Doane Grant Thornton

Financial Statements

Community Care of St. Catharines & Thorold

December 31, 2025

Contents

Doane Grant Thornton

Independent Auditor's Report

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To the Directors of
Community Care of St. Catharines & Thorold

Qualified opinion

We have audited the financial statements of Community Care of St. Catharines & Thorold (the "Organization"), which comprise the statement of financial position as at December 31, 2025, and the statements of operations, 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 financial statements present fairly, in all material respects, the financial position of Community Care of St. Catharines & Thorold 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.

Basis for qualified opinion

In common with many charitable organizations, the Organization derives revenue from donations 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 donations revenue, deficiency of revenues over expenses, and cash flows from operations for the years ended December 31, 2025 and 2024, current assets as at December 31, 2025 and 2024, and net assets as at January 1 and December 31 for both the 2025 and 2024 years. 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 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 report. We are independent of the Organization 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 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.

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.

Doane Grant Thornton LLP

Chartered Professional Accountants

Licensed Public Accountants

St. Catharines, Canada

June 17, 2026

Community Care of St. Catharines & Thorold
Statement of Financial Position

December 31	General	Capital	Niagara Nutrition Partners	**Total 2025**	Total 2024
Assets					
Current					
Cash	$ 848,765	$ -	$ 463,365	**$ 1,312,130**	$ 1,625,226
Short-term investments (Note 3)	1,488,777	-	-	**1,488,777**	1,309,825
Accounts receivable	-	-	12,500	**12,500**	4,134
HST receivable	95,025	-	12,929	**107,954**	92,608
Interfund receivable (payable)	384,245	(289,502)	(94,743)	**-**	-
Prepaid expenses	91,350	-	44,837	**136,187**	64,576
	2,908,162	(289,502)	438,888	**3,057,548**	3,096,369
Property and equipment (Note 4)	-	1,299,094	-	**1,299,094**	1,164,818
	$ 2,908,162	$ 1,009,592	$ 438,888	**$ 4,356,642**	$ 4,261,187
Liabilities					
Current					
Accounts payable and accrued liabilities	$ 226,534	$ -	$ 15,859	**$ 242,393**	$ 192,424
Deferred contributions (Note 5)	322,266	-	393,429	**715,695**	449,515
	548,800	-	409,288	**958,088**	641,939
Deferred property and equipment contributions (Note 6)	-	470,829	-	**470,829**	360,732
	548,800	470,829	409,288	**1,428,917**	1,002,671
Net assets					
Internally restricted (Note 7)	1,351,465	538,763	29,600	**1,919,828**	2,169,618
Unrestricted	1,007,897	-	-	**1,007,897**	1,088,898
	2,359,362	538,763	29,600	**2,927,725**	3,258,516
	$ 2,908,162	$ 1,009,592	$ 438,888	**$ 4,356,642**	$ 4,261,187

Commitment (Note 8)

On behalf of the Board of Directors

_______________ Director _______________ Director

See accompanying notes and schedule to the financial statements

Community Care of St. Catharines & Thorold
Statement of Operations

Year ended December 31	General	Capital	Niagara Nutrition Partners	**Total 2025**	Total 2024
Revenues					
Donations	$ 2,637,069	$ -	$ 158,639	**$ 2,795,708**	$ 2,666,517
United Way, general grant	145,000	-	-	**145,000**	159,159
United Way, Housing Help Centre program	10,000	-	-	**10,000**	10,000
Region of Niagara, Housing Help Centre program	504,603	-	-	**504,603**	481,840
REACH food and administration grants	-	-	1,299,585	**1,299,585**	860,441
Infrastructure grants	-	-	39,893	**39,893**	134,891
Niagara Prosperity Initiative grants	20,527	-	-	**20,527**	23,170
Administration fees	250,564	-	-	**250,564**	232,583
Other grants	54,826	-	162,173	**216,999**	255,286
Investment and other income	184,773	-	11,941	**196,714**	220,912
Amortization of deferred property, and equipment contributions (Note 6)	-	57,204	-	**57,204**	62,619
	3,807,362	57,204	1,672,231	**5,536,797**	5,107,418
Expenses (Schedule)					
Services	512,308	-	1,321,510	**1,833,818**	1,706,578
Salaries and benefits, general programs	2,770,914	-	293,974	**3,064,888**	2,678,746
Occupancy	382,383	-	9,506	**391,889**	311,452
Administration	420,169	-	41,386	**461,555**	400,865
Amortization of property and equipment	-	125,166	3,336	**128,502**	101,822
	4,085,774	125,166	1,669,712	**5,880,652**	5,199,463
Deficiency of revenues over expenses before other income	(278,412)	(67,962)	2,519	**(343,855)**	(92,045)
Other income					
Realized and unrealized gain on short-term investments	13,064	-	-	**13,064**	46,763
(Deficiency) excess of revenues over expenses for the year	$ (265,348)	$ (67,962)	$ 2,519	**$ (330,791)**	$ (45,282)

Community Care of St. Catharines & Thorold
Statement of Changes in Net Assets

Year ended December 31	General	Capital	Niagara Nutrition Partners	**Total 2025**	Total 2024
Internally restricted					
Balance, beginning of year	$ 1,628,774	$ 513,763	$ 27,081	**$ 2,169,618**	$ 2,194,014
Transfer from (to) unrestricted fund	(277,309)	25,000	2,519	**(249,790)**	(24,396)
Balance, end of year	$ 1,351,465	$ 538,763	$ 29,600	**$ 1,919,828**	$ 2,169,618
Unrestricted					
Balance, beginning of year	$ 1,032,131	$ 56,767	$ -	**$ 1,088,898**	$ 1,109,784
(Deficiency) excess of revenues over expenses for the year	(265,348)	(67,962)	2,519	**(330,791)**	(45,282)
Funds used for purchase of property, and equipment during the year	266,114	(266,114)	-	**-**	-
Transfer from (to) internally restricted fund	(25,000)	277,309	(2,519)	**249,790**	24,396
Balance, end of year	$ 1,007,897	$ -	$ -	**$ 1,007,897**	$ 1,088,898

See accompanying notes and schedule to the financial statements.

Community Care of St. Catharines & Thorold
Statement of Cash Flows

Year ended December 31	2025	2024
Decrease in cash		
Operating		
Deficiency of revenues over expenses for the year	$ (330,791)	$ (45,282)
Add (deduct) non-cash items		
Amortization of deferred property and equipment contributions	(57,204)	(62,619)
Amortization of property and equipment	128,502	101,786
Amortization of property and equipment, Niagara Nutrition Partners	-	36
Loss on sale of short-term investments	3,435	1,086
Unrealized gain on short-term investments	(16,500)	(47,849)
	(272,558)	(52,842)
Change in non-cash working capital items		
Accounts receivable	(8,366)	42,401
HST receivable	(15,346)	(1,493)
Prepaid expenses	(71,611)	10,298
Accounts payable and accrued liabilities	49,968	38,674
Deferred contributions	266,180	(190,509)
	(51,733)	(153,471)
Investing		
Purchase of property and equipment	(262,778)	(278,544)
Purchase of investments	(579,730)	(244,092)
Redemption of investments	413,842	108,153
	(428,666)	(414,483)
Financing		
Contributions to deferred property and equipment	167,301	15,000
Decrease in cash	(313,098)	(552,954)
Cash		
Beginning of year	1,625,226	2,178,180
End of year	$ 1,312,130	$ 1,625,226

See accompanying notes and schedule to the financial statements.

1. Nature of operations

Community Care of St. Catharines & Thorold (the "Organization") was established to provide food and other basic necessities to needy residents of the community. Over the years the Organization has expanded its programs and supports in response to the needs of those served through an integrated service delivery model. The Organization is incorporated by Letters Patent as a corporation without share capital under the laws of Ontario, and is a registered charity and exempt from income taxes under section 149(1)(f) of the Income Tax Act.

2. Significant accounting policies

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies are detailed as follows:

Fund accounting

The accounts are maintained in accordance with the principles of fund accounting, whereby fund balances of the Organization are classified for accounting and reporting purposes into funds to be used according to the directions of the Board of Directors as follows: General, Capital, and Niagara Nutrition Partners.

Revenues and expenses related to the Organization's program delivery and administrative activities, not including those for Niagara Nutrition Partners, are reported in General. Revenues and expenses related to capital activities are reported in Capital. Revenues and expenses related to Niagara Nutrition Partners program delivery and administrative activities are reported in Niagara Nutrition Partners.

Revenue recognition

The Organization follows the deferral method of accounting for contributions and grant revenue. Unrestricted contributions are recognized as revenue of the appropriate fund in the year received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Restricted contributions are recognized as revenue of the appropriate fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the General fund in the year in which the related expenses are incurred.

Investment income is recognized as revenue as earned.

Contributions restricted for the purposes of purchasing property and equipment are deferred and recognized as revenue at a rate corresponding to the amortization expense for the related property and equipment.

Contributed goods and services

The Organization benefits from a substantial amount of volunteer services and donations in kind. No amounts have been reflected in the financial statements for these items.

2. Significant accounting policies (continued)

Property and equipment

Property and equipment are recorded at cost and amortized over the following annual rates over the estimated useful lives of the related assets:

Building	4% - 10%	declining balance
Leasehold improvements		Terms of lease
Parking lot	5%	declining balance
Equipment and furniture	10% - 20%	declining balance
Computer hardware	30%	declining balance
Vehicles	30%	declining balance

Impairment of long-lived assets

The Ogranization tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. The assets are tested for impairment by comparing the net carrying value to its fair value or replacement cost. If the asset's fair value or replacement cost is determined to be less than its net carrying value, the resulting impairment is reported in the statement of fund operations. Any impairment recognized is not reversed.

Financial instruments

Measurement

The Organization initially measures its financial assets and liabilities at fair value.

The Organization subsequently measures all of its financial assets and financial liabilities at amortized cost except for short-term investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statement of operations.

Financial assets measured at fair value include short-term investments in mutual funds.

Financial assets and liabilities measured at amortized cost include cash, accounts receivable, HST receivable, and accounts payable.

The fair value of investments quoted in an active market has been determined using the closing price at year end.

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. Previously recognized impairment losses are reversed to the extent of the improvement provided the asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in the statement of operations.

2. Significant accounting policies (continued)

Use of estimates

Management reviews the carrying amounts of items in the financial statements at each statement of financial position date to assess the need for revision or any possibility of impairment. Many items in the preparation of these financial statements require management's best estimate. Management determines these estimates based on assumptions that reflect the most probable set of economic conditions and planned courses of action.

These estimates are reviewed periodically and adjustments are made to deficiency of revenues over expenses as appropriate in the year they become known.

Items subject to significant management estimate include the amortization over the estimated useful lives of property and equipment, and certain accruals.

3. Short-term investments

Short-term investments are comprised of the following:

	2025	2024
Mutual funds and equities	**$ 1,488,777**	$ 1,309,825

4. Property and equipment

			2025	2024
	Cost	Accumulated Amortization	**Net Book Value**	Net Book Value
Land	$ 287,000	$ -	**$ 287,000**	$ 287,000
Building	1,185,500	586,758	**598,742**	625,652
Leasehold improvement	33,104	$ 3,310	**$ 29,794**	-
Parking lot	78,185	50,157	**28,028**	29,504
Equipment and furniture	459,037	331,372	**127,665**	69,827
Computer hardware	117,869	103,873	**13,996**	14,627
Computer software	6,722	6,722	-	-
Website	9,471	9,471	-	-
Vehicles	469,976	256,107	**213,869**	138,208
	$ 2,646,864	$ 1,347,770	**$ 1,299,094**	$ 1,164,818

5. Deferred contributions

The deferred contributions reported in the General and Niagara Nutrition Partners funds represents externally restricted operating contributions received that are related to subsequent periods. Changes in the deferred contributions balance of these funds are as follows:

	General	Niagara Nutrition Partners	**Total 2025**	Total 2024
Beginning balance	$ 221,821	$ 227,694	**$ 449,515**	$ 640,024
Add: amounts received in the current year	293,058	1,264,789	**1,557,847**	1,230,738
Less: amounts recognized as revenue in the year	(192,613)	(1,099,054)	**(1,291,667)**	(1,421,247)
Ending balance	$ 322,266	$ 393,429	**$ 715,695**	$ 449,515

6. Deferred property and equipment contributions

The deferred contributions reported in the capital fund represent externally restricted capital contributions received for purposes of purchasing property and equipment. Changes in the deferred contributions balance are as follows:

	2025	2024
Beginning balance	**$ 360,732**	$ 408,351
Add: amounts received in the current year	**167,301**	15,000
Less: amortization of deferred property and equipment contributions	**(57,204)**	(62,619)
Ending balance	**$ 470,829**	$ 360,732

7. Internally restricted fund balances

	General			Capital			Niagara Nutrition Partners	Total
	General Operation	COVID fund	Total General	Regular Capital	COVID fund	Total Capital		
Opening	$940,962	$687,812	$1,628,774	$388,763	$125,000	$513,763	$27,081	$2,169,618
Transferred from(to) unrestricted fund	(277,309)		(277,309)	25,000	-	25,000	2,519	(249,790)
Transferred from(to) Covid fund	687,812	(687,812)	-	125,000	(125,000)	-	-	-
Ending	$1,351,465	$-	$1,351,465	$538,763	$-	$538,763	$29,600	$1,919,828

Funds in the amount of $1,351,465 (2024 - $940,962) have been restricted by the Board to approximate four months operating requirements of the Organization, not including operations for Niagara Nutrition Partners. The Board policy requires a six month operating reserve.

The internally restricted general fund included $Nil (2024 - $678,812) of an additional funds that the Board approved to mitigate the on-going impact of COVID-19 including supplementing a change in volunteer demographics, supporting rental costs associated with incremental space requirements, related expenses and impacts on program funding as a result of COVID-19. The Board approved a motion to discontinue the fund during the year. As such, remaining funds were transferred to other internally restricted funds.

Funds in the amount of $538,763 (2024 - $388,763) have been restricted in the Regular Capital fund by the Board for future significant purchases and repairs to the building.

The internally restricted capital fund included $Nil (2024 - $125,000) of an additional funds that the Board approved to support incremental capital needs as a result of the COVID-19 including ensuring that physical infrastructure supports and complies with public health requirements. The Board approved a motion to discontinue the fund during the year. As such, remaining funds were transferred to other internally restricted funds

Funds in the amount of $29,600 (2024 - $27,081) have been restricted by the Board to approximate four months operating requirements of Niagara Nutrition Partners. The Organization's goal is a six month operating reserve.

8. Commitment

The Organization has an operating lease obligation for premises in the amount of $156,857 annually of which $83,556 is for the Martindale warehouse facility which expires June 30, 2029, $4,045 annually for the Welland Avenue which expires in January 31, 2026, $24,900 annually for the Thorold facility with no formal lease agreement, and $44,356 annually for the Highway 20 East Thorold which expires in December 31, 2030.

9. Credit facility

The Organization's credit facility includes a revolving line of credit of $200,000 bearing interest at prime. Prime rate at the year end was 4.45%. The amount outstanding on the line of credit as at December 31, 2025 was $Nil (2024 - $Nil). The line of credit is payable on demand. The facility is secured by a general security agreement constituting a first ranking security interest in all assets of the Organization.

10. Niagara Community Foundation endowment fund

The Organization together with the Niagara Community Foundation established an endowment fund to contribute to the future financial viability of the Organization. The Organization is entitled to investment income from this endowment fund at December 31 annually as allocated by Niagara Community Foundation. This investment income is recognized when it is received.

During 2025, the Organization received $27,315 (2024 - $21,274) in investment income from this fund.

11. Financial instruments

The Organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the Organization's risk exposures and concentrations at December 31, 2025:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Organization's main credit risk relates to its accounts receivable.

Liquidity risk

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

Market risk

Market risk is the risk that the fair value or expected 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 Organization is mainly exposed to other price risk.

(i) Other price risk

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices of securities held. The Organization is exposed to price risk through its short-term investments in mutual funds.

There are no changes in risks from the prior year.

Community Care of St. Catharines & Thorold
Schedule of Expenses

Year ended December 31	General	Niagara Nutrition Partners	**Total 2025**	Total 2024
Services				
Christmas Bureau	$ 221,552	$ -	**$ 221,553**	$ 240,655
Food, funded by REACH	-	769,210	**769,210**	723,365
Food program	110,386	157,815	**268,201**	395,679
COVID fund expense	47	-	**47**	223
Delivery and pickup	36,371	-	**36,371**	61,044
Health services and emergency	4,277	-	**4,277**	19,062
Infrastructure	-	394,485	**394,485**	120,140
Clothing and personal needs	25,836	-	**25,836**	14,629
Business education council	30,301	-	**30,301**	29,346
Other services	83,538	-	**83,538**	102,435
	$ 512,308	$ 1,321,510	**$ 1,833,818**	$ 1,706,578
Salaries and benefits, general programs				
Salaries	$ 2,335,128	$ 237,362	**$ 2,572,490**	$ 2,292,365
Benefits	435,786	56,612	**492,398**	386,381
	$ 2,770,914	$ 293,974	**$ 3,064,888**	$ 2,678,746
Occupancy				
Building and equipment maintenance	$ 251,887	$ -	**$ 251,887**	$ 185,667
Utilities	57,618	-	**57,618**	50,696
Property insurance	47,745	-	**47,745**	43,843
Rent	25,133	9,506	**34,639**	31,246
	$ 382,383	$ 9,506	**$ 391,889**	$ 311,452
Administration				
Professional services	$ 144,915	$ 14,095	**$ 159,010**	$ 134,998
Office supplies and equipment maintenance	113,661	8,540	**122,201**	87,998
Promotion and publicity	73,690	6,468	**80,158**	58,911
Telephone and facsimile	19,025	9,280	**28,305**	25,302
Travel	21,510	2,934	**24,444**	21,810
Bank charges	19,688	69	**19,757**	14,659
Directors' liability insurance	8,183	-	**8,183**	8,020
Education	8,108	-	**8,108**	12,156
Postage	6,468	-	**6,468**	5,404
Miscellaneous	4,921	-	**4,921**	31,607
	$ 420,169	$ 41,386	**$ 461,555**	$ 400,865