

A portrait of an elderly woman with dark skin and white hair, wearing a green bandana with white patterns. She is seated, wearing a black short-sleeved top and a grey patterned skirt. Her hands are clasped in her lap, and she is looking directly at the camera with a gentle expression. The background consists of a green wall and a green door to the left.

KANPE

ANNUAL  
REPORT  
2018

KANPE is a foundation that brings support to the most vulnerable communities in Haiti to help them achieve autonomy, so that they can “stand up”.

## ***Our Philosophy***

We give the poorest communities in the Central Plateau a voice so that they can express their own needs, priorities, and goals. Our role is to help these communities to be accompanied by Haitian organizations who bring the complementary skills, knowledge, tools, and training necessary to provide guidance on the path to autonomy.

## ***Our Approach***

Haiti is filled with people who have talents and skills in many areas. We work to find the best local Haitian organizations and talents who can accompany these communities in attaining their goals in health, education, agriculture, entrepreneurship, leadership, and local infrastructure strengthening.

As a foundation, we ensure that funds are properly distributed and that projects are carried out with respect for the goals of the community and according to strict norms of good governance and transparency.



Where  
KANPE works



Baille Tourible



Port-au-Prince





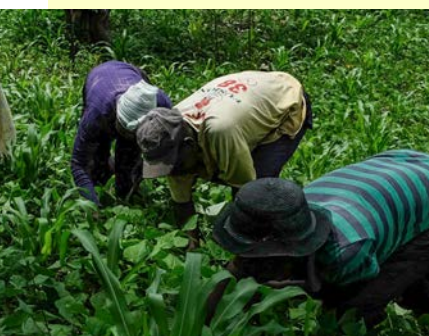
Since 2011, thanks to an integrated approach in a targeted area, KANPE and its partners in Haiti have been achieving concrete, tangible results.

### ***Health & Nutrition***

- A clinic which treats 11,000 people free of charge. 54,900 visits have been recorded since it opened in 2011.
- More than 1,700 cases of cholera have been treated since 2011.  
**In 2018, no cholera cases were recorded — for the first time since 2011.**
- More than 1,000 malaria tests are performed every year.
- Water filters were distributed to 550 families.
- More than 135 consultations per month are provided for pregnant women.
- In 2018, more than 196 children were treated for moderate or severe malnutrition.

### ***Agriculture***

- Bean seeds were distributed to 280 farmers.
- Nearly 3,300 farm animals were distributed.
- 12,000 fruit trees and forest seedlings were produced (as part of a reforestation campaign).
- Training in basic accounting for members of the local farmers' association.
- Training in soil and water conservation techniques.
- Training in production techniques for compost and natural insecticide.





## ***Education***

- Support of the Baille Tourible public school.
- Construction of permanent shelters to house two small schools.
- Training for teachers.
- Support of the Baille Tourible public school.
- Canteen service for more than 400 students.

## ***Entrepreneurship***

- With the support of another Canadian foundation, 550 women heads-of-household have been accompanied towards autonomy, particularly through the creation of micro-businesses.
- Support is provided to local entities in organizational development and strengthening, basic accounting, and management.

## ***Leadership***

- Creation of a marching band consisting of 72 young people from Baille Tourible. The band has started to generate income through contracts for parties, weddings, and funerals in the area.
- Summer camp for 70 adolescents: 10 days of workshops and discussions on topics such as deforestation, agriculture, illiteracy, youth pregnancy, and youth flight.
- Support for civic engagement of youth around issues that bring change to their community such as agriculture, health, education, etc.



## ***Reinforcement of Local Infrastructure***

- Renovation of the clinic's cholera treatment unit.
- Construction of a storage silo for the community's harvests.
- Construction of a kitchen for the canteen at the national school.



## A WORD FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS



Dear Donors, dear Partners, dear Friends,

It is with great pleasure that we have welcomed three new members to the Canadian Board of Directors: Rose Lyndsay Daudier, Patricia Seguin and Walid Hijazi. Driven by the desire to participate in KANPE's mission, to show their solidarity and to promote Haitian culture in all its forms, their arrival is excellent news for the organization. Thank you to KANPE Board members in Canada and the United States: it is thanks to your commitment and solidarity with Haiti that KANPE continues to succeed!

Thanks to the unwavering support of our Haitian donors and partners, we have continued to fund projects that bring change to the entire community.

To name but a few: the school canteen has a new kitchen, essential school materials have been distributed to students, and teachers have received advanced training. These initiatives help to strengthen quality education for the youngest members under better conditions. I am also thinking of projects in agriculture that allow the entire community to continue on the path to agricultural prosperity and food security. And most importantly, I would like to highlight some major news: for the first time since the creation of KANPE, no cases of cholera have been recorded in the community of Baille Tourible in 2018. This achievement is the result of a strong collaboration between our health partner Zanmi Lasante/ Partners in Health and the community itself, who work to prevent cholera cases and provide professional medical follow-ups at the clinic.

This shows that a global approach to a very targeted territory can enable tangible and concrete results. That's what KANPE does! Once again, I would like to thank our partners in health, Zanmi Lasante/ Partners in Health; in agriculture, Mouvement Paysan Papaye and in education, Summits Education. These results could not have been achieved without their support on a daily basis. I would also like to thank the entire core team who work tirelessly and passionately for KANPE to continue its mission. Likewise, a special thank you to the entire team of Arcade Fire, our lifelong allies!

And finally, I can only salute once more the people of Baille Tourible, who are at the forefront of all these changes and initiatives year after year.

M remèsyè nou ak tout kè m pou sipò nou bay KANPE ak Ayiti!\*

A handwritten signature in black ink, appearing to read 'FOA'.

François Audet  
President, KANPE Board of Directors

\* Thank you for your support to KANPE and Haiti.

## A WORD FROM THE EXECUTIVE DIRECTOR



2018 was a historic year for Baille Tourible, marking 12 months free from cholera. Twelve months of working with families to curb this scourge, which resurfaced in Haiti following the 2010 earthquake and which affected nearly 15% of this small community in 2011. Twelve months of work and prevention by our partner Zanmi Lasante/Partners in Health's medical team. We celebrate the year with joy and relief.

2018 was also marked by a visit from a team, composed of three Haitians and three Canadians, whose mission was to use Design Thinking methodology to assess the needs and priorities of the population. In collaboration with the organization Humanos and with Montreal consulting firm Talsom, the group collected the thoughts of the population and highlighted their priorities for the future of their community.

The community organized a celebration in the subsequent months, and the KANPE team was able to attend a show organized by the 70 young people in the marching band and the three women's organizations. In addition to the concert and to singing and dancing performances, the team visited the public school, the plant nursery established by the high school students, the medical clinic supported by our partner Zanmi Lasante/Partners in Health, and they attended the installation of a dryer and silos for the farmers' organization, ODB (Organisation pour le développement de Baille Tourible).

In light of these events, and while hiking the steep paths of the mountains of Baille Tourible, I was reminded of the community's increasing autonomy: the population is proposing initiatives, the leaders and young people of Baille Tourible are taking charge of development projects, and they are committed to our team and to our local partners Zanmi Lasante/Partners in Health, Mouvement Paysan Papaye, and Summits Education.

On the institutional side, efforts have been focused on the growth of our American sister organization, The Kanpe Foundation Inc., with the addition of new board members and partnerships with major new donors, including Krewe du Kanaval and The Positive Vibrations Foundation. I would also like to acknowledge the support of new donors in Canada: Groupe 3737, Éditions les Malins, and the Opéra de Montréal.

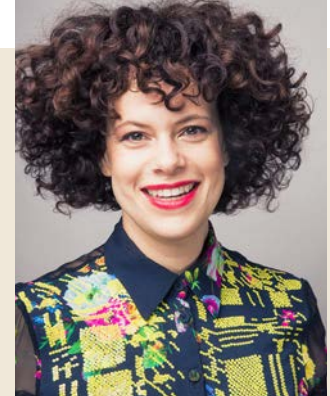
2018 was a landmark year in many respects. Collective efforts demonstrate once again that, with the collaboration of members of the diaspora, members of our board of directors, our employees, our local partners, committed donors, and the community we support, we are moving together along the path to autonomy.

A handwritten signature in black ink, appearing to read 'ITh' followed by a flourish.

Isabelle Thibault  
Directrice générale



## A WORD FROM RÉGINE CHASSAGNE, COFOUNDER



After five editions of Kanaval KANPE in Montreal, Win and I wanted to celebrate the historical and cultural links between Haiti and another city close to our hearts, New Orleans.

The idea became obvious in 2015, after a visit to Haiti with members of the Preservation Hall Jazz Band. Right away, we all felt the strong connections that unite the Creole culture in New Orleans with that of Haiti: the food, architecture, colours, rhythm, music, movement and the spirit that reigns there.

In the carnival tradition of New Orleans during Mardi Gras, we decided to collectively create our "krewe": a way to celebrate and, in a way, promote these links through music and conferences. Preservation Hall Foundation, whose mission is to preserve and continue the traditions and musical heritage of New Orleans, and KANPE have therefore naturally become two beneficiary organizations of Krewe du Kanaval.

For the first edition of Krewe du Kanaval, most of the festivities were accessible for free at Louis Armstrong Park. I would like to take this opportunity to warmly thank our Queen and King, who immediately accepted the invitation: Irma Thomas, the queen of New Orleans soul, and Charlie Gabriel of the Preservation Hall Jazz Band.

Another highlight of this year was the visit to Haiti in September. We were welcomed with music by this incredible marching band composed solely of young girls and boys from Baille Tourible. They have come a long way since they were a handful of young people holding instruments for the first time. It was really beautiful and moving to see. Better still, we found an entire community proud to show their accomplishments and to talk about future projects in agriculture, leadership and entrepreneurship.

Each new year allows us to measure the impact of KANPE's work and the extraordinary will of the Baille Tourible community to surpass themselves as they take the path towards autonomy.

Friends, I sincerely thank you for your unwavering support of our organization and for these women and men. Thank you to all our donors, volunteers and partners: *Asanm n ap ale pi lwen!*

A stylized, handwritten signature in black ink, featuring a large 'R' and 'C' with a heart symbol at the end.

Régine Chassagne  
Cofondatrice de KANPE

*\*Together we can go further!*





Haiti



In Haitian Creole, the word "potomitan" designates the central pillar in voodoo temple. In Haitian homes, the potomitan often refers to the woman, the mother who supports the whole family. Women are found in all aspects of economic and family life in Haiti. From dawn to dusk, they flawlessly provide for the needs of their loved ones.





## AGRICULTURE & ENTREPRENEURSHIP

### ***Distribution of Seeds***

Since 2016, KANPE and its local partner Mouvement Paysan Papaye (MPP) have supported the Organisation pour le Développement de Baille Tourible (ODB), primarily to strengthen their bean seed bank.

As a result, farmers have access to the seeds they need for the summer (July-August) and end of year (November-December) harvests. Each seed distribution reaches 280 farmers and, once the harvest is completed, allows them to contribute back to ODB the number of seeds they received along with a surplus. The second harvest of 2018 brings the number of harvests between 2016 and 2018 to six.



After collecting a quantity of seeds to cover regular budgetary expenses, the ODB has amassed a stock of nearly 10,000 pounds of beans, which it can distribute among its members.

Since the 2016 replenishment of ODB's bank of bean seeds, the reserve has steadily increased. This project improves agricultural production in the community, combats food insecurity among farmers, increases the financial resources of the organization and its members, and allows for planning of new projects for the following year.

Reinforcement of local infrastructure — Renovations have been made to improve the safety and hygiene of the clinic. Nearly one kilometre of road maintenance work was also carried out.



### ***Support for Local Organizations***

MPP has supported the local farmers' organization ODB since 2016, helping to reinforce its organizational capacity and to develop increasingly favourable conditions for agricultural production.

This support continued in 2018 through evaluation meetings between the two organizations and workshops on basic accounting and management.

Projects initiated by young people -  
For the second year, young people from  
Baille Tourible continued their projects  
in agriculture and entrepreneurship.

### ***Young People from High School Build their Plant Nursery***

In 2017, Paulnet Paul, a teacher at the high school in Baille Tourible, and his students established a plant nursery. The initiative was intended to contribute to the students' training in agriculture and reforestation. Every week, the students received three hours of theoretical and practical training to teach them how to grow vegetables, fruit and forest tree seedlings.

A reforestation campaign was launched after the young people had cared for the shoots for several months. The seedlings were distributed among the students for replanting at their homes. A very nice initiative!

### ***The Young People of the Marching Band Generate Income***

To deepen the students' involvement, music instructor Jean Germain Duvelsaint and Paulnet Paul worked with them to plan an annual calendar of activities: music practice, training to raise goats, a reforestation day, planting and harvest of beans... as well as the sale of products (sandals, bracelets, beans) that could allow the band to generate a little income and benefit from the funds.

At the end of 2017, the young people in the band took the initiative to grow beans on a plot of land. They generated income by selling their crops, and put the agricultural production techniques they learned at summer camp into practice.



This year, they repeated the experience on a plot of land much closer to the centre of Baille Tourible. As a result of this initiative, 91 kilos of black beans were harvested in July — three times more than last year!

Revenues from the sale of beans and crafts are now deposited into the marching band's bank account.



## EDUCATION

### ***Continuing Education Workshops for Teachers***

As part of the partnership\* with Summits Education, teachers from the Baille Tourible national school followed an 18-month training program in addition to their working hours.

On September two of them received their certificate of completion from Université Quisqueya (UniQ) in Port-au-Prince.

Congratulations to Paulnet Paul and Isaac Vilsaint!

*\*KANPE works with Summits Education to support teachers and educational institutions.*

### ***The Public School Canteen***

Thanks to the partnership established with Summits Education, the Baille Tourible public school has been integrated into the new canteen program with Mary's Meals along with the other 25 schools in its network. Now, the school receives food every two months so it can serve a hot meal to students every school day.

The day-to-day operations of the canteen help to improve student attendance, and it's also a meeting and discussion place for teachers.

A "canteen committee" was formed to ensure the proper management of food stock for the 5 school days per week. It is comprised of teachers, parents, local leaders and a representative of KANPE and Summits Education.

As part of KANPE's work to reinforce local infrastructure, the school canteen's kitchen was completely rebuilt this year. The kitchen is now housed in a small concrete building, protecting the cooks and the food from bad weather and rodents.



## LEADERSHIP

### ***The Summer Camp***

For the new summer camp edition, 70 young people from Baille Tourible and Thomonde met for 10 days to deepen their knowledge of agriculture, crafts, health, music, and dance.

The camp, established by KANPE, aims to support the youth of Baille Tourible and boost the leadership of the new generation. Last year, the camp inspired young people to set up a seed nursery and a vegetable garden.

Thank you to Cirque du Soleil for its renewed support throughout its Cirque du Monde™ program.



## A WORD FROM THE PROGRAM DIRECTOR



Since the first summer camp session in 2016, training workshops have been the central pillar of the KANPE Foundation's summer program to benefit young people. As last year, the program focused on agriculture, macramé, music, and sports. Two new subjects were added for the 2018 session: dance and screening of short educational videos.

This year's macramé training helped the young people produce more than 120 sandals, bracelets, earrings, and necklaces, all of which were sold.

The funds raised were deposited in the marching band's bank account for later reinvestment in small income-generating activities. It is also important to note that since the 2017 summer camp edition, several members of the marching band, through personal initiatives, have earned money by making and selling macramé products.

Every year, the young people of the marching band put their agriculture training to good use by producing beans and seedlings as part of a larger program that includes students from the small Baille Tourible high school. Growing beans provides a regular source of income for the members of the band, and production of seedlings allows them to participate in an annual community-wide reforestation day.

The youth of Baille Tourible continues to excel year after year, participating more and more in community life.

A handwritten signature in black ink, which appears to read "Joseph Fritz Louis". The signature is stylized and fluid.

Fritz Louis  
Program director





## ***The Band***

The marching band has been a flagship project supported by KANPE since 2014. It has considerable impact on the young people of the community; it serves as a way for them to regain confidence, develop their abilities and leadership, and to get involved in their community.

Furthermore, the band contributes to a decline in the exodus from rural areas. The young people feel they have a place: they are role models for younger children, and they are the pride of the community.

Today, the band is made up of 72 girls and boys. They perform in public for national holidays (Flag Day and the Patron Saint Festival) and other local events.



## ***Positive Vibrations Foundation Stands with KANPE***

This year, KANPE partners with the Positive Vibrations Foundation to support development of the band and to encourage the young people's perseverance.

In July, 70 new instruments were sent to Baille Tourible. Joy could be seen in the eyes of the young people and their music teacher, Jean Germain Duvelsaint.

Thank you to the Positive Vibrations Foundation, Benjamin Faulks, and Dr. Jean Montès, Associate Professor of Music and Director of Orchestras at Loyola University New Orleans School of Music.



## HEALTH & NUTRITION

### *Increasingly Positive Results*

Since 2011, KANPE and its partner Zanmi Lasante have promoted access to health services with the establishment of a clinic. Prior to this date, residents had to walk nearly 6 hours to reach the nearest clinic.

Today, the clinic benefits a community of 11,000 people and is a place for learning, meetings, and discussions. More than 54,900 visits have been recorded since it opened.

**In 2018, for the first time since this clinic was established in Baille Tourible, no cases of cholera were recorded.** Given that the region was suffering from an epidemic when KANPE arrived, this is a real victory! It demonstrates the importance of a clinic like this, but also of the effectiveness of 7 years of work and collaboration with the community on health and hygiene.



This year, the clinic has continued to provide daily care in a number of areas:

- More than 196 children suffering from severe or moderate malnutrition were treated by the nutrition service. A weekly visit is planned for each child throughout their treatment, which can sometimes last for several months.
- More than 135 consultations per month were offered to pregnant women.
- More than 1,000 malaria screening tests were performed. Patients with positive test results received treatment.
- Training in health education is also offered in reproductive health, personal hygiene, environmental hygiene, childcare, and STDs/STIs/HIV.

### *A New Doctor at the Clinic*

This year also saw the arrival of a new doctor at the clinic: Dr Fanette Nicolas. From Baille Tourible herself, Dr Nicolas decided to return to the community to practise medicine. The community welcomed the news with pride.

## STRENGTHENING LOCAL INFRASTRUCTURE

### ***Renovations at the Health Clinic***

This year, the clinic underwent several renovations:

- Construction of a large incinerator for medical waste.
- Renovation work in the clinic employees' residence: construction of a sanitary block and lavatory.
- Paving the access area to the clinic.
- Construction of a fence around the clinic.
- A fresh coat of paint for the clinic building.
- Installation of a fountain for the access area to the clinic.

### ***Construction of a Community Grain Dryer and Storage Facility***

The project to build a grain dryer and storage facility began in February, enabled by the collaboration of our partner Mouvement Paysan Papaye (MPP) and the financial support of The Roncalli Foundation. Work ended in July.

This project has enabled the community to be better equipped and less vulnerable to epidemics and bad weather.

In 2016, KANPE and its partner MPP supported the farmers association of Baille Tourible (ODB) to revive agriculture, damaged by several years of drought. Several successful harvests later, the ODB seed bank has been replenished.

Today, the ODB is better equipped to dry harvested produce and store it in good conditions. It can now offer quality seeds to its members at the beginning of each spring, and is less vulnerable to epidemics and bad weather.

### ***A Kitchen for the School Canteen***

As previously mentioned in this report, the kitchen of the school canteen has been completely rebuilt. Cooks now prepare meals in a small concrete facility.



## SUPPORT FOR CULTURAL ACTIVITIES IN BAILLE TOURIBLE

### ***The January Harvest Festival***

On January 22, the band and all the residents of Baille Tourible gathered at the church to celebrate the harvest—a year's worth of hard work—and to express their gratitude.

### ***The Flag Festival in May***

Every year on the 18<sup>th</sup> of May, Haitians celebrate the creation of their flag. In Baille Tourible, the celebrations of this 215<sup>th</sup> anniversary were grandiose as ever, thanks to the support of KANPE. Hundreds of schoolchildren and adults from across the area took part in the parade, led by the Youth Marching Band.

Other socio-cultural and recreational activities were organized. Behind this festival is the entire history of Haiti itself as the creation of the national flag is an event that marked a turning point in the Haitian war of independence.





# Promotion and Fundraising Activities





## ***From Hudson's Bay to Haiti***

In March, KANPE participated in the Hudson's Bay Great Gift promotional event. For every purchase of a \$5 ticket, participants received an exclusive 10% to 20%\* discount at all Hudson's Bay stores in Canada or at [labaie.com](http://labaie.com). Participants also had the chance to win a \$5,000 shopping spree at Hudson's Bay stores. All proceeds from ticket sales have been donated to The KANPE Foundation to support its mission in Haiti.

## ***KANPE at C2 Montreal 2018***

In May, KANPE partnered with The Humanos Institute and Talsom to showcase how design thinking and technologies can create positive social impact on communities and support the work of an organization like ours. In other words, how a community in need can be helped to find sustainable solutions to break the poverty cycle.

For a week, a multidisciplinary team of Canadians and Haitians gathered at Baille Tourille to understand the needs and priorities of community residents:

- Dr Niels Bilou, Co-founder and CEO of The Humanos Institute
- Éric Dupont, Vice President for Innovation at Talsom
- Fritz Louis, Director of KANPE Programs
- Paulnet Paul, Teacher in Haiti
- Mingo Tilus, Teacher in Haiti and assistant pharmacist
- Isabelle Thibault, Executive Director of KANPE

Approximately twenty families participated in the survey. At the end of this week of work, two potential projects emerged:

- A training centre to host professional workshops (masonry, carpentry, agriculture, handicrafts), as well as management and financial education programs.
- A financial support program to start a cooperative that would allow residents to access savings and credit directly from their homes. This cooperative could later finance the training centre and other community projects.

The solutions that emerged from this exploratory mission were presented at C2 Montréal 2018 during the workshop "Humanitarian Design: Technology Serving Communities," in the presence of Olivier Laquinte, President of Talsom.

We would like to thank Air Transat and Verdun Windows and Doors Ottawa for their support in making this project possible.



## ***Giving Tuesday at KANPE***

For another year, KANPE joined the Giving Tuesday movement. The goal was to raise \$4,760 CAD for the purchase of school supplies for the 400 children enrolled in Baille Tourible's public primary school: school bags, scissors, rulers, coloured pencils, notebooks, erasers, geometry instruments and pens.

Thanks to the donations received, and the support of a private foundation, the total amount was successfully raised! Brimming with joy, we attended the presentation event on February 26<sup>th</sup>.

That same day, thanks to the support of three other major donors, the students were also able to receive all the textbooks required by the Ministry of National Education, covering the curriculum for years 1 through 9.

Thank you to our partner Summits Education who made this project possible.

## ***KANPE Presents its Work at Notre Dame University in Indiana***

In June, the Director of Programs, Fritz Louis, visited his alma mater, the University of Notre Dame in Indiana (USA), to present KANPE's work at an alumni conference.

Thank you to the Notre Dame Alumni Association for the warm welcome!





# They Stand with KANPE

## ***Arcade Fire & PLUS1***

Since 2010, Arcade Fire has been supporting KANPE through its tours. Thanks to a partnership with the PLUS1 organization, \$1 is paid to our organization for each ticket sold on Canadian, French and Belgian soil.

In 2018, the Everything Now tour in France and Belgium, as well as the concert in Toronto, raised \$71,847.15 CAD for our organization.

On behalf of the entire Canadian and US permanent team and board of directors, thank you to each Arcade Fire member, their management team, and the entire PLUS1 team.

## ***The Opéra de Montréal***

In January and February, the Opéra de Montréal teamed up with KANPE for the opera JFK. For each regular ticket sold, \$5 was donated to The KANPE Foundation.

The opera in two acts was about the last moments between John F. Kennedy and his wife in a hotel room, twelve hours before the Dallas shooting. The performances took place on January 27<sup>th</sup> and 30<sup>th</sup> and on February 1<sup>st</sup> and 3<sup>rd</sup> at Place des Arts.

" JFK wanted to tear down walls, not build them.

JFK viewed America as a "nation of immigrants" regardless of where they were born.

We believe that America can always dream and that neither Haiti nor any country is worth less than another."  
– The Opéra de Montréal.

## ***Éditions Les Malins and L'ABC des filles***

The year 2018 began with a beautiful piece of news: the announcement of a collaboration with Les Malins publishing house and the author Catherine Girard Audet.

For every copy of *L'ABC des filles 2019* sold, \$1 has been donated to our organization!

Founded in January 2008 by Marc-André Audet, Les Malins publishing house is on a mission to help young readers discover that a good book can be even more addictive than a TV series. In addition to their specialty of children's books, the company also publishes favourites for an older audience. Since their founding, more than 400 titles have been published.

*L'ABC des filles* by Catherine Girard Audet is the first editorial success of Les Malins.

We are very happy with this new partnership and we warmly thank the whole team for standing with KANPE.

## ***Le Groupe 3737***

Established in 2012 by Frantz Saintelley and Vickie Joseph, Groupe 3737 wants to foster the creation and growth of new businesses and the creation of value-added jobs in the Saint-Michel district of Montréal, using new technologies and strategic partnerships.

Today, it is one of the largest incubators of private companies in Quebec. "Groupe 3737 was created with the objective of stimulating entrepreneurship among newcomers, to get them to develop something other than small subsistence businesses." — Frantz Saintelley

We are honoured that Groupe 3737 decided to support KANPE in the amount of \$15,000 for the year 2018.

## ***Le Krewe du Kanaval***

Co-founded by Régine Chassagne, Win Butler and Preservation Hall, Krewe du Kanaval celebrates New Orleans's historical and cultural ties with Haiti. It was in 2015 that the Krewe idea was born, after Win and Régine brought members of Preservation Hall to Haiti.

"Wherever I go in New Orleans, I feel Haiti," said Régine. "The music I hear, the food I taste, the colours, the movement, the spirit of the city. Our Krewe aims to celebrate and strengthen this deep connection."

In 2018, the first edition of the Krewe du Kanaval took place. Most of the festivities were free to the general public in the legendary Louis Armstrong Park. In pure carnival tradition, a Queen and a King were named: Irma Thomas, Queen of New Orleans Soul, and Charlie Gabriel of the Preservation Hall Jazz Band.

**Nearly \$40,000 USD were raised for the Preservation Hall Foundation and The KANPE Foundation.**

## ***The Agencies that Support Us...***

For several years now, KANPE has been fortunate to count on the voluntary support of communications and marketing professionals. Thanks to them, the foundation holds an annual fundraising campaign with incredible visibility and beautiful visual communications. A very big thank you to the teams at Ping Pong Ping and Mindshare Quebec. Thank you for joining KANPE's mission.

Since KANPE first beat its wings in 2010, the Ping Pong Ping team has supported us with incredible generosity and talent. A heartfelt thank you goes to Simon Rivest, Catherine Lepage and Dominic Provost.

Since 2016, the Montreal-based agency has been supporting KANPE through its annual fundraising, placement and media buying efforts. Thanks to them, our communications enjoy an ever-greater visibility. Thank you, Axel Dumont and Shannon Gagnon, for supporting our organization and supporting KANPE as you do.

# Thank You to Our Donors and Financial Partners

A big thank you to our major donors for their support and commitment to us for many years: Arcade Fire, PLUS1 and Marika Anthony-Shaw, Verdun Windows and Doors Ottawa and the Cirque du Soleil group, through its Cirque du Monde™ program, for its support for the summer camp.



Thanks to members of the Arcade Fire band and their management team: Win Butler, Régine Chassagne, Izvor Zivkovic, Will Butler, Jeremy Gara, Tim Kingsbury, Richard Reed Parry, Dounia Mikou, Carmen Negrelli and Chantal Vaillancourt.

Special thanks to Air Transat, Robert Banack, CAA, The Edelman Charitable Fund, Sun Life Financial, Gertrude Vaillancourt Fund for Education / MPOWerment Foundation, the Rex and Patricia Gromer Charitable Fund within the Community Foundation for the Fox Valley Region, Groupe 3737, Chris Kempner, Live Nation, Mark Mahoney, Marie Claire Publishing, Daniel Rabinowicz & Joanne Trudeau, the Roncalli Foundation, Phil Sarna/PS Business Management LLC, Edward & Sheila Scanlan, Sony Music Entertainment, Chef Paul Toussaint and Izvor Zivkovic for their generosity and commitment to our cause.

Thank you to our partners in Haiti for their professionalism and their commitment to the whole community: Zanmi Lasante (Partners in Health), Mouvement Paysan Papaye, and Summits Education.

Thanks to our promotional partners: Agrikol, The CardBoard Box Project, Coloré Design, Les Éditions Les Malins, Krewe du Kanaval, Lululemon Athletica, m0851, MindShare Québec, Opéra de Montréal, Palette de bine, Ping Pong Ping, Rhum Barbancourt and Tidal.

Thank you to all the volunteers who support us throughout the year with translations, copyediting, photos, graphic design, administrative tasks or during events. Special thanks to Rebecca Belzius, Sanaa Benghellab, Thibault Carron, Stephanie Cooper, Nicole Harper, Emily Hartwick, Valerie Prince, Craig Ramsay, Youssef Shoufan, Mikael Theimer, Jessica Vineberg, Mokrane Ziane, Simon Rivest and Catherine Lepage and Dominic Provost of Ping Pong Ping.

Thanks to the volunteers who supported us at the KANPE booth during the Arcade Fire tour: Marilou Bache, Thibault Carron, Maxime Carron, Benjamin Chaignon, Coraline Chartois, Lauriane Ferry, Niko Gaboriau, Noée Geindre, Flavie Gonzalez, Marylise Hedin and Lucile Morin Malot.

A huge thank you to all our donors, ambassadors and friends for their support.

**A very special thanks** to Victor who raised funds for KANPE for his 11<sup>th</sup> birthday, as well as artist Fwonte who decided to give KANPE the proceeds from the launch party of his new album.



# Board of Directors Canada

## François Audet

*Chairman of the Board, KANPE*

Director of the Canadian Observatory  
on Crises and Humanitarian Aid (OCCAH)

Director of the Institute  
of International Studies of Montreal (IEIM)

## Nedgy Augustin

*Treasurer of KANPE*

Financial Services Director  
at Concordia University, CPA, CA

## Régine Chassagne

*Co-founder and Board Member, KANPE*

Co-founder and Member of Arcade Fire

## Déborah Cherenfant

*Board Member, KANPE*

Founder, Atelier Coloré et Mots d'Elles  
Senior Counsel, BCF Imagine

## Rose-Lyndsay Daudier

*Board Member, KANPE*

General Manager of Fusion Jeunesse  
and Robotique FIRST Québec

## Walid Hijazi

*Secretary of KANPE*

Criminal Lawyer in Montreal

## Christian Lazarre

*Board Member, KANPE*

Attorney at chez Allen & Overy

## Charles Letourneau

*Board Member, KANPE*

Director Strategy and Communication  
at Montreal Chamber of Commerce

## Martine St-Victor

*Board Member, KANPE*

Communications Strategist  
and Founder of Milagro  
Atelier de Relations Publiques

## Patricia Seguin

*Board Member, KANPE*

Attorney at Fasken

# Board of Directors USA

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## Régine Chassagne

*Co-founder and Board Member, KANPE*

Co-founder and Member of Arcade Fire

## Paul Beaubrun

*Board Member, KANPE*

Musician, Producer, Activist

## David Belle

*Board Member, KANPE*

Founder of Cine Institute

## Catherine Brisebois

*Board Member, KANPE*

Vice President, Strategy and Business  
Transformation at Groupe Dynamite

## Marc-André Franche

*Board Member, KANPE*

Head of the UN Secretary-General's  
Peacebuilding Fund

## Christian Lazarre

*Board Member, KANPE*

Avocat chez Allen & Overy



## WORD OF THE TREASURER



In 2018 the efforts of our partners, our volunteers, and our employees, combined with the generosity of our donors, raised \$716,000 in combined revenue for La Fondation KANPE (the Canadian foundation) and The Kanpe Foundation, Inc. (the American foundation). This represents an increase of 20% compared with the 2017 fiscal year.

We continue to reap the benefits of the new American structure for funding programs in Haiti, The Kanpe Foundation, Inc. This year, we raised \$164,500 US from our fundraising activities in the United States. Additionally, thanks to KANPE's efforts, the medical clinic has been directly paid by Arcade Fire through PLUS1.

The support of our corporate partners and of our donors has been critical to these positive results. It is your donations, your volunteered time, and your commitment to our mission that have enabled us to continue to support projects in the Baille Tourible community in 2018.

When you give, you can be certain that your contribution has a significant impact and contributes to KANPE's mission to support Haiti's most vulnerable families towards financial autonomy.

We are proud of how rigorously and responsibly we manage every dollar received from our donors. These donations allow us to invest in programs and services that meet the needs of Haiti's most vulnerable families<sup>1</sup> :

- Health: \$194,355<sup>2</sup>
- Education: \$46,310
- Agriculture: \$23,230
- Infrastructures: \$21,735
- Leadership: \$16,445  
plus Positive Vibrations Foundation musical instruments donation, valued at \$19,000
- Other: \$4,795

In closing, I invite you to consult the audited annual financial statements from both foundations. The financial information is presented in the simplest and most complete way possible.

A stylized, handwritten signature in black ink.

Nedgy Augustin

<sup>1</sup> Combined amounts in Canadian dollars across La Fondation KANPE (the Canadian foundation) and The Kanpe Foundation, inc. (the American foundation).

<sup>2</sup> Paid directly to our local partner Partners in Health/ ZanmLasante by the band Arcade Fire through PLUS1.



### **Headquarters**

Gare Centrale  
895, de La Gauchetière W  
CP 96581  
Montreal (Quebec) H3B 5J8 CANADA

In Canada: The KANPE Foundation is a non-profit organization registered under the number: 83465-7066-RR0001.

In the U.S.: The Kanpe Foundation Inc. is a 501 ( c ) (3) tax-exempt and non-profit organization: 81-1951756.

KANPE is proud to have a rigorous rights and permissions policy for all published photos.

Photo credits: Fritz Louis, Youssef Shoufan, Estailove St-Val, Mikaël Theimer, Isabelle Thibault.



**The Kanpe Foundation**

**Financial statements**

**For the year ended December 31, 2018**

## **The Kanpe Foundation**

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## INDEPENDENT AUDITOR'S REPORT

To the Directors of  
**The Kanpe Foundation**

### *Qualified Opinion*

We have audited the financial statements of The Kanpe Foundation (the Foundation), which comprise the balance sheet as at December 31, 2018, and the statements of earnings, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the "Basis for Qualified Opinion" section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at December 31, 2018, 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.

### *Basis for Qualified Opinion*

As is the case in many charitable organizations, the Foundation derives its revenue from donations for which the completeness is not susceptible to satisfactory audit verification. Accordingly, our audit of these revenues was limited to the amounts recorded in the records of the Foundation. Therefore, we could not determine whether any adjustments might be necessary to donation revenues, deficiency of revenues over expenses and the cash flow related to the operating activities for the financial years ended December 31, 2018 and 2017, current assets as at December 31, 2018 and 2017 and net assets as at January 1 and December 31 for both 2018 and 2017. We expressed a qualified opinion on the financial statement for the year ending December 31, 2017 due to the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

### *Information Other than the Financial Statements and the Auditor's Report Thereon*

Management is responsible for the other information. The other information comprises the 2018 annual report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation's financial reporting process.

### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit 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 Foundation's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*Demers Beaulne, LLP<sup>(1)</sup>*

Partnership of Chartered Professional Accountants

Montreal, September 16, 2019

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<sup>(1)</sup> CPA auditor, CA, public accountancy permit N° A127716



**The Kanpe Foundation****Statement of earnings****For the year ended December 31, 2018****3**

|   | <b>2018</b>     | <b>2017</b> |
|---|-----------------|-------------|
|   | <b>\$</b>       | <b>\$</b>   |
| <b>Revenues</b>                             |                 |             |
| Donations                                   | <b>255,150</b>  | 243,034     |
| Fundraising activities                      | -               | 191,355     |
| Other revenues                              | <b>855</b>      | 865         |
|   | <b>256,005</b>  | 435,254     |
| <b>Expenses</b>                             |                 |             |
| Operating expenses (Exhibit A)              | <b>116,158</b>  | 204,807     |
| Administrative expenses (Exhibit B)         | <b>152,195</b>  | 161,896     |
| Fundraising activities                      | -               | 131,131     |
| Bank charges                                | <b>1,691</b>    | 1,853       |
| Depreciation of fixed assets                | <b>2,386</b>    | 3,822       |
| Amortization of an intangible asset         | <b>322</b>      | 403         |
| Foreign currency loss (gain)                | <b>11,644</b>   | (918)       |
|   | <b>284,396</b>  | 502,994     |
| <b>Deficiency of revenues over expenses</b> | <b>(28,391)</b> | (67,740)    |

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, 2018**

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|                                      | <b>2018</b>    | <b>2017</b> |
|--------------------------------------|----------------|-------------|
|                                      | <b>\$</b>      | <b>\$</b>   |
| <b>Balance, beginning of year</b>    | <b>220,856</b> | 288,596     |
| Deficiency of revenues over expenses | (28,391)       | (67,740)    |
| <b>Balance, end of year</b>          | <b>192,465</b> | 220,856     |

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



## The Kanpe Foundation

### Balance sheet

As at December 31, 2018

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|   | 2018    | 2017    |
|---|---------|---------|
|   | \$      | \$      |
| <b>Current assets</b>   |         |         |
| Cash  | 98,036  | 144,574 |
| Temporary investments (Note 3)  | 71,053  | 70,207  |
| Accounts receivable (Note 4)  | 6,953   | 1,700   |
| Prepaid expenses  | 80      | 80      |
| Advances to a foundation with common directors,<br>non-interest-bearing | 88,569  | 70,016  |
|   | 264,691 | 286,577 |
| <b>Fixed assets (Note 5)</b>  | 6,430   | 7,616   |
| <b>Intangible asset (Note 6)</b>  | 1,288   | 1,610   |
|   | 272,409 | 295,803 |
| <b>Current liabilities</b>  |         |         |
| Accounts payable and accrued liabilities                                | 79,944  | 27,035  |
| Advances from partners, non-interest-bearing                            | -       | 47,912  |
|   | 79,944  | 74,947  |
| <b>Unrestricted net assets</b>  | 192,465 | 220,856 |
|   | 272,409 | 295,803 |

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, 2018****6**

|   | <b>2018</b>     | <b>2017</b> |
|---|-----------------|-------------|
|   | <b>\$</b>       | <b>\$</b>   |
| <b>Operating activities</b>                         |                 |             |
| Deficiency of revenues over expenses                | <b>(28,391)</b> | (67,740)    |
| Non-cash items:                                     |                 |             |
| Depreciation of fixed assets                        | <b>2,386</b>    | 3,822       |
| Gain on disposal of assets                          | <b>-</b>        | (1,827)     |
| Amortization of an intangible asset                 | <b>322</b>      | 403         |
|   | <b>(25,683)</b> | (65,342)    |
| Net change in non-cash working capital items        | <b>(256)</b>    | 65,110      |
|   | <b>(25,939)</b> | (232)       |
| <b>Investing activities</b>                         |                 |             |
| Temporary investments                               | <b>(846)</b>    | -           |
| Advances to a foundation with common directors      | <b>(18,553)</b> | (49,830)    |
| Acquisition of fixed assets                         | <b>(1,200)</b>  | -           |
| Proceeds from disposal of fixed assets              | <b>-</b>        | 6,832       |
|   | <b>(20,599)</b> | (42,998)    |
| <b>Decrease in cash and cash equivalents</b>        | <b>(46,538)</b> | (43,230)    |
| <b>Cash and cash equivalents, beginning of year</b> | <b>144,574</b>  | 187,804     |
| <b>Cash and cash equivalents, end of year</b>       | <b>98,036</b>   | 144,574     |

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 in Haiti 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. Accounting policies**

The financial statements have been prepared 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.

### ***Contributions received in the form of supplies and services***

The Foundation recognizes contributions received in the form of supplies and services when the fair value of such contributions can be reasonably estimated and would otherwise have been purchased if not provided by donation.

### ***Cash and cash equivalents***

Cash and cash equivalents include highly liquid cash and short-term investments that are readily convertible to known amounts of cash, with original maturities of three months or less.

### ***Fixed assets***

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



## 2. Accounting policies (continued)

### *Intangible asset*

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

### *Impairment of long-lived assets*

Fixed assets and intangible asset are tested for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the long-lived asset exceeds its fair value.

### *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.

## 3. Temporary investments

|  | 2018   | 2017   |
|--|--------|--------|
|  | \$     | \$     |
| Term deposit, bearing interest at prime rate less 2.25% and maturing in October 2019 | 71,053 | 70,207 |

**4. Accounts receivable**

|                              | <b>2018</b>  | <b>2017</b> |
|------------------------------|--------------|-------------|
|                              | <b>\$</b>    | <b>\$</b>   |
| Donations receivable         | <b>4,960</b> | -           |
| Consumption taxes receivable | <b>1,993</b> | -           |
| Other                        | -            | 1,700       |
|                              | <b>6,953</b> | 1,700       |

**5. Fixed assets**

|                                    | <b>2018</b> |                                 | <b>2017</b>      |                  |
|------------------------------------|-------------|---------------------------------|------------------|------------------|
|                                    | <b>Cost</b> | <b>Accumulated depreciation</b> | <b>Net value</b> | <b>Net value</b> |
|                                    | <b>\$</b>   | <b>\$</b>                       | <b>\$</b>        | <b>\$</b>        |
| Computer and audiovisual equipment | 6,533       | 4,878                           | <b>1,655</b>     | 794              |
| Vehicles                           | 36,677      | 31,902                          | <b>4,775</b>     | 6,822            |
|                                    | 43,210      | 36,780                          | <b>6,430</b>     | 7,616            |

**6. Intangible asset**

|         | <b>2018</b> |                                 | <b>2017</b>      |                  |
|---------|-------------|---------------------------------|------------------|------------------|
|         | <b>Cost</b> | <b>Accumulated amortization</b> | <b>Net value</b> | <b>Net value</b> |
|         | <b>\$</b>   | <b>\$</b>                       | <b>\$</b>        | <b>\$</b>        |
| Website | 3,145       | 1,857                           | <b>1,288</b>     | 1,610            |

**7. Major donor**

During the year, 29% of the Foundation's donations were derived from one donor. As at December 31, 2017, the Foundation was not economically dependent on any particular donor.

**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, 2018, assets and liabilities denominated in foreign currencies are as follows:

|                           | 2018                |               | 2017                |               |
|---------------------------|---------------------|---------------|---------------------|---------------|
|                           | Canadian<br>dollars | US<br>dollars | Canadian<br>dollars | US<br>dollars |
|                           | \$                  | \$            | \$                  | \$            |
| Cash                      | 21,967              | 16,103        | 17,380              | 13,854        |
| Advances from<br>partners | -                   | -             | (47,912)            | (38,192)      |

For the financial year 2018, operating expenses made in US dollars accounted for CA\$73,607 (US\$56,832).

For the financial year 2017, operating expenses made in US dollars accounted for CA\$163,771 (US\$126,114).

*Credit risk*

The credit risk is the risk that one party to a financial instrument fails to meet any of its obligations and thereby causing the other party to incur a financial loss. The Foundation is exposed to credit risk due to its financial assets. As at December 31, 2018, 96% of the donations were received from one particular 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 due 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.



**9. Related party transactions**

The Foundation shares certain operating costs with a foundation with common directors, The Kanpe Foundation, Inc. The Kanpe Foundation, Inc. is a not-for-profit organization incorporated under the Vermont non-profit Corporation Act on December 21, 2015 which began operations in October 2016 and has the same mission as The Kanpe Foundation in the United States of America. During the period, the Foundation charged back \$97,517 to The Kanpe Foundation, Inc. and these chargebacks have been accounted for as a reduction of the administration expenses.

The Foundation also charged back operating expenses totalling \$27,718.

**The Kanpe Foundation****Additional information****For the year ended December 31, 2018**

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|                                       | 2018    | 2017    |
|---------------------------------------|---------|---------|
|                                       | \$      | \$      |
| <b>Exhibit A - Operating expenses</b> |         |         |
| Program expenses                      | 52,866  | 98,922  |
| Salaries and fringe benefits          | 50,210  | 71,965  |
| Transportation costs                  | 5,692   | 22,915  |
| Service charges                       | 4,472   | 7,005   |
| Office expenses                       | 2,918   | 4,000   |
|                                       | 116,158 | 204,807 |

**Exhibit B - Administrative expenses**

|                              |         |         |
|------------------------------|---------|---------|
| Salaries and fringe benefits | 65,122  | 93,010  |
| Office expenses              | 29,132  | 14,131  |
| Professional fees            | 43,678  | 37,850  |
| Travelling expenses          | 6,051   | 2,806   |
| Insurance                    | 7,510   | 9,712   |
| Website maintenance          | 702     | 6,214   |
| Gain on disposal of assets   | -       | (1,827) |
|                              | 152,195 | 161,896 |

**The Kanpe Foundation, Inc.**

**Financial statements**

**For the year ended December 31, 2018**  
**(in U.S. dollars)**



**The Kanpe Foundation, Inc.**

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## INDEPENDENT AUDITOR'S REPORT

To the Directors of  
**The Kanpe Foundation, Inc.**

### *Qualified Opinion*

We have audited the financial statements of The Kanpe Foundation, Inc. (the Foundation), which comprise the balance sheet as at December 31, 2018, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the "Basis for Qualified Opinion" section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at December 31, 2018, 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.

### *Basis for Qualified Opinion*

As is the case in many charitable organizations, the Foundation derives its revenue from donations for which the completeness is not susceptible to satisfactory audit verification. Accordingly, our audit of these revenues was limited to the amounts recorded in the accounts of the Foundation and we could not determine whether any adjustments might be necessary to donation revenues, deficiency of revenues over expenses, and cash flows from operations for the years ended December 31, 2018 and 2017, current assets as at December 31, 2018 and 2017, and net assets as at January 1 and December 31 for both 2018 and 2017. Our audit opinion on the financial statements for the year ended December 31, 2017 was modified accordingly because of the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

### *Information other than the financial statements and the auditor's report thereon*

Management is responsible for the other information. The other information obtained as of the date of this report comprises the information included in the 2018 annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on other information obtained prior to the date of this report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation's financial reporting process.

### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit 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 Foundation's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*Demers Beaulne, LLP<sup>(1)</sup>*

Partnership of Chartered Professional Accountants

Montreal, December 6, 2019

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<sup>(1)</sup> CPA auditor, CA, public accountancy permit N° A127716



**The Kanpe Foundation, Inc.**

**Statement of operations**

**For the year ended December 31, 2018**

**(in U.S. dollars)**

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|  | <b>2018</b>    | <b>2017</b> |
|--|----------------|-------------|
|  | <b>\$</b>      | <b>\$</b>   |
| <b>Revenues</b>                                      |                |             |
| Donations  | <b>172,700</b> | 79,407      |
| Fundraising activities                               | <b>164,500</b> | 44,810      |
|  | <b>337,200</b> | 124,217     |
| <b>Expenses</b>                                      |                |             |
| Operating expenses (Exhibit A)                       | <b>60,366</b>  | 75,882      |
| Administrative expenses (Exhibit B)                  | <b>76,459</b>  | 33,256      |
| Fundraising activities                               | <b>63,606</b>  | 22,784      |
| Bank charges   | <b>1,882</b>   | 1,506       |
| Foreign currency loss (gain)                         | <b>(6,056)</b> | 1,013       |
|  | <b>196,257</b> | 134,441     |
| <b>Excess (deficiency) of revenues over expenses</b> | <b>140,943</b> | (10,224)    |

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

**The Kanpe Foundation, Inc.**

**Statement of changes in net assets**

**For the year ended December 31, 2018**

**(in U.S. dollars)**

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|   | <b>2018</b>     | <b>2017</b>     |
|---|-----------------|-----------------|
|   | <b>\$</b>       | <b>\$</b>       |
| <b>Balance, beginning of year</b>             | <b>(17,458)</b> | <b>(7,234)</b>  |
| Excess (deficiency) of revenues over expenses | <b>140,943</b>  | <b>(10,224)</b> |
| <b>Balance, end of year</b>                   | <b>123,485</b>  | <b>(17,458)</b> |

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

**The Kanpe Foundation, Inc.**

**Balance sheet**

**As at December 31, 2018**

**(in U.S. dollars)**

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|   | <b>2018</b>    | <b>2017</b> |
|---|----------------|-------------|
|   | <b>\$</b>      | <b>\$</b>   |
| <b>Current assets</b>   |                |             |
| Cash  | <b>150,282</b> | 38,354      |
| Donations receivable  | <b>12,500</b>  | -           |
| Advances to a partner, non-interest bearing                           | <b>28,127</b>  | -           |
|   | <b>190,909</b> | 38,354      |
| <b>Current liabilities</b>  |                |             |
| Accounts payable and accrued liabilities                              | <b>2,500</b>   | -           |
| Advance from a foundation with common directors, non-interest bearing | <b>64,924</b>  | 55,812      |
|   | <b>67,424</b>  | 55,812      |
| <b>Unrestricted net assets</b>  | <b>123,485</b> | (17,458)    |
|   | <b>190,909</b> | 38,354      |

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

**On behalf of the board**

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

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



**The Kanpe Foundation, Inc.**

**Statement of cash flows**

**For the year ended December 31, 2018**

**(in U.S. dollars)**

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|   | <b>2018</b>     | <b>2017</b> |
|---|-----------------|-------------|
|   | <b>\$</b>       | <b>\$</b>   |
| <b>Operating activities</b>                         |                 |             |
| Excess (deficiency) of revenues over expenses       | <b>140,943</b>  | (10,224)    |
| Net change in non-cash working capital items        | <b>(38,127)</b> | -           |
|   | <b>102,816</b>  | (10,224)    |
| <b>Financing activities</b>                         |                 |             |
| Advance from a foundation with common directors     | <b>9,112</b>    | 40,782      |
| <b>Increase in cash and cash equivalents</b>        | <b>111,928</b>  | 30,558      |
| <b>Cash and cash equivalents, beginning of year</b> | <b>38,354</b>   | 7,796       |
| <b>Cash and cash equivalents, end of year</b>       | <b>150,282</b>  | 38,354      |

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 non-for-profit corporation incorporated under the Vermont non-for-profit Corporation Act on December 21, 2015. The Foundation began its operations in October 2016, and its mission is to put an end to the cycle of poverty in Haiti 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. Accounting policies**

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO). 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.

### ***Cash and cash equivalents***

Cash and cash equivalents include highly liquid cash and short-term investments that are readily convertible to known amounts of cash, with original maturities of three months or less.

### ***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.

### **3. Financial instruments**

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

#### ***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 this risk through its financial assets. As at December 31, 2018, 80% of the accounts receivable are due from a donor in particular. As at December 31, 2017, the Foundation was not exposed to any credit risk.

#### ***Liquidity risk***

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Foundation is exposed to liquidity risk through 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. Fixed rate financial instruments expose the Foundation to fair value risk, whereas variable rate financial instruments expose the Foundation to cash flow risk.

### **4. Related party transactions**

The Foundation shares administrative expenses with a foundation with common directors, The Kanpe Foundation. The Kanpe Foundation is a not-for-profit organization incorporated under the Canadian Corporations Acts on November 9, 2009 and has the same mission as the Foundation. During the year, the Foundation was charged back \$71,483 (CA\$97,517) by The Kanpe Foundation for various administrative expenses.

The Foundation was also charged back \$20,326 (CA\$27,728) for various operating expenses.

**The Kanpe Foundation, Inc.**

**Additional information**

**For the year ended December 31, 2018**

**(in U.S. dollars)**

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|                                       | <b>2018</b>   | <b>2017</b> |
|---------------------------------------|---------------|-------------|
|                                       | <b>\$</b>     | <b>\$</b>   |
| <b>Exhibit A - Operating expenses</b> |               |             |
| Program expenses                      | <b>25,183</b> | 65,501      |
| Salaries and fringe benefits          | <b>19,136</b> | 8,933       |
| Professional fees                     | <b>13,185</b> | -           |
| Transportation costs                  | <b>630</b>    | -           |
| Office expenses                       | <b>1,533</b>  | 1,043       |
| Service charges                       | <b>699</b>    | 405         |
|                                       | <b>60,366</b> | 75,882      |

**Exhibit B - Administrative expenses**

|                              |               |        |
|------------------------------|---------------|--------|
| Salaries and fringe benefits | <b>33,353</b> | 23,754 |
| Office expenses              | <b>13,023</b> | 1,891  |
| Professional fees            | <b>21,604</b> | 5,023  |
| Travelling expenses          | <b>4,997</b>  | 653    |
| Insurance                    | <b>1,873</b>  | 1,935  |
| Website maintenance          | <b>1,609</b>  | -      |
|                              | <b>76,459</b> | 33,256 |