Moisson Montréal inc.

Financial Report

March 31, 2025

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Independent Auditor's Report

To the Administrators of
Moisson Montréal inc.:

Qualified Opinion

We have audited the financial statements of **Moisson Montréal inc.** (the "Company"), which comprise the statement of financial position as at March 31, 2025, and the statements of revenue, 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 Company as at March 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 not-for-profit organizations, the Company derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenue was limited to the amounts recorded in the records of the Company. Therefore, we were not able to determine whether any adjustments might be necessary to donations, excess of revenue (expenses) and cash flows from operating activities for the years ended March 31, 2025 and 2024, assets as at March 31, 2025 and 2024, and net assets as at March 31, 2025 and 2024.

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 Company 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 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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

Independent Auditor's Report (cont'd)

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 Company'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 Company'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 Company 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.

***Independent Auditor's Report** (cont'd)*

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.

Montréal, Québec
May 28, 2025

Chartered Professional Accountant Partnership LLP

CPA Auditor, Public Accountancy Permit No. A132389

Statement of Revenue

Year ended March 31	2025	2024
Food supply		
In-kind contributions of food	$ **193,256,533**	$ 155,941,287
In-kind contributions of food redistributed (Schedule A)	**(186,831,022)**	(145,866,454)
Compost, recycling, waste and changes in inventory	**(8,537,193)**	(6,978,415)
Net result – Food supply	**(2,111,682)**	3,096,418
Food distribution activities		
Revenue		
Donations (Schedule B)	**10,057,181**	8,634,557
Fundraising activities (Schedule B)	**2,942,481**	3,238,849
Contributions (Schedule B)	**366,652**	394,160
Rental and provision of services	**513,633**	446,534
Amortization of deferred contributions related to fixed and intangible assets (Note 14)	**372,260**	378,240
Financial and other revenue (Schedule D)	**381,999**	311,907
	14,634,206	13,404,247
Expenses		
Operations (Schedule C)	**6,579,048**	4,079,602
Recovery and procurement (Schedule C)	**4,512,988**	3,904,716
Fundraising (Schedule C)	**1,589,065**	1,326,114
Administration (Schedule C)	**1,723,042**	1,446,208
	14,404,143	10,756,640
Net result – Food distribution activities before other expenses	**230,063**	2,647,607
Excess of revenue (expenses)	$ **(1,881,619)**	$ 5,744,025
Total revenue	$ **207,890,739**	$ 169,345,534
Total expenses	**209,772,358**	163,601,509
Excess of revenue (expenses)	$ **(1,881,619)**	$ 5,744,025

Statement of Changes in Net Assets

Year ended March 31

	Internally restricted (Note 15)						
	Management of capital assets	Invested in capital assets	To improve accessibility	Unrestricted– Food inventory	Unrestricted	**2025** Total	2024 Total
Balance at beginning of year	$ 2,769,000	$ 3,531,107	$ 1,785,000	$ 4,988,228	$ 2,175,450	**$ 15,248,785**	$ 9,504,760
Excess of revenue (expenses)	-	(419,038)*	(561,335)	(2,111,682)	1,210,436	**(1,881,619)**	5,744,025
Transfer (Note 15)	(399,598)	-	1,126,335	-	(726,737)	-	-
Additions to capital assets (Note 15)	(369,402)	421,271	-	-	(51,869)	-	-
Balance at end of year	$ 2,000,000	$ 3,533,340	$ 2,350,000	$ 2,876,546	$ 2,607,280	**$ 13,367,166**	$ 15,248,785

* **Represented by:**

Amortization of deferred contributions related to fixed assets and intangible assets	$ 375,121
Loss on disposal of fixed assets	(794,159)
	$ (419,038)

Statement of Financial Position

March 31	2025	2024
Current assets		
Cash (Note 4)	$ 8,488,185	$ 2,924,630
Accounts receivable (Note 5)	99,696	1,307,128
Food inventory	2,876,546	4,988,228
Prepaid expenses	40,183	40,828
Current portion of investments (Note 6)	1,300,000	1,400,000
	12,804,610	10,660,814
Investments (Note 6)	601,344	2,173,653
Reserved investments for children's food aid (Note 7)	1,045,250	1,046,064
Fixed assets (Note 8)	6,660,061	6,675,685
Intangible assets (Note 9)	1,188	1,697
Asset for implementation of software services	135,521	193,601
	8,443,364	10,090,700
Total assets	$ 21,247,974	$ 20,751,514
Current liabilities		
Payables and accrued charges (Note 10)	$ 2,892,560	$ 1,024,387
Deferred contributions related to specific projects (Note 11)	145,527	124,154
Deferred contributions related to food (Note 12)	552,035	44,990
Deferred revenue	160,344	227,241
	3,750,466	1,420,772
Deferred contribution related to children's food aid (Note 13)	1,045,250	1,046,064
Deferred contributions related to fixed and intangible assets (Note 14)	3,085,092	3,035,893
	4,130,342	4,081,957
Total liabilities	7,880,808	5,502,729
Net assets		
Internally restricted (Note 15)		
Management of capital assets	2,000,000	2,769,000
Invested in capital assets	3,533,340	3,531,107
To improve accessibility	2,350,000	1,785,000
Unrestricted – Food inventory	2,876,546	4,988,228
Unrestricted	2,607,280	2,175,450
	13,367,166	15,248,785
Total liabilities and net assets	$ 21,247,974	$ 20,751,514

On behalf of the board

Administrator

Administrator

Statement of Cash Flows

Year ended March 31	2025	2024
Operating activities		
Excess of revenue	**$ (1,881,619)**	$ 5,744,025
Items not affecting cash		
Changes in food inventory	**2,111,682**	(3,096,418)
Deferred contributions related to specific projects recognized as revenue (Note 11)	**(1,482,719)**	(236,213)
Deferred contributions related to food recognized as revenue (Note 12)	**(1,485,082)**	(1,686,693)
Deferred contribution related to children's food aid recognized as revenue (Note 13)	**(50,000)**	(100,000)
Amortization of deferred contributions related to fixed and intangible assets (Note 14)	**(375,121)**	(382,326)
Amortization of fixed and intangible assets	**794,159**	656,456
Amortization of the asset for implementation of software services	**58,080**	27,163
Investments donations recognized as revenue	**(180,342)**	(169,773)
Loss (profit) on disposal of investments included in financial revenue	**(1,976)**	2,586
Change in fair value of investments	**(26,374)**	(60,954)
Loss on disposal of fixed assets	**-**	4,274
	(2,519,312)	702,127
Changes in non-cash working capital items (Note 19)	**2,860,325**	(583,669)
Assets for implementation of software services	**-**	(54,749)
Receipt of deferred contributions related to specific projects (Note 11)	**1,504,092**	286,137
Receipt of deferred contributions related to food (Note 12)	**1,992,127**	1,730,750
Investments revenue allocated to deferred contributions related to children's food aid (Note 13)	**49,186**	52,483
	3,886,418	2,133,079
Financing activity		
Receipt of deferred contributions related to fixed and intangible assets (Note 14)	**640,913**	25,000
Investing activities		
Acquisition of investments	**(1,130,219)**	(3,157,433)
Disposal of investments	**3,012,034**	2,002,137
Additions to fixed and intangible assets	**(845,591)**	(1,416,196)
	1,036,224	(2,571,492)
Net increase (decrease) in cash	**5,563,555**	(413,413)
Cash at beginning of year	**2,924,630**	3,338,043
Cash at end of year	**$ 8,488,185**	$ 2,924,630
Supplemental information without effect on cash		
Additions to fixed assets included in accounts payable and accrued charges – investing	***$ 42,817***	*$ 110,382*
Contributions receivable related to fixed assets	***$ -***	*$ 216,593*

1. Incorporation and nature of activities

Moisson Montréal inc. (the "Company") is incorporated under Part III of the Québec Companies Act. The Company is working to provide an optimal food supply for community agencies serving Montréal's most vulnerable people while actively participating in the development of sustainable solutions to promote food security. As a charitable organization registered under the Income Tax Act, Moisson Montréal inc. can issue receipts for charitable donations.

2. Initial application

Cloud computing arrangements
On April 1, 2024, the Company adopted the new accounting guideline AcG-20, *Customer's Accounting for Cloud Computing Arrangements Accounting*, which provides guidance on accounting for a customer's expenditures in a cloud computing arrangement and determining whether a software intangible asset exists in the arrangement. As the Company entered into its first cloud computing agreement in the year ended March 31, 2023, the adoption of this standard had no impact on its prior year financial statements as the implementation was compiled in the previous year.

When entering into a cloud computing arrangement with a supplier, the Company allocates the consideration for the arrangement to all significant separable elements based on their specific selling price. Expenditures on property, plant and equipment and right to use a tangible asset are accounted for in accordance with the accounting policies applicable to these items. To account for expenditures related to these arrangements that fall within the scope of AcG-20, the Company has chosen not to apply the simplification approach. It therefore determines whether the software component of the arrangement constitutes a software intangible asset or a software service (any software component of the arrangement that does not meet the definition of an intangible asset and the criteria for recognition as an intangible asset is a software service).

When the software component of the cloud computing arrangement does not constitute a software intangible asset, the Company treats it as service software and accounts the related costs as incurred. In the case of implementation-related expenditures that are directly attributable to preparing the service software for its intended use, the Company has chosen to record them as assets for implementation of software services in a separate line item on the statement of financial position, and to account them using the declining balance method at a rate of 30% over the expected period of access to the service software. These assets are tested for impairment in accordance with the Company's impairment method. These assets are classified as non-current assets unless, at the inception of the cloud computing arrangement, the expected period of access to the software as a service is within one year of the date of the statement of financial position. Implementation costs not directly attributable to the preparation of the software as a service are accounted as incurred.

When the software component of the cloud computing arrangement constitutes a software intangible asset, the Company recognizes the software component as an intangible asset. In the event that there are expenditures related to implementation activities that are directly attributable to preparing the intangible asset for its intended use, the Company records them as part of the cost of the software intangible asset. Intangible assets are measured at cost less accumulated amortization and any impairment losses. They are amortized on a straight-line basis over their estimated useful lives. Implementation costs not directly attributable to the preparation of the software intangible asset are accounted as incurred. The cloud computing arrangements in force as at March 31, 2025 did not include any component constituting a software intangible asset.

2. Initial application

Cloud computing arrangements (cont'd)
The net book value recorded as assets for implementation of software services amounts to $135,521 as at March 31, 2025 ($193,601 in 2024). These assets are accounted for using the declining balance method at a rate of 30%, with an expense of $58,080 recorded in 2025 ($27,163 which had originally been presented as depreciation of fixed and intangible assets in 2024) under consultant and IT.

The amount accounted for software services related to cloud computing arrangements is $95,435 in 2025 ($56,480 in 2024). These expenses are presented under consultant and IT in the statement of operations.

The first-time adoption of this new accounting guideline had no impact on the deficiency of revenue over expenses of the Organization for the year ended March 31, 2025, and no other impact on its net assets at the transition date of April 1, 2023. As at March 31, 2024, an amount of $193,601 has been reclassified from intangible assets to assets for implementation of software services.

3. Significant accounting policies

Authoritative accounting pronouncements
The Company applies the Canadian Accounting Standards for the Not-for-Profit Organizations, hereafter referred to as "ASNPO" under Part III of CPA Canada Handbook – Accounting.

Contributions and revenue recognition
The Company follows the deferral method of accounting for contributions (donations and contributions). 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. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Fundraising activities revenue is recognized at the date of the event.

The rental revenue is recorded monthly as it becomes due.

The provision of services revenue is recorded when services are rendered.

The financial revenue is recorded as it is earned.

Recovered donations redistributed as food products and compost, recycling, waste and changes in inventory
The operations of the Company depend mainly on in-kind contributions of food. Donated and redistributed food supplies are weighted and recognized by food categories to be valued. Compost, recycling and waste are also weighted and recognized under the same method. Donations are valued based on a value established by an internationally renowned measurement and data analytics firm to evaluate in-kind contributions of food, food redistributed as well as compost, recycling and waste.

3. Significant accounting policies (cont'd)

Donations received in supplies, services or in goods
Donations received in supplies, services or in goods (donations in-kind) are recorded at fair value when they can be reasonably estimated. Supplies contributions for the year ended in 2024 consist of in-kind contributions of food, publicly-listed securities and donated services. The fair value of the in-kind contributions of food is established with a value provided by an internationally renowned measurement and data analytics firm. The publicly-listed securities are evaluated at the fair value of the stock market at the moment of the transfer. Donated services are evaluated at the real value the Company would have paid for those services. The fair value of the donations in supplies, services or in goods represents $180,342 ($169,773 in 2024).

Food inventory
Food inventory is held in transit before distribution. It is valued based on a value established by an internationally renowned measurement and data analytics firm.

Fixed assets
Fixed assets additions are recorded at cost whereas contributions of fixed assets are recorded at their fair value at the date of the donation. Amortization of fixed assets is calculated using the declining balance method at the following rates:

Building	5%
Rolling stock	30%
Refrigeration and freezing equipment	20%
Computer equipment	30%
Office and warehouse equipment	20% and 30%

Intangible assets
Intangible assets acquisitions are recorded at cost whereas contributions of intangible assets are recorded at their fair value at the date of donation. The Company's intangible assets are recorded at cost and amortized using the declining balance method at 30%.

Impairment of long-term assets
Long-term assets are tested for impairment whenever events or changes in circumstances indicate that there are no more potential service for the Company. An impairment loss is recognized when the carrying amount of the asset exceeds the residual value. The impairment loss is measured as the amount by which the carrying amount of the long-term asset exceeds its residual value.

Deferred contributions related to fixed and intangible assets
Amounts received and specifically allocated for the acquisition of fixed and intangible assets are recorded as deferred contributions relating to fixed and intangible assets and amortized over the estimated useful life of the related fixed or intangible assets. When a portion of an amount received and specifically allocated can be used, with the donor's approval, to cover current expenses, that portion of the deferred contributions is then transferred to revenue for the year.

3. Significant accounting policies (cont'd)

Financial instruments

Valuation
The Company initially measures its financial assets and financial liabilities at fair value. The Company subsequently measures all its financial assets and financial liabilities at amortized cost, with exception of its investments that are evaluated at fair value which is determined using the closing price as at March 31, 2025 or at the fair value provided by the managers for the other investments. The change in fair value of investments is recorded in the statement of revenue.

The Company's financial assets, measured at amortized cost include cash and other receivables.

The Company's financial liabilities include accounts payable and accrued charges.

Impairment
Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of write-off is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly of by adjusting the allowance account, provided it is not greater than the amount that would have been reported at the date of reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

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, disclosures of contingent assets and liabilities and the reported amounts of revenue and expenses. Significant areas requiring the use of estimates include the useful life of fixed and intangible assets as well as the determination of food value and fair value of the investments. Actual results could differ from these estimates.

4. Cash

	2025	2024
Cash	$ 2,733,472	$ 585,393
Cash at progressive rate	5,754,713	2,339,237
	$ 8,488,185	$ 2,924,630

5. Accounts receivable

	2025	2024
Other receivables	$ 30,501	$ 1,174,065
Accrued interest receivable	19,148	59,126
Sales taxes	50,047	73,937
	$ 99,696	$ 1,307,128

6. Investments

	2025		2024	
	Cost	Fair value	Cost	Fair value
Guaranteed investment certificates, rate of 3.81% to 4.96%, maturing through November 2026	**$ 1,900,000**	**$ 1,900,000**	$ 2,700,000	$ 2,700,000
Units of mutual funds	**-**	**-**	900,000	873,653
Canadian shares	**1,317**	**1,344**	-	-
	$ 1,901,317	**1,901,344**	$ 3,600,000	3,573,653
Current portion of investments		**1,300,000**		1,400,000
		$ 601,344		$ 2,173,653

7. Reserved investments for children's food aid

	2025		2024	
	Cost	Fair value	Cost	Fair value
Cash	**$ 625,250**	**$ 625,250**	$ 146,064	$ 146,064
Guaranteed investment certificates, rate of 4.96%, maturing through February 2026	**420,000**	**420,000**	900,000	900,000
	$ 1,045,250	**$ 1,045,250**	$ 1,046,064	$ 1,046,064

8. Fixed assets

			2025	2024
	Cost	Accumulated amortization	Net book value	Net book value
Land	$ 1,460,619	$ -	**$ 1,460,619**	$ 1,460,619
Building	5,813,768	3,171,642	**2,642,126**	2,781,185
Rolling stock	1,757,403	1,148,376	**609,027**	870,037
Refrigeration and freezing equipment	1,294,201	969,525	**324,676**	377,611
Computer equipment	758,642	623,676	**134,966**	143,918
Office and warehouse equipment	3,078,636	1,589,989	**1,488,647**	1,042,315
	$ 14,163,269	$ 7,503,208	**$ 6,660,061**	$ 6,675,685

No amortization was recorded on $636,956 ($290,011 in 2024) of office and warehouse equipment, as they were not in use as at March 31,2025.

9. Intangible assets

	Cost	Accumulated amortization	2025 Net book value	2024 Net book value
Multimedia material – Food Recovery Program in Supermarkets	$ 36,544	$ 35,356	**$ 1,188**	$ 1,697

10. Payables and accrued charges

	2025	2024
Accounts payable and accrued charges	**$ 2,325,387**	$ 520,270
Salaries and vacations payable	**495,241**	434,212
Government remittances	**71,932**	69,905
	$ 2,892,560	$ 1,024,387

11. Deferred contributions related to specific projects

Deferred contributions are intended to cover the operating expenses of projects carried out by the Company.

Changes in deferred contributions are as follows:

	Walmart – Fight Hunger Spark Change	General Mills Hometown Grant program	Other projects	**2025**	2024
Balance at beginning of year	$ -	$ -	$ 124,154	**$ 124,154**	$ 74,230
Contributions received during the year	57,343	54,966	1,391,783	**1,504,092**	286,137
Contributions recognized as revenue	(57,343)	(26,688)	(1,398,688)	**(1,482,719)**	(236,213)
Balance at end of year	$ Nil	$ 28,278	$ 117,249	**$ 145,527**	$ 124,154

12. Deferred contributions related to food

Deferred contributions are intended to food purchased.

Changes in deferred contributions are as follows:

	Rossy Foundation – Nutritious Food Fund	BAQ	Hungry for Vacation	Christmas baskets	Marcelle and Jean Coutu Foundation – Turkey project	Other projects	2025	2024
Balance at beginning of year	$ 2,020	$ 17,925	$ -	$ -	$ -	$ 25,045	**$ 44,990**	$ 933
Contributions received during the year	-	978,420	204,387	440,000	300,000	69,320	**1,992,127**	1,730,750
Contributions recognized as revenue	(2,020)	(657,016)	(194,387)	(440,000)	(98,326)	(93,333)	**(1,485,082)**	(1,686,693)
Balance at end of year	$ Nil	$ 339,329	$ 10,000	$ Nil	$ 201,674	$ 1,032	**$ 552,035**	$ 44,990

13. Deferred contributions related to children's food aid

Deferred contributions represent funds received which, with respect to external restrictions, are intended for parents and children of the Island of Montreal living in poverty. Changes in the balance of deferred contributions are as follows:

	2025	2024
Balance at beginning of year	**$ 1,046,064**	$ 1,093,581
Investment revenue allocated to the project	**49,186**	52,483
Deferred contributions recognized as revenue	**(50,000)**	(100,000)
Balance at end of year	**$ 1,045,250**	$ 1,046,064

14. Deferred contributions related to fixed and intangible assets

Deferred contributions represent funds received which, with respect to external restrictions, are intended for the acquisition of fixed and intangible assets and donations received in fixed and intangible assets. Changes in the balances of deferred contributions are as follows:

	2025	2024
Balance at beginning of year	**$ 3,035,893**	$ 3,176,626
Contributions received during the year	**424,320**	241,593
Amortization	**(375,121)**	(382,326)
Balance at end of year	**$ 3,085,092**	$ 3,035,893

No amortization has been recorded on $149,620 ($216,593 in 2024) as the related fixed assets were not in service as at March 31,2025.

15. Internally restricted

Fixed asset management
During the year, the Company's Board of directors decided to return $399,598 to unrestricted net assets for the management of fixed assets in anticipation of any work necessary to maintain the good condition of the Company's fixed assets and an amount of $369,402 was invested to acquire fixed assets.

Invested in capital and intangible assets
The Board of directors decided to restrict, internally, the amount invested in capital and intangible assets and to present it net of deferred contributions and accounts payable related to capital assets.

To improve accessibility
During the year, the Company's Board of directors reserved an amount of $1,126,335 for the initiation of projects aimed to obtain food from farmers and improve the Company's distribution service in the east end of the city of Montreal and an amount of $561,335 was used during the year.

16. Endowment fund and philanthropic fund at the Foundation of Greater Montreal

Endowment fund
In a previous year, the Company established an endowment fund at the Foundation of Greater Montreal ("FGM") with the aim of creating a permanent and autonomous source of financing whose assets are invested in a long-term perspective. The amounts collected during the fiscal year for the Moisson Montréal inc. Endowment fund at the FGM come from donations from a private foundation, individuals and businesses.

The amounts collected by the FGM, which represents a total of $51,225 for the year ended March 31, 2025 ($101,616 in 2024) have been invested in the FGM investment funds ("FIGM") in accordance with the FGM investment policy and will be held for a minimum period of ten years from its creation in 2020. The FGM will annually distribute amounts from the fund's income, in accordance with its distribution policy. Distributions so received will be recognized in distribution revenue in the Company's statement of revenue at the time they are transferred by the FGM to the Company. The fund balance as of March 31, 2025 was $1,925,638 ($1,706,666 in 2024).

Philanthropic fund
During the year, the Company has not transferred any sum ($Nil in 2024) to the FGM in a designated philanthropic fund with a limited term. The fund is intended to support Moisson Montréal inc. in the pursuit of its mission. The FGM invests the amounts received in the FGM investment fund ("FIGM"), in accordance with its investment policy. The amounts, the asset fair value as well as the income they generate will be returned to the Company after a minimum period of six years from its creation in 2020. Distribution thus received will be recorded in distributions proceeds in the Company's statement of revenue when the FGM transfers them to the Company. The fund balance as of March 31, 2025 was $13,682,306 ($12,457,876 in 2024).

16. Endowment fund and philanthropic fund at the Foundation of Greater Montreal (cont'd)

FGM's income distribution policy for the endowment and philanthropic fund
The distribution rate is set annually by the FGM Board of directors on the recommendation of the investment committee at a minimum of 3.5% of the average market value of the fund closing market value during the 12 quarters ending on December 31 of the previous year. For the new funds that have been in existence for less than 12 quarters, the total amount of distributions of any given year is set at the rate determined by the Board of directors of the FGM multiplied by the average closing market value of the fund for all quarters from inception to December 31 of the previous year. In the case of the philanthropic fund, the Company may request a distribution greater than that established by the FGM up to an annual maximum of 17% of the market value of the fund as of December 31 of the previous year.

The distribution rate is set at 3.5% to meet the quota required for the FGM to retain its charitable status. The recommendation is to pay out 3.5% of the average market value of all FGM funds. Should the FGM fails to pay the minimum amount, it reserves the right to make contributions to the holder of its choice.

During the year and previous year, at the request of the Company, the FGM didn't distribute any sum to the Company.

17. Financial instruments

Financial risks and exposure
The Company is subject to various risks from its financial instruments. The following analysis details the significant risks and exposure for the Company at the balance sheet date, as at March 31, 2025.

Credit risk
Credit risk is the risk that a party to a financial asset will default on one of its obligations and cause the Company to incur a financial loss. The Company's credit risk is primarily related to other receivables. As at March 31, 2025, 83% (95% in 2024) of other amounts receivable were receivable from an organization.

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 Company is exposed to interest rate risk and other price risk.

Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on its floating interest rates financial instrument (cash at progressive rate) which subject the Company to a cash flow risk and on its fixed interest rates financial instruments (guaranteed investment certificates) which subject the Company to a fair value risk.

17. Financial instruments (cont'd)

Other price risk
Other price risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate as a result 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 financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is exposed to other price risk through its investments in shares of public entities. The investment policy limits the risk of other prices by limiting the maximum number of variable income and fixed income securities that can be held. The risk and volatility of Investment returns are reduced by the fact that the investments are allocated among different sectors.

18. Capital disclosures

The Company defines its capital as the balance of the restricted and unrestricted net assets. The Company is subject to an externally imposed capital requirement with regards to accumulation of capital from the Centre intégré universitaire de santé et de services sociaux du Centre-Sud-de-l'Île-de-Montréal (CIUSSS C-S) within the framework of the Programme de soutien aux organismes communautaires (thereafter "PSOC"). The Company received, during the year, with regards to PSOC an amount of $154,541 ($150,478 in 2024). The Company has to limit its unrestricted accumulated financial surplus to an amount below 25% of its annual expenses. If the Company defaults, the CIUSSS C-S could reduce the annual grant or even revoke its financial support. As at March 31, 2025, the Company is in compliance with this requirement.

The Company's general objectives when managing capital is to maintain sufficient capital to keep a satisfactory liquidity level in order to comply regularly and continuously with its mission which is to recuperate and distribute food to families in need in the Montreal area.

Since its main financing activities are seasonal and occur mostly in December of each year, the Company has set the objective to maintain a level of immediate liquidity the equivalent of approximately six months of operations. This should provide adequate protection to help maintain a consistency in the offering of services. This way, the Company will be less vulnerable to the short and long-term fluctuations of its sources of income and will be able to ensure the replacement, at the right time, of its equipment and installations.

The cash surplus, not essential to the regular activities, will be entrusted to portfolio management professionals in order to obtain a meaningful return with minimum risk. Management ensures periodically that the established investment rules are followed to ensure the security of the invested capital.

19. Statement of cash flows

	2025	2024
Changes in non-cash working capital items		
Accounts receivable	**$ 990,839**	$ (979,211)
Prepaid expenses	**645**	(9,867)
Payables and accrued charges	**1,935,738**	336,895
Deferred revenue	**(66,897)**	68,514
	$ 2,860,325	$ (583,669)

20. Comparative figures

Certain comparative figures of the year 2024 have been reclassified to conform to the financial statement presentation adopted in 2025.

Supplementary Financial Data

Year ended March 31	2025	2024

SCHEDULE A – IN-KIND CONTRIBUTIONS OF FOOD REDISTRIBUTED

Inventory balance at beginning of year	**$ 4,988,228**	1,891,810
Food supply received during the year	**193,256,533**	155,941,287
Compost, recycling, waste and changes in inventory	**(8,537,193)**	(6,978,415)
	189,707,568	150,854,682
Inventory balance at end of year	**(2,876,546)**	(4,988,228)
	$ 186,831,022	145,866,454

SCHEDULE B – REVENUE BY ACTIVITY CENTRES

Revenue		
Donations		
Marcelle and Jean Coutu Foundation (including amortization of deferred contributions related to fixed assets of $2,861 ($4,086 in 2024))	**$ 502,861**	$ 504,086
Enterprises	**1,256,155**	1,274,708
Individuals	**2,352,998**	2,428,520
Religious communities	**606,350**	580,517
Other foundations	**4,206,927**	2,975,013
Centraide of Greater Montreal	**424,915**	417,113
Planned giving	**706,975**	454,600
	$ 10,057,181	$ 8,634,557

Supplementary Financial Data

Year ended March 31	2025	2024
SCHEDULE B – REVENUE BY ACTIVITY CENTRES (cont'd)		
Revenue (cont'd)		
Fundraising activities		
Banques alimentaires du Québec ("BAQ")	**$ 1,504,784**	$ 1,957,530
Golf tournament	**402,161**	376,825
Other activities	**1,035,536**	904,494
	$ 2,942,481	$ 3,238,849
Contributions		
Government of Québec		
Centre intégré universitaire de santé et de services sociaux du Centre-Sud-de-l'Île-de-Montréal (Note 18)	**$ 154,541**	$ 150,478
Emploi Québec	**17,696**	18,410
Other provincial programs	**1,476**	33,272
Other		
Municipal program	**192,939**	192,000
	$ 366,652	$ 394,160

Supplementary Financial Data

Year ended March 31, 2025

SCHEDULE C – ALLOCATION OF EXPENSES

The "Operations" activity includes the warehouse, processing, real estate, community relations and volunteer management departments. The "Recovery and procurement" activity includes the pick-up and purchasing departments. The "Fundraising" department includes the events and philanthropy departments.

	Operations	Recovery and procurement	Fundraising	Adminis-tration	Total 2025	Total 2024
Salaries*	$ 2,331,960	$ 992,441	$ 982,067	$ 843,951	**$ 5,150,419**	$ 4,733,807
Organization support	1,907,268	-	-	-	**1,907,268**	-
Purchase of products**	-	2,366,994	-	-	**2,366,994**	1,825,236
Amortization of capital and intangible assets	486,436	261,012	-	46,711	**794,159**	656,456
Maintenance and repair	503,573	143,692	-	-	**647,265**	716,645
Consultant and IT	-	-	-	506,309	**506,309**	302,351
External transportation	2,015	427,213	-	-	**429,228**	325,870
Warehouse supplies	407,948	16,535	-	-	**424,483**	221,057
Fundraising activities						
Golf tournament	-	-	95,262	-	**95,262**	80,073
Other activities	-	-	203,262	-	**203,262**	97,229
Professional fees	66,545	-	59,330	166,487	**292,362**	204,782
Sub-contractors	88,695	160,263	-	-	**248,958**	184,988
Heating and electricity	240,311	-	-	-	**240,311**	229,760
Promotion	267	-	211,483	-	**211,750**	95,701
Equipment rental	149,955	4,413	-	-	**154,368**	397,407
Garbage removal	125,644	-	-	-	**125,644**	112,915
Vehicles	-	117,443	-	-	**117,443**	105,083
Telecommunications	35,340	3,417	5,718	30,553	**75,028**	36,396
Bank charges and payment processing fees	-	-	-	73,435	**73,435**	82,060
Hiring fees	63,378	-	-	-	**63,378**	31,707
Office expenses	5,449	303	25,164	31,892	**62,808**	35,842
Insurances	44,808	15,770	-	-	**60,578**	44,099
Training (recovered)	64,618	(6,377)	-	-	**58,241**	61,124
Municipal taxes	44,995	-	-	-	**44,995**	51,494
Travel and entertainment	4,926	9,869	6,758	19,406	**40,959**	31,016
Micellaneous	4,917	-	21	4,298	**9,236**	93,542
	$ 6,579,048	$ 4,512,988	$ 1,589,065	$ 1,723,042	**$ 14,404,143**	$ 10,756,640

* The breakdown key for the salaries between the different activities is the proportion of the time allocated by the employees to each activity. Other expenses are charged directly to the activities to which they relate.

** During the year, the Company received designated donations of $1,458,079 ($1,686,693 in 2024) for the purchase of products.

Supplementary Financial Data

Year ended March 31		2025	2024
SCHEDULE D – FINANCIAL AND OTHER REVENUE			
Interest and dividends	**$**	**353,649**	257,813
Profit (loss) on disposal of investments		**1,976**	(2,586)
Change in fair value of investments		**26,374**	60,954
Loss on disposal of fixed assets		**-**	(4,274)
	$	**381,999**	311,907