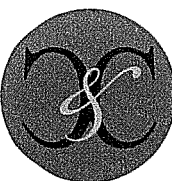


Financial Statements of

**SOUTHERN ONTARIO
CHAMBER MUSIC INSTITUTE**

Year ended September 30, 2007



AUDITOR'S REPORT

To the Board of Directors of:
Southern Ontario Chamber Music Institute

We have audited the statement of financial position of Southern Ontario Chamber Music Institute as at September 30, 2007 and the statements of operations and changes in net assets 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.

Except as explained in the following paragraph, 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 common with many not-for-profit organizations, the organization derives revenue from program revenue, contributions and other fund raising activities, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, we were unable to determine whether any adjustments might be necessary to revenue, deficiency of revenue over expenses for the year, unrestricted net assets, restricted net assets, and cash provided by operating activities.

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the revenue as described in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Southern Ontario Chamber Music Institute as at September 30, 2007 and the results of its operations and changes in its net assets for the year then ended in accordance with Canadian generally accepted accounting principles.

Criminisi & Company

Burlington, Ontario
November 26, 2007

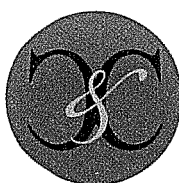
Chartered Accountants

A Professional Corporation, Authorized to practise public
accounting by The Institute of Chartered Accountants of Ontario.

Southern Ontario Chamber Music Institute
Statement of Financial Position
As at September 30, 2007 with comparative figures for 2006

	2007	2006
Assets		
Current assets		
Cash	\$ 5,905	\$ 28,839
Accounts receivable (net of allowance)	5,220	609
GST receivable	5,594	2,537
	<u>16,719</u>	<u>31,985</u>
Capital assets		
Computer equipment	1,312	1,312
Less: Accumulated amortization	(1,312)	(1,312)
	<u>0</u>	<u>0</u>
Total Assets	\$ 16,719	\$ 31,985
Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 15,308	\$ 5,655
Restricted deferred revenue	-	23,245
	<u>15,308</u>	<u>28,900</u>
Net assets invested in:		
Unrestricted net assets	1,411	3,085
Restricted net assets	-	-
	<u>1,411</u>	<u>3,085</u>
Total Liabilities and Net Assets	\$ 16,719	\$ 31,985

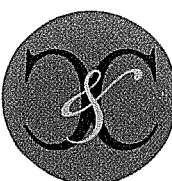
See accompanying Notes to Financial Statements



Southern Ontario Chamber Music Institute
Statement of Operations
For the year ended September 30, 2007, with comparative figures for 2006

	2007	2006
Revenues (see schedule)		
Unrestricted	\$ 80,875	\$ 65,085
Restricted - Trillium Foundation	48,244	44,131
Total Revenues	129,119	109,216
Expenses (see schedule)		
Unrestricted	82,549	68,354
Restricted - Trillium Foundation	48,244	44,131
Total Expenses	130,793	112,485
Excess (deficiency) of revenues over expenses	\$ (1,674)	\$ (3,269)
Comprised of:		
Unrestricted net assets	(1,674)	(3,269)
Restricted net assets	0	-
	(1,674)	(3,269)

See accompanying Notes to Financial Statements

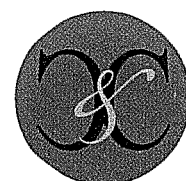


Southern Ontario Chamber Music Institute
Statement of changes in net assets
For the year ended September 30, 2007 with comparative figures for 2006

	2007		
	Unrestricted	Restricted	Total
Balance, beginning of year	3,085	-	3,085
Excess of revenue over expenses	(1,674)	-	(1,674)
Balance, end of year	1,411	-	1,411

	2006		
	Unrestricted	Restricted	Total
Balance, beginning of year	6,354	-	6,354
Deficiency of revenue over expenses	(3,269)	-	(3,269)
Balance, end of year	3,085	-	3,085

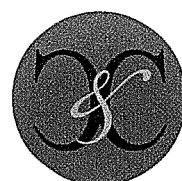
See accompanying Notes to Financial Statements



Southern Ontario Chamber Music Institute
Schedule of Revenues
For the year ended September 30, 2007, with comparative figures for 2006

	2007	2006
Unrestricted revenue		
Institute		
Tuition	\$ 25,500	\$ 24,750
Individual donations	13,539	10,723
Bursaries	7,075	8,200
Corporate donations	5,000	4,900
Foundation	5,000	8,850
Registration and Application Fees	975	825
Memberships	-	425
Scholarships & Bursaries	(7,075)	(8,250)
	50,014	50,423
Concert		
Corporate sponsorship	10,000	8,000
Government funding	8,639	2,500
Foundation	6,000	-
Ticket sales	5,305	3,207
Silent auction	917	955
	30,861	14,662
Total Unrestricted revenue	80,875	65,085
Restricted revenue - Trillium Foundation		
Trillium Foundation Grant	48,244	43,261
Interest Income	-	870
Total Restricted revenue	48,244	44,131
Total Revenue	\$ 129,119	\$ 109,216

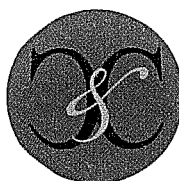
See accompanying Notes to Financial Statements



Southern Ontario Chamber Music Institute
Schedule of Expenses
For the year ended September 30, 2007, with comparative figures for 2006

	2007	2006
Unrestricted expenses		
Institute expenses		
Student and Faculty Lodging	\$ 27,018	\$ 26,241
Faculty Salaries	7,985	14,027
Program Director	3,000	3,000
Recruitment	2,280	756
Program Assistant	800	800
House Manager	800	800
Faculty Travel	790	1,456
General and Administrative	736	386
Bad Debt	-	400
	43,409	47,866
Concert expenses		
Performer Fees	12,000	12,000
Marketing	4,692	-
Community Performance Honoraria	1,500	1,744
Program Director	1,000	1,000
Venue Fees	980	-
Concert Program Book	818	1,112
Website	684	-
Box Office Fees	255	-
Program Assistant	200	200
House Manager	200	200
Reception Expenses	187	192
	22,516	16,448
Other expenses		
Executive Directory Salary	13,561	-
Insurance	2,913	2,487
Hospitality	150	1,057
Fundraising Expenses	-	496
	16,624	4,040
Total Unrestricted expenses	82,549	68,354
Restricted expenses - Trillium Foundation		
Executive Director Salary	34,626	25,439
Rent	4,116	3,477
Audit Fees	3,858	2,831
Telephone	1,802	2,043
Supplies	846	746
Memberships & Subscriptions	822	428
Website	750	1,757
Bank Charges	686	299
Shipping, Postage & Fax	309	614
Promotion & Community Awareness	308	5,514
Photocopying	121	218
Amortization	-	765
Total Restricted expenses	48,244	44,131
Total Expenses	\$ 130,793	\$ 112,485

See accompanying Notes to Financial Statements



Southern Ontario Chamber Music Institute

Notes to Financial Statements

For the year ended September 30, 2007, with comparative figures for 2006

1. Organization and purpose:

The organization's purpose is to provide intensive, high quality educational chamber music experiences for young string and piano students and to raise the public's awareness of chamber music. The Organization is a not-for-profit organization registered under the Income Tax Act (Canada) [the "Act"] and, as such, is exempt from income taxes.

2. Significant accounting policies:

The financial statements of the organization have been prepared in accordance with Canadian generally accepted accounting principles. The more significant of these accounting policies are presented below:

(a) Revenue recognition:

The Organization follows the deferral method of accounting for contributions. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated or collection is reasonably assured. Restricted contributions are recognized as revenue when the offsetting expense has been incurred.

(b) Restricted deferred revenue:

Restricted deferred revenue consists of grants received in advance of the appropriate expense being incurred.

(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. Amortization is calculated beginning in the month of acquisition. The rates are as follows:

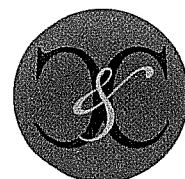
Computer equipment	- 3 years straight line
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(d) Investments:

The investments consist of short-term deposits which are redeemable on demand and are carried at cost which approximates current market value.

(e) Donated services:

The Organization's activities include time donated by members and volunteers. Since no objective basis exists for recording and assigning value to these services, they are not reflected in the accompanying financial statements.



Southern Ontario Chamber Music Institute
Notes to Financial Statements
For the year ended September 30, 2007, with comparative figures for 2006

(f) Use of estimates:

The preparation of the financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions based on currently available information. Such estimates and assumptions may affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the reporting date and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from the estimates and assumptions used.

(g) Fair value:

The fair value of the short-term investments, accounts receivable, pledges receivable, approximately equal to their carrying values due to their short-term maturity.

2. Statement of cash flows:

A statement of cash flow has not been presented in these financial statements as they provide no additional information that is not already available in the financial results presented.

3. Reclassification of prior year's balances:

Certain prior year revenue and expense balances on the Schedule of Revenues and Schedule of Expenses, respectively, have been reclassified in order to enhance the understandability and comparability of the financial statements.

