

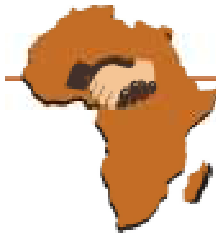


*Northern Magic Fund for
International Development*

ANNUAL FINANCIAL STATEMENTS

Unaudited - See Notice to Reader

SEPTEMBER 30, 2015



SEPTEMBER 30, 2015

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NOTICE TO READER

On the basis of information provided by management, I have compiled the statement of financial position of Northern Magic Fund For International Development as at September 30, 2015 and the statements of operations, changes in net assets and cash flows for the year then ended. I have not performed an audit or a review engagement in respect of these financial statements and, accordingly, I express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

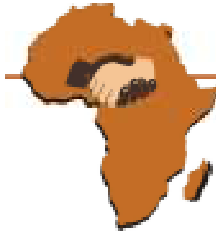
I am not independent of the organization.



Orléans, Ontario

January 6, 2016

Chartered Professional Accountant, Chartered Accountant



STATEMENT OF FINANCIAL POSITION
Unaudited - See Notice to Reader
AS AT SEPTEMBER 30, 2015

	2015	2014
ASSETS		
CURRENT		
Cash	\$ 12,169	\$ 8,119
Short term investments	77,365	86,247
	89,534	94,366
	\$ 89,534	\$ 94,366
LIABILITIES & NET ASSETS		
NET ASSETS		
Unrestricted Net Assets	\$ 89,534	\$ 94,366
	\$ 89,534	\$ 94,366

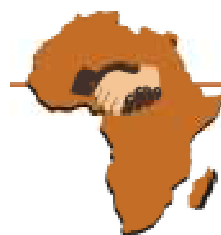
Approved on Behalf of the Board

Herbert Stuemmer, Director

January 12, 2016
Date

Karen Hooper, Director

January 12, 2016
Date



STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

Unaudited - See Notice to Reader

FOR THE YEAR ENDED SEPTEMBER 30, 2015

	2015	2014
REVENUE		
Unreceipted donations	\$ 13,607	\$ 20,082
Receipted donations	17,060	13,054
Investment income	3,118	10,862
	<u>33,785</u>	<u>43,998</u>
PROJECT EXPENSES		
Scholarships	37,779	38,022
Foreign exchange loss (gain)	(294)	2,109
	<u>37,485</u>	<u>40,131</u>
NET DIRECT REVENUES AND EXPENDITURES	<u>(3,700)</u>	<u>3,867</u>
OVERHEAD EXPENSES		
KENYA		
Bank charges	92	160
	<u>92</u>	<u>160</u>
DOMESTIC		
Advertising and promotion	112	262
Bank charges	186	209
Office expenses	742	170
	<u>1,040</u>	<u>641</u>
TOTAL OVERHEAD EXPENSES	<u>1,132</u>	<u>801</u>
(DEFICIENCY) EXCESS OF REVENUES OVER EXPENSES	<u>(4,832)</u>	<u>3,066</u>
NET ASSETS, BEGINNING OF YEAR	<u>94,366</u>	<u>91,300</u>
NET ASSETS, END OF YEAR	<u>\$ 89,534</u>	<u>\$ 94,366</u>



Statement of Cash Flows
Unaudited - See Notice to Reader
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	2015	2014
CASH PROVIDED BY OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses for the year	\$ (4,832)	\$ 3,066
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(4,832)	3,066
NET CASH AND CASH EQUIVALENTS, beginning of year	94,366	91,300
NET CASH AND CASH EQUIVALENTS, end of year	\$ 89,534	\$ 94,366

Cash and equivalents consists of cash and short-term investments.



Notes to the Financial Statements

Unaudited - See Notice to Reader

SEPTEMBER 30, 2015

1. GENERAL

Northern Magic Fund For International Development is a charitable organization whose primary mission is to promote economic development of third world countries by raising the general education level through scholarships and school renovations, as well as providing entrepreneurial loans to graduates of the education program. Due to limited resources, as at the date of these financial statements the Fund's activities are limited to scholarships only.

The Fund was incorporated without share capital under the Canada Corporations Act on April 30, 2002. The organization obtained registered charity status under the Income Tax Act (Canada) effective January 1, 2004. The Fund was continued under the Canada Not-for-profit Act on August 25, 2014.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and reporting practices considered to be significant by the fund are:

(a) Accounting Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

(b) Short-term investments

Short-term investments are considered to be held for trade and are valued at market value.

(c) Revenue recognition

Donations are recognized when received or receivable

(d) Donated Services

Volunteers assist the Fund in carrying out its activities. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.



Notes to the Financial Statements

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SEPTEMBER 30, 2015

(e) **Financial Instruments**

The Fund's financial instruments consist of cash and short-term investments. The fair values of these financial instruments approximate their carrying values, unless otherwise stated. It is management's opinion that the Fund is not exposed to significant interest rate or credit risk arising from these financial instruments.

The short term investments are subject to market risk through the fluctuation in the fair values of the underlying mutual fund investments, and cash balances are subject to foreign currency risk. As at September 30, 2015 60% (2014 - 68%) of the cash balance was in US and Kenyan currencies.