

Regina & District Food Bank Inc.

Financial Statements

March 31, 2025

Management's Responsibility for Financial Statements

The accompanying non-consolidated financial statements of **Regina & District Food Bank Inc.** have been prepared by the Organization's management in accordance with Canadian accounting standards for not-for-profit organizations and necessarily include some amounts based on informed judgement and management estimates.

To assist management in fulfilling its responsibilities, a system of internal controls has been established to provide reasonable assurance that the financial statements are accurate and reliable and that assets are safeguarded.

The board of directors has reviewed and approved these financial statements.

These financial statements have been examined by the independent auditors, **Virtus Group LLP**, and their report is presented separately.

Shauna Flawan

Chair, Board of Directors

John Bailey

Chief Executive Officer



INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors,
Regina & District Food Bank Inc.**

Qualified Opinion

We have audited the financial statements of **Regina & District Food Bank Inc.**, which comprise the statement of financial position as at **March 31, 2025**, and the statements of operations, changes in fund balances and cash flows for the year then ended, 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 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 Organization derives a significant portion of its revenue in the form of donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Organization and we are not able to determine whether any adjustments might be necessary to assets, liabilities, revenues or net assets.

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 the ethical requirements that are relevant to our audit of the financial statements in Saskatchewan, 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 opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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.

INDEPENDENT AUDITORS' REPORT (continued)

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.
- 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.

June 19, 2025
Regina, Saskatchewan

VIRTUS GROUP LLP
Chartered Professional Accountants

Regina & District Food Bank Inc.
Statement of Financial Position
As at March 31, 2025
(with comparative figures as at March 31, 2024)

	<u>Assets</u>			
	CSV Fund	Food Bank Fund	Total 2025	Total 2024
Current Assets				
Cash and cash equivalents (Note 3)	\$ -	\$ 3,471,680	\$ 3,471,680	\$ 3,340,448
Investments (Note 4)	-	1,533	1,533	1,533
Accounts receivable	26,743	76,655	103,398	347,903
Deposits and prepaid expenses	-	34,467	34,467	27,548
	26,743	3,584,335	3,611,078	3,717,432
Tangible capital assets (Note 5)	5,710,814	-	5,710,814	5,113,697
	<u>\$ 5,737,557</u>	<u>\$ 3,584,335</u>	<u>\$ 9,321,892</u>	<u>\$ 8,831,129</u>
	<u>Liabilities and Fund Balances</u>			
Current Liabilities				
Accounts payable and accrued liabilities	\$ 182,344	\$ 240,941	\$ 423,285	\$ 1,030,674
Deferred revenue	1,200	-	1,200	34,704
Current portion of long term debt (Note 7)	25,000	-	25,000	25,000
Current portion of deferred capital contributions (Note 8)	318,427	-	318,427	335,306
	526,971	240,941	767,912	1,425,684
Long term debt (Note 7)	130,000	-	130,000	155,000
Deferred capital contributions (Note 8)	1,983,004	-	1,983,004	1,386,191
	<u>2,639,975</u>	<u>240,941</u>	<u>2,880,916</u>	<u>2,966,875</u>
Fund Balances				
Capital reserve fund (Note 9)	1,425,600	-	1,425,600	105,000
Sustaining reserve fund (Note 9)	-	1,750,000	1,750,000	1,500,000
Investment in tangible capital assets	3,254,383	-	3,254,383	3,212,200
Unrestricted surplus	(1,582,401)	1,593,394	10,993	1,047,054
	3,097,582	3,343,394	6,440,976	5,864,254
	<u>\$ 5,737,557</u>	<u>\$ 3,584,335</u>	<u>\$ 9,321,892</u>	<u>\$ 8,831,129</u>

See accompanying notes to the financial statements.

Approved on behalf of the board:

Regina & District Food Bank Inc.
Statement of Changes in Fund Balances
For the Year Ended March 31, 2025
(with comparative figures for the year ended March 31, 2024)

	CSV Fund	Food Bank Fund	Total 2025	Total 2024
Balance - beginning of year	\$ (567,713)	\$ 6,431,967	\$ 5,864,254	\$ 5,986,415
Excess (deficiency) of revenue over expenses	(119,575)	696,297	576,722	(122,161)
Purchase of tangible capital assets	1,344,857	(1,344,857)	-	-
Interfund transfers	2,440,013	(2,440,013)	-	-
Balance - end of year	<u>\$ 3,097,582</u>	<u>\$ 3,343,394</u>	<u>\$ 6,440,976</u>	<u>\$ 5,864,254</u>

See accompanying notes to the financial statements.

Regina & District Food Bank Inc.
Statement of Operations
For the Year Ended March 31, 2025
(with comparative figures for the year ended March 31, 2024)

	CSV Fund	Food Bank Fund	Total 2025	Total 2024
Revenue				
Donations and fundraising	\$ -	\$ 4,081,141	\$ 4,081,141	\$ 3,118,901
Rent and facilities fees	726,465	-	726,465	872,255
Grants and programs	-	218,406	218,406	159,090
Ancillary revenue	-	100,781	100,781	217,627
	726,465	4,400,328	5,126,793	4,367,873
Expenses				
Food distribution	-	283,690	283,690	248,805
Food purchases	-	485,769	485,769	799,295
Fundraising	-	151,936	151,936	190,505
General and administration	-	978,115	978,115	817,319
Occupancy costs	468,366	70,393	538,759	625,633
Wages and benefits	-	1,734,128	1,734,128	1,554,146
	468,366	3,704,031	4,172,397	4,235,703
Excess (deficiency) of revenue over expenses before the following:	258,099	696,297	954,396	132,170
Other revenue (expense)				
Amortization of deferred contributions (Note 8)	370,066	-	370,066	362,057
Amortization of tangible capital assets	(747,740)	-	(747,740)	(616,388)
	(377,674)	-	(377,674)	(254,331)
Excess (deficiency) of revenue over expenses	\$ (119,575)	\$ 696,297	\$ 576,722	\$ (122,161)

See accompanying notes to the financial statements.

Regina & District Food Bank Inc.
Statement of Cash Flows
For the Year Ended March 31, 2025
(with comparative figures for the year ended March 31, 2024)

	2025	2024
Cash provided by (used in) operating activities:		
Excess (deficiency) of revenue over expenses	\$ 576,722	\$ (122,161)
Non cash items:		
Amortization of tangible capital assets	747,740	616,388
Non-cash operating working capital (Note 11)	(403,307)	217,710
	<u>921,155</u>	<u>711,937</u>
Cash provided by (used in) investing activities:		
Net change in investments	-	1,083,135
Net purchase of tangible capital asset	(1,344,857)	(2,259,644)
	<u>(1,344,857)</u>	<u>(1,176,509)</u>
Cash provided by (used in) financing activities:		
Repayment of long-term debt	(25,000)	(10,000)
Change in deferred contributions	579,934	711,653
	<u>554,934</u>	<u>701,653</u>
Increase in cash	131,232	237,081
Cash and cash equivalents - beginning of year	<u>3,340,448</u>	<u>3,103,367</u>
Cash and cash equivalents - end of year	<u><u>\$ 3,471,680</u></u>	<u><u>\$ 3,340,448</u></u>

See accompanying notes to the financial statements.

Regina & District Food Bank Inc.
Notes to the Financial Statements
For the Year Ended March 31, 2025
(with comparative figures for the year ended March 31, 2024)

1. General

Regina & District Food Bank Inc. (the "Organization") was continued under *The Non-Profit Corporations Act, 2022* of Saskatchewan. The mission of the Organization is to serve the most vulnerable in our community by providing programs and services directly and through partnerships in the areas of food provision, essential skills development and connections to community supports and opportunities. The Organization envisions individuals and community working together to address hunger and sustain independence.

The Organization is a registered charity, and as such, no income taxes are payable pursuant to Paragraph 149(1)(f) of the *Income Tax Act*.

2. Summary of significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. The financial statements required management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known. The financial statements reflect the following accounting policies:

Fund accounting

The Organization follows the restricted fund method of accounting for contributions.

The Food Bank Fund accounts for the Organization's program delivery and administrative activities. This fund reports unrestricted resources and any restricted operating grants.

The Community Services Village Fund reports the property rental activities related to the excess space at the Organization's facility and the Broad Street location.

Financial instruments - recognition and measurement

Financial assets and financial liabilities are recorded on the statement of financial position when the Organization becomes party to the contractual provisions of the financial instrument. All financial instruments are required to be recognized at fair value upon initial recognition, except for certain related party transactions. Measurement in subsequent periods of equity instruments is at fair value. All other financial instruments are subsequently measured at amortized cost adjusted by transaction costs, which are amortized over the expected life of the instrument.

Fair value is the amount at which a financial instrument could be exchanged at arm's length between willing, unrelated parties in an open market. Changes in fair value of financial instruments measured at fair value are recognized in the excess of revenues over expenses. When impairment has occurred the carrying amount is reduced and such write downs may subsequently be reversed if conditions change.

The Organization's recognized financial instruments consist of cash, cash equivalents, investments, accounts receivable, accounts payable, accrued liabilities and long term debt. The fair value of the items approximate cost given their short term nature and terms of the long term debt.

REGINA & DISTRICT FOOD BANK INC.
Notes to the Financial Statements
For the Year Ended March 31, 2025
(with comparative figures for the year ended March 31, 2024)

2. Summary of significant accounting policies (continued)

Tangible capital assets

Tangible capital assets are recorded at cost less accumulated amortization. Amortization is provided on the following basis over the estimated useful life of the assets at the following annual rates:

Buildings	25 years straight line
Computer equipment	30% declining balance
Equipment	20% declining balance
Vehicles	30% declining balance

In the year of acquisition, amortization is provided at half of the annual rate.

Previous to 2022, the Organization amortized the buildings at 5% on a declining balance basis. In 2022, the Organization re-assessed the remaining useful life of the Winnipeg Street building and changed to amortization method to be straight line over a five year period to better reflect the condition of the building.

Building improvements on the Winnipeg Street facility are amortized over a period of five years from the date of purchase.

Revenue recognition

The Organization follows the deferral method of accounting for contributions. Restricted contributions are recognized in the appropriate fund as revenue when the funds are received. Restricted contributions for which a designated fund does not exist are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Donations are recognized as they are received.

Rental income is recognized on a straight line basis over the term of the lease or as space is provided to tenants. Contributions for tangible capital assets are deferred and recognized into revenue on the same basis as the asset is amortized. Interest income is recognized as it is earned. Ancillary revenues are recognized in the period that the goods or services are provided.

Donated goods and services

The Organization relies on volunteer time and donated goods and services to achieve its mission. Because of the difficulty in determining the fair values, volunteer time and donated goods and services are not reported in the financial statements.

3. Cash and cash equivalents

	2025	2024
Cash	\$ 3,379,782	\$ 3,299,797
Gift cards	15,717	29,313
Merchandise credits	76,181	11,338
Total	<u>\$ 3,471,680</u>	<u>\$ 3,340,448</u>

REGINA & DISTRICT FOOD BANK INC.

Notes to the Financial Statements

For the Year Ended March 31, 2025

(with comparative figures for the year ended March 31, 2024)

4. Investments

	2025	2024
Co-operative member equity	\$ 1,533	\$ 1,533
Total	\$ 1,533	\$ 1,533

5. Tangible capital assets

	2025		2024	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	\$ 453,122	\$ -	\$ 453,122	\$ 453,122
Buildings	8,228,737	3,480,203	4,748,534	4,134,257
Computer equipment	164,884	154,707	10,177	10,859
Machinery and equipment	1,219,291	927,203	292,088	300,810
Vehicles	683,942	477,049	206,893	214,649
	\$ 10,749,976	\$ 5,039,162	\$ 5,710,814	\$ 5,113,697

6. Credit facilities

The Organization has an approved operating line of credit of \$150,000. The line of credit bears interest at prime plus 1.83% and is secured by a general security agreement. At March 31, 2025, \$nil was drawn (2024 - \$nil). The Organization has a total of \$50,000 authorized credit limit on its credit cards.

7. Long-term debt

	2025	2024
Mortgage loan bearing interest at 0% per annum, repayable in annual principal payments of varying amounts. The loan matures on March 1, 2029 and is secured by land and building located at 1881 Broad Street, Regina, Saskatchewan, with a carrying value of \$3,370,497.	\$ 155,000	\$ 180,000
Less: current portion	(25,000)	(25,000)
Total	\$ 130,000	\$ 155,000

REGINA & DISTRICT FOOD BANK INC.
Notes to the Financial Statements
For the Year Ended March 31, 2025
(with comparative figures for the year ended March 31, 2024)

8. Deferred capital contributions

Deferred capital contributions related to tangible capital assets represent the unamortized portion of externally restricted contributions used to purchase tangible capital assets. The change in the balance for the year is as follows:

	2025	2024
Balance - beginning of year	\$ 1,721,497	\$ 1,009,844
Contributions during the year	950,000	1,073,710
Amounts amortized to revenue	(370,066)	(362,057)
Balance - end of year	2,301,431	1,721,497
Less current portion	(318,427)	(335,306)
Long term portion	<u>\$ 1,983,004</u>	<u>\$ 1,386,191</u>

9. Internally restricted reserves

In 2023, the Board of Directors transferred funds from operating reserves to a capital reserve fund within the Community Services Village Fund. The purpose of the capital reserve fund is to fund future capital projects at the Winnipeg Street building. In 2025, \$248,759 of the reserve was spent and an additional \$1,569,359 was transferred into the fund.

In 2023, the Board of Directors transferred \$1,500,000 from the operating reserves to a restricted sustaining reserve fund within the Food Bank Fund. The purpose of the restricted reserve fund is to earn investment income that can be used to fund the Organization's activities. In 2025 an additional \$250,000 was added to this fund.

10. Food donations

The approximate value attributed to food donations has not been recorded in the financial statements and has not been audited. Management has estimated the value attributed to food donations based on weight measurements and priced at \$7.89 per kilogram (2024 - \$7.76) as determined by Food Banks Canada. Donation weights for the year ended March 31, 2025, were 1,725,147 kg or \$13,611,340 (2024 - 1,476,258 kg or \$11,455,763).

11. Non-cash operating working capital

Details of net change in each element of working capital related to operations excluding cash are as follows:

	2025	2024
(Increase) decrease in current assets:		
Accounts receivable	\$ 244,505	\$ (170,323)
Deposits and prepaid expenses	(6,919)	5,941
	<u>237,586</u>	<u>(164,382)</u>
Increase (decrease) in current liabilities:		
Accounts payable and accrued liabilities	(607,389)	478,728
Deferred revenue	(33,504)	(96,636)
	<u>(640,893)</u>	<u>382,092</u>
	<u>\$ (403,307)</u>	<u>\$ 217,710</u>

REGINA & DISTRICT FOOD BANK INC.
Notes to the Financial Statements
For the Year Ended March 31, 2025
(with comparative figures for the year ended March 31, 2024)

12. Contingency

Petroleum contamination of soil around the Winnipeg Street property is known to exist. Management has determined that such contamination will not be a detriment to the use of the property for the Organization. In the event that the contaminated areas are put to other uses, further environmental assessments and determinations of possible costs will be required.

13. Commitments

The Organization has commitments for services over the next two years as follows:

2026	\$	287,700
2027	\$	150,700

14. Financial risk management

The Organization has a risk management framework to monitor, evaluate and manage the principal risks assumed with financial instruments. The significant risks to which the Organization is exposed are:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Organization is exposed to credit risk on the accounts receivable from its customers and supporters, however, does not have a significant exposure to any individual party. The Organization performs regular reviews of its receivables for collectability. The allowance at year end was \$nil (2024 - \$nil) and bad debt expense has been insignificant over the last three years.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Organization's exposure to liquidity risk is dependent on the receipt of funds from its operations and other related sources. Funds from these sources are primarily used to finance working capital and capital expenditure requirements and are considered adequate to meet the Organization's financial obligations.

CERTIFICATE *of* SIGNATURE

REF. NUMBER
XOHVN-3Q6VD-KU87R-6BUPK

DOCUMENT COMPLETED BY ALL PARTIES ON
14 JUL 2025 17:26:41 UTC

SIGNER

JOHN BAILEY

EMAIL
JBAILEY@REGINAFOODBANK.CA

TIMESTAMP

SENT
02 JUL 2025 16:07:01 UTC
VIEWED
02 JUL 2025 16:54:23 UTC
SIGNED
02 JUL 2025 16:54:35 UTC

SIGNATURE



IP ADDRESS
65.87.229.50

LOCATION
REGINA, CANADA

RECIPIENT VERIFICATION

EMAIL VERIFIED
02 JUL 2025 16:54:23 UTC

SHAUNA FLAMAN

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SHAUNA.FLAMAN@FCC-FAC.CA

SENT
02 JUL 2025 16:07:01 UTC
VIEWED
14 JUL 2025 17:26:25 UTC
SIGNED
14 JUL 2025 17:26:41 UTC



IP ADDRESS
207.47.202.2

LOCATION
REGINA, CANADA

RECIPIENT VERIFICATION

EMAIL VERIFIED
14 JUL 2025 17:26:25 UTC

