

JUMP MATH

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 CEO: Scott McMeekin
 Board Chair: Vinay Sarin



Sector: Education Operating Charity

Website: www.jumpmath.org
 Charitable Reg. #: 86432 6814 RR0001

About JUMP Math: JUMP Math (JUMP) provides an improved approach to teaching mathematics compared to traditional methods. It does this through an offering of methodologies and materials based on current trends in cognitive science.

JUMP was founded by mathematician John Mighton on the basis of his experience as a teacher of mathematics and as someone who himself initially struggled to learn mathematics. Believing that mainstream methods of teaching mathematics fail to show adequate regard for the specific strengths and weaknesses of the mind as identified by cognitive science, John devised a method that is better adapted to cognitive resources and limitations when learning. The success of this method through his early tutoring days formed the impetus for JUMP.

Financial Review: JUMP has a unique financial position for a charity in that it has a strong core product offering that provides significant revenues from business activities. This product suite, comprised of core curriculum materials, has been produced to date at healthy margins of approximately 30% and has shown significant sales growth over the past few years and affording JUMP considerable funding leverage over its current donation base.

Financial Ratios

Fiscal year ending March	2011	2010	2009
Administrative costs as % of revenues	9.0%	7.1%	8.7%
Fundraising costs as % of donations	0.0%	0.0%	0.0%
Program cost coverage (%)	15.5%	24.2%	37.0%

Summary Financial Statements

All figures in \$s	2011	2010	2009
Donations	263,433	561,677	602,943
Government funding	0	0	2,819
Fees for service	1,083,244	777,523	644,562
Special events	307	4,615	0
<u>Investment income</u>	<u>1,312</u>	<u>476</u>	<u>4,425</u>
Total revenues	1,348,296	1,344,291	1,254,749
Program costs	1,192,231	1,278,225	1,110,768
Administrative costs	121,207	95,629	109,206
<u>Fundraising costs</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash flow from operations	34,858	(29,563)	34,775
Funding reserves	185,046	329,954	410,973

Note: Deferred revenues have been recognized in the year received, decreasing donations by \$72k in F2011 and \$22k in F2010 and increasing donations by \$39k in F2009.

Financial Transparency

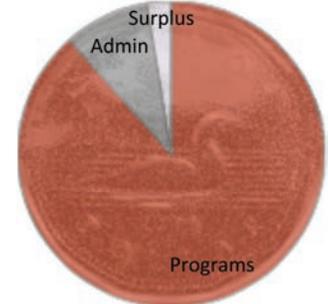


Audited financial statements for current and previous years available on the charity's website

Program Cost Coverage



Spending Breakdown



Full-time Staff #	9
Avg. Compensation	\$63,525
Top 10 Staff Salary Range	
\$350k +	
\$300k-\$350k	
\$250k-\$300k	
\$200k-\$250k	
\$160k-\$200k	
\$120k-\$160k	
\$80k-\$120k	2
\$40k-\$80k	8
< \$40k	

Information from most recent CRA Charities Directorate filings for F2011

JUMP MATH

 Year ending June 30th

Program Data	2011	2010	2009
Program costs	1,192,231	1,278,225	1,110,768
Program hours	n/a	n/a	n/a
Total volunteers	n/a	n/a	n/a
Volunteer hours	n/a	n/a	n/a
Volunteer turnover rate (%)	n/a	n/a	n/a
Clients served – students	65,000	48,000	44,000
Clients served – teachers	3,650	3,250	2,400
Program costs / hour	n/a	n/a	n/a
Program costs / student	\$18.34	\$26.63	\$25.24

Charity Analysis	2011	2010	2009
Revenues (less interest income)	1,346,984	1,343,815	1,250,324
Value of volunteer time	n/a	n/a	n/a
<u>Donated goods and services</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>
Charity value	1,346,984	1,343,815	1,250,324
Administrative costs (as % of charity value)	9.0%	7.1%	8.7%
Local support (\$)	n/a	n/a	n/a
Community size (population)	n/a	n/a	n/a
Community ownership (local support \$ / pop.)	n/a	n/a	n/a

History: JUMP was founded by John Mighton as a tutoring service in 1998. It was established as a Canadian charity in 2002.

Management: John Mighton remains a central figure in the organization. He currently focuses on further development of the JUMP Math program and building strategic relationships. Former management consultant Scott McMeekin is in his third year as CEO. Ewart Newton is the Director of Development and plays a key role in JUMP's expansion. Other key personnel include the writers of the curriculum materials, as well as teacher support, and outreach managers who train and support teachers and tutors.

Social Results: The JUMP program now extends to over 95,000 students (2012). From this figure, we can assume a fairly high base level of societal impact, given the robust empirical support of program efficacy, including a recent independent randomized control study in which JUMP students progressed at twice the rate of the control group, which used one of Canada's two leading math programs.

Community Need: Deficiencies in numeracy represent barriers to both graduation and employment. These barriers are in many cases unnecessary, and are solved in these cases by using better methodology in teaching.

Funding Need: An interesting question for JUMP is whether they "need money" when their underlying business activities show sales growth rates and profitability superior to some high profile tech stocks. Our view is that funding need is more a function of investment opportunity than revenue constraint and that the JUMP opportunity is sufficiently 1) compelling; and 2) time critical to warrant material increases in donations to leverage current opportunities. The foremost opportunity is a shot at replacing inferior incumbents en masse on the back of a curriculum refresh cycle in the United States that temporarily opens the door for competitive entrants into mainstream schooling. Leveraging this opportunity could trigger a wave of uptake and provide organic financing and political motivation for widespread Canadian adoption. This would create significant potential for a self-sustaining organization focused less on profit and more on leveraging cognitive science to systematically improve learning in our school systems. The opportunities to impact education on a national and global scale would be substantial.

Investment Highlights: JUMP is positioned to increasingly leverage technology to improve the methods by which students learn. Whereas this presently takes the form of offerings such as web-enabled learning for teachers and tutors, "game changing" opportunities exist to bring learning technology into the classroom.

Investment Risks: At a base level of impact, investment risk is especially low given the empirical support of the program and the uniformity by which it can be scaled. For the greater upside aspects of the investment thesis, such as positive multiplier effects, future technology capabilities, and school system uptake, the risks are higher.