

**PARTNERS IN THE HORN OF AFRICA**

FINANCIAL STATEMENTS

December 31, 2002

**MURRAY ROSSWORN INC.**  
Chartered Accountants

# **PARTNERS IN THE HORN OF AFRICA**

December 31, 2002

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## AUDITORS' REPORT

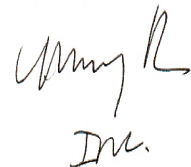
To the Directors of:  
Partners in the Horn of Africa

We have audited the balance sheet of Partners in the Horn of Africa as at December 31, 2002 and the statements of income, net assets and changes in financial position for the ten months then ended. These financial statements are the responsibility of the company's management. 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 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 our opinion, these financial statements present fairly, in all material respects, the financial position of the company as at December 31, 2002 and the results of its operations and the changes in its financial position for the ten months then ended in accordance with Canadian generally accepted accounting principles.

January 21, 2004



Inc.

Chartered Accountants

# PARTNERS IN THE HORN OF AFRICA

(Incorporated under the laws of Canada)

Balance Sheet

As at December 31, 2002

	<b>2002</b>
<b>Assets</b>	
Current	
Cash	\$ 11,525
	<b>11,525</b>
<b>Liabilities</b>	
<b>Net assets</b>	
Surplus revenue over expenditures	<b>11,525</b>
	<b>\$ 11,525</b>

Approved by the Directors:

Director

Director

## **PARTNERS IN THE HORN OF AFRICA**

Statement of Net Assets

For the 10 months ended December 31, 2002

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	<b>2002</b>
Net assets beginning of year	\$
Excess of revenue over expenditures	<b>11,525</b>
Net assets end of year	<b>\$ 11,525</b>

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## **PARTNERS IN THE HORN OF AFRICA**

Statement of Income

For the 10 months ended December 31, 2002

	<b>2002</b>
Donations received	\$ 21,450
Interest income	<u>2</u>
	<b>21,452</b>
Expenses	
Donations to projects	<u>9,927</u>
<b>Excess of revenue over expenditures</b>	<b>\$ 11,525</b>

## **PARTNERS IN THE HORN OF AFRICA**

Statement of Changes in Financial Position  
For the 10 months ended December 31, 2002

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**2002**

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Cash provided by (used for)

Operations

Net income for the year	<u>\$ 11,525</u>
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Increase in cash	<u>11,525</u>
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Cash end of year	<u>\$ 11,525</u>
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## **PARTNERS IN THE HORN OF AFRICA**

Notes to Financial Statements

For the 10 months ended December 31, 2002

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The Association is a registered charity that solicits donations in Canada and applies them toward projects in Ethiopia.

### **1. Significant accounting policies**

- a) Revenue recognition  
Revenue is recorded on an accrual basis.
  
- b) Contractual obligations and contingencies  
The organization has entered into a partnership with the Anti-Malaria Association (AMA) to build "Pit Latrines" at two elementary schools in Ethiopia. As of December 31, 2002 the project was not complete. Upon completion of this contract, the organization will pay \$6,127 US to AMA.

### **2. Operations:**

The Organization incorporated and began operations on March 12, 2002.

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