR & CEO

Organizations often start a new year with hope and optimism – that they can continue to build on the successes from the previous year, learn and grow from things that may not have worked out as planned and to continue to have the resources, both human and financial, to continue to operate in the short and interim term while laying a foundation for the long-term. With this optimism in mind, we streamlined our core work and responsibilities into two key business streams – to become a Centre of Excellence as it relates to conservation, preservation, science content creation, communication and partnerships and become a Cultural Hub for nature trails, gardens and displays, experiences and programs. This focus would allow us to dedicate our time and resources to these key activities that will help to sustain RBG in the short and interim term while also laying the foundation for the implementation and execution of the long-term plans for RBG.

On the conservation and preservation side, we continued with the removal of invasive species, completed the reforestation planting project at Churchill Park, winter berm repairs and continued to make improvements to the shoreline stabilization at Cootes Paradise. More than 62,680 invasive shrubs and trees, across 24 species, were removed from RBG habitats, allowing native plants to thrive. A total of 73 turtle nests were protected, leading to over 1,000 hatchlings, including endangered Blanding’s turtles.

Building on the success of events and experiences from 2023 was a key driver for RBG in 2024. Over 800 guests attended a Solar Eclipse watch party at the Arboretum that featured eclipse chaser, David Makepeace. The “After Dark” series was expanded to include an event each month from May to September. “Dining Al Fresco” events were presented in three of RBG’s properties and sold out within 24–48 hours that tickets were offered. Attendance at the annual Pumpkin Trail experience saw an increase of 19% from the previous year.

In the public program area, we reintroduced wellness programming in the gardens, including yoga, after they were paused to refocus the program. A total of 17 yoga classes were offered throughout the season, timed to each garden’s peak bloom or most bountiful period. Attendance at these classes surpassed 700, a 102% increase from 2020 when attendance was 349. Overall attendance in wellness programs increased 620% from 2023 and 204% from 2019.

We saw the most significant growth in the summer music program in both the attendance level and revenue generated. RBG partnered with Noisemaker Ltd., a local promoter and music producer and a total of nine concerts were presented. These concerts brought nearly 10,000 guests to RBG to experience Canadian music talent and of those, 2,200 guests attended the Feist concert that finished off the music series. The total attendance figure for this music series is a significant increase from the previous year’s

attendance of 3,833 for the summer music program. Overall, revenue for events was up 31.7% from the previous year. The 2024 summer music program proved that offering a diverse range of musical genres in an open outdoor setting attracts new guests to RBG. Growing this music program will be a key objective in 2025.

In terms of long-term planning, many people believe that long-term or Master Planning is about building and bricks and mortar. To a certain degree this is true but it is also about planning how spaces will be used. Master Planning is about creating spaces that will showcase different experiences that will resonate with a broad variety of guests for years to come. In 2024, a lot of planning and thinking was happening in different areas. RBG management continued to work with the design team to develop a campus plan for the north and south side of Plains Road West (RBG Centre and Hendrie Park) that will be a blueprint for future projects. Several of the programs, events and experiences were designed or expanded to see how they could inform the Master Plan. Examples include the wellness programs and dinners that took place at different times of the year to spotlight the blooms in their fullness during specific points of the season. We expanded the summer music program to test whether a broad range of musical talent would resonate with guests. The results from this program in 2024 showed that guests are interested in music and other entertainment activities in an outdoor setting. These learnings will help to inform and guide both short and long-term planning for RBG.

RBG is committed to growing earned and contributed revenue while also focusing expenditures to ensure alignment with long term goals. The focus on building financial resiliency and health will continue to drive RBG in 2025.

RBG is thankful to the Ministry of Tourism, Culture and Gaming, the City of Hamilton and the Region of Halton for their ongoing financial support. RBG also receives an annual allocation from the ministry for capital repair and rehabilitation projects and uses this funding to strategically fund initiatives that will support RBG’s short and interim business priorities with an aim to support long-term plans. RBG knows that it must continue to broaden its audience base and generate revenue to fund its broad range of offerings on both sides of the business.

None of these results would be possible without the dedicated support and contributions of our volunteers and RBG owes them a great deal of gratitude for supporting all the work that is carried out by RBG.

As RBG closes out the year and moves into 2025, we do so again with optimism. We are pleased to introduce a brand new and very different floral exhibit in early 2025 that will hopefully appeal to and resonate with a broad range of existing and new visitors.

Keith Scott

Board Chair, Royal Botanical Gardens

Nancy Rowland

CEO, Royal Botanical Gardens





RBG 2024 RESULTS

Financial and Program Performance

We know from our experience and research in 2023 that highly engaging experiences are an important audience development strategy for many organizations. This is true of a diverse range of cultural and tourism-based organizations, including botanical and display gardens in North America. We also know from our experience and research that RBG needs to increase its visitation beyond its current visitor base and this will come from developing and presenting engaging experiences, events, and programs that resonate with a broad spectrum of guests. This strategy becomes even more important during times of economic uncertainty when visitors are looking for things to do “closer” to their home base.

In 2024, RBG continued to build on and expand events, experiences and programs that showed positive results in previous years. Following on the success of Frogs in 2023, RBG presented a new Nature’s Superheroes exhibit from the American Museum of Natural History in the early months of 2024. This exhibit did not perform as well as had been hoped, however, there are always learnings from any exhibit presented at RBG and the learnings and opportunities from this exhibit will help to inform upcoming events and experiences.

Despite this start to the year, RBG saw positive results in a number of other programs, events and experiences. Public programs were scaled back in 2023 to ensure they aligned with RBG’s priorities and resonated with guest interests. The new public programs offered in 2024 almost doubled attendance (8,667) from the 2019 programs. The new wellness programs included 17 yoga classes presented throughout the season and timed to align with the blooms specific to the various gardens. Attendance at these classes surpassed 700, a 102% increase from 2020 when attendance was 349. Although attendance for school programs was down slightly (12%) from the previous year, revenue was up from the previous year. A number of adjustments were made to this program in 2024 and how they were promoted to hopefully improve interest and attendance in 2025.

RBG continued to expand its range of events and experiences in 2024. Over 800 guests attended a Solar Eclipse watch party at the Arboretum that featured eclipse chaser, David Makepeace. The “After Dark” series was expanded to include an event each month from May to September. “Dining Al Fresco” events were presented in three of RBG’s properties and sold out within 24-48 hours that

tickets were offered. Attendance at the annual Pumpkin Trail experience saw an increase of 19% from the previous year.

The summer music series grew exponentially in 2024. RBG partnered with Noisemaker Ltd., a local promoter and music producer and a total of nine concerts were presented. These concerts brought nearly 10,000 guests to RBG to experience Canadian music talent and of those, 2,200 guests attended the Feist concert that finished off the music series. Overall, revenue for events was up 31.7% from the previous year. The results from the 2024 summer music series confirmed that offering a diverse range of musical genres in an open outdoor setting attracts new guests to RBG. Growing this music program will be a key objective in 2025.

Engaging with and reaching RBG’s visitors does not just happen when they are on site, it can also happen through various social media channels. There were increased levels of engagement across all of the various communication channels from visitors who opted to receive promotional emails from RBG.

Total member households stayed relatively stable and saw a 3.6% decrease from the previous year but revenue increased by 12% due to a price increase. Annual Giving donations decreased by 7% when compared to 2023 results. A month-long Canada Post strike had significant impacts on year-end donations as many donors prefer to use mail to send in their donations. In addition, the fundraising industry continues to report that lower-level donors are feeling the impacts of inflation and the economy which impact their giving. On the positive side, donations received from major donors increased by 5%.

Overall, total attendance in 2024 of more than 410,000 visitors to the gardens increased by 7% from the previous year, the highest attendance on record. Given RBG’s objective to continue to grow its target audience, there was a slight decrease in general attendance (3%) primarily as a result of decreased attendance during the winter exhibition, however, member visits grew significantly from 2023 (171%). Attendance for public programs increased 620% from 2023.

As an organization with a broad mandate, RBG is very focused on ensuring it has the financial resources to carry out all that it needs to do – this involves generating its own revenue but also managing its expenses through operational efficiencies that help to offset the costs of delivering on many programs, experiences and offerings. RBG is committed to growing its revenue while managing the expenses required to support its operations. Overall, total revenue was down 2.7% from 2023 primarily because of a significant one-time grant that was received in 2023. Expenses in 2024 were down 4% from 2023. Increases in the cost of goods and services required to operate RBG are being managed by finding offsets wherever possible. A number of operational and organizational changes were implemented in 2024 to align resources with goals and to ensure efficiency balanced with effectiveness.

As RBG closes out 2024, there is excitement growing about the year ahead. Planning is already taking place in 2024 that will continue to focus on our conservation priorities while connecting with children and youth through the school and public programs while growing events, experiences and offerings to appeal to a broader spectrum of visitors. At the end of 2024, late-stage preparations were underway to present a floral showcase exhibit in early 2025, a key business priority to become a cultural hub in the community. This will be a completely new and different exhibit for RBG that is aimed at creating new partnerships to showcase floral displays, an opportunity to tie in art, learning, whimsy and wonder and an opportunity to draw new audiences to explore RBG during the cold winter months.



THE YEAR
IN REVIEW



MEMBERSHIP & FUNDRAISING HIGHLIGHTS

- Total member households stayed relatively stable and saw a 3.6% decrease from the previous year but revenue increased by 12% due to a price increase.
- Annual Giving donations decreased by 7% when compared to 2023 results. A month-long Canada Post Strike had significant impacts on year-end donations as many donors prefer sending their donations in by mail.
- The decrease in Annual Giving aligns with trends in the fundraising industry/sector which reports that lower-level donors are feeling the impacts of inflation and the economy which impacts their donations and gifts.



SPECIAL EVENTS & PROGRAM HIGHLIGHTS

- Hosted the largest concert to date at RBG with Feist in Mitchell’s Field, drawing 2,200 attendees.
- Expanded the partnership with Noisemaker Ltd., a promoter and music producer in the region.
 - A total of nine concerts brought nearly 10,000 guests to RBG to experience Canadian music talent, a significant increase from 3,883 attendees the previous year.
 - This partnership allowed RBG to present new and diverse artists that brought new and first-time visitors to RBG.
- Over 800 guests attended a solar eclipse watch party and an educational speaker event featuring eclipse chaser David Makepeace.
 - This programming provided educational, safety, and inspirational content while offering a beautiful and welcoming space to experience the eclipse at RBG’s Arboretum.

- Summer Camp performed exceptionally well, selling over 95% of available spots for the summer.
- Reintroduced wellness programming at the gardens, including yoga, and hosted 17 yoga classes throughout the season, timed to each garden’s peak bloom or most bountiful period.
 - Attendance surpassed 700.
- Public programs hosted 17,605 participants, more than double the participation level from 2019.

- Expanded the “After Dark” series by introducing monthly events at the Rock Garden from May to September.
 - These after-hours experiences engaged new audiences and received highly positive reviews.
 - As part of this series, RBG hosted its first-ever Pride event. Post-event survey feedback included:



“It was a night of storytelling, revelry, love, joy, and compassion. To be in community where folks can just be—hands were held, kisses enjoyed, and hugs embraced under the stars in The Rock Garden at RBG. The staff had transformed the area into a magical place. The entertainers put on a world-class show. There were stories shared of folks’ journeys. People were celebrated to be their authentic selves. To just be who they are and to celebrate that with no excuses. It was such a beautiful night.”



“We loved the uniqueness of the event—it wasn’t just another dinner, it was an experience. The setting, the atmosphere, and the attention to detail made it feel incredibly special and different.”

- The annual Pumpkin Trail experience saw a 19% increase in attendance from the previous year.

NATURAL LANDS

- Cootes Paradise Marsh is seeing its clearest water and healthiest plant life since the 1930s.
 - While significant progress has been made, continued restoration is needed for long-term sustainability.
- 62,685 invasive shrubs and trees—across 24 species—were removed from RBG habitats, allowing native plants to thrive.
- 73 turtle nests were protected, leading to over 1,000 hatchlings, including endangered Blanding’s turtles.
- As part of RBG's Turtle Recovery Program, 184 head-started Blanding's turtles were released back into the marshes since 2015, ensuring their survival.
- Premier nature sanctuary gathering areas at Princess Point and Rock Chapel have been renovated for better accessibility, enhancing visitor experiences.



SCIENCE

- 1,881 new Herbarium specimens were catalogued, adding to the 30,000 now accessible online through the Consortium of Northeastern Herbaria web portal.
- Researchers studied invasive Magnolia species and worked with the University of Lethbridge to inventory endangered Wood Poppies at RBG.
- RBG staff contributed research and expertise in cultural heritage and archaeology, helping shape conservation planning.
- External researchers conducted seven projects at RBG, covering topics from butterfly populations to pollution monitoring.
- Over 800 guests attended a Solar Eclipse watch party at the Arboretum that featured eclipse chaser, David Makepeace.

HORTICULTURE

- 263 new plant accessions were added, bringing the garden's total to 24,822 individual plants across 153 species.
- Over 10,000 plant records were updated in RBG's database, which now holds over 180,000 records.
- Three years of entomology research in the Rose Garden have yielded valuable data to support RBG's eco-friendly pest management practices.
- Collaborations with Harvard University's Arnold Arboretum, University of Guelph, and University of Toronto led to a published journal article on a rare Ontario hawthorn species.
- Major upgrades to the Mediterranean Garden greenhouse improved plant health and visitor enjoyment by allowing seasonal plant rotations.
- Significant arboriculture work was completed, including maintenance on 64 trees and the removal of 28 unsafe trees.
- The Iris Benchmarking Project documented 478 Iris cultivars, improving collection management and earning RBG prestigious designations as a Historic Iris Preservation Society and Dwarf Iris Society display garden.



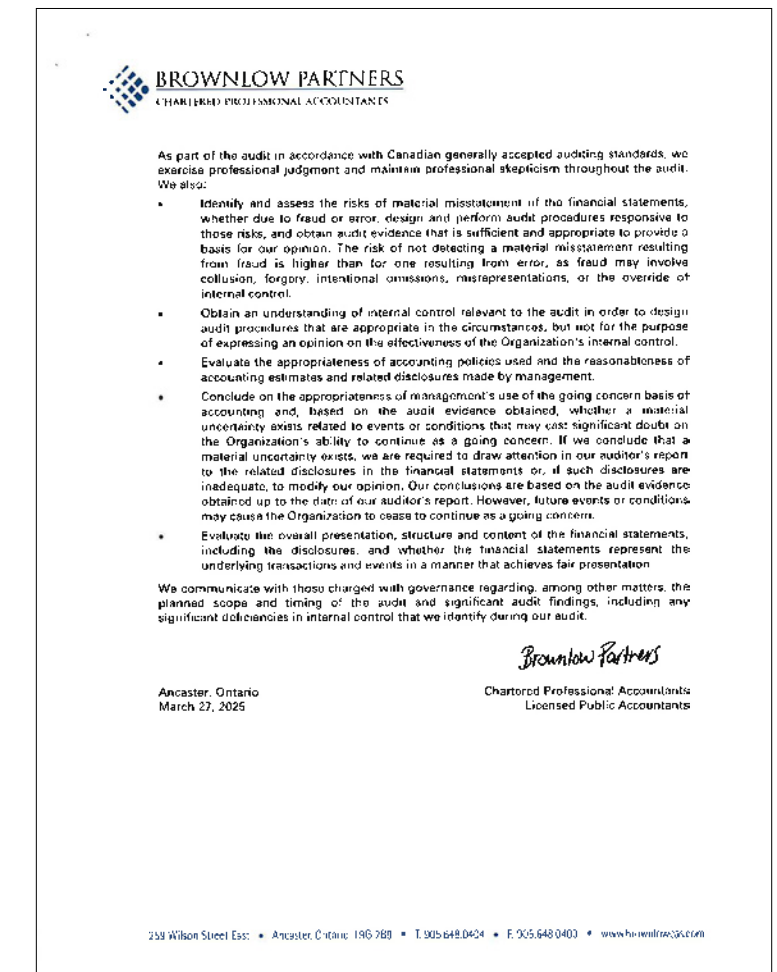
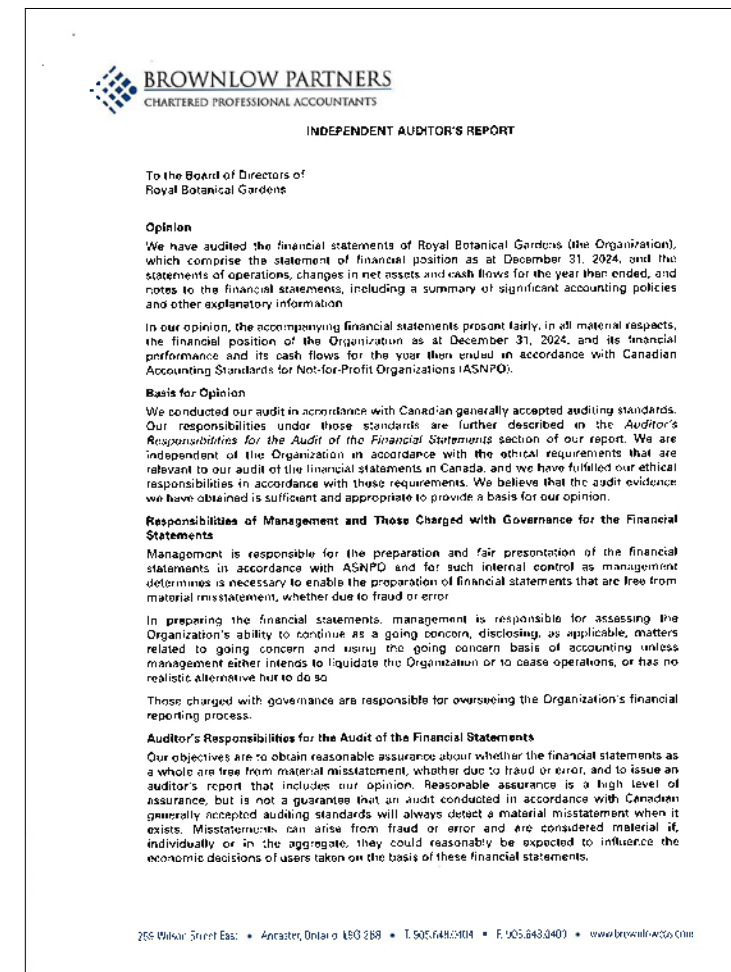
EDUCATION

- School program participation surpassed pre-pandemic levels, with 24,054 students from 458 schools attending on-site educational programs.
- This year, 5,657 students participated in 222 virtual school programs. This included four virtual presentations by staff as part of a mental health week education initiative.
- These virtual programs reach every continent except Antarctica and serve nearly 100 remote Indigenous communities in northern Canada, including 23 communities this year.
- 2,865 campers enjoyed RBG's March Break, Summer, and Winter Day Camps.

FINANCIAL SUMMARY

Risk Discussion

Risk is evaluated regularly and reported and reviewed quarterly by the Audit and Finance Committee. The reports include a description of the risk, an impact and scope description, likelihood of the risk, mitigation strategy and overall risk assessment. The risk mitigation involves development of mitigation strategies designed to manage, eliminate or reduced risk to an acceptable level.



STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2024

	2024	2023
CURRENT ASSETS		
Accounts receivable	\$ 776,591	\$ 1,210,228
Government remittances receivable	—	\$ 29,558
Inventory	\$ 351,593	\$ 331,329
Prepaid expenses and deposits	\$ 619,681	\$ 576,728
	\$ 1,747,865	\$ 2,147,843
INVESTMENTS <i>(Note 3)</i>	\$ 15,869,622	\$ 15,254,216
CAPITAL ASSETS <i>(Note 5)</i>	\$ 38,463,472	\$ 37,818,589
	\$ 56,080,959	\$ 55,220,648

CURRENT LIABILITIES

	2024	2023
Bank indebtedness	\$ 706,069	\$ 322,309
Accounts payable	\$ 2,263,920	\$ 2,320,780
Government remittances payable	\$ 22,481	—
Deferred revenue	\$ 2,515,596	\$ 1,299,521
Deferred capital funding	\$ 611,825	\$ 723,929
Current portion of long term debt <i>(Note 6)</i>	\$ 7,782	—
Deferred operating contributions <i>(Note 7)</i>	\$ 6,385,690	\$ 5,862,720
	\$ 12,513,363	\$ 10,529,259
LONG TERM DEBT <i>(NOTE 6)</i>	\$ 161,536	—
DEFERRED CAPITAL CONTRIBUTIONS <i>(Note 8)</i>	\$ 35,273,266	\$ 36,036,328
	\$ 47,948,165	\$ 46,565,587
NET ASSETS		
Unrestricted <i>(Note 9)</i>	\$ 3,172,517	\$ 2,963,877
Internally restricted <i>(Note 10)</i>	\$ 2,475,456	\$ 3,238,915
Endowments <i>(Note 11)</i>	\$ 2,484,821	\$ 2,452,269
	\$ 8,132,794	\$ 8,655,061
	\$ 56,080,959	\$ 55,220,648

Commitments & Contingencies (Note 12)

STATEMENT OF OPERATIONS FOR THE YEAR ENDED DECEMBER 31, 2024

	2024	2023
REVENUE		
Operating Grants		
Ministry of Tourism, Culture & Sport	\$ 4,036,060	\$ 4,036,000
City of Hamilton	\$ 673,559	\$ 660,351
Regional Municipality of Halton	\$ 894,357	\$ 859,959
	\$ 5,603,976	\$ 5,556,310
Admissions, sales and incremental revenue <i>(Note 13a)</i>	\$ 11,055,455	\$ 10,614,691
Fundraising revenue <i>(Note 13b)</i>	\$ 1,779,032	\$ 1,411,364
Grant revenue <i>(Note 13c)</i>	\$ 856,804	\$ 2,064,448
Fund and other revenue <i>(Note 13d)</i>	\$ 856,306	\$ 1,143,690
Investment income <i>(Note 13e)</i>	\$ 258,655	\$ 208,441
	\$ 20,410,228	\$ 20,998,944

EXPENSES

	2024	2023
Admissions, sales and incremental expenses	\$ 8,522,935	\$ 8,882,566
Fundraising and grant expenses	\$ 1,104,124	\$ 838,062
Conservation and science communication expenses	\$ 2,025,275	\$ 2,561,992
Collections management expenses	\$ 971,938	\$ 868,986
Garden expenses	\$ 2,670,017	\$ 2,380,461
Site maintenance expenses	\$ 3,516,779	\$ 3,454,376
Administration expenses	\$ 3,031,025	\$ 3,394,150
	\$ 21,842,093	\$ 22,380,593
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FOR OPERATIONS	\$ (1,431,865)	\$ (1,381,649)
Amortization of deferred capital contributions <i>(Note 5)</i>	\$ 3,291,414	\$ 3,783,191
Amortization of capital assets <i>(Note 5)</i>	\$ (3,477,660)	\$ (3,936,864)
Change in unrealized gain (loss) on investments	\$ 181,118	\$ 229,641
	\$ (1,436,993)	\$ (1,305,681)
DEFICIENCY OF REVENUE OVER EXPENSES	\$ (1,436,993)	\$ (1,305,681)
Deficit funded through planned use of internally restricted funds <i>(Note 10)</i>	\$ 520,697	\$ 1,311,354
	\$ (916,296)	\$ 5,673

The accompanying notes form an integral part of these financial statements)

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED DECEMBER 31, 2024

	UNRESTRICTED <i>(Note 8)</i>	INTERNALLY RESTRICTED <i>(Note 9)</i>	ENDOWMENTS <i>(Note 11)</i>	TOTAL 2024	TOTAL 2023
NET ASSETS, BEGINNING OF THE YEAR	\$ 2,963,877	\$ 3,238,915	\$ 2,452,269	\$ 8,655,061	\$ 9,423,370
Excess (deficiency) of revenue over expenses for operations	\$ (1,431,865)	—	—	\$ (1,431,865)	\$ (1,381,649)
Contributions received for purchase of land	\$ 400,633	—	—	\$ 400,633	—
Endowment contributions	—	—	\$ 12,854	\$ 12,854	\$ 13,740
Amortization of investment in capital assets	\$ (186,246)	—	—	\$ (186,246)	\$ (153,673)
Investment income allocations	—	\$ 307,036	\$ 19,698	\$ 326,734	\$ 240,343
Transfer from internally restricted funds	\$ 1,245,000	\$ (1,245,000)	—	—	—
Change in unrealized gain on investments	\$ 181,118	\$ 174,505	—	\$ 355,623	\$ 512,930
NET ASSETS, END OF THE YEAR	\$ 3,172,517	\$ 2,475,456	\$ 2,484,821	\$ 8,132,794	\$ 8,655,061

The accompanying notes form an integral part of these financial statements)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2024

	2024	2023
CASH USED IN OPERATING ACTIVITIES		
Deficiency of revenues over expenses for the year. Adjustments for:	\$ (1,436,993)	\$ (1,305,681)
Amortization of deferred capital contributions	\$ (3,291,414)	\$ (3,783, 191)
Deferred operating contributions recognized as revenue	\$ (718,352)	\$ (698,335)
Amortization of capital assets	\$ 3,477,660	\$ 3,936,864
Change in unrealized loss (gain) on investments	\$ (181,118)	\$ (229,641)
	\$ (2,150,217)	\$ (2,079,984)
Net changes in non-cash working capital balances from operations	\$ 1,581,725	\$ 704,683
Cash used in operating activities	\$ (568,492)	\$ (1,375,301)
INVESTING ACTIVITIES		
Capital funding received during the year	\$ 2,416,198	\$ 2,676,364
Capital funding used during the year	\$ (2,452,254)	\$ (2,549,760)
Acquisition of internally funded capital assets	\$ (1,269,656)	\$ (567,689)
Increase in endowments	\$ 32,552	\$ 33,051
Allocated investment income to internally restricted net assets	\$ 307,036	\$ 221,032
Deferred operating contributions and allocated investment income	\$ 792,586	\$ 554,429
Increase in current portion of long term debt	\$ 7,782	—
Increase in long term debt	\$ 161,536	—
Decrease in cost of investments	\$ 188,952	\$ 414,003
Cash provided by investing activities	\$ 184,732	\$ 781,430
DECREASE IN CASH DURING THE YEAR	\$ (383,760)	\$ (593,871)
CASH (BANK INDEBTEDNESS) AT BEGINNING OF YEAR	\$ (322,309)	\$ 271,562
BANK INDEBTEDNESS AT END OF THE YEAR	\$ (706,069)	\$ (322,309)

NOTES TO THE FINANCIAL STATEMENTS

1. DESCRIPTION

Royal Botanical Gardens (“RBG”) is one of Canada’s premier cultural, educational and scientific institutions, comprised of more than 1,100 hectares of horticultural display gardens, arboretum, woodlands, wetlands and 30 kilometres of trails. RBG receives transfer payments from the Ontario Ministry of Tourism, Culture and Sport and receives additional support from the City of Hamilton (the “City”), the Regional Municipality of Halton, RBG members, many corporations, foundations and individuals. RBG is a registered charity under the Income Tax Act (Canada) and, as such, is exempt from income taxes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations applied within the framework of the significant accounting policies summarized below:

a. Revenue Recognition

- i. Grants are recorded as revenue when the related expenses have been incurred and the applications for the grants have been approved by the relevant government agencies. Grants received in advance of incurring the related expenses are included on the statement of financial position as deferred revenue.

Self-funded contributions for depreciable capital assets are deferred and amortized over the life of the related assets. Self-funded capital asset contributions that have not been expended are recorded as part of net assets invested in capital assets on the statement of financial position.
- ii. Unrestricted donations, admission fees, membership fees, other program fees, event revenue, food and beverage revenue, rental revenue and garden shop revenue are recognized as revenue in the year in which they are received. Restricted donations are deferred and recognized as revenue in the year in which the related expenses are incurred.

iv. Endowment contributions are recognized as a direct increase in endowment net assets in the year in which they are received.
- iii. Externally restricted contributions for depreciable capital assets are deferred and amortized over the life of the related assets. Externally restricted contributions for non-depreciable capital assets are recorded as a direct increase in unrestricted net assets. Externally restricted capital asset contributions that have not been spent are recorded as part of deferred capital funding on the statement of financial position.

b. **Contributed Services**
Volunteers contribute numerous hours per year to assist RBG in carrying out its activities. Due to the difficulty in determining their fair value, contributed services have not been recognized in the financial statements.
- c. **Donations In-Kind**
Donations in-kind are recorded at the estimated fair market value at the date of donation. RBG received donations in-kind of \$ 6,849 (2023: \$ 6,675).

d. Measurement of Financial Instruments

RBG initially measures its financial assets and liabilities at fair value, except for certain non-arm’s length transactions. RBG subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments as described in note 2(e).

Financial assets measured at amortized cost include accounts receivable. Financial liabilities measured at amortized cost include bank indebtedness, accounts payable and long term debt. RBG has designated all portfolio investments to be measured at fair value as described in note 2(e).

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in the statement of operations. 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 the statement of operations.

e. Investments

All investments are recorded at fair value. The quoted market price was used to estimate the fair value of the financial instruments held as investments.

Investment income, net of investment management fees, is allocated to the restricted deferred funds and statement of operations on a prorated basis. The ratio of total endowments, internally restricted net assets and deferred operating contributions at the beginning of the month divided by the total average investment cost for the month is calculated. This ratio is then applied to the total net investment income earned for the month to determine the amount of investment income to apply to the deferred

operating contributions, internally restricted net assets and endowments. Remaining unallocated net investment income is recorded in the statement of operations.

Unrealized gains and losses on investments are allocated to the restricted deferred funds and unrestricted net assets on a prorated basis. The ratio, described above, is applied to the total unrealized gains and losses at month end to determine the amount of unrealized gains and losses to apply to the deferred operating contributions, internally restricted net assets and endowments. Remaining unallocated unrealized gains and losses are included in unrestricted net assets. The change in unrestricted unrealized gains and losses are recorded in the statement of operations. When investments are sold, realized gains and losses are recognized in investment income.

f. Inventory

Inventory, consisting of food and beverage and items available for sale in RBG’s gift shop, is valued at the lower of cost or net realizable value. Cost is determined using the weighted average method. Net realizable value is the estimated selling price in the ordinary course of business, less any applicable variable selling costs.

Included in admissions, sales and incremental expenses is \$ 1,432,896 (2023: \$ 1,497,163) of inventory expensed during the year.

g. Capital Assets

Capital assets are recorded at cost, except for donated assets, which are recorded at fair market value at the date of contribution. The fair market value of previously donated land could not be determined and therefore, the total 1,100 hectares of land have been recorded at a nominal value of \$ 9,428.

Amortization is provided on a straight-line basis over the estimated useful lives of the assets as follows:

Buildings	40 years
Mechanical equipment	20 years
Gardens and natural area infrastructures	20 years
Roadways and parking lots	20 years
Vehicles and equipment	2-5 years
Furniture and fixtures	2-10 years
Computer equipment	2-3 years
Software	5 years
Media stock	5 years
Exhibits	3 years

Contributed capital assets are recognized at the fair value at the date of contribution. The contribution is recognized as revenue on the same basis as the amortization expense of the contributed capital asset.

Construction in progress is not amortized until the assets are available for use.

When a capital asset no longer has any long term service potential to RBG, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations.

h. Use of Estimates

The preparation of 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, the 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. Such estimates include the useful lives of capital assets, allowances for inventory obsolescence, allowances for doubtful accounts and accruals. Actual results may vary from the current estimates. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the periods in which they become known.

3. INVESTMENTS

The investments consist of funds that are professionally managed, diversified and are invested in the following categories: cash and near cash securities, fixed income securities and equity securities.

	2024	2023
Cost of investments at December 31	\$ 12,660,917	\$ 12,849,869
Unrealized gain on investments	\$ 3,208,705	\$ 2,404,347
Market value of investments at December 31	\$ 15,869,622	\$ 15,254,216

Investments are valued at market as at year-end and are composed of the following types of securities:

Cash, cash equivalents and accrued interest	\$ 1,067,447	\$ 1,456,045
Fixed income securities	\$ 5,217,289	\$ 4,715,589
Equity securities	\$ 9,584,886	\$ 9,082,582
	\$ 15,869,622	\$ 15,254,216

4. DEMAND LOAN

RBG has the following facilities available:

- **Credit facility #1 & #2:** Shared authorization up to \$ 2,000,000. Facility #1 - Revolving loan to provide bridge financing for general capital requirements. Interest rate is determined at the time of borrowing. Repayable in full on the maturity date determined at the time of borrowing, to maximum term of one year. As at December 31, 2024, the facility was drawn on as disclosed in note 6 (2023: not drawn). Facility #2 - Non-revolving demand loan to provide bridge financing for general capital requirements. The facility bears interest at prime plus 0.75%. Repayment terms are determined at time of borrowing. As at December 31, 2024, the facility was not drawn upon (2023: not drawn).
- **Credit facility #3:** Overdraft lending account up to \$ 2,000,000 for general operating requirements. The facility bears interest at prime plus 0.5%. Repayable on demand. As at December 31, 2024, \$ 113,108 was drawn on the facility (2023: not drawn).
- **Credit facility #4:** Corporate MasterCard account up to \$ 250,000 for general operating requirements. As at December 31, 2024, \$ 60,500 (2023: \$ 54,066) was drawn on the facility.

Security for the facilities includes the following:

- General Security Agreement providing a first charge over all accounts receivable, inventory and equipment other than leased assets, land and buildings, plants, living collections, library artifacts, patents and investments;
- Bank to be named as loss payee on business and fire insurance;
- Signed Environmental Review Checklist and Indemnity Agreement;
- Assignment and pledge of investment portfolio registered in Ontario under the Personal Property Security Act (PPSA) with enabling resolution. The market value of the investment portfolio pledged as collateral at December 31, 2024 is \$ 5,981,822 (2023: \$ 4,942,934), which are included with investments on the statement of financial position;
- Solicitor's Letter of Opinion together with a Conflict of Interest Letter from the Solicitor confirming the Bank has good and valid assignment of the funds;
- Letter of acknowledgement confirming that existing pledged investment portfolio continues to contain no trust funds or otherwise restricted funds; and
- Letter of acknowledgement that moving funds in and/or out of the pledged investment portfolio is allowed subject to bank prior approval and the minimum lending value of the pledged investment portfolio has to be equal or more than the outstanding loan balance.

5. CAPITAL ASSETS

The change in net book value of capital assets is due to the following:

	2024	2023
BALANCE, BEGINNING OF THE YEAR	\$ 37,818,589	\$ 38,638,004
Purchase of capital assets funded by deferred capital contributions	\$ 2,452,254	\$ 2,549,760
Purchase of land funded through contributions	\$ 400,633	—
Purchase of internally funded capital assets	\$ 1,269,656	\$ 567,689
Amortization of capital assets	\$ (3,477,660)	\$ (3,936,864)
BALANCE, END OF THE YEAR	\$ 38,463,472	\$ 37,818,589

Of the amortization claimed, \$ 3,291,414 (2023: \$ 3,783,191) relates to externally funded capital assets, which agrees to the amortization of deferred capital contributions recognized as revenue during the year.

Capital assets consist of the following:

	2024		2023	
	COST	ACCUMULATED AMORTIZATION	NET	NET
Land	\$ 1,755,314	—	\$ 1,755,314	\$ 876,681
Buildings	\$ 34,532,692	\$ 19,870,954	\$ 14,661,738	\$ 14,869,438
Mechanical equipment	\$ 8,117,820	\$ 4,812,596	\$ 3,305,224	\$ 3,544,203
Gardens and natural area infrastructures	\$ 29,890,422	\$ 15,538,762	\$ 14,351,660	\$ 15,124,016
Roadways and parking lots	\$ 5,051,875	\$ 3,671,682	\$ 1,380,193	\$ 1,567,512
Vehicles and equipment	\$ 5,943,971	\$ 4,995,575	\$ 948,396	\$ 632,586
Furniture and fixtures	\$ 4,906,085	\$ 3,995,629	\$ 910,456	\$ 778,407
Computer equipment	\$ 3,128,488	\$ 2,934,755	\$ 193,733	\$ 181,598
Software	\$ 356,823	\$ 141,104	\$ 215,719	\$ 244,148
Media stock	\$ 252,244	\$ 252,244	—	—
Exhibits	\$ 985,806	\$ 985,806	—	—
Construction in progress	\$ 741,039	—	\$ 741,039	—
BALANCE, END OF THE YEAR	\$ 95,662,579	\$ 57,199,107	\$ 38,463,472	\$ 37,818,589

6. LONG TERM DEBT

	2024	2023
Facility 1 loan, payable in monthly blended payments of \$ 1,381, bearing interest 5.3% per annum, maturing in September 2028	\$ 169,318	—
Less: Current portion of long-term debt	\$ (7,782)	—
BALANCE, END OF THE YEAR	\$ 161,536	—

The minimum payments due over the next four years are as follows:

2025	2026	2027	2028	
\$ 7,782	\$ 8,205	\$ 8,650	\$ 144,681	\$ 169,318

7. DEFERRED OPERATING CONTRIBUTIONS

The change in deferred operating contributions is due to the following:

	2024	2023
BALANCE, BEGINNING OF THE YEAR	\$ 5,862,720	\$ 5,309,017
Contributions received from corporate and private sources	\$ 26,555	\$ 29,028
Amount drawn from funds during the year	\$ (718,352)	\$ (698,335)
Investment income allocation	\$ 359,779	\$ 293,239
Restricted investment income earned on endowments	\$ 406,252	\$ 232,162
Change in market value of investments	\$ 448,736	\$ 697,609
BALANCE, END OF THE YEAR	\$ 6,385,690	\$ 5,862,720
Deferred operating contributions consist of the following major external restrictions:		
Operations	\$ 131,847	\$ 80,208
Gardens and natural lands	\$ 3,482,118	\$ 3,416,911
Collections	\$ 600,732	\$ 485,373
Science and education	\$ 1,127,124	\$ 1,048,587
Staffing and administration	\$ 1,043,869	\$ 829,641
	\$ 6,385,690	\$ 5,860,720

8. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions consist of the following:

	2024	2023
BALANCE, BEGINNING OF THE YEAR	\$ 36,036,328	\$ 37,269,759
Capital contributions used during the year	\$ 2,452,254	\$ 2,549,760
Funds received relating to prior years' capital	\$ 76,098	—
Amortization of deferred capital contributions	\$ (3,291,414)	\$ (3,783,191)
BALANCE, END OF THE YEAR	\$ 35,273,266	\$ 36,036,328

9. UNRESTRICTED NET ASSETS

Unrestricted net assets consists of the following:

	UNRESTRICTED	INVESTED IN CAPITAL ASSETS	TOTAL
BALANCE, BEGINNING OF THE YEAR	\$ 2,050,312	\$ 913,565	\$ 2,963,877
Deficiency of revenues over expenses for operations	\$ (1,431,865)	—	\$ (1,431,865)
Contributions received for purchase of land	\$ 400,633	—	\$ 400,633
Purchase of internally funded capital assets	\$ (1,269,656)	\$ 1,269,656	—
Amortization of investment in capital assets	—	\$ (186,246)	\$ (186,246)
Funds received relating to prior years' internally funded capital assets	\$ 76,098	\$ (76,098)	—
Transfer from internally restricted funds	\$ 1,245,000	—	\$ 1,245,000
Change in unrealized gain on investments	\$ 181,118	—	\$ 181,118
BALANCE, END OF THE YEAR	\$ 1,251,640	\$ 1,920,877	\$ 3,172,517

10. INTERNALLY RESTRICTED NET ASSETS

During the year, \$ 1,245,000 (2023: \$ 1,311,354) was transferred from the internally restricted net assets to unrestricted net assets. These funds were used towards the cost of implementing the master planning framework in accordance with board restrictions. This includes \$ 520,697 (2023: \$ 1,311,354) allocated toward operational expenses and \$ 724,303 (2023: nil) allocated toward the purchase of capital assets.

Internally restricted net assets consist of the following major internal restrictions:

	2024	2023
Maintaining garden areas and strategic initiatives	\$ 2,475,456	\$ 3,238,915

11. ENDOWMENTS

Contributions restricted for endowments consist of donations received by RBG where the endowment principal is required to remain intact. Accordingly, these amounts are classified as long term investments. The investment income generated from the endowments must be used in accordance with the purposes established by donors.

	2024	2023
BALANCE, BEGINNING OF THE YEAR	\$ 2,452,269	\$ 2,419,218
Endowments received from private sources	\$ 12,854	\$ 13,740
Investment income required to be held as endowment	\$ 19,698	\$ 19,311
BALANCE, END OF THE YEAR	\$ 2,484,821	\$ 2,452,269

12. COMMITMENTS AND CONTINGENCIES

In the ordinary course of business, RBG may be contingently liable for litigation and claims with customers, suppliers and former employees. Management believes that adequate provisions have been recorded in the accounts where required. Although it is not possible to accurately estimate the extent of potential costs and losses, if any, management believes, but can provide no assurance, that the ultimate resolution of such contingencies would not have a material adverse effect on the financial position of RBG.

13. REVENUE**a. Total admissions, memberships and other programs**

	2024	2023
Admissions, sales and incremental revenue consists of:		
Admissions, events and programs	\$ 5,985,011	\$ 5,397,622
Incremental	\$ 4,931,733	\$ 5,060,958
Other	\$ 138,711	\$ 148,011
	\$ 11,055,455	\$ 10,606,591

b. Total fundraising revenue

	2024	2023
FUND RAISING AND DONATIONS DURING THE YEAR	\$ 3,132,749	\$ 5,583,727
Add:		
Restricted donations received in the prior year recognized into fundraising revenue	\$ 494,497	\$ 318,736
Fundraising revenue earned	—	\$ 68,950
Less:		
Grants deferred and recognized into grant revenue as qualifying expenses are incurred	\$ (618,379)	\$ (3,394,553)
Green Angel donations recognized in deferred revenue	\$ (200,258)	\$ (87,088)
Restricted donations recognized in deferred revenue	\$ (132,454)	\$ (550,900)
Restricted donations recognized in deferred operating contributions and endowments	\$ (26,200)	\$ (42,768)
Restricted donations recognized in deferred capital contributions	\$ (626,843)	\$ (484,740)
Restricted donations recognized as direct increase in (244,080) net assets	\$ (244,080)	—
	\$ 1,779,032	\$ 1,411,364

c. Total Grant revenue

	2024	2023
Grant revenue provided funding for the following areas:		
Admissions, sales and incremental activities	\$ 21,000	\$ 94,691
Conservation and science communication	\$ 771,292	\$ 1,877,987
Collections management	—	\$ 29,742
Gardens	\$ 26,921	\$ 27,994
Administration	\$ 37,591	\$ 34,034
	\$ 856,804	\$ 2,064,448

d. Total fund and other revenue

Fund and other revenue provided funding for the following areas:		
Admissions, sales and incremental activities	\$ 6,307	\$ 12,657
Conservation and science communication	\$ 309,980	\$ 560,356
Collections management	\$ 100,019	\$ 85,000
Gardens	\$ 440,000	\$ 485,677
	\$ 856,306	\$ 1,143,690

e. Total investment income

INVESTMENT INCOME EARNED DURING THE YEAR	\$ 1,438,624	\$ 1,064,779
Less:		
Investment management fees	\$ (87,204)	\$ (90,594)
Net investment funds available for allocation	\$ 1,351,420	\$ 974,185
Allocation to deferred operating contributions	\$ (766,031)	\$ (525,401)
Allocation to internally restricted net assets	\$ (307,036)	\$ (221,032)
Allocation to endowments	\$ (19,698)	\$ (19,311)
	\$ 258,655	\$ 208,441

14. FINANCIAL INSTRUMENTS

Risks and Concentrations

RBG is exposed to various risks through its financial instruments. The following analysis provides a measure of RBG's risk exposure and concentrations at December 31, 2024.

a. Liquidity Risk

Liquidity risk is the risk that RBG will encounter difficulty in meeting obligations associated with financial liabilities. RBG is exposed to this risk mainly in respect of its bank indebtedness, accounts payable and long term debt. RBG's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. RBG achieves this by maintaining sufficient cash and cash equivalents. This risk has not changed from the prior year.

b. Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. RBG's main credit risks relate to its accounts receivable. RBG provides credit to its clients in the normal course of its operations. This risk has not changed 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 other price risk. RBG is exposed to currency risk and other price risk. This risk has not changed significantly from the prior year.

- i. **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. RBG is exposed to interest rate risk on its fixed ' interest rate long term debt, which subjects RBG to a fair value risk.
- ii. **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. Some of RBG's assets are exposed to foreign exchange fluctuations. As at December 31, 2024, cash of \$ 2,516 *{2023: bank indebtedness of \$ 29,343}* is recorded in US dollars and converted into Canadian dollars. Approximately 33% (2023: 38%) of RBG's investments are held in US dollars and converted into Canadian dollars.
- iii. **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). RBG is exposed to other price risk due to a substantial portion of its assets being held in investments, which are susceptible to fluctuations in market values. To manage this risk, RBG management and the Board of Directors reviews its investment strategies at least annually with RBG's investment advisor.

d. Inflationary Risk

RBG is significantly impacted by current inflation rates and its impact on supplies and materials, food and beverage costs, utilities, labour and the procurement of capital assets. To manage this risk, RBG management employs a number of tactics including monitoring trends and incorporating economic forecasts in the development of the business plan and budget, monthly review of operating budgets and reprioritization of deliverables, changing the scope of programs or capital projects to reflect increased costs and adjusting pricing specifically for ticketed programs and food services.



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