

**CANADIAN ROTARY COLLABORATION FOR
INTERNATIONAL DEVELOPMENT**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2007

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Chartered Accountants
and Business Advisors

AUDITORS' REPORT

To the Members of the Canadian Rotary Collaboration for International Development

We have examined the statement of financial position of the Canadian Rotary Collaboration for International Development as at March 31, 2007 and the statement of receipts and expenditures - contribution agreement funds 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.

As discussed in note 2 of the financial statements, the Rotary clubs or districts sponsoring the projects are required to account for the disbursement of project funds in relation to the approved budget. We are unable to audit the individual Rotary club projects or the accounting thereof other than to satisfy ourselves that the approved CIDA contributions have been disbursed as shown in the attached statements.

In our opinion, except for the effect of adjustments if any, which we might have determined to be necessary had we been able to audit individual projects as described in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2007 and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles.

Guelph, Ontario
April 18, 2007


A handwritten signature in black ink that reads 'RLB LLP'.

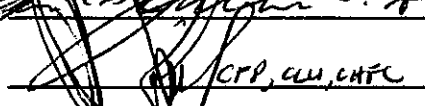
Chartered Accountants
Licensed Public Accountants

**CANADIAN ROTARY COLLABORATION FOR INTERNATIONAL DEVELOPMENT
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2007**

	2007	2006
ASSETS		
CURRENT		
Cash	\$ 167,828	\$ 42,675
GST receivable	0	319
Accounts receivable	<u>23,352</u>	<u>1,456</u>
	<u>191,180</u>	<u>44,450</u>
RESTRICTED		
Cash - Restricted	<u>1,715</u>	<u>6,715</u>
	<u>\$ 192,895</u>	<u>\$ 51,165</u>
LIABILITIES		
CURRENT		
Accounts payable	\$ 4,954	\$ 13,485
GST payable	<u>562</u>	<u>0</u>
	<u>5,516</u>	<u>13,485</u>
RESTRICTED FUND		
Tsunami	<u>1,715</u>	<u>6,715</u>
UNEXPENDED COMMITMENTS		
Contribution agreement funds (statement 2)	<u>185,664</u>	<u>30,965</u>
	<u>\$ 192,895</u>	<u>\$ 51,165</u>

APPROVED ON BEHALF OF THE BOARD:

 C. A. Director

 Director

**CANADIAN ROTARY COLLABORATION FOR INTERNATIONAL DEVELOPMENT
STATEMENT OF RECEIPTS AND EXPENDITURES - CONTRIBUTION AGREEMENT FUNDS
FOR THE YEAR ENDED MARCH 31, 2007**

	2007	2006
RECEIPTS		
Advances from CIDA - Contribution Agreement	\$ 595,890	\$ 677,998
Rotary contribution to annual Public Engagement Meeting	10,786	0
Rotary contribution to Developing Country Program Management	32,671	38,433
Administrative cost recovery	87,851	65,147
Management fees and other income	<u>7,046</u>	<u>7,219</u>
	<u>734,244</u>	<u>788,797</u>
EXPENDITURES		
Payments to Rotary Clubs		
- Contribution Agreement (note 2)	298,854	503,954
Wages and employee benefits	129,989	141,951
Office expense	79,969	70,355
Travel	52,364	70,507
Accounting and legal	7,619	8,066
Insurance	4,187	3,806
Furniture and equipment	2,747	20,201
GST	<u>3,816</u>	<u>5,300</u>
	<u>579,545</u>	<u>824,140</u>
NET INCOME (LOSS) for the year	154,699	(35,343)
UNEXPENDED COMMITMENT, beginning of year	<u>30,965</u>	<u>66,308</u>
UNEXPENDED COMMITMENT, end of year	<u>\$ 185,664</u>	<u>\$ 30,965</u>

**CANADIAN ROTARY COLLABORATION FOR INTERNATIONAL DEVELOPMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2007**

1. OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

The Canadian Rotary Committee for International Development receives funds from the Canadian International Development Agency (CIDA) for distribution to Canadian Rotary Clubs and Districts to assist sponsored development projects in underdeveloped nations. No accounting is performed by the committee for the individual projects. However, on completion, a final financial report is submitted to the committee for settlement. A record is maintained of the projects not completed and considered in process.

Any project that does not expend all funds contributed by CIDA is required to return the excess to the committee which, in turn, repays this excess and any other funds held for that project to CIDA.

The financial statements of the Committee have been prepared using the accrual method of accounting. Under this method, receipts are recognized when earned and expenditures are charged to operations as incurred.

(a) **BASIS OF ACCOUNTING**

The organization follows the restricted fund method of accounting for contributions.

Unexpended commitments fund

The unexpended commitments fund reports resources available for the organization's general operating activities including resources available for distribution of Canadian program and developing country program expenses.

Restricted fund

The Tsunami fund reports resources that are to be expended on projects directly related to the Tsunami.

(b) **REVENUE RECOGNITION**

Advances and cost recoveries are recognized as revenue in the year received or receivable if the amount can be reasonably estimated and collection is reasonably assured. All other income is recognized when received.

(c) **USE OF 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, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

**CANADIAN ROTARY COLLABORATION FOR INTERNATIONAL DEVELOPMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2007**

1. OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) FINANCIAL INSTRUMENTS

The organization's financial instruments consist of cash, accounts receivable and unexpended commitments. The carrying amounts of these financial instruments approximate their fair market value due to their short term maturity or capacity for prompt liquidation.

The organization does not have a significant exposure to any individual customer or counterpart.

2. ROTARY CONTRIBUTIONS/PAYMENTS

CIDA contributes funding to world community service development undertaken by Rotary Clubs and Districts. Rotary Club, Rotary Foundation and district contributions to the projects are accounted for by the clubs in accordance with the approved budget and policies established by Rotary International and its foundation. We are unable to audit the individual Rotary Club contributions or the accounting performed at the Rotary Club level. Estimated contributions are:

	2007	2006
Canadian Rotary Club contributions	\$ 391,121	\$ 483,592
Canadian DDF share	5,250	224,401
Rotary Foundation MF (Canadian)	160,000	432,443
Rotary Foundation MF (overseas)	10,000	47,993
CRCID paid	307,211	503,954
Overseas Rotary Club contributions	0	54,770
Overseas DDF share	0	21,213
Other contributions	<u>0</u>	<u>216,256</u>
	<u>\$ 873,582</u>	<u>\$ 1,984,622</u>

3. ROTARY CONTRIBUTIONS TO ADMINISTRATION

In 2006, 10% percent of CRCID advances to projects is applied to CRCID administration. These funds are contributed by participating clubs and districts.

4. STATEMENT OF CASH FLOWS

This statement is not included as it would not provide any additional meaningful information.

5. ORGANIZATION NAME CHANGE

On July 4, 2006, The Minister of Industry issued Supplementary Letters Patent changing the name of the corporation from the Canadian Rotary Committee for International Development to the Canadian Rotary Collaboration for International Development, as provided in By-Law No. 11 of the corporation.



Chartered Accountants
and Business Advisors

AUDITORS' REPORT ON SUPPLEMENTARY FINANCIAL INFORMATION

To the Canadian International Development Agency,
Non-Governmental Organization Division

The audited financial statements for the year ended March 31, 2007 for Canadian Rotary Collaboration for International Development and our report thereon are presented in the preceding section of this report. The following information is for purposes of additional analysis and is not required for a fair presentation of the organization's financial position, results of operations, or changes in financial position. Such information has been subjected to the auditing procedures applied in our examination of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

RLB LLP

Guelph, Ontario
April 18, 2007

Chartered Accountants
Licensed Public Accountants

SCHEDULE B

RESTRICTED FUNDS RECEIVED BUT NOT DISBURSED BY YEAR END

Liability and/or Fund Accounts (1) (Please specify) \$ 192,895.00

Less: non-cash items: (2)

Accounts receivable \$ 23,352.00

NGO commitments

Other (please specify) - restricted fund \$ 1,715.00

Advance receivable \$ -

TOTAL RESTRICTED FUNDS RECEIVED BUT NOT DISBURSED BY YEAR END (3) \$ 167,828.00

Summary of:

TOTAL RESTRICTED FUNDS RECEIVED BUT NOT DISBURSED BY YEAR END

	Previous Year	Current Year	CIDA
Funds: (by funding channel, including CIDA funded consortia and other CIDA funded bodies)			
Agency Project Funds	\$ 42,675.00	\$ 167,828.00	
Pennies for Polio	\$ -	\$ -	
Other Contributions: (by source)	\$ -	\$ -	

TOTAL RESTRICTED FUNDS RECEIVED BUT NOT DISBURSED BY YEAR END: (4) \$ 167,828.00