

FINANCIAL STATEMENTS
For
**CANADIAN EMPLOYMENT RESEARCH FORUM/
LE FORUM CANADIEN DE RECHERCHE SUR L'EMPLOI**
For year ended
MARCH 31, 2007



Welch & Company LLP
Lévesque Marchand, Chartered Accountants

AUDITORS' REPORT

To the members of

CANADIAN EMPLOYMENT RESEARCH FORUM/ LE FORUM CANADIEN DE RECHERCHE SUR L'EMPLOI

We have audited the balance sheet of Canadian Employment Research Forum/Le forum canadien de recherche sur l'emploi as at March 31, 2007 and the statement of operations and net assets 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.

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 organization as at March 31, 2007 and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Welch & Company LLP

CHARTERED ACCOUNTANTS
LICENSED PUBLIC ACCOUNTANTS

Ottawa, Ontario.
May 7, 2007.

**CANADIAN EMPLOYMENT RESEARCH FORUM/
LE FORUM CANADIEN DE RECHERCHE SUR L'EMPLOI**

(Incorporated under the laws of Canada)

BALANCE SHEET

MARCH 31, 2007

	<u>2007</u>	<u>2006</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash	\$ 109,105	\$ 88,334
Accounts receivable	325	2,300
Prepaid expenses	<u>230</u>	<u>238</u>
	<u>\$ 109,660</u>	<u>\$ 90,872</u>
<u>LIABILITIES AND NET ASSETS</u>		
LIABILITIES		
Accounts payable and accrued liabilities	\$ 1,601	\$ 4,862
Deferred revenue	<u>10,000</u>	<u>-</u>
	<u>11,601</u>	<u>4,862</u>
NET ASSETS	<u>98,059</u>	<u>86,010</u>
	<u>\$ 109,660</u>	<u>\$ 90,872</u>

Approved by the Board:

David Green
..... Director

Miles Corak
..... Director

(See accompanying notes)

**CANADIAN EMPLOYMENT RESEARCH FORUM/
LE FORUM CANADIEN DE RECHERCHE SUR L'EMPLOI**

STATEMENT OF OPERATIONS AND NET ASSETS

YEAR ENDED MARCH 31, 2007

	<u>2007</u>	<u>2006</u>
REVENUE		
Conference contributions	\$ 34,000	\$ 76,550
Conference fees	-	675
Interest earned	1,043	758
	<u>35,043</u>	<u>77,983</u>
EXPENDITURES		
Conferences and workshops	9,617	24,384
Board meetings	1,265	1,344
Professional fees	1,200	1,000
Office and administration	10,520	7,483
Bank charges	352	407
Foreign exchange loss	40	71
	<u>22,994</u>	<u>34,689</u>
EXCESS OF REVENUE OVER EXPENDITURES	12,049	43,294
NET ASSETS, BEGINNING OF YEAR	<u>86,010</u>	<u>42,716</u>
NET ASSETS, END OF YEAR	<u>\$ 98,059</u>	<u>\$ 86,010</u>

(See accompanying notes)

**CANADIAN EMPLOYMENT RESEARCH FORUM/
LE FORUM CANADIEN DE RECHERCHE SUR L'EMPLOI**

STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31, 2007

	<u>2007</u>	<u>2006</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Excess of revenue over expenditures	\$ 12,049	\$ 43,294
Changes in the level of:		
Accounts receivable	1,975	(300)
Prepaid expenses	8	(238)
Accounts payable and accrued liabilities	(3,261)	2,511
Deferred revenue	<u>10,000</u>	<u>(2,000)</u>
INCREASE IN CASH	20,771	43,267
CASH, BEGINNING OF YEAR	<u>88,334</u>	<u>45,067</u>
CASH, END OF YEAR	<u>\$ 109,105</u>	<u>\$ 88,334</u>

(See accompanying notes)

**CANADIAN EMPLOYMENT RESEARCH FORUM/
LE FORUM CANADIEN DE RECHERCHE SUR L'EMPLOI**

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2007

1. PURPOSE OF ORGANIZATION

The Canadian Employment Research Forum/Le forum canadien de recherche sur l'emploi was incorporated under the Canada Corporations Act as a non-profit organization without share capital with the following purposes:

- (a) to improve the level of employment policy analysis and debate in Canada by encouraging policy-related empirical research, and;
- (b) to improve interaction among researchers and policy-makers from governments, universities, business, labour and other communities concerned with employment issues.

2. SIGNIFICANT ACCOUNTING POLICIES

Revenue recognition

Contributions, including operating grants, are included in revenue in the year in which they are received or receivable, with the exception that contributions for specific future period's expenses are deferred and included in revenue for the period of the related expenditure.

Income tax status

The Canadian Employment Research Forum/Le forum canadien de recherche sur l'emploi is a not-for-profit organization within the meaning of the Income Tax Act (Canada) and is exempt from income taxes.

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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

3. FINANCIAL INSTRUMENTS

The organization's financial instruments consist of cash, accounts receivable and accounts payable. The fair value of the organization's cash, accounts receivable and accounts payable approximate their carrying value due to their short term nature.

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant interest, currency or credit risks arising from these instruments.

4. RELATED PARTY TRANSACTIONS

During the year, administration fees totalling \$8,700 (2006 - \$4,200) were paid to a company, the controlling shareholder of which is on the board of directors of the organization.