

**CHURCHES BY THE BLUFFS COMMUNITY SERVICES**

**FINANCIAL STATEMENTS**

**April 30, 2016**

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

27 Bracken Avenue, Toronto M4E 1N4 (416) 694-3633 [bmjones.ca@sympatico.ca](mailto:bmjones.ca@sympatico.ca)

## 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, 2016, 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.

### Basis for Qualified Opinion

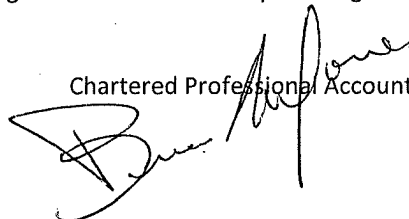
Churches By The Bluffs Community Services derives a material amount of revenue from donations. I was not able to obtain sufficient appropriate audit evidence about the completeness of the reported amounts for donation and other revenue. Consequently, I was unable to determine whether any adjustments to these accounts were necessary.

### Opinion

In my opinion, except for the effects of the matter described in the Basis of Qualified Opinion paragraph, these financial statements present fairly, in all material respects, the financial position of Churches By The Bluffs Community Services as at April 30, 2016, 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 20, 2016

Chartered Professional Accountant



**Churches By The Bluffs Community Services**

Balance Sheet

April 30, 2016

(with comparative amounts for 2014)

**ASSETS**

	2016	2015
Cash	\$ 21,986	\$ 27,660
Term deposit	3,108	2,995
Accounts receivable	1,390	1,152
Prepaid insurance	<u>717</u>	<u>667</u>
	27,201	32,474
Equipment		
Refrigeration and equipment	62,610	62,610
Shelving and other	27,048	26,652
Less accumulated depreciation	<u>(85,764)</u>	<u>(84,594)</u>
	<u>3,894</u>	<u>4,668</u>
	<u>\$ 31,095</u>	<u>\$ 37,142</u>

**LIABILITIES & NET ASSETS**

Accounts payable	\$ _____	\$ _____
Net assets	<u>\$ 31,095</u>	<u>\$ 37,142</u>

Approved on behalf of the Board

Gail Bartke, Director \_\_\_\_\_, Director

## Churches By The Bluffs Community Services

### Statement of Revenue, Expenses and Net Assets

for the year ended April 30, 2016  
(with comparative amounts for the year ended April 30, 2015)

	2016	2015
Revenue		
Donations - Individuals	\$ 27,365	\$ 40,525
Churches	29,511	30,493
Other	<u>21,696</u>	<u>24,415</u>
	<u>78,572</u>	<u>95,433</u>
Expenses		
Program expense	57,678	46,470
Insurance	1,330	1,348
Depreciation	1,170	3,629
Facility use	10,200	12,099
Office and general	<u>14,241</u>	<u>14,138</u>
	<u>84,619</u>	<u>77,684</u>
(Excess) of expenses over revenue	<u>(6,047)</u>	<u>17,749</u>
Net assets, beginning of year	<u>37,142</u>	<u>19,393</u>
Net assets, end of year	<u>\$ 31,095</u>	<u>\$ 37,142</u>

**Churches By The Bluffs Community Services**

Statement of Cash Flow

for the year ended April 30, 2016  
(with comparative amounts for the year ended April 30, 2015)

	<b>2016</b>	<b>2015</b>
(Excess) of expenses over revenue	\$ (6,047)	\$ 17,749
Add back depreciation	1,170	3,629
(Increase) in accounts receivable	(238)	54
(Increase) in prepaid expenses	<u>(50)</u>	<u>      </u>
Cash used in operations	(5,165)	21,432
Purchase of equipment	<u>(396)</u>	<u>(2,413)</u>
(Decrease) in cash and term deposit	(5,591)	19,019
Cash and term deposit, beginning of year	<u>30,655</u>	<u>11,636</u>
Cash and term deposit, end of year	<u>\$ 25,094</u>	<u>\$ 30,655</u>

## Churches By The Bluffs Community Services

### Notes to Financial Statements

April 30, 2016

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 2016, the organization paid \$10,200 to Birchcliff Bluffs United Church for the use of the church's facility for the operation of the organization's food bank (2015- \$12,099). The current agreement with the church requires the organization to pay \$850 per month plus an adjustment for utilities and other office costs.