

CHURCHES BY THE BLUFFS COMMUNITY SERVICES

FINANCIAL STATEMENTS

April 30, 2007

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

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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, 2007 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, 2007 and the results of its operations for the period then ended in accordance with generally accepted accounting principles.

Toronto
June 12, 2007



Chartered Accountant
Licensed Public Accountant

Churches By The Bluffs Community Services

Balance Sheet

April 30, 2007

(with comparative amounts for 2006)

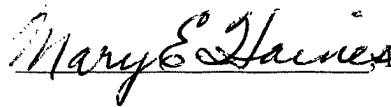
ASSETS

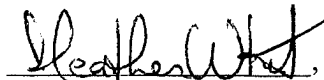
	2007	2006
Cash	\$ 11,644	\$ 4,346
Term deposit	27,565	2,557
Accounts receivable	3,269	507
Prepaid insurance	<u>1,341</u>	<u>1,354</u>
	43,819	8,764
Equipment		
Refrigeration and equipment	56,681	11,455
Shelving and other	6,680	5,365
Less accumulated depreciation	<u>(20,825)</u>	<u>(8,153)</u>
	<u>42,536</u>	<u>8,667</u>
	\$ 86,355	\$ 17,431

LIABILITIES & NET ASSETS

Accounts payable	\$ <u>850</u>	\$ <u>731</u>
Net assets	<u>85,505</u>	<u>16,700</u>
	\$ 86,355	\$ 17,431

Approved on behalf of the Board

 Director

 Director

Churches By The Bluffs Community Services

Statement of Cash Flow

for the year ended April 30, 2007
(with comparative amounts for the year ended April 30, 2006)

	2007	2006
Excess of revenue over expenses	\$ 68,805	\$ 38
Add back depreciation	12,672	3,364
(Increase) in accounts receivable	(2,762)	(507)
Increase in accounts payable	119	731
Decrease in prepaid expenses	<u>13</u>	<u>289</u>
Cash from operations	78,847	3,915
Purchase of equipment	<u>(46,541)</u>	<u>(2,520)</u>
Increase in cash and term deposit	32,306	1,395
Cash and term deposit, beginning of year	<u>6,903</u>	<u>5,508</u>
Cash and term deposit end of year	<u>\$ 39,209</u>	<u>\$ 6,903</u>

Churches By The Bluffs Community Services

Notes to Financial Statements

April 30, 2007

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

In fiscal 2007, the organization paid \$1,500 to Birchcliff Bluffs United Church for the use of the church's facility for the operation of the organization's food bank up to July 2006. At this time, the organization moved into temporary facilities. In May, 2007, the organization moved back to the church and entered into a new agreement whereby it will pay \$500 per month plus utilities.

5 Renovation and transition costs

In July, 2006, the organization moved into temporary facilities while Birchcliff Bluffs United Church underwent significant renovations. As part of this, the organization received a Trillium grant for \$100,000 to enable it to purchase new equipment and assist with the renovations at the church to improve the facilities. The organization also received \$14,624 from the Daily Bread Food Bank to assist in the re-location / transition costs.

The expenditures in fiscal 2007 for renovations and new equipment were \$73,049 and for re-location / transition were \$27,841. After the year end, the organization moved back to its renovated facilities.