

## INDEPENDENT AUDITORS' REPORT

To the Directors of  
Hagersville Food Bank

### Qualified Opinion

We have audited the financial statements of Hagersville Food Bank (the 'Entity'), which comprise the statement of financial position as at December 31, 2024, and the statements operations and of changes in net assets, 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 Entity as at December 31, 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 Entity derives revenue from donations and fundraising, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Entity. Therefore, we were not able to determine whether any adjustments might be necessary to donation and fundraising revenue, excess of revenues over expenses, and cash flows from operations for the year ended December 31, 2024 and December 31, 2023, current assets as at December 31, 2024 and December 31, 2023 and net assets as at January 1 and December 31 for the December 31, 2024 and December 31, 2023 year ends. Our audit opinion on the financial statements for the year ended December 31, 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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Entity 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 Entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

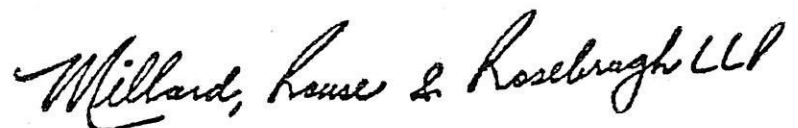
Those charged with governance are responsible for overseeing the Entity's financial reporting process.

### **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. 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 Entity'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 Entity'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 Entity 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.



February 26, 2025  
Hagersville, Ontario

CHARTERED PROFESSIONAL ACCOUNTANTS  
Licensed Public Accountants



# HAGERSVILLE FOOD BANK

## STATEMENT OF FINANCIAL POSITION

As at December 31	2024	2023
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	195,340	164,763
Short term investments (Note 3)	356,002	874,074
Accounts receivable	21,329	23,514
Prepaid expenses	4,195	6,949
	576,866	1,069,300
<b>Property, Plant and Equipment</b> (Note 5)	12,826	16,061
<b>Invested Credit Union Shares</b> (Note 4)	1,199	1,002
<b>Long Term Investments</b> (Note 3)	532,006	-
	1,122,897	1,086,363
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued liabilities	3,242	1,346
<b>NET ASSETS</b>		
Net assets, at the end of the year	1,119,655	1,085,017
	1,122,897	1,086,363

See accompanying notes

# HAGERSVILLE FOOD BANK

## STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

For the year ended December 31	2024	2023
<b>Revenue</b>		
Donations and fundraising	202,589	108,778
Catch the Ace donations	-	869,261
Gift in kind donations	241,664	174,965
Interest and other revenue	47,200	29,174
	491,453	1,182,178
<b>Expenses</b>		
Advertising	1,551	2,089
Amortization	3,235	3,557
Bank charges	43	16
Charitable donations	31,367	159,500
Freight and packaging	253	463
Insurance	2,953	2,427
Repairs and maintenance	265	132
Office supplies and postage	7,988	9,584
Professional fees	8,868	10,970
Program purchases	128,788	140,340
Program expenses - gift in kind	231,821	168,800
Rent	6,800	4,800
Telecommunication	1,659	937
Training costs	-	507
Travel expenses	576	285
Wages and benefits	30,648	7,659
	456,815	512,066
<b>Excess of Revenue over Expenses</b>	34,638	670,112
<b>Net Assets - Beginning of Year</b>	1,085,017	414,905
<b>Net Assets - End of Year</b>	1,119,655	1,085,017

See accompanying notes

# HAGERSVILLE FOOD BANK

## STATEMENT OF CASH FLOWS

For the year ended December 31	2024	2023
<b>Cash Flows From Operating Activities</b>		
Excess of revenue over expenses	34,638	670,112
Charges (credits) to income not involving cash		
Amortization	3,235	3,557
	37,873	673,669
Net change in non-cash working capital balances related to operations:		
Short term investments	518,072	(623,262)
Accounts receivables	2,185	(18,271)
Prepaid expenses	2,754	(1,387)
Accounts payable and accrued liabilities	1,896	(14)
	562,780	30,735
<b>Cash Flows From Investing Activities</b>		
Purchase of property, plant and equipment	-	(4,162)
Purchase of long term investments and invested in Credit Union Shares	(532,203)	(319)
	(532,203)	(4,481)
<b>Net Increase in Cash and Cash Equivalents</b>	30,577	26,254
<b>Opening Cash and Cash Equivalents</b>	164,763	138,509
<b>Closing Cash and Cash Equivalents</b>	195,340	164,763

See accompanying notes