



Cowichan Valley Basket Society

Food Bank & Lunch Kitchen

ANNUAL REPORT 2024-2025

Presented at the AGM
January 27th, 2026

Ensuring no individual or family in the Cowichan Valley goes hungry either physically, spiritually or emotionally.



Today, the Cowichan Valley Basket Society (CVBS) is unveiling a plan to expand its facilities to meet growing community needs of those experiencing food insecurity.

20% of our Cowichan families are experiencing food insecurity

AGENDA FOR THE Annual General Meeting of the Cowichan Valley Basket Society

January 27, 2026 – 6:30 PM

Good evening, everyone,

Before we begin, we want to take a moment to acknowledge that we are gathering on the traditional territory of the Cowichan Tribes, part of the Coast Salish peoples. We're grateful to live, work, and come together in service on these lands. As a community-focused organization, we recognize the deep and ongoing connection the Cowichan people have to this land, and we honour their stewardship, culture, and history. May this gathering reflect our shared commitment to respect, equity, and reconciliation.

Prayer

AGENDA

1. Motion to approve the agenda pg:1
2. Approval Minutes for previous AGM December 3rd 2024 – Motion pg:2
3. Change to Fiscal year end – For Information
4. Consideration of Financial Statements 2024-2025 - Motion
Lori John of Palmer Leslie Chartered Professional Accountants pg:5
5. 2025-2026 Budget Approval – Motion pg:20
6. President's Report: Alan Brakefield pg:22
7. Executive Director's Report: Henry Wikkerink pg:24
8. Resolution for External Financial Review: - Motion
Motion to approve Palmer Leslie Chartered Professional Accountants for 2025/2026
9. Thank You to retiring Directors:
On behalf of the Board of Directors and membership the society would like to share our gratitude to, Richard Currie, Chris Wadell, Lee Smith and Joe Sam for their long terms of service to the Cowichan Valley Basket Society.
10. Election of Directors:

Identification of continuing Independent Directors:

- i. Heidi Paul - (one year term remaining)
- ii. Beryl Dickey - (one year term remaining)

Board member nominations – Independent Directors to be voted on at the AGM

- Alan Brakefield for a two-year term
- Greg Candy for two-year term
- Stephen Sjoberg for two-year term

11. Identification of Organizational Directors:

The following individuals have been appointed by sustaining organizations to serve on the CVBS Board of Directors. Three of our five appointed board members are currently filled. We are waiting appointments by New Life and House of Friendship.

- Joyce Van de Graf Duncan Christian Reformed Church
- Warren Jennings St Edward's Parish
- Nancy Colton Duncan United
- New Member New Life
- New Member Hiiye'yu Lelum Society (House of Friendship)



Cowichan Valley Basket Society
Annual General Meeting

December 3, 2024
In person at 5810 Garden Street

In Attendance: There were 19 members including 7 Directors, and two guests in attendance.

Call to Order: Richard declared a quorum and the meeting was called to order at 6:30 p.m. followed by a short prayer.

AGENDA MOTION: It was moved by Pat and seconded by Lee to approve the agenda. **CARRIED.**

PREVIOUS MINUTES MOTION: It was moved by Pat and seconded by Karen to approve the minutes of the 2023 November 14th Annual General Meeting with the amended spelling to accountant Richard Zoumanigui's name. **CARRIED.**

AMENDMENT TO THE BYLAWS: The proposed changes to the bylaws regarding appointment process for Independent Directors (IDs) were presented. Details included:

- IDs will be elected for a two-year term to the Board and can serve for a max. three terms. They would then need to take one year off. After this time, they can then be re-elected again for three terms.
- Terms of office for IDs may be staggered to avoid situations of all Board members terms ending at the same time. The Board may also recommend that some IDs be elected for a 1-year term.
- New IDs must be a Society member for a min. 6 months or an active volunteer for one year.

MOTION: It was moved by Karen and seconded by Alan to approve the Proposed amendments to the CVBS Bylaws. **CARRIED.**

CONSIDERATION OF FINANCIAL STATEMENTS 2023-2024: Lori John of Palmer Leslie Chartered Professional Accountants presented her findings for the Independent Practitioner's Review carried out. She noted it was a wonderful experience working with CVBS management and that based on their review nothing has come to their attention that causes them to believe that the financial statements do not present fairly. Highlights presented included:

- Total Assets totaled \$1,370m and Net Assets totaled more than \$833k
- Cash, gift cards and short-term investments were all down from the previous year
- Total donations were up to \$261k+
- A new line for food recovery donations was significant accounting for more than \$1.345m
- Labour costs increased with the addition of 1.5 new employees

- Program costs saw a dramatic increase up to \$410k+ resulting in an overall deficit of \$68k+
- Although volunteer hours are not tracked in our accounting, they are significant with more than \$180k in value based on \$20 per hour.

There was some discussion from the membership regarding the report. Highlights included:

- Property taxes were reduced significantly with the new property tax grant
- We will need to keep an eye on the depletion of cash on hand. It is a concern but a reality as we are dealing with a busier operation and servicing more people.
- Congratulations were given on the success of the new gala fundraiser which generated significant revenue. We will be looking to host again in 2025.

MOTION: It was moved by Peter and seconded by Pat to approve the Financial Statements 2023-2024. **CARRIED**

2024-2025 BUDGET APPROVAL: Henry presented the proposed budget of \$1.3 million and noted the increased demand in our services, and higher wage and food costs as contributing factors. He pointed to a recent study noting Cowichan as one of the top 10 costliest places to live in BC. Henry also shared some positive impacts we hope to achieve with this new budget:

- Our proposed new facility may actually see a reduction in less staffing costs and more efficiency.
- The CVBS is committed to working towards a living wage for our staff.
- Our new assistant manager has allowed Henry more time to apply for grants and develop new partnerships.

MOTION: It was moved by Lee and seconded by Sally to approve the 2024-2025 Budget as presented. **CARRIED.**

PRESIDENT'S REPORT: Richard expressed his thanks to our many community supporters and heroes including the 11 full time staff and 120+ volunteers who have stepped up to meet the demand of the ever-increasing food security needs of people in the Cowichan Valley. He noted we are feeling the pinch but our deficit and increased need is not a crisis, but a wakeup call. We will need to continue to build relationships and explore new ways to meet the needs with an improved facility and increased services.

MANAGERS REPORT: Henry shared some stats that demonstrated the enormous scope and resourcefulness of our operation. More than \$2.1 million dollars in food distributed through our hamper and meal programs, and less than 3-4% in food waste! Henry encouraged the membership to read the stories included in the report that share the positive impact that our services have on our guests and our community as a whole. Henry noted we need to tell our story better, and encouraged the membership to share our need and help connect CVBS to those who can help us make a difference.

RESOLUTION FOR EXTERNAL FINANCIAL REVIEW:

MOTION: It was moved by Pat and seconded by Alan to appoint the services of Palmer Leslie for the External Financial Review for 2024-2025. **CARRIED.**

ELECTION OF DIRECTORS: On behalf of the Board of Directors and membership Richard provided gratitude to Sally Burrows and John Duifhuis for their long terms of service to the Cowichan Valley Basket Society. He also thanked Tracy Clements for her service over the past few years.

It was noted that we are still awaiting two appointments to the Board from sustaining organizations. John Duifhuis will remain on representing the Duncan Christian Reform Church until a replacement is selected.

Identification of Independent Directors: The following individuals have put their names forward to serve on the CVBS Board of Directors.

- Richard Currie (one year term)
- Chris Waddell (one year term)
- Heidi Paul (two-year term)
- Simone Connor (two-year term)
- Beryl Dickey (two-year term)

Identification of Organizational Directors: The following individuals have been appointed by sustaining organizations to serve on the CVBS Board of Directors.

- Alan Brakefield – New Life Church
- John Duifhuis- Duncan Christian Reformed Church
- Joe Sam – Hiiye'yu Lelum Society (House of Friendship)
- Lee Smith – St Edward's Parish

MOTION: It was moved by Sally and seconded by Pat to appoint the slate of Independent Directors by acclamation. **CARRIED**

OTHER BUSINESS: Henry provided a brief update on the current Redevelopment Plans. Highlights included:

- The rental tenant of our second building will be vacating in April which will allow us to expand our current hamper operation into the space. This will also allow our current office in our main building to move to the second building and for us to expand our current kitchen area.
- Phase #1 of our Redevelopment Plans will involve linking our buildings together with a new lobby and enhanced electrical. Challenge will be to remain operational while this work takes place. We are hopeful to see project completion by the summer of 2025. We are thankful for the support and time donated by Bernie Willock for his assistance in partnering with us on this project.

Adjournment: 7:30 pm

COWICHAN VALLEY BASKET SOCIETY
Financial Statements
Year Ended August 31, 2025

Palmer Leslie
Chartered Professional Accountants

COWICHAN VALLEY BASKET SOCIETY
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Year Ended August 31, 2025

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Tammy Leslie, C.P.A., C.G.A., C.A.*
Lori John, C.P.A., C.G.A.*
Jaime Court, C.P.A.*
Sarah Brimacombe, C.P.A.*
*A professional corporation.

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Directors of Cowichan Valley Basket Society

We have reviewed the accompanying financial statements of Cowichan Valley Basket Society that comprise the statement of financial position as at August 31, 2025, and the statements of changes in net assets, revenues and expenditures and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Practitioner's Responsibility

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

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

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Cowichan Valley Basket Society as at August 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

CHARTERED PROFESSIONAL ACCOUNTANTS

Duncan, British Columbia
January 28, 2026

301-394 Duncan Street
Duncan, BC V9L 3W4

T | 250 748 1426
F | 250 748 2905

Toll Free | 1.800 818 5703
Email | info@plcpa.ca
Web | www.palmerleslie.ca


101-626 First Avenue, PO Box 1396
Ladysmith, BC V9G 1A9

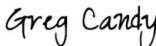
T | 250 245 1429
F | 250 245 1421

COWICHAN VALLEY BASKET SOCIETY
Statement of Financial Position
August 31, 2025

	Total 2025	Total 2024
ASSETS		
CURRENT		
Cash and cash equivalents	\$ 36,808	\$ 59,323
Designated gift cards and store credits	31,977	29,903
Short-term investments (Note 4)	27,968	80,411
Accounts receivable	17,978	19,959
GST rebate receivable	6,752	2,829
Prepaid expenses	6,323	6,040
Inventory	60,276	64,374
	188,082	262,839
TANGIBLE CAPITAL ASSETS (Note 5)	1,226,502	1,107,315
	\$ 1,414,584	\$ 1,370,154
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable & accrued liabilities (Note 6)	\$ 66,062	\$ 25,640
Wages payable	18,123	20,752
Payable to government agencies (Note 7)	12,613	11,615
Deferred contributions (Note 8)	35,498	29,903
Current portion of long term debt (Note 10)	15,072	14,503
	147,368	102,413
LONG TERM DEBT (Note 10)	329,761	344,857
UNAMORTIZED DEFERRED CAPITAL CONTRIBUTIONS (Note 9)	255,932	89,203
	733,061	536,473
NET ASSETS		
Internally restricted net assets	62,711	62,711
Invested in capital assets	625,737	658,752
Unrestricted net assets	(6,925)	112,218
	681,523	833,681
	\$ 1,414,584	\$ 1,370,154

ON BEHALF OF THE BOARD


 Board Chair
Signer ID: WOBOA5QBAZ...
28 Jan 2026, 16:21:30, PST


 Treasurer
Signer ID: 2DMD78RKKH...
28 Jan 2026, 13:54:04, PST

The accompanying notes form an integral part of these financial statements

COWICHAN VALLEY BASKET SOCIETY
Statement of Changes in Net Assets
Year Ended August 31, 2025

	Unrestricted net assets	Invested in capital assets	Internally restricted net assets	2025	2024
NET ASSETS - BEGINNING OF YEAR	\$ 105,649	\$ 665,321	\$ 62,711	\$ 833,681	\$ 901,864
Unrestricted assets reported in internally restricted	-	-	-	-	-
Unrestricted assets reported in capital assets	6,569	(6,569)	-	-	-
As restated	112,218	658,752	62,711	833,681	901,864
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	(101,215)	(50,944)	-	(152,159)	(68,183)
Deferred capital contributions funding	10,129	(10,129)	-	-	-
Mortgage payments	(28,058)	28,058	-	-	-
Transfers	(119,144)	(33,015)	-	(152,159)	(68,183)
NET ASSETS - END OF YEAR	\$ (6,925)	\$ 625,737	\$ 62,711	\$ 681,523	\$ 833,681

COWICHAN VALLEY BASKET SOCIETY
Statement of Revenues and Expenditures
Year Ended August 31, 2025

	Total 2025	Total 2024
REVENUES		
Operating donations and grants	\$ 1,219,938	\$ 1,135,356
Community fundraiser	5,048	40,115
Recognition of deferred revenue	114,894	107,251
Deferred revenue	(116,968)	(102,363)
Investment income	3,141	5,478
Contracted services	15,300	-
Amortization of deferred capital contributions	40,438	25,214
Rental income	11,200	22,114
	<u>1,292,991</u>	<u>1,233,165</u>
FOOD RECOVERY		
Food recovery donations	1,826,201	1,345,225
Food recovery expense	(1,826,201)	(1,345,225)
	<u>-</u>	<u>-</u>
	<u>1,292,991</u>	<u>1,233,165</u>
EXPENSES		
EMPLOYEE WAGES AND BENEFITS		
Employee wages	496,568	458,441
Employee benefits	56,954	50,238
	<u>553,522</u>	<u>508,679</u>
OCCUPANCY COSTS		
Electricity	12,736	11,587
Gas	2,431	2,764
Property taxes	-	3,573
Repairs and maintenance	28,176	31,817
Telephone and internet	3,738	3,349
Water, sewer and garbage	10,680	8,041
	<u>57,761</u>	<u>61,131</u>
OPERATING COSTS		
Administration	18,999	4,457
Automotive and travel	8,979	3,435
Bank charges	7,854	6,707
Disbursements to other charities (Note 11)	271,662	212,453
Insurance	9,114	7,703
Interest on long term debt	13,531	14,526
Licenses dues and fees	8,266	5,961
Professional fees	11,640	12,693
Program costs	424,125	410,531
	<u>1,385,453</u>	<u>1,248,276</u>
EXCESS OF REVENUES OVER EXPENSES FROM OPERATIONS BEFORE THE UNDERNOTED	(92,462)	(15,111)
Amortization	59,697	53,073
DEFICIENCY OF REVENUES OVER EXPENSES	\$ (152,159)	\$ (68,184)

The accompanying notes form an integral part of these financial statements

COWICHAN VALLEY BASKET SOCIETY

Statement of Cash Flows

Year Ended August 31, 2025

	2025	2024
OPERATING ACTIVITIES		
Deficiency of revenues over expenses	\$ (152,159)	\$ (68,184)
Items not affecting cash:		
Amortization of tangible capital assets	59,697	53,073
Amortization of deferred capital contributions	<u>(18,576)</u>	<u>(25,214)</u>
	<u>(111,038)</u>	<u>(40,325)</u>
Changes in non-cash working capital:		
GST rebate receivable	3,923	(6,564)
Accounts receivable	1,981	(10,248)
Inventory	4,098	(24,832)
Accounts payable & accrued liabilities	40,426	6,025
Deferred contributions	5,595	(4,888)
Unamortized deferred capital contributions	<u>(18,576)</u>	10,946
Prepaid expenses	<u>(283)</u>	776
Designated gift cards and store credits	<u>(2,074)</u>	4,888
Wages payable	<u>(2,629)</u>	7,722
Payable to government agencies	<u>998</u>	<u>(5,574)</u>
	<u>33,459</u>	<u>(21,749)</u>
Cash flow used by operating activities	<u>(77,579)</u>	<u>(62,074)</u>
INVESTING ACTIVITIES		
Purchase of tangible capital assets	<u>(178,884)</u>	(59,713)
GIC's purchased	-	(53,037)
GIC's redeemed	<u>41,925</u>	100,764
Cash flow used by investing activities	<u>(136,959)</u>	<u>(11,986)</u>
FINANCING ACTIVITIES		
Increase in deferred capital contributions	207,166	36,160
Repayment of mortgage	<u>(15,144)</u>	<u>(31,675)</u>
Cash flow from financing activities	<u>192,022</u>	4,485
DECREASE IN CASH FLOW	(22,516)	(69,575)
Cash - beginning of year	<u>59,323</u>	128,897
CASH - END OF YEAR	\$ 36,808	\$ 59,323
CASH CONSISTS OF:		
Cash and cash equivalents	<u>\$ 36,808</u>	<u>\$ 59,323</u>

The accompanying notes form an integral part of these financial statements

COWICHAN VALLEY BASKET SOCIETY

Notes to Financial Statements

Year Ended August 31, 2025

1. OPERATIONS

Cowichan Valley Basket Society is a Not-for-Profit Organization providing services addressing issues of food insecurity in the Cowichan Valley. As a registered charity the Society is exempt from the payment of income tax under section 149(1)(f) of the Income Tax Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting standards

These financial statements have been prepared in accordance with standards for Not-for-Profit Organizations which is one of the financial reporting frameworks included in Canadian Generally Accepted Accounting Standards.

Revenue recognition

Unrestricted contributions are recognized as revenue when received or receivable if the amounts to be received can be reasonably estimated and collection is reasonably assured.

The Society receives significant contributions of gift cards and store credits from various grocery stores in the Cowichan Valley. The gift cards and store credits can be exchanged for food and grocery items at the designated store at the same monetary value. Donated gift cards are received as deferred contributions until the gift cards are used directly by the Society or distributed to clients to purchase needed grocery items.

According to national standards recommended by Food Banks of Canada, the monetary equivalent of one pound of food donations is \$3.64 per pound starting in the spring of 2025. Management has decided to use this rate as the basis for determining the value of donated food and other products revenue. Donated food and other products are reflected in the financial statements as revenue and expense. For food and material items donated by individuals and industries / businesses that are supported with receipts and/or invoices, the Society issues tax receipts for such items. Gift-in-kind revenue for 2025 is \$54,442 (\$69,701 - 2024) excluding the value of weighed donations of food items.

Externally restricted capital contributions are recognized as deferred capital contributions until the amount is invested to acquire capital assets. Amounts invested representing externally funded capital assets are then transferred to unamortized deferred capital contributions.

Unamortized deferred capital contributions are amortized into revenue on a straight-line method at a rate corresponding to the amortization rate for the related capital cost.

Cash and cash equivalents

Cash and cash equivalents include cash and liquid short-term guaranteed investment certificates with a maturity of less than three months.

Inventory

Inventory is stated at cost. Cost is determined using the average cost method. Cost of purchased inventory includes the purchase price, shipping and net tax.

(continues)

COWICHAN VALLEY BASKET SOCIETY

Notes to Financial Statements

Year Ended August 31, 2025

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

Capital assets

Capital assets are recorded at cost. Donated capital assets are recorded at the fair market value on the date of receipt of the gift. Amortization is computed using the straight-line method at the following annual rates:

Buildings	50 years	straight-line method
Storage containers	15 years	straight-line method
Tents	5 years	straight-line method
Furnishings, Equipment, and Tools	8 years	straight-line method
Motor vehicles	10 years	straight-line method

Additions during the year are amortized at one-half the above rates.

In-kind donations

The society records materials, services, and facilities in those cases where:

- the Society controls the way they are used;
- there is a measurable basis for arriving at fair value; and
- the services are essential services, which would normally be purchased and paid for if not donated.

Volunteers contribute numerous hours per year to assist the Society to carry out its mandate. As these services would not otherwise be purchased, they are not recognized in these financial statements.

Estimates

The preparation of these 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 the reported amounts of revenue and expenses.

Estimates were used when accounting for certain items, such as provision for amortization, and accrued liabilities.

COWICHAN VALLEY BASKET SOCIETY

Notes to Financial Statements

Year Ended August 31, 2025

3. FINANCIAL INSTRUMENTS

The Cowichan Valley Basket Society uses risk management to monitor and manage its risk arising from financial instruments. It is management's opinion that the Society is not exposed to significant risk, interest rate risk, liquidity, or market risk as of August 31, 2024.

Credit risk

Credit risk is the risk that one party of a financial instrument will cause a financial loss for the other party by failing to fulfil an obligation. Credit risk for the Society arises from two sources: cash and cash equivalents and accounts receivable. Cash and cash equivalents are deposited with a reputable, major financial institution. Management considers the risk of non-performance of these instruments to be remote. Management considers the credit risk from other parties not paying their accounts receivable to also be remote.

Interest rate risk

Interest rate risk is the risk that fair value or future cash value of a financial instrument will fluctuate because of changes in market interest rate rates.

Liquidity risk

Liquidity risk is the risk that the Society will encounter difficulty in meeting its obligations associated with financial liabilities.

Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices. The Society has no investments exposed to market risks.

4. INVESTMENTS

The Society holds guaranteed interest certificates.

	<u>2025</u>	<u>2024</u>
SHORT-TERM INVESTMENTS		
ISCU Term Deposit, Current Rate 3.56%, maturing February 8, 2026	\$ 27,392	\$ 26,363
ISCU Term Deposit, Current Rate 7.75%, matured February 8, 2025	-	52,481
Accrued Interest	569	1,561
ISCU Membership Shares	7	6
	<hr/>	<hr/>
TOTAL INVESTMENTS	\$ 27,968	\$ 80,411

COWICHAN VALLEY BASKET SOCIETY
Notes to Financial Statements
Year Ended August 31, 2025

5. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	2025 Net book value	2024 Net book value
Land	\$ 665,283	\$ -	\$ 665,283	\$ 665,283
Buildings	674,746	194,055	480,691	326,163
Tent	44,059	20,363	23,696	32,508
Furnishings, Equipment, and Tools	106,567	83,772	22,795	35,709
Computer equipment	6,353	6,353	-	-
Motor vehicles	68,074	34,037	34,037	47,652
	\$ 1,565,082	\$ 338,580	\$ 1,226,502	\$ 1,107,315

Capital asset additions during the year totalled \$178,884 (2024 - \$59,713). Amortization totalled \$59,697 (2024 - \$53,073). There were no capital asset disposals (2024 - NIL).

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2025	2024
Trade payables and accrued liabilities	\$ 41,964	\$ 11,068
Collabria Credit Card (Island Savings)	15,098	5,572
Accounting accrual	9,000	9,000
	\$ 66,062	\$ 25,640

7. PAYABLE TO GOVERNMENT AGENCIES

	2025	2024
Payroll deductions payable	\$ 10,394	\$ 9,700
Accrued WorkSafeBC payable	2,219	1,915
	\$ 12,613	\$ 11,615

8. DEFERRED CONTRIBUTIONS

Cowichan Valley Basket Society receives gift cards and store credits from grocery stores in the Cowichan Valley that can be exchanged for grocery items of the same monetary value. At the time the cards are received, revenue is deferred until the Society uses them or they are distributed to clients to purchase food items of the same monetary value. Deferred revenue represents unspent gift cards.

The society welcomed Toys, Toiletries and Toques as a new programs. It has run for 15 years in the Cowichan Valley. The deferred balance represent campaign funds not spent.

(continues)

COWICHAN VALLEY BASKET SOCIETY

Notes to Financial Statements

Year Ended August 31, 2025

8. DEFERRED CONTRIBUTIONS *(continued)*

	<u>2025</u>	<u>2024</u>
	2025	2024
<u>Gift Cards</u>		
Opening balance	\$ 29,903	\$ 34,791
Gift cards recieved	116,968	102,363
Gift cards expensed	<u>(114,894)</u>	<u>(107,251)</u>
	31,977	29,903
<u>Other</u>		
Toys, Toiletries and Toques	<u>3,521</u>	<u>-</u>
	\$ 35,498	\$ 29,903

9. UNAMORTIZED DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions represent unspent externally restricted capital grants and donations. Changes in unamortized deferred capital contributions are as follows:

	<u>2025</u>	<u>2024</u>
Balance, beginning of year	\$ 89,203	\$ 78,257
Deferred capital contributions	207,167	36,160
Amortized to revenue	<u>(40,438)</u>	<u>(25,214)</u>
	\$ 255,932	\$ 89,203

10. COMMERCIAL MORTGAGE

	<u>2025</u>	<u>2024</u>
ISCU loan bearing interest at 3.85% per annum, repayable in monthly blended payments of \$2,338, and amortized over 20 years. The loan matures on February 1, 2026.	\$ 344,833	\$ 359,360
Amounts payable within one year	<u>(15,072)</u>	<u>(14,503)</u>
	\$ 329,761	\$ 344,857

Principal repayment terms are approximately:

2026	\$ 15,072
2027	15,662
2028	16,275
2029	16,913
2030	17,576
Thereafter	<u>263,335</u>
	\$ 344,833

During the year 2025 the Society did not exercise its option to repay an additional payments (2024 - \$17,500) on the morgage principal.

The commercial mortgage is secured by a first collateral mortgage in the amount of \$450,000 over the property described as Cowichan Valley Basket Society.

COWICHAN VALLEY BASKET SOCIETY

Notes to Financial Statements

Year Ended August 31, 2025

11. DISBURSEMENTS TO OTHER CHARITIES

Cowichan Valley Basket Society received donations during fiscal year 2025 designated for distribution to other registered charities with similar purposes. The Society issued charitable receipts for these contributions and then distributed the portion allocated to other charities. The most significant event was the annual Stuff-the-truck event held in association with radio station FM 89.7 (Sun FM) in Duncan. Receipts from shared fundraising events and other donations were distributed as follows:

	Total Received	Retained by CVBS	Distrubuted to other charities
Stuff-the-Truck fundraiser	\$ 381,404	\$ 109,742	\$ 271,662

The total received from the annual Stuff-the-truck event and other shared donations in 2025 was \$381,404 (2024 - \$298,825); amounts retained by Society were \$109,742 (2024 - \$78,666), with \$217,662 (2024 - \$212,453) distributed to other charities.

12. DONATED HOURS

The Society does not recognize volunteer hours in its accounting records. However, volunteer time is tracked by the Society, and volunteer hours are estimated at 9,000 hours, if valued at \$20 per hour would have exceeded \$180,000 for the 12 months ended August 31, 2025.

13. REMUNERATION

No remuneration were paid to Directors of the Society.

No employees were paid remuneration greater than \$75,000.

14. COMPARATIVE FIGURES

Where necessary, comparative figures have been reclassified to conform to the current year's presentation.

Budget Comments

The attached budget will be presented at the AGM. The needs within our community continue to grow. As we prepare this budget, we are comparing last year's expenses with our expectations moving forward.

The three largest expenses include:

- Staffing costs
- Food purchased for hampers
- Supplies for the lunch program

Staffing

As an organization, we believe it is crucial to fairly compensate our staff. CVBS has been dedicated over the years to working towards paying our employees the local living wage, though we have not yet achieved this goal. Our staff works tirelessly each day, and despite the significant increase in demand, the size of our team has barely grown. Based on last year's revenues, we felt we could only provide staff with a cost-of-living increase. We hope that this year will bring an increase in donations and operational grants, allowing us to provide compensation closer to the living wage.

Food Hampers

Each year, we observe a decline in food donations and an increase in donations to purchase food. This shift is beneficial. Kim, our buyer, dedicates many hours each week to find the best value. With each new flyer, she meticulously searches for the best deals and assesses our current needs to fulfill hamper requests. Over the past year, we have had to reduce the size of the hampers to meet growing demand. The budgeted amount allows for a slight increase in purchased food, and we hope to avoid further reductions in hamper size or turning people away.

Lunch Program

Our budget for the lunch program has decreased from last year. However, thanks to increased food recovery efforts, we now have more food available for this initiative. Additionally, we have the support of a new supplier for paper products, who has been providing us with excellent discounts on paper cups and lunch containers.

Guest Program

The budget for the guest program has increased, but this rise is fully covered by a grant specifically allocated for these expenses.

Other Comments

On the revenue side, we have intensified our efforts to write grants and implemented a plan to engage the community in seeking donations.

CVBS Operational

September 1st to August 31st

	Proposed Budget			Actual 2024-2025 vs budget		
	2025/2026 Budget Total	% of Costs		2024/2205 budget Total	2024/2025 Actual	% of Costs
	-			-		
4010 · DONATIONS - BUSINESS	85,000	6.04%	25,000	60,000	71,938	5.27%
4013 · DONATIONS - CHARITIES	230,000	16.35%	6,000	224,000	212,906	15.60%
4014 · DONATIONS - GIFT CERTIFICATES	30,000	2.13%	-	30,000	24,932	1.83%
4015 · DONATIONS - GIFTS IN KIND	30,000	2.13%	-	30,000	54,442	3.99%
4016 · DONATIONS - INDIVIDUAL	320,000	22.75%	20,000	300,000	289,407	21.20%
4017 · DONATIONS - OTHER		0.00%	-		820	0.06%
4018 · DONATIONS - STUFF THE TRUCK	325,500	23.14%	45,500	280,000	381,404	27.94%
4022 · DEFERRED REVENUE -GC	29,000	2.06%	-	29,000	-2,075	-0.15%
4025 · GRANTS PROGRAMS	125,000	8.89%	(92,000)	217,000	113,153	8.29%
4026 · RECIEVED CAPITAL GRANTS	20,000	1.42%	(5,000)	25,000	18,287	1.34%
4030 · INTEREST EARNED	1,000	0.07%	(3,500)	4,500	3,141	0.23%
4040 · RENTAL INCOME	-	0.00%	(12,787)	12,787	11,200	0.82%
4041 · UNITED WAY	136,160	9.68%	96,160	40,000	68,995	5.05%
4042 · COMMUNITY FUNDRAISER	34,000	2.42%	4,000	30,000	5,048	0.37%
4043 · CONTRACT SERVICES	36,721	2.61%	36,721		15,300	1.12%
4046 · TTT PROGRAM DONATIONS	5,000	0.36%	1,000	4,000	5,460	0.40%
4047 · TTT PROGRAM DONATIONS DEFEERED	4,000	0.28%	4,000		-3,519	-0.26%
	1,411,381	100.34%	109,094	1,302,287	1,270,840	93.11%
	-			-		
5010 · ADVERTISING AND PROMOTION	4,000	0.28%	(9,000)	13,000	13,015	0.95%
5100 · AUTO & TRAVEL	9,280	0.66%	3,880	5,400	8,979	0.66%
5300 · BANK CHARGES AND INTEREST	8,000	0.57%	1,000	7,000	7,854	0.58%
5450 · DISCRETIONARY EXPENSES	2,000	0.14%	-	2,000		0.00%
5500 · LICENCES, DUES & FEES	9,500	0.68%	2,000	7,500	8,266	0.61%
5600 · OCCUPANCY COSTS	91,700	6.52%	(12,050)	103,750	80,608	5.91%
5650 · OFFICE EXPENSES	6,500	0.46%	2,250	4,250	5,984	0.44%
5700 · PAYROLL EXPENSE	615,362	43.75%	54,719	560,643	541,815	39.69%
5750 · PROFESSIONAL & CONSULTING	14,500	1.03%	-	14,500		0.00%
5800 · PROGRAMS	-		-	-	2,640	0.19%
5810 · CHRISTMAS DINNER	200	0.01%	(800)	1,000	769	0.06%
5830 · HAMPERS	274,000	19.48%	20,000	254,000	268,565	19.68%
5850 · LUNCH PROGRAM	56,750	4.03%	(20,500)	77,250	63,929	4.68%
5860 · SUNDAY SANDWICHES	3,000	0.21%	2,000	1,000		0.00%
5870 · TTT CHRISTMAS EXP	9,000	0.64%	5,000	4,000	2,157	0.16%
5880 · STAFF & VOLUNTEER APPRECIATIO	3,000	0.21%	1,000	2,000	1,472	0.11%
5890 · STUFF THE TRUCK-QUAL.CHARITIE	232,500	16.53%	32,500	200,000	271,662	19.90%
5891 · GUEST PROGRAM	37,320	2.65%	23,320	14,000	32,317	2.37%
Total 5800 · PROGRAMS	615,770	43.78%	62,520	553,250	640,872	46.95%
5899 · FUNDRAISING EVENT COSTS	-		-	-	474	0.03%
5900 · GIFT IN KIND EXP	30,000	2.13%	-	30,000	54,442	3.99%
	1,406,612	100%	105,319	1,301,293	1,364,948	100%
	4,769	0.34%		995	-94,108.14	-6.89%

Message from the Board Chair

On behalf of the Board of Directors, I am pleased to present the Year-End Report for Cowichan Valley Basket Society (CVBS).

This past year has been one of both challenge and impact. Across the Cowichan Valley, food insecurity continues to rise due to inflation, housing costs, and economic uncertainty. Here at CVBS, we see firsthand how these pressures affect individuals, seniors, families, and working households. Demand for our services has remained high – and in many months, unprecedented.

Despite these realities, CVBS has continued to meet the moment with compassion, professionalism, and determination. Thanks to the dedication of our staff, volunteers, donors, and community partners, we have remained a reliable source of support for those who need it most.

Impact and Service Delivery

Over the past year, our food bank:

- Served over 54,500 meals
- Packaged and distributed over 7,000 hampers
- Helped alleviate food insecurity for over 16,000 people
- Completed phase one of our multi-phase building project. Combining the two buildings and creating a hamper shopping and packing space has made the stocking and fulfilling hampers so much easier.
- Worked with the Cowichan Tribes on the naming of our facility. “S-mem-t S-ulhtun” is the Quw’utsun translation for “Give/Distribute Food” which at some point in the future will be displayed along with Cowichan Valley Basket Society on the front of the building.

Governance and Board Leadership

The Board of Directors remained focused on strong governance, accountability, and long-term sustainability. This year, the Board concentrated on:

- Financial oversight and risk management
- Policy review and modernization
- Supporting leadership and staff well-being
- Working towards Food Banks Canada Standard of Excellence

I want to sincerely thank our Board members for their time, professionalism, and thoughtful leadership. Their commitment ensures that CVBS continues to operate with integrity, transparency, and purpose.

Financial Stewardship

The Board takes its fiduciary responsibility seriously. This year, we worked closely with management to monitor financial performance, strengthen internal controls, and plan for long-term resilience.

Thanks to community generosity and careful stewardship:

- We maintained responsible operations

- Continued to invest directly in food programs
- Strengthened our capacity to respond to growing demand
- Monitored the phase 1 building project

We are deeply grateful to our donors, funders, and partners whose trust makes this work possible.

Gratitude and Recognition

Our impact is driven by people.

I extend heartfelt thanks to:

- Our Executive Director, Henry Wikkerink
- Our staff, whose dedication, flexibility, and compassion define this organization
- Our volunteers, who contribute thousands of hours in service to our neighbours
- Our donors and sponsors, whose generosity sustains our mission
- Our community partners, municipalities, and fellow organizations who work alongside us
- Richard Currie, Chris Wadell, Lee Smith and Joe Sam for their long terms of service on the Cowichan Valley Basket Society board of directors.
- A sincere thank you to Brian Johnson and Sheila Patterson for their generous donation of \$500,000 to our Building for the Future Fund. This contribution for phase 2 has enabled us to initiate some groundwork as well as proceed with design and planning. Although we still have a way to go in our fundraising efforts to complete the storage facility, their support has greatly moved us closer to obtaining the necessary financing.

Looking Ahead

As we move into the coming year, the Board remains committed to:

- Strengthening food security across our region
- Improving program reach and efficiency
- Supporting organizational sustainability
- Obtaining Food Banks Canada Standard of Excellence
- Continued fund raising for our building for the future program

While the need continues to grow, so does our resolve. Together, we will continue building a healthier, more food-secure community.

Closing

On behalf of the Board of Directors, thank you for your ongoing trust and support. It is an honour to serve this organization and the community we are privileged to support.

Respectfully submitted,

Alan Brakefield
 Board Chair Cowichan Valley Basket Society
 27 Jan 2026

Executive Directors Report to AGM 2024/2025

January 27 2026

What a remarkable year it has been! As I begin to write this report, I reflect on our mission statement: *"Ensuring no individual or family in the Cowichan Valley goes hungry either physically, spiritually, or emotionally."*

I am prompted to reflect on whether the programs provided at 5810 Garden Street align with our mission. We offer a range of services, including:

- Food Hampers
- Hot Lunch
- A Place to Be
- Guest Services
- Food Recovery
- Third Party Representation
- A welcoming space for community connection

Additionally, we support volunteer programs like Sunday Sandwiches and Stats, as well as Toys, Toiletries, and Toques. We collaborate with other agencies in Cowichan to find solutions for challenges such as food insecurity, housing, mental health, and substance use.

I can confidently state that the years 2024 and 2025 have seen us continue to make significant progress toward our mission. Our mission statement is crucial, and CVBS is actively contributing to addressing food insecurity in the Cowichan Region.

In many respects, addressing hunger is the straightforward part of our mission statement. We can secure food donations, purchase food, or recover surplus from local grocery stores, distributing it through hampers or prepared meals. However, providing hope and support to those who are spiritually down or emotionally struggling is more challenging. Over the years, we have made strides in this area. With the ongoing improvements to our facility, I am confident that we will enhance our efforts.

CVBS, the collective of all of us are dedicated to assisting our guests, is highly regarded by other service providers, local government, and many of our neighbors as a place where individuals facing hardships can receive support with dignity and respect. I eagerly anticipate the completion of the new warehouse, where the hamper program will be relocated, providing us with dedicated space to help people on a spiritual and emotional level. We will have the room to truly make a difference.

About Our Programs

Dining Room

Each month, we provide approximately 5,000 hot meals, which is consistent with last year's numbers. We serve a similar quantity of coffee and tea as well. Our dedicated cooks, sandwich makers, and kiosk volunteers share warm smiles with many.

Every week, in the dining room we distribute numerous bags of clothing donations, which are placed in the bin. I would estimate that we manage around 30 garbage bags of clothing each week.

Guest Team and A Place to Be

We continue to secure funding to support the guest team led by Irene and Trish. They engage with guests in the lunchroom and tent areas, particularly those in vulnerable situations, offering words of encouragement and assistance. This includes providing easy-to-carry hampers, boost drinks, fresh socks, and undergarments, all funded securely. Each morning, two of our guests are employed to help collect garbage in the neighborhood.

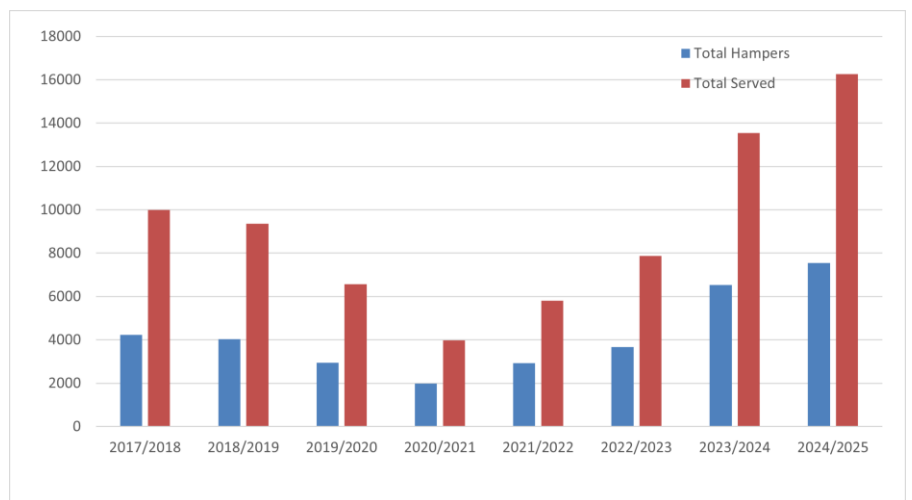
In April of last year, the guest team embarked on a new contract with the Ministry of Social Development and Poverty Reduction. In this role, we serve as intermediaries for Social Assistance recipients who are unable to visit their office. This has enhanced our ability to support our guests.

Hampers

As with every year, our goal remains to assist fewer individuals and see a decline in food insecurity.

Unfortunately, the reality we confront tells a different tale.

As shown in this chart, we have once again provided support to more guests through our hampers. While the issue continues, we are thankful to have met the demand, though this effort comes with its own set of challenges.



Moving to the new hamper space has allowed the hamper team to work together interacting with guests as they receive their hampers. This has been a great change.

Food Recovery

Food recovery from local grocery stores remains crucial to our operations. Each month, we collect over **50,000 pounds** of food. This year, we experienced several changes due to the conclusion of food recovery initiatives by another charity in Cowichan.

During the summer, we incorporated the additional pickups into our food recovery routes. This change has been beneficial, as we found ourselves in greater need of more bread, fruits, and vegetables to include in hampers and meals. Additionally, we have some surplus that we share with other organizations working to combat food insecurity.

Other programs

I am thankful for several other small initiatives that operate within CVBS, including Sunday Sandwiches, which provide lunch on Sundays, and Stats. Toys, Toiletries, and Toques, which gathers donations and organizes fundraising efforts. These efforts aim to support our community in November, benefiting food banks and charities that assist with cold-weather items, children's needs, and Christmas gifts.

What is happening with the site redevelopment.

Building for the Future Renovations Phase 1

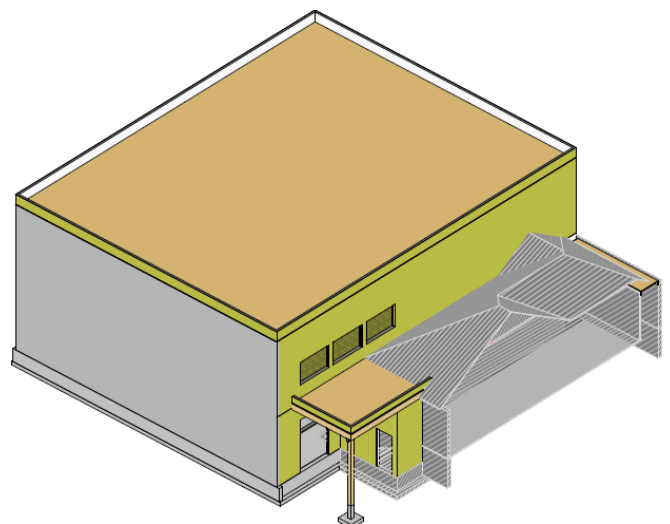
Thanks to the generous donations to the Building to the Future Fund, allowed us to commence Phase 1 renovations in May 2025, with completion at the end of August 2025.

- A new lobby connecting the two buildings, leading to several positive changes.
- The hamper guests now have their own entrance and exit, minimizing interactions with lunchroom guests. The hamper team can work together in a unified space, allowing guests to leave with their own hampers. This has been a fantastic improvement.
- After years of sharing a small office, we now have two separate offices. Nancy, the volunteer coordinator for new registrations, has her own office, while the guest team and I enjoy a significantly larger shared space.
- The old office area has been renovated and transformed into a Sandwich Prep area for the kitchen.
- The downstairs space continues to be utilized for food recovery sorting and has increased storage for both the kitchen and the guest team.

Building for the Future Renovations Phase 2

As part of the construction in 24/25 some work was done in preparation for the Phase 2

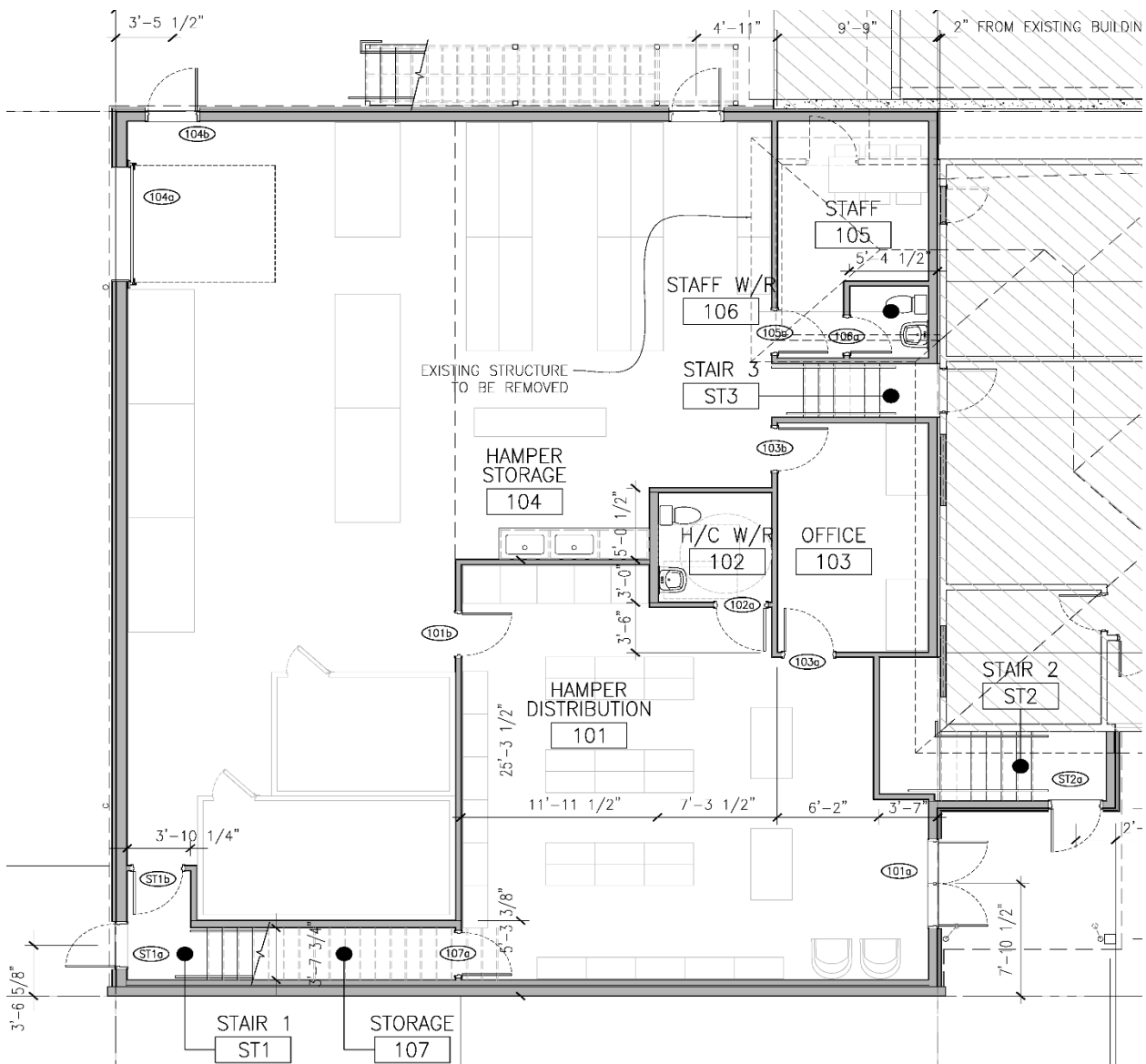
- New 600-amp electrical service to provide for our current needs and future needs
- Removing the ramp into the basement in the hamper building and installing new stairs.



- Working with the architect and engineers on design and planning prepare to apply for a development permit and building permit early this year 2026. As Alan reported, much of phase 2 costs were covered by the generous \$500,000 donation received and I am so thankful for it.

The renovations have enabled us to manage our growth effectively. However, with storage distributed across six containers and two basements, the process of moving donations and food is quite labor-intensive. Therefore, we eagerly anticipate the future with the addition of a new warehouse and hamper space.

Image of draft Phase 2 Plan January 2025.



Reflecting on the Impact of the Cowichan Valley Basket Society

When we consider the total services offered throughout the year, alongside the value of food distributed, it is truly astounding to recognize the significant influence the Cowichan Valley Basket Society has had on our community.

Key Highlights:

- The chart below showcases the number of total meals and hampers provided over the year.
- Some guests come monthly; some come only a few times. The unique numbers represent the diverse number of guests we help in the hamper program.
- Through these two programs alone, it is estimated that close to \$2.2 million worth of food was distributed.
- This amount does not even include the value of food supplied from the bread and vegetable shelves in the dining area.

I am genuinely amazed by these statistics.

	Meals Served	Hampers Given	Adults Served	Children Served	Total Served	Unique Hampers	Unique Individuals Served
2021/2022	34884	2919	4316	1488	5804	660	1325
2023/2024	55717	6538	9587	2961	12548	1485	3211
2024/2025	54583	7556	11513	4757	16270	1631	3448
Estimated Value of food distributed	\$1,091,700	\$1,095,300					

Financial and Community support

I would be remiss if I didn't highlight the incredible support our community provides. As demand increases and the workload of supplying more hampers grows, CVBS remains well-supported by our community. Without their help, we wouldn't be able to carry out our mission. However, by the end of August 2025, we've started to notice that our reserves, which we initially relied on for daily operations, are running low. We are actively pursuing additional grants to sustain our programs and have introduced new fundraising initiatives to boost donations. All of these efforts play a vital role in furthering our mission. This situation has proven to be a challenge for many food banks.

Cowichan Valley Basket Society would not exist without the support of 1400+ donors who donated in 2024/2025. From the anonymous child who wants to help others and

brings in \$10 of her birthday money to the foundation that helps us by sending us a cheque. I am thankful to each of them.

I would like to give special recognition and thanks to number of special donations in the last year at the risk of missing someone:

- Brian Johnson and Sheila Patterson for their contribution to the Building to the Future Fund
- Food Banks Canada
- Times Colonist Christmas Fund distributed through Sovereign Order of St. John of Jerusalem, Knights Hospitaller – Victoria
- The United Way – Reaching Home Fund
- The Cowichan Valley Housing Association
- The Social Planning and Research Council of B.C. (SPARC BC)
- The Sassy Lion Thrift Store
- The Duncan Lions Club
- Duncan Rotary Club
- Food Banks BC
- Save on Foods for hosting Stuff the Truck and 15% top up on the Stuff the Truck Gift cards
- Vancouver Foundation
- Ernest and Frances Hudson Family Fund through the Victoria Foundation
- Ferreira Family Fund 2021 through the Victoria Foundation
- 89.7 Sun FM - CJSU for all the radio time and efforts support Stuff the Truck

I would also like to thank all the local grocers for their support with food donations and food Recovery:

- Save On Foods
- Thrifty Foods
- Real Canadian Superstore
- Country Grocer Duncan and Cobble Hill
- Walmart
- Shoppers Drug Mart
- Hanks Bakery
- Arbutus Farms
- True Grain Organic Craft Bakery
- Cowichan Green Community
- Island Bagel

In conclusion, I would like to remind all was it is about the people we serve.

- The lady who came to me a while back and told me that what CVBS does for the community saved her life. If it was not for the food, she received many times in a small hamper or the lunch that was served to her by a friend volunteer, she would not be a live today.
- Today a mom came in and was just moving from one joint housing situation to living in her own Townhouse and was so thankful for the extra hamper we gave her when she had spent all her funds on moving and the GST cheque was late.
- Recently a guest was severely injured and in hospital unconscious for a while and she told her family to make sure the team here knew she was okay.

- Here is note from one of our guests.
I am a 45 year old woman living in the Cowichan Valley who has been receiving ongoing support from CVBS for many years. I am currently working and still will require food hampers, as cost of living has become significantly higher and overwhelming. I have always been met with staff and volunteers who treated me with the utmost respect and kindness. I am very grateful to have you all as a resource here in Duncan and appreciate all you do. Please let me know of there is anything else I can say to contribute to importance of keeping CVBS, a much needed thriving service in our community.

What does 2025-2026 Look like?

Keep doing what we are doing. Giving food and hope to many. The action the 175 individuals who help each month serve the community we serve here at 5810 Garden Street helps us make a difference to someone.

So, Thank you everyone who helps make it happen.

Henry Wikkerink
Cowichan Valley Basket Society Executive Director