

THE PERTH AND DISTRICT COMMUNITY FOUNDATION
FINANCIAL STATEMENTS
DECEMBER 31, 2003

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STATEMENT OF FINANCIAL POSITION

As At December 31

	2003	2002
	\$	\$
ASSETS		
Current Assets		
Cash	21,657	7,430
Investments (note 2)	89,632	75,000
Accrued investment income	7,660	1,253
	<u>118,949</u>	<u>83,683</u>
Capital Assets (note 3)	<u>2,340</u>	<u>---</u>
Total Assets	<u>121,289</u>	<u>83,683</u>

LIABILITIES AND FUND BALANCES

Current Liabilities		
Accounts payable and accrued liabilities	2,470	---
Fund Balances		
Foundation operations	21,527	7,430
Unrestricted community fund (note 4)	97,292	76,253
Restricted funds (note 5)	---	---
	<u>118,819</u>	<u>83,683</u>
Total Liabilities and Fund Balances	<u>121,289</u>	<u>83,683</u>

On Behalf of the Board:

_____, President

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

STATEMENT OF OPERATIONS AND FUND BALANCES

For the Year Ended December 31

	Foundation Operations \$	Unrestricted Community Fund \$	2003 Total \$	2002 Total \$
Revenue				
Donations	11,973	17,632	29,605	85,066
Other income	186	6,407	6,593	2,731
Trillium grant	25,000	---	25,000	---
	37,159	24,039	61,198	87,797
Expenditure				
Administrative				
Amortization	1,000	---	1,000	---
Bank charges	121	---	121	155
Marketing and advertising	1,272	---	1,272	1,296
Luncheon launch	---	---	---	1,853
Office and general	2,646	---	2,646	810
Rent	1,303	---	1,303	---
Salaries and benefits	15,800	---	15,800	---
Travel	920	---	920	---
Grants				
Scholarships	---	3,000	3,000	---
	23,062	3,000	26,062	4,114
Net Revenue for the Year	14,097	21,039	35,136	83,683
Fund Balances, Beginning of Year	7,430	76,253	83,683	---
Fund Balances, End of Year	21,527	97,292	118,819	83,683

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

STATEMENT OF CASH FLOWS

For the Year Ended December 31

	2003 \$	2002 \$
Cash Flows Provided From:		
Operating Activities		
Net revenue for the year	35,136	83,683
Add: amortization	1,000	---
	<u>36,136</u>	<u>83,683</u>
Working Capital Provided (Applied)		
Investments	(14,632)	(75,000)
Accrued investment income	(6,407)	(1,253)
Accounts payable and accrued liabilities	2,470	---
	<u>(18,569)</u>	<u>(76,253)</u>
Investing Activities		
Purchase of capital assets	(3,340)	---
Change in Cash, During the Year	14,227	7,430
Cash, Beginning of Year	7,430	---
Cash, End of Year	<u>21,657</u>	<u>7,430</u>

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

NOTES TO THE FINANCIAL STATEMENTSDecember 31, 2003

The Perth and District Community Foundation was incorporated without share capital under Part II of the Canada Corporations Act with the object of raising funds by way of charitable donations for the furtherance of the welfare of the community. The Foundation is a registered charity (Business Number 87446 2112 RR0001) and is classified as a public foundation under Section 149.1(1) of the Income Tax Act (Canada).

1. Significant Accounting Policies

The corporation follows generally accepted accounting principles with the exception of certain specific accounting policies prescribed under the Agreements and which are described below:

(a) Revenue and Expenditure

Revenue and expenditure are recorded on the accrual basis of accounting in that revenues are recorded when entitlement for funds is established and expenditures are recorded as incurred. Donations and cheques are recorded as received.

(b) Investments

Investments are recorded at year end market values.

(c) Capital Assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair market value at the date of contribution. Amortization is provided on the declining balance basis as follows:

Computer	30%
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(d) Donated Services

No amounts are reflected in the statements for donated services since no objective basis is available to measure the value of such services. Nevertheless, a substantial number of volunteers donated significant amounts of their time to the organization and its fundraising activities.

(e) Financial Instruments

The company's financial instruments consist of cash, accounts receivable, and accounts payable. Unless otherwise noted, it is management's opinion that the company is not exposed to any significant interest, currency, or credit risk from these financial instruments. The fair value of these financial instruments approximate their carrying values unless otherwise noted.

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2003

1. Significant Accounting Policies/continued**(f) Use of Estimates**

The preparation of financial statements in conformity with 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 period. Actual results could differ from these estimates.

2. Investments

Investments are comprised of the following:

	2003	2002
	\$	\$
Canadian fixed income	89,632	75,000

3. Capital Assets

	2003		2002	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
	\$	\$	\$	\$
Computer	3,340	1,000	2,340	---

4. Unrestricted Community Fund

The unrestricted community fund is a pooling of all funds in which the distribution of income is determined by the Board of Directors each year according to the most pressing needs of the community.

5. Restricted Funds

Restricted funds consist of donor designated, donor advised, field of interest and agency endowed funds. All donations, the income of which are to be designated for specific purposes, are recorded as additions to the capital of a restricted fund.