

AUDITED FINANCIAL STATEMENTS

COMMUNITY HARVEST, INC.

June 30, 2013

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INDEPENDENT AUDITOR'S REPORT

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, 2013 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 2012 financial statements and, in my report dated November 30, 2012, 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, 2013, 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

December 20, 2013

COMMUNITY HARVEST, INC.
Statement of Financial Position
June 30, 2013
(With Comparative Totals for 2012)

ASSETS		2013	2012
CURRENT ASSETS			
Cash		\$ 30,238	\$ 30,333
Accounts receivable		-	-
		<u>30,238</u>	<u>30,333</u>
TOTAL CURRENT ASSETS		30,238	30,333
FIXED ASSETS			
Leasehold improvements		1,640	1,640
Furniture and equipment		1,993	1,993
Delivery equipment		51,590	51,590
		<u>55,223</u>	<u>55,223</u>
Less: accumulated depreciation		<u>26,014</u>	<u>15,476</u>
		<u>29,209</u>	<u>39,747</u>
TOTAL FIXED ASSETS		29,209	39,747
TOTAL ASSETS		<u>\$ 59,447</u>	<u>\$ 70,080</u>
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
Payroll taxes payable		\$ 2,578	2,368
NET ASSETS			
Unrestricted		56,869	67,712
Temporarily restricted		-	-
		<u>56,869</u>	<u>67,712</u>
TOTAL NET ASSETS		56,869	67,712
TOTAL LIABILITIES AND NET ASSETS		<u>\$ 59,447</u>	<u>\$ 70,080</u>

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

COMMUNITY HARVEST, INC.
Statement of Activities
For the Year Ended June 30, 2013
(With Comparative Totals for 2012)

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>TOTALS</u>	
			<u>2013</u>	<u>2012</u>
SUPPORT AND REVENUE				
SUPPORT				
Grants, Contributions, fundraiser \$	69,910	\$ -	\$ 69,910	\$ 50,555
Celebrity cuisine	18,689	-	18,689	27,865
In-kind donations - food	1,287,402	-	1,287,402	1,278,992
REVENUE				
Interest income	<u>23</u>	<u>-</u>	<u>23</u>	<u>23</u>
 TOTAL SUPPORT AND REVENUE	 1,376,024	 -	 1,376,024	 1,357,435
EXPENSES				
Program services	1,345,859	-	1,345,859	1,328,075
General and administrative	<u>41,008</u>	<u>-</u>	<u>41,008</u>	<u>41,731</u>
 TOTAL EXPENSES	 <u>1,386,867</u>	 <u>-</u>	 <u>1,386,867</u>	 <u>1,369,806</u>
 CHANGES IN NET ASSETS	 (10,843)	 -	 (10,843)	 (12,371)
NET ASSETS, BEGINNING OF YEAR	<u>67,712</u>	<u>-</u>	<u>67,712</u>	<u>80,083</u>
NET ASSETS, END OF YEAR	<u>\$ 56,869</u>	<u>\$ -</u>	<u>\$ 56,869</u>	<u>\$ 67,712</u>

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

COMMUNITY HARVEST, INC.
Statement of Cash Flows
For the Year Ended June 30, 2013
(With Comparative Totals for 2012)

	<u>2013</u>	<u>2012</u>
CASH FLOWS PROVIDED BY OPERATING ACTIVITIES:		
Change in net assets	\$ (10,843)	\$ (12,371)
Adjustment to reconcile change in net assets to net cash used for operating activities		
Depreciation	10,538	10,606
Gain on sale of fixed asset	-	-
Increase (Decrease) in payroll taxes payable	210	9
Proceeds from sale of fixed asset	<u>-</u>	<u>-</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(95)	(1,756)
CASH USED BY INVESTING ACTIVITIES		
Purchase of fixed assets	<u>-</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH	(95)	(1,756)
CASH, BEGINNING OF YEAR	<u>30,333</u>	<u>32,089</u>
CASH, END OF YEAR	<u><u>\$ 30,238</u></u>	<u><u>\$ 30,333</u></u>

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

COMMUNITY HARVEST, INC.
Statement of Functional Expenses
For the Year Ended June 30, 2013
(With Comparative totals for 2012)

	PROGRAM SERVICES	GENERAL AND ADMINISTRATIVE	TOTALS	
			2013	2012
Wages	\$ 21,000	\$ 21,000	\$ 42,000	\$ 41,000
Benefits	-	-	-	-
Payroll taxes	1,607	1,606	3,213	3,286
TOTAL PERSONNEL	22,607	22,606	45,213	44,286
Donated food	1,287,402	-	1,287,402	1,278,992
Professional fees	-	650	650	2,340
Supplies	8,861	2,913	11,774	2,402
Telephone	-	2,141	2,141	1,825
Postage	-	859	859	914
Occupancy	2,288	4,575	6,863	6,747
Maintenance	-	180	180	500
Printing and publications	-	3,308	3,308	3,865
Insurance	-	750	750	750
Vehicle expenses	13,486	-	13,486	12,152
Conferences, meetings	50	2,313	2,363	2,217
Volunteer gifts	627	-	627	780
Other expenses	-	713	713	1,430
TOTAL EXPENSES BEFORE DEPRECIATION	1,335,321	41,008	1,376,329	1,359,200
Depreciation	10,538	-	10,538	10,606
TOTAL EXPENSES	\$ 1,345,859	\$ 41,008	\$ 1,386,867	\$ 1,369,806

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

COMMUNITY HARVEST, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2013

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, caterers, grocery stores and cafeterias 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:

Leasehold improvements	10 years
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, 2013

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.