

HOPESHARES COMMUNITY DEVELOPMENT ASSOCIATION

Financial Statements

Year Ended December 31, 2019

(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, 2019 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 15, 2020

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, 2019

(Unaudited - See Notice To Reader)

	2019	2018
ASSETS		
Cash	\$ 58,653	\$ 60,218
Accounts receivable	23,203	18,703
	<u>\$ 81,856</u>	<u>\$ 78,921</u>
LIABILITIES AND NET ASSETS		
Accounts payable	\$ 2,999	\$ 3,100
Employee deductions payable	811	796
Deferred contributions (Note 3)	27,744	21,027
	<u>31,554</u>	<u>24,923</u>
NET ASSETS		
General fund	<u>50,302</u>	<u>53,998</u>
	<u>\$ 81,856</u>	<u>\$ 78,921</u>

On behalf of the Board

 _____ President

 _____ Treasurer

HOPESHARES COMMUNITY DEVELOPMENT ASSOCIATION

Statement of Revenues and Expenditures

Year Ended December 31, 2019

(Unaudited - See Notice To Reader)

	2019	2018
REVENUES		
Contributions	\$ 229,839	\$ 287,270
Interest income	27	27
	<u>229,866</u>	<u>287,297</u>
EXPENSES		
Fundraising and promotion	2,910	4,499
Funds transfer <i>(Note 2)</i>	123,120	186,276
Fieldwork expenses	39,152	34,039
Employee benefits	-	355
Insurance	2,306	2,242
Interest and bank charges	2,346	2,806
Office expenses	3,817	5,073
Professional fees	9,308	2,909
Salaries and wages	46,478	47,117
Travel	4,125	8,904
	<u>233,562</u>	<u>294,220</u>
DEFICIENCY OF REVENUES OVER EXPENSES	<u>\$ (3,696)</u>	<u>\$ (6,923)</u>

HOPESHARES COMMUNITY DEVELOPMENT ASSOCIATION

Statement of Changes in Net Assets

Year Ended December 31, 2019

(Unaudited - See Notice To Reader)

	2019	2018
NET ASSETS - BEGINNING OF YEAR	\$ 53,998	\$ 60,921
Deficiency of revenues over expenses	<u>(3,696)</u>	<u>(6,923)</u>
NET ASSETS - END OF YEAR	\$ 50,302	\$ 53,998

HOPESHARES COMMUNITY DEVELOPMENT ASSOCIATION

Statement of Cash Flows

Year Ended December 31, 2019

(Unaudited - See Notice To Reader)

	2019	2018
OPERATING ACTIVITIES		
Cash receipts from donors	\$ 232,083	\$ 285,814
Cash paid to suppliers and employees	(231,301)	(296,540)
Interest paid	(2,347)	(2,806)
Gifts-in-kind	-	85
	<hr/>	<hr/>
DECREASE IN CASH FLOW	(1,565)	(13,447)
CASH - BEGINNING OF YEAR	60,218	73,665
	<hr/>	<hr/>
CASH - END OF YEAR	\$ 58,653	\$ 60,218
	<hr/>	<hr/>

HOPESHARES COMMUNITY DEVELOPMENT ASSOCIATION

Notes to Financial Statements

Year Ended December 31, 2019

(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>2019</u>	<u>2018</u>
Seed of Hope, South Africa	\$ 100,110	\$ 125,906
Reconciliation Road Church, South Africa	22,530	59,890
Qualified donee	480	480
	<u>\$ 123,120</u>	<u>\$ 186,276</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>2019</u>	<u>2018</u>
Balance, beginning of year	\$ 21,027	\$ 22,693
Receipt of designated donations	80,252	130,510
Expenditures of designated donations	(73,535)	(132,176)
	<u>\$ 27,744</u>	<u>\$ 21,027</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.