

INVESTING IN EDUCATION TO CHANGE THE WORLD

Beautiful World

2013 Annual Report



A Letter from the Founder and Chair



I imagine millions of children dreaming about their futures. They go to sleep imagining themselves attending high school, dating and hanging out with friends between classes. They imagine themselves eagerly tearing into the envelopes that hold their University or College acceptance letters and picture their entire family cheering as their name is read out at graduation. They imagine their first pay check from their very first job and all the wonderful things they will be able to buy themselves with it. This past year has taught me that it doesn't matter if you live in a mansion or mud hut without electricity or running water, we all share this same dream. I have read letters from children living in absolute poverty, without parents, in the poorest countries in the world and they have this dream. They attend primary school with the full support of NGOs. They study and work hard but dread the day that they will graduate because they know they will be unable to afford the school fees required to attend secondary school. They know that they will be forced to drop out and become yet another poverty statistic in their country. Parents and guardians focus their attention on finding husbands for their daughters at the end of primary school, often choosing the man that offers the best cow or a goat. Overnight, these girls' days of playing and being children are over and they become a wife with a husband whom they barely know. They will serve their new family dutifully out of fear of violence and many will become pregnant, often as young as 13.

These girls are the lucky ones; many of their friends are forced on to the streets to beg, become a domestic servant in another family's household or even work as a prostitute.

I recently heard a quote that spoke precisely to why I started Beautiful World. Buckminster Fuller once said: "We are not going to be able to operate our Spaceship Earth successfully nor for much longer unless we see it as a whole spaceship and our fate as common. It has to be everybody or nobody." I can't provide you with the linear logical explanation of exactly how this all fit together for me but it came together on a particularly soul searching and gut wrenching day. I received a hug from my three year old son while picking him up from Nursery School. Seeing his happiness, and the bright future that lay ahead for him, made me realize that all children in the world should be given an opportunity for a bright future. That hug gave me the courage to decide that I could make a difference in this world and help our common fate. That I could do it by helping these girls; by giving them the opportunity to make their dreams come true. At that very moment, the idea for Beautiful World was born. It has been full steam ahead ever since.

In the fall of 2012, we launched programs in Sierra Leone, Uganda and South Africa. Our strategy is simple - partner with local experts to develop comprehensive educational support programs for our students. We have selected local organizations with long and successful track records that will nurture and guide our students as they complete their education. Our students are provided with everything they need in order to be successful in school. Our students also

participate in counselling and mentorship programs in order to help them develop the leader that lies within each of them. Beautiful World's funding is targeted at the secondary and post-secondary level, where we believe the greatest need exists.

2013 was Beautiful World's first full academic year in Africa. We supported 128 students in three African countries: Uganda, Sierra Leone and South Africa. Seventy percent of our students were in high school and the remainder were in University and College. Our local African partners ensured the students had supplies, uniforms, books, safe transport, accommodation, health care, food and most importantly, a mentor that believed in them and could guide them through the tough times. 93% of our students passed their academic year and were accepted into our 2014 scholarship program. We lost a few students along the way. Sadly, some of our students became pregnant and were expelled from their schools because it is illegal to attend school while pregnant in many African countries. Two of our students dropped out of school for reasons we are still searching to understand. We discontinued one of our programs in South Africa because the program no longer fit with our mandate. The most difficult challenge we faced was having to end a partnership in Uganda due to mismanagement of funds by the program's Executive Director. A quarterly financial statement and supporting receipts had revealed several red flags, which were subsequently confirmed by a site visit. The program had to be terminated. However, we had given our word to the 30 students in that program - that we would be there for them

throughout the course of their education – and we kept it. All 30 students were transferred into another program without the students having to miss a single day of school. International development is work filled with many hard days, where tears are shed and challenges arise. We will continue to work hard to identify solutions, to break down barriers, to overcome challenges.

We celebrated Beautiful World's launch at our inaugural gala in Toronto on February 28th with 450 in attendance. This evening raised an outstanding \$125,000 for our students. In this annual report you will find our first donor listing. These very special people and organizations, like TD Securities, our Lead Sponsor, gave to Beautiful World as we were just starting up. They provided the seed funding to help us set up our first scholarships and funded everything our first group of students needed. Their donations and support provided us with encouragement and conviction that our students are important to Canadians and our hard work will make a big difference in the lives we touch. One donor and one child at a time, we will work towards our mission of helping ten million passionate and dedicated students excel in their studies; enabling them to create a bright future for themselves, their communities and their countries. These first special donors started our journey and I am so deeply grateful to them for believing in Beautiful World from the beginning.

Sara Dunkley
Founder & Chair
Beautiful World Canada Foundation

Our Mission: Investing in Education to Change the World



Secondary school students in Uganda

Children in the developing world know that education represents the only way out of a life of entrenched poverty. They don't want handouts; they seek opportunity. Many of these children are bright, dedicated students who have done exceptionally well in their primary school studies. They have dreams and aspirations. They want to go beyond primary school to complete a secondary education, learn a trade or even attend University. They want to make a difference, to do something meaningful with their lives. They want to become self-sufficient and contribute to their community and country. They seek hope.



Winter, our top performing secondary student in Uganda

However, realizing these goals is often a formidable challenge for school age children in developing countries. Although many governments and non-governmental organizations have been working hard in recent years to make education a priority, the funding provided has been focused at the primary level. There is very limited funding for secondary or post-secondary education. Once a student finishes primary school they frequently see their dreams come to an abrupt end when the cost of continuing their education becomes too great for their family to bear and they are forced to drop out.

Beautiful World wants to change that. Our focus is on higher education, with a priority on the education of girls. We empower children by

providing comprehensive educational support programs. We help passionate and dedicated students in developing countries excel in their high school, university, college or trade programs. With this critical support, we enable these children to create a bright future, not only for themselves, but also for their communities and their countries.

Why Focus on Girls?

39 million 11-15 year old girls in the world today are out of school¹

When a girl reaches adolescence, her domestic and reproductive role becomes more important to her family than her education. Despite her love for school, the odds are strongly stacked against her to finish her education. Without one, her future is bleak. But if given the chance to finish her education, everything changes.

An education helps a girl successfully transition into adulthood. It provides her with the skills, confidence and independence needed to make her mark on the world. It unlocks opportunities for good jobs that will provide a steady income for her and her family, helping to lift them out of poverty. She will be her family's hero.

90% of the students in the Beautiful World program are girls

What Happens When You Invest In A Girl?

For every extra year that a girl stays in secondary school, her future income increases by 15% - 25% ⁽²⁾



When she earns an income, she will reinvest 90% in her family, helping to lift them out of poverty ⁽²⁾



She will marry later and have fewer but healthier children. Her children will be much more likely to attend school ⁽²⁾



She will become part of the next generation of leaders that will shape her community and country

¹ UNESCO (2012)

² Unicef

Our Model: Partner with Local Experts



Beautiful World has established partnerships with local organizations in Africa that are outstanding in their endeavours and achievements; vetted and accredited by ourselves and other national and international reputable agencies. Our partners are community based organizations who assess each child for need and potential and provide them with the support and encouragement needed to successfully complete their education. Together, we provide comprehensive scholarship packages to students in secondary school, university, college and vocational school.



Our programs are designed to provide students with everything that they need in order to be successful in school. Students receive tuition, school supplies, personal supplies, food, accommodation, transportation to and from school, counselling and mentorship. Our partner, The Dunkley Charitable Foundation, funds our administrative expenses. This means that 100% of all donations received are used to support and transform students' lives.



Students are given the opportunity to learn, grow and realize their full potential. Our students believe that they are destined for great things and are determined to not let their circumstances limit their future. They are committed to making the most out of every opportunity because they know that the future of their family and community depends on them.

Career Workshop in Sierra Leone

Impact in 2013

Total Students Sponsored: 128



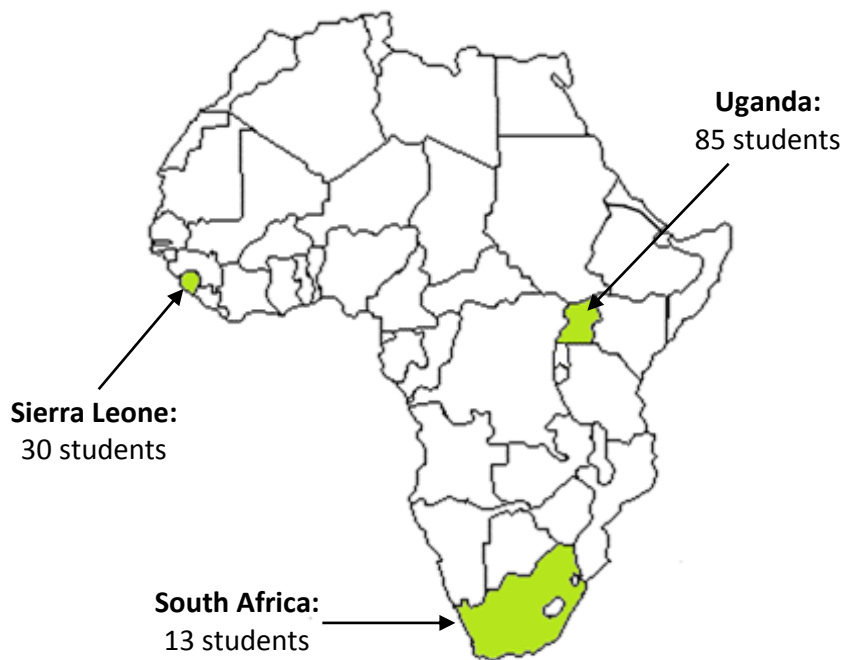
115 girls



13 boys

Secondary: 90 students

Post-Secondary: 38 students



Our Supporters

Founding Sponsor

TD Securities

Founding Donor

The Dunkley Charitable Foundation

Graduates Circle – \$5,000 - \$25,000

Anonymous
Beard Winter LLP
Bill Webb and Agnes Wong
Bruce Shaw
Michael A. Wekerle
The Ira Gluskin and Maxine Granovsky Gluskin Charitable Foundation

Educators Circle - \$2,000 - \$4,999

Anonymous	Dennis Mitchell
Achievers	Gwen Harvey
Blair Levinsky	JC Clark Ltd.
Brandon J. Snow	Jeannine LiChong
Carol Mitchell and Richard Venn	Linda and Geoff Pearlstein
Clement Wan	Scott and Kelly Beckett
CommonWealth Fund Services Ltd.	

Scholars Circle \$500 - \$1,999

Andrew and Heather Mitchell	Jim and Winona Eles
Anonymous (22)	Linda Yielding
Anthony Scilipoti	Lindsay and Adrian Wong
Crowe Soberman	Mark A. Edwards
Ed Hofstede	Sera Kim and Ken Yoon
Eric Choi	The Ontario Institute for Studies in Education of the University of Toronto
Evan Smoley	Vera Ogioruma

Friends of Beautiful World

Alan and Deborah Wainer	K. Goldthorpe
Anonymous (60)	Ken Davidson of WORKABILITY
Alex Avery	Kristine Lewis-Charles
Bill Dimitriou	Lindsay Hampton
Bill McGill	Lisa Horsman
Brenda Webster	Marley Carson
Catherine Wilson Hanczyk	Mary Lee and Jim Tully
Courtney Morris	Michael Prosserman
Dan Carr	Mitchell Gilbert
Darren Lekkerkerker	Mr. Janmohamed
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Geoffrey Wilson	Paul E. Forma
Glenn Coulson	Peggy Feltmate and Harvey Kogen
Harry Froklage	Pete and Kim Harrold
Ian Fung	Rob and Ashley Pulkys
Jason Landau	Robert Chiasson
Jean Augustine	Roy Blachowitz
Jim and Ellen Graham	Shane Duff
Joanna Zhou	S. Sridharan
Justin Wu	Stephen Groff
	Suzanne Amos
	The Lowe Family

Bernah's Story



I am Nalwoga Bernah, a 21 year old female Ugandan. I am a student at Makerere University, the largest University in Uganda. I am pursuing a Bachelor's Degree in Biomedical Laboratory Technology. I am an orphan, having lost both of my parents at a tender age. My father passed away when I was just 2 years old and my mother passed away when I was 10 years old. My parents left behind a family of 9 children, in which I am the 3rd youngest. After my father died, our mother had to take care of all of us on her own, which was very hard for her. She decided to hand me and my two younger siblings over to our paternal relatives. Together as a group, my relatives struggled to see me through primary and secondary school.

My family is very poor. However, because of the strong love I showed for my academics, my aunt did everything in her power to see me through primary school. Sadly, she also died when I was 10. Since then, my uncle has worked hand in hand with other people to see me through high school. In Uganda, students sit for a national exam in their final year of high school. I studied hard and did very well on my exam.

After seeing my results, my uncle decided to help me attend university because my greatest dream had always been to pursue a career in the field of medicine. In my first semester, I missed many classes because the courses were so expensive. I was close to dropping out in my first year because my family could not afford to pay the fees. I decided to start looking for help outside of my family so that I could stay in University and complete my degree. At the beginning of the 2nd semester, I submitted an application for Beautiful World's scholarship, which was being offered by the Forum for African Women Educationalists – Uganda Chapter (FAWEU). Within a few weeks, I was called and given the good news that I had been accepted. I can now focus all of my attention on my academics because the scholarship covers my tuition, accommodation, internship training fees and basic personal needs. This has greatly saved my family from a significant financial burden. My academics have since greatly improved and I hope to one day be in a position to help other girls with a similar background.

In August I will enter my third and final year of my program. During the course of my studies, I have had the opportunity to complete practical training at Mengo Hospital, Mulago National Referral Hospital, The College of Veterinary Medicine, Animal Resources and Biosecurity, The College of Health Sciences at Makerere University and Nakasero Blood Bank. The experience and skills that I gained during this training will help me greatly throughout my career.

After graduation, I envision myself as a highly responsible young lady that is ready to serve my community and give back to other poor girls. I would also like to give back to my guardians and siblings who have done everything possible to see me through my studies. I believe that my dream will come true; it will never be shuttered. I call upon all girls out there to not lose hope and to always know that even when everything seems to be coming to a standstill, there is always someone out there ready to help you turn your dream into reality.

Thank you FAWEU and BEAUTIFUL WORLD for having lit my candle, I will always keep it burning.

Board of Directors

Scott Beckett

Scott Beckett is the President of Edgewater Financial Group Inc. a boutique insurance marketing firm in downtown Toronto. Scott holds an MBA from the Richard Ivey School of Business and a Bachelor of Science from the University of Western Ontario. Scott is known for bringing many unique, varied and creative solutions to the group benefits and individual insurance marketplace; most recently via Foresight Health Incorporated and Edgewater Employee Services Inc. Scott devotes his personal energy to his wife and three children and to his charitable interests.

Brad Dunkley

Brad Dunkley co-founded Waratah Advisors in 2010 with Blair Levinsky. Prior to starting his own firm, Brad was a Portfolio Manager and Vice President at Gluskin Sheff + Associates in Toronto, Canada, where he managed approximately \$1 billion of equity long short assets across four mandates. Brad holds a Chartered Financial Analyst designation and Bachelor of Business Administration from Wilfrid Laurier University, where he was the Gold Medal recipient. Brad is a Second Lieutenant in the Canadian Forces Army Reserve

Sara Dunkley

Sara Dunkley is the Founder of Beautiful World, as well as the President of Stellar Outdoor Advertising. She has been in the billboard and signage industry for over 10 years with a focus on developing billboard sites and helping clients grow their businesses. Sara holds an MBA from York University and Bachelor of Business Administration from Wilfrid Laurier University.

Brent Lowe

Brent Lowe is a respected coach and consultant to business leaders. With over 17 years of business experience spanning entrepreneurial, mid-size and large corporate environments, Brent helps growth-oriented organizations better understand why and how employees and teams achieve and sustain peak performance. Brent has held HR leadership positions with Dell Canada, Redknee Inc., Achievers Inc. (formerly I Love Rewards), and Bullfrog Power Inc. Brent's education includes a Bachelor of Engineering and Management from McMaster University, an MBA from the Schulich School of Business, York University, and an MA in Counseling Psychology from Yorkville University.

Njoki Wane

Dr. Njoki Wane is the Director of Office of Teacher Support at OISE, and an Associate Professor of Sociology and Equity Studies in Education at the University of Toronto. Her teaching and research interests include: anti-racist pedagogy in teacher education; indigenous knowledge; anti-colonial thought; spirituality and schooling; Black Canadian feminisms; and ethno-medicine. Njoki holds a PhD from University of Toronto, Master of Education from University of New Brunswick, MSc from U.S. International University and a Bachelor of Education from the University of Nairobi.

Victoria Winter

Victoria Winter is a partner in the Toronto law firm of Beard Winter LLP. Her area of practice is succession planning with a particular emphasis on wills, international and domestic trusts, estate administration, and the establishment of charitable foundations and not for profit organizations. Victoria holds a LLB from Osgoode Hall at York University.

How to Contact Us:

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Phone: 647-799-2098

Email: info@beautifulworldcanada.org

Charitable Number: #842133480RR0001



*Nuur, a vocational student in Uganda,
pictured here reading a letter from
Beautiful World*



*Secondary students in Uganda, pictured here preparing
their study schedules*



Green • Chencinski • Starkman • Eles LLP
CHARTERED ACCOUNTANTS

REVIEW ENGAGEMENT REPORT

*To the Trustees of
Beautiful World Canada Foundation:*

We have reviewed the statement of financial position of Beautiful World Canada Foundation as at December 31, 2013, the statement of operations and changes in net assets (deficiency) and the statement of cash flow for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of inquiry, analytical procedures and discussion related to information supplied to us by the Foundation.

A review does not constitute an audit and consequently we do not express an audit opinion on these financial statements.

In common with many charitable organizations, Beautiful World Canada Foundation derives revenue from donations, the completeness of which is not susceptible to satisfactory review. Accordingly, our review of these revenues was limited to the amounts recorded in the records of the Foundation and we were not able to determine whether, as at or for the year ended December 31, 2013, any adjustments might be necessary to donations, excess of revenue over expenditures and net assets.

Except for the adjustments described above, based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

Green Chencinski Starkman Eles LLP

Toronto, Canada
July 30, 2014

Chartered Accountants
Licensed Public Accountants

BEAUTIFUL WORLD CANADA FOUNDATION
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2013
UNAUDITED

	2013 \$	2012 \$
ASSETS		
Cash	18,550	13,070
Prepaid expenses	-	28,848
	<u>18,550</u>	<u>41,918</u>
LIABILITIES AND NET ASSETS (DEFICIENCY)		
Liabilities		
Accounts payable and accrued liabilities	4,516	213
Due to related company (note 2)	30,035	12,222
	<u>34,551</u>	<u>12,435</u>
Net assets (deficiency)	<u>(16,001)</u>	<u>29,483</u>
	<u>18,550</u>	<u>41,918</u>

(See accompanying notes to financial statements)

BEAUTIFUL WORLD CANADA FOUNDATION
STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2013
UNAUDITED

	2013	2012
	\$	\$
REVENUE		
Donations (note 2)	447,385	270,550
EXPENSES		
Advertising and promotion	7,253	6,410
Bank charges and interest	3,955	1,754
Event expenses	98,725	-
General and office (note 2)	6,362	1,190
Insurance	1,755	-
International programs	265,302	142,002
Membership, dues and fees	1,026	-
Professional fees	3,309	3,019
Program due diligence	16,949	11,236
Rent (note 2)	13,948	10,461
Salaries and benefits	72,485	63,592
Telephone (note 2)	1,800	1,403
	492,869	241,067
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(45,484)	29,483
NET ASSETS, BEGINNING OF YEAR	29,483	-
NET ASSETS (DEFICIENCY), END OF YEAR	(16,001)	29,483

(See accompanying notes to financial statements)

BEAUTIFUL WORLD CANADA FOUNDATION
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED DECEMBER 31, 2013
UNAUDITED

	2013 \$	2012 \$
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenditures	(45,484)	29,483
Changes in non-cash working capital:		
Prepaid expenses	28,848	(28,848)
Accounts payable and accrued liabilities	4,303	213
	33,151	(28,635)
Cash provided by (used in) operating activities	(12,333)	848
CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES		
Due to related company	17,813	12,222
Cash provided by financing activities	17,813	12,222
NET CHANGE IN CASH	5,480	13,070
CASH, BEGINNING OF YEAR	13,070	-
CASH, END OF YEAR	18,550	13,070

(See accompanying notes to financial statements)

BEAUTIFUL WORLD CANADA FOUNDATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013
UNAUDITED

DESCRIPTION OF ORGANIZATION AND INCOME TAX STATUS

Beautiful World Canada Foundation ("the Foundation") was incorporated as a non-profit, non-share capital corporation under Part II of the Canada Corporations Act on August 24, 2011. The objective is to fund and support education for children in the developing world. The Foundation is a registered charity as defined in the Income Tax Act and is exempt from income tax under Section 149(1)(f).

1 SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies are as follows:

Revenue recognition

The Foundation follows the deferral method for accounting for contributions. The Foundation receives donations from other registered charities, corporate donors and private donors. Donations are also collected via a third party website. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be estimated and collection is reasonably assured.

Measurement of financial instruments

The Foundation's financial instruments consist of cash and accounts payable and accrued liabilities. Financial instruments are initially recorded at their fair value and subsequently measured at amortized cost. Amounts due to a related company are also financial instruments but are accounted for in accordance with the accounting standards set out for related party transactions.

Where there is an indication of impairment or such an impairment is determined to have occurred, the carrying amount of financial assets is reduced by the greater of the discounted future cash flows expected or the proceeds that could be realized from the sale of that asset. If the circumstances that led to the Foundation recording an impairment improve and management determines that all or a portion of the impairment can be recovered, the impairment is reversed up to the amount that the financial asset would have otherwise been recorded at on the reversal date.

Related party transactions

The Foundation initially measures monetary related party transactions and non-monetary related party transactions entered into during the normal course of operations and that have commercial substance, at the exchange amount, which is the amount agreed to by the related parties. Where the transaction is not in the normal course of operations, the exchange amount is only used when the change in ownership interest in the transferred item is substantive and there is independent evidence of the exchange amount. All other related party transactions are initially measured at the carrying amount.

BEAUTIFUL WORLD CANADA FOUNDATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013
UNAUDITED

1 SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. These estimates are based on management's best knowledge of current events and actions that the Foundation may undertake in the future. Actual results may differ from these estimates.

2 RELATED PARTY INFORMATION

Due to related company

The amount due to related company of \$30,035 (2012 - \$12,222) is due to a company owned by one of the trustees. The amount is non-interest bearing, unsecured and has no specific terms of repayment.

Related party transactions

During the year, the Foundation received donations in the amount of \$275,000 (2012 - \$224,000) from a related charity with common trustees.

During the year, the Foundation received \$2,500 (2012 - \$nil) in donations from a company owned by one of its trustees. The Foundation paid \$15,748 (2012 - \$12,222) for rent, telephone services and office supplies to the same company.

The above transactions are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

3 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfil its payment obligations. The Foundation does not extend credit and there are no receivable balances, thus, the Foundation is not subject to credit risk.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument or cash flow associated with the instrument will fluctuate as a result of changes in market interest rates. The Foundation has minimal exposure to interest rate risk as cash balances are small.

Liquidity risk

Liquidity risk relates to the Foundation's ability to meet its obligations as they come due. The Foundation depends upon donations in order to fund its operations and meet its obligations. In the event that the Foundation requires cash to meet its obligations, a charity with common trustees and a company owned by one of the trustees have readily provide funds and provide financing for the Foundation.