ENGINEERS WITHOUT BORDERS/INGENIEURS SANS FRONTIERES

ANNUAL REPORT **2004**

Last year, Mike Quinn, a newly minted mechanical engineer, went to Ghana with EWB. Here is a sample of some of his letters. They were the inspiration for p

OUR BELIEFS

Because technology can drive extraordinary change

These women are using a press to extract oil from the Jatropha plant. Throughout this report, you will come across countless examples of technology driving extraordinary change — treadle pumps helping farmers grow more food, handpumps helping women get clean water, and others. Technology changes people's lives. Technology is at the heart of what we do.

Women from the Gbimsi women's cooperative test a mechanical press to aid in the extraction of Jatropha Oil, a locally available substitute for diesel fuel. EWB volunteer Jen Robinson spent nine months in Ghana helping the government develop an appropriate rural energy policy.

part of Sarah McLachlan's music video "World On Fire." ¶ **WHY AM I HERE?** I am writing this from Accra, the capital city of Ghana in West Africa. Ghana is a very poor

Every day, in developing communities around the world, people struggle for clean water, for bigger harvests, for an education for their children — for a chance to work their way out of poverty.

VISION

Engineers Without Borders envisions a world of opportunity, dignity and freedom for all people.

As engineers, we believe that technology can drive extraordinary change – but it must be appropriately incorporated into each community's social, cultural, economic and political context.

MISSION

Engineers Without Borders promotes human development through access to technology.

HISTORY

Engineers Without Borders (EWB) is a registered Canadian charity that helps people in developing communities gain access to technologies that will improve their lives. By working with rural communities in areas such as water and sanitation, food production and affordable energy, EWB has lasting impact on those most in need.

Formed in 2000, we are Canada's fastest growing development organization. In the past three years we have sent over 110 young Canadian engineers to work on 45 projects in 25 countries. Closer to home, our 10,000 members across the country strive to help Canada and Canadians to become model global citizens.

Our work has enabled thousands to gain access to appropriate technology and has made their journey out of poverty easier.

NOS VALEURS

Understanding Communities

To help communities develop sustainable long-term solutions that address the root causes of poverty, EWB volunteers strive to understand the community's needs and constraints. Our volunteers spend months or years living with the local people, getting to know their language, culture, needs and resources.

Volunteer Kelsey Chegus undertakes a "Participatory Rural Appraisal" at the women's health clinic in the community of Kwadwo Kumikrum. The woman in white is the senior health officer — a well-educated professional who returned to live in and help her remote community in Western Ghana.

country with massive debt and limited resources, typical for Sub-Saharan Africa. What brought me here? It's pretty simple. After graduating, I wanted to apply my engi

Des gens luttent au quotidien pour accéder à de l'eau potable, pour produire de meilleures récoltes, pour offrir une éducation à leurs enfants – pour réussir à se sortir de la pauvreté.

LA VISION

La vision d'Ingénieurs sans frontières se traduit par le désir de construire un monde d'opportunités, de dignité et de liberté pour tous et toutes.

En tant qu'ingénieurs, nous croyons que la technologie peut amener des changements extraordinaires, mais elle doit être adaptée au contexte social, culturel, économique et politique de chaque communauté.

LA MISSION

Ingénieurs sans frontières promeut le développement humain à travers l'accès à la technologie.

L'HISTOIRE

Ingénieurs sans frontières est un organisme de charité enregistré qui permet aux personnes de pays en développement d'avoir accès à des technologies qui amélioreront leur qualité de vie. En travaillant avec des communautés rurales dans des secteurs comme l'eau et l'assainissement, la production agricole et l'énergie, Ingénieurs sans frontières réussit à avoir un impact là où les besoins sont les plus importants.

Formée en l'an 2000, nous sommes l'organisation canadienne vouée au développement ayant la plus forte croissance. Au cours des trois dernières années, nous avons permis à 110 jeunes ingénieurs canadiens de travailler sur 45 projets dans 25 pays. Plus près de nous, nos 10,000 membres s'activent à faire du Canada le pays le plus engagé dans le développement international au monde.

Notre travail améliore la qualité de vie quotidienne de milliers de personnes en leur permettant d'avoir accès à des technologies appropriées.

neering to a social cause. And now I'm working with the Kumasi Institute of Technology and the Environment (KITE), a Ghanaian non-governmental organization whose

CONTENTS

mission is to alleviate poverty through promotion of environmentally friendly technologies and policies. ¶ **MY PROJECT** ¶ My project is to promote the Multifunctional

Working in Partnership

We work with community members, local entrepreneurs and non-governmental organisations. By working with a variety of partners and building their skills, our projects have lasting impact .

Keluntang Sagna and Brenden Baker share a laugh after completion of a new cashew nut processing table for small scale producers in Senegal. Brendan spent seven months with our partner EnterpriseWorks on food processing and water supply.

Platform (MFP) program in Ghana. An MFP is a simple idea: It's a small diesel engine that powers various agricultural processing equipment such as a corn mill, cassava

AWARDS EWB won an incredible half-dozen prestigious international and national awards, showing that from Rome to California to Geneva, EWB's reputation is growing. >> page 8

RECOGNITION A Sarah McLachlan Video, a CTV Evening News "Success Story", and several books and magazines highlight EWB as a newly established leader in development. >> page 9

OVERSEAS PROGRAMS 2004 was a banner year as we doubled our operations overseas. 51 volunteers worked on 25 projects in Agriculture and Food Production, Water and Sanitation, Rural Energy and Crop Processing, and ICTs for Development. >> page 10

EWB'S IMPACT MODEL Learn about what makes EWB unique - our relentless focus on impact. >> page 14

IN-CANADA PROGRAMS A new generation of leaders and our thousands of members reached out to tens of thousands of Canadians to promote development across the country. >> page 16

FINANCIAL SUMMARY In 2004 we doubled our fundraising to $930,000 and we continue to spend our donors' money effectively, with 90 cents of every dollar going to operations. >> page 20

AUDITED FINANCIAL STATEMENTS >> page 22

EWB'S PEOPLE Thank you to everyone who helped to make this year extraordinary. >> page 28

AWARDS >>

2004 was an extraordinary year for EWB. It's not often that an organization is recognised with a half-dozen major international and national awards – including Canada's two major international co-operation awards.

Winner Canada's CCIC International Co-operation Award, for educating Canadians about international development. The CCIC is Canada's umbrella group for aid organizations.

Winner Canada's CIDA/CME International Co-operation Award for excellence in offering international development programs for youth under 30.

Winner Forces Avenir Award; Grand Prize $15,000.

Winner United Nations World Summit on Information Society ICT4D Award, Education Category, for our Computer Livelihood Training Centre project in the Philippines.

Finalist Tech Museum "Technology Benefiting Humanity" Awards – from among 230 applicants from 32 countries.

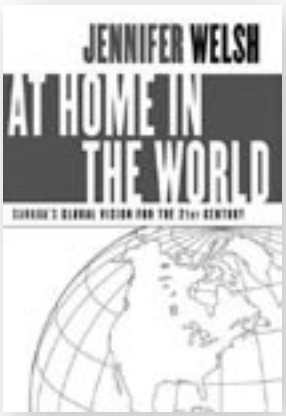
Finalist "Global Junior Challenge" – from among 647 applicants from 70 countries.

Members of our Montreal chapters – Ecole Polytechnique, McGill and Concordia collect the Grand Prize at the Forces Avenir Awards Ceremony.

8

grater, oil press, or rice dehusker – hence the multifunctionality. The principle of the MFP is to bring useful energy to the women in the many rural villages without elec

RECOGNITION >>



The recognition continued: the media, books – and even Sarah McLachlan!

"EWB is an organization that dared to dream - and is now constructing a bright new future for people plagued by poverty."

Lloyd Robertson, CTV Evening News "Success Stories", May 2004

"The best-practice implementation of this remarkable organization, however, is what makes it truly stand out as a model for organising the transfer of technologies and skills."

Tech Museum Awards Magazine, Nov. 2004

"This is the underlying philosophy of organisations like Engineers Without Borders. Rather than transplanting our model into other countries, we can seek to help people help themselves."

"At Home in the World" by Jennifer Welsh, Sept. 2004

"EWB's Mike Quinn represents the new generation of foreign aid worker. The 23-year old engineer is a volunteer in Ghana, building multi-purpose diesel engines that will power corn mills and wood saws in impoverished villages."

"The New Canada" by Erin Anderssen and Michael Valpy, June 2004

Featured in Sarah McLachlan's 2004 Video *World On Fire*. EWB volunteer Mike Quinn's "Letters from the Field" helped inspire the video and EWB contributed some footage and stories – and received a $20,000 donation.

ctricity. An MFP can transform work that takes women days to do by hand to a matter of hours, allowing them to redirect their time to more useful tasks. ¶ To begin my

understanding of the project, I visited a newly formed women's group that make gari – roasted, ground cassava – a popular local dish. But the labour required is phenom

OVERSEAS PROGRAMS >>

EWB's Overseas projects at a Glance

	2004	2003	Total to date
Volunteers overseas:	51	28	**105**
Total people months:	219	122	**527**
Equivalent in salary:	$730,000	$410,00	**$1,750,000**

Ask yourself:
Why are three billion people poor?

You might recall seeing a sad child with a distended belly.
But that is a **symptom** of poverty.
You might recall reading about young girls selling themselves into prostitution.
But that is a **symptom** of poverty.
You might recall hearing about women in Africa who don't have time to learn to read.
But that is a **symptom** of poverty.

What are the root causes of poverty?

Poverty is complex and multi-faceted. The sad child with the distended belly may not have enough to eat, but the reasons for this could be anything from international food dumping that depresses local farm incomes, to his parents not having access to affordable irrigation.

Many African women may not be able to read, but the reasons for this could be anything from AIDs orphaned girls spending all their time looking after their siblings, to female students who aren't going to school because of unsafe public latrines.

enal! ¶ First, cassava (which looks like long potatoes) is uprooted by the women on the farms and brought to the village balanced on their heads. They are "peeled" using

Engineers Without Borders works in rural communities around the world to provide technical support and training on local projects. We meet development challenges with **innovative, appropriate and sustainable solutions.**

How can people escape poverty?

Reducing poverty is also complex. It can't be solved by simply giving people food or clothes or machines, or even building them a school; reducing poverty is about empowering people to help themselves.

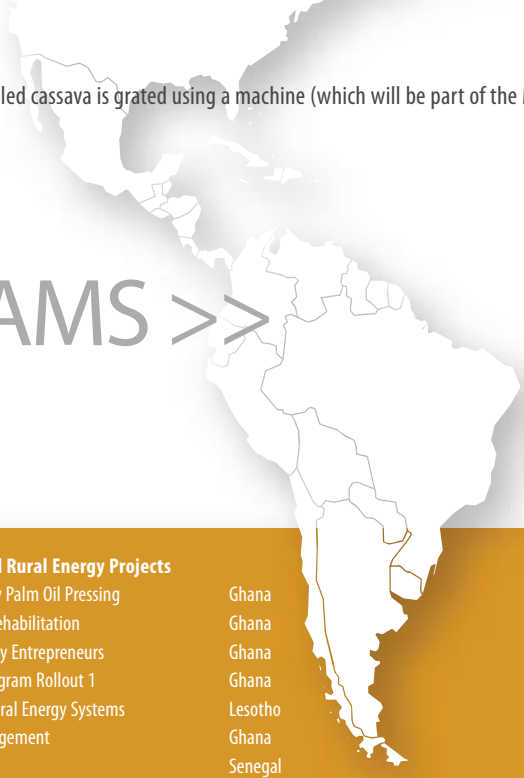
Part of the solution involves access to technology. Millions of people will need to adopt and adapt solutions involving appropriate and affordable technologies such as handpumps, small-scale irrigation systems, and food processing equipment.

How do EWB volunteers help?

Our volunteers combine engineering skills with an in-depth knowledge of rural livelihoods and community development best practices. They spend 8-24 months integrated into a community working alongside local engineers, entrepreneurs and technicians. Together, they find appropriate technical solutions to the problems facing their communities.

a machete, a task which usually takes a group of women a complete 8 hour day. The next day, the peeled cassava is grated using a machine (which will be part of the MF

OVERSEAS PROGRAMS >>



Agriculture and Food Production Projects	
Community Natural Resource Management	East Timor
Treadle Pump Irrigation	Ghana
Drip Irrigation Improvement	Zambia
Smallholder Agriculture Yield Improvement	Zambia
Community Food Project	Indonesia
Rural Farmer Technology Support	Ghana
Treadle Pump Irrigation Dissemination	Tanzania
Farmer Livelihoods Improvement	Lesotho

Agro-Processing and Rural Energy Projects	
Appropriate Technology Palm Oil Pressing	Ghana
Community Rice Mill Rehabilitation	Ghana
Supporting Rural Energy Entrepreneurs	Ghana
Rural Energy - MFP program Rollout 1	Ghana
Community Mgt. for Rural Energy Systems	Lesotho
Natural Resource Management	Ghana
Ground-Nut Processing	Senegal
Cashew Processing	Guinea Bissau
Oil-Seed Press Design	Benin
Rural energy - MFP program rollout 2	Ghana
Food Processing Support	Ghana
Rural Energy - MFP program support	Ghana

AGRICULTURE AND FOOD PRODUCTION

12 VOLUNTEERS

800 million people go hungry every day. Around the world, small-holder farmers toil every day to grow enough food to feed their families. With improved knowledge and technologies to grow and market crops, they are able to gain more security. EWB volunteers worked in Ghana, Zambia, Lesotho, Indonesia and Tanzania to improve small-farmer irrigation, cropping systems and crop marketing.

AGRO-PROCESSING AND RURAL ENERGY

13 VOLUNTEERS

400 million households have no electricity. When rural communities gain access to a source of energy and food processing technologies, they broaden their opportunities for income generation and lessen the burden of daily activities. EWB volunteers worked in Ghana, Senegal, Guinea-Bissau and Benin on projects involving cashew-nut processing, oil-seed extraction, cassava grating and rural energy.

P), and then put into sacks. The water is then squeezed out of the sacks using a manual press. After pressing, the women will spend six hours in the sun and smoke frying

Water and Sanitation Projects

Rural Water, Hygiene and Sanitation	Madagascar
Household Water Purification	Cambodia
Rural Water and Sanitation	Indonesia
Water, Hygiene and Sanitation – Phase IV	Cameroon
Rural Water and Sanitation – Phase V	Cameroon

ICT PROJECTS

Computer Livelihoods Training Ctrs Phase III	Philippines
Computer Livelihoods Training Ctrs Phase IV	Philippines
Community IT Centre	Nepal

WATER AND SANITATION

8 VOLUNTEERS

Over one-billion people do not have access to clean water. Deadly water-borne parasites threaten the health of developing communities – roughly five million people die every year of waterborne disease. EWB volunteers worked in Cameroon, Cambodia, Indonesia and Madagascar to improve hygiene education, sanitation facilities and access to safe water.

INFORMATION AND COMMUNICATION TECHNOLOGY (ICT)

18 VOLUNTEERS

"Being cut off from basic telecommunications services is a hardship almost as acute as other deprivations." – *UN Secretary General, Kofi Anan.* ICTs provide access to information and can be used as a component of lifeskills training. This knowledge can lead to job opportunities and increased civic participation. EWB volunteers worked in the Philippines and Nepal to build and to train local staff to run Computer Livelihood Training Centres.

Most people begin by asking, "What can I *do*?"

3 The third step is to understand what skills development workers need, ensuring that we

Give our volunteers the right training.

Being an effective development worker is difficult. As outsiders, our volunteers can bring new ideas, knowledge and energy. But for these new ideas to be incorporated into the development dialogue, our volunteers also need to earn people's trust. They must work closely and patiently with people to ensure projects that will result in positive changes to people's lives.

Our training focuses on ensuring that our volunteers understand this delicate balance. We provide tools to help with integration, focusing on understanding people's livelihoods. They learn techniques like Participatory Rural Appraisals, and they examine case studies of community development and NGO capacity building.

To help volunteers suggest the right solutions, we provide training on appropriate technologies, root-cause analysis, issues of sustainability, and case studies on how to encourage good governance and local ownership of projects.

...and who have a grounding in rural livelihoods and appropriate technology...

4 The final step is to ensure that we are constantly focused on the end result, ensuring that we

Focus on impact.

It is easy to confuse outputs with impact. A project's outputs could be a handpump or an engineering design for a new food processing machine—but project impact is the improvement in quality of life associated with those tangible outputs.

EWB uses the impact chain to analyze this:

INPUTS > ACTIVITIES > **OUTPUTS** > **OUTCOMES** > **IMPACT**

For example, when EWB volunteer Brendan Baker designed a better cashew processing table, that is an output. If a local entrepreneur begins to build the new processing tables, that is an outcome. If the new tables lead to improvements in cashew-farmers' quality of life, that is impact.

EWB volunteers conduct impact assessments and seek to identify and overcome obstacles that prevent good outputs from leading to long-term positive impact.

...and who ensure their project outputs lead to positive impact.

Some time ago, the gari, The fried gari is then placed in 80kg sacks and taken to the market to be sold. The profits that come back to the women are extremely slim.

How does Engineers Without Borders ensure impact?

Why did we make you reverse this page? Because at EWB, we reverse the questions. Rather than beginning with *what we have*, and then bringing this to communities, we begin with *what communities need,* and then see how we can help.

1 The first step is to understand what communities need, ensuring that we

Work on the right types of projects.

"When most of us think of engineers, we think of bridges and roads. The reality, however, is that EWB focuses on small-scale projects in areas such as water and sanitation, agriculture and food processing, and small-scale rural energy systems ... The organization's mission is the product of deep soul-searching about the most urgent challenges facing developing communities and about the most effective role that 'outsiders' can play in assisting them.

"In the end, EWB has chosen to focus less on big and visible projects, and more on building local capacity."

From "At Home in the World," by Jennifer Welsh, 2004

Communities are not helpless; they are constantly involved in their own process of development. We can help individual leaders and technical entrepreneurs in this process – improving their long-term ability to find their own solutions to their own problems.

2 The second step is to understand who is best able to help, ensuring that we

Get the right people.

EWB seeks an elusive spirit in our volunteers – that of humble entrepreneurship. Naturally, our volunteers have an engineer's problem-solving ability and technical knowledge. But they also must be humble – knowing that their technical instincts could produce an overcomplicated solution, they must be open to learning from local people's knowledge, and must appreciate that technology is only one small component of a sustainable, appropriate solution.

Our volunteers also need to be entrepreneurs in both the traditional and social sense. They need to be able to understand how businesses work – the farming households, the NGOs, and the rural technicians with whom they work are all running businesses. They also need to be entrepreneurs in the social sense – to be able to understand how social change happens and how they can play a catalyzing role.

At EWB, we begin with communities, asking,

"What do communities *need*?"

We build rural technical capacity...

...with long-term volunteers who exhibit humble entrepreneurship...

women's group at Kpobikorpe was given a gari processing machine by a well-meaning donor. I discovered this equipment sitting idle in a room, never having been used.

IN-CANADA PROGRAMS >>

EWB's Membership at a Glance

	2002	2003	2004
EWB members	2,500	5,500	10,000
Conference participants	170	270	400
Chapter volunteer hours	18,000	30,000	45,000

Chapters Across Canada

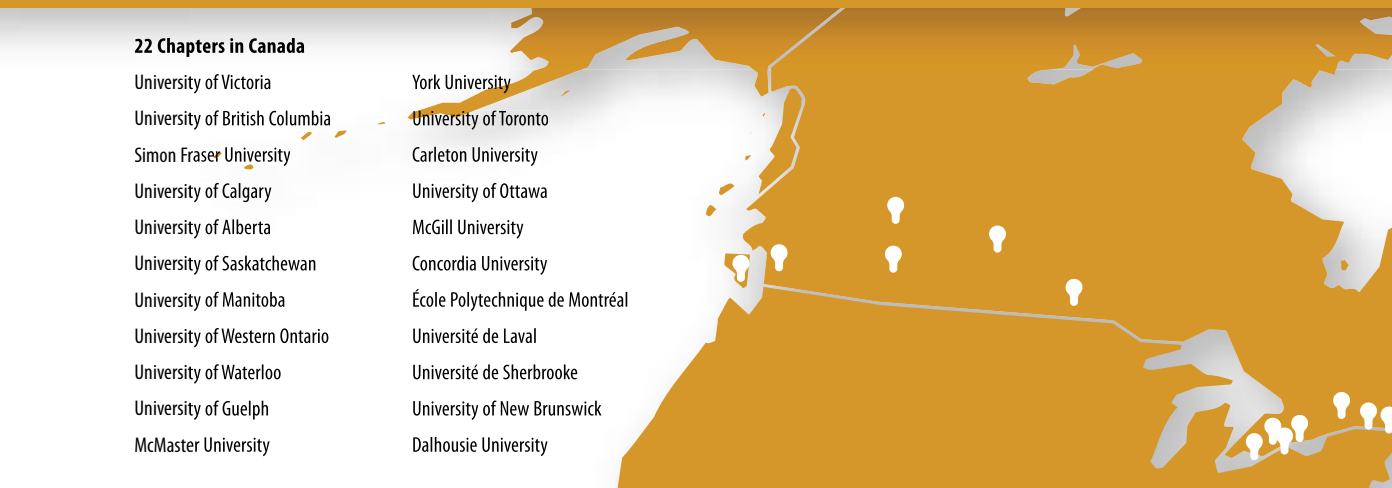
Our university-based chapters are the cornerstone of EWB's work in Canada. These chapters bring together students and young professionals who are passionate about international development. Our chapters' enthusiasm encourages Canadians to care about and take action on international development issues.

The women I talked to said that they were never shown how to use any of it, and they do not have a building (or the money to build one) to house it. So, while this donat

Engineers Without Borders works to make Can
engage many groups of Canadians to raise awa
highlight the leading role that Canada can play

22 Chapters in Canada

University of Victoria
University of British Columbia
Simon Fraser University
University of Calgary
University of Alberta
University of Saskatchewan
University of Manitoba
University of Western Ontario
University of Waterloo
University of Guelph
McMaster University
York University
University of Toronto
Carleton University
University of Ottawa
McGill University
Concordia University
École Polytechnique de Montréal
Université de Laval
Université de Sherbrooke
University of New Brunswick
Dalhousie University



Why do we engage Canadians?

What can we do from Canada to help a rural farmer in Africa?

A densely interconnected world means that the actions and decisions we make in Canada affect the lives of people half a world away.

The goods we buy and where we buy them, how our companies operate internationally, the policies of our government—all of these can influence the challenges facing poor people around the world as they try work their way out of poverty.

As Canadians, we can do something if coffee growers are not paid enough for their crop to send their kids to school; if a mining company pollutes a local water source; or if trade barriers prevent a cotton farmer from exporting her crop.

Canadians need to be aware of the global implications of their actions. Decisions will be made by individuals and in our communities; our role is to raise awareness of these issues and the leading role Canada and Canadians can play in being model global citizens.

We also seek to influence the engineering profession. Tomorrow's engineering challenges will require multi-disciplinary problem solving skills, not just technical excellence. We work to help form the next generation of engineering leaders.

ed equipment surely made a statistic somewhere about how many villages were given gari processing machinery in the past year, it hasn't done much for the real people

ada a leading global citizen. Our members
areness of development issues and to
y reducing world poverty.

it was supposed to help. ¶ **MY LIFE OUTSIDE OF WORK** ¶ I am renting a room in Alajo, a "suburb" of Accra. The cost: One year for $450. I live in an African-style compou

IN-CANADA PROGRAMS >>

Reaching out to …

HIGH SCHOOL STUDENTS

WATER FOR THE WORLD, FOOD FOR THOUGHT

EWB chapter volunteers visit high schools across the country delivering interactive presentations to raise awareness about global water issues and global food security. The program reached 9,000 students in 2004 and will reach 15,000 students in 2005.

THE GENERAL PUBLIC

EWB DAY, HIV POSITIVE AND THE POINT SEVEN PLEDGE

EWB Chapters worked with CARE Canada to present the HIV Positive photo exhibit at shopping malls across the country. EWB Day involved 20 chapters from across Canada raising awareness of the Millennium Development Goals. And the the Point Seven Pledge garnered 8,000 signatures asking our government to commit to our 30 year-old promise of giving 0.7% of our GNP as foreign aid.

HIGHLIGHTED PROJECTS

1 Three Montreal Chapters - McGill, Polytechnique and Concordia - won the Forces Avenir $15

2 EWB Saskatchewan's public outreach campaign reached over 5000 people last year, and inc

3 The UBC chapter's Member Education meetings attract upwards of 50 people and they orga

4 The Sustainably Canadian Curriculum Enhancement programwas launched by the Universi

nd sharing a toilet and cold shower with I think 7 other adults and various children. I haven't quite figured out who lives there yet, but I have played soccer with a 5 or 6

Educating …

OUR MEMBERS

EWB NATIONAL CONFERENCE AND EDUCATION PROGRAM

EWB runs Canada's largest annual development conference. 400 EWB members spent four days interacting with world leading development thinkers and practitioners. The event served as the central component of our year-long member education program, in which over 600 young engineers participate.

THE NEXT GENERATION OF ENGINEERS

SUSTAINABLY CANADIAN - CURRICULUM ENHANCEMENT

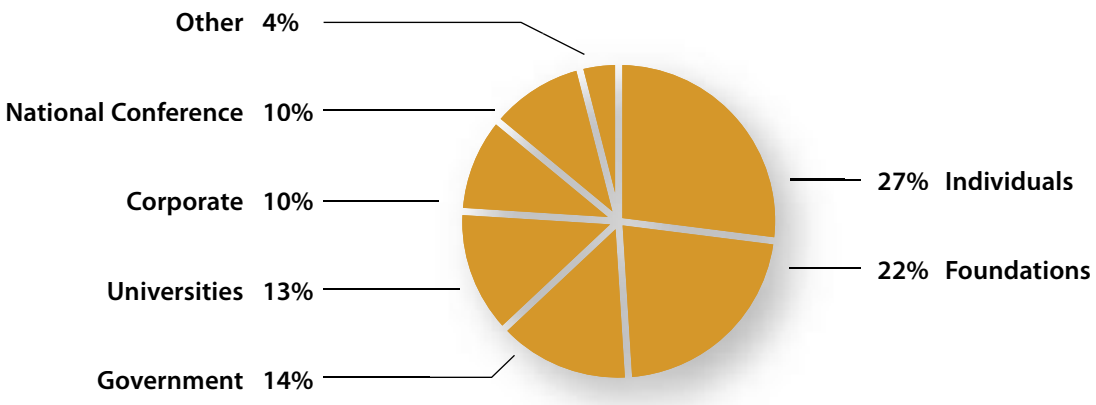
EWB is working to enhance engineering education. Over 2,000 engineering students from three universities are participating in EWB-created and -led design projects during their first year courses. Universities across the country are posied to include this program in their curriculums.

,000 grand prize for their high school outreach program.
luded a working model of a treadle pump.
anize an annual 150 person one-day conference on development called Bridging the Gap.
ty of Calgary Chapter in September 2003 and is expanding across Canada.

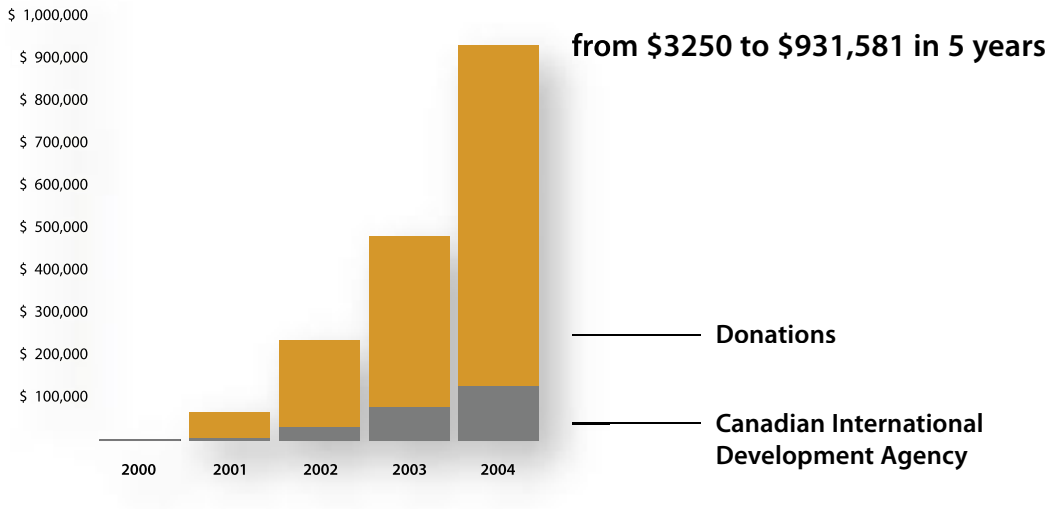
IN-CANADA PROGRAMS

How did EWB raise our money?

In 2004, we raised $931,581



Over the past five years, EWB has experienced considerable revenue growth.

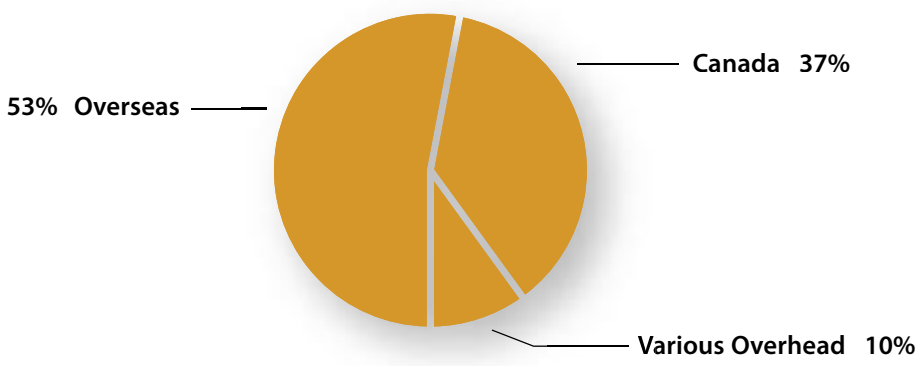


With little government support, we count on our donors' generosity to operate.

Understanding EWB's Financials >>

or 7 year old boy named Ellis (depending on what age he feels like telling you). ¶ My co-workers were astounded. The usual white development worker lives in the "expa

How did EWB spend our donors' money?*



A typical overseas project and its associated costs:

Title:	PRISM – Poverty Reduction through Integrated Stakeholder Management		
Partner:	International Development Enterprises, Zambia		
Volunteer:	Paul Slomp		
Dates:	September 2004-September 2006		
Role:	Paul is setting up the project in the Chipata office, working with local IDE staff, farmers and retailers to improve the manufacture and distribution of treadle pumps and farming inputs.		
Costs:	Flight	1 x 2500	**2500**
	Insurance	24 months x $150	**3600**
	Living Costs	365 days x 2 years x $10	**7500**
	Health	1000	**1000**
	Visa	1000	**1000**
	Training	2500	**2500**
	Domestic Travel	800	**800**
	Project Management	2200	**2200**
	Associated Overhead	900	**900**
	Total		**22,000**
	Cost per year		**$11,000**

As our charter promises, we run an efficient and effective organization. We are committed to being fully transparent with respect to the way we raise and spend our money.

t" areas of Accra, spending his many-hundred-dollar-a-day living allowance on fancy restaurants, hotels with hot water, room service and SUV travel. I happen to believe

EWB Canada is a member of The Canadian Centre for Philanthropy's Fundraising Code of Ethics.

* For a full breakdown of how EWB allocated costs to program areas, please see our website at www.ewb.ca/2004finances

Deloitte.

Auditors' Report

To the Members of Engineers Without Borders (Canada) / Ingénieurs Sans Frontières (Canada)

We have audited the balance sheet of Engineers Without Borders (Canada) / Ingénieurs Sans Frontières (Canada) as at October 31, 2004 and the statements of operations and changes in fund balances for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many charitable organizations, the Organization derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of revenue from this source was limited to the amounts recorded in the records of the Organization and we were not able to determine whether any adjustments might be necessary to donation revenue, excess of revenues over expenses, assets and unrestricted fund balance.

In our opinion, except for the effects of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the donations referred to above, these financial statements present fairly, in all material respects, the financial position of the Organization as at October 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Deloitte & Touche LLP

Chartered Accountants

Toronto, Ontario

December 14, 2004

that this isn't a good way to gain the trust of the people I am working for. ¶ Soon after I arrived I learned to eat Ghanaian street food. I'm trying to live on three dollars a

Balance Sheet

October 31, 2004

	2004	2003
ASSETS		
CURRENT		
Cash	**$ 136,091**	$ 73,800
Accounts receivable	**20,797**	21,074
Prepaid expenses	**410**	11,487
	157,298	106,361
CAPITAL ASSETS (Note 5)	**4,139**	2,639
ORGANIZATIONAL AND DEVELOPMENT COSTS (Note 6)	**11,375**	16,625
	172,811	125,625
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	**22,282**	35,747
Deferred revenue (Note 7)	**70,855**	63,790
Advances from directors and officers (Note 8)	**18,127**	21,341
	111,264	120,878
FUND BALANCES		
INVESTED IN CAPITAL ASSETS	**4,138**	2,639
UNRESTRICTED	**57,409**	2,108
	61,547	4,747
	172,811	125,625

APPROVED BY THE BOARD

George Roter
Director

Patrick Pichette
Director

a day to bring myself closer to the local lifestyle. A typical meal? Kenke – maize that has been fermented and then boiled, and it's quite tasty and spicy with some black

Statement of Operations

Year ended October 31, 2004

	Year ended October 31, 2004	Ten months ended October 31, 2003
REVENUES		
Donations from individuals	$ 250,270	$ 100,291
Donations from foundations	203,186	64,991
Canadian government funding (CIDA/HRDC)	130,840	125,720
Donations from universities	124,410	50,781
Corporate donations	93,937	58,345
National conference	93,879	60,607
Membership fees	16,765	14,095
Other income	18,924	8,291
	932,211	483,121
DIRECT PROJECT COSTS		
Overseas programs (Notes 4 and 12)	427,785	210,322
Education and outreach within Canada (Note 13)	207,375	126,056
National conference	87,819	49,982
	722,979	386,360
REVENUES LESS DIRECT PROJECT COSTS	209,232	96,761
OPERATING EXPENSES		
Management and general	110,916	66,192
Fundraising	41,516	22,988
EXCESS OF REVENUES OVER EXPENSES		
(EXPENSES OVER REVENUES)	$ 56,800	$ 7,581

pepper. I also eat fried fish, meaning a whole fish. Here, you eat the head, eyes, tail, bones – everything. The darkness at night makes it a little easier when you're chom

Statement of Changes in Fund Balances

Year ended October 31, 2004

	Invested in Capital Assets	Unrestricted	Ten months ended October 31 2004 Total	2003 Total
BALANCE, BEGINNING OF YEAR	$ 2,639	$ 2,108	$ 4,747	$ (2,834)
EXCESS OF REVENUES OVER EXPENSES (EXPENSES OVER REVENUES)	(2,500)	59,300	56,800	7,581
CAPITAL ADDITIONS DURING THE YEAR	3,999	(3,999)	-	-
BALANCE, END OF YEAR	$ 4,138	$ 57,409	$ 61,547	$ 4,747

Notes to Financial Statements

Ten months ended October 31, 2003

1. DESCRIPTION OF BUSINESS

Engineers Without Borders (Canada) / Ingénieurs Sans Frontières (Canada) ("the Organization") commenced operations in 1999. Subsequently, the Organization was incorporated without share capital under the Canada Corporations Act on December 28, 2000. The Organization was registered as a Charity on November 23, 2001 under the Income Tax Act. While registered, the Organization is exempt from income taxes, and may issue tax deductible receipts to donors.

The Organization was established to improve the quality of life of people in developing communities by helping them gain access to appropriate technology. This work involves building capacity among local organizations and individuals so that solutions are locally generated and available. It also involves working in Canada on policy and attitudinal change to benefit human development overseas.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles and reflect the following significant accounting policies:

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 to be received can be reasonably estimated and collection is reasonably assured.

Capital assets

Computer equipment is stated at cost less accumulated amortization and is amortized on a straight-line basis over three years.

Donations-in-kind

The work of the Organization is dependent on the services of many volunteers. Because these services are not normally purchased by the Organization and because of the difficulty of determining their fair value, donated services are not recognized in these financial statements.

Other donations-in-kind are recognized in the financial statements if they are normally purchased and their fair value can be established.

Organizational and development costs

Organizational and development costs are amortized on a straight-line basis over four years, commencing in 2003.

3. CHANGE IN YEAR END

The Organization changed its year end to October 31, effective in 2003. Accordingly, the 2003 comparative amounts in the Statements of Operations and Changes in Net Assets are for a ten-month period.

4. OVERSEAS PROGRAMS

During the current fiscal year, overseas volunteers have been placed in Benin, Cambodia, Cameroon, Ghana, Guinea Bissau, Indonesia, Lesotho, Madagascar, Nepal, Philippines, Senegal, Tanzania and Zambia, in association with the following organizations:

Canadian International Development Agency (CIDA)
Enterprise Works Worldwide (EWW)
Frères de Saint Gabriel
International Development Enterprise (IDE)
Mines Action Canada
New Energy Ghana
Project intégré pour la promotion de l'auto-développement (PIPAD)
USC Canada
Child Haven International
Environmental Protection Association of Ghana (EPAG)
Ghana Regional Appropriate Technology Industrial Service (GRATIS)
Kumasi Institute of Technology & Environment (KITE)
Ministry of Food and Agriculture Ghana (MOFA)
Philippines Department of Social Welfare and Development (DSWD)
TechnoServe Ghana

5. CAPITAL ASSETS

	Cost	Accumulated Amortization	2004 Net Book Value	2003 Net Book Value
Computer equipment	$ 8,156	$ 4,018	$ 4,138	$ 2,639

Capital asset additions during the period amounted to $3,999 (2003-$1,571), while amortization amounted to $2,500 (2003-$936).

6. ORGANIZATIONAL AND DEVELOPMENT COSTS

Organizational and development costs were incurred in creating, registering, and developing the organization.

	Cost	Accumulated Amortization	2004 Net Book Value	2003 Net Book Value
Organizational and development costs	$ 21,000	$ 9,625	$ 11,375	$ 16,625

Amortization for the period amounted to $5,250 (2003–$4,375).

away. ¶ Every night I visit a woman with a stunning smile to buy oranges. Her name is Kristy Yaa and she never lets me pay for my oranges because she wants me to take

7. DEFERRED REVENUE

	2004	2003
Canadian International Development Agency (CIDA)	$ 70,855	$ -
Individual donations		35,000
J.W. McConnell Family Foundation	-	28,290
Other	-	500
	$ 70,855	$ 63,790

CIDA amounts include funds for specific grants: International Youth Internship Program, Global Classroom Initiative, Stand Alone Public Engagement Fund and Mass Media Initiative.

8. ADVANCES FROM DIRECTORS AND OFFICERS

Advances bear no interest and have no fixed terms of repayment.

9. LEASE COMMITMENTS

The Organization is committed under an operating lease for the rental of premises. The lease expires on May 31, 2005 and requires a monthly rent of $2,015.

10. STATEMENT OF CASH FLOWS

A statement of cash flows has not been presented since the information it would contain is readily available from these financial statements.

11. COMPARATIVE AMOUNTS

Certain of the prior year's amounts have been reclassified to conform to the current year's financial statement presentation.

12. OVERSEAS PROJECT COSTS

Overseas project costs consist of two main components - overseas volunteers, which includes pre-departure training, overseas allowances for daily living costs, airfares, health insurance, vaccinations and visas, amounting to $309,473, and material project costs and shipping of donated computers of $38,065. The remaining amount includes project development and management costs.

13. EDUCATION/OUTREACH WITHIN CANADA

Education and outreach projects consist of developing and running international development education programs at the Organization's 22 chapters across Canada, amounting to $75,680, and public outreach activities that include high school presentations across the country, displays in public places and outreach among the engineering profession, amounting to $20,594. The remaining amount includes project development and management costs.

14. GUARANTEE

Indemnity has been provided to all directors and officers of the Organization for various items including, but not limited to, all costs to settle suits or actions due to their involvement with the Organization, subject to certain restrictions. The Organization has purchased directors' and officers' liability insurance to mitigate the cost of any potential future suits or actions. The maximum amount of any potential future payments cannot be reasonably estimated.

mother and every penny she earns goes towards putting her 20-year-old son through secondary school near her home village, far from Accra. When she saves enough m

Our Supporters

We would like to thank the organizations and individuals below for their financial support of Engineers Without Borders.

$50,000 and above

Aeroplan
Canadian International Development Agency
J.W. McConnell Family Foundation
Tula Foundation

$25,000 to $49,999

Bell Canada Enterprises
J. Edward Brockhouse
McKinsey & Company
Patrick and Tamar Pichette

$10,000 to $24,999

Zafer and Anne Achi
Forces Avenir
MBNA Canada
Omidyar Network Fund, LLC
Sarah McLachlan Entertainment Corporation
Wild Rose Foundation
Anoymous

$5,000 to $9,999

Blaney McMurtry LLP
Gordon Nixon Foundation
Alex Klopfer
Microsoft Giving
Gerald Owen
Pratt & Whitney Canada
Rotary Club of Toronto Eglinton
Rotary Mississauga
Brian Schofield
Don Thurston
Walter and Duncan Gordon Foundation

$1,000 to $4,999

Al-Terra Engineering Ltd.
Philippe Arrata
Autodesk Canada, Calgary
Richard Brockhouse
Cameco Corporation
Canadian Food
Florent Catu
Debbie Coles
Community Foundation Of Ottawa
Susan Cummins
Jacques Gerin
Ginette Guillerier and William J. Carson
HSBC Bank Canada
IBM Canada Ltda
Robert Jones & Johanne Lavoie
Philippe B P Kruchten
Frederic Latreille
Vernon Lobo
Manitoba Hydro
Jennifer Marshall
Med-Eng Systems Inc.
Katharine Morrison
Novak Family Foundation
Ontario Society of Professional Engineers
Louise Parnell
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Professional Engineers and Geoscientists of BC
Rideau Hall
Mary Roach
Rotary Club of Mississauga Streetsville
Rotary Club of West Ottawa
Bruno Roy
San Telmo Energy Inc
Tracy and Bruce Simpson
Janeen E Tang
TransCanada
Kim Valcourt
Aly Valli
Gerda De Vries
Mac H. Van Wielingen
Penny Wong

$200 to $999

3DM Devices Inc.
Abitibi Consolidated
ACT Teleconferencing Canada Inc.
Ag. Project Planning & Supervision Ltd.
Ag-West Bio Inc.
Sonia Aksynczak
Alegretto Math Review
Nabeel Al-Kady
Doug Andrews
APEGM
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Association of Professional Engineers of Nova Scotia
Maxime Aucoin
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College Physical & Engineering Society
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Consulting Engineers of the Northwest Territories
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Lijiang Fang
Richard Fell
Doris Ferron
Martin J. Galvin
Eric Gaudet
Geomatrix Consultants and Engineers Inc.
Christopher Germain

The national office would like to extend a special thanks to those who volunteered their time and expertise to building the organisation:

Nicolas Krutchen - for developing our intranet
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Ka-Hay Law - for special projects
Mark Tenaglia - for making us look good on paper
Kim Valcourt and Aly Valli - for fundraising support
The Translation Team from Ecole Polytechnique
John Vellone - CATIMAC and fundraising support
Our Alberta Chapters - for assigning Wild Rose funds to Scala
Dr. Mark Wise - travel doctor
Scott Milne - for predeparture training support

oney for a bus ticket, she'll travel to see him. She makes 2 cents an orange, and sells about fifty a night. ¶ **As an engineer in Canada I would have made more in a day**

Christine Gidda
Janet Gilbert
Gilles Girard
Gladstone Secondary School
Paul H. Goertz
Andrew Taylor Graham
Vinay Gupta
Anne Marie Gutierrez
Dorian Hausman
Nicholas Hesse
Allyn Humber
ICHU Intranet Learning Inc.
Chi Chau Ip
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Barbara Kemeny
Joseph Kendall
Marcel Kessler
Monica Kurtz
Eric Lamarre
Ray K Lee
William Lee
Les Soeurs de la Congregation de Notre-Dame
Les Soeurs de Saint-Anne du Quebec
Les Soeurs de Saint-Joseph
Les Soeurs de St-Joseph de St-Vallier, Quebec
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Daphne Mitchell
MIX 99.9
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Palmer and Company Executive Recruitment
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Redeemer Lutheran Church
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DR. W. Terry Walker
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Mr & Mrs Williams
J. Wilton
Leland Windreich
Valery Woloshyn
WRT Equipment Ltd.
Irene Yuen

University Support

Our work would not be possible without the support of faculty, staff and administration from the following universities across the country.

University of Victoria
University of British Columbia
Simon Fraser University
University of Calgary
University of Alberta
University of Saskatchewan
University of Manitoba
University of Western Ontario
University of Waterloo
University of Guelph
McMaster University
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York University
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University of Ottawa
Concordia University
McGill University
Ecole Polytechnique Montréal
Université de Sherbrooke
Université Laval
University of New Brunswick
Dalhousie University

THANK YOU.

2004 Volunteers of the Year

CHAD HAMRE

Chad is known across EWB for his energy, dedication and commitment to excellence. He was president of the University of Saskatchewan Chapter in 2003-2004, and that summer worked on our Computer Livelihoods Training Program in the Philippines. He was recently appointed to co-lead the 2004-2006 phase of this project. Chad is legendary for his ability to inspire his chapter to raise $25,000 from selling burgers, organising Frisbee Tournaments and organising Pie Throws.

MONICA RUCKI

Since Monica became involved in EWB in 2002 she has held pretty well every volunteer position. After joining the University of British Columbia Chapter she was selected to go overseas, to East Timor. She returned as co-president of the chapter for 2003-2004, helping build it into one of our largest and most active chapters. Her next challenge was to co-chair the 2005 EWB Annual Conference, hosted by the UBC chapter. She was recently honoured with the Vancouver YWCA Young Trailblazer's award, and was selected to address the 2004 UBC Annual General Meeting.

THREE YEARS LATER - WHERE ARE THEY NOW?

ALEX CONLIFFE – 2002

Currently studying at Oxford University on a Rhodes Scholarship.

SARA EHRHARDT – 2002

Recipient of a prestigeous Action Canada Fellowship and currently the national water campaigner with the Council of Canadians.

than she does in a year. And still, she does not let me pay for my oranges. ¶ While I have realized that I cannot save the world, I can make it better. Engineers Without B

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