

CHURCHES BY THE BLUFFS COMMUNITY SERVICES

FINANCIAL STATEMENTS

April 30, 2013

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INDEPENDENT AUDITOR'S REPORT

To Members of Churches By The Bluffs Community Services

I have audited the accompanying financial statements of Churches By The Bluffs Community Services, which comprise the balance sheet as at April 30, 2013, and the statements of revenue, expenses and net assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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.

Auditor's responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Churches By The Bluffs Community Services as at April 30, 2013, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Toronto, Canada
June 8, 2013


Chartered Accountant

Churches By The Bluffs Community Services

Statement of Revenue, Expenses and Net Assets

for the year ended April 30, 2013
(with comparative amounts for the year ended April 30, 2012)

| | 2013 | 2012 |
|-----------------------------------|------------------|------------------|
| Revenue | | |
| Donations - Individuals | \$ 42,645 | \$ 36,574 |
| Churches | 25,157 | 21,410 |
| Other | <u>8,378</u> | <u>8,806</u> |
| | <u>76,180</u> | <u>66,790</u> |
| Expenses | | |
| Program expense | 56,369 | 49,153 |
| Insurance | 1,260 | 2,051 |
| Depreciation | 3,807 | 3,051 |
| Facility use | 11,000 | 11,000 |
| Office and general | <u>12,149</u> | <u>13,440</u> |
| | <u>84,585</u> | <u>78,695</u> |
| Excess of (expenses over revenue) | <u>(8,405)</u> | <u>(11,905)</u> |
| Net assets, beginning of year | <u>27,857</u> | <u>39,762</u> |
| Net assets, end of year | <u>\$ 19,452</u> | <u>\$ 27,857</u> |

Churches By The Bluffs Community Services

Balance Sheet

April 30, 2013

(with comparative amounts for 2012)

ASSETS

| | 2013 | 2012 |
|-------------------------------|------------------|------------------|
| Cash | \$ 8,060 | \$ 23,489 |
| Term deposit | 2,864 | 2,813 |
| Accounts receivable | 1,702 | 852 |
| Prepaid insurance | <u>654</u> | <u>654</u> |
| | 13,280 | 27,808 |
| Equipment | | |
| Refrigeration and equipment | 57,785 | 57,785 |
| Shelving and other | 26,652 | 20,833 |
| | | |
| Less accumulated depreciation | <u>(78,265)</u> | <u>(74,458)</u> |
| | <u>6,172</u> | <u>4,160</u> |
| | <u>\$ 19,452</u> | <u>\$ 31,968</u> |

LIABILITIES & NET ASSETS

| | | |
|------------------|------------------|------------------|
| Accounts payable | \$ _____ | \$ 4,111 |
| Net assets | <u>\$ 19,452</u> | <u>\$ 27,857</u> |

Approved on behalf of the Board

Gail Berkic, Director A. Moore, Director

Churches By The Bluffs Community Services

Statement of Cash Flow

for the year ended April 30, 2013
(with comparative amounts for the year ended April 30, 2012)

| | 2013 | 2012 |
|---|------------------|------------------|
| Excess of (expenses over revenue) | \$ (8,405) | \$ (11,905) |
| Add back depreciation | 3,807 | 3,051 |
| (Increase) in accounts receivable | (850) | 313 |
| (Decrease) in accounts payable | (4,111) | 4,111 |
| Decrease in prepaid expenses | _____ | <u>761</u> |
| Cash (used in) operations | (9,559) | (3,669) |
| Purchase of equipment | <u>(5,819)</u> | _____ |
| (Decrease) in cash and term deposit | (15,378) | (3,669) |
| Cash and term deposit, beginning of year | <u>26,302</u> | <u>29,971</u> |
| Cash and term deposit, end of year | <u>\$ 10,924</u> | <u>\$ 26,302</u> |

Churches By The Bluffs Community Services

Notes to Financial Statements

April 30, 2013

1. Organization and Purpose

Churches By The Bluffs Community Services was is incorporated on June 18, 2003 without share capital under the laws of Ontario. The organization provides food bank and support services for persons of low income. It is a registered charity under the Income Tax Act (Canada) and accordingly, no provision for income tax is made in these statements.

2. Significant Accounting Policies

Contributions

Contributions and donations are recorded when received..

Fixed Assets

Equipment with a cost of \$200 or more is capitalized and depreciated over five years on a straight line basis.

3. Financial Instruments

The organization's financial instruments consist of cash, term deposits and accounts payable. It is management's opinion that the organization is not exposed to significant interest, currency or credit risks arising from these financial instruments.

4. Facility fee

In fiscal 2013, the organization paid \$11,000 to Birchcliff Bluffs United Church for the use of the church's facility for the operation of the organization's food bank. The current agreement with the church requires the organization to pay \$850 per month which includes an estimate for utilities which are subject to adjustment.