

**CHURCHES BY THE BLUFFS COMMUNITY SERVICES**

**FINANCIAL STATEMENTS**

**April 30, 2006**

*Brian M. Jones*, M.B.A., C.A.

27 Bracken Avenue, Toronto ON M4E 1N4 (416) 694-3633

## Auditor's Report

### To the Members of Churches By The Bluffs Community Services


I have audited the balance sheet of the Churches By The Bluffs Community Services as at April 30, 2006 and the statements of revenue, expenses and net assets, and cash flow for the year then ended. These financial statements are the responsibility of the Organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

Except as outlined in the following paragraph, I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many charitable organizations, the Organization derives revenue from corporate and individual contributions, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, my verification of these revenues was limited to the amounts recorded in the records of the Organization and I was not able to determine whether any adjustments might be necessary to contribution revenue, excess of revenue over expenses, assets and surplus.

In my opinion, except for the effect of adjustments, if any, which I might have determined to be necessary had I been able to satisfy myself concerning the completeness of the contributions referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Organization as at April 30, 2006 and the results of its operations for the period then ended in accordance with generally accepted accounting principles.

Toronto  
June 16, 2006

  
Chartered Accountant

**Churches By The Bluffs Community Services**

Balance Sheet

April 30, 2006

(with comparative amounts for 2005)

**ASSETS**

	2006	2005
Cash	\$ 4,346	\$ 2,977
Term deposit	2,557	2,531
Accounts receivable	507	
Prepaid rent		300
Prepaid insurance	<u>1,354</u>	<u>1,343</u>
	8,764	7,151
Equipment		
Refrigeration	11,455	11,455
Shelving and other	5,365	2,845
Less accumulated depreciation	<u>(8,153)</u>	<u>(4,789)</u>
	<u>8,667</u>	<u>9,511</u>
	<u>\$ 17,431</u>	<u>\$ 16,662</u>

**LIABILITIES & NET ASSETS**

Accounts payable	<u>\$ 731</u>	<u>\$ -</u>
Net assets	<u>16,700</u>	<u>16,662</u>
	<u>\$ 17,431</u>	<u>\$ 16,662</u>

Approved on behalf of the Board

\_\_\_\_\_, Director      \_\_\_\_\_, Director

**Churches By The Bluffs Community Services**

Statement of Revenue, Expenses and Net Assets

for the year ended April 30, 2006  
(with comparative amounts for the year ended April 30, 2005)

	2006	2005
Revenue		
Donations - Individuals	\$ 26,943	\$ 13,764
Churches	22,234	17,422
Other	<u>5,066</u>	<u>1,485</u>
	<u>54,243</u>	<u>32,671</u>
Expenses		
Food purchases	39,224	20,202
Insurance	2,432	2,349
Depreciation	3,364	2,860
Facility use	3,050	2,200
Office and general	<u>6,135</u>	<u>4,244</u>
	<u>54,205</u>	<u>31,855</u>
Excess of revenue over expense	<u>38</u>	<u>816</u>
Net assets, beginning of year	<u>16,662</u>	<u>15,846</u>
Net assets, end of year	<u>\$ 16,700</u>	<u>\$ 16,662</u>

**Churches By The Bluffs Community Services**

Statement of Cash Flow

for the year ended April 30, 2006  
(with comparative amounts for the year ended April 30, 2005)

	2006	2005
Excess of revenue over expenses	\$ 38	\$ 816
Add back depreciation	3,364	2,860
(Increase) in accounts receivable	(507)	
Increase in accounts payable	731	
Decrease in prepaid expenses	<u>289</u>	<u>(354)</u>
Cash from operations	3,915	3,322
Purchase of equipment	<u>(2,520)</u>	<u>(4,654)</u>
(Decrease) increase in cash and term deposit	1,395	(1,332)
Cash and term deposit, beginning of year	<u>5,508</u>	<u>6,840</u>
Cash and term deposit end of year	<u>\$ 6,903</u>	<u>\$ 5,508</u>

## **Churches By The Bluffs Community Services**

### Notes to Financial Statements

April 30, 2006

#### 1. Organization and Purpose

Churches By The Bluffs Community Services was 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

The organization pays a monthly fee of \$500 to Birchcliff Bluffs United Church for the use of the church's facility for the operation of the organization's food bank up to June 2006. At this time, the organization will be moving temporarily into another facility, for which similar fees are anticipated.