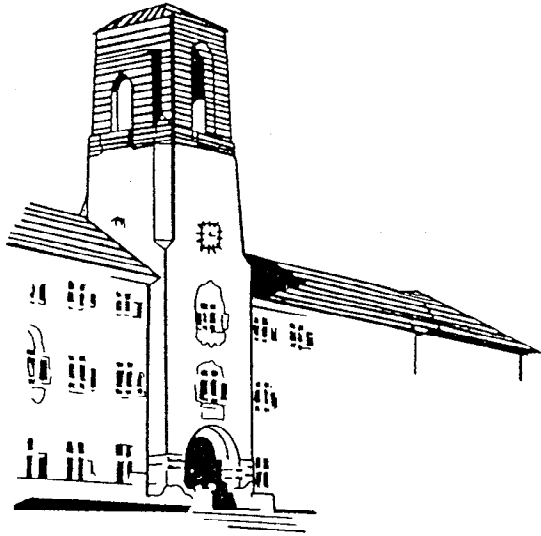


Friends Of Makerere In Canada (FOMAC)



*Pro Futuro Edificamus
(We Build For The Future)*

FINANCIAL REPORTS
FOR FISCAL YEAR
ENDED MARCH 31, 1998

FRIENDS OF MAKERERE IN CANADA INC. FINANCIAL STATEMENT

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October 98
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AUDITOR'S REPORT

TO: The Members of Friends of Makerere in Canada Inc. (FOMAC)

I have audited the balance sheet of Friends of Makerere in Canada Inc. as at March 31, 1998 and the statements of income and changes in financial position for the year then ended.

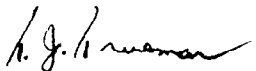
These financial statements are the responsibility of the organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

Except as explained in the following paragraph, I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material mis-statement. 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 presentations.

In common with many charitable organizations, the organization derives revenues from dues and donations the completeness of which is not susceptible of satisfactory audit verification. Accordingly, my verification of these revenues was limited to the amounts recorded in the records of the organization and I was not able to determine whether any adjustments might be necessary to income, net income from the year or funds under administration.

In my opinion, except for the effect of adjustments, if any, which I might have determined to be necessary had I been able to satisfy myself concerning the completeness of the dues and donations revenues 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, 1998 and the results of its operations and changes in its financial position for the year then ended, in accordance with generally accepted accounting principles.

Winnipeg, Canada
October 28, 1998


T.J. Trueman. C.A.
Chartered Accountant

FRIENDS OF MAKERERE IN CANADA INC.
BALANCE SHEET
MARCH 31, 1998

	1998	1997
<u>ASSETS</u>		
CURRENT ASSETS		
Cash	\$15,550.00	\$17,845.00
Royfund Canadian T.Bill Fund	6,995.00	5,823.00
	\$22,545.00	\$23,668.00
CAPITAL ASSETS		
Computer Equipment	\$3,702.00	\$3,702.00
Amortization	1,850.00	1,480.00
	\$1,852.00	\$2,222.00
	\$24,397.00	\$25,890.00
<u>LIABILITIES</u>		
CURRENT LIABILITIES		
Accounts Payable	\$8,718.00	\$37.00
FUNDS UNDER ADMINISTRATION		
Balance, beginning of year	\$25,853.00	\$14,530.00
(Loss) Net income for the year	<u>(10,174.00)</u>	<u>11,323.00</u>
Balance, end of year	15,679.00	25,853.00
	\$24,397.00	\$25,890.00

FRIENDS OF MAKERERE IN CANADA INC. FINANCIAL STATEMENT

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**FRIENDS OF MAKERERE IN CANADA INC.
STATEMENT OF INCOME
FOR THE YEAR ENDED MARCH 31, 1998**

	1998	1997
INCOME		
Dues and donations	\$6,620.00	\$11,913.00
Dinner ticket sales and donations	—	15,297.00
Interest earnings	248.00	215.00
Miscellaneous income - sale of videos	<u>138.00</u>	
	\$7,006.00	\$27,425.00
EXPENSES		
Bank charges	\$29.00	\$79.00
Charitable projects	13,253.00	2,989.00
Filing and registration fees	15.00	
Fundraising dinner	—	9,947.00
Office and administrative expenses	1,726.00	1,208.00
Professional fees	—	478.00
Travel and promotion	1,787.00	1,031.00
Amortization	370.00	370.00
	\$17,180.00	\$16,102.00
< Loss > NET INCOME FOR THE YEAR	(\$10,174.00)	\$11,323.00

FRIENDS OF MAKERERE IN CANADA INC. FINANCIAL STATEMENT

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**FRIENDS OF MAKERERE IN CANADA INC.
STATEMENT OF CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED MARCH 31, 1998**

	1998	1997
OPERATIONS		
(Loss) Net income for the year		\$11,323.00
Item not requiring an outlay of cash	(\$10,174.00)	
Amortization	370.00	370.00
	(\$9,804.00)	\$11,693.00
NET CHANGE IN NON-CASH WORKING CAPITAL ITEMS		
Accounts Payable	\$8,681.00	\$37.00
(DECREASE) INCREASE IN CASH POSITION	(1,123.00)	\$11,730.00
ACCOUNTED FOR AS FOLLOWS:		
Balances, beginning of year:		
Cash	\$17,845.00	\$6,305.00
Royfund Canadian T.Bill Fund	5,823.00	5,633.00
	\$23,668.00	\$11,938.00
BALANCES END OF YEAR		
Cash	\$15,550.00	\$17,845.00
Royfund Canadian T.Bill Fund	6,995.00	5,823.00
	\$22,545.00	\$23,668.00
	(\$1,123.00)	\$11,730.00

FRIENDS OF MAKERERE IN CANADA INC. FINANCIAL STATEMENT

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FRIENDS OF MAKERERE IN CANADA INC.
NOTE TO FINANCIAL STATEMENTS
MARCH 31, 1998

1. Significant accounting policy:
Amortization of computer equipment is on a straight line basis over ten years.

FRIENDS OF MAKERERE IN CANADA INC. FINANCIAL STATEMENT

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