

**FINANCIAL STATEMENTS
DECEMBER 31, 2012**

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**The Table Community
Food Centre
Financial Statements
December 31, 2012**

Management's Responsibility for the Financial Statements

The accompanying financial statements of The Table Community Food Centre (the 'Organization') are the responsibility of the Organization's management and have been prepared in compliance with legislation, and in accordance with Canadian Public Sector Accounting Standards established by the Public Sector Accounting Board of The Canadian Institute of Chartered Accountants. A summary of significant accounting policies are described in note 1 to the financial statements. The preparation of financial statements necessarily involved the use of estimates based on management's judgement, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Organization's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of financial statements. These systems are monitored and evaluated by management.

Management meets with the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters. The Board of Directors meets with management subsequently to review these same matters prior to the Board's approval of the financial statements.

The financial statements have been audited by Allan Chartered Accountant Professional Corporation, independent external auditors appointed by the Organization. The accompanying Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Organization's financial statements.

Nancy Wildgoose, Executive Director

Allan

Chartered Accountant Professional Corporation
INDEPENDENT AUDITOR'S REPORT

To the Members of The Table Community Food Centre:

We have audited the accompanying financial statements of The Table Community Food Centre which comprise the statement of financial position as at December 31, 2012, and the statements of operations and fund balances 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

Our responsibility is to express an audit 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 an audit to obtain reasonable assurance whether the financial statements are free of 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 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.

In common with many charitable organizations, the organization derives revenue from fundraising events the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Organization. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses and cash flow from operations for the year ended, December 31, 2012, current assets as at December 31, 2012 and fund balances as at January 1, 2012 and December 31, 2012.

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

Opinion

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 revenues, referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of The Table Community Food Centre as at December 31, 2012, and the results of operations and cash flows for the year ended December 31, 2012 and comparative information in accordance with Canadian accounting standards for Not-For-Profit Organizations.

Comparative Information

Without modifying our opinion, we draw attention to Note 1 to the financial statements which describes that The Table Community Food Centre adopted Canadian accounting standards for not-for-profit organizations on January 1, 2012 with a transition date of January 1, 2011. These standards were applied retrospectively by management to the comparative information in these financial statements, including the statements of financial position as at December 31, 2012 and December 31, 2011 and the statements of operations and cash flows for the year ended December 31, 2012 and related disclosures. We were not engaged to report on the restated comparative information, and as such, it is unaudited.



Chartered Accountants, Licensed Public Accountants
Allan Chartered Accountant Professional Corporation
Authorized to practice public accounting by the Institute of Chartered Accountants of Ontario
Perth, Ontario,
March 21, 2013.

**The Table Community Food Centre
Statement of Financial Position**

| December 31 | 2012 | (unaudited) 2011 |
|--|----------------|---------------------|
| | \$ | \$ |
| ASSETS | | |
| Current Assets | | |
| Cash and cash equivalents | 191,411 | 179,522 |
| Accounts receivable | 37,106 | 20,471 |
| Inventory | 6,800 | 6,800 |
| Prepaid expenses | 1,327 | 1,523 |
| | 236,644 | 208,316 |
| Capital Assets (note 2) | 333,235 | 356,027 |
| | 569,879 | 564,343 |
| LIABILITIES AND FUND BALANCES | | |
| Current Liabilities | | |
| Accounts payable and accrued liabilities | 19,060 | 12,390 |
| Government remittances payable | 3,460 | 17,192 |
| Deferred revenue (note 4) | 26,931 | 71,293 |
| | 49,451 | 100,875 |
| Fund Balances | | |
| Unrestricted | 164,401 | 107,441 |
| Invested in capital assets | 356,027 | 356,027 |
| | 520,428 | 463,468 |
| | 569,879 | 564,343 |

On Behalf of the Board:

_____, Director

_____, Director

The accompanying notes are an integral part of these financial statements.

**The Table Community Food Centre
Statement of Operations and Fund Balances**

| For the year ended December 31 | (Note 6) Budget | 2012 | (unaudited) 2011 |
|---|--------------------|---------|---------------------|
| | \$ | \$ | \$ |
| Revenues | | | |
| Donations | 161,136 | 200,133 | 122,904 |
| Fundraising | 55,000 | 54,330 | 64,002 |
| Donations in-kind | --- | 103,100 | 78,000 |
| Municipal funding | 18,500 | 18,500 | 10,000 |
| Grants | 315,372 | 305,431 | 224,162 |
| Miscellaneous | --- | 1,063 | 11,212 |
| Interest | --- | 1,823 | 327 |
| | 550,008 | 684,380 | 510,607 |
| Expenditures | | | |
| Amortization | --- | 23,404 | 7,476 |
| Finance | | | |
| Bank charges and interest | 2,240 | 1,849 | 846 |
| Food in kind | --- | 103,100 | 78,000 |
| Fundraising expense | 32,100 | 21,193 | --- |
| Meetings and conventions | 500 | 501 | 135 |
| Occupancy | | | |
| Insurance | 7,473 | 1,966 | 649 |
| Rent | --- | --- | 17,703 |
| Repairs and maintenance | 10,500 | 7,795 | 8,339 |
| Taxes, fees and licences | --- | 3,863 | 304 |
| Utilities | 7,600 | 7,264 | 2,979 |
| Office and general | | | |
| Advertising and promotion | 4,000 | 3,982 | 2,341 |
| Computer costs | 3,600 | 3,979 | --- |
| Memberships | 500 | 150 | 140 |
| Office expenses | 9,700 | 8,502 | 7,291 |
| Telephone, internet and website | 9,345 | 4,272 | 1,616 |
| Professional fees | 10,916 | 18,468 | 9,736 |
| Program costs (Schedule 1) | 152,994 | 106,163 | 36,371 |
| Travel and training | 1,500 | 1,813 | 1,142 |
| Wages and benefits | 309,315 | 309,166 | 95,393 |
| | 562,283 | 627,420 | 270,461 |
| Net Revenues (Expenditures) for the Year | (12,275) | 56,960 | 240,146 |
| Fund Balances, Beginning of Year | 463,468 | 463,468 | 223,322 |
| Fund Balances, End of Year | 451,193 | 520,428 | 463,468 |

The accompanying notes are an integral part of these financial statements.

**The Table Community Food Centre
Statement of Cash Flows**

| For the year ended December 31 | 2012 | (unaudited) 2011 |
|--|-----------------|---------------------|
| | \$ | \$ |
| Cash Flows Provided From: | | |
| Operating Activities | | |
| Net revenues for the year | 56,960 | 240,146 |
| Amortization | 23,404 | 7,476 |
| | 80,364 | 247,622 |
| Net Change in Non-Cash Working Capital Balances Related to Operations | | |
| Accounts receivable | (16,635) | (16,346) |
| Prepaid expenses | 196 | (1,523) |
| Accounts payable and accrued liabilities | 6,670 | 7,912 |
| Government remittances payable | (13,732) | 15,267 |
| Deferred revenue | (44,362) | 46,294 |
| | (67,863) | 51,604 |
| Investing Activities | | |
| Acquisition of capital assets | (612) | (354,669) |
| Change in Cash and Cash Equivalents, During the Year | 11,889 | (55,443) |
| Cash and Cash Equivalents, Beginning of Year | 179,522 | 234,965 |
| Cash and Cash Equivalents, End of Year | 191,411 | 179,522 |
| Cash and Cash Equivalents Represented By: | | |
| Cash | 151,411 | 179,522 |
| Short term deposits | 40,000 | --- |
| | 191,411 | 179,522 |

The accompanying notes are an integral part of these financial statements.

The Table Community Food Centre Notes to the Financial Statements

December 31, 2012

Nature of Business

The The Table Community Food Centre is a registered charity under Section 149(1) of the Income Tax Act (Canada). Its objective is to provide food and resources to the hungry in Perth and District. The organization is able to issue donation receipts and is not liable for income taxes under the provisions of the Income Tax Act.

1. Significant Accounting Policies

Revenue Recognition

The Organization follows the deferral method of accounting for contributions for not-for-profit organizations. Under the deferral method 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.

Restricted donations and grants are recognized as revenue when the related expenditure is incurred.

Grants are recorded as revenue in the period to which they relate. Where a portion of a grant relates to a future period, it is deferred and recognized in the subsequent period.

Donations and other revenue are recorded as received.

Donations in kind (non-cash donations) are recorded as contributions at their estimated fair market value at the date of the donation.

Expense Recognition

Expenditures are recognized according to the accrual basis of accounting in that the expenditures are recorded as incurred as a result of receipt of goods and services and the creation of a legal obligation to pay.

Cash and Cash Equivalents

Cash and cash equivalents are defined as cash and bank term deposits or equivalent financial instruments with original maturities upon issue of less than 90 days.

Investments

Investments are recorded at the lower of cost and market value.

Capital Assets

Capital assets purchased by the organization are recorded at cost and those donated to the Organization are recorded at their fair value at the date of acquisition when fair market value can be reasonably estimated. Capital assets are amortized on a declining balance basis with the following estimated rates:

| | |
|-------------------------|-----|
| Building | 4% |
| Furniture and Equipment | 20% |
| Kitchen Equipment | 20% |
| Computer | 50% |

The Table Community Food Centre Notes to the Financial Statements

December 31, 2012

1. Significant Accounting Policies / continued

New Financial Reporting Framework

The CICA announced that effective January 1, 2012 Canadian private sector not-for-profit organizations (ie: those not controlled by government entities) have a new financial reporting framework.

The Organization has adopted the Canadian accounting standards for not-for-profit organizations (ASNFPO). The new standards include recognition, measurement and presentation simplification in many areas as well as reduced required disclosures in the financial statements compared to International Financial Reporting Standards.

The new not-for-profit standards have had no material impact on the Organization's financial statements.

2. Capital Assets

| | 2012 | | 2011 | |
|-------------------------|----------------|-----------------------------|-------------------|-------------------|
| | Cost | Accumulated Amortization | Net Book Value | Net Book Value |
| | \$ | \$ | \$ | \$ |
| Land | 25,000 | --- | 25,000 | 25,000 |
| Building | 278,628 | 11,145 | 267,483 | 280,427 |
| Furniture and Equipment | 8,303 | 2,816 | 5,487 | 6,331 |
| Kitchen Equipment | 45,104 | 12,279 | 32,825 | 38,847 |
| Computer | 7,479 | 5,039 | 2,440 | 5,422 |
| | 364,514 | 31,279 | 333,235 | 356,027 |

3. Bank Line of Credit

The Organization's financial agreement with its bank provides for an operating credit facility of up to \$100,000 to finance expenses, pending receipt of income. Interest on funds drawn is charged at the bank's prime rate. As at December 31, 2012, there was \$nil (2011 \$nil) drawn on the facility.

The Table Community Food Centre Notes to the Financial Statements

December 31, 2012

4. Deferred Revenue

Deferred revenues are comprised of monies received but not spent at the year end for their intended purpose. The amounts are comprised of:

| | \$ |
|--|---------------|
| Natures Path Fund | 15,000 |
| Healthy Communities Fund Community Food Centre Canada | 11,931 |
| | <u>26,931</u> |

5. Risk Management

In the normal course of operations, the Organization is exposed to a variety of financial risks which are actively managed by the Organization.

The Organization's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities. The fair values of cash, accounts receivable, accounts payable and accrued liabilities approximate their carrying values because of their expected short term maturity and treatment on normal trade terms.

The Organization's exposure to and management of risk has not changed materially from December 31, 2012.

(a) Credit Risk

Credit risk arises from the possibility that the entities to which the Organization's provides services to may experience difficulty and be unable to fulfill their obligations. The Organization is exposed to financial risk that arises from the credit quality of the entities to which it provides services. The Organization does not have a significant exposure to any individual customer or counter party. As a result, the requirement for credit risk related reserves for accounts receivable is minimal.

(b) Interest Rate Risk

Interest rate risk arises from the possibility that the value of, or cash flows related to, a financial instrument will fluctuate as a result of changes in market interest rates. The Organization is exposed to financial risk that arises from the interest rate differentials between the market interest rate and the rates on its cash and cash equivalents and operating loan. Changes in variable interest rates could cause unanticipated fluctuations in the Organization's operating results.

(c) Liquidity Risk

Liquidity risk is the risk that the Organization will not be able to meet its obligations as they fall due. The Organization requires working capital to meet day-to-day operating activities. Management expects that the Organization's cash flows from operating activities will be sufficient to meet these requirements.

**The Table Community Food Centre
Notes to the Financial Statements**

December 31, 2012

6. Budget Figures

The Table Community Food Centre reviews its operating and capital budgets each year. The approved operating budget for 2012 is included in the budget figures presented in the Statement of Operations and Fund Balances. The budget figures have not been audited.

The Table Community Food Centre
Schedule 1 ▶ Program Costs

December 31, 2012

| | Food | Equipment & Supplies | Workshop & Events | Training | Honoraria | Transpor- -tation | Mainten- -ance & Other | Total Cost Per Program |
|---------------------------------|--------|-------------------------|----------------------|----------|-----------|----------------------|------------------------------|------------------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Community Kitchen | 23,769 | 7,174 | 44 | --- | --- | 511 | 411 | 31,909 |
| Good Food Bank | 46,631 | 278 | --- | --- | --- | --- | 190 | 47,099 |
| Social Events | 58 | --- | --- | --- | --- | --- | --- | 58 |
| Volunteer | --- | 54 | --- | --- | --- | --- | 673 | 727 |
| Advocacy | 4 | 508 | --- | 1,850 | 9,594 | --- | --- | 11,956 |
| After School | 1,018 | 1,287 | 50 | --- | --- | --- | --- | 2,365 |
| Community Food | 702 | 244 | --- | --- | --- | 60 | --- | 1,006 |
| Community Garden | 50 | 8,278 | 150 | --- | --- | 77 | --- | 8,555 |
| Shovel and Spoon | 234 | 190 | 50 | --- | --- | 32 | --- | 506 |
| Social Justice | 422 | 275 | 389 | 572 | --- | 16 | --- | 1,674 |
| Dads and Kids | 14 | --- | --- | --- | --- | --- | --- | 14 |
| Good Food for a Healthy Baby | --- | 304 | --- | --- | --- | --- | --- | 304 |
| | 72,902 | 18,592 | 683 | 2,422 | 9,594 | 696 | 1,274 | 106,163 |