



STUDENTS OFFERING SUPPORT

**2014**

Annual Report





# TABLE OF CONTENTS

LETTER FROM THE EXECUTIVE DIRECTOR .....	3
WHO WE ARE. WHAT WE DO. ....	4
A DECADE OF SOS .....	5
<b>RAISING MARKS &amp; MONEY:</b>	
A YEAR IN REVIEW .....	6
FEATURE: INSTRUCTOR OF THE YEAR .....	7
FUNDRAISING RESULTS .....	8
CHAPTER OF THE YEAR: UBC .....	9
<b>RAISING ROOFS:</b>	
OVERVIEW .....	10
PROJECT FEATURE: SIBILIA, GUATEMALA .....	11
COMMUNITIES & PROJECTS .....	12
NGO PARTNERS .....	13
<b>CORPORATE GOVERNANCE &amp; FINANCIALS:</b>	
FEATURE: COMMUNITECH COMPETITIONS .....	14
FINANCIAL OVERVIEW .....	15
FINANCIAL STATEMENTS .....	16-22
BOARD OF DIRECTORS .....	23





# LETTER FROM THE EXECUTIVE DIRECTOR

## 10 Years of Transformation

Over the past 10 years, it has been my professional and personal pleasure to lead SOS through a decade of transformation. From our beginnings as a student club at Wilfrid Laurier University to our current status as a leading post-secondary student organization across the Americas, I have witnessed SOS's ability to inspire transformative change countless times over.

I have seen innovative students transform into budding social entrepreneurs through their participation at their university SOS campus chapter. I have seen aspiring teachers transform into talented educators through the Exam-AID instructor experience. I have seen curious undergraduates transform into compassionate and globally minded leaders through the international outreach experiences.

In its entirety, SOS is an organization that fosters global leaders through the power of social entrepreneurship. After 10 years, we are delighted to remain connected to our SOS alumni who have returned to share stories of how the organization transformed them (see page 5).

I want to personally thank each volunteer, employee, corporate sponsor and supporter who has put their faith in our mission through their time, energy, money and trust. As an organization, we are firmly devoted to honouring that which you provide in us through accountability, growth, focus, and further transformation.



Greg Overholt  
Founder & Executive Director



# WHO WE ARE. WHAT WE DO.

As a Canadian registered charity, we work to help the best student leaders across the Americas become social entrepreneurs, who then pay it forward by helping both their university peers and Latin American communities.

## OUR MISSION

To empower students through social entrepreneurship that supports education locally and internationally, as they become global leaders.

### 1. RAISING MARKS

Volunteers manage SOS campus chapters as social enterprises, planning and running "Exam-AID" group review sessions. During our 3 - 4 hour Exam-AID sessions, volunteer leaders take their peers over all the material covered on an upcoming exam, in a familiar and deconstructed way.

### 2. RAISING MONEY

For a suggested contribution between \$10 and \$20, students can access SOS' array of academic support initiatives, provided by SOS volunteers:

- In-person Exam-AID sessions
- Digital Exam-AID videos
- Study guides and practice exams

### 3. RAISING ROOFS

We use the money generated from these sessions to fund educational development projects in rural Latin American communities.

These projects are not only funded by SOS volunteers - they are built by them too. Each year, teams of our volunteers spend two weeks working in their Latin American partnering communities on the project their chapter funded. Each educational infrastructure project is designed by the community, and targeted to improve the accessibility, quality and relevancy of education.







ON-CAMPUS:

**70K**  
STUDENTS TAUGHT

IN LATIN AMERICA:

**1.4M**  
INVESTED

**30**  
CAMPUSES

**1200**  
EXAMS SUPPORTED

**160**  
PROJECTS

**43**

COMMUNITIES

**11**  
COUNTRIES

“ Thank you SOS for all my special memories in making a difference in the world and helping me find myself. I will never be the same because of it. ”

ALL MADE POSSIBLE BY:

**5100**  
ON-CAMPUS  
VOLUNTEERS

&

**1150**  
OUTEACH TRIP  
PARTICIPANTS

FROM OUR ALUMNI SURVEY:

- 75% of SOS alumni continue to volunteer while they work & pursue further studies.
- 84% said that SOS enhanced their confidence and communication/speaking skills.
- 86% indicated that their SOS experience enhanced their leadership skills.

“ SOS gave me the opportunity to work with people, develop a communication plan, and improve my planning and program implementation skills. Invaluable experience for any undergraduate student ”

“ Such a great learning experience in a personal and professional way. Would not exchange the experience I had for anything else. ”

# RAISING MARKS: A YEAR IN REVIEW

SOS student volunteers are high-capacity, globally-minded individuals who are driven and passionate about supporting their peers while developing leadership skills. This year, our volunteers helped 15,500 students prepare for 650 university exams across 22 universities. Their success is well documented, with thousands of glowing feedback remarks and an average quality rating of 8.57 out of 10!

“

*"I really like your enthusiasm it really does help to take a breath and think about what you're doing and why."*

**- Feedback for Nishant Prashar, UVIC SOS Tutor**

*"I just wanted to thank you, personally, for all the hard work and dedication you put into the session yesterday. It really helped me and my peers :). You're awesome!"*

**- Feedback for Joanne Toporowski, Waterloo SOS Tutor**

*"Very interesting to listen to. I REALLY liked how you added tips that you used to help you remember the material. Very applicable and a big help!"*

**- Feedback for Krystal Beh, Western SOS**

”



## FEATURE: INSTRUCTOR OF THE YEAR DIANA CUCKOVIC, WINDSOR SOS

This year, SOS had 350 sensational Exam-AID instructors across North America. Though each one deserves celebration, we proudly awarded **Diana Cuckovic** from **Windsor SOS** with the title of Exam-AID Instructor of the Year for 2014. As Windsor's Head Exam-AID Instructor, Diana went above and beyond by supporting, training, mentoring and leading her volunteers. She took on instructing the university's hardest courses - and got incredible feedback while doing it. She had an average rating of 9.45 from 378 students!

“*Diana is one of the best tutors I have ever come across! She explains everything clearly and gives great examples. She breaks down the hardest concepts for us so that they are much easier to comprehend.*”

*Great session, I thought I was completely lost but now I feel confident about this midterm, thanks a lot!*

*Give this woman a gold medal or award or something please.*”

In addition to her dedication on-campus, Diana recently completed “SOS 360 degrees of volunteering” for the second time, as a participant on Windsor SOS’ Outreach trip to Guatemala.







# FUNDRAISING RESULTS

The money raised during our Exam-AID sessions are used to fund our Latin American development projects. These projects are built by SOS volunteers on annual outreach trips across Latin America. In 2013-2014, we raised \$340,106 through Exam-AIDs. Below are the fundraising results of our chapters:

Laurier	\$73,110
Windsor	\$37,819
Queens	\$36,955
Waterloo	\$30,107
UBC	\$26,494
York	\$23,884
Ottawa	\$19,430
Guelph	\$13,681
Calgary	\$10,661
Western	\$10,068
Vancouver	\$6,985
Dalhousie	\$6,579
Ryerson	\$6,476
Victoria	\$6,191
SFU	\$5,789
Others: Toronto, McGill, Concordia, McMaster, Brock, Manitoba, Florida International University.	\$25,877

**Laurier SOS' record-breaking Exam-AID session, 316 students.**



# CHAPTER OF THE YEAR: UBC SOS

During the 2013-2014 school year, the University of British Columbia's SOS chapter became a model for a sustainable campus social enterprise. The chapter's ability to sustain growth amidst a year of great leadership transition proved that they have a foundation built to last.

Over the course of the year, they taught more than **1,000** students and raised **\$26,494** for two development projects in Guatemala & Nicaragua. In February and May, 25 students traveled to their partnering communities to contribute to the builds they sponsored, and to connect with the individuals they are supporting.





# RAISING ROOFS

SOS “raises roofs” by supporting the creation of holistic education systems across Central and South America. These systems provide rural youth with access to relevant, safe and lasting learning environments. These environments empower students to become engaged citizens who pursue positive change in their communities, their countries and around the world.

Our student volunteers aid in building these projects with their own hands on 1 - 2 week outreach trips. While making personal connections in the communities they choose to support, our student leaders develop grounded global perspectives that enhance their capabilities to inspire social change.



“ I truly had an amazing, perspective-changing, humbling experience in Nicaragua. I am so glad I went, and that I honestly can’t wait to go back. ”

- Aidan McKay, Waterloo SOS,  
Casas Viejas, Nicaragua 2014



“ I can honestly say that my outreach experience was life changing. I feel blessed to have had the opportunity that I did. I met the most beautiful people who have inspired me by their simplicity and genuine happiness. ”

- Jillian Pizzo, Windsor SOS  
Cerro Blanco, Guatemala, 2014



# PROJECT FEATURE: COMMUNITY KITCHEN & CHICKEN FARMS IN GUATEMALA

Often, access to a quality and relevant education is about more than having a classroom. For the rural communities around Sibilia, Guatemala, it has become apparent that proper nutrition was lacking and that this was adversely affecting student education and performance. Community members and our local partnering organization, the SEED Alliance, identified this need and put forth a proposal to build 3 community kitchens and shared chicken farm.

The community kitchens have become an essential pillar of the community. The chicken coops are providing eggs for students, and generating supplementary income for the community. A site visit in November 2014 revealed a high-functioning program that meets current student needs and shows high potential for growth and replication.



**“ I would like to thank Students Offering Support for their very committed volunteers and for their financial support. We are sure that this combined effort is helping us reach our dream - one where nobody is left behind. ”**

- Juan Francisco De Leon  
Mayor of Sibilia

**“ I am very happy due to the work we are doing together thanks to the support SOS is giving us. Right now, our project is just starting, but we are already able to feed our kids better. ”**

- Damiana Acabal  
Sibilia community member





# COMMUNITIES & PROJECTS

## Community, Country

El Chile, Nicaragua  
 San Marcos, Guatemala  
 Sibilia, Guatemala  
 Pedro Arauz, Nicaragua  
 Laguna Seca, Nicaragua  
 Los Limones, Nicaragua  
 Padre Cocha, Peru  
 Talanga, Honduras  
 Senor de los Milagros, Peru  
 San Rafael de Coronado, Costa Rica  
 La Pera Meleruk, Costa Rica  
 Challa Lacuyo, Bolivia  
 Casas Viejas, Nicaragua  
 Pueblo Viejo, Nicaragua  
 Cedros Abajo, Honduras  
 Ciudad Vieja, Guatemala  
 Cerro Blanco, Guatemala  
 Padre Cocha, Peru

## Project

Preschool Classroom construction  
 Nutritious school store and school garden  
 School Kitchens and Chicken Farms  
 Community Learning Centre and school garden  
 Classroom, play area and improvements to sanitary facilities  
 Classroom construction and repairs to existing school  
 Kindergarten Classroom construction and desk & chair repairs  
 Children's feeding centre  
 Healthcare Centre  
 Two Classrooms for students with disabilities  
 Community Centre construction and school repairs  
 Construction of 6 classrooms, 2 teacher houses and bathrooms  
 Library and 2 retaining walls  
 Rebuilding a footbridge  
 Repairing and replacing school roof  
 Classroom construction  
 Classroom construction and two latrines  
 Community Centre construction

## School

Carleton  
 Carleton  
 UBC, Calgary, Laurier  
 Laurier Alumni  
 Windsor, Guelph  
 Waterloo, Concordia, McGill  
 Vancouver Island University  
 Ryerson, Manitoba, Brock  
 Laurier  
 Laurier  
 Victoria, Simon Fraser Univ.  
 Ottawa  
 Waterloo  
 UBC  
 Queens  
 Dalhousie  
 Windsor  
 Western

## NGO Partner

ANIDES  
 Pura Vida  
 SOS Facilitator (Sheily)  
 Seeds of Learning  
 ANIDES  
 ANIDES  
 Awaiting Angels  
 SOS Facilitator (Jorge)  
 Awaiting Angels  
 RJI  
 RJI  
 Mano a Mano  
 Seeds of Learning  
 ANIDES  
 SOS Facilitator (Jorge)  
 Ninos de Guatemala  
 RJI  
 Awaiting Angels



# NGO PARTNERS

SOS's success abroad is, in many ways, due to strong partnerships built with leading Non-Governmental Organizations located in our support countries. These organizations ensure projects are holistically valuable and sustainable.

In 2014, we introduced the Ninos de Guatemala to our network of partners:

Ninos de Guatemala (NDG) is a Dutch organization working in Guatemala to provide access to quality education. Through partnership with local communities, NDG builds schools that strive to create a generation of leaders and entrepreneurs, motivated to inspire social change in their country. These schools incorporate and extend beyond the national curriculum by providing innovative and locally relevant courses that enable students to practice English, computer literacy and art. The schools are however fully supported and recognized by the Guatemalan government and other monitoring bodies, and the organization works in partnership with other local players, including UNICEF.

And we proudly continue to work with the following organizations.

**ANIDES**



**Fundacion por la Madre**



**Ninos de Guatemala**



**RJI**



**Awaiting Angels**



**Mano a Mano**



**Pura Vida**



**Seeds of Learning**





## COMMUNITECH DATA.BASE CHALLENGE



This year, SOS partnered with Communitech (Waterloo, Ontario) to run two Ontario-wide student competitions, the Data.Base Challenge and the Social Enterprise Competition. These two competitions were open to students from across the province and SOS provided a turn-key solution to launch, promote, and execute these two competitions on 30+ campuses in Ontario, generating hundreds of applications from more than 15 different schools.



**5 Finalists of the Communitech Data.Base Competition**

“

**Students Offering Support did a great job of launching & marketing the two competitions to students at post-secondary institutions across the province. Being able to leverage their organization's strong connection on campus with both student leaders and student-at-large was critical to making these competitions a huge success**

”

- Glenn Smith, Managing Partner  
Communitech





# FINANCIAL OVERVIEW



SOS's organizational design is comprised of two different aspects: the SOS chapters and the head office.

SOS chapters are created to be self-sustaining social ventures giving SOS student volunteers the experience of managing a social venture. Each chapter manages its own revenues, the expenses incurred to generate these funds, and its bottom-line, where net proceeds are used to fund the year-end development projects.

In order to ensure the organization as a whole continues to operate and grow, 15% of Exam-AID revenue generated by the SOS chapters contribute to SOS' administrative expenses. The remainder (net of additional chapter fundraising less chapter expenses) is used to fund the capital costs of the SOS chapter's development projects.

The head office is the coordinating and administrative entity that supports our chapters, expands to new schools, and develops relationships with our Latin American NGO's and the communities we work with, ensuring the projects are sustainable and supported. The head office's primary sources of funding are:

- a) Contribution fees from Exam-AID revenue;
- b) Participant fees from outreach trips; and
- c) Corporate sponsors and donors.

## CHAPTER OVERVIEW OF EARNINGS *(unaudited)*

Gross Exam-AID Revenue	\$340,106
Chapter Fundraising	\$15,114
Less: Chapter Expenses	\$23,736
<hr/>	
Net Exam-AID Revenues	\$331,484

Less: 15% Head Office Contribution Fee	\$51,016
(from Gross Exam-AID Revenue of \$340,106)	

Net Proceeds for Development Projects	\$280,468
Percentage of Net Exam-AID Revenue	84.6%



# FINANCIAL STATEMENTS



Fuller Landau LLP  
151 Bloor St West | 12th floor  
Toronto, Ontario  
M5S 1S4

(p) 416-645-6500  
(f) 416-645-6501  
fullerllp.com

## **To the Board of Directors and Stakeholders of Canada SOS: Students Offering Support (o/a Students Offering Support)**

We have audited the accompanying financial statements of Canada SOS: Students Offering Support (o/a Students Offering Support), which comprise the balance sheet as at August 31, 2014, and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Basis for Qualified Opinion**

In common with many not-for-profit organizations, Canada SOS: Students Offering Support (o/a Students Offering Support) derives revenue from fundraising and awareness events and donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of this revenue was limited to the amounts recorded in the records of Canada SOS: Students Offering Support (o/a Students Offering Support) and we were unable to determine whether any adjustments might be necessary to donations revenue, excess of revenue over expenditures and net deficiency.

### **Qualified Opinion**

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the organization, as at August 31, 2014, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Chartered Professional Accountants  
Licensed Public Accountants

Toronto, Ontario  
January 21, 2015





SOS Volunteer, SOS' Annual Gala (May 2014)



SOS Board of Directors, SOS' Annual Gala (May 2014)

# BALANCE SHEET

As at August 31

	2014	2013
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash (Note 3)	\$149,433	\$134,146
Accounts receivable (Note 4)	\$77,896	\$70,448
Inventory	\$8,465	\$10,350
Prepaid Expenses	\$1,333	\$1,333
	<u>\$237,127</u>	<u>\$216,277</u>
<b>LIABILITIES &amp; NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable & accrued liabilities (Note 5)	\$24,621	\$23,402
Deferred contributions, operating (Note 6)	\$30,897	\$35,921
	<u>\$55,518</u>	<u>\$59,323</u>
<b>NET ASSETS</b>		
Internally restricted (Note 9)	\$57,355	\$89,416
Unrestricted	\$124,254	\$67,538
	<u>\$181,609</u>	<u>\$156,954</u>
	<u>\$237,127</u>	<u>\$216,277</u>

The accompanying notes are an integral part of these financial statements

**Approval on  
Behalf of the Board**

Greg Overholt,  
Executive Director





# STATEMENT OF CHANGES OF NET ASSETS

For the Year Ended August 31

2014

2013

<b>Internally restricted net assets, beginning of year</b>	<b>\$89,416</b>	<b>(\$12,491)</b>
Allocation from (to) unrestricted net assets	(\$32,061)	\$101,907
<b>Internally restricted net assets, end of year</b>	<b>\$57,355</b>	<b>\$89,416</b>
 <b>Unrestricted net assets, beginning of year</b>	 <b>\$67,538</b>	 <b>\$73,773</b>
Excess (deficiency) of revenue over expenses for the year	\$24,655	\$95,672
Allocation from (to) internally restricted net assets	\$32,061	(\$101,907)
<b>Unrestricted net assets, end of year</b>	<b>\$124,254</b>	<b>\$67,538</b>

The accompanying notes are an integral part of these financial statements



# STATEMENT OF OPERATIONS

For the Year Ended August 31                      2014                      2013

## REVENUES

Exam-AID Fundraising	\$340,106	\$391,285
Outreach Trip Participant Fees	\$372,310	\$361,466
Sponsorship	\$107,980	\$53,367
Donations	\$2,548	\$8,503
Other (Chapters + National)	\$40,117	\$51,141
	<u>\$863,061</u>	<u>\$865,762</u>

## EXPENSES

Head Office (Schedule of Expenses, pg 20)	\$521,136	\$480,025
Outreach: Project Construction Costs	\$283,134	\$244,882
Chapters (Schedule of Expenses, pg 20)	\$23,736	\$26,463
Merchandise	\$9,605	\$13,340
Foreign exchange loss	\$795	\$5,380
	<u>\$838,406</u>	<u>\$770,090</u>

Excess of revenue over expenses for the year	\$24,655	\$95,672
--	----------	----------

The accompanying notes are an integral part of these financial statements



## SCHEDULE OF EXPENSES

For the Year Ended August 31	2014	2013
HEAD OFFICE		
Outreach trip costs (flights, room & board)	\$307,776	\$293,417
Salary and Wages	\$152,852	\$131,913
Office	\$26,036	\$27,308
Professional Fees	\$13,560	\$14,260
Marketing & Business Development	\$7,974	\$4,851
IT Development	\$7,505	\$2,477
Conference	\$5,433	\$5,799
	<u>\$521,136</u>	<u>\$480,025</u>
CHAPTERS		
Human resources	\$7,331	\$8,408
Logistics	\$6,463	\$6,123
Marketing	\$4,209	\$3,880
Administrative	\$4,160	\$6,659
Outreach	\$1,168	\$976
Business Development	\$405	\$417
	<u>\$23,736</u>	<u>\$26,463</u>

## STATEMENT OF CASH FLOWS

For the Year Ended August 31	2014	2013
<b>Net cash flows from/(used in) operating activities</b>		
Excess (deficiency) of revenue over expenses for the year	\$24,655	\$95,672
Items not involving cash		
Amortization of deferred contributions, operating	<u>(\$40,084)</u>	<u>(\$50,000)</u>
	<u>(\$15,429)</u>	<u>\$45,672</u>
<b>Change in non-cash working capital balances</b>		
Decrease / (Increase) in accounts receivable	(\$7,448)	(\$35,176)
Decrease / (Increase) in inventory	\$1,885	\$2,839
Decrease / (Increase) in prepaid expenses	-	\$4,726
(Decrease) / Increase in AP and accrued liabilities	<u>\$1,219</u>	<u>(\$6,368)</u>
	<u>(\$19,773)</u>	<u>\$11,693</u>
<b>Net cash flows from/(used in) financing activities</b>		
Deferred contributions, operating	<u>\$35,060</u>	<u>\$56,454</u>
<b>Increase / (Decrease) in cash during the year</b>	\$15,287	\$68,147
Cash, beginning of the year	<u>\$134,146</u>	<u>\$65,999</u>
Cash, end of the year	<u>\$149,433</u>	<u>\$134,146</u>



# NOTES TO FINANCIAL STATEMENTS

August 31, 2014

## 1. NATURE OF OPERATIONS

Canada SOS: Students Offering Support (a/o Students Offering Support) (the “organization”) is incorporated without share capital under the Ontario Business Corporations Act. The organization is a Canadian registered charity that develops and supports SOS chapters residing within postsecondary schools across North America. Each SOS chapter raises money through holding “Exam-AID” group review sessions for university and college students. Revenues generated by the chapters from Exam-AID sessions and other on campus events, net of the related chapter expenses, are used to fund community development projects in rural Latin America, built by volunteers on outreach trips.

## 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting:** These financial statements have been prepared in accordance with Canadian generally accepted accounting principles (GAAP) and are being prepared under Part III of the CPA Canada Handbook: Accounting Standards for Not-for-Profit Enterprises.

### Revenue Recognition:

- **Exam-AID Fundraising:** Exam-AID fundraising consists of amounts collected in relation to Exam-AID sessions. Revenues from Exam-AID fundraising are recognized on the date that the session takes place.
- **Outreach Trip Participant Fees:** Participant fees consist of amounts collected in relation to participation on one of SOS’s International Outreach Trips. Revenues are recognized on commencement of the trip and when collectability is reasonably assured.
- **Sponsorship and Donations:** The organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.
- **Other Revenue:** These funds consist of amounts raised through on-campus and national events. Revenues are recognized on the date that an event takes place.

**Contributed Services:** Volunteers contribute a significant amount of time to the organization’s program and supporting services. Due to the difficulty of determining the fair value, contributed time is not recognized in the financial statements.

**Inventory:** Inventory is recorded at the lower of cost and replacement cost. Cost is determined on a weighted average basis.

**Income Taxes:** The organization is a registered charity, and as such, is not subject to income taxes.

**Harmonized Sales Tax:** The organization claims a 50% rebate for the Federal portion of the HST and 82% for the Provincial portion of the HST paid on all qualified expenditures.

**Use of Estimates:** The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses recognized during the year. Actual results could differ from management’s best estimates as additional information becomes available in the future.

### Financial Instruments:

The organization initially measures its financial assets and liabilities at fair value, and subsequently at amortized cost. The organization’s financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities and deferred contributions. Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment and the amount of the write-down is recognized in net income when incurred.

**Variable Interest Entities:** The organization has neither identified nor consolidated the accounts of any variable interest entities.

**Foreign Currency Translation:** Monetary assets and liabilities of the organization which are denominated in foreign currencies are translated at year end exchange rates. Non-monetary assets and liabilities are translated at rates in effect at the date the assets were acquired and liabilities incurred. Revenue and expenses are translated at the rates of exchange in effect at their transaction dates. The resulting gains or losses are included in foreign exchange loss on the statement of operations.



# NOTES TO FINANCIAL STATEMENTS

(continued)

## 3. CASH

The organization's bank accounts are held at various chartered banks and earn interest at nominal interest rates. The chapter bank accounts are managed by the individual chapters and the head office bank account is managed by the head office. As at August 31st, 2014 the cash balance includes \$96,735 (2013 - \$86,261) held in the head office bank account.

## 4. ACCOUNTS RECEIVABLE

	2014	2013
Trade Receivables	\$72,422	\$60,426
HST input tax credits available	\$5,474	\$10,022
	<u>\$77,896</u>	<u>\$70,448</u>

## 5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2014	2013
Trade accounts payable and accruals	\$13,683	\$17,762
Wages payable	\$8,038	\$2,933
Government Remittances Payable	\$2,900	\$2,707
	<u>\$24,621</u>	<u>\$23,402</u>

## 6. DEFERRED CONTRIBUTIONS, OPERATING

	2014	2013
Balance, beginning of year	\$35,921	\$29,467
Revenue Recognized	(\$40,084)	(\$50,000)
Contributions Received	<u>\$35,060</u>	<u>\$56,454</u>
Balance, end of year	<u>\$30,897</u>	<u>\$35,921</u>

## 7. INTERNALLY RESTRICTED NET ASSETS

The organization internally restricts a portion of its cash balance for its Charity Development Fund. This fund is internally designated for the purpose of contributing to capital projects with the organization's NGO partners.

## 8. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments. The following provides a measure of the organization's risk at August 31, 2014.

### Credit Risk:

The organization mitigates credit risk by considering credit worthiness when granting credit terms to its chapters and trip participants. The organization's exposure to credit risk is monitored by management who feels that recorded allowances are adequate.

### Market Risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market price. Market risk is comprised of three types of risk: currency risk, interest rate risk and other price risk. The organization is exposed to currency risk.

### Currency Risk:

The organization's activities involve holding foreign currencies and making purchases and collections of contributions denominated in foreign currencies. These activities result in exposure to fluctuations in foreign currency exchange rates. At the balance sheet date, the organization had net assets denominated in U.S. dollars of approximately \$13,942 (2013 - \$15,373) and net assets denominated in Colombian pesos of nil (2013 - \$20,765,850).

## 9. COMMITMENTS

The organization has a foreign exchange forward contract with a notional amount of \$50,000 US at a rate of 1.0788. The forward contract was entered into on July 7th, 2014 and expires on December 31, 2014.

The organization leases office premises at 326 1/2 Bloor Street West under an operating lease expiring on May 31, 2015. Rental payments remaining on the lease total \$10,620.

## 10. Comparative Amounts

Certain of the 2013 figures presented for comparative purposes have been reclassified to conform with the basis of presentation followed in 2014.





# BOARD OF DIRECTORS

Greg Overholt  
Alan Beveridge  
Casey Richardson-Scott  
Lindsay Seegmiller

Marley Cooper, CPA, CA  
Naseem Saloojee  
Jennifer Lovrics, CPA, CA  
Jackson Hounsell

**Exam-AID session registration line-up, Laurier SOS**







## **Students Offering Support**

326 1/2 Bloor St W  
Toronto, Ontario  
M5S 1W5

Registered National Charity Number:  
81495 0416 RR 0001