



Raleigh International Bermuda

Annual Report 2008

Using overseas expeditions, we challenge young Bermudians
to harness their full potential and develop skills for life.

Letter from our Chairman

The launch of our 2009 programme is a cause for celebration and for reflection. We are now in the midst of our fifth year of operations, with 13 potential candidates lined up to head off the Malaysia in July. They will spend 3 months engaged in community, environmental and adventure projects. We believe that helping others less fortunate, in material terms, than themselves, will lift these young people further towards discovering more about themselves - their skills, interests, and , above all, their true potential in life.

Since our launch in 2005, Raleigh International Bermuda has, thanks to the financial contributions of a great many Bermudians and Bermuda businesses and the efforts and cooperation of a great many individuals, been able to send 45 young Bermudians overseas on expedition with Raleigh International UK. This year we have 13 candidates and hope we can send them all, provided they are "ready", an essential quality that they must demonstrate to us before they can participate further.

Our programme includes a 6 month part time training programme in Bermuda before they go "on expedition" overseas. This is to get them used to the concept of working together in difficult circumstances and generally preparing them for an experience that will take them well outside their usual "comfort zones", testing their stamina and character. Whilst we see changes in our young people during this initial phase, it is undoubtedly their overseas experience, in testing conditions, that brings about the greatest change – changes in their level of self esteem – *"we felt appreciated for what we were able to do for these people"* – changes in their self confidence, appreciation of other people and cultures and a sense that they are privileged in an under-privileged world, something that is sometimes hard to appreciate in Bermuda. Not everyone comes back having had a life changing experience. We have had a handful who did not visibly benefit from the experience but these individuals are far outweighed by those who return with beaming smiles ready to take on new challenges, and this is where tracking of our past participants' educational and work careers becomes important – tracking and measurement.

We see the difference but how do we communicate that to you, the public, in tangible form? It was for me most rewarding to be hailed in the streets of Hamilton last year by one of our 2005 participants with *"Mr. Spurling, I just wanted to let you know I have been accepted into Buckingham to read law and start next year"*. I wondered, did her participation in our programme make that a reality or would she have gotten there any way? With that in mind, we have had a Tracking and Assessment Committee working on just how to track and measure the progress and change in our past participants, pre and post participation and then years later. We hope to refine the procedure so that we can bring consistent results to you – the people that make this all possible.

It is gratifying that the Bermuda community has made it possible for us to finance this programme consistently for the past 4 years and build up an ever increasing fund to help us through leaner times. Undoubtedly, the charitable sector faces considerable challenges during these financially tenuous times. Our low fixed cost base and flexibility make it possible to adapt to these changed circumstances; however, we have not had to rein in our ambitions so far and the signs are that you, as a community, recognise the value of what we do for our young people. We hope that the changes we enable our young people to bring about in themselves through their participation in our programme will enable them to make changes in their own lives, their world and amongst their peers.

May I take this opportunity to thank our Executive Director, Kristin White, for another year of exceptional hard work and passionate devotion towards our participants. As a young Bermudian, she brings an empathy and energy to the work she does with our young people that is reflected in what they then achieve. I also want to recognise and thank the members of our Board who bring their wisdom and experience to the fore in helping us to forge our future – *Joy Rothwell, Andy Burrows, Corey Butterfield, Alexander "Jerry" Ming, Gita Blakeney-Saltus, Tammy Richardson, Curtis Williams, Stacey Adams (CEO Raleigh International UK), Carol Summers (Secretary) and Carol Feathers (Accountant)* – thank you.

AND, thank you to all of those who help make this possible with their contributions of funds, effort or in-kind donations.

Yours sincerely,



Michael Spurling

Pre-Expedition

Recruitment and Selection

A decision to widen our recruitment net in 2007/08 resulted in an over 50% increase in applications received from the previous year. Recruitment methods included open community presentations, radio talk shows, advertising and collaboration with other youth development programmes and government agencies, including Mirrors and Big Brothers Big Sisters.

Our goal was to accept 24 young Bermudians into the training programme, with the plan of sending 16 on expedition. This new procedure was implemented with the hopes of having a more competitive application process, and to take into account the attrition rate. We accepted fifteen interested persons into the programme, with the goal of sending all those deserving, while maintaining a strict selection process.



Training

The first training camp was held in February, and was facilitated in partnership with Outward Bound and Raleigh International (UK). The camp focus was team-building, problem-solving, and fitness. We increased the camp by one day, making it a 4 day/3 night programme. This longer training format was very successful, as it allowed us to include new elements – groups were required to make camps outside and they learned how to cook on the outdoor Trangia stoves.

The second training camp was held in April, and was facilitated in partnership with Bermuda Regiment, Outward Bound, The Bermuda Institute of Oceanic Science (BIOS), and Raleigh International (UK). This 5-day camp was very intense, and included trekking, camping, cooking, kayaking,

casualty evacuation training, swimming, and Adventure and Environmental projects. The Adventure challenge was an 80-ft abseil from St. David's head, and the Environmental project was a day-long conservation initiative with BIOS at Ferry Reach. The goal of this camp was to introduce students to expedition skills, and to provide them with an idea of what to expect during the overseas programme.

One new element was that the entire camp was 'people-powered'. In previous years, participants would have short rides in regiment vehicles or Outward Bound boats, but this year, the entire camp was a physical challenge.

A final camp was held two weeks before the participants left for expedition, in partnership with the Bermuda Sloop. The goal was to have a final team-building experience, and to provide an opportunity for the group to discuss fears, concerns, and excitements. This was a great addition to our training calendar as it provided closure to the on-island training and gave Raleigh the chance to work with another local charity.



Expedition

Final selection for expedition was made after the April camp. This new procedure was implemented to ensure that only those students that had performed well throughout the training would be provided a place on the expedition. (Participants were informed of the criteria for final selection during the first group session in January.)

As a result, only 12 of the 14 were given full acceptance into the programme, with the other two receiving a 'conditional acceptance'. After a month, those with conditional acceptance were once again reviewed, and one of the two was given a full acceptance, while the other was deemed not ready for expedition. Thus a total of 13 Bermudians left on July 2, 2008 for ten weeks in Costa Rica and Nicaragua. The projects included:

Adventure (Costa Rica) - The Guanacaste Trek



The setting for this trek covered a huge variety of different ecosystems from cloud forest above 3000 metres down to one of the last remaining stands of primary dry tropical forest left in the Americas. The group started by circumnavigating Volcan Tenorio via the Caribbean slopes visiting turquoise waterfalls and moist rainforest. After passing by Volcan Miravalles the group then headed to Rincon de la Vieja National Park to climb one of the volcanoes and to witness steaming mud pots, geysers, and hot sulphur springs. After several days of walking through the forest they arrived at the foot of Cerro Cacao in Guanacaste National park where they had to steady themselves for a climb up the volcano. From there they descended down into the dry tropical forests of Santa Rosa National Park where scientists have identified over 3,000 plant species, some 300 bird species, and 5,000 insects. The trek finished at Playa Junquillal to relax by the beautiful calm waters of the Pacific Ocean.

Environmental (Costa Rica) - Playa Junquillal

For the first time, Raleigh International worked in this protected area to build visitor trails, barbecues and look out points (miradores) for the many thousands who visit this beautiful national park. Set on the shores of the Salinas Bay, with stunning white sands, calm waters and animal-rich dry tropical forests this is a popular national park particularly during Easter week when Costa Rican visitors arrive to take advantage of this natural paradise. The group worked in the forest to build trails by day and by night they camped next to the Pacific Ocean.

Community (Nicaragua) - Achuapa, Los Playones

High in the hills above Achuapa, in one of the poorest most remote areas of Nicaragua, Raleigh worked on a series of small projects to bring clean and safe drinking water to 80 families in the community of Los Playones. Before the Raleigh project, the local people got their water from the river which often dried up in summer or came from polluted water sources. This project was a multi-stakeholder partnership with the local community, the Cooperativa Juan Francisco Paz Silva, Nottingdale International and Raleigh. The group worked with the local population to dam small streams, build tanks to collect the water from where it can run through pipes to all the local houses. The benefits of clean water will be felt by many generations to come. The participants lived directly with families in the village and helped out with their day to day tasks.



Our Year in Review

Post-Expedition

Upon returning from expedition, the participants completed the remainder of their year-long Raleigh experience.

Our community presentation was hosted at XL House on October 8. The presentation included pictures from expedition, and each participant spoke about the impact of the event on their lives. Those in attendance, which included families, sponsors, and supporters, felt it was a wonderful event, and congratulated the group on their accomplishments.



The local Community project saw Raleigh working with the Bermuda Maritime Museum on an excavation project at the old Casemates Prison.

Evaluation

This year, our programme was again evaluated on many levels.

Participant performance

After the February camp, participants received written feedback on their performance in key areas, including leadership and motivation. The participants then received further assessments after the April camp, detailing where the selection team had been impressed and areas for improvement. These were discussed with them in one-to-one meetings.

During expedition, participants' were monitored by project managers, who provided verbal assessments via one-to-one discussions at the end of each phase. This allowed them to make adjustments and improve if necessary in any area on their next phase. At the end of expedition, the country director prepared individual reports based on comments from project managers, which were then submitted to Raleigh Bermuda to discuss with the participants in final sessions.

"Initially he appeared to be intimidated by stronger and louder characters in his first group and as such maintained his distance from both staff and other venturers. As the expedition progressed however, he began to show his genuine and caring nature as well as his sense of humour and became a valued member of his teams. He displayed strong mindedness, loyalty and physical stamina throughout the three phases of expedition, which ensured that he was able to bond with his groups and persevere through some hard times to achieve something very special that few individuals have accomplished so young."

Country Director comment in a participant's final report



Our Year in Review

Programme survey

Every year, Raleigh issues a survey to gather information from our participants about the programme and the support received, including the training sessions, travel arrangements and expedition equipment. Overall, 100% of participants would recommend Raleigh to a friend.

SELECTION		
	Yes	No
Did you understand much about the programme before you signed up?	67%	33%
Did you understand why you were selected?	78%	22%
Were you given enough info about what would be expected of you?	89%	11%
Knowing what you do now, would you still sign up?	100%	0

OVERALL (Rating scale where 1 is the lowest, and 4 is the highest.)				
	1	2	3	4
Support Received			44%	56%
Overall Raleigh Experience			11%	89%
Would you recommend Raleigh to a friend?				
Yes	No			
100%	0%			

Testimonials

Testimonials, requested from participants, parents, teachers and counsellors, reflect the impact felt by the Raleigh experience.

"Raleigh was truly a life-altering experience. Raleigh has changed my life tremendously, my whole perspective and outlook on life has changed. My communications skills have vastly improved, and I have become extremely self-motivated. I am using the skills gained from Raleigh to stay focused and to keep moving towards my goals in life. I will never forget this wonderful experience."

2008 Participant

"Raleigh has made all the difference for my son."

Parent of 2008 Participant

See Pages 8 and 9 for more photos and testimonials.



Our Raleigh Community 2008

Our Participants

2005	2006	2007	2008
Liane Abel	Alana Burchall	Shellvina Caines	Zakina Allen
Erin Butterfield	Taneah Bean	Sade Fox	Che Augustus
Terrylynn Cordeiro	Alex Dill	Jamel Harvey	Makeda DeShield
Georgio Fox	Tomika Easton	Shakira Jones	Ilesha Dill
Tashae Harvey	Nakia Foggo	Kenneth Pearman Jr.	Alshauntae Harvey Hollis
Cushi Ming	Terrina Nolan	Travonté Saunders	Wendelle Lightbourne
Stuvon Outerbridge	DeShun Richardson	Erik Simmons	Teliqua Mallory
Ciara Ruth	Kelly Savery	Melvin Simons Jr	Shakii Pearman
De Wilton Robinson	Terrieka Simmons	Tamesha Wolfe	Ashley Phipps
Vernon Simons	Kacey Smith		Kandrea Romaine
	Leevon Swan		Zeko Rubaine
	Atiya Symonds		Ricai Williams
	Antoine Williams		Ashun Wolfe

Our Sponsors 2008

Expedition Partners

Ministry of Environment and Sports,
Department of Youth, Sports &
Recreation

Venturer Sponsors

Bank of Bermuda Foundation
The Catlin Group
OIL Insurance
Butterfield Bank
Montpelier Foundation

Contributing Donors

The ACE Foundation
Anonymous
Partner Re
The Spurling Family

Bacardi Limited
KPMG
Carol Green
Max Bermuda
Anonymous
Swiss Re
Kitson Group of Companies
Capital G
XL Foundation
Fidelity International
International Women's Committee
Orbis Investment Management Limited
Deloitte
Olympus Re
Zurich Insurance Limited
Dianna Kempe
Freemason's Fund of Bermuda

Arthur Morris Christensen & Co
AON Insurance
Island Press, Printing Services
The Olympic Club
Total Office Management, Accounting
Services
Douglas Hillen, Auditing Services
Appleby Global, Legal Services
Butterfield and Vallis
The MarketPlace
Tomika Easton (Namibia '06)

Our Supporters, Partners and Volunteers 2008

Raleigh Champions

The Hon. Dale Butler, JP MP
Norbert Simons, Keith Smith, Jason,
Hansford-Smith—Department of
Youth, Sport and Recreation

Training Support

Scott Stallard, Brian and Garth - Olympic
Club and The Rock-climbing Wall
Mark Norman – Outward Bound
The Bermuda Regiment
JP Skinner - Bermuda Institute for
Oceanic Sciences (BIOS)
Raleigh International (UK)

Recruitment Partners

Brenton Burgess, Deborah Seymour –
The Berkeley Institute
Donna Edwards, Yvonne Astwood –
CedarBridge Academy
Donna Daniels - Adult Education
Charles Marshall - St. George's
Community Ctr.
Troy Berkeley - Sandys Community Ctr.
Clare Mello - YouthNet
Esme Williams - Big Brothers Big Sisters
Gina Hurst-Maybury - Court Services

Volunteers

Dueane Dill
Jamel Harvey
Erik Simmons
Travonte Saunders
Michael Whittall

Programme Support

Dr. David Barber and Lynn Jackson -
Department of Health
Chris Worsick

Our Board of Directors 2008

Michael Spurling (Chairman)
Tammy Richardson-Augustus (President)
Gita Blakeney-Saltus (Vice-President)
Vivian Redford (Treasurer)
Carol Summers (Secretary)
Stacey Adams (CEO of Raleigh International UK)
R. Andy Burrows

Corey D. Butterfield
Alexander (Jerry) Ming
Joy Rothwell
Curtis Williams

Executive Director: Kristin White

Photos and Testimonials



"Raleigh International has been an experience I'll never forget. It changed my life because watching how these people live made me realise you can't take your life, or things you have for granted. It definitely opened my mind to how sad your life could be if you let your life or your talent pass you by."

- Kenneth Pearman, Malaysia '07

"I made a lot of true friends while I was in Namibia. Not just with the natives but with the other participants too. This experience has changed my life in many different ways—such as learning how to fend for myself like cooking and staying healthy to giving myself confidence to make new friends and deal with difficult situations. I learned not to take advantage of what I've got because I might not ever get it back. And most of all never to doubt myself! Always tell yourself that you can do it and it will happen eventually!"

- Shakira Jones, Namibia '07



"Raleigh International has been a big movement for me in structuring my life. And when I say this I mean, Raleigh has taught me skills and lessons that can never be taught in a school or office. The Raleigh experience was a BIG mind-opener for me.

I've seen things that people would die to see. I've done things that people just can't get up and do and, most importantly, I've learned that you can't take things for granted. And I am sure you all have heard it before, but this experience really beats it into your head.

When you see the children and adults with no shoes and rags for clothes and no roofs on their tin houses and you see them smiling, happy as ever, and you're mad and angry because it's raining outside and you just got your hair done, it makes you realise that you have to be happy and grateful for what you have. Along with the Raleigh experience, you meet tons of new people from all over which gives you the ability to network and understand the different cultures of the world.

Raleigh WILL change your life."

- Nakia Foggo, Namibia '06



Photos and Testimonials



"Summer of 2006, I set myself forth, along with numerous others, on a mental and physical expedition challenge that has changed my life forever. Raleigh gave me the opportunity and pleasure to fly across 2 oceans and many seas to the unforgettable beautiful country of Sabah, Borneo, Malaysia.

There I spent two and a half months experiencing the life and culture of both humankind and nature itself. Since I have been back in Bermuda, I am now a more focused and hard working young man, with a vision of great success, of course while keeping in mind the true values of life.

I am now a small business proprietor with life-set goals to reach. Raleigh has taught me skills, such as Teamwork, Leadership, Self-Confidence, and Patience which help make things possible in my life. Raleigh has made such a huge, positive change in my life... a change that I cannot let go, a change that has forever set more importance and quality to the way of life.

I thank Raleigh International for giving me this unforgettable opportunity to learn the necessary lifelong skills, which help me to be the man I am today, and yet to still to become, in the future unknown."

- Alex Dill, Malaysia '06



"Raleigh International has opened my eyes to bigger and better things. Before Raleigh, I was a school student who had lost my drive for career success and personal fulfillment. Raleigh has helped me to change from that school student into an aspiring young man. Raleigh has provided me with many experiences which have taught me the significant core values of life: family, education, career, and self-worth. I have learned that these basic but strong entities are important to succeed in life. I am grateful to have had this awesome Raleigh experience."

- Ashun Wolffe, Costa Rica & Nicaragua '08



"About a week after my high school graduation, I set off for a 10 week expedition to Sabah, Borneo. The Malay culture was so rich in respect, discipline, and unity - it was an eye opener. It was a pleasure to witness the importance of being thy brother's keeper. The hospitality I received was like no other.

Life after expedition has never been the same. Raleigh International will forever be apart of my memories and life. The skills that I learned physically, mentally, and emotionally from being exposed to a new culture have assisted me in defining my character and my awareness of the issues within the world.

Thank you Raleigh for all you have done for me as well as the future generations to come."

- Tashae Harvey, Malaysia '05

RALEIGH INTERNATIONAL BERMUDA LIMITED

FINANCIAL STATEMENTS

(AND AUDITORS' REPORT THEREON)

FOR THE YEAR ENDED SEPTEMBER 30, 2008

RALEIGH INTERNATIONAL BERMUDA LIMITED
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FOR THE YEAR ENDED SEPTEMBER 30, 2008

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AUDITORS' REPORT

To the Member of
Raleigh International Bermuda Limited,

We have audited the accompanying balance sheet of Raleigh International Bermuda Limited (the "Charity") as at September 30, 2008 and the statement of revenues and expenses and Member's equity for the year then ended. These financial statements are the responsibility of the Charity'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 auditing standards generally accepted in Canada, which have general application in Bermuda. Those standards require that we plan and perform the audit to obtain reasonable assurance about 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 Charity derives the majority of its income from private and government sponsorship in the form of donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of revenue from these sources was limited to a comparison on a test basis of recorded cash receipts with bank deposits.

In our opinion, except for the effects of any adjustments, if any, which might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the donations referred to in the preceding paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of Raleigh International Bermuda Limited as of September 30, 2008 and the results of its operations for the year then ended in accordance with accounting principles generally accepted in Canada, which have general application in Bermuda.



CHARTERED ACCOUNTANTS
Hamilton, Bermuda
March 2, 2009

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RALEIGH INTERNATIONAL BERMUDA LIMITED
BALANCE SHEET
AS AT SEPTEMBER 30, 2008
(Expressed in Bermuda Dollars)

	Note	September 30 2008 \$	September 30 2007 \$
ASSETS:			
Current assets			
Cash	3	134,999	124,749
Sponsorships receivable	4	70,000	31,000
Total current assets		204,999	155,749
Computer equipment, net	5	606	1,211
Total assets		205,605	156,960
LIABILITIES AND MEMBER'S EQUITY:			
Current liabilities			
Accounts payable and accrued liabilities	6	1,082	26,713
Deferred sponsorship		30,000	-
Total liabilities		31,082	26,713
MEMBER'S EQUITY:			
Accumulated excess - unrestricted		174,423	130,147
Member's guarantee	7	100	100
Total Member's Equity		174,523	130,247
Total Liabilities and Member's Equity		205,605	156,960

The accompanying notes should be read in conjunction with these financial statements

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS:

Director

Director

RALEIGH INTERNATIONAL BERMUDA LIMITED
STATEMENT OF REVENUES AND EXPENSES AND MEMBER'S EQUITY
FOR THE YEAR ENDED SEPTEMBER 30, 2008
(Expressed in Bermuda Dollars)

	Note	September 30 2008 \$	September 30 2007 \$
REVENUES:			
Private sponsorship		191,941	201,870
Government sponsorship	4	30,000	-
Donations in kind (including professional and other services)	8	20,443	12,000
Interest income		101	241
Total revenues		242,485	214,111
PROGRAMME EXPENSES:			
Expeditions	6	84,454	55,391
Travel	6	15,947	21,018
Medical		178	3,038
Training	6	11,407	11,883
Total programme expenses		111,986	91,330
OTHER EXPENSES:			
Salary and employee benefits		50,877	49,639
Administrative		34,740	25,382
Amortization of computer equipment		606	606
Total expenses		198,209	166,957
Excess of operating revenues over expenses		44,276	47,154
Accumulated excess, beginning of year		130,147	82,993
Accumulated excess, end of year		174,423	130,147

The accompanying notes should be read in conjunction with these financial statements

1. General

On September 16, 2004, in accordance with the provisions of Section 14 of the "Bermuda Companies Act, 1981 and related rules and regulations", Raleigh International Bermuda Limited (the "Charity") was incorporated as a local Company, limited by guarantee. The Charity became a registered charitable organization under the Charities Act, 1978, on December 14, 2004 and renews its status annually as "Raleigh International Bermuda". During fiscal 2008 the Charity was also certified by the Bermuda National Standards Committee for three years subject to certain annual filings. The Charity's operations are dependent upon donations from private and government sponsorship and from the general public.

The Charity's mission is to provide social and physical training to young Bermudians, with a particular emphasis on youth at risk, through the support of expeditions organized by Raleigh International Trust of the United Kingdom. Such expeditions provide challenging environmental and community projects for young adults to work on while helping develop their potential and acquire the knowledge, skills and understanding needed for participation in a global community. The expedition regions range from the Namib Desert in Namibia to the rainforests of Borneo. Community and environmental projects contribute to the research of the geography, sociology and economics together with the topography, ecology, geology, meteorology, botany and zoology of the said regions relating thereto for the benefit of the public.

The Charity was also established to assist persons in Bermuda who are in any way in conditions of poverty, need, hardship or distress by reason of their social and economic circumstances. The Charity assists with community development and infrastructure projects where such person live and provides any other support or assistance of a charitable nature to improve the lives and conditions of such persons.

Certain prior period balances have been reclassified to conform to the presentation adopted in the current year.

2. Significant Accounting Policies

Basis of presentation and estimates

The financial statements are prepared in accordance with accounting principles generally accepted in Canada, which have general application in Bermuda (except a statement of cash flows has not been presented, as the required cash flow information is readily apparent from the financial statements). The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues earned and expenses incurred during the reporting period. Actual results could differ from those estimates. The significant accounting policies, which have been applied consistently over the period, are summarized as follows:

Contributions

The Charity follows the deferral method of accounting for contributions. Restricted contributions/donations 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.

2. Significant Accounting Policies *(continued)*

Contributions (continued)

Non-cash donations, for which a fair value cannot be reasonably estimated (including volunteer efforts) are not reflected in these financial statements since these amounts are not susceptible to objective measurement or valuation. Professional services donated by service organizations are recorded as contributions in the financial statement at fair value.

Property, plant and equipment

Computer equipment is recorded at cost, less provision for amortization. Amortization is calculated on a straight line basis over three years, the estimated useful life of the assets involved.

Fair value

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The fair value of the Charity's cash, sponsorships receivable and accounts payable and accrued liabilities approximate cost or recorded values given the short-term nature of the assets and liabilities involved.

Foreign Currency

Monetary assets and liabilities denominated in foreign currencies are translated into Bermuda dollars at the rates prevailing at the balance sheet date. Revenues and expenses are translated at the rate of exchange prevailing as at the date of the transactions. Gains and losses arising from translation are included in the determination of net income for the year.

Expenses

Expenses are accounted for on the accrual basis.

Accounting standards adopted during the year

Section 3862 Financial Instruments: Disclosures and Section 3863 Financial Instruments: Presentation were issued by the CICA during 2007 and are effective for the Charity in fiscal 2008. The new standards provide further disclosure in relation to financial instruments in addition to that currently required under *Section 3861 Financial Instruments Disclosure and Presentation*. These include enhanced disclosure about exposure to risks arising from financial instruments including sensitivity analysis for each type of market risk.

Accounting standards not-as-yet adopted by the Charity

The following standards and amendments to standards are effective for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2009 and the Charity has not chosen early adoption.

Introduction to accounting standards that apply only to not-for-profit organizations has been amended to provide not-for-profit organizations with additional guidance to be used in applying *GENERALLY ACCEPTED ACCOUNTING PRINCIPLES, Section 1100*.

2. **Significant Accounting Policies** *(continued)*

Accounting standards not-as-yet adopted by the Charity (continued)

Financial statement presentation by not-for-profit organizations, Section 4400 has been amended to:

- eliminate the requirement to treat net assets invested in capital assets as a separate component of net assets and, instead, permit a not-for-profit organization to present such an amount as a category of internally restricted net assets when it chooses to do so;
- clarify that revenues and expenses must be recognized and presented on a gross basis when a not-for-profit organization is acting as a principal in transactions;

Financial statement presentation by not-for-profit organizations, Section 4400 has been amended to:

- make *CASH FLOW STATEMENTS, Section 1540*, applicable to not-for-profit organizations; and
- make *INTERIM FINANCIAL STATEMENTS, Section 1751*, applicable to not-for-profit organizations that prepare interim financial statements in accordance with GAAP.

Capital assets held by not-for-profit organizations, Section 4430 has been amended to provide additional guidance with respect to the appropriate use of the scope exemption for smaller entities in paragraph 4430.03.

Disclosure of related party transactions by not-for-profit organizations, Section 4460 has been amended to make the language in Section 4460 consistent with RELATED PARTY TRANSACTIONS, Section 3840.

Disclosure of allocated expenses by not-for-profit organizations, Section 4470 establishes disclosure standards for not-for-profit organizations that choose to classify their expenses by function and allocate expenses from one function to another. The main features of the new Section are:

- A requirement for an entity that allocates its fundraising and general support expenses to other functions to disclose the policies adopted for the allocation of expenses among functions, the nature of the expenses being allocated and the basis on which such allocations have been made; and
- A requirement for an entity to disclose the amounts allocated from each of its fundraising and general support functions and the amounts and functions to which they have been allocated.

The Charity does not expect the new rules to have any material effects on the financial statements, however, a cash flow statement will be presented as contemplated by the standard.

3. **Cash Concentration**

The Charity maintains its cash balances with the Bank of Bermuda ("HSBC").

4. **Sponsorships Receivable**

During fiscal 2008, the Charity received a grant of \$60,000 from the Government of Bermuda (Department of Youth, Sport and Recreation) relating to the Governments fiscal ended March 31 2009. The grant has been applied equally to fiscal 2008 and 2009 with the final payment received in January 2009.

The Charity opted to accrue a sponsorship promise (dated November 2007) to fiscal 2008. The sum so promised amounting \$40,000 was received in October 2008.

5. Computer Equipment

Computer equipment comprises computer equipment with a cost of \$1,817, accumulated depreciation of \$1,211 and a net book value of \$606 (2007- \$1,211).

6. Raleigh International Trust of the United Kingdom ("RI")

During the year, in accordance with a Memorandum of Understanding between the Charity and RI, the Charity has utilized the expertise and experience of RI's personnel to run parts of the training programme and to place the Charity's 13 Venturers on Expedition to Costa Rica (2007 – 5 to Malaysia and 4 to Namibia). The Charity remitted \$99,135 (2007- \$77,828) to RI for the Expedition and travel expenses of the Venturers. At September 30, 2008 \$Nil (2007 - \$21,891) was unpaid and included in accounts payable and accrued liabilities.

The Charity anticipates working with RI in future years in a spirit of cooperation for the promotion of opportunities and the positive development of Bermuda's young people. As at September 30, 2008, the Charity has no commitments to future expeditions.

RI has authorised the Charity with respect to the use of the name "Raleigh International Bermuda" and to utilize the trademark "Raleigh World" for the future but remains at liberty to withdraw this permission under extra-ordinary circumstances.

7. Member's Guarantee

The Member of the Charity initially undertook to contribute to the assets of the Charity, in the event of it being wound up while it is a Member, or within one year after it ceases to be a Member, for payment of the debts and liabilities of the Charity contracted before it ceases to be a Member, and the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories; such amount as may be required not exceeding \$100. On September 16, 2004, the guarantee fund was established at BD\$100 and contributed by a Member. Upon winding up, the Charity's resulting net assets will be transferred or given to some other charitable body with similar objects to those of the Charity.

8. Donations in Kind

Donations in kind include donated audit, accounting, corporate and other administration services, amounting to \$20,443 (2007 – donated audit and accounting services \$12,000).

9. Financial Instruments Disclosures

Credit risk

Credit risk is the risk that issuers of securities owned by the Charity will default, or other parties which owe the Charity money will not pay. The Charity minimizes this risk by adhering to a conservative investment strategy, by maintaining sound credit and collection policies, and by providing for any amounts deemed uncollectible.

There are no amounts included in sponsorships receivable at September 30, 2008 and September 30, 2007 which are overdue by more than 120 days (where overdue is defined as amounts uncollected one day or more beyond their contractual due date). The carrying value of sponsorships receivables is considered a reasonable approximation of fair value.

9. Financial Instruments Disclosures *(continued)*

Liquidity risk

Liquidity risk is the risk that the Charity will not be able to meet its financial obligations as they fall due. As at September 30, 2008 and September 30, 2007, the Charity's accounts payable and accrued liabilities have contractual maturities of 6 months or less.

Interest rate risk

The Charity is exposed to interest rate risk relating to its cash. A 100 basis point change in rates would not have a material effect on results of the Charity.

Foreign currency risk

The Charity is exposed to foreign currency risk mainly due to Expedition and travel expenses payable in British Pounds to RI. The Charity does not use foreign exchange contracts or any other derivative financial instrument to hedge its foreign currency risk. Amounts owing to RI were paid within a short time of receiving the invoice so any weakening or strengthening of foreign currency would not have a material effect on the financial result of the Charity.