

FRIENDS OF THE VILLAGE OF ROCKCLIFFE PARK FOUNDATION

FINANCIAL STATEMENTS

DECEMBER 31, 2008

AUDITORS' REPORT

To the Members,
Friends of the Village of Rockcliffe Park Foundation:

We have audited the balance sheet of the Friends of the Village of Rockcliffe Park Foundation as at December 31, 2008 and the statement of revenue and expenditure for the year then ended. These financial statements are the responsibility of the Foundation'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 not-for-profit organizations, the Foundation derives revenue from donations the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of this revenue was limited to the amounts recorded in the records of the Foundation and we were not able to determine whether any adjustments might be necessary to donations revenue, net revenue for the year, 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 the revenue referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Foundation as at December 31, 2008 and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles.

OHCDLP

OUSELEY HANVEY CLIPSHAM DEEP LLP
Licensed Public Accountants

Ottawa, Ontario
May 6, 2009

FRIENDS OF THE VILLAGE OF ROCKCLIFFE PARK FOUNDATION

BALANCE SHEET
AS AT DECEMBER 31, 2008

	<u>Endowment fund</u>	<u>Operating fund</u>	<u>2008</u>	<u>2007</u>
ASSETS				
Cash	\$ 1,789	\$ 4,639	\$ 6,428	\$ 67,720
Investments				
Bonds	334,267	19,535	353,802	315,844
Equities	<u>65,257</u>	<u>-</u>	<u>65,257</u>	<u>60,112</u>
	<u>\$ 401,313</u>	<u>\$ 24,174</u>	<u>\$ 425,487</u>	<u>\$ 443,676</u>
LIABILITIES				
Accounts payable	\$ <u>-</u>	\$ <u>2,205</u>	\$ <u>2,205</u>	\$ <u>2,775</u>
NET ASSETS				
Balance - beginning of year	418,214	22,687	440,901	427,696
Net revenue (expenditure) for the year	<u>(16,901)</u>	<u>(718)</u>	<u>(17,619)</u>	<u>13,205</u>
Balance - end of year	<u>401,313</u>	<u>21,969</u>	<u>423,282</u>	<u>440,901</u>
	<u>\$ 401,313</u>	<u>\$ 24,174</u>	<u>\$ 425,487</u>	<u>\$ 443,676</u>

Approved on behalf of the Board:

Director

Director



FRIENDS OF THE VILLAGE OF ROCKCLIFFE PARK FOUNDATION

STATEMENT OF REVENUE AND EXPENDITURE FOR THE YEAR ENDED DECEMBER 31, 2008

	<u>Endowment fund</u>	<u>Operating fund</u>	<u>2008</u>	<u>2007</u>
REVENUE				
Donations	\$ 620	\$ -	\$ 620	\$ 2,384
Book sales	-	2,139	2,139	4,705
Ambassadors' dinner	-	-	-	9,875
Investment				
Interest and dividends	16,013	912	16,925	16,829
Gain (loss) on equities	<u>(16,189)</u>	<u>-</u>	<u>(16,189)</u>	<u>-</u>
	<u>444</u>	<u>3,051</u>	<u>3,495</u>	<u>33,793</u>
EXPENDITURE				
Administration	-	314	314	3,250
Grants	17,345	-	17,345	14,900
Newcommer booklet	-	1,725	1,725	-
Professional fees	<u>-</u>	<u>1,730</u>	<u>1,730</u>	<u>2,438</u>
	<u>17,345</u>	<u>3,769</u>	<u>21,114</u>	<u>20,588</u>
NET REVENUE (EXPENDITURE) FOR THE YEAR	\$ <u>(16,901)</u>	\$ <u>(718)</u>	\$ <u>(17,619)</u>	\$ <u>13,205</u>

FRIENDS OF THE VILLAGE OF ROCKCLIFFE PARK FOUNDATION

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008

1. PURPOSE OF THE ORGANIZATION

The purpose of the Foundation is to provide support for the Village library, cultural and recreational activities for the enhancement of the Village environment, and for the preservation of the unique character of Rockcliffe Park.

The Foundation was incorporated in 1996 under the Canada Corporations Act as a not-for-profit organization. It is a registered charity under the Income Tax Act and as such is exempt from income tax.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles and include the following significant accounting policies:

a) Estimates and assumptions

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditure during the reporting period. Actual results may differ from those estimates.

b) Financial instruments

Bonds are accounted for as held-to-maturity investments and are valued at cost plus accrued interest. Equities are accounted for as held-for-trading investments and are valued at fair value, with unrealized gains and losses being recorded in the statement of revenue and expenditure. Other financial instruments are measured at the initially recognized amount less appropriate allowances.

c) Endowment fund

Donations received for the Endowment Fund will be accumulated indefinitely. Investment income on Endowment investments is recognized as revenue in the Endowment fund. It is available to be spent on programs and projects consistent with the mandate of the Foundation while respecting the directions of the donors.

d) Operating fund

The Operating fund comprises all revenue other than that specifically designated for the Endowment fund, and all operating expenses.

e) Revenue recognition

The Foundation 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 they are received or become receivable.

3. FINANCIAL INSTRUMENTS

Financial instruments of the Foundation consist of cash, investments and accounts payable.

Unless otherwise noted, it is management's opinion that the Foundation is not exposed to significant interest rate, currency or credit risks arising from its financial instruments and the carrying amount of the financial instruments approximate their fair value.

FRIENDS OF THE VILLAGE OF ROCKCLIFFE PARK FOUNDATION

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008**

4. STATEMENT OF CASH FLOWS

A statement of cash flows has not been provided as information on cash flows is readily apparent from the other financial statements.