



CANADA'S LARGEST
FOOD RESCUE
ORGANIZATION



15.6

MILLION LBS
OF FOOD RESCUED

\$48.9

MILLION VALUE
OF RESCUED FOOD IN 2019

64

MILLION LBS
OF GHGs AVERTED

519,000+

PEOPLE SERVED

1,080

NONPROFIT
ORGANIZATIONS
SUPPORTED

FEEDING PEOPLE,
NOT LANDFILLS

A YEAR OF INNOVATION AND GROWTH

BOARD CHAIR AND CEO MESSAGE

15.6 million pounds of food rescued...

FoodRescue.ca expands across Ontario and into British Columbia...

World-first Canadian Supply Chain Food Loss and Waste research is produced...

And that's just for starters.



Our mission: Growing an efficient food recovery network to fuel people and reduce the environmental impacts of avoidable food waste.

NO WASTE – NO HUNGER

Left: Lori Nikkel and Barry Telford

As we look back on last year, it seems clear that Canada is at the tipping point of a food rescue revolution, and Second Harvest is leading the way to a more equitable, environmentally healthy, sustainable food system for all Canadians. We are delighted to share our 2019 Impact Report with you.

STAYING STRONG IN THE FUNDAMENTALS

Our core business continues to have impact, through our fleet and online platform we recovered and redistributed 15.6 million pounds of fresh surplus food that provided meals for 519,000 people! 65% of the food redistributed was protein, produce and dairy, food categories that are typically the most difficult to access if you're low-income.

Our food recovery work kept 64 million pounds of greenhouse gases from entering the atmosphere, that's the equivalent of keeping 22,000 cars off the road for one year. We've also prevented the waste of over 13.4 billion litres (or 53,600 Olympic-size pools) of water. Simply by virtue of the food recovery we do.

As a dual mission organization, we have always seen food recovery through the lens of both climate action and food access and as more and more people take action to avert environmental devastation, we are finding new stakeholders to join our cause and support our work.

THE AMAZING GROWTH OF FOODRESCUE.CA

After more than three decades of recovering surplus food with our fleet of trucks, we officially launched FoodRescue.ca, our online food donation platform. The growth has been incredible! To date 696 nonprofit organizations and 750 food donors are using the platform to trade food daily. This is an innovation that has the potential to change how food loss and waste is recovered across Canada. FoodRescue.ca successfully launched across Ontario in October 2018 and in British Columbia in June 2019.

OUR GAME-CHANGING RESEARCH GOES COAST-TO-COAST

In January 2019, Second Harvest produced The Avoidable Crisis of Food Waste in partnership

with Value Chain Management International. Our findings made headlines in more than 700 media outlets across the country (including the front page of the Globe and Mail) and gave the first-ever picture of the magnitude of food loss and waste in Canada. Our research is becoming the go-to resource for media, food industry and all levels of government, expanding Second Harvest's position as a thought leader.

Closer to home, we are continuing to strengthen Second Harvest as an organization by focusing on our management structure, HR resources and succession planning. We are incredibly proud of the progress our team has made in 12 short months and we want to ensure that we have a strong foundation in place for today, for our move to our new facility, and for our future as a national food recovery organization.

2019 was an exceptional year and we are taking these gains and continuing to move boldly ahead. We thank you for your support – none of what we do is possible without you.

All we do is made possible by the generosity of so many

99%

of funds raised come from individual donors, private and corporate foundations and grants



1,201
FOOD DONORS



FINISHING STRONG, STARTING BOLD THE NEXT PHASE OF OUR STRATEGIC PLAN



Our 2016-2019 strategic plan set out bold goals and as we embark on an even more ambitious one we are pleased to report the progress we have made and share with you our vision for the future.

Our **responsible growth** target to redistribute 12 million pounds of fresh food was greatly surpassed with 15.6 million pounds of good food redistributed. Our nonprofit network expanded exponentially: our target was to support 460 organizations; today we are happy to report 1,080 non-profits are receiving healthy food through our direct delivery service and through our online platform FoodRescue.ca.

Our ambitious **cash and reserves** goals finished strong with revenue growth that

went from \$3.77M to \$8.94M; the combined growth of food and revenue increased from \$27M to more than \$57M.

Our goal of **increased awareness** was boosted with the release of The Avoidable Crisis of Food Waste, a world-first report done in partnership with Value Chain Management International. We earned 737 media stories, including the front page of the Globe and Mail, and radio and TV coverage coast to coast. This, combined with the launch of FoodRescue.ca and our solid reputation in food recovery, has made us the go-to source for media, industry, academia and government.

Our 2020-2022 strategic plan has equally bold goals. We will focus on **sustainable growth**

with a goal to rescue and redistribute 22M pounds of fresh food, and support 1,815 non-profit organizations. By doing this we will prevent 77M pounds of harmful emissions entering the atmosphere. Most exciting is our goal to expand FoodRescue.ca into more provinces. In the next three years we will focus on **talent management** including a board renewal policy and succession planning to attain a strong performance culture. Finally, we will share knowledge, **raise awareness and improve communications** as we continue our work as a world leader in perishable food rescue.

OUR NEW HOME! MORE SPACE, BIGGER IMPACT

Thanks to the incredible generosity of The Sprott Foundation, The Nikita Foundation and John and Sally Goodings, we were able to purchase 120 The East Mall, a facility that will provide 10X the cooler/freezer space and allow our fresh healthy food to reach over 1.5 million people. We've reached 40% of our \$30M dollar campaign goal. Join us in creating a one-of-a-kind centre for learning, innovation and fresh food redistribution.



OUR 2019 ENVIRONMENTAL IMPACT



64

MILLION LBS OF GHGS AVERTED



13.4+

BILLION LITRES OF WATER
HAVE NOT BEEN WASTED

THE IMPACT OF GOOD FOOD ACCESS



Pilot Place Society is a high-support residential program that provides individualized care for adults living with mental illness. The program offers long-term housing with 24-hour support in clean, safe, and home-like environments. For many years Pilot Place had been purchasing the food needed to provide three meals a day and a snack for its three locations. Since joining Second Harvest's direct delivery program in 2017, their food spending has decreased substantially, and their meals include more heart-healthy ingredients. Pilot Place also picks up donated food from local shops like Starbucks using FoodRescue.ca – an added benefit being that some residents have had training to do food rescues on their own, becoming more engaged in their community and contributing meaningfully to their household.

Lowered food costs have allowed Pilot Place to expand their programming and increase the number of outings they offer residents – a result of the \$48.9 million in value that Second Harvest injects into our communities. This year, they were able to book a cottage in July and August that allowed the residents to take day trips and excursions out of the city.

"We're now able to afford some of these things from the savings in our food budget," said Janet Huang, Executive Director, Pilot Place. "It just means so much to them. Since most of our residents don't have families, things like this are really important for enriching their lives."

We're thrilled to know that the impact of our 2019 efforts resulted in enough food to be rescued to deliver 141,600 meals to those in need! Helping to feed our community while reducing the impact of food waste on our planet is an incredible reward of being a Second Harvest Hero.

– Scotiabank Employee Committee

EMPOWERING COMMUNITIES THROUGH FOODRESCUE.CA



FoodRescue.ca is Second Harvest's online food donation platform which allows food businesses with unsold food to connect directly with nonprofit organizations in their communities who then use the surplus food to augment and sustain their programs. It's a simple, effective system: businesses can save money and reduce their environmental footprint; nonprofits save on their food budgets; people and the planet benefit.

After piloting in four Ontario communities, FoodRescue.ca marked two important milestones this year: our official Ontario-wide launch in October 2018, and our exciting expansion to lower mainland British Columbia in June 2019, made possible by a donation of \$415,000 from Loblaw Companies Ltd.

FoodRescue.ca is clearly feeding a need: one of the first agencies to register in BC was the Surrey Food Bank, which serves 14,000 clients each month. And in one year, FoodRescue.ca has grown by an amazing 1200% to 750 registered food donors from 55, and 696 registered nonprofit organizations from 52; the amount of food rescued grew to 627,000 lbs from 33,000 lbs.

By changing the way we think about food and food waste, we are making a huge difference to the planet, starting in our own neighbourhoods.

FOODRESCUE.CA



We gratefully recognize all of our supporters and donors. Please see our incredible partners at SecondHarvest.ca/supporters.

93%

OF THE FOOD WE RESCUE IS PERISHABLE

29% PRODUCE

24% DAIRY & DAIRY ALTERNATIVES

14% BEVERAGES

12% MEAT/PROTEIN

8% SNACKS/BAKED GOODS

5% BREAD/GRAIN

4% PREPARED FOODS

4% CONDIMENTS

SECOND HARVEST FOOD SUPPORT COMMITTEE

REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS YEAR ENDED AUGUST 31, 2019

To the Members of Second Harvest Food Support Committee

OPINION

The summary financial statements, which comprise the summary statement of financial position as at August 31, 2019, and the summary statement of operations, and the related note, are derived from the audited financial statements of Second Harvest Food Support Committee (the "Organization") for the year ended August 31, 2019.

In our opinion, the accompanying summary financial statements are a fair summary of the financial statements, on the basis described in Note 1. However, we were not able to determine if any adjustments to the summary financial statements were necessary for the reasons described in The Audited Financial Statements and Our Report Thereon section of this audit report.

SUMMARY FINANCIAL STATEMENTS

The summary financial statements do not contain all the disclosures required by Canadian accounting standards for not-for-profit organizations. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the Organization's audited financial statements and the auditor's report thereon.

The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

THE AUDITED FINANCIAL STATEMENTS AND OUR REPORT THEREON

In our report dated November 11, 2019:

- We expressed a qualified audit opinion on the audited financial statements because we were not able to obtain sufficient appropriate audit evidence regarding the completeness of revenues from donations and fundraising.
- We included an Other Matter paragraph referring to the report of the predecessor auditor for the information presented for the year ended August 31, 2018.

MANAGEMENT'S RESPONSIBILITY FOR THE SUMMARY FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the summary financial statements in accordance with the criteria disclosed in Note 1 to the summary financial statements.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on whether the summary financial statements are consistent with the audited financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard (CAS) 810, Engagements to Report on Summary Financial Statements.

COMPARATIVE INFORMATION

The summary financial statements for the year ended August 31, 2018, were reported on by another auditor who expressed a qualified opinion on those summary financial statements on November 12, 2018. The qualified audit opinion was expressed on the matter disclosed in The Audited Financial Statements and Our Report Thereon.

Hogg, Shain & Scheck PC

Authorized to practise public accounting by the Chartered Professional Accountants of Ontario
November 11, 2019
Toronto, Ontario

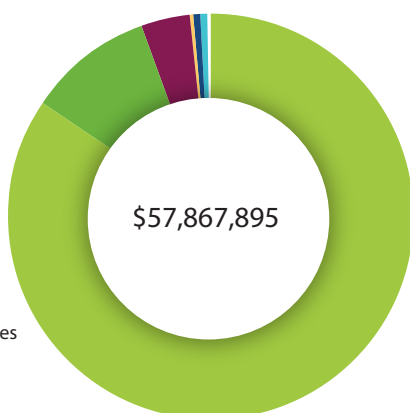
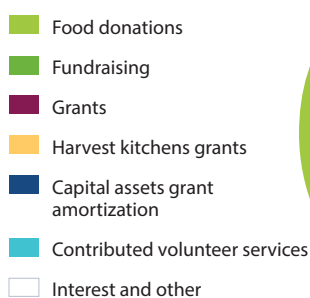
Note 1

The criteria applied by management in the preparation of these summary financial statements are as follows:

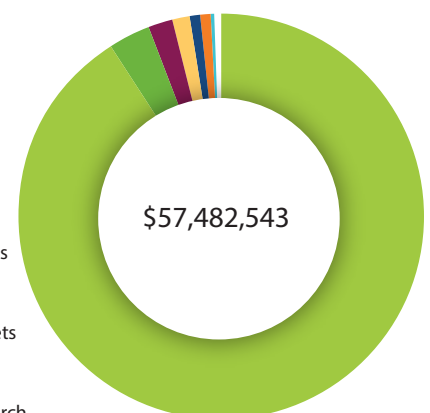
- The information in the summary financial statements is in agreement with the related information in the complete financial statements; and
- The summary financial statements contain all the information necessary to avoid distorting or obscuring matters disclosed in the complete financial statements, including the notes therein.

Management determined that the statement of changes in net assets and the statement of cash flows do not provide additional, useful information, and as such have not included them as part of the summary financial statements.

REVENUE



EXPENSES



SUMMARY STATEMENT OF FINANCIAL POSITIONS

AS AT AUGUST 31, 2019

	2019	2018
ASSETS		
CURRENT ASSETS:		
Cash and short-term investments	\$ 5,876,188	\$ 4,490,922
Accounts receivable	199,284	178,342
Prepaid expenses	109,974	73,743
	<hr/> 6,185,446	<hr/> 4,743,007
Capital Assets, net of amortization	8,264,460	547,752
Deposit on purchase of real property	-	350,000
TOTAL ASSETS	\$ 14,449,906	\$ 5,640,759
LIABILITIES AND NET ASSETS		
Accounts payable and accrued liabilities	\$ 556,755	\$ 466,695
Deferred contributions	1,067,007	994,819
Deferred capital asset contributions	11,013,147	2,751,600
	<hr/> 12,636,909	<hr/> 4,213,114
Net assets	1,812,997	1,427,645
TOTAL LIABILITIES AND NET ASSETS	\$ 14,449,906	\$ 5,640,759

SUMMARY STATEMENT OF OPERATIONS FOR THE YEAR ENDED AUGUST 31, 2019

	2019	2018
REVENUES		
Food donations	\$ 48,932,128	\$ 35,962,816
Fundraising	5,874,689	5,181,976
Grants	2,128,454	2,291,725
Harvest kitchens grants	288,918	284,858
Capital assets grant amortization	249,283	269,671
Contributed volunteer services	247,189	251,147
Interest and other	147,234	47,088
	<hr/> 57,867,895	<hr/> 44,289,281
EXPENSES		
Food recovery and delivery:		
Food donations delivered to agencies	48,932,128	35,962,816
Other food delivery related costs	2,203,614	1,931,015
Foodrescue.ca expansion costs	1,513,393	-
Communications and fundraising	1,822,748	1,529,325
Administration	1,065,955	951,495
Distribution platform development and pilot tests	654,794	1,717,896
Harvest kitchens - food and service delivery	520,828	487,422
Amortization of capital assets	328,925	284,201
Donated volunteer services	247,189	251,147
Food waste reduction research	192,969	594,271
	<hr/> 57,482,543	<hr/> 43,709,588
EXCESS OF REVENUES OVER EXPENSES FOR THE YEAR	\$ 385,352	\$ 579,693

SecondHarvest.ca
FoodRescue.ca



Second Harvest

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Charitable Registration #13386 5477 RR0001