



Nations Cry

Annual Financial Statements

June 30, 2009

Statement of Financial Position
At June 30, 2009 and 2008

(Canadian dollars - Unaudited)

As at June 30, 2009	Note	Operating Fund	General Endowment	Storehouse Endowment	Total
Assets					
Current					
Cash		\$ 79,669	\$ 1,100	\$ 5,038	\$ 85,807
Accounts receivable		7,419	-	-	7,419
Long-term					
Investments	3	-	69,640	74,888	144,528
		\$ 87,088	\$ 70,740	\$ 79,926	\$ 237,754
Liabilities					
Current					
		\$ 409	\$ -	\$ -	\$ 409
Long-term					
		-	-	-	-
		\$ 409	\$ -	\$ -	\$ 409
Fund balances					
Invested in capital assets		\$ -	\$ -	\$ -	\$ -
Restricted for endowment purposes	4	-	70,740	76,377	147,117
Internally restricted		-	-	-	-
Unrestricted		86,679	-	3,549	90,228
		86,679	70,740	79,926	237,345
		\$ 87,088	\$ 70,740	\$ 79,926	\$ 237,754
As at June 30, 2008					
Assets					
Current					
Cash		\$ 3,512	\$ 1,100	\$ 5,038	\$ 9,650
Long-term					
Investments	3	-	70,267	1,232	71,499
		\$ 3,512	\$ 71,367	\$ 6,270	\$ 81,148
Liabilities					
Current					
		\$ 409	\$ -	\$ -	\$ 409
Long-term					
		-	-	-	-
		\$ -	\$ -	\$ -	\$ -
Fund balances					
Invested in capital assets		\$ -	\$ -	\$ -	\$ -
Externally restricted	3	-	71,367	6,270	77,637
Internally restricted		-	-	-	-
Unrestricted		3,103	-	-	3,103
		3,103	71,367	6,270	80,739
		\$ 3,512	\$ 71,367	\$ 6,270	\$ 81,148

Statement of Operations and Changes in Fund Balances
 Years Ended June 30, 2009 and 2008

(Canadian dollars - Unaudited)

Year Ended June 30, 2009	Note	Operating Fund	General Endowment	Storehouse Endowment	Total
Revenues					
General contributions		\$ 94,836	\$ -	\$ -	\$ 94,836
Investment income (loss)		27	(627)	3,656	3,057
		\$ 95,863	\$ (627)	\$ 3,656	\$ 97,893
Expenses					
		\$ 11,287	\$ -	\$ -	\$ 11,287
Excess (deficiency) of revenues over expenses					
		\$ 83,576	\$ (627)	\$ 3,656	\$ 86,606
Fund balances, beginning					
		\$ 3,103	\$ 71,367	\$ 6,270	\$ 80,740
Endowment contributions					
		-	-	70,000	70,000
Fund transfers					
		-	-	-	-
		\$ 86,679	\$ 70,740	\$ 79,926	\$ 237,345

Year Ended June 30, 2008	Note	Operating Fund	General Endowment	Storehouse Endowment	Total
Revenues					
General contributions		\$ 12,999	\$ -	\$ -	\$ 12,999
Investment income (loss)		3	(7,143)	(125)	(7,266)
		\$ 13,002	\$ (7,143)	\$ (125)	\$ 5,733
Expenses					
		\$ 9,899	\$ -	\$ -	\$ 9,899
Excess (deficiency) of revenues over expenses					
		\$ 3,103	\$ (7,143)	\$ (125)	\$ (4,166)
Fund balances, beginning					
		\$ -	\$ 78,510	\$ 1,357	\$ 79,867
Endowment contributions					
		-	-	5,038	5,038
Fund transfers					
		-	-	-	-
		\$ -	\$ 71,367	\$ 6,270	\$ 80,739

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

Statement of Cash Flows
For the Years Ended June 30

(Canadian dollars - Unaudited)

	Note	2009	2008	2007
Operating Activities				
Excess (deficiency) of revenues over expenses	\$	86,606	\$ (4,166)	\$ 3,310
Unrealized investment loss (income)		(3,029)	7,268	(6,690)
		83,577	3,102	(3,380)
(Increase) decrease in working capital		(7,419)	409	-
Cash generated by (applied to) operating activities		76,158	3,512	(3,380)
Financing and Investing Activities				
Endowment contributions		-	5,038	26,380
Purchase of investments		-	-	(22,252)
Cash generated by financing activities		-	5,038	4,128
Net increase in cash		76,158	8,550	748
Cash, beginning of year		9,650	1,100	352
Cash, end of year	\$	85,807	\$ 9,650	\$ 1,100

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

Notes to the Financial Statements

Year Ended June 30, 2008

(US dollars - Unaudited)

1. NATURE OF OPERATIONS

Nations Cry (the "Charity") is a humanitarian organization that addresses humanitarian needs with long-term sustainable solutions. Nations Cry, a Canadian federally incorporated company, is a registered Charity with the Canada Revenue Agency. Nations Cry endeavours to feed, clothe, house, rehabilitate, educate and save men, women and children around the world. During its fiscal year ended 2009, Nations Cry was partnered with International Dove ("Dove") at its orphanage in Sierra Leone, and Nations Cry will be building and operating a school for these children.

2. ACCOUNTING POLICIES

(a) *Canadian generally accepted accounting principles*

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP").

(b) *Not-for-profit accounting method*

Nations Cry follows the deferral method of accounting for contributions.

(c) *Fund accounting*

- i. Revenue and expenses relating to program delivery and administrative activities are reported in the Operating Fund.
- ii. General Endowment and the Storehouse Endowment contributions are recorded in the respective fund. Investment income earned on the resources of these funds is reported in the Operating Fund so long as the balance of the General Endowment and the Storehouse Endowment funds are greater than or equal to the total contributions made to those funds, life-to-date.

(d) *Revenue recognition*

- i. Restricted contributions are recognized as revenue of the appropriate fund in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue of the appropriate fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.
- ii. Endowment contributions are recognized as direct increases in the Endowment Fund balance.

(e) *Investments*

Investments are recorded at the lower of amortized cost and market value.

(f) *Contributed Services*

Volunteers contribute about 100 hours per year to assist Nations Cry in carrying out its service delivery activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

3. ENDOWMENT FUNDS

(a) *General Endowment*

The General Endowment fund is funded by directors, volunteers and other individuals close to the Charity. The vast majority of investment income from the General Endowment fund is spent on the end cause, while a portion is used to cover any administrative expenses that may be incurred.

(b) *Storehouse*

The Storehouse is Nations Cry's primary endowment fund for receiving donations from the general public and it a vital part of the Charity's structure. When a donation is made to the Storehouse the funds are invested and the investment proceeds are used exclusively for humanitarian / mission projects. The initial funds are never spent allowing the donor to leave a legacy that will continue indefinitely. No investment income ever earned from the Storehouse will ever be spend on administrative overhead, allowing donors to be confident that 100% of their donations, and the investment income earned once those donations are invested, will go to the end cause.

4. EXTERNALLY RESTRICTED FUNDS

The balance included in externally restricted funds for the General Endowment differs from the life-to-date endowment fund contributions due to the life-to-date net investment loss of \$3,760.

5. RELATED PARTY TRANSACTIONS

During the year, directors and officers of Nations Cry made donations totalling \$78,037 (2008 - \$4,399) representing 47% (2007 - 34%) of all donations during the year. In addition, at June 30, 2009, \$409 was owing to an officer of the company for expenses incurred on behalf of Nations Cry that had not yet been reimbursed.

CANADA – HEAD OFFICE

Nations Cry
14972 59A Ave,
Surrey BC, Canada
V3S-7W8

Telephone: (604) 561-3043

Website: www.nationscry.com

DIRECTORS

Scott McTaggart

Brad Paras

Nolan Watson