



ANNUAL FINANCIAL REPORT 2019-2020

**Presented at the Humanserve Annual General Meeting
October 22, 2020**

To the Members of Humanserve International Society for Relief and Development,

We have reviewed the balance sheet of Humanserve International Society for Relief and Development as of September 30, 2020 and the statements of restricted and unrestricted revenue, expenses and changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the society's management.

We have conducted our review in accordance with generally accepted accounting standards. In our opinion, these financial statements present fairly, in all material aspects, the financial position of the society as at September 30, 2020 and the results in operations for the year then ended in accordance with generally accepted accounting principles.

Farah Akhtar, Officer
Humanserve International

Tracy Shaben, Treasurer
Humanserve International

Edmonton, Alberta
October 22, 2020



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BALANCE SHEET

For the Year Ended September 30, 2020

(Unaudited)

	<u>2020</u>	<u>2019</u>
ASSETS		
CURRENT		
Bank General - unrestricted	\$ 8,688.36	\$ 1,750.81
PayPal - unrestricted	\$ 367.04	\$ 118.72
Bank General - restricted ("Designated")	\$ 189.15	\$ 86.08
Bank Casino - restricted	\$ 125.78	\$ 668.15
Short-Term Deposits (GICs) - restricted	\$ 8,000.00	\$ 33,000.00
Al-Assaf Family - restricted	<i>(Account closed)</i>	\$ 5,024.99
TOTAL	<u>\$ 17,370.33</u>	<u>\$ 40,648.75</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities - General	\$ -	\$ -
Accounts payable and accrued liabilities - PayPal	\$ -	\$ -
Accounts payable and accrued liabilities - Designated	\$ -	\$ -
Accounts payable and accrued liabilities - Casino+GIC	\$ 3,100.00	\$ 25,003.00
Accounts payable and accrued liabilities - Al-Assaf Family	<i>(Account closed)</i>	\$ -
TOTAL	<u>\$ 3,100.00</u>	<u>\$ 25,003.00</u>
FUND BALANCES		
UNRESTRICTED FUND (General + PayPal)	\$ 9,055.40	\$ 1,869.53
RESTRICTED FUND (Designated)	\$ 189.15	\$ 86.08
RESTRICTED FUND (Casino + GIC)	\$ 5,025.78	\$ 8,665.15
RESTRICTED FUND (Al-Assaf Family)	<i>(Account closed)</i>	\$ 5,024.99
TOTAL	<u>\$ 14,270.33</u>	<u>\$ 15,645.75</u>

APPROVED ON BEHALF OF THE BOARD:

_____ Director

_____ Director



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**STATEMENT OF UNRESTRICTED GENERAL REVENUE, EXPENSES AND
CHANGES IN NET ASSETS (General & PayPal Accounts)
For the year ended September 30, 2020
(Unaudited)**

	<u>2020</u>	<u>2019</u>
UNRESTRICTED GENERAL REVENUE		
General non-tax receipted miscellaneous donations	\$ 40.00	\$ 409.14
General non-tax receipted zakat donations	\$ -	\$ -
Sale of goods (handicrafts, soap, etc.)	\$ 2,529.66	\$ -
Transfer from General Acct to PayPal (not completed in 2018-19)	\$ 1,200.00	\$ -
Memberships	\$ 60.00	\$ -
Transfer of <i>Al-Assaf Family Bank Account</i> balance	\$ 5,021.24	\$ -
TOTAL	\$ 8,850.90	\$ 409.14
UNRESTRICTED GENERAL EXPENSES		
Bank charges	\$ -	\$ -
PayPal transaction fees	\$ 2.24	\$ 0.62
Square transaction fees	\$ 30.41	\$ -
Postage, Shipping	\$ 54.57	\$ -
AGM dinner	\$ 205.29	\$ 210.95
Field visit expenses	\$ -	\$ -
<i>Al-Assaf Family</i>	\$ -	\$ 877.20
Fundraising expenses & public engagement expenses	\$ 1,372.52	\$ 1,200.00
Miscellaneous expenses	\$ -	\$ 100.00
TOTAL	\$ 1,665.03	\$ 2,388.77
SURPLUS (DEFICIT) OF RECEIPTS OVER DISBURSEMENTS	\$ 7,185.87	-\$ 1,979.63
UNRESTRICTED FUNDS & PAYPAL, beginning of year	\$ 1,869.53	\$ 3,849.16
UNRESTRICTED FUNDS & PAYPAL, end of year	<u>\$ 9,055.40</u>	<u>\$ 1,869.53</u>



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**STATEMENT OF RESTRICTED DESIGNATED REVENUE, EXPENSES
AND CHANGES IN NET ASSETS**
For the year ended September 30, 2020
(Unaudited)

	<u>2020</u>	<u>2019</u>
RESTRICTED DESIGNATED REVENUE		
Interfund transfers for approved projects	\$ 20,000.00	\$ 18,700.00
Designated non-tax receipted donations (<i>zakat</i>)	\$ -	\$ -
TOTAL	\$ 20,000.00	\$ 18,700.00
RESTRICTED DESIGNATED EXPENSES		
Project Remittances		
<i>Kindergarten for Syrian Refugees - YR V</i>	\$ 19,806.93	\$ 18,705.78
Project Administration	\$ 45.00	\$ 45.00
Project Monitoring	\$ -	\$ -
Canadian Admin (Bank fees)	\$ 45.00	\$ 45.00
TOTAL	\$ 19,896.93	\$ 18,795.78
SURPLUS (DEFICIT) OF RECEIPTS OVER DISBURSEMENTS	\$ 103.07	-\$ 95.78
RESTRICTED DESIGNATED FUNDS, beginning of year	\$ 86.08	\$ 181.86
RESTRICTED DESIGNATED FUNDS, end of year	<u>\$ 189.15</u>	<u>\$ 86.08</u>



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**STATEMENT OF RESTRICTED CASINO REVENUE, EXPENSES
AND CHANGES IN NET ASSETS (Casino & GIC Accounts)
For the year ended September 30, 2020
(Unaudited)**

	<u>2020</u>	<u>2019</u>
RESTRICTED CASINO REVENUE		
Interest income	\$ 199.93	\$ 144.62
Casino pool payout	\$ -	\$ 80,179.16
TOTAL	\$ 199.93	\$ 80,323.78
 RESTRICTED CASINO EXPENSES		
Administration, office supplies	\$ -	\$ 47.24
Bank charges	\$ -	\$ 45.00
Postage & courier	\$ 39.94	\$ -
P.O. Box	\$ 181.65	\$ 177.45
Website hosting & management	\$ 820.71	\$ 700.00
Interfund transfers for approved projects	\$ 20,000.00	\$ 18,700.00
Donation to MCC-AB for <i>Al-Assaf Family Sponsorship</i>	\$ 4,700.00	\$ 27,300.00
TOTAL	\$ 25,742.30	\$ 46,969.69
 SURPLUS (DEFICIT) OF RECEIPTS OVER DISBURSEMENTS	 -\$ 25,542.37	 \$ 33,354.09
 RESTRICTED CASINO FUNDS & GICs, beginning of year	 \$ 33,668.15	 \$ 314.06
 RESTRICTED CASINO FUNDS & GICs, end of year	 <u>\$ 8,125.78</u>	 <u>\$ 33,668.15</u>



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**STATEMENT OF RESTRICTED DESIGNATED REVENUE, EXPENSES
AND CHANGES IN NET ASSETS**
For the year ended September 30, 2020
(Unaudited)

	<u>2020</u>	<u>2019</u>
RESTRICTED AL-ASSAF FAMILY REVENUE		
Funds transfer from General account	\$ -	\$ 50.00
TOTAL	\$ -	\$ 50.00
RESTRICTED AL-ASSAF FAMILY EXPENSES		
Transfer to General Account	\$ 5,021.24	\$ -
Bank fees	\$ 3.75	\$ 45.00
TOTAL	\$ 5,024.99	\$ 45.00
SURPLUS (DEFICIT) OF RECEIPTS OVER DISBURSEMENTS	-\$ 5,024.99	\$ 5.00
RESTRICTED DESIGNATED FUNDS, beginning of year	\$ 5,024.99	\$5,019.99
RESTRICTED DESIGNATED FUNDS, end of year	<u>\$ -</u>	<u>\$5,024.99</u>



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Summary

Humanserve's balance sheets for the 2019-2020 fiscal year were maintained by Vanessa Ali and reviewed by Tracy Shaben and the Financial Statements were prepared by Vanessa Ali and reviewed by Tracy Shaben and Farah Akhtar.

General Fund

Fundraising activities and non-tax receipted donations amounted to \$2,569.66 this year. \$1,200 was spent to procure pottery from the West Bank for future fundraising activity (product sale).

The net result for the year is a surplus of receipts over disbursements of \$7,185.87 which when added to the brought forward balance of \$1,869.533 results in a **total surplus of \$9,055.40**.

The remaining surplus is not earmarked for any particular project or endeavour and it is available for use at Humanserve's discretion to support fundraising activities, for field visit expenses, to remit overseas for emergency relief and for various non-project related expenses.

Restricted Designated Activities

The second overseas transfer of \$19,806.93 was made to the *Kindergarten for Syrian Refugees – Yr V Project*.

There was a total surplus of receipts over disbursements of \$103.07 that when added to the brought forward balance of \$86.08 results in a **total surplus of \$189.15 left over from previous projects**.

Restricted Casino Activities

During the year, there was a total of \$25,742.30 in expenses and interest income of \$199.93.

There were inter-fund transfers to the Designated Account of \$20,000 and an approved donation to MCCA of \$4,700 for approved use of casino funds this year.

The net result for the year is a deficit of receipts over disbursements of -\$25,542.37 that that when added to the brought forward balance of \$33,668.15 means **there is a total surplus of \$8,125.78 with \$3,100.29 earmarked for the Kindergarten Project – YR V. This leaves \$5,025.49 available for future administration, office expenses, public engagement costs and approved project funds.**

Restricted Al-Assaf Family Activities

During the year, there was a total of \$3.75 in bank fee expenses and because of the new sponsorship agreement for the family with MCCA the account was closed in October, with the remaining \$5,024.99 transferred back to the General Account.



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Funds Available

The funds available for future activities are as follows:

General Fund (incl. PayPal)	\$ 9,055.40
Designated Fund	\$ 189.15
Casino Fund (incl. GIC)	\$ <u>5,025.78</u>
TOTAL	\$ 14,270.33

Significant Bookkeeping Policies

Revenue Recognition

Restricted contributions and grants are recognized as revenue when received. Unrestricted contributions and grants are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributed Services

The board members contribute about 100 hours per year to assist the society in carrying out its service activities. Because of the difficulty of determining the fair value of the contributed services, there is no recognition of these services in these financial statements.

Donations

Donations are recorded based on the amounts deposited into the society's bank and PayPal accounts.

Financial Instruments

The society's financial instruments consist of cash, short-term deposits (GICs), accounts receivable and accounts payable. Unless otherwise noted, the society is not exposed significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

Restricted Net Assets

The restricted net assets are comprised of funds the net proceeds from casinos. These funds are to be remitted to international and non-governmental organizations to provide educational, community health and social services in Lebanon and Palestine. The casino funds can also be used for administrative and public engagement expenses.

Taxes

The society is not-for-profit and therefore qualifies as a non-taxable organization.



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Related Party Transactions

The board members were reimbursed for costs incurred in monitoring the implementation of projects and also receive honourariums based on time spent working on projects.

Interfund Transfers

During the year, \$20,000 was transferred from the casino fund to support approved projects undertaken through restricted designated funds.

Donations

During the year, \$4,700 was donated by HSI to the Mennonite Central Committee of Alberta in support of our sponsorship agreement for the Al-Assaf Family.

Going Concern

The society's ability to deliver programs is dependent upon being able to obtain continued funding from existing sponsors or new funding sources.