

CHANGE HER WORLD

FINANCIAL STATEMENTS

AUGUST 31, 2011

KEITH A. NEEB, B.Math., C.A.
DAVID V. BEAN, B.Math., C.A.
BERNARD M. LINSEMAN, B.Math., C.A.
JEFFREY R. SKUBOWIUS, B.A., C.A.
FRANKLIN H. FAMME, B.B.A., C.I.M., F.CIM, C.A.
BRADLEY J. W. McNEIL, B.A., M.Acc., C.A.
STEPHEN VAN DEN HENGEL, B.Acc., C.A.
PETER D. BRICKMAN, B.A., C.A.
STEPHEN J. WARD, B.A., M.Acc., C.A.
LYNN BAST, B.B.A., C.A.
MICHAEL P. B. JAREMCHENKO, B.A., CFP, C.A.

125 ONTARIO STREET
STRATFORD, ONTARIO N5A 3H1
STRATFORD 519-271-7581
FAX 519-271-2737
LONDON 519-432-1663
FAX 519-432-7662
ST. MARYS 519-284-1030
FAX 519-284-4393
E-MAIL: office@fammeandco.on.ca
WEBSITE: www.fammeandco.on.ca

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Change Her World
250 Glendon Road
P.O. Box 1057
Stratford, Ontario

We have audited the accompanying financial statements of **Change Her World**, which comprise the balance sheet as at **August 31, 2011**, and the statements of operations, fund balances and cash flows, for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal controls as management determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITORS' REPORT - continued

Basis for Qualified Opinion

In common with many charitable organizations, the organization derives cash revenue, the completeness of which is not susceptible to 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 revenue, excess of revenue over expenditures (expenditures over revenue), assets and fund balances.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of **Change Her World** as at **August 31, 2011**, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



Professional Corporation
Chartered Accountants
*Authorized to practise public accounting by
The Institute of Chartered Accountants of Ontario*

Stratford, Ontario
December 16, 2011

Change Her World
Balance Sheet
As at August 31, 2011

ASSETS

	General Fund	Chilumba Project	Ekwendeni Project	Total 2011	Total 2010
Current Assets					
Cash	\$ 15,975	\$ 213	\$ 145	\$ 16,333	\$ 17,263
Accounts receivable	57	-	-	57	-
HST receivable	2,475	-	-	2,475	-
Inventory	220	-	-	220	-
Prepaid expenses	<u>191</u>	<u>-</u>	<u>-</u>	<u>191</u>	<u>-</u>
	<u>\$ 18,918</u>	<u>\$ 213</u>	<u>\$ 145</u>	<u>\$ 19,276</u>	<u>\$ 17,263</u>

LIABILITIES

Current Liabilities					
Accounts payable	5,539	1,024	-	6,563	3,788
Deferred revenue	<u>250</u>	<u>-</u>	<u>-</u>	<u>250</u>	<u>-</u>
	<u>5,789</u>	<u>1,024</u>	<u>-</u>	<u>6,813</u>	<u>3,788</u>
Long-Term Liabilities					
Related party loan payable - non-interest bearing, no fixed repayment terms or due date	<u>10,701</u>	<u>-</u>	<u>-</u>	<u>10,701</u>	<u>20,637</u>
	<u>16,490</u>	<u>1,024</u>	<u>-</u>	<u>17,514</u>	<u>24,425</u>

FUND BALANCES

Fund Balances	<u>2,428</u>	<u>(811)</u>	<u>145</u>	<u>1,762</u>	<u>(7,162)</u>
	<u>\$ 18,918</u>	<u>\$ 213</u>	<u>\$ 145</u>	<u>\$ 19,276</u>	<u>\$ 17,263</u>

Approved on Behalf of the Board:

Director

Director

(See Accompanying Notes to the Financial Statements)

Change Her World
Statement of Fund Balances
For the year ended August 31, 2011

	General Fund	Chilumba Project	Ekwendeni Project	Total 2011	Total 2010
Balance - beginning of year	\$ (7,162)	\$ -	\$ -	\$ (7,162)	\$ -
Excess of revenues over expenditures (expenditures over revenues) for the year	31,963	(22,050)	(989)	8,924	(7,162)
Interfund transfers	<u>(22,373)</u>	<u>21,239</u>	<u>1,134</u>	<u>-</u>	<u>-</u>
Balance - end of year	<u>\$ 2,428</u>	<u>\$ (811)</u>	<u>\$ 145</u>	<u>\$ 1,762</u>	<u>\$ (7,162)</u>

(See Accompanying Notes to the Financial Statements)

Change Her World
Statement of Operations
For the year ended August 31, 2011

	General Fund	Chilumba Project	Ekwendeni Project	Total 2011	Total 2010
Revenues					
Donations	\$ 54,501	\$ -	\$ -	\$ 54,501	\$ -
Fundraising (Note 6)	6,147	-	-	6,147	-
Products and literature	878	-	-	878	-
Other income	<u>97</u>	<u>168</u>	<u>-</u>	<u>265</u>	<u>-</u>
	<u>61,623</u>	<u>168</u>	<u>-</u>	<u>61,791</u>	<u>-</u>
Expenditures					
Conferences and travel	306	11,229	183	11,718	-
Professional fees	8,392	-	-	8,392	3,086
Office and administration	2,012	4,282	-	6,294	789
Project expenses	-	6,275	-	6,275	-
Website expenses	5,984	-	-	5,984	1,680
Fundraising expenses (Note 6)	5,794	-	-	5,794	-
Advertising and promotion	2,704	-	-	2,704	1,437
Products and literature	2,667	-	-	2,667	-
Volunteer training	168	270	802	1,240	-
Interest and bank charges	891	162	4	1,057	170
Insurance	619	-	-	619	-
Foreign exchange loss	<u>343</u>	<u>-</u>	<u>-</u>	<u>343</u>	<u>-</u>
	<u>29,880</u>	<u>22,218</u>	<u>989</u>	<u>53,087</u>	<u>7,162</u>
	<u>31,743</u>	<u>(22,050)</u>	<u>(989)</u>	<u>8,704</u>	<u>(7,162)</u>
Change In Inventory					
Inventory - beginning of year	-	-	-	-	-
Inventory - end of year	<u>220</u>	<u>-</u>	<u>-</u>	<u>220</u>	<u>-</u>
	<u>220</u>	<u>-</u>	<u>-</u>	<u>220</u>	<u>-</u>
Excess of revenues over expenditures (expenditures over revenues) for the year	<u>\$ 31,963</u>	<u>\$ (22,050)</u>	<u>\$ (989)</u>	<u>\$ 8,924</u>	<u>\$ (7,162)</u>

(See Accompanying Notes to the Financial Statements)