

St. Andrew Soup Kitchen Inc.
Financial Statements
December 31, 2025

St. Andrew Soup Kitchen Inc.
Contents

For the year ended December 31, 2025

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To the Board of Directors of St. Andrew Soup Kitchen Inc.:

Qualified Opinion

We have audited the financial statements of St. Andrew Soup Kitchen Inc. (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 accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2025, and its financial performance 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 fundraising and donations from the general public, the completeness of which is not susceptible to satisfactory audit evidence. Accordingly, our evidence of those revenues was limited to the amounts recorded in the records of the Organization and we were not able to determine whether any adjustments might be necessary to revenue and excess of revenue over expenses for the years ended December 31, 2025 and 2024 and assets, liabilities and net assets as at December 31, 2025 and 2024. The audit opinion on the financial statements for the year ended December 31, 2024 was qualified accordingly because of the possible effects of the 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.

Thunder Bay, Ontario

May 25, 2026

MNP LLP

Chartered Professional Accountants

Licensed Public Accountants

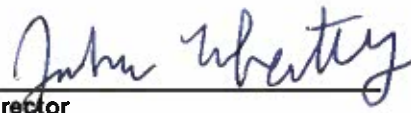
St. Andrew Soup Kitchen Inc.
Statement of Financial Position
As at December 31, 2025

	2025	2024
Assets		
Current		
Cash	408,589	491,031
Accounts receivable	1,511	18,029
Government Remittance Receivable	8,326	12,995
Marketable securities (Note 3)	451,068	538,402
Prepaid expenses and deposits	13,674	10,141
	883,168	1,070,598
Tangible capital assets (Note 4)	96,792	100,754
Marketable securities (Note 3)	508,354	109,717
	1,488,314	1,281,069
Liabilities		
Current		
Accounts payable and accruals	56,743	60,610
Deferred contributions (Note 5)	14,000	12,000
Deferred contributions related to tangible capital assets (Note 6)	24,090	-
	94,833	72,610
Net Assets		
Unrestricted	600,779	613,705
Invested in Capital Assets (Note 7)	72,702	100,754
Internally Restricted (Note 8)	720,000	494,000
	1,393,481	1,208,459
	1,488,314	1,281,069

Approved on behalf of the Board



 Director



 Director

St. Andrew Soup Kitchen Inc. Statement of Operations

For the year ended December 31, 2025

	2025	2024
Revenue		
Bishop's Diocesan Ministry	10,000	10,000
Dew Drop Inn Memorial Fund	38,894	22,845
Fundraising events and programs	159,870	121,094
Grant revenue <i>(Note 9)</i>	76,384	75,766
Interest earned	37,115	40,438
Operating donations - Bequests	27,041	21,350
Operating donations - Foundations	134,481	124,998
Operating donations - Individuals	422,687	358,420
Operating donations - Corporate	113,298	98,250
Special programs revenue	44,587	29,466
Wage reimbursement	-	66,771
	1,064,357	969,398
Expenses		
Advertising	3,724	2,614
Amortization	28,938	29,323
Bank charges and interest	1,581	1,545
Building lease	1,200	1,200
Building repairs and maintenance	4,237	16,613
Equipment repairs and maintenance	6,585	1,107
Food expense	126,590	85,058
Fundraising expenses	24,210	18,014
Insurance	14,164	11,741
Licences and fees	5,071	2,450
Office expenses	23,109	19,115
Professional fees	17,130	13,751
Salaries, Benefits and honoraria	464,570	453,152
Seniors program	56,598	52,676
Supplies	63,347	89,537
Travel	3,086	3,426
Utilities	25,031	25,734
Waste disposal	10,164	11,126
	879,335	838,182
Excess of revenue over expenses	185,022	131,216

The accompanying notes are an integral part of these financial statements

St. Andrew Soup Kitchen Inc.
Statement of Changes in Net Assets

For the year ended December 31, 2025

	<i>Unrestricted</i>	<i>Invested in Capital Assets</i>	<i>Internally Restricted</i>	<i>2025</i>	<i>2024</i>
Opening Net Assets	613,705	100,754	494,000	1,208,459	1,077,243
Net Income	185,022	-	-	185,022	131,216
Interfund Transfer <i>(Note 7), (Note 8)</i>	(197,948)	(28,052)	226,000	-	-
Net assets, end of year	600,779	72,702	720,000	1,393,481	1,208,459

The accompanying notes are an integral part of these financial statements

St. Andrew Soup Kitchen Inc.

Statement of Cash Flows

For the year ended December 31, 2025

	2025	2024
Cash provided by (used for) the following activities		
Operating		
Cash received from contributions	1,072,504	912,286
Interest received	37,115	40,438
Cash paid for program service expenses	(406,800)	(346,405)
Cash paid for salaries and benefits	(464,570)	(451,715)
	238,249	154,604
Investing		
Purchase of marketable securities	(837,031)	(542,825)
Proceeds on disposal of marketable securities	538,345	412,913
Purchase of tangible capital assets	(22,005)	(73,531)
	(320,691)	(203,443)
Decrease in cash resources	(82,442)	(48,839)
Cash resources, beginning of year	491,031	539,870
Cash resources, end of year	408,589	491,031

The accompanying notes are an integral part of these financial statements

1. Incorporation and nature of the organization

St. Andrew Soup Kitchen Inc. known as Dew Drop Inn was operated by St. Andrew's Roman Catholic Church since 1981. On June 6, 2008 St. Andrew Soup Kitchen Inc. ("the Organization") was incorporated in Ontario without share capital and became a registered charity March 18, 2009. The purpose of the Organization is to relieve poverty by operating a soup kitchen in the City of Thunder Bay, Province of Ontario, to feed hungry people. The Organization accomplishes this purpose by operating Dew Drop Inn at 292 Red River Road.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations, as issued by the Accounting Standards Board in Canada, and include the following significant accounting policies:

Cash and cash equivalents

Cash is comprised of balances with chartered banks. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Marketable securities

Marketable securities with prices quoted in an active market are measured at fair value while those that are not quoted in an active market are measured at cost less impairment. They consist of guaranteed investment certificates which are all traded in the public markets. Changes in fair value are recorded immediately in the excess of revenue over expenses.

Tangible capital assets

Tangible capital assets are recorded at cost. Contributed tangible capital assets are recorded at fair value at the date of contribution if fair value can be reasonably determined.

Amortization is provided using the declining balance method at rates intended to amortize the cost of assets over their estimated useful lives.

	Method	Years
Computer equipment	declining balance	20 %
Furniture and fixtures	declining balance	20 %
Leasehold improvements	straight-line	5 years

Revenue recognition

The Organization 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.

Fundraising and donation revenue is recognized as revenue when the amount to be received can be reasonably estimated and ultimate collection is reasonably assured.

Contributed materials

Due to the difficulty of determining the fair value of contributed materials and services they are not recognized in the financial statements.

Leases

A lease that transfers substantially all of the benefits and risks of ownership is classified as a capital lease. At the inception of a capital lease, an asset and a payment obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the property's fair market value. Assets under capital leases are amortized on a declining balance basis, over their estimated useful lives. All other leases are accounted for as operating leases and rental payments are expensed as incurred.

2. Significant accounting policies *(Continued from previous page)*

Measurement uncertainty (use of estimates)

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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Amortization is based on the estimated useful life of the capital assets.

Accounts payable and accruals are estimated based on historical charges for unbilled goods and services at year-end.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenue over expenses in the periods in which they become known.

Financial instruments

The Organization recognizes financial instruments when the Organization becomes party to the contractual provisions of the financial instrument.

Arm's length financial instruments

Financial instruments originated/acquired or issued/assumed in an arm's length transaction ("arm's length financial instruments") are initially recorded at their fair value.

At initial recognition, the Organization may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. The Organization has not made such an election during the year. Fair value is determined by reference to recent arm's length transactions.

The Organization subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those designated in a qualifying hedging relationship or that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost less impairment. With the exception of financial liabilities indexed to a measure of the Organization's performance or value of its equity and those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in excess of revenues over expenses. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

Financial asset impairment

The Organization assesses impairment of all its financial assets measured at cost or amortized cost. The Organization groups assets for impairment testing when there are numerous assets affected by the same factors. Management considers whether the issuer is having significant financial difficulty in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Organization determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

With the exception of related party debt instruments and related party equity instruments initially measured at cost, the Organization reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

For related party debt instruments initially measured at cost, the Organization reduces the carrying amount of the asset (or group of assets), to the highest of: the undiscounted cash flows expected to be generated by holding the asset, or group of similar assets, excluding the interest and dividend payments of the instrument; the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

St. Andrew Soup Kitchen Inc.
Notes to the Financial Statements
For the year ended December 31, 2025

2. Significant accounting policies (Continued from previous page)

Financial instruments (Continued from previous page)

For related party equity instruments initially measured at cost, the Organization reduces the carrying amount of the asset (or group of assets), to the amount that could be realized by selling the asset(s) at the statement of financial position date.

Any impairment, which is not considered temporary, is included in current year excess of revenues over expenses.

The Organization reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in excess of revenues over expenses in the year the reversal occurs.

3. Marketable securities

	2025	2024
CIBC Wood Gundy Mutual Fund investments (cost - \$54)	54	57
Northern Credit Union - Community Service Clubs (Cash-on-hand)	90	-
Scotiabank 388 Day Special Rate guaranteed investment certificate, paying interest at 5.2% per annum, maturing February 2025 (cost - \$100,000)	-	104,717
Scotiabank non-redeemable guaranteed investment certificate, paying interest at 4.75% per annum, maturing February 2025 (cost - \$76,397)	-	83,348
Scotiabank non-redeemable guaranteed investment certificate, paying interest at 3.4% per annum, maturing December 2025 (cost - \$123,844)	-	124,536
Scotiabank Long-Term Non-Redeemable GIC, paying interest at 3.2% per annum, maturing March 2026 (cost - \$112,980)	115,714	111,604
Scotiabank Long-Term Non-Redeemable GIC, paying interest at 2.80% per annum, maturing December 28, 2026 (cost - \$118,651)	118,969	114,140
Northern Credit Union GIC, paying interest at 3.50% per annum, maturing December 11, 2027 (cost - \$200,000)	200,384	-
Scotiabank Long-Term Non Redeemable GIC, paying interest at 3.00% per annum, maturing October 1, 2026 (cost - \$100,000)	102,260	-
Northern Credit Union GIC, paying interest at 3.70% per annum, maturing February 27, 2027 (cost - \$200,000)	206,244	-
Northern Credit Union GIC, paying interest at 3.90% per annum, maturing September 27, 2026 (cost - \$108,588)	113,980	109,717
Northern Credit Union GIC, paying interest at 3.60% per annum, maturing July 9, 2027 (cost - \$100,000)	101,727	-
	959,422	648,119
Less: current portion	(451,068)	(538,402)
	508,354	109,717

4. Tangible capital assets

	Cost	Accumulated amortization	2025 Net book value	2024 Net book value
Computer equipment	22,156	20,566	1,590	3,533
Furniture and fixtures	215,816	164,241	51,575	46,101
Leasehold improvements	70,509	26,882	43,627	51,120
	308,481	211,689	96,792	100,754

St. Andrew Soup Kitchen Inc.

Notes to the Financial Statements

For the year ended December 31, 2025

5. Deferred contributions

Deferred contributions consist of unspent contributions received from the Thunder Bay Community Foundation. Recognition of these amounts as revenue is deferred to periods when the specified expenditures are made. Changes in the deferred contribution balance are as follows:

	2025	2024
Balance, beginning of year	12,000	8,989
Amount received during the year	14,000	12,000
Less: amount recognized as revenue during the year	(12,000)	(8,989)
Balance, end of year	14,000	12,000

6. Deferred contributions related to tangible capital assets

Deferred capital contributions consist of the unamortized amount of contributions received for the purchase of tangible capital assets. Recognition of these amounts as revenue is deferred to periods when the related tangible capital assets are amortized. Changes in deferred capital contributions are as follows:

	2025	2024
Amount received during the year	30,112	-
Less: amounts recognized as revenue during the year	(6,022)	-
Balance, end of year	24,090	-

7. Invested in tangible capital assets

	2025	2024
Balance, beginning of the year	100,754	56,546
Capital contributions received	(30,112)	-
Purchase of tangible capital assets	24,976	73,531
Amortization of deferred capital contributions	6,022	-
Amortization of tangible capital assets	(28,938)	(29,323)
Balance, end of year	72,702	100,754

8. Restrictions on net assets

Internally restricted net assets

During the year, the Organization's Board of Directors approved restricting an addition of \$226,000, bringing the total of the operational reserve to \$620,000 (2024 - \$394,000) to be held for providing financing for future working capital needs. The Board of Directors also has internally restricted net assets of \$100,000 for future purchase of tangible capital assets. These internally restricted amounts are not available for other purposes without approval of the Board of Directors.

9. Grant revenue

	2025	2024
United Way of Thunder Bay	9,072	20,320
Thunder Bay Community Foundation	12,000	6,989
The District of Thunder Bay Social Services Administration Board	48,376	48,376
Other	914	81
Northern Ontario Heritage Fund	6,022	-
Total	76,384	75,766

St. Andrew Soup Kitchen Inc.
Notes to the Financial Statements
For the year ended December 31, 2025

10. Commitments

The Organization has entered into a lease agreement ending July 2029 to pay \$100 per month to St. Andrew's Roman Catholic Church to occupy the building at 292 Red River Road known as Dew Drop Inn.

Estimated minimum annual payments are as follows:

2026	1,200
2027	1,200
2028	1,200
2029	1,200
2030	700
	<hr/>
	5,500

11. Financial instruments

The Organization, as part of its operations, carries a number of financial instruments. It is management's opinion that the Organization is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.