

CANADIAN HUMANITARIAN ORGANIZATION FOR INTERNATIONAL RELIEF

Financial Statements

Year Ended March 31, 2008

DRAFT

AUDITORS' REPORT

To the Members of Canadian Humanitarian Organization for International Relief

We have audited the statement of financial position of Canadian Humanitarian Organization for International Relief as at March 31, 2008 and the statement of operations and retained earnings for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we 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 common with many charitable organizations, the organization 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 organization 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.

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 organization as at March 31, 2008 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Winnipeg, Manitoba
September 16, 2008

Chartered Accountants

CANADIAN HUMANITARIAN ORGANIZATION FOR INTERNATIONAL RELIEF

Statement of Financial Position

March 31, 2008

	2008	2007
ASSETS		
CURRENT		
Cash	\$ 52,963	\$ 33,282
LIABILITIES		
CURRENT		
Accounts payable	\$ 3,123	\$ 1,609
Deferred revenues	16,820	13,750
	19,943	15,359
NET ASSETS	33,020	17,923
	\$ 52,963	\$ 33,282

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ON BEHALF OF THE BOARD

_____ Director

_____ Director

CANADIAN HUMANITARIAN ORGANIZATION FOR INTERNATIONAL RELIEF

Statement of Operations and Retained Earnings

Year Ended March 31, 2008

	2008	2007
REVENUE		
Contributions and other	\$ 204,704	\$ 124,731
Fundraising income	116,166	40,162
Grants	27,794	15,000
	<u>348,664</u>	<u>179,893</u>
EXPENSES		
Bank charges and interest	1,064	203
Fundraising expenses	30,703	5,488
Insurance	1,950	1,950
Office	10,667	784
Payroll expenses	61,523	23,835
Professional fees	2,592	3,778
Project expenses	225,068	133,554
	<u>333,567</u>	<u>169,592</u>
NET INCOME	15,097	10,301
NET ASSETS - BEGINNING OF YEAR	17,923	7,622
NET ASSETS - END OF YEAR	\$ 33,020	\$ 17,923

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CANADIAN HUMANITARIAN ORGANIZATION FOR INTERNATIONAL RELIEF

Notes to Financial Statements

Year Ended March 31, 2008

1. PURPOSE OF THE ORGANIZATION

Canadian Humanitarian Organization for International Relief is a national organization formed to provide the basic necessities of life such as nutrition, shelter, health care, and education to disadvantaged children everywhere. Canadian Humanitarian Organization for International Relief qualifies as not-for-profit organization under the provisions of the Income Tax Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue Recognition

The organization follows the deferral method of accounting for contributions. 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 to be received can be reasonably estimated and collection is reasonably assured.

Deferred Revenues

Deferred revenues represents contributions received regarding expenses to be incurred in a future year. These contributions will be recognized as revenue in the year in which the related expenses are incurred. Unless otherwise indicated these expenses are anticipated to be incurred within one year.

Contributed Goods and Services

Volunteer time and the cost of certain expenses are contributed to the organization each year to assist it in carrying out its activities. Because of the difficulty of determining their fair value, contributed goods and services are not recognized in the financial statements.

Financial Instruments

The organization adopted the new requirements of the CICA Handbook relating to the recognition and measurement of financial instruments. This section has to be adopted for fiscal years beginning on or after October 1, 2007. This section indicates when and at what amount a financial instrument has to be recorded in the statements of financial position and operations.

The organization's carrying value of cash and cash equivalents, accounts payable and deferred revenue approximates its fair value due to the immediate or short term maturity of these instruments.

3. STATEMENT OF CASH FLOWS

A statement of cash flows has been omitted as it would not provide additional meaningful information not readily determinable from other financial information provided.
