

Vestiaire Saint-Joseph Inc.

Financial Statement

As of December 31, 2023

Vestiaire Saint-Joseph Inc.

Financial Statement

As of December 31, 2023

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Rapport de mission d'examen du professionnel en exercice indépendant

Aux administrateurs de
Vestiaire Saint-Joseph Inc.

J'ai effectué l'examen des états financiers ci-joints de l'organisme Vestiaire Saint-Joseph Inc., qui comprennent le bilan au 31 décembre 2022, et les états des résultats, de l'évolution des actifs nets et des flux de trésorerie pour l'exercice terminé à cette date, ainsi qu'un résumé des principales méthodes comptables et d'autres informations explicatives.

Responsabilité de la direction à l'égard des états financiers

La direction est responsable de la préparation et de la présentation fidèle de ces états financiers conformément aux normes comptables canadiennes pour les organismes sans but lucratif, ainsi que du contrôle interne qu'elle considère comme nécessaire pour permettre la préparation d'états financiers exempts d'anomalies significatives, que celles-ci résultent de fraudes ou d'erreurs.

Responsabilité du professionnel en exercice

Ma responsabilité consiste à exprimer une conclusion sur les états financiers ci-joints en me fondant sur mon examen. J'ai effectué mon examen conformément aux normes d'examen généralement reconnues du Canada, qui exigent que je me conforme aux règles de déontologie pertinentes.

Un examen d'états financiers conforme aux normes d'examen généralement reconnues du Canada est une mission d'assurance limitée. Le professionnel en exercice met en œuvre des procédures qui consistent principalement en des demandes d'informations auprès de la direction et d'autres personnes au sein de l'entité, selon le cas, ainsi qu'en des procédures analytiques, et évalue les éléments probants obtenus.

Les procédures mises en œuvre dans un examen sont considérablement plus restreintes en étendue que celles mises en œuvre dans un audit réalisé conformément aux normes d'audit généralement reconnues du Canada, et elles sont de nature différente. Par conséquent, je n'exprime pas une opinion d'audit sur les états financiers.

Conclusion

Au cours de mon examen, je n'ai rien relevé qui me porte à croire que les états financiers ne donnent pas, dans tous leurs aspects significatifs, une image fidèle de la situation financière de l'organisme Vestiaire Saint-Joseph Inc. au 31 décembre 2023, ainsi que des résultats de ses activités et de ses flux de trésorerie pour l'exercice terminé à cette date, conformément aux normes comptables canadiennes pour les organismes sans but lucratif.

Paul Babin, CPA, CA
Comptable Professionnel Agréé

Shediac (Nouveau-Brunswick)
Le 18 juin 2024

Vestiaire Saint-Joseph Inc.

Financial Statement As of December 31, 2023 (Unaudited)

	2023	2022
Revenue		
Grants (Appendix A)	\$ 35 708	\$ 22 117
Donations (Appendix B)	939 491	954 752
Interest Income	296	1 189
Amortization of deferred contributions relating to fixed assets	12 877	6 282
	988 372	984 340
Expenses		
Salaries and Benefits	569 934	516 094
Administration	9 261	4 953
Insurance	10 934	10 730
Memberships, Dues	809	309
Donations (appendix C)	112 705	158 575
Vehicle Expenses	5 142	7 661
Repair & Maintenance	61 217	44 930
Training	-	308
Professional Fees	11 126	20 088
Interest and Bank Charges	15 868	9 830
Interest on Long-term Debt	491	1 536
Publicity and promotion	12 559	7 741
Taxes and permits	1 420	1 429
Telecommunications	4 048	7 136
Electricity	35 234	33 408
Depreciation of Fixed Assets	56 748	55 729
	907 496	880 457
Other Expenses		
Salaries and Benefits	3 278	-
Profit and Loss	\$ 77 598	\$ 103 883

The accompanying notes and additional information are an integral part of the financial statements.

Vestiaire Saint-Joseph Inc.

Net assets

Financial Statement as of December 31, 2023 (unaudited)

	Investments in fixed assets	Unaffected	2023	2022
Balance Forward	\$ 606 381	\$ 355 737	\$ 962 118	\$ 858 235
Profit (or Loss) on expenses	(43 870)	121 468	77 598	103 883
Surplus on Government aid net on acquisition of fixed assets of \$14,000	74 221	(74 221)	-	-
Long-term debt repayment	25 230	(25 230)	-	-
Balance	\$ 661 962	\$ 377 754	\$ 1 039 716	\$ 962 118

Additional notes are an integral part of financial statements.

Vestiaire Saint-Joseph Inc.

Additional notes

As of December 31, 2023

Balance Sheet

Financial Statement as of December 31, 2023

(unaudited)

	2023	2022
Asset		
Short-term asset		
Cash	\$ 192 620	\$ 402 979
Loan capital and shares - Cooperative de Shediak	400	400
Debtors (note 3)	23 812	10 418
Stocks (note 4)	4 000	4 000
Prepaid expenses	1 692	3 692
Short-term portion of long-term debt (note 5)	98 000	-
	320 524	421 489
Investment (note 5)	75 945	973
Fixed assets (note 6)	787 650	756 176
	\$ 1 184 119	\$ 1 178 638
Liability		
Short term Liability		
Accounts Payable (note 8)	\$ 11 535	\$ 29 545
Deferred contributions	7 180	7 180
Short-term portion of long-term debt (note 9)	-	55 230
	18 715	91 955
Deferred contributions relating to fixed assets (Note 10)	125 688	124 565
	144 403	216 520
Net Assets		
Investment in fixed assets	661 962	606 381
Unaffected	377 754	355 737
	1 039 716	962 118
	\$ 1 184 119	\$ 1 178 638

On behalf of the board of directors

_____ Administrator

_____ Administrator

Vestiaire Saint-Joseph Inc.

Additional notes

As of December 31, 2023

Cash Flow

Financial Statement as of December 31, 2023

(unaudited)

	2023	2022
Operating Expenses		
Profit (loss) of revenue over expenses	\$ 77 598	\$ 103 883
Items not affecting cash flow:		
Depreciation of fixed assets	56 748	55 729
Loss on disposal of fixed capital assets	3 278	-
Depreciation of deferred contributions relating to fixed assets	(12 877)	(6 282)
	124 747	153 330
Net change in non-cash items linked to operations:		
Accounts Receivable	(13 394)	9 330
Prepaid Expenses	2 000	(2 128)
Accounts Payable	(18 010)	12 686
Deferred Contributions	-	7 180
	29 404	27 068
	95 343	180 398
Investment activities		
Disposition (acquisition) of investments	(172 972)	91 896
Purchase of Fixed Assets	(103 500)	(1 794)
Proceeds from disposition of fixed capital assets	12 000	
	(264 472)	90 102
Financing activities		
Long-term loan	(55 230)	-
Long-term debt repayment	-	(26 523)
Recovery of refundable tax on dividends	-	60 562
Deferred contributions relating to fixed assets	14 000	-
	(41 230)	34 039
Increase (decrease) in cash and cash equivalents	(210 359)	304 539
Cash and cash equivalents at the beginning	402 979	98 440
Cash and cash equivalents at the end	\$ 192 620	\$ 402 979

Cash and cash equivalents consist of cash.

Vestiaire Saint-Joseph Inc.

Additional notes

As of December 31, 2023

1. Constitutive statutes and nature of activities

The Vestiaire Saint-Joseph Inc. is a registered charity serving the Town of Shediac and surrounding communities, whose mandate is to provide a food bank, store for clothes, toys and shoes for people in need. The organization is incorporated as a non-profit organization under the laws of NB and is a charitable organization within the meaning of the Income Tax Act, and is therefore exempt from tax on income.

2. Main accounting methods

The organization applies Canadian accounting standards for not-for-profit organizations.

Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the amounts reported as assets and liabilities and the amounts recognized as revenue and expenses for the financial years in question. Actual results may differ from these estimates. The main estimates relate to the allowance for doubtful accounts, the net realizable value of inventories, the depreciation of financial assets and the duration of fixed assets. These estimates are reviewed periodically and adjustments are made as necessary to the results of the year in which they become known.

Accounting for contributions

Contributions are accounted for using the deferral method. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and receipt is reasonably assured. Contributions received as endowments or relating to the acquisition of non-depreciable long-term assets are recognized directly in net assets.

Contributions relating to the acquisition of depreciable long-term assets are recognized as deferred contributions and then amortized in the same way as the assets to which they relate.

Contributions received In Kind and in the form of services

The organization recognizes contributions received In-kind at their estimated fair value. In addition, volunteers devote several hours per year to help the organization provide its services. Due to the difficulty in determining the fair value of contributions received in the form of services, these are not recognized in the financial statements.

Vestiaire Saint-Joseph Inc.

Additional notes

As of December 31, 2023

2. Main accounting methods (cont'd)

Financial Instruments

Initial Evaluation

The organization initially measures its financial assets and financial liabilities created or exchanged in arm's length transactions at fair value. Financial assets and financial liabilities that were created or exchanged in related transactions, except for parties who have no other relationship with the organization than in their capacity as members of management, are initially valued at cost.

The cost of a financial instrument resulting from a related party transaction depends on whether or not this instrument is accompanied by repayment terms. The cost of a financial asset or a financial liability arising from a related party transaction with repayment terms is determined using its undiscounted cash flows, excluding interest and dividend payments, and deduction of the impairment losses already recognized by the transferor. When the financial instrument is not accompanied by repayment terms, the cost is determined based on the consideration transferred or received by the organization within the framework of the operation.

Subsequent Evaluation

The organization subsequently measures all of its financial assets and financial liabilities at cost or depreciated cost, except for investments in equity instruments listed in an active market which are measured at fair value. Changes in the fair value of these financial instruments are recognized in earnings in the period in which they occur.

Financial assets valued at cost after depreciation using the straight-line method consist of cash, term deposits, accounts receivable and other receivables.

Depreciation

For financial assets measured at cost or amortized cost, the organization determines whether there are indications of possible depreciation. If so, and the organization determines that there has been a significant adverse change during the year in the timing or expected amount of future cash flows, a write-down is recognized in earnings. If the indications of loss of value diminish or disappear, the loss in value already recorded must be reversed in value to the extent of the improvement. The carrying amount of the financial asset cannot be higher than it would have been on the value recovery date if the loss in value had never been recognized. The recovery in value is recognized in the balance.

Vestiaire Saint-Joseph Inc.

Additional notes

As of December 31, 2023

2. Main accounting methods (cont'd)

Financial Instrument (cont'd)

Transaction costs

Transaction costs attributable to financial instruments subsequently measured at fair value and to those created or exchanged in a related party transaction are recognized in the results of the year in which they are incurred. Transaction costs relating to Financial instruments created or exchanged at arm's length which are subsequently measured at cost or at amortized cost are carried at the initial cost of the instrument. When the instrument is valued at amortized cost, transaction costs are then recognized in earnings over the life of the instrument using the straight-line method.

Cash and cash equivalents

The organization's policy is to present in cash and cash equivalents bank balances, including bank overdrafts when bank balances often fluctuate between positive and negative, and term deposits whose maturity is not exceed three months from the date of acquisition. In addition, term deposits that the organization cannot use for current operations because they are allocated to guarantees are not included in cash and cash equivalents.

Stocks

Stocks are valued at cost or net realizable value, whichever is lower. The cost of stocks is established using the successive depletion method. Net realizable value is the estimated selling price in the ordinary course of business, less completion costs and costs to make the sale. When a recovery in the value of previously devalued stocks is noted, this recovery in value is recognized in the results. The cost of stock includes the cost of raw materials.

Vestiaire Saint-Joseph Inc.

Additional notes

As of December 31, 2023

2. Main accounting methods (cont'd)

Fixed Assets

Fixed Assets are recorded at cost. They are depreciated according to their respective useful life according to the methods and rates indicated below:

	Methods	Rate
Parking lot and asphalt	Decreasing	8%
Building	Linear	3%
Fences	Decreasing	20%
Equipment	Decreasing	20%
Vehicles	Decreasing	30%
Signs	Decreasing	20%
Office Furniture	Decreasing	20%
Computer Equipment	Decreasing	30%

Depreciation of Long-term assets

The fixed assets are subject to a recoverability test when events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when their carrying value exceeds the undiscounted cash flows resulting from their use and eventual disposal. The recognized impairment loss is measured as the excess of the carrying amount of the asset over its fair value.

3. Accounts Receivable

	2023	2022
Clients	\$ 4 428	\$ -
Taxes receivable	19 384	10 418
	\$ 23 812	\$ 10 418

4. Stocks

	2023	2022
Food	\$ 4 000	\$ 4 000

Vestiaire Saint-Joseph Inc.

Additional notes

As of December 31, 2023

5. Investments

	2023	2022
Term deposit, bearing interest at a rate of 1.3%, maturing in December 2026.	\$ 945	\$ 973
Term deposit, bearing interest at a rate of 4.25% to 5.52%, maturing from February 2024 to November 2025	173 000	-
	173 945	973
Portion of short term investments	98 000	-
	\$ 75 945	\$ 973

6. Fixes Assets

			2023	2022
	Cost	Accumulated Depreciation	Net Value	Net Value
Land	\$ 42 431	-	\$ 42 431	\$ 42 431
Parking and asphalt	4 734	2 198	2 536	2 756
Building	972 654	359 680	612 974	620 873
Fences	3 113	311	2 802	-
Equipment	113 769	55 597	58 017	58 013
Vehicles	113 158	51 161	61 997	23 276
Signs	5 907	4 165	1 742	2 177
Office furniture	14 272	11 542	2 730	3 413
Computer Equipment	8 377	6 111	2 266	3 237
	\$ 1 278 415	\$ 490 765	\$ 787 650	\$ 756 176

7. Bank Loan

The organization has a line of credit with a maximum authorized amount of \$5,000, bearing interest at the prime rate plus 1% and renegotiable annually.

The bank loan is secured by a building with a net book value of \$302,244 (2022 - \$315,578).

8. Accounts Payable

	2023	2022
Suppliers	\$ 24 678	\$ 13 357
Interest	4 867	3 502
	\$ 29 545	\$ 16 859

Vestiaire Saint-Joseph Inc.

Additional notes

As of December 31, 2023

9. Long Term debt

	2022	2021
Bank loan, guaranteed by a building net worth of \$315, 578, reimbursable by monthly payments of \$2, 238, including interest on rate of 3,87% expiring in August 2023.	\$ 25 230	\$51 753
Loan, unpaid capital of \$40,000, guaranteed by the Canadian government, interest free until December 2023 ^(a) .	30 000	30 000
	55 230	81 753
Short-term portion of long-term debt	55 230	26 523
	\$ -	\$ 55 230

- a) The organization obtained a loan of \$40,000 under the Emergency Account program for Canadian businesses. If the organization repays \$30,000 before December 31, 2023, the loan will be deemed to be paid in full and the balance of \$10,000 will be subject to principal forgiveness. Otherwise, an interest rate of 5%, calculated and payable monthly, will apply to the balance, which will be repayable in full before December 31, 2025.

Vestiaire Saint-Joseph Inc.

Additional notes

As of December 31, 2023

10. Deferred contributions relating to fixed assets

Deferred contributions which are presented in the fund invested in fixed assets, represent the unamortized portion of government assistance allocated to the acquisition of fixed assets.

The changes during the financial year are as follows: deferred contributions relating to fixed assets

	2023	2022
Balance forward	\$ 142 138	\$ 111 307
Plus: contributions received during the financial year	60 562	36 024
Less: amortization to products	(6 282)	(5 193)
Less: contribution available during the financial year	(71 853)	
Balance	\$ 124 565	\$ 142 138

11. Financial instruments

Financial risk

The significant risks arising from financial instruments to which the organization is exposed as of December 31, 2023, are detailed below.

Liquidity risk

Liquidity risk is the risk that the organization will experience difficulty in honoring commitments linked to its financial liabilities. The organization is exposed to this risk mainly with regard to its long-term debt and its supplier accounts. Prudent management of liquidity risk involves maintaining a sufficient level of liquidity, access to appropriate credit facilities and the ability to liquidate positions taken on the market. The organization believes that its recurring financial resources allow it to meet all its expenses.

Credit risk

Credit risk is the risk that a party to a financial asset fails to fulfill one of its obligations and thereby causes the organization to suffer a financial loss. The credit risk for the organization is mainly linked to accounts receivable and receivables.

Vestiaire Saint-Joseph Inc.

Additional notes

As of December 31, 2023

11. Financial instruments (cont'd)

Credit risk (cont'd)

The organization grants credit to its clients in the normal course of its activities. It carries out, on an ongoing basis, credit evaluations with regard to its clients and maintains provisions for potential credit losses, which, once materialized, meet management's forecasts. The organization generally does not require a deposit.

For pledges of donations, the organization only records at the end of the financial year the amounts received on the date of completion of the financial statements.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in interest rates. The organization is exposed to interest rate risk with respect to its fixed interest rate and variable interest rate financial instruments. Floating rate instruments subjects the organization to fluctuations in related future cash flows.

Vestiaire Saint-Joseph Inc.

Additional notes

As of December 31, 2023

	2023	2022
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Appendix A – Revenue - Grants		
Government of Canada	\$ -	\$ 500
Government of New Brunswick	9600	11 046
SEED	26 108	10 571
	\$ 35 708	\$ 22 117

Appendix B - Revenue - Donations		
Clothing and others	\$ 594 252	\$ 529 013
Miscellaneous	312 888	386 962
Golf tournaments	21 820	29 528
Fundraisers	10 531	9 249
	\$ 939 491	\$ 954 752

Appendix C - Expenses - Donations		
Food	\$ 95 487	\$ 145 903
Miscellaneous Donations	13 403	7 592
Golf tournaments	3 815	5 080
	\$ 112 705	\$ 158 575
