

HOPESHARES COMMUNITY DEVELOPMENT ASSOCIATION

Financial Statements

Year Ended December 31, 2017

(Unaudited - See Notice To Reader)





David Amonson FCPA, FCA
Donald Jones CPA, CA
Darrel Kesslering CPA, CA
Michelle Kesslering CPA, CA
Jay Pullen CPA, CA
Jon Wiens CPA, CA

NOTICE TO READER

On the basis of information provided by management, we have compiled the statement of financial position of HopeShares Community Development Association as at December 31, 2017 and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended.

We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon.

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

Calgary, Alberta
June 13, 2018

ALW Partners LLP
Chartered Professional Accountants

EARNING YOUR TRUST

129 - 17 Avenue NE, Calgary, AB, T2E 1L7
Phone: 403-230-2454 | Fax: 403-276-2815 | www.alw.ca

HOPESHARES COMMUNITY DEVELOPMENT ASSOCIATION

Statement of Financial Position

December 31, 2017

(Unaudited - See Notice To Reader)

	2017	2016
ASSETS		
Cash	\$ 73,665	\$ 35,754
Accounts receivable	18,886	20,949
Gifts-in-kind	85	-
	<u>\$ 92,636</u>	<u>\$ 56,703</u>
LIABILITIES AND NET ASSETS		
Accounts payable	\$ 8,229	\$ 4,608
Employee deductions payable	793	1,959
Deferred contributions <i>(Note 3)</i>	22,693	12,355
	<u>31,715</u>	18,922
NET ASSETS		
General fund	<u>60,921</u>	37,781
	<u>\$ 92,636</u>	<u>\$ 56,703</u>

On behalf of the Board

_____ *President*

_____ *Treasurer*



ALW PARTNERS^{LLP}
CHARTERED PROFESSIONAL ACCOUNTANTS

HOPESHARES COMMUNITY DEVELOPMENT ASSOCIATION

Statement of Revenues and Expenditures

Year Ended December 31, 2017

(Unaudited - See Notice To Reader)

	2017	2016
REVENUES		
Contributions	\$ 276,529	\$ 345,074
Interest income	16	27
	<u>276,545</u>	<u>345,101</u>
EXPENSES		
Fundraising and promotion	7,588	11,826
Funds transfer <i>(Note 2)</i>	114,110	205,438
Employee benefits	2,561	-
Insurance	2,100	3,968
Interest and bank charges	2,091	2,054
Office expenses	2,702	2,609
Professional fees	2,909	3,074
Salaries and wages	64,172	84,763
Fieldwork expenses	41,409	56,262
Sub-contracts	-	10,973
Travel	13,763	24,085
	<u>253,405</u>	<u>405,052</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	<u>\$ 23,140</u>	<u>\$ (59,951)</u>



HOPESHARES COMMUNITY DEVELOPMENT ASSOCIATION

Statement of Changes in Net Assets

Year Ended December 31, 2017

(Unaudited - See Notice To Reader)

	2017	2016
NET ASSETS - BEGINNING OF YEAR	\$ 37,781	\$ 97,732
Excess (deficiency) of revenues over expenses	<u>23,140</u>	<u>(59,951)</u>
NET ASSETS - END OF YEAR	\$ 60,921	\$ 37,781



HOPESHARES COMMUNITY DEVELOPMENT ASSOCIATION

Statement of Cash Flows

Year Ended December 31, 2017

(Unaudited - See Notice To Reader)

	2017	2016
OPERATING ACTIVITIES		
Cash receipts from donors	\$ 288,946	\$ 347,335
Cash paid to suppliers and employees	(248,859)	(405,915)
Interest paid	(2,091)	(2,054)
Gifts-in-kind	(85)	-
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INCREASE (DECREASE) IN CASH FLOW	37,911	(60,634)
CASH - BEGINNING OF YEAR	35,754	96,388
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CASH - END OF YEAR	\$ 73,665	\$ 35,754
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HOPESHARES COMMUNITY DEVELOPMENT ASSOCIATION

Notes to Financial Statements

Year Ended December 31, 2017

(Unaudited - See Notice To Reader)

1. DESCRIPTION OF BUSINESS

The Organization is a not-for-profit entity established to provide community building initiatives for children, youth, and adults near Durban, South Africa. The Organization has partnered with a South African not-for-profit organization, Seed of Hope, who is responsible for the implementation of the day-to-day operations of a Christian community development centre in South Africa.

The Organization is incorporated under the Charitable Fund-raising Act of Alberta. The Organization is exempt from income tax.

2. RELATED PARTY TRANSACTIONS

	<u>2017</u>	<u>2016</u>
Seed of Hope, South Africa	\$ 90,687	\$ 152,300
Oasis Church, South Africa	21,940	51,690
Qualified donee	1,483	1,448
	<u>\$ 114,110</u>	<u>\$ 205,438</u>

The Organization transfers funds to partner organizations located in South Africa. These partners are not-for-profit organizations that facilitate the objectives of the Organization by implementing community building initiatives in South Africa. These transactions are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

3. DEFERRED CONTRIBUTIONS

	<u>2017</u>	<u>2016</u>
Balance, beginning of year	\$ 12,355	\$ 11,841
Receipt of designated donations	77,944	143,304
Expenditures of designated donations	(67,606)	(142,790)
Balance, end of year	<u>\$ 22,693</u>	<u>\$ 12,355</u>

As per HopeShares Community Development Association's policy, all designated donation will be used as specified; any unused amounts have been recorded as Deferred Contributions. However, if the project is fully funded or cannot be carried out for any reason, the Organization may apply these funds to other board approved projects of a similar nature.