

**CONSOLIDATED FINANCIAL STATEMENTS**  
**SURREY FOOD BANK SOCIETY**

**September 30, 2025**

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## INDEPENDENT AUDITORS' REPORT

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To the Members of  
Surrey Food Bank Society

### ***Opinion***

We have audited the consolidated financial statements of Surrey Food Bank Society (the "Society"), which comprise the consolidated statement of financial position as at September 30, 2025, and the consolidated statements of operations, changes in net assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Society as at September 30, 2025, 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 Opinion***

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 Consolidated Financial Statements* section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the consolidated 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 audit opinion.

### ***Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements***

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Society'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 Society or to cease operations, or has no realistic alternative but to do so.

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

### ***Auditor's Responsibilities for the Audit of the Consolidated Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated 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

## INDEPENDENT AUDITORS' REPORT (CONT'D)

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 consolidated 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 consolidated 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 Society'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 Society'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 consolidated 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 Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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.

### Report on Other Legal and Regulatory Requirements

As required by the British Columbia Societies Act, we report that the accounting principles used in these consolidated financial statements have been applied on a basis consistent with that of the preceding year.

*Tompkins Wozny LLP*

Vancouver, Canada  
March 27, 2026

Chartered Professional Accountants



## Surrey Food Bank Society

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION


As at September 30

	2025	2024
	\$	\$
<b>ASSETS</b>		
<b>Current</b>		
Cash	4,956,515	5,611,587
Investments <i>[note 3]</i>	—	45,648
Accounts receivable <i>[note 4]</i>	12,546	1,209
Prepaid expenses and deposits	46,464	70,865
Gift cards	45,331	10,060
	<b>5,060,856</b>	<b>5,739,369</b>
Capital assets <i>[note 5]</i>	<b>8,349,344</b>	<b>8,313,135</b>
Other asset <i>[note 6]</i>	<b>22,159</b>	<b>20,360</b>
	<b>13,432,359</b>	<b>14,072,864</b>
<b>LIABILITIES</b>		
<b>Current</b>		
Accounts payable and accrued liabilities <i>[note 7]</i>	261,901	234,025
Deferred contributions <i>[note 8]</i>	78,497	155,405
Current portion of mortgage payable <i>[note 10]</i>	1,035,402	89,940
	<b>1,375,800</b>	<b>479,370</b>
Mortgage payable <i>[note 10]</i>	—	1,584,145
Deferred contributions related to capital assets <i>[note 9]</i>	82,239	112,034
	<b>1,458,039</b>	<b>2,175,549</b>
<b>NET ASSETS</b>		
Invested in capital assets	7,231,703	6,527,016
Internally restricted <i>[note 11]</i>	1,310,226	1,274,459
Unrestricted	3,432,391	4,095,840
	<b>11,974,320</b>	<b>11,897,315</b>
	<b>13,432,359</b>	<b>14,072,864</b>

Subsequent event *[note 14]**See accompanying notes to the consolidated financial statements*

On behalf of the Board:

Signed by:  
  
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 Director

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 Director

## Surrey Food Bank Society

## CONSOLIDATED STATEMENT OF OPERATIONS

Year ended September 30

	2025	2024
	\$	\$
		<i>[Restated - Note 15]</i>
<b>REVENUE</b>		
Donated food and other products <i>[note 2]</i>	6,409,904	5,441,208
Donations and fundraising	2,776,524	3,345,051
Programs and grants	179,053	182,067
Interest	169,745	269,945
Amortization of deferred contributions related to capital assets <i>[note 9]</i>	29,795	35,164
Miscellaneous	13,373	66,638
BC Gaming	7,012	159,227
	<b>9,585,406</b>	<b>9,499,300</b>
<b>EXPENSES</b>		
Donated food and other products distributed	6,409,904	5,441,208
Salaries and benefits <i>[note 13]</i>	1,587,529	1,255,873
Food purchases	399,817	633,191
Amortization of capital assets	197,158	197,751
Program and grant expenses	172,563	184,459
Office and miscellaneous	160,796	128,500
Facilities, utilities and maintenance	154,108	146,097
Advertising	151,095	130,755
Vehicles	72,076	53,772
Professional fees	71,788	104,218
Interest - bank charges and commissions	44,647	35,936
- mortgage	33,845	46,607
Training and meetings	26,284	10,348
Insurance	17,570	17,501
Volunteer expenses	9,221	13,791
	<b>9,508,401</b>	<b>8,400,007</b>
<b>Excess of revenue over expenses for the year</b>	<b>77,005</b>	<b>1,099,293</b>

See accompanying notes to the consolidated financial statements

## Surrey Food Bank Society

## CONSOLIDATED STATEMENT IN CHANGES OF NET ASSETS

Year ended September 30

	Invested in Capital Assets \$	Internally Restricted \$	Unrestricted \$	Total \$
<b>2025</b>				
		<i>[Note 11]</i>		
Net assets, beginning of year	6,527,016	1,274,459	4,095,840	11,897,315
Excess of revenue (expenses) for the year	(167,363)	—	244,368	77,005
Purchase of capital assets	233,367	—	(233,367)	—
Repayment of mortgage principal	638,683	(638,683)	—	—
Interfund transfer	—	674,450	(674,450)	—
<b>Net assets, end of year</b>	<b>7,231,703</b>	<b>1,310,226</b>	<b>3,432,391</b>	<b>11,974,320</b>
<b>2024</b>				
Net assets, beginning of year	6,555,034	274,459	3,968,529	10,798,022
Excess of revenue (expenses) for the year	(162,587)	—	1,261,880	1,099,293
Purchase of capital assets	96,184	—	(96,184)	—
Capital assets acquired with restricted contributions	(49,035)	—	49,035	—
Repayment of mortgage principal	87,420	—	(87,420)	—
Interfund transfer	—	1,000,000	(1,000,000)	—
<b>Net assets, end of year</b>	<b>6,527,016</b>	<b>1,274,459</b>	<b>4,095,840</b>	<b>11,897,315</b>

See accompanying notes to the consolidated financial statements

## Surrey Food Bank Society

## CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended September 30

	2025	2024
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Excess of revenue over expenses for the year	77,005	1,099,293
Items not affecting cash		
Amortization of deferred contributions related to capital assets	(29,795)	(35,164)
Amortization of capital assets	197,158	197,751
Increase in other asset	(1,799)	(3,576)
Changes in other non-cash working capital items		
Accounts receivable	(11,337)	12,753
Prepaid expenses and deposits	24,401	(38,132)
Gift cards	(35,271)	10,923
Accounts payable and accrued liabilities	27,876	89,501
Deferred contributions	(76,908)	(165,648)
<b>Cash provided by operating activities</b>	<b>171,330</b>	<b>1,167,701</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of capital assets	(233,367)	(96,184)
Restricted contributions for capital assets	—	49,035
Redemption (purchase) of investments, net	45,648	(407)
<b>Cash used in investing activities</b>	<b>(187,719)</b>	<b>(47,556)</b>
<b>FINANCING ACTIVITIES</b>		
Repayment of mortgage payable	(638,683)	(87,420)
<b>Cash used in financing activities</b>	<b>(638,683)</b>	<b>(87,420)</b>
<b>Increase (decrease) in cash during the year</b>	<b>(655,072)</b>	<b>1,032,725</b>
Cash, beginning of year	5,611,587	4,578,862
<b>Cash, end of year</b>	<b>4,956,515</b>	<b>5,611,587</b>

*See accompanying notes to the consolidated financial statements*

## **Surrey Food Bank Society**

# **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

September 30, 2025

### **1. PURPOSE**

Surrey Food Bank Society (the "Society") is incorporated under the British Columbia Societies Act and is also a registered charitable organization under the Income Tax Act and as such is exempt from income taxes.

The purpose of the Society is to provide its local community, through equitable and effective distribution, access to food products and other resources. The Society depends on the commitments and contributions of community volunteers in all aspects of its operations including the Board of Directors and its committees.

### **2. SIGNIFICANT ACCOUNTING POLICIES**

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

#### **Basis of presentation**

These consolidated financial statements include the accounts of the Society and the Surrey Food Bank Foundation (the "Foundation") as of October 1, 2018 when the Society obtained control over the Foundation by virtue of changes to the by-laws requiring all the directors of the Society's board to be members of, and hence comprise the majority of the Foundation's Board. All inter-entity balances and transactions have been eliminated on consolidation.

The Foundation is incorporated under the British Columbia Societies Act and is also a registered charitable organization under the Income Tax Act and as such is exempt from income taxes. The purpose of the Foundation is to provide support to programs and operations of the Society.

#### **Use of Estimates**

The preparation of consolidated 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 date of the consolidated financial statements and the amounts of revenues and expenses reported during the year. Significant areas requiring the use of management estimates relate to the useful lives of capital assets, accrued payables, and provisions for contingencies. Actual results could differ from these estimates.

**Surrey Food Bank Society****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

September 30, 2025

**2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Revenue Recognition**

The 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. Restricted contributions for the purchase of capital assets are deferred and amortized over the remaining useful life of the capital asset acquired. Unrestricted contributions are recognized as revenue when they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Interest income is recognized as revenue in accordance with the terms of the underlying investment, which is generally with the passage of time.

Other and miscellaneous revenues are recognized when the service is provided and collection is reasonably assured.

**Measurement of Financial Instruments**

The Society initially measures its financial assets and financial liabilities at fair value. The Society subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash, investments, and accounts receivable. Financial liabilities measured at amortized cost includes accounts payable and accrued liabilities and mortgage payable.

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no 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 net income.

**Capital Assets**

Capital assets are recorded at cost. Amortization is provided as follows:

▪ Building and building improvements	5% - declining balance
▪ Leasehold improvements	20% - declining balance
▪ Elevator	5% - declining balance
▪ Green House	Not amortized - under construction
▪ Computer equipment	45% - declining balance
▪ Website	45% - declining balance
▪ Warehouse equipment	20% - declining balance
▪ Vehicles	30% - declining balance

## **Surrey Food Bank Society**

# **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

September 30, 2025

## **2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

### **Donated Goods and Services**

The Society recognizes contributions of goods and services when a fair market value can be reasonably estimated and when the donated goods or services would otherwise have been purchased for use in the normal course of operations.

Donation revenue recorded in the financial statements consists of cash donations, donated gift certificates and store credits, and gifts-in-kind.

The Society receives donations of food and other products and services from industries/businesses and the general public. The total food and other products donated and collected by the Society for the year ended September 30, 2025 is 1.76 million pounds [2024 - 1.46 million pounds].

According to national standards recommended by Food Banks of Canada, the monetary equivalent of one pound of food donations increased from \$3.58 per pound to \$3.64 per pound commencing April 1, 2025. Management has decided to use this rate as the basis for determining the value of donated food and other products revenue. These donated food and other products are reflected in the Statement of Operations in the period received as revenue and an expense. For food and material items donated by individuals and industries/businesses that are supported with receipts and/or invoices, the Society issues tax receipts for such gift in-kind donations. Included in donations are gifts of securities totalling \$28,122 for the year [2024 - \$166,800].

Volunteers contribute their time to assist the Society in carrying out its activities. Due to the difficulty in determining the fair value of such services their value is not recognized in these consolidated financial statements.

All other in-kind donations are recorded to the extent the fair values can be determined and a tax receipt has been issued.

Inventories are recorded at the lower of cost and current replacement cost using the first-in, first-out basis. As donated food has no net realizable value, it is not included in the inventory balance.

## **3. INVESTMENTS**

In 2024, investments consist of a term deposit bearing interest at 2.65% and matured in December 2024.

**Surrey Food Bank Society**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

September 30, 2025

**4. ACCOUNTS RECEIVABLE**

	2025	2024
	\$	\$
Operations	401	1,092
GST receivable	12,145	117
	<b>12,546</b>	<b>1,209</b>

**5. CAPITAL ASSETS**

	Cost	Accumulated Amortization	2025 Net Book Value	2024 Net Book Value
	\$	\$	\$	\$
Land	5,983,482	—	5,983,482	5,983,482
Building	1,188,588	337,185	851,403	896,451
Building improvements	1,215,406	283,268	932,138	968,001
Leasehold improvements	16,879	7,157	9,722	12,153
Vehicles	660,709	566,163	94,546	119,279
Computer equipment	104,733	79,374	25,359	27,630
Website	38,904	35,755	3,149	5,727
Warehouse equipment	548,210	315,946	232,264	150,317
Elevator	171,294	21,199	150,095	150,095
Green House	67,186	—	67,186	—
	<b>9,995,391</b>	<b>1,646,047</b>	<b>8,349,344</b>	<b>8,313,135</b>

**6. OTHER ASSET**

Other asset consists of a life insurance policy donated to the Society and is recorded at the cash surrender value.

**7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	2025	2024
	\$	\$
Operations	140,239	132,987
Vacation and wages payable	105,291	88,101
Government remittances - payroll remittances	16,371	12,937
	<b>261,901</b>	<b>234,025</b>

## Surrey Food Bank Society

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2025

#### 8. DEFERRED CONTRIBUTIONS

Deferred contributions consists of funds received and unspent that are restricted for specific programs and grants.

	2025	2024
	\$	\$
Balance, beginning of year	155,405	321,053
Add: Contributions for the year	289,942	226,211
Amounts spent and recognized as revenue	(366,850)	(391,859)
	<b>78,497</b>	<b>155,405</b>

#### 9. DEFERRED CONTRIBUTIONS RELATED CAPITAL ASSETS

The Society received contributions externally restricted for capital assets. These amounts have been deferred and are being amortized into revenue over the estimated useful lives of the related capital assets.

	2025	2024
	\$	\$
Balance, beginning of year	112,034	98,163
Add: Contributions for the year	—	49,035
Amortized into revenue for the year	(29,795)	(35,164)
Balance, end of year	<b>82,239</b>	<b>112,034</b>

#### 10. MORTGAGE PAYABLE

	2025	2024
	\$	\$
Repayable in monthly instalments of \$11,169, including interest at 2.70% and matures on December 4, 2025. The land and building have been pledged as collateral for the mortgage	1,035,402	1,674,085
Less: current portion	(1,035,402)	(89,940)
	<b>—</b>	<b>1,584,145</b>

**Surrey Food Bank Society**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

September 30, 2025

**10. MORTGAGE PAYABLE (CONT'D)**

Principal payments due on the mortgage over the next year is estimated as follows:

	\$
2026	<b>1,035,402</b>

The mortgage is subject to certain covenant requirements which the Society is in compliance with as at September 30, 2025. Subsequent to the year-end, in December 2025, the Society repaid \$1,035,402 of mortgage principal amount [note 14].

**11. INTERNALLY RESTRICTED NET ASSETS**

The Board of Directors has restricted a portion of the Society's net assets for the following purposes:

	Balance, Beginning of Year \$	Designated in the Year \$	Used During the Year \$	Balance, End of Year \$
Building expenditures	1,274,459	674,450	638,683	1,310,226

**12. FINANCIAL INSTRUMENTS**

The Society is exposed to various risks through its financial instruments. The following analysis presents the Society's exposures to the following risks as at September 30, 2025.

**Credit Risk**

The Society is exposed to credit risk with respect to its cash, investments and accounts receivable. The Society assesses, on a continuous basis, accounts receivable on the basis of amounts it is virtually certain to receive based on their net realizable value. Cash and investments are held by Canadian credit unions.

**Liquidity Risk**

Liquidity risk is the risk of being unable to meet cash requirements or fund obligations as they become due. It stems from the possibility of a delay in realizing the fair value of financial instruments.

The Society manages its liquidity risk by constantly monitoring forecasted and actual cash flows and financial liability maturities, and by holding assets that can be readily converted into cash.

## Surrey Food Bank Society

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2025

## 12. FINANCIAL INSTRUMENTS (CONT'D)

### Interest Rate Risk

The Society has interest rate risk on its investments and mortgage payable. Changes in the bank's prime lending rate or other rates can cause fluctuations in interest payments and cash flows. The Society does not use derivative financial instruments to alter the effects of this risk.

It is management's opinion that the Society is not subject to any credit, foreign exchange or other market risks with respect to its financial instruments. There has been no significant change to these risk exposures from the prior year.

## 13. DISCLOSURE OF REMUNERATION

Pursuant to the British Columbia Societies Act, the Society is required to disclose remuneration and benefits paid to employees and contractors who are paid \$75,000 or more during the fiscal year. No remuneration was paid to any members of the Board.

Salaries and benefits expense includes \$422,328 [2024 - \$252,506] remunerated to four [2024 - two] employees for the management of the Society.

## 14. SUBSEQUENT EVENT

Subsequent to the year-end, in December 2025, the Society repaid \$1,035,402 of its outstanding mortgage. The repayment was made using funds from the internally restricted net assets [note 11]. This repayment will result in a reduction of the Society's long-term liabilities.

## 15. CHANGE IN ACCOUNTING POLICY FOR IN-KIND DONATED FOOD

In the current year, the Society adopted a new accounting policy for the recognition of in-kind food donations. Under the previous policy, in-kind food contributions were not recorded in the financial statements. The Society now recognizes in-kind food contributions at fair value at the time of receipt, measured based on the estimated market value of the donated goods. This change better reflects the value of the significant food donations it receives, which supports its mission. This change has been applied retrospectively.

**Surrey Food Bank Society****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

September 30, 2025

**15. CHANGE IN ACCOUNTING POLICY FOR IN-KIND DONATED FOOD (CONT'D)**

The changes to 2024 previously reported figures are:

	<b>As Previously Reported</b>	<b>Adjustment</b>	<b>Restated Amount</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Statement of Operations</b>			
Revenue - donated food and other products	—	5,441,208	5,441,208
Expense - donated food and other products	—	5,441,208	5,441,208

**16. COMPARATIVE FIGURES**

Certain 2024 comparative figures have been reclassified where necessary to conform to the current year's presentation.