



January 1, 2018 – December 31, 2018 ANNUAL REPORT

Safe Drinking Water Foundation (SDWF)





Our Mission

We will educate the leaders of today and tomorrow about drinking water quality issues to realize our goal of safe drinking water being available to every Canadian.

Our Vision

To reaffirm and promote all people's right to safe drinking water. With a focus on developing partnerships with rural communities throughout Canada and around the world, we intend to effect change at the municipal, provincial, and federal levels as well as within civil society and industries involved in the protection and production of public water supplies.

We will deliver high quality, hands-on educational programs to thousands of classrooms in order to educate students, the leaders of tomorrow, about drinking water quality issues and solutions.

Our Goals

Our vision will be reached in Canada when the following goals have been achieved:

- National drinking water regulations are implemented and enforced, resulting in all communities in Canada having access to truly safe drinking water.
- The federal government of Canada recognizes at the United Nations that water is a basic human right.

SDWF is a registered Canadian charity. Its primary purpose is to educate community leaders, politicians, engineers, health officials, students, and the general public about drinking water quality issues and solutions. The SDWF accomplishes this by developing and distributing high quality, hands-on educational programs to thousands of schools, delivering webinars, and maintaining a massive website with lots of information available free of charge.

SDWF is independent from municipal, provincial and federal governments and led by a Board of Directors.

SDWF emphasizes sound solutions to poor quality water.

Our History

The SDWF emerged in 1997 from the collaboration of five scientists from Russia, Scotland, Japan and Canada who shared concerns regarding the lack of access for rurally located people to safe drinking water. It became a registered Canadian charity in January 1998. In 1999, an environmental health officer, alarmed at the high incidence of waterborne illnesses experienced at the Yellow Quill First Nation, contacted one of SDWF's founding members, Dr. Hans Peterson. This reserve had been under a boil water advisory for nearly a decade; in response to this need, Dr. Hans Peterson lived at Yellow Quill for 20 months from 2002 to 2004 while researching and developing a new biological water treatment system on reserve. The process developed was called the Integrated Biological and Reverse Osmosis Membrane (IBROM) treatment system. Since then, this system has been implemented in several other First Nations

communities that have all benefited by being able to provide their residents with a drinking water quality that exceeds the most stringent of all international regulations.

While SDWF was founded to find drinking water solutions in developing countries, it became apparent in 2000 that Canada had a developing country in its own backyard, particularly with respect to the drinking water quality for First Nations communities. This understanding prompted the SDWF to consider the development of educational programming in response to the need to not only provide clean drinking water through technical means, but also to educate communities about water issues and how to attain and maintain good quality drinking water. To this end, the SDWF made education at the K-12 level a priority for the organization. This led to initial programming such as Operation Water Drop (OWD) in 2001. In addition to OWD kits, the Operation Water Pollution (OWP) kit was developed and made available in 2007. In fall 2010, SDWF began offering Operation Water Biology (OWB) kits to schools. The SDWF has also developed additional education programs which are available free of charge online. Currently, the SDWF offers the following free programs on their website: Operation Water Spirit, Operation Water Flow, Operation Water Health, and Operation Community Water Footprint.





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About Us

SDWF is a registered Canadian charity (#868384892RR0001) that sends water testing kits to schools, mainly across Canada but also elsewhere in the world, in order for students to be able to test their own local drinking water and other water samples. By doing this, students are engaging in a relevant, authentic laboratory experience and, therefore, they are not only learning about water quality issues and solutions, but also they are also increasing their interest in science.

SDWF currently sends eight different types of water testing kits to schools: Elementary Operation Water Drop (OWD), French Elementary OWD, High School OWD, French High School OWD, Operation Water Pollution (OWP), French OWP, Operation Water Biology (OWB), and French OWB. Elementary OWD kits enable students in grades four to eight to test their local drinking water and control water samples for eight different components (alkalinity, ammonia, colour, total chlorine, copper, pH, sulphate, and total hardness) and compare their results to the Guidelines for Canadian Drinking Water Quality. High School OWD kits enable students in grades nine to twelve to test five different water samples for 12 different components (alkalinity, ammonia, arsenic, colour, iron, manganese, nitrate, total chlorine, copper, pH, sulphate, and total hardness) and compare their results to the Guidelines for Canadian Drinking Water Quality. Teachers can enter their students' test results into the Operation Water Drop Test Results Submission Website, thereby involving their students in citizen science.

OWP kits enable students in grades five to twelve to learn about water pollution (including what causes it, how it is cleaned up, how it can be prevented and what they can personally do about the problem). In an activity that SDWF received permission from Engineers Without Borders to use, students are given different community situations and different amounts of play money and need to use their play money to purchase materials to create a water filtration device – they learn why some communities struggle to produce safe drinking water. The OWP kit is composed of a digital TDS meter and a digital pH meter that are both guaranteed to be reusable for at least two years. OWB kits make it possible for students in grades nine to twelve to learn about biological water treatment, a more effective and environmentally friendly method of treating drinking water. In the OWB program, students conduct hands-on experiments to learn more about chlorine, chloramine, ammonia, and iron.

SDWF also offers Operation Water Spirit (OWS), Operation Water Flow (OWF), Operation Water Health (OWH), and Operation Community Water Footprint (OCWF) free of charge on their website. OWS enables students to gain a greater understanding of Aboriginal culture and beliefs related to water issues. The OWS program is being revamped during the 2018-2019 school year. OWF is very interdisciplinary and enables students to study water from many viewpoints. OWH enables students to learn about what safe drinking water is, what unsafe drinking water is, and the health problems that can be caused by unsafe drinking water. OCWF has students ask their local water treatment plant personnel questions in order to be able to calculate how much raw water is required for their community to treat and deliver one litre of drinking water to their homes. These free programs do not require kits and many of them are also available in French and/or Cree.

SDWF also maintains a very large amount of information about drinking water quality issues and solutions on their website in order to educate scientists, teachers, health professionals, engineers, other professionals, and the public. SDWF has also held one Student Action on



Canadian Water Attitudes Competition, a Student Action on Saskatoon Water Attitudes Competition, and a Student Action on Saskatchewan Water Attitudes Competition.

Our People

Board Members

Name	Position	Dates acted
Ray Blumenfeld	Chairperson	September 2004 - Present
David Schindler	Honourary Chairperson	February 2001 - Present
Tracy Webb	Director	December 2004 - Present
Dr. Timothy (Tim) Molnar	Director	2006-2010 and March 2013 - Present
Dr. John O'Connor	Director	April 2010 - Present
Dr. Lalita Bharadwaj	Director	January 2014 - Present

Employees

Name	Position	Dates acted
Nicole Hancock	Executive Director	December 2006 - Present
Lolita Dollisen	Kit Coordinator	2004 - Present
Audrey Sembalerus	Education Programs Summer Student	May 2017 – March 2018
Sarah Bell	Cleaner and Delivery Driver	March 2018 – October 2018
Ashleigh Arcand	Education Programs Assistant	July 2018 - Present

Volunteers

Name	Position	Dates acted
Dr. Hans Peterson	Volunteer Ambassador	1997 - 2018
Robert Hancock	Technical Volunteer	2012 - Present
David MacDonald	Water Facts of the Week Researcher	2015 - 2018



Ray Blumenfeld
Chairperson



Dr. David Schindler
Honourary Chairperson



Tracy Webb
Director



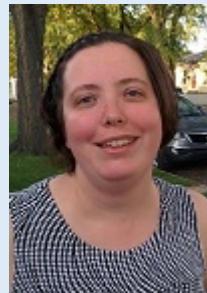
Dr. Timothy (Tim) Molnar
Director



Dr. John O'Connor
Director



Dr. Lalita Bharadwaj
Director



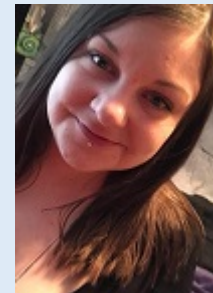
Nicole Hancock
Executive Director



Lolita Dollisen
Kit Coordinator



Audrey Sembalerus
Education Programs
Summer Student



Sarah Bell
Cleaner and Delivery
Driver



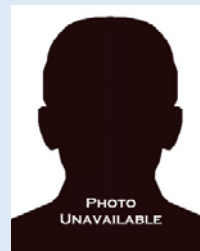
Ashleigh Arcand
Education Programs
Assistant



Dr. Hans Peterson
Volunteer Ambassador



Robert Hancock
Technical Volunteer



David MacDonald
Water Facts of the Week
Researcher

Our Supporters

Donors of \$10,000 or More (logo and hyperlink appear on our website and thanked in our newsletter)

Anonymous Family Foundation



Anonymous Family Foundation

An anonymous family foundation provided us with \$50,000 to send sponsored water testing kits to schools in Alberta.

National Indian Brotherhood Trust Fund

National Indian Brotherhood Trust Fund provided us with a grant of \$47,350 to redevelop our Operation Water Spirit program and send sponsored water testing kits to First Nations schools across Canada.



Mosaic

Mosaic provided us with a grant of \$20,000 to send sponsored water testing kits to Saskatchewan schools.









The W. Garfield Weston Foundation

The W. Garfield Weston Foundation provided us with a grant of \$20,000 to send sponsored water testing kits to schools across Canada and to hold our Student Action on Canadian Water Attitudes Competition.

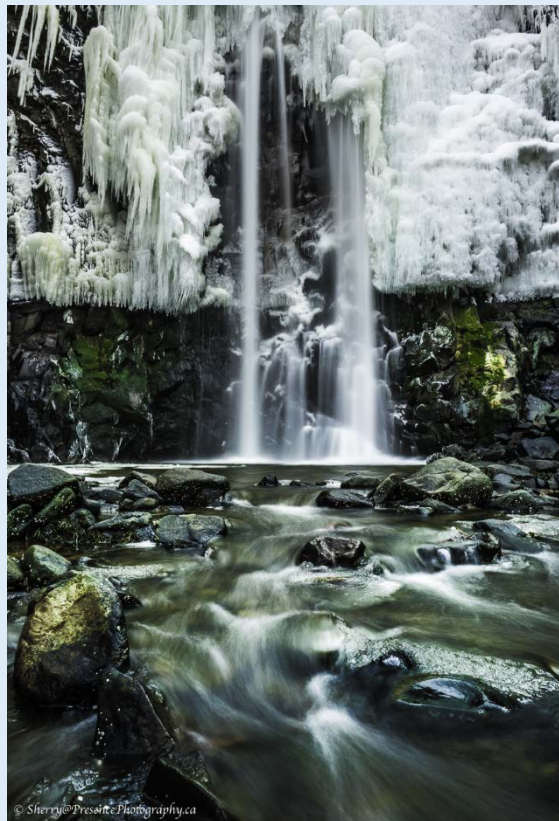
RBC

RBC provided us with \$13,000 to hold our Student Action on Saskatchewan Water Attitudes Competition.

Donors of \$1,000 or More (thanked in our newsletter)

			
<p>Federated Co-operatives Limited</p> <p>Federated Co-operatives Limited provided us with \$6,885 to send water testing kits to Saskatoon schools and \$1,105 to send water testing kits to Winnipeg schools.</p>	<p>Dakota Dunes Community Development Corporation</p> <p>Dakota Dunes Community Development Corporation provided us with grants totaling \$7,310 to send water testing kits to schools in their catchment area.</p>	<p>Saskatchewan Indian Gaming Authority (SIGA)</p> <p>SIGA provided us with \$5,000 to send water testing kits to Saskatchewan First Nations schools.</p>	<p>Saskatchewan Association for Resource Recovery Corp. (SARRC)</p> <p>SARRC provided us with \$5,000 to send water testing kits to Saskatchewan schools that are located in communities where SARRC operates.</p>
			
<p>TD Friends of the Environment Foundation (TD FEF)</p> <p>TD FEF's Saskatchewan Chapter Advisory Board provided us with \$4,505 to send water testing kits to Saskatchewan schools that are located where TD has branches.</p>	<p>Affinity Credit Union</p> <p>Affinity Credit Union's South District provided us with \$3,000 to send water testing kits to schools in its area and their North East District provided us with \$170 to send an Operation Water Pollution kit to a school in its district.</p>	<p>Alberta Conservation Association (ACA)</p> <p>ACA provided us with \$3,145 to send water testing kits to Alberta schools for teachers to use as part of field trips.</p>	<p>S. M. Blair Family Foundation</p> <p>S. M. Blair Family Foundation Provided us with \$3,000 to help us with the revamp of our Operation Water Spirit program.</p>

<p>Government of Canada</p> <p>Government of Canada provided us with \$2,630 through their Canada Summer Jobs program to hire a summer student for 30 hours per week for eight weeks.</p>	<p>Honda Canada Foundation</p> <p>Honda Canada Foundation provided us with \$2,550 to send water testing kits to schools that are located in communities where Honda has dealerships.</p>	<p>City of Saskatoon</p> <p>City of Saskatoon provided us with \$2,000 to enable three schools that competed in the Student Action on Saskatoon Water Attitudes Competition to continue their action projects.</p>	<p>SaskTel</p> <p>SaskTel provided us with \$1,360 to send eight Operation Water Pollution kits to rural Saskatchewan schools.</p>	<p>Gibson Energy</p> <p>Gibson Energy provided us with \$1,000 to send water testing kits to schools that are located in the area in which Gibson Energy operates.</p>



Chairperson's Report



Ray Blumenfeld, President, We Communications West Inc.
Chair

Dear Friends of the Safe Drinking Water Foundation,

On behalf of the Board of Directors, Staff, Volunteers and our valued Advisors of the Safe Drinking Water Foundation (SDWF), I am proud to welcome you to our 2018 Annual Report.

This past year was filled with many great accomplishments as we continue to move forward in our goal of educating students across Canada about the value and importance of clean, safe drinking water for all.

My sincere appreciation is extended to our Board Members who give of their valuable time and expertise. Thanks to our volunteers for their efforts in working with us over not only this past year, but also for their commitment over these many years.

On a sad note, we lost Dr. Hans Peterson last October at the age of 68. Dr. Peterson was one of the founders of the SDWF and pioneered the development of the Integrated Biological and Reverse Osmosis Membrane (IBROM) water treatment process. He was a man of passion and commitment and an outspoken advocate for improving the quality of water for all Canadians, especially those in many First Nations and rural communities.

He was an inspiration to us all and his actions spoke much louder than his words. He founded the SDWF in 1998 to educate students throughout Canada and to lobby government to improve drinking water standards and regulations. Under his leadership and vision, the SDWF's educational programs have flourished and thousands of students have been educated about water quality, treatment and testing since 2001. Dr. Peterson's work and his legacy will carry on through all the people he touched on his journey.

A special thanks to our staff, especially Nicole Hancock, our Executive Director. Nicole's resolute efforts, her attention to detail and her unrelenting perseverance have put the SDWF in the strong position it is in Annual Report 2018 Safe Drinking Water Foundation



today. Thank you, Nicole, for all your achievements; we are grateful that students and educators across Canada are the benefactors of your dedication.

Under Nicole's leadership, our team did a great job in revamping the Operation Water Spirit program along with holding the Student Action on Saskatoon Water Attitudes Competition that was won by St. George School in Saskatoon. SDWF also presented at the Northern Saskatchewan Student Eco-Conference and visited schools in Regina and Moose Jaw.

The SDWF is grateful for all the funding we received in 2018 that topped out at over \$200,000 including a \$50,000 donation from an anonymous family foundation.

In 2018, SDWF delivered 710 sponsored water testing kits to elementary, junior high, and senior high schools across Canada and SDWF still has over 1,900 sponsored kits on its waiting list. Our fundraising efforts will continue and we are appreciative of every donation as we work towards the goal of meeting the high demand for these valuable educational water testing programs.

We are grateful to our sponsors and donors for the financial commitments made to the SDWF over the last year. Please take time to visit pages 8, 9 and 10 in this report to see the names of the organizations and foundations who have been so instrumental in our ability to assemble and distribute our educational water testing kits to schools across the country.

Special thanks go to the science teachers in schools across Canada who use the SDWF water testing kits to educate tens of thousands of our children about drinking water issues. Over past generations, our children have always been the leaders of change when it comes to environmental issues like unsafe water. As teachers, you are creating awareness in these young people and motivating them to look to the future and to make these necessary changes when it comes to the quality of our drinking water.

We look forward to working with you all in 2019 and beyond!

Kindest regards,

Ray Blumenfeld
Voluntary Chairperson



Executive Director's Report



Nicole Hancock B.Ed. Distinction PGD

We are so grateful for the funding that we received this year! We are able to redevelop our Operation Water Spirit program, hold a Student Action on Saskatchewan Water Attitudes Competition, and we will be able to hold another Student Action on Canadian Water Attitudes Competition, all thanks to our generous funders!

Thank you to our board members who give our organization guidance and expertise. All of our board members are volunteers and they give their time and knowledge because they believe in our organization's goals.

On a sad note, this year we lost someone who had a whole ton of expertise and who gave a tremendous amount of time to our organization and to promoting and working towards safe drinking water in general. Dr. Hans Peterson passed away in October. He was the scientist who was the most involved in the founding of our charity and he had been involved with SDWF for 20 years. It is hard to move on without him, but we are doing our best and we hope he would be proud.

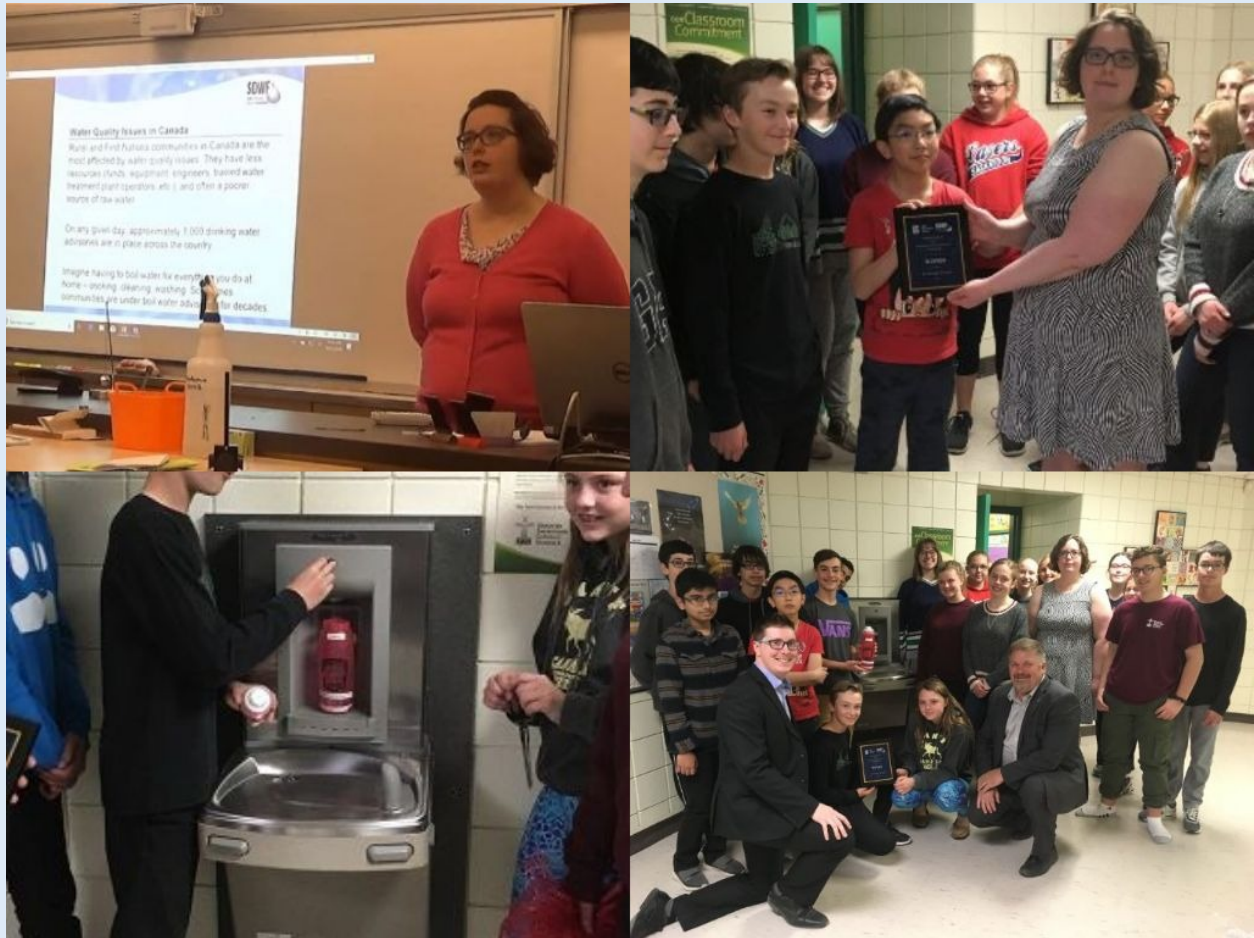
We attended and participated in many events during the year. In August, we had a display at Science on Stage Canada at the University of Saskatchewan. In October, I visited Sheldon-Williams Collegiate in Regina and helped the high school students use a High School Operation Water Drop kit and I visited École St. Margaret and École Ducharme (both in Moose Jaw) to help students use Elementary Operation Water Drop kits. I also presented at the Northern Saskatchewan Student Eco-Conference at Churchill Community High School in La Ronge. Thank you so much to the organizers who invited us to be part of their events and to the teachers and students for welcoming me into their classroom!

I would like to thank our staff members for their diligent work. We are a very small staff and we have very dedicated staff members who accomplish a lot.

We look forward to a very busy 2019 and beyond, to the tens of thousands of students we will educate, to the events of which we will be a part, and to new student action competitions, and to new staff and board members.



Nicole Hancock B.Ed. Distinction PGD, Executive Director



Our Kits Were Used By Over 32,000 Students

In recent years, our goal each school year has been to send at least 700 water testing kits to schools and for these kits to be used in a hands-on manner by at least 30,000 students.

Number of Kits Sent

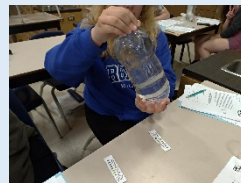
342 Elementary
Operation Water Drop
kits

187 High School
Operation Water Drop
kits

157 Operation Water
Pollution kits

107 Operation Water
Biology kits

793 kits in total sent to
schools



Number of Students Educated

13,911 students used
the Operation Water
Drop kits.

15,880 students used
the Operation Water
Pollution kits.

2,678 students used
the Operation Water
Biology kits.

32,469 students used
the water testing kits in
a hands-on manner.

We also:

- Concluded our Student Action on Saskatoon Water Attitudes Competition. Saint George School won and received water bottle filling stations and a plaque!
- Redeveloped our Operation Water Spirit program.
- Presented at the Northern Saskatchewan Student Eco-Conference in La Ronge.
- Visited other schools to help students to use the water testing kits.

SAFE DRINKING WATER FOUNDATION

Auditor's Report

Financial Statements

December 31, 2018

INDEPENDENT AUDITOR'S REPORT

To the Directors of **Safe Drinking Water Foundation**

Report on the Financial Statements

Qualified Opinion

We have audited the financial statements of **Safe Drinking Water Foundation**, which comprise the statement of financial position as at **December 31, 2018** and the statements of revenue and expenditures, fund balances and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, except for the possible effect of the matter described in the Basis for Qualified Opinion paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of **Safe Drinking Water Foundation** as at **December 31, 2018** and the results of its revenues and expenditures, and change in its fund balances and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations

Basis for Qualified Opinion

In common with many not-for-profit organizations, **Safe Drinking Water Foundation** derives revenue from cash donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of **Safe Drinking Water Foundation**. Therefore, we were not able to determine whether any adjustments might be necessary to donations, excess of revenues over expenditures, and cash flows from operations for the years ended **December 31, 2018** and **December 31, 2017**.

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

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

Auditor's Responsibility for the Audit of the Financial Statements


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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity'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 entity'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 entity 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.

Saskatoon, Saskatchewan
June 25, 2019


Chartered Professional Accountants

SAFE DRINKING WATER FOUNDATION

STATEMENT OF FINANCIAL POSITION


December 31, 2018
with comparative figures for 2017

	<u>Operating</u> <u>Fund</u>	<u>Capital</u> <u>Fund</u>	<u>Total</u> <u>2018</u>	<u>Total</u> <u>2017</u>
<u>ASSETS</u>				
Current assets:				
Cash	\$ 21,030	-	21,030	15,345
Short-term investments	177,945	-	177,945	95,881
Accounts receivable	796	-	796	548
Inventory	9,715	-	9,715	5,096
Prepaid expenses	565	-	565	529
Total current assets	<u>210,051</u>	<u>-</u>	<u>210,051</u>	<u>117,399</u>
Capital assets (Note 3)	<u>-</u>	<u>2,829</u>	<u>2,829</u>	<u>1,868</u>
	<u>\$ 210,051</u>	<u>2,829</u>	<u>212,880</u>	<u>119,267</u>
 <u>LIABILITIES AND FUND BALANCES</u>				
Current liabilities:				
Accounts payable and accrued liabilities	\$ 4,616	-	4,616	4,421
Deferred revenue	109,955	-	109,955	55,152
Total current liabilities	<u>114,571</u>	<u>-</u>	<u>114,571</u>	<u>59,573</u>
Fund Balances:				
Capital fund	-	2,829	2,829	1,867
Unrestricted	95,480	-	95,480	57,827
Total fund balances	<u>95,480</u>	<u>2,829</u>	<u>98,309</u>	<u>59,694</u>
	<u>\$ 210,051</u>	<u>2,829</u>	<u>212,880</u>	<u>119,267</u>

APPROVED ON BEHALF OF THE BOARD:



Director



Director

See accompanying notes to the financial statements.

SAFE DRINKING WATER FOUNDATION

STATEMENT OF REVENUES AND EXPENDITURES

Year ended December 31, 2018
with comparative figures for 2017

	<u>Operating Fund</u>	<u>Capital Fund</u>	<u>Total 2018</u>	<u>Total 2017</u>
Revenue	\$ 162,364	-	162,364	144,421
Expenditures:				
Amortization	-	522	522	442
Courier and postage	6,676	-	6,676	5,566
Fundraising expense	-	-	-	229
Insurance	973	-	973	790
Interest and bank charges	903	-	903	750
Meals and entertainment	69	-	69	160
Education programs expenses	27,903	-	27,903	27,590
Presentations	160	-	160	907
Rental	9,037	-	9,037	7,767
Printing	944	-	944	78
Professional fees	5,402	-	5,402	4,897
Salaries and Wages	64,658	-	64,658	67,088
Technical	3,453	-	3,453	3,615
Telephone	1,061	-	1,061	1,443
Supplies	1,104	-	1,104	1,393
Travel expenses	600	-	600	549
Website	283	-	283	16,944
	<u>123,226</u>	<u>522</u>	<u>123,748</u>	<u>140,208</u>
Excess of revenues over expenditures	<u>39,138</u>	<u>(522)</u>	<u>38,616</u>	<u>4,214</u>

See accompanying notes to the financial statements.

SAFE DRINKING WATER FOUNDATION

STATEMENT OF FUND BALANCES

Year ended December 31, 2018
with comparative figures for 2017

	<u>Operating Fund</u>	<u>Capital Fund</u>	<u>Total 2018</u>	<u>Total 2017</u>
Fund balances, beginning of year	57,827	1,867	59,694	55,480
Excess (deficiency) of revenues over expenses	39,138	(522)	38,616	4,214
Interfund transfers	<u>(1,484)</u>	<u>1,484</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ 95,481</u>	<u>2,829</u>	<u>98,310</u>	<u>59,694</u>

See accompanying notes to the financial statements.

SAFE DRINKING WATER FOUNDATION

STATEMENT OF CASH FLOWS

Year ended December 31, 2018
with comparative figures for 2017

	<u>Operating Fund</u>	<u>Capital Fund</u>	<u>Total 2018</u>	<u>Total 2017</u>
Cash provided by (used in):				
Operating activities:				
Excess (deficiency) of revenues over expenditures	\$ 39,138	(522)	38,616	4,214
Item not involving an outlay of cash:				
Amortization	<u>-</u>	<u>522</u>	<u>522</u>	<u>442</u>
	39,138	-	39,138	4,656
Changes in non-cash working capital:				
Accounts receivable	(249)	-	(249)	1,597
Inventories	(4,618)	-	(4,618)	2,080
Prepaid expenses	(37)	-	(37)	(156)
Accounts payable and accrued liabilities	197	-	197	235
Deferred revenues	54,803	-	54,803	(15,453)
Interfund transfers	<u>(1,484)</u>	<u>1,484</u>	<u>-</u>	<u>-</u>
	<u>87,750</u>	<u>1,484</u>	<u>89,234</u>	<u>(7,041)</u>
Investing activities:				
Additions to capital assets	-	(1,484)	(1,484)	(198)
Investments	<u>(82,065)</u>	<u>-</u>	<u>(82,065)</u>	<u>(4,318)</u>
	<u>(82,065)</u>	<u>(1,484)</u>	<u>(83,549)</u>	<u>(4,516)</u>
Financing activities:				
Net change in cash during the year	5,685	-	5,685	(11,557)
Cash position, beginning of year	<u>15,345</u>	<u>-</u>	<u>15,345</u>	<u>26,902</u>
Cash position, end of year	<u>\$ 21,030</u>	<u>-</u>	<u>21,030</u>	<u>15,345</u>

Cash position is comprised of cash in bank less outstanding cheques.

See accompanying notes to the financial statements.

SAFE DRINKING WATER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2018

1. OPERATIONS

The Foundation was incorporated under the laws of the Province of Saskatchewan on January 1, 1998. The Foundation is a registered charitable organization. Its primary purpose is to educate the leaders of today and tomorrow about drinking water quality issues to realize its goal of safe drinking water being available to every Canadian.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations.

(a) **Fund Accounting**

The accounts of the Foundation are maintained in accordance with the principles of fund accounting. For financial reporting purposes, accounts with similar characteristics have been combined into the following major funds:

(i) **Operating Fund**

The operating fund accounts for the Foundation's program delivery and administrative activities. This fund reports unrestricted resources and restricted operating grants.

(ii) **Capital Fund**

The capital fund reports the assets, liabilities, revenues and expenses related to the Foundation's capital assets.

(b) **Revenue Recognition**

Unrestricted contributions are recognized as revenue in the operating fund in the year received, or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted contributions related to general operations are recognized as revenue of the operating fund in the year in which the related expenses are incurred.

(c) **Inventory**

Inventory is carried at the lesser of cost and net realizable value. Cost is determined using the first in, first out method.

SAFE DRINKING WATER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2018

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Capital Assets

Capital assets are recorded at cost. Amortization is calculated using the following annual rates and methods and is designed to amortize the assets over their useful lives:

Furniture and fixtures	20% - declining balance
Computer hardware	20% - declining balance
Leasehold improvements	20% - declining balance

(e) Contributed Services

A portion of the rental payments for Unit 1 - 912 Idywyld Drive North Saskatoon, Saskatchewan are forgiven by the lessor as the Foundation is a charitable organization. The portion of forgiven rent has been recognized as a donation-in-kind by the Foundation.

(f) Measurement Uncertainty

The preparation of the financial statements in conformity with accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the year. Actual results could differ from those estimates.

(g) Financial Instruments

Financial instruments, including cash, short term investments, accounts receivable, and accounts payable and accrued liabilities are initially recorded at their fair value and are subsequently measured at amortized cost, net of any provisions for impairment.

3. CAPITAL ASSETS

	<u>2018</u>		<u>2017</u>	
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Furniture and fixtures	\$ 2,082	1,175	907	792
Leasehold improvements	4,995	4,534	461	577
Computer hardware	<u>7,634</u>	<u>6,173</u>	<u>1,461</u>	<u>499</u>
	<u>\$ 14,711</u>	<u>11,882</u>	<u>2,829</u>	<u>1,868</u>

4. ALLOCATED EXPENSES

Certain overhead expenses are allocated to the projects of the Foundation. These expenses are allocated based on the percentage of each expense that is related to each project.

SAFE DRINKING WATER FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2018

5. LEASE COMMITMENTS

The Foundation signed a 2-year lease on May 12, 2018, to occupy the premises in the building known as Unit 1 - 912 Idywyld Drive North Saskatoon, Saskatchewan. The lease will expire on July 31, 2020. The lease payments due throughout the remainder of the lease are as follows:

2019	\$	9,450
2020		5,513

6. DEFERRED REVENUES

The Foundation receives donations to sponsor kits to be provided to schools. At December 31, 2018, \$109,955 in donations received for kits that were not shipped by December 31, 2018 has been deferred (2017 - \$55,152).

7. SHORT TERM INVESTMENTS

	<u>2018</u>	<u>2017</u>
Guaranteed Investment Certificates	\$ <u>177,945</u>	\$ <u>95,881</u>

All Guaranteed Investment Certificates (GICs) are 1-year term investments with a maturity date within 1 year. All GICs include an early redemption option with no penalty. Interest rates on GICs are 0.50% per annum.

8. FINANCIAL INSTRUMENTS

Risks and concentrations

The entity is exposed to various risks through its financial instruments. The following analysis provides a measure of the entity's risk exposure and concentrations at December 31, 2018.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The entity is exposed to this risk mainly in respect of its accounts payable.

Credit Risk

The Foundation is exposed to minimal credit risk on its accounts receivable. Accounts receivable are due from major funders and government agencies.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market price. Market risk comprises of three types of risk: currency risk, interest rate risk and other price risk. The entity is mainly exposed to interest rate risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The entity is exposed to interest rate risk on its short-term investments.

SAFE DRINKING WATER FOUNDATION

SCHEDULE OF ADMINISTRATION REVENUES AND EXPENDITURES

Year ended December 31, 2018
with comparative figures for 2017

	<u>2018</u>	<u>2017</u>
Revenue:		
Federal employment funding	\$ 2,631	3,859
Fundraising income	15	235
Individual donations	3,697	934
Interest	626	214
Rebates	166	184
	<u>7,135</u>	<u>5,426</u>
Expenses:		
Amortization	522	443
Courier and postage	318	305
Fundraising expense	-	229
Insurance	972	790
Interest and bank charges	893	742
Printing	944	78
Professional fees	5,402	4,897
Rent	904	777
Salaries and benefits	5,967	6,191
Supplies	148	1,326
Technical	374	443
Telephone	106	145
Travel	600	549
	<u>17,150</u>	<u>16,915</u>
Excess of revenues over expenditures	\$ <u>(10,015)</u>	<u>(11,489)</u>

See accompanying notes to the financial statements.

SAFE DRINKING WATER FOUNDATION

SCHEDULE OF PROJECTS

REVENUES AND EXPENDITURES

Year ended December 31, 2018
with comparative figures for 2017

SDWT PROJECT

	<u>2018</u>	<u>2017</u>
Revenue:		
Corporate contributions	\$ 12,000	12,500
Individual donations	<u>1,033</u>	<u>-</u>
	<u>13,033</u>	<u>12,500</u>
Expenditures:		
Salaries and benefits	4,582	5,138
Courier and postage	16	-
Interest and bank charges	10	8
Meals and entertainment	69	160
Supplies	55	67
Technical	588	834
Website	<u>283</u>	<u>890</u>
	<u>5,603</u>	<u>7,097</u>
Excess of revenues over expenditures	<u>\$ 7,430</u>	<u>5,403</u>

WEBSITE

	<u>2018</u>	<u>2017</u>
Revenue:	-	-
Expenditures:		
Salaries and benefits	\$ 5,827	6,046
Technical	192	-
Website	<u>-</u>	<u>16,054</u>
Excess of revenues over expenditures	<u>\$ (6,019)</u>	<u>(22,100)</u>

See accompanying notes to the financial statements.

SAFE DRINKING WATER FOUNDATION

SCHEDULE OF PROJECTS

REVENUES AND EXPENDITURES

Year ended December 31, 2018
with comparative figures for 2017

SCHOOL PROGRAMS

	<u>2018</u>	<u>2017</u>
Revenue:		
Canadian school registration	\$ 7,637	12,435
Corporate contributions	70,199	98,213
Foundation Donations	40,685	15,000
Indigenous Water Forum	-	847
National Indian Brotherhood	23,675	-
	<u>142,196</u>	<u>126,495</u>
Expenditures:		
Courier and postage	6,342	5,261
Education programs expenses	27,903	27,589
Presentations	160	907
Rent	8,133	6,990
Salaries and benefits	48,283	49,713
Supplies	901	-
Technical	2,299	2,338
Telephone	955	1,298
	<u>94,976</u>	<u>94,096</u>
Excess of revenue over expenditures	<u>\$ 47,220</u>	<u>32,399</u>

See accompanying notes to the financial statements.



Acknowledgements & Thank You

Thank you so much to the corporations, foundations, other organizations and individuals who donate to us! We could not do any of our activities without your support!

Thank you to organizations that invite us to speak or have a booth at their event!

Thank you to the teachers and students who welcome our kits and/or us into their classrooms!

Thank you so much to our board members for their guidance and governance!

Thank you so much to our hard-working staff members and volunteers!

Thank you to our individual donors:

John Bell

Karen Bell Cardinal

Maryanne Chantler

Douglas Effler

Céline Girard

Laura Hunter

Dr. Robert (Bob) and Linda Patrick

Étienne Pouliot

Mark Richardson

Julie Roberts

Rachel Soufi

Victoria Tiwana



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How You Can Help

Volunteer your time

You can volunteer your time to find Water Facts of the Week, to update and write fact sheets, to judge the student action competitions submissions, to help spread the word about water quality issues in Canada, and to help us in various other ways. Please e-mail Nicole Hancock at info@safewater.org or phone her at 1-306-934-0389 if you are interested!

Make a donation

Please visit www.safewater.org/donate and make a one-time, yearly, or monthly donation to make it possible for us to educate more people about Canadian drinking water quality issues. You can also phone us at 1-306-934-0389 to make a donation with a Visa or MasterCard, mail a cheque payable to Safe Drinking Water Foundation to #1-912 Idylwyld Drive North, Saskatoon, SK S7L 0Z6, or donate to us through Canada Helps (<https://www.canadahelps.org/en/charities/safe-drinking-water-foundation>). Thank you in advance!

Leave a bequest

Bequests are a simple but powerful way to ensure our work goes on for future generations. Please contact us at 1-306-934-0389 or info@safewater.org if you are interested in discussing a bequest.

Support awareness of drinking water quality issues

If you are an educator, please visit www.safewater.org/sponsored-kit-request-form to request sponsored kits or visit www.safewater.org/order-kits to purchase kits. If you are not an educator, please tell your friends, relatives, kids' teachers, etc. about Safe Drinking Water Foundation water testing kits.

Looking to the Future

In 2019, we are going to increase our goal and strive to send at least 900 water testing kits to schools to be used by at least 35,000 students in a hands-on manner.

We will hold our second Student Action on Canadian Water Attitudes Competition.

The school that won the Student Action on Saskatchewan Water Attitudes Competition and the school that won the Student Action on Canadian Water Attitudes Competition will receive their prizes.

We hope to receive funding to build an Operation Water Pollution Test Results Submission system.



Contact Us

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info@safewater.org

Facebook Group:

www.facebook.com/groups/safedrinkingwaterfoundation/?source_id=150732858276685

Facebook Page: www.facebook.com/safedrinkingwaterfoundation

SDWF's YouTube Channel: <https://www.youtube.com/channel/UcKDo8ICWH1wk1OufGUgYMIg>

LinkedIn: <https://www.linkedin.com/company/safe-drinking-water-foundation>

Twitter: <https://twitter.com/SafeDrinkingWa1>

