

KENNEBECASIS VALLEY FOOD BASKET INC.

Financial Statements

December 31, 2024

Kennebecasis Valley Food Basket Inc.

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December 31, 2024 (With comparative figures for 2023)

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the members of Kennebecasis Valley Food Basket Inc.

We have reviewed the accompanying financial statements of Kennebecasis Valley Food Basket Inc. that comprise the statement of financial position as at December 31, 2024, and the statements of operations and 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.

As is common with many charitable organizations, the Kennebecasis Valley Food Basket Inc. derives revenue principally from donations, the completeness of which is not susceptible to satisfactory verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Kennebecasis Valley Food Basket Inc. and we were not able to determine whether any adjustments might be necessary to contributions, excess of revenues over expenses, assets or net assets.

Qualified Conclusion

Based on our review, except for the possible effects of the matter described in the Basis for Qualified Conclusion paragraph, 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 Kennebecasis Valley Food Basket Inc. as at December 31, 2024, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Jamieson Mullin Chartered Professional Accountants Inc.

Jamieson Mullin Chartered Professional Accountants Inc.

Quispamsis, NB
May 26, 2025

Kennebecasis Valley Food Basket Inc.

Statement of Operations and Changes in Net Assets

For the year ended December 31, 2024 (With comparative figures for 2023)

	<u>2024</u>	<u>2023</u>
Revenues		
Donations	\$ 311,450	\$ 234,833
Fundraising revenue	27,023	-
Interest income	22,244	13,023
Other revenue	<u>6,480</u>	<u>7,364</u>
	<u>367,197</u>	<u>255,220</u>
Expenditures		
Food costs	80,081	82,125
Subcontract	20,800	20,800
Operating expenses and supplies	11,338	8,141
Fundraising costs	6,689	-
Amortization	4,449	5,443
Insurance	3,655	3,169
Professional fees	3,322	3,843
Transportation	2,594	3,061
Telephone	1,237	1,338
Rent	1,200	1,308
Dues, fees and memberships	500	500
Interest and bank charges	211	266
Donations	<u>150</u>	<u>50</u>
	<u>136,226</u>	<u>130,044</u>
Excess of revenues over expenditures	230,971	125,176
Net assets - beginning of year	<u>692,264</u>	<u>567,088</u>
Net assets - end of year	<u><u>\$ 923,235</u></u>	<u><u>\$ 692,264</u></u>

Kennebecasis Valley Food Basket Inc.
Statement of Financial Position

As at December 31, 2024 (With comparative figures for 2023)

	<u>2024</u>	<u>2023</u>
Assets		
Current		
Cash	\$ 216,864	\$ 204,247
Term deposits	689,417	467,173
Prepaid expenses	1,392	1,538
Public service body rebate receivable	<u>1,778</u>	<u>1,214</u>
	909,451	674,172
Property, plant and equipment (Note 3)	<u>16,784</u>	<u>20,841</u>
Total Assets	<u>\$ 926,235</u>	<u>\$ 695,013</u>
Liability		
Current		
Accounts payable and accrued liabilities	\$ 3,000	\$ 2,749
Net assets	<u>923,235</u>	<u>692,264</u>
Total Liabilities and Net Assets	<u>\$ 926,235</u>	<u>\$ 695,013</u>

APPROVED BY:

 Member

 Member

Kennebecasis Valley Food Basket Inc.

Statement of Cash Flows

For the year ended December 31, 2024 (With comparative figures for 2023)

	<u>2024</u>	<u>2023</u>
Operating activities		
Excess of revenues over expenditures	\$ 230,971	\$ 125,176
Adjustment for Amortization	<u>4,449</u>	<u>5,443</u>
	235,420	130,619
Change in non-cash working capital items		
Term deposits	(222,244)	(112,822)
Prepaid expenses	146	(122)
Public service body rebate	(564)	1,636
Accounts payable and accrued liabilities	<u>250</u>	<u>(5,712)</u>
	13,008	13,599
Investing activity		
Purchase of property, plant and equipment	<u>(391)</u>	<u>-</u>
Increase in cash	12,617	13,599
Cash - beginning of year	<u>204,247</u>	<u>190,648</u>
Cash - end of year	<u>\$ 216,864</u>	<u>\$ 204,247</u>

The notes are an integral part of these financial statements

Kennebecasis Valley Food Basket Inc.

Notes to Financial Statements

As at December 31, 2024 (With comparative figures for 2023)

1. Nature of The Business Activities

Kennebecasis Valley Food Basket Inc. (the "Organization") is a not-for-profit organization located in Quispamsis, New Brunswick. It was incorporated on May 29, 1985 under the New Brunswick Companies Act and is a registered charity under the Income Tax Act and exempt from income taxes.

2. Summary Of Significant Accounting Policies

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies are detailed as follows:

(a) Revenue recognition

The Organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenditures are incurred. Unrestricted contributions are recognized as revenue when received or receivable when the amount to be received can be reasonably estimated and collection is reasonably assured.

(b) Contributed services

Contributions of materials and services are recognized in the financial statements at fair value at the date of contribution, but only when a fair value can be reasonably estimated and when the materials and services are used in the normal course of operations, and would otherwise have been purchased.

Directors and volunteers assist in the Organization's activities. While these services benefit the Organization considerably, a reasonable estimate of their amount and fair value cannot be made and, accordingly, these contributed services are not recognized in the financial statements.

(c) Cash

Cash includes balances with banks.

(d) Property, plant and equipment

Property, plant and equipment are recorded at cost. The Organization provides for amortization using the declining balance method at rates designed to amortize the cost of the property, plant and equipment over their estimated useful lives. The annual amortization rates are as follows:

Equipment	20%
Leasehold improvements	4%
Computer equipment	55%

Property, plant and equipment are reviewed for impairment whenever events or changes in the circumstances indicate that the carrying value may not be recoverable. If the total of the estimated undiscounted future cash flows is less than the carrying value of the asset, an impairment loss is recognized for the excess of the carrying value over the fair value of the asset during the year the impairment occurs.

Kennebecasis Valley Food Basket Inc.

Notes to Financial Statements

As at December 31, 2024 (With comparative figures for 2023)

2. Summary Of Significant Accounting Policies, continued

(e) Financial instruments

(i) Measurement of financial instruments

The Organization initially measures its financial assets and liabilities at fair value, except for certain related party transactions that are measured at the carrying amount or exchange amount, as appropriate.

The Organization subsequently measures all its financial assets and financial liabilities at cost or amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in excess of revenues over expenditures in the period incurred.

Financial assets measured at amortized cost on a straight line basis include cash and term deposits.

Financial liabilities measured at amortized cost on a straight-line basis include accounts payable and accrued liabilities .

(ii) Impairment

For financial assets measured at cost or amortized cost, the Organization determines whether there are indications of possible impairment. When there is an indication of impairment, and the Organization determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in excess of revenues over expenditures. A previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may not be greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in excess of revenues over expenditures.

(iii) Transaction costs

Transaction costs related to financial instruments that will be subsequently measured at fair value are recognized in net income in the period incurred. Transaction costs related to financial instruments subsequently measured at amortized cost are included in the original cost of the asset or liability and recognized in net income over the life of the instrument using the straight-line method.

(f) Use of 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 balance sheet date and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

Kennebecasis Valley Food Basket Inc.

Notes to Financial Statements

As at December 31, 2024 (With comparative figures for 2023)

3. Property, Plant and Equipment

	<u>2024</u>		<u>2023</u>	
	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Cost</u>	<u>Accumulated amortization</u>
Equipment	\$ 34,823	\$ 18,341	\$ 34,823	\$ 14,221
Leasehold improvements	3,205	3,205	3,205	3,205
Computer equipment	<u>1,935</u>	<u>1,633</u>	<u>1,544</u>	<u>1,305</u>
	<u>39,963</u>	<u>23,179</u>	<u>39,572</u>	<u>18,731</u>
Net book value	<u>\$ 16,784</u>		<u>\$ 20,841</u>	

4. Financial Instruments

It is management's opinion that the Organization is not exposed to any significant risks arising from these financial instruments.