

Primary Focus for 2010

F110901 - Backwall Failure Flood Disaster



It has been almost a year since flood waters ravaged 6 homes in the barrio of Edgard Lang where Father Denis lives. Although the foundation was able to help these families in a small way with food and other essentials, the larger commitment of rebuilding their homes remains a high priority.

In this years budget, \$25K has been set aside for phase one which will be to rebuild one of the 6 homes.

The foundation is currently working on grant applications for this project and if approved, a second home may be started this year.

With the rainy season about to begin, the damage to the back wall from last year has still not been repaired by the agencies responsible.

It is very sad that these people will once again experience hardships due to flooding. At least this time the floods will be expected. Last year the flood walls failed during the night washing most of their possessions away. It was a miracle that all the children survived this catastrophe.



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2009/10

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CONTRIBUTION

ACKNOWLEDGMENT

In addition to the hundreds of individuals & families who generously support our programs, the Roots of Change would like to recognize the following organizations and individuals for their generous support in 2009.

Organizations

1424148 Alberta Ltd.
Alphacom Consultants
Cadrin Denture Clinic
Cybertech Automation Inc
Ecole La Mission
Edmonton Catholic Schools
Father Bonner Columbus Club
G J Eavestrough Inc.
Holy Family CWL
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KofC Brother Anthony Council
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St. Dominic Savio Catholic Parish
Western Catholic Reporter

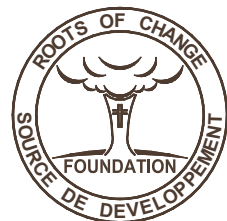
Individuals

Dr. Guy Lamoureux
Charles & Doreen Paches
Eugene & Daria Malo
Mr. Eric Preville
Raymond LeBlanc

ROOTS OF CHANGE FOUNDATION

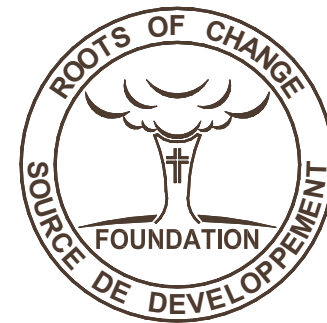
SOURCE DE DEVELOPPEMENT

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Website: www.rootsofchange.ca



Registered Charity Number 81320 5077 RR0001
Canada Revenue Agency: <http://www.cra.gc.ca/charities>

Annual Report 2009



Roots of Change Foundation Source de Développement

"The poor should be seen, not as a problem, but as a people who can become the principal builders of a new and more human future for everyone."

(449) Compendium of the Social Doctrine of the Church

John Paul II, Message for the World Day of Peace 2000, 14: AAS 92 (2000)





Dear Supporters,

December 31st 2009 marked the end of our first year as a registered charity and we are proud to be presenting you with our first annual report.

We thank you for your donations that have helped the people in Nicaragua ... "become the principal builders of a new and more human future for everyone" (JP11). Most importantly, your support means hope and a positive future for the people in this country.

This annual report gives you numbers and statistics of last year's programs and shares with you information on projects and activities that were funded by your donations.

The moral and compassionate principles of our founder Father Denis Hebert, continues to be our inspiration and mission as we move forward in this New Year. Our approach in *helping people help themselves* has made a direct impact in the lives of the hundreds of people that benefit from our programs.

In August 2009, after 4 ½ years as president and founding member of the foundation, changes were made to our executive and board of director's in an effort to distribute the workload associated with our newly acquired charitable status. These changes resulted in me stepping down as president to continue in the roll as Project Administrator.

Accountability to our donors and to Canada Revenue Agency is an important part of a Charitable Organization and comes with responsibility and commitment. Not only do we insure your dollar reaches those in need but government regulations must be followed to insure our charitable status is maintained.

To members and volunteers of the foundation, I thank you for your continued dedication and for the help you selflessly provide. Without it the foundation would not survive.

Once again, on behalf of the people of Nicaragua, I sincerely thank everyone for there donations and hope that you will continue to support the important work being done in this country.

Best Regards,

Rick LeBlanc
Project Administrator
Roots of Change Foundation

Charitable Objectives

Donations received by the Foundation are used to fund projects in three categories;

- F1-Relieve Poverty
- F2-Education
- F3-Health & Wellness

Each of these categories is further subdivided into specific funding objectives that are registered with Canada Revenue Agency. Collectively, these define our goal and mission as a charitable organization.

F1-Relieve Poverty

Nicaragua is one of the poorest nations in the Western Hemisphere. Despite improvements in the nation's economy and the implementation of government programs, almost half of the population lives in poverty.

Our objectives in this area are three fold:

- F11 - Provide Food/Clothing/Shelter
- F12 - Assisting Persons/Economic Development
- F13 - Provide Business Loans

F2-Education

Education is an important part of our objective and has been the primary focus of Fathers work for years. If people are to break the poverty cycle, education is the key. It will allow them to move forward and help their families and themselves.

Our objectives in this area are:

- F21 - Schools/Supplies/Equipment
- F22 - Scholarships
- F23 - Training in Farming/Conservation

F3-Health & Wellness

Being a poor country, access to basic health care is a challenge for most families. If people are to *'break the poverty cycle'* they must be healthy. Although we have provided assistance in various parts of the country in the past, today our focus is in Managua where we operate one primary and six satellite clinics along with other programs that promote wellness in the people.

Our objectives in this area are:

- F31 - Promote Physical Fitness for Children
- F32 - Operate Medical Clinics

In an effort to identify and organize projects based on our objectives, we've assigned reference numbers to help us in this goal.

An example is F120902 where 'F12' identifies our funding objective (in this case 'F12 Assisting Persons/Economic Development'), 09 - represents the year in which the project was initiated and 02 is a sequence number for that year.

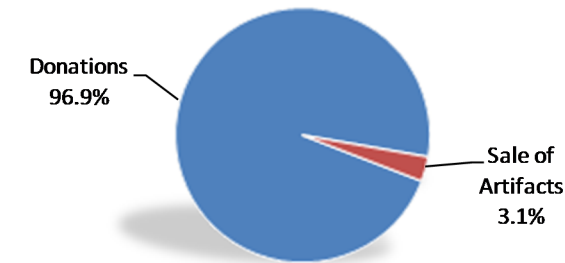
As of March 2010, 32 projects are currently being funded in whole or in part by your donations; 9 in Relieving Poverty, 19 in Education and 4 in Health & Wellness.

Year in Review 2009

Last years fundraising goal was \$235,000. Although we fell short of our objective with a total revenue of \$206,067, we were successful in funding a number of programs and projects with your donations.

Revenue from last year was from two sources, donations and the sale of artifacts that we receive from Nicaragua.

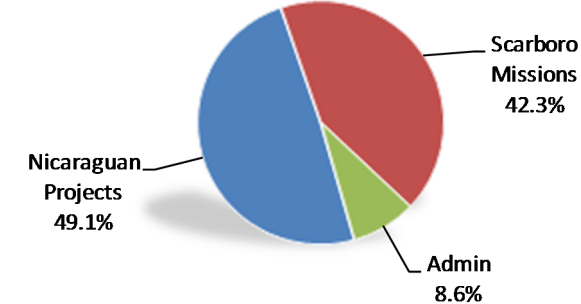
2009 Revenue \$206,067



Our administration expenses last year were considerably higher than normal. This a result of costs associated with finalizing registration of our charitable status. As volunteers, our goal is to keep operating costs to a minimum thereby using funds where they are most needed. Although our costs will vary from year to year, our goal is to keep administration costs below 7%.

Since being registered as a charitable organization (March/09), just over 49% of our revenue was sent to Nicaragua under our charter. Prior to receiving charitable status, 42.3% was sent to Father through Scarboro Missions. Although our mandate allows us to fund other charitable organizations such as Scarboro Missions, our goal in 2010 is to fund projects directly through Fundacco our agent in Nicaragua.

2009 Expenditures \$180,380



Distribution of expenditures associated with Nicaraguan Projects (CAN\$88.4K) were as follows:

Note: All values in US\$ unless otherwise indicated

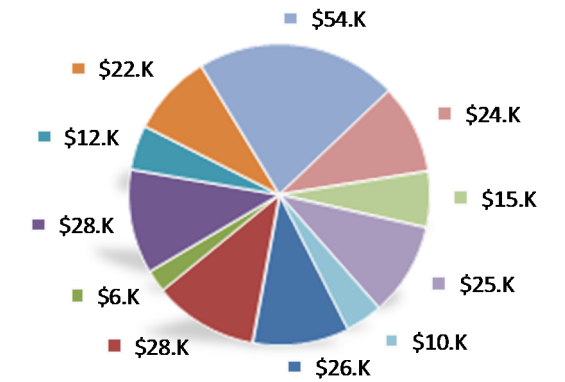
F11-Provide Food/Clothing/Shelter	\$38.8K
F12-Assisting Persons/Economic Development	\$11.5K
F21-Schools/Supplies/Equipment	\$1.0K
F22-Scholarships	\$1.0K
F23-Training Farming/Conservation	\$0.5K
F31-Promote Physical Fitness for Children	\$3.1K
F32-Operating Medical Clinics	\$14.2K
F51-Project Administration (Nicaragua)	\$4.9K
Operating Account Balance (Nicaragua)	\$4.7K
Currency Exchange	\$8.7K (CAN\$)

Goals for 2010

Our fundraising objective for this years campaign is \$250,000. We hope that with your continued support we are able to achieve this goal.

The budget we have prepared for this year is based on current projects including those which were not completed in 2009. Although this is the anticipated distribution of our fundraising goal, needs of the people and unforeseen natural disasters could change where the money is allotted.

2010 Budget \$250,000 CAN



Current Projects

- F110901-Backwall Failure Flood Disaster
- F111001-Yadira Quintero - Funding for food and clothing
- F111002-Daysi Martinez Fernandez - Funding for food and clothing
- F111003-Maria Teresa Chavarria - Funding for food and clothing
- F120901-San Benito Family Garden
- F120902-San Benito Office Project
- F121001-Cinco Pinos Kitchen
- F121002-El Chaparral Water Project
- F121003-San Benito Garden - Bonneville Delegation
- F210901-Neighborhood Libraries
- F221001 to 17-University Scholarships and day programs
- F230901-Organic Fertilizer Project
- F311001-Youth and Children Education and Development Program
- F311002-Childrens Christmas Party 2010
- F321001-St Raphael Archangel Clinic Operation
- F321002-Casa Esperanza Clinics Program

For detailed information on projects and for a complete listing of active and completed projects visit www.rootsofchange.ca.