



Communities Without Borders
Annual Report
2007

President's Message



In December 1999 I first visited the pre-school at the SWAAZ Family Support Home in Mandevu Compound in Lusaka, Zambia. There were about 30 children crowded onto 3 narrow benches. The school room was about 10 by 12 feet. The only light came from one tiny window. The only teaching tool was a crumbling blackboard, but there was not even any chalk. The teacher was a volunteer without any training beyond secondary school. The children were learning by rote repetition. The teacher spoke, and the children simply repeated in unison what they had heard. When I realized that this would be the only education many of these orphans and vulnerable children would ever receive, I was shocked.

In the year 1999 Zambia lost over 1400 teachers to AIDS. That was far more teachers than Zambia could train in one year. This resulted in fewer children being admitted into government "basic" schools, and, of course, fewer children were able to acquire basic life skills. I interviewed the children and learned that most of them lived in a household headed by an elderly grandmother who was struggling to care for perhaps 3 to 6 children, whom she had inherited when their parents had succumbed to AIDS. I found that many of the children hoped to become teachers or nurses, but what a gap between their dreams and the accessible reality! How would Zambia ever replace the generation of its most productive citizens lost to AIDS?

It was then that I realized that the education of these children was the hope for the future. I decided that when I got back to the United States, I would link up my co-workers in the health center where I work with this community of women who were struggling to educate these children. I hoped that we as an American community might be able to help. We would work through SWAAZ (The Society for Women Against AIDS Zambia). So, Communities Without Borders was born!

At first we simply sent money for school costs for the children lucky enough to enter government basic schools. The women were ecstatic! From the school reports that were sent we were able to track the progress of the children. In the next year we expanded to establish linkages with women's groups in Chawama, Bauleni and N'Gombe Compounds. Now we also have projects in Garden, Kanyama, and Linda Compounds as well as one in a very rural village called Simukanka and even one project in India near the city of Chennai. Collaborating communities in the United States include churches from several denominations, work groups and schools.

Direct support for educational opportunity remains our core mission. Now some of the young children we began to support in 1999 have passed exams and entered secondary schools. Through a generous contribution from the late Vin Raso and his wife Theresa, we are even supporting 3 students at tertiary level who are studying nutrition, crop science and water engineering at the National Resource Development College, and these students have a commitment to returning to work in the impoverished communities where they originated.

Today our efforts have improved the educational opportunity for approximately 900 children. For me personally this has been a most rewarding journey. It has been inspiring to experience the heart-felt willingness to help and to become involved that I have seen from all of you who have supported CWB projects either as part of a community here or through individual support. I have found that most people, when they truly understand the situation, really want to help. This kind of community cooperation is indeed what it takes to make this world a better place for our children and for generations to come. So, I thank from the bottom of my heart all of you who have been so generous and willing to help!

Richard Nelson Bail, M.D.
President

Mission Statement

The mission of CWB is to educate AIDS orphans and other vulnerable children, primarily in Africa, in order to nourish hope for a better future for them, society and the world.

Our approach fosters building ongoing community to community relationships at the grassroots level in order to increase the quality educational opportunities for these children.



Pre-school children at the Garden Family Support in Lusaka.

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Director

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Director

Students in our
Chawama
community who are
waiting for their
grade nine exam
results



Highlights of 2007

- Twin brothers at the Family Support Home in Garden compound proudly display the passing results of their 9th grade exams.

Each year students in the 7th, 9th, and 12th grade must pass government exams in the hope to gain a place in the subsequent grade.



- We have begun to collaborate with other organizations to provide access to health care. Through the efforts of Board Member, Brita Gill-Austern, we were even able to raise \$34 ,000 to construct a health clinic in Simukanka.

- Mosquito-protected bed-nets were distributed this summer to 200 families with pregnant women or children under five who are most at risk for malaria. We are most grateful to our donors who helped with this urgent need.

Six children died from malaria in Simukanka in the previous year alone.



- Through a generous contribution from the late Vin and Theresa Raso, we are supporting 3 students at tertiary level who are studying nutrition, crop science and water engineering at the National Resource Development College, and these students have a commitment to returning to work in the impoverished communities where they originated.

- Funded by a generous grant from Abt Associates in Cambridge, MA, a research team of three Harvard medical students, a Boston nurse and three Lusaka medical students organized by our founder Dr. Richard Bail determined that one of our communities, N'gombe had a high incidence of schistosomiasis. Working with the Angels of Mercy, a Zambian based organization, about 4,000 children were screened. And as a result of this research, we were able to convince the Zambian health authorities to provide treatment to all children in N'Gombe.
- 25 ambassadors from the Boston area traveled to Zambia in the summer to teach in schools, build and maintain facilities, and help in the communities we support. In Linda, a community on the outskirts of Lusaka, they helped to build a feeding station where Communities Without Borders is supporting children in seventh and eighth grade as well as feeding about 70 children each day.
- The households need money for clothing and shoes, and for some of the women's groups we have begun to support income generating activities like sewing or making jewelry or creating beautiful tie-dye material.

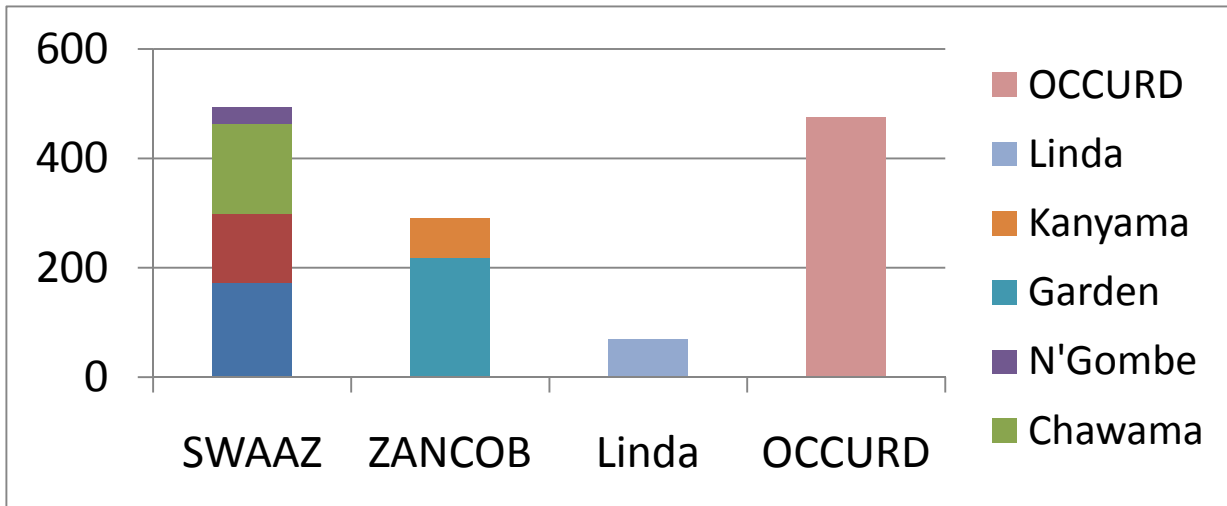


Plans for the future include even more support for education.

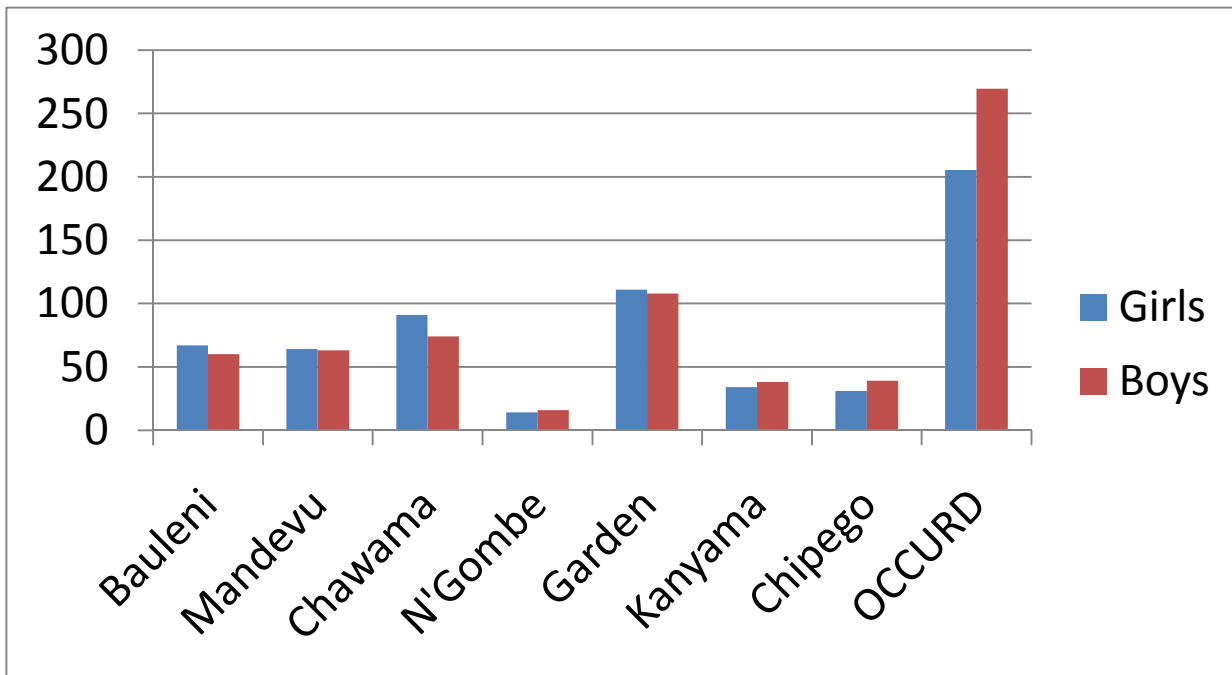
- Nine career teachers from the Boston area will be traveling with us to Zambia 2008 where they will participate in training workshops for the volunteer teachers.
- Plans to create a teacher resource center where the volunteer teachers can obtain books and other teaching materials are moving along.
- Collaboration to refurbish buildings into community pre-schools remains a high priority.
- We hope to partner with Zambia Open Community Schools (ZOCS), which is an organization that facilitates the development of 32 schools in Zambia, some of which out-perform the government schools.
- We continue to explore even larger possibilities with organizations such as World Education in Boston and the United States Agency for International Development. Truly, we are making a significant contribution to educating the children of Africa to replace that generation of Africans lost to AIDS!

Operations

Communities Without Borders supports over 1,000 children in nine communities in government schools. This includes three college students supported through our partner SWAAZ. In addition, we support about an equal number of pre-school children through the Family Support homes run by groups of women in the communities. Support for some of these communities flows through SWAAZ and ZANCOB, NGOs with which CWB works. The Linda and OCCURD communities are supported directly. Of the children we support, the split between girls and boys is fairly even.



Number of children supported by community.



Community by Community comparison of girls versus boys supported by Communities Without Borders.

FINANCIAL OVERVIEW OF 2007

This overview complements the publicly-available Form 990 filed with the Internal Revenue Service and Form PC submitted to the Massachusetts Division of Public Charities. It provides supplementary data to help interpret the financials, and to explain certain CWB policies.

CWB's income statement shows the revenue and expenditure items, which impacted changes in the CWB fund balance. Total revenues grew by 31% over the prior year, and expenditures grew at 42%. These increases are due to both growth in continuing community-to-community activities and also significantly due to grants received and CWB's involvement in building the health clinic in Simukanka.

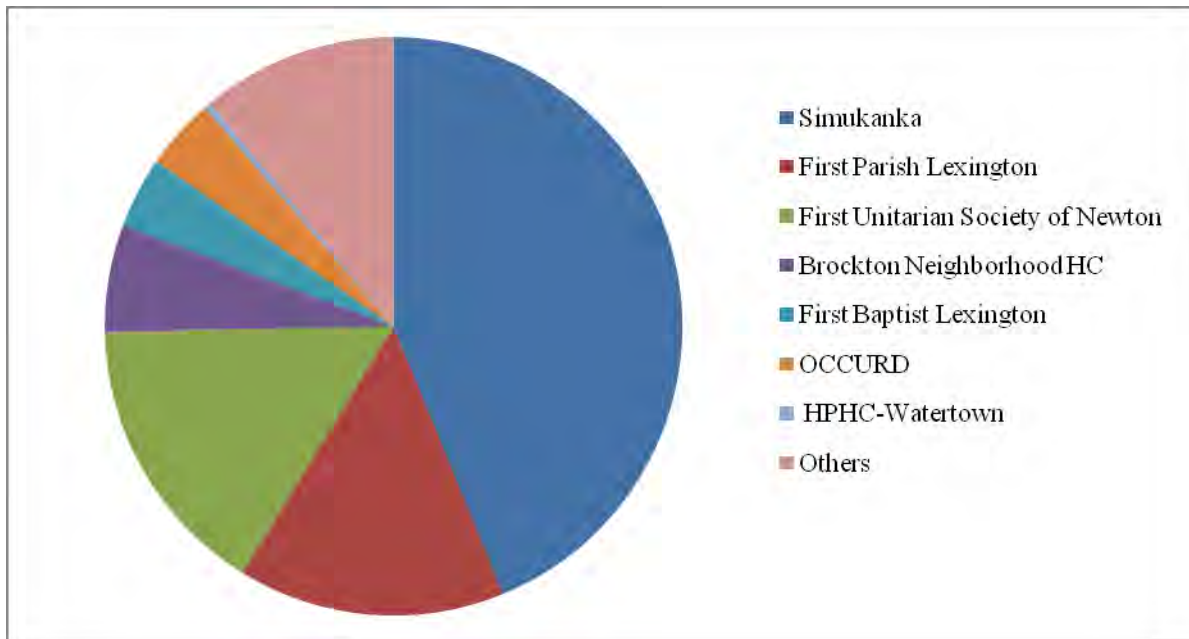
Income Statement & Fund Balance	<u>2006</u>	<u>2007</u>
Gifts from Individuals (incl. Matching Funds)	\$40,002	\$69,619
Grants and Major Gifts	\$35,236	\$26,000
Investment Income	\$990	\$3,888
Total Revenue	\$76,228	\$99,507
Grants to Overseas Communities	\$44,572	\$63,841
Program Support in Zambia	\$2,695	\$3,569
Administrative and Other Expenses in the USA	\$536	\$482
Total Expenditures	\$47,803	\$67,893
Change in Fund Balance During Year	\$28,425	\$31,615
Total Fund Balance at Start of Year	\$26,596	\$55,021
Total Fund Balance at End of Year	\$55,021	\$86,636

Cash gifts from individuals grew by 78% and accounted for the majority of CWB's revenue growth, but the majority of this growth was from successful fund-raising for Simukanka (\$30,366 in 2007 against \$3,095 in 2006), while gifts from continuing communities grew by 9% to \$39,453. CWB's board is expecting much lower growth for the future and most likely a decline in donations in 2008 as the Simukanka clinic is successfully completed.

Three grants from institutions, totaling \$26,000, were received in 2007. While there are no formal, legal restrictions on the use of these grants, they are segregated for book-keeping purposes and are being used for special needs including expanding CWB's capability. In 2006, two major gifts totaling \$35,036, from a generous couple, were received. This sum is being used over approximately a five year period to pay for the higher education of the students who, to the extent possible, have been qualified by having succeeded in their CWB-sponsored education and who seem most likely to be able to give back to their communities.

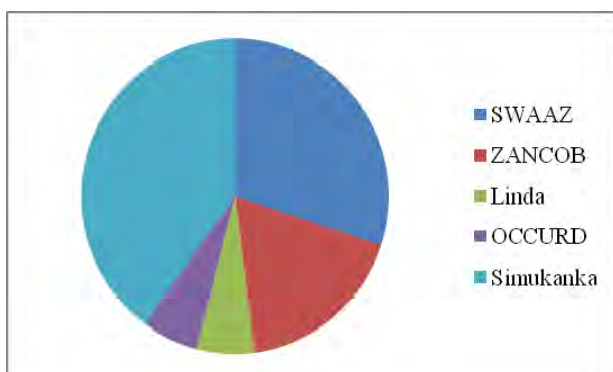
Total grants made grew by 75% to \$63,841, with funding of the Simukanka health clinic accounting for the majority of the increase. No new partner communities were added in Zambia in 2007, but CWB is looking for new US partners to link up with additional, resource-short communities in Zambia and potentially India.

Fundraising in the US in 2007 by six, continuing, communities was up slightly over 2006 levels, but more of the growth in donations by individuals came from people not affiliated with a particular community.

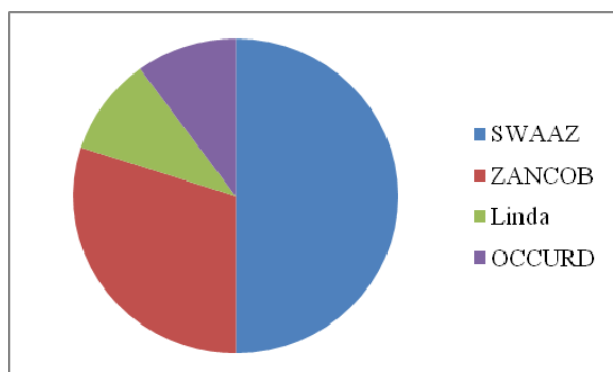


*Donations by sponsors.
Note that donations for Simukanka and OCCURD were raised separately.*

Grants and expenses totaled \$63,841 in 2007. A total of \$38,276 was disbursed to overseas communities excluding Simukanka expenditures and end of year grants in process for the upcoming school year.



*Total disbursements of \$63,841
(including Simukanka).*



*Disbursements of \$38,276
to overseas communities
(excluding Simukanka).*

The sources and uses of funds do not exactly match the nominal partner community relationships because the limited fundraising capability of some, long-term US-based communities cannot match the educational expense for the number of children in their partner communities. The CWB board votes to offer additional assistance from available funds without restrictions to such communities. To date this has not been an issue as there have been adequate gifts which do not specify a community and from use of unrestricted funds. To date CWB has been able to allocate all individual donations lacking a specifically targeted beneficiary community to programmatic applications, although it is under no obligation to sustain this practice.

Overseas expense was \$3,569 and represents the costs of CWB's envoy in Zambia. This expense is tracked separately, but is viewed by CWB's board as a programmatic expense as program oversight is the largest component with travel expense being a major cost. The envoy is a significant volunteer for CWB, but does receive a non-accountable expense allowance for communication and other items.

US expenses of \$483 are primarily bank charges and filing fees and greatly understate the true economic cost of administration and development activities. CWB is a volunteer-run and volunteer-supported organization today and below critical mass to pay for the services it needs. As CWB grows, administrative costs are likely to grow disproportionately as the time and expense outstrips volunteers' capabilities. The CWB board does not expect to hold administrative expenses at today's levels but has a long term goal to keep these at 20% or less of revenues.

CWB's balance sheet at December 31, 2007 is simple because CWB has no liabilities. CWB's fund balance was unusually high at the end of 2007 due, in significant part, to grants reserved for special purposes which had not been expended and to the timing of school payments. CWB's preliminary budget for 2008 forecasts a decline in fund balance during the year toward the program-sustaining requirement.

Locations of Assets:	<u>2006</u>	<u>2007</u>
Checking account, Citizens Bank, MA	\$9,642	-\$37
Certificate of Deposit, Citizens Bank, MA	\$10,338	\$10,693
Vanguard Short Term Investment-Grade Bond Fund	\$32,402	\$60,736
Checking account, Standard Bank, Lusaka, Zambia	\$2,563	\$14,399
Petty Cash, Lusaka, Zambia, & other	\$75	\$845
Total Assets	\$55,021	\$86,636

Summary of Fund Balances:	<u>2006</u>	<u>2007</u>
Unrestricted	\$9,402	\$27,331
Targeted to OVC education and partner community support	\$7,488	\$16,842
Other segregated funds (scholarships, grants, Simukanka, etc.)	\$38,131	\$42,463
Total Fund Balance	\$55,021	\$86,636

Contact us

- *Could a community in which you live or work be linked to a community in Africa?*
- *Please send us an email and we will help to make it happen!*
- *We will come to meet with your group.*
- *We invite your creative thinking on how to make this project even better!*

Call: 617 965-4713

E-mail: info@communitieswithoutborders.org

Web site: www.communitieswithoutborders.org **Donate online.**

Mail donations to: Communities Without Borders
63 Pickwick Road



West Newton, MA 02465

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