

**COMMUNITY FOOD SHARE  
FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2025**



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**INDEPENDENT AUDITOR'S REPORT**

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To the Members of Community Food Share

*Qualified Opinion*

We have audited the financial statements of Community Food Share (the Organization), which comprise the statement of financial position as at December 31, 2025, and 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 possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2025, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

*Basis for Qualified Opinion*

In common with many charitable organizations, the Organization derives revenue from fundraising and donations, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues 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 contributions, excess of revenues over expenses, current assets and net assets.

Note 2(c) and (d) describes the policy whereby no property, plant and equipment are capitalized, and no amortization is recorded on property, plant, and equipment. In this respect, the financial statements are not in accordance with Canadian accounting standards for not-for-profit organizations which require property, plant and equipment to be capitalized and amortized over their estimated useful lives. Additionally, restricted contributions received for the purpose of purchasing capital assets are recognized as revenue when received or receivable, and are not deferred and recognized over the useful life of the asset. The effect of this deviation from Canadian accounting standards for not-for-profit organizations has not been determined.

Note 2(g) describes the policy whereby purchased and contributed food is expensed on the date received. In this respect, the financial statements are not in accordance with Canadian accounting standards for not-for-profit organizations which that purchased and contributed materials be recorded as inventory and only expensed when distributed. The effect of this deviation from Canadian accounting standards for not-for-profit organizations has not been determined.

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 the Organization in accordance with 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.

*Emphasis of Matter*

We draw attention to Note 7 to the financial statements, which explains that certain comparative information presented for December 31, 2024 has been restated. Our opinion is not modified in respect of this matter.

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Independent Auditor's Report to the Members of Community Food Share (*continued*)

*Other Matter*

As part of our audit of the financial statements for the year ended December 31 2025, we also audited the adjustments that were applied to restate certain comparative information for the year ended December 31, 2024. In our opinion, such adjustments are appropriate and have been properly applied.

Other than with respect to the adjustments that were applied to restate certain comparative information, we were not engaged to report on the comparative information, and as such, it is unaudited.

*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 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.

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 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 judgment 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 the 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.

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Independent Auditor's Report to the Members of Community Food Share (*continued*)

- 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.

*McCay Duff LLP*  
McCay Duff LLP,  
Licensed Public Accountants.

Ottawa, Ontario,  
April 13, 2026

**COMMUNITY FOOD SHARE  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2025**

	2025	2024 <i>Restated</i>
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 132,523	\$ 356,770
Short-term investments <i>(Note 4)</i>	441,058	194,844
Accounts receivable	16,060	16,595
Prepaid expenses	5,642	5,827
	595,283	574,036
<b>LONG-TERM INVESTMENTS <i>(Note 4)</i></b>	7,581	-
	\$ 602,864	\$ 574,036
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 11,249	\$ 15,450
Deferred contributions <i>(Note 6)</i>	19,608	5,321
	30,857	20,771
<b>NET ASSETS</b>		
Unrestricted	392,007	373,265
Internally restricted Operating Fund	120,000	120,000
Internally restricted Capital Fund	60,000	60,000
	572,007	553,265
	\$ 602,864	\$ 574,036

**ON BEHALF OF THE BOARD**

\_\_\_\_\_ *Director*

\_\_\_\_\_ *Director*

**COMMUNITY FOOD SHARE  
STATEMENT OF CHANGES IN NET ASSETS  
YEAR ENDED DECEMBER 31, 2025**

	Unrestricted	Internally Restricted Operating Fund	Internally Restricted Capital Fund	2025	2024 <i>Restated</i>
<b>NET ASSETS - BEGINNING OF YEAR</b>					
As previously reported	\$ 359,556	\$ 120,000	\$ 60,000	\$ 539,556	\$ 530,764
Restatement of prior period error ( <i>Note 8</i> )	13,709	-	-	13,709	-
As restated	373,265	120,000	60,000	553,265	530,764
Net revenue for the year	18,742	-	-	18,742	22,501
<b>NET ASSETS - END OF YEAR</b>					
	\$ 392,007	\$ 120,000	\$ 60,000	\$ 572,007	\$ 553,265

**COMMUNITY FOOD SHARE  
STATEMENT OF OPERATIONS  
YEAR ENDED DECEMBER 31, 2025**

	2025	2024 <i>Restated</i>
<b>REVENUES</b>		
Donations <i>(Note 2)</i>	\$ 622,750	\$ 649,694
Fundraising	34,074	33,386
Interest income	9,646	12,605
Grants	9,043	65,353
Membership fees	620	485
	<u>676,133</u>	<u>761,523</u>
<b>EXPENSES</b>		
Groceries <i>(Note 2)</i>	465,011	512,857
Salaries and wages	130,286	108,705
Office	8,503	14,429
Repairs and maintenance	8,272	54,557
Utilities	8,002	8,592
Insurance	6,000	4,121
Vehicle	5,872	4,486
Telecommunications	5,327	4,976
Professional fees	4,300	4,800
Fundraising	4,185	5,442
Strategic planning and Board training	3,468	1,481
Computer expenses	2,963	3,061
Memberships and licenses	2,524	3,321
Advertising	1,071	5,712
Interest and bank charges	896	801
Program operations	711	1,681
	<u>657,391</u>	<u>739,022</u>
<b>NET REVENUE FOR THE YEAR</b>	<u>\$ 18,742</u>	<u>\$ 22,501</u>

**COMMUNITY FOOD SHARE  
STATEMENT OF CASH FLOWS  
YEAR ENDED DECEMBER 31, 2025**

	2025	2024
<b>OPERATING ACTIVITIES</b>		
Net revenue for the year	\$ 18,742	\$ 22,501
Changes in non-cash working capital:		
Accounts receivable	535	(13,445)
Accounts payable and accrued liabilities	(4,202)	6,440
Deferred contributions	14,287	(140)
Prepaid expenses	185	(1,907)
	<u>10,805</u>	<u>(9,052)</u>
Cash flow from operating activities	<u>29,547</u>	<u>13,449</u>
<b>INVESTING ACTIVITY</b>		
Change in investments	<u>(253,794)</u>	<u>(10,985)</u>
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<b>(224,247)</b>	<b>2,464</b>
Cash - beginning of year	<u>356,770</u>	<u>354,306</u>
<b>CASH - END OF YEAR</b>	<b>\$ 132,523</b>	<b>\$ 356,770</b>

**COMMUNITY FOOD SHARE**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2025**

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**1. PURPOSE OF THE 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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

(a) Financial instruments

Financial instruments are recorded at fair value when acquired or issued. Financial assets and liabilities originated or exchanged in related party transactions, except for those that involve parties whose sole relationship with the Organization is in the capacity of management, are initially measured at cost.

In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

(b) Fund accounting

The Unrestricted Fund is used for the general operations of the Organization, including revenues and expenses related to program delivery and administrative activities.

The Internally restricted capital fund reports the assets, liabilities, revenues, and expenses related to Community Food Share's capital assets and building improvements campaign.

The Internally restricted operating fund represent an allocation set aside by the Board to cover six months of operating costs, restructuring and expanding of the Organization.

(c) Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

(d) Revenue recognition

Community Food Share follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related restrictions are met. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

Revenues from fundraising are recognized in the year during which the event is held, when the amount received can be reasonably estimated and collection is reasonably assured.

Revenue from membership fees is recognized proportionately over the membership period and collection is reasonably assured.

Revenue from interest is recognized as it is earned.

(e) Tangible capital assets

Capital assets are expensed in the year of acquisition and no amortization is recorded on capital assets, which is not in accordance with Canadian accounting standards for non-for-profit organizations. During the year the Organization expensed equipment with a total cost of \$1,400 (2024 - \$53,643).

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**COMMUNITY FOOD SHARE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2025**

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

(f) Volunteer services

The operations of the Organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

(g) Food purchases

Food purchases and contributions are recorded as an expense at the date of purchase and included in groceries expense. This is not in accordance with Canadian accounting standards for not-for-profit organizations.

(h) 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 based on national standards recommended by Food Banks Canada at \$3.64 per pound, which management believes to be a reasonable reflection of fair value. In the current year, \$351,248 (2023 - \$395,989) was recognized and included in donation revenue.

**3. FINANCIAL INSTRUMENTS**

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

**4. INVESTMENTS**

Short-term investments consist of guaranteed investment certificates with effective interest rates of between 2.45% and 2.85% and come due within the December 31, 2026 fiscal year. The Organization's credit card is secured by the assignment of \$16,500 of the guaranteed investment certificates.

Long-term investments consist of a guaranteed investment certificate with effective interest of 2.85%, coming due in January 2027.

**5. DONATIONS**

The Organization receives donations from the community, both in the form of cash and in-kind contributions of food. The sources of these donations are as follows:

	2025	2024
Donated food products	\$ 351,248	\$ 396,895
Individual donations	142,137	111,643
Organization donations	79,557	93,835
Business donations	48,090	43,690
Gift card donations	1,718	3,631
	\$ 622,750	\$ 649,694

**COMMUNITY FOOD SHARE  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2025**

**6. DEFERRED CONTRIBUTIONS**

Deferred contributions are restricted for use towards the applicable expenses for which the funding was received.

	Balance - Beginning of Year	Plus: Amounts Received	Less: Revenue Recognized	Balance - End of Year
Community Garden	\$ 4,534	\$ -	\$ -	\$ 4,534
Training	787	-	-	787
Feed Ontario	-	16,371	2,084	14,287
	\$ 5,321	\$ 16,371	\$ 2,084	\$ 19,608

**7. 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 totaling \$4,694 (2024 - \$5,291) from a business owned by one of the members of the Board. These transactions were in the normal course of operations and were measured at the exchange amount.

**8. PRIOR PERIOD ADJUSTMENT**

The opening net assets as at January 1, 2025 has been restated in the amount of \$13,709 to correct an understatement of accounts receivable for the year ended December 31, 2024. The statement of operations for the 2024 fiscal year have accordingly been restated to correct an understatement of \$13,709 in net revenue.