

**METRO FOOD BANK SOCIETY - NOVA SCOTIA**  
*(Operating as Feed Nova Scotia)*  
**Financial Statements**  
**Year Ended March 31, 2020**

**METRO FOOD BANK SOCIETY - NOVA SCOTIA**  
**(Operating as Feed Nova Scotia)**  
**Index to Financial Statements**  
**Year Ended March 31, 2020**

---

	Page
<b>INDEPENDENT AUDITOR'S REPORT</b>	1 - 2
<b>FINANCIAL STATEMENTS</b>	
Statement of Financial Position	3
Statement of Revenues and Expenditures	4
Statement of Changes in Net Assets	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 14
Schedule of Revenues ( <i>Schedule 1</i> )	15
Schedule of Expenditures ( <i>Schedule 2</i> )	16 - 17

LYLE TILLEY DAVIDSON  
Chartered Professional Accountants

---

---

INDEPENDENT AUDITOR'S REPORT

---

To the Members of Metro Food Bank Society - Nova Scotia (Operating as Feed Nova Scotia)

*Qualified Opinion*

We have audited the financial statements of Metro Food Bank Society - Nova Scotia (the Society), which comprise the statement of financial position as at March 31, 2020, and the statements of revenues 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 Society as at March 31, 2020, 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 Qualified Opinion*

In common with many not-for-profit organizations, the Society 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 Society. 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 March 31, 2020, current assets and net assets as at March 31, 2020. Our audit opinion on the financial statements for the year ended March 31, 2019 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 Society 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 those 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 Society's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

(continues)

Those charged with governance are responsible for overseeing the Society'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 the Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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.



Halifax, Nova Scotia  
June 15, 2020


CHARTERED PROFESSIONAL ACCOUNTANTS

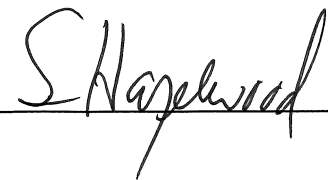
**METRO FOOD BANK SOCIETY - NOVA SCOTIA**  
**(Operating as Feed Nova Scotia)**  
**Statement of Financial Position**  
**March 31, 2020**

	2020	2019
<b>ASSETS (Note 11)</b>		
<b>GENERAL FUND</b>		
Cash (Note 3)	\$ 2,046,553	\$ 1,161,583
Marketable securities (Note 4)	-	2,960
Accounts receivable (Note 5)	35,057	38,017
	<b>2,081,610</b>	<b>1,202,560</b>
<b>CAPITAL FUND</b>		
Capital assets (Note 6)	2,594,830	2,777,906
<b>BEQUEST FUND</b>		
Cash	58,544	-
Marketable securities (Note 4)	457,101	460,000
	<b>515,645</b>	<b>460,000</b>
<b>OPERATIONAL RESERVE FUND</b>		
Cash	1,549	215,140
Marketable securities (Note 4)	729,163	426,476
	<b>730,712</b>	<b>641,616</b>
	<b>\$ 5,922,797</b>	<b>\$ 5,082,082</b>
<b>LIABILITIES</b>		
<b>GENERAL FUND</b>		
Accounts payable and accrued liabilities (Note 7)	\$ 173,394	\$ 274,485
Deferred revenue (Note 8)	744,000	25,516
	<b>917,394</b>	<b>300,001</b>
<b>CAPITAL FUND</b>		
Long term debt (Note 10)	221,250	476,750
Deferred contributions - capital campaign (Note 9)	1,048,997	900,459
	<b>1,270,247</b>	<b>1,377,209</b>
	<b>2,187,641</b>	<b>1,677,210</b>
<b>FUND BALANCES</b>		
<b>GENERAL FUND</b>	<b>1,164,216</b>	<b>902,559</b>
<b>CAPITAL FUND</b>	<b>1,324,583</b>	<b>1,400,697</b>
<b>BEQUEST FUND</b>	<b>515,645</b>	<b>460,000</b>
<b>OPERATIONAL RESERVE FUND</b>	<b>730,712</b>	<b>641,616</b>
	<b>3,735,156</b>	<b>3,404,872</b>
	<b>\$ 5,922,797</b>	<b>\$ 5,082,082</b>

**LEASE COMMITMENTS (Note 15)**

**ON BEHALF OF THE BOARD**

  
 \_\_\_\_\_ Director
 

  
 \_\_\_\_\_ Director

**METRO FOOD BANK SOCIETY - NOVA SCOTIA**  
**(Operating as Feed Nova Scotia)**  
**Statement of Revenues and Expenditures**  
**Year Ended March 31, 2020**

	2020	2019
<b>REVENUE</b> <i>(Schedule 1)</i>	<b>\$ 16,375,860</b>	<b>\$ 15,826,731</b>
<b>EXPENDITURES</b>		
<b>FOOD PROCUREMENT AND LOGISTICS</b> <i>(Schedule 2)</i>	<b>13,601,339</b>	12,515,165
<b>COMMUNITY CONNECTIONS</b> <i>(Schedule 2)</i>	<b>509,603</b>	505,995
<b>FUNDRAISING AND DONOR RELATIONS</b> <i>(Schedule 2)</i>	<b>672,245</b>	709,558
<b>ADMINISTRATIVE</b> <i>(Schedule 2)</i>	<b>828,317</b>	735,247
<b>OCCUPANCY</b> <i>(Schedule 2)</i>	<b>216,540</b>	294,719
<b>MEMBER DESIGNATED DONATIONS</b>	<b>296,362</b>	108,861
	<b>16,124,406</b>	14,869,545
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>\$ 251,454</b>	<b>\$ 957,186</b>

**METRO FOOD BANK SOCIETY - NOVA SCOTIA**  
*(Operating as Feed Nova Scotia)*  
**Statement of Changes in Net Assets**  
**Year Ended March 31, 2020**

	General Fund	Capital Fund	Bequest Fund	Operational Reserve Fund	2020	2019
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 902,559	\$ 1,400,697	\$ 460,000	\$ 641,616	\$ 3,404,872	\$ 2,447,686
Excess (deficiency) of revenues over expenditures	459,459	(171,541)	(23,185)	(13,279)	251,454	957,186
Bequest funds received	-	-	78,830	-	78,830	-
Interfund transfers	(102,375)	-	-	102,375	-	-
Capital asset purchases, net of disposals	(13,670)	13,670	-	-	-	-
Repayment of long term debt	(270,080)	270,080	-	-	-	-
Deferred capital contributions received, net of expenses	188,323	(188,323)	-	-	-	-
<b>NET ASSETS - END OF YEAR</b>	\$ 1,164,216	\$ 1,324,583	\$ 515,645	\$ 730,712	\$ 3,735,156	\$ 3,404,872

**METRO FOOD BANK SOCIETY - NOVA SCOTIA**  
**(Operating as Feed Nova Scotia)**  
**Statement of Cash Flows**  
**Year Ended March 31, 2020**

	2020	2019
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenditures	\$ 251,454	\$ 957,186
Items not affecting cash:		
Amortization of capital assets	196,745	205,932
Amortization of deferred capital contributions	(39,785)	(26,850)
Gain on sale of building	-	(879,163)
Gain on disposal of equipment	-	(1,635)
Realized loss on marketable securities	3,122	-
Unrealized loss on marketable securities	47,794	-
	<u>459,330</u>	<u>255,470</u>
Changes in non-cash working capital:		
Accounts receivable	2,960	37,059
Accounts payable and accrued liabilities	(101,089)	(48,042)
Prepaid expenses	-	143
Deferred revenue - General Fund	718,484	25,516
Deferred revenue - Capital Fund	-	(49,375)
	<u>620,355</u>	<u>(34,699)</u>
Cash flow from operating activities	<u>1,079,685</u>	<u>220,771</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of capital assets	(13,670)	(371,667)
Proceeds on disposal of capital assets	-	1,305,609
Proceeds on disposal of marketable securities	1,923,865	1,288,197
Purchase of marketable securities	(2,271,610)	(886,476)
Deferred contributions received - capital campaign	188,323	512,111
Bequest funds received	78,830	-
	<u>(94,262)</u>	<u>1,847,774</u>
Cash flow from (used by) investing activities	<u>(94,262)</u>	<u>1,847,774</u>
<b>FINANCING ACTIVITY</b>		
Repayment of long term debt	(255,500)	(1,555,500)
<b>INCREASE IN CASH FLOW</b>	<b>729,923</b>	<b>513,045</b>
Cash - beginning of year	<u>1,376,723</u>	<u>863,678</u>
<b>CASH - END OF YEAR</b>	<b>\$ 2,106,646</b>	<b>\$ 1,376,723</b>
<b>CASH CONSISTS OF:</b>		
Cash - General Fund	\$ 2,046,553	\$ 1,161,583
Cash - Bequest Fund	58,544	-
Cash - Operational Reserve Fund	1,549	215,140
	<u>\$ 2,106,646</u>	<u>\$ 1,376,723</u>



**METRO FOOD BANK SOCIETY - NOVA SCOTIA**  
**(Operating as Feed Nova Scotia)**  
**Notes to Financial Statements**  
**Year Ended March 31, 2020**

---

**DESCRIPTION OF THE ORGANIZATION**

Metro Food Bank Society - Nova Scotia, operating as Feed Nova Scotia, (the "Society") is a charitable organization whose mission is to increase food security through food distribution, education and collaboration. A key focus for the Society is to collect and distribute food to 141 member agencies across the province, including foods banks, shelters, drop-in centres and other meals initiatives for Nova Scotians experiencing low income and poverty; and helps facilitate informed dialogue around hunger and poverty. Food and fundraising activities take place throughout the year, with a heavy concentration during the Christmas season.

The Society is a registered charity for income tax purposes and is, therefore, not required to pay tax under the Income Tax Act.

**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 (ASNPO).

Cash

Cash consists of petty cash, gift certificates, and deposits within Canadian financial institutions, net of outstanding transactions.

Marketable securities

Marketable securities consist of various cash equivalent, fixed income, equity and other securities held within a Canadian investment broker account and overseen by the Society's Audit Committee. These securities are allocated amongst the General, Bequest and Operational Reserve funds.

Capital assets

Capital assets are stated at cost less accumulated amortization. Capital assets are amortized over their estimated useful lives on a declining balance basis at the following rates:

Buildings	4%
Equipment	20%
Computer equipment	30%
Computer software	100%
Uniforms	20%

Amortization is calculated at one-half of the normal annual rate in the year of acquisition; no amortization is recorded in the year of disposal.

*(continues)*

**METRO FOOD BANK SOCIETY - NOVA SCOTIA**  
**(Operating as Feed Nova Scotia)**  
**Notes to Financial Statements**  
**Year Ended March 31, 2020**

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Impairment of long lived assets

The Society tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds its fair value.

Fund accounting

The Society follows the restricted fund method of accounting for contributions. This method recognizes the limitations and restrictions placed on the use of resources available to the Society by classifying all transactions according to their nature. The funds utilized by the Society include:

**(a) General Fund**

The General Fund is used to account for the primary operations of the Society, including costs related to programs, administration and operation of the premises.

**(b) Capital Fund**

The Capital Fund is used to account for capital assets, including their acquisition, financing, amortization and disposal. Operating costs of capital assets are accounted for in the Operating Fund.

**(c) Bequest Fund**

The Bequest Fund includes two bequests in the amounts of \$10,000 and \$528,830. The annual income from the Bequest Fund may be used for operations. The capital of the \$10,000 bequest can only be used upon the specific direction of the Board of Directors. The capital of the \$528,830 bequest cannot be utilized by virtue of the terms of the bequest. Due to a decline in market value, the Bequest Fund assets have a year-end balance of \$515,645.

**(d) Operational Reserve Fund**

The Operational Reserve Fund was established by the Board to ensure the sustainability of the Society. Each year, at the board's discretion, amounts can be transferred to or from the fund. Interest earned in the fund is recorded as revenue in the fund.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued, except for transactions with related parties which are recorded at the exchange amount. 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.

*(continues)*

**METRO FOOD BANK SOCIETY - NOVA SCOTIA**  
**(Operating as Feed Nova Scotia)**  
**Notes to Financial Statements**  
**Year Ended March 31, 2020**

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Government assistance

Government assistance for acquiring capital assets or expenses is recorded as deferred government assistance and is amortized on the same basis and according to the same rates as the related capital assets or to income as eligible expenditures are incurred.

Revenue recognition

Fundraising, unrestricted grants, donations, and other revenues are recognized when received by the Society.

Investment income is recorded as it is earned.

Donated goods and services

Donated goods and services are not recorded unless management can reasonably determine the fair value of the donated goods or services.

Donated food and its subsequent distribution to members is valued based on managements best estimate determined using average cost per kilogram for donated food.

Measurement uncertainty

The preparation of 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, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Significant estimates include allowance for doubtful accounts, the useful lives of capital assets and the valuation of donated and distributed food. Actual results could differ from these estimates.

**2. FINANCIAL INSTRUMENTS**

The Society is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. Financial instruments consist of cash, marketable securities, accounts receivable, accounts payable and accrued liabilities and long term debt. The following analysis provides information about the Society's risk exposure and concentration as of March 31, 2020.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Society is exposed to credit risk from members. The Society does not extend significant credit and therefore credit risk is minimized.

*(continues)*

**METRO FOOD BANK SOCIETY - NOVA SCOTIA**  
**(Operating as Feed Nova Scotia)**  
**Notes to Financial Statements**  
**Year Ended March 31, 2020**

---

**2. FINANCIAL INSTRUMENTS (continued)**

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Society is exposed to this risk mainly in respect of its receipt of funds from its donors and other related sources, long-term debt, and accounts payable and accrued liabilities.

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: currency risk, interest rate risk and other price risk. The Society is mainly exposed to interest rate risk and other price risk.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Society manages exposure through its normal operating and financing activities. The Society is exposed to interest rate risk primarily through its short-term investments and long term debt.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Society is exposed to other price risk through its investment in quoted shares.

**3. CASH**

General Fund cash includes in kind gift certificates with a value of \$119,753 (2019 - \$90,554).

**4. MARKETABLE SECURITIES**

The marketable securities, including accrued interest, are valued at market value as follows:

	2020	2019
Cash equivalents securities	\$ 372,762	\$ 886,476
Fixed income securities	427,948	-
Equity securities	139,286	-
Other securities	246,268	2,960
	<b>\$ 1,186,264</b>	<b>\$ 889,436</b>

*(continues)*

**METRO FOOD BANK SOCIETY - NOVA SCOTIA**  
**(Operating as Feed Nova Scotia)**  
**Notes to Financial Statements**  
**Year Ended March 31, 2020**

**4. MARKETABLE SECURITIES (continued)**

	2020	2019
<u>Marketable securities are allocated as follows:</u>		
General Fund	\$ -	\$ 2,960
Bequest Fund	457,101	460,000
Operational Reserve Fund	729,163	426,476
	<b>\$ 1,186,264</b>	<b>\$ 889,436</b>

**5. ACCOUNTS RECEIVABLE**

	2020	2019
Accounts receivable	\$ 4,185	\$ 3,718
Harmonized Sales Tax recoverable	30,872	34,299
	<b>\$ 35,057</b>	<b>\$ 38,017</b>

**6. CAPITAL ASSETS**

	Cost	Accumulated amortization	2020 Net book value	2019 Net book value
Land - Wright Avenue	\$ 421,400	\$ -	\$ 421,400	\$ 421,400
Building - Wright Avenue	2,005,735	185,534	1,820,201	1,896,043
Equipment	521,816	211,406	310,410	386,653
Computer equipment	144,315	101,496	42,819	46,042
Computer software	199,418	199,418	-	27,768
Uniforms	30,410	30,410	-	-
	<b>\$ 3,323,094</b>	<b>\$ 728,264</b>	<b>\$ 2,594,830</b>	<b>\$ 2,777,906</b>

**7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	2020	2019
Accounts payable and accrued liabilities	\$ 96,528	\$ 180,013
Accrued vacation payable	76,866	93,560
Government remittances	-	912
	<b>\$ 173,394</b>	<b>\$ 274,485</b>

**METRO FOOD BANK SOCIETY - NOVA SCOTIA**  
**(Operating as Feed Nova Scotia)**  
**Notes to Financial Statements**  
**Year Ended March 31, 2020**

**8. DEFERRED REVENUE**

**General Fund**

Deferred revenue within the General Fund consists of a Provincial grant of \$1,000,000 which is being recognized at the same rate as the related expenditures. During the year \$256,000 was recognized.

**9. DEFERRED CONTRIBUTIONS - CAPITAL CAMPAIGN**

Deferred contributions - capital campaign represents the amount of donations received for the purchase of capital assets less capital campaign expenses and the amortization of net capital campaign contributions to date. Details of the deferred contributions - capital campaign balance are as follows:

	2020	2019
Wright Avenue		
Capital campaign contributions	\$ 1,185,860	\$ 997,537
Capital campaign expenditures	(61,755)	(61,755)
Amortization	(75,108)	(35,323)
	<b>\$ 1,048,997</b>	<b>\$ 900,459</b>

**10. LONG TERM DEBT**

Scotiabank non-revolving term loan bearing interest at the bank's prime rate plus 1.10% per annum, repayable in monthly principal payments of \$4,625. The loan matures on September 8, 2020 and is secured by the related land and building which has a carrying value of \$2,241,601.

	2020	2019
	<b>\$ 221,250</b>	<b>\$ 476,750</b>

Principal repayment terms are approximately:

2021	\$ 221,250
------	------------

**METRO FOOD BANK SOCIETY - NOVA SCOTIA**  
**(Operating as Feed Nova Scotia)**  
**Notes to Financial Statements**  
**Year Ended March 31, 2020**

---

**11. SECURITY FOR INDEBTEDNESS**

The Society has the following credit facilities available with the Bank of Nova Scotia:

1. Operating overdraft of \$250,000 bearing interest at the bank's prime lending rate plus 0.25%, repayable on demand.
2. Non-revolving term loan of \$681,375 bearing interest at the bank's prime lending rate plus 1.10%, repayable in monthly principal payments of \$4,625.
3. Scotiabank Business VISA of \$50,000 with interest and repayments per the cardholder agreements.
4. Scotiabank Business VISA of \$5,000 with interest and repayments per the cardholder agreements.

The society's credit facilities are secured by:

- (a) 1st ranking general security agreement with appropriate insurance and the bank as a loss payee
- (b) First charge collateral mortgage for \$1,110,000 over the property at 67 Wright Avenue, Dartmouth with all perils insurance loss payable in favour of the bank.

The Society is required to maintain the ratio of EBITDA to interest expense plus current portion of long term debt and capital leases of at least 1.15:1. As at March 31, 2020 the Society is in compliance with its lending covenants.

**12. FOOD DISTRIBUTED TO MEMBERS**

	2020	2019
Estimated fair value of food distributed during the year	<b>\$ 12,156,248</b>	\$ 11,130,572
Estimated fair value of year-end food inventory	<b>\$ 979,071</b>	\$ 989,167

Food distributed to members consists of purchased food and receipted and non-receipted food donations. Since the food is distributed to members, the inventory has no net realizable value. Therefore, in accordance with accounting standards for not-for-profit organizations, inventory has not been recorded as an asset in the statements of the Society. The total kilograms of food distributed during the year was 2,132,675 kgs. (2019 - 1,952,732 kgs.)

**METRO FOOD BANK SOCIETY - NOVA SCOTIA**  
**(Operating as Feed Nova Scotia)**  
**Notes to Financial Statements**  
**Year Ended March 31, 2020**

---

**13. IN KIND DONATIONS**

**(a) Donated goods**

In kind donations in the form of goods are recorded in the financial statements when management can reasonably determine the fair value of the donations. The in-kind donations recorded in these financial statements for the year are \$12,088,871 (2019 - \$11,092,421). Of this amount, \$416,318 (2019 - \$357,669) represents receipted food donations and \$11,424,432 (2019 - \$10,531,261) represents unreceipted food donations.

**(b) Donated services**

Volunteer hours representing fundraising, special events, administrative and warehouse activity for the year were 29,624 (2019 - 29,726). The value of these services are not reflected in these financial statements.

**14. COMPARATIVE FIGURES**

The prior year figures were adjusted to conform to the current year's presentation

**15. LEASE COMMITMENTS**

The Society has a long term lease with respect to its equipment, motor vehicles and software. Future minimum lease payments as at March 31, 2020, are as follows:

2021	\$ 107,159
2022	57,910
2023	33,260
2024	<u>13,457</u>
	<u>\$ 211,786</u>

**16. SUBSEQUENT EVENTS**

- a) Beginning in March 2020, the Governments of Canada and Nova Scotia, as well as foreign governments instituted emergency measures as a result of the COVID-19 virus. The virus has had a major impact on Canadian and international securities and currency markets and consumer activity which may impact the Company's financial position, its results of operations and its cash flows significantly. As these are subsequent events, these financial statements do not reflect such impact. As at the report date it is also not possible to accurately quantify or estimate that impact.
- b) Subsequent to March 31, 2020, the Society collected significant funds from a variety of donors in response to the pandemic, including \$1.4 million from Food Banks Canada. The funds are primarily being used for food purchases and distribution to member agencies.



**METRO FOOD BANK SOCIETY - NOVA SCOTIA**

**(Operating as Feed Nova Scotia)**

**Schedule of Revenues  
Year Ended March 31, 2020**

**(Schedule 1)**

	<b>2020</b>	<b>2019</b>
<b>DONATED FOOD PRODUCTS</b> <i>(Note 13(a))</i>	<b>\$ 11,840,750</b>	<b>\$ 10,531,261</b>
<b>DONATIONS</b>	<b>2,664,192</b>	<b>2,230,606</b>
<b>APPEALS AND EVENTS</b>	<b>1,189,348</b>	<b>1,217,047</b>
<b>GRANTS</b>	<b>408,101</b>	<b>204,171</b>
<b>OTHER IN-KIND DONATIONS</b>	<b>248,121</b>	<b>561,160</b>
<b>OTHER</b>	<b>25,348</b>	<b>203,323</b>
	<b>16,375,860</b>	<b>14,947,568</b>
<b>GAIN ON SALE OF BUILDING</b>	<b>-</b>	<b>879,163</b>
	<b>\$ 16,375,860</b>	<b>\$ 15,826,731</b>

**METRO FOOD BANK SOCIETY - NOVA SCOTIA**

*(Operating as Feed Nova Scotia)*

**Schedule of Expenditures**

*(Schedule 2)*

**Year Ended March 31, 2020**

	2020	2019
<b>FOOD PROCUREMENT AND LOGISTICS</b>		
Amortization of equipment	\$ 99,583	\$ 113,093
External warehouse and leasing	33,816	18,827
Food donations <i>(Note 13(a))</i>	11,840,750	10,888,930
Food purchases	315,498	241,642
Gain on disposal of equipment	-	(1,635)
Garbage collection	40,586	38,944
Salaries and wages	897,910	818,793
Supplies	21,314	36,330
Telephone	11,503	11,364
Training and development	1,861	1,308
Vehicle	338,518	347,569
	<u>\$ 13,601,339</u>	<u>\$ 12,515,165</u>
<b>COMMUNITY CONNECTIONS</b>		
Capacity fund	\$ 38,879	\$ 35,277
Hearts for Christmas	70,751	64,961
Information technology	25,800	25,800
Membership meeting expenses	10,999	24,142
Membership program and material	23,054	41,897
Research and program development	-	549
Salaries and benefits	338,690	312,260
Staff training and development	797	494
Telephone	633	615
	<u>\$ 509,603</u>	<u>\$ 505,995</u>
<b>FUNDRAISING AND DONOR RELATIONS</b>		
Donor recognition	\$ 2,708	\$ 2,131
Events	1,983	5,490
Postage	30,525	30,121
Printing	33,315	67,861
Promotion and merchandising	6,018	10,324
Publications	626	107
Salaries and benefits	408,919	400,539
Signature and special events	186,200	192,945
Training and development	1,951	40
	<u>\$ 672,245</u>	<u>\$ 709,558</u>

*(continues)*

**METRO FOOD BANK SOCIETY - NOVA SCOTIA**

*(Operating as Feed Nova Scotia)*

**Schedule of Expenditures** *(continued)*

**(Schedule 2)**

**Year Ended March 31, 2020**

	2020	2019
<b>ADMINISTRATIVE</b>		
Amortization of office equipment	\$ 21,321	\$ 18,646
Bad debts	5,043	3,048
Director's liability insurance	1,621	2,932
Equipment leases	5,605	5,047
Information technology	37,200	28,029
Interest and bank charges	30,273	41,402
Memberships	6,033	3,307
National and local meetings	15,295	10,880
Office and stationary	28,846	25,247
Postage	12,190	12,766
Professional fees	30,773	5,328
Recruitment	395	5,570
Salaries and benefits	594,836	546,746
Telephone	15,025	15,505
Training and development	16,995	4,443
Volunteer program	6,866	6,351
	<u>\$ 828,317</u>	<u>\$ 735,247</u>
<b>OCCUPANCY</b>		
Amortization, net of amortization of deferred capital campaign contributions	\$ 36,057	\$ 47,343
Building repairs and maintenance	13,256	36,766
Building services	34,338	29,354
Heat	34,733	43,677
Insurance	15,496	14,091
Interest on long term debt	14,581	48,943
Property tax	-	4,412
Safety	117	1,653
Snow removal	13,943	12,873
Utilities	54,019	55,607
	<u>\$ 216,540</u>	<u>\$ 294,719</u>