



CHARTERED ACCOUNTANT

**Food for Life Canada
Charitable Corporation
Financial Statements**
September 30, 2009

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CHARTERED ACCOUNTANT

Auditor's Report

To the Directors of
Food for Life Canada Charitable Corporation

I have audited the statement of financial position of Food for Life Canada Charitable Corporation as at September 30, 2009 and the statements of operations and net assets for the year then ended. These financial statements are the responsibility of the corporation's management. My responsibility is to express an opinion on these financial statements based on my audit.

Except as explained in the following paragraph, I conducted my audit in accordance with Canadian 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 non-profit organizations, this corporation derives revenue from donations and fundraising, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, my verification of these revenues was limited to the amounts recorded in the records of the corporation and I was not able to determine whether any adjustment might be necessary to revenues, excess of revenues over expenditures, assets and net assets.

In my opinion, except for the effect of adjustments, if any, I might have determined to be necessary had I been able to satisfy myself concerning completeness of the revenues referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position and cash flows of the corporation as at September 30, 2009 and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles.

“Charles Havill”

Oakville, Canada
November 24, 2009

Chartered Accountant
Licensed Public Accountant

Food for Life Canada Charitable Corporation

Statements of Operations and Net Assets

Year ended September 30,	2009	2008
Revenues		
United Way	\$ 79,455	\$ 41,495
Halton Healthy Community Fund	54,834	14,000
Halton Region	40,705	
Ontario Trillium Foundation	38,561	4,510
Grants and foundations	42,902	3,800
Donations and fundraising	46,765	36,180
Operation subsidies from member agencies	1,181	
Other income	4,314	3,159
	<u>308,717</u>	<u>103,144</u>
Expenditures		
Salaries and benefits	155,652	48,541
Warehousing and supplies	21,960	2,907
Professional fees	21,723	1,520
Contract management	21,098	21,120
Amortization	20,910	
Vehicle	19,390	12,739
Travel and conferences	9,734	2,485
Administration	7,654	4,014
Promotion and fundraising	7,303	1,800
Telephone	4,634	2,739
Insurance	2,599	837
	<u>292,657</u>	<u>98,702</u>
 Excess of revenues over expenditures	 <u>\$ 16,060</u>	 <u>\$ 4,442</u>
<hr/>		
Net assets, beginning of year	\$ 20,646	\$ 16,204
Excess of revenues over expenditures	16,060	4,442
Net assets, end of year	<u>\$ 36,706</u>	<u>\$ 20,646</u>

See accompanying notes to the financial statements.

Food for Life Canada Charitable Corporation

Statement of Financial Position

September 30, 2009 2008

Assets

Current

Cash	\$ 159,326	\$ 108,046
Short term investment		180,000
Receivables	5,931	4,020
Prepays	<u>2,424</u>	<u>2,306</u>
	167,681	294,372

Capital assets (Note 3)

<u>118,491</u>	<u> </u>
<u>\$ 286,172</u>	<u>\$ 294,372</u>

Liabilities

Current

Payables and accruals	\$ 11,687	\$ 6,791
Deferred contributions	<u>119,288</u>	<u>127,534</u>
	130,975	134,325

Deferred contributions related to capital assets (Note 4)

<u>118,491</u>	<u>139,401</u>
<u>249,466</u>	<u>273,726</u>

Net assets

Unrestricted

<u>36,706</u>	<u>20,646</u>
<u>\$ 286,172</u>	<u>\$ 294,372</u>

Commitments (Note 5)

On behalf of the Board

Director

Director

See accompanying notes to the financial statements.

Food for Life Canada Charitable Corporation

Notes to the Financial Statements

September 30, 2009

1. Form of organization

Food for Life Canada Charitable Corporation was incorporated without share capital under the laws of Ontario on November 6, 2002 for the purpose of providing a sustainable, perishable food network that is able to supplement the nutritional needs of individuals in need. Prior to incorporation, the corporation operated as Food for Life Canada. The corporation is a registered charity under the Income Tax Act.

2. Summary of significant accounting policies

Accrual basis of accounting

Revenues and expenditures are recorded on the accrual basis, whereby they are reflected in the accounts in the period in which they have been earned and incurred respectively, whether or not such transactions have been settled by the receipt or payment of money.

Financial instruments

The following policies and assumptions were used to determine the fair market value of financial assets and financial liabilities.

Cash, receivables and accounts payable.

These financial assets and liabilities are measured at their carrying amount since it is comparable to their fair value due to the approaching maturity dates of these financial instruments.

Short term investment

Short term investment is classified as a held-for-trading financial asset and is measured at fair value determined on the basis of market value.

Capital assets

Purchased capital assets are recorded at cost. Capital assets are amortized on a straight-line basis over the following terms:

Vehicle	20%, straight line
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Food for Life Canada Charitable Corporation

Notes to the Financial Statements

September 30, 2009

2. Summary of significant accounting policies (continued)

Revenue recognition

The corporation follows the deferral method of accounting for contributions which include donations and grants.

Unrestricted contributions are recognized as revenue when received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

Externally restricted contributions are recognized as revenue in the year in which the related expenses are recognized.

Deferred contributions

Deferred contributions consist of funds from grants or donations received relating to expenditures arising in the next fiscal year or future years.

Measurement uncertainty

The preparation of the financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenditures and disclosure of contingent assets and liabilities. Significant areas requiring the use of significant judgement include the amounts in receivables, prepaids, payables and accruals and deferred revenue. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in the future periods could be significant.

3. Capital assets

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2009 Net Book Value</u>	<u>2008 Net book Value</u>
Vehicle	<u>\$ 139,401</u>	<u>\$ 20,910</u>	<u>\$ 118,491</u>	<u>\$ Nil</u>

Food for Life Canada Charitable Corporation

Notes to the Financial Statements

September 30, 2009

4. Deferred contributions related to capital assets

The amount consists of the unamortized amount of donations received from foundations for the purchase of a vehicle. The amortization of the deferred contribution is recorded as revenue in the statement of operations as the related expenses are incurred. The corporation also received funding to assist with the operating costs of the vehicle for future periods in the amount of \$38,622 which is included in deferred contributions.

	<u>2009</u>	<u>2008</u>
Balance, beginning of year	\$ 139,401	\$ Nil
Contributions received		139,401
Amount amortized to revenues	<u>(20,910)</u>	<u> </u>
Balance, end of year	<u>\$ 118,491</u>	<u>\$ 139,401</u>

5. Commitments

Subsequent to year end the corporation entered into a lease for warehouse and office premises. The lease expires October 1, 2014. Minimum future rental payments under the terms of the lease are as follows:

2010	\$ 27,500
2011	\$ 30,000
2012	\$ 30,000
2013	\$ 30,000
2014	\$ 30,000

Food for Life Canada Charitable Corporation

Notes to the Financial Statements

September 30, 2009

6. Refresh Foods

The corporation received funding for the Refresh Foods (formerly Halton Food for All) program. Amounts included in the corporation's financial statements related to this program are as follows:

	<u>2009</u>	<u>2008</u>
Statement of Financial Position		
Cash	\$ 69,824	\$ 64,817
Receivables	<u>1,867</u>	<u> </u>
	<u>\$ 71,691</u>	<u>\$ 64,817</u>
Payable and accruals	\$ 6,179	\$ 1,726
Deferred contributions	<u>61,062</u>	<u>60,490</u>
	<u>\$ 67,241</u>	<u>\$ 62,216</u>
Statement of Operations		
Revenues	<u>\$ 152,431</u>	<u>\$ 14,541</u>
Expenditures		
Salaries and benefits	80,773	5,778
Contract management	20,702	4,510
Warehousing and supplies	18,840	
Professional fees	7,250	
Vehicle	7,062	
Travel and conferences	6,829	1,189
Promotions and fundraising	4,100	40
Administration	2,165	392
Telephone	1,561	
Insurance	<u>1,300</u>	<u> </u>
	<u>\$ 150,582</u>	<u>\$ 11,909</u>

7. Capital disclosures

The corporation manages its capital to maintain its ability to continue as a going concern. The capital structure of the corporation consists of net assets including those that have been internally restricted.

The corporation is not subject to any externally imposed capital requirements and the overall strategy with respect to capital management remains unchanged from the previous year.

Food for Life Canada Charitable Corporation

Notes to the Financial Statements

September 30, 2009

8. Statement of cash flows

As management of the corporation has determined that the information on this statement is readily apparent from the other financial statements, it has been excluded.

9. Comparative figures

Certain of the prior year comparative figures have been reclassified to conform with the current year's presentation.
