

Food for the Poor of Canada, Inc.

Financial Statements

December 31, 2015

Food for the Poor of Canada, Inc.

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Independent Auditor's Report

To the Directors of
Food for the Poor of Canada, Inc.

We have audited the accompanying financial statements of Food for the Poor of Canada, Inc., which comprise the statement of financial position as at December 31, 2015, and the statements of operations and changes in net assets 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 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 the audit to obtain reasonable assurance about whether the financial statements are free from 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 the 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.

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, the financial statements present fairly, in all material respects, the financial position of Food for the Poor of Canada, Inc. as at December 31, 2015 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations, which is one of the financial reporting frameworks included in Canadian generally accepted accounting principles.

Abrahamse Berkis Pinto LLP

Chartered Accountants, Licensed Public Accountants
March 23, 2016

1.

Food for the Poor of Canada, Inc.

(incorporated under the laws of Canada)

Statement of Financial Position December 31

2015

2014

Assets

Current assets

Cash	\$ 18,026	\$ 164,210
Donations receivable	6,145	-
GST/HST recoverable	8,597	1,480
	\$ 32,768	\$ 165,690

Liabilities

Current liabilities

Accounts payable and accrued charges	\$ 5,121	\$ 52,890
Deferred contributions	39,992	96,370
	45,113	149,260

Net Assets

Unrestricted net assets	(12,345)	16,430
	\$ 32,768	\$ 165,690

See accompanying notes.

Approved by the Board

_____ Director

_____ Director

Food for the Poor of Canada, Inc.

Statement of Operations and Changes in Net Assets For the year ended December 31

	2015	2014
Revenue		
Donations	\$ 701,692	\$ 389,472
Grant from an international aid agency (Note 3)	100,000	60,000
Contributions of medical aid, educational and food supplies	2,521,194	2,029,243
Events	5,550	2,531
	3,328,436	2,481,246
Expenses		
Administrative and fundraising		
Administrative support	6,660	9,588
Bank and credit card fees	938	917
Directors and officers insurance	858	837
Fundraising (Note 4)	38,650	28,865
Office and general	14,050	8,754
Professional fees	69,676	3,797
Salary (Note 4)	32,118	20,252
	162,950	73,010
Program		
Donations to HPIC	17,500	14,500
Project funds to partners	524,517	297,451
Medical aid, educational and food supplies delivered	2,521,194	2,029,243
Salary (Note 4)	64,237	40,503
Shipping	56,171	28,822
Travel	12,261	4,442
	3,195,880	2,414,961
	3,358,830	2,487,971
Deficiency of revenue over expenses before other item	(30,394)	(6,725)
Other item		
Foreign exchange gain	1,619	-
Deficiency of revenue over expenses	(28,775)	(6,725)
Net assets, beginning of year	16,430	23,155
Net assets, end of year	\$ (12,345)	\$ 16,430

See accompanying notes.

Food for the Poor of Canada, Inc.

Statement of Cash Flows For the year ended December 31

	2015	2014
Cash flows from operating activities		
Deficiency of revenue over expenses	\$ (28,775)	\$ (6,725)
Changes in non-cash items related to operations		
Accounts receivable	(6,145)	5,000
GST/HST recoverable	(7,117)	1,641
Accounts payable and accrued charges	(47,769)	48,106
Deferred contributions	(56,378)	(5)
Increase in cash during the year	(146,184)	48,017
Cash, beginning of year	164,210	116,193
Cash, end of year	\$ 18,026	\$ 164,210

See accompanying notes.

Food for the Poor of Canada, Inc.

Notes to Financial Statements

December 31, 2015

1. Nature of Business

Food for the Poor of Canada, Inc. ("FPC") was incorporated under the laws of Canada on January 8, 1991 and is registered as a charitable organization under the Income Tax Act (Canada). As such, it is exempt from income tax and may issue charitable tax receipts.

The organization is an interdenominational, Christian charity whose purpose is to alleviate poverty and offer hope and change to those in need in the Caribbean and Latin America. FPC works alongside an international relief and development agency in the United States and with established partners and charities in the region to distribute goods to churches and missionaries, hospitals, schools and community leaders that work directly with the poor. They also oversee and manage the construction of homes, water wells, schools, clinics and other funded projects.

2. Summary of significant accounting policies

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reporting period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in the results of operations in the period in which they become known.

Revenue Recognition

FPC follows the deferral method of accounting for contributions. Contributions are recognized as received or receivable if the amount to be collected can be reasonably estimated and collection is assured. Restricted contributions, such as donations made for specific projects, are recognized as revenues in the year in which the related expenses are incurred or activity takes place.

Donated Medical Aid and Education and Food Supplies

FPC receives medicines, vaccines, and medical supplies from a registered Canadian charity. These items are distributed free of charge by the organization to people in need in the Caribbean and Latin America.

These donated supplies are recognized in the statement of operations and changes in net assets as contributions and expenses, based on the fair value of such supplies, as determined by donor organizations.

Volunteer Services

Much of the work of FPC is dependent on voluntary services. Since these services are not normally purchased, and because of the difficulty in determining their fair value, such donated services are not recognized in the accounts.

The organization does not compensate members of the board of directors. Because of the difficulty in determining their fair value, such donated services are also not recognized in the accounts.

Food for the Poor of Canada, Inc.

Notes to Financial Statements

December 31, 2015

3. Grant from an international aid agency

Food For The Poor, Inc., a US-based organization is related to FPC as certain officers of the organization are also directors of FPC. During the year, FPC received a total of \$100,000 (2014 - \$60,000) in grants from Food For The Poor, Inc.

4. Salary

50% of the salary expense of the Executive Director and Administrator has been allocated to Program Expenses and 25% has been allocated to fundraising, with the remaining 25% being recognized as an administrative expense.