

**CANADIAN ROTARY COLLABORATION FOR  
INTERNATIONAL DEVELOPMENT**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED MARCH 31, 2008**

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Chartered Accountants  
and Business Advisors

People Count.

## 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, 2008 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 3 to 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, 2008 and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles.

Guelph, Ontario  
April 21, 2008

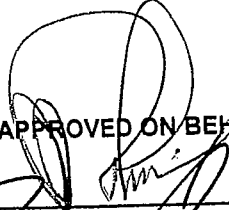
A handwritten signature in black ink that reads 'RLB LLP'.

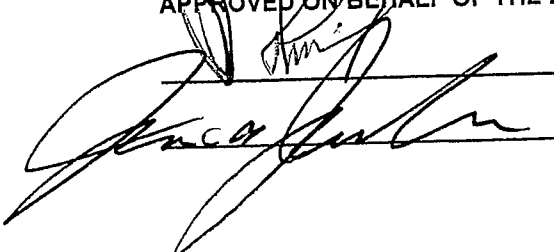
Chartered Accountants  
Licensed Public Accountants

**CANADIAN ROTARY COLLABORATION FOR INTERNATIONAL DEVELOPMENT  
STATEMENT OF FINANCIAL POSITION  
AS AT MARCH 31, 2008**

	<b>ASSETS</b>	
	<b>2008</b>	<b>2007</b>
<b>CURRENT</b>		
Cash	\$ 131,026	\$ 167,828
Short term investments	100,000	0
Accounts receivable	29,616	23,352
GST receivable	944	0
Program advances	421,491	0
Prepaid expenses	<u>1,703</u>	<u>0</u>
	<u>684,780</u>	<u>191,180</u>
 <b>RESTRICTED</b>		
Cash	<u>1,715</u>	<u>1,715</u>
	<u>\$ 686,495</u>	<u>\$ 192,895</u>
	<b>LIABILITIES</b>	
<b>CURRENT</b>		
Accounts payable	\$ 16,421	\$ 4,954
GST payable	<u>0</u>	<u>562</u>
	<u>16,421</u>	<u>5,516</u>
 <b>RESTRICTED FUND</b>		
Tsunami	<u>1,715</u>	<u>1,715</u>
 <b>UNEXPENDED COMMITMENTS</b>		
Contribution agreement funds (statement 2)	<u>668,359</u>	<u>185,664</u>
	<u>\$ 686,495</u>	<u>\$ 192,895</u>

APPROVED ON BEHALF OF THE BOARD:

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

**CANADIAN ROTARY COLLABORATION FOR INTERNATIONAL DEVELOPMENT  
STATEMENT OF RECEIPTS AND EXPENDITURES - CONTRIBUTION AGREEMENT FUNDS  
FOR THE YEAR ENDED MARCH 31, 2008**

	2008	2007
<b>RECEIPTS</b>		
Advances from GIDA - Contribution Agreement	\$ 700,780	\$ 595,890
Rotary contribution to annual Public Engagement Meeting	13,875	10,786
Rotary contribution to Developing Country Program Management	48,376	30,721
Administrative cost recovery	112,952	87,851
Management fees and other income	<u>12,546</u>	<u>8,996</u>
	<u>888,529</u>	<u>734,244</u>
<b>DEVELOPING COUNTRY PROGRAM EXPENDITURES (note 3)</b>	<u>59,472</u>	<u>298,854</u>
	<u>829,057</u>	<u>435,390</u>
<b>OPERATING EXPENDITURES</b>		
Wages and employee benefits	169,654	129,989
Office expense	87,989	79,969
Travel	65,747	52,364
Accounting and legal	14,468	7,619
Insurance	4,277	4,187
Furniture and equipment	1,772	2,747
GST	<u>2,455</u>	<u>3,816</u>
	<u>346,362</u>	<u>280,691</u>
<b>NET INCOME for the year</b>	482,695	154,699
<b>UNEXPENDED COMMITMENT, beginning of year</b>	<u>185,664</u>	<u>30,965</u>
<b>UNEXPENDED COMMITMENT, end of year</b>	<u>\$ 668,359</u>	<u>\$ 185,664</u>

**CANADIAN ROTARY COLLABORATION FOR INTERNATIONAL DEVELOPMENT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2008**

**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) CAPITAL ASSETS**

The organization expenses capital assets in the year purchased since capital assets additions are minimal.

**(c) 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.

**(d) 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.

**(e) FINANCIAL INSTRUMENTS**

The organization's financial instruments consist of cash, short term investments, 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.

**CANADIAN ROTARY COLLABORATION FOR INTERNATIONAL DEVELOPMENT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2008**

**2. CAPITAL ASSETS**

During the year, the organization expensed \$1,772 (2007 - \$2,747) of equipment.

**3. 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:

	<b>2008</b>	<b>2007</b>
Canadian Rotary Club contributions	\$ 489,115	\$ 391,121
Canadian DDF share	80,219	5,250
Rotary Foundation MF (Canadian)	142,491	160,000
Rotary Foundation MF (overseas)	0	10,000
CRCID paid	483,755	307,211
Other contributions	<u>111,230</u>	<u>0</u>
	<u>\$ 1,306,810</u>	<u>\$ 873,582</u>

**4. ROTARY CONTRIBUTIONS TO ADMINISTRATION**

In 2007, 10% percent of CRCID advances to projects is applied to CRCID program management. These funds are contributed by participating clubs and districts.

**5. STATEMENT OF CASH FLOWS**

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

**6. 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.

**7. LEASE OBLIGATIONS**

The company is leasing a photocopier under capital and operating leases expiring in 2013. Future minimum lease payments are as follows:

2009	\$	5,664
2010		5,664
2011		5,664
2012		5,664
2013		5,664
Thereafter		<u>1,416</u>
		<u>\$ 29,736</u>