

CANADIAN HUMANITARIAN ORGANIZATION FOR INTERNATIONAL RELIEF
Financial Statements
Year Ended March 31, 2011

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, 2011 and the statement of operations and net assets 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.

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 controls as management determines are 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. Except as explained in the paragraph below, 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 the 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 audit opinion.

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.

FROSTIAK & LESLIE

Chartered Accountants Inc.

www.cafinancialgroup.com



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 organization as at March 31, 2011 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
June 30, 2011

Frostiak & Leslie
Chartered Accountants Inc.

Winnipeg - Head Office Toll free 1.888.978.7500

200 - 1700 Corydon Avenue • Winnipeg • Manitoba • Canada • R3N 0K1 • Tel: 204.487.4449 • Fax: 204.488.8658

BRANCH OFFICES (MANITOBA): GIMLI • NIVERVILLE • OAKVILLE • SOUTH JUNCTION • WINKLER

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CANADIAN HUMANITARIAN ORGANIZATION FOR INTERNATIONAL RELIEF

Statement of Financial Position

March 31, 2011

	2011	2010
ASSETS		
CURRENT		
Cash	\$ 171,049	\$ 33,473
Prepaid expenses	8,715	800
	<u>\$ 179,764</u>	<u>\$ 34,273</u>
LIABILITIES		
CURRENT		
Accounts payable	\$ 1,133	\$ 1,281
NET ASSETS	<u>178,631</u>	<u>32,992</u>
	<u>\$ 179,764</u>	<u>\$ 34,273</u>

ON BEHALF OF THE BOARD

_____ Director

_____ Director

CANADIAN HUMANITARIAN ORGANIZATION FOR INTERNATIONAL RELIEF

Statement of Operations and Net Assets

Year Ended March 31, 2011

	2011	2010
REVENUE		
Contributions and other	\$ 288,562	\$ 332,018
Fundraising revenue	355,701	82,627
Grants	37,704	25,000
	<u>681,967</u>	<u>439,645</u>
EXPENSES		
Fundraising expenses	23,467	11,728
Insurance	2,265	2,325
Office	11,592	9,977
Payroll expenses	63,145	58,896
Professional fees	2,829	3,326
Programs, projects and expeditions	422,574	342,940
Rent	8,480	9,600
Scholarship fund	1,976	-
	<u>536,328</u>	<u>438,792</u>
NET INCOME	145,639	853
NET ASSETS - BEGINNING OF YEAR	<u>32,992</u>	<u>32,139</u>
NET ASSETS - END OF YEAR	<u>\$ 178,631</u>	<u>\$ 32,992</u>

CANADIAN HUMANITARIAN ORGANIZATION FOR INTERNATIONAL RELIEF

Notes to Financial Statements

Year Ended March 31, 2011

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 a not-for-profit organization and a Registered Charity 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'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.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

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.

CANADIAN HUMANITARIAN ORGANIZATION FOR INTERNATIONAL RELIEF

Notes to Financial Statements

Year Ended March 31, 2011

4. ADDITIONAL DISCLOSURES

Additional information as required by the Charitable Fund-raising Act (Alberta) is as follows:

Gross contributions received during the year were \$204,464 (2010 - \$188,135). The balance of gross revenue is made up of amounts received for expeditions & projects, fundraising revenue, sponsorships, and other revenue.

Gross contributions were used entirely to fund programs and projects including the following expenditures:

Kids Hope projects - \$83,384 (2010 - \$92,164)

(Support educational, nutritional and health needs of orphaned children and training of guardians in Sabeta and Addis Ababa, Ethiopia)

PATH Ethiopia, Literacy, Education and Vocational Center - \$29,181 (2010 - \$37,308)

(Support educational, nutritional and health needs of orphaned children and training of guardians in Addis Ababa, Ethiopia)

Support Street Children and Mothers - \$50,023 - (2010 - \$37,263)

(Support vocational training and accessible library in Addis Ababa, Ethiopia)

LiGA School - \$15,268 (2010 - \$10,752)

(Support preschool and after school educational programs in Addis Ababa, Ethiopia)

BEKA Ethiopia - \$19,183 (2010 - \$Nil)

(Support educational, nutritional and health needs of orphaned children and training of guardians in Oromo Province, Ethiopia)

In addition, \$16,150 (2010 - \$16,150) of the payroll expenses for the year involved fundraising activities. This was the primary expense incurred for the purpose of soliciting contributions. No outside fundraising business was used by the organization.

5. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.
