

**Council for the Advancement of Native
Development Officers
Financial Statements**
March 31, 2007



To the Members of The Council for the Advancement of Native Development Officers:

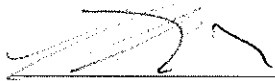
Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian generally accepted accounting principles and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors is composed primarily of Directors who are neither management nor employees of the Council. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Board is also responsible for recommending the appointment of the Council's external auditors.

Meyers Norris Penny LLP, an independent firm of Chartered Accountants, is appointed by the Board to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

May 8, 2007



Secretary Treasurer



Executive Director

To the Members of The Council for the Advancement of Native Development Officers:

We have audited the statement of financial position of The Council for the Advancement of Native Development Officers as at March 31, 2007 and the statements of revenue and expenditures, changes in net assets, cash flows, and schedules 1 to 6 for the year then ended. These financial statements are the responsibility of the Council'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 Council as at March 31, 2007 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Leduc, Alberta

May 8, 2007

Meyers Norris Penny LLP

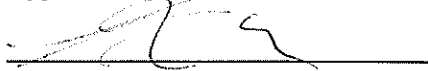
Chartered Accountants

Council for the Advancement of Native Development Officers
Statement of Financial Position

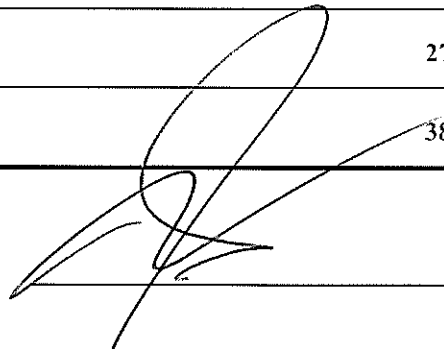
As at March 31, 2007

	2007	2006
Assets		
Current		
Cash and short-term deposits	116,976	92,962
Accounts receivable (Note 3)	148,870	143,000
GST receivable	13,126	6,950
Inventory	14,749	16,071
Prepaid expenses and deposits	14,217	13,374
	307,938	272,357
Capital assets (Note 4)	76,609	104,680
	384,547	377,037
Liabilities		
Current		
Accounts payable and accruals	98,574	106,967
Deferred revenues	-	20,829
Current portion of long-term debt	2,724	2,540
	101,298	130,336
Long-term debt (Note 5)	6,879	9,612
	108,177	139,948
Net Assets		
Operating reserve	60,951	44,561
Capital reserve	100,000	100,000
Scholarship reserve	15,898	-
Guidebook reserve	32,515	-
Equity in capital assets	67,006	92,528
	276,370	237,089
	384,547	377,037

Approved on behalf of the Board



Secretary
Treasurer



Executive
Director

Council for the Advancement of Native Development Officers
Statement of Revenue, Expenditures and Operating Reserve

For the year ended March 31, 2007

	<i>2007 Budget (Unaudited)</i>	<i>2007</i>	<i>2006</i>
Revenue			
Indian and Northern Affairs Canada	860,000	871,284	846,000
Conference registration and events	99,750	98,807	64,349
Human Resources and Skills Development Canada	98,578	88,798	150,676
Corporate sponsorship	93,000	87,200	48,450
In kind contribution	55,000	53,000	53,760
Other government sources and other	67,500	45,613	63,846
Guidebook sales	-	44,826	-
Administrative costs recovered	39,000	39,633	52,223
Memberships	22,000	30,545	22,646
Aboriginal Business Canada	35,000	25,000	30,000
Wage recovery	16,500	24,083	16,429
Scholarship	-	15,898	-
Journal	3,000	4,550	2,784
Program administration and transcript fee	750	2,916	826
Resource library	2,000	2,162	2,225
	1,392,078	1,434,315	1,354,214

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Council for the Advancement of Native Development Officers
Statement of Revenue, Expenditures and Operating Reserve

For the year ended March 31, 2007

	2007 <i>Budget (Unaudited)</i>	2007	2006
Expenditures			
Salaries, benefits and training	515,300	514,807	536,369
Travel	165,200	163,614	154,783
Administration and office	109,805	108,655	111,455
Consultant fees	99,355	79,950	98,895
Conference and events	81,374	76,355	51,355
Advertising and promotion	57,200	59,416	42,350
Office rent and utilities	58,300	59,347	50,626
In kind expenses	55,000	53,000	53,760
Translation	44,015	43,396	25,867
Regional sessions	38,500	37,446	41,797
Amortization	-	34,664	46,011
Regional training workshops	27,000	26,998	20,951
Accounting and legal	14,400	16,753	13,933
Accreditation process	19,500	15,322	16,842
Postage and courier	14,000	15,260	9,652
National Aboriginal Organization coordination	13,500	12,519	12,131
Telephone	12,453	11,223	8,532
Internet	10,800	10,528	11,482
Meetings	13,500	8,466	12,741
Equipment rental and equipment purchases	7,500	7,690	4,020
Website	9,600	7,490	5,392
Computer hardware and software	12,000	5,787	6,655
Bad debts	-	4,755	6,249
Bank charges and interest	2,500	4,562	3,533
Journal	3,000	4,239	320
Memberships and subscriptions	3,000	3,270	3,638
Insurance	3,000	3,041	2,930
Equipment	5,000	2,671	594
Research	4,000	2,500	-
Interest on long-term debt	-	760	808
Resource library	2,000	430	1,551
Books and publications	-	120	93
	1,400,802	1,395,034	1,355,315
Excess (deficiency) of revenue over expenditures before transfers	(8,724)	39,281	(1,101)

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Council for the Advancement of Native Development Officers
Statement of Revenue, Expenditures and Operating Reserve

For the year ended March 31, 2007

	<i>2007 Budget (Unaudited)</i>	<i>2007</i>	<i>2006</i>
Transfer to equity in capital assets	-	25,522	19,049
Gain on disposal of capital assets	-	-	600
Transfer to guidebook reserve	-	(32,515)	-
Transfer to scholarship reserve	-	(15,898)	-
	-	(22,891)	19,649
Excess (deficiency) of revenue over expenditures	(8,724)	16,390	18,548
Operating reserve, beginning of year	-	44,561	26,013
Operating reserve, end of year	(8,724)	60,951	44,561

Council for the Advancement of Native Development Officers
Statement of Changes in Net Assets
For the year ended March 31, 2007

	2007	2006
Equity in capital assets		
Equity in capital fund, beginning of year	92,528	111,577
Transfers from operations		
Capital purchases	6,593	39,114
Long-term debt repayments	2,549	1,774
Transfers to operations		
Amortization	(34,664)	(46,011)
Long-term debt proceeds	-	(13,926)
Equity in capital assets, end of year	67,006	92,528
Scholarship reserve		
Transfers from operations	15,898	-
Scholarship reserve, end of year	15,898	-
Guidebook reserve		
Transfers from HRSDC guidebooks	32,515	-
Guidebook reserve, end of year	32,515	-
Capital reserve		
Capital reserve, end of year	100,000	100,000

Council for the Advancement of Native Development Officers
Statement of Cash Flows
For the year ended March 31, 2007

	<i>2007</i>	<i>2006</i>
Cash provided by (used for) the following activities		
Operating activities		
Cash receipts	1,308,185	1,226,531
Cash paid to vendors	(754,900)	(619,908)
Cash paid to employees	(514,807)	(536,369)
Interest paid	(5,322)	(4,341)
	33,156	65,913
Financing activities		
Advances of long-term debt	-	13,926
Repayment of long-term debt	(2,549)	(1,774)
	(2,549)	12,152
Investing activities		
Purchase of capital assets	(6,593)	(39,114)
Proceeds on disposal of capital assets	-	600
	(6,593)	(38,514)
Increase in cash resources	24,014	39,551
Cash resources (deficiency), beginning of year	92,962	53,411
Cash resources, end of year	116,976	92,962

Council for the Advancement of Native Development Officers
Notes to the Financial Statements
For the year ended March 31, 2007

1. Operations

The Council for the Advancement of Native Development Officers (CANDO) is an apolitical not for profit society incorporated under the Canada Corporations Act. It supports community economic development through the provision of services to Economic Development Officers (EDO) and through the promotion, education and training opportunities. CANDO's vision is that all economic development officers who work for Aboriginal communities and organizations have access to: the information they need; the training they desire; and the opportunities to network and serve their constituents in the area of economic development.

The Council for the Advancement of Native Development Officers is registered as a not-for-profit organization under the Income Tax Act and as such, is exempt from income taxes. Consequently, no provision for income taxes are made in these financial statements.

2. Significant accounting policies

These financial statements are the representations of management, prepared in accordance with Canadian generally accepted accounting principles and include the following significant accounting policies:

Inventory

Inventory is valued at the lower of cost and net realizable value. Cost is determined by a manner which approximates the first-in first-out method.

Capital assets

Capital assets are recorded at cost on the statement of financial position with a corresponding entry to equity in capital assets.

Capital assets are amortized annually using the following rates and methods intended to amortize the cost of the assets over their estimated useful lives:

	Method	Rate
Furniture and equipment	declining balance	20.0 %
Computer equipment	declining balance	33.3 %
Website	straight-line	3 years

Long-lived assets

Long-lived assets consists of capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Organization performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying value of an asset, or group of assets, may not be recoverable. Any impairment is included in income for the year.

Revenue recognition

The Council for the Advancement of Native Development Officers follows the deferral method of accounting for contributions. Revenue is recognized in the period in which the event giving rise to the receipt of funds occurs. Revenue which can be reasonably determined to earned in a subsequent period is recorded as deferred revenue.

Council for the Advancement of Native Development Officers
Notes to the Financial Statements
For the year ended March 31, 2007

2. **Significant accounting policies** *(Continued from previous page)*

Use of estimates

The preparation of 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 and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the reporting period.

Included in revenue and expenses are contributions in kind. Management has estimated the value of the contributions in kind based upon their value to the organization.

3. **Accounts receivable**

	<i>2007</i>	<i>2006</i>
Holdbacks receivable	96,006	84,600
Trade accounts receivable	58,859	67,005
Allowance for doubtful accounts	(5,995)	(8,605)
	148,870	143,000

4. **Capital assets**

	<i>Cost</i>	<i>Accumulated amortization</i>	<i>Net book value</i>	<i>Net book value</i>
Furniture and equipment	82,555	62,302	20,253	25,316
Computer equipment	330,462	276,952	53,510	73,673
Website	8,537	5,691	2,846	5,691
	421,554	344,945	76,609	104,680

Council for the Advancement of Native Development Officers
Notes to the Financial Statements
For the year ended March 31, 2007

5. Long-term debt

	<i>2006</i>	<i>2005</i>
Peace Hills Trust loan repayable in monthly payments of \$276 including interest of 7.0%. Due April 2010. Secured by collateral assignment over funds held on deposit in Peace Hills Trust general operating account.	9,603	12,152
Less: Current Portion	2,724	2,540
	6,879	9,612

Principal repayments on long-term debt in each of the next four years are estimated as follows:

	Principal	Interest	Total
2008	2,724	585	3,309
2009	2,921	388	3,309
2010	3,132	177	3,309
2011	826	10	836

6. Commitments

The Council has entered into a five year lease agreement expiring October 31, 2009. Operating lease commitments are as follows:

2007	35,420
2008	35,420
2009	35,420
2010	20,662

7. Financial Instruments

The Council's financial instruments consists of cash and short term deposits, accounts receivable, GST receivable, accounts payable and accruals, and long-term debt. Unless otherwise noted, it is management's opinions that the Council is not exposed to significant interest currency or credit risk from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise stated.

8. Related party transactions

The Council is related to the National Indigenous Economic Education Fund (NIEEF), as the Executive Committee of CANDO is the Board of Directors of NIEEF. During the year NIEEF paid CANDO \$44,757 for various programs and CANDO paid NIEEF \$10,315 as a contribution. The revenue from NIEEF is included in accounts receivable at March 31, 2007. These transactions were in the normal course of operations and was measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Council for the Advancement of Native Development Officers
Notes to the Financial Statements
For the year ended March 31, 2007

9. Economic dependence

The Council for the Advancement of Native Development Officers receives a significant portion of its revenues from the Federal Government of Canada. The ability of the Organization to continue operations is dependent upon the Government of Canada's continued financial commitments.

10. Comparative figures

Certain comparative figures have been reclassified to conform with current year's presentation. Specifically, journal and resource library programs were previously presented as separate schedules and have been included in operations in the current financial statements.

**Council for the Advancement of Native Development Officers
Operations**

Schedule 1 - Schedule of Revenue and Expenditure

For the year ended March 31, 2007

	<i>2007 Budget (Unaudited)</i>	<i>2007</i>	<i>2006</i>
Revenue			
Indian and Northern Affairs Canada	835,000	846,284	795,000
Administrative costs recovered	39,000	39,633	52,223
Memberships	22,000	30,545	22,646
In kind contribution	25,000	29,400	27,200
Wage recovery	16,500	24,083	16,429
Scholarship	-	15,898	-
Other	-	8,613	5,538
Journal	3,000	4,550	2,784
Resource library	2,000	2,162	2,225
	942,500	1,001,168	924,045

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**Council for the Advancement of Native Development Officers
Operations**

Schedule 1 - Schedule of Revenue and Expenditure

For the year ended March 31, 2007

	<i>2007 Budget (Unaudited)</i>	<i>2007</i>	<i>2006</i>
Expenditures			
Salaries, benefits and training	504,800	504,307	511,369
Travel - board and executive	72,500	73,337	63,580
Office rent and utilities	58,300	59,347	50,626
Regional sessions	38,500	37,446	41,797
Amortization	-	33,675	44,527
In kind expenses	25,000	29,400	27,200
Regional training workshops	27,000	26,998	20,951
Consultant fees	20,000	22,589	22,799
Administration	18,000	20,963	16,443
Advertising and promotion	13,200	16,956	9,333
Accounting and legal	14,400	16,753	13,933
Travel - director and staff	16,500	16,298	12,937
Accreditation process	19,500	15,322	16,842
Postage and courier	14,000	15,260	9,638
Education Committee travel	-	12,723	-
National Aboriginal Organization coordination	13,500	12,519	12,131
Telephone	9,300	10,673	6,783
Internet	10,800	10,528	11,482
Equipment rental	7,500	7,690	4,020
Website	9,600	7,490	5,392
Bad debts	-	6,057	952
Translation	10,000	5,711	2,141
Printing and newsletter	5,000	5,094	5,984
Computer hardware and software	7,000	4,526	6,655
Bank charges and interest	2,500	4,429	3,533
Journal	3,000	4,239	320
Meetings - board and executive	5,000	3,687	4,070
Memberships and subscriptions	3,000	3,270	3,638
Insurance	3,000	3,041	2,930
Equipment	5,000	2,671	594
Research	4,000	2,500	-
Interest on long-term debt	-	760	808
Resource library	2,000	430	1,551
Books and publications	-	120	93
Repairs and maintenance	-	30	-
	941,900	996,839	935,052

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**Council for the Advancement of Native Development Officers
Operations**

Schedule 1 - Schedule of Revenue and Expenditure

For the year ended March 31, 2007

	<i>2007 Budget (Unaudited)</i>	<i>2007</i>	<i>2006</i>
Excess (deficiency) of revenue over expenditures before transfers	600	4,329	(11,007)
Transfer to equity in capital assets	-	24,533	22,016
Gain on disposal of capital assets	-	-	600
Transfer to scholarship reserve	-	(15,898)	-
	-	8,635	22,616
Excess of revenue over expenditures	600	12,964	11,609

Council for the Advancement of Native Development Officers
Annual Conference
Schedule 2 - Schedule of Revenue and Expenditure
For the year ended March 31, 2007

	2007 <i>Budget</i> <i>(Unaudited)</i>	2007	2006
Revenue			
Conference registration and events	88,250	89,054	51,013
Corporate sponsorship	93,000	87,200	48,450
Other government sources and other	67,500	31,000	58,300
Indian and Northern Affairs Canada	25,000	25,000	31,000
Aboriginal Business Canada	35,000	25,000	30,000
In kind contribution	30,000	22,400	14,160
Trade show	10,000	5,600	9,600
President's dinner	1,500	3,660	1,350
Interest	-	293	55
Advertising	-	200	2,300
Human Resources and Skills Development Canada	5,000	-	5,000
	355,250	289,407	251,228
Expenditures			
Travel	76,200	61,256	58,484
Meals and banquet	63,374	60,555	38,462
Advertising and promotion	37,500	35,271	27,678
Printing and postage	30,000	33,315	26,798
Administration	25,000	25,000	25,000
Consultant fees	45,000	22,842	14,840
In kind expenses	30,000	22,400	14,160
Awards and gifts	6,500	7,189	5,339
Audio visual	7,500	7,000	5,540
Special events and trade shows	3,000	6,753	2,100
Meeting facilities	-	3,208	1,452
Supplies	7,500	2,048	5,253
Pre-conference site visit	5,500	1,572	5,868
Computer hardware and software	5,000	1,261	-
Amortization	-	989	1,484
Telephone, fax and conference calls	3,000	397	1,476
Bank charges and interest	-	133	-
Transportation	3,000	-	1,350
Fund raising	7,500	-	7,277
Bad debts (recovery)	-	(1,492)	4,448
	355,574	289,697	247,009
Excess of revenue over expenditures before transfers	(324)	(290)	4,219
Transfer to equity in capital assets	-	989	(2,967)
Excess (deficiency) of revenue over expenditures	(324)	699	1,252

Council for the Advancement of Native Development Officers
HRSDC Guidebooks
Schedule 3 - Schedule of Revenue and Expenditure
For the year ended March 31, 2007

	<i>2007 Budget (Unaudited)</i>	<i>2007</i>	<i>2006</i>
Revenue			
Human Resources and Skills Development Canada	93,578	88,798	145,676
Guidebook sales	-	44,826	-
Other government sources and other	-	6,000	8
In kind contribution	-	-	7,600
	93,578	139,624	153,284
Expenditures			
Evaluation / translation	34,015	37,684	23,726
Design	25,250	25,332	44,425
Printing	20,716	21,046	24,156
Salaries, benefits and training	10,500	10,500	25,000
Project management - design and proofreading	6,500	6,500	11,831
GST paid on purchases	2,839	2,969	3,925
Coordinating and editing	1,605	1,688	-
Content development	1,000	1,000	-
Postage and courier	-	237	723
Conference calls	153	153	133
Photocopying	-	-	75
Stationery	-	-	55
Postage and courier	-	-	14
In kind expenses	-	-	7,600
Travel	-	-	11,602
	102,578	107,109	153,265
Excess (deficiency) of revenue over expenditures before transfers	(9,000)	32,515	19
Transfer to guidebook reserve	-	(32,515)	-
Excess (deficiency) of revenue over expenditures	(9,000)	-	19

**Council for the Advancement of Native Development Officers
Certification**

Schedule 4 - Schedule of Revenue and Expenditure

For the year ended March 31, 2007

	<i>2007 Budget (Unaudited)</i>	<i>2007</i>	<i>2006</i>
Revenue			
Program administration and transcript fee	750	2,916	826
In kind contribution	-	1,200	-
	750	4,116	826
Expenditures			
In kind expenses	-	1,200	-
Bad debts	-	191	849
Telephone and internet	-	-	140
Administration	250	-	-
Printing and promotion	500	-	1,019
	750	1,391	2,008
Excess (deficiency) of revenue over expenditures	-	2,725	(1,182)

Council for the Advancement of Native Development Officers
Aboriginal Education Opportunities Manual
Schedule 5 - Schedule of Revenue and Expenditure
For the year ended March 31, 2007

	<i>2007 Budget (Unaudited)</i>	<i>2007</i>	<i>2006</i>
Revenue			
AEOM	-	-	31
Excess of revenue over expenditures	-	-	31

Council for the Advancement of Native Development Officers
Connectivity Forum

Schedule 6 - Schedule of Revenue and Expenditure

For the year ended March 31, 2007

	<i>2007 Budget (Unaudited)</i>	<i>2007</i>	<i>2006</i>
Revenue			
Indian and Northern Affairs Canada	-	-	20,000
In kind contribution	-	-	4,800
	-	-	24,800
Expenditures			
Travel	-	-	8,180
Consultant fees	-	-	5,000
In kind expenses	-	-	4,800
	-	-	17,980
Excess of revenue over expenditures	-	-	6,820