

**WORLD TEACHER AID  
FINANCIAL STATEMENTS  
Year Ended December 31, 2015**



**WORLD TEACHER AID**  
**INDEX TO FINANCIAL STATEMENTS**  
**Year Ended December 31, 2015**

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	Page
INDEPENDENT AUDITOR'S REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position	2
Statement of Revenues and Expenditures and Changes in Net Assets	3
Statement of Cash Flows	4
Notes to Financial Statements	5
Fundraising Revenues and Expenditures ( <i>Schedule 1</i> )	6
Write-to-Give Revenues and Expenditures ( <i>Schedule 2</i> )	6
Charitable Program Expenditures ( <i>Schedule 3</i> )	7
Operating Expenditures ( <i>Schedule 4</i> )	7



## INDEPENDENT AUDITOR'S REPORT

To the Directors of World Teacher Aid

We have audited the accompanying financial statements of World Teacher Aid, which comprise the statement of financial position as at December 31, 2015 and the statements of revenues and expenditures and 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 private enterprises, 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.

### *Auditor's 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 auditor considers internal control 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 control. 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 qualified audit opinion.

### *Basis for Qualified Opinion*

In common with many not-for-profit organizations, World Teacher Aid derives revenue from fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of World Teacher Aid. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the year ended December 31, 2015, current assets and net assets as at January 1, 2015 and December 31, 2015

### *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 World Teacher Aid as at December 31, 2015 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for private enterprises.

### *Other Matter*

The prior year comparative financial statements were subject to a review engagement and are therefore unaudited.



Ancaster, Ontario  
May 5, 2016

GIBB WIDDIS CHARTERED ACCOUNTANTS PROFESSIONAL CORPORATION  
Authorized to practise public accounting by  
the Chartered Professional Accountants of Ontario

**WORLD TEACHER AID**  
**STATEMENT OF FINANCIAL POSITION**  
**December 31, 2015**

	2015	2014
<b>ASSETS</b>		
Current		
Cash	\$ 326,314	\$ 103,668
Accounts receivable	55,686	-
Harmonized Sales Tax recoverable	852	643
Prepaid expenses	8,160	26,955
	<b>\$ 391,012</b>	<b>\$ 131,266</b>
<b>LIABILITIES</b>		
Current		
Accounts payable and accrued liabilities	\$ 18,151	\$ 12,315
<b>NET ASSETS</b>		
Unrestricted net assets	372,861	118,951
	<b>\$ 391,012</b>	<b>\$ 131,266</b>

**ON BEHALF OF THE BOARD**

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

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

**WORLD TEACHER AID**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**AND CHANGES IN NET ASSETS**  
**Year Ended December 31, 2015**

	2015	2014
<b>Revenues</b>		
Donations	\$ 149,557	\$ 123,811
Foreign exchange gain	15,582	1,812
Fundraising <i>(Schedule 1)</i>	442,415	80,858
Write-to-Give <i>(Schedule 2)</i>	17,013	35,989
	<b>624,567</b>	<b>242,470</b>
<b>Expenditures</b>		
Fundraising <i>(Schedule 1)</i>	46,062	11,523
Write-to-Give <i>(Schedule 2)</i>	11,571	25,228
Charitable programs <i>(Schedule 3)</i>	251,088	174,087
Operating <i>(Schedule 4)</i>	61,936	29,181
	<b>370,657</b>	<b>240,019</b>
<b>Excess of revenues over expenditures</b>	<b>253,910</b>	<b>2,451</b>
Net assets - beginning of year	118,951	116,500
<b>Net assets - end of year</b>	<b>\$ 372,861</b>	<b>\$ 118,951</b>



**WORLD TEACHER AID**  
**STATEMENT OF CASH FLOWS**  
**Year Ended December 31, 2015**

	2015	2014
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenditures	\$ 253,910	\$ 2,451
Changes in non-cash working capital:		
Accounts receivable	(55,686)	-
Harmonized Sales Tax recoverable	(209)	342
Prepaid expenses	18,795	(26,955)
Accounts payable and accrued liabilities	5,836	5,593
Deposits received	-	(30,018)
	<b>(31,264)</b>	<b>(51,038)</b>
<b>Increase (decrease) in cash</b>	<b>222,646</b>	<b>(48,587)</b>
Cash - beginning of year	103,668	152,255
<b>Cash - end of year</b>	<b>\$ 326,314</b>	<b>\$ 103,668</b>

**WORLD TEACHER AID**  
**NOTES TO FINANCIAL STATEMENTS**  
**Year Ended December 31, 2015**

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1. PURPOSE OF THE ORGANIZATION

World Teacher Aid is a not-for-profit organization committed to improving education throughout the developing world by providing education training programs and infrastructure development. The organization is incorporated without share capital under the Canada Not-for-Profit Corporations Act and is a registered charity under the Income Tax Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Basis of presentation**

The unaudited financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations and are in accordance with Canadian generally accepted accounting principles.

**Revenue recognition**

The organization follows the deferral method of accounting for contributions. Externally 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.

Write-to-Give book sales are recognized when title passes to the customer which normally coincides with the delivery of the books.

**Foreign currency translation**

Monetary assets and liabilities denominated in foreign currencies have been translated into Canadian dollars at the year end exchange rate. Non-monetary assets have been translated at the rate of exchange prevailing at the transaction date. Revenues and expenditures have been translated at the prevailing month end closing rate of exchange.

Foreign exchange gains and losses arising from these translation policies are included in the statement of revenue and expenditures.

**Contributed materials and services**

World Teacher Aid is dependent on the voluntary services of its Directors. Contributed materials and services are not recorded in these financial statements.

3. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments. The following analysis provides information about the organization's risk exposure and concentration as of December 31, 2015:

*Currency risk*

Currency risk is the risk to earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The organization is in receipt of US denominated contributions and its charitable program expenditures are primarily in US dollars. At year end, the organization is exposed to foreign currency exchange risk on its US dollar bank account.

There have been no changes in the organization's risk exposures from the prior year.



**WORLD TEACHER AID  
FUNDRAISING REVENUES AND EXPENDITURES  
Year Ended December 31, 2015**

*(Schedule 1)*

	2015	2014
<b>Revenue</b>		
Mastermind events contributions	\$ 442,415	\$ 80,858
<b>Expenditures</b>		
Events	39,151	5,219
Travel	6,911	6,304
	46,062	11,523
	\$ 396,353	\$ 69,335

**WRITE-TO-GIVE REVENUES AND EXPENDITURES  
Year Ended December 31, 2015**

*(Schedule 2)*

	2015	2014
<b>Revenue</b>		
Book sales	\$ 17,013	\$ 35,989
<b>Expenditures</b>		
Write to Give - bracelets	1,237	600
Write to Give - books	10,334	24,628
	11,571	25,228
	\$ 5,442	\$ 10,761



**WORLD TEACHER AID  
CHARITABLE PROGRAM EXPENDITURES  
Year Ended December 31, 2015**

*(Schedule 3)*

	2015	2014
Africa - teaching supplies	\$ 228	\$ 2,600
Kenya - feeding programs	1,313	3,800
Kenya - school construction	247,494	166,791
Program awareness	2,053	896
	<b>\$ 251,088</b>	<b>\$ 174,087</b>

**OPERATING EXPENDITURES  
Year Ended December 31, 2015**

*(Schedule 4)*

	2015	2014
Administration	\$ 8,849	\$ 4,730
Interest and bank charges	10,662	5,622
Office	4,151	3,052
Professional fees	7,117	7,478
Travel	31,157	8,299
	<b>\$ 61,936</b>	<b>\$ 29,181</b>

