
WADENG WINGS OF HOPE SOCIETY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

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AUDITORS' REPORT

To The Members of the Board of Directors of Wadeng Wings of Hope Society

*A full range of
financial expertise
from a trusted team of
professionals who have
helped companies
succeed in Atlantic
Canada since 1976.*

*Member of DFK
Accountancy Group
Inc. (Canada) and
DFK International*

We have audited the statement of financial position of Wadeng Wings of Hope Society as at December 31, 2009 and the statements of operations, changes in fund balances and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraphs, 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 organization derives revenues from contributions from the general public, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amount recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to the financial statements.

Also in common with many charitable organizations, the organization receives donations and makes expenditures specific to the various funds of the organization. While we were able to satisfy ourselves that the total revenues recorded were received and deposited, and the expenditures did take place, the allocation of these donations and expenditures to the various funds is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues and expenditures was limited to the total amount recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to the individual funds within the financial statements.

In our opinion, except for the adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of revenue and the allocations of revenues and expenses to specific funds referred to in the preceding paragraphs, these financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2009 and the results of operations and changes in fund balances and cash flows of the organization for the year then ended, in accordance with Canadian generally accepted accounting principles.

WBLI

CHARTERED ACCOUNTANTS

Bedford, Nova Scotia

October 22, 2010

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WADENG WINGS OF HOPE SOCIETY

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2009

					2009	2008
				\$	\$	
ASSETS						
	General Fund	Goat Fund	Brick-by- Brick Fund	Stitch-by- Stitch Fund	Total	Total
CURRENT ASSETS						
Cash	34,800	-	-	-	34,800	38,887
Accrued receivables	560	-	-	-	560	-
Due from (to) other funds (note 4)	(28,966)	8,949	22,652	(2,635)	-	-
	6,394	8,949	22,652	(2,635)	35,360	38,887
LIABILITIES						
CURRENT LIABILITIES						
Accounts payable and accrued liabilities	39	-	-	-	39	40
FUND BALANCES						
Restricted	-	8,949	22,652	(2,635)	28,966	28,467
Unrestricted	6,355	-	-	-	6,355	10,380
	6,355	8,949	22,652	(2,635)	35,321	38,847
	6,394	8,949	22,652	(2,635)	35,360	38,887

APPROVED ON BEHALF OF THE BOARD

Director

Director

WADENG WINGS OF HOPE SOCIETY
STATEMENT OF CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2009

					2009	2008
					\$	\$
	Unrestricted Funds	Restricted Funds				
	General Fund	Goat Fund	Brick-by- Brick Fund	Stitch-by- Stitch Fund	Total	Total
Fund balances - beginning of year	10,380	6,323	24,779	(2,635)	38,847	45,207
Excess (deficiency) of revenues over expenditures	(4,025)	2,626	(2,127)	-	(3,526)	(6,360)
Fund balances - end of year	6,355	8,949	22,652	(2,635)	35,321	38,847

WADENG WINGS OF HOPE SOCIETY

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2009

					2009	2008
					\$	\$
	General Fund	Goat Fund	Brick-by- Brick Fund	Stitch-by- Stitch Fund	Total	Total
REVENUES						
Goat contributions	-	7,101	-	-	7,101	6,308
Brick-by-Brick contributions	-	-	10,505	-	10,505	12,763
Stitch-by-Stitch contributions	-	-	-	-	-	6,531
Investment income	-	-	-	-	-	448
	-	7,101	10,505	-	17,606	26,050
EXPENDITURES						
Goat expenditures	-	4,475	-	-	4,475	7,234
Brick-by-Brick expenditures	-	-	12,632	-	12,632	10,569
Stitch-by-Stitch expenditures	-	-	-	-	-	6,933
Consulting Fee	-	-	-	-	-	2,625
Occupancy expenses	141	-	-	-	141	137
Travel	-	-	-	-	-	4,074
Satellite Phone	1,626	-	-	-	1,626	-
Telephone	405	-	-	-	405	442
Interest and bank charges	150	-	-	-	150	226
Website	227	-	-	-	227	150
Office expenses	346	-	-	-	346	170
Advertising and Promotions	1,130	-	-	-	1,130	-
	4,025	4,475	12,632	-	21,132	32,410
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(4,025)	2,626	(2,127)	-	(3,526)	(6,360)

WADENG WINGS OF HOPE SOCIETY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2009

					2009	2008
					\$	\$
	General Fund	Goat Fund	Brick-by- Brick Fund	Stitch-by- Stitch Fund	Total	Total
CASH FLOWS PROVIDED FROM (USED IN) OPERATING ACTIVITIES						
Excess (deficiency) of revenues over expenditures	(4,025)	2,626	(2,127)	-	(3,526)	(6,360)
Change in noncash working capital balances						
Accounts receivable	(560)	-	-	-	(560)	1,159
Accounts payable and accrued liabilities	(1)	-	-	-	(1)	(1,367)
Short-term investments	-	-	-	-	-	25,144
	(4,586)	2,626	(2,127)	-	(4,087)	18,576
CASH FLOWS PROVIDED FROM (USED IN) FINANCING ACTIVITIES						
Advances from (to) other funds	499	(2,626)	2,127	-	-	-
CHANGE IN CASH DURING THE YEAR	(4,087)	-	-	-	(4,087)	18,576
CASH - beginning of year	38,887	-	-	-	38,887	20,311
CASH - end of year	34,800	-	-	-	34,800	38,887

WADENG WINGS OF HOPE SOCIETY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

1. NATURE OF OPERATIONS

The Wadeng Wings of Hope Society is a Canadian registered charitable society dedicated to raising funds and implementing projects in support of children's education and well being in Southern Sudan.

2. SIGNIFICANT ACCOUNTING POLICIES

Financial Statement Presentation

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles for not-for-profit organizations.

Fund Accounting

The Wadeng Wings of Hope Society follows the restricted fund method of accounting for contributions.

The General Fund accounts for the organization's program delivery and administrative activities. The fund reports unrestricted resources.

The Goat Fund reports restricted resources that are to be used to provide funding for goats to the various communities.

The Brick-by-Brick Fund reports restricted resources that are to be used to provide funding to construct a school and well.

The Stitch-by-Stitch Fund reports the restricted resources that are to be used in providing sewing machines and constructing a sewing structure, as well as providing related sewing supplies and training.

Revenue Recognition

Restricted contributions are recognized as revenue of the appropriate restricted fund.

Unrestricted contributions are recognized as revenue of the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investments

Investments are comprised of Guaranteed Investment Certificates which are classified as held for trading. They are recorded at principal plus accrued interest, therefore the cost approximates the fair market value.

Any adjustments recorded on the held for trading investments are recorded through net income.

WADENG WINGS OF HOPE SOCIETY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Taxes

Wadeng Wings of Hope Society is a registered charitable organization and qualifies for tax-exempt status pursuant to paragraph 149 (1) (f) of the Income Tax Act.

Contributed Services

A number of volunteers contribute their time each year. Due to the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

Use of Estimates

The preparation of the financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

Foreign Currency Transactions

The company uses the temporal method to translate its foreign currency transactions. Monetary assets and liabilities are translated at the rate of exchange in effect at year end. Other assets are translated at their historical rates. Items appearing in the income statement are translated at average year rates. Exchange gains and losses are included in the income statement.

3. FAIR VALUE OF FINANCIAL INSTRUMENTS

The organization's financial instruments are comprised of cash, short-term investments, accounts receivable, due from (to) other funds, and accounts payable and accrued liabilities. The carrying values of these financial assets and financial liabilities approximate their fair values due to their short-term maturity dates.

4. DUE FROM (TO) OTHER FUNDS

The transactions of the Goat Fund, Brick-by-brick Fund and Stitch-by-Stitch Fund are administered through the main operating account of the General Fund. As a result, at December 31, 2009, the balances of the respective funds have been set up as owing (to) from the General Fund. These loans are non-interest bearing, have no set terms of repayment and have been classified as current items on the statement of financial position.