

**THE TORONTO COMMANDERY FOUNDATION INC.**

*(a not-for-profit corporation registered in Ontario)*

**Financial Statements**

**Year Ended December 31, 2010**

**THE TORONTO COMMANDERY FOUNDATION INC.**

*(a not-for-profit corporation registered in Ontario)*

**Index to Financial Statements**

**Year Ended December 31, 2010**

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	Page
INDEPENDENT AUDITOR'S REPORT	1 - 2
FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Revenues and Expenditures	4
Statement of Changes in Net Assets	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 8

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**INDEPENDENT AUDITOR'S REPORT**

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To the Members of The Toronto Commandery Foundation Inc. (a not-for-profit corporation registered in Ontario)

We have audited the accompanying financial statements of The Toronto Commandery Foundation Inc., a not-for-profit corporation registered in Ontario, which comprise the statement of financial position as at December 31, 2010, and the statements of revenues and expenditures, 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 generally accepted accounting principles, 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 qualified audit opinion.

*(continues)*

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Independent Auditor's Report to the Members of The Toronto Commandery Foundation Inc. (a not-for-profit corporation registered in Ontario) *(continued)*

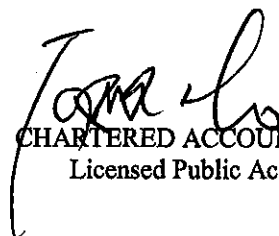
**Basis for Qualified Opinion**

In common with many charitable organizations, the company derives revenue from contributions the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the company and we were not able to determine whether any adjustments might be necessary to contributions, excess of revenues over expenses, current assets and net assets.

**Qualified Opinion**

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the contributions referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of The Toronto Commandery Foundation Inc., a not-for-profit corporation registered in Ontario, as at December 31, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Toronto, Ontario  
March 29, 2011

  
CHARTERED ACCOUNTANTS  
Licensed Public Accountants

**THE TORONTO COMMANDERY FOUNDATION INC.**

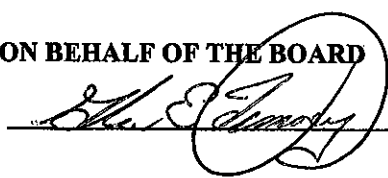
*(a not-for-profit corporation registered in Ontario)*

**Statement of Financial Position**

**December 31, 2010**

	<b>2010</b>	<b>2009</b>
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 86,445	\$ 30,748
Term deposits	300,885	375,000
Goods and services tax recoverable	93	-
	<u>\$ 387,423</u>	<u>\$ 405,748</u>
 <b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accrued liabilities	\$ 1,700	\$ 1,500
<b>NET ASSETS</b>		
General fund	<u>385,723</u>	<u>404,248</u>
<b>LIABILITIES AND NET ASSETS</b>	<u>\$ 387,423</u>	<u>\$ 405,748</u>

**ON BEHALF OF THE BOARD**



*TREASURER*  
Director

Director

See accompanying notes to the financial statements

**THE TORONTO COMMANDERY FOUNDATION INC.**

*(a not-for-profit corporation registered in Ontario)*

**Statement of Revenues and Expenditures**

**Year Ended December 31, 2010**

	<b>2010</b>	<b>2009</b>
<b>REVENUE</b>		
Amounts received from other registered charities	\$ 29,737	\$ 25,851
Eligible amount of tax receipted gift	2,000	5,665
Interest Income	1,771	642
	<u>33,508</u>	<u>32,158</u>
<b>EXPENSES</b>		
Donations	50,000	-
Professional fees	1,965	2,124
Interest and bank charges	68	97
	<u>52,033</u>	<u>2,221</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES</b>	<b>\$ (18,525)</b>	<b>\$ 29,937</b>

See accompanying notes to the financial statements

**THE TORONTO COMMANDERY FOUNDATION INC.**

*(a not-for-profit corporation registered in Ontario)*

**Statement of Changes in Net Assets**

**Year Ended December 31, 2010**

	General Fund	Restricted Fund	2010	2009
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 404,248	\$ -	\$ 404,248	\$ 374,311
Deficiency of revenue over expenses	(18,525)	-	(18,525)	29,937
<b>NET ASSETS - END OF YEAR</b>	\$ 385,723	\$ -	\$ 385,723	\$ 404,248

See accompanying notes to the financial statements

**THE TORONTO COMMANDERY FOUNDATION INC.***(a not-for-profit corporation registered in Ontario)***Statement of Cash Flows****Year Ended December 31, 2010**

	2010	2009
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenue over expenses	\$ (18,525)	\$ 29,937
Changes in non-cash working capital:		
Interest receivable	-	1,430
Accrued liabilities	200	-
Goods and services tax recoverable	(93)	301
	<u>107</u>	<u>1,731</u>
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<b>(18,418)</b>	<b>31,668</b>
Cash - beginning of year	<u>405,748</u>	<u>374,080</u>
<b>CASH - END OF YEAR</b>	<b>\$ 387,330</b>	<b>\$ 405,748</b>
<b>CASH FLOWS SUPPLEMENTARY INFORMATION</b>		
Interest received	\$ -	\$ (1,430)
Interest paid	\$ 68	\$ 97

See accompanying notes to the financial statements



**THE TORONTO COMMANDERY FOUNDATION INC.**

*(a not-for-profit corporation registered in Ontario)*

**Notes to Financial Statements**

**Year Ended December 31, 2010**

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**1. DESCRIPTION OF OPERATIONS**

The Toronto Commandery Foundation Inc (Foundation) was incorporated on February 2, 2004 and became a registered charity as a public foundation under the Income Tax Act on June 29, 2004. The purpose of the Foundation is to raise charitable funds to support palliative care and hospice care within the community.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Revenue Recognition

The Foundation follows the deferral method of accounting for contributions. Externally restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted and internally restricted contributions are recognized as revenue of the fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increase in net assets.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Contributed Services

The activities of the Foundation is carried out by volunteers without compensation. The value of such service is not recognized in the financial statements.

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**3. Guaranteed Investment Certificate**

	<u>2010</u>	<u>2009</u>
RBC Prime-Linked Cashable GIC is maturing on January 6, 2010 earning interest at rate of 1%	\$ -	\$ 75,000
RBC Prime-Linked Cashable GIC is maturing on December 21, 2010 earning interest at rate of 0.3%	-	100,000
RBC Prime-Linked Cashable GIC is maturing on December 21, 2010 earning interest at rate of 0.3%	-	200,000
RBC One Year Cashable GIC is maturing on December 15, 2011 earning interest at a rate of 1%	<b>100,295</b>	-
RBC One Year Cashable GIC is maturing on December 15, 2011 earning interest at a rate of 1%	<b>200,590</b>	-
	<u><b>\$ 300,885</b></u>	<u><b>\$ 375,000</b></u>

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**4. NET ASSETS INTERNALLY RESTRICTED FOR COMMUNITY HOSPICE**

The Foundation plans to accumulate \$2 million during the seven-year period from January 1, 2005 to December 31, 2011 to fund a non-profit community hospice in the north Toronto area. The property accumulated in the year will be deemed by the Charities Directorate as the amount spent on charitable activities carried on by the Foundation in the year.

**THE TORONTO COMMANDERY FOUNDATION INC.**

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**Notes to Financial Statements**

**Year Ended December 31, 2010**

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**5. FINANCIAL INSTRUMENTS**

The Foundation's financial instruments consist of cash, Guaranteed Investment Certificate and accrued liability. Unless otherwise noted, it is management's opinion that the company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

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