

YEAR ENDED DECEMBER 31, 2005

FINANCIAL STATEMENTS

(a charitable organization)

HUMANITY FIRST

operating as

RELIEF INTERNATIONAL INC.

1/1

1. Auditors' Report to the Directors
2. Statement of Financial Position
3. Statement of Changes in Net Assets
4. Statement of Operations
5. Notes to Financial Statements

INDEX

Toronto, Ontario,  
April 10, 2008.

CHARTERED ACCOUNTANTS,  
Licensed Public Accountants

*Berman, Lofchick & Lum, LLP*

Respectfully submitted,

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 opening balances and completeness of the donations and fundraising 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, 2005 and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

As is the case of most charitable organizations in receipt of funds by donations and fundraising, verification of such items was impractical beyond accounting for amounts recorded in the accounts of the organization, and we were not able to determine whether adjustments might be necessary to contributions, excess of revenues over expenses, current assets and net assets.

As the previous year's financial statements were not audited, we were not able to verify the opening balances. Since opening balances enter into the determination of the results of operations and cash flows, we were unable to determine whether adjustments to excess of revenues over expenses, opening net assets, and cash provided from operations might be necessary.

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.

We have audited the statement of financial position of the Relief International Inc. operating as Humanity First as at December 31, 2005 and the statements of change in net assets, operations 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.

### AUDITORS' REPORT

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WINSTON LUM, B.Com.(CA)

BERMAN, LOFCHICK & LUM, LLP  
CHARTERED ACCOUNTANTS

RELIEF INTERNATIONAL INC.

operating as

HUMANITY FIRST

(a charitable organization)

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2005

\$ 111,815

\$ 111,815

\$ 1,500

110,315

\$ 111,815

ASSETS  
Current  
Cash

LIABILITIES

Current

Accounts payable and accrued liabilities

NET ASSETS

Unrestricted net assets

Approved on behalf of the Board:

Director

Director

The accompanying notes form an integral  
part of these financial statements.

RELIEF INTERNATIONAL INC.  
 operating as  
 HUMANITY FIRST  
 (a charitable organization)  
 STATEMENT OF CHANGES IN NET ASSETS  
 YEAR ENDED DECEMBER 31, 2005

	Unrestricted	Total		
	\$ -	\$ -		BALANCE - Beginning of year
	110,315	110,315		- Excess (deficiency) of revenues over expenses
	<u>110,315</u>	<u>110,315</u>		BALANCE - End of year
	\$ 110,315	\$ 110,315		

The accompanying notes form an integral part of these financial statements.

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-4-

				REVENUES	
				Donations - Received	
				Other contributions	
				EXPENSES	
				Professional fees	
				Bank charges	
\$ 69,420	42,482	111,902	1,500		
	<u>87</u>				
	<u>1,587</u>				
\$ 110,315					
				EXCESS OF REVENUES OVER EXPENSES	

RELIEF INTERNATIONAL INC.  
operating as  
HUMANITY FIRST  
(a charitable organization)  
STATEMENT OF OPERATIONS  
YEAR ENDED DECEMBER 31, 2005

**RELIEF INTERNATIONAL INC.**

operating as

**HUMANITY FIRST**

(a charitable organization)

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2005**

**1. PURPOSE OF THE ORGANIZATION**

To carry-out humanitarian relief work wherever required in the world, to and for victims of natural and man made disasters including floods, famines, earthquakes, war, aggression, illness or any other misfortune of life that may befall. To provide goods and services to the victims as required. To help relieve poverty and deprivation that may exist anywhere in the world, particularly among the vulnerable segment of the community including the elderly, children, widows/widowers, orphan, prisoners of conscience, victim of human right violators, refugees and others. This assistance can take various shapes e.g. providing for housing at low cost and its maintenance, temporary accommodation, food means of education for children, providing for training to bring about self-sufficiency and self-reliance and general welfare of appropriate kind. To help promote health and education particularly in Africa where the need is acutely felt in those areas.

The organization is incorporated under the Ontario Corporations Act as a non-profit charitable organization and is a registered charity under the Income Tax Act, registration number 87254 1040 RR0001 and is exempt from income taxes under Section 149 of the Income Tax Act.

**2. SIGNIFICANT ACCOUNTING POLICY**

Receipts for all government grants are recorded in these financial statements on the cash basis. Therefore, the amounts recorded in these financial statements correspond to the actual amounts received during the fiscal year.

**3. STATEMENT OF CASH FLOWS**

A statement of cash flows has not been provided as it would not provide any additional meaningful information.