
CANADIAN WOOD PALLET AND CONTAINER ASSOCIATION
ASSOCIATION CANADIENNE DES MANUFACTURIERS DE PALETTES ET CONTENANTS

FINANCIAL STATEMENTS

DECEMBER 31, 2007

CANADIAN WOOD PALLET AND CONTAINER ASSOCIATION
ASSOCIATION CANADIENNE DES MANUFACTURIERS DE PALETTES ET CONTENANTS

DECEMBER 31, 2007

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AUDITOR'S REPORT

To the Members of Canadian Wood Pallet and Container Association

I have audited the statement of financial position of Canadian Wood Pallet and Container Association as at December 31, 2007 and the statement of operations for the year then ended. These financial statements are the responsibility of the company'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.

As is the case with many not-for-profit organizations, the Association derives sundry revenues from various activities which are not susceptible to complete audit verification. Accordingly, my verification procedures consisted of the comparison of the amounts recorded in the accounts to the amounts deposited to the bank, and we were not able to determine whether any adjustments might be necessary to these sundry revenues.

In my opinion, except for the effect of adjustments, if any, which I might have determined to be necessary had I been able to satisfy myself concerning the completeness of sundry revenue referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Association as at December 31, 2007 and the results of its activities for the year then ended in accordance with Canadian generally accepted accounting principles. As required by the Corporations Act, I report that in my opinion, these principles have been applied on a basis consistent with the prior year.



North York, Ontario
April 17, 2008

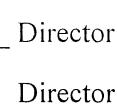
Michael Argue Chartered Accountant
Licensed Public Accountant

CANADIAN WOOD PALLET AND CONTAINER ASSOCIATION
ASSOCIATION CANADIENNE DES MANUFACTURIERS DE PALETTES ET CONTENANTS

STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2007

	2007	2006
ASSETS		
Cash	\$ 239,485	\$ 208,852
Term deposits	118,728	57,210
Accounts Receivable	39,299	58,094
GST Tax Recoverable	24	3,737
Prepaid Expenses and Sundry Assets	83,737	102,992
Capital Assets (Note 3)	7,504	8,620
	<hr/> \$ 488,777	<hr/> \$ 439,505
LIABILITIES		
Accounts Payable and Accrued Liabilities	\$ 66,133	\$ 76,409
Deferred Revenue (Note 4)	-	96,102
	<hr/> 66,133	<hr/> 172,511
NET ASSETS		
Net Assets, Beginning of year	266,994	144,363
Net Earnings	155,650	122,630
	<hr/> 422,644	<hr/> 266,994
	<hr/> \$ 488,777	<hr/> \$ 439,505

APPROVED ON BEHALF OF THE BOARD:

 Director
 Director

CANADIAN WOOD PALLET AND CONTAINER ASSOCIATION
ASSOCIATION CANADIENNE DES MANUFACTURIERS DE PALETTES ET CONTENANTS

STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2007

	Budget	2007	2006
MEMBERSHIP FEES	\$ 144,000	\$ 144,058	\$ 144,662
EXPENSES			
Directors' meetings and travel	10,800	12,857	10,358
Management fees	96,000	96,723	101,536
Office	28,850	28,955	26,315
Postage and handling	13,000	13,516	11,766
Printing and reproduction	15,000	10,646	11,750
Amortization of tangible assets	-	1,485	1,421
Professional fees	5,300	7,500	7,300
Rent	8,000	5,343	7,531
Telephone	8,000	7,584	7,296
	184,950	184,609	185,273
EARNINGS (LOSS) FROM MEMBERSHIP			
ACTIVITIES	(40,950)	(40,551)	(40,611)
MEETINGS AND ACTIVITIES (Page 4)	42,250	17,861	41,957
SUNDRY ACTIVITIES (Page 5)	47,800	33,166	60,687
INSPECTION DIVISION (Page 6)	-	142,592	58,970
EARNINGS (LOSS) BEFORE INTEREST			
INCOME	49,100	153,068	121,003
INTEREST INCOME	2,000	2,582	1,627
NET EARNINGS	51,100	155,650	122,630

CANADIAN WOOD PALLET AND CONTAINER ASSOCIATION
ASSOCIATION CANADIENNE DES MANUFACTURIERS DE PALETTES ET CONTENANTS

**SCHEDULE OF MEETINGS AND ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2007**

	2007	2006
ANNUAL MEETING		
Registration	\$ 49,389	\$ 18,937
Expenses	(54,485)	(23,289)
	<hr/> (5,096)	<hr/> (4,352)
REGIONAL MEETINGS		
Registration	15,434	25,770
Expenses	(8,101)	(13,579)
	<hr/> 7,333	<hr/> 12,191
PALLET TOUR		
Registration	162,102	44,840
Expenses	(162,456)	(31,849)
	<hr/> (354)	<hr/> 12,991
SAFETY GROUP		
Registration	18,684	24,510
Expenses	(7,320)	(8,250)
	<hr/> 11,364	<hr/> 16,260
SCRAMBLE GOLF TOURNAMENT		
Registration	14,187	12,300
Expenses	(9,573)	(7,433)
	<hr/> 4,614	<hr/> 4,867
	<hr/> <hr/> \$ 17,861	<hr/> <hr/> \$ 41,957

CANADIAN WOOD PALLET AND CONTAINER ASSOCIATION
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SCHEDULE OF SUNDRY ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2007

	2007	2006
SUNDRY REVENUES		
Advertising	\$ 45,151	\$ 51,505
Promotional Items	105	2,000
Pallet Enterprise Subscriptions	1,596	1,750
Safety Manuals	-	9,455
Sundry Items	-	8,864
Paldraw Sales	3,355	4,075
	<hr/> 50,207	<hr/> 77,649
SUNDRY EXPENSES		
Advertising	3,413	3,001
Promotional Items	-	3,374
Sundry Items	12,328	-
Safety Manuals	-	7,232
Paldraw Expense	1,300	3,355
	<hr/> 17,041	<hr/> 16,962
	<hr/> \$ 33,166	<hr/> \$ 60,687

CANADIAN WOOD PALLET AND CONTAINER ASSOCIATION
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SCHEDULE OF INSPECTION DIVISION
FOR THE YEAR ENDED DECEMBER 31, 2007

	2007	2006
REVENUE	\$ 708,686	\$ 336,800
COST OF REVENUE	398,000	183,600
	<hr/> 310,686	<hr/> 153,200
EXPENSES		
Advertising and Promotion	157	12,537
Amortization	911	450
Insurance	10,148	11,480
Office Wages	49,288	17,634
Office Expenses	20,224	10,122
Management Fees	69,598	28,783
Professional Fees	4,500	6,756
Rent and Utilities	5,343	2,681
Telephone and Communications	463	1,567
Travel and Meeting Expenses	7,462	2,220
	<hr/> 168,094	<hr/> 94,230
	<hr/> \$ 142,592	<hr/> \$ 58,970

CANADIAN WOOD PALLET AND CONTAINER ASSOCIATION
ASSOCIATION CANADIENNE DES MANUFACTURIERS DE PALETTES ET CONTENANTS

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007

1. PURPOSE OF THE ORGANIZATION

The purpose of the Canadian Wood Pallet and Container Association (the "Association") is to promote the general welfare of the wooden pallet and packaging industry by providing newsletters to members and organizing events, activities and workplace programs for members. Under the Income Tax Act for Canada, the Association qualifies as a not-for-profit organization and is exempt from income tax.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Financial Instruments

The financial instruments are comprised of cash, accounts receivable, prepaid expenses, accounts payable and deferred revenue. None of these financial instruments possess inherent risks not normally found in this industry.

The Association does have cash holdings denominated in U.S dollars that are subject to exchange rate fluctuations.

(b) Revenue Recognition

The organization follows the deferral method of accounting for contributions. Contributions are recognized as revenue of the fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. All other revenues and expenses are recorded on the accrual basis.

(c) Capital Assets

Capital assets are recorded at cost. Amortization is provided annually at rates calculated to write-off the assets over their estimated useful lives as follows:

Computer equipment	- 30% diminishing balance
Office equipment	- 20% diminishing balance

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NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007

3. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net 2007	Net 2006
Computer equipment	\$ 15,936	\$ 12,129	\$ 3,807	\$ 5,438
Office equipment	13,718	10,021	3,697	3,182
	\$ 29,654	\$ 22,150	\$ 7,504	\$ 8,620

4. DEFERRED REVENUE

The deferred revenue represents fees charged in 2006 for the 2007 pallet tour.

5. STATEMENT OF CASH FLOWS

A statement of cash flows has not been presented as it would not provide any additional useful information.

6. BUDGET

The budgeted figures are presented for comparison purposes only and are unaudited.

7. COMPARATIVE FIGURES

Certain figures for 2006 have been reclassified to make their presentation identical to that adopted in 2007