

AUDITED FINANCIAL STATEMENTS

COMMUNITY HARVEST, INC.

June 30, 2011

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David H. Wackerly

Certified Public Accountant

Suite 103
4150 Belden Village St., NW
Canton, Ohio 44718

Phone:

Canton 330-493-0507

Akron 330-923-8713

Fax 330-493-9504

dwackerly@wackerlycpa.com

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, 2011 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 2010 financial statements and, in my report dated November 29, 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, 2011, 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 15, 2011

COMMUNITY HARVEST, INC.
Statement of Financial Position
June 30, 2011
(With Comparative Totals for 2010)

ASSETS		2011	2010
CURRENT ASSETS			
Cash		\$ 32,089	\$ 45,033
Accounts receivable		-	-
		<u>32,089</u>	<u>45,033</u>
TOTAL CURRENT ASSETS		32,089	45,033
FIXED ASSETS			
Leasehold improvements		1,640	-
Furniture and equipment		1,993	1,332
Delivery equipment		51,590	41,465
		<u>55,223</u>	<u>42,797</u>
Less: accumulated depreciation		4,870	40,292
		<u>50,353</u>	<u>2,505</u>
TOTAL FIXED ASSETS		50,353	2,505
TOTAL ASSETS		<u>\$ 82,442</u>	<u>\$ 47,538</u>
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
Payroll taxes payable		\$ 2,359	1,258
NET ASSETS			
Unrestricted		80,083	46,280
Temporarily restricted		-	-
		<u>80,083</u>	<u>46,280</u>
TOTAL NET ASSETS		80,083	46,280
TOTAL LIABILITIES AND NET ASSETS		<u>\$ 82,442</u>	<u>\$ 47,538</u>

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

COMMUNITY HARVEST, INC.
Statement of Activities
For the Year Ended June 30, 2011
(With Comparative Totals for 2010)

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>TOTALS</u>	
			<u>2011</u>	<u>2010</u>
SUPPORT AND REVENUE				
SUPPORT				
Grants, Contributions, fundraiser \$	38,593	\$ 65,000	\$ 103,593	\$ 54,202
Celebrity cuisine	24,395	-	24,395	19,452
In-kind donations - food	1,132,829	-	1,132,829	926,360
REVENUE				
Interest income	70	-	70	179
OTHER				
Gain on sale of fixed asset	2,312	-	2,312	-
NET ASSETS RELEASED FROM RESTRICTIONS:				
Restrictions satisfied	<u>65,000</u>	<u>(65,000)</u>	<u>-</u>	<u>-</u>
TOTAL SUPPORT AND REVENUE	1,263,199	-	1,263,199	1,000,193
EXPENSES				
Program services	1,182,400	-	1,182,400	963,838
General and administrative	<u>46,996</u>	<u>-</u>	<u>46,996</u>	<u>36,392</u>
TOTAL EXPENSES	<u>1,229,396</u>	<u>-</u>	<u>1,229,396</u>	<u>1,000,230</u>
CHANGES IN NET ASSETS	33,803	-	33,803	(37)
NET ASSETS, BEGINNING OF YEAR	<u>46,280</u>	<u>-</u>	<u>46,280</u>	<u>46,317</u>
NET ASSETS, END OF YEAR	<u>\$ 80,083</u>	<u>\$ -</u>	<u>\$ 80,083</u>	<u>\$ 46,280</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, 2011
(With Comparative Totals for 2010)

	<u>2011</u>	<u>2010</u>
CASH FLOWS PROVIDED BY OPERATING ACTIVITIES:		
Change in net assets	\$ 33,803	\$ (37)
Adjustment to reconcile change in net assets to net cash used for operating activities		
Depreciation	4,355	1,307
Gain on sale of fixed asset	(2,312)	19,000
Increase (Decrease) in payroll taxes payable	1,101	(328)
Proceeds from sale of fixd asset	<u>4,000</u>	<u>-</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	40,947	19,942
CASH USED BY INVESTING ACTIVITIES		
Purchase of fixed assets	<u>(53,891)</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH	(12,944)	19,942
CASH, BEGINNING OF YEAR	<u>45,033</u>	<u>25,091</u>
CASH, END OF YEAR	<u><u>\$ 32,089</u></u>	<u><u>\$ 45,033</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, 2011
(With Comparative totals for 2010)

	<u>PROGRAM SERVICES</u>	<u>GENERAL AND ADMINISTRATIVE</u>	<u>TOTALS</u>	
			<u>2011</u>	<u>2010</u>
Wages	\$ 25,294	\$ 25,295	\$ 50,589	\$ 27,697
Benefits	1,509	1,508	3,017	8,890
Payroll taxes	2,018	2,018	4,036	2,237
TOTAL PERSONNEL	<u>28,821</u>	<u>28,821</u>	<u>57,642</u>	<u>38,824</u>
Donated food	1,132,829	-	1,132,829	926,360
Professional fees	-	2,105	2,105	2,826
Supplies	1,852	3,247	5,099	3,116
Telephone	-	1,758	1,758	822
Postage	-	530	530	2,306
Occupancy	1,681	5,043	6,724	2,600
Maintenance	-	196	196	525
Printing and publications	-	3,579	3,579	6,249
Insurance	-	950	950	950
Vehicle expenses	10,522	-	10,522	11,235
Conferences, meetings	-	224	224	690
Volunteer gifts	1,719	-	1,719	-
Other expenses	621	543	1,164	2,420
TOTAL EXPENSES BEFORE DEPRECIATION	<u>1,178,045</u>	<u>46,996</u>	<u>1,225,041</u>	<u>998,923</u>
Depreciation	4,355	-	4,355	1,307
TOTAL EXPENSES	<u><u>\$ 1,182,400</u></u>	<u><u>\$ 46,996</u></u>	<u><u>\$ 1,229,396</u></u>	<u><u>1,000,230</u></u>

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

COMMUNITY HARVEST, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2011

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.