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**THE PRIMATE'S WORLD RELIEF AND  
DEVELOPMENT FUND**

**FINANCIAL STATEMENTS**

**MARCH 31, 2010**

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## AUDITORS' REPORT

To the Members,  
The Primate's World Relief and Development Fund

We have audited the statement of financial position of The Primate's World Relief and Development Fund as at March 31, 2010 and the statements of changes in net assets, operations and cash flows for the year then ended. These financial statements are the responsibility of the Fund'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.

In common with many charitable organizations, the Fund derives revenue from donations, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, verification of this revenue was limited to the amounts recorded in the records of the Fund and we were not able to determine whether any adjustments might be necessary to donation revenue, excess of revenue over expenses for the period, 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 donation revenue referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Fund as at March 31, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

*Cowperthwaite Mehta*

Chartered Accountants  
Licensed Public Accountants

June 18, 2010  
Toronto, Ontario

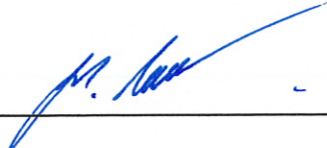
# THE PRIMATE'S WORLD RELIEF AND DEVELOPMENT FUND

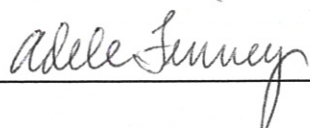
## STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2010

	2010	2009
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 2,446,675	\$ 1,956,891
Marketable securities (note 5)	3,764,508	3,524,679
Amounts receivable	30,093	37,950
Prepaid expenses	<u>4,203</u>	<u>3,420</u>
	<u>\$ 6,245,479</u>	<u>\$ 5,522,940</u>
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities		
Accounts payable and accrued liabilities	\$ 83,905	\$ 52,522
Project grants payable	290,782	239,160
Deferred revenue	<u>937,476</u>	<u>307,607</u>
	<u>1,312,163</u>	<u>599,289</u>
Net assets		
Designated funds (note 6)	3,101,599	3,250,000
Endowment fund (note 7)	738,213	738,213
Unrestricted	<u>1,093,504</u>	<u>935,438</u>
	<u>4,933,316</u>	<u>4,923,651</u>
	<u>\$ 6,245,479</u>	<u>\$ 5,522,940</u>

Approved on behalf of the Board:

  
\_\_\_\_\_, Director

  
\_\_\_\_\_, Director

see accompanying notes

# THE PRIMATE'S WORLD RELIEF AND DEVELOPMENT FUND

## STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED MARCH 31, 2010

	2010			2009	
	Unrestricted	Designated net assets	Endowment	Total	Total
Net assets, beginning of year	\$ 935,438	\$ 3,250,000	\$ 738,213	\$ 4,923,651	\$ 7,308,473
Transfer to unrestricted (note 6)	250,000	(250,000)			
Transfer to committed funds (note 6)	(101,599)	101,599			
Excess (deficiency) of revenue over expenses for the year	<u>9,665</u>	<u>          </u>	<u>          </u>	<u>9,665</u>	<u>(2,384,822)</u>
<b>NET ASSETS, END OF YEAR</b>	<b><u>\$ 1,093,504</u></b>	<b><u>\$ 3,101,599</u></b>	<b><u>\$ 738,213</u></b>	<b><u>\$ 4,933,316</u></b>	<b><u>\$ 4,923,651</u></b>

see accompanying notes

# THE PRIMATE'S WORLD RELIEF AND DEVELOPMENT FUND

## STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31, 2010

	2010	2009
<b>REVENUE</b>		
Parish/Individual donations	\$ 5,065,369	\$ 3,972,931
Canadian International Development Agency (note 8)	1,239,000	1,239,000
Bequests	764,014	475,797
50th Anniversary	85,157	
Provincial governments (note 8)	51,588	
Interest and dividends	26,287	92,874
Other	<u>55,170</u>	<u>          </u>
	<u>7,286,585</u>	<u>5,780,602</u>
<b>EXPENSES</b>		
<b>Program</b>		
Development and relief		
Africa and the Middle East	1,880,739	2,201,326
Relief/Refugees	1,653,206	1,271,470
Asia and the Pacific	669,839	695,953
Latin America and the Caribbean	518,184	620,050
Public Engagement	258,414	308,285
Indigenous People Canada	185,000	241,357
Global	<u>163,825</u>	<u>249,547</u>
	5,329,207	5,587,988
Personnel	1,050,500	1,047,857
Occupancy	176,818	148,496
Travel, monitoring and evaluation	<u>18,968</u>	<u>80,771</u>
Total program	<u>6,575,493</u>	<u>6,865,112</u>
<b>Administration</b>		
Personnel	386,214	405,927
Governance	84,206	54,166
Professional fees	70,709	51,266
Occupancy	47,589	55,755
Travel	<u>3,655</u>	<u>19,883</u>
Total administration	<u>592,373</u>	<u>586,997</u>
<b>Fundraising</b>	<u>371,010</u>	<u>461,308</u>
Transition costs	119,850	
Decrease (increase) in market value of marketable securities	<u>(381,806)</u>	<u>252,007</u>
Total expenses	<u>7,276,920</u>	<u>8,165,424</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FOR THE YEAR</b>	<u>\$ 9,665</u>	<u>\$(2,384,822)</u>

# THE PRIMATE'S WORLD RELIEF AND DEVELOPMENT FUND

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2010

	2010	2009
<b>Operating Activities</b>		
Excess (deficiency) of revenue over expenses for the year	\$ 9,665	\$ (2,384,822)
Add net change in non-cash working capital items (see below)	<u>719,948</u>	<u>228,487</u>
Cash generated from (used for) operations	<u>729,613</u>	<u>(2,156,335)</u>
<b>Investing Activities</b>		
Net proceeds from sale (purchase) of marketable securities	<u>(239,829)</u>	<u>1,807,794</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS IN THE YEAR</b>	489,784	(348,541)
Cash and cash equivalents, beginning of year	<u>1,956,891</u>	<u>2,305,432</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 2,446,675</u>	<u>\$ 1,956,891</u>
Changes in non-cash working capital balances:		
Amounts receivable decrease	\$ 7,857	\$ 7,797
Prepaid expenses decrease (increase)	(783)	2,546
Accounts payable and accrued liabilities increase	31,383	\$ 31,877
Project grants payable increase	51,622	110,645
Deferred revenue increase	<u>629,869</u>	<u>75,622</u>
Net change in non-cash working capital items	<u>\$ 719,948</u>	<u>\$ 228,487</u>
Cash and cash equivalents at year end comprise:		
Cash	\$ 966,175	\$ 286,002
Money market funds	<u>1,480,500</u>	<u>1,670,889</u>
	<u>\$ 2,446,675</u>	<u>\$ 1,956,891</u>

# THE PRIMATE'S WORLD RELIEF AND DEVELOPMENT FUND

## NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2010

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### 1. THE ORGANIZATION

The Primate's World Relief and Development Fund/Le Fonds du Primat Pour le Secours et le Développement Mondial ("PWRDF") is a not-for-profit organization incorporated without share capital under the provisions of Part II of the Canada Corporations Act.

PWRDF is a Christian organization committed to a vision of international development and global justice founded on theological reflection and faith-based analysis. The organization engages in development work, responding to emergencies, working to protect refugees, and educating and advocating for change on a non-partisan basis.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Preparation of these financial statements in accordance with Canadian generally accepted accounting principles on a basis consistent with prior years is the responsibility of management. Accounting principles used include the following significant policies:

#### **Financial instruments**

The organization's financial instruments consist of cash, cash equivalents, marketable securities, amounts receivable, accounts payable and accrued liabilities and project grants payable. The organization classifies its financial instruments into one of the following categories based on the purpose for which the asset was acquired. The organization's accounting policy for each category is as follows:

*Held-for-trading* - This category comprises marketable securities. Marketable securities are classified as held-for-trading by the organization because they are available for sale at the discretion of the board and are measured at fair value, determined on the basis of market value. These securities, which consist primarily of equities including preferred shares, fixed income securities which include government and corporate bonds. Publicly traded securities are valued based on the latest bid prices and pooled funds are valued based on reported unit values. Fixed income securities are valued based on cost plus accrued income, which approximates fair value

*Other financial assets and liabilities* - Other financial assets and liabilities are carried at cost, which approximates their fair value due to their short-term nature.

#### **Cash equivalents**

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### **Foreign Currency Translation**

Monetary assets and liabilities denominated in foreign currencies have been translated into Canadian dollars at the rate of exchange prevailing at the year end.

#### **Capital Assets**

Capital assets are recorded at cost. Amortization is provided annually at rates calculated to write-off the assets over their estimated useful lives.

#### **Use of Estimates**

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in the period in which they become known.

# THE PRIMATE'S WORLD RELIEF AND DEVELOPMENT FUND

## NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2010

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Revenue recognition

The organization follows the deferral method of revenue recognition. Under the deferral method, amounts received in the year for expenses to be incurred in the following year are recorded as deferred revenue. The organization's principal sources of revenue and recognition of these revenues for financial statement purposes are as follows:

- i) Restricted grants and donations are recognized as revenue in the year in which the related expenses are incurred. Unrestricted grants and donations are recognized as revenue when they are received or receivable if the amount received can be reasonably estimated and collection is reasonably assured. Endowment Fund contributions are reported as direct increases in net assets.
- ii) Donated materials and services which are normally purchased by the organization are not recorded in the accounts.
- iii) Investment income is recognized as revenue when earned. Increases and decreases in market value of investments held-for-trading are recognized in the period in which they occur. Investment income, which consists of interest, dividends, income distributions from pooled funds, and realized and unrealized gains and losses, are recorded as revenue in the statement of revenue and expenses. Transactions are recorded on a settlement/trade date basis and transaction costs are expensed as incurred.

### 3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

It is management's opinion that the organization is not exposed to significant interest, currency, market or credit risks arising from these financial instruments.

### 4. MANAGEMENT OF CAPITAL

In managing capital, the organization focuses on liquid resources available for operations. The organization's objective is to have sufficient liquid resources to continue operating despite adverse events with financial consequences and to provide the organization with the flexibility to take advantage of opportunities that will advance its purposes. The need for sufficient liquid resources is considered in the preparation of an annual budget and in the monitoring of cash flows and actual operating results compared to budget. As at March 31, 2010, the organization had met its objective of having sufficient liquid resources to meet its current obligations.



# THE PRIMATE'S WORLD RELIEF AND DEVELOPMENT FUND

## NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2010

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### 5. MARKETABLE SECURITIES

Marketable securities at March 31 were as follows:

	2010	2009
	Market value	Market value
Fixed income securities	\$ 2,467,562	\$ 2,608,189
Equities	<u>1,296,946</u>	<u>916,490</u>
	<u>\$ 3,764,508</u>	<u>\$ 3,524,679</u>

Included in equities is a \$159,444 investment in Oikocredit (\$193,044 as at March 31, 2009). Oikocredit is a world-wide ecumenical co-operative society of churches and individuals whose purpose is to mobilize financial resources for further development of poor areas of the world.

### 6. DESIGNATED FUNDS

Designated funds were as follows at year end.

	2010	2009
Contingency fund	\$ 3,000,000	\$ 3,000,000
Funds committed for project grants	101,599	
Partnership For Life Program		150,000
Special projects	<u>                    </u>	<u>100,000</u>
	<u>\$ 3,101,599</u>	<u>\$ 3,250,000</u>

Designated Funds are amounts set aside for various special purposes based on decisions of the Board of Directors. As at March 31, the amounts designated are for the following purposes;

The Board of Directors of the organization has designated net assets of \$3,000,000 to provide for a responsible wind-down of projects in progress and other related expenses in the event of an unexpected cessation of funding (\$3,000,000 as at March 31, 2009).

The Board of Directors has designated no funds for special projects as at March 31, 2010 (\$100,000 as at March 31, 2009) and no funds for the Partnership For Life Program (\$150,000 as at March 31, 2009).

The Board of Directors also designated net assets of \$101,599 as at March 31, 2010 (\$nil as at March 31, 2009) for commitments made during the year to fund projects in the following year.

### 7. ENDOWMENT FUND

The organization received no endowment donations in 2010 or 2009. Endowment donations are to be held and invested as a permanent endowment for a period of no less than 10 years. Income earned on endowment funds is available for use for general purposes and for the program of the organization.

# THE PRIMATE'S WORLD RELIEF AND DEVELOPMENT FUND

## NOTES TO THE FINANCIAL STATEMENTS

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### 8. GOVERNMENT FUNDING

Government funding recognized in the year was from the following sources:

	2010	2009
Canadian International Development Agency (CIDA) Canadian Partnership Branch	\$ 1,239,000	\$ 1,239,000
Provincial governments Manitoba Council for International Cooperation	<u>51,588</u>	<u>                    </u>
	<u>\$ 1,290,588</u>	<u>\$ 1,239,000</u>

### 9. LEASE COMMITMENTS

In January 2009, PWRDF entered into an agreement with the Anglican Church of Canada to lease office space including shared services. Minimum payments over the next 5 years are as follows:

2011	\$ 136,195
2012	136,195
2013	136,195
2014	136,195
2015	136,195

### 10. INCOME TAX STATUS

The organization is exempt from income tax in Canada as a registered charitable organization under the Income Tax Act (Canada).