

March 21, 2024

Newmarket Food Pantry,
1251 Gorham Street, Unit 7,
Newmarket, Ontario.
L3Y 8Y6
Attention: Juliane Goyette

Dear Ms. Goyette:

Re: Year Ended October 31, 2023

In accordance with our accounting engagement, we have audited the financial statements of Newmarket Food Pantry for the year ended October 31, 2023 and accordingly we are enclosing the following:

1. One copy of the financial statements.
2. One copy of the letter of representation.
3. One copy of our audit findings letter.
4. One copy of the adjusting journal entries.
5. One copy of the final trial balance.

This completes our audit of the organization's financial statements and our account for professional services rendered will be forwarded to you under separate cover.

We would like to take this opportunity to thank you for allowing us to be of service to you. If you have any questions regarding the above, please do not hesitate to contact this office.

Yours very truly,

SMITH, SYKES, LEEPER & TUNSTALL LLP
Chartered Professional Accountants



BRAD G. SMITH, B.Com., CPA, CA
Licensed Public Accountant

/nb
Encl.
1038

**NEWMARKET FOOD PANTRY
FINANCIAL STATEMENTS
OCTOBER 31, 2023**

**SMITH, SYKES, LEEPER & TUNSTALL LLP
CHARTERED PROFESSIONAL ACCOUNTANTS
LICENSED PUBLIC ACCOUNTANTS**

NEWMARKET FOOD PANTRY

FINANCIAL STATEMENTS

OCTOBER 31, 2023

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INDEPENDENT AUDITORS' REPORT

To the Directors of,
Newmarket Food Pantry

Qualified Opinion

We have audited the accompanying financial statements of Newmarket Food Pantry, which comprise the statement of financial position as at **October 31, 2023** 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.

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the contributions referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of The Newmarket Food Pantry as at **October 31, 2023**, and its financial performance and 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 charitable organizations, the organization derives revenue from the general public in the form of donations and fundraising events, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to contributions, excess of revenues over expenses, current assets and net assets.

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 Newmarket Food Pantry 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 Newmarket Food Pantry'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 Newmarket Food Pantry or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing Newmarket Food Pantry's financial reporting process.

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 Newmarket Food Pantry'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 Newmarket Food Pantry'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 Newmarket Food Pantry 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.

Newmarket, Ontario.
March 21, 2024.

Smith, Sykes, Leeper & Tunstall LLP

**CHARTERED PROFESSIONAL ACCOUNTANTS
Licenced Public Accountants**

NEWMARKET FOOD PANTRY
(Incorporated Under the Laws of Ontario)
STATEMENT OF FINANCIAL POSITION
OCTOBER 31, 2023

	<u>2023</u>	<u>2022</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash	\$ 155,462	\$ 262,248
Short-term investments (Note 4)	674,880	32,112
Accounts receivable	720	5,975
HST receivable	6,702	4,568
Prepaid expenses	<u>2,769</u>	<u>2,769</u>
	840,533	307,672
Investments (Note 4)	253,165	557,353
Capital assets (Note 5)	<u>1,654,396</u>	<u>1,700,903</u>
	\$ 2,748,094	\$ 2,565,928
<u>LIABILITIES</u>		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 21,649	\$ 24,128
Government remittances payable	3,004	2,461
Deferred capital contributions (Note 6)	107,060	125,658
Deferred revenue	0	11,000
Current portion of long-term debt (Note 7)	<u>29,037</u>	<u>26,828</u>
	160,750	190,075
Long-term debt (Note 7)	<u>884,422</u>	<u>917,595</u>
	1,045,172	1,107,670
<u>NET ASSETS</u>		
Net investment in capital assets	633,877	630,823
Unrestricted Net Assets	<u>1,069,045</u>	<u>827,435</u>
	1,702,922	1,458,258
	\$ 2,748,094	\$ 2,565,928

Approved on Behalf of the Board,

Juliane Goyette, Director.

Adrian Bain, Director.

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

**NEWMARKET FOOD PANTRY
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED OCTOBER 31, 2023**

	2023			2022
	Invested in Capital Assets	Unrestricted	Total	Total
Balance, beginning of the year	\$ 630,823	\$ 827,435	\$ 1,458,258	\$ 1,182,229
Excess of revenues over expenses	3,054	241,610	244,664	276,029
BALANCE, END OF THE YEAR	\$ 633,877	\$ 1,069,045	\$ 1,702,922	\$ 1,458,258

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

**NEWMARKET FOOD PANTRY
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED OCTOBER 31, 2023**

	2023	2022
REVENUE		
Donated food - non receipted	\$ 1,729,682	\$ 1,190,175
Donations - non receipted	496,011	355,038
Donations - receipted	345,939	388,555
Fundraising	109,924	73,282
Other income	28,753	9,067
Donated food - receipted gifts in kind	15,509	16,340
Grants (Note 8)	0	49,500
	2,725,818	2,081,957
OPERATING EXPENSES		
Donated food	1,729,682	1,190,175
Purchased food	284,204	241,795
Salaries and benefits	230,640	184,111
Interest on long term debt	64,595	32,629
Office and general	38,917	41,204
Advertising and promotion	28,754	16,488
Utilities	18,784	15,836
Supplies	11,902	17,757
Professional fees	10,497	9,731
Condo fees	10,216	9,807
Property taxes	9,368	9,016
Insurance	7,892	7,528
Scholarships	2,500	0
Bank charges and interest	2,455	1,528
Transportation	923	1,625
	2,451,329	1,779,230
Excess of revenues over expenses - before other items	274,489	302,727
Amortization	(59,423)	(62,159)
Amortization of deferred capital contributions (Note 6)	29,598	35,461
	(29,825)	(26,698)
EXCESS OF REVENUES OVER EXPENSES	\$ 244,664	\$ 276,029

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

**NEWMARKET FOOD PANTRY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED OCTOBER 31, 2023**

	2023	2022
CASH PROVIDED BY (USED FOR)		
OPERATIONS		
Excess of revenues over expenses	\$ 244,664	\$ 276,029
Items not requiring an outlay of cash:		
Amortization	<u>59,423</u>	<u>62,159</u>
	304,087	338,188
Changes in operating working capital		
Accounts receivable	5,255	(5,975)
HST receivable	(2,134)	4,302
Prepaid expenses	0	(250)
Accounts payable and accrued expenses	(2,480)	(13,070)
Government remittances payable	543	(405)
Deferred capital contributions	(18,598)	4,036
Deferred revenue	<u>(11,000)</u>	<u>(6,198)</u>
	(28,414)	(17,560)
CASH PROVIDED BY OPERATIONS	275,673	320,628
FINANCING		
(Repayment of) long term debt	<u>(30,964)</u>	<u>(142,648)</u>
CASH (USED FOR) FINANCING	(30,964)	(142,648)
INVESTING		
(Increase) in Investments	(338,580)	(557,436)
Additions to capital assets	<u>(12,915)</u>	<u>(49,733)</u>
CASH (USED FOR) INVESTING	(351,495)	(607,169)
NET CHANGE IN CASH POSITION	(106,786)	(429,189)
Cash position, beginning of the year	262,248	691,437
CASH POSITION, END OF THE YEAR	\$ 155,462	\$ 262,248

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

NEWMARKET FOOD PANTRY
NOTES TO THE FINANCIAL STATEMENTS
OCTOBER 31, 2023

1. ORGANIZATION

Nature of business -

Newmarket Food Pantry is incorporated without share capital under the laws of Ontario as a not-for-profit organization. It is a registered charity under the Income Tax Act and, accordingly, is exempt from income taxes.

The mission of the Newmarket Food Pantry is to coordinate the efforts of the community in providing supplementary nutritional support to those in the Newmarket and East Gwillimbury areas who, through unemployment, disability or economic marginalization are unable to meet all of their dietary needs on their own.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit Organizations (ASNPO) and include the following significant accounting policies:

Use of estimates -

The preparation of the 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 financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the estimated useful lives of capital assets and donated food. Actual results could differ from those estimates.

Financial instruments -

The Organization initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions.

The Organization subsequently measures its financial assets and liabilities at amortized cost, except for investments which are measured at fair value. Changes in fair value are recognized in net income.

Financial assets and liabilities measured at amortized cost include HST receivable, investments, accounts payable and accrued expenses, government remittance payable and long-term debt.

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of any write-down is recognized in net income. Any 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. Any reversal is recognized in net income.

Cash -

Cash consists of cash on hand, cash in the bank, cheques issued and outstanding, and deposits outstanding.

NEWMARKET FOOD PANTRY
NOTES TO THE FINANCIAL STATEMENTS
OCTOBER 31, 2023

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Inventory -

Inventory for donated food held at year end is not recognized in these financial statements. The food is distributed at no charge and is therefore recorded at the lower of cost and replacement value which is nil to the organization.

Revenue recognition -

The Organization follows the deferral method of accounting for revenue, which includes donations, fundraising and government grants.

The Organization receives grants from various sources and grants are recorded as revenue in the period to which they relate.

Unrestricted donations and fundraising is recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributions or grants received for the purchase of capital assets are deferred and amortized into revenue at a rate consistent with the amortization rate for the related capital assets.

Investment income includes interest. Interest is recognized with the passage of time, and accrued accordingly.

Contributed supplies -

The Organization has recorded donated food distributed at no charge in the financial statements. The calculated value of food donations received from the public and in turn given out to the public during the year, for which no charitable donation receipts were issued, has been valued at \$3.52 per pound (2022 - \$3.21 per pound) based on an estimate provided by a third party.

**NEWMARKET FOOD PANTRY
NOTES TO THE FINANCIAL STATEMENTS
OCTOBER 31, 2023**

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Organization is exposed to the following risks related to its financial assets and liabilities:

Credit risk -

Credit risk is the risk that a third party to a financial instrument might fail to meet its obligations under the terms of the financial instrument. The Organization does not have a significant exposure to any individual or organizations, as its revenue sources are mainly community fundraising and various donors. There has been no change to the risk exposure from the prior year.

Liquidity risk -

Liquidity risk is the risk that an organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to liquidity risk on its accounts payable and accrued expenses and long-term debt. There has been no change to the risk exposure from the prior year.

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: foreign currency risk, interest rate risk and other price risk. Currently, the Organization is not exposed to foreign currency risk or other price risk.

Interest rate risk -

Interest rate risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in market interest rates. The Organization is exposed to interest rate risk through its fixed interest rate financial instruments. The value of the Organization's fixed rate instruments could fluctuate with changes in interest rates. There has been no change to the risk exposure from the prior year.

**NEWMARKET FOOD PANTRY
NOTES TO THE FINANCIAL STATEMENTS
OCTOBER 31, 2023**

4. INVESTMENTS

The investments consist of the following:

	<u>2023</u>	<u>2022</u>
Short-term investments:		
Guaranteed investment certificates	\$ 387,632	\$ 32,112
Cash and cash equivalents	<u>287,248</u>	<u>0</u>
	<u>\$ 674,880</u>	<u>\$ 32,112</u>
 Long-term investments:		
Guaranteed investment certificate	\$ 253,165	\$ 557,353

Guaranteed investment certificates are presented at amortized cost plus accrued interest, maturing on various dates between April 22, 2024 and September 22, 2026, and with interest rates ranging from 4.99% to 5.58%.

5. CAPITAL ASSETS

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net 2023</u>	<u>Net 2022</u>
Buildings	\$ 1,276,766	\$ 75,084	\$ 1,201,682	\$ 1,226,206
Land	319,192	0	319,192	319,192
Fixtures and Equipment	223,099	108,682	114,417	128,492
Vehicle	55,284	37,744	17,540	25,057
Computer equipment	<u>3,879</u>	<u>2,314</u>	<u>1,565</u>	<u>1,956</u>
	<u>\$ 1,878,220</u>	<u>\$ 223,824</u>	<u>\$ 1,654,396</u>	<u>\$ 1,700,903</u>

Capital assets are recorded at cost. Amortization is provided annually at rates calculated to write-off the assets over their estimated useful lives as follows:

Buildings	- 50 years straight line
Fixtures and Equipment	- 20% declining balance
Vehicle	- 30% declining balance
Computer equipment	- 5 years straight line

NEWMARKET FOOD PANTRY
NOTES TO THE FINANCIAL STATEMENTS
OCTOBER 31, 2023

6. DEFERRED CAPITAL CONTRIBUTIONS

Funding for investment in capital assets from various sources:

	<u>2023</u>	<u>2022</u>
Opening balance	\$ 125,658	\$ 121,623
Add: funds received during the year	11,000	39,496
Less: amount recognized as revenue in the year	<u>(29,598)</u>	<u>(35,461)</u>
Closing balance	<u>\$ 107,060</u>	<u>\$ 125,658</u>

7. LONG-TERM DEBT

The long-term debt consists of the following:

	<u>2023</u>	<u>2022</u>
Fixed rate term loan, bearing interest at 6.98% per annum, repayable in monthly principal and interest payments of \$7,674, due Oct 29 2025, secured by the property and equipment located at 1251 Gorham Street, Newmarket, Ontario, and a general security agreement.	\$ 913,459	\$ 944,423
Less: current portion	<u>29,037</u>	<u>26,828</u>
	<u>\$ 884,422</u>	<u>\$ 917,595</u>

The minimum annual payments over the next 5 years with respect to the long-term debt are as follows:

2024	\$ 29,037
2025	<u>884,422</u>
	<u>\$ 913,459</u>

**NEWMARKET FOOD PANTRY
NOTES TO THE FINANCIAL STATEMENTS
OCTOBER 31, 2023**

8. GRANT REVENUE

During the year the Organization received grants from the following sources:

	<u>2023</u>	<u>2022</u>
Food Banks Canada	0	49,500

NEWMARKET FOOD PANTRY

1251 Gorham Street, Unit 7,

Newmarket Ontario

L3Y 8Y6

Smith, Sykes, Leeper & Tunstall LLP,
Chartered Professional Accountants,
111 Main Street South,
Newmarket, Ontario.
L3Y 3Y8

Dear Sirs:

This representation letter is provided in connection with your audit of the financial statements of Newmarket Food Pantry for the year ended October 31, 2023 for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with Accounting Standards for Not-For-Profit Organizations (ASNFPO).

We confirm that to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Financial Statements

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated January 9, 2024 for the preparation of the financial statements in accordance with ASNFPO, in particular, the financial statements are fairly presented in accordance therewith.
- Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- Related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of ASNFPO.
- All events subsequent to the date of the financial statements and for which ASNFPO require adjustment or disclosure have been adjusted or disclosed.
- The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole.
- All assets, wherever located, to which the organization had satisfactory title at the year end, have been fairly stated and recorded in the financial statements.

Information Provided

- We have provided you with:
 - access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
 - additional information that you have requested from us for the purpose of the audit; and
 - unrestricted access to persons within the organization from whom you determined it necessary to obtain audit evidence.
 - the minutes books of the organization are a complete record of all meetings and resolutions of directors throughout the year and to the present date;

All transactions have been recorded in the accounting records and are reflected in the financial statements.

- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

- We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the organization and involves:
 - the Board of Directors;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial statements.
- We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the organization's financial statements communicated by employees, former employees, analysts, regulators or others.
- There are no direct or contingent liabilities, unusual contractual obligations nor any substantial commitments, other than in the ordinary course of business, which would materially affect the financial statement or financial position of the organization, except as disclosed in the financial statements.
- There are no outstanding legal actions or possible claims which have not been provided for or disclosed in the financial statements.
- We have disclosed to you all significant customers and/or suppliers of the organization who individually represent a significant volume of transactions with our organization. We are of the opinion that the volume of transactions (revenue, services, purchases, borrowing and lending) done by the organization with any one party is not of sufficient magnitude that discontinuance would have a material negative effect on the ongoing operations of the organization.
- We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.
- We have disclosed to you the identity of the organization's related parties and all the related-party relationships and transactions of which we are aware.
- There have been no irregularities involving employees who have significant roles in the system of internal control.
- No events or transactions other than those disclosed in the financial statements have occurred subsequent to the balance sheet date that would require adjustment to, or disclosure in, the financial statements.
- We have reviewed and approved all of the following:
 - journal entries you prepared or changed;
 - account codes you determined or changed;
 - transactions you classified;
 - accounting records you prepared or changed.

Yours very truly,

NEWMARKET FOOD PANTRY

Adrian Bain

 Date March 21, 2024

 Name Adrian Bain

1038

 Title

March 21, 2024

Newmarket Food Pantry,
1251 Gorham Street, Unit 7,
Newmarket, Ontario.
L3Y 8Y6

Attention: Board of Directors

Dear Sirs:

Re: Audit Findings Letter

Audit Status

We have completed the audit of the financial statements, with the exception of the following items:

1. Receipt of a signed representation letter by the Board of Directors.
2. Receipt of a signed audit findings letter by the Board of Directors.

Significant Matters Arising

Changes to Audit Plan

There were no changes to the audit plan (as previously presented to you).

Significant Difficulties Encountered

There were no significant difficulties encountered during our audit.

Comments on Accounting Practices

Accounting Policies

The significant accounting policies used by the organization are outlined in Note 2 to the financial statements.

- There were no significant changes in accounting policies.
- We did not identify any alternative accounting policies that would have been more appropriate in the circumstances.
- We did not identify any significant accounting policies in controversial or emerging areas.

Significant Accounting Estimates

The following significant estimates/judgments are contained in the financial statements:

- Value of donated food
- Book value of capital assets

Based on audit work performed, we are satisfied with the estimates made.

Significant Financial Statement Disclosures

We did not identify any financial statement disclosures that are particularly significant, sensitive or require significant judgments, that we believe should be specifically drawn to your attention.

1.

Significant Deficiencies in Internal Control

A deficiency in internal control exists when a control is designed, implemented or operated in such a way that it is unable to prevent, or detect and correct, misstatements in the financial statements on a timely basis, or when a control necessary to prevent, or detect and correct, misstatements in the financial statements on a timely basis is missing.

A significant deficiency in internal control is defined as a deficiency or combination of deficiencies in internal control that, in the auditor's professional judgment, is of sufficient importance to merit the attention of those charged with governance.

To identify and assess the risks of material misstatement in the financial statements, we are required to obtain an understanding of internal control relevant to the audit. This understanding is used for the limited purpose of designing appropriate audit procedures. It is not used for the purpose of expressing an opinion on the effectiveness of internal control and, as a result, we do not express any such opinion. The limited purpose also means that there can be no assurance that all significant deficiencies in internal control, or any other control deficiencies, will be identified during our audit.

We did not identify any control deficiencies that, in our judgment, would be considered significant deficiencies.

Written Representations

In a separate communication, as attached, we have requested a number of written representations from the Board of Directors in respect to their responsibility for the preparation of the financial statements in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

Other Audit Matters of Governance Interest

We did not identify any other matters to bring to your attention at this time.

We would like to thank the Treasurer and the rest of the Board for the assistance they provided to us during the audit.

We hope the information in this audit findings letter will be useful. We would be pleased to discuss them with you and respond to any questions you may have.

This letter was prepared for the sole use of those charged with governance of Newmarket Food Pantry to carry out and discharge their responsibilities. The content should not be disclosed to any third party without our prior written consent, and we assume no responsibility to any other person.

Yours very truly,

SMITH, SYKES, LEEPER & TUNSTALL LLP
Chartered Professional Accountants



BRAD G. SMITH, B.Com., CPA, CA
Licensed Public Accountant

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1038

Acknowledgement of Board of Directors:

We have read and reviewed the above disclosures and understand and agree with the comments therein:

January 23, 2023
Date

T
Position
Executive Director

Juliane Goyette
Signature

January 23, 2023
Date

Position

Adrian Bain
Signature

Newmarket Food Pantry

Year End: October 31, 2023

Adjusting journal entries

Date: 01-Nov-2022 To 31-Oct-2023

Completed by	Reviewed by	Partner
EM 12-Mar-2024	LN 09-Mar-2024	

6.4

Number	Date	Name	Account No	Reference	Debit	Credit	Recurrence	Misstatement	
1	31-Oct-2023	Members Equity	3000	TT		149,881.53			
1	31-Oct-2023	Net Investment in Capital	3001	TT		126,147.24			
1	31-Oct-2023	Unrestricted Net Assets	32000	TT	276,028.77				
		To adjust opening net assets							Factual
2	31-Oct-2023	Accounts Receivable	1215	10LS		5,975.43			
2	31-Oct-2023	Fruit & Vegetable Fridge	1514	10LS	5,637.92				
2	31-Oct-2023	HST Payable	2040	10LS	337.51				
		to reclassify fridge refund and fridge purchase							
3	31-Oct-2023	Accum Ammor - Furn and Equip	1510	U1		26,990.00			
3	31-Oct-2023	Accum Ammor - Building Gorham S	1525	U1		24,524.12			
3	31-Oct-2023	Accum Ammor - Computer Equip	1570	U1		391.17			
3	31-Oct-2023	Accumulated Ammor - Ford Van	1576	U1		7,517.31			
3	31-Oct-2023	Depreciation Expense	5610	U1	59,422.60				
		to record current yer amortization							
4	31-Oct-2023	Scotiabank - Savings	1006	A3	1,708.46				
4	31-Oct-2023	Interest Earned on Investments	4300	A3		1,709.46			
4	31-Oct-2023	Bank & Credit card Fees	6025	A3	1.00				
		to record interest and bank charges to Savings account							
5	31-Oct-2023	Scotiabank - Savings	1006	A3		76,345.01			
5	31-Oct-2023	Scotiabank Investment Account	1007	A3	76,345.01				
		to record transfer of Savings account to GIC							
6	31-Oct-2023	Accounts Receivable	1215		720.00				
6	31-Oct-2023	Fund Raising Receipts	4500			720.00			
		to accrue September and October 2023 invoice for Kirk Bowden							
7	31-Oct-2023	HST Payable	2040			8,507.94			
7	31-Oct-2023	HST Rebate	4700		8,507.94				
		To consolidate the HST accounts							
8	31-Oct-2023	RBC Mortgage	2700	KK1		67,388.21			
8	31-Oct-2023	Interest on long term debt	6026	KK1	67,388.21				
		To record interest paid on mortgage							
9	31-Oct-2023	Accrued Expenses	2030	KK1		4,880.97			
9	31-Oct-2023	RBC Mortgage	2700	KK1	7,673.73				
9	31-Oct-2023	Interest on long term debt	6026	KK1		2,792.76			
		To adjust mortgage payment accrual and accrued interest							
10	31-Oct-2023	current portion contra account	2601	KK2	29,036.79				
10	31-Oct-2023	Current portion of long term debt	2602	KK2		29,036.79			
		To reclassify current portion of mortgage payable							
11	31-Oct-2023	Scotiabank Investment Account	1007	B1	24,733.36				
11	31-Oct-2023	Interest Earned on Investments	4300	B1		24,733.36			
		To record interest on investments							

Newmarket Food Pantry
Year End: October 31, 2023
Adjusting journal entries
Date: 01-Nov-2022 To 31-Oct-2023

Completed by	Reviewed by	Partner
EM 12-Mar-2024	LN 09-Mar-2024	

6. 4-1

Number	Date	Name	Account No	Reference	Debit	Credit	Recurrence	Misstatement
12	31-Oct-2023	Furniture and Equipment	1500	U2		712.51		
12	31-Oct-2023	Repairs & Maintenance	6230	U2	712.51			
To reclassify R&M								
13	31-Oct-2023	Deferred Capital Contribution	2500	CC1-1		11,000.00		
13	31-Oct-2023	Deferred Revenue	2510	CC1-1	11,000.00			
To reclassify deferred capital contributions								
14	31-Oct-2023	Deferred Capital Contribution	2500	CC1	29,597.91			
14	31-Oct-2023	Amort. of deferred capital cont	4600	CC1		29,597.91		
To record amortization of deferred capital contributions for the year								
15	31-Oct-2023	Donations Received	4010	10-1		10,069.16		
15	31-Oct-2023	Donations Unreceipted	4020	10-1	12,009.66			
15	31-Oct-2023	Fund Raising Receipts	4500	10-1		1,940.50		
Client prepared entry to reclassify receipted donations included in unreceipted								
16	31-Oct-2023	Accrued Expenses	2030	BB2-1	2,251.66			
16	31-Oct-2023	Food Purchases	5010	BB2-1		2,251.66		
to adjust oct vinces accrual to actual								
17	31-Oct-2023	Donations Unreceipted	4020	16		16,329.60		
17	31-Oct-2023	Gifts in Kind - Receipted	4120	16		15,509.46		
17	31-Oct-2023	Food Purchases	5010	16	15,509.46			
17	31-Oct-2023	Food Vouchers/Gift Certificates	5020	16	16,329.60			
To record donations in kind								
18	31-Oct-2023	Gifts in Kind - Food Donations	4110	11		1,729,682.24		
18	31-Oct-2023	Donated Food Delivered	5300	11	1,729,682.24			
To record food donations for the year								
					2,374,634.34	2,374,634.34		

Net Income (Loss) 244,663.70

Adrian Bain

Newmarket Food Pantry

Year End: October 31, 2023

Trial balance

Completed by	Reviewed by	Partner

6.3

Account	Prelim	Adj's	Reclass	Rep	Rep 10/22	%Chg
1000 Scotiabank - General Account	147,276.49	0.00	0.00	147,276.49	170,003.27	-13
1005 Scotiabank - Bingo Account	7,643.12	0.00	0.00	7,643.12	17,065.66	-55
1006 Scotiabank - Savings	74,636.55	-74,636.55	0.00	0.00	74,636.55	-100
1010 Petty Cash	542.72	0.00	0.00	542.72	542.72	0
111 Cash	230,098.88	-74,636.55	0.00	155,462.33	262,248.20	-41
1007 Scotiabank Investment Account	791,200.09	101,078.37	0.00	892,278.46	557,353.42	60
1050 Investments - GIC	35,766.56	0.00	0.00	35,766.56	32,111.57	11
SSL1050-1 Reclass LT investments	0.00	0.00	-253,165.00	-253,165.00	-557,353.00	-55
113 Short term investments	826,966.65	101,078.37	-253,165.00	674,880.02	32,111.99	2002
1215 Accounts Receivable	5,975.43	-5,255.43	0.00	720.00	5,975.43	-88
4700 HST Rebate	-8,507.94	8,507.94	0.00	0.00	0.00	0
115 Accounts receivable	-2,532.51	3,252.51	0.00	720.00	5,975.43	-88
2040 HST Payable	14,872.85	-8,170.43	0.00	6,702.42	4,568.20	47
116 Allowance for doubtful accounts	14,872.85	-8,170.43	0.00	6,702.42	4,568.20	47
1230 Donated Food Store Gift Cards	0.00	0.00	0.00	0.00	250.00	-100
1320 Prepaid Rent - 1251 Gorham St.	250.00	0.00	0.00	250.00	0.00	0
1331 Prepaid taxes Unit 7	768.99	0.00	0.00	768.99	768.99	0
1332 Prepaid Taxes Unit 8	839.70	0.00	0.00	839.70	839.70	0
1333 Prepaid Taxes Unit 9	910.41	0.00	0.00	910.41	910.41	0
128 Other current assets	2,769.10	0.00	0.00	2,769.10	2,769.10	0
SSL1050-2 Reclass LT investments	0.00	0.00	253,165.00	253,165.00	557,353.00	-55
131 Long term investments	0.00	0.00	253,165.00	253,165.00	557,353.00	-55
1517 Land	319,191.54	0.00	0.00	319,191.54	319,191.54	0
151 Land - cost	319,191.54	0.00	0.00	319,191.54	319,191.54	0
1500 Furniture and Equipment	99,939.05	-712.51	0.00	99,226.54	92,381.69	7
1514 Fruit & Vegetable Fridge	432.17	5,637.92	0.00	6,070.09	0.00	0
1516 Kitchen	112,072.64	0.00	0.00	112,072.64	112,072.64	0
1518 Shed	3,589.58	0.00	0.00	3,589.58	3,589.58	0
1519 Outdoor Community Fridge	2,140.56	0.00	0.00	2,140.56	2,140.56	0
157 Machinery, equipment, furniture	218,174.00	4,925.41	0.00	223,099.41	210,184.47	6
1575 Vehicle- Refrigerated Ford Van	55,284.49	0.00	0.00	55,284.49	55,284.49	0
157.110 Motor vehicles - cost	55,284.49	0.00	0.00	55,284.49	55,284.49	0
1510 Accum Ammor - Furn and Equip	-81,691.96	-26,990.00	0.00	-108,681.96	-81,691.96	33
158 Machinery, equipment, furniture	-81,691.96	-26,990.00	0.00	-108,681.96	-81,691.96	33
1576 Accumulated Ammor - Ford Van	-30,226.80	-7,517.31	0.00	-37,744.11	-30,226.80	25

Newmarket Food Pantry

Year End: October 31, 2023

Trial balance

Completed by	Reviewed by	Partner

6. 3-1

Account	Prelim	Adj's	Reclass	Rep	Rep 10/22	%Chg
158.110 Motor vehicles - accumulate	-30,226.80	-7,517.31	0.00	-37,744.11	-30,226.80	25
1560 Computer Equipment	3,878.70	0.00	0.00	3,878.70	3,878.70	0
163	3,878.70	0.00	0.00	3,878.70	3,878.70	0
1570 Accum Ammor - Computer Equip	-1,922.85	-391.17	0.00	-2,314.02	-1,922.85	20
164	-1,922.85	-391.17	0.00	-2,314.02	-1,922.85	20
1515 Building - 1251 Gorham St	1,276,766.14	0.00	0.00	1,276,766.14	1,276,766.14	0
167 Other property, plant and equipn	1,276,766.14	0.00	0.00	1,276,766.14	1,276,766.14	0
1525 Accum Ammor - Building Gorham S	-50,559.94	-24,524.12	0.00	-75,084.06	-50,559.94	49
168 Other property, plant and equipn	-50,559.94	-24,524.12	0.00	-75,084.06	-50,559.94	49
1400 RBC Visa	-1,084.87	0.00	0.00	-1,084.87	-6,193.21	-82
1401 Scotiabank Visa	33.95	0.00	0.00	33.95	33.95	0
2030 Accrued Expenses	-17,970.02	-2,629.31	0.00	-20,599.33	-17,970.02	15
215 Accounts payable and accrued li	-19,020.94	-2,629.31	0.00	-21,650.25	-24,129.28	-10
2051 Income Tax	583.06	0.00	0.00	583.06	583.06	0
2052 CPP Payable	193.42	0.00	0.00	193.42	193.42	0
2053 EI Payable	67.28	0.00	0.00	67.28	67.28	0
24000 Payroll Liabilities	-3,847.46	0.00	0.00	-3,847.46	-3,304.96	16
217 Taxes payable	-3,003.70	0.00	0.00	-3,003.70	-2,461.20	22
2500 Deferred Capital Contribution	-125,658.31	18,597.91	0.00	-107,060.40	-125,658.31	-15
2510 Deferred Revenue	-11,000.00	11,000.00	0.00	0.00	-11,000.00	-100
218 Deferred income/revenue	-136,658.31	29,597.91	0.00	-107,060.40	-136,658.31	-22
2602 Current portion of long term debt	0.00	-29,036.79	0.00	-29,036.79	-26,828.16	8
225 Current portion of long term liab	0.00	-29,036.79	0.00	-29,036.79	-26,828.16	8
2700 RBC Mortgage	-853,744.37	-59,714.48	0.00	-913,458.85	-944,422.82	-3
231 Long term debt	-853,744.37	-59,714.48	0.00	-913,458.85	-944,422.82	-3
2601 current portion contra account	0.00	29,036.79	0.00	29,036.79	26,828.16	8
231.100 Bank loan - long term	0.00	29,036.79	0.00	29,036.79	26,828.16	8
3001 Net Investment in Capital	-504,675.42	-126,147.24	0.00	-630,822.66	-504,675.42	25
273 Net invested in assets	-504,675.42	-126,147.24	0.00	-630,822.66	-504,675.42	25
3000 Members Equity	-677,553.91	-149,881.53	0.00	-827,435.44	-677,553.91	22
284 Retained earnings (deficit) - beg	-677,553.91	-149,881.53	0.00	-827,435.44	-677,553.91	22
32000 Unrestricted Net Assets	-276,028.77	276,028.77	0.00	0.00	0.00	0

Newmarket Food Pantry

Year End: October 31, 2023

Trial balance

Completed by	Reviewed by	Partner

6. 3-2

Account	Prelim	Adj's	Reclass	Rep	Rep 10/22	%Chg
288 Other items affecting retained ea	-276,028.77	276,028.77	0.00	0.00	0.00	0
4010 Donations Received	-335,869.98	-10,069.16	0.00	-345,939.14	-388,555.37	-11
311 Goods and services	-335,869.98	-10,069.16	0.00	-345,939.14	-388,555.37	-11
4110 Gifts in Kind - Food Donations	0.00	-1,729,682.24	0.00	-1,729,682.24	-1,190,174.74	45
4120 Gifts in Kind - Received	0.00	-15,509.46	0.00	-15,509.46	-16,339.85	-5
312 Sales from oil and gas propertie	0.00	-1,745,191.70	0.00	-1,745,191.70	-1,206,514.59	45
4300 Interest Earned on Investments	0.00	-26,442.82	0.00	-26,442.82	-9,067.47	192
4560 Rent - Community Kitchen	-2,310.00	0.00	0.00	-2,310.00	0.00	0
321 Interest income	-2,310.00	-26,442.82	0.00	-28,752.82	-9,067.47	217
4218 Food Banks Canada	0.00	0.00	0.00	0.00	-49,500.00	-100
331 Commission income	0.00	0.00	0.00	0.00	-49,500.00	-100
4500 Fund Raising Receipts	-47,774.61	-2,660.50	0.00	-50,435.11	-18,860.00	167
4550 Bingo Funds Earned	-59,488.85	0.00	0.00	-59,488.85	-54,422.36	9
341 Dividend income	-107,263.46	-2,660.50	0.00	-109,923.96	-73,282.36	50
4020 Donations Unreceipted	-119,439.94	-4,319.94	0.00	-123,759.88	-66,197.27	87
4029 United Way Donations	-3,707.01	0.00	0.00	-3,707.01	-2,039.03	82
4030 Canada Helps	-327,501.26	0.00	0.00	-327,501.26	-266,263.18	23
4031 Canadian Online Giving	-31,268.65	0.00	0.00	-31,268.65	-16,874.32	85
4035 Food Banks Canada	-9,773.76	0.00	0.00	-9,773.76	-3,664.25	167
351 Rental income	-491,690.62	-4,319.94	0.00	-496,010.56	-355,038.05	40
4600 Amort. of deferred capital cont	0.00	-29,597.91	0.00	-29,597.91	-35,461.45	-17
381 Other revenue	0.00	-29,597.91	0.00	-29,597.91	-35,461.45	-17
5400 Events	14,773.28	0.00	0.00	14,773.28	5,400.00	174
6000 Advertising / Promotion	13,980.73	0.00	0.00	13,980.73	11,088.18	26
511 Advertising and promotion	28,754.01	0.00	0.00	28,754.01	16,488.18	74
5610 Depreciation Expense	0.00	59,422.60	0.00	59,422.60	62,159.01	-4
521 Amortization of tangible assets	0.00	59,422.60	0.00	59,422.60	62,159.01	-4
6039 Insurance	7,892.08	0.00	0.00	7,892.08	7,528.09	5
523 Insurance	7,892.08	0.00	0.00	7,892.08	7,528.09	5
6025 Bank & Credit card Fees	2,453.82	1.00	0.00	2,454.82	1,528.46	61
525 Interest and bank charges	2,453.82	1.00	0.00	2,454.82	1,528.46	61
6026 Interest on long term debt	0.00	64,595.45	0.00	64,595.45	32,628.52	98
525.380 Interest on other long term c	0.00	64,595.45	0.00	64,595.45	32,628.52	98

Newmarket Food Pantry

Year End: October 31, 2023

Trial balance

Completed by	Reviewed by	Partner

6. 3-3

Account	Prelim	Adj's	Reclass	Rep	Rep 10/22	%Chg
5010 Food Purchases	254,616.61	13,257.80	0.00	267,874.41	228,951.16	17
5020 Food Vouchers/Gift Certificates	0.00	16,329.60	0.00	16,329.60	12,844.25	27
5300 Donated Food Delivered	0.00	1,729,682.24	0.00	1,729,682.24	1,190,174.74	45
527 Memberships and licenses	254,616.61	1,759,269.64	0.00	2,013,886.25	1,431,970.15	41
6035 Cleaning	3,129.26	0.00	0.00	3,129.26	2,545.00	23
6036 Dues & Memberships	9,838.53	0.00	0.00	9,838.53	10,022.02	-2
6037 Development & Training	1,873.01	0.00	0.00	1,873.01	632.93	196
6038 Donations Given	0.00	0.00	0.00	0.00	2,000.82	-100
6040 Office & Admin Expenses:6044 Tel	0.00	0.00	0.00	0.00	1,139.53	-100
6041 Computer Supplies	1,603.45	0.00	0.00	1,603.45	1,897.94	-16
6042 General Office & Operating Exp	5,959.47	0.00	0.00	5,959.47	2,947.57	102
6043 Postage, Mailing Service	6,306.92	0.00	0.00	6,306.92	6,146.54	3
6044 Telephone	2,756.52	0.00	0.00	2,756.52	4,370.79	-37
6045 Website Expenses	99.95	0.00	0.00	99.95	617.26	-84
6046 Internet expense	884.44	0.00	0.00	884.44	1,342.24	-34
6047 Mat Rentals	1,191.21	0.00	0.00	1,191.21	1,212.77	-2
6048 Human Resources	0.00	0.00	0.00	0.00	1,234.81	-100
6230 Repairs & Maintenance	4,585.05	712.51	0.00	5,297.56	5,094.24	4
6405 SUSPENSE	-22.78	0.00	0.00	-22.78	0.00	0
529 Office expenses	38,205.03	712.51	0.00	38,917.54	41,204.46	-6
6200 Professional Fees	2,181.47	0.00	0.00	2,181.47	2,455.61	-11
6210 Auditor	8,315.20	0.00	0.00	8,315.20	7,275.80	14
531 Professional fees	10,496.67	0.00	0.00	10,496.67	9,731.41	8
6258 Employee Insurance Benefits	8,638.30	0.00	0.00	8,638.30	0.00	0
6260 Wages	0.00	0.00	0.00	0.00	30,645.70	-100
6261 CPP Expense	0.00	0.00	0.00	0.00	1,308.17	-100
6262 EI Expense	0.00	0.00	0.00	0.00	276.56	-100
66000 Payroll Expenses	222,001.58	0.00	0.00	222,001.58	151,880.26	46
537 Salaries and wages	230,639.88	0.00	0.00	230,639.88	184,110.69	25
6031 Scholarships	2,500.00	0.00	0.00	2,500.00	0.00	0
539 Sub-contracts	2,500.00	0.00	0.00	2,500.00	0.00	0
5110 Repacking Supplies	2,608.13	0.00	0.00	2,608.13	3,972.06	-34
5116 Volunteer Appreciation	3,683.38	0.00	0.00	3,683.38	2,136.66	72
5117 Miscellaneous Expenses	221.40	0.00	0.00	221.40	104.98	111
5350 Food Disposal - GFL	2,185.47	0.00	0.00	2,185.47	3,172.64	-31
5351 Garbage Disposal	2,650.10	0.00	0.00	2,650.10	121.13	2088
6028 Community Kitchen Supplies	553.66	0.00	0.00	553.66	8,249.96	-93
541 Supplies	11,902.14	0.00	0.00	11,902.14	17,757.43	-33

Newmarket Food Pantry

Year End: October 31, 2023

Trial balance

Completed by	Reviewed by	Partner

6. 3-4

Account	Prelim	Adj's	Reclass	Rep	Rep 10/22	%Chg
4800 Property Tax Rebate	-6,012.65	0.00	0.00	-6,012.65	-6,078.41	-1
6130 Property Taxes	7,865.80	0.00	0.00	7,865.80	0.00	0
6131 Taxes - Unit 7	0.00	0.00	0.00	0.00	4,755.24	-100
6132 Taxes - Unit 8	0.00	0.00	0.00	0.00	5,018.59	-100
6133 Taxes - Unit 9	7,515.00	0.00	0.00	7,515.00	5,320.77	41
543 Property taxes	9,368.15	0.00	0.00	9,368.15	9,016.19	4
6012 Gas & Miscellaneous	848.39	0.00	0.00	848.39	1,028.94	-18
6013 Vehicle Repairs & Maintenance	75.08	0.00	0.00	75.08	596.00	-87
545 Travel expenses	923.47	0.00	0.00	923.47	1,624.94	-43
6121 Utilities - Unit 7	4,528.26	0.00	0.00	4,528.26	4,814.02	-6
6122 Utilities - Unit 8	6,181.54	0.00	0.00	6,181.54	3,485.66	77
6123 Utilities - Unit 9	8,073.86	0.00	0.00	8,073.86	7,535.95	7
547 Utilities	18,783.66	0.00	0.00	18,783.66	15,835.63	19
6140 Condominium Fees:6143 Condo. F	408.31	0.00	0.00	408.31	0.00	0
6141 Condo. Fees - Unit 7	3,269.04	0.00	0.00	3,269.04	3,269.04	0
6142 Condo. Fees - Unit 8	3,269.16	0.00	0.00	3,269.16	3,269.16	0
6143 Condo. Fees - Unit 9	3,269.16	0.00	0.00	3,269.16	3,269.16	0
581.130 Condo fees	10,215.67	0.00	0.00	10,215.67	9,807.36	4
	0.00	0.00	0.00	0.00	0.00	0
Net Income (Loss)	310,382.87			244,663.70	276,028.77	-11