



Financial Statements of

Maple Leaf Centre for Action on Food Security

Year ended December 31, 2024



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Maple Leaf Centre for Action on Food Security

Qualified Opinion

We have audited the financial statements of Maple Leaf Centre for Action on Food Security (the Entity), which comprise:

- the statement of financial position as at December 31, 2024 and December 31, 2023
- the statement of operations for the years then ended
- the statement of changes in net assets for the years then ended
- the statement of cash flows for the years then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, except for the possible effects of the matter described in the "***Basis for Qualified Opinion***" section of our auditor's report, the accompanying financial statements, present fairly, in all material respects, the financial position of the Entity as at December 31, 2024 and December 31, 2023, and its results of 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 Entity derives revenue from fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Entity.

Therefore, we were not able to determine whether any adjustments might be necessary to:

- the current assets reported in the statements of financial position as at December 31, 2024 and December 31, 2023
- the fundraising revenues and excess of revenues over expenses reported in the statements of operations for the years ended December 31, 2024 and December 31, 2023
- the unrestricted net assets, at the beginning and end of the year, reported in the statements of changes in net assets for the years ended December 31, 2024 and December 31, 2023
- the excess of revenues over expenses reported in the statements of cash flows for the years ended December 31, 2024 and December 31, 2023.

Our opinion on the financial statements for the year ended December 31, 2023 was qualified accordingly because of the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.



Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

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

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 the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



- 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.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, stylized font and is underlined with a single horizontal stroke.

Chartered Professional Accountants, Licensed Public Accountants

Vaughan, Canada

May 6, 2025

Statement of Financial Position

Maple Leaf Centre for Action on Food Security

	Notes	As at December 31, 2024		As at December 31, 2023 ⁽ⁱ⁾
ASSETS				
Current assets				
Cash		\$ 1,199,899	\$	1,057,089
Investments, at market	3	7,796,566		6,192,981
Amounts receivable		68,132		17,214
Prepaid expenses		6,935		15,631
Total assets		\$ 9,071,532	\$	7,282,915
LIABILITIES				
Current liabilities				
Accrued liabilities		\$ 159,333	\$	200,188
Total liabilities		\$ 159,333	\$	200,188
FUND BALANCES				
Unrestricted fund		\$ 1,115,633	\$	889,746
Internally restricted fund		7,796,566		6,192,981
Total funds		\$ 8,912,199	\$	7,082,727
Total liabilities and fund balances		\$ 9,071,532	\$	7,282,915

⁽ⁱ⁾ Adjusted, see Note 9.

Grant commitments (Note 8)

See accompanying Notes to the Financial Statements.

On behalf of the Board:



LYNDA KUHN

Director



EVAN FRASER

Director

Statement of Operations

Maple Leaf Centre for Action on Food Security

Years ended December 31,	Notes	2024	2023
Revenue			
Donations	4	\$3,070,870	\$2,316,652
Fundraising events		372,780	322,806
Interest income		433	654
Dividend income		181,908	145,248
Realized gain on sale of investments		42,393	—
Unrealized gain on investments		878,851	599,690
		\$4,547,235	\$3,385,050
Expenditures			
Grants		\$1,948,580	\$2,061,180
Program		493,690	608,080
Fundraising		88,709	81,626
Administration	5	186,784	139,044
		\$2,717,763	\$2,889,930
Excess of revenue over expenditures for the year		\$1,829,472	\$ 495,120

See accompanying Notes to the Financial Statements.

Statement of Changes in Net Assets

Maple Leaf Centre for Action on Food Security
Years ended December 31,

				2024
	Notes	Unrestricted fund	Internally restricted fund	Total
Fund balance, beginning of year		\$ 889,746	\$6,192,981	\$7,082,727
Excess of revenue over expenditures for the year		725,887	1,103,585	1,829,472
Interfund transfer	7	(500,000)	500,000	—
Fund balance, end of year		\$ 1,115,633	\$7,796,566	\$8,912,199
				2023
		Unrestricted fund	Internally restricted fund	Total
Fund balance, beginning of year ⁽ⁱ⁾		\$ 1,140,121	\$5,447,486	\$6,587,607
(Deficit) excess of revenue over expenditures for the year		(250,375)	745,495	495,120
Fund balance, end of year⁽ⁱ⁾		\$ 889,746	\$6,192,981	\$7,082,727

⁽ⁱ⁾ Adjusted, see Note 9.

See accompanying Notes to the Financial Statements.

Statement of Cash Flows

Maple Leaf Centre for Action on Food Security

Years ended December 31,	2024	2023
CASH PROVIDED BY (USED IN)		
Operating activities		
Excess of revenue over expenditures for the year	\$ 1,829,472	\$ 495,120
(Deduct) add items not affecting cash:		
Unrealized (gain) loss on investments	(878,851)	(599,690)
Reinvested interest, dividends and net gain on sale of investments	(224,734)	(145,902)
Change in non-cash working capital	(83,076)	120,164
Cash (used in) provided by operating activities	\$ 642,811	\$ (130,308)
Investing activities		
Purchase of investments	\$ (500,000)	\$ —
Cash used in investing activities	\$ (500,000)	\$ —
Increase (decrease) in cash during the year	\$ 142,811	\$ (130,308)
Cash, beginning of year	1,057,089	1,187,397
Cash, end of year	\$ 1,199,900	\$ 1,057,089

See accompanying Notes to the Financial Statements.

Notes to the Financial Statements

Maple Leaf Centre for Action on Food Security
Years ended December 31, 2024 and 2023

1. PURPOSE AND NATURE OF THE ORGANIZATION

Maple Leaf Centre for Action on Food Security (the "Centre") was incorporated on November 17, 2016 under the *Canada Not-for-profit Corporations Act*.

The Centre is a registered charity under the *Income Tax Act (Canada)* effective April 17, 2017 and is therefore exempt from income taxes.

The Centre's mandate is to relieve poverty and advance community welfare by supporting innovation, research and knowledge exchange in an effort to advance sustainable food security.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Presentation

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations published in the CPA Canada Handbook - Accounting, and using the accounting policies described herein.

The financial statements were authorized for issue by the Board of Directors on May 6, 2025.

(b) Revenue Recognition

The Centre follows the deferral method of accounting for contributions which include donations and grants. Unrestricted and internally restricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

(c) Financial Instruments

The Centre initially recognizes financial instruments at fair value and subsequently measures them at each reporting date as follows:

<u>Asset/Liability</u>	<u>Measurement</u>
Cash	Fair value
Amounts receivable and prepaid expenses	Amortized cost
Investments	Fair value
Accrued liabilities	Amortized cost

Financial assets measured at amortized cost are assessed at each reporting date for indicators of impairment. If such impairment exists the assets shall be written down and the resulting impairment loss will be recognized in the statements of operations and changes in net assets for the period.

(d) Cash

Cash includes cash on hand only. Cash that is held for investing rather than operating purposes is classified as investments.

(e) Fund Accounting

For financial reporting purposes, the accounts of the Centre have been classified into funds. The Centre ensures, as part of its fiduciary responsibilities, that all the funds received with a restricted purpose are expended for the purpose for which they were provided.

The Unrestricted Fund is the result of the Centre's general operations, including donations, fundraising benefits and expenses, and administrative activities. This fund contains unrestricted resources available for immediate purposes for the operation of the Centre.

Notes to the Financial Statements

Maple Leaf Centre for Action on Food Security
Years ended December 31, 2024 and 2023

The Internally Restricted Fund represents funds which have been invested and are available for funding shortfalls, emergencies, program enhancement or other purposes as specified by the Board of Directors. Any use of this fund requires explicit approval by the Board of Directors and is not restricted by a third party.

(f) Contributed Services

Volunteers contribute many hours per year to assist the Centre in carrying out its activities. Because of the difficulty of determining the fair value of these services, contributed services and associated overheads are not valued in the financial statements.

3. INVESTMENTS

Investments consist of the following:

	As at December 31,	
	2024	2023
Cash or Cash Equivalents	\$ 55,101	\$ 39,902
Global Equities	4,643,870	3,820,364
Fixed Income	2,354,138	1,787,144
Other Strategies	743,457	545,571
	\$ 7,796,566	\$ 6,192,981

The Centre's investments are held in securities that are highly liquid with no maturity date and recorded at fair value. As at December 31, 2024, the total unrealized gain was \$878,851 (2023: unrealized gain of \$599,690). The investment portfolio is managed in accordance with the Centre's investment policy.

4. DONATIONS

Donations consist of the following:

	Year ended December 31,	
	2024	2023
Donations	\$ 3,070,870	\$ 2,316,652
	\$ 3,070,870	\$ 2,316,652

Donations received this year were 79% from corporations, 16% from private foundations and 5% from individuals (2023: 70% from corporations, 22% from private foundations and 8% from individuals).

Notes to the Financial Statements

Maple Leaf Centre for Action on Food Security
Years ended December 31, 2024 and 2023

5. ADMINISTRATION EXPENSES

Administration expenses consist of:	Year ended December 31,	
	2024	2023
Audit fees	\$ 20,084	\$ 16,323
Board expenses	1,837	2,186
Bank and investment service charges	1,378	1,350
Donation transaction fees	2,288	1,245
Salaries, benefits, travel and other expenses	161,197	117,940
	\$ 186,784	\$ 139,044

6. FINANCIAL RISK MANAGEMENT

The Centre is subject to market, interest rate, and liquidity risks with respect to its investments.

Market Risk

Market risk arises as a result of investments in equity securities, fixed income securities and real estate investments trust. Fluctuations in the market expose the Centre to a risk of loss on sales of investments.

Interest Rate Risk

Interest rate risk arises from the possibility that changes in interest rates will affect the value of fixed income securities held by the Centre.

To manage these risks, the Centre has established an investment policy, which includes target mix of investment types and concentration limits designed to achieve the optimum return within reasonable risk tolerances.

Liquidity Risk

Liquidity risk is the risk that the Centre will be unable to meet cash requirements or to fund obligations as they become due. The Centre manages its liquidity risk by monitoring its operating requirements. The Centre prepares budgets and cash forecasts to ensure it has sufficient funds to fulfill its obligations.

Additionally, the Centre believes it is not exposed to significant liquidity risk as all investments are held in instruments that are highly liquid.

Notes to the Financial Statements

Maple Leaf Centre for Action on Food Security
Years ended December 31, 2024 and 2023

7. INTERFUND TRANSFERS

Transfers between funds consist of the following:

	Unrestricted Fund		Internally Restricted Fund	
	As at December 31,		As at December 31,	
	2024	2023	2024	2023
Surplus in Unrestricted Fund	\$ (500,000)	\$ —	\$ 500,000	\$ —
	\$ (500,000)	\$ —	\$ 500,000	\$ —

The Centre's general practice is to maintain a small surplus in the Unrestricted Fund by transferring any excess to the Internally Restricted Fund or by covering any deficits in the Unrestricted Fund with a transfer from the Internally Restricted Fund.

8. GRANT COMMITMENTS

The Centre enters into grant commitments with partners that vary in terms. Each commitment requires re-approval annually. The Centre's grant commitments are as follows:

2025	\$ 1,339,319
2026	803,812
2027	150,000
	\$ 2,293,131

9. ADJUSTMENT TO COMPARATIVE INFORMATION

Prior year allocation of fund balances between unrestricted fund and internally restricted fund have been adjusted by \$500,000 from the previously published amounts in order to reflect the intended allocation by the Board of Directors.

	2023			
	As reported		Change	As adjusted
Unrestricted fund	\$	389,746	\$ 500,000	\$ 889,746
Internally restricted fund		6,692,981	(500,000)	6,192,981
Total funds	\$	7,082,727	\$ —	\$ 7,082,727