



2014 ANNUAL REPORT





## A word from the President

In 2014, KANPE has chosen to focus its efforts on solidifying its structures, both in Haiti and Montreal.

### Haiti

In Haiti, the Foundation was able to measure the scope and outcome of the KANPE Integrated Program, which was officially completed back in 2013. The achievements were significant and numerous: we built a medical clinic, still serving 7,000 local residents' diverse health needs; we set up music camps, leading to the formation of new bands of young musicians in the communal section; and finally, we also installed a corn and millet mill, making strides toward strengthening the local economy. We remain very present in Baille Tourible, supporting activities within these three areas.

This has kept us moving forward, as we have also worked in 2014 towards forming the next group of program participants in the neighbouring community of Savanette Cabral. In order to achieve this, we have discussed with our partners about refining our intervention and maximizing the KANPE model's benefits.

### Montreal

Our activities in Montreal have greatly evolved this year. Last fall, our Board of Directors initiated a strategic reflection concerning the future of KANPE. We made the decision to bring on a new team member to responsibly address communications, which is among our main priorities this coming year. Additionally, we have developed an ambitious and thorough funding strategy to implement within our donor base. Lastly, we cannot

ignore the bold successes of Kanaval KANPE's second edition and our many fundraising initiatives both in Montreal and across the country.

None of this would have been possible without the unfailing support of KANPE's core team, comprised of more than fifty volunteers, our Haiti-based Field Coordinator and liaison, Fritz Louis, and, in Montreal, our Events and Fundraising Coordinator, Juli Pisano, as well as our new Communications Coordinator, Isabelle Thibault.

My dear KANPE friends, we are driven by our mission to help the most vulnerable families of Haiti reach financial autonomy. And we carry this out by working with reliable, dedicated partners wherever we touch down. Our objective may seem ambitious, our cause is surely formidable, but we are confident that success awaits us, because we are all "KANPE" to reach it. Together, WE STAND FOR HAITI!

Our warmest thanks for your loyal and continued support.

A handwritten signature in black ink, appearing to read 'Stéphane Brutus'. The signature is fluid and cursive, with a long horizontal stroke at the end.

Stéphane Brutus, President



## A word from the Field Coordinator

### Review of the KANPE Integrated Program

Through its Program, the Foundation has worked ceaselessly since 2011 to improve the daily living conditions of Haitians and to promote their citizen rights, particularly those of women. Between 2011 and 2013, our commitment was primarily active in Baille Tourible, Thomonde's third communal section. The Foundation provided 331 women living in extreme poverty, who are also the heads of their families, with the necessary training, coaching and resources to create and manage small businesses.

During their experience within the Program, these women, who often believed their miserable conditions to be the result of a curse, have transformed and developed the knowledge, skills and discipline needed to kick-start their businesses. Today, they continue to make progress on a daily basis to ensure a better future for their families.

An analysis conducted in April 2014, a year after the Program's closure in Baille Tourible, revealed that within a sample of 200 families who were involved, more than 97% now practice at least two income-generating activities. Program alumni were, in most cases, able to provide their families with two warm meals per day, generate savings and keep their children in school.

### Training for civic engagement

In 2014, the KANPE Foundation implemented training activities for better civic engagement targeted toward the youth community in Baille Tourible. Our objective was to educate the members of this community about human rights through issues that directly affect them and across various fields such

as the environment, agriculture, health and education. Young people are encouraged to unite to carry out small projects that promote and cultivate civic engagement, making a difference in their community.

### The next village

At the end of 2014, KANPE conducted a survey in the communal section of Savanette Cabral (the largest in Thomonde) to prepare an upcoming implementation of the Integrated Program in this portion of the territory.



Fritz Louis, Field Coordinator





# Field results

## The KANPE Integrated Program's first group of families

**Our analyses demonstrate the positive and sustainable impacts of KANPE's field interventions.**

KANPE is dedicated to pursuing a systematic evaluation of its programs in Haiti. In 2012, an initial KANPE team was sent to Haiti to assess the progress of the Program. This past year, another evaluation was conducted with the support of Fonkoze. In both instances, we used a rigorous methodology allowing us to conclude that the families that participated in our program reached financial autonomy. Additionally, our support of the region has manifested itself along many other fronts: health, nutrition and the fight against cholera; education and civic engagement; family support, housing and capacity building; agriculture and livestock; as well as leadership development.

KANPE has allowed 331 heads of the family, mostly women, to stand up for themselves and regain confidence in and control of their future. Thanks to donations collected since 2010, KANPE and its collaborators, Partners in Health and Fonkoze, were able to fulfill the following operations:



- Establishment of a **medical clinic accessible to more than 7,000 inhabitants**

- **Purchase and installation of a mill** for corn and millet, intended for the communal section's population

- **Support to 13 schools** and the construction of **two new educational establishments**

- **Assistance in the construction and renovation of houses** for every family

- The distribution of nearly **1,500 livestock**: 716 goats, 480 chickens, 180 pigs and 96 turkeys

- **Training in livestock and subsistence agriculture**

- **Training in starting and managing a small business**

- The **repair of an essential road** linking Baille Tourible to Thomonde's downtown

## Promising results

- Enrolment in school rose up from 31% to 87%
- The proportion of people living in houses increased from 34% to 100%
- All families generating an average of more than \$500 in savings
- One year after the KANPE Program, more than 97% of the families maintained two sources of sustainable income, enough to sustain themselves and send their children to school.



# Baille Tourible's medical clinic

**The KANPE Foundation and its partners have constructed a medical clinic in Baille Tourible. It is the only facility in this secluded communal section to provide basic healthcare to the local population.**

Prior to the establishment of this clinic, Baille Tourible's inhabitants, especially the most vulnerable (children 0 to 5 years old, pregnant women and the elderly), were frequently dying of minor illnesses, which may have easily been treated with basic medical care on site. Local leaders recall recent days in Baille Tourible when taking seriously ill patients to a clinic in the urban center of Thomonde required the use of stretchers made of tree branches and six hours of walking.

With limited resources, the clinic now offers daily care across various services. In 2014, the external consultation recorded a total of 5,693 visits. The nutrition department took care of 125 children with severe or moderate malnutrition. A weekly visit to the clinic is provided for each malnourished child during the treatment, which can often last up to several months. As for the cholera treatment unit\*, it administered first aid to nearly 209 patients with acute diarrhea.

\* In this region, cholera returns every year during the rainy season, between May and October.



# Baille Tourible's marching band, a success story

**When the KANPE Integrated Program launched in 2011, Arcade Fire visited Baille Tourible and played a concert for the locals, accompanied by a marching band of young Haitians. Since then, the youth community in Baille Tourible has relentlessly been asking for musical instruments.**

Once the Program was completed, I set a personal goal to gift them with the necessary instruments to start their own fully equipped marching band. However, I was initially concerned that they did not seem to know how to make sounds! Consequentially, our Field Coordinator, Fritz Louis, looked for an instructor and found a young student from Thomonde's seminary who had studied music with the Fathers.





Eight months later, thanks to the teachings of maestro Jean-Germain Duvelsin, and his assistant Paul Paulnet, the village schoolmaster, Win\* and I have witnessed their rapid and passionate progress; their ensemble is now performing at the level of a US high school marching band.

Congratulations to these young teachers, whose leadership inspires the youth of Baille Tourible.

Régine Chassagne, Co-founder of KANPE

\* Win Butler is Régine Chassagne's husband. He is the lead singer and co-founder of the band Arcade Fire.



# Donation from Arcade Fire and the organization Plus One

On 30 August 2014, Arcade Fire gave a remarkable performance in Montreal for the very last concert of their Reflektor tour.

Like so many other Arcade Fire concerts in Canada, groups of volunteers were present to manage a KANPE kiosk, selling various merchandise in aid of the Foundation. The kiosk also served as an opportunity to discuss Haiti and all the progress made in the field since the creation of the Foundation, with fans of the band.

**As usual, Arcade Fire reiterated its commitment to stand alongside the people of Haiti. Through its partnership with the organization Plus One, the band donated \$1 to the KANPE Foundation for every ticket sold on Canadian soil. In 2014, a grand total of \$172,476 was given to the Foundation to pursue its mission in Haiti.**



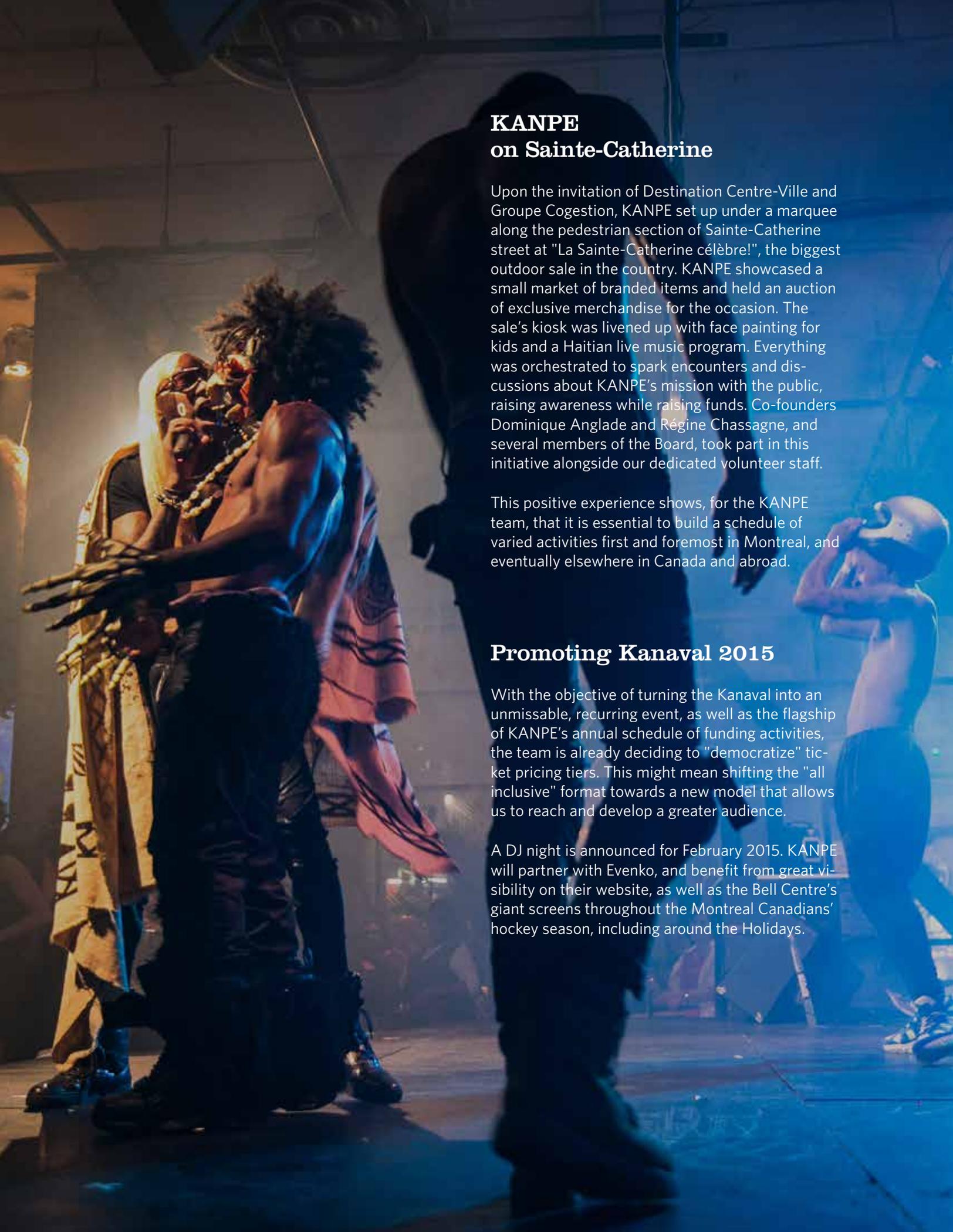
# Outreach and funding activities in Montreal

**In 2014, the Foundation focussed on expanding outreach and funding activities in Montreal throughout its annual calendar, in order to target various profiles of KANPE supporters.**

## **Kanaval 2014**

After the first Kanaval KANPE in 2013, the Foundation launched its second edition on 22 February 2014, as part of the Montréal En Lumière Festival. Over 300 guests attended, combining entertainment and charitable giving, showing support for KANPE's Integrated Program in Haiti. Crowds danced all night to the internationally celebrated beats of Boukman Esperyans.





## **KANPE on Sainte-Catherine**

Upon the invitation of Destination Centre-Ville and Groupe Cogestion, KANPE set up under a marquee along the pedestrian section of Sainte-Catherine street at "La Sainte-Catherine célèbre!", the biggest outdoor sale in the country. KANPE showcased a small market of branded items and held an auction of exclusive merchandise for the occasion. The sale's kiosk was livened up with face painting for kids and a Haitian live music program. Everything was orchestrated to spark encounters and discussions about KANPE's mission with the public, raising awareness while raising funds. Co-founders Dominique Anglade and Régine Chassagne, and several members of the Board, took part in this initiative alongside our dedicated volunteer staff.

This positive experience shows, for the KANPE team, that it is essential to build a schedule of varied activities first and foremost in Montreal, and eventually elsewhere in Canada and abroad.

## **Promoting Kanaval 2015**

With the objective of turning the Kanaval into an unmissable, recurring event, as well as the flagship of KANPE's annual schedule of funding activities, the team is already deciding to "democratize" ticket pricing tiers. This might mean shifting the "all inclusive" format towards a new model that allows us to reach and develop a greater audience.

A DJ night is announced for February 2015. KANPE will partner with Evenko, and benefit from great visibility on their website, as well as the Bell Centre's giant screens throughout the Montreal Canadiens' hockey season, including around the Holidays.



## A word from the Treasurer

The end of 2014 marks the end of our fifth year of activities in the field. It is therefore an opportunity to assess our achievements. As you know, KANPE's primary concern is to support the most vulnerable communities in reaching financial autonomy. Our actions in Baille Tourible can be summarized as follows:

- The provision of medical care to the population of Baille Tourible and its surroundings, through a partnership with Partners In Health;
- The implementation of the Integrated Program with Fonkoze, which enabled the rehabilitation of community schools, distribution of livestock, development of literacy programs, home renovation for the Program's participating families and entrepreneurial development through various trainings;
- Community development initiatives strictly related to KANPE, including:
  - The purchase and installation of a corn mill for the village population; a small revenue generating unit;
  - The construction of two new schools;
  - Repairs made to the main road, reducing the risk of accidents and promoting easier transport for people and goods;
  - The establishment of a marching band in Baille Tourible, which keeps young people away from idleness, develops their leadership skills and strengthens their sense of belonging in their community.

### Our funding in 2014

We deeply thank all of our donors and partners, who have helped us raise \$331,799 CAN in 2014, a sum which includes a major contribution from our biggest donor, Arcade Fire. The donations are divided as follows:

Arcade Fire	\$172,476
BMO	\$50,000
David's Tea	\$49,256
Power Corporation	\$25,000
Public donations	\$33,457
Autres	\$1,610

The second part of our annual fundraiser, the Kanaval KANPE, in addition to being a success on the cultural scene, has allowed us to raise a net amount of \$21,979.

**Detail of program costs**

The KANPE Integrated Program (our family support program), which ended in 2013 having served 331 local families, has reduced the program's annual spending. For 2014, these expenses totalled \$145,398, of which the largest part is attributable to the clinic, and, following this were the expenses related to the road repair and the youth music program. In 2015, the Board will analyze the knowledge gained during the Integrated Program's implementation, and work towards refining its structure and setting the parameters to welcome a new group of families.

We count on the generosity of our friends and supporters, who sustain KANPE in achieving its mission to help the most vulnerable families of Haiti to gain financial autonomy, so they can "stand up" for themselves.



Riccardo Alexandre  
CPA, CMA, Treasurer

**The Kanpe Foundation**

**Financial statements**

**For the year ended December 31, 2014**

## **The Kanpe Foundation**

### **Table of contents**

<b>Independent auditor's report</b>	1
<b>Financial statements</b>	
Statement of earnings	2
Statement of changes in net assets	3
Balance sheet	4
Statement of cash flows	5
Notes to financial statements	6 - 8
<b>Additional information</b>	9

## 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, 2014, and the statements of earnings, 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 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, 2014, 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*<sup>(1)</sup>

Partnership of Chartered Professional Accountants

Montreal, June 10, 2015

---

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

**The Kanpe Foundation**

**Statement of earnings**

**For the year ended December 31, 2014**

2

	<b>2014</b>	<b>2013</b>
	\$	\$
<b>Revenues</b>		
Donations	<b>331,799</b>	357,439
Fundraising	<b>54,376</b>	97,803
Other revenues	<b>78</b>	4,225
	<b>386,253</b>	459,467
<b>Expenses</b>		
Operating expenses (Exhibit A)	<b>226,494</b>	287,431
Administrative expenses (Exhibit B)	<b>118,900</b>	115,373
Fundraising expenses	<b>32,397</b>	82,403
Depreciation of fixed assets	<b>14,167</b>	16,149
Bank charges	<b>1,018</b>	1,546
Amortization of intangible asset	<b>613</b>	767
Foreign currency gain	<b>(17,236)</b>	(13,420)
	<b>376,353</b>	490,249
<b>Excess (deficiency) of revenues over expenses</b>	<b>9,900</b>	(30,782)

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

**The Kanpe Foundation**

**Statement of changes in net assets  
For the year ended December 31, 2014**

3

	<b>2014</b>	<b>2013</b>
	\$	\$
<b>Balance, beginning of year</b>	<b>527,124</b>	557,906
Excess (deficiency) of revenues over expenses	<b>9,900</b>	(30,782)
<b>Balance, end of year</b>	<b>537,024</b>	527,124

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

## The Kanpe Foundation

### Balance sheet

As at December 31, 2014

4

	2014	2013
	\$	\$
<b>Current assets</b>		
Cash	314,192	130,847
Short-term investments (Note 3)	233,430	363,809
Accounts receivable (Note 4)	292	29,870
Prepaid expenses	1,386	1,968
	<b>549,300</b>	526,494
<b>Fixed assets (Note 5)</b>	<b>33,424</b>	46,847
<b>Intangible asset (Note 6)</b>	<b>2,456</b>	3,069
	<b>585,180</b>	576,410
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	18,143	6,771
Advances from a partner, non-interest-bearing	30,013	42,515
	<b>48,156</b>	49,286
<b>Net assets</b>	<b>537,024</b>	527,124
	<b>585,180</b>	576,410

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

On behalf of the board

\_\_\_\_\_, Director

\_\_\_\_\_, Director

## The Kanpe Foundation

### Statement of cash flows

For the year ended December 31, 2014

5

	2014	2013
	\$	\$
<b>Operating activities</b>		
Excess (deficiency) of revenues over expenses	9,900	(30,782)
Non-cash items:		
Depreciation of fixed assets	14,167	16,149
Amortization of intangible asset	613	767
	<b>24,680</b>	<b>(13,866)</b>
Net change in non-cash working capital items	<b>29,030</b>	<b>108,366</b>
	<b>53,710</b>	<b>94,500</b>
<b>Investing activities</b>		
Acquisition of short-term investments	-	(248,809)
Disposal of short-term investments	130,379	-
Acquisition of fixed assets	(744)	(37,657)
	<b>129,635</b>	<b>(286,466)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>183,345</b>	<b>(191,966)</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>130,847</b>	<b>322,813</b>
<b>Cash and cash equivalents, end of year</b>	<b>314,192</b>	<b>130,847</b>

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

These financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations. 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.

### *Use of estimates*

The preparation of financial statements 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.

**The Kanpe Foundation**

**Notes to financial statements  
For the year ended December 31, 2014**

7

**3. Short-term investments**

	<b>2014</b>	2013
	\$	\$
Term deposits, bearing interest at prime rate less 1.95% and maturing in October 2015	<b>117,420</b>	151,089
Term deposits, denominated in American dollars, bearing interest at 0.20% and maturing in August 2015	<b>116,010</b>	212,720
	<b>233,430</b>	363,809

**4. Accounts receivable**

	<b>2014</b>	2013
	\$	\$
Donations receivable	-	27,090
Other	<b>292</b>	2,780
	<b>292</b>	29,870

**5. Fixed assets**

	<b>2014</b>			2013
	Cost	Accumulated depreciation	Net value	Net value
	\$	\$	\$	\$
Computer and audiovisual equipment	5,333	3,152	<b>2,181</b>	2,213
Automotive equipment	73,727	42,484	<b>31,243</b>	44,634
	79,060	45,636	<b>33,424</b>	46,847

**6. Intangible asset**

	<b>2014</b>			2013
	Cost	Accumulated amortization	Net value	Net value
	\$	\$	\$	\$
Website	8,220	5,764	<b>2,456</b>	3,069

## 7. Economic dependence

During the year, 45% of the Foundation's donations derived from one donor (33% in 2013).

## 8. Financial instruments

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

### *Currency risk*

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

As at December 31, 2014, assets and liabilities denominated in foreign currencies are as follows:

	2014		2013	
	Canadian dollars	American dollars	Canadian dollars	American dollars
	\$	\$	\$	\$
Cash	160,349	138,220	58,717	55,206
Short-term investments	116,010	100,000	212,720	200,000
Advances from a partner	30,013	25,871	42,515	39,973

### *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. The Foundation does not have a significant exposure to any individual donor.

### *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**

**For the year ended December 31, 2014**

9

---

	<b>2014</b>	<b>2013</b>
	\$	\$
<b>Exhibit A - Operating expenses</b>		
Program expenses	<b>145,398</b>	195,391
Salaries and fringe benefits	<b>59,388</b>	61,346
Transportation costs	<b>17,484</b>	22,841
Service charges	<b>3,627</b>	4,452
Office expenses	<b>597</b>	1,528
Miscellaneous expenses	<b>-</b>	1,873
	<b>226,494</b>	287,431

---

**Exhibit B - Administrative expenses**

Salaries and fringe benefits	<b>73,153</b>	79,526
Office expenses	<b>10,300</b>	6,216
Professional fees	<b>8,899</b>	10,001
Travelling	<b>4,873</b>	3,471
Assurances	<b>13,080</b>	13,080
Website maintenance	<b>1,412</b>	1,575
Promotional material	<b>7,183</b>	1,504
	<b>118,900</b>	115,373

---