

**GLOBAL PARTNERLINK
(Operating as OneBook)**

Financial Information

For The Year Ended September 30, 2019

**GLOBAL PARTNERLINK
(Operating as OneBook)**

Financial Statements

For The Year Ended September 30, 2019

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Independent Auditors' Report

TO THE BOARD OF DIRECTORS GLOBAL PARTNERLINK (OPERATING AS ONEBOOK)

Opinion

We have audited the accompanying financial statements of **Global PartnerLink** (Operating as OneBook) which comprise the statement of financial position as at September 30, 2019 and the statements of changes in net assets, operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of **Global PartnerLink** as at September 30, 2019, 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 Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of **Global PartnerLink** 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 opinion.

Responsibilities of Management and Those Charged with Governance 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.

In preparing the financial statements, management is responsible for assessing **Global PartnerLink'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 **Global PartnerLink** or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing **Global PartnerLink's** financial reporting process.

Independent Auditors' Report (Continued)

Auditors' 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 auditors' 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 company'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 company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause **Global PartnerLink** 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.

The financial statements for the year ended September 30, 2018 were audited by other accountants whose auditor's report dated February 19, 2019 stated that they expressed an unqualified opinion on those financial statements.

Johnston Morrison Hunter & Co. Professional Corporation

Johnston Morrison Hunter & Co. Professional Corporation
Chartered Professional Accountants

Calgary, Alberta
January 24, 2020

GLOBAL PARTNERLINK
(Operating as OneBook)

Statement of Financial Position
September 30, 2019

	2019	2018
	\$	\$
Assets		
Current		
Cash and cash equivalents	225,636	513,352
Accounts receivable	116	73,775
Goods and services tax receivable	2,513	4,788
Prepaid expenses and other current assets	<u>13,764</u>	<u>15,789</u>
	242,029	607,704
Trademark	<u>1</u>	<u>1</u>
	<u>242,030</u>	<u>607,705</u>
Liabilities		
Current		
Accounts payable and accrued liabilities	23,380	19,257
Deferred contributions (Note 4)	<u>43,501</u>	<u>61,800</u>
	<u>66,881</u>	<u>81,057</u>
Commitments (Note 5)		
Net Assets		
Project Sustainability Fund (Note 6)	-	196,963
General Fund	<u>175,149</u>	<u>329,685</u>
	<u>175,149</u>	<u>526,648</u>
	<u>242,030</u>	<u>607,705</u>

Approved by the Board

Director:

GLOBAL PARTNERLINK
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Statement of Changes in Net Assets
For The Year Ended September 30, 2019

	2019	2018
	\$	\$
Balance, beginning of year	329,685	184,128
(Deficiency) excess of revenue over expenses for the year	(351,499)	179,422
Change in project sustainability fund	<u>196,963</u>	<u>(33,865)</u>
Balance, end of year	<u><u>175,149</u></u>	<u><u>329,685</u></u>

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Statement of Operations
For The Year Ended September 30, 2019

	2019	2018
	\$	\$
Revenue		
Donations	1,452,544	1,952,833
Interest	<u>282</u>	<u>350</u>
	<u>1,452,826</u>	<u>1,953,183</u>
Expenses		
Program expenses, Schedule "A"	1,261,342	1,149,554
Public relations and resource development, Schedule "B"	400,829	418,347
Administration, Schedule "C"	<u>142,154</u>	<u>205,860</u>
	<u>1,804,325</u>	<u>1,773,761</u>
(Deficiency) Excess of Revenue Over Expenses For The Year	<u><u>(351,499)</u></u>	<u><u>179,422</u></u>

GLOBAL PARTNERLINK
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Statement of Cash Flows
For The Year Ended September 30, 2019

	2019	2018
	\$	\$
Cash Flows From Operating Activities		
(Deficiency) excess of revenue over expenses for the year	<u>(351,499)</u>	<u>179,422</u>
Changes in Non-Cash Working Capital		
Accounts receivable	73,659	(73,775)
Goods and services tax receivable	2,275	5,617
Prepaid expenses and other current assets	2,025	(3,442)
Accounts payable and accrued liabilities	4,123	(3,701)
Unearned revenue	<u>(18,299)</u>	<u>-</u>
	<u>(287,716)</u>	<u>104,121</u>
Cash and Cash Equivalents (Decrease) Increase	(287,716)	104,121
Cash and Cash Equivalents, beginning of year	<u>513,352</u>	<u>409,231</u>
Cash and Cash Equivalents, end of year	<u><u>225,636</u></u>	<u><u>513,352</u></u>

Cash and Cash Equivalents consists of cash on hand.

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Program Expenses
For The Year Ended September 30, 2019

Schedule "A"

	2019	2018
	\$	\$
Program expenses to countries (Note 7)	1,120,866	1,054,372
Travel	38,748	29,193
Educational Tours	-	6,776
Other direct costs	8,732	7,428
Consulting and professional fees	6,731	586
Media and communication	3,820	2,419
Salaries and benefits	73,539	42,320
Facility rent	<u>8,906</u>	<u>6,460</u>
	<u><u>1,261,342</u></u>	<u><u>1,149,554</u></u>

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Public Relations and Resource Development
For The Year Ended September 30, 2019

Schedule "B"

	2019	2018
	\$	\$
Salaries and benefits	232,232	242,086
Media and communications	34,767	46,905
Other direct costs	70,625	55,857
Office supplies	17,497	9,283
Credit card and bank charges	3,384	3,405
Travel	24,263	38,494
Rent	15,285	20,372
Insurance	2,776	1,945
	<u>400,829</u>	<u>418,347</u>

The accompanying notes are an integral part of these financial statements

GLOBAL PARTNERLINK
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Administration Expenses
For The Year Ended September 30, 2019

Schedule "C"

	2019	2018
	\$	\$
Salaries and benefits	108,527	149,938
Professional fees	5,768	14,864
Rent	7,927	11,736
Media and communication	3,184	4,166
Office supplies	2,403	1,876
Travel	4,713	9,016
Insurance	1,440	1,120
Board and other expenses	7,510	11,748
Credit card and bank charges	<u>682</u>	<u>1,396</u>
	<u><u>142,154</u></u>	<u><u>205,860</u></u>

**GLOBAL PARTNERLINK
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**Notes to the Financial Statements
For The Year Ended September 30, 2019**

1. Nature of Operations

The Organization envisions a world where everyone is able to experience the transforming power of God's Word in their own language. This is accomplished by finding and supporting indigenous partners, empowering them to effect spiritual and social transformation through Bible translation, literacy and Scripture engagement programs in their own languages.

Global PartnerLink (operating as OneBook) is affiliated with, but independent of, Wycliffe Bible Translators of Canada ("Wycliffe"). Wycliffe Global Alliance ("WGA"), SIL International and other partners within the Wycliffe Global Alliance, as it has its own independent management team and Board of Directors. Global PartnerLink (operating as OneBook) is a partner organization within the 118 member Wycliffe Global Alliance.

Global PartnerLink was incorporated under the Canada Corporations Act in 2008 and was continued in 2014 under the Canada Not-for-profit Corporations Act. In 2011, Global PartnerLink adopted the operating name of OneBook to better articulate the mission of the organization.

Global PartnerLink (operating as OneBook) is a registered charity under the Income Tax Act and is therefore not subject to income tax.

The continuous operation of Global PartnerLink (operating as OneBook) is dependent on the donation support of interested individuals and organizations.

2. Significant Accounting Policies

The Organization prepares its financial statements in accordance with Canadian accounting standards for private enterprises. The significant accounting policies used are as follows:

Cash and Cash Equivalents

The company's policy is to disclose bank balances under cash and cash equivalents, including bank overdrafts with balances that fluctuate frequently from being positive to overdrawn and term deposits with a maturity period of three months or less from the date of acquisition. Term deposits that the entity cannot use for current transactions because they are pledged as security are also excluded from cash and cash equivalents.

Leases

Leases are classified as either capital or operating leases. A lease that transfers substantially all of the benefits and risks incidental to the ownership of property is classified as a capital lease. All other leases are accounted for as operating leases wherein, rental payments are expensed as incurred. At the inception of a capital lease, an asset and an obligation is recorded at an amount equal to the lesser of the present value of the minimum lease payments and the property's fair value at the beginning of such lease.

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Notes to the Financial Statements
For The Year Ended September 30, 2019

2. Significant Accounting Policies (Continued)

Trademarks

The Organization reports its trademark as an intangible asset on the Statement of Financial Position. The carrying amount of an intangible asset whose life is determined to be indefinite and therefore it is not amortized. It is tested for recoverability whenever events or changes in circumstances indicate that the carrying amount may exceed its fair value. An impairment loss is recognized when the asset's carrying amount exceeds its fair value. Impairment losses are not subsequently reversed.

Fund Accounting

These financial statements include the assets, liabilities and net assets of the funds controlled and administered by the organization. The funds are summarized as follows:

(i) The general fund is used to report contributions received and expenses incurred to general operations, and restricted contributions received and spent, on board-approved program expenses.

(ii) The project sustainability fund is an internally restricted fund which is used at the Board's direction to accumulate excess contributions designated for projects. The Board determines the amounts to be spent on projects and sets this amount aside at the end of the year in anticipation of meeting project expenses in the next year. These funds form a part of the unrestricted funds for the organization and remain subject to board discretion and approval for their use.

Revenue Recognition

The Organization follows the deferral method of accounting for contributions. All contributions received are subject to the Board's control. Contributions which are not subject to external restrictions are recognized as revenue when received. Contributions which are subject to external restrictions are deferred on the balance sheet until they are recognized as revenue in the year in which the related expenses are incurred.

Contributions of gifts in kind are recorded at estimated fair value upon the transfer of ownership of the assets.

Allocation of Expenses

The Organization reports expenses on the basis of program, public relations and resource development, and administration functions in the statement of operations. Costs which are directly related to a specific function are recorded as costs of that function. Costs not directly related to a specific function are recorded as administration costs. The administration costs are periodically reviewed and allocated between program, public relations and resource development, and administration functions on the basis of time incurred on, and space used by, the various functions.

Administrative costs allocated include travel, office supplies, telephone and communications, professional fees, insurance, rent and other miscellaneous costs

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Notes to the Financial Statements
For The Year Ended September 30, 2019

2. Significant Accounting Policies (Continued)

Foreign Currency Translation

Foreign denominated monetary assets and liabilities are translated into Canadian dollars at current rates of exchange. Unrealized gains or losses on translation of monetary assets and liabilities are included in the determination of income. Foreign denominated non-monetary assets and liabilities are translated into Canadian dollars at historical rates of exchange.

Measurement of Financial Instruments

The entity initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions.

The entity subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in net income.

Financial assets measured at amortized cost include cash and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and deferred contributions.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

Transaction costs

The entity recognizes its transaction costs in net income in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

Measurement Uncertainty

The preparation of financial statements, in accordance with Canadian generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amount of revenues and expenses during the reporting period. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

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**Notes to the Financial Statements
For The Year Ended September 30, 2019**

3. Financial Instruments and Risks

The business risks associated with financial instruments are categorized as market (comprised of currency, interest rate, and other price risk), credit and liquidity risks. It is management's opinion that the Organization is not exposed to significant market (comprised of interest rate and price risks), or credit risks arising from these financial instruments.

However, the Organization is exposed to currency and liquidity risks.

a) Market risk

i) Currency risk

Currency risk is the risk that the value or future cash flows of a financial instrument will fluctuate due to changes in foreign currency exchange rates. The Organization is exposed to currency risk because of its US dollar denominated balances as follows:

	2019	2018
	\$	\$
Cash and cash equivalents	14,049	62,290

b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

4. Deferred Contributions

	2019	2018
	\$	\$
Contributions Received		
GPS program donations received	26,256	-
Transferred to:		
GPS program disbursements	<u>(44,555)</u>	<u>-</u>
Increase in Deferred Contributions	(18,299)	-
Balance, beginning of year	<u>61,800</u>	<u>61,800</u>
Balance, end of year	<u><u>43,501</u></u>	<u><u>61,800</u></u>

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Notes to the Financial Statements
For The Year Ended September 30, 2019

5. Commitments

The Organization is committed under a long term operating lease with respect to its premises and office equipment. Annual lease payments, excluding additional rent for share of operating costs, are as follows:

	\$
2020	36,513
2021	39,244
2022	39,492
2023	4,669

6. Project Sustainability Fund

Project sustainability fund represents the net assets on hand in regards to funding specific programs.

	2019	2018
	\$	\$
Balance , beginning of year	196,963	163,098
Restricted donations	754,177	1,183,419
Program expenses (Schedule A)	(1,261,342)	(1,149,554)
Transfer of general funds to cover shortfall	<u>310,202</u>	<u>-</u>
Balance , end of year	<u>-</u>	<u>196,963</u>

7. Program expenses

	2019	2018
	\$	\$
Burkian Faso	7,334	54,134
Cameroon	428,091	340,916
Campaign	-	25,770
Ethiopia	8,655	-
Global Publishing Services (GPS)	44,555	39,105
Guinea-Bissau	86,713	50,274
India	255,038	218,408
Indonesia	45,908	42,214
Kenya	135,714	130,487
Myanmar	20,290	15,089
Nepal	77,228	103,133
South Sudan	-	13,998
Wycliffe Associates	-	7,954
Wycliffe Global Alliance	1,598	-
USA - First Nations	<u>9,742</u>	<u>12,890</u>
	<u>1,120,866</u>	<u>1,054,372</u>

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Notes to the Financial Statements
For The Year Ended September 30, 2019

8. Allocation of Administration Costs

The Organization has allocated a portion of its administration costs which are not directly related to the program or public relations and resource development functions, as follows:

	Administarion expense before allocation	Allocated to program	Allocated to public relations	Included in administration expense
	\$	\$	\$	\$
Travel	19,782	7,913	7,156	4,713
Office supplies	9,738	2,700	4,635	2,403
Media and communications	12,903	3,578	6,141	3,184
Insurance	5,833	1,618	2,775	1,440
Professional fees	23,371	6,481	11,122	5,768
Rent	32,118	8,906	15,285	7,927
Other administration costs	<u>8,669</u>	<u>2,404</u>	<u>4,126</u>	<u>2,139</u>
	<u>112,414</u>	<u>33,600</u>	<u>51,240</u>	<u>27,574</u>

9. Related Party Transaction

The following is a summary of the company's related party transactions:

The organization has been provided with full-time equivalent staff members who have been assigned from Wycliffe for an indefinite period of time. The approximate remuneration paid by Wycliffe for these staff members was \$185,715 for the year (2018 - \$182,000). In 2019 the organization contributed \$21,000 (2018 - \$21,000) to Wycliffe toward supporting these employees.

10. Comparative Figures

The comparative figures have been reclassified where necessary to conform to the presentation adopted in the current year.

