

TRENT CENTRE FOR COMMUNITY-BASED EDUCATION INC.

AUDITED FINANCIAL STATEMENTS

AT MAY 31, 2009

Tim J.F. Nicholls
Chartered Accountant

TRENT CENTRE FOR COMMUNITY-BASED EDUCATION INC.
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AT MAY 31, 2009

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Tim J.F. Nicholls
Chartered Accountant

AUDITOR'S REPORT

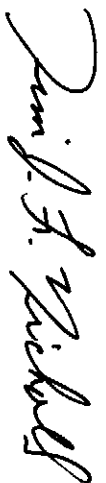
**To the Board of Directors of
Trent Centre For Community-Based Education Inc.**

I have audited the statement of financial position of Trent Centre For Community-Based Education Inc. as at May 31, 2009 and the statements of operations and changes in fund balance and cash flows 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.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance 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.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at May 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Peterborough, Ontario
September 11, 2009


Chartered Accountant
Licensed Public Accountant

TRENT CENTRE FOR COMMUNITY-BASED EDUCATION INC.

STATEMENT OF FINANCIAL POSITION
As At May 31, 2009

| | 2009 | 2008 |
|---|---------------|---------------|
| | \$ | \$ |
| ASSETS | | |
| Current | | |
| Cash | 29,986 | 53,407 |
| Prepaid expenses | - | 910 |
| Total Assets | 29,986 | 54,317 |
| LIABILITIES AND FUND BALANCE | | |
| Current Liabilities | | |
| Accounts payable and accrued liabilities | 14,473 | 23,828 |
| Deferred contributions - Note 3 | 15,513 | 30,489 |
| | 29,986 | 54,317 |
| Fund Balance | | |
| Unrestricted | - | - |
| Total Liabilities and Fund Balance | 29,986 | 54,317 |

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

Tim J.F. Nicholls
 Chartered Accountant

TRENT CENTRE FOR COMMUNITY-BASED EDUCATION INC.

STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE
For The Year Ended May 31, 2009

| | 2009 | 2008 |
|---|-----------------|----------------|
| | \$ | \$ |
| Revenue | | |
| Grants | | |
| Trent University | 180,000 | 240,018 |
| McConnell Foundation | - | 30,000 |
| ICOR | 100,000 | 118,663 |
| Undergraduate Studies | 2,806 | - |
| Government of Canada | 4,545 | - |
| Province of Ontario | 23,928 | - |
| Trillium | 2,166 | 590 |
| Other | - | - |
| Total Revenue | 313,445 | 389,271 |
| Expenditures | | |
| Board/Committee supplies and expenses | 636 | 2,136 |
| Training and professional development | 3,553 | 5,323 |
| Staff travel and accommodations | 1,221 | 6,520 |
| Program participant supports | 862 | 1,112 |
| Program delivery tools and materials | 288 | 571 |
| Marketing and promotion | 5,055 | 6,525 |
| Salaries and benefits | 187,256 | 203,094 |
| Resource centre | 1,733 | 811 |
| Telephone, internet and network | 13,862 | 5,607 |
| Office equipment and furnishings | 9,725 | 3,306 |
| Office supplies and expenses | 3,623 | 4,286 |
| Rent | 5,459 | 5,432 |
| Accounting and audit | 4,127 | 3,807 |
| Administrative professional fees | 2,624 | 4,710 |
| Insurance | 2,181 | 2,164 |
| Purchase of service payments - Note 4 | 87,288 | 98,643 |
| Total Expenditures | 329,493 | 354,047 |
| Excess (Deficiency) of Revenue Over Expenditures Before Other Item | (16,048) | 35,224 |
| Other Item | | |
| Recognition (Deferral) of Contributions From Trent University - Note 3 | 16,048 | (30,489) |
| Excess of Revenue Over Expenditures For The Year | - | 4,735 |
| Fund Balance, Beginning of Year | - | (4,735) |
| Fund Balance, End of Year | - | - |

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

Tim J.F. Nicholls
Chartered Accountant

TRENT CENTRE FOR COMMUNITY-BASED EDUCATION INC.

STATEMENT OF CASH FLOWS
For The Year Ended May 31, 2009

| | 2009 \$ | 2008 \$ |
|--|------------|------------|
| CASH PROVIDED BY (USED IN) | | |
| Operating Activities | | |
| Excess of revenue over expenditures for the year | - | 4,735 |
| Changes in non-cash working capital accounts | | |
| Prepaid expenses | 910 | (27) |
| Accounts payable and accrued liabilities | (9,355) | 6,115 |
| Deferred contributions | (14,976) | 30,489 |
| | (23,421) | 41,312 |
| Increase (Decrease) In Cash During The Year | (23,421) | 41,312 |
| Cash, Beginning of Year | 53,407 | 12,095 |
| Cash, End of Year | 29,986 | 53,407 |

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

Tim J.F. Nicholls
Chartered Accountant

TRENT CENTRE FOR COMMUNITY-BASED EDUCATION INC.

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended May 31, 2009

NOTE 1: PURPOSE OF ORGANIZATION

Trent Centre For Community-Based Education Inc. is a community-based, non-profit organization incorporated without share capital, which has a mission statement of facilitating community-based research and experiential learning. The Centre provides opportunities for students, faculty and local organizations to pool their resources and work together on community-inspired projects that enhance the social, environmental, cultural and economic health of our community.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Trent Centre For Community-Based Education Inc. uses the deferral method of accounting.

Realization of Revenues and Expenses

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable, if the amount can be reasonably estimated and collection is reasonably assured.

Income Taxes

The organization is a non-profit organization as defined by the Federal and Ontario Income Tax Acts and, as such, is not subject to Federal and Provincial income taxes.

Financial Instruments

The organization has adopted the new CICA Handbook Section 3855 for the recognition and measurement of financial instruments. Under this new section, the organization's financial instruments are classified by management as either held for trading, held to maturity, available for sale, loans and receivables or other liabilities. Financial instruments classified as held for trading are stated at fair value and changes in fair value are recognized in the statement of operations as revenue or expenditure for the year. Financial instruments classified as available for sale are stated at fair value and changes in fair value are recognized in the statement of changes in fund balances as an increase or decrease in net assets for the year. Financial instruments classified as held to maturity, loans and receivables to other liabilities are stated at cost or amortized cost and any interest income or expense arising from these financial instruments is recorded using the effective interest method.

The organization's financial instruments consist of cash and accounts payable and accrued liabilities. Management has classified its cash as available for sale. As the fair value of the cash approximates their cost, there is no effect on net assets for the year. Management has classified its accounts payable and accrued liabilities as other liabilities which have been stated at cost due to their short term maturities.

Unless otherwise noted, it is management's opinion that the organization is not exposed to any significant interest, currency or credit risk arising from its financial instruments.

Capital Assets

Computers and equipment are expensed in the year of acquisition. During the year, capital assets costing \$4,166 (2008 - \$2,399) were expensed.

Tim J.F. Nicholls
Chartered Accountant

TRENT CENTRE FOR COMMUNITY-BASED EDUCATION INC.

NOTES TO THE FINANCIAL STATEMENTS For The Year Ended May 31, 2009

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Donated Materials and Services

No amounts have been recorded in the current year financial statements for donated materials and services.

Use of Accounting Estimates

The preparation of financial statements in conformity with Canadian 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 reporting periods. Actual results could differ from those estimates.

NOTE 3: DEFERRED CONTRIBUTIONS

The organization receives operating grants from Trent University and the Ontario Trillium Foundation, which if unused in a current year, are permitted to be utilized in a following year for the same purpose as originally granted. Deferred contributions relate to amounts received in the current year which are eligible to be retained for use in a future year. Changes in the deferred contributions balance is as follows:

| | 2009 | 2008 |
|-----------------------------------|-----------|-----------|
| | \$ | \$ |
| Balance, beginning of period | 30,489 | - |
| Add: amounts received | 298,469 | 388,681 |
| Less: amounts recorded as revenue | (313,445) | (358,192) |
| Balance, end of period | 15,513 | 30,489 |

NOTE 4: PURCHASE OF SERVICE PAYMENTS

During the year, the organization made payments to U-Links Centre For Community-Based Research in Haliburton County (U-Links) to provide services in Haliburton County. As at the year end, U-Links retained \$1,508 (2008 - \$7,540) of the total payments of \$87,288 (2008 - \$98,643). Under the terms of agreement between the two organizations, these funds are not repayable to the organization, provided they are utilized to deliver services in the following year.

NOTE 5: LEASE COMMITMENT

The organization is currently negotiating rental terms with Trent University.

NOTE 6: ECONOMIC DEPENDENCE

The organization receives a significant amount of funding from Trent University and as such, is economically dependent on this source of income.

Tim J.F. Nicholls
Chartered Accountant