

PETAWAWA PANTRY
Financial Statements
Year Ended December 31, 2025

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Year Ended December 31, 2025

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Board of Directors of Petawawa Pantry

We have reviewed the accompanying financial statements of Petawawa Pantry (the organization) that comprise the statement of financial position as at December 31, 2025, and the statements of changes in net assets, operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations (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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

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Independent Practitioner's Review Engagement Report to the Board of Directors of Petawawa Pantry
(continued)

Basis for Qualified Conclusion

In common with many not-for-profit organizations, the organization derives revenue from donations and fundraising activities, the completeness of which is not susceptible to us obtaining evidence we considered necessary for the purpose of the review. Accordingly, the evidence obtained 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 expenses, and cash flows from operations for the year ended December 31, 2025, current assets and net assets as at December 31, 2025. Our review conclusion on the financial statements for the year ended December 31, 2024 was modified accordingly because of the possible effects of this limitation of scope.

Qualified Conclusion

Based on our review, except for the possible effects of the matter described in the *Basis for Qualified Conclusion* paragraph, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Petawawa Pantry as at December 31, 2025, 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 (ASNPO).

Baker Tilly REO LLP

Pembroke, Ontario
July 9, 2026

Chartered Professional Accountants, Licensed Public Accountants

PETAWAWA PANTRY
Statement of Financial Position
December 31, 2025

	2025	2024
ASSETS		
CURRENT		
Cash	\$ 659,411	\$ 582,898
Harmonized sales tax recoverable	11,315	14,551
Prepaid expenses	3,521	2,000
	<u>\$ 674,247</u>	<u>\$ 599,449</u>
LIABILITIES		
CURRENT		
Accounts payable	\$ 5,936	\$ 6,380
NET ASSETS		
Unrestricted	123,927	134,839
Internally restricted (Note 3)	544,384	458,230
	<u>668,311</u>	<u>593,069</u>
	<u>\$ 674,247</u>	<u>\$ 599,449</u>

ON BEHALF OF THE BOARD

President

Treasurer

The accompanying notes are an integral part of these financial statements

PETAWAWA PANTRY
Statement of Changes in Net Assets
Year Ended December 31, 2025

		Unrestricted	Internally Restricted for Capital and Contingency	2025	2024
NET ASSETS - BEGINNING OF YEAR	\$	134,839	\$ 458,230	\$ 593,069	\$ 557,634
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES		63,858	11,384	75,242	35,435
INTERNALLY IMPOSED RESTRICTION (Note 3)		(74,770)	74,770	-	-
NET ASSETS - END OF YEAR	\$	123,927	\$ 544,384	\$ 668,311	\$ 593,069

The accompanying notes are an integral part of these financial statements

PETAWAWA PANTRY
Statement of Operations
Year Ended December 31, 2025

	2025	2024
REVENUE		
Fundraising and donations	\$ 206,677	\$ 177,132
Interest income	11,809	15,226
Grants	950	27,256
	<u>219,436</u>	<u>219,614</u>
EXPENSES		
Advertising and promotion	2,428	3,589
Donations	7,000	6,000
Equipment purchases	2,241	58,115
Food purchases	91,281	82,044
Fundraising expenses	1,110	1,770
Insurance	4,280	3,201
Interest and bank charges	631	464
Office and general	5,394	4,680
Professional fees	3,472	4,002
Rent	8,011	6,558
Repairs and maintenance	10,768	8,733
Telephone	2,732	1,902
Travel	2,514	1,045
Utilities	2,332	2,076
	<u>144,194</u>	<u>184,179</u>
EXCESS OF REVENUE OVER EXPENSES	\$ 75,242	\$ 35,435

The accompanying notes are an integral part of these financial statements

PETAWAWA PANTRY
Statement of Cash Flows
Year Ended December 31, 2025

	2025	2024
OPERATING ACTIVITIES		
Cash receipts from donors and funding	\$ 219,436	\$ 219,614
Cash paid for programs and supplies	(145,528)	(183,937)
Interest paid	(632)	(466)
Harmonized sales tax recoverable	3,237	(7,893)
	<u>76,513</u>	<u>27,318</u>
Cash flow from operating activities	<u>76,513</u>	<u>27,318</u>
INCREASE IN CASH FLOW	76,513	27,318
CASH - BEGINNING OF YEAR	582,898	555,580
CASH - END OF YEAR	\$ 659,411	\$ 582,898

The accompanying notes are an integral part of these financial statements

PETAWAWA PANTRY
Notes to Financial Statements
Year Ended December 31, 2025

1. PURPOSE OF THE ORGANIZATION

The Petawawa Pantry (the organization) was incorporated without share capital under the Canada Not-for-Profit Corporations Act and is a registered charity. As a registered charity the organization is exempt from the payment of income tax under Subsection 149(1) of the Income Tax Act.

The organization operates to benefit the community by providing a supply of food to reduce the incidence of hunger in the Petawawa area.

2. 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 and Cash Equivalents

Cash includes cash and cash equivalents. Cash equivalents are gift cards carried at the cost.

Capital Assets

Capital assets are expensed in the year of acquisition.

Revenue Recognition

Petawawa Pantry 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 or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Interest income is recognized as revenue when earned.

Contributed Services

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

Financial Instruments

Initial Measurement

The organization initially measures its financial assets and liabilities originated or exchanged in arm's length transactions at fair value. Financial assets and liabilities originated or exchanged in related party transactions, except for those that involve parties whose sole relationship with the organization is in the capacity of management, are initially measured at cost or the exchange amount.

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PETAWAWA PANTRY
Notes to Financial Statements
Year Ended December 31, 2025

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

The cost of a financial instrument in a related party transaction depends on whether the instrument has repayment terms. If it does, the cost is determined using its undiscounted cash flows, excluding interest and dividend payments, less any impairment losses previously recognized by the transferor. Otherwise, the cost is determined using the consideration transferred or received by the organization in the transaction.

Subsequent Measurement

The organization subsequently measures all its financial assets and liabilities at cost or amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in income in the period incurred.

Financial assets measured at amortized cost using the straight-line method include cash and harmonized sales tax recoverable.

Financial liabilities measured at amortized cost using the straight-line method include accounts payable.

Transaction Costs

Transaction costs attributable to financial instruments subsequently measured at fair value and to those originated or exchanged in a related party transaction are recognized in income in the period incurred. Transaction costs related to financial instruments originated or exchanged in an arm's length transaction that are subsequently measured at cost or amortized cost are recognized in the original cost of the instrument. When the instrument is measured at amortized cost, transaction costs are recognized in income over the life of the instrument using the straight-line method.

Impairment

For financial assets measured at cost or amortized cost, the organization determines whether there are indications of possible impairment. When there are, and the organization determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in income. If the indicators of impairment have decreased or no longer exist, the previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may be 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 income.

Arm's Length 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.

Related Party Financial Instruments

(continues)

PETAWAWA PANTRY
Notes to Financial Statements
Year Ended December 31, 2025

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

The company initially measures its related party financial assets at cost or the exchange amount. The company subsequently measures related party financial assets quoted in an active market at fair value. All other related party financial assets are subsequently measured at cost or the exchange and tested for impairment at each reporting date. Related party financial assets and financial liabilities measured at the exchange amount are amounts due from/to related parties.

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. Management uses estimates to determine accrued liabilities at year end. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

3. INTERNALLY RESTRICTED NET ASSETS

The Board of Directors established an internally restricted reserve for capital and contingencies. These amounts are not available for unrestricted purposes without approval of the Board of Directors.

During the year the Board of Directors internally restricted and approved a transfer of \$74,770 (2024 - \$48,527) to the reserve for capital and contingencies.

4. 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. The following analysis provides information about the organization's risk exposure and concentration as of December 31, 2025.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its accounts payable.

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