

Canadian Humanitarian Organization for International Relief
Financial Statements
March 31, 2018

Independent Auditors' Report

To the Board of Canadian Humanitarian Organization for International Relief:

We have audited the accompanying financial statements of Canadian Humanitarian Organization for International Relief, which comprise the statement of financial position as at March 31, 2018, and the statements of operations, changes in net assets 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 accounting standards for not-for-profit organizations, and for such internal control as management determines is 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 control 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 control. 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 qualified audit opinion.

Basis for Qualified Opinion

As is common for charitable organizations, the Organization derives revenue from the public in the form of cash receipts and incurs related cash expenditures. Due to the inability to have sufficient internal control procedures in this area, the completeness of these transactions is not susceptible to satisfactory audit verification. Accordingly our verification of these revenues and expenditures were limited to the amounts recorded in the records of the Organization and we were unable to determine if further adjustments were required.

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 Canadian Humanitarian Organization for International Relief as at March 31, 2018 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Comparative figures

A qualified audit opinion for the comparative figures was provided by another firm of public accountants on December 18, 2017.

Medicine Hat, Alberta

November 14, 2018

MNP LLP

Chartered Professional Accountants

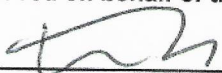
Canadian Humanitarian Organization for International Relief


Statement of Financial Position

As at March 31, 2018

	2018	2017
Assets		
Current		
Cash	65,338	80,808
Accounts receivable (Note 3)	6,601	5,259
Prepaid expenses and deposits	6,827	34,793
	78,766	120,860
Capital assets (Note 5)	26,100	-
Investments	340	340
Notes receivable (Note 4)	38,950	38,950
	144,156	160,150
Liabilities		
Current		
Accounts payable and accruals	8,936	21,787
Deferred contributions (Note 6)	35,012	97,533
	43,948	119,320
Net Assets	100,208	40,830
	144,156	160,150

Approved on behalf of the Board of Directors


 Matt Gibb


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Canadian Humanitarian Organization for International Relief

Statement of Operations

For the year ended March 31, 2018

	2018	2017
Revenue		
Grant revenue	81,270	83,132
Contributions	339,147	315,308
Fundraising	299,636	365,872
Expedition income	165,567	68,209
	885,620	832,521
Expenses		
Advertising	317	-
Amortization	8,700	-
Bank charges and interest	253	1,089
Computer	28,463	28,713
Insurance	4,200	3,085
Office supplies	7,316	6,266
Programs and projects	488,459	581,803
Professional fees	7,160	6,400
Rent	11,400	11,400
Salaries and benefits	42,080	40,725
Online donation fees	14,652	14,849
Telephone	1,860	1,874
Fundraising	84,684	84,759
Expeditions	127,147	69,550
Utilities	1,130	1,067
	827,821	851,580
Excess (deficiency) of revenue over expenses before other items	57,799	(19,059)
Other items		
Interest income	1,169	1,169
Foreign exchange gain (loss)	410	(2,027)
Gain on disposal of investments	-	399
	1,579	(459)
Excess (deficiency) of revenue over expenses	59,378	(19,518)

The accompanying notes are an integral part of these financial statements

Canadian Humanitarian Organization for International Relief
Statement of Changes in Net Assets

For the year ended March 31, 2018

	2018	2017
Net assets, beginning of year	40,830	60,348
Excess (deficiency) of revenue over expenses	59,378	(19,518)
Net assets, end of year	100,208	40,830

The accompanying notes are an integral part of these financial statements

Canadian Humanitarian Organization for International Relief

Statement of Cash Flows

For the year ended March 31, 2018

	2018	2017
Cash provided by (used for) the following activities		
Operating		
Excess (deficiency) of revenue over expenses	59,378	(19,518)
Amortization	8,700	-
Gain on disposal of investments	-	(399)
	68,078	(19,917)
Changes in working capital accounts		
Accounts receivable	(1,342)	2,910
Prepaid expenses and deposits	27,966	(33,286)
Accounts payable and accruals	(12,851)	15,602
Deferred revenue	(62,521)	85,296
	19,330	50,605
Investing		
Purchase of capital assets	(34,800)	-
Proceeds on disposal of investments	-	475
Increase (decrease) in cash resources	(15,470)	51,080
Cash resources, beginning of year	80,808	29,728
Cash resources, end of year	65,338	80,808

The accompanying notes are an integral part of these financial statements

Canadian Humanitarian Organization for International Relief

Notes to the Financial Statements

For the year ended March 31, 2018

1. Incorporation and nature of the organization

Canadian Humanitarian Organization for International Relief (the "Organization") was incorporated under the authority of the Non-Profit Corporations Act of Canada and is a registered charity; and thus is exempt from income taxes under the provisions the Income Tax Act ("the Act").

The Organization's purpose is to provide the basic necessities of life such as nutrition, shelter, health care, and education to disadvantaged children around the world.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada and include the following significant accounting policies:

Cash and cash equivalents

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Investments

Other investments are portfolio investments recorded at fair value for those with prices quoted in an active market, and cost less impairment for those that are not quoted in an active market. They have been classified as long-term assets in concurrence with the nature of the investment.

Portfolio investments in entities that are not owned, controlled, or influenced by the Organization are measured at cost, less any provision for other than temporary impairment.

Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution if fair value can be reasonably determined.

Amortization is provided using the straight-line method at rates intended to amortize the cost of assets over their estimated useful lives.

	Method	Rate
Website	straight-line	4 years

Revenue recognition

The Organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributed materials

Contributions of materials are recognized both as contributions and expenses in the statement of operations when a fair value can be reasonably estimated and when the materials are used in the normal course of the Organization's operations and would otherwise have been purchased.

Foreign currency translation

Accounts in foreign currencies have been translated into Canadian dollars using the temporal method. Under this method, monetary assets and liabilities have been translated at the year end exchange rate. Non-monetary assets have been translated at the average rates of exchange prevailing at the date of transaction. Revenues and expenses have been translated at the average rates of exchange during the year, except for amortization, which has been translated at the same rate as the related assets.

Foreign exchange gains and losses on monetary assets and liabilities are included in the determination of excess of revenue over expenses.

Canadian Humanitarian Organization for International Relief
Notes to the Financial Statements
For the year ended March 31, 2018

Measurement uncertainty (use of estimates)

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable, and notes receivable due from related entities are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization of capital assets is based on the estimated useful lives of capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues and expenses in the periods in which they become known.

3. Accounts receivable

	2018	2017
Accrued interest receivable from EDEN AIC	4,143	2,974
GST receivable	2,406	2,285
Other accounts receivable	52	-
	6,601	5,259

4. Notes receivable

	2018	2017
Promissory note #1 is unsecured with interest accruing at a rate of 3%. The note matures May, 2019.	3,000	3,000
Promissory note #2 is unsecured with interest accruing at a rate of 3%. The note matures September, 2019.	350	350
Promissory note #3 is unsecured with interest accruing at a rate of 3%. The note matures October, 2019.	100	100
Promissory note #4 is unsecured with interest accruing at a rate of 3%. The note matures November, 2019.	20,000	20,000
Promissory note #5 is unsecured with interest accruing at a rate of 3%. The note matures November, 2019.	5,000	5,000
Promissory note #6 is unsecured with interest accruing at a rate of 3%. The note matures June, 2019.	7,000	7,000
Promissory note #7 is unsecured with interest accruing at a rate of 3%. The note matures June, 2019.	3,500	3,500
	38,950	38,950

All notes are receivable from EDEN Angel Investment Corporation (EDEN AIC) which is a related party. See note 6 for more details.

Canadian Humanitarian Organization for International Relief
Notes to the Financial Statements
For the year ended March 31, 2018

5. Capital assets

	<i>Cost</i>	<i>Accumulated amortization</i>	<i>2018 Net book value</i>	<i>2017 Net book value</i>
Website	34,800	8,700	26,100	-

6. Deferred contributions

Deferred contributions consist of unspent contributions for future expeditions and fundraising activities.

	<i>2018</i>	<i>2017</i>
Expeditions	33,486	89,490
Not 15 million	1,526	8,343
	35,012	97,833

7. Related party transactions

During the year, the Organization received payments from EDEN AIC of promissory notes in the amount of \$0 (2017 - \$0). The Organization also collected interest from EDEN AIC in the amount of \$0 (2017 - \$0) relating to the promissory notes.

EDEN Angel Investment Corporation is a corporation that is partially owned by the Board Chair of Canadian Humanitarian.

A spouse of a board member received a salary in the current year of \$15,000 (2017 - \$0).

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

8. Commitments

The Organization has entered into a lease agreement for rental of an office space for \$950 per month. The lease ends April of 2019 .

Canadian Humanitarian Organization for International Relief
Notes to the Financial Statements
For the year ended March 31, 2018

9. Financial instruments

The Organization, as part of its operations, carries a number of financial instruments. It is management's opinion that the Organization is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly in respect of its receipt of funds from its donors and other related sources and accounts payable.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign denominated amounts at March 31, 2018 were as follows:

	2018	2017
	CAD\$	CAD\$
US Dollar bank account	1,039	1,171

10. Comparative figures

Certain comparative figures have been reclassified to conform with current year presentation.