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**FORT YORK FOOD BANK, A NON-PROFIT CORPORATION**

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**FINANCIAL STATEMENTS**

**MARCH 31, 2008**



**SAEED & SPERDUTI**  
*Chartered Accountants*



## AUDITORS' REPORT

To the Members of  
the Fort York Food Bank, A Non-Profit Corporation

We have audited the statement of financial position of the Fort York Food Bank, A Non-Profit Corporation as at March 31, 2008, and the statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we 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 Corporation derives revenue from public donations the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to donation revenues, deficiency of revenues over expenses, assets and net assets.

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the donations referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2008 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

SAEED & SPERDUTI  
CHARTERED ACCOUNTANTS  
Licensed Public Accountants

Toronto, Ontario  
August 31, 2008

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# FORT YORK FOOD BANK, A NON-PROFIT CORPORATION

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## STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2008

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	2008	2007
<b>ASSETS</b>		
<b>Current:</b>		
Cash	\$ 15,365	\$ 24,972
Accounts receivable	6,118	11,820
Prepaid expenses	4,264	4,765
	<hr/>	<hr/>
	\$ 25,747	\$ 41,557

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### LIABILITIES AND NET ASSETS (DEFICIENCY)

<b>Current:</b>		
Accounts payable and accrued liabilities	\$ 11,860	\$ 33,154
Deferred revenue (Note 5)	7,000	18,390
	<hr/>	<hr/>
	18,860	51,544
<b>Net assets (deficiency)</b>	<hr/>	<hr/>
	6,887	(9,987)
	<hr/>	<hr/>
	\$ 25,747	\$ 41,557

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Approved by the Board:

  
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Director

See accompanying notes to the financial statements.



SAEED & SPERDUTI  
Chartered Accountants

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# FORT YORK FOOD BANK, A NON-PROFIT CORPORATION

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## STATEMENT OF OPERATIONS FOR THE YEAR ENDED MARCH 31, 2008

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	2008	2007
<b>Revenues:</b>		
Donations and special events	\$ 67,196	\$ 44,787
Funding	43,280	37,773
	<hr/> 110,476	<hr/> 82,560
<b>Expenses:</b>		
Occupancy	43,255	41,246
Project management	36,080	28,898
Program supplies	4,437	2,464
Fundraising	3,197	2,465
Professional fees	2,920	2,834
Transportation subsidies	1,875	1,154
Office and administration	1,238	1,525
Honoraria	600	500
	<hr/> 93,602	<hr/> 81,086
<b>Excess of revenues over expenses for the year</b>	16,874	1,474
<b>Net assets (deficiency), beginning of year</b>	(9,987)	(11,461)
<b>Net assets (deficiency), end of year</b>	<hr/> \$ 6,887	<hr/> \$ (9,987)

See accompanying notes to the financial statements.



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# FORT YORK FOOD BANK, A NON-PROFIT CORPORATION

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## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2008

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	2008	2007
<b>Operating activities:</b>		
Excess of revenues over expenses for the year	\$ 16,874	\$ 1,474
Net change in non-cash working capital balances (note 3)	(26,481)	17,959
<b>Cash provided by (used in) operating activities</b>	<b>(9,607)</b>	<b>19,433</b>
<b>Cash, beginning of year</b>	<b>24,972</b>	<b>5,539</b>
<b>Cash, end of year</b>	<b>\$ 15,365</b>	<b>\$ 24,972</b>

See accompanying notes to the financial statements.



**SAEED & SPERDUTI**  
*Chartered Accountants*

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# FORT YORK FOOD BANK, A NON-PROFIT CORPORATION

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## NOTES TO THE FINANCIAL STATEMENTS MARCH 31, 2008

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### 1. Organization:

The Fort York Food Bank was incorporated in the Province of Ontario by Letters Patent on May 3, 1999 as the Fort York Food Bank, A Non-Profit Corporation.

The Corporation is an agency of the Daily Bread Food Bank Foundation of Toronto and is a registered charity under The Income Tax Act of Canada. Funding for the Corporation's operations for the current fiscal year has been provided by the CHUM Christmas Wish Foundation, The Daily Bread Food Bank Foundation of Toronto, the Bealight Foundation, the Toskan Foundation, Human Resources and Social Development Canada, IBM Employees' Charitable Fund, Toronto Raptors Foundation, special events, and individual and corporate donations.

The Corporation is a multi-service agency focused on reconnecting people with their community. They do this by working with partners sharing their vision to: Feed the hungry - provide the basic nutritional requirements to individuals and families in need; Help people get on track - provide advocacy, counselling and training to help people find employment, safe housing and appropriate supportive programs.

### 2. Accounting policies:

The accounting policies of the Corporation are in accordance with Canadian generally accepted accounting principles followed by not for profit organizations. Outlined below are those policies considered particularly significant:

(a) Changes in accounting policy:

Effective April 1, 2007, the Organization adopted the Canadian Institute of Chartered Accountants (CICA) Handbook Section 3855, Financial instruments - Recognition and Measurement. The new accounting standards for financial instruments require that all financial assets and liabilities be classified according to their characteristics, management's intention, or the choice of category in certain circumstances. All financial assets must be classified as either held-for-trading, held-to-maturity, available-for-sale or loans and receivables. Financial liabilities must be classified as held-for-trading or other liabilities. When initially recognized, all financial assets and liabilities are recorded at fair value on the statement of financial position. In subsequent periods, financial instruments will be valued at fair value, except for items that are classified in the following categories, which will be measured at amortized cost. These categories are loans and receivables, investments held-to maturity and financial liabilities not held for trading purposes. Previously the fair value of the Organization's financial assets and financial liabilities approximated their carrying value. This change in accounting policy did not have an impact on the Organization's financial statements, so the required retrospective application of this change in accounting policy was not necessary.



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# FORT YORK FOOD BANK, A NON-PROFIT CORPORATION

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## NOTES TO THE FINANCIAL STATEMENTS MARCH 31, 2008

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### 2. Accounting policies: (cont'd)

#### (a) Changes in accounting policy: (cont'd)

Effective April 1, 2007, the Organization also adopted the CICA Handbook Section 3861, Financial Instruments - Disclosures and Presentation, which establishes standards for presentation and disclosure of financial instruments

#### (b) Financial instruments:

The Organization's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Organization is not exposed to significant interest, currency or credit risks arising from these financial instruments.

Cash, accounts receivable, accounts payable and accrued liabilities are valued at cost which approximates fair value at the year-end due to their short-term maturities.

#### (c) Revenue recognition:

The Corporation follows the deferral method of accounting for contributions. Unrestricted donations are recorded in income as received. Funding revenue is recognized as revenue in the period in which the related expenditures are incurred.

#### (d) Non-cash donations:

The Corporation received non-cash donations and volunteer service time of approximately 18,730 hours (2007 - 15,442 hours) during the year to carry out its service delivery activities. Because of the difficulty in determining their fair value, these items are not recognized in the financial statements.

#### (e) Use of estimates:

The preparation of financial statements in accordance with Canadian generally accepted accounting principles 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 revenues and expenses for the year then ended. Actual results may differ from such estimates.



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# FORT YORK FOOD BANK, A NON-PROFIT CORPORATION

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## NOTES TO THE FINANCIAL STATEMENTS MARCH 31, 2008

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### 3. Changes in non-cash working capital:

Cash provided by (applied to) changes in other working capital components is summarized as follows:

	2008	2007
Increase in current assets:		
Accounts receivable	\$ 5,702	\$ (7,757)
Prepaid expenses	501	551
Increase in current liabilities:		
Accounts payable and accrued liabilities	(21,294)	6,775
Deferred revenue	(11,390)	18,390
	<u>\$ (26,481)</u>	<u>\$ 17,959</u>

### 4. Commitments:

The Corporation leases its premises. Future minimum lease commitments are as follows:

Year ending	2009	\$ 6,000
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### 5. Deferred revenue:

The Corporation received a grant of \$24,320 from the Government of Canada's New Horizons for Seniors Program. The grant covered the period January 2, 2007 to January 1, 2008. The Corporation recognized the income in its accounts as it was earned.

