

CAMBRIDGE SELF-HELP FOOD BANK INC.

**FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2025**



**MARCH 31, 2025
CONTENTS**

	Page
Independent Auditors' Report	1 - 2
Financial Statements	
Statement of Operations and Fund Balances	3
Statement of Financial Position	4
Statement of Cash Flows	5
Explanatory Financial Notes	6 - 9

INDEPENDENT AUDITORS' REPORT

To the Members of
Cambridge Self-Help Food Bank Inc.

Qualified Opinion

We have audited the accompanying financial statements of **Cambridge Self-Help Food Bank Inc.** (the Organization), which comprise the statement of financial position as at March 31, 2025, and the statements of operations and fund balances 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 section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2025, and its financial performance 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 charitable organizations, the Organization derives revenue from fundraising and donations, the completeness of which is not susceptible to satisfactory audit verification. In addition, the organization reports in-kind food donations as both revenue and an expenditure, the completeness and accuracy of which is not susceptible to satisfactory audit verification. Accordingly, our verification of revenue and expenditure from these sources was limited to accounting for the amounts recorded in the records of the Organization and we were not able to determine whether any adjustments might be necessary to revenue, expenditure, net results of operations and fund balances.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organization 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 opinion.

Responsibilities of Management and Those Charged with Governance 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.

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 the Board of Directors 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.

Auditors' 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 auditors' 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.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

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 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.
- 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 auditors' 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 auditors' 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.

A handwritten signature in black ink that reads "Graham Mathew Professional Corporation". The signature is written in a cursive, flowing style.

Cambridge, Ontario
June 23, 2025

Chartered Professional Accountants, authorized to practise public
accounting by the Chartered Professional Accountants of Ontario



STATEMENT OF OPERATIONS AND FUND BALANCES
YEAR ENDED MARCH 31, 2025

	Operating Fund \$	Bingo Fund \$	Contingency Reserve Fund \$	2025 Total \$	2024 Total \$
Revenue					
Lottery		39,348		39,348	32,137
Grants	347,797			347,797	327,902
United Way grants	60,000			60,000	40,000
United Way - donor designations	4,310			4,310	28,451
Region of Waterloo	395,914			395,914	212,650
Mobile Food Market	175,515			175,515	140,247
Fundraising and other income	166,274			166,274	177,167
Unrestricted donations	1,809,320			1,809,320	1,711,027
Designated donations (note 9)	60,390			60,390	40,999
Interest income	175,761			175,761	122,408
	3,195,281	39,348		3,234,629	2,832,988
In-kind food donations (note 2b)	4,313,510			4,313,510	3,778,442
	7,508,791	39,348	NIL	7,548,139	6,611,430
Expenditure					
Salaries and benefits	1,297,612			1,297,612	1,084,871
Advertising & marketing	56,667			56,667	91,886
Office supplies and computer	33,976			33,976	42,912
Program costs	64,019			64,019	47,434
Professional fees	31,972			31,972	24,882
Fundraising	29,088			29,088	22,625
Food purchases	438,027			438,027	291,322
Insurance	13,609			13,609	11,584
Vehicle and travel	16,482	46,630		63,112	44,823
Occupancy costs (note 8)	57,681			57,681	62,030
Bank charges and interest	37,478	312		37,790	31,048
Amortization	88,571			88,571	46,291
	2,165,182	46,942		2,212,124	1,801,708
In-kind food donations (note 2b)	4,313,510			4,313,510	3,778,442
	6,478,692	46,942		6,525,634	5,580,150
Net results of operations	1,030,099 (7,594)	NIL	1,022,505	1,031,280
Interfund transfer (note 5)	(1,000,000)		1,000,000		
	30,099 (7,594)	1,000,000	1,022,505	1,031,280
Fund balance, beginning of year	465,378	17,497	4,000,000	4,482,875	3,451,595
Fund balance, end of year	495,477	9,903	5,000,000	5,505,380	4,482,875

The explanatory financial notes form an integral part of these financial statements.



**STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2025**

	Operating Fund \$	Bingo Fund \$	Contingency Reserve Fund \$	2025 Total \$	2024 Total \$
ASSETS					
Cash and term deposits (note 7)	503,187	13,310	5,000,000	5,516,497	4,591,555
Accounts receivable	155,648	2,304		157,952	43,905
Prepaid expenses	32,434			32,434	59,689
Current assets	691,269	15,614	5,000,000	5,706,883	4,695,149
Capital assets (note 3)	395,774			395,774	165,546
	1,087,043	15,614	5,000,000	6,102,657	4,860,695
LIABILITIES					
Accounts payable (note 4)	86,775	5,711		92,486	113,579
Deferred revenue	137,605			137,605	172,376
Deferred contributions related to capital assets (note 9)	73,418			73,418	21,246
Current liabilities	297,798	5,711	NIL	303,509	307,201
Deferred contributions related to capital assets (note 9)	293,768			293,768	70,619
	591,566	5,711	NIL	597,277	377,820
FUND BALANCES					
Fund balances	495,477	9,903	5,000,000	5,505,380	4,482,875
	1,087,043	15,614	5,000,000	6,102,657	4,860,695

APPROVED ON BEHALF OF THE BOARD:

Director

Director

The explanatory financial notes form an integral part of these financial statements.



STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31, 2025

	2025 \$	2024 \$
Cash flows from operating activities:		
Net results of operations	1,022,505	1,031,280
Item not involving cash:		
Amortization	88,571	46,291
	1,111,076	1,077,571
Net change in non-cash working capital balances related to operations:		
Accounts receivable	(114,047)	(20,303)
Prepaid expenses	27,255	(18,282)
Accounts payable	(21,097)	39,210
Deferred revenue	(34,771)	(111,646)
Deferred contributions related to capital assets	275,321	51,327
	1,243,737	1,017,877
Cash flows from investment activities:		
Net additions to capital assets	(318,795)	(60,864)
Net increase in cash	924,942	957,013
Cash position, beginning of year	4,591,555	3,634,542
Cash position, end of year	5,516,497	4,591,555



EXPLANATORY FINANCIAL NOTES

YEAR ENDED MARCH 31, 2025

1. Nature of Business

The Cambridge Self-Help Food Bank Inc. is a charitable organization that helps to improve the quality of life for low income residents of Cambridge and North Dumfries by providing supplementary food and other assistance and support programs.

The Organization was incorporated as a non-profit organization without share capital under the Corporations Act of Ontario by letters patent dated October 6, 1987.

As Cambridge Self-Help Food Bank Inc. is a registered charity under the Income Tax Act, its income is not taxable and it is eligible to issue official income tax receipts for charitable donations.

2. Summary of Significant Accounting Policies

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

(a) Fund accounting

To ensure observation of restrictions placed on the use of resources available to Cambridge Self-Help Food Bank Inc., the accounts are maintained in accordance with the principles of fund accounting. The resources are classified for accounting and reporting purposes into the following funds which have been established according to their nature and purpose:

The **Operating Fund**, accounts for all of the Organization's program delivery and administrative activities.

The **Bingo Fund**, represents monies received by the Organization as a result of being granted operating licences by The Corporation of the City of Cambridge. These monies are used to fund activities of the Organization that are approved under the licence.

The **Contingency Reserve Fund**, is an internally restricted fund separated into two components. The general contingency is intended to provide operating flexibility in the event of reduced operating revenues or food donations. The capital expansion fund is intended to finance future capital requirements. These amounts are not available for unrestricted purposes without approval of the Board of Directors.

(b) Revenue recognition

Contributions are recorded using the deferral method under which 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 collection is reasonably assured.

As is the policy for many food banks across Canada, The Organization recognizes the dollar value of in-kind food donations from industry, businesses, and the public. Donations of food received in the current year totaled 1,204,891 pounds (1,073,421 in prior year). These donations of food have been valued, based on annual standards recommended by Food Banks Canada, at \$3.58 per pound (\$3.52 per pound in the prior year), which management believes to be a reasonable reflection of fair value. This dollar value of in-kind food donations is reflected as both revenue and an expenditure on the Statement of Operations and Fund Balances.



EXPLANATORY FINANCIAL NOTES
YEAR ENDED MARCH 31, 2025

2. Summary of Significant Accounting Policies (Continued)

(c) Amortization of capital assets

The Organization amortizes capital assets using the following methods and annual rates which will amortize the assets over their estimated useful lives:

Vehicles	30%	Declining balance
Computer equipment	30%	Declining balance
Leasehold improvements		Over term of lease
Furniture and equipment	20%	Declining balance

(d) Financial instruments

All financial assets and liabilities are recorded at amortized cost less any discovered impairment.

(e) Use of estimates

The preparation of these financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount 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 current period. These estimates are reviewed periodically and adjustments are made to income as appropriate in the year they become known.

	2025 \$	2024 \$
3. Capital Assets		
Cost		
Vehicles	574,722	286,694
Computer equipment	65,448	52,021
Leasehold improvements	50,119	50,119
Furniture and equipment	152,770	135,426
	843,059	524,260
Accumulated amortization		
Vehicles	256,649	183,952
Computer equipment	51,586	48,523
Leasehold improvements	32,743	29,380
Furniture and equipment	106,307	96,859
	447,285	358,714
Net Book Value	395,774	165,546



EXPLANATORY FINANCIAL NOTES

YEAR ENDED MARCH 31, 2025

4. Accounts Payable

There were no amounts payable with respect to government remittances as of the year end date.

5. Interfund Transfers

A net amount of \$1,000,000 (\$1,000,000 in 2024) was transferred from the Operating Fund to the Contingency Reserve Fund, in order to fund future food purchases, capital expansion and other programs. These internally restricted amounts are not available for any other purpose without approval of the Board of Directors.

6. Contingency Reserve Fund

During the fiscal year 1990, the Board of Directors passed a resolution to establish a "reserve for contingencies".

Transfers of funds between the operating fund and the reserve fund, if any, must be approved by the Board of Directors. Funds held in the reserve are for the following purposes:

	2025 \$	2024 \$
General Contingency	550,000	550,000
Capital Expansion Fund	4,450,000	3,450,000
	5,000,000	4,000,000

7. Cash and Term Deposits

The Organization held term deposits in the amount of \$4,600,000 at March 31, 2025, bearing interest at rates between 3.45% and 5.2% with a maturity dates between April 2025 and January 2026.

8. Leases

The Organization leases the premises at 54 Ainslie St. South from The Corporation of the City of Cambridge at an annual lease rate of \$100. The lease expires on May 31, 2030.



EXPLANATORY FINANCIAL NOTES
YEAR ENDED MARCH 31, 2025

9. Deferred Contributions Related to Capital Assets

The Organization has received grants and donations from various charitable organizations and individuals to assist with the purchase of capital assets. These amounts are being amortized into income over the useful life of the respective capital asset.

	2025 \$	2024 \$
Balance, beginning of year	91,865	40,538
Contributions received during the year	330,301	67,000
Amounts recognized as revenue during the year	(54,980)	(15,673)
Balance, end of year	367,186	91,865
Less: Current portion	73,418	21,246
Balance, end of year	293,768	70,619

10. Financial Instruments

The entity is exposed to various risks through its financial instruments. The following analysis provides a measure of the entity's risk exposure and concentrations at the year end date.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The entity is exposed to this risk mainly in respect of its accounts payable. This risk is mitigated by amounts invested in term deposits.

Credit risk

The entity is exposed to credit risk with respect to accounts receivable. The entity continually assesses amounts receivable on the basis of amounts it is virtually certain to receive based on estimated realizable value.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The entity is mainly exposed to interest rate risk.

Interest rate risk

The entity is exposed to interest rate risk on its fixed rate financial instruments, which subject the entity to a fair value risk. The entity is exposed to this type of risk as a result of investments in term deposits, however, the risk is considered minimal.

11. Comparative Figures

Comparative figures have, in some instances, been reclassified in order to present them in a form comparable to those for the current year.