

**PROJECT SHELTER WAKADOGO**  
**Financial Statements**  
**Year Ended August 31, 2021**

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## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

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To the Members of Project Shelter Wakadogo

We have reviewed the accompanying financial statements of Project Shelter Wakadogo which comprise the statement of financial position as at August 31, 2021 and the statements of revenues and expenditures, 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 is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

### *Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of Project Shelter Wakadogo as at August 31, 2021, 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.

*Vista Accounting*  
*Professional Corporation*

Calgary, Alberta  
February 25, 2022

VISTA ACCOUNTING PROFESSIONAL CORPORATION  
Chartered Professional Accountant

**PROJECT SHELTER WAKADOGO**  
**Statement of Financial Position**  
**August 31, 2021**

	2021	2020
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 169,905	\$ 168,788
Accounts receivable	773	2,465
	170,678	171,253
<b>PROPERTY AND EQUIPMENT (Note 3)</b>	152,092	160,819
	\$ 322,770	\$ 332,072
 <b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable	\$ 8,245	\$ 11,761
 <b>NET ASSETS</b>		
General fund	162,434	159,491
Capital asset fund	152,091	160,820
	314,525	320,311
	\$ 322,770	\$ 332,072

**ON BEHALF OF THE BOARD**

X \_\_\_\_\_ *Director*

**PROJECT SHELTER WAKADOGO**  
**Statement of Revenues and Expenditures**  
**Year Ended August 31, 2021**

	2021	2020
<b>REVENUES</b>		
Unrestricted donations	\$ 130,954	\$ 176,465
School fees	11,306	28,656
Medical fees	4,351	6,951
	<u>146,611</u>	<u>212,072</u>
<b>EXPENSES</b>		
Project and teaching staff salaries	85,936	83,228
School meals	18,609	14,465
Classroom equipment, teaching and learning materia	13,000	12,647
Amortization	10,422	11,635
Professional fees	9,201	9,131
Accomodation and security	3,201	1,236
Repairs and maintenance	2,993	2,842
Medical program	2,828	4,174
Fuel and lubricants	1,555	1,048
Interest and bank charges	1,360	1,250
Telephone and internet	1,302	1,055
Advertising and donor appreciation	772	-
Travel	663	1,096
Insurance	321	206
Agriculture project	237	-
	<u>152,400</u>	<u>144,013</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES FROM OPERATIONS</b>	<b>(5,789)</b>	<b>68,059</b>
<b>OTHER INCOME</b>		
Interest income	3	-
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<b>\$ (5,786)</b>	<b>\$ 68,059</b>

**PROJECT SHELTER WAKADOGO**  
**Statement of Changes in Net Assets**  
**Year Ended August 31, 2021**

	General Fund	Capital asset Fund	2021	2020
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 159,491	\$ 160,820	\$ 320,311	\$ 252,252
DEFICIENCY OF REVENUES OVER EXPENSES	2,943	(8,729)	(5,786)	68,059
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 162,434</u>	<u>\$ 152,091</u>	<u>\$ 314,525</u>	<u>\$ 320,311</u>

**PROJECT SHELTER WAKADOGO**

**Statement of Cash Flows**

**Year Ended August 31, 2021**

	2021	2020
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenues over expenses	\$ (5,786)	\$ 68,059
Item not affecting cash:		
Amortization of property and equipment	10,422	11,635
	<u>4,636</u>	<u>79,694</u>
Changes in non-cash working capital:		
Accounts receivable	1,692	871
Accounts payable	<u>(3,518)</u>	<u>(404)</u>
	<u>(1,826)</u>	<u>467</u>
Cash flow from operating activities	<u>2,810</u>	<u>80,161</u>
<b>INVESTING ACTIVITY</b>		
Purchase of property and equipment	<u>(1,693)</u>	<u>(2,718)</u>
<b>INCREASE IN CASH FLOW</b>	1,117	77,443
Cash - beginning of year	<u>168,788</u>	<u>91,345</u>
<b>CASH - END OF YEAR</b>	<u>\$ 169,905</u>	<u>\$ 168,788</u>

**PROJECT SHELTER WAKADOGO**  
**Notes to Financial Statements**  
**Year Ended August 31, 2021**

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1. PURPOSE OF THE ORGANIZATION

Project Shelter Wakadogo (the "organization") is a not-for-profit organization of Alberta. As a registered charity the organization is exempt from the payment of income tax under Subsection 149(1) of the Income Tax Act.

The organization operates to provide a school and education in Uganda.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Property and equipment

Property and equipment is stated at cost or deemed cost less accumulated amortization and is amortized over its estimated useful life on a declining balance basis at the following rates and methods:

Buildings	4%	declining balance method
Motor vehicles	30%	declining balance method
Computer equipment	30%	declining balance method
Furniture and equipment	20%	declining balance method

The organization regularly reviews its property and equipment to eliminate obsolete items. Government grants are treated as a reduction of property and equipment cost.

Property and equipment acquired during the year but not placed into use are not amortized until they are placed into use.

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**PROJECT SHELTER WAKADOGO**  
**Notes to Financial Statements**  
**Year Ended August 31, 2021**

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Fund accounting

Project Shelter Wakadogo follows the deferral method of accounting for contributions.

Revenues and expenses related to program delivery and administrative activities are reported in the Operating Fund.

The Capital Fund reports the assets, liabilities, revenues, and expenses related to Project Shelter Wakadogo's capital assets and building improvements campaign.

Revenue recognition

Project Shelter Wakadogo 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. Endowment contributions are recognized as direct increases in net assets.

Net assets

- a) Net assets invested in property and equipment represents the organization's net investment in property and equipment which is comprised of the unamortized amount of property and equipment purchased with restricted funds.
- b) Unrestricted net assets comprise the excess of revenue over expenses accumulated by the organization each year, not of transfers, and are available for general purposes.

Contributed services

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

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**PROJECT SHELTER WAKADOGO**  
**Notes to Financial Statements**  
**Year Ended August 31, 2021**

3. PROPERTY AND EQUIPMENT

	Cost	Accumulated amortization	2021 Net book value	2020 Net book value
Land	\$ 21,075	\$ -	\$ 21,075	\$ 21,075
Buildings	153,453	45,976	107,477	111,955
Motor vehicles	12,468	11,553	915	1,306
Computer equipment	3,272	2,544	728	725
Furniture and equipment	87,304	65,407	21,897	25,758
	<u>\$ 277,572</u>	<u>\$ 125,480</u>	<u>\$ 152,092</u>	<u>\$ 160,819</u>

4. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of August 31, 2021.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from customers. In order to reduce its credit risk, the organization reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The organization has a significant number of students which minimizes concentration of credit risk.

Currency risk

Currency risk is the risk to the company's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The organization is exposed to foreign currency exchange risk on cash, accounts receivable, and accounts payable held in Ugandan Shillings, British Pound sterling, the Euro and U.S. dollars. The company does not use derivative instruments to reduce its exposure to foreign currency risk.

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant other price risks arising from these financial instruments.

5. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.