



**Annual Financial Statements  
June 30, 2021**

Consolidated Statement of Financial Position  
As at June 30, 2021

(Canadian dollars - Unaudited)

	Note	Operating Fund	General Endowment	Storehouse Endowment	Total
<b>Assets</b>					
Current					
Cash		\$ 286,179	\$ 38,685	\$ 375,811	\$ 700,675
Investments (Held for Trading)	3	531,880	240,869	148,424	921,174
Long-term					
Land, Buildings and Equipment	4	485,308	-	-	485,308
		\$ 1,303,367	\$ 279,554	\$ 524,235	\$ 2,107,157
<b>Liabilities</b>					
Current					
		\$ -	\$ -	\$ -	\$ 0
Long-term					
		\$ -	\$ -	\$ -	\$ -
<b>Fund balances</b>					
Invested in capital assets		\$ -	\$ -	\$ -	\$ -
Restricted for endowment purposes		-	259,652	445,293	704,945
Internally restricted		-	-	-	-
Unrestricted		1,303,367	19,902	78,942	1,402,212
		1,303,367	279,554	524,235	2,107,157
		\$ 1,303,367	\$ 279,554	\$ 524,235	\$ 2,107,157

Consolidated Statement of Financial Position  
As at June 30, 2020

(Canadian dollars - Unaudited)

	Note	Operating Fund	General Endowment	Storehouse Endowment	Total
<b>Assets</b>					
Current					
Cash		\$ 607,162	\$ 38,685	\$ 375,811	\$ 1,021,658
Investments (Held for Trading)	3	529,397	262,126	159,004	926,032
Long-term					
Land, Buildings and Equipment	4	505,118	-	-	-
		\$ 1,757,847	\$ 300,811	\$ 534,815	\$ 2,593,473
<b>Liabilities</b>					
Current					
		\$ -	\$ -	\$ -	\$ -
Long-term					
		-	-	-	-
		\$ -	\$ -	\$ -	\$ -
<b>Fund balances</b>					
Invested in capital assets		\$ -	\$ -	\$ -	\$ -
Restricted for endowment purposes		-	259,652	445,293	704,945
Internally restricted		-	-	-	-
Unrestricted		1,757,847	41,159	89,522	1,888,528
		1,757,847	300,811	534,815	2,593,473
		\$ 1,757,847	\$ 300,811	\$ 534,815	\$ 2,593,473

# Consolidated Statement of Comprehensive Income and Changes in Fund Balances Years Ended June 30, 2021 and 2020

(Canadian dollars - Unaudited)

<b>Year Ended June 30, 2021</b>	Note	<b>Operating Fund</b>	<b>General Endowment</b>	<b>Storehouse Endowment</b>	<b>Total</b>
Revenues					
General contributions		\$ 60,825	\$ -	\$ -	\$ 60,825
Investment income (loss)		30,567	(21,256)	(10,580)	(1,269)
		\$ 91,392	\$ (21,256)	\$ (10,580)	\$ 59,556
Expenses					
Depreciation	4	\$ 385,614	\$ -	\$ -	\$ 385,614
		160,258	-	-	160,258
Excess (deficiency) of revenues over expenses					
		\$ (454,480)	\$ (21,256)	\$ (10,580)	\$ (486,316)
Fund balances, beginning					
Endowment contributions		\$ 1,757,847	\$ 300,811	\$ 534,815	\$ 2,593,473
Fund transfers		-	-	-	-
Fund balances, ending		\$ 1,303,367	\$ 279,554	\$ 524,235	\$ 2,107,157

<b>Year Ended June 30, 2020</b>	Note	<b>Operating Fund</b>	<b>General Endowment</b>	<b>Storehouse Endowment</b>	<b>Total</b>
Revenues					
General contributions		\$ 71,483	\$ -	\$ -	\$ 71,483
Investment income (loss)		444,453	10,831	5,787	461,071
		\$ 515,936	\$ 10,831	\$ 5,787	\$ 532,555
Expenses					
Depreciation	4	\$ 315,940	\$ -	\$ -	\$ 315,940
		160,258	-	-	160,258
Excess (deficiency) of revenues over expenses					
		\$ 39,739	\$ 10,831	\$ 5,787	\$ 56,357
Fund balances, beginning					
Endowment contributions		\$ 1,718,107	\$ 289,980	\$ 529,027	\$ 2,537,116
Fund transfers		-	-	-	-
Fund balances, ending		\$ 1,757,847	\$ 300,811	\$ 534,815	\$ 2,593,473

The accompanying notes form an integral part of these consolidated financial statements

# Consolidated Statement of Cash Flows

## For the Years Ended June 30

(Canadian dollars - Unaudited)

	Note	2021	2020	2019
<b>Operating Activities</b>				
Excess (deficiency) of revenues over expenses		\$ (533,551)	\$ 39,739	\$ (258,482)
Add: Shares sold (Shares Donated to Operating Fund and held)		50,456	332,565	-
Add: Unrealized investment loss (income)		21,854	(140,710)	(37,248)
Add: Depreciation	4	160,258	160,258	122,988
		(300,983)	(273,278)	(172,742)
(Increase) decrease in non-cash working capital		-	-	-
Cash generated by (applied to) operating activities		(300,983)	(273,278)	(172,742)
<b>Financing and Investing Activities</b>				
Sale (Purchase) of investments		-	777,048	24,007
Investment in land, buildings and equipment	4	-	(151,654)	(136,302)
Cash Provided by (used by) financing and investing activities		-	625,394	(112,295)
Net increase(decrease) in cash		(320,983)	352,116	(285,037)
Cash, beginning of year		1,021,658	669,542	954,579
Cash, end of year		\$ 700,675	\$ 1,021,658	\$ 669,542

The accompanying notes form an integral part of these consolidated financial statements

**1. NATURE OF OPERATIONS**

Nations Cry (the “Charity”) is a humanitarian organization that addresses humanitarian needs with long-term sustainable solutions. Nations Cry, a Canadian federally incorporated company, is a registered Charity with the Canada Revenue Agency. Nations Cry endeavours to educate and transform the children of Sierra Leone. During its fiscal year ended June 30, 2021, Nations Cry focused on its normal operating activities, including youth education, college scholarship programs and the care for orphans in Sierra Leone, Africa.

These consolidated financial statements were authorized for issue by the Board of Directors of the Charity on December 24, 2021.

**2. BASIS OF PRESENTATION**

(a) *Statement of Compliance*

These consolidated financial statements, including comparatives, have been prepared in accordance with Canadian Generally Accepted Accounting Principles.

(b) *Not-for-profit accounting method*

Nations Cry follows the deferral method of accounting for contributions.

(c) *Fund accounting*

- i. Revenue and expenses relating to program delivery and administrative activities are reported in the Operating Fund.
- ii. General Endowment and the Storehouse Endowment contributions are recorded in the respective fund. Investment income earned on the resources of these funds is reported in the respective fund to which the Investment income relates.

(d) *Revenue recognition*

- i. Restricted contributions are recognized as revenue of the appropriate fund in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue of the appropriate fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.
- ii. Endowment contributions are recognized as direct increases in the Endowment Fund balance.

(e) *Investments*

Investments are recorded at the lower of amortized cost and market value.

(f) *Contributed Services*

Volunteers contribute about 100 hours per year to assist Nations Cry in carrying out its service delivery activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

(g) *Land, Building and Equipment*

Land, buildings and equipment are recorded at cost. Buildings and equipment are depreciated over their estimated useful lives. Due to the harsh weather conditions and climate of Sierra Leone, the current estimated useful lives of building structures is five years and the current estimated useful lives of equipment is three years.

### 3. INVESTMENTS

As at June 30, 2021	Operating Fund	General Endowment	Storehouse Endowment	Total
<b>Investments (held for trading)</b>				
PH&N Cdn Money Market	\$ 52,405	\$ 50,216	\$ 53,133	\$ 155,754
PH&N ST Bond & Mortgage	-	65,158	32,566	97,724
PH&N US Money Market Fund	-	125,497	62,724	188,220
Mavrix	47,235	-	-	47,235
Equinox Gold	172,243	-	-	172,243
Solaris	60,262	-	-	60,262
Awale	7,725	-	-	7,735
Entrée Gold	192,000	-	-	192,000
	<u>\$ 531,880</u>	<u>\$ 240,870</u>	<u>\$ 148,424</u>	<u>\$ 921,174</u>

  

As at June 30, 2020	Operating Fund	General Endowment	Storehouse Endowment	Total
<b>Investments (held for trading)</b>				
PH&N Cdn Money Market	\$ 52,322	\$ 50,137	\$ 53,050	\$ 155,508
PH&N ST Bond & Mortgage	-	64,646	32,311	96,956
PH&N US Money Market Fund	-	147,344	73,644	220,988
Equinox Gold	303,675	-	-	303,675
Solaris	4,001	-	-	4,001
Awale	65,120	-	-	65,120
Entrée Gold	80,000	-	-	80,000
	<u>\$ 505,118</u>	<u>\$ 262,127</u>	<u>\$ 159,004</u>	<u>\$ 926,248</u>

Held for trading securities, are securities that have either been donated to Nations Cry, and which may be sold in the short term to meet the funding needs of the organization, or are held by Nations Cry in one of its endowment funds and may be sold as the endowment funds investments are managed in the normal course of business. The 2020 gain was primarily as a result of realized gains on securities sold during the year. In accordance with its

investment policy, Nations Cry does not purchase individual company securities but may hold donated securities from time-to-time.

#### 4. LAND, BUILDINGS AND EQUIPMENT

	Land	Buildings	Total
<b>June 30, 2019</b>	<b>\$ 162,217</b>	<b>\$ 491,952</b>	<b>\$ 654,169</b>
Additions	-	151,654	151,654
Depreciation	-	(160,258)	(160,258)
<b>June 30, 2020</b>	<b>\$ 162,217</b>	<b>\$ 483,348</b>	<b>\$ 645,562</b>
Additions	-	-	-
Depreciation	-	(160,258)	(160,258)
<b>June 30, 2021</b>	<b>\$ 162,217</b>	<b>\$ 323,092</b>	<b>\$ 485,308</b>

#### 5. ENDOWMENT FUNDS

(a) *General Endowment*

The General Endowment fund is funded by directors, volunteers and other individuals close to the Charity. The vast majority of investment income from the General Endowment fund is spent on the end cause, while a portion is used to cover any administrative expenses that may be incurred. The balance included in externally restricted funds for the General Endowment differs from the life-to-date endowment fund contributions due to the life-to-date net investment income net of transfers from the fund as 10 year donations, which have been held in excess of 10 years have been transferred to the operating fund.

(b) *Storehouse*

The Storehouse is Nations Cry's primary endowment fund for receiving donations from the general public and it a vital part of the Charity's structure. When a donation is made to the Storehouse the funds are invested and the investment proceeds are used exclusively for humanitarian / mission projects. No investment income ever earned from the Storehouse will ever be spend on administrative overhead, allowing donors to be confident that 100% of their donations, and the investment income earned once those donations are invested, will go to the end cause. To date, no transfers have been made from the Storehouse Endowment Fund to the Operating Fund.

#### 6. RELATED PARTY TRANSACTIONS

During the year ended June 30, 2019, directors and officers of Nations Cry (including family members), made donations and endowment fund contributions totalling nil% of total donations for the year (2019 – 27%).



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