

**MANITOBA FOOD CHARTER INC. O/A - FOOD**

**MATTERS MANITOBA**

**WINNIPEG, MANITOBA**

**MARCH 31, 2024**



## **Independent Auditors' Report**

To the Members of;  
Manitoba Food Charter Inc. O/A - Food Matters Manitoba

### **Opinion**

We have audited the accompanying financial statements of Manitoba Food Charter Inc. O/A - Food Matters Manitoba, which comprise the balance sheet as at March 31, 2024, and the statements of revenue and expenditure, 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, the accompanying financial statements present fairly, in all material respects, the financial position of the Manitoba Food Charter Inc. O/A - Food Matters Manitoba as at March 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 Opinion**

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 organization 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 opinion.

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

Management is responsible for the preparation and fair presentation of the 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 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.

### **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 Manitoba Food Charter Inc. O/A - Food Matters Manitoba'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 Manitoba Food Charter Inc. O/A - Food Matters Manitoba'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 Manitoba Food Charter Inc. O/A - Food Matters Manitoba 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.

November 4, 2024  
Winnipeg, Manitoba



Chartered Professional Accountants Inc.

**MANITOBA FOOD CHARTER INC. O/A - FOOD**

**MATTERS MANITOBA**

**BALANCE SHEET**

**AS AT MARCH 31**

	2024	2023
	\$	\$
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	606,596	480,358
Accounts receivable	128,987	18,498
Prepaid expenses	7,592	7,072
	<u>743,175</u>	<u>505,928</u>
<b>TANGIBLE CAPITAL ASSETS (note 3)</b>	<u>8,526</u>	<u>9,492</u>
	<u>751,701</u>	<u>515,420</u>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities	127,580	59,436
Deferred income (note 4)	394,756	381,909
	<u>522,336</u>	<u>441,345</u>
<b>NET ASSETS</b>		
<b>UNRESTRICTED NET ASSETS (DEFICIT)</b>	135,374	(19,916)
<b>RESTRICTED NET ASSETS</b>	<u>93,991</u>	<u>93,991</u>
	<u>229,365</u>	<u>74,075</u>
	<u>751,701</u>	<u>515,420</u>

**Approved on Behalf of the Board**

\_\_\_\_\_ Director

\_\_\_\_\_ Director

**The accompanying notes are an integral part of these financial statements**

**MANITOBA FOOD CHARTER INC. O/A - FOOD  
MATTERS MANITOBA  
STATEMENT OF REVENUE AND EXPENDITURE  
FOR THE YEAR ENDED MARCH 31**

	2024	2023
	\$	\$
<b>REVENUE</b>		
Grants		
Government of Canada	90,856	3,215
Indigenous and Northern Relations	254,063	319,792
Manitoba Health, Seniors and Active Living	30,000	30,100
Province of Manitoba - Municipal relations	11,645	3,000
Province of Manitoba - Families	178,629	46,371
Canadian Agricultural Human Resources Council	46,633	-
Canadian Red Cross	46,519	28,473
Community Food Centres Canada	-	33,068
Food & Beverage Manitoba	15,000	-
Lawson Foundation	30,000	-
MakeWay Foundation	193,152	442,469
Winnipeg Foundation	1,500	75,000
Other	54,890	99,210
Contract services/Fees for service	15,729	2,020
Interest	7,074	2,555
Donations	137,915	43,659
	<u>1,113,605</u>	<u>1,128,932</u>
<b>EXPENDITURE</b>		
Amortization	3,579	3,050
Bad debts	5,000	-
Casual labour/Honorariums	92,685	92,430
Contract and consultant fees	4,220	33,350
Insurance	13,785	11,067
Office and sundry	21,544	24,669
Professional fees	6,523	6,023
Project materials and supplies	240,697	458,017
Rent and utilities	36,442	26,616
Salaries and benefits	396,571	329,470
Training and education	5,578	1,123
Travel, meals and accomodations	131,691	130,549
	<u>958,315</u>	<u>1,116,364</u>
<b>EXCESS OF REVENUE OVER EXPENDITURE</b>	<u>155,290</u>	<u>12,568</u>

The accompanying notes are an integral part of these financial statements

**MANITOBA FOOD CHARTER INC. O/A - FOOD  
MATTERS MANITOBA  
STATEMENT OF CHANGES IN NET ASSETS**

	Year Ended March 31			
	Restricted Net Assets	Unrestricted net assets	2024 Total \$	2023 Total \$
<b>NET ASSETS</b>				
<b>Balance, beginning of year</b>	93,991	(19,916)	74,075	61,507
<b>Excess of revenue over expenditure</b>	-	155,290	155,290	12,568
<b>Balance, end of year</b>	93,991	135,374	229,365	74,075

The accompanying notes are an integral part of these financial statements

**MANITOBA FOOD CHARTER INC. O/A - FOOD  
MATTERS MANITOBA  
STATEMENT OF CASH FLOWS**

	Year Ended March 31	
	2024	2023
	\$	\$
<b>CASH PROVIDED BY (USED FOR) THE FOLLOWING ACTIVITIES</b>		
<b>OPERATING</b>		
Excess of revenue over expenditure for the year	155,290	12,568
Items not affecting cash:		
Amortization	<u>3,579</u>	<u>3,050</u>
	158,869	15,618
Net changes in non-cash working capital affecting operations ( <i>note 7</i> )	<u>(30,018)</u>	<u>198,073</u>
	<u>128,851</u>	<u>213,691</u>
<b>INVESTING</b>		
Purchase of tangible capital assets	<u>(2,613)</u>	<u>-</u>
<b>INCREASE IN CASH RESOURCES</b>	126,238	213,691
<b>CASH RESOURCES, BEGINNING OF YEAR</b>	<u>480,358</u>	<u>266,667</u>
<b>CASH RESOURCES, END OF YEAR</b>	<u><u>606,596</u></u>	<u><u>480,358</u></u>

The accompanying notes are an integral part of these financial statements

# MANITOBA FOOD CHARTER INC. O/A - FOOD

## MATTERS MANITOBA

### NOTES TO THE FINANCIAL STATEMENTS

March 31, 2024

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#### 1. NATURE OF ACTIVITIES

Manitoba Food Charter Inc. ("the Corporation") is a registered charity that incorporated on April 1, 2008 in the Province of Manitoba. The purpose of the Corporation is to work with people in Manitoba to increase opportunities for people to eat good food.

Under the Income Tax Act for Canada, the organization qualifies as a charitable organization and is exempt from income tax

#### 2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the organization have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. Outlined below are those policies considered particularly significant for the organization.

##### a) MEASUREMENT UNCERTAINTY

When preparing financial statements according to Canadian accounting standards for not-for-profit organizations, the organization makes estimates and assumptions relating to reported amounts of revenue and expenses, reported amounts of assets and liabilities and disclosure of contingent assets and liabilities.

Management's assumptions are based on a number of factors, including historical experience, current events and actions that the organization may undertake in the future, and other assumptions that we believe are reasonable under the circumstances. Actual results could differ from those estimates under different conditions and assumptions. Estimates were used when accounting for certain items, such as the useful lives of capital assets and impairment of long-lived assets.

##### b) REVENUE RECOGNITION

The organization uses the deferral method of accounting for contributions under which restricted contributions related to expenses of future periods are deferred and recognized as revenue in the period in which the related expenses are incurred.

The organization recognizes revenue from grants when they are fixed or determinable and collection is reasonably assured.

Restricted contributions for the purchase of tangible capital assets that will be amortized have been deferred and will be recognized on the same basis as the amortization expense related to the acquired tangible capital assets.



# MANITOBA FOOD CHARTER INC. O/A - FOOD

## MATTERS MANITOBA

### NOTES TO THE FINANCIAL STATEMENTS

March 31, 2024

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#### c) TANGIBLE CAPITAL ASSETS

Tangible capital assets are stated at cost. Amortization based on the estimated useful life of the asset is calculated as follows:

	Method	Rate
Computer equipment	declining balance	55 % per annum
Furniture and fixtures	declining balance	20 % per annum

#### d) CONTRIBUTED SERVICES

Volunteers contribute a significant number of hours per year to assist the organization in carrying out its operations. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

#### e) FINANCIAL INSTRUMENTS

##### Initial and subsequent measurement

The organization initially measures its financial assets and liabilities at fair value. The organization subsequently measures all its financial assets and 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 the fair value of these financial instruments are recognized in income in the period incurred. Financial assets measured at amortized cost on a straight-line basis include cash, trade and other accounts receivable, notes receivable and long term investments. Financial liabilities measured at amortized cost on a straight-line basis include accounts payable, Due to the MWSB and wages payable reported as financial liabilities.

### 3. TANGIBLE CAPITAL ASSETS

	2024			2023		
	\$			\$		
	Cost	Accumulated Amortization	Balance	Cost	Accumulated Amortization	Balance
Computer equipment	6,204	4,715	1,489	3,591	2,895	696
Furniture and fixtures	11,540	4,503	7,037	11,540	2,744	8,796
	17,744	9,218	8,526	15,131	5,639	9,492

# MANITOBA FOOD CHARTER INC. O/A - FOOD

## MATTERS MANITOBA

### NOTES TO THE FINANCIAL STATEMENTS

March 31, 2024

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#### 4. DEFERRED INCOME

	2024	2023
	\$	\$
Anonymous donor	-	18,100
Province of Manitoba - INR	-	20,721
MakeWay Foundation	126,002	116,251
Province of Manitoba - Municipal relations	-	17,400
Province of Manitoba - Families	-	178,629
Government of Canada	223,754	21,785
Canadian Red Cross	-	9,023
Catherine Donnelly Foundation	45,000	-
	<u>394,756</u>	<u>381,909</u>

#### 5. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments, without being exposed to concentrations of risk. The following analysis describes the organization's risk exposure.

##### Credit risk

The organization's main credit risks relate to its accounts receivable and grants receivable.

#### 6. COMMITMENTS

The Organization has entered into an agreement to rent premises at 422 Notre Dame Avenue in Winnipeg \$1,947 per month for a term of 5 years; expiring May 31, 2025 with the option to renew the Lease for (one) renewal term of five (5) years.

Base rent of:

2025: \$27,482

**MANITOBA FOOD CHARTER INC. O/A - FOOD**

**MATTERS MANITOBA**

**NOTES TO THE FINANCIAL STATEMENTS**

March 31, 2024

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**7. CASH FLOW STATEMENT**

	2024	2023
	<u>\$</u>	<u>\$</u>
Net changes in non-cash working capital affecting operations		
Accounts receivable	(110,489)	87,529
Prepaid expenses	(520)	(3,278)
Accounts payable and accrued liabilities	68,144	(75,224)
Deferred income	<u>12,847</u>	<u>189,046</u>
	<u>(30,018)</u>	<u>198,073</u>

R|M

REID & MILLER

CHARTERED PROFESSIONAL ACCOUNTANTS INC