



CHARTERED ACCOUNTANT

**Lions Foundation
of Canada/
Fondation des Lions
du Canada
Consolidated
Financial Statements**

June 30, 2008



CHARTERED ACCOUNTANT

Auditor's Report

To the Members of
Lions Foundation of Canada/Fondation des Lions du Canada

I have audited the consolidated statement of financial position of Lions Foundation of Canada/Fondation des Lions du Canada as at June 30, 2008 and the consolidated statements of operations, net assets and cash flows for the year then ended. These consolidated financial statements are the responsibility of the Foundation's management. My responsibility is to express an opinion on these consolidated 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 consolidated 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 many charitable organizations, the Foundation derives revenue from donations, fundraising and other income, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, my verification of these revenues was limited to the amounts recorded in the records of the Foundation and I was not able to determine whether any adjustment might be necessary to revenues, excess of revenues over expenditures, assets and net assets.

In my opinion, except for the effect of adjustments, if any, I might have determined to be necessary had I been able to satisfy myself concerning the completeness of the revenues referred to in the preceding paragraph, these consolidated financial statements present fairly, in all material respects, the financial position of the Foundation as at June 30, 2008 and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Oakville, Canada
August 27, 2008

A handwritten signature in cursive script, appearing to read "Charles Havill", written in black ink.

Chartered Accountant
Licensed Public Accountant


Lions Foundation of Canada/Fondation des Lions du Canada

Consolidated Statement of Financial Position

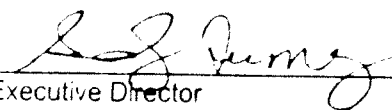
	General	Restricted		Total	
		Dog Guide Endowment	Stevenson Fellowship		
June 30,	2008	2008	2008	2008	2007
Assets					
Current					
Cash	\$ 240,689		\$ 420	\$ 241,109	\$ 133,791
Receivables	15,091		123	15,214	22,201
Interfund receivables	1,320		8,460	9,780	45,870
Prepays	63,228			63,228	86,882
Inventory	<u>27,875</u>			<u>27,875</u>	<u>35,605</u>
	348,203		9,003	357,206	324,349
Long term investments (Note 4)	920,363	\$2,562,669	1,854,012	5,337,044	3,357,494
Capital assets (Note 5)	<u>4,311,955</u>			<u>4,311,955</u>	<u>4,483,047</u>
	<u>\$5,580,521</u>	<u>\$2,562,669</u>	<u>\$1,863,015</u>	<u>\$10,006,205</u>	<u>\$8,164,890</u>
Liabilities					
Current					
Payables and accruals	\$ 264,633			\$ 264,633	\$ 243,243
Interfund payables		\$ 9,780		9,780	45,870
Current portion of long term debt	<u>10,291</u>			<u>10,291</u>	<u>10,291</u>
	274,924	9,780		284,704	299,404
Long term debt (Note 6)	<u>4,288</u>			<u>4,288</u>	<u>14,579</u>
	<u>279,212</u>	<u>9,780</u>		<u>288,992</u>	<u>313,983</u>
Net Assets					
Invested in capital assets	4,311,955			4,311,955	4,458,177
Internally restricted		2,552,889	1,863,015	4,415,904	2,244,663
Unrestricted	<u>989,354</u>			<u>989,354</u>	<u>1,148,067</u>
	<u>5,301,309</u>	<u>2,552,889</u>	<u>1,863,015</u>	<u>9,717,213</u>	<u>7,850,907</u>
	<u>\$5,580,521</u>	<u>\$2,562,669</u>	<u>\$1,863,015</u>	<u>\$10,006,205</u>	<u>\$8,164,890</u>

Commitments (Note 9)

On behalf of the Board:



Treasurer



Executive Director

See accompanying notes to the consolidated financial statements.

Lions Foundation of Canada/Fondation des Lions du Canada

Notes to the Consolidated Financial Statements

June 30, 2008

1. Form of organization

Lions Foundation of Canada/Fondation des Lions du Canada was incorporated without share capital under the laws of Canada on August 1, 1983 and acts exclusively as a national organization operating dog guide schools for Canadians with visual, hearing and medical or physical disabilities. It is a registered charity under the Income Tax Act.

2. Principles of consolidation

These consolidated financial statements include the accounts of Lions Foundation of Canada and Dog Guides Canada. Lions Foundation of Canada has a common board of directors and effectively controls both organizations. All material inter-organization transactions have been eliminated.

3. Significant accounting policies

Fund accounting

The financial statements are prepared on a restricted fund accounting basis.

The General Fund accounts for the organization's program delivery and administrative activities. This Fund reports unrestricted resources.

The Stevenson Fellowship Fund reports restricted resources donated for special recognition awards. Investment income earned on resources of the Stevenson Fellowship Fund is for the benefit of the General Fund.

The Dog Guide Endowment Fund has been established to provide for future service to Canadians with visual, hearing and medical or physical disabilities in the areas of safety, mobility and independence. Investment income earned on the resources of the Fund is for the benefit of the General Fund.

Inventory

Inventory is valued at the lower of cost and net realizable value.

**Lions Foundation of Canada/Fondation des Lions du
Canada**

Notes to the Consolidated Financial Statements

June 30, 2008

5. Capital assets

	Cost		Accumulated Depreciation		Net Book Value	
	2008	2007	2008	2007	2008	2007
Land	\$ 659,490	\$ 659,490			\$ 659,490	\$ 659,490
Building	6,455,108	6,423,736	\$3,058,927	\$2,881,175	3,396,181	3,542,561
Furniture and equipment	358,205	320,640	229,982	203,492	128,223	117,148
Computer equipment and software	217,712	212,339	183,058	170,007	34,654	42,332
Veterinary clinic equipment	41,228	29,504	24,467	21,769	16,761	7,735
Vehicles	<u>395,318</u>	<u>398,319</u>	<u>318,672</u>	<u>284,538</u>	<u>76,646</u>	<u>113,781</u>
	<u>\$8,127,061</u>	<u>\$8,044,028</u>	<u>\$3,815,106</u>	<u>\$3,560,981</u>	<u>\$4,311,955</u>	<u>\$4,483,047</u>

6. Long term debt

The long term debt consists of financing for the purchase of a vehicle. The long term debt is secured by the vehicle.

Loan payable, bearing interest at 0.5%, repayable in monthly blended payments of \$864 until November 2009	\$ 14,579
Less: current portion	<u>(10,291)</u>
	<u>\$ 4,288</u>

7. Investment income

General Fund investment income (loss) includes amounts earned in the Stevenson Fellowship Fund and the Dog Guide Endowment Fund in accordance with the original terms of the respective funds as follows:

	<u>2008</u>	<u>2007</u>
Stevenson Fellowship Fund	\$ (41,080)	\$ 150,758
Dog Guide Endowment Fund	<u>(9,054)</u>	<u>42,269</u>
	<u>\$ (50,134)</u>	<u>\$ 193,027</u>

These amounts represent the investment income received by the respective funds. Unrealized investment income (loss) remains in the respective funds.

**Lions Foundation of Canada/Fondation des Lions du
Canada**
**Consolidated General Fund Schedule of Donations, Events
and Gift Shop**

Year ended June 30, 2008 2007

	2008	2007
Donations		
Lions clubs	\$ 262,517	\$ 222,624
Lioness clubs	36,400	12,490
Individuals	211,336	190,705
Corporations and organizations	236,663	149,952
Lions and Lioness sponsorships	371,599	461,860
Other sponsorships	314,873	437,634
Bequests	2,737,718	209,260
In memoriams	29,486	41,002
Gifts in kind	<u>65,964</u>	<u>90,370</u>
	<u>\$4,266,556</u>	<u>\$1,815,897</u>
Events		
Light bulbs	\$ 91,235	
Nevada, Brampton	1,367	\$ 5,423
Nevada, Hamilton		912
Nevada, Kitchener	9,117	2,580
Nevada, Mississauga	7,541	7,749
Nevada, Oakville	10,483	14,130
Nite Golf	3,866	2,358
Magic show, Kitchener	10,000	20,000
Magic show, London	72,019	90,788
Magic show, Windsor	50,094	74,069
Local	67,614	72,668
Project Pride	43,539	57,045
Memorial Forest	24,459	24,247
Hockey draw	32,887	52,623
Pet memorial wall	<u>1,850</u>	<u> </u>
	<u>\$ 426,071</u>	<u>\$ 424,592</u>
Gift Shop		
Sales	\$ 40,135	\$ 41,226
Cost of sales	<u>31,359</u>	<u>27,110</u>
Net earnings	<u>\$ 8,776</u>	<u>\$ 14,116</u>

See accompanying notes to the consolidated financial statements.