

**STETTLER & DISTRICT FOOD BANK SOCIETY**  
**Financial Statements**  
**For The Year Ended December 31, 2025**

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Stettler & District Food Bank Society

### *Qualified Opinion*

We have audited the financial statements of Stettler & District Food Bank Society (the organization), which comprise the statement of financial position as at December 31, 2025, and the statements of revenue and expenditures, 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, 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 the organization as at December 31, 2025, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

### *Basis for Qualified Opinion*

In common with many not-for-profit organizations, the organization 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 organization. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenditures, and cash flows from operations for the year ended December 31, 2025, current assets and net assets as at December 31, 2025. Our audit opinion on the financial statements for the year ended December 31, 2024 was modified accordingly because of the possible effects of this limitation of 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 organization in accordance with 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 ASNPO, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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.

Independent Auditor's Report to the Members of Stettler & District Food Bank Society (continued)

*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 organization'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 organization'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 organization 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.

Stettler, Alberta  
March 25, 2026

RWA LLP  
CHARTERED PROFESSIONAL ACCOUNTANTS

**STETTLER & DISTRICT FOOD BANK SOCIETY**  
**Statement of Revenue and Expenditures**  
**For The Year Ended December 31, 2025**

	2025	2024
<b>REVENUE</b>		
Donations and grants	\$ 188,349	\$ 134,746
Interest income	6,029	7,934
	<u>194,378</u>	<u>142,680</u>
<b>EXPENDITURES</b>		
Donations	-	300
Equipment and supplies	7,630	15,998
Food purchases and handling fees	94,816	123,689
Insurance	2,382	2,264
Interest and bank charges	22	279
Office	10,709	1,758
Professional fees (donated in kind)	1,400	1,400
Rental	18,000	18,000
Repairs and maintenance	1,391	668
Telephone	202	384
	<u>136,552</u>	<u>164,740</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES FOR THE YEAR</b>	<u>\$ 57,826</u>	<u>\$ (22,060)</u>

**STETTLER & DISTRICT FOOD BANK SOCIETY**  
**Statement of Changes in Net Assets**  
**For The Year Ended December 31, 2025**

	General Fund	Asset Replacement Reserve Fund	Operational Reserve Fund	2025	2024
<b>SURPLUS, BEGINNING OF YEAR</b>	\$ 283,106	\$ -	\$ -	\$ 283,106	\$ 305,166
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	(64,974)	10,000	112,800	<b>57,826</b>	(22,060)
<b>SURPLUS, END OF YEAR</b>	<b>\$ 218,132</b>	<b>\$ 10,000</b>	<b>\$ 112,800</b>	<b>\$ 340,932</b>	<b>\$ 283,106</b>

**STETTLER & DISTRICT FOOD BANK SOCIETY**  
**Statement of Financial Position**  
**As At December 31, 2025**

	2025	2024
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 251,916	\$ 201,010
Short-term investments	87,500	80,000
Interest receivable	1,516	2,096
	<u>\$ 340,932</u>	<u>\$ 283,106</u>
<b>NET ASSETS</b>		
General fund	\$ 218,132	\$ 283,106
Asset replacement reserve fund (Note 3)	10,000	-
Operational reserve fund (Note 3)	112,800	-
	<u>\$ 340,932</u>	<u>\$ 283,106</u>

**ON BEHALF OF THE BOARD**

\_\_\_\_\_ Director

**STETTLER & DISTRICT FOOD BANK SOCIETY**  
**Statement of Cash Flows**  
**For The Year Ended December 31, 2025**

	2025	2024
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenue over expenditures	\$ 57,826	\$ (22,060)
Changes in non-cash working capital:		
Interest receivable	580	(93)
Accounts payable	-	(11,820)
	<u>580</u>	<u>(11,913)</u>
Cash flow from (used by) operating activities	<u>58,406</u>	<u>(33,973)</u>
<b>INVESTING ACTIVITY</b>		
Short-term investments	<u>(7,500)</u>	7,500
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<b>50,906</b>	<b>(26,473)</b>
Cash - beginning of year	<u>201,010</u>	<u>227,483</u>
<b>CASH - END OF YEAR</b>	<b>\$ 251,916</b>	<b>\$ 201,010</b>

**STETTLER & DISTRICT FOOD BANK SOCIETY**  
**Notes to Financial Statements**  
**For The Year Ended December 31, 2025**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of presentation

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

Revenue recognition

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

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received.

Cash and short-term investments

Cash and short-term investments includes funds held in bank accounts and guaranteed investment certificates maturing within the next year. Because of the short term maturity of these investments, their carrying amount approximates fair value.

Inventory

Food inventory are recognized as an expenditure in the year of purchase.

Contributed services

The operations of the organization depend on the contribution of time by volunteers. The fair value of donated services cannot be reasonably determined and are therefore not reflected in these financial statements.

Property and equipment

The purchase of equipment and fixtures is recorded as an expenditure in the Statement of Revenue and Expenditures in the year of acquisition.

Comparative figures

Whenever necessary, comparative figures have been reclassified to conform to the current year's presentation.

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

**STETTLER & DISTRICT FOOD BANK SOCIETY**  
**Notes to Financial Statements**  
**For The Year Ended December 31, 2025**

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**2. FINANCIAL INSTRUMENTS**

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks.

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant risks arising from these financial instruments.

**3. RESERVES**

In the current year, the Society made a motion to setup various reserve funds. Reserve funds consist of amounts which have been restricted for specific purposes by the board of directors.

The Operational Reserve Fund is set aside to manage operational shortfalls and contingencies. It is intended to be equal to 60% of the operational budget.

The Asset Replacement Reserve Fund is set aside for the replacement of assets held by the Society.

The Reserve Funds are not segregated in a separate bank account from the general funds.