

**EDUCATION WITHOUT BORDERS - FOUNDATION**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2019**



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## **NOTICE TO READER**

The Statement of Financial Position of EDUCATION WITHOUT BORDERS - FOUNDATION as at DECEMBER 31, 2019, the Consolidated Statement of Operations and Net Assets and the Statement of Cash Flows for the year then ended has been compiled by management, reviewed and approved by the Board of Directors. Unless otherwise stated, the statements are expressed in Canadian Dollars. The statements have not been audited, reviewed or otherwise attempted to verify the accuracy or completeness of such information by an independent accounting firm. Readers are cautioned to consider whether these statements may be appropriate for their purposes.

**EDUCATION WITHOUT BORDERS-FOUNDATION**

Statement of Financial Position  
(Unaudited - See Notice to Reader)  
As at December 31

Statement 1

	Note	2019	2018
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash		130,203	235,611
Investments (GIC)		424,700	193,156
Receivable	4	16,545	21,997
		<b>571,448</b>	<b>450,764</b>
<hr/>			
<b>Total Assets</b>		<b>571,448</b>	<b>450,764</b>
<hr/>			
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts Payable	4	-	14,625
<b>NET ASSETS</b>			
Beginning Surplus (Deficit)		436,140	334,353
Surplus / (Deficit) from Current Year		135,308	101,787
Surplus / (Deficit) at end of the Year		571,448	436,140
		<b>571,448</b>	<b>450,764</b>

**See accompanying notes to Financial Statements.**

On behalf of the Board:

Date: **July [27], 2020**

Director



Board Member



**EDUCATION WITHOUT BORDERS-FOUNDATION**

Consolidated Statement of Operations and Net Assets  
(Unaudited - See Notice to Reader)  
Year ended DECEMBER 31

Statement 2

	Note	2019	2018
<b>Revenue</b>			
Individuals' Donations		154,386	165,201
Corporate & Institutions Donations		32,506	66,652
Film Festivals (Net Basis)	3	64,292	39,270
Other Events (Net Basis)	3	9,135	- 650
Other Income (One-time, Merchandise)		171	421
		<b>260,490</b>	<b>270,894</b>
<b>Programmes, General &amp; Admin Expenses</b>			
Programme Expenditure (Net)	Stmnt 4	112,109	117,391
CUES		420	30,000
BC Programmes Contribution	5	-	10,000
Web Design		5,167	8,276
Other (incl FX)		5,977	536
Bank Charges		206	394
Office, Printing, Stamps and Communication		1,303	2,510
		<b>125,182</b>	<b>169,107</b>
<b>Net Excess/(Deficit) of receipts</b>		<b>135,308</b>	<b>101,787</b>
<b>Balance - Beginning of the Year</b>		<b>494,285</b>	<b>392,499</b>
<b>Balance - End of the Year</b>		<b>629,594</b>	<b>494,285</b>

See accompanying notes to Financial Statements.

**EDUCATION WITHOUT BORDERS-FOUNDATION**

## Statement of Cash Flows

(Unaudited - See Notice to Reader)

Year ended DECEMBER 31

Statement 3

	NOTE	2019	2018
<b>Income From Operating Activities</b>			
Net Income (less GIC interest)		\$ 129,482	\$ 98,630
<i>Adjustments:</i>			
Less Current Year Accounts Receivable		(16,545)	(21,997)
Add Prior Year Receivable		21,997	36,350
Add Accounts Payable		-	14,625
Add Write Offs		-	-
Add Prepaid Expenses		-	-
Less Prior Year Payables		(14,625)	-
<b>Net Cash from Operating Activity</b>		<b>\$ 120,308</b>	<b>\$ 127,608</b>
<b>Investment Activities (Movements)</b>			
GIC *		-	-
Interest on GIC		5,827	3,156
<b>Net Cash from Investment Activity</b>		<b>\$ 5,827</b>	<b>\$ 3,156</b>
<b>Financing Activities (Movements)</b>			
<i>None.</i>		-	-
<b>Net Cash from Financing Activities</b>		<b>-</b>	<b>-</b>
<b>Net Cash from Current Year</b>		<b>\$ 126,135</b>	<b>\$ 130,764</b>
<b>Opening Cash &amp; Cash Equivalents Balance</b>		<b>\$ 428,767</b>	<b>\$ 298,003</b>
<b>Closing Cash</b>		<b>\$ 554,902</b>	<b>\$ 428,767</b>
<b>Closing Cash Balance Per Bank Statements</b>		<b>\$ 554,902</b>	<b>\$ 428,767</b>

\* The Foundation holds a GIC valued at **\$424,700** (2018 - \$193,156), an increase of \$231,544 from prior year plus an amount of \$5,827 in interest earned. Of the total cash, \$43,071 (ZAR471,029) is held in South African bank accounts.

**See accompanying notes to Financial Statements.**

**EDUCATION WITHOUT BORDERS-FOUNDATION**

Statement of Operations – Programme Expenditure (South Africa)  
(Unaudited - See Notice to Reader)  
Expressed in Canadian Dollars  
Year ended DECEMBER 31

Statement 4

	2019	2018
<b>Revenue</b>		
Donations	8,167	11,153
Other Income - Interest	5,043	3,484
<b>TOTAL INCOME</b>	<b>13,210</b>	<b>14,637</b>
<b>Expenses</b>		
<b><i>Fixed Costs (People &amp; Admin)</i></b>		
People Cost	48,178	58,275
Consultants, Legal & Accounting Fees	35,756	24,929
Committee Expenses	394	1,045
Bank Fees	2,027	906
Phone	655	195
Miscellaneous	1,564	300
	<b>88,574</b>	<b>85,650</b>
<b><i>Variable Costs</i></b>		
Tutors (Payments & Training)	14,455	21,014
Programme Food & Snacks	6,217	8,595
Equipment (Computers)	1,279	5,865
Books, Stationary & Printing	3,537	2,516
Camps & Field Trips	2,341	2,196
Choir	2,275	2,061
Learner Incentives Programme	896	2,013
Adonis Musati & Other Projects	4,177	525
Other Program General Expenses	1,568	1,593
	<b>36,745</b>	<b>46,378</b>
<b>TOTAL PROGRAMME COSTS</b>	<b>125,319</b>	<b>132,028</b>
<b>Net Surplus / (Deficit)</b>	<b>(112,109)</b>	<b>(117,391)</b>

The annual average exchange rate between the CAD and the ZAR per Bank of Canada is stated at **CAD 0.091 per ZAR for 2019** (2018 – CAD 0.097), which is a 7% weakening of the ZAR. This rate was used to translate the expenses (incurred in ZAR) into CAD for presentation purposes.

**See accompanying notes to Financial Statements.**

## **EDUCATION WITHOUT BORDERS-FOUNDATION**

Notes to the Financial Statements  
(Unaudited - See Notice to Reader)  
Year ended DECEMBER 31, 2019

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### **1. Organization and purpose:**

Canadian non-profit foundation created in 2002. It obtained its charitable status in March 2003. The mandate of this Foundation is to foster educational opportunities and provide educational facilities in disadvantaged regions of the world. Education without Borders provides educational opportunities for disadvantaged and at-risk children through initiatives in South Africa and Canada, including after-school support programs in Math, English, Science, school leadership and youth mentorship. Specifically, the Foundation raises funds to support an after-school academic and arts programme which it manages and oversees together with local partners and coordinators. The funds are provided to help with the expenses to run the after school academic programme.

### **2. Summary of significant accounting policies:**

#### **a) Basis of presentation**

The financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles (Canadian GAAP). In the opinion of directors, all adjustments necessary to present fairly the financial position and results of operations at December 31, 2019 have been made.

#### **b) Use of estimates**

In preparing the foundation's financial statements, Management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and reported amounts of revenue and expenses. Actual results could differ from these estimates. The financial statements have, in management's opinion, been prepared with reasonable limits of materiality and within the framework of the significant policies summarized below.

#### **c) Financial Instruments**

Unless otherwise noted, it is management's opinion that the foundation is not exposed to significant interest rate and credit risks arising from financial instruments and that fair value of financial instruments approximate the carrying value.

#### **d) Cash and Cash Equivalents:**

Cash includes cash and cash equivalents. Cash equivalents are investments in treasury bills and are valued at cost plus accrued interest.



The carrying amounts approximate fair value because they have maturities at the date of purchase of less than a year.

**e) Donations:**

The Foundation does not record the value of donated services. Any significant donations of Property and Equipment are recorded at fair market value.

**f) Income taxes:**

The Foundation is a non-profit organization and is exempt from tax under the Canadian Income Tax Act.

**g) Comparative figures:**

The preceding year figures have been reclassified to conform with the current year's financial statement presentation.

**h) Foreign Currency:**

The Foundation raises majority of its income in CAD (Canadian Dollar) and incurs majority of its costs in ZAR (South African Rands). Starting in 2019, the Foundation started raising funds in AUD (Australian Dollars) through film festival events.

For these statements, the cash held in South African bank accounts is translated at closing exchange rate on the balance sheet date (December 31<sup>st</sup>). The costs incurred over the year are translated at an average annual exchange rate as the costs are incurred evenly throughout the year. Similarly, income raised in AUD is translated at the average CAD / AUD annual exchange rate.

It is the position of management that the impact of the exchange rate is insignificant thus, opted against separate presentation of the year-over-year impact resulting from the exchange movements.

### 3. Net income from Events:

	NOTES	2019	2018
<b>Vancouver South African Film Festival (VSAFF)</b>			
Ticket Sales		23,152	22,409
Sponsorship & Donations		9,050	12,326
Other Funds (EwB Table)		1,059	882
<b>Total Income</b>		<b>33,261</b>	<b>35,617</b>
Website, Advertising & Printing		7,526	7,821
Venue & Movie Rental		7,515	5,721
Gala/ Guests Expenses		1,773	1,280
Other Expenditure		10	1,685
<b>Total Expenses</b>		<b>16,823</b>	<b>16,507</b>
<b>VSAFF Total Funds Raised</b>		<b>16,439</b>	<b>19,111</b>
<b>Toronto South African Film Festival (TSAFF)</b>			
Ticket Sales		22,633	24,512
Sponsorship & Donations		10,710	17,717
Other Funds		3,698	-
<b>Total Income</b>		<b>37,040</b>	<b>42,229</b>
Website, Advertising & Printing		3,753	4,814
Venue & Movie Rental		16,779	15,819
Gala/ Guests Expenses		-	1,041
Other Expenditure		1,332	396
<b>Total Expenses</b>		<b>21,864</b>	<b>22,070</b>
<b>TSAFF Total Funds Raised</b>		<b>15,176</b>	<b>20,159</b>
<b>Sydney South African Film Festival (SSAFF)</b>			
Ticket Sales		13,722	-
Sponsorship & Donations		49,421	-
<b>Total Income</b>		<b>63,143</b>	<b>-</b>
Website, Advertising & Printing		7,113	-
Venue & Movie Rental		3,262	-
Gala/ Guests Expenses		10,517	-
Other Expenditure (Incl. Retained Advance)		9,573	-
<b>Total Expenses</b>		<b>30,465</b>	<b>-</b>
<b>SSAFF Total Funds Raised</b>		<b>32,678</b>	<b>-</b>
<b>OTHER EVENTS (Net)</b>			
Freedom Day Event		9,135	(650)
<b>Other Events Total Funds Raised</b>		<b>9,135</b>	<b>- 650</b>
<b>TOTAL FUNDS RAISED FROM EVENTS</b>		<b>73,427</b>	<b>38,620</b>

The Sydney South African Film Festival (SSAFF) operates with the AUD. For financial statements purposes, the amounts are translated from AUD to CAD using the average annual exchange rate. For the current year, the amounts were translated at CAD 0.92278 per AUD dollar. Additionally, *Other Expenditures (Incl. Retained Advance)* includes an amount of AUD6,633 that was retained in Australia as an advance for the 2020 film festival.

#### 4. Receivables & Payables:

##### Receivables

	2019	2018
Receipted Donations	3,188	21,997
TSAFF	13,357	-
<b>Total Receivable</b>	<b>16,545</b>	<b>21,997</b>

##### Payables

	2019	2018
SA Program - Consultant	-	3,760
CUES	-	5,865
Anxiety Canada	-	5,000
<b>Total Payables</b>	<b>-</b>	<b>14,625</b>

The receivables represent amounts received in 2019 that related to 2018 activities. As at the date of signing of the statements, the full receivable amounts had been received.

##### Payables:

Consultant on the SA Program and CUES costs were paid in 2019 for work done in 2018. As well, a commitment of \$5,000 was made to Anxiety Canada as part of EwB's programme to support like-minded local initiatives. The amount was committed in 2018 and paid in 2019. There were no commitments made in 2019 that were subsequently paid in 2020.

#### 5. Canadian Contributions

The Foundation with direction and approval from the Board, continues to contribute a portion of contributions (no greater than 10% of receipted and non-receipted donations) to Canadian-based NPO's with similar values and mission as EwB. It recognizes the need for improvement to access to education in Canada, and leverages EwB's experience in South Africa for local benefit.

For the 2018 financial year, EwB contributed \$5,000 to a Canadian education organisation.

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