

ANNUAL REPORT 2008-2009

**Presented at the HumanServe Annual General Meeting
November 1, 2009**

Submitted by Vanessa Ali, President

Humanserve International Society for Relief and Development is a not-for-profit society incorporated in the Province of Alberta. The society works with local and international non-government organizations to provide educational, community health and social services in Lebanon and Palestine.

In 2008–2009, HumanServe continued its mandate to provide relief and development overseas and to educate the Canadian public with regards to conditions of life for disadvantaged populations in the Middle East. With public engagement, this society endeavoured to outline the role HumanServe plays in helping to alleviate suffering and in facilitating development in partnership with NGOs in the field and the role played by Canadian funding agencies. Humanserve welcomed two new board members, Farah Akhtar and Majeda Fyith. Pending board members are Sana Shibley and Angie Zimaro. The following is a summary of the most significant events in this society's past fiscal year (October 1, 2008 – September 30, 2009):

Projects

Dyslexia and Slow-Learning Treatment Training Project - This HumanServe project provides treatment and rehabilitation for approximately 2,000 marginalized children with dyslexia living in the West Bank, Palestine. The program is being run by a team of six treatment specialists working in UNWRA schools in 13 refugee camps with the goal of mainstreaming the children back into regular classrooms armed with their new learning and coping skills.

The project was kick-started in May 2007 with a \$2,800.00 community-based donation that was earmarked for this project. Project continued into 2008-09 with HumanServe casino funds and a matching grant from the Wild Rose Foundation totaling \$64,000.00. All reports back from the field highlight the success of this project and the enthusiasm of UNWRA to designate future funding for the program in their schools after HumanServe funding has ceased. The final hold-back fee of \$8,773.34 was been sent overseas after receipt of the final report from the field. A total of \$66,800.00 will have been spent on this project and it is now complete. The only outstanding item is the submission of receipts for direct project expenses to Wild Rose.

BioSand Water Filtration Training & Filter Construction - Palestinian refugees residing in refugee camps throughout Lebanon and Lebanese citizens residing in rural areas - especially those devastated by the 2006 war - have had their access to clean water curtailed. The damage sustained by infrastructure including water treatment plants and distribution networks, as well as the contamination of some of the artesian wells has degraded the quality of water in some locales to that below levels acceptable for human consumption.

The aim of this project was to aid the residents of 4 refugee camps (Ein El-Helwie, Mieh Mieh, Bedawi, Nahr El-Bared) through knowledge transfer, training, and implementation of low-cost water filtration technologies and the construction of the units using locally available materials. The project was begun in the spring of 2008 with the training of board member Nathan Deisman in the construction of filter units at the Centre for Affordable Water and Sanitation Technologies (CAWST) facility in Calgary. In the summer of 2008, Nathan Deisman and Nizar Ali travelled to Lebanon and trained the beneficiaries in the construction of 2 filter units. The project is continued into 2008-09 with the proposed construction of 100 additional filter units that will be distributed to community centres, etc. However, field tests of the filtered water never came up to WHO standards and the project had to be abandoned as the source of contamination could never be identified, even after several repeated and refined testing periods.

The total budget for the project is \$18,083.16 of HumanServe casino funds and a matching Wild Rose Foundation matching grant of \$8,888.00. \$8,351.00 of HumanServe funds were remitted in 2008 and the project continued into the 2008-09 fiscal year. In the spring of 2009, Wild Rose was informed of the failure of the test filters and they agreed to allow the remaining unspent Wild Rose funds totaling \$2078.49 to be transferred to the *Solid Waste Disposal Project*.

Solid Waste Disposal Project – The target population of this project is comprised primarily of economically and politically disadvantaged people who live on the fringes of Lebanese society in and around unregistered coastal refugee gatherings in south Lebanon. They do not have the means to deploy modern, expensive, high-tech sanitation systems and nothing is provided by the local, regional or national governments to rid these unregistered communities for the removal of solid waste.

The main objective of this project is to purchase a larger garbage truck that is properly outfitted to handle refuse bins and to pay for registration, insurance, fuel and rental of a dumping ground in Sour for one year.

The total budget for the project is \$48,602.00 of HumanServe casino funds, a matching Wild Rose Foundation matching grant of \$2078.49 (carried over from the *BioSand Water Filtration Project*) and \$3,440.00 of donations raised at the *H₂O Luncheon*. \$42,340.00 direct project funds and \$5,000.00 monitoring funds have been remitted in 2009, and the project will continue into the 2009-10 fiscal year.

Fundraising

1. **Just Christmas Sale** – November 21 & 22, 2008. We sold product from Palestine and Lebanon and met with the usual success in terms of enthusiasm for our products and public engagement. Product was purchased in Palestine and shipped by Mahmuda Ali and purchased in Lebanon by Nizar Ali & Nathan Deisman. \$3,069.00 was raised at this event, which is \$544.95 more than the previous fiscal year
2. **Zakat** – \$750.00 was donated in this fiscal year.
3. **Gaza Relief** - \$4,325.00 in emergency funds were raised to assist the victims of Israel's bombing and occupation of Gaza in January 2009. We partnered with the Canadian Red Cross for this campaign.
4. **H₂O Luncheon** – U of A business students Majeda Fyith and Farah Akhtar featured HumanServe in their project to raise money for a not-for-profit society. They came up with the idea of luncheon fundraiser to raise money for a water project in Lebanon. In total, \$3,440.00 was raised and ultimately directed towards the new *Solid Waste Disposal Project*.
5. **Helen Khan Birthday Fund** – Ms. Khan, living in Rome, Italy, collected donations for her 80th birthday in lieu of gifts. She donated \$5,574.19 to HumanServe with the request that the monies be directed towards the on-going *Dyslexia Project* in the Wets Bank.
6. **General Donations** - \$555.00 in unsolicited general donations was made this year. This is down \$290.00 from the previous year.

Field Visits

A field visit to Lebanon was made by Nizar Ali and Vanessa Ali in July 2009.

HumanServe volunteers Mahmuda Ali and Rita Hamdan have been visiting and monitoring and overseeing our projects in the field in Palestine and Lebanon respectively.

Public Engagement

Web Site (www.HumanServe.org) - Our site continues to be an efficient form of public engagement as well as a time and money-saving administrative tool. 2009-10 has been targeted as the year to re-vitalize and upgrade the web site's content in order to make it more relevant and current.

Generally, some public engagement was during all of HumanServe's activities, such as *Just Christmas* and the *H₂O Luncheon*. At these events, HumanServe's brochures and business cards were handed out and a photographic display board was on view.

In the coming year, HumanServe will continue to support our partners overseas, raise monies for new projects and keep our funders and the Canadian public informed of our activities and about the humanitarian aspects of life for disadvantaged populations in the Middle East. We remain committed to exploring new direction for HumanServe in our effort to grow and sustain this society's vitality and we are ready to forge relationships with deserving new partners as the opportunities arise.

ANNUAL FINANCIAL REPORT 2008-2009

**Presented at the HumanServe Annual General Meeting
November 1, 2009**

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 at September 30, 2009 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, 2009 and the results in operations for the year then ended in accordance with generally accepted accounting principles.

Vanessa Ali, President
HumanServe International

Tracy Shaben, Treasurer
HumanServe International

Edmonton, Alberta
November 1, 2009

BALANCE SHEET

For the Year Ended September 30, 2009
 (Unaudited)

ASSETS

CURRENT

Bank General - unrestricted	\$11,590.71
Bank General - restricted ("Designated")	\$6,626.59
Bank Casino - restricted	\$4,818.97
Short-Term Deposits (GICs) - restricted	\$34,491.14

TOTAL **\$57,527.41**

LIABILITIES

CURRENT

Accounts payable and accrued liabilities - General	\$8,888.00
Accounts payable and accrued liabilities - Designated	\$4,657.00
Accounts payable and accrued liabilities - Casino	\$0.00

TOTAL **\$13,545.00**

FUND BALANCES

UNRESTRICTED FUND	\$2,702.71
RESTRICTED FUND	\$1,969.59
RESTRICTED CASINO FUND	\$39,310.07
TOTAL	<u>\$43,982.37</u>

APPROVED ON BEHALF OF THE BOARD:

_____ Director

_____ Director

STATEMENT OF UNRESTRICTED GENERAL REVENUE & EXPENSES

For the Year Ended September 30, 2009

(Unaudited)

UNRESTRICTED FUNDS, beginning of year	\$5,055.18
UNRESTRICTED GENERAL REVENUE	
General non-tax receipted donations	\$1,630.00
Fundraiser - <i>Just Christmas</i>	\$3,219.00
T-shirt sales	\$20.00
Casino - tips	\$55.00
Airfare for field visit	\$4,420.00
Wild Rose Foundation - <i>BioSand Water Filter Project</i>	\$8,888.00
TOTAL	<u>\$18,232.00</u>
UNRESTRICTED GENERAL EXPENSES	
Fundraising costs (<i>Just Xmas</i>)	\$2,010.18
Fundraising costs (<i>H2O Luncheon</i>)	\$106.29
Casino - gifts for volunteers	\$80.00
Field visit '09 expenses	\$4,500.00
Canadian Red Cross - donations for <i>Gaza Relief</i> campaign	\$5,000.00
TOTAL	<u>\$11,696.47</u>
SURPLUS (DEFICIT) OF RECEIPTS OVER DISBURSEMENTS	\$6,535.53
UNRESTRICTED FUNDS, end of year	<u>\$11,590.71</u>

STATEMENT OF RESTRICTED DESIGNATED REVENUE & EXPENSES

For the Year Ended September 30, 2009

(Unaudited)

RESTRICTED DESIGNATED FUNDS, beginning of year **\$10,980.03**

RESTRICTED DESIGNATED REVENUE

Funds from Wild Rose	\$0.00
Interfund transfers for approved projects	\$48,602.00
Fundraising administration revenues (ticket sales)	\$580.00
Designated non-tax receipted donations (<i>zakaat</i>)	\$350.00
Designated non-tax receipted donations (<i>H₂O Luncheon</i>)	\$6,176.84
Designated tax receipted donations (<i>Gaza Emergency Relief</i>)	\$3,975.00
Designated non-tax receipted donations (<i>Palestine - H. Khan Fund</i>)	\$5,574.19

TOTAL **\$65,258.03**

RESTRICTED DESIGNATED EXPENSES

Project Remittances

<i>Dyslexia Project</i>	\$8,773.34
<i>Solid Waste Disposal</i>	\$42,385.00

Project Administration

Project Monitoring	\$5,078.59
Canadian Admin (Bank fees)	\$51.90
Room rental & buffet (<i>H2O Luncheon</i>)	\$3,316.95

Designated Donations

Canadian Red Cross - <i>Gaza Emergency Relief</i>	\$4,431.50
<i>Helen Khan Birthday Fund</i>	\$5,218.78

NSF Cheque for <i>Helen Khan Birthday Fund</i>	\$355.41
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TOTAL **\$69,611.47**

SURPLUS (DEFICIT) OF RECEIPTS OVER DISBURSEMENTS **(\$4,353.44)**

RESTRICTED DESIGNATED FUNDS, end of year **\$6,626.59**

STATEMENT OF RESTRICTED CASINO REVENUE & EXPENSES

October 1, 2008 to August 31, 2009

(Unaudited)

RESTRICTED CASINO FUNDS October 1, 2008	\$4,597.63
RESTRICTED SHORT-TERM DEPOSITS (GICs) October 1, 2008	\$5,142.95
TOTAL	\$9,740.58
RESTRICTED CASINO REVENUE	
Interest income	\$10.70
Transfer from Gateway Casino	\$2,782.03
Deposit from AGLC for casino pool	\$80,239.64
GIC redemptions	\$34,491.14
TOTAL	\$117,523.51
RESTRICTED CASINO EXPENSES	
Administration	\$16.05
Bank charges	\$15.00
Telephone	\$887.28
P.O. Box	\$131.25
Public Engagement (Printing)	\$153.00
AGM Brunch	\$172.73
Website hosting & management	\$703.50
Café Paradice - volunteer concession fee	\$697.79
Kayro Inc. - count room advisor fee	\$567.00
Karen Dahlman - cash cage advisor fee	\$758.62
Linda Denduyf - cash cage advisor fee	\$758.62
GIC purchases	\$34,491.14
TOTAL	\$39,351.98
SURPLUS (DEFICIT) OF RECEIPTS OVER DISBURSEMENTS	\$78,171.53
Interfund transfers for approved projects	(\$48,602.00)
RESTRICTED CASINO FUNDS & GICs, August 31, 2009	\$39,310.11

Summary

HumanServe's balance sheets for the 2008-2009 fiscal year were maintained by Vanessa Ali, reviewed by Tracy Shaben and Nizar Ali and Financial Statements were prepared by Vanessa Ali and reviewed by Tracy Shaben and Nizar Ali.

General Fund

Fundraising activities and non-tax receipted donations amounted to \$4,924.00 this year.

The net result for the year is a surplus of \$6,535.53 which when added to the brought forward balance of \$5,055.18 results in a **total surplus of \$11,590.71. \$8,888.00 of this are Wild Rose Funds that are earmarked for BioSand Water Filtration and Solid Waste Disposal, which leaves \$2,702.71 that 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

An inter-fund transfer of \$4,500 was made to the General Account for field visit expenses after the *Solid Waste Disposal Project* was approved by AGLC.

Fundraising activities and non-tax receipted donations amounted to \$16,656.03 this year.

There was a total deficit of receipts over disbursements of \$4,353.44 that when added to the brought forward balance of \$10,980.03 results in a **total surplus of \$6,626.59. \$4,657.00 is earmarked for the Solid Waste Disposal Project which leaves \$1,969.59.**

Restricted Casino Activities

There was a casino held on February 5 & 6, 2009 and the proceeds were \$80,239.64. During the year, there was a total of \$4,860.88 in expenses and interest income of \$10.70.

There was an inter-fund transfer of \$48,602.00 to the Designated Account for approved use of casino funds for overseas projects.

The net result for the year is a surplus of receipts over disbursements of \$78,171.49 that means that **there is a total surplus of \$39,310.11 available for future administration, office expenses, public engagement costs and approved project funds.**

Funds Available

The funds available for future activities are as follows:

General Fund	\$ 2,702.71
Designated Fund	\$ 1,969.59
Casino Fund	<u>\$ 39,310.11</u>
TOTAL	\$ 43,982.41

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 serve delivery 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 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 received from Wild Rose Foundation and 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.

Related Party Transactions

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

Interfund Transfers

During the year, \$48,602.00 was transferred from the casino fund to support approved projects undertaken through the restricted designated fund.

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.