

LANARK COUNTY FOOD BANK

FINANCIAL STATEMENTS
(Prepared without Audit)

SEPTEMBER 30, 2025

Independent Practitioner's Review Engagement Report

Statement of Financial Position

Statement of Operations

Statement of Changes in Net Assets

Statement of Cash Flows

Notes to the Financial Statements



CHARTERED
PROFESSIONAL
ACCOUNTANTS

KELLY HUIBERS McNEELY

P R O F E S S I O N A L C O R P O R A T I O N

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Directors of Lanark County Food Bank

We have reviewed the accompanying financial statements of Lanark County Food Bank that comprise the statement of financial position as at September 30, 2025 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.

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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 Lanark County Food Bank as at September 30, 2025, 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.

Kelly Huibers McNeely
Professional Corporation

Authorized to practise public accounting by
The Chartered Professional Accountants of Ontario

Carleton Place, Ontario
November 06, 2025

LANARK COUNTY FOOD BANK

STATEMENT OF FINANCIAL POSITION
(Prepared without Audit)

As at September 30, 2025

	2025	2024
ASSETS		
CURRENT ASSETS		
Cash	\$ 1,155,502	\$ 1,083,016
Short-term investments (note 3)	70,410	67,786
HST receivable	7,433	5,884
Prepaid expenses	<u>5,415</u>	<u>5,331</u>
	1,238,760	1,162,017
CAPITAL ASSETS (note 4)	102,282	122,910
	\$ 1,341,042	\$ 1,284,927
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 781	\$ 1,770
Government payables	1,495	1,054
Deferred revenue	<u>14,846</u>	<u>-</u>
	17,122	2,824
DEFERRED CAPITAL CONTRIBUTIONS (note 5)	<u>58,354</u>	<u>73,993</u>
	75,476	76,817
NET ASSETS	1,265,566	1,208,110
	\$ 1,341,042	\$ 1,284,927

Approved by the Board

Approved by the Board

The accompanying notes are an integral part of these financial statements.

LANARK COUNTY FOOD BANK**STATEMENT OF OPERATIONS**
(Prepared without Audit)**For the year ended September 30, 2025**

	2025	2024
REVENUE		
Donated food (gifts-in-kind) (note 7)	\$ 1,021,078	\$ 1,055,556
Donations and fundraising	694,480	587,366
Grants and awards	35,579	43,923
Amortization of deferred capital contributions	15,924	17,227
Interest income	<u>31,457</u>	<u>46,629</u>
	<u>1,798,518</u>	<u>1,750,701</u>
EXPENSES		
Advertising and promotion	2,611	4,516
Amortization	28,543	30,320
Bank charges and interest	5,369	4,624
Distributed food (gifts-in-kind) (note 7)	1,021,078	1,055,556
Fees and licenses	5,583	4,484
Food supplies	489,171	387,595
HST paid	5,231	4,631
Insurance	4,392	4,320
Office expenses	2,106	3,455
Professional fees	7,712	-
Rent and occupancy costs (note 8)	69,529	51,713
Repairs and maintenance	12,487	13,200
Supplies	9,528	3,568
Telephone	2,515	2,144
Vehicle	5,053	3,795
Wages and benefits	<u>70,154</u>	<u>52,906</u>
	1,741,062	1,626,827
EXCESS OF REVENUE OVER EXPENDITURES	\$ 57,456	\$ 123,874

The accompanying notes are an integral part of these financial statements.

LANARK COUNTY FOOD BANK

STATEMENT OF CHANGES IN NET ASSETS
(Prepared without Audit)

For the year ended September 30, 2025

	Unrestricted	Investment in capital assets (note 6)	Total 2025	Total 2024
Balance, beginning of year (note 2)	\$ 1,159,193	\$ 48,917	\$ 1,208,110	\$ 1,084,236
Excess of revenue over expenditures	70,075	(12,619)	57,456	123,874
Net investment in capital assets	(7,630)	7,630	-	-
Balance, end of year	\$ 1,221,638	\$ 43,928	\$ 1,265,566	\$ 1,208,110

The accompanying notes are an integral part of these financial statements.

LANARK COUNTY FOOD BANK

STATEMENT OF CASH FLOWS
(Prepared without Audit)

For the year ended September 30, 2025

	2025	2024
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Excess of revenue over expenditures	\$ 57,456	\$ 123,874
Items not affecting cash:		
Amortization	28,543	30,320
Amortization of deferred capital contributions	(15,924)	(17,227)
Net change in non-cash working capital items:		
HST receivable	(1,549)	(1,901)
Prepaid expenses	(84)	(373)
Accounts payable and accrued liabilities	(989)	(489)
Government payables	441	(49)
Deferred revenue	<u>14,846</u>	<u>(296)</u>
	<u>82,740</u>	<u>133,859</u>
INVESTING ACTIVITIES		
Purchase of capital assets	(7,915)	(29,437)
Net purchase of short-term investments	<u>(2,624)</u>	<u>(3,875)</u>
	<u>(10,539)</u>	<u>(33,312)</u>
FINANCING ACTIVITIES		
Deferred capital contributions received	<u>285</u>	<u>28,499</u>
NET CHANGE IN CASH	72,486	129,046
CASH - BEGINNING OF YEAR	1,083,016	953,970
CASH - END OF YEAR	\$ 1,155,502	\$ 1,083,016

The accompanying notes are an integral part of these financial statements.

LANARK COUNTY FOOD BANK
NOTES TO THE FINANCIAL STATEMENTS
(Prepared without Audit)

September 30, 2025

1. PURPOSE OF THE ORGANIZATION

Lanark County Food Bank ("the Organization") provides safe and nutritional food assistance to persons in need in the communities of Carleton Place, Mississippi Mills, Beckwith, White Lake and Innisville.

The Organization is an unincorporated registered charity that is exempt from income taxes under paragraph 149(1)(f) of the Income Tax Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO). The principal accounting policies of the Organization are summarized as follows:

Revenue Recognition

The Organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year to 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 collection is reasonably assured. Contributions received for the purchase of capital assets are initially deferred and recognized as revenue on the same basis as the related amortization expense.

Donated food is recognized as revenue when distributed since there is no way to determine the value of these perishable items until the date of distribution. The value of donated food is determined based on national standards recommended by Food Banks Canada, which management believes to be a reasonable reflection of fair value (\$3.64 per pound in 2025; \$3.58 per pound in 2024).

Interest income is recognized when earned.

Short-term Investments

Investments are accounted for at cost plus accrued interest, which approximates fair market value.

LANARK COUNTY FOOD BANK

NOTES TO THE FINANCIAL STATEMENTS (Prepared without Audit)

September 30, 2025

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contributed Services

Volunteers contribute many hours each year to assist the Organization in carrying out its service delivery activities. Due to the difficulty in determining the fair market value, contributed services by volunteers are not recognized in the financial statements.

Food Purchases and Inventory

Food purchases are recorded as an expense at the date of purchase. Food items on hand at year-end are not recorded as inventory.

Capital Assets

Purchased capital assets are stated at cost. Amortization on current purchases is provided at half-rate. When capital assets are disposed of, the related profit or loss is included in current operations. Amortization is provided using the declining balance method at the following annual rates:

Refrigeration equipment	-	20%
Garden equipment	-	20%
Vehicle	-	30%
Leasehold improvements	-	10 years

Accounting 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 and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

LANARK COUNTY FOOD BANK

NOTES TO THE FINANCIAL STATEMENTS (Prepared without Audit)

September 30, 2025

3. SHORT-TERM INVESTMENTS

Short-term investments consist of non-redeemable guaranteed investment certificates earning interest at 2.70% and 2.85%, maturing between December 2025 and September 2026 respectively.

4. CAPITAL ASSETS

			2025	2024
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Refrigeration equipment	\$ 145,183	\$ 74,852	\$ 70,331	\$ 79,009
Garden equipment	12,390	7,822	4,568	5,710
Vehicle	42,260	33,635	8,625	12,322
Leasehold improvements	49,394	30,636	18,758	25,869
	\$ 249,227	\$ 146,945	\$ 102,282	\$ 122,910

5. DEFERRED CAPITAL CONTRIBUTIONS

	2025	2024
Balance, beginning of year	\$ 73,993	\$ 62,721
Add: Contributions received	285	28,499
Less: Amortized as revenue	(15,924)	(17,227)
	\$ 58,354	\$ 73,993

6. INVESTMENT IN CAPITAL ASSETS

The investment in capital assets is as follows:

	2025	2024
Capital assets	\$ 102,282	\$ 122,910
Deferred capital contributions	(58,354)	(73,993)
	\$ 43,928	\$ 48,917

LANARK COUNTY FOOD BANK

NOTES TO THE FINANCIAL STATEMENTS (Prepared without Audit)

September 30, 2025

6. INVESTMENT IN CAPITAL ASSETS (continued)

The change in investment in capital assets is as follows:

	2025	2024
Purchase of capital assets	\$ 7,915	\$ 29,437
Deferred capital contributions received	<u>(285)</u>	<u>(28,499)</u>
Net investment in capital assets	7,630	938
Amortization of deferred capital contributions	15,924	17,227
Amortization of capital assets	<u>(28,543)</u>	<u>(30,320)</u>
Excess of expenditures over revenue	(12,619)	(13,093)
	<u>\$ (4,989)</u>	<u>\$ (12,155)</u>

7. DONATED FOOD

Management has estimated that in 2025 approximately 280,516 pounds (2024 - 294,848 pounds) of food was received and distributed.

8. COMMITMENTS

Lanark County Food Bank leases the location from where it operates. The Organization is committed to monthly base rent of \$4,879 per month until March 2027, and then \$5,692 per month until March 2030. The Organization is also committed to pay its share of the common occupancy costs. The total annual lease commitment for the next five years is approximately as follows:

2026	-	\$ 87,800
2027	-	92,700
2028	-	97,500
2029	-	97,500
2030	-	48,700

LANARK COUNTY FOOD BANK

NOTES TO THE FINANCIAL STATEMENTS (Prepared without Audit)

September 30, 2025

9. FINANCIAL INSTRUMENTS

The Organization's financial instruments consist of cash, short-term investments, accounts receivable, and accounts payable and accrued liabilities. It is Management's opinion that the fair value of these instruments is not materially different than their cost and that the Organization is not exposed to significant credit, interest rate, liquidity or currency risk.