

**THE S.A. (SERVANTS ANONYMOUS)  
FOUNDATION-CANADA**

FINANCIAL STATEMENTS

MARCH 31, 2024

**THE S.A. (SERVANTS ANONYMOUS) FOUNDATION-CANADA**

**FINANCIAL STATEMENTS**

**MARCH 31, 2024**

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## INDEPENDENT AUDITOR'S REPORT

To the Members of  
The S.A. (Servants Anonymous) Foundation-Canada

### OPINION

We have audited the financial statements of The S.A. (Servants Anonymous) Foundation-Canada, ("The Foundation") which comprise the statement of financial position as at March 31, 2024 and the statements of operations and changes in net assets and cash flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the The S.A. (Servants Anonymous) Foundation-Canada as at March 31, 2024 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.

### BASIS FOR OPINION

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE 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.

In preparing these financial statements, management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters relating to a going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation's financial reporting process.

**Independent Auditor's Report to the Members of the S.A. (Servants Anonymous) Foundation - Canada**  
(Continued)

**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Calgary, Alberta  
June 20, 2024

*Werner Haag*  
Werner Haag Professional Corporation  
Chartered Professional Accountants

**THE S.A. (SERVANTS ANONYMOUS) FOUNDATION-CANADA**

STATEMENT OF FINANCIAL POSITION

MARCH 31, 2024

	<u>2024</u>	<u>2023</u>
<b>ASSETS</b>		
CURRENT		
Cash and cash equivalents (Note 3)	\$ 266,428	\$ 383,244
Goods and services tax recoverable	1,640	449
Prepaid expenses	<u>15,094</u>	<u>19,509</u>
	283,162	403,202
CAPITAL ASSETS (Note 4)		
	<u>4,153</u>	<u>6,769</u>
	<u>\$ 287,315</u>	<u>\$ 409,971</u>
<b>LIABILITIES</b>		
CURRENT		
Accounts payable and accrued liabilities	\$ 19,043	\$ 16,839
Government remittances payable	<u>10,802</u>	<u>8,152</u>
	29,845	24,991
<b>FUND BALANCES</b>		
Invested in capital assets	4,153	6,769
Unrestricted	<u>253,317</u>	<u>378,211</u>
	<u>257,470</u>	<u>384,980</u>
	<u>\$ 287,315</u>	<u>\$ 409,971</u>

APPROVED ON BEHALF OF THE BOARD:

Rohan Crown  
Rohan Crown (Jun 22, 2024 11:33 MDT) Director

Steve Laug  
Steve Laug (Jun 21, 2024 15:21 PDT) Director

**THE S.A. (SERVANTS ANONYMOUS) FOUNDATION-CANADA**

STATEMENT OF FINANCIAL POSITION

MARCH 31, 2024

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APPROVED ON BEHALF OF THE BOARD:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

**THE S.A. (SERVANTS ANONYMOUS) FOUNDATION-CANADA**

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

YEAR ENDED MARCH 31, 2024

	2024		2023	
	<u>General</u>	<u>Projects</u>	<u>Total</u>	<u>Total</u>
<b>REVENUE</b>				
Donations	\$ 738,168	\$ 243,121	\$ 981,289	\$ 871,532
Rental income	-	34,003	34,003	42,209
Investment income	6,241	-	6,241	3,787
	<u>744,409</u>	<u>277,124</u>	<u>1,021,533</u>	<u>917,528</u>
<b>EXPENSES</b>				
Project costs	700	481,095	481,795	349,778
Remuneration and benefits	116,735	260,693	377,428	333,227
Occupancy	13,781	71,423	85,204	115,416
Fundraising	102,518	566	103,084	181,604
General and administration	51,685	47,231	98,916	117,949
Amortization	2,616	-	2,616	5,192
	<u>288,035</u>	<u>861,008</u>	<u>1,149,043</u>	<u>1,103,166</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSE</b>	<u>456,374</u>	<u>\$ (583,884)</u>	<u>( 127,510)</u>	<u>( 185,638)</u>
Net Assets At Beginning Of Year			<u>384,980</u>	<u>570,618</u>
<b>NET ASSETS AT END OF YEAR</b>			<u>\$ 257,470</u>	<u>\$ 384,980</u>

**THE S.A. (SERVANTS ANONYMOUS) FOUNDATION-CANADA**

STATEMENT OF PROJECT REVENUES AND EXPENSES

YEAR ENDED MARCH 31, 2024

	2024		2023
	<u>Income</u>	<u>Expenses</u>	<u>Net Expenses</u>
Genesis Project	\$ -	\$ 2,101	\$ 2,101
The S.A. World Services			
Training Division	16,050	240,983	224,933
Greece	146,000	146,081	81
Nepal	8,000	244,250	236,250
Hungary	6,531	7,531	1,000
Berlin	38,042	38,042	-
Global Wonders	<u>62,501</u>	<u>182,020</u>	<u>119,519</u>
	<u>\$ 277,124</u>	<u>\$ 861,008</u>	<u>\$ 583,884</u>
			<u>\$ 496,106</u>



**THE S.A. (SERVANTS ANONYMOUS) FOUNDATION-CANADA**

**STATEMENT OF CASH FLOWS**

**YEAR ENDED MARCH 31, 2024**

	<u>2024</u>	<u>2023</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Deficiency of revenue over expenses	\$ (127,510)	\$ (185,638)
Adjustment for		
Amortization	<u>2,616</u>	<u>5,192</u>
	<u>(124,894)</u>	<u>(180,446)</u>
Changes in non-cash operating working capital		
Goods and services tax recoverable	( 1,191)	382
Prepaid expenses	4,415	( 7,088)
Accounts payable and accrued liabilities	2,204	8,548
Government remittances payable	<u>2,650</u>	<u>( 1,414)</u>
	<u>8,078</u>	<u>428</u>
<b>DECREASE IN CASH</b>	(116,816)	( 180,018)
Cash At Beginning Of Year	<u>383,244</u>	<u>563,262</u>
<b>CASH AT END OF YEAR</b>	<u>\$ 266,428</u>	<u>\$ 383,244</u>

# THE S.A. (SERVANTS ANONYMOUS) FOUNDATION-CANADA

## NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2024

### 1. PURPOSE OF THE FOUNDATION

#### DEFINITIONS

**"The SA Foundation"** means The S.A. Foundation (Servants Anonymous) – Canada.

This **"Population"** means children, women and youth with or without children who are either sexually exploited/trafficked or who are at high risk of becoming victims of sexual exploitation/trafficking.

**"The SA World Services Division (SAWS)"** means an integral part of the SA Foundation's organizational structure created to facilitate the delivery of its programs and services, training, production and retailing charitable activities.

#### OBJECTS OF THE SA FOUNDATION

- a) To ethically raise funds in any way to fulfil the SA Foundation's objects and charitable activities and to use the SA Foundation's funds according to and in pursuit of its objects and charitable activities.
- b) To directly assist this *"population"* in their re-integration into Society.
- c) To assist this *"population"* in their re-integration into Society by co-operating with local organizations abroad.
- d) To assist this *"population"* in their re-integration into Society by gifting organizations that are *"qualified donees"* as defined in subsection 149.1(1) of the Income Tax Act and that deliver programs and services to this *"population"*.
- e) To provide qualified donees in Canada or through co-operating with local organizations abroad, with the needed assistance and training to give them the expertise to deliver necessary programs and services to this *"population"*.
- f) To produce and retail through related business activities as defined under the Income Tax Act, SA religious publications, educational and marketing materials and items such as handicrafts as a means to achieve the SA Foundation's charitable programs.

# THE S.A. (SERVANTS ANONYMOUS) FOUNDATION-CANADA

## NOTES TO FINANCIAL STATEMENTS (Continued)

MARCH 31, 2024

### 2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for Not-for-Profit organizations. The financial statements have, in management's opinion, been properly prepared using careful judgement with reasonable limits of materiality and within the framework of the significant accounting policies described below.

#### REVENUE RECOGNITION

The SA Foundation follows the restricted method of accounting for contributions. Contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Rental and investment income are recognized when earned.

#### INCOME TAXES

The SA Foundation is a not-for-profit Foundation under the Income Tax Act and, therefore, is not subject to either Federal or Provincial income taxes.

#### CAPITAL ASSETS

Capital assets are recorded at cost. Amortization is provided at the following annual rates:

Furniture and fixtures	20%	Declining balance
Computer equipment	30 - 55%	Declining balance

# THE S.A. (SERVANTS ANONYMOUS) FOUNDATION-CANADA

## NOTES TO FINANCIAL STATEMENTS (Continued)

MARCH 31, 2024

### 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### MEASUREMENT UNCERTAINTY

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses, and disclosures of contingent assets and liabilities. Significant items subject to such estimates and assumptions include amortization of capital assets. Actual results could differ from estimates.

#### CASH

Cash is on deposit with major financial institutions and is, therefore, not subject to significant credit risk. Cash is defined as cash and term deposit.

#### FOREIGN CURRENCY TRANSLATION

Foreign currency denominated monetary assets and liabilities are translated into Canadian dollars at the exchange rate in effect as of the date of the balance sheet. Foreign currency denominated non-monetary assets and liabilities are translated into Canadian dollars at the exchange rate in effect on the transaction date. Revenue and expense items are translated at the average exchange rates for the period. Gains or losses in translation have been charged to income of the current period.

#### FINANCIAL INSTRUMENTS

Financial instruments included in these financial statements include cash and cash equivalents, goods and services tax recoverable, accounts payable and accrued liabilities and government remittances payable.

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 revenue. 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.

**THE S.A. (SERVANTS ANONYMOUS) FOUNDATION-CANADA**

NOTES TO FINANCIAL STATEMENTS (Continued)

MARCH 31, 2024

**3. CASH AND CASH EQUIVALENTS**

	<u>2024</u>	<u>2023</u>
Cash	\$ 251,215	\$ 383,244
Term deposit, maturing in November 2024	<u>15,213</u>	<u>-</u>
	<u>\$ 266,428</u>	<u>\$ 383,244</u>

**4. CAPITAL ASSETS**

	<u>2024</u>		<u>2023</u>	
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Furniture and fixtures	\$ 57,509	\$ 55,011	\$ 2,498	\$ 3,123
Computer equipment	<u>45,313</u>	<u>43,658</u>	<u>1,655</u>	<u>3,646</u>
	<u>\$ 102,822</u>	<u>\$ 98,669</u>	<u>\$ 4,153</u>	<u>\$ 6,769</u>

# THE S.A. (SERVANTS ANONYMOUS) FOUNDATION-CANADA

## NOTES TO FINANCIAL STATEMENTS (Continued)

MARCH 31, 2024

### 5. FINANCIAL INSTRUMENTS

#### Fair Values

The carrying values of cash, goods and services tax recoverable, accounts payable and accrued liabilities, and government remittances payable approximate their fair value due to the relatively short periods to maturity of these items.

#### Interest Rate Risk

The Foundation is not exposed to interest rate risk.

#### Liquidity Risk

Liquidity risk is the risk that the Foundation cannot fund its obligations as they come due. The Foundation prepares annual budgets and actively monitors its cash flows from operating, investing and financing activities. The Foundation is exposed to liquidity risk by being dependent on continued donations for cash inflows.

#### Risk Management

It is management's opinion that the Foundation is not significantly exposed to any credit, market, or foreign exchange risk.