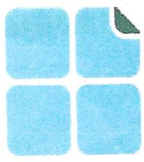


Financial Statements of

**ST. JOSEPH'S FOOD BANK
(PEMBROKE) INC.**

Year ended June 30, 2024
(Unaudited)



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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Directors of St. Joseph's Food Bank (Pembroke) Inc.

We have reviewed the accompanying financial statements of St. Joseph's Food Bank (Pembroke) Inc. that comprise the statement of financial position as at June 30, 2024 and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility 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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of St. Joseph's Food Bank (Pembroke) Inc. as at June 30, 2024, 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.

Chartered Professional Accountants
Licensed Public Accountants

Pembroke, Ontario
December 12, 2024

ST. JOSEPH'S FOOD BANK (PEMBROKE) INC.

Statement of Financial Position
(Unaudited)

June 30, 2024, with comparative figures for 2023

	2024	2023
Assets		
Current assets:		
Cash (note 2)	\$ 265,427	\$ 639,684
Term deposits	608,265	247,061
Accrued interest receivable	7,336	1,580
Accounts receivable	8,209	4,588
Prepaid expenses	12,749	7,820
	<u>\$ 901,986</u>	<u>\$ 900,733</u>

Liabilities and Net Assets

Current liabilities:		
Accounts payable and accrued liabilities	\$ 8,834	\$ 9,234
Deferred contributions (note 4):		
Capital assets	143,474	104,097
Total liabilities and deferred contributions	<u>152,308</u>	<u>113,331</u>
Net Assets:		
Building reserve fund	360,490	320,000
Emergency reserve fund	260,000	260,000
Vehicle reserve fund	-	100,000
Unrestricted	129,188	107,402
	<u>749,678</u>	<u>787,402</u>
	<u>\$ 901,986</u>	<u>\$ 900,733</u>

See accompanying notes to financial statements.

On behalf of the Board:

Director

Director

ST. JOSEPH'S FOOD BANK (PEMBROKE) INC.

Statement of Operations
(Unaudited)

Year ended June 30, 2024, with comparative figures for 2023

	2024	2023
Revenue:		
Donations	\$ 382,955	\$ 380,900
Interest income	11,111	3,312
	394,066	384,212
Expenditures:		
Food purchases	303,600	262,387
Delivery expenses	17,229	16,551
Rent	10,700	7,200
Professional and bookkeeping fees	17,377	14,035
Office expenses	2,822	4,993
Insurance	1,761	1,719
Telephone	1,802	1,273
Repairs and maintenance	2,656	1,772
Equipment	1,074	1,261
Automotive equipment	59,510	-
Miscellaneous	3,570	1,430
Honorariums	7,800	7,500
Advertising and promotion	1,250	3,589
Membership dues	578	-
Interest and bank charges	61	7
	431,790	323,717
Excess of revenue over expenses (expenses over revenue)	\$ (37,724)	\$ 60,495

ST. JOSEPH'S FOOD BANK (PEMBROKE) INC.

Statement of Changes in Net Assets
(Unaudited)

Year ended June 30, 2024, with comparative figures for 2023

	Internally Restricted			Unrestricted	2024 Total	2023 Total
	Building Reserve	Emergency Reserve	Vehicle Reserve			
Balance, beginning of year	\$ 320,000	\$ 260,000	\$ 100,000	\$ 107,402	\$ 787,402	\$ 726,907
Excess of revenue over expenses (expenses over revenue)	-	-	(59,510)	21,786	(37,724)	60,495
Internal transfers	40,490		(40,490)	-	-	-
Balance, end of year	\$ 360,490	\$ 260,000	\$ -	\$ 129,188	\$ 749,678	\$ 787,402

See accompanying notes to financial statements.

ST. JOSEPH'S FOOD BANK (PEMBROKE) INC.

Statement of Cash Flows (Unaudited)

Year ended June 30, 2024, with comparative figures for 2023

	2024	2023
Cash provided by (used in):		
Operations:		
Cash received from donors and government grants	\$ 379,334	\$ 378,536
Cash paid to suppliers	(437,057)	(329,778)
Interest received	5,355	2,670
Interest paid	(62)	(7)
	(52,430)	51,421
Investments:		
Increase in term deposits	(361,204)	(1,701)
Deferred contributions received	39,377	86,757
	(321,827)	85,056
Increase (decrease) in cash position	(374,257)	136,477
Cash, beginning of year	639,684	503,207
Cash, end of year	\$ 265,427	\$ 639,684

See accompanying notes to financial statements.

ST. JOSEPH'S FOOD BANK (PEMBROKE) INC.

Notes to Financial Statements
(Unaudited)

Year ended June 30, 2024

St. Joseph's Food Bank (Pembroke) Inc. is incorporated without share capital under the Ontario Business Corporations Act. The company operates a food distribution centre in Pembroke, Ontario. The company is a registered charity under the Income Tax Act and accordingly is exempt from income taxes, provided certain requirements of the Income Tax Act are met.

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) Cash and cash equivalents:

Cash includes cash on hand, cash on deposit and short-term deposits with maturity dates of less than ninety days, net of cheques issued and outstanding at the reporting date.

(b) Revenue recognition:

The company follows the deferral method of accounting for contributions, which include donations and government grants.

Unrestricted contributions and government grants are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Externally restricted contributions are recognized as revenue in the year in which the related expenses are recognized. Contributions restricted for the purchase of capital assets are deferred and amortized into revenue on a straight-line basis, at a rate corresponding with the amortization rate for the related capital assets.

Interest income and fundraising income is recognized as earned.

(c) Contributed services:

A substantial number of volunteers contribute a significant amount of their time each year. Because of the difficulty of determining the fair value, contributed services are not recognized in the financial statements.

(d) Capital assets:

Capital assets are recorded as expenses in the year they are acquired.

ST. JOSEPH'S FOOD BANK (PEMBROKE) INC.

Notes to Financial Statements, continued
(Unaudited)

Year ended June 30, 2024

1. Significant accounting policies (continued):

(e) Use of estimates:

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

(f) Financial instruments:

a) Measurement of financial instruments

The Corporation initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

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

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

b) Impairment

At the end of each reporting period, the Corporation assesses whether there are any indications that a financial asset measured at amortized cost may be impaired. Objective evidence of impairment includes observable data that comes to the attention of the Corporation.

When there is an indication of impairment, the Corporation determines whether a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from a financial asset, it reduces the carrying amount of the asset to the highest of the following:

- i) The present value of the cash flows expected to be generated by holding the asset discounted using a current market rate of interest appropriate to the asset;
- ii) The amount the Corporation expects to realize by exercising its rights to any collateral held to secure repayment of the asset net of all costs necessary to exercise those rights. The carrying amount of the asset is reduced directly or through the use of an allowance account. The amount of the reduction is

ST. JOSEPH'S FOOD BANK (PEMBROKE) INC.

Notes to Financial Statements, continued
(Unaudited)

Year ended June 30, 2024

1. Significant accounting policies (continued):

recognized as an impairment loss in the statements of operations.

- iii) When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed, to the extent of the improvement.

2. Cash:

	2024	2023
Cash on deposit	\$ 274,141	\$ 646,955
Cheques issued and outstanding	(8,714)	(7,271)
	\$ 265,427	\$ 639,684

3. Financial instruments:

The carrying value of the cash, term deposits, accrued interest receivable, accounts receivable, accounts payable and accrued liabilities approximates the fair value due to the short term nature of the financial assets and financial liabilities.

a) Interest Rate Risk:

Interest rate risk arises from the possibility the changes in interest rates will affect future cash flows from investments. The Food Bank manages the risk by investing in shorter term investments and diversification of principal amounts invested.

b) Industry Risk:

The Organization operates a food bank and is affected by general economic trends and goverment regulations. A decline in economic conditions and changes in government regulations could reduce revenue.

ST. JOSEPH'S FOOD BANK (PEMBROKE) INC.

Notes to Financial Statements, continued
(Unaudited)

Year ended June 30, 2024

4. Deferred Contributions:

Capital Assets:

Deferred capital contributions related to capital assets represents the unamortized amount of the donations and grants received for the purchase of capital assets. The amortization of capital contributions is recorded as revenue in the statement of operations.

	2024	2023
Balance, beginning of the year	\$ 104,097	\$ 17,340
Contributions received during the year	39,377	86,757
	\$ 143,474	\$ 104,097