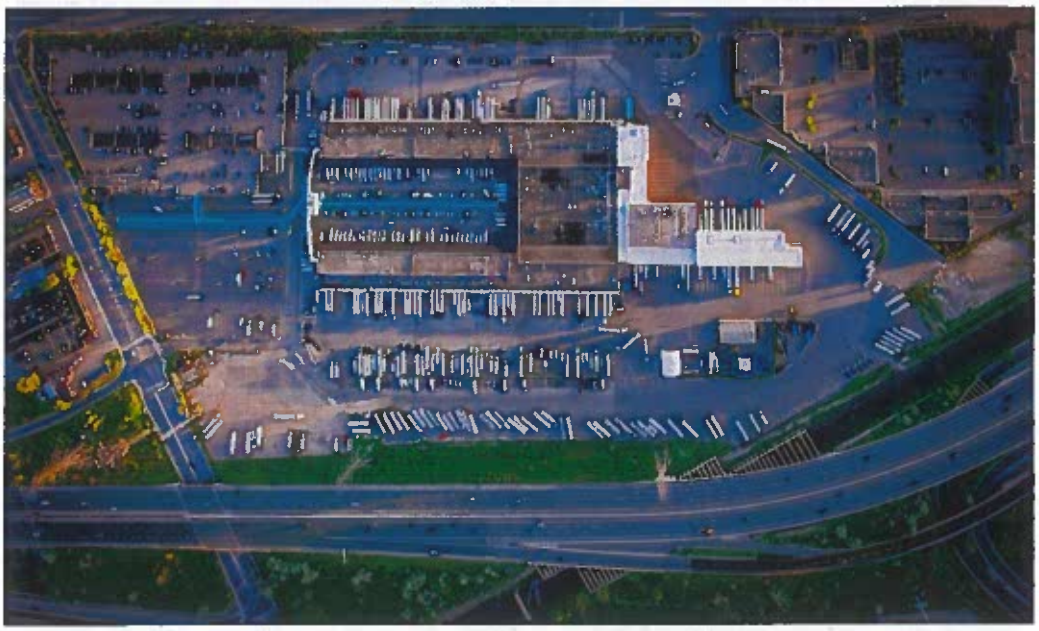
ONTARIO
Food Terminal Board

2025-26 Annual Report



Ontario

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Introduction

The Ontario Food Terminal Board (OFTB) was established in 1954 and is a Board-Governed Provincial Agency created under the *Ontario Food Terminal Act, R.S.O. 1990*. The OFTB's mandate is set out in section 4 of the Act which provides that the Agency's mandate is to acquire, construct, equip and operate a wholesale market primarily for agricultural products in the City of Toronto or The Regional Municipality of York, known in English as the Ontario Food Terminal and in French as Marché des produits alimentaires de l'Ontario, and to acquire and operate such facilities for the transportation and handling of agricultural products as may be necessary for the purposes of the Terminal; promote local food within the meaning of the *Local Food Act, 2013*; and to do such other acts as may be necessary or expedient for the carrying out of its operations and undertakings.

The OFTB's staff and Board of Directors combine a wealth of expertise in the marketing and distribution of fruits, vegetables and agricultural products in the province of Ontario and Canada. The Board had a net income of $1,942,379 in the 2025-26 fiscal year compared to a net income of $1,709,167 in the 2024-25 fiscal year. This was a result of greater demand for the use of the cold storage facility.

Delivering on our Mandate to Operate a Wholesale Market

The Ontario Food Terminal (Terminal) is a self-funded, competitive wholesale market which allows over 4,000 buyers to purchase high-quality produce from 20 warehouse tenants and over 300 Ontario farmer tenants. The Terminal operates 24 hours a day, 7 days a week, 365 days a year. The volume of produce distributed annually through the Terminal is 2 billion pounds, and there are approximately 400 different varieties of produce sold at the Terminal. The Terminal continues to be the main source of agricultural products for the independent grocery trade in Ontario and contributes in no small way to the success of Ontario's agriculture and agri-food industry, which is a major economic driver in the province. Ontario's agri-food industry contributes nearly $51 billion to the province's GDP and employs more than 871,000 people, representing one in every nine jobs in Ontario. [1]

The Terminal is a crucial node in Ontario's food distribution system and is strategically located within the City of Toronto to deliver on its mandate. Importantly, the Terminal is situated close to its buyer base, which reduces travel time for the thousands of buyers who use the Terminal each week. In addition to being the main source of agricultural products for the independent grocery trade, the Terminal serves as an incubator for early-stage startups in fresh food retailing, enables agricultural products to be showcased to buyers, and provides an outlet for Ontario growers to

[1] Government of Ontario. (2025). *2025 Local Food Report*. 2025 Local food report | ontario.ca

market their products directly to buyers. The Terminal also helps ensure that locally grown foods reach Ontario consumers and are competitively priced.

Several features set the Ontario Food Terminal apart from other wholesale markets in North America. Of the major wholesale markets, the Ontario Food Terminal is the only one with a wholesale farmers' market. The farmers' market enables over 300 farm businesses to conduct seasonal operations at the Terminal and market their products directly to buyers, giving farmers increased market access and improving margins, and making it possible for more Ontarians to enjoy locally produced Ontario-grown food. Over the past several years, the Ontario Food Terminal has also invested in important infrastructure developments, such as a central cold storage space available to tenants, an enclosed docking system to facilitate year-round operations and reduce food safety risks, and an onsite waste handling facility to reduce food waste.

Operating Principles

Vision

To aspire to be a recognized global leader in facilitating wholesale distribution of agricultural products, enabling Ontario consumers the benefit of competitive prices and a safe, high-quality supply year-round, while providing Ontario growers with an effective and efficient marketplace.

Mission

To facilitate the exchange of wholesale trade in perishable food and agricultural products in a manner that is efficient, safe, competitive and responsive to market needs.

Core Values

The OFTB is committed to delivering outstanding service to growers, dealers, wholesalers, and buyers so that their businesses can thrive and grow.

- Value the people we serve and employ, treating all with fairness and respect.
- Conduct our business in an open, transparent and accountable way.
- Hold sufficient reserves to provide for stability and confidence.
- Deliver services that are efficient and cost-effective.
- Stay independent of any commercial or political interest and therefore act only in the public interest.
- Enable our customers, and therefore consumers, to access more agricultural products at lower costs than would be available if the Ontario Food Terminal did not exist.
- Strive to anticipate future trends and needs for which we plan through consultation.
- Proactively take steps to enable the volume traded to grow.

- Be good neighbours in our community.

Mandate

The Ontario Food Terminal Board (the "Board") was established in 1954 by the provincial government and is continued under the *Ontario Food Terminal Act R.S.O. 1990, c. O. 15* (the "Act"). Section 4(1) of the Act sets out the Board's objectives. They are:

a) To acquire, construct, equip and operate a wholesale market primarily for agricultural products in the City of Toronto or The Regional Municipality of York known in English as the Ontario Food Terminal and in French as Marche des produits alimentaires de l'Ontario and to acquire and operate such facilities for the transportation and handling of agricultural products as may be necessary for the purposes of the Terminal;

a.1) to promote local food within the meaning of the *Local Food Act, 2013*;

b) To do such other acts as may be necessary or expedient for the carrying out of its operations and undertakings.

The Strategic Objects of the Board are as follows:

a) To try and ensure that the market operates efficiently in order to provide high-quality agricultural products to the Ontario consumer at competitive prices.
b) To provide a central marketplace for Ontario growers and produce wholesalers to sell their agricultural products directly to the wholesale and retail trade.
c) To foster, through controlled buying hours and regulated shipping policies, a competitive marketplace where buyers and sellers can freely negotiate prices and terms of sale.
d) To maintain a good working relationship with the wholesale tenants, growers and buyers.
e) To ensure that the market is properly maintained so that Ontario retailers and institutions will continue to use the market as a major source of supply for agricultural products.
f) To ensure that the cash flow from operations is sufficient to cover expenses, including all capital and maintenance expenditures.

The OFTB's mandate continues to be relevant to government goals and priorities as it is vital to the success of the agri-food sector, supports and promotes Ontario-grown and/or produced agricultural products and will work to improve the facility in its existing location. The OFTB remains the most appropriate organization to carry out all aspects of its mandate, given that the agency has the expertise needed to fulfill its mandated functions. The OFTB-governed operational enterprise agency model offers an appropriate and suitable framework for public accountability and provides for oversight to ensure that the public interest is maintained in the operation of the Terminal.

Ontario's Minister of Agriculture, Food and Agribusiness sent a letter of direction to the OFTB's Chair, which set out the Ontario Government's and the Minister's expectations for the OFTB. The results are reported below.

Priorities from Ontario's Minister of Agriculture, Food and Agribusiness

1. Competitiveness, Sustainability and Expenditure Management

We continue to identify opportunities for efficiencies and savings through innovative practices. For example, one area we've identified for savings has been installing more energy-efficient lighting. Over the last year, we have continued our efforts to replace old light fixtures with LED lights within the Board's cold storage facility. The Board was able to replace an additional 15% of the light fixtures in the cold storage facility, and was able to replace all of the light fixtures in the south-west truck parking area.

We are a self-funded agency and have successfully managed our operating costs within our Board-approved budget over 2025-26. In addition to working within the operational costs of the Terminal, we have managed to achieve sufficient positive cash flow to fund capital assets and build reserves without additional debt.

2. Transparency and Accountability

We continue to abide by government directives and policies while ensuring transparency and accountability in reporting. We continue to adhere to requirements in the Agencies and Appointments Directive, as evidenced, for example, by the submission of an Annual Report and three-year Business Plan each year. The Board's financial statements are audited annually by the Office of the Auditor General. We maintain a governance matrix to identify the appropriate skills, knowledge and experience needed to effectively support the Board's roles in agency governance and accountability.

As an Agency that works closely every day with our tenants and stakeholders, we have an additional layer of accountability and transparency. We have over 4,000 buyers and sellers at the Terminal and are routinely responding to questions about the operational costs of the Terminal, as tenant rents are tied directly to how efficiently we can operate. We are under constant scrutiny to manage the Terminal efficiently, both in terms of operations and in terms of costs.

3. Risk Management

We have developed and implemented effective processes for risk identification, assessment and mitigation.

4. Workforce Management

The Terminal has 45 staff, which includes a General Manager and 2 senior staff (a Chief Financial Officer and Chief Operating Officer), who look after the Terminal's operations. The senior staff head 5 service departments, which include administration, cold storage, police, maintenance and sanitation. This structure has provided responsive service to stakeholders in an efficient manner.

The police department is the first point of contact 24 hours a day, 7 days a week, for when there is an issue. That call is then redirected to the appropriate department so that resources can be quickly deployed to priority areas.

The Terminal's management team and staff require experience and expertise in operating a warehouse and wholesale facility. The General Manager ensures that staff have the necessary skills to manage the Terminal's operations, such as policing, ticketing and maintenance. The General Manager is responsible for ensuring there are sufficient staff with the necessary skills to manage the day-to-day operational needs of the Terminal. This involves, for example, anticipating busy times in different departments (e.g., cold storage) and allocating the necessary number of people to manage the workflow. For example, staff from the sanitation or the administration department are deployed to work in the cold storage facility when necessary for various reasons.

5. Diversity and Inclusion

We have a Diversity and Inclusion governance protocol for the Board that speaks to the importance of having an inclusive workplace. We encourage a diverse and inclusive workplace both in terms of people working at the Terminal and working for the Terminal. At present, we have over a dozen nationalities working for the Terminal and dozens more who work at and use the facility daily. A diverse workplace is part of the fabric of the Terminal, which reflects the diverse communities within the greater Toronto area.

6. Data Collection

We collect data in several areas that allow us to operate the Terminal efficiently and to charge appropriate rent to tenants. For example, we monitor the daily activity of the farmers' market and cold storage to charge rents and fees accordingly. We also closely monitor our expenses (e.g., water consumption, natural gas, hydro), which helps with forecasting and identifying areas for potential savings.

7. Digital Delivery and Customer Service

The Terminal functions as an in-person market where buyers can walk the market, meet vendors, see and test products, and negotiate the buying and selling of products. While our model presents limited opportunity for expanding digital service offerings, we have sought to expand digital service offerings where possible. For example, buyers now have the option of renewing their buyer access card over email, in addition to the main gate and at our office. Invoices are sent out monthly, and payments can be made by direct deposit, by cheque or by debit. As many of our clientele are more comfortable with traditional, paper-based transactions (e.g., paper invoices, paying by cheque), we continue to maintain this option for invoicing and payment.

Customer service remains highly important to our model, and we try to accommodate buyers and sellers to the best of our ability. For example, if a buyer is unable to attend during operating hours, we will make accommodations as we are able to register buyers through email.

Agency Specific Priorities

1. Development of a long-term asset management, capital improvement, and growth plan

The OFTB has developed a long-term asset management, capital improvement, and growth plan, which includes several core areas of focus. These are:

1. Monitoring and making incremental improvements to existing assets: The Board replaced the second entry gate building to continue to ensure smooth vehicle entry to the Terminal. In addition, sections of the north and south roadway were paved to improve truck movement within the terminal.
2. Making large-scale investments in existing assets to maintain operations: The Board continued to repair sections of the parking deck to extend its useful life and replaced the second truck entry gate building.
3. Exploring the development of new assets to retain/attract clients: The Board continues to explore building a farmers' market building. Over the last few years, we held consultations with farmers' market stakeholders to help determine how and whether to proceed.
   Exploring additional sources of revenue generation to help finance capital upgrades: For example, the Board is considering installing additional digital billboards on the property as another source of revenue.

Within the last 10 years, we have also made several investments in our infrastructure to ensure the Terminal continues to meet and exceed stakeholder needs. For example, we have 1) built a second cold storage shipping and receiving building to accommodate the increased demands from tenants, 2) built an enclosed loading dock building that enables buyers to load their purchases indoors, accommodates tractor trailers, and maintains cold chains that reduce food safety risks 3) created a waste handling facility, 4) constructed a second entrance roadway to accommodate tractor trailers coming in the market, 5) utilized the east end of the property to accommodate additional traffic and parking, 6) expanded the original shipping and receiving area, and 7) created a quality control room for tenants to assess the quality of produce received.

2. Increased collaboration and communication between the Board, Government, and Industry

We have meetings with stakeholders on an ongoing basis to address stakeholder needs, such as operational requirements and proposed physical improvements, and have established warehouse and farmers' market advisory committees.

Over the past year, we have actively participated in and promoted the Ministry's new "Dine Ontario" initiative. We also facilitated tours of the Ontario Food Terminal for the Minister, various

MPPs, and Ministry staff. In addition, the Board organized tours and promoted food literacy to a wide range of stakeholders, including members of the Canadian Produce Marketing Association, Ontario Seed Growers Association, Ontario Flowers Co-Op, United Flower Growers, and Lush Cosmetics. We also engaged with attendees of the Annual Public Markets Week in Toronto, various Ontario growers and chefs, participants in the Advanced Agricultural Leadership Program, several educational institutions, and international agri-food business trade organizations.

3. Identify opportunities to minimize the carbon footprint of the Ontario Food Terminal

We continue to identify opportunities for minimizing our carbon footprint. For example, one area we've identified for savings has been installing more efficient lighting. In the last year, we have continued to replace old light fixtures with LED lights and have also added motion sensors to reduce power usage.

4. Explore opportunities for the Food Terminal's role in increasing food security in Northern Ontario

The Minister of Agriculture, Food and Agribusiness appointed a new member to the Board who is a buyer that sells to independent grocers in northern Ontario. This member will provide the Board with knowledge and experience to investigate ways to increase produce distribution to northern Ontario.

Message from the Chair

I am pleased to present the Annual Report of the Ontario Food Terminal Board for the fiscal year ending March 31, 2026. The report highlights the Board's achievements over the past year and reaffirms the Terminal's critical role in Ontario's agri-food sector.

The Ontario Food Terminal continues to serve as a competitive marketplace for Ontario buyers and sellers, ensuring a reliable, safe, and consistent food supply for Ontarians. Since 1954, the Board has worked diligently to ensure the Terminal operates efficiently and delivers maximum value to Ontario growers, produce distributors, retailers, and institutions. The Terminal remains a major source of supply of fresh fruits, vegetables and agricultural products in the province.

In 2025-26, the Terminal distributed 1,019,838 tons of produce—equivalent to 2.04 billion pounds—representing a 1.6% increase over the previous year. The Terminal remains a vital strategic asset in supporting Ontario's food supply chain, enhancing food security, and driving economic growth across the province.

The Board exceeded expectations with its budget for 2025-26. Net income rose by 13.6% compared to the previous year, enabling continued strategic investment in critical infrastructure, including concrete repairs to the parking deck.

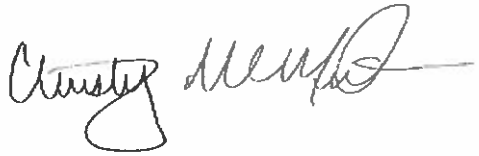
Throughout the year, the Ontario Food Terminal welcomed government representatives, industry partners, and stakeholders to learn more about the critical role the Terminal plays in Ontario's food supply chain.

As a third-generation independent grocer, I understand firsthand the importance and value of the Ontario Food Terminal. Having a facility where buyers can go on a daily basis and hand-pick products and negotiate prices fosters a competitive environment that benefits all of Ontario. It provides farmers with access to broader markets and offers restaurants and smaller retailers opportunities to source high-quality and unique products.

On behalf of the Board, I would like to thank the Minister of Agriculture, Food and Agribusiness for his continued support of the Ontario Food Terminal, its vital contribution to Ontario's important agricultural industry, economy and to the people of Ontario.

I would also like to extend my sincere appreciation to my fellow directors, Terminal tenants, Terminal employees, and the thousands of loyal buyers whose dedication and collaboration contributed to another successful fiscal year.

Yours truly,



Christy McMullen
Chair, Ontario Food Terminal Board

Governance

The OFTB is governed by legislation and directives that guide Ontario agencies in the delivery of services to the public. The *Ontario Food Terminal Act* outlines our objects, duties, powers and structure. As an agency of the provincial government, we deliver services to maintain a competitive, efficient, safe and reliable wholesale marketplace for our stakeholders, which includes Ontario farmers. We are accountable to the Ontario Minister of Agriculture, Food and Agribusiness to deliver services while maintaining high standards of operations and customer service.

Organizational Structure

The Board members are accountable to the Minister, through the Chair, for setting goals and direction for the Board. The Board may consist of a minimum of 5 members up to a maximum of 13 members appointed by the Lieutenant Governor in Council. Members of the Board are recognized as leaders, with many years of experience, in the produce industry. There were 8 members on the Board in 2025-26. All positions are posted on Ontario's Public Appointments Secretariat website.

The Board must comply with provincial government directives that guide the Board in its delivery of services. The Agencies and Appointments Directive (AAD) is a Management Board of Cabinet Directive and sets out the requirements of the Board as a board-governed provincial agency.

The Board is responsible for appointing, upon the approval of the Minister, the General Manager for the Terminal. The General Manager, in turn, appoints 2 senior staff to look after the Terminal's operations, subject to Board approval under subsection 3(2) of the *Ontario Food Terminal Act*. The senior staff head 5 service departments. They are: (1) administration, (2) cold storage, (3) police, (4) maintenance and (5) sanitation. This structure has proved to provide a responsive service to our stakeholders in a very efficient manner.

Staff Resources

The Board employs a total of 45 non-union employees, which includes 2 part-time staff. The Board's employees are crucial to the success of the Ontario Food Terminal. They are skilled, knowledgeable, and committed to all of our stakeholders. Staff resources are used across all core businesses, and their time is allocated to 9 cost centres. Costing for staff requirements is closely controlled by the annual operating budget, and maximum efficiencies are achieved through the existing hierarchy structure.

OFTB maintained a workforce of 47 full-time equivalent positions (FTEs) throughout 2023-24, 2024-25, and 45 FTEs in 2025-26.	
Fiscal Year	**FTEs**
2023-24	**47**
2024-25	**47**
2025-26	**45**

Memorandum of Understanding

A Memorandum of Understanding (MOU) is in place between the Minister of Agriculture, Food and Agribusiness and the Chair of the Board. The MOU sets out the accountability relationships between the Minister, Chair, Board, Deputy Minister and General Manager. The MOU clarifies expectations and reporting requirements, and outlines the roles and responsibilities of the Minister, Chair of the Board, Board, and Deputy Minister. This collaborative and effective governance outline ensures the exchange of information to support decision-making.

Government Directives

The Board must comply with provincial government directives that guide agencies in the delivery of services to the public. The Agencies and Appointments Directive (AAD) sets out the accountability framework within which the Board operates. Each year, the Board's Chair and General Manager attest to meeting AAD requirements and the requirements of other directives, legislation, and policies. Directives fall under 3 broad categories:

- **Business planning and financial management**: Includes directives on delegation of authority, financial transactions, and travel, meal, and hospitality expenditures.
- **Accountability and governance**: Includes directives on procurement, internal audit, and transparency.
- **Information and information technology management**: Includes directives on records management, privacy, and freedom of information.

In 2025-26, the Ontario Food Terminal Board met the obligations and timelines under the AAD and completed attestation, with no exceptions. The Board published its MOU and quarterly expenses for the Board and Senior Management Team on its website, demonstrating the Board's commitment to transparency and accountability.

Members of the Board

The Board consists of at least five members and not more than 13 persons appointed by the Lieutenant Governor in Council through an Order in Council, as recommended by the Minister of Agriculture, Food and Agribusiness.

Board members are appointed for terms of up to 3 years and may be reappointed. They are agricultural, business and community leaders who bring a broad range of experience and expertise to the organization's oversight. Appointees receive a per diem remuneration, based on their role, as outlined in the Agencies' and Appointments Directive.

The members of the Ontario Food Terminal Board for the 2025-26 fiscal year were:

Christy McMullen – Chair

Term: August 31, 2020 – October 13, 2027
Christy McMullen is the Vice President of Summerhill Market. Her community involvement includes being the former Chair of the Canadian Federation of Independent Grocers.

Jacquelynn Fraser – Vice Chair

Term: June 15, 2023 – June 14, 2029
Jackie Fraser owns and operates Fraberts Fresh Food in Fergus with her husband, Chef Derek Roberts. Fraberts is a small, family-owned local food shop specializing in locally grown produce, ready-made meals, local meat, and locally made goodies, with a deli and pizza counter and catering services for events big and small. Jackie grew up on a dairy farm in Huttonville. She developed a passion for local food while working in farm markets as a teen. She graduated from the University of Guelph in 1994 with a B.Sc. (Agr) and again in 1996 with an M.Sc. in Land Resources Management. She completed the Advanced Agricultural Leadership Program in 2006. Before making the leap as an entrepreneur, Jackie had an engaging career spanning from environmental consulting to the aggregate industry, and finally as Executive Director of Agricultural Groups Concerned About Resources and the Environment (AGCare). Jackie and Derek live in Fergus with their two daughters.

Len Turkevics – Director

Term: January 31, 2019 – January 30, 2028
Len Turkevics is currently principal at Turkevics & Associates. Former employment includes roles serving as a Senior Policy Advisor with the Ministry of Agriculture, Food & Rural Affairs, and as a Researcher for the PC Caucus at the Legislative Assembly. Mr. Turkevics holds a Bachelor of Arts from the University of Toronto.

John Den Boer – Director

Term: August 31, 2020 – August 30, 2029
John Den Boer of Den Boer Family Farm Inc., President of the Toronto Farmers Association and a former Store Manager for Albert-Heijn.

Steve Bamford – Director

Term: October 4, 2020 – October 3, 2026

Steve Bamford is a Chief Executive Officer for Fresh Advancements, North American Produce Buyers and President of Bay Growers, and is a former President of Freshline Foods Inc.

Fred Koornneef – Director

Term: April 7, 2022 – June 25, 2028
Fred Koornneef is the President of Koornneef Produce Ltd. and is the President of the Toronto Wholesale Produce Association.

Walter Konik - Director

Term: April 25, 2024 – April 24, 2027
Walter Konik, of Niagara-On-The-Lake, is the self-employed Owner of a fruit farm. His community involvement includes serving as Vice President of the Ontario Farmers Association.

Antonio Morano - Director

Term: November 27, 2025 – November 26, 2028
Antonio Morano is currently the owner/operator of Fresh In The North and formerly owned Morano Foods Ltd. He has over 45 years of experience in the food, produce and agri-business industries in Ontario.

Services

The Terminal continues to be the main source of fresh fruits, vegetables and agricultural products for the independent grocery trade in Ontario. The Terminal is a competitive wholesale market which allows over 4,000 buyers to purchase high-quality produce from 20 warehouses and over 300 Ontario farmer tenants. There are approximately 400 different varieties of produce sold at the Terminal.

Cold Storage

The OFTB provides a 108,000 square foot central cold storage facility for the warehouse and grower tenants. The cold storage facility contains 18 rooms with varying temperatures to accommodate the wide variety of produce available and to ensure the best quality produce for buyers. The Terminal also provides the facilities to store food for donation.

Farmers' Market

The farmers' market consists of 506,000 square feet of space and 400 stalls. It is outdoors and is open all year. The farmers' market provides a wholesale market for Ontario growers to market their fruit, vegetables and horticultural products directly to over 4,000 buyers. The farmers' market gives Ontario buyers an advantage by giving them access to buyers who come to the market.

Without the farmers' market, farmers would have to sell through a distributor or other sellers at the Terminal.

Warehouse

The warehouse consists of 231,000 square feet of space and is dedicated to the buying and selling of fresh produce. There are 20 warehouse tenants that operate within the warehouse building. The warehouse is connected by loading docks, which also connect to the central cold storage building. The value of the warehousing is that it allows tenants access to warehousing onsite that would otherwise have to be located offsite. The warehouse space gives tenants the ability to expand and contract their inventory throughout the season. It is also a variable cost for tenants that they have access to when they need it, which reduces their overall operating costs. Unlike other markets, the warehouse also enables tenants to have a smaller sales space on the sales floor. The benefit of this is that buyers can easily walk the whole market, view product from multiple sellers, make purchases, then later load their purchases that are stored in the warehouse. The warehouse is also connected to an enclosed dock system, which allows sellers/buyers to move product all year (i.e., in winter) and maintain an unbroken cold chain, which reduces food safety risks.

Office Space

There is over 24,000 square feet of office space at the Terminal, located primarily on the second floor of the warehouse building. Office space that is supplemental to the needs of the Terminal's tenants is 100% rented out and is utilized by tenants to conduct accounting, client meetings, storage, and other administrative duties.

Waste Handling Facility

There is an onsite waste handling facility that enables the Terminal to separate organic product, wood, plastics, and cardboard from the regular waste streams. Organic products are shipped to a hog farm for feed. Cardboard is compressed and recycled. Plastics that can be recycled are diverted from the waste stream. Broken pallets are picked up and converted into wood chips. During the last fiscal year, over one million pounds of waste were diverted from the landfill.

Operational Performance

Highlights of Implementation Plan Activities

Improved Allocation of Leased Space:

- In July 2023, the Board issued newly updated and modernized farmers' market leases to, for example, clearly state that product sold in the farmers' market cannot be foreign product.
- We continue to implement the Stall Point System, and we are continually working with tenants to re-evaluate their stall size needs.

Improved Worker Safety Policies:

- We continued to monitor and enforce the traffic plan developed in collaboration with the Ministry of Labour.
- The OFTB's employee health and safety committee assisted in ensuring the health and safety of OFTB's employees by providing first aid and CPR training and equipment training, including lift truck training, working at heights training, as well as scissor lift and boom lift training.

Food Safety Policies:

- The warehouse tenants and the Board have achieved and completed HACCP Food Safety certification and comply with the *Safe Food for Canadians Act*. A food safety audit of the facility is conducted annually, and a passing grade is required to maintain our certification.

Maintain a Profitable Cold Storage Facility

- The cold storage facility is one of our core business areas. It generates a surplus that is used to improve and upgrade the overall facility.

Increased Communications

- The Board has a Farmers' Market Tenant Advisory Committee and a Warehouse Tenant Advisory Committee. One of the Board members chairs each meeting. The Advisory Committees give the OFTB an opportunity to listen to tenant issues and bring those issues back to the Board and management.
- We continue to work with key industry associations such as the Ontario Produce Marketing Association, Canadian Produce Marketing Association, Ontario Fruit and Vegetable Growers Association and Agricultural Adaption Council. The OFTB is a member of the Ontario Produce Marketing Association, the Canadian Produce Marketing Association, Agricultural Adaption Council and Farm and Food Care.
- We use our social media accounts to promote awareness of the Terminal and to support the industry more broadly.

Increased Technology

- We continue to embrace information technologies that enable us to better fulfill our mandate. For example, we have a control access system that controls access to the Terminal

through access cards. Our fire alarm system is wired to the front gate, which allows us to pinpoint exactly where an issue is occurring. Our refrigeration is an automated system and one that is controlled remotely. The system sends us updated information on temperature and pressure and notifies us of any pressure or temperature issues. Over the past several years, we have eliminated paper reporting.

- While our model presents limited opportunity for expanding digital service offerings, we have sought to expand digital service offerings where possible. For example, buyers now have the option of renewing their buyer access card over email, in addition to the main gate and at our office. Invoices are sent out monthly, and payments can be made by direct deposit, by cheque or by debit.
- We continue to identify opportunities for minimizing our carbon footprint. In the last 10 years, we have reduced power consumption by 2 million kilowatt hours.

In addition to the above, the Board developed and began implementing a long-term asset management and capital improvement and growth plan, which includes several core areas of focus. These are:

1. Monitoring and making incremental improvements to existing assets: The Board replaced the second entry gate building to continue to ensure smooth vehicle entry to the Terminal. In addition, sections of the north and south roadway were paved to improve truck movement within the terminal.
2. Making large-scale investments in existing assets to maintain operations: The Board continued to repair sections of the parking deck to extend its useful life and replaced the second truck entry gate building.
3. Exploring the development of new assets to retain/attract clients: The Board continues to explore building a farmers' market building. Over the last few years, we held consultations with farmers' market stakeholders to help determine how and whether to proceed.
4. Exploring additional sources of revenue generation to help finance capital upgrades: For example, the Board is considering installing additional digital billboards on the property as another source of revenue.

2025-26 Performance Measures and Results

The Ontario Food Terminal continues to provide excellent customer service by responding to stakeholder needs quickly and by replying to phone or email messages within one business day. The warehouse units and office spaces were 100% rented, and the Board did not turn away any Ontario Growers that wanted to rent a stall to market their fruits, vegetables or agricultural products within the Farmers' Market area in the Terminal.

The volume of fruits and produce distributed through the Terminal for the 2025-26 fiscal year was 1,019,838 tons (2.04 billion pounds), which was an increase of 1.6% from the 2024-25 fiscal year.

The share of Ontario-grown fruits, vegetables and agricultural products sold at the Terminal accounts for approximately 35% to 40% of the total 1,019,838 tons distributed from the facility. The Board is continually promoting the entire facility, including the sale of Ontario-grown fruits, vegetables and agricultural products in the Farmers' Market, through tours, its website, and social media during the year.

Please see Appendix 1 for OFTB's complete list of performance measures and targets.

Risk Analysis

In our 2025-28 Business Plan, we identified several low to medium risks that might impact operations and revenue at the Terminal. While workplace safety and health continue to be an area that we are proactive in and monitor, the risk of another pandemic in the short term has been greatly reduced and concerns about disruption of services have decreased. The Board is aware that an unforeseen event, such as a power failure, road closures or labour disruptions, could disrupt our tenants' businesses. The Board reduces this risk by maintaining business continuity and contingency plans in place, ensuring the property is maintained and upgraded as needed and has business interruption insurance. Another area of potential risk that was identified was the potential for lack of quorum for the Board. Any new appointments of Board members would reduce this risk. We continue to reduce the risk of Board members having conflict of interest situations by, for example, providing training to new board members on conflict of interest.

Stakeholder Engagement and Outreach

During 2025-26, the Ontario Food Terminal Board continued to engage with government, industry, and community stakeholders through tours, meetings, and outreach activities. The Terminal hosted visitors from across the agri-food sector, providing opportunities to showcase its role in supporting Ontario's food distribution system and food security.

Highlights included:

- Hosting 23 stakeholder tours, including, Ontario Growers, independent grocers and restaurateurs, international trade delegations and the World Food Forum etc.
- Visits from provincial, federal, and municipal officials, such as Ontario Minister of Agriculture, Food and Agribusiness, various MPP's the Canadian Minister of Agriculture and Agri-Food, the Mayor of Toronto
- Engagement with industry associations and food sector representatives, including the Canadian Produce Marketing Association (CPMA), the Ontario Produce Marketing Association (OPMA), Canadian Federal of Independent Grocers, Public Markets Toronto, Farm and Food Care and the Ontario Flower Growers Co-Op.

- Educational tours for sector partners, post secondary culinary, vegetable production students and visitors.

Hon. Trevor Jones, Ontario Minister of Agriculture, Food and Agribusiness Tour

Hon. Heath McDonald, Canadian Minister of Agriculture and Agri-Food and the Hon. James Maloney, Canadian Member of Parliament Tour

Advanced Agricultural Leadership Program Tour

Analysis of Financial Performance

We have exceeded expectations with our Board approved budget over 2024-25. Compared to the projected revenues and expenses in our 2025-26 budget, our revenues were $17,881,972 ($1,387,175 or 5.8% more than projected) and our expenses were $15,939,593 ($493,073 or 4.9% more than projected).

Over this period, we also had higher revenue compared to the previous fiscal year. The Board had a net income of $1,942,379 in the 2025-26 fiscal year compared to a net income of $1,709,167 in the 2024/25 fiscal year. This represents a 13.6% increase from the previous year, which has been a result of a greater increase in revenue over the increase in operating costs at the Terminal. There was also a 5.8% increase in total revenues over the last fiscal year. Rental revenue increased by 3.4%, cold storage revenue increased by 12.7%, toll fees increased by 4.4% and buyer access tolls decreased very slightly by -.03% as overall demand from agrifood businesses increased.

During the 2025-26 fiscal year, there was an increase of 4.9% in total expenses compared to the prior fiscal year. The greatest increase in expenses was due to higher waste removal costs from rising prices and increased volume of waste generated by the tenants (26.6%). Other increases in labour (3.3%), realty taxes (20.8%), board expenses (24.2%), office (7.4%), insurance (5.4%), miscellaneous (35.7%) and hydro land rent expenses (12.0%) contributed to the year over year increase in expenses. Decreases in interest expenses, depreciation, operating supplies, repairs and maintenance, miscellaneous service contracts, fuel expenses, and legal fees helped offset the total increase in expenses.

Even though year-over-year expenses were 4.9% higher, the Board carefully managed its expenses within the year, and expenses were 3.2% greater than budgeted for the 2025-26 fiscal year, and revenues were 8.4% greater than budgeted. This resulted in the Board successfully managing its annual finances.

Capital expenditures for the year totalled $843,416. The main capital expenses for the year were roadway paving, enclosing the buyers' court corner docks, the replacement of 2 electrical cables between substations and the resurfacing of the buyers' court ramps.

Further information regarding the Board's financial performance and financial position is provided in the accompanying audited financial statements. The financial statements have been prepared by management in accordance with Canadian Public Sector Accounting Standards and include Management's Responsibility for Financial Statements, the Independent Auditor's Report, Statement of Financial Position, Statement of Revenues and Expenditures, Statement of Changes in Net Assets, Statement of Cash Flows, and Notes to the Financial Statements.

While inflationary pressures continue to affect certain operating costs, including waste management, labour, and utilities, the Board remains focused on managing expenditures, maintaining sufficient cash reserves, reducing debt, and investing strategically in infrastructure to support future operations.

Appendix I – Performance Measures and Target Plan

Outcomes	Key Performance Measures	Target 2026-29	Actual
Maintain a safe, functional, and compliant facility to ensure uninterrupted operations and stakeholder confidence	Annual safety inspection pass rate	100% compliance	2023/24 – Nov. 22, 2023 2024/25 – Dec. 2, 2024 2025/26 – Nov. 26, 2025
	Number of incidents at the Terminal per year	Less than 5 incidents per year	2023/24 – 2 Incidents 2024/25 – 1 Incident 2025/26 – 3 Incidents
	Compliance with applicable government acts and regulations	In compliance	2023/24 – In Compliance 2024/25 – In Compliance 2025/26 – In Compliance
Ensure uninterrupted, reliable service throughout the year	Operational availability	100% for tenants 300 / 365 days for buyers *The Ontario Food Terminal is closed to buyers on Saturdays and statutory holidays*	2023/24 – 100% Tenants – 100% Buyers 2024/25 – 100% Tenants – 100% Buyers 2025/26 – 100% Tenants – 100% Buyers
Maximize occupancy and utilization of Terminal spaces to support operational efficiency and revenue stability	Percentage of warehouse spaces rented per year	100%	2023/24 – 100% 2024/25 – 100% 2025/26 – 100%
	Percentage of office spaces rented per year	100%	2023/24 – 100% 2024/25 – 100% 2025/26 – 100%
	Utilization rate of farmers' market stalls per year	85% (due to seasonality and daily rentals)	2023/24 – 85% 2024/25 – 86% 2025/26 – 88%

	Average cold storage utilization rate per year	75%	2023/24 – 87% 2024/25 – 92% 2025/26 – 93%
	Average throughput in cold storage per year	≥ 125,000 pallets	2023/24 – 130,059 2024/25 – 144,163 2025/26 – 152,461
	Estimated annual volume throughput through the Ontario Food Terminal	2 billion pounds / 1 million tons	2023/24 – 1.18 billion pounds / 958,990 tons 2024/25 – 2.01 billion pounds / 1,004,035 tons 2025/26 – 2.04 billion pounds / 1,019,838 tons
	Number of registered buyers per year	≥ 4,000 Buyers	2023/24 – 4,332 Buyers 2024/25 – 4,221 Buyers 2025/26 – 4,286 Buyers
Enhance operational processes and resource efficiency to reducing costs, improve service delivery, and support sustainability of operations	Annual energy usage measured in Megawatts (MW)	< 14.7 MW	2023/24 – 14.95 MW 2024/25 – 14.76 MW 2025/26 – 14.90 MW
	Annual staff productivity *Measured as a percentage change in workforce size*	2026/27 – No Change	2023/24 – No Change 2024/25 – 2% Increase 2025/26 – 4% Reduction
	Number of services offered digitally (e.g., buyer registration, invoicing)	2026/27 – 2 Digital Services	2023/24 – 1 digital service 2024/25 – 2 digital services 2025/26 – 2 digital services
Achieve high levels of satisfaction among buyer and tenant groups	Number of days senior staff present on floor per year	260 days / year	2023/24 – 260 days 2024/25 – 260 days 2025/26 – 260 days
	Number of written complaints per year	< 5 / year	2023/24 – 0 complaints 2024/25 – 0 complaints

			2025/26 – 0 complaints
Maintain and strengthen the OFTB's financial position by achieving revenue and volume targets to support long-term-sustainability	Operate within annual budget	100%	2023/24 – 100% 2024/25 – 100% 2025/26 – 100%
	Operating cost ratio *(Operating expenses / total revenue) x 100*	< 92.0%	2023/24 – 89.9% 2024/25 – 91.7% 2025/26 – 89.1%
	Percentage of government funding provided to OFTB for operations per year	0%	2023/24 – 0% 2024/25 – 0% 2025/26 – 0%
Increase visibility and awareness of the Ontario Food Terminal among prospective clients, stakeholders, and the public	Number of trade shows attended per year	1 / year	2023/24 – 0 2024/25 – 0 2025/26 – 0
	Number of tours given per year	10 / year	2023/24 – 24 Tours 2024/25 – 20 Tours 2025/26 – 23 Tours
Enhance environmental sustainability and reduce noise impacts	Annual energy consumption per square foot (farmers' market and Food Terminal building)	34 Kwh / sq.ft.	2023/24 – 33.2 Kwh / sq.ft. 2024/25 – 33.1 Kwh / sq.ft. 2025/26 – 33.5 Kwh / sq.ft.
	Annual volume of waste diverted from landfill	≥ 200,000 pounds / year	2023/24 – 600,000 pounds 2024/25 – 150, 000 pounds 2025/26 – 275, 000 pounds
	Compliance with noise and emissions standards	In compliance	New for 2026/29

Ontario Food Terminal Board
Financial Statements
For the year ended March 31, 2026

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July 23, 2026

Management's Responsibility for Financial Information

Management of Ontario Food Terminal Board is responsible for the integrity, consistency, objectivity and reliability of the financial statements. These financial statements were prepared in accordance with Canadian public sector accounting standards, and management has exercised its judgement and made best estimates where appropriate, particularly when the transactions affecting the current accounting period cannot be finalized with certainty until future periods. Estimates and assumptions are based on historical experience, current conditions and various other assumptions believed to be reasonable in the circumstances.

Management is responsible for establishing and maintaining a system of internal controls designed to provide reasonable assurance that the financial records are relevant, reliable and accurate, and that assets are properly accounted for and safeguarded. The system includes formal policies and procedures and an organizational structure that provides for appropriate delegation of authority and segregation of responsibilities.

The Ontario Food Terminal Board oversees management's responsibilities for financial reporting through an Audit Committee, which is composed entirely of independent directors. This Committee reviews our financial statements and recommends them to the Board for approval. The Audit Committee is also responsible for reviewing our internal controls and advising the Board members on auditing matters and financial reporting issues.

The Office of the Auditor General, appointed by our legislation has audited the financial statements in accordance with Canadian generally accepted auditing standards, as stated in their Independent Auditor's Report. The Office of the Auditor General has full and unrestricted access to the Audit Committee to discuss their audit and related findings.

Bruce Nicholas
General Manager, Secretary Treasurer

Gianfranco Leo
Chief Financial Officer

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INDEPENDENT AUDITOR'S REPORT

To the Ontario Food Terminal Board and to the Minister of Finance

Opinion

I have audited the financial statements of the Ontario Food Terminal Board (OFTB), which comprise the statement of financial position as at March 31, 2026, and the statements of revenues and expenses, 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 my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the OFTB as at March 31, 2026 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the OFTB in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, 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 OFTB'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 the OFTB either intends to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 OFTB'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 OFTB's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the OFTB 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.

I 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 I identify during my audit.

Toronto, Ontario
July 23, 2026

Jeremy Blair, CPA, CA, LPA
Assistant Auditor General

Ontario Food Terminal Board
Statement of Financial Position

As at March 31	2026	2025
Assets		
Current assets		
Cash	$ 1,191,784	$ 579,297
Short-term investments (note 3)	5,469,172	4,293,950
Accounts receivable	1,202,049	1,190,493
Prepaid expenses	129,317	115,216
Total current assets	7,992,322	6,178,956
Capital assets (note 4)	38,169,736	39,441,957
Total assets	$ 46,162,058	$ 45,620,913
Liabilities and net assets		
Current liabilities		
Demand loans (note 5)	$ 7,143,994	$ 8,127,862
Accounts payable and accrued liabilities	856,363	1,235,039
Unearned revenue	1,151,262	1,200,816
Total current liabilities	9,151,619	10,563,717
Deferred capital contributions (note 6)	349,240	361,318
Asset retirement obligation (note 7)	518,436	495,494
Total liabilities	10,019,295	11,420,529
Net assets		
Invested in capital assets	30,707,054	30,983,329
Unrestricted	5,435,709	3,217,055
Total net assets	36,142,763	34,200,384
Total liabilities and net assets	$ 46,162,058	$ 45,620,913

Chair

Secretary Treasurer

The accompanying notes are an integral part of these financial statements.

Ontario Food Terminal Board
Statement of Revenues and Expenses

For the year ended March 31	2026	2025
Revenues		
Rent	**$ 12,152,019**	$ 11,749,297
Cold storage	**3,997,428**	3,548,020
Toll fees	**797,589**	763,898
Other income	**473,340**	383,973
Buyers access tolls	**461,596**	462,807
Total revenues	**17,881,972**	16,907,995
Expenses		
Salaries and benefits (note 8)	**4,711,809**	4,561,122
Waste removal	**3,650,018**	2,884,005
Amortization	**2,115,637**	2,149,622
Electric power	**2,062,036**	2,054,844
Realty and business taxes	**893,899**	739,792
Repairs and maintenance	**620,296**	699,746
Interest	**404,490**	627,835
Insurance	**462,704**	439,055
Supplies	**180,020**	201,071
Fuel	**161,755**	199,305
Contract services	**191,963**	197,200
Rent expense - hydro land	**147,808**	131,939
Office expenses	**127,113**	118,317
Water	**78,412**	78,278
Legal services	**49,231**	52,386
Board members' fees and expenses	**52,571**	42,331
Miscellaneous expenses	**29,831**	21,980
Total expenses	**15,939,593**	15,198,828
Excess of revenues over expenses for the year	**$ 1,942,379**	$ 1,709,167

The accompanying notes are an integral part of these financial statements.

Ontario Food Terminal Board
Statement of Changes in Net Assets

For the year ended March 31

	Unrestricted	Capital (Note 10)	Total 2026
Net assets, beginning of year	**$ 3,217,055**	**$ 30,983,329**	**$ 34,200,384**
Excess of revenues (deficiency) over expenses for the year	**4,045,938**	**(2,103,559)**	**1,942,379**
Investment in capital assets	**(1,827,284)**	**1,827,284**	**-**
Net assets, end of year	**$ 5,435,709**	**$ 30,707,054**	**$ 36,142,763**

	Unrestricted	Capital (Note 10)	Total 2025
Net assets, beginning of year	$ 2,123,702	$ 30,367,515	$ 32,491,217
Excess of revenues (deficiency) over expenses for the year	3,846,712	(2,137,545)	1,709,167
Investment in capital assets	(2,753,359)	2,753,359	-
Net assets, end of year	$ 3,217,055	$ 30,983,329	$ 34,200,384

The accompanying notes are an integral part of these financial statements.

Ontario Food Terminal Board
Statement of Cash Flows

For the year ended March 31	2026	2025
Cash flows from operating activities		
Excess of revenues over expenses for the year	**$ 1,942,379**	$ 1,709,167
Adjustments for non-cash items		
Amortization of capital assets	**2,115,637**	2,149,622
Recognition of previously deferred capital contributions	**(12,078)**	(12,077)
Accretion expense related to asset retirement obligation	**22,942**	19,753
Changes in working capital items:		
(Increase) decrease in accounts receivable	**(11,556)**	(88,615)
(Increase) decrease in prepaid expenses	**(14,101)**	(44,324)
Increase (decrease) in accounts payable and accrued liabilities	**(378,676)**	129,013
Increase (decrease) in unearned revenue	**(49,554)**	225,264
Net cash flows from operating activities	**3,614,993**	4,087,803
Cash flows from capital activities		
Purchase of capital assets	**(843,416)**	(944,492)
Cash flows from investing activities		
Purchases of short-term investments	**(5,469,172)**	(4,293,950)
Proceeds from short-term investments	**4,293,950**	2,325,000
Net cash flows used in investing activities	**(1,175,222)**	**(1,968,950)**
Cash flows from financing activities		
Repayment of demand loans	**(983,868)**	(1,808,867)
Net increase (decrease) in cash	**612,487**	(634,506)
Cash, beginning of year	**579,297**	1,213,803
Cash, end of year	**$ 1,191,784**	$ 579,297

The accompanying notes are an integral part of these financial statements.

1. Nature of operations

The Ontario Food Terminal Board ("the Board"), a government agency of the Province of Ontario, was incorporated without share capital pursuant to the *Ontario Food Terminal Act.* The objectives of the Board include to acquire, construct, equip and operate a wholesale market primarily for agricultural products in the City of Toronto. In addition, the Board oversees the acquisition and operation of such facilities for the transportation and handling of agricultural products as may be necessary for the purposes of the Terminal and promotes local food within the meaning of the *Local Food Act, 2013.* To meet these objectives, the Board leases land and buildings to wholesalers and growers. The Board is a not-for-profit board-governed provincial agency of the Ministry of Agriculture, Food and Agribusiness and as such, is exempt from income taxes.

2. Significant accounting policies

a. Basis of accounting

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards, including the 4200 series of standards for government not-for-profit organizations.

The net assets of the Board are presented and accounted for as follows:

- Unrestricted - Represents the cumulative net assets of operating revenue over expenses
- Invested in Capital Assets - Represents the net investment in the Board's capital assets, as described in Note 4. Amounts required for the purchase of capital assets are transferred from unrestricted net assets to invested in capital assets.

A statement of remeasurement gains and losses has not been presented as there is nothing to report therein.

b. Measurement uncertainty

The preparation of financial statements in accordance with Canadian Public Sector Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Significant areas requiring significant estimates include the useful lives of capital assets, asset retirement obligations and accrued liabilities.

2. Significant accounting policies (continued)

c. Revenue recognition

Revenue from transactions with performance obligations are recognized when performance obligations have been satisfied by providing the promised goods or services to the payor. The portion of the transaction price allocated to the performance obligation that has been satisfied is recognized as revenue.

Rental revenue is recognized on a straight-line basis over the term of the lease. Cold storage revenue is recognized over time based on the number of days the cold storage facility has been utilized and the number of pallets used. Toll entrance revenue is recognized at a point in time when access to the terminal is granted to the sellers. Buyer access revenue is recognized on a straight-line basis over the term of the buyer card validity period.

Unearned revenue is generated from the prepayment of rent, stall rentals, parking rentals, buyers' access cards and office rentals and is recognized as revenue on a straight-line basis over the rental term.

Other income primarily consists of interest income and billboard rent revenue and is recognized as revenue when earned and the amount is estimable and collection is reasonably assured.

d. Expenses

Expenses are recorded on an accrual basis. Expenses are recognized in the fiscal year when the events give rise to the expenses occur and resources are consumed. Expenses are reported net of recoverable sales tax.

e. Capital assets

Capital assets are recorded at cost, less accumulated amortization and write-downs, if any. The historical cost of capital assets includes the cost directly related to the acquisition, design, construction, development, improvement or betterment, as well as the estimated cost to settle liabilities for asset retirement obligations.

Amortization begins when capital assets are available for use (i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management). Amortization of construction-in-progress will commence when the construction is substantially complete and put into use.

Capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

Land improvements	10 to 30 years
Buildings	10 to 40 years
Equipment	5 to 20 years
Parking deck and retaining wall	4 to 40 years

The Board reviews the carrying amounts, amortization and useful lives of its capital assets regularly. Capital assets are written down when conditions indicate that they no longer contribute the Board's ability to provide services, or when the value of future economic benefits associated with the capital assets is less than their net book value. The write-downs are accounted for as expenses in the statement of revenues and expenses.

2. Significant accounting policies (continued)

f. Asset retirement obligations

A liability for an asset retirement obligation is recognized when there is a legal obligation to incur retirement costs in relation to a tangible capital asset; the past transaction or event giving rise to the liability has occurred; it is expected that future economic benefits will be given up; and a reasonable estimate of the amount can be made.

Asset retirement obligations are initially measured as of the date the legal obligation was incurred, based on management's best estimate of the amount required to retire tangible capital assets. When the cash flows required to settle the asset retirement obligation are expected to occur over extended future periods, a present value technique is used to estimate the liability. The best estimate of the liability includes all costs directly attributable to asset retirement activities based on information available at year end.

Upon the initial measurement of an asset retirement obligation, a corresponding asset retirement cost is added to the carrying value of the related tangible capital asset if it is still in productive use. This cost is amortized over the useful life of the tangible capital asset. If the related tangible capital asset is unrecognized or no longer in productive use, the asset retirement costs are expensed.

At each financial reporting date, the Board reviews the carrying amount of the liability and recognizes period-to-period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from revisions to timing, amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related tangible capital asset. The Board continues to recognize the liability until settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

g. Short-term investments

Short-term investments are comprised of Guaranteed Investment Certificates issued by Canadian chartered banks with terms of maturity of 90 days to one year.

h. Financial instruments

Financial assets and financial liabilities are recognized on the statement of financial position when the Board becomes a party to the contractual provisions of the instrument.

The Board initially measures its financial assets and financial liabilities at acquisition cost, including transaction costs that are directly attributable to the acquisition or issuance. The Board subsequently measures all its financial assets and liabilities at cost or amortized cost.

Financial assets measured at cost or amortized cost include cash, short-term investments and accounts receivable. Financial liabilities measured at amortized cost include demand loans and accounts payable and accrued liabilities.

2. Significant accounting policies (continued)

h. Financial instruments (continued)

Financial assets at amortized cost are subject to impairment. At each financial statement date, the Board assesses financial assets to determine whether there is any objective evidence of impairment. If there is an indication of impairment, the Board determines whether there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Board expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value. Impairments are recognized through the use of an allowance account, with a corresponding charge in the statement of revenues and expenses.

3. Short-term investments

Short-term investments are redeemable Guaranteed Investment Certificates bearing interest rates at 2.50% and 2.35% (2025 - 3.55% and 4.50%) per annum and maturing in June and September 2026 (2025 - June and September 2025).

4. Capital assets

	2026		
	Cost	Accumulated amortization	Net book value
Land	$ 275,604	$ -	$ 275,604
Land improvements	7,137,036	2,378,826	4,758,210
Buildings	56,432,980	27,712,410	28,720,570
Equipment	6,465,670	4,651,181	1,814,489
Parking deck and retaining wall	9,149,964	6,671,501	2,478,463
Construction-in-progress	122,400	-	122,400
Total	**$ 79,583,654**	**$ 41,413,918**	**$ 38,169,736**

	2025		
	Cost	Accumulated amortization	Net Book value
Land	$ 275,604	$ -	$ 275,604
Land improvements	6,926,036	2,158,700	4,767,336
Buildings	55,967,019	26,394,884	29,572,135
Equipment	6,453,896	4,420,700	2,033,196
Parking deck and retaining wall	9,129,788	6,406,752	2,723,036
Construction-in-progress	70,650	-	70,650
Total	$ 78,822,993	$ 39,381,036	$ 39,441,957

During the year, fully amortized assets with a total cost of $82,755 were written off (2025 - $211,425).

During the year, $341,195 (2025 - $628,636) was transferred from construction-in-progress to buildings of $341,195 (2025 - $40,626) and parking deck and retaining wall of $nil (2025 - $588,010).

5. Demand loans

Demand loans comprise the following:

	2026	2025
Demand loan, non-revolving with a maximum borrowing amount of $2,681,641, (2025 - $2,681,641), bearing interest at prime plus 25 bps, maturing June 2028 with monthly repayments of $24,378, principal plus interest; this loan is primarily used to finance capital expenditures.	**$ 633,890**	$ 926,426
Demand loan, non-revolving with a maximum borrowing amount of $7,847,731 (2025 - $7,847,731), bearing interest at prime plus 25 bps, maturing February 2030 with monthly repayments of $40,662, principal plus interest commencing no later than April 30, 2015, interest only monthly payments during construction of capital assets; this loan is primarily used to finance capital expenditures.	**4,432,138**	4,920,080
Demand loan, non-revolving with a maximum borrowing amount of $4,000,000 (2025 - $4,000,000), bearing interest at prime plus 25 bps, maturing January 2039 with monthly repayments of $16,950, principal plus interest; this loan is solely used to finance the cost for the compactor station and cold storage receiving area.	**2,077,966**	2,281,356
Total demand loans	**$ 7,143,994**	$ 8,127,862

All of the above loan facilities are supported by a Letter of Undertaking not to sell, further mortgage or otherwise encumber property located at 165 The Queensway, Etobicoke, Ontario.

As at March 31, 2026, there were externally imposed debt covenants with respect to the Board's external bank loans. All covenants were complied with as at March 31, 2026 (March 31, 2025 - all complied).

The Board also has access to a $1,000,000 demand revolving facility bearing interest at the prime rate and can be used for the daily operating and working capital needs of the Board. As of March 31, 2026, the Board has utilized $Nil (2025 - $Nil) of this facility.

5. Demand loans (continued)

Principal repayments relating to the demand loans over the next five years and thereafter are as follows:

Fiscal Year	Principal repayments
2027	$ 983,868
2028	983,868
2029	740,088
2030	691,332
2031	691,332
Thereafter	3,053,506
Total	$ 7,143,994

Interest expense relating to the above demand loans was $381,549 (2025 - $608,082).

6. Deferred capital contributions

Deferred capital contributions represent the unamortized amount of grants and other contributions received or receivable for the purchase of capital assets. The amortization of capital contributions is recorded as revenue in the statement of revenues and expenses and is amortized in relation to the capital asset to which it relates.

In 2011, The Board received a one-time capital contribution of $500,000 from the Ontario Ministry of Agriculture, Food and Rural Affairs. The related asset was substantially complete and ready for use in fiscal 2015, at which point the Board commenced amortizing the capital contribution into revenue and is included in other income in the statement of revenues and expenses.

The changes in deferred capital contributions balance are as follows:

	2026	2025
Deferred capital contributions, beginning of year	$ 361,318	$ 373,395
Amortization to deferred capital contributions	(12,078)	(12,077)
Deferred capital contributions, end of year	$ 349,240	$ 361,318

7. Asset retirement obligation

The Board's financial statements include an asset retirement obligation for the removal of asbestos in its buildings. Upon retirement of these buildings, the Board is required to remove asbestos in a prescribed manner pursuant to provincial legislation and associated regulations. The estimated asset retirement costs have been determined by management with the assistance of consulting engineering firms and historical experience with remediation activities. The liability has been estimated using a net present value technique with a discount rate of 4.63% (2025 - 4.15%). The estimated total undiscounted future expenditures are $637,150 (2025 - $617,692), which are expected to be incurred at the end of the estimated useful lives of the buildings, which is approximately 27 years. The liability for all retirement obligations is expected to be settled by the end of 2053.

The related asset retirement costs are being amortized on a straight-line basis over the estimated useful life of the building.

The following table is a reconciliation of the beginning and ending aggregate carrying amount of the asset retirement obligation:

	2026	2025
Asset retirement obligation, beginning of year	$ 495,494	$ 475,741
Increase due to accretion expense	22,942	19,753
Asset retirement obligation, end of year	**$ 518,436**	$ 495,494

8. Self-directed Registered Retirement Savings Plan (RRSP)

The Board offers its full-time employees a self-directed RRSP, whereby employees with over two years of service contribute a minimum of 2.5% of their pay, employees with over five years of service contribute a minimum of 5% of their pay and employees with over fifteen years of service contribute a minimum of 6% of their pay. The Board contributes a matching amount. The expense for the year under this RRSP was $112,283 (2025 - $110,858) and is included in salaries and benefits expense.

9. Commitments

The Board leases land for vehicle parking space and office equipment under operating leases. The future annual minimum lease payments are as follows:

Year	Amount
2027	$ 226,018
2028	236,345
2029	204,665
2030	143,988
2031	107,991
	$ 919,007

10. Investment in capital assets

A. Investments in capital assets represent the following:

	2026	2025
Capital assets (note 4)	**$ 38,169,736**	$ 39,441,957
Less amounts financed by:		
Demand loans (note 5)	**7,143,994**	8,127,862
Deferred capital contributions	**318,689**	330,766
Balance, end of year	**$ 30,707,053**	$ 30,983,329

B. Change in net assets invested in capital assets is calculated as follows:

	2026	2025
Excess of revenues (deficiency) over expenditures:		
Amortization of DCC	**$ 12,078**	$ 12,077
Amortization of capital assets	**(2,115,637)**	(2,149,622)
	(2,103,559)	(2,137,545)
Net change in investment in capital assets:		
Purchase of capital assets	**843,416**	944,492
Repayment of demand loans	**983,868**	1,808,867
	1,827,284	2,753,359
	$ (276,275)	$ 615,814

11. Financial instrument risks

The Board holds instruments that are subject to credit risk, liquidity risk and interest rate risk.

Credit risk
Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Board is exposed to credit risk on its cash, short-term investments and trade receivables. The carry amount of these assets as presented in the statement of financial position represents the maximum credit risk exposure as at the date of the financial statements. The Board places its cash in interest bearing accounts and instruments insured (up to a certain limit) by a Canadian chartered bank, or in highly liquid investments that are readily convertible into known amounts of cash.

The Board, in the normal course of business, is exposed to credit risk from its customers. This risk is mitigated by thorough and rigorous credit approval procedures.

Included in the total account receivable balance of $1,202,049 (2025 - $1,190,493) is trade receivable of $637,011 (2025 - $615,895).

As at March 31, 2026, the age of trade receivables that are past due but not impaired are as follows:

2026	**<30 days**	**30-60 days**	**>60-90 days**	**Over 90 days**	**Total**
Trade receivables	$439,927	$136,717	$30,953	$29,414	$637,011

2025	<30 days	30-60 days	>60-90 days	Over 90 days	Total
Trade receivables	$462,420	$118,816	$17,009	$17,650	$615,895

Management believes the Board's credit risk is low.

11. Financial instrument risk (continued)

Liquidity risk

Liquidity risk is the risk an entity will encounter difficulty in meeting obligations associated with financial liabilities as they come due. To manage liquidity risk, the Board monitors its operations and cash flows to ensure sufficient resources exist to meet its obligations. All the Board's investments can be quickly liquidated at amounts close to their fair value in order to meet liquidity requirements.

The table below is a maturity analysis of the Board's financial liabilities as at March 31, 2026:

2026	**Up to 6 months**	**Between 6 months and 1 year**	**More than 1 year up to 5 years**	**More than 5 years**	**Total**
Accounts payable and accrued liabilities	$ 856,363	$ -	$ -	$ -	$ 856,363
Demand loans	491,934	491,934	3,106,618	3,053,508	7,143,994
	$ 1,348,297	**$ 491,934**	**$ 3,106,618**	**$ 3,053,508**	**$ 8,000,357**

2025	Up to 6 months	Between 6 months and 1 year	More than 1 year up to 5 years	More than 5 years	Total
Accounts payable and accrued liabilities	$ 1,235,039	$ -	$ -	$ -	$ 1,235,039
Demand loans	491,934	491,934	3,399,156	3,744,838	8,127,862
	$ 1,726,973	$ 491,934	$ 3,399,156	$ 3,744,838	$ 9,362,901

The demand loans' maturity analyses above represent scheduled repayments.

Interest rate risk

Interest rate risk arises from fluctuations in interest rates and the degree of volatility of those rates. The Board has demand loans that bear variable interest based on the prime interest rate; therefore, the Board is exposed to interest rate cash flow risk as the required cash flows to service the obligations will fluctuate as a result of changes in the market rates. The Board mitigates interest rate risk through its ability to charge its tenants and recover any additional costs incurred.

The above risks have not changed from the prior year.

12. Contractual rights

Contractual rights are rights to economic resources arising from contracts or agreements that will result in revenues and assets in the future. The Board's contractual rights arise from contracts entered into for the lease of land and buildings to warehouse unit tenants. The leases end at different points in time with the longest effective until 2044. The amount of future revenue from these leases is equal to the actual amounts expended by the Board for taxes, operating and maintenance expenses and other costs and charges relating to the upkeep and operation of the rented units under lease.

13. Contingent liabilities

In the normal course of business, various claims and litigious matters are pending by and against the Board. In the opinion of the Board's management, these claims will not materially affect the Board's financial position, although no assurance can be given with respect to the ultimate outcome of such claims. Any potential settlements will be recorded when a liability is likely and an amount can be reasonable estimated.