

FORT YORK FOOD BANK, A NON-PROFIT CORPORATION

FINANCIAL STATEMENTS

MARCH 31, 2011



Saeed & Company

Chartered Accountant Professional Corporation



INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of the Fort York Food Bank, A Non-Profit Corporation, which comprise the statement of financial position as at March 31, 2011, and the statements of operations and changes in 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 generally accepted accounting principles, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we 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 auditors' 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 auditors consider 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

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.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, if any, the financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2011 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



SAEED & COMPANY
CHARTERED ACCOUNTANT PROFESSIONAL CORPORATION
Authorized to practice public accounting by
The Institute of Chartered Accountants of Ontario

Toronto, Ontario
May 31, 2011



FORT YORK FOOD BANK, A NON-PROFIT CORPORATION

STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2011

	2011	2010
ASSETS		
Current:		
Cash	\$ 22,929	\$ 60,516
Accounts receivable	10,526	6,602
Prepaid expenses	3,984	5,432
	<hr/>	<hr/>
	\$ 37,439	\$ 72,550
	<hr/>	<hr/>
LIABILITIES AND NET ASSETS		
Current:		
Accounts payable and accrued liabilities	\$ 7,723	\$ 9,280
Deferred revenue (Note 5)	3,680	35,478
	<hr/>	<hr/>
	11,403	44,758
Net assets	<hr/>	<hr/>
	26,036	27,792
	<hr/>	<hr/>
	\$ 37,439	\$ 72,550
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Approved by the Board:

Director

See accompanying notes to the financial statements.



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STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS FOR THE YEAR ENDED MARCH 31, 2011

	2011	2010
Revenues	\$ 167,849	\$ 153,019
Expenses:		
Occupancy	51,484	55,368
Project management	45,780	43,029
Food purchases (Note 5)	41,719	8,967
Program supplies	13,920	12,098
Transportation subsidies	4,166	3,061
Honoraria	4,141	1,900
Fundraising	3,868	2,940
Professional fees	2,887	3,045
Office and administration	1,640	1,818
	169,605	132,226
Excess (deficiency) of revenues over expenses for the year	(1,756)	20,793
Net assets, beginning of year	27,792	6,999
Net assets, end of year	\$ 26,036	\$ 27,792

See accompanying notes to the financial statements.



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STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2011

	2011	2010
Operating activities:		
Excess (deficiency) of revenues over expenses for the year	\$ (1,756)	\$ 20,793
Net change in non-cash working capital balances (note 3)	(35,831)	23,901
Cash provided by operating activities	(37,587)	44,694
Cash, beginning of year	60,516	15,822
Cash, end of year	\$ 22,929	\$ 60,516

See accompanying notes to the financial statements.



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NOTES TO THE FINANCIAL STATEMENTS MARCH 31, 2011

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 CP24/CHUM Christmas Wish Foundation, The Daily Bread Food Bank Foundation of Toronto, the Bealight Foundation, Service Canada, Charity Intelligence Canada, MAZON Canada (A Jewish Response to Hunger), special events, as well as 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) Financial instruments:

The Corporation designates its cash, accounts receivable, and accounts payable and accrued liabilities as held-for-trading. These financial assets and liabilities are measured at their carrying amount which is comparable to fair value due to their short term nature.

The Corporation has elected to use the exemption made available to not-for-profit organizations by the Canadian Institute of Chartered Accountants ("CICA") not to apply Section 3862, Financial Instruments - Disclosures, and Section 3863, Financial Instruments - Presentation, which would have otherwise applied to these financial statements. The Corporation has adopted the requirements of Section 3861, Financial Instruments - Disclosure and Presentation.

(b) 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.



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NOTES TO THE FINANCIAL STATEMENTS MARCH 31, 2011

2. Accounting policies: (cont'd)

(c) Non-cash donations:

The Corporation received non-cash donations and volunteer service time of approximately 29,726 hours (2010 - 29,211 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.

(d) 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.

(e) Accounting changes:

The CICA has not issued any new accounting standards that will have a significant impact on future periods.

3. Changes in non-cash working capital:

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

	2011	2010
Increase in current assets:		
Accounts receivable	\$ (3,924)	\$ (538)
Prepaid expenses	1,448	(1,448)
Increase (decrease) in current liabilities:		
Accounts payable and accrued liabilities	(1,557)	(6,666)
Deferred revenue	(31,798)	32,553
	\$ (35,831)	\$ 23,901



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4. Commitments:

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

2012	\$ 6,400
	\$ 6,400

5. Deferred revenue:

The Corporation recognizes income from certain grants that are designated for specific expenditures as the related expenditures are incurred.

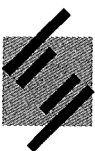
6. Capital disclosures:

The Corporation defines its capital as the amount of its net assets. The Corporation's objective when managing its capital is to safeguard the Corporation's ability to continue to operate as a going concern so that it can continue to meet its objectives.

There are no internal or external restrictions on the Corporation's capital.

7. Financial instruments:

It is management's opinion that the Corporation is not exposed to significant interest, currency or credit risks arising from financial instruments.



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