



ANNUAL
REPORT 2013



A Word from the President



Last year was full of accomplishments and action. Not only did KANPE's first village enter the last phase of the program, but plans have begun for KANPE 2.0's launch.

The 2013 annual report serves as an account of the health and finances of Baille Tourible and its surrounding community. This account of our concrete results allows us not only to highlight internal and external evaluations of our programs, but most importantly to take a step back and evaluate ourselves as an organization in order to prepare, as best as possible, for the launch of our next village in 2015.

Our analyses clearly demonstrate the lasting positive effects of KANPE's work on the ground. Since its arrival in Baille Tourible, KANPE has played a catalytic role in all aspects of the community's revival: health, nutrition, and the fight against cholera; education and popular engagement; family support, housing, and capacity-building; agriculture and animal husbandry.

As such, KANPE acted as both advisor and partner to Baille Tourible's residents. KANPE provided the program's 331 families, and 6,000 inhabitants, with the necessary means and resources to provide for their futures and the futures of their children. In doing so, KANPE helps to fight socioeconomic inequalities by improving the quality of life of these 331 families (and their 1,000 children):

- By supporting the building of 331 safe, sanitary homes (331 residences)

- By providing financial support to Baille Tourible's clinic (6,327 visits and 6,841 lab tests performed in 2013)

- By contributing to the expansion and levelling of the 22 km of roads that link Thomonde to Baille Tourible

- By contributing to the creation of micro-businesses (small merchants, farmers, ranchers, small livestock etc.)

- By breaking the isolation of Baille Tourible's residents by giving them a bigger window onto Thomonde, their immediate surroundings, and the larger Plateau Central.

Throughout its 18-month program of accompaniment, KANPE honoured the 331 families who took their destiny into their own hands. In a very moving ceremony, members of KANPE's board shared their joy, their success, and their pride with the community of Baille Tourible, attending dignitaries, and our partners PIH and Fonkonze.

On the eve of launching KANPE 2.0, we are very proud of the journey the population of Baille Tourible has made – particularly of the 331 families who amazed us with their determination to succeed.

KANPE's accomplishments in 2013 would not have been possible without the contributions of Fritz Louis, our coordinator and liaison officer on the ground in Haiti, and Juli Pisano, our coordinator and public relations specialist in Montreal.

Madeleine Féquière



Standing with Confidence



KANPE has been standing with Haiti for 4 years now, working toward the development of the Baille Tourible community by nurturing the autonomy of its inhabitants.

Having demonstrated tangible and lasting results, the Foundation is proud to have reached a new stage in its short history: KANPE is consolidating its efforts in Baille Tourible while simultaneously expanding its reach to a nearby village.

KANPE is preparing to accompany new Haitian families toward self-sufficiency in a second cohort: KANPE 2.0.

The foundation will maintain its close collaboration with its partners in the field, and will continue to play a catalytic role in education, health, and leadership — a role that has proven crucial to its success.

Our heartfelt thanks to all those who dedicate their time, resources and services to KANPE. It's really thanks to you that these families are able to achieve independence and build a better future. It is your support that allows KANPE to advance its vision of a proud, autonomous Haiti, standing up on its own!

A handwritten signature in black ink, appearing to be 'Régine'.

Régine Chassagne

A handwritten signature in black ink, appearing to be 'D. Anglade'.

Dominique Anglade
Cofounders

Fritz Louis
Field Coordinator

" In 2013, the Air Canada Foundation continued to support KANPE by offering flight vouchers to help the agency representatives travel to Port-au-Prince, raising money through fundraising events and also by offering cargo space. "

**Priscille Leblanc,
Vice President,
Corporate Communications**



Graduating with Pride

In August 2011, the KANPE Foundation and their partners, Fonkoze and Zanmi Lasante, launched their Family Support Program in the village of Baille Tourible. Over the course of 18 months, the program offered the training, coaching, and resources necessary to help the most vulnerable families overcome extreme poverty. During the first trimester of 2013, the program entered its final phase. This final phase was marked primarily by two main activities:

The first was the final evaluation of the 350 families who began the program in August of 2011. The goal of this final evaluation was to verify that each woman, head of the family, and member of the program successfully met the criteria established by the program. The following is a selection from the main success criteria. In essence, towards the end of the program, each member must:

- Be able to provide two warm meals to their children per day
- Conduct at least two income-generating activities
- Have established a plan which permits them to progressively improve their living conditions
- Maintain their savings account that was opened at the beginning of the program and continue to make contributions

- Be able to keep their children in school
- Have a clean and secure home environment
- Be able to correctly write their own name

The final evaluation revealed that 331 out of the 350 women met the main success criteria mentioned above. Amongst those who were not able to complete the Program, three unfortunately died, and the rest chose to leave Baille Tourible for various reasons.

The second activity of the first trimester of 2013 was the graduation ceremony of the 331 women who successfully met the program criteria. The ceremony was held on March 8, 2013 to coincide with International Women's Day. Nearly 1,000 people witnessed the event. Among those in attendance were family members of the graduates, local authorities and community leaders, representatives of Zanmi Lasante, senior executives from Fonkoze, and several members from the Board of Directors of the KANPE Foundation. Most memorable from this moving ceremony were the numerous accounts from the women who were graduating, highlighting the fact that this program has allowed them to live their lives with dignity.

Baille Tourible Clinic

Nutrition Service

The nutrition service became fully operational as of May 2013. This service, equipped with its own staff, treated more than 120 children suffering from moderate-to-severe malnutrition since its creation. With about 30 children joining the program at the start of each month, nearly just as many finish the program at the month's end, having been treated successfully.

The Cholera Treatment Unit

Though cholera took no victims in Baille Tourible in 2012, a new outbreak was experienced during the summer of 2013, particularly between July and September. While nine of the 298 patients admitted to the Baille Tourible Cholera Treatment Unit died, 289 lives were saved.

Outpatient Clinic Statistics

| Month | Number of Visits | Number of Lab Tests |
|----------------------------|------------------|---------------------|
| January 2013 | 456 | 383 |
| February 2013 | 460 | 636 |
| March 2013 | 570 | 890 |
| April 2013 | 385 | 579 |
| May 2013 | 474 | 699 |
| June 2013 | 307 | 433 |
| July 2013 | 828 | 935 |
| August 2013 | 573 | 521 |
| September 2013 | 563 | 587 |
| October 2013 | 631 | 515 |
| November 2013 | 665 | 437 |
| December 2013 | 415 | 226 |
| Total visits and lab tests | 6327 | 6841 |



" DAVIDsTEA is very pleased to have contributed to the efforts of the KANPE Foundation by creating a unique tea, rich like the Haitian culture: KANPE tea. In addition to donating all profits from sales of KANPE tea to the Foundation, DAVIDsTEA has helped raise awareness around the situation in Haiti in a positive and tasteful way. "

**Melanie Barbusci,
Field Marketing & PR**

Tentative Partnerships with New Institutions

2013 was marked by the research to partner with new institutions in the following domains: agriculture, livestock farming, soil conservation, reforestation, education, socio-economic development, and social entrepreneurship. Among these institutions are: *Les Petits Frères de l'Incarnation*, Haiti Partners, Zafen.org, and the ETRE Ayisyen Foundation.

Of all the projects discussed, one is presently in the advanced phases. The installation of a corn and grain mill was co-financed by the KANPE Foundation and Zafen.org. It will be ministered by ODB (The Organization for the Development of Baille Tourible).

| Institutions | Field of Partnership |
|-------------------------|--|
| PFI | Agriculture, livestock farming, soil conservation, reforestation |
| Haiti Partners | Education (sustainable schooling) |
| Zafen.org | Socio-economic development |
| ETRE Ayisyen Foundation | Entrepreneurial training |



Form Engaged Citizens

At the beginning of May 2013, the program coordinator and Mr. Paulnet Paul, a teacher at the National School of Baille Tourible, participated in one week of training provided by Equitas on how to be an engaged citizen. This training touched not only on the human rights issues of Haiti, but also proposed teaching methods and techniques to help grassroots organizations involved in community development. The KANPE Foundation intends to teach these skills to the more advanced students in Baille Tourible and to members of the local development organizations.



The Road to Baille Tourible

At the beginning of November 2013, the National Equipment Company (*La Compagnie nationale des équipements* [CNE]) provided access to some heavy machinery to the Mayor of Thomonde, enabling the undertaking of work on the roadway to Baille Tourible. The mayor had no resources to supply fuel for the equipment and requested assistance from the KANPE Foundation and other organizations. Of all the organizations, KANPE was the only one to respond positively to the request of the mayor, enabling improvement to the 22 km of roadway connecting Thomonde to Baille Tourible. What once took two and a half hours of travel now takes just one hour. Additional gravel paving should be considered to maintain the road during rainy seasons. However, the initial expansion and levelling work are a good start for the region, allowing better access to other communities.



A Word from the Treasurer



2013 was marked by an important achievement for a foundation as young as ours; the graduation ceremony of the first cohort of the Family Support Program (FSP). This accomplishment was made possible thanks to you, our cherished donors, partners, and supporters of KANPE. As you know, without your donations, change would not be possible. And without any change, no concrete advances can be made at the ground level.

Without donations, there can be no actions or solicitation; without actions and solicitation, there are no donations. Thus, the year 2013 ushered in our first public fundraising event, the KANPE Kanaval. On top of the financial aspect, this unique event also provides the occasion to showcase the cultural bounty of Haiti. The KANPE Kanaval demonstrates that the vision and action of our foundation applies not only in the context of a charity for the most deprived, but also in the desire to share in a positive light the different facets of Haitian culture. The KANPE Foundation depends greatly on the generosity of the public to realize its mission of breaking down, little by little, the cycle of poverty in Haitian communities. In addition to donations, the invaluable contribution from our volunteers, whom we thank, attests to the great solidarity that allows us to grow as an organization.

Our financing

We would like to extend a big thank you to all our donors and partners who enabled us to earn \$357,440 in revenue for 2013. That revenue was generated, in a large part thanks to our principal donor, Arcade Fire. The donations break down as follows:

| | |
|---------------------------|------------|
| Arcade Fire | \$ 150,000 |
| BMO | \$ 50,000 |
| DAVIDsTEA | \$ 60,450 |
| Power Corporation | \$ 25,000 |
| Air Canada | \$ 10,000 |
| Donations from the public | \$ 61,990 |

The first edition of our fundraising activity, the KANPE Kanaval, raised a net amount of \$15,400.

Financing activities on the ground

Donations made our actions on the ground possible. We have always financed our programs in the field with the goal of attaining financial autonomy for the families in Baille Tourible.

Some of our actions on the ground are of great importance strategically to the implementation of our programs. In 2013 we took on the renovation of the road that leads to Baille Tourible with the goal of creating easy access for our services. The improvement to the roadway was essential to our plan to break the cycle of poverty. A usable roadway facilitates communication and increases the possibility of trade between communities. Health continues to remain an important focus of our mission; a healthy community is a productive community.

Here is the distribution of funds for the programs:

| | |
|----------------------------------|------------|
| Health | \$ 143,850 |
| Financial Autonomy | \$ 3,541 |
| Improvement of the roadway | \$ 14,697 |
| School construction and training | \$ 27,333 |
| Agricultural equipment | \$ 2,007 |
| Other | \$ 3,963 |

I will finish by thanking, on behalf of the community of Baille Tourible, all our donors for their confidence and generosity. The residents of Baille Tourible are very appreciative.

Riccardo Alexandre, CPA, CMA

Annual Report — Financial Statements

The Kanpe Foundation

Financial statements

For the year ended December 31, 2012

The Kanpe Foundation

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INDEPENDENT AUDITOR'S REPORT

To the Directors of
The Kanpe Foundation

We have audited the accompanying financial statements of **The Kanpe Foundation**, which comprise the balance sheet as at December 31, 2012, and the statements of earnings, changes in unrestricted 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.

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 audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of **The Kanpe Foundation** as at December 31, 2012, 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.

Demers Beaulne, LLP⁽¹⁾

Partnership of Chartered Professional Accountants

Montreal, May 23, 2013

⁽¹⁾ CPA auditor, CA, public accountancy permit N° A121525

The Kanpe Foundation

Statement of earnings

For the year ended December 31, 2012

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| | 2012 | 2011 |
|--|------------------|----------------|
| | \$ | \$ |
| Revenues | | |
| Donations | 304,354 | 910,779 |
| Other revenues | 1,578 | 2,720 |
| | 305,932 | 913,499 |
| Expenses | | |
| Operating expenses (Exhibit A) | 517,484 | 378,093 |
| Administrative expenses (Exhibit B) | 53,896 | 27,094 |
| Depreciation of fixed assets | 11,848 | 3,312 |
| Amortization of intangible asset | 1,644 | 1,644 |
| Bank charges | 717 | 2,772 |
| Foreign currency loss (gain) | 9,097 | (5,460) |
| | 594,686 | 407,455 |
| Excess (deficiency) of revenues over expenses | (288,754) | 506,044 |

The accompanying notes are an integral part of these financial statements.

The Kanpe Foundation

**Statement of changes in unrestricted net assets
For the year ended December 31, 2012**

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| | 2012 | 2011 |
|---|------------------|----------------|
| | \$ | \$ |
| Balance at the beginning | 846,660 | 340,616 |
| Excess (deficiency) of revenues over expenses | (288,754) | 506,044 |
| Balance at the end | 557,906 | 846,660 |

The accompanying notes are an integral part of these financial statements.

The Kanpe Foundation

Balance sheet

As at December 31, 2012

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| | 2012 | 2011 |
|---|----------------|----------------|
| | \$ | \$ |
| Current assets | | |
| Cash | 322,813 | 326,691 |
| Short-term investments (note 3) | 115,000 | 465,225 |
| Accounts receivable (note 4) | 9,626 | 32,417 |
| Advances to partners, non-interest-bearing | 90,565 | 55,737 |
| Prepaid expenses | 1,968 | 3,114 |
| | 539,972 | 883,184 |
| Fixed assets (note 5) | 25,339 | 35,733 |
| Intangible asset (note 6) | 3,836 | 5,480 |
| | 569,147 | 924,397 |
| Current liabilities | | |
| Accounts payable (note 7) | 11,241 | 14,934 |
| Advances from a partner, non-interest-bearing | - | 62,803 |
| | 11,241 | 77,737 |
| Unrestricted net assets | 557,906 | 846,660 |
| | 569,147 | 924,397 |

The accompanying notes are an integral part of these financial statements.

On behalf of the board

_____, President

_____, Treasurer

The Kanpe Foundation

Statement of cash flows

For the year ended December 31, 2012

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| | 2012 | 2011 |
|---|-----------|-----------|
| | \$ | \$ |
| Operating activities | | |
| Excess (deficiency) of revenues over expenses | (288,754) | 506,044 |
| Items not affecting cash: | | |
| Depreciation of fixed assets | 11,848 | 3,312 |
| Amortization of intangible asset | 1,644 | 1,644 |
| | (275,262) | 511,000 |
| Net change in non-cash working capital items | (77,387) | (18,534) |
| | (352,649) | 492,466 |
| Investing activities | | |
| Acquisition of short-term investment | - | (465,225) |
| Disposal of short-term investments | 350,225 | - |
| Acquisition of fixed assets | (1,454) | (33,141) |
| | 348,771 | (498,366) |
| Decrease in cash and cash equivalents | (3,878) | (5,900) |
| Cash and cash equivalents, beginning of year | 326,691 | 332,591 |
| Cash and cash equivalents, end of year | 322,813 | 326,691 |

Cash and cash equivalents consist of cash.

The accompanying notes are an integral part of these financial statements.

1. Incorporation and nature of business activities

The Foundation is a not-for-profit organization incorporated under the Canada Corporations Acts on November 9, 2009. The Foundation began its operations in April 2010 and its mission is to put an end to the cycle of poverty by encouraging financial independence. The Foundation pools its efforts with its partners to create a comprehensive program to assist and support the Haitians. The Foundation is exempt from income taxes.

2. Significant accounting policies

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

Revenue recognition

The Foundation follows the deferral method of accounting for contributions. Under this method, 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 can be reasonably estimated and collection is reasonably assured.

Fixed assets

Fixed assets are depreciated using the declining balance method at a rate of 30%.

Intangible asset

The Website is amortized using the declining balance method at a rate of 20%.

Financial instruments

Financial assets and financial liabilities are initially measured at fair value. Subsequently, assets and liabilities are measured at amortized cost, except for investments in equity instruments quoted in an active market and derivatives that are measured at fair value.

Allocation of expenses

The Foundation allocates the salaries and fringes benefits of general administration to salaries and fringes benefits included in operating expenses in proportion to the number of hours related directly to the programs of the Foundation. For the year ended December 31, 2012, an amount of \$27,109 was allocated to the operating expenses.

2. Significant accounting policies (continued)*Use of estimates*

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and revenue and expenses for the period. Actual results could differ from those estimates.

3. Short-term investments

| | 2012 | 2011 |
|---|----------------|----------------|
| | \$ | \$ |
| Term deposits, bearing interest at prime rate less 2.05% and maturing in October 2013 | 115,000 | - |
| Investments cashed in during the year | - | 465,225 |
| | 115,000 | 465,225 |

4. Accounts receivable

| | 2012 | 2011 |
|----------------------|--------------|---------------|
| | \$ | \$ |
| Donations receivable | 2,150 | 29,829 |
| Other | 7,476 | 2,588 |
| | 9,626 | 32,417 |

5. Fixed assets

| | 2012 | | 2011 | |
|------------------------------------|---------------|--------------------------|---------------|---------------|
| | Cost | Accumulated depreciation | Net value | Net value |
| | \$ | \$ | \$ | \$ |
| Computer and audiovisual equipment | 3,646 | 1,461 | 2,185 | 1,465 |
| Automotive equipment | 37,046 | 13,892 | 23,154 | 34,268 |
| | 40,692 | 15,353 | 25,339 | 35,733 |

The Kanpe Foundation

Notes to financial statements
For the year ended December 31, 2012

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6. Intangible asset

| | 2012 | | 2011 | |
|---------|-------|--------------------------|-----------|-----------|
| | Cost | Accumulated amortization | Net value | Net value |
| | \$ | \$ | \$ | \$ |
| Website | 8,220 | 4,384 | 3,836 | 5,480 |

7. Accounts payable

| | 2012 | 2011 |
|---|--------|--------|
| | \$ | \$ |
| Accounts payable and accrued liabilities | 7,908 | 14,934 |
| Advances from directors, non-interest-bearing | 3,333 | - |
| | 11,241 | 14,934 |

8. Economic dependence

During the year, 49% of the Foundation's donations came from one donor (55% in 2011).

9. Financial instruments

Financial instruments expose the Company to various financial risks. The significant financial risks arising from financial instruments are summarized below:

Foreign currency risk

Foreign exchange risk is the risk that the fair value or the future cash flows of a financial instrument fluctuate because of its exposure to different foreign exchange rates.

As at December 31, 2012, assets and liabilities included foreign currency amounts as follow:

| | 2012 | | 2011 | |
|-------------------------|------------------|------------------|------------------|------------------|
| | Canadian dollars | American dollars | Canadian dollars | American dollars |
| | \$ | \$ | \$ | \$ |
| Cash | 128,522 | 129,181 | 81,418 | 80,057 |
| Short-term investments | - | - | 50,225 | 50,000 |
| Advances to partners | 90,565 | 91,029 | - | - |
| Advances from a partner | - | - | 62,803 | 61,752 |

9. Financial instruments (continued)

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Foundation is exposed to credit risk mainly to its financial assets. As at December 31, 2012, the Foundation does not have a significant exposure to any individual donor. As at December 31, 2011, 75% of the accounts receivable were due by one donor in particular.

Liquidity risk

Liquidity risk is the risk that the Foundation will encounter difficulty in meeting obligations associated with financial liabilities. The Foundation is exposed to this risk mainly to its financial liabilities.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial instruments with fixed rates expose the Foundation to fair value risk, while those at variable rates expose the Foundation to cash flows risk.

The Kanpe Foundation

Additional information to financial statements
For the year ended December 31, 2012

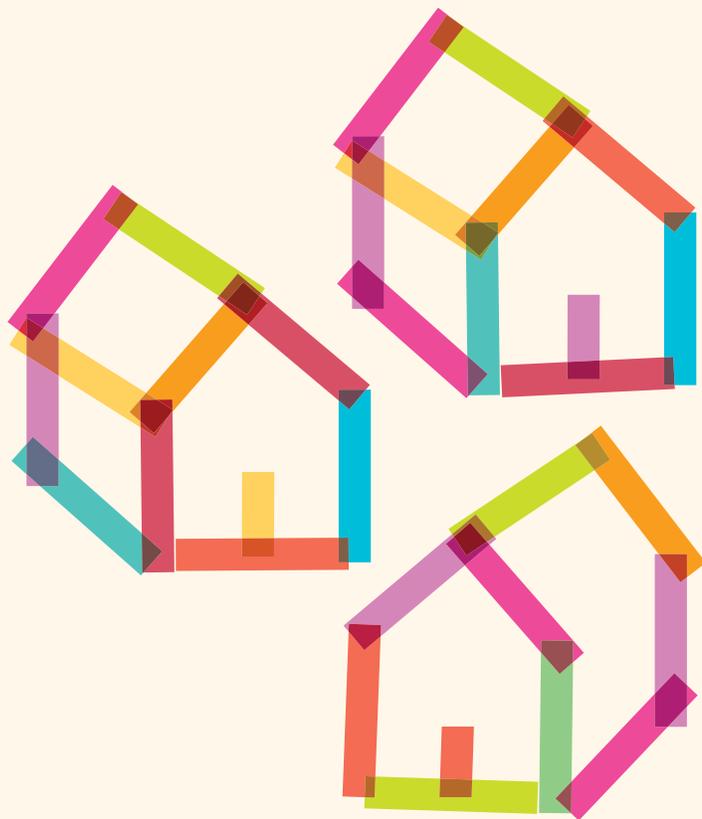
10

| | 2012 | 2011 |
|---------------------------------------|----------------|----------------|
| | \$ | \$ |
| Exhibit A - Operating expenses | | |
| Program expenses | 427,898 | 323,381 |
| Salaries and fringe benefits | 69,195 | 48,403 |
| Transportation costs | 16,819 | 1,427 |
| Service charges | 3,572 | 4,781 |
| Office expenses | - | 101 |
| | 517,484 | 378,093 |

Exhibit B - Administrative expenses

| | | |
|------------------------------|---------------|---------------|
| Salaries and fringe benefits | 16,685 | 7,698 |
| Office | 18,375 | 4,591 |
| Professional fees | 10,782 | 6,957 |
| Travelling | 5,669 | 5,780 |
| Website maintenance | 2,385 | 2,068 |
| | 53,896 | 27,094 |

Mesi anpil



KANPE wishes to sincerely thank the following people and organizations that, through their work and generosity, contributed to achieving our mission:

All the members of Arcade Fire

Our individual donors

Our corporate partners:

Air Canada employees and
the Air Canada Foundation

BMO Financial Group

David'sTea

Power Corporation

Our volunteers and ambassadors,
particularly the 2013 KANPE Kanaval Committee

Our service providers

Ping Pong Ping (Simon et Catherine)

pingpongping.ca

Cohn & Wolfe cohnwolfe.ca

AFI afiexpertise.com

Gentialux gentialux.ca

Centre TYPO centretypo.com

Festival POP Montréal popmontreal.com

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Great efforts have been made to ensure the accuracy of this list. However, if your name or your business has been omitted or misspelled, please accept our apologies and let us know.



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