

**One Step Learning Opportunities Centre (OSL)
Financial Statements for the year ended December 31, 2022**



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One Step Learning Opportunities Centre (OSL) Financial Statements for the year ended December 31, 2022

Presentation

The financial statements presented here comprise of the statement of financial position as at December 31, 2022, operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information. Management is responsible for the preparation of these financial statements in accordance with Canadian generally accepted accounting standards for non-for-profit organizations. Management maintains a system of controls satisfactory for its size and activities in accordance with governing legislation to discharge its responsibility for the integrity of financial reporting that are free from material misstatement whether due to fraud or error.

Profile

One Step Learning Opportunities Centre (OSL) is grassroots incorporated non-profit organization and a registered charity that engages and collaborates with Canadian supporters and institutions in the communities to provide early childhood learning opportunities for impoverished children 1 – 6-year-olds. In addition to providing early childhood learning opportunities, OSL is working to leverage the children's daycare facilities in Entumbil, Ghana as a placement Centre for post-secondary students and volunteers enrolled in Canadian or overseas early childhood learning programs to gain international practicum experience for program credits. Such synergistic/ecosystem grassroots foresight goal benefits Canadians and others in the local communities who are interested to broaden and diversify strategic giving.

OSL was incorporated and registered as a Canada Revenue Agency charity in 2020, when its founders donated their building and compound, for use in a 30-year lease for free to OSL, to Make Early Childhood Learning Affordable for rural children. The play-based daycare program launched in October 2021 with eleven (11) children 1 – 6-year-old. Now OSL serves 80 (eighty) in Entumbil, Ghana through various peoples' generosity. The facility is successfully providing essential community childcare programs that enable parents of impoverished children, especially women, to seek employment, while OSL has also created 14 jobs as of December 2022. OSL's incorporation and the fiscal responsibility demonstrated to date with community supports received affirms its capability for sustainability and social good for many.

The 2022 financial statements attest to the responsible fiscal management that OSL has achieved with less than \$100,000 in two years. The value proposition is evident that It cost less than \$70 per month to educate a toddler 1 to 6 years old in Entumbil, Ghana; employ 14 dedicated staff; and implement a sustainable play-based daycare to support an impoverished community. It is good value for money when 80 children have undergone life changing experience in literacy, community development, and humanity.

Our Mission

Provide elements of nurturing care for children by means of Learning-Through-Play.

Our Vision

Create educational opportunities for rural children in Ghana that has the potential to enhance quality of life for many, especially women, and elevate the children's talents and abilities.

Secondly, to establish an international placement site for Canadian and overseas students, and volunteers in early learning programs to earn practicum experience for credits.

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Financial Statements

Balance Sheet

Balance Sheet as at December 31, 2022

	<u>2022</u>	<u>2021</u>
<u>Current Assets</u>		
Cash and Bank Balances	5,513	399
Daycare Supplies Inventory	108	89
Accounts Receivable	0	0
Other Assets/Restricted Funds	0	0
Total Current Assets	5,621	488
<u>Fixed Assets</u>		
Leasehold Improvements (Note 3)	12,365	12,365
less: Accumulated Amortization/Depreciation	-8,244	-4,122
Furniture, Minor Equipment, Electronics (Note 4)	9,090	3,030
less: Accumulated Amortization/Depreciation	-4,040	-1,010
Machinery	0	0
Restricted Assets	0	0
Total Fixed Assets	9,171	10,263
Total Current and Fixed Assets	14,792	10,751
Intangible Net Deficiency (Note 5)	<u>38,037</u>	<u>43,549</u>
Total Assets	<u>52,829</u>	<u>54,300</u>
<u>Current Liabilities</u>		
Accounts Payable & Reimbursables	0	0
Amount Payable to Founders (Note 5)	52,829	54,300
Other Liabilities/Notes Payable	0	0
Total Liabilities	52,829	54,300
Net Assets or (Liabilities)	<u>(-38,037)</u>	<u>(-43,549)</u>

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Income Statement				
Income Statement for the fiscal year January 01, 2022, to December 31, 2022				
		<u>2022</u>		<u>2021</u>
	Revenues			
	Grants - Federal, Provincial, Municipal	0		0
	Donations	32,219		2,300
	GST rebate	504		209
	Enrollment and Daily Attendance Fees	12,221		1,066
	Miscellaneous income	0		0
	Restricted income	0		0
	Total Revenues	44,944		3,575
	Expenses			
	Courier & Shipping	1,507		7,624
	Payroll Salaries & Wages	15,324		3,267
	Rent	0		0
	Marketing, Promotion, and Outreach	4,545		1,363
	Computer Supplies	1,344		351
	Education Materials	2,611		6,061
	Food & kitchen	7,534		1,873
	Supplies	2,884		2,096
	Bank Charges	394		85
	Sanitation Security	240		40
	Utilities	1,494		168
	Maintenance & Repairs	1,406		327
	Professional and Consulting Services	0		0
	Training & Development	2,475		270
	Administration, licences, registrations	330		283
	Travel	3,695		3,744
	Garden & Teak Trees	199		3,239
	Volunteer Cash Expenses	0		0
	Operating Expenses before Depreciation	45,982		30,791
	Add: Depreciation of Fixed assets (Notes 3 & 4)	7,152		5,132
	Total Operating Expenses	53,134		35,923
	Excess of expenses over revenue (loss)/Surplus	(-8,190)		(-32,348)

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Cash Flow Statement			
Statement of Cash Flow for the period year ended December 31, 2022			
	<u>2022</u>		<u>2021</u>
Operating Activities			
Net (Loss) / Surplus	(-8,190)		(32,348)
Depreciation	7,152		5,132
Increase/(Decrease) in Accounts/Amounts Payable	0		10,733
Decrease/(Increase) in Inventory	(-19)		1,252
Net cash from operations	(-1,057)		15,231
Investing Activities			
Increase/(Decrease) in Fixed Assets	6,030		15,395
Decrease/(Increase) Amounts Payable	141		0
Cash Flow from Operating Activities	6,171		15,395
Financing Activities			
Loans & Notes Payable Decrease/(Increase)	0		0
	0		0
Cash Flow for financial year	5,114		164
Beginning Bank balance	399		235
Closing Bank and Cash Balance at year end	5,513		399

The financial statements have been presented, reviewed, and approved by One Step Learning Opportunities Centre (OSL) Board of Directors. The statements represent, fairly in all material respects the financial position and operating activities of OSL for the year as of December 31, 2022.

Approved on behalf of the Board.



Director



Director

Position: _President Date: _April 25, 2023. Position: _Treasurer Date: _April 25, 2023.

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Notes to Financial Statements

1. Nature of Operations

The Canadian charity is an incorporated non-for-profit organization headquartered in Edmonton Alberta that aims to make early childhood learning affordable for impoverished children in rural town Entumbil, Ghana. The play-based daycare facility is also available to Canadian institutions and others as a placement centre for enrolled students and volunteers to pursue practical experience for credits in early childhood learning and childcare. As a Canada Revenue Agency registered charity OSL issues tax receipts to donors for tax credit. Operating licences include:

Canada Revenue Agency (CRA) Charity Business Registration # 771608478 RR0001

Alberta Charitable Organization License # 354251

Alberta Corporate Access # 5122160921

Ghana Department of Social Welfare Registration # D.S.W. CR/AEEM/079/21, - Category A

Ajumako-Enyan-Essiam District Assembly Registration #s 665 and 666

The financial statements provide two years of comparative operations for the daycare that opened October 18, 2021, in Entumbil, Ghana. This 2022 year is the third year of financial statements for OSL.

2. Significant Accounting Policies

a. Basis of Accounting

The financial statements have been prepared on an accrual basis using Canadian accounting standards for not-for-profit organizations.

b. Revenue Recognition

The organization follows the deferral method of accounting for contributions. 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 can be reasonably estimated and collection is reasonably assured.

c. Contributed Volunteer Services

Volunteers contribute their time, goods, and services to assist OSL in carrying out its charitable service delivery activities. Due to the difficulty of determining their fair market value, volunteer contributed goods and services are not recognized in the financial statements. In 2022 there were some 3,600 volunteer hours (2021: 5,800 hours) utilized for: marketing, promotion, communications, outreach, professional services, fund development, facility maintenance, children's garden upkeep, sanitation, and administration.

d. Capital Assets

Fixed assets acquired while on the leased property are stated at cost and amortized by straight-line method over a period no more than three years because of the natural

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tendency for children to breakages and accelerated wear and tear. Assets with a cost of \$500 or less are written off in the year of purchase.

e. **Use of Estimates**

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. The principal estimates used in the preparation of these financial statements are the determination of estimated useful life of capital assets and foreign exchange transactions.

3. Leasehold Improvements

The fair market value of \$241,000 in free rent of the donated facilities has not been capitalized as OSL has no ownership. The 30-year donated long-term free lease amount is renewable every five years and has no specific termination date if the facilities are used for early childhood learning purposes.

Leasehold improvement costs when incurred by OSL are capitalized and amortized over the remaining life of the lease that is in effect at the time of acquisition or expenditure.

4. Fixed Assets

Fixed assets acquired while on the leased property are stated at cost and amortized by straight-line method over a period no more than three years or the remaining balance of the current renewable lease term. The tendency for children to breakages justifies the accelerated wear and tear factor.

5. Related Party Transactions

The founders of OSL who own the property donated the huge building and spaces for 30 years free of rent to make early childhood learning affordable for children in the rural town. The fair market value of the free lease is set at \$241,000 which represents the value of rent that is forgone for the 30 years. OSL has entered into a formal renewable occupancy long term lease agreement with the founders. The annual token lease rent is \$10 when billed.

Like every start-up organization, the founders intend to support OSL in this implementation phase until OSL can significantly stand on its feet and become sustainable by 2025. In accordance with OSL 2020 – 2024 Strategic Plan, the accumulated deficiency and amounts payable are anticipated in the short term. The founders will consider donating or forgive any of the amounts payable and accumulated deficiency outstanding after three years of daycare operations by December 2024. Donors and align value partners are therefore needed now to support OSL limited resources to make early learning affordable.

6. Foreign currency translation

Monetary assets and liabilities are translated at the average rate at the balance sheet date. Revenue and expenditures are translated at the average annual rate throughout the year. As a small organization with few immaterial transactions, there is no recognition of translational gains and losses.

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Management Analysis

The supplementary information is provided for the purposes of additional analysis and is derived from the underlying accounting and other records used to prepare the financial statements.

Our Charitable Purpose

- to advance education by establishing, operating, and maintaining a learning through play daycare centre in Entumbil, Ghana; and
- to undertake activities ancillary and incidental to the attainment of this charitable purpose.

Impact

- On October 18, 2021, the daycare started with 11 children, and now OSL serves 80 children daily.
- Play-based Daycare facilities now available in the town and surrounding communities.
- Life changing experience for impoverished 1 – 6-year-olds nurtured through play-based daycare.
- Parents, especially women, burden of childcare are relieved and can seek employment/careers.
- Acquisition of TVs with educational programs has strengthened English language skills for many.
- 14 jobs have been created for teachers, security, caterers, sanitation, and gardeners; with the potential for additional roles to be created through the stabilization phase.

Outcomes

- Early childhood literacy has improved, as children begin to understand the world around them.
- Impoverished children become lifelong learners of tomorrow through early learning.
- Opportunity for Canadian students and volunteers to gain international placement experience.

OSL Priority Needs.

Some \$162,000 is needed during the next two years of implementation to cover educational operations, digital capabilities, and a playground. OSL invites you to join collaborators like Rotary Club Edmonton Downtown, Ghana Friendship Association of Edmonton, Electronic Recycle Association (ERA), Millwoods Soccer, Africa Centre, volunteers, and public donors that have already supported us. Learn more: www.onesteplearning.org Invite us to make our “Generosity Shines” presentation to your group.

Affordability

Entumbil is an impoverished farming community in Ghana. Majority of the population are girls and women who are mostly illiterate and unemployed. There was no childcare facility until OSL stepped in. To enable affordability OSL charges a one-time registration fee of GHC 20 (twenty Ghana cedis, equivalent to Cdn\$4 and USD\$3), and a daily attendance fee of GHC 4 (55 cents Canadian and 40 cents USD\$). The registration and daily attendance fees collected only covers about 25% of the annual operating cost budget and evidenced in the financial statements presented herein.

Learn more at www.onesteplearning.org

About Us; The Daycare Program; Photos Gallery; Support Us; and our Accountability.