

**Friends of Makerere in Canada Inc.**

**Auditors' Report and  
Financial Statements**

**March 31, 2008**

## Auditors' Report to the President and Members

We have audited the statement of financial position of the Friends of Makerere in Canada Inc. as at March 31, 2008 and the statement of income and funds under administration 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.

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 donations, 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 donations revenue, excess of revenues over expenses, 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 donations 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 for the year then ended in accordance with Canadian generally accepted accounting principles.

The figures presented for comparison purposes were audited by another chartered accountant.

Winnipeg, Canada  
September 26, 2008



CHARTERED ACCOUNTANTS

**Friends of Makerere in Canada Inc.**

**Financial Statements  
March 31, 2008**

**Contents**

**Financial Statements**

Statement of Financial Position	4
Statement of Income and Funds under Administration	5
Notes to the Financial Statements	6

**Friends of Makerere in Canada Inc.**  
**Statement of Financial Position**  
**March 31, 2008**

	<u>2008</u>	<u>2007</u>
<b>Assets</b>		
Current assets		
Cash	\$ 3,342	\$ 13,301
Royfund Canadian Money Market fund	32,158	40,796
Guaranteed investment certificates	<u>42,457</u>	<u>31,229</u>
	<u>\$ 77,957</u>	<u>\$ 85,326</u>
 <b>Liabilities</b>		
Current liabilities		
Accounts payable and accrued charges	\$ 2,451	\$ 2,451
 <b>Funds under administration</b>		
Funds under administration	<u>75,506</u>	<u>82,875</u>
	<u>\$ 77,957</u>	<u>\$ 85,326</u>

**Friends of Makerere in Canada Inc.**  
**Statement of Income and Funds Under Administration**  
**For The Year Ended March 31, 2008**

	<u>2008</u>	<u>2007</u>
<b>Revenues</b>		
Benefit dinner	\$	\$ 48,125
Dues and donations	12,160	7,093
Interest earnings	2,519	1,639
Gain (loss) on foreign exchange	<u>(408)</u>	<u>243</u>
	<u>14,271</u>	<u>57,100</u>
<b>Expenses</b>		
Benefit dinner		24,295
Charitable projects	19,030	4,276
Office and administration expenses	2,610	1,089
Farewell dinner - Dr. Olweny	<u>          </u>	<u>2,657</u>
	<u>21,640</u>	<u>32,317</u>
Excess (deficiency) of revenue over expenses	(7,369)	24,783
Funds under administration, beginning of the year	<u>82,875</u>	<u>58,092</u>
Funds under administration end of the year	<u>\$ 75,506</u>	<u>\$ 82,875</u>

## **Friends of Makerere in Canada Inc.**

### **Notes to the Financial Statements**

**March 31, 2008**

#### **1. Nature of activities**

Friends of Makerere in Canada Inc. is a not for profit organization incorporated under the laws of the Province of Manitoba.

The organization is a registered charity and is exempt from taxation in accordance with the Income Tax Act of Canada.

#### **2. Significant accounting policies**

##### **Revenue Recognition**

The organization follows the deferral method of accounting for dues and donations. Restricted donations are recognized as revenue in the year in which the related expenses are incurred. Restricted funds received for which the related expenses have not been incurred as at the organization's year end are recorded as deferred revenue. Unrestricted donations are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

##### **Financial Instruments**

Financial instruments include cash, money market funds, guaranteed investment certificates and accounts payable and accrued liabilities. Unless otherwise stated, it is management's opinion that the organization is not exposed to significant interest, currency, or credit risks arising from these financial instruments. Unless otherwise stated, the book value of the organization's financial assets and liabilities approximate their fair value, due to their short term maturity.

##### **Use of Estimates**

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.