

AUDITED FINANCIAL STATEMENTS

COMMUNITY HARVEST, INC.

June 30, 2010

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To the Board of Trustees
Community Harvest, Inc.

I have audited the accompanying statements of financial position of Community Harvest, Inc. (a nonprofit organization) as of June 30, 2010 and the related statements of activities, cash flows and functional expenses 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. The prior year summarized comparative information has been derived from the Organization's 2009 financial statements and, in my report dated January 16, 2010, I expressed an unqualified opinion on those financial statements.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities and net asset balances of Community Harvest, Inc. as of June 30, 2010, and its support, revenue and expenses for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

David H. Wackerly CPA

November 29, 2010

COMMUNITY HARVEST, INC.
Statement of Financial Position
June 30, 2010
(With Comparative Totals for 2009)

ASSETS

CURRENT ASSETS

Cash	\$ 45,033	\$ 25,091
Accounts receivable	<u>-</u>	<u>19,000</u>

TOTAL CURRENT ASSETS	45,033	44,091
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FIXED ASSETS

Furniture and equipment	1,332	1,332
Delivery equipment	<u>41,465</u>	<u>41,465</u>
	42,797	42,797
Less: accumulated depreciation	<u>40,292</u>	<u>38,985</u>

TOTAL FIXED ASSETS	2,505	3,812
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TOTAL ASSETS	\$ 47,538	\$ 47,903
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Payroll taxes payable	\$ 1,258	1,586
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NET ASSETS

Unrestricted	46,280	46,317
Temporarily restricted	<u>-</u>	<u>-</u>

TOTAL NET ASSETS	46,280	46,317
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TOTAL LIABILITIES AND NET ASSETS	\$ 47,538	\$ 47,903
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The accompanying notes are an integral part of the financial statements.

COMMUNITY HARVEST, INC.
Statement of Activities
For the Year Ended June 30, 2010
(With Comparative Totals for 2009)

	UNRESTRICTED	TEMPORARILY RESTRICTED	TOTALS	
			2010	2009
SUPPORT AND REVENUE				
SUPPORT				
Grants, Contributions, fundraisers \$	54,202	\$ -	\$ 54,202	\$ 33,584
Celebrity cuisine	19,452	-	19,452	19,000
In-kind donations - food	926,360	-	926,360	732,925
REVENUE				
Interest income	179	-	179	144
NET ASSETS RELEASED FROM RESTRICTIONS:				
Restrictions satisfied	-	-	-	-
TOTAL SUPPORT AND REVENUE	1,000,193	-	1,000,193	785,653
EXPENSES				
Program services	963,838	-	963,838	762,949
General and administrative	36,392	-	36,392	27,356
TOTAL EXPENSES	1,000,230	-	1,000,230	790,305
CHANGES IN NET ASSETS	(37)	-	(37)	(4,652)
NET ASSETS, BEGINNING OF YEAR	46,317	-	46,317	50,969
NET ASSETS, END OF YEAR	\$ 46,280	\$ -	\$ 46,280	\$ 46,317

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

COMMUNITY HARVEST, INC.
Statement of Functional Expenses
For the Year Ended June 30, 2010
(With Comparative totals for 2009)

	PROGRAM SERVICES	GENERAL AND ADMINISTRATIVE	TOTALS	
			2010	2009
Wages	\$ 13,848	\$ 13,849	\$ 27,697	\$ 23,043
Benefits	4,445	4,445	8,890	5,614
Payroll taxes	1,119	1,118	2,237	1,892
TOTAL PERSONNEL	19,412	19,412	38,824	30,549
Donated food	926,360	-	926,360	732,925
Professional fees	756	2,070	2,826	1,815
Supplies	821	2,295	3,116	2,333
Telephone	-	822	822	1,747
Postage	2,073	233	2,306	890
Occupancy	526	2,074	2,600	3,355
Maintance	-	525	525	477
Printing and publications	-	6,249	6,249	4,259
Insurance	-	950	950	950
Vehicle expenses	11,235	-	11,235	9,286
Conferences, meetings	-	690	690	-
Other expenses	1,348	1,072	2,420	412
TOTAL EXPENSES BEFORE DEPRECIATION	962,531	36,392	998,923	788,998
Depreciation	1,307	-	1,307	1,307
TOTAL EXPENSES	\$ 963,838	\$ 36,392	\$ 1,000,230	790,305

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

COMMUNITY HARVEST, INC.
Statement of Cash Flows
For the Year Ended June 30, 2010
(With Comparative Totals for 2009)

	<u>2010</u>	<u>2009</u>
CASH FLOWS PROVIDED BY OPERATING ACTIVITIES:		
Change in net assets	\$ (37)	\$ (4,652)
Adjustment to reconcile change in net assets to net cash used for operating activities		
Depreciation	1,307	1,307
Decrease(Increase) in accounts receivable	19,000	4,000
Increase (Decrease) in payroll taxes payable	<u>(328)</u>	<u>43</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	19,942	698
CASH USED BY INVESTING ACTIVITIES		
Purchase of fixed assets	<u>-</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH	19,942	698
CASH, BEGINNING OF YEAR	<u>25,091</u>	<u>24,393</u>
CASH, END OF YEAR	<u><u>\$ 45,033</u></u>	<u><u>\$ 25,091</u></u>

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

COMMUNITY HARVEST, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2010

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Nature of Activities:

Community Harvest, Inc.'s mission statement is to rescue prepared and perishable food from restaurants and caterers and distribute the food to hunger sights throughout Stark County.

Basis of Accounting:

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

Contributions:

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Fixed Assets:

Fixed assets acquired by Community Harvest, Inc. are considered to be owned by Community Harvest, Inc. The organization follows the practice of capitalizing at cost all expenditures of fixed assets in excess of \$500. Depreciation is computed on a straight-line basis over the lives of the assets as follows:

Furniture and equipment	5 years
Vehicles	5 years

Functional Allocation of Expenses:

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

COMMUNITY HARVEST, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2010

Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Taxes:

Community Harvest, Inc. is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and therefore has made no provision for federal income taxes in the accompanying financial statements.