

**INTER AGENCY COMMITTEE FOR CHILDREN AND FAMILIES**

**FINANCIAL STATEMENTS**

**JUNE 30, 2022**

**(UNAUDITED)**



**Arthur Morris & Company Limited**  
Chartered Professional Accountants

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**INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT**

**To the Directors of Inter Agency Committee for Children and Families**

We have reviewed the accompanying financial statements of Inter Agency Committee for Children and Families (the "Organization"), which comprise the balance sheet as at June 30, 2022, and related statements of operations and net assets, and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the CPA Canada Handbook – Part III, Accounting Standards for Not-for-Profit Organizations ("ASNPO"), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Practitioner's Responsibility**

Our responsibility is to express an conclusion on these financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The Practitioner's perform procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an opinion on these financial statements.

**Conclusion**

Based on our review, nothing has come to our attention that caused us to believe that the financial statements do not present fairly, in all material respects, the financial position of the Organization as at June 30, 2022, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

*Arthur Morris + Company Limited*

**Hamilton, Bermuda**  
**September 12, 2022**

**INTER AGENCY COMMITTEE FOR CHILDREN AND FAMILIES  
BALANCE SHEET  
JUNE 30, 2022**

(Expressed in US dollars)

	<b>ASSETS</b>	
	<b>2022</b>	<b>2021</b>
<b>CURRENT ASSETS</b>		
Cash	\$ 441,186	\$ 170,010
Accounts receivable	1,472	-
Donations receivable	-	10,000
Prepaid expenses and other current assets	13,853	2,541
	<u>456,511</u>	<u>182,551</u>
<b>PROPERTY, PLANT AND EQUIPMENT</b> (note 5)	<u>2,443</u>	<u>3,206</u>
	<u>\$ 458,954</u>	<u>\$ 185,757</u>
 <b>LIABILITIES AND NET ASSETS</b>  		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued expenses (note 4)	\$ 47,762	\$ 14,605
Deferred revenue (note 6)	293,948	78,825
	<u>341,710</u>	<u>93,430</u>
<b>TOTAL LIABILITIES</b>	<u>341,710</u>	<u>93,430</u>
<b>NET ASSETS</b>	<u>\$ 117,244</u>	<u>\$ 92,327</u>

On behalf of the Organization:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

The accompanying notes form an integral part of these unaudited financial statements.

**INTER AGENCY COMMITTEE FOR CHILDREN AND FAMILIES**  
**STATEMENT OF OPERATIONS AND NET ASSETS**  
**FOR THE YEAR ENDED JUNE 30, 2022**  
**(Expressed in US dollars)**

	<b>2022</b>	<b>2021</b>
<b>REVENUE</b>		
Grants and donations	\$ 318,104	\$ 282,200
Training Fees	35,741	27,010
Donated services (note 3)	6,500	6,500
Membership Fees	5,960	6,065
	<u>366,305</u>	<u>321,775</u>
<b>EXPENSES</b>		
Salaries and wages expenses	168,652	115,787
Consulting services	75,011	43,546
Professional services	40,228	48,400
Advertising	27,044	2,591
Other general expenses	10,593	2,480
Review fees (note 3)	8,500	8,500
Computer expenses	8,196	8,186
Bank charges	1,467	666
Depreciation	763	504
Bad debts	491	-
Rent	400	2,250
Foreign exchange loss	43	-
	<u>341,388</u>	<u>232,910</u>
<b>NET INCOME</b>	24,917	88,865
<b>NET ASSETS, beginning of period</b>	<u>92,327</u>	<u>3,462</u>
<b>NET ASSETS, end of period</b>	<u>\$ 117,244</u>	<u>\$ 92,327</u>

The accompanying notes form an integral part of these unaudited financial statements.

**INTER AGENCY COMMITTEE FOR CHILDREN AND FAMILIES**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2022**  
**(Expressed in U.S. Dollars)**

	<b>2022</b>	<b>2021</b>
<b>CASH PROVIDED BY (USED FOR):</b>		
<b>OPERATING ACTIVITIES</b>		
Net income	\$ 24,917	\$ 88,865
Adjustments to reconcile net income to net cash		
Depreciation expense	763	504
Bad debts expense	491	-
Changes in non-cash operating balances:		
Accounts receivable	8,037	(4,400)
Prepaid expenses and other current assets	(11,312)	(1,455)
Accounts payable and accrued expenses	33,157	(20,761)
Deferred revenue	215,123	(88,377)
	271,176	(25,624)
Net cash provided by (used for) operating activities		
<b>INVESTING ACTIVITIES</b>		
Purchases of fixed assets	-	(3,710)
	-	(3,710)
Net cash used for investing activities		
<b>NET INCREASE (DECREASE) IN CASH</b>	271,176	(29,334)
<b>CASH, BEGINNING OF YEAR</b>	170,010	199,344
<b>CASH, END OF YEAR</b>	\$ 441,186	\$ 170,010

The accompanying notes form an integral part of these unaudited financial statements.

**INTER AGENCY COMMITTEE FOR CHILDREN AND FAMILIES**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2022**

**(Expressed in Bermuda dollars)**

**(UNAUDITED)**

**1. PURPOSE OF THE ORGANIZATION**

The Inter Agency Committee for Children and Families (“IAC”) is a not for profit organization that is registered as a charitable organization (Reg. #979) under the Charities Act 2014 on May 11, 2018.

IAC’s mission is to unify and strengthen the capacity of agencies to respond to the changing needs of children, families and community through training, collaboration, advocacy and research. IAC helps social sector agencies strengthen their services and improve their impact. IAC offers connected network and professional development, with focus on collaboration and advocating for social change to improve the lives of children, families, and the community.

The Organization’s continuance is dependent upon the receipt of continuing corporate and public support.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

These financial statements have been prepared in accordance with the CPA Canada Handbook Accounting Part III – Canadian Accounting Standards for Not-for-Profit Organizations (“ASNPO”).

The significant accounting policies have been consistently applied to all the years presented in the financial statements, unless otherwise stated and are as follows:

**a) Use of estimates**

The preparation of financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. While management believes that the amounts included in the financial statements reflect IAC’s best estimates and assumptions, actual results could differ from these estimates.

**INTER AGENCY COMMITTEE FOR CHILDREN AND FAMILIES**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED JUNE 30, 2022**

**(Expressed in Bermuda dollars)**

**(UNAUDITED)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**b) Revenue recognition**

The IAC collects membership fees at an individual and organizational level. Membership provides access to a network of resources including professional development and training.

Membership fees as of June 30, 2022 are as follows:

Individual: \$35 per person

Small organization up to 24 employees \$100

Large organization 25+ employees \$200

Membership fees and training fees are earned at the time of performance and ultimate collection is reasonably assured.

IAC follows the deferral method of accounting. Grants and donations are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured. Grants for specific projects where the expenses have not yet been incurred are deferred and recorded as revenue when the expenses are incurred.

Accounts receivable includes training and membership fees which are net of allowance for doubtful accounts of \$491 (2021 - \$nil).

**c) Capital assets and depreciation**

Capital assets are carried at cost less accumulated depreciation and impairments, if any. Depreciation is calculated on a straight-line basis at the following annual rates designed to write off the cost of the assets over their estimated useful lives:

Computer equipment	5 years
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**3. DONATED SERVICES**

The work of IAC is dependent, in part, on the voluntary service of members and the public. Since these services are not normally purchased by IAC and because of the difficulty in determining its fair value, volunteered services, except for donated services described below are not recorded in these financial statements.

Review fees are recorded at their fair value of \$8,500 of which \$6,500 is donated and is included in revenues and expenses at the recorded value for service rendered.

**INTER AGENCY COMMITTEE FOR CHILDREN AND FAMILIES**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED JUNE 30, 2022**

**(Expressed in Bermuda dollars)**

**(UNAUDITED)**

**4. ACCOUNTS PAYABLE**

Accounts payable and accrued expenses include an aggregate amount of \$4,226 (2021 - \$1,069) due to government agencies relating to payroll tax and social insurance obligations.

**5. CAPITAL ASSETS**

Capital assets are comprised of the following:

	<b>2022</b>		<b>2021</b>	
	<b>Cost</b>	<b>Accumulated Depreciation</b>	<b>Net Book Value</b>	<b>Net Book Value</b>
Computer equipment	\$ 3,710	\$ 1,267	\$ 2,443	\$ 3,206

**6. DEFERRED REVENUE**

Deferred contributions represent amounts received from donors which are to be used for specific purposes. Deferred contributions comprise as follows:

	<b>2022</b>		<b>2021</b>	
<b>Restricted for future operating activities</b>				
Beginning balance	\$ 78,825		\$ 167,202	
Add restricted donations received during the year		443,610		146,732
Less amount recognized as revenue during the year		<u>(228,487)</u>		<u>(235,109)</u>
Ending balance		\$ <u>293,948</u>		\$ <u>78,825</u>

Deferred contributions are comprised of amounts restricted for:

Program delivery	\$ 237,029	\$ 45,271
Training	51,919	28,554
DYA Mirrors program	<u>5,000</u>	<u>5,000</u>
	\$ <u>293,948</u>	\$ <u>78,825</u>



**INTER AGENCY COMMITTEE FOR CHILDREN AND FAMILIES**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED JUNE 30, 2022**

**(Expressed in Bermuda dollars)**

**(UNAUDITED)**

**7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

The Organization's financial instrument consists of cash, accounts receivable and accounts payable and accrued expenses.

**Fair values**

Cash, accounts receivable and accounts payable and accrued expenses approximate fair value due to their short-term nature.

**Credit risk**

Cash and accounts receivable potentially expose IAC to credit risk. In IAC's opinion, the risk of loss due to credit risk is not significant as cash is held with financial institutions which have a high credit rating and accounts receivable are assessed for impairments.

**Liquidity risk**

Liquidity risk is the risk that IAC will not be able to meet its financial obligations as they fall due. IAC manages its liquidity risk by ensuring it always has sufficient cash to meet its obligations when due and IAC is always continuously monitoring and reviewing cash flow.

**Capital management**

IAC's objectives when managing capital is to maintain sufficient resources to ensure IAC can meet all anticipated liabilities and fund projected daily and capital expenditures. The Directors have approved an operating reserves policy to establish and maintain operating reserves to cover budgeted operating expenses for six months.

**8. EVENTS AFTER THE REPORTING PERIOD**

Management has evaluated subsequent events for recognition and disclosure to September 12, 2022, which is the date that the financial statements were available to be issued.