

**CHRISTIAN HERITAGE PARTY  
OF CANADA  
FINANCIAL STATEMENTS  
DECEMBER 31, 2009**



**Henry Salomons,** B.A., C.A.  
Chartered Accountant

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FINANCIAL STATEMENTS  
AS AT DECEMBER 31, 2009**

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**AUDIT REPORT ON REGISTERED PARTY  
FINANCIAL TRANSACTIONS RETURN**

**To the Chief Electoral Officer, Elections Canada:**

At the request of the Christian Heritage Party of Canada, I have audited the Registered Party Financial Transactions Return prepared in accordance with Sections 424(2)(a), (b), (c), (f), (g), (h), (h.1), (h.2), (i), (j), (k), and 404.3(2) of the Canada Elections Act (the "Act") for the year ended December 31, 2009. This financial information is the responsibility of the management of the Christian Heritage Party of Canada. Our responsibility, in accordance with Section 426(1) of the Act, is to express an opinion on this financial information based on our audit.

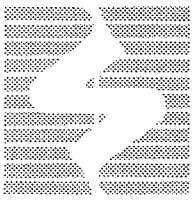
Except as explained in the following paragraph, I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit 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 common with organizations of this type, the Party derives revenue from contributions, the completeness of which was not susceptible to satisfactory audit verification. Accordingly, our verification of revenues from contributions is limited to the amounts recorded in the records of the Party and we were not able to determine whether any adjustments might be necessary to contributions, excess of expenses over revenue for the year, assets and net assets.

In my opinion, except for the effects of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of contributions and election and other expenses referred to in the preceding paragraph, this Registered Party Financial Transactions Return presents fairly, in all material respects, the financial information required to be reported under the Act for the year ended December 31, 2008 in accordance with the provisions of Sections 424(2)(a), (b), (c), (f), (g), (h), (h.1), (h.2), (i), (j), (k), and 404.3(2) of the Act.

**BEAMSVILLE, Canada**  
**May 31, 2010**

**HENRY SALOMONS, B.A., C.A.**  
**CHARTERED ACCOUNTANT**  
**LICENSED PUBLIC ACCOUNTANT #13867**



**Henry Salomons, B.A., C.A.**  
Chartered Accountant

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## AUDIT REPORT

**To the Chief Financial Agent for the Christian Heritage Party of Canada:**

I have audited the statement of financial position of The Christian Heritage Party of Canada as at December 31, 2009 and the statements of operations and changes in net assets for the year then ended. These financial statements are the responsibility of the Party's management. My responsibility is to express an opinion on these financial statements based on my audit.

Except as explained in the following paragraph, I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I 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 common with organizations of this type, the Party derives revenue from contributions, the completeness of which was not susceptible to satisfactory audit verification. Accordingly, our verification of revenues from contributions is limited to the amounts recorded in the records of the Party and we were not able to determine whether any adjustments might be necessary to contributions, excess of expenses over revenue for the year, assets and net assets.

In my opinion, except for the effects of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of contributions and election and other expenses referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Party as at December 31, 2009 and the results of its operations and the cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

BEAMSVILLE, Canada  
May 31, 2010

HENRY SALOMONS, B.A., C.A.  
CHARTERED ACCOUNTANT  
LICENSED PUBLIC ACCOUNTANT #13867

**CHRISTIAN HERITAGE PARTY OF CANADA**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2009**

	2009	2008
	\$	\$
<b><u>ASSETS</u></b>		
<b>Current assets</b>		
Cash	64,878	93,142
Amounts receivable	17,712	33,983
Prepaid Rent	375	-
	<u>82,965</u>	<u>127,125</u>
 <b><u>LIABILITIES AND NET ASSETS</u></b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	7,311	21,539
Due to ridings (Note 3)	10,523	10,523
Payroll liabilities	3,102	2,346
	<u>20,936</u>	<u>34,408</u>
 <b>Net assets</b>		
Invested in capital assets (Note 2)	28,826	27,231
Unrestricted	33,203	65,486
	<u>62,029</u>	<u>92,717</u>
	<u>82,965</u>	<u>127,125</u>

Signed on behalf of the Board:

\_\_\_\_\_ Executive Director

\_\_\_\_\_ Treasurer



**CHRISTIAN HERITAGE PARTY OF CANADA**  
**STATEMENT OF OPERATIONS**  
**AS AT DECEMBER 31, 2009**

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	2009	2008
	\$	\$
<b>Revenues</b>		
Convention	-	65,113
Donations	278,988	269,569
Product sales and sundry	22,254	3,246
Memberships	22,115	32,635
Transfers from provinces and ridings	29,181	54,766
	<u>352,538</u>	<u>425,329</u>
<b>Expenses</b>		
Advertising and promotion - Television	-	7,113
- Radio	-	2,533
- Other	92,608	48,273
Convention Expense	-	65,307
Distribution to ridings	2,561	4,597
Electoral campaign	13,519	21,224
Insurance	1,944	-
Interest and bank charges	4,603	5,274
National board meetings	30,265	13,522
Office expenses	26,944	21,861
Professional fees	31,440	34,095
Rent	9,704	9,692
Salaries and benefits	147,444	125,228
Telecommunications	6,356	8,321
Travel	12,642	11,069
Website	3,196	1,601
	<u>383,226</u>	<u>379,710</u>
<b>Excess of revenues over expenses</b>	<u>(30,688)</u>	<u>45,619</u>



**CHRISTIAN HERITAGE PARTY OF CANADA**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**AS AT DECEMBER 31, 2009**

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	Invested in capital assets \$	Unrestricted \$	Total 2009 \$	Total 2008 \$
Opening balance	27,231	65,486	92,717	47,098
Excess of revenues over expenses	1,595	(32,283)	(30,688)	45,619
Closing balance	28,826	33,203	62,029	92,717



**CHRISTIAN HERITAGE PARTY OF CANADA**  
**STATEMENT OF CASH FLOWS**  
**AS AT DECEMBER 31, 2009**

	2009	2008
	\$	\$
<b>Operating Activities</b>		
Excess of revenues over expenses	(30,688)	45,619
Changes in non-cash working capital:		
Amounts receivable	16,271	7,384
Prepaid expenses	(375)	-
Accounts payable and accrued liabilities	(14,228)	16,169
Due to ridings	-	
Payroll liabilities	756	(3,298)
	<u>(28,264)</u>	<u>65,874</u>
Cash flows from operating activities	<u>(28,264)</u>	<u>65,874</u>
<b>Increase (decrease) in cash during the year</b>	<b>(28,264)</b>	<b>65,874</b>
<b>Cash, beginning of year</b>	<u>93,142</u>	<u>27,268</u>
<b>Cash, end of year</b>	<u><u>64,878</u></u>	<u><u>93,142</u></u>





**CHRISTIAN HERITAGE PARTY OF CANADA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT DECEMBER 31, 2009**

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**1. Nature of Activities**

The Christian Heritage Party of Canada was registered as an official political party in May of 1986 under the Elections Canada Act.

In 2005, The Christian Heritage Party of Canada registered the following provincial divisions:

Christian Heritage Party Ontario Council  
Manitoba Council of the Christian Heritage Party  
Alberta Council of the Christian Heritage Party  
BC Council of the Christian Heritage Party

The financial activities of these divisions are included in these financial statements.

**2. Significant Accounting Policies**

**Accrual Basis of Accounting**

These financial statements were prepared using the accrual basis of accounting. The accrual basis recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipts of goods or services and the creation of a legal obligation to pay. All donations dated up to December 31 are included in revenue.

**Capital Assets**

Capital assets are recorded at cost and are amortized over their estimated lives using the straight-line basis at the following annual rates:

Furniture & fixtures	10.0%
Computer hardware and software	33.3%
Library	20.0%



**CHRISTIAN HERITAGE PARTY OF CANADA**  
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**AS AT DECEMBER 31, 2009**

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**Financial Instruments**

The organization's financial instruments consist of cash, amounts receivable, accounts payable and accrued liabilities, due to ridings and payroll liabilities. Unless otherwise noted, it is management's opinion that the organization is not exposed to significant interest rate and credit risks arising from these financial instruments.

**Volunteer Time Goods and Services**

Volunteer time goods and services , except volunteer labour, are recorded at fair value. Except where required by the Canada Elections Act, the value of volunteer labour is not recorded in the financial statements, as the value is not easily determinable.

**Estimates**

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting periods. Actual results could differ from these estimates.

**3. Related Party Transactions**

The Party received funds from and for the CHP Brampton. The CHP Brampton is not registered. The funds are deposited in a special bank account. The total amount received as at December 31, 2009 is \$10,523.



**Henry Salomons,** B.A., C.A.  
Chartered Accountant