

**CAMPBELL RIVER & DISTRICT FOOD BANK SOCIETY**

**Financial Statements**

**Year Ended December 31, 2023**

**PIER CPA GROUP INC.**  
CHARTERED PROFESSIONAL ACCOUNTANTS



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**CAMPBELL RIVER & DISTRICT FOOD BANK SOCIETY**

**Index to Financial Statements**

**Year Ended December 31, 2023**

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	Page
INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position	2
Statement of Revenues and Expenditures	3
Statement of Changes in Net Assets	4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 8

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## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

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To the Members of Campbell River & District Food Bank Society

We have reviewed the accompanying financial statements of Campbell River & District Food Bank Society (the society) that comprise the statement of financial position as at December 31, 2023, and the statements of revenues and expenditures, 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 (ASNPO), 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.

### *Basis for Qualified Conclusion*

The society derives revenue from donations of food, the completeness of which is not susceptible to us obtaining evidence we considered necessary for the purpose of the review. Accordingly, the evidence obtained for amounts reported as food donations \$1,754,711 (2022 \$1,972,958) and inventory of \$160,051 (2022 230,374) was limited to the amounts estimated by staff and volunteers of the society.

### *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 Campbell River & District Food Bank Society as at December 31, 2023, 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 (ASNPO).

Campbell River, BC  
June 14, 2024

  
PIER CPA GROUP INC.  
CHARTERED PROFESSIONAL ACCOUNTANTS

**CAMPBELL RIVER & DISTRICT FOOD BANK SOCIETY**

**Statement of Financial Position**

**December 31, 2023**

*See Independent Practitioner's Review Engagement Report*

	2023	2022
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 197,815	\$ 428,642
Accounts receivable	9,926	5,365
Inventory (Note 2)	160,051	230,374
Due from Government Agencies	2,977	1,271
Prepaid expenses	13,166	2,262
	<u>383,935</u>	<u>667,914</u>
CASH RESTRICTED FOR CAPITAL IMPROVEMENTS	60,000	60,000
TERM DEPOSITS RESTRICTED FOR RELOCATION	300,000	-
TANGIBLE CAPITAL ASSETS (Note 3)	299,179	280,236
	<u>\$ 1,043,114</u>	<u>\$ 1,008,150</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable	\$ 12,343	\$ 4,040
Due to Government Agencies	6,030	8,186
Vacation pay payable	2,445	2,392
Deferred income	15,000	7,491
	<u>35,818</u>	<u>22,109</u>
DEFERRED CONTRIBUTIONS RELATING TO TANGIBLE ASSETS (Note 4)	74,164	45,237
	<u>109,982</u>	<u>67,346</u>
<b>NET ASSETS</b>		
Unrestricted	348,116	645,804
Internally restricted	585,016	295,000
	<u>933,132</u>	<u>940,804</u>
	<u>\$ 1,043,114</u>	<u>\$ 1,008,150</u>

**ON BEHALF OF THE BOARD**



Director



Director

See notes to financial statements

**CAMPBELL RIVER & DISTRICT FOOD BANK SOCIETY**

**Statement of Revenues and Expenditures**

**Year Ended December 31, 2023**

*See Independent Practitioner's Review Engagement Report*

	2023	2022
<b>REVENUES</b>		
Donations - cash	\$ 450,566	\$ 362,394
Donations - non cash food (Note 2)	1,754,711	1,972,958
Donations - non cash other	16,949	14,239
Interest	2,970	1,350
Permissive exemption - City of Campbell River	8,480	7,960
Grants	36,991	16,755
Fundraising	2,536	-
Membership fees	380	-
	<u>2,273,583</u>	<u>2,375,656</u>
<b>COST OF FOOD DISTRIBUTIONS</b>		
Opening Inventory	230,374	155,262
Food purchased	140,811	172,629
Food donated (Note 2)	1,754,711	1,972,958
	<u>2,125,896</u>	<u>2,300,849</u>
Closing Inventory	<u>(160,051)</u>	<u>(230,374)</u>
	<u>1,965,845</u>	<u>2,070,475</u>
	<u>307,738</u>	<u>305,181</u>
<b>EXPENSES</b>		
Advertising and promotion	7,555	2,155
Amortization	26,445	25,266
Insurance	8,455	6,943
Interest and bank charges	2,361	2,706
Office and sundry	27,210	12,169
Volunteer gifts	199	-
Fundraising expenses	3,000	-
Professional fees	10,649	9,129
Property taxes	9,526	8,961
Repairs and maintenance	5,557	4,369
Salaries and wages	184,802	173,969
Telephone	1,572	1,393
Travel and training	2,865	-
Utilities	9,080	8,939
Vehicle	16,134	16,168
	<u>315,410</u>	<u>272,167</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<u>\$ (7,672)</u>	<u>\$ 33,014</u>

See notes to financial statements

**CAMPBELL RIVER & DISTRICT FOOD BANK SOCIETY**

**Statement of Changes in Net Assets**

**Year Ended December 31, 2023**

*See Independent Practitioner's Review Engagement Report*

	Unrestricted	Internally Restricted	2023	2022
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 645,804	\$ 295,000	\$ 940,804	\$ 907,790
<b>DEFICIENCY OF REVENUES OVER EXPENSES</b>	(297,688)	290,016	(7,672)	33,014
<b>NET ASSETS - END OF YEAR</b>	\$ 348,116	\$ 585,016	\$ 933,132	\$ 940,804

**Internally Restricted Net Assets**

	Cash for Improvements and Relocation	Invested in Capital Assets	Total
Beginning of year	\$ 60,000	\$ 235,000	\$ 295,000
Additional funds restricted	300,000	45,875	345,875
Capital asset additions	----	45,387	45,387
Amortization	----	(26,445)	(26,445)
Add amortization of funded assets	----	16,949	16,949
End of year	<u>\$ 360,000</u>	<u>\$ 225,016</u>	<u>\$ 585,016</u>

See notes to financial statements

**CAMPBELL RIVER & DISTRICT FOOD BANK SOCIETY**

**Statement of Cash Flows**

**Year Ended December 31, 2023**

*See Independent Practitioner's Review Engagement Report*

	2023	2022
<b>OPERATING ACTIVITIES</b>		
Cash receipts from customers	\$ 538,853	\$ 395,262
Cash paid to suppliers and employees	(423,638)	(402,589)
Interest paid	(2,361)	(2,709)
Goods and services tax	1,706	(141)
	<hr/>	<hr/>
Cash flow from (used by) operating activities	114,560	(10,177)
<b>INVESTING ACTIVITY</b>		
Purchase of tangible capital assets	(45,387)	(4,913)
	<hr/>	<hr/>
<b>INCREASE (DECREASE) IN CASH FLOW</b>	69,173	(15,090)
Cash - beginning of year	488,642	503,732
	<hr/>	<hr/>
<b>CASH - END OF YEAR</b>	\$ 557,815	\$ 488,642
	<hr/>	<hr/>
<b>CASH CONSISTS OF:</b>		
Cash	\$ 197,815	\$ 428,642
Restricted cash deposits	60,000	60,000
Term Deposits	300,000	-
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	\$ 557,815	\$ 488,642
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See notes to financial statements

# CAMPBELL RIVER & DISTRICT FOOD BANK SOCIETY

## Notes to Financial Statements

Year Ended December 31, 2023

*See Independent Practitioner's Review Engagement Report*

### 1. DESCRIPTION OF OPERATIONS

The Campbell River Food Bank Society is a non-profit incorporated in British Columbia on June 24, 1985 and is a non-profit charity for income tax purposes. The main purpose of the society is distributing food to those in need who live north of the Oyster River on Vancouver Island.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

#### Measurement uncertainty

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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates include providing for amortization of property and equipment, and calculating the value of donated food. Estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

#### Donated food and inventory

Values for food donations, inventory and donated food expense are estimated by staff and volunteers. These amounts are not susceptible to review.

The society's policy is to weigh food donations and inventory and to value amounts at \$3.52 (2022 \$3.21) per pound as per Food Bank Canada Guidelines. Food has been weighed by staff and volunteers; documentation to support weights have not been provided for review. The following amounts estimated as food donations, donated food expense and inventory are estimates made using the above policies, the amounts have not been reviewed and actual values could differ from the estimates:

	2023	2022	2021	2020
Food Donations	\$1,754,711	\$1,972,958	\$1,836,746	\$1,719,940
Donated Food Expense	1,754,711	1,972,958	1,836,746	1,724,582
Food inventory	160,051	230,374	155,262	157,061

#### Tangible capital assets

Tangible capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives on a declining balance basis at the following rates and methods:

Buildings	4%	declining balance method
Cold Room	20%	declining balance method
Computer equipment	55%	declining balance method
Equipment	20%	declining balance method
Motor vehicles	30%	declining balance method

The society regularly reviews its tangible capital assets to eliminate obsolete items. Government grants are treated as a reduction of tangible capital assets cost.

*(continues)*

# CAMPBELL RIVER & DISTRICT FOOD BANK SOCIETY

## Notes to Financial Statements

Year Ended December 31, 2023

See Independent Practitioner's Review Engagement Report

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Tangible capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

#### Revenue recognition

Campbell River & District Food Bank Society follows the deferral method of accounting for contributions.

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.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

#### Cash and cash equivalents

The society's policy is to present bank balances, including bank overdrafts when bank balances fluctuate frequently from being positive to overdrawn, and term deposits with a maturity period of three months or less from the date of acquisition under cash and cash equivalents. Term deposits relating to reserves that the society cannot use for current transactions are also excluded from cash and cash equivalents.

#### Non monetary contributions - other

Non monetary contributions of goods and services are recorded at fair market value when fair market value can be determined. Contributions of volunteer services are not recorded. The society does not record an amount for the donation of volunteer services.

#### Financial assets

All financial assets are classified as held for trading; all financial liabilities are classified as other financial liabilities.

### 3. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	2023 Net book value	2022 Net book value
Land	\$ 73,735	\$ -	\$ 73,735	\$ 73,735
Buildings	227,588	84,735	142,853	141,469
Computer equipment	10,050	2,764	7,286	-
Equipment	86,171	47,595	38,576	16,619
Cold Room	83,641	60,924	22,717	28,396
Motor vehicles	48,061	34,049	14,012	20,017
	<u>\$ 529,246</u>	<u>\$ 230,067</u>	<u>\$ 299,179</u>	<u>\$ 280,236</u>

# CAMPBELL RIVER & DISTRICT FOOD BANK SOCIETY

## Notes to Financial Statements

Year Ended December 31, 2023

*See Independent Practitioner's Review Engagement Report*

### 4. DEFERRED CONTRIBUTIONS RELATED TO TANGIBLE CAPITAL ASSETS

Deferred contributions related to tangible capital assets represent assets funded by donations. Changes in the deferred contribution balance for the period are as follows:

	2023	2022
Beginning Balance	\$ 45,237	\$ 59,476
Add contributions for funded equipment	45,875	-
Less amortization for funded equipment	(16,948)	(14,239)
	<u>\$ 74,164</u>	<u>\$ 45,237</u>

### 5. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

### 6. FINANCIAL INSTRUMENTS

The society is exposed to various risks through its financial instruments without being exposed to concentrations of risk. The following analysis provides information about the society's risk exposure and concentration as of December 31, 2023.

#### 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 rate risk, interest rate risk and other price risk. The society is mainly exposed to interest rate risk through its long and short term debt.

#### Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. The society is exposed to interest rate risk primarily through its investments in short term deposits.

### 7. REMUNERATION DISCLOSURE

In accordance with the recent changes to the BC Societies Act, no amount was paid to directors during the current or prior year and there were no employees or subcontractors paid in excess of \$75,000 during the current or prior year.