



*Women escaping abusive situations,
refugees and the homeless...
as they struggle with furnishing
their homes, Furniture Bank
is there to help.*

A n n u a l R e p o r t 2 0 1 0



Furniture Bank
*furnishing beginnings
spreading hope*

Furniture Bank furnishes homes of families in need through donated furniture and household goods.

The need is great in our own community, Toronto. Our current economic climate has created an increase in demand for social services – particularly with families. Women escaping abusive situations, refugees and the homeless are the main recipients of our services. As they struggle with finding and furnishing affordable housing, Furniture Bank is there to help them.

Last year, Furniture Bank helped over 2,500 families. This year, we will help even more.

Making the decision to change their lives is a courageous one. As a community, we can help them succeed in taking the next steps towards a better future. Through your donations, we become a community by helping our community.

Together, we can make a real impact on people's lives.

Key facts about Furniture Bank

2,527 families helped in 2010

37% of people served are women

Revenue distribution

53% in kind donations

10,000+ families helped since inception

24% of people served are children

17% government funding

1,292 metric tones of waste diverted

18% of households served are single mother households

17% programs revenues

80% program distribution

46 partner agencies

8% private donations and grants

7.5% fundraising ratio

14,000 volunteer hours

5% other sources

271 volunteers

12 years in service



Escaping from domestic violence is difficult. Furnishing a new safe home shouldn't be.

In 2010 we helped 900 women furnish new homes.

A Message from the Chair



Every year, more and more people look to Furniture Bank for help and we are pleased to be able to answer the call. Our clients come from all walks of life but all have one hope – to find help in their move towards a new beginning!

This year, Furniture Bank helped 2,527 families in Toronto, all of which were starting out on a new beginning. We were able to achieve this incredible success with the generous support of our community and for this, we are truly thankful.

Furniture Bank achieved many things in 2010, including a surplus for the second year in a row, the launch of new programs and, as always, an increase in the number of families helped. A major achievement has been the organization's new commitment to raising public awareness of Furniture Bank and the work it does to help the community so we can strengthen our support and continue to grow.

Throughout this report, you will see Furniture Bank's new messaging which was developed in the latter part of 2010

and is being implemented in 2011. The message is focused on what Furniture Bank does for its clients and for the community: Furnishing Beginnings, Spreading Hope. Please visit our newly re-launched website to see our message in action.

Looking forward to 2011, we have been hard at work implementing a number of recommendations from our strategic review to help us better meet the needs of our community. This year, our 5 key goals are to:

- Improve awareness – Furniture Bank will no longer be the best kept secret in the GTA;*
- Build and encourage closer ties with our community, including professionalize our message to new and existing supporters;*
- Enhance and formalize the social purpose enterprise aspects of Furniture Bank through our skills development programs in areas such as warehousing, logistics, furniture repair, and pest control;*
- Optimize Furniture Bank's contribution to the environment through the collection of*

gently used furniture to meet our distribution needs and to reduce the overall amount of discarded furniture going to landfills; and

- Ensure our long term financial and operational sustainability by ensuring a healthy balance across our three core sources of revenue: grants, operating revenue, and fundraising.*

Furniture Bank is an organization that is dependent on the compassion of a devoted volunteer base and the generosity of our donors, foundations, corporations and funding sources through all levels of government. We rely on in kind donors to replenish our inventory of furniture and household goods, which in turn supports the growing number of families served. Without your help, Furniture Bank cannot continue to address the needs of the City of Toronto; we are thankful for your support and for helping us to furnish beginnings and spread hope.

Gerry Purcell



Our annual **Chair Affair** fundraiser has been gaining momentum every year. It has become a great source of both revenues and fun.



In 2010 *Chair Affair* helped raise more than \$64,000 for our cause.



Furniture Bank

*furnishing beginnings
spreading hope*

Our Mission

We enable the effective transfer of gently used household furnishings from donors to families.

Our Vision

All families and individuals live in dignity in furnished homes.

Our Values

We believe that a vibrant, safe and sustainable foundation is in the best interest of present and future clients.

We are passionate, caring, and enthusiastic in our support of persons in need.

We believe that respect for and dignity of our clients is paramount; we treat all who come in contact with us with fairness, consistency, and honesty.

We are accountable to our clients, employees, volunteers, partner agencies and communities of support for our actions.

We believe that our legacy for future generations is our impact on our environment.



Refugees face many challenges when settling in a new country. Furnishing a home shouldn't be one of them.

By working with our partner agencies, in 2010 Furniture Bank helped close to 800 refugee families furnish homes.

A Message From The Executive Director



In 2010 we continued to build on our momentum of 2009. Through focused fundraising efforts, paired with responsible fiscal management and improved operational processes, 2010 was a banner year for Furniture Bank. Not only did we exceed our expectations for growth, our financial results have never been better. In 2010, Furniture Bank received revenue in the amount of \$1,373,818 and a surplus of \$10,518. And all of this was accomplished with 80% of donations going directly to our clients through furniture and other services.

The demand for our services was never greater than in 2010 and Furniture Bank was proud to step up to the challenge. Last year, Furniture Bank turned houses into homes for well over 5,500 adults and children. In total, we distributed furniture and household goods to over 2,500 families, including 1612 children, which represent an increase of 23% over 2009. Early indications are that 2011 will once again see a significant increase.

As the needs of the City of Toronto have increased, our relationship with many of Toronto's social service agencies has deepened. Working with Toronto's Streets to Homes program – whose mandate includes helping homeless people find long-term housing – we furnished 622 homes.

In 2010, Furniture Bank also launched several initiatives, including our Kids Sleep Tonight program, which is aimed at raising awareness and addressing the need for beds for kids.

Along with our programs, Furniture Bank's fundraising events also developed and expanded.

A key initiative in 2010 was the Chair Affair, our inaugural fundraising event, which saw 31 local artists transform chairs from our warehouse into incredible works of art. The event was attended by 375 people and raised more than \$64,000 with the help of Jack Layton, our very capable auctioneer and longtime

supporter. We were thrilled with the success of the event and are busy planning our second Chair Affair for September 21, 2011.

In addition to the accomplishment of our inaugural Chair Affair, we teamed up with The Beer Store for a very successful bottle drive staffed primarily by volunteers who worked tirelessly to make the event a huge success. Jointly, these events generated \$80,357.

Furniture Bank also continues to grow its commitment to the environment by diverting 1292 metric tones of waste – a 14% increase over 2009.

Although a new location was anticipated last year, Furniture Bank will maintain its current location and enter into a lease for another year. We are pleased at the stability this will offer us while we continue to grow and develop many other aspects of the organization.

Perry Davidson



It is hard to get a good night sleep when you don't have a bed.

Through our *Kids Sleep Tonight* program and other in-kind donations, Furniture Bank helped provide over 1,600 beds for children in 2010.

A Message From the Fundraising and Marketing Committee

Furniture Bank's activities extend beyond the distribution of furniture; they reach far across the broader community to connect and improve the lives of many

When I joined Furniture Bank, I met a volunteer who was a new immigrant to Canada. He started with Furniture Bank because he wanted to help others, while learning skills and connecting with the local community in the process.

When I think of this individual, I am reminded that Furniture Bank's activities extend beyond the distribution of furniture; they reach far across the broader community to connect and improve the lives of many. The opportunity to work with Furniture Bank gave this gentleman an enriched learning experience that fundamentally improved his quality of life but by impacting at an individual level and helping one person to learn and develop new skills, Furniture Bank also contributed to the greater community.

Focusing and communicating this message of Furniture Bank's successes has been the focus of the Marketing Committee in 2010. Looking forward to 2011 and beyond, Furniture Bank is extending its positive impact by formalizing

the social enterprise aspect of the organization. Look for our improved website – www.furniturebank.org - and find us on Facebook for the latest information on activities, events and impacts on the community.

The year 2010 proved to be a difficult year for many and Furniture Bank experienced a notable increase in demand for its services. We were in the fortunate position to fulfill that demand and this would not have been possible without the generous donations, both financial and in-kind, from our local community. We are happy to report that the Fundraising Committee continues to receive encouraging responses from current and past clients, new and existing foundation supporters and corporations whom we have approached.

This is an exciting time to be a part of Furniture Bank's family. Not only is our organization growing and serving more individuals who need our service but the Fundraising

Committee has been busy building deeper connections with our existing supporters and pursuing new corporations, foundations and individuals donors in order to raise funds and capital to sustain the growth we are experiencing.

Giving, as we all know, is up to the individual. It is never the size of the donation that matters but rather the thoughts and emotions that accompany it. Be a catalyst for true and everlasting change in our community. There has never been a better time to support Furniture Bank. I invite each and every one of you to join us as partners in helping our local communities and building a sustainable mechanism that improves the quality of life for those who need it in our communities.

Andrew Chung



Furniture Bank
furnishing beginnings
spreading hope



Furniture Bank partnered with the Beer Store to accept donations of bottle returns across greater Toronto Area.

October 2010 we raised \$12,400 at our first *Thanksgiving Bottle Drive* in conjunction with the beer store.

Thank You Volunteers!

At Furniture Bank, volunteers are our lifeblood. When our clients reach out to us, a volunteer answers the call. When clients arrive to choose the furniture that will furnish their new home, a volunteer is there to greet them warmly and assist them in their choice. As clients tour the warehouse to select pieces that will best serve their family in setting up their new home, what they see is the work of our volunteers who have stocked and arranged donated furniture. Our committed volunteers believe, as our founder Sister Schenck says, that "a house is not a home until a picture is hung" so they work to ensure that every client leaves with furniture and house wares to help make their new accommodations a home.

In 2010, we were pleased to welcome for the first time corporations that included Furniture Bank in their Volunteer Day programs. Volunteers from

Accenture and InTact Insurance joined us to spend the day helping clients – and they felt so good they came back and did it again! This year, Price Waterhouse and AOL have already committed to spend a day with us. Corporate volunteers, like all of our volunteers, are a welcome and very necessary part of our operation and we are most grateful for their time and interest.

In 2011, we continue to invite corporate volunteers to spend the day with us in the warehouse or to help us with fundraising, marketing and a multitude of other business functions that are critical to Furniture Bank's operation. We are also looking forward to developing a Volunteer Recognition Program in addition to our annual Volunteer Appreciation Day because Furniture Bank simply cannot accomplish what it does without volunteers.

A fond farewell

In 2010, our volunteers donated over 14,000 hours of their personal time with many of them doing this for several years. This year we sadly said "good bye" to Donna Fenton who has been a volunteer since the Furniture Bank began in 1997. Along with her many contributions, Donna created wonderful decorative pillows made from donated fabric to help turn houses to homes. We will miss Donna very much.

Happily Julia Savaria is now leading this important group so our clients will continue to have a selection of unique pillows to brighten their homes.

Thank you to all of our volunteers!!

Shirley Knight

Chair Governance Committee



We believe that people have an extraordinary ability to improve their circumstances given the right level of support.

Since 1997, we have furnished beginnings for thousands of families in need.

Board of Directors

Gerry Purcell

- Chair

Naveen Kalia

- Treasurer & Finance and Audit Committee

Jennifer Hunter

- Secretary & Governance Committee

Andrew Chung

- Director & Fundraising and Marketing Committee

Elaine Frost

- Director & Finance and Audit Committee

Shirley Knight

- Director & Governance Committee

Isabel Pascoe

- Director & Fundraising and Marketing Committee

Anne Schenck, CSJ

- Founding Director

Scott Taylor

- Director & Fundraising and Marketing Committee

The board would like to recognize the contributions of Greg Vermeulen and Andrew Winton during their tenure as board members.

Partner Agencies

Furniture Bank works in partnership with many community agencies and shelters to assist individuals and families to obtain furniture for their new homes. These agencies play a critical role by helping to screen potential furniture recipients. This helps Furniture Bank ensure we maintain our focus on those leaving shelters, abusive situations, at-risk youth or are refugees to Canada.

ACCES Employment

Adam House

Birkdale Residence

Canadian Centre for Victims of Torture

Children's Aid Society of Toronto

Christie Refugee Welcome Centre

COSTI Immigrant Services

COTA Health

COTA Health - OT

Covenant House

Dixon Hall

Dr. Roz's Healing Place

Ernestine's Women's Shelter

Eva's Initiatives

Family Residence

FCJ Refugee Centre

Fred Victor Centre

Good Shepherd

High Park/Parkdale ESS

Horizons for Youth

Interim Place

Interval House

Julliette's Place

June Callwood Centre

Mary's Home

Massey Centre for Women

Matthew House

Mennonite New Life Centre

Native Child and Family Services of Toronto

Native Men's Residence

Nazareth House

Nellie's

North York Women's Shelter

Pape Adolescent

Resource Centre

Reconnect Mental Health Services

Robertson House

Romero House

Rosalie Hall

Salvation Army - Evangeline Residence

Salvation Army - Peel Family Shelter

Savard's Women's Shelter - Homes First Society

Seaton House

Sisters of Life

Sojourn House

St. Christopher House

Streets To Homes

The Redwood

The Scott Mission - Men, Women & Family

Thornccliffe Neighbourhood

Toronto Community Hostel

Toronto Professional Firefighters' Association

Women's Habitat of Etobicoke

Women's Residence

Working Women Community Centre

YMCA Sprott House

Yorktown Family Services

Youth Without Shelter

YWCA - 1st Stop Woodlawn Shelter

YWCA - Arise

YWCA - Beatrice House

YWCA - Bergamot

YWCA - Bongard House

YWCA - Women's Shelter



Furniture Bank

furnishing beginnings
spreading hope

Our Supporters

Grants

Streets To Homes
The Spratt
Foundation
Toronto Enterprise
Fund, United Way of
Greater Toronto

Foundations

3100 Notre-Dame
Residence
Audrey S. Hellyer
Charitable
Foundation
C.B. Powell
Foundation
Conn Smythe
Foundation
Edwards Charitable
Foundation
Flora McCrea Group
of Timothy Eaton
Memorial Church
Frederick and
Douglas Dickson
Memorial Foundation
Jackman
Foundation
Mary Ellen Timmins
Family Trust
Notre -Dame
Residence
Order of Malta
Charitable
Foundation
Paloma Foundation
Patrick and Barbara
Keenan Foundation
PwC Foundation
Roman Catholic
Episcopal
Corporation
Seneca Student
Federation
The Bay Street
Children's
Foundation
The Catherine &
Maxwell Meighen
Foundation
The George Cedric
Metcalf Charitable
Foundation
The George Lunan
Foundation
The Georgina
Foundation
The Henry White
Kinnear Foundation
Tippet Foundation

Corporate

1800GotJunk?
1-800-Rid-of-It Junk
Removal

1-888-Junk Quik Inc.
2 Gladstone Ave. Inc.
Art of Living
AVIP Design
BMO Bank of
Montreal
Brenntag Canada
Canadian Tire
casalife
Chapman Design
Group
Cherry Bomb
Vintage
Creative Matters
Delta Meadowvale
Resort & Conference
Centre
Designs by Meagan
Dr. Roz's Healing
Place
Epico Design Ltd
Flohhaus
Forman & Forman
Gennaro Investments
Limited
Harmony Printing
Humber College
Hundred Watt
Studio
IBM Canada Ltd.
Imar Steel
Interiors By Lynne
Interiors for you
Jennifer Lembke
Design
Jennifer Simon
Design
John Adams
Joy Apparel
Julie Jenkinson
Karen Kayne Design
KPMG
Lax O'Sullivan
Scott LLP
Lynch & Comisso
Architects
Make It Show
Mary Stanton
Interiors
Ontario Power
Generation Inc
Pardon Le Dopeness
Patriot Office
Installations Inc.
ReMax Central Corp.,
Brokerage
Sarah Richardson
Design
Scotia Bank
Sky Factory Studio

Spot On
Organization
Studio Antico
Studio Lab Theatre
Sun Life Financial
Suncor Energy
The Beer Store
The Brick
The Cook's Place Ltd
The Singing Lady
Consignment
Tobi Brackway
Interiors
Toronto District
Christian High
School
Tucker's Marketplace
Value Improvement
Associates
(Canada) Ltd.
Vintage Gardener
Woodsworth Housing
Co-operative Inc
Working Women
Community Centre
Wynford

Individual

Adam Peer
Aileen Jean
Alban Joxhe
Alex Chapman
Andrew and Dana
Winton
Andrew Chung
Andrew Lee
Anne Schenck
Anonymous, various
Anthony Lenkey
Arthur Cordingley
Avela Fournier
Barbara Ackerman
Barbara Blake
Bayla Hernick
Bonnie Hartley
Brenda Cowie
Brett Purcell
Brien McKenna
Bruce Renihan
Cameron Young
Carmine Tullio
Carol Clark
Carol Rosenthal
Carol Sebert
Carolyn Braithwaite
Charlene Catchpole
Chris Boswell
Chris Lamoureux
Christopher A. Wyllie
Cynthia Findlay

D. Valk
Daniel Naymark
Daniel Schwartz
Dave Cassie
Dave Robitaille
David Hulchanski
David Walsh
Diana Mikas
Diana Versegny
Diane Davies
Djuro Haramustek
Don Parkhill
Dorothee Boettcher
Douglas Allen
Douglas Elliott
Douglas Stansbury
Elaine Frost
Eleanor Adam
Elizabeth Grace
Elizabeth Price
Elyse Strathy
Eric Quon-Lee
Erin Taylor
Eugene Mccallen
Felix Decata
Frank Kalamut
Gerald Timmins
Gerry Purcell
Gerson D'souza
Gino Reda
Gloria Nazar
Greg Vermeulen
Hannah Pattison
Helen Hegedus
Hugh Cumming
Hugh G. Morris
in Mamonova
James Biss
James Larratt
Jan Lowenthal
Janice O'Connor
Jean Love
Jennifer Hunter
Jennifer Lembke
Jessica Bokhout
Jill MacLean
Joan Boswell
Joan Pape
Joanne Coffman
Joe Di Paolo
Joe Galeazza
John Clarry
John Cumming
John McCormack
Jon Venutti
Josie Lopilato
Judith Adams
Judy Cook

Julia Pletneva
Julie Weston
Karen Poshtar
Katherine Bates
Kathleen Ancker
Kathryn Long
Kathy Zarembo
Kelly Donnelly
Larry Marks
Laura Reeves
Lauren Biggs
Laurie Currie
Lawrence Rowe
Lillian Korson
Lin Joyce
Linda Weber
Lorraine Davin
Lorraine Nelson
Lucy Hart
Lynda Nahiriak
Lynne Paterson
Marc Lamoureux
Margaret Gillespie
Maria Buson
Marina Rudenko
Marion Harris
Mark Satov
Marta Condolo
Martha Pender
Mary Adair
Mary Bratti
Mary Carson
Mary Ellen Lynch
Mary Ellen Mulvey
Mary Hellin
Mary Lloyd
Mary Marczell
Melissa Murkar
Melody Jackson
Michael Erdele
Michelle Klim
Mike Crocco
Mona Chinnay
Nancie mcleod
Nathalie Simonian
Nelson A Lorraine
Norman Ho
Norman Krowles
Norman M
Alexander
Norman Stern
Opal Rowe
Patricia A. Little
Patricia A. Mazepa
Patricia Daley
Paul Brown
Peggi Mace
Penny Latto

Perry Davidson
R.J. Drummond
Rashid Ansarri
Richard Crawford
Riki Myre
Rocco Paolo
Ronald C. Hore
Ronald Watson
Rose McKernan
Rosina Bonavota
Rudolf Blatter
Ruth Peden
S.E. Woods
Sami Dong
Sara McKitrick
Sara Street
Saul Goodman
Scott Taylor
Serena Lee-Segal
Sharon Grossman
Sheryl Charters
Shirley Knight
Shukhdev Chagger
Sid Zawaly
Sophia Cappelletto
Stephanie Repar
Stephen C Pollishuke
Stephen Dulmage
Steve Price
Steven Comisso
Susan Rogers
Susan Winton
Susan Woods
Sylvia Kowal
Tamara McEwen
Terrence O'Sullivan
Terry McLeod
Thelma Davidson
Tom Hamza
Tony Belbeck
Tracy Wynne
Trish Donnelly
Veronica Purcell
Vicky Riley Keyes
Wendy Sprung



Furniture Bank
furnishing beginnings
spreading hope

A Message from the Finance and Audit Committee

Overall we had another successful year from a financial perspective. We ended the year with total revenues over expenditures of \$10,508, down from the previous year as we spent more resources in building our fundraising team which we expect to pay dividends in the coming years. Total revenues increased by over 10% primarily driven by another successful year in our pick-up and delivery income.

Our expenses also grew by 24% to \$1,363,310. This increase is due in large part to the variable expenses used to generate the pick-up and delivery income as well as our additional fundraising resources. Our other core fixed expenses remained fairly stable year over year.

At December 31, 2010 our net assets increased modestly to \$325,104 from \$314,596.

In 2011 we will continue to focus our efforts on fundraising and our pick-up and delivery business with the goal of increasing our financial resources for the significant capital expenditures that are expected in the coming years.

Naveen Kalia

Treasurer



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of:
Furniture Bank

Report on the Financial Statements

We have audited the accompanying financial statements of Furniture Bank, which comprise the statement of financial position as at December 31, 2010 and the statements operations, 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 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.


Basis for Qualified Opinion

As is the case with many charitable organizations, Furniture Bank derives a portion of its income from the general public in the form of donations and fundraising which are not susceptible to complete audit verification. In addition, revenue derived through the delivery and pickup of furniture paid in cash in the year were also not susceptible to complete audit verification. Accordingly, our verification of these revenues and expenses was limited to accounting for the amounts recorded in the records of the organization, and we were not able to determine whether any adjustments might be necessary to donations, delivery and pickup revenue, excess revenues over expenses, assets, liabilities, or internally restricted and unrestricted net assets. In addition, Furniture Bank receives donated goods, as disclosed in Note 7 to the financial statements, which are not susceptible to satisfactory audit verification and, consequently, have not been recorded on the books of Furniture Bank.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the preceding Basis for Qualified Opinion paragraph, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of certain revenue and expenses referred to in the preceding paragraph, the financial statements present fairly, in all material respects, the financial position of Furniture Bank as at December 31, 2010, and its financial performance and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles for not-for-profit organizations.

Toronto, Ontario
May 25, 2011


Forman & Forman
Chartered Accountants, Licensed Public Accountants

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FURNITURE BANK
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2010

	2010	2009
ASSETS		
Current		
Cash	\$ 297,263	\$ 312,683
Accounts receivable	62,327	46,834
Prepaid expenses	<u>16,088</u>	<u>16,367</u>
	375,678	375,884
Restricted cash (Notes 5 & 6)	299,959	255,673
Capital Assets, net (Note 3)	<u>61,961</u>	<u>97,760</u>
	<u>\$ 737,598</u>	<u>\$ 729,317</u>

LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 108,978	\$ 125,567
Deferred capital contribution (Notes 2(g) and 4)	50,067	79,991
Other deferred revenue (Note 5)	<u>253,449</u>	<u>209,163</u>
	<u>412,494</u>	<u>414,721</u>
Commitments (Note 8)		

NET ASSETS		
Unrestricted Net Assets	216,633	170,326
Net Assets Invested in Capital Assets	61,961	97,760
Net Assets Restricted for Capital Assets (Note 6)	<u>46,510</u>	<u>46,510</u>
	<u>325,104</u>	<u>314,596</u>
	<u>\$ 737,598</u>	<u>\$ 729,317</u>

APPROVED ON BEHALF OF THE BOARD:



 Director



 Director

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



FURNITURE BANK
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2010

	Invested in Capital Assets	Unrestricted	Restricted	2010 Total	2009 Total
Net Assets - Beginning of Year	\$ 97,760	\$ 170,326	\$ 46,510	\$ 314,596	\$ 173,396
Excess of revenues over expenditures for the year	<u>(35,799)</u>	<u>46,307</u>	<u>-</u>	<u>10,508</u>	<u>141,200</u>
Net Assets - End of Year	\$ <u>61,961</u>	\$ <u>216,633</u>	\$ <u>46,510</u>	\$ <u>325,104</u>	\$ <u>314,596</u>

In 2010 we helped xxx women furnish new homes

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

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FURNITURE BANK
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2010

	2010	2009
REVENUES		
Grants		
Government	\$ 502,599	\$ 420,132
Foundations	69,052	174,035
Other	77,000	82,000
Pick-up and delivery income	506,814	432,272
Event revenue	80,357	-
Donations	58,241	63,397
Furniture sales	-	11,054
Amortization of deferred capital contributions (Notes 2(g) & 4)	29,923	24,942
Interest income	4,204	3,811
Other income	<u>45,628</u>	<u>31,934</u>
	<u>1,373,818</u>	<u>1,243,577</u>
EXPENSES		
Wages and benefits - operations	585,690	499,312
Wages and benefits - office	360,104	297,180
Rent	130,029	105,703
Office, general and warehouse	59,156	55,767
Vehicle expense	50,353	34,142
Professional fees	17,630	32,843
Amortization	34,647	32,291
Utilities	23,549	7,491
Insurance	15,279	15,735
Fundraising	71,037	14,444
Consulting fees	-	1,025
Loss on disposal of assets	1,151	-
Bad debts	2,638	-
Bank charges	<u>12,047</u>	<u>6,444</u>
	<u>1,363,310</u>	<u>1,102,377</u>
EXCESS OF REVENUES OVER EXPENDITURES FOR THE YEAR	<u>\$ 10,508</u>	<u>\$ 141,200</u>

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

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FURNITURE BANK
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2010

	2010	2009
CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES:		
Excess of revenues over expenditures for the year	\$ 10,508	\$ 141,200
Adjustment for:		
Amortization	<u>34,647</u>	<u>32,291</u>
	45,155	173,491
Net changes in non-cash working capital balances:		
Accounts receivable	(15,493)	9,094
Prepaid expenses	279	(12,380)
Accounts payable and accrued charges	<u>(16,588)</u>	<u>18,557</u>
	<u>13,353</u>	<u>188,762</u>
CASH FLOWS (USED IN) INVESTING ACTIVITIES:		
Additions (Disposals) of capital assets (net)	<u>1,151</u>	<u>(65,154)</u>
CASH FLOWS PROVIDED BY FINANCING ACTIVITIES		
Deferred capital contribution	(29,924)	38,048
Other deferred revenue	<u>44,286</u>	<u>79,163</u>
	<u>14,362</u>	<u>117,211</u>
NET INCREASE IN CASH DURING THE YEAR	28,866	240,819
Cash, beginning of year	<u>568,356</u>	<u>327,537</u>
CASH, END OF YEAR	<u>\$ 597,222</u>	<u>\$ 568,356</u>
REPRESENTED BY:		
Cash - general	297,263	312,683
Cash - externally restricted (Note 5)	253,449	209,163
Cash - internally restricted (Note 6)	<u>46,510</u>	<u>46,510</u>
	<u>\$ 597,222</u>	<u>\$ 568,356</u>

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

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FURNITURE BANK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

NOTE 1. NATURE OF ORGANIZATION

Furniture Bank was incorporated as a corporation without share capital under the Canada Corporations Act on January 28, 1998. The organization is a registered charity and is, therefore, exempt from income taxes.

The objective of the organization is to collect and distribute donated furniture and household furnishings free of charge to poor and needy persons.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Revenue Recognition

The organization uses the deferral method of accounting for contributions where restricted contributions related to expenses of future periods are deferred and recognized as revenue in the period in which the expenses are incurred. Endowment contributions are reported as direct increases in the net assets. All other contributions are reported as revenue of the current period on an accrual basis.

Other sources of revenue (including pick-up, delivery, furniture sales, interest and other income) are recognized on an accrual basis and when collection can be reasonably assumed.

(b) Capital Assets

Capital assets are stated at cost. Amortization, based on the estimated useful lives of the assets, is provided using the under noted annual rates and methods:

Trucks	- 30%	Declining balance
Computer equipment	- 45 & 55%	Declining balance
Office equipment	- 20%	Declining balance
Warehouse equipment	- 20%	Declining balance
Leasehold improvements	-	Straight-line over term of lease

Additions during the year are amortized at half of the normal rate.

FURNITURE BANK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Contributed Materials and Services

Contributed materials and services are generally not recorded in these financial statements due to the difficulty in determining their fair value.

(d) Financial Instruments

The organization has elected to use the exemption provided by the Canadian Institute of Chartered Accountants ("CICA") permitting not-for-profit organizations to not apply the following sections of the CICA Handbook: Section 3862, Financial Instruments - Disclosures, and Section 3863, Financial Instruments - Presentation, which would otherwise have applied to the financial statements of the organization for the year ended December 31, 2010. The organization applies the requirements of Section 3861, Financial Instruments - Disclosure and Presentation.

The organization's financial instruments consist of cash, accounts receivable and accounts payable and accrued liabilities. Unless otherwise noted, it is the directors' opinion that the organization is not exposed to significant interest rate, currency or credit risks arising from its financial instruments. The fair value of financial instruments approximates their carrying values, unless otherwise noted.

The organization classifies its financial instruments into one of the following categories based on the purpose for which the asset was acquired. The organization's accounting policy for each category is as follows:

Financial assets and liabilities held for trading

Financial instruments classified as financial assets and financial liabilities held for trading are recorded at fair value at each balance sheet date and any change in fair value is recognized in income in the period in which the change occurs.

Financial instruments included in this category are cash and accounts payable and accrued liabilities.

Investments held to maturity

Financial instruments classified as held-to-maturity investments are carried at amortized cost using the effective interest method. Interest is included in income for the year.

The are no financial instruments in this category.

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FURNITURE BANK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Loan and receivables

Financial instruments classified as loans and receivables, and financial liabilities held for purposes other than for trading, are carried at amortized cost using the effective interest method.

Financial instruments included in this category are accounts receivable.

Available-for-sale financial assets

Financial assets classified as available for sale are recorded at fair value at each balance sheet date and any change in fair value is recognized in the statement of operations in the period in which these changes occur. Upon derecognition, any accrued gains or losses are recognized in income for the year.

There are no financial instruments in this category.

Transactions costs

Transaction costs related to financial assets and liabilities held for trading are expensed as they are incurred. Transaction costs related to financial assets held to maturity, loans and receivables, and other financial liabilities are taken into account in the carrying value of the asset and liability and subsequently amortized over the expected useful life of the instrument using the effective interest method. Transaction costs related to available-for-sale assets are capitalized upon initial recognition.

(e) **Impairment of Long-lived Assets**

The organization reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Recoverability is assessed based on the carrying amount of a long-lived asset compared to the sum of the future undiscounted cash flows expected to result from the use and the eventual disposal of the asset. An impairment loss is recognized when the carrying amount is not recoverable and exceeds its fair value.

**FURNITURE BANK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Grants

From time to time, the organization receives grants for the purchase of capital assets. These grants are reported on the balance sheet as deferred capital contributions and are being amortized into income at a rate equal to the annual amortization expense being claimed on related capital asset. During the year the organization received grants for the purchase of equipment and leasehold improvements totaling \$42,000 (2009 - \$18,424).

(g) Contributed capital assets

Contributed capital assets are reported on the balance sheet, when their fair market value can be determined, as deferred capital contributions and are amortized into income at a rate equal to the annual amortization expense being claimed on related capital asset. During the year furniture and equipment with a value of \$Nil (2009 - \$44,565) was contributed to the organization.

NOTE 3. CAPITAL ASSETS

	Cost	Accumulated Amortization	2010 Net Book Value	2009 Net Book Value
Trucks	\$ 78,691	\$ 56,574	\$ 22,117	\$ 33,240
Computer Equipment	50,119	34,928	15,191	27,967
Office Equipment	34,729	12,583	22,146	27,683
Leasehold improvements	10,198	8,668	1,530	7,649
Warehouse Equipment	<u>1,357</u>	<u>380</u>	<u>977</u>	<u>1,221</u>
	<u>\$ 175,094</u>	<u>\$ 113,133</u>	<u>\$ 61,961</u>	<u>\$ 97,760</u>

FURNITURE BANK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

NOTE 4. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions are represented as follows:

	Grant	Amortized Amount	2010 Net Book Value	2009 Net Book Value
Trucks	\$ 75,498	\$ 56,574	\$ 18,924	\$ 28,403
Leaseholds	10,198	8,668	1,530	7,649
Equipment	<u>52,791</u>	<u>23,178</u>	<u>29,613</u>	<u>43,939</u>
	<u>\$ 138,487</u>	<u>\$ 88,420</u>	<u>\$ 50,067</u>	<u>\$ 79,991</u>

NOTE 5. OTHER DEFERRED REVENUE

	Opening Balance	Contributions Received	Income Recognized	Ending Balance
Contributions externally restricted for use toward the purchase or construction of a building	\$ 100,000	\$ -	\$ -	\$ 100,000
Contributions externally restricted for use toward the purchase of a truck	-	42,000	-	42,000
Contributions externally restricted toward certain programs and operating expenses.	100,160	507,029	504,743	102,446
Contributions externally restricted for use in establishing a call centre and sales training	<u>9,003</u>	<u>-</u>	<u>-</u>	<u>9,003</u>
	<u>\$ 209,163</u>	<u>\$ 549,029</u>	<u>\$ 504,743</u>	<u>\$ 253,449</u>

NOTE 6. NET ASSETS INTERNALLY RESTRICTED FOR CAPITAL ASSETS

This internally restricted net asset balance of \$46,510 (2009 - \$46,510) represents net assets generated by the organization in a capital building campaign of a prior year, that have been internally restricted for use in the purchase or construction of a building. These funds may not be used for any other purpose without approval of the Board of Directors.

FURNITURE BANK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

NOTE 7. DONATED FURNITURE AND HOUSEHOLD ITEMS

During the year, the Organization received donations of furniture and household items of approximately \$1,569,609 (2009 - \$1,118,980). The value of these items has not been reflected as either a revenue or an expense in these statements.

NOTE 8. COMMITMENTS

The organization has a lease agreement for its premises that expired on March 31, 2011. The minimum rental payments, excluding taxes, over the term of the lease are as follows:

March 31, 2011	\$34,375
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The organization has an agreement in place to receive funding equivalent to the minimum lease payment over the term of the lease, ending March 31, 2011, to be applied to the lease costs.

Effective April 1, 2011, the organization is on a month-to-month lease with three months notice required prior to termination. The minimum monthly lease payments continue at \$11,458.

NOTE 9. ECONOMIC DEPENDENCE

The organization is economically dependent on the City of Toronto for funding of its operations.

NOTE 10. USE OF ESTIMATES

The preparation of the financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

NOTE 11. CAPITAL DISCLOSURES

The organization identifies capital as the cash held by it. The primary objective of the organization is to have sufficient capital to maintain its operations and to achieve its purpose described in Note 1. To that end, capital is held only in the form of cash.

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Furniture Bank

*furnishing beginnings
spreading hope*

www.furniturebank.org

*For more information about Furniture Bank
and donation or sponsorship opportunities,
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facebook

*Furniture Bank is incorporated under the Canada Corporations Act
pursuant to Letters Patent dated January 28, 1998.*

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