

**ORANGEVILLE FOOD BANK: CARING FOR THE COMMUNITY**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2024**

# **ORANGEVILLE FOOD BANK: CARING FOR THE COMMUNITY**

## **INDEX TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2024**

---

---

	Page
INDEPENDENT AUDITOR'S REPORT	3 - 4
FINANCIAL STATEMENTS	
Statement of Financial Position	5
Statement of Changes in Net Assets	6
Statement of Operations	7
Statement of Cash Flows	8
Notes to the Financial Statements	9 - 13

---

---

## INDEPENDENT AUDITOR'S REPORT

---

---

To the Board of Directors of: Orangeville Food Bank: Caring for the Community

### Qualified Opinion

We have audited the accompanying financial statements of Orangeville Food Bank: Caring for the Community, which comprise the statement of financial position as at June 30, 2024, the statements of changes in net assets, operations and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, these financial statements present fairly, in all material respects, the financial position of Orangeville Food Bank: Caring for the Community 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.

### Basis for Qualified Opinion

In common with many not for profit organizations, the organization derives some of its revenue from donations and fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of this revenue was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to revenue, excess of revenue over expenses and cash flows from operations for the years ended June 30, 2024 and 2023, current assets as at June 30, 2024 and 2023, and net assets as at July 1 and June 30 for both the 2024 and 2023 years. Our audit opinion on the financial statements for the year ended June 30, 2023 was modified accordingly because of the possible effects of this limitation in scope.

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 Orangeville Food Bank: Caring for the Community 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 qualified audit opinion.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization'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 judgement 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 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 organization'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 organization'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 organization 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.



Guelph, Ontario  
November 4, 2024

Chartered Professional Accountants  
Licensed Public Accountants

**ORANGEVILLE FOOD BANK: CARING FOR THE COMMUNITY**

**STATEMENT OF FINANCIAL POSITION**

**AS AT JUNE 30, 2024**

	<b>2024</b>	<b>2023</b> (note 10)
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 193,695	\$ 303,036
Short-term investments (note 4)	548,465	464,591
Accounts and HST receivable	20,953	7,945
Gift cards on hand	17,046	7,184
Prepaid expenses	<u>9,172</u>	<u>9,767</u>
	789,331	792,523
<b>CAPITAL ASSETS</b> (note 5)	<u>2,007,926</u>	<u>2,078,396</u>
	<u>\$ 2,797,257</u>	<u>\$ 2,870,919</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 32,041	\$ 25,402
Deferred donations (note 7)	0	5,631
Deferred grant funding (note 7)	43,323	105,821
Current portion of long-term debt (note 6)	<u>0</u>	<u>52,431</u>
	75,364	189,285
<b>LONG-TERM DEBT</b> (note 6)	0	253,768
<b>DEFERRED CONTRIBUTIONS FOR CAPITAL ASSETS</b> (note 7)	<u>707,951</u>	<u>749,141</u>
	<u>783,315</u>	<u>1,192,194</u>
<b>NET ASSETS</b>		
<b>INVESTED IN CAPITAL ASSETS</b>	1,299,975	1,023,056
<b>INTERNALLY RESTRICTED FOR CAPACITY EXPANSION</b>	350,000	350,000
<b>UNRESTRICTED FUND</b>	<u>363,967</u>	<u>305,669</u>
	<u>2,013,942</u>	<u>1,678,725</u>
	<u>\$ 2,797,257</u>	<u>\$ 2,870,919</u>

**APPROVED ON BEHALF OF THE BOARD:**

\_\_\_\_\_ Director

\_\_\_\_\_ Director

**ORANGEVILLE FOOD BANK: CARING FOR THE COMMUNITY**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	Invested in Capital Assets	Internally Restricted for Capacity Expansion	Unrestricted	2024 Total	2023 Total
<b>NET ASSETS, beginning of year</b>	\$ 1,023,056	\$ 350,000	\$ 305,669	\$ 1,678,725	\$ 1,438,206
Excess (deficit) of revenue over expenses for the year	(47,278)	0	382,495	335,217	240,519
Transfer of funds (note 8)	<u>324,197</u>	<u>0</u>	<u>(324,197)</u>	<u>0</u>	<u>0</u>
<b>NET ASSETS, end of year</b>	<u>\$ 1,299,975</u>	<u>\$ 350,000</u>	<u>\$ 363,967</u>	<u>\$ 2,013,942</u>	<u>\$ 1,678,725</u>

**ORANGEVILLE FOOD BANK: CARING FOR THE COMMUNITY**

**STATEMENT OF OPERATIONS**

**FOR THE YEAR ENDED JUNE 30, 2024**

	<b>2024</b>	<b>2023</b>
<b>REVENUE</b>		
Donations	\$ 937,957	\$ 732,187
Grants (note 9)	183,945	94,584
Fundraising	131,198	107,769
Deferred capital contributions recognized (note 7)	41,190	41,431
Unrealized gain on investments	17,932	10,558
Interest income	15,055	9,874
	<u>1,327,277</u>	<u>996,403</u>
<b>EXPENSES</b>		
Advertising and promotion	2,524	4,051
Amortization	88,468	88,801
Food purchases	218,280	145,421
Fundraising	10,683	13,686
Hygiene purchases	6,214	5,593
Insurance	11,380	11,160
Interest on long-term debt	23,163	18,802
Membership fees	4,941	4,900
Office and general	12,939	16,977
Professional fees	19,788	14,604
Programming	89,188	47,593
Property tax rebate	(5,039)	(4,946)
Property taxes	10,170	9,941
Rent	7,756	4,375
Repairs and maintenance	10,725	27,007
Salaries and benefits	422,127	296,982
Telecommunications	16,241	10,877
Training and development	24,893	22,962
Utilities	17,619	17,098
	<u>992,060</u>	<u>755,884</u>
<b>EXCESS OF REVENUE OVER EXPENSES for the year</b>	<u>\$ 335,217</u>	<u>\$ 240,519</u>

**ORANGEVILLE FOOD BANK: CARING FOR THE COMMUNITY****STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED JUNE 30, 2024**

	<b>2024</b>	<b>2023</b>
<b>CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>		
Excess of revenue over expenses for the year	\$ 335,217	\$ 240,519
Items not requiring an outlay of cash		
Amortization	88,468	88,801
Deferred capital contributions recognized	(41,190)	(41,431)
Unrealized (gain) loss on investments	<u>(17,932)</u>	<u>(10,558)</u>
	364,563	277,331
Changes in non-cash working capital		
Accounts and HST receivable	(13,008)	9,976
Gift cards on hand	(9,862)	21,755
Prepaid expenses	595	(2,613)
Accounts payable and accrued liabilities	6,639	(4,788)
Deferred donations	(5,631)	(35,569)
Deferred grant funding	<u>(62,498)</u>	<u>78,489</u>
	<u>280,798</u>	<u>344,581</u>
<b>CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES</b>		
Repayment of long-term debt	(306,199)	(147,703)
Deferred capital contributions received in the year	<u>0</u>	<u>16,050</u>
	<u>(306,199)</u>	<u>(131,653)</u>
<b>CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES</b>		
Additions to capital assets	(17,998)	(35,751)
Purchase of investments	(161,068)	(203,968)
Proceeds on disposal of investments	<u>95,126</u>	<u>125,126</u>
	<u>(83,940)</u>	<u>(114,593)</u>
<b>NET (DECREASE) INCREASE IN CASH</b>	(109,341)	98,335
<b>CASH, BEGINNING OF YEAR</b>	<u>303,036</u>	<u>204,701</u>
<b>CASH, END OF YEAR</b>	<u>\$ 193,695</u>	<u>\$ 303,036</u>



# ORANGEVILLE FOOD BANK: CARING FOR THE COMMUNITY

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2024

---

---

### 1. NATURE OF OPERATIONS

Orangeville Food Bank: Caring for the Community is a not-for-profit organization incorporated under the laws of Ontario without share capital and is a registered charity under the Income Tax Act. The organization is exempt from income tax. The organization offers programs and services that support their vision of a community without hunger. The organization is dependent upon the commitment and contribution of community volunteers in all aspects of its operations, including the board of directors and its committees.

Effective January 1, 2024, Orangeville Food Bank: Caring for the Community entered into a partnership with Grand Valley Food Bank with the purpose of better supporting area residents by consolidating their resources, expertise and efforts to better serve Dufferin County. Grand Valley Food Bank is now under the management of Orangeville Food Bank: Caring for the Community and is known as Dufferin Food Share Grand Valley.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

#### (a) REVENUE RECOGNITION

The organization follows the deferral method of accounting for contributions. Fundraising income is recognized as revenue when received. Investment income is recognized as revenue when earned. Unrestricted grants from other organizations and donations are recognized as revenue when they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Externally restricted contributions, comprised of restricted grants and donations, are recognized as revenue in the year in which the related expenses are incurred.

#### (b) GIFT CARDS ON HAND

Gift cards on hand are measured at the lower of cost and net replacement value, with cost being determined on a specific item basis.

#### (c) CAPITAL ASSETS

Capital assets are recorded at cost and amortized on the basis of their estimated useful life using the following methods and rates:

Buildings	40	years straight line basis
Parking lot	40	years straight line basis
Sidewalk	10	years straight line basis
Fence	10	years straight line basis
Equipment	5 - 10	years straight line basis
Vehicles	5	years straight line basis
Computers	3	years straight line basis

Amortization is recorded at 50% of the above rates in the year of addition.

#### (d) IMPAIRMENT OF LONG LIVED ASSETS

Long lived assets are tested for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when the carrying value exceeds the total undiscounted cash flows expected from their use and eventual disposition. The amount of the impairment loss is determined as the excess of the carrying value of the asset over its fair value.

**ORANGEVILLE FOOD BANK: CARING FOR THE COMMUNITY**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2024**

---

---

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

(e) USE OF ESTIMATES

The preparation of financial statements in conformity with Canadian generally accepted accounting principles 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 year. Significant areas requiring management's estimates include estimated useful life's of capital assets, accounts payable and accrued liabilities, deferred donations, deferred grant funding and deferred capital contributions. Actual results could differ from those estimates.

(f) FINANCIAL INSTRUMENTS

The organization initially measures its financial assets and liabilities at fair value.

The organization subsequently measures all its financial assets and financial liabilities at amortized cost, unless otherwise noted below.

Impairment

For financial assets measured at cost or amortized cost, the organization determines whether there are indications of possible impairment. When there are, and the organization determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in income. If the indicators of impairment have decreased or no longer exist, the previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may be 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 income.

Transaction costs

Transaction costs attributable to financial instruments subsequently measured at fair value are recognized in income in the period incurred. Transaction costs related to financial instruments originated or exchanged in an arm's length transaction that are subsequently measured at cost or amortized cost are recognized in the original cost of the instrument. When the instrument is measured at amortized cost, transaction costs are recognized in income over the life of the instrument using the straight-line method.

(g) CONTRIBUTED SERVICES

Many volunteers contribute a significant amount of time to assist the organization in carrying out its activities. Because of the difficulty in determining the fair value, contributed services are not recorded in the financial statements.

(h) FOOD DONATIONS

The organization receives and shares a significant volume of donated food products. Because of the difficulty in determining the fair value of those products, they are not recorded in the financial statements.

The volume of food and consumer products acquired and distributed was 850,500 pounds (2023 - 418,750 pounds) with a value of \$3.52 per pound (2023 - \$3.21 per pound) based on an estimate provided by Food Banks Canada. These donated food products are not reflected in the statement of operations.

**ORANGEVILLE FOOD BANK: CARING FOR THE COMMUNITY**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2024**

---

---

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

(i) **FUND ACCOUNTING**

Unrestricted

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

Invested in Capital Assets

The invested in capital assets fund reports resources that are invested in capital assets, net of deferred contributions, long-term debt, and any proceeds on the disposal of capital assets. The fund is internally restricted.

Internally Restricted for Capacity Expansion

The internally restricted for capacity expansion fund reports resources that are internally restricted for funding future expansion and future building improvements.

**3. FINANCIAL INSTRUMENTS**

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant interest, credit, currency, liquidity, or other price risks arising from its financial instruments.

The extent of the organization's exposure to these risks did not change in 2024 compared to the previous year.

The organization does not have a significant exposure to any individual customer or counterpart.

**4. SHORT-TERM INVESTMENTS**

Portfolio investments includes the following:

	<b>2024</b>	<b>2023</b>
RBC mutual funds	\$ 398,301	\$ 369,465
RBC GIC, 5.03% maturing July 14, 2024	125,000	0
RBC GIC, 2.25% maturing August 3, 2024	10,000	0
Variable RBC GIC, maturing August 15, 2024	10,000	0
Variable RBC GIC, maturing August 15, 2024	5,164	0
RBC GIC, 0.75%, matured August 3, 2023	0	5,126
RBC GIC, 0.75%, matured August 3, 2023	0	10,000
RBC GIC, 4.25%, matured January 26, 2024	0	70,000
RBC GIC, 1.75%, matured February 6, 2024	0	10,000
	<u>0</u>	<u>10,000</u>
	<u>\$ 548,465</u>	<u>\$ 464,591</u>

**ORANGEVILLE FOOD BANK: CARING FOR THE COMMUNITY**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2024**

**5. CAPITAL ASSETS**

	Cost	Accumulated Amortization	Net 2024	Net 2023
Land	\$ 407,621	\$ 0	\$ 407,621	\$ 407,621
Buildings	1,671,802	181,774	1,490,028	1,523,581
Parking lot	38,906	1,213	37,693	28,685
Sidewalk	5,405	1,891	3,514	4,054
Fence	3,846	1,346	2,500	2,885
Equipment	193,625	148,665	44,960	80,982
Vehicles	42,801	21,400	21,401	29,960
Computers	<u>5,806</u>	<u>5,597</u>	<u>209</u>	<u>628</u>
	<u>\$ 2,369,812</u>	<u>\$ 361,886</u>	<u>\$ 2,007,926</u>	<u>\$ 2,078,396</u>

**6. LONG TERM DEBT**

	2024	2023
Royal Bank loan, repayable in blended monthly installments of \$5,828 at a rate of 6.20%, maturing April 15, 2025, secured by land and building with a net book value of \$1,897,649, repaid April 2024	\$ 0	\$ 306,199
Less current portion: Cash repayments required within 12 months	<u>0</u>	<u>52,431</u>
Long-term portion of debt	<u>\$ 0</u>	<u>\$ 253,768</u>

**7. DEFERRED REVENUE**

*Deferred donations*

Deferred donations represent the unspent portion of externally restricted contributions that relate to future periods less related expenditures. The changes in the deferred donations balance for the year are as follows:

	2024	2023
Balance, beginning of the year	\$ 5,631	\$ 41,200
Plus contributions during the year	0	5,631
Less amounts amortized to revenue	<u>(5,631)</u>	<u>(41,200)</u>
Balance, end of year	<u>\$ 0</u>	<u>\$ 5,631</u>

**ORANGEVILLE FOOD BANK: CARING FOR THE COMMUNITY**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2024**

**7. DEFERRED REVENUE (continued)**

*Deferred grant funding*

Deferred grant funding consists of the unexpended portion of grant funding received that relates to future periods less related expenditures. The changes in the deferred grant revenue balance for the year are as follows:

	<b>2024</b>	<b>2023</b>
Balance, beginning of the year	\$ 105,821	\$ 27,332
Plus amount received related to the following year	42,500	104,998
Less amounts recognized as revenue in the year	<u>(104,998)</u>	<u>(26,509)</u>
Balance, end of year	<u>\$ 43,323</u>	<u>\$ 105,821</u>

*Deferred contributions for capital assets*

Deferred contributions for capital assets represent the unamortized portion of contributed capital assets and restricted contributions used to purchase capital assets. The changes in the deferred contributions balance for the year are as follows:

	<b>2024</b>	<b>2023</b>
Balance, beginning of the year	\$ 749,141	\$ 774,522
Plus contributions during the year	0	16,050
Less amounts amortized to revenue	<u>(41,190)</u>	<u>(41,431)</u>
Balance, end of year	<u>\$ 707,951</u>	<u>\$ 749,141</u>

**8. TRANSFERS**

During the year, the board of directors transferred \$0 (2023 - \$100,000) from the Internally Restricted for Capacity Expansion fund to the Unrestricted fund for an additional principal payment on the mortgage. The board of directors also transferred \$0 (2023 - \$200,000) from the Unrestricted fund to the Internally Restricted for Capacity Expansion fund for funding future capital improvements.

**9. GRANTS**

Grants reported in the statement of operations came from the following sources:

	<b>2024</b>	<b>2023</b>
County of Dufferin	\$ 63,333	\$ 49,365
United Way Guelph	57,832	0
Town of Orangeville	33,333	4,167
Food Banks Canada	16,784	39,052
Canada Summer Jobs	9,663	0
Rotary Club of Orangeville	3,000	0
RBC Foundation	<u>0</u>	<u>2,000</u>
	<u>\$ 183,945</u>	<u>\$ 94,584</u>

**10. CORRESPONDING FIGURES**

Certain figures presented for corresponding purposes have been reclassified to conform to the current year's presentation.