

**Child Find Canada Incorporated**

**Financial Statements**

**December 31, 2007**

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PHILIP KAHANOVITCH

B. Comm. (Hons.), M.B.A., C.G.A.  
CERTIFIED GENERAL ACCOUNTANT

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To the members of  
Child Find Canada Incorporated

I have audited the statement of financial position of Child Find Canada Incorporated as at December 31, 2007, and the statements of operations, changes in net assets, and cash flow 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.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free from 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, Child Find Canada Incorporated derives revenue from donations and sundry fund raising activities, the completeness of which is not susceptible to 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 donation and sundry fund raising revenues, deficiency of receipts over expenses and surplus.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2007 and the results of its operations and cash flow for the year then ended in accordance with Canadian generally accepted accounting principles.

A handwritten signature in black ink, appearing to read 'P. Kahanovitch', written over a horizontal line.

Philip Kahanovitch, B.Comm (Hons), M.B.A., C.G.A.

April 10, 2008

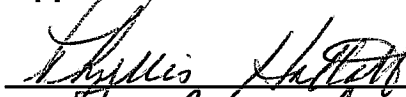

Winnipeg, MB

**Child Find Canada Incorporated**  
**STATEMENT OF FINANCIAL POSITION**  
As At December 31, 2007

**STATEMENT 1**

	2007	2006
<b>Current assets</b>		
Bank (Note 3)	\$ 18,203	\$ 41,807
Accounts Receivable ( Note 4)	5,753	11,739
Prepaid Expenses (Note 5)	1,184	1,470
	<b>25,140</b>	<b>55,016</b>
<b>Investments (Note 6)</b>	<b>47,272</b>	<b>25,966</b>
	<b>\$ 72,412</b>	<b>\$ 80,982</b>
<b>Current liabilities</b>		
Accounts payable & accrued liabilities (Note 7)	\$ 3,932	\$ 3,687
<b>Fund balances</b>		
Unrestricted Net Assets, End of Year (Note 8)	\$ 68,480	\$ 77,296
	<b>\$ 72,412</b>	<b>\$ 80,982</b>

Approved on behalf of the Board:

 Director  
 Director

The accompanying notes are an integral part of these financial statements

**Child Find Canada Incorporated**  
**STATEMENT OF OPERATIONS AND CHANGES IN FUND**  
**BALANCES**

**STATEMENT 2**

For The Year Ended December 31, 2007

	2007	2006
<b>REVENUE (Note 9)</b>		
Donations	\$ 78,722	\$ 115,160
Fundraising	395	14,203
Other	2,006	1,240
	<b>81,123</b>	<b>130,603</b>
<b>EXPENSES</b>		
Administration	5,411	8,031
Agency Development	11,362	12,114
Bank Charges and Interest	320	665
Honours and Awards	503	509
Insurance	1,943	1,969
Meetings and Conferences	5,172	35,584
Membership	263	242
Office	1,469	2,239
Postage and Courier	493	120
Professional Development	1,082	1,154
Professional Fees	4,885	4,832
Program Expense	3,638	24,573
Regional Supports	38,667	9,807
Rent	3,648	3,656
Telephone	8,883	2,959
	<b>87,739</b>	<b>108,454</b>
<b>Excess (Deficit) of revenues over expenses</b>	<b>(6,616)</b>	<b>22,149</b>
Fund balances, beginning of year	77,296	55,147
	<b>70,680</b>	
Prior period adjustment (Note 10)	2,200	-
Fund balance, end of year	\$ 68,480	\$ 77,296

The accompanying notes are an integral part of these financial statements

**Child Find Canada Incorporated**  
**STATEMENT OF CASH FLOW**  
For The Year Ended December 31, 2007

**STATEMENT 3**

	<b>2007</b>
<b>Sources of cash</b>	
Donations	\$ 87,308
Fundraising	395
Memberships	700
Interest Earned	1,373
GIC's Cashed in	25,966
	<b>115,742</b>
<b>Uses of cash</b>	
Operations	89,874
Purchase of GIC's	47,272
	<b>137,146</b>
<b>Prior Period Adjustment</b>	<b>2,200</b>
<b>Excess of revenues over expenses</b>	<b>(23,604)</b>
Cash balances, beginning of year	41,807
Cash balances, end of year	<b>\$ 18,203</b>

The accompanying notes are an integral part of these statements

**Child Find Canada Incorporated**  
**NOTES TO FINANCIAL STATEMENTS**

December 31, 2007

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**1. PURPOSE OF THE ORGANIZATION**

Child Find Canada Incorporated was incorporated without share capital under the laws of Canada on July 11, 1988 to operate exclusively for charitable and educational purposes. The objectives of the organization include aiding in locating missing children and public awareness of the problems surrounding child abduction. The organization is a registered charity defined by Section 149 of the Income Tax Act and as such is exempt from income

These financial statements present the financial position and results of operations of Child Find Canada Incorporated. They do not include revenues, expenditures, liabilities and net assets of the provincial organizations.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

a )Capital Assets

The organization's policy is to expense all capital assets, including office equipment, in the year of purchase. Capital asset purchases are not considered financially significant to the organization.

b) Revenue Recognition

Donations and fundraising are recorded on a cash basis.  
Vending is recorded on an accrual basis.

**3. BANK**

The organization has decided to maintain funds on hand to cover up to six months of operating expenses, due to volatility of the U-turn vendor income.

**4. ACCOUNTS RECEIVABLE**

Accounts Receivables are made up of the following:

GST Receivable (1/2 of all GST paid on expenses for the years 2006 and 2007)	\$ 5,566
Accrued Interest Earned on GIC Investments	187
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	\$ 5,753

**5. PREPAID EXPENSES**

Prepaid Expenses are made up of the following:

AMECO Membership	\$ 100
Directors Insurance	584
Content Insurance	250
Key and Security Deposit on Office	250
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	\$ 1,184

**Child Find Canada Incorporated**  
**NOTES TO FINANCIAL STATEMENTS**

December 31, 2007

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**4. ACCOUNTS RECEIVABLE**

Accounts Receivables are made up of the following:

GST Receivable (1/2 of all GST paid on expenses for the years 2006 and 2007)	\$ 5,575
Accrued Interest Earned on GIC Investments	187
	<hr/>
	\$ 5,762

**5. PREPAID EXPENSES**

Prepaid Expenses are made up of the following:

AMECO Membership	\$ 100
Directors Insurance	584
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Key and Security Deposit on Office	250
	<hr/>
	\$ 1,184

**Child Find Canada Incorporated**  
**NOTES TO FINANCIAL STATEMENTS**

December 31, 2007

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**6. INVESTMENTS**

The investments consist of two one year GIC's issued by the Royal Bank.

\$ 20,000 interest rate of 2.75% per annum maturity March 5, 2008

26,274 interest rate of 2.75% per annum maturity March 5, 2007

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\$ 46,274

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**7. ACCOUNTS PAYABLE**

Accounts Payable are made up of the following:

Trade Accounts Payable	\$ 1,636
Audit Fees Payable	2,260
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	\$ 3,896

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**8. UNRESTRICTED FUNDS**

\$28,000 of the unrestricted net assets has been dedicated to an upcoming case management training programs. As well, the organization is working on setting aside a surplus fund to cover up to six months of operating funds.

**9. Revenue**

Revenue is made up of the following:

Donations:

U-turn Vending	\$ 35,755
Donations	42,967
	<hr/>
	78,722

Fundraising:

Green Ribbon of Hope	395
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Other:

Provincial Memberships	700
Interest Earned	1,306
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	2,006

\$ 81,123

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**10. PRIOR PERIOD ADJUSTMENT**

An adjustment was made in 2006 for a perceived double donation entry. After review it was determined that there was no double entry and as such the adjustment has been removed.