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

FINANCIAL STATEMENTS

MARCH 31, 2009

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, 2009 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, 2009 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 11, 2009
Toronto, Ontario


THE PRIMATE'S WORLD RELIEF AND DEVELOPMENT FUND


STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2009

	2009	2008
ASSETS		
Current assets		
Cash and cash equivalents	\$ 1,956,891	\$ 2,305,432
Marketable securities (note 2)	3,524,679	5,332,473
Amounts receivable	37,950	45,747
Prepaid expenses	<u>3,420</u>	<u>5,966</u>
	<u>\$ 5,522,940</u>	<u>\$ 7,689,618</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued liabilities	\$ 52,522	\$ 20,645
Project grants payable	239,160	128,515
Deferred revenue	<u>307,607</u>	<u>231,985</u>
	<u>599,289</u>	<u>381,145</u>
Net assets		
Designated funds (note 4)	3,250,000	3,747,526
Endowment fund (note 5)	738,213	738,213
Unrestricted	<u>935,438</u>	<u>2,822,734</u>
	<u>4,923,651</u>	<u>7,308,473</u>
	<u>\$ 5,522,940</u>	<u>\$ 7,689,618</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, 2009

				2009	2008
	Unrestricted	Designated net assets	Endowment	Total	Total
Net assets, beginning of year	\$ 2,822,734	\$ 3,747,526	\$ 738,213	\$ 7,308,473	\$ 6,504,975
Transfer from committed funds (note 4)	497,526	(497,526)			
Excess (deficiency) of revenue over expenses for the year	<u>(2,384,822)</u>			<u>(2,384,822)</u>	<u>803,498</u>
NET ASSETS, END OF YEAR	<u>\$ 935,438</u>	<u>\$ 3,250,000</u>	<u>\$ 738,213</u>	<u>\$ 4,923,651</u>	<u>\$ 7,308,473</u>

see accompanying notes

THE PRIMATE'S WORLD RELIEF AND DEVELOPMENT FUND

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31, 2009

	2009	2008
REVENUE		
Parish/Individual donations	\$ 3,972,931	\$ 3,782,458
Canadian International Development Agency (note 6)	1,239,000	1,294,381
Bequests	475,797	766,865
Interest and dividends	92,874	231,992
Provincial governments (note 6)	<u> </u>	<u>16,000</u>
	<u>5,780,602</u>	<u>6,091,696</u>
EXPENSES		
Program		
Development and relief		
Africa and the Middle East	2,201,326	1,095,706
Relief/Refugees	1,271,470	585,355
Asia and the Pacific	695,953	468,970
Latin America and the Caribbean	620,050	446,649
Global	249,547	329,825
Indigenous People Canada	241,357	254,680
Public Engagement	<u>308,285</u>	<u>164,471</u>
	5,587,988	3,345,656
Personnel	1,047,857	981,618
Occupancy	148,496	140,948
Travel, monitoring and evaluation	<u>80,771</u>	<u>73,184</u>
Total program	<u>6,865,112</u>	<u>4,541,406</u>
Administration		
Personnel	405,927	344,894
Occupancy	55,755	38,667
Governance	54,166	93,369
Professional fees	51,266	32,517
Travel	<u>19,883</u>	<u>14,244</u>
Total administration	<u>586,997</u>	<u>523,691</u>
Fundraising	<u>461,308</u>	<u>242,053</u>
Decrease (increase) in market value of marketable securities	<u>252,007</u>	<u>(18,952)</u>
Total expenses	<u>8,165,424</u>	<u>5,288,198</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FOR THE YEAR	<u>\$ (2,384,822)</u>	<u>\$ 803,498</u>

THE PRIMATE'S WORLD RELIEF AND DEVELOPMENT FUND

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2009

	2009	2008
Operating Activities		
Excess of revenue over expenses for the year	\$ (2,384,822)	\$ 803,498
Add net change in non-cash working capital items (see below)	<u>228,487</u>	<u>(2,125,630)</u>
Cash used for operations	<u>(2,156,335)</u>	<u>(1,322,132)</u>
Investing Activities		
Proceeds from sale of marketable securities net of purchases	<u>1,807,794</u>	<u>1,056,149</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS IN THE YEAR	(348,541)	(265,983)
Cash and cash equivalents, beginning of year	<u>2,305,432</u>	<u>2,571,415</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 1,956,891</u>	<u>\$ 2,305,432</u>
Changes in non-cash working capital balances:		
Amounts receivable decrease	\$ 7,797	\$ 15,093
Prepaid expenses decrease	2,546	1,059
Accounts payable and accrued liabilities increase (decrease)	31,877	\$ (4,845)
Project grants payable increase (decrease)	110,645	(1,762,438)
Deferred revenue increase (decrease)	<u>75,622</u>	<u>(374,499)</u>
Net change in non-cash working capital items	<u>\$ 228,487</u>	<u>\$ (2,125,630)</u>
Cash and cash equivalents at year end comprise:		
Cash	\$ 286,296	\$ 326,916
Money market funds	<u>1,670,595</u>	<u>1,978,516</u>
	<u>\$ 1,956,891</u>	<u>\$ 2,305,432</u>

THE PRIMATE'S WORLD RELIEF AND DEVELOPMENT FUND

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2009

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

The accounting policies of PWRDF are in accordance with Canadian generally accepted accounting principles applied on a basis consistent with that of the preceding year. Outlined below are those policies considered particularly significant:

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.

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.

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) Grants and donations are accounted for using the deferral method. 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.

THE PRIMATE'S WORLD RELIEF AND DEVELOPMENT FUND

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in the period in which they become known.

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The organization's financial instruments consist of cash and cash equivalents, amounts receivable, marketable securities, accounts payable and accrued liabilities and project grants payable. It is management's opinion that the organization is not exposed to significant interest, currency, market or credit risks arising from these financial instruments. Other financial assets and liabilities are carried at cost, which approximates their fair value due to their short-term nature.

The organization manages its liquidity risk by monitoring actual and projected cash flows to ensure that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses.

Investments held-for-trading investments at March 31 were as follows:

	2009	2008
	Market value	Market value
Fixed income securities	\$ 2,608,189	\$ 4,308,434
Equities	<u>916,490</u>	<u>1,024,039</u>
	<u>\$ 3,524,679</u>	<u>\$ 5,332,473</u>

Included in equities is a \$193,044 investment in Oikocredit (\$146,941 as at March 31, 2008). 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.

THE PRIMATE'S WORLD RELIEF AND DEVELOPMENT FUND

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2009

4. DESIGNATED FUNDS

Designated funds were as follows at year end.

	2009	2008
Contingency fund	\$ 3,000,000	\$ 3,000,000
Special projects	100,000	100,000
Partnership For Life Program	150,000	150,000
Funds committed for project grants	<u> </u>	<u>497,526</u>
	<u>\$ 3,250,000</u>	<u>\$ 3,747,526</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, 2008).

The Board of Directors also designated \$100,000 for special projects as at March 31, 2009 (\$100,000 as at March 31, 2008) and \$150,000 for the Partnership For Life Program (\$150,000 as at March 31, 2008).

5. ENDOWMENT FUND

The organization received no endowment donations in 2009 or 2008. 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.

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6. GOVERNMENT FUNDING

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

	2009	2008
Canadian International Development Agency (CIDA)		
Canadian Partnership Branch	\$ 1,239,000	\$ 1,239,000
PUMA *		<u>55,381</u>
	<u>1,239,000</u>	<u>1,294,381</u>
Provincial governments		
Manitoba Council for International Cooperation		<u>16,000</u>
	<u>\$ 1,239,000</u>	<u>\$ 1,310,381</u>

(*) PWRDF is a partner in a CIDA aid initiative called PUMA. Funding recognized by PWRDF represents only PWRDF's portion of the total amount granted to the initiative. PUMA comprises the following organizations: Presbyterian World Service and Development, United Church of Canada, Mennonite Central Committee, and the Anglican Church (PWRDF).

7. 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:

2010	\$ 136,195
2011	136,195
2012	136,195
2013	136,195
2014	136,195

8. INCOME TAX STATUS

The organization is exempt from income tax in Canada as a registered charitable organization under the Income Tax Act (Canada). As part of maintaining charitable registration, the organization must meet a disbursement quota set by Canada Revenue Agency regulations. The organization has met this requirement for 2009.