

Financial Statements of

**GLOBAL PARTNERLINK**

(Operating as OneBook)

Year ended September 30, 2018



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## INDEPENDENT AUDITORS' REPORT

To the Members of Global PartnerLink (operating as OneBook)

We have audited the accompanying financial statements of Global PartnerLink (operating as OneBook), which comprise the statement of financial position as at September 30, 2018, the statements of operations, changes in net assets, and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of Global PartnerLink (operating as OneBook) as at September 30, 2018, its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

#### **Comparative Information**

The financial statements of Global PartnerLink (operating as OneBook) as at and for the year ended September 30, 2017 were audited by another auditor who expressed an unqualified opinion on those financial statements on February 13, 2018.

KPMG LLP

Chartered Professional Accountants

Calgary, Canada  
March 8, 2019

# GLOBAL PARTNERLINK

(Operating as OneBook)  
Statement of Financial Position

September 30, 2018, with comparative figures for 2017

	2018	2017
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 513,352	\$ 409,231
Accounts receivable	73,775	–
Goods and services tax recoverable	4,788	10,405
Prepaid expenses	15,789	12,347
	<u>607,704</u>	<u>431,983</u>
Intangible assets (net of accumulated amortization)	1	1
	<u>\$ 607,705</u>	<u>\$ 431,984</u>

## Liabilities and Net Assets

Current liabilities:		
Accounts payable and accrued liabilities	\$ 19,259	\$ 22,959
Deferred contributions (note 4)	61,800	61,800
	<u>81,059</u>	<u>84,759</u>

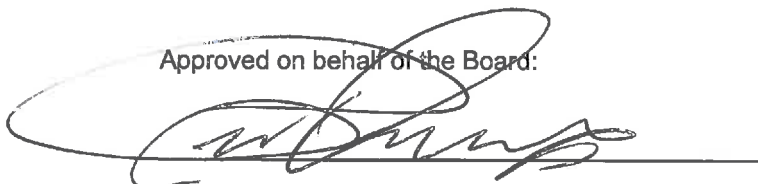
Net assets:		
General fund	329,683	184,127
Project sustainability fund	196,963	163,098
	<u>526,646</u>	<u>347,225</u>

Lease commitments (note 8)

	<u>\$ 607,705</u>	<u>\$ 431,984</u>
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See accompanying notes to financial statements.

Approved on behalf of the Board:



Director



Director

# GLOBAL PARTNERLINK

(Operating as OneBook)

Statement of Operations

Year ended September 30, 2018, with comparative figures for 2017

	2018	2017
Revenue	\$ 1,952,833	\$ 1,876,549
Sublease rent and investment income	351	384
	1,953,184	1,876,933
Expenses:		
Program expenses (note 6 (a))	1,149,554	1,158,639
Public relations and resource development (note 9)	418,347	432,673
Administration (note 10)	205,862	247,605
	1,773,763	1,838,917
Excess revenues over expenses	\$ 179,421	\$ 38,016

See accompanying notes to financial statements.

# GLOBAL PARTNERLINK

(Operating as OneBook)

## Statement of Changes in Net Assets

Year ended September 30, 2018, with comparative information for 2017

	General Fund	Project Sustainability Fund	Total
Net assets – September 30, 2016	\$ 148	\$ 309,061	\$ 309,209
Excess (deficiency) of operations	183,979	(145,963)	38,016
Net assets – September 30, 2017	\$ 184,127	\$ 163,098	\$ 347,225
Excess (deficiency) of operations	145,556	33,865	179,421
Net assets – September 30, 2018	\$ 329,683	\$ 196,963	\$ 526,646

See accompanying notes to financial statements.

# GLOBAL PARTNERLINK

(Operating as OneBook)

## Statement of Cash Flow

Year ended September 30, 2018, with comparative information for 2017

	2018	2017
Cash provided from (used in):		
Operating activities		
Excess of revenues over expenses	\$ 179,421	\$ 38,016
Changes in non-cash working capital:		
Accounts receivable	(73,775)	–
Prepaid expenses	(3,442)	(4,379)
Goods and services tax recoverable	5,617	8,640
Accounts payable	(3,700)	(62,495)
Employee deductions payable	–	(24,301)
Deferred contributions	–	41,660
	(75,300)	(40,875)
Change in cash flow	104,121	(2,859)
Cash, beginning of year	409,231	412,090
Cash, end of year	\$ 513,352	\$ 409,231

See accompanying notes to financial statements.

# GLOBAL PARTNERLINK

(Operating as OneBook)  
Notes to Financial Statements

Year ended September 30, 2018, with comparative information for 2017

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## 1. Nature of operations:

Global PartnerLink (“OneBook”) 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.

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. 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 is a registered charity under the Income Tax Act and is therefore not subject to income tax.

The continuous operation of Global PartnerLink is dependent on the donation support of interested individuals and organizations.

## 2. Significant accounting policies:

### (a) Basis of presentation:

The financial statements were prepared by management in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the Chartered Professional Accountants (“CPA”) Handbook and include the following significant accounting policies:

### (b) Fund accounting:

These financial statements include the assets, liabilities and net assets of the funds controlled and administered by OneBook. 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.



# GLOBAL PARTNERLINK

(Operating as OneBook)

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Year ended September 30, 2018, with comparative information for 2017

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## 2. Significant accounting policies (continued):

### (c) Cash and cash equivalents:

Cash includes cash and cash equivalents. Cash equivalents are investments that can be converted to cash within 90 days, and are recorded at fair value which is approximately the same as their cost plus accrued interest, if any.

### (d) Equipment:

Equipment costing greater than \$5,000, if any, is stated at cost less accumulated amortization. Equipment or other capital assets which have been contributed, are recorded at their fair value at the date of contribution if the fair value is greater than \$5,000. Equipment is amortized over their estimated useful lives at the following rates and method:

	Rate	Method
Computer equipment	20%	declining balance
Computer software	30%	declining balance

Equipment acquired during the year but not placed into use is not amortized until placed into use.

### (e) Revenue recognition:

OneBook 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.

### (f) Allocation of expenses:

OneBook 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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(Operating as OneBook)

Notes to Financial Statements, page 3

Year ended September 30, 2018, with comparative information for 2017

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## 2. Significant accounting policies (continued):

### (g) Use of estimates:

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates. OneBooks' significant estimate is the allocation of administration expenses.

### (h) Financial instruments policy:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently measured at cost or amortized cost, unless management has elected to carry the instruments at fair value. OneBook has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs. These costs are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, OneBook determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount OneBook expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial impairment charge.

### (i) Foreign currency translation:

Monetary items denominated in a foreign currency and non-monetary items carried at market are adjusted at the balance sheet date to reflect the exchange rate in effect at that date. Non-monetary items are translated at rates of exchange in effect when the assets were acquired or obligations incurred. Revenues and expenses are translated at average rates of exchange during the year. Exchange gains and losses are included in the determination of excess of revenues over expenses for the period.

# GLOBAL PARTNERLINK

(Operating as OneBook)

Notes to Financial Statements, page 4

Year ended September 30, 2018, with comparative information for 2017

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## 2. Significant accounting policies (continued):

### (j) Intangible assets:

OneBook 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.

### (k) Contributed services:

One Book does not record the value of services or goods contributed to the organization.

## 3. Financial instruments

Financial instruments in the financial statements include cash and cash equivalents, accounts receivable, goods and services tax recoverable and accounts payable. OneBook is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about OneBook's risk exposure and concentration as of September 30, 2018.

### (a) Currency risk:

OneBook is exposed to financial risks as a result of exchange rate fluctuations and the volatility of these rates. In the normal course of business, OneBook purchases currency denominated in U.S. dollars. OneBook does not currently enter into forward contracts to mitigate this risk. There has been no change to the risk exposure from 2017.

### (b) Liquidity risk:

Liquidity risk is the risk that OneBook will be unable to fulfill its obligations on a timely basis or at a reasonable cost. OneBook manages its liquidity risk by monitoring its operating requirements. There has been no change to the risk exposures from 2017.

## 4. Deferred contributions:

Deferred contributions related to expenses of future periods, which represent unspent externally restricted contributions. At September 30, 2018 unspent funds of \$61,800 (2017 - \$61,800) that were designated for restricted purposes, are included in deferred contributions.

# GLOBAL PARTNERLINK

(Operating as OneBook)

Notes to Financial Statements, page 5

Year ended September 30, 2018, with comparative information for 2017

## 5. Contributed services:

OneBook 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 \$182,000 for the year (2017 - \$186,000). In 2018 OneBook contributed \$21,000 (2017 - \$21,000) to Wycliffe toward supporting these employees.

## 6. Program expenses:

(a)

	2018	2017
Program expenses to countries (note 6 (b))	\$ 1,054,372	\$ 1,071,418
Travel	29,193	26,819
Educational tours	6,776	3,316
Other direct costs	7,427	5,419
Consulting and professional fees	586	10,072
Media and communication	2,419	2,160
Salaries and benefits	42,320	31,105
Facility rent	6,460	8,330
	\$ 1,149,554	\$ 1,158,639

(b) Program expenses were contributed to the following countries:

	2018	2017
Burkina Faso	\$ 54,134	\$ 110,293
Cameroon	340,916	344,172
Campaign	25,770	—
Global Publishing Services	39,105	—
Guinea-Bissau	50,274	55,449
India	218,408	203,615
Indonesia	42,214	19,006
Kenya	130,487	93,437
Myanmar	15,089	17,490
Nepal	103,133	90,575
Sudan	—	35,048
South Sudan	13,998	53,069
Wycliffe Associates	7,954	12,660
Wycliffe Canada	—	500
Wycliffe Finland	—	16,277
USA – First Nations	12,890	19,827
	\$ 1,054,372	\$ 1,071,418

# GLOBAL PARTNERLINK

(Operating as OneBook)

Notes to Financial Statements, page 6

Year ended September 30, 2018, with comparative information for 2017

## 6. Program expenses (continued):

Total program expenses are included above which agree to the amount on the Statement of Operations.

## 7. Allocation of administration costs:

OneBook 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:

	Administration expense before allocations	Allocated to program	Allocated to public relations	Included in administration expense
Travel	\$ 20,095	\$ 2,523	\$ 8,556	\$ 9,016
Office supplies	6,164	1,032	3,256	1,876
Telephone and communications	13,692	2,295	7,231	4,165
Insurance	3,682	617	1,945	1,120
Professional fees	17,302	586	1,852	14,864
Rent	38,568	6,460	20,372	11,736
Other miscellaneous	15,262	2,557	8,062	4,644
	<u>\$ 114,765</u>	<u>\$ 16,070</u>	<u>\$ 51,274</u>	<u>\$ 47,421</u>

Administration expenses allocated are included in Notes 6, 9, and 10, which agree to the amount on the Statement of Operations.

## 8. Lease commitments:

OneBook has a long term operating lease with respect to its premises and office equipment. Future minimum lease payments as at September 30, 2018, excluding additional rent for share of operating costs, are as follows:

	Premises	Office equipment	Total
2019	\$ 32,769	\$ 3,744	\$ 36,513
2020	32,769	3,744	36,513
2021	35,500	3,744	39,244
2022	35,748	3,744	39,492
2023	2,797	1,872	4,669
	<u>\$ 139,583</u>	<u>\$ 16,848</u>	<u>\$ 156,431</u>

# GLOBAL PARTNERLINK

(Operating as OneBook)

Notes to Financial Statements, page 7

Year ended September 30, 2018, with comparative information for 2017

## 9. Public relations and resource development expenses:

	2018	2017
Salaries and benefits	\$ 242,086	\$ 232,372
Advertising, media and communications	46,905	86,521
Other	55,857	47,550
Supplies	9,283	17,908
Credit card and bank charges	3,405	3,350
Travel	38,494	32,248
Administration	20,372	9,318
Insurance	1,945	2,406
	\$ 418,347	\$ 432,673

## 10. Administration expenses:

	2018	2017
Salaries and wages	\$ 149,938	\$ 140,460
Professional fees	14,864	3,179
Office rent	11,736	28,728
Communication	4,166	4,931
Office supplies	1,876	4,649
Travel	9,016	7,848
Insurance	1,120	1,454
Board and other expense	11,748	5,629
Bank charges and expenses	1,398	706
Professional fees, executive search	—	39,689
Office move costs	—	10,332
	\$ 205,862	\$ 247,605