

**COMMUNITY FOOD SHARE
FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023**



INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of Community Food Share

We have reviewed the accompanying financial statements of Community Food Share (the Organization) that comprise the statement of financial position as at December 31, 2023, and the statements of changes in net assets, operations 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 (ASNPO), 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 Community Food Share as at December 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

McCay Duff LLP
McCay Duff LLP,
Licensed Public Accountants.

Ottawa, Ontario,
March 11, 2024

**COMMUNITY FOOD SHARE
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2023
UNAUDITED**

	2023	2022
ASSETS		
CURRENT		
Cash	\$ 354,306	\$ 296,608
Short-term investments (Note 4)	183,859	182,622
HST recoverable	3,150	999
Prepaid expenses	3,920	8,398
	\$ 545,235	\$ 488,627
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 9,010	\$ 8,496
Deferred revenue	5,461	5,515
	14,471	14,011
NET ASSETS		
Unrestricted	350,764	294,616
Internally restricted operating fund	120,000	120,000
Internally restricted capital fund	60,000	60,000
	530,764	474,616
	\$ 545,235	\$ 488,627

ON BEHALF OF THE BOARD

_____ *Director*

_____ *Director*

**COMMUNITY FOOD SHARE
STATEMENT OF CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2023
UNAUDITED**

	Unrestricted	Internally Restricted Operating Fund	Internally Restricted Capital Fund	2023	2022
NET ASSETS - BEGINNING OF YEAR	\$ 294,616	\$ 120,000	\$ 60,000	\$ 474,616	\$ 415,841
Net revenue for the year	56,148	-	-	56,148	58,775
NET ASSETS - END OF YEAR	\$ 350,764	\$ 120,000	\$ 60,000	\$ 530,764	\$ 474,616

COMMUNITY FOOD SHARE
STATEMENT OF REVENUES AND EXPENDITURES
YEAR ENDED DECEMBER 31, 2023
UNAUDITED

	2023	2022
REVENUES		
Donations <i>(Note 2)</i>	\$ 628,989	\$ 544,133
Fundraising	36,204	13,548
Grants	22,601	37,566
Interest income	3,970	312
Membership fees	585	390
	<u>692,349</u>	<u>595,949</u>
EXPENSES		
Groceries <i>(Note 2)</i>	479,146	400,395
Salaries and wages	100,460	89,315
Utilities	9,401	8,087
Office	8,015	13,559
Fundraising	6,618	1,055
Vehicle	6,409	4,034
Professional fees	5,082	4,590
Telecommunications	5,017	4,247
Insurance	4,575	2,458
Computer expenses	2,814	1,120
Memberships and licenses	2,371	1,550
Repairs and maintenance	2,080	2,449
Strategic planning and Board training	2,036	1,050
Advertising	989	1,208
Interest and bank charges	734	482
Program operations	454	1,575
	<u>636,201</u>	<u>537,174</u>
NET REVENUE FOR THE YEAR	<u>\$ 56,148</u>	<u>\$ 58,775</u>

**COMMUNITY FOOD SHARE
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2023
UNAUDITED**

	2023	2022
OPERATING ACTIVITIES		
Net revenue for the year	\$ 56,148	\$ 58,775
Changes in non-cash working capital:		
HST recoverable	(2,151)	1,000
Prepaid expenses	4,478	(3,815)
Accounts payable and accrued liabilities	514	(4,248)
Deferred revenue	(54)	(26,414)
	<u>2,787</u>	<u>(33,477)</u>
Cash flow from operating activities	58,935	25,298
INVESTING ACTIVITY		
Change in short-term investments	<u>(1,237)</u>	10
CHANGE IN CASH POSITION DURING THE YEAR	57,698	25,308
Cash - beginning of year	<u>296,608</u>	<u>271,300</u>
CASH POSITION - END OF YEAR	<u>\$ 354,306</u>	<u>\$ 296,608</u>
CASH CONSISTS OF:		
Cash	<u>\$ 354,306</u>	<u>\$ 296,608</u>

COMMUNITY FOOD SHARE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023

1. ORGANIZATION

Community Food Share ("Organization") is a registered charity under the Canada Not-for-Profit Act incorporated without share capital. Accordingly, the Organization is exempt from income taxes. The primary purpose of the Organization is to help fight hunger in the Dundas and Stormont Counties.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The Organization's significant accounting policies are as follows:

(a) Revenue recognition

The Organization follows the deferral method of accounting for contributions, which includes grants and donations. Externally restricted contributions are recognized as revenues in the year the restriction has been met. Unrestricted contributions are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonable assured.

Revenues from fundraising is recognized in the year during which the event was held.

Grant revenue is recognized in the period in which the related expenses are incurred.

Revenue from membership fees is recognized in the year to which the membership fee relates.

Donations are recognized as revenue when received or receivable, if ultimate collection is reasonably assured.

(b) Property, plant and equipment

Capital assets are expensed in the year of acquisition. During the year the Organization expensed \$869 in equipment (2022 - \$5,332).

(c) 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, liabilities, revenue and expenses and disclosure of contingent assets and liabilities. These estimates are reviewed periodically and adjustments are made to net revenue as appropriate in the year they become known.

(d) Volunteer services

The Organization benefits from the services of many volunteers who have made significant contributions. Since these services are not normally purchased by the Organization, and because of the difficulty of determining their fair value, the value of these services is not reflected in these financial statements.

(continues)

COMMUNITY FOOD SHARE
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2023

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Financial instruments

The Organization's financial instruments consist of cash, short-term investments, accounts payable and accrued liabilities.

Measurement

Financial instruments are recorded at fair value on initial recognition.

Cash, accounts payable and accrued liabilities are subsequently measured at amortized cost.

Short-term investments are subsequently measured at fair value. Changes in fair value are recognized in net revenue.

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of any write-down or subsequent recovery is recognized in net revenue.

(f) Food purchases

Food purchases are recorded as an expense at the date of purchase.

(g) Contributed food

The community contributes food during the year to assist the Organization in carrying out its mandate. Food donations received in kind are recorded at the estimated fair market value at the date the donation is made.

3. FINANCIAL RISKS AND CONCENTRATION OF RISKS

It is management's opinion that the Organization is not exposed to significant market, interest rate, liquidity, credit or currency risks arising from its financial instruments. There have been no changes to the risk exposure from the prior year.

4. SHORT-TERM INVESTMENTS

Short-term investments consist of guaranteed investment certificates with effective interest rates of between 2.75% and 4.55% and come due within the December 31, 2024 fiscal year. The Organization's credit card is secured by the assignment of \$16,500 of the guaranteed investment certificates.

5. INTERNALLY RESTRICTED NET ASSETS

The internally restricted net assets are set aside to cover six months of operating costs and capital purchases of the Organization.

6. RELATED PARTY TRANSACTIONS

No remuneration was paid to Directors and Officers during the year. Management, in addition to salaries, is reimbursed for certain administrative costs. These transactions were in the normal course of operations and were measured at the exchange amount.

During the course of the year, the Organization purchased groceries and other supplies totalling \$13,206 from two businesses owned by members of the Board (2022 - \$7,854 from one business). These transactions were in the normal course of operations and were measured at the exchange amount.