



## **Annual Report 2018**

BURLINGTON FOOD BANK  
2018 Burlington Food Bank,  
Annual Report to the  
Community  
March 28, 2019

## Introduction

In 2018 the board of directors and the staff focus was on the client at the Burlington Food Bank. In February we agreed that we would change the client visit frequency from once a month to every 3 weeks. In addition, we expanded the community garden where more fresh produce was grown to give our clients more variety and more volume of product. A new scale was purchased in Q4 last year to allow us to track food coming and going more accurately. We are now able to calculate the quantity of food donated and distributed understanding the true value of what we bring in and distribute. Often donors want to know how much food they collected and the value of the food. Food Banks Canada estimates that each pound of food is valued at \$2.60.

## Grants

The board continued with grant writing in 2018 and was awarded \$1000.00 from the Burlington Foundation. The money was used to purchase Blue Bins for storage and a wheeled food collection bin.

## Clients

Overall visits to the food bank were up 13.4%, in 2018 compared to 2017.

Burlington Food Bank visits	<b>7,578</b>
St. Christopher's Open Doors visits	<b>4,727</b>
Total visits	<b>12,305</b>

## Why the increase with client visits in 2018?

- Increase in living expenses (rent, hydro, gas, etc.) without the same increase in wages.
- Higher minimum wage usually coincided with a few less hours per week.

The Food Bank has become more visible in our community via better connections with other agency partners. Some examples are, Next Door Social Space, Warwick Surrey Our Community Cares, Aldershot HUB.

## Community Outreach

The Burlington Food Bank continues to provide food and financial support to several local partners. Most notably:

- Wellington Square Friday Night Community Dinner
- Open Doors at St. Christophers Tuesday Dinner
- St. Lukes Wednesday Luncheons
- Compass Point Food Pantry
- Glad Tidings Dinners
- St. Mathews Lunch For Seniors
- Reach Out Centre for Kids Burloak
- Our Community Cares (Burloak and Warwick Surrey)

## Our Partners and Supporters

In 2018 our financial position continued to stay strong thanks to the generosity of our community donors and fundraisers;

- The Tim Horton's strong Smile Cookie campaign provided **\$51,689.00** to the Burlington Food Bank

- The Burlington Oldtimers Hockey Club and the Bowser Babes along with the Burlington Oldtimers Slo-Pitch League contributed over **\$27,135.30**
- The Gift of Giving back, our largest food donor, provided us with approximately **10%** of the **601,000** pounds of food and hygiene products they collected during their fall food drive
- Burlington Food Bank hosted the 3<sup>rd</sup> annual Ride to Provide fundraiser which grossed a total of **\$61,000.00**
- Rotary Burlington Central golf tournament **\$35,000**
- Burlington Concert Band - **\$3500**

We also received significant food and hygienic product support from, Walmart, Loblaws, Michael's, Bob's No Frills and J & G Meats.

The Burlington Food Bank is indebted to these organizations along with a number of local churches, corporate organizations and private individuals who continue to help support the Food Bank by providing us with food and cash donations each year.

## **Our Team**

The Executive Director, the Operations Manager and our many volunteers continue their strong work ethic to assist the Food Bank in feeding the hungry in our community. Their hard work and creative ideas for client improvements are greatly appreciated by the board and the community. Each of these individuals help keep the lights on and their passion doesn't go unnoticed.

In addition to our regular volunteers we have been fortunate over the past year to have received volunteer help from the employees of many corporations and organizations who have given up their time to come into the food bank to help sort and pack food.

## Looking Ahead

In 2019-2020 the board & staff will continue to improve the food security service to our client base. The board is looking at several programs,

- Launching a program to better serve the seniors in our community
  - FIRST – Food Initiative Reaching Seniors Together
- Look at extended hours to accommodate all clients that can't make it to the food bank under the current hours of operation
- Look at running additional fundraisers to help support current and new food programs
- Starting an endowment fund to secure money for the future
- Collaborate to look at bringing food bank services and other social programs under one roof (HUB concept)
- Consider a capital program to purchase and secure space for the future

The Burlington Food Bank continues to improve the customer experience in our community. I want to thank the staff, our many volunteers, the board and all those who have helped our community address hunger in Burlington.

Sincerely,

**Norm Crook**

Chair, Burlington Food Bank

**Mary Gowan**

Vice-Chair, Burlington Food Bank

**PARTNERSHIP WEST FAMILY SUPPORT NETWORK  
o/a Burlington Food Bank**

**December 31, 2018**

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# STEVENSON LEHOCKI LLP

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CHARTERED PROFESSIONAL ACCOUNTANTS

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## INDEPENDENT AUDITOR'S REPORT

To the Members of  
**Partnership West Family Support Network  
o/a Burlington Food Bank**

### **Qualified Opinion**

We have audited the financial statements of Partnership West Family Support Network (the Entity), which comprises the balance sheet as at **December 31, 2018** and the statements of operations, changes in net assets, and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible 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 Partnership West Family Support Network as at **December 31, 2018**, and the results of its operations, its changes in net assets, and its 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 Entity derives revenue from fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Entity. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the year ended **December 31, 2018**, current assets as at **December 31, 2018**, and net assets at **December 31, 2018**. Our audit opinion on the financial statements for the year ended **December 31, 2018** was modified accordingly because of the possible effects of this limitation in scope.

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 Entity 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 qualified audit 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

# STEVENSON LEHOCKI LLP

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CHARTERED PROFESSIONAL ACCOUNTANTS

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## INDEPENDENT AUDITOR'S REPORT cont'd

### 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 Entity'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 Entity'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 Entity 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.

Burlington, Ontario  
March 20, 2019

*Stevenson Lehocki LLP*  
Chartered Professional Accountants  
Licensed Public Accountants



**PARTNERSHIP WEST FAMILY SUPPORT NETWORK  
o/a Burlington Food Bank**

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**BALANCE SHEET**

As at December 31

See accompanying notes

	2018	2017
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 278,610	\$ 355,057
Savings account	10,019	10,010
Investment - GIC - Contingency fund	200,229	0
HST rebates recoverable	7,177	11,626
Prepaid expense	2,838	2,869
	<b>\$ 498,873</b>	<b>\$ 379,562</b>

**LIABILITIES AND NET ASSETS**

**Current liabilities**

Accounts payable and accrued liabilities	\$ 12,042	\$ 13,139
Deferred government grant revenue [Note 3]	0	4,233
	<b>12,042</b>	<b>17,372</b>

**NET ASSETS [Page 5]**

Internally restricted Contingency fund	200,229	0
Unrestricted fund	286,602	362,190
	<b>486,831</b>	<b>362,190</b>
	<b>\$ 498,873</b>	<b>\$ 379,562</b>

**On behalf of the Board:**

Director: \_\_\_\_\_

Director: \_\_\_\_\_

**PARTNERSHIP WEST FAMILY SUPPORT NETWORK**  
**o/a Burlington Food Bank**

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**STATEMENT OF OPERATIONS**

Year ended December 31	See accompanying notes	
	2018	2017
<b>REVENUE</b>		
Donations tax received	\$ 142,954	\$ 135,094
Contributions and other income	145,077	130,167
Fundraising	93,796	81,068
Government grant revenue <i>[Note 3]</i>	10,233	65,824
Interest on GIC for Contingency fund	229	0
Proceeds from sale of portable	0	10,000
	<b>392,289</b>	<b>422,153</b>
<b>EXPENSES</b>		
Advertising and promotion	426	398
Bank charges and interest	227	250
Food purchases	34,220	37,613
Insurance	1,693	1,616
Office salaries and benefits	126,861	108,158
Office supplies	7,057	8,524
Outreach programs	24,236	6,347
Professional fees	5,727	6,551
Property and equipment expensed <i>[Note 1(c)]</i>	2,786	61,999
Rent and storage	37,923	33,220
Repairs and maintenance	634	12,089
Sub-contracts	0	19,758
Telephone	1,332	3,845
Vehicle expense	7,283	5,755
Volunteer recognition	1,725	2,967
Waste removal and pest control	3,032	3,714
Website design and other technical services	12,486	13,460
	<b>267,648</b>	<b>326,264</b>
Excess of revenue over expenses for the year	<b>\$ 124,641</b>	<b>\$ 95,889</b>

**PARTNERSHIP WEST FAMILY SUPPORT NETWORK  
o/a Burlington Food Bank**

**STATEMENT OF CHANGES IN NET ASSETS**

Year ended December 31

See accompanying notes

	Unrestricted Fund	Internally Restricted Contingency Fund	2018	2017
Net assets, beginning	\$ 362,190	\$ 0	\$ 362,190	\$ 266,301
Excess of revenues over expenses	124,412	229	124,641	95,889
Appropriations (from) to other fund <i>[Note 2]</i>	(200,000)	200,000	0	0
Net assets, ending	\$ 286,602	\$ 200,229	\$ 486,831	\$ 362,190

**PARTNERSHIP WEST FAMILY SUPPORT NETWORK  
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**CASH FLOW STATEMENT**

Year ended December 31	See accompanying notes	
	2018	2017
<b>CASH FROM (TO) OPERATIONS</b>		
Contributions and other income, fundraising, and receipted tax donations	\$ 381,800	\$ 346,322
Grant revenue	10,233	65,824
Interest	256	7
Paid for supplies	(42,245)	(56,921)
Property and equipment expensed	(2,786)	(61,999)
Wages and benefits	(126,861)	(108,158)
Rent	(37,923)	(33,220)
Food	(34,220)	(37,613)
Outreach programs	(24,236)	(6,347)
Bank charges and interest	(227)	(250)
Sub-contracting	0	(19,758)
	123,791	87,887
<b>CASH FROM (TO) INVESTING ACTIVITIES</b>		
Proceeds from disposal of asset	0	10,000
<b>Changes in cash and equivalents during the year</b>	<b>123,791</b>	<b>97,887</b>
Cash and equivalents, beginning	365,067	267,180
<b>Cash and equivalents, ending</b>	<b>\$ 488,858</b>	<b>\$ 365,067</b>
 <b>Represented by:</b>		
Cash	\$ 278,610	\$ 355,057
Savings account	10,019	10,010
Investment - GIC - Contingency fund	200,229	0
	<b>\$ 488,858</b>	<b>\$ 365,067</b>

**PARTNERSHIP WEST FAMILY SUPPORT NETWORK  
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**NOTES TO THE FINANCIAL STATEMENTS**

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**December 31, 2018**

**DESCRIPTION OF ORGANIZATION**

Partnership West Family Support Network o/a Burlington Food Bank is an Ontario Corporation without share capital which came into existence July 14, 1992. It is a registered Charity and is not subject to income tax pursuant to section 149(1) of the Income Tax Act. This not-for-profit organization operates a Food Bank located in Burlington, Ontario to provide emergency food to needy persons in the community. The organization is managed and administered by a Board of Directors with the Chair of the Board responsible for the general management of the organization. A salaried Operations Manager is responsible for the management of the food distribution centre and warehouse with the assistance of a salaried staff member and volunteers.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**(a) Financial Instruments**

*Measurement of financial instruments*

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

Financial assets measured at amortized cost include cash and investment - guaranteed investment certificates.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

*Impairment*

Financial assets measured at 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. There has been no impairment recognized in the current year or prior year.

*Transaction costs*

The organization recognizes its transaction costs in net income in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

*Risk exposure*

It is management's opinion that it is not exposed to any significant currency, interest or other risks on its financial instruments.

There has been no significant change in risk exposure from the prior year.

**(b) Inventories**

Inventories are measured at the lower of actual cost and current replacement cost. Inventories of donated food are valued at zero (organization's policy for contributions of materials and services). At the December 31 fiscal year end, purchased perishable food inventory is minimal.

**PARTNERSHIP WEST FAMILY SUPPORT NETWORK  
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**NOTES TO THE FINANCIAL STATEMENTS**

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**December 31, 2018**

**(c) Property and Equipment**

The organization has adopted the policy of expensing all property and equipment in the year of purchase.

In fiscal 2018, the organization purchased a commercial quality scale, bins for the warehouse, and other small warehouse items. No assets were disposed or scrapped during fiscal 2018. In the 2017 fiscal year, major categories of tangible assets owned by the organization included: delivery truck, refrigeration equipment, warehousing equipment, office furniture and equipment, computer hardware, trailer and towing accessories, and leasehold improvements. In fiscal 2017, the organization purchased a new food delivery truck with a refrigeration unit, additional blue cross-stacking tubs, a heavy duty camera, and a freezer. The old delivery truck was sold and proceeds were combined with a grant received from The Regional Municipality of Halton (Note 3) to acquire the new food delivery truck. In fiscal 2016, the organization purchased and paid for the installation of a new automatic door, purchased a new computer and printer for the office and sold a portable building. In fiscal 2015, the organization purchased improvements in its expanded rental premises. In fiscal 2014, the organization purchased an office computer and a new trailer along with towing accessories. The trailer can be towed by the truck owned by the organization and when not in use it provides extra space for storage of food and supplies.

**(d) Revenue Recognition**

The organization follows the deferral method of accounting for contributions. Restricted contributions and grants are recognized as revenue in the year which the related expenditures are incurred.

Unrestricted contributions and other sources of revenue, such as interest income, are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Government assistance received from programs that relate to current operating expenditures are recorded in the statement of operations. Government assistance related to the purchase of capital assets is recorded as income in the statement of operations which is the using the same basis that the related capital assets are being expensed.

**(e) Contributions of Materials and Services**

The organization receives donations of food, materials and volunteer services. The value of these materials and services are not reflected in the statement of operations.

**(f) Harmonized Sales Tax**

As a registered charity, a prorated portion of the HST paid on eligible expenses can be recovered in the form of a rebate. The non-recoverable portion is charged to expense accounts.

**(g) Use of Estimates**

The preparation of these 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, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. All estimates are reviewed periodically and adjustments are made to the statement of operations as appropriate in the year they become known.

**(h) Cash and Cash Equivalents**

The organization's policy is to disclose bank balances under cash and cash equivalents, including short term investments with a maturity period of less than one year from the date of acquisition. Only unrestricted investments in GIC's meet this policy as they can be converted to cash in a short period of time.

**PARTNERSHIP WEST FAMILY SUPPORT NETWORK  
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**NOTES TO THE FINANCIAL STATEMENTS**

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December 31, 2018

**2. INTERNALLY RESTRICTED CONTINGENCY FUND**

The Contingency fund is an internally restricted fund that reflects amounts that are designated by the Board of Directors for special purposes or unforeseen circumstances. Amounts are to be transferred to unrestricted funds as necessary. The Contingency fund was created in order to manage the Food Bank's risk for future operations and to ensure continuity of business.

In 2018, the Board of Directors allocated \$200,000 to be held in a GIC to establish the new Contingency fund.

**3. GOVERNMENT GRANT REVENUE**

On April 4, 2017 the organization received \$5,000 from the Ontario Association of Food Banks in partnership with Sysco to be specifically spent on qualifying expenditures per the agreement for the Sysco Community Garden Program "Feeding Fresh". At fiscal year end 2017, \$767 has been recognized in grant revenue. The remaining amount of \$4,233 was recorded on the balance sheet as deferred government grant revenue. During fiscal 2018 the grant income was recognized as revenue as the remaining proceeds of \$4,233 were spent on qualifying expenditures. An additional \$5,000 was provided by the City of Burlington and \$1,000 was provided by the Burlington Community Foundation.

On June 19, 2017 the organization entered into an agreement with the Regional Municipality of Halton to receive funds from the Halton Region Community Investment Fund, Category Three Program. The Category Three Program provides funding that increases access to food and enhance the ability of food security programs to respond to the needs of Halton residents. The organization presented a proposal to undertake a "Project" and was awarded the amount of \$50,000. The funds were used towards the purchase of capital equipment which was a new food delivery truck. The organization shall preserve the capital equipment for a period of three years and shall not dispose of or transfer any Capital Equipment unless the Region authorizes its disposition. The three year period ends in the year 2020.

On August 14, 2017 the organization entered into an agreement with Food Banks Canada as part of the 2017 Capacity Boost Grant program and received \$15,057 to be used towards capital equipment.

<b>4. OTHER INCOME</b>	<b>2018</b>	<b>2017</b>
Proceeds from disposal of assets [2017 - truck]	\$ 0	\$ 10,000

**5. CONTINGENCIES AND COMMITMENTS**

During fiscal 2017, the organization committed to a lease for the premises at 1254 Plains Road for a 36 month period commencing January 1, 2018 with an option to renew for a further 36 month period. The annual commitment over the next 5 years, not including HST are:

2019	\$38,400
2020	\$38,400