

***TRENT CENTRE FOR COMMUNITY-BASED EDUCATION INC.***

**AUDITED FINANCIAL STATEMENTS**

**AT MAY 31, 2010**

***Tim J.F. Nicholls***  
**Chartered Accountant**

**TRENT CENTRE FOR COMMUNITY-BASED EDUCATION INC.**

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*Tim J.F. Nicholls*  
Chartered Accountant

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**AUDITOR'S REPORT**

**To the Board of Directors of  
Trent Centre For Community-Based Education Inc.**

I have audited the statement of financial position of Trent Centre For Community-Based Education Inc. as at May 31, 2010 and the statements of operations and changes in fund balance and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. 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 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 my opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at May 31, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Peterborough, Ontario  
September 9, 2010



Chartered Accountant  
Licensed Public Accountant

**TRENT CENTRE FOR COMMUNITY-BASED EDUCATION INC.**

**STATEMENT OF FINANCIAL POSITION**  
**As At May 31, 2010**

	2010 \$	2009 \$
<b>ASSETS</b>		
<b>Current</b>		
Cash	75,938	29,986
Prepaid expenses	925	-
<b>Total Assets</b>	<b>76,863</b>	<b>29,986</b>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued liabilities	13,461	14,473
Deferred contributions - Note 3	63,402	15,513
	76,863	29,986
<b>Fund Balance</b>		
Unrestricted	-	-
<b>Total Liabilities and Fund Balance</b>	<b>76,863</b>	<b>29,986</b>

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

Tim J.F. Nicholls  
Chartered Accountant

**TRENT CENTRE FOR COMMUNITY-BASED EDUCATION INC.****STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE**  
For The Year Ended May 31, 2010

	2010	2009
	\$	\$
<b>Revenue</b>		
Grants		
Trent University		
McConnell Foundation	50,000	180,000
Undergraduate Studies	200,000	100,000
Government of Canada	3,286	2,806
Province of Ontario	4,065	4,545
Trillium	47,226	23,928
Other	847	2,166
<b>Total Revenue</b>	<b>305,424</b>	<b>313,445</b>
<b>Expenditures</b>		
Board/Committee supplies and expenses	92	636
Training and professional development	5,752	3,553
Staff travel and accommodations	1,403	1,221
Program participant supports	1,622	862
Program delivery tools and materials	1,617	288
Marketing and promotion	7,805	5,055
Salaries and benefits	165,489	187,256
Resource centre	298	1,733
Telephone, internet and network	4,958	13,862
Office equipment and furnishings	4,026	9,725
Office supplies and expenses	867	3,623
Rent	5,549	5,459
Accounting and audit	5,922	4,127
Administrative professional fees	-	2,624
Insurance	2,148	2,181
Purchase of service payments - Note 4	80,044	87,288
<b>Total Expenditures</b>	<b>287,592</b>	<b>329,493</b>
<b>Excess (Deficiency) of Revenue Over Expenditures Before Other Item</b>	<b>17,832</b>	<b>(16,048)</b>
<b>Other Item</b>		
Recognition (Deferral) of Contributions From Trent University - Note 3	(17,832)	16,048
<b>Excess of Revenue Over Expenditures For The Year</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, Beginning of Year</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, End of Year</b>	<b>-</b>	<b>-</b>

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

*Tim J.F. Nicholls*  
Chartered Accountant

**TRENT CENTRE FOR COMMUNITY-BASED EDUCATION INC.****STATEMENT OF CASH FLOWS  
For The Year Ended May 31, 2010**

	2010 \$	2009 \$
<b>CASH PROVIDED BY (USED IN)</b>		
<b>Operating Activities</b>		
Excess of revenue over expenditures for the year	-	-
Changes in non-cash working capital accounts		
Prepaid expenses	(925)	910
Accounts payable and accrued liabilities	(1,012)	(9,355)
Deferred contributions	47,889	(14,976)
	45,952	(23,421)
<b>Increase (Decrease) In Cash During The Year</b>	45,952	(23,421)
<b>Cash, Beginning of Year</b>	29,986	53,407
<b>Cash, End of Year</b>	75,938	29,986

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

*Tim J.F. Nicholls*  
Chartered Accountant

**TRENT CENTRE FOR COMMUNITY-BASED EDUCATION INC.****NOTES TO THE FINANCIAL STATEMENTS  
For The Year Ended May 31, 2010**

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**NOTE 1: PURPOSE OF ORGANIZATION**

Trent Centre For Community-Based Education Inc. is a community-based, non-profit organization incorporated without share capital, which has a mission statement of facilitating community-based research and experiential learning. The Centre provides opportunities for students, faculty and local organizations to pool their resources and work together on community-inspired projects that enhance the social, environmental, cultural and economic health of our community.

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Trent Centre For Community-Based Education Inc. uses the deferral method of accounting.

***Realization of Revenues and Expenses***

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable, if the amount can be reasonably estimated and collection is reasonably assured.

***Income Taxes***

The organization is a non-profit organization as defined by the Federal and Ontario Income Tax Acts and, as such, is not subject to Federal and Provincial income taxes.

***Financial Instruments***

The organization has adopted the new CICA Handbook Section 3855 for the recognition and measurement of financial instruments. Under this new section, the organization's financial instruments are classified by management as either held for trading, held to maturity, available for sale, loans and receivables or other liabilities. Financial instruments classified as held for trading are stated at fair value and changes in fair value are recognized in the statement of operations as revenue or expenditure for the year. Financial instruments classified as available for sale are stated at fair value and changes in fair value are recognized in the statement of changes in fund balances as an increase or decrease in net assets for the year. Financial instruments classified as held to maturity, loans and receivables to other liabilities are stated at cost or amortized cost and any interest income or expense arising from these financial instruments is recorded using the effective interest method.

The organization's financial instruments consist of cash and accounts payable and accrued liabilities. Management has classified its cash as available for sale. As the fair value of the cash approximates their cost, there is no effect on net assets for the year. Management has classified its accounts payable and accrued liabilities as other liabilities which have been stated at cost due to their short term maturities.

Unless otherwise noted, it is management's opinion that the organization is not exposed to any significant interest, currency or credit risk arising from its financial instruments.

***Capital Assets***

Computers and equipment are expensed in the year of acquisition. During the year, capital assets costing \$1,236 (2009 - \$4,166) were expensed.

*Tim J.F. Nicholls*  
Chartered Accountant

**TRENT CENTRE FOR COMMUNITY-BASED EDUCATION INC.**

**NOTES TO THE FINANCIAL STATEMENTS**  
**For The Year Ended May 31, 2010**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Donated Materials and Services***

No amounts have been recorded in the current year financial statements for donated materials and services.

***Use of Accounting Estimates***

The preparation of 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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting periods. Actual results could differ from those estimates.

**NOTE 3: DEFERRED CONTRIBUTIONS**

The organization receives operating grants from Trent University, the Ontario Trillium Foundation and the Ontario Ministry of Culture, which if unused in a current year, are permitted to be utilized in a following year for the same purpose as originally granted. Deferred contributions relate to amounts received in the current year which are eligible to be retained for use in a future year. Changes in the deferred contributions balance is as follows:

	2010 \$	2009 \$
Balance, beginning of period	15,513	30,489
Add: amounts received	353,313	298,469
Less: amounts recorded as revenue	(305,424)	(313,445)
Balance, end of period	63,402	15,513

**NOTE 4: PURCHASE OF SERVICE PAYMENTS**

During the year, the organization made payments to U-Links Centre For Community-Based Research in Haliburton County (U-Links) to provide services in Haliburton County. As at the year end, U-Links retained none (2009 - \$1,508) of the total payments of \$80,044 (2009 - \$87,288). Under the terms of agreement between the two organizations, these funds are not repayable to the organization, provided they are utilized to deliver services in the following year.

**NOTE 5: LEASE COMMITMENT**

The organization is currently negotiating rental terms with Trent University.

**NOTE 6: ECONOMIC DEPENDENCE**

The organization receives a significant amount of funding from Trent University and as such, is economically dependent on this source of income.

*Tim J.F. Nicholls*  
Chartered Accountant