



# RESTORING HER FREEDOM

**2021  
ANNUAL REPORT**



SAFOUNDATION

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# PRESIDENT'S NOTE

Dear Friends & Supporters,

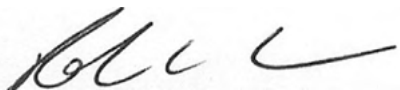
This year at the SA Foundation has been like no other, as I am sure many of you can say about your experience with 2020 as well! We have withstood a time in history that was unlike anything most of us have experienced because of the pandemic, and we have come out the other side stronger and better equipped to continue our fight against the sexual exploitation of young women. We also went through the excruciating process of standing beside our Founder as she fought her battle with liver and kidney disease, and sadly we had to let her go as she returned to her Heavenly Father.

I hope you will see in this year's report both the darkness of the year and the light that shone through as we overcame the obstacles put before us.

The Board is very encouraged with the organization; our foundation is strong, our staff is committed, and God is moving! We will continue to fight for the freedom of our young women because for as long as one still suffers in the nightmare of sexual exploitation, the work will not be done.

We hope you will be encouraged and inspired and we thank you for your prayers and support.

In His Name,



Rohan Crown  
Board President



# IN MEMORIAM

## Dominique Y. Machefert – March 14, 1950-April 18, 2021

Dominique was born just after World War II in Paris, France. The oldest of 6 children, she learned responsibility from an early age as her family struggled with poverty and lack of opportunity. She overcame a lot of hardship in her early years, which gave her a burning passion to see others who suffer be set free from their own oppression. This passion was evidenced throughout her whole life as she fought for various causes, from exploited workers in Paris to orphans in South America, and finally for the women trapped in sexual slavery, who God gave her a calling to serve.

Dominique was one of those unique people who always saw the potential in others and she would do everything she could to draw that out! She loved people and she believed wholeheartedly that God is in all of us, making us precious and irreplaceable. If you were blessed enough to count her as your friend, you had someone who would always be there for you, who would do everything in her power to make sure you were okay, who wasn't afraid to journey into the deep and hard places with you because she knew intimately what it was to suffer. She was a friend for hard times, yet she never grew bitter about her own suffering.

She loved life and loved adventure and challenges. All you had to do was tell Dominique she couldn't do something and she would set herself to prove you wrong! She had deep convictions and a determination to follow God's call on her life, no matter the cost. She held nothing back from Him or from others.

Her passion for the oppressed is her legacy that will live on. How she loved the young women in our programs! Her favourite role in our organization was that of live-in servant (house mom). She loved to be there at the midnight hour, holding a sobbing woman and speaking words of hope into her ears. Her compassion knew no bounds. Because of her great love and dedication, over 6,000 women were freed from slavery! She would tell you that it was only because of God. And while this is true that it is His work, He also counted on her and she showed up every single day, sometimes when she could barely stand from the pain and the fatigue, right up to her very deathbed. He knew He could count on her, and she never let Him down.

She was also so fearless! She took on systems and adversaries with a courage that was much bigger than her 5-foot frame! She never had any doubt that God wanted His beauties to be free. She never saw problems, she saw challenges. She inspired all of us to never give up the fight.

As the founder of Servants Anonymous, she accomplished many things. The first organization started in Calgary, Alberta in 1989 and opened with only a run-down house and a vision. The program grew exponentially over 11 years to become a centre that provided first, second and third stage housing, had a day program that provided recovery programs for up to 16 women, had a full daycare for the women and staff, had 7 business ventures to provide job training and income to the organization and launched a World Services Division to train others to duplicate their incredible success rate of over 70%. In the year 2000, Dominique branched off to put her full efforts into developing the Foundation and World Services Division and at the time of her death, 14 programs internationally had been planted and mentored.

Thank you Dominique for your unwavering faith and example of servanthood to all of us! With God's grace and provision, we will take up the torch and continue to fight for the liberation of young women trapped in unimaginable situations of abuse, degradation and suffering.

To our beloved friend, mentor, leader and servant we say, "Well done good and faithful servant! You have run the race and finished the course set before you."





# OUR LEADERSHIP TEAMS & STRUCTURE

As with all non-profit organizations, the SA Foundation has a Board of Trustees and Voting Membership, who then delegate the day to day operations to a management team. At the Foundation, we have an additional leadership structure called our Organizational Development Team (ODT), who were put in place to oversee the organization and develop new programs internationally. Here is a breakdown of each person and their role.

## Organizational Development Team

### Carla S. – Director of International Program Development

Carla has served with the Foundation for close to 29 years, mentoring under Dominique and being part of much of the start-up of each new area of development. She co-founded the World Services Division and was instrumental in launching and running the Vancouver Genesis Program. She has served in roles such as Executive Director, Program Manager, Live-in Servant, Program Facilitator and Fund Development. Today she oversees and supports the new Executive Program Director for the Genesis Program and is working at putting all of the Foundation's international training curriculum online so that the World Services Division can be even more effective at disseminating the program. She also continues to provide training and mentoring in program development to new projects internationally.

### Steve L. – Director of International Development & Mentorship

Steve has been with the SA Foundation since 2009 and has been an integral part in developing the World Services Division into what it is today. Steve's speciality is in leadership assessment and mentorship and he has provided invaluable teaching and mentoring to leaders worldwide. Today he oversees the Executive Mentorship Director for the SA Foundation and supports the Executive Operations Director in fulfilling her role, along with continuing his duties at the World Services Division.

## Executive Management Team

### Theo L. – Executive Mentorship & Community Development

Theo has been with the Foundation since 2017 and mentored under Steve to learn how to provide spiritual development and mentorship to the women in the Genesis Program, as well as learning how to open and maintain relationships with new and existing church communities. Theo is part of the fund development team and has participated in developing new initiatives such as the Her Story events. Theo is uniquely gifted at pastoral care and in encouraging others to join in the fight to set women free.

### Suzana E. – Executive Operations

Suzana just joined the Foundation in February 2021 and received a few months of mentorship under Dominique. She is uniquely gifted in operational management and has previous work experience in assisting companies to streamline and become more operationally effective, thus increasing their profits. She is a quick learner and is extremely innovative. Above all, she has a servant's heart and is excited about the Foundation's vision and mission!

## Executive Management Team (Continued)

### Marina L. – Executive Program

Marina has been a contract worker with the Genesis Program since 2017, teaching Skill Development and Employability skills to the women in the program. In April 2021 she joined full time to become the Director of the Genesis Program. She has incredible administrative and planning skills, has prior experience in working with marginalized people and is just a great addition to the existing team.

## Other Support Staff

### Naphtali L. – Global Wonders Manager

Naphtali joined the SA Foundation in 2010 and worked in various areas of the Genesis Program until taking the role of leading the Global Wonders Division. She has traveled extensively to our project in Nepal to supervise/train for production and today she continues to be innovative and creative in the development of Global Wonders.

### Abi M. – Communications Specialist and Event Coordinator Assistant

Abi joined the SA Foundation in 2017 after volunteering her time for more than 6 months. She worked in various support roles in the Genesis Program until taking on the role of managing the Foundation's communications and developing new fundraising initiatives. Abi is super creative and loves to communicate the message of hope and restoration to our many supporters.

### Tawnya H. – Database Specialist and Global Wonders Assistant

Tawnya joined the Foundation in 2019 and provides invaluable assistance in developing and maintaining the Foundation's database system. She is also a master seamstress and has used these talents for the benefit of Global Wonders!

### Norma L. – Live-in Servant and Daycare Manager

Norma moved from Alberta in 2019, initially to provide support in financial management. Her role changed to Daycare Manager once our previous manager retired and at the same time she felt called to move into the frontline house and become a house mom to our young women as Carla retired from that position after 8 years of service. Norma brings so much love and compassion to the women and children in the house and we value her greatly!

### Abi L. – Executive Assistant

Abi joined the Foundation in 2015 and worked in the Genesis Program daycare until 2020 when her job focus became a very valuable assistant to the ODT and Executive Team! Abi is super organized and detail oriented and really makes the workload easier for all those she helps.

### Melonie M. – Volunteer

Melonie is a dynamic and committed volunteer, who works so hard she deserves the title of 'staff member'! She heads up our Alberta functions, organizing and overseeing the Spring Bling Gala, the Polar Bear Dip and all Global Wonder sales and activities. She also provides educational talks to churches and other venues who are interested in learning more about the cause. She has travelled to our project in Nepal and is an amazing ambassador for SA!

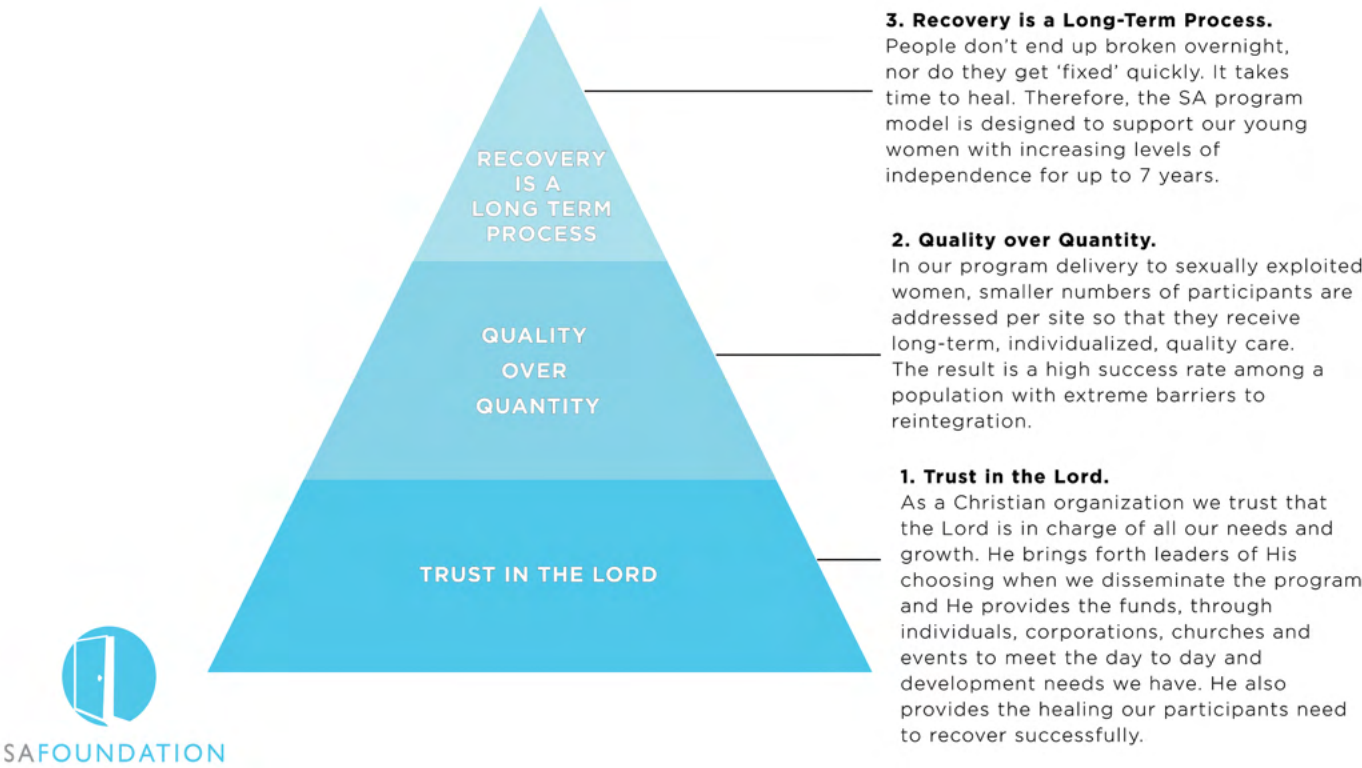


# WHO WE ARE

## OUR VALUES

The SA Foundation is a Christian organization that delivers programs that are based on the principles of servanthood, personal recovery and community. Our long term objective is that no person be enslaved by, or trapped in the sex trade

The SA Foundation has 14 Core Values that drive our **SA Program Model** and operational delivery. These values can be summed up in **3 key values** that are enacted within the SA Foundation’s operating model



We seek to accomplish this vision by providing a way out for young women (and their children) that are able to escape the sex trade. The Foundation’s highly effective recovery program offers them a viable solution; therefore planting these programs in conjunction with charitable groups is our top priority! The SA Foundation subscribes to thinking globally and acting locally. Our Canadian and international programs are initiated at the community level and driven by community involvement. The SA Foundation Program Model is practical and culturally transferrable.

The SA Foundation is a global non-profit organization that provides long-term recovery & development programs for women & children who have been affected by human trafficking & sexual exploitation.

## OUR PROGRAM MODEL

The SA program model encompasses the following programs to assist young women, with or without children, to exit sexual exploitation and to heal and rebuild their lives:

- REFUGE** — homes where women can find healing and build community
- RESTORE** — building for the future and healing from the past through the day program
- REINTEGRATE** — gaining skills and re-entering society
- REWRITTEN** — building leadership skills and rewriting their story
- REPLICATE** — changing the future for their children and replicating all they’ve learned

The program provides support and services for up to 7 years to ensure that our program participants have every opportunity to build a new life for themselves and their children.





# TRAFFICKING FOR SEXUAL EXPLOITATION IS THE FASTEST GROWING BUSINESS OF ORGANIZED CRIME



Sexual exploitation, formerly referred to as prostitution, is not new for this world. From earliest days, young women and children have been sold by parents, forced by circumstances, or coerced by trickery into what is now called the sex trade. The word ‘trade’ is as inaccurate as it can be. There is no fair trade that occurs. The young women do not end up with the better end of any deal. Instead their spirits are shattered, their hearts are torn and their bodies are abused. Day after day after day, life in this terrible situation is not one you would wish on your greatest enemy. It takes everything from these girls and gives nothing back. No monetary amount could compensate for the abuse. No one except the traffickers, the pimps, the controllers and the brothel owners ever benefits financially from such a trade. No one except the men who give themselves permission to purchase another human being benefit from the ‘pleasure’ of the experience. Given the chance, with viable opportunities, 89% of women surveyed said they would leave the ‘trade’ in a heartbeat.

And so, what do we do in the face of such overwhelming numbers and misery?

**WE GIVE THEM A CHANCE TO GET OUT.**



## RECOVERY NEEDS:

Women exiting situations of sexual exploitation & trafficking have the most barriers to success of any population as psychologists assess them as having the same level of trauma as a soldier returning from war.

Sexual exploitation has a harrowing effect on the mental, emotional and physical well-being of the women and girls ensnared in its web. Beyond the physical abuse, trafficked women suffer extreme emotional stress, including shame, grief, fear, distrust and suicidal thoughts. Victims often experience post-traumatic stress disorder, and with that, acute anxiety, depression and insomnia. Many victims turn to drugs and alcohol to numb the pain.

Sex trafficking promotes societal breakdown by removing women and girls from their families and communities.

In addition, these women often have low levels of education, few (if any) job skills, language barriers, very few living skills and minimal parenting skills. The SA Program is uniquely designed to meet each of these areas.

# SA FOUNDATION GLOBAL IMPACT

## HOW THE SA FOUNDATION IS IMPACTING SEXUAL EXPLOITATION & TRAFFICKING AROUND THE WORLD

The key motivation for all of us at the SA Foundation is IMPACT. This means that women and their children are provided with a way out of sexual exploitation and trafficking, and their needs for recovery, healing and reintegration are being effectively met.

Through our ministry partners, the SA Foundation’s Global Impact this past fiscal year included:

**15,700 Safe Nights Were Provided**  
**9,050 People were Educated About the Cause**

**Ethnicities Served: Canadian, American (Mexican, African American, Caucasian) First Nations, SE Asian, Greek, Romanian, Spanish, Dominican Republic, Jordanian, Syrian, Albanian, Hungarian, Bulgarian, African (Nigerian, Congolese, Ugandan etc.) Korean & Serbian**

### PROGRAM RESULTS:

- Outreach occurred on the streets, in orphanages, refugee camps and in villages
- Graduations frequently occurred
- Women returned to school and university scholarships were received
- Skill Development was provided and women were gainfully employed
- Children were prevented from becoming the next generation of street kids
- Average success rate: **73% of women never returned to the sex trade**

# THE PANDEMIC: CHALLENGES & TRIUMPHS

## Programming

As with the rest of the world, there were some very unique challenges that came with the onset of Covid 19. In Vancouver and in all of our projects internationally, we had to very quickly reorganize how we would deliver programming to the young women and children in our care as it simply was not an option to discontinue any of the services that we provide to them! The recovery programming and housing provided are literally their lifeline and to remove any part of it would have greatly impacted their ability to heal and move forward with their lives.

We are so proud to say that each site quickly reorganized themselves to be able to deliver the classes remotely, and in the process no services were disrupted! Each site also continued to intake new participants into their program and all staff remained committed to their jobs and their calling to the young women.

## Fundraising

As in-person contact became greatly reduced around the world, it became increasingly difficult to share the message of hope that our program offers. We had to get creative! New initiatives were undertaken, such as virtual coffee meetings and online fundraising events, among other things.

We are so glad to announce that none of our programs shut down due to a lack of funding, which sadly caused a lot of charities to close their doors, even after operating for many years. We are so thankful to God and supporters internationally for their faithfulness to this mission!



# PROJECT UPDATES

## VANCOUVER

Our program model in Vancouver went through a lot of changes with the pandemic as we quickly shifted the location of the day program and daycare and modified our program delivery so that it could be delivered in an online format. All of this was accomplished in a short amount of time and program delivery continued fairly seamlessly throughout the worst of the pandemic.

Young women and their children in the lower mainland and from other provinces in Canada continued to have full access to the programs and services they desperately need to escape and recover from sexual exploitation. Three women graduated the program during this time and began post-secondary education!

## NEPAL

Nepal has been a country that has been particularly hard hit by the pandemic. Living in conditions that were already incredibly challenging due to overcrowding, lack of resources and poverty, Covid 19 wreaked havoc in the main cities and in small, rural villages. A complete shortage of resources to assist the sick and dying has led to a national crisis.

Our program in the main city of Kathmandu was and is a beacon of hope for the 16 young women living there! Programs continued to operate even during lockdowns as the staff moved into the house in order to become available. The skill development program was at first stunted as items to and from Canada were no longer able to ship; however, several of the young women who have advanced in the program offered teaching in cooking, tailoring and English to the participants! It is amazing to see them giving back.

Several key leaders and women in the house contracted the virus, some getting quite sick. A lot of prayers went out on their behalf and all have recovered well. Please lift this project up in your prayers as their battle with the disease is far behind what we are privileged to receive in Canada.

## GREECE

The project in Greece has been busy during the pandemic time! They maintained a house filled with 5 women and 5 babies, all trafficked from various African countries. They quickly reorganized their program delivery to be delivered via zoom and all women in the program continued to successfully address their issues of recovery.

This project has the opportunity of adding a second home to their programming and the need in Greece is great as the government has begun shutting down refugee housing centres. Please pray for this program as they discern whether this is the right time to double their program space.

## HUNGARY

This project entered its 10th year of providing long-term recovery to trafficked women in Budapest! Over this time they have become widely known as a place of refuge where women that have been trafficked overseas and women trapped in the local sex trade can come to and receive the help and healing they need.

The Foundation's Global Wonders department is working on an exciting new development with the women in the Hungarian project to bring over uniquely made items. The team of people running the program are of the highest quality, remaining steadfast and vigilant to their call throughout these many years and through the hardships of the pandemic.

## GERMANY

The two projects in Germany have survived and thrived through the pandemic!

The team in Berlin have been undertaking the renovation of a property on a farm a few hours outside of Berlin where new program participants will come to live and receive their recovery programming. They were so grateful for this property as after delivering programs in Berlin for the past 5 years, it became evident that removing the women from the city would be the best option to keep them away from the traffickers who would be looking for them. They will maintain a transitional apartment in Berlin to assist graduated women to transition into society and secure work and school opportunities.

In Karlsruhe, the team maintains a high quality program that provides assistance mainly to women trafficked from Africa.

## ATLANTA

The program in Atlanta, Georgia is going strong! Prior to the pandemic they lost the property they had been using for programming and housing, however God was gracious and provided a large farm that will be transferred to their name so that they can begin delivering the SA program model, combined with an extensive farming program for the skill development portion of the program.



# AUDITED FINANCIAL STATEMENT ENDING MARCH 31 2021



SA FOUNDATION



# AUDITED FINANCIAL STATEMENT ENDING MARCH 31, 2021

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
The S.A. (Servants Anonymous) Foundation-Canada

### OPINION

We have audited the financial statements of The S.A. (Servants Anonymous) Foundation-Canada, ("The Foundation") which comprise the statement of financial position as at December 31, 2021 and the statements of operations and 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, the accompanying financial statements present fairly, in all material respects, the financial position of the The S.A. (Servants Anonymous) Foundation-Canada as at December 31, 2021 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 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 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 these financial statements, management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters relating to a 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 to do so.

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

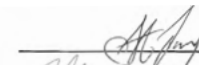

## THE S.A. (SERVANTS ANONYMOUS) FOUNDATION-CANADA

### STATEMENT OF FINANCIAL POSITION

MARCH 31, 2021

	2021	2020
<strong>ASSETS</strong>		
<strong>CURRENT</strong>		
Cash	\$ 447,536	\$ 77,354
Marketable securities	-	8,086
Goods and services tax recoverable	1,740	1,079
Prepaid expenses	5,050	37,491
	454,326	124,010
<strong>CAPITAL ASSETS (Note 3)</strong>	<u>22,720</u>	<u>6,751</u>
	<u>\$ 477,046</u>	<u>\$ 130,761</u>
<strong>LIABILITIES</strong>		
<strong>CURRENT</strong>		
Accounts payable and accrued liabilities	\$ 6,825	\$ 5,000
<strong>FUND BALANCES</strong>		
Invested in capital assets	22,720	6,751
Unrestricted	447,501	119,010
	<u>470,221</u>	<u>125,761</u>
	<u>\$ 477,046</u>	<u>\$ 130,761</u>

APPROVED ON BEHALF OF THE BOARD:

 Director  
 Director

Independent Auditor's Report to the Members of the S.A. (Servants Anonymous) Foundation - Canada  
(Continued)

### 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 judgement and maintain professional scepticism 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 of 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.

Calgary, Alberta  
June 24, 2021

Werner Haag Professional Corporation  
Chartered Professional Accountants

## THE S.A. (SERVANTS ANONYMOUS) FOUNDATION-CANADA

### STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

YEAR ENDED MARCH 31, 2021

		2021		2020
	General	Projects	Total	Total
<strong>REVENUE</strong>				
Donations	\$ 943,667	\$ 298,686	\$ 1,242,353	\$ 1,067,586
Investment income	88	-	88	75
	<u>943,755</u>	<u>298,686</u>	<u>1,242,441</u>	<u>1,067,661</u>
<strong>EXPENSES</strong>				
Project costs	-	438,435	438,435	510,220
Remuneration and benefits	10,842	151,178	162,020	275,291
Occupancy	7,250	101,335	108,585	132,740
Fundraising	93,443	-	93,443	80,133
General and administration	17,651	69,366	87,017	70,973
Amortization	8,481	-	8,481	1,787
	<u>137,667</u>	<u>760,314</u>	<u>897,981</u>	<u>1,071,144</u>
<strong>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES</strong>	<u>\$ 806,088</u>	<u>\$ (461,628)</u>	344,460	( 3,483)
Net Assets At Beginning Of Year			<u>125,761</u>	<u>129,244</u>
<strong>NET ASSETS AT END OF YEAR</strong>			<u>\$ 470,221</u>	<u>\$ 125,761</u>

# AUDITED FINANCIAL STATEMENT

## ENDING MARCH 31, 2021

THE S.A. (SERVANTS ANONYMOUS) FOUNDATION-CANADA

STATEMENT OF PROJECT REVENUES AND EXPENSES

YEAR ENDED MARCH 31, 2021

	2021		2020	
	Income	Expenses	Net Expenses	Net Expenses
Genesis Vancouver House	\$ 48,076	\$ 132,504	\$ 84,428	\$ 52,324
Day programs	83,500	151,131	67,631	145,249
The SA World Services Training Division	29,041	145,404	116,363	159,096
Greece	25,000	29,672	4,672	60,834
Nepal	6,522	170,600	164,078	153,139
Bulgaria	-	-	-	10,060
Hungary	7,221	14,340	7,119	3,290
Global Wonders	99,326	85,063	( 14,263)	( 28,298)
Cameroon	-	-	-	6,500
United States	-	-	-	1,400
	<u>\$ 298,686</u>	<u>\$ 728,714</u>	<u>\$ 430,028</u>	<u>\$ 563,594</u>

THE S.A. (SERVANTS ANONYMOUS) FOUNDATION-CANADA

STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31, 2021

	2021	2020
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenue over expenses	\$ 344,460	\$ ( 3,483)
Adjustment for Amortization	<u>8,481</u>	<u>1,787</u>
	<u>352,941</u>	<u>( 1,696)</u>
Changes in non-cash operating working capital		
Goods and services tax recoverable	( 661)	1,387
Prepaid expenses	32,441	1,096
Accounts payable and accrued liabilities	<u>1,825</u>	<u>( 616)</u>
	<u>33,605</u>	<u>1,867</u>
	<u>386,546</u>	<u>171</u>
<b>CASH FLOWS (USED IN) INVESTING ACTIVITIES</b>		
Purchase of equipment	<u>( 24,450)</u>	<u>-</u>
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
(Increase) decrease in marketable securities	<u>8,086</u>	<u>( 8,086)</u>
<b>INCREASE (DECREASE) IN CASH</b>	<u>370,182</u>	<u>( 7,915)</u>
Cash At Beginning Of Year	<u>77,354</u>	<u>85,269</u>
<b>CASH AT END OF YEAR</b>	<u>\$ 447,536</u>	<u>\$ 77,354</u>

THE S.A. (SERVANTS ANONYMOUS) FOUNDATION-CANADA

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2021

### 1. PURPOSE OF THE FOUNDATION

#### DEFINITIONS

"**The SA Foundation**" means The S.A. Foundation (Servants Anonymous) – Canada.

This "**Population**" means children, women and youth with or without children who are either sexually exploited/trafficked or who are at high risk of becoming victims of sexual exploitation/trafficking.

"**The SA World Services Division (SAWS)**" means an integral part of the SA Foundation's organizational structure created to facilitate the delivery of its programs and services, training, production and retailing charitable activities.

#### OBJECTS OF THE SA FOUNDATION

- To ethically raise funds in any way to fulfil the SA Foundation's objects and charitable activities and to use the SA Foundation's funds according to and in pursuit of its objects and charitable activities.
- To directly assist this "*population*" in their re-integration into Society.
- To assist this "population" in their re-integration into Society by co-operating with local organizations abroad.
- To assist this "population" in their re-integration into Society by gifting organizations that are "qualified donees" as defined in subsection 149.1(1) of the Income Tax Act and that deliver programs and services to this "population".
- To provide qualified donees in Canada or through co-operating with local organizations abroad, with the needed assistance and training to give them the expertise to deliver necessary programs and services to this "*population*".
- To produce and retail through related business activities as defined under the Income Tax Act, SA religious publications, educational and marketing materials and items such as handicrafts as a means to achieve the SA Foundation's charitable programs.

THE S.A. (SERVANTS ANONYMOUS) FOUNDATION-CANADA

NOTES TO FINANCIAL STATEMENTS (Continued)

MARCH 31, 2021

### 2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for Not-for-Profit organizations. The financial statements have, in management's opinion, been properly prepared using careful judgement with reasonable limits of materiality and within the framework of the significant accounting policies described below.

#### REVENUE RECOGNITION

The SA Foundation follows the restricted method of accounting for contributions. Contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

#### INCOME TAXES

The SA Foundation is a not-for-profit Foundation under the Income Tax Act and, therefore, is not subject to either Federal or Provincial income taxes.

#### CAPITAL ASSETS

Capital assets are recorded at cost. Amortization is provided at the following annual rates:

Furniture and fixtures	20%	Declining balance
Computer equipment	30 - 55%	Declining balance
Video	20%	Declining balance
Automotive	30%	Declining balance

# AUDITED FINANCIAL STATEMENT

## ENDING MARCH 31, 2021

THE S.A. (SERVANTS ANONYMOUS) FOUNDATION-CANADA

NOTES TO FINANCIAL STATEMENTS (Continued)

MARCH 31, 2021

### 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### MARKETABLE SECURITIES

Marketable securities are recorded at fair value based on published trading data. Realized and unrealized gains and losses are reported in the statement of operations.

#### CASH

Cash is on deposit with major financial institutions and is, therefore, not subject to significant credit risk.

#### FOREIGN CURRENCY TRANSLATION

Foreign currency denominated monetary assets and liabilities are translated into Canadian dollars at the exchange rate in effect as of the date of the balance sheet. Foreign currency denominated non-monetary assets and liabilities are translated into Canadian dollars at the exchange rate in effect on the transaction date. Revenue and expense items are translated at the average exchange rates for the period. Gains or losses in translation have been charged to income of the current period.

#### FINANCIAL INSTRUMENTS

Financial instruments included in these financial statements include cash, marketable securities and accounts payable and accrued liabilities.

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in revenue. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

THE S.A. (SERVANTS ANONYMOUS) FOUNDATION-CANADA

NOTES TO FINANCIAL STATEMENTS (Continued)

MARCH 31, 2021

### 3. CAPITAL ASSETS

	2021		2020	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Furniture and fixtures	\$ 57,509	\$ 52,631	\$ 4,878	\$ 6,098
Computer equipment	45,313	27,471	17,842	165
Video	11,180	11,180	-	97
Automotive	<u>8,000</u>	<u>8,000</u>	<u>-</u>	<u>391</u>
	<u>\$ 122,002</u>	<u>\$ 99,282</u>	<u>\$ 22,720</u>	<u>\$ 6,751</u>

### 4. FINANCIAL INSTRUMENTS

#### Fair Values

The carrying values of cash, marketable securities, goods and services tax recoverable and accounts payable and accrued liabilities approximate their fair value due to the relatively short periods to maturity of these items.

#### Interest Rate Risk

The Foundation is not exposed to interest rate risk.

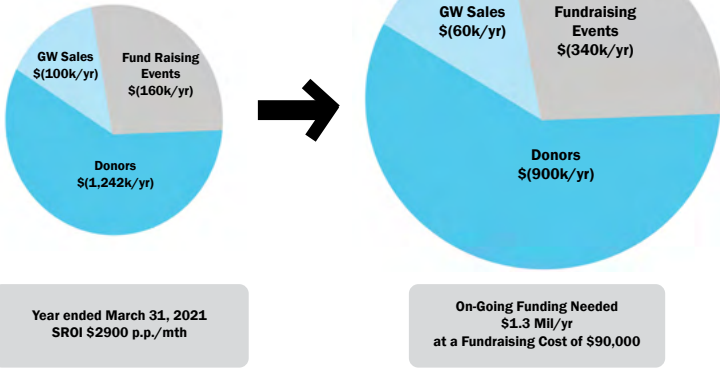
#### Liquidity Risk

Liquidity risk is the risk that the Foundation cannot fund its obligations as they come due. The Foundation prepares annual budgets and actively monitors its cash flows from operating, investing and financing activities. The Foundation is exposed to liquidity risk by being dependent on continued donations for cash inflows.

#### Risk Management

It is management's opinion that the Foundation is not significantly exposed to any credit, market, or foreign exchange risk.

### Source of Funding



- Office & Administration costs not related to projects \$49,251  
- Fundraising Costs \$93,000  
- Remunerations and Benefits of 7 F/T Staff & 2 Contractors \$162,000\*

\* Special Note: During the peak of Covid-19 our staff graciously agreed to go on the Canadian Emergency Relief Benefit provided by the Canadian government while the Foundation discerned how to move forward with fundraising endeavors. During this period none of our staff stopped working and we are so grateful for their dedication! To our surprise and delight, God brought more funding during this time than we have raised before!



# MESSAGE FROM THE ORGANIZATIONAL DEVELOPMENT TEAM

## Vision for 2021-2022

The SA Foundation’s Organizational Development Team has direct oversight of the Foundation’s World Services Division, and we have exciting developments to share with you!

## CAPACITY BUILDING

In the 2019 Annual Report, we spoke about our desire for capacity building and succession planning. We are so glad to report that we took this seriously, and upon the death of our founder, realized that we did a good job of it! The work has continued seamlessly and we continue to build for the future.

Our major project for 2021-2022 is the development of an online learning system that will encompass all of the training we provide to new program sites on operations, governance, fund development, policy implementation, marketing, program development and mentorship. This training will be available to all staff of the organizations. The training will be uniform and easily transmissible to all countries and cultures. It will also draw on the experience of the leaders of already developed SA programs as we utilize them as expert trainers for the new projects! In this way we continue building our capacity to train up more new sites each year. We anticipate it will triple our capacity to duplicate within the next 3 years. This translates into many more women getting the chance to escape the sex trade, receive healing and build new lives for the future!

We will need to visit our existing projects in the coming year, after being away for more than 2 years due to Covid, so we can encourage them, strengthen our relationships and provide training to them to join us at the World Services Division.

## TRAINING OTHERS

Another function of the World Services Division is to provide education and training to the community at large on both the issue of sexual exploitation and trafficking and on the Foundation’s uniquely designed Scriptural 12-Step Program called the Formation of Servants.

Community education about the issue is provided through an online course called the Communicar Seminar. To date, over 650 people have taken this seminar from many cities across the world! The course was recently revised and is attracting new learners from all over.

The SA Formation of Servants provides leaders and individuals with a unique set of ‘tools’ to process their recovery and relationship with Christ. It is an intensive 40-week program that requires dedication on the part of the learner. This course is spreading across many parts of Europe and we are excited to see how it is being promoted by our SA leaders, as it is a mandatory part of their training with us.

## GLOBAL WONDERS IS EXPANDING

The pandemic pushed Global Wonders into new horizons! It was always the vision the Global Wonders would provide training on production to our programs throughout the world, but until this year they primarily focused on developing our Nepali program. However, the pandemic shut down all shipments to and from Nepal and caused us to ‘think outside the box’ and begin exploring production relationships with other projects. We are very excited to announce that in the Fall of this year you will see products produced by women in our Greek, Hungarian and potentially German projects! Stay tuned and watch for announcements on the Global Wonders site: [www.beaglobalwonder.com](http://www.beaglobalwonder.com)

## EXPANDING OUR FUNDING REACH

The SA Foundation and its World Services Division receives support from many different sectors: churches, individuals, foundations, small businesses and our own fundraisers. We recognize it takes a multi-pronged approach to develop a financially sustainable organization.

In the year to come we are developing and launching a strategy specifically for businesses and corporations to come alongside the work that is being done and become part of the change that needs to happen to effectively fight the sex trade on an international level. If you would like your business to align itself with this initiative, please get in touch with us and we will work with you to develop a strategy that fits your unique business environment!

## IN CONCLUSION...

We ask that you join us in prayer for the expansion of the work that God has given us to do for the sexually exploited women and their children that we serve globally. Pray for the developments that have been noted above. We are excited and want to clearly move ahead as the Lord directs us and opens the doors – pray that we hear him well and move according to his plan and time table.

We also thank you for you ongoing support, both prayer and finances that enable us to keep the dream and vision alive and moving forward. We know that as Dominique used to love saying – We are the beautiful truck and you are the gasoline that keeps it moving. Thank you so much.

Blessings,  
Carla and Steve

## DONOR RECOGNITION

At the SA Foundation, we thank you, our generous donors, for believing in our young women involved in the many national and international SA projects that you are supporting. By financially partnering with the SA Foundation in providing them with the freedom and opportunities that we both enjoy, you not only bless them, but also bless the generations after them, as moms and children represent 75% of our intakes.

*Thank you for joining us in this rewarding work*



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