



*Holt
Rooney* CHARTERED
ACCOUNTANTS

**The Mary A. Tidlund
Charitable Foundation**

Financial Statements

December 31, 2009

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CHARTERED
ACCOUNTANTS

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AUDITORS' REPORT

To the Stakeholders of
The Mary A. Tidlund Charitable Foundation

We have audited the statement of financial position of The Mary A. Tidlund Charitable Foundation as at December 31, 2009, and the statements of operations and changes in net assets and cash flow 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.

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 statements presentation.

In common with many charitable organizations, the Foundation derives some revenue from cash donations and various fundraising activities, the completeness of which is not determinable through audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization and we are not able to determine whether any adjustments might be necessary to contributions, excess of revenues over expenses, current assets and net assets.

In our opinion, except as noted in the above paragraph, these financial statements present fairly, in all material respects, the financial position of the Foundation as at December 31, 2009 and the results of operations and its cash flow of the Foundation for the year then ended, in accordance with Canadian generally accepted accounting principles.

Certain of the comparative numbers have been restated to conform to current year presentation.

Calgary, Alberta
April 17, 2010

CHARTERED ACCOUNTANTS

THE MARY A. TIDLUND CHARITABLE FOUNDATION
STATEMENT OF FINANCIAL POSITION

as at
December 31

2009 2008

ASSETS

CURRENT

Cash and cash equivalents	\$	191,214	73,580
Accounts receivable		1,529	8,630
Prepaid expenses		<u>473</u>	<u>-</u>
		193,216	82,210

PORTFOLIO INVESTMENTS

Available-for-sale equity securities - quoted <i>(Note 4)</i>		18,559	216,944
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**AMOUNTS RESTRICTED FOR
ENDOWMENT PURPOSES**

(Note 4)

		<u>25,582</u>	<u>25,582</u>
		<u>\$ 237,357</u>	<u>324,736</u>

LIABILITIES

CURRENT

Accounts payable	\$	<u>21,887</u>	<u>11,142</u>
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NET ASSETS

RESTRICTED NET ASSETS		72,649	73,651
UNRESTRICTED NET ASSETS		<u>142,821</u>	<u>239,943</u>
		<u>215,470</u>	<u>313,594</u>
		<u>\$ 237,357</u>	<u>324,736</u>

Approved on behalf of the Board of Directors:

_____ Director

_____ Director

See accompanying notes to the financial statements

THE MARY A. TIDLUND CHARITABLE FOUNDATION
STATEMENT OF OPERATIONS

for the
years ending
December 31

	<u>2009</u>	<u>2008</u>
REVENUE		
Cash donations	\$ 313,572	528,851
Grants	84,023	-
Securities donations	12,861	45,350
Donated goods	8,814	218,914
Investment income	1,065	11,199
Gain (loss) on sale of investments	1,151	(67,164)
Endowment fund donations	-	97
Unrealized (loss) gain on investments	<u>(979)</u>	<u>10,901</u>
TOTAL REVENUE	<u>420,507</u>	<u>748,148</u>
INTERNATIONAL PROGRAM EXPENSES	301,974	668,214
NATIONAL PROGRAM EXPENSES	14,338	25,127
PARKS FUND EXPENSES	<u>1,002</u>	<u>271</u>
TOTAL PROGRAM EXPENSES	<u>317,314</u>	<u>693,612</u>
GENERAL AND ADMINISTRATIVE EXPENSES		
Payroll expenses	117,028	78,843
Professional fees	33,699	12,529
Office and occupancy expenses	22,486	27,452
Travel and promotion	20,890	12,944
Fundraising	7,214	4,706
Grant and database services	<u>-</u>	<u>16,667</u>
TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	<u>201,317</u>	<u>153,141</u>
REVENUE LESS EXPENSES	<u>\$ (98,124)</u>	<u>(98,605)</u>

See accompanying notes to the financial statements

THE MARY A. TIDLUND CHARITABLE FOUNDATION
STATEMENT OF CHANGES IN NET ASSETS

for the
years ending
December 31

	<u>2009</u>	<u>2008</u>
RESTRICTED NET ASSETS, beginning of year	\$ 73,651	73,825
Endowment fund revenue less expenditures	-	97
Parks program fund revenue less expenditures	<u>(1,002)</u>	<u>(271)</u>
RESTRICTED NET ASSETS, end of year	<u>\$ 72,649</u>	<u>73,651</u>
UNRESTRICTED NET ASSETS, beginning of year	\$ 239,943	338,374
Revenue less expenditures	<u>(97,122)</u>	<u>(98,431)</u>
UNRESTRICTED NET ASSETS, end of year	<u>\$ 142,821</u>	<u>239,943</u>

SUPPLEMENTAL INFORMATION ON RESTRICTED FUNDS:

Endowment fund

Net assets, beginning of year	\$ 25,582	25,485
Revenue less expenditures	<u>-</u>	<u>97</u>
Net assets, end of year	<u>25,582</u>	<u>25,582</u>

Parks program fund

Net assets, beginning of year	48,069	48,340
Revenue less expenditures	<u>(1,002)</u>	<u>(271)</u>
Net assets, end of year	<u>47,067</u>	<u>48,069</u>

Total restricted net assets, end of year	<u>\$ 72,649</u>	<u>73,651</u>
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See accompanying notes to the financial statements

THE MARY A. TIDLUND CHARITABLE FOUNDATION
STATEMENT OF CASH FLOW

for the
years ending
December 31

	<u>2009</u>	<u>2008</u>
CASH PROVIDED BY (USED FOR):		
OPERATING ACTIVITIES		
Revenue less expenses	\$ (98,124)	(98,605)
Non-cash items:		
Non-cash donations	(21,675)	(264,264)
Non-cash expenses	8,814	218,914
Unrealized gain (loss) on investments	979	(10,901)
(Gain) loss on sale of investments	<u>(1,151)</u>	<u>67,164</u>
	(111,157)	(87,692)
Net change in non-cash working capital balances from operations:		
Accounts receivable	7,101	2,075
Prepaid expenses	(473)	450
Accounts payable and accrued liabilities	<u>10,745</u>	<u>(3,356)</u>
	<u>(93,784)</u>	<u>(88,523)</u>
INVESTING ACTIVITIES		
Purchases of marketable securities	(419,000)	(712,885)
Proceeds on disposal marketable securities	<u>656,000</u>	<u>840,950</u>
	<u>237,000</u>	<u>128,065</u>
INCREASE IN CASH	143,216	39,542
CASH, beginning of year	<u>73,580</u>	<u>34,038</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 216,796</u>	<u>73,580</u>
CASH AND CASH EQUIVALENTS ARE COMPRISED OF:		
Cash	\$ 191,214	73,580
Cash restricted for endowment purposes	<u>25,582</u>	<u>-</u>
	<u>\$ 216,796</u>	<u>73,580</u>
SUPPLEMENTAL INFORMATION:		
Interest paid	\$ <u>9</u>	<u>491</u>

See accompanying notes to the financial statements

THE MARY A. TIDLUND CHARITABLE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009

1. NATURE OF OPERATIONS

The Mary A. Tidlund Charitable Foundation (the "Foundation") is an incorporated not-for-profit foundation that identifies, financially supports, and participates in medical, educational, poverty relief programs, business development and micro-financing projects in Canada and overseas. The Foundation is a registered charity within the meaning of the Income Tax Act (Canada) and is exempt from paying income taxes.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Foundation have been prepared in accordance with Canadian generally accepted accounting principles for non-profit organizations. As a precise determination of many assets and liabilities depends on future events, the preparation of financial statements necessarily calls upon the use of estimates made using careful judgment. These financial statements have, in management's opinion, been prepared using such careful judgment, within reasonable limits of materiality and within the framework of significant accounting policies as described below.

New Accounting Pronouncements

The CICA's Accounting Standards Board (AcSB) announced that Canadian Not-for-profit organizations preparing financial statements in accordance with Canadian generally accepted accounting principles (GAAP) apply either International Financial Reporting Standards (IFRS), effective January 1, 2011, or pre-changeover accounting standards. Although IFRS uses a conceptual framework similar to Canadian GAAP, differences in accounting policies will need to be addressed. The Foundation is currently assessing the impact of the AcSB announcement on its financial statements, and determining the most suitable set of standards to apply.

Cash and cash equivalents

The Foundation considers all investments with maturities of three months or less and bank loans with no specified terms of repayment to be cash and cash equivalents.

Property, plant and equipment

Effective this year, the Foundation no longer qualifies to expense property, plant and equipment purchases as its average annual revenue in 2009 and 2008 exceeded \$500,000. The Foundation therefore changed its accounting policy to capitalize purchases in excess of \$1,000 that have a useful life of more than one year. Property, plant and equipment purchases are recorded at cost and amortized on a straight line basis over their estimated useful life as follows:

Computers	3 years
Computer software	2 years
Furniture and equipment	5 years
Leasehold improvements	2 years

THE MARY A. TIDLUND CHARITABLE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition

The Foundation follows the restricted fund method of accounting for contributions.

Unrestricted and restricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as revenue of the endowment fund. Investment income is recognized as revenue when earned.

Contributed materials and services

Contributed materials and services are received by the Foundation as donations-in-kind and are measured and recognized at fair value in the financial statements. Donated goods consist primarily of securities, fundraiser goods, advertising and food for Mustard Seed meals. Volunteers contributed approximately 7,760 hours (2008 - 15,262 hours) to assist the Foundation in carrying out its medical and educational services in foreign countries as well as local programs. Due to the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

The Foundation regularly donates medical supplies to medical and educational programs. These expenses are measured and recognized at fair value in the financial statements.

Foreign Currency Translation

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate in effect at the balance sheet date. Revenues and expenses arising from foreign currency transactions are translated at the exchange rate in effect at the date of the transaction. Realized and unrealized exchange gains or losses arising from the translation are included in operations.

3. FINANCIAL INSTRUMENTS

The Foundation holds various forms of financial instruments. The Foundation manages its exposure to financial instrument risk by operating in a manner that minimizes its exposure to the extent possible.

The Foundation's financial instruments consist of accounts receivable, portfolio investments and accounts payable.

Portfolio investments

Portfolio investments classified as available-for-sale are carried at market value and are subject to the risk of market fluctuations. Unrealized gains and losses are recorded separately from realized gains and losses in the statement of operations.

Fair value

The carrying value of accounts receivable and accounts payable approximate their fair market values due to the immediate or short-term nature of these financial instruments. Portfolio investments are carried at market value but are subject to significant change over time in response to the market.

THE MARY A. TIDLUND CHARITABLE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009

3. FINANCIAL INSTRUMENTS (continued)

Credit risk

Credit risk associated with accounts receivable is substantially minimized by ensuring that these financial assets are placed with well known creditors.

Foreign currency risk

The Foundation has exposure to currency rate risk as work is done in other countries using local currency.

Interest rate risk

The Foundation's exposure to interest rate fluctuations is with respect to its investments in interest bearing instruments, which are generally at fixed rates of return. Exposure to interest rate risk occurs when interest rates change during the period of investment.

Unless otherwise noted, it is the Board's opinion that the Foundation is not exposed to significant fair value, credit, currency, or interest rate risks arising from its financial instruments

4. PORTFOLIO INVESTMENTS

	<u>2009</u>		<u>2008</u>	
	<u>Cost</u>	<u>Market</u>	<u>Cost</u>	<u>Market</u>
Canadian shares and mutual funds:				
Restricted	\$ -	-	25,582	25,582
Unrestricted	<u>22,333</u>	<u>18,559</u>	<u>206,043</u>	<u>216,944</u>
Total	<u>\$ 22,333</u>	<u>18,559</u>	<u>231,625</u>	<u>242,526</u>

The amounts restricted for endowment purposes were held in portfolio investments in the previous years and were withdrawn from the portfolio investment and deposited as cash and cash equivalents.

Realized gains (losses) on sales of investments are inclusive of the fair market value adjustments recognized in prior periods.

	<u>2009</u>	<u>2008</u>
Realized gain (loss) on sale of investments	\$ 1,151	(67,164)
Unrealized (loss) gain previously recognized	<u>(979)</u>	<u>10,901</u>
Net gain (loss) recognized on sale of investments in the year	<u>\$ 172</u>	<u>(56,263)</u>

THE MARY A. TIDLUND CHARITABLE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009

5. RESTRICTED NET ASSETS

Endowment funds

Net assets restricted for endowment purposes are subject to externally imposed restrictions stipulating that the resources be maintained for a specific period currently ranging from 10 to 20 years. Income earned from endowment funds is available to fund Foundation operations.

Restricted funds

Restricted net assets may only be used for purposes specified by the donor.

6. UNRESTRICTED NET ASSETS

Unrestricted net assets may be used at the discretion of the Foundation's management. At year end, all funds are unrestricted with the exception of the Endowment Fund and the Park's Program Fund.

7. RELATED PARTIES

One of the directors of the Foundation is a partner in the company that manages the investment portfolio.

8. ADDITIONAL INFORMATION TO COMPLY WITH THE CHARITABLE FUND-RAISING ACT AND REGULATIONS

Gross contributions received:

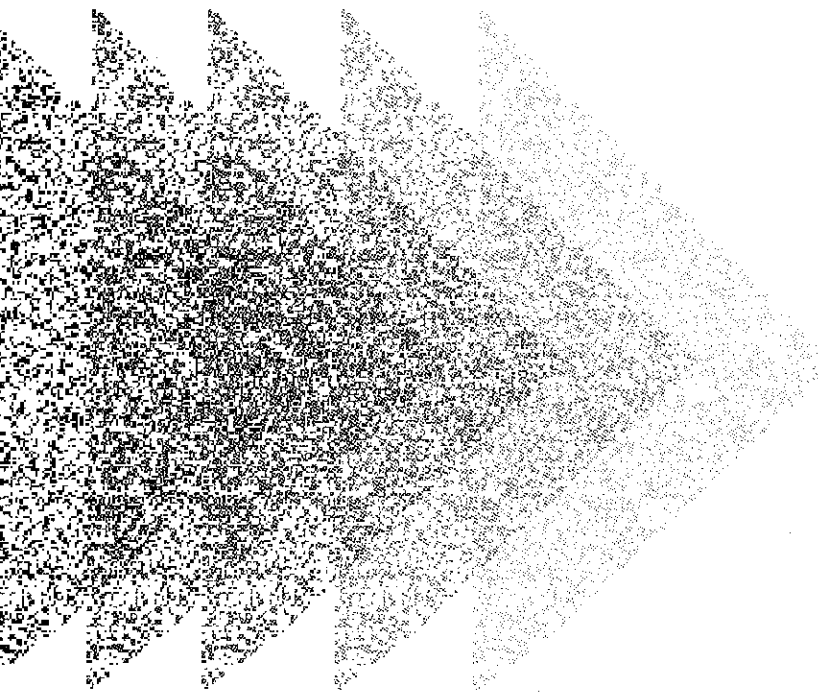
	<u>2009</u>	<u>2008</u>
Operating fund donations	\$ 335,247	793,115
Endowment fund donations	-	97
Total contributions	<u>\$ 335,247</u>	<u>793,212</u>

Gross contributions received were disposed of in accordance with the internal and external restrictions imposed by the donee's request and the Foundation's disbursement policies. Undesignated donations are allocated for use by the board of directors of the Foundation.

Disbursement of contributions that are equal to or exceed 10% of the gross contributions received were \$63,829 (2008 - \$218,914) towards the purchase of a building in Mexico to provide a permanent educational facility for children at risk in Guadalajara, Mexico.

The disbursement quota for 2010 is \$311,214 (2009- \$634,570). The disbursement shortfall carryforward amount at December 31, 2009 is \$103,017 (2008 - \$233,823 disbursement excess).

Total remuneration paid to employees involved in fundraising activities in 2009 was \$411 (2008 - \$1,676).



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