

**CHILD AID INTERNATIONAL INC.**  
**FINANCIAL STATEMENTS**  
**YEARS ENDED APRIL 30, 2017 AND 2016**

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
Child Aid International Inc.  
Salem, MA

We have audited the accompanying financial statements of Child Aid International Inc. (a non-profit organization), which comprise the statements of financial position as of April 30, 2017 and 2016 and the related statements of activities and cash flows for the years then ended, and related notes to the financial statements.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Child Aid International Inc. as of April 30, 2017 and 2016 and the changes in its net assets and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

### **Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses on page 10 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material aspects in relation to the financial statements as a whole.

*Betz, Goldman, Clearfield, Kramer & Ocampo, LLP*

Columbia, MD  
December 6, 2017

**CHILD AID INTERNATIONAL INC.  
STATEMENTS OF FINANCIAL POSITION  
APRIL 30, 2017 AND 2016**

	<u>2017</u>	<u>2016</u>
<b>ASSETS</b>		
Cash	\$ 76,180	\$ 81,665
Pledges Receivable	19,818	13,234
Program Service Fees Receivable	4,847	5,343
Prepaid Expenses	<u>747</u>	<u>687</u>
<b>TOTAL ASSETS</b>	<u>\$ 101,592</u>	<u>\$ 100,929</u>
 <b>LIABILITIES</b>		
Accounts Payable	\$ 1,653	\$ 88
Grants Payable	<u>68,571</u>	<u>60,424</u>
<b>TOTAL LIABILITIES</b>	<u>70,224</u>	<u>60,512</u>
 <b>TOTAL NET ASSETS</b>		
Unrestricted	<u>31,368</u>	<u>40,417</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 101,592</u>	<u>\$ 100,929</u>

The accompanying notes are an integral part of the financial statements.

**CHILD AID INTERNATIONAL INC.  
STATEMENTS OF ACTIVITIES  
YEARS ENDED APRIL 30, 2017 AND 2016**

	<u>2017</u>	<u>2016</u>
<b>CHANGES IN UNRESTRICTED NET ASSETS</b>		
<b>UNRESTRICTED REVENUES, GAINS AND OTHER SUPPORT</b>		
Contributions	\$ 334,127	\$ 254,086
Program Service Fees	<u>14,755</u>	<u>13,465</u>
<b>TOTAL UNRESTRICTED REVENUES, GAINS AND OTHER SUPPORT</b>	<u>348,882</u>	<u>267,551</u>
<b>EXPENSES</b>		
Management	11,608	8,098
Program	<u>346,323</u>	<u>257,424</u>
<b>TOTAL EXPENSES</b>	<u>357,931</u>	<u>265,522</u>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	(9,049)	2,029
<b>NET ASSETS - BEGINNING</b>	<u>40,417</u>	<u>38,388</u>
<b>NET ASSETS - ENDING</b>	<u>\$ 31,368</u>	<u>\$ 40,417</u>

The accompanying notes are an integral part of the financial statements.

**CHILD AID INTERNATIONAL INC.  
STATEMENTS OF CASH FLOWS  
YEARS ENDED APRIL 30, 2017 AND 2016**

	<u>2017</u>	<u>2016</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets	\$ (9,049)	\$ 2,029
Adjustments to Reconcile Changes in Net Assets to Net Cash Used by Operating Activities:		
(Increase) Decrease in:		
Pledges Receivable	(6,584)	15,430
Prepaid Expenses	496	(57)
Program Service Fees Receivable	(60)	511
Increase (Decrease) in:		
Accounts Payable	1,565	(325)
Grants Payable	<u>8,147</u>	<u>(28,745)</u>
<b>NET CASH USED BY OPERATING ACTIVITIES</b>	<u>(5,485)</u>	<u>(11,157)</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(5,485)	(11,157)
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	<u>81,665</u>	<u>92,822</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 76,180</u>	<u>\$ 81,665</u>

The accompanying notes are an integral part of the financial statements.

**CHILD AID INTERNATIONAL INC.  
NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2017 AND 2016**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization:

Child Aid International Inc. was incorporated under the laws of Maryland as a non-profit organization and is exempt from income taxes on its exempt activities under Section 501(c)(3) of the Internal Revenue Code.

The Organization's Return of Organization Exempt from Income Tax (Form 990) for the years ended April 30, 2017, 2016 and 2015 are subject to examination, generally, for three years after they were filed.

The Organization's primary purpose is to assist other tax exempt organizations in participating in workplace fundraising drives such as the U.S. Government's Combined Federal Campaign. The Organization screens applications for such drives, assists with the transfer of funds from donors to the benefiting groups, educates the staff and volunteers of these groups so that they better understand workplace giving programs, and assists in the marketing of such groups to potential donors.

Subsequent Events:

In the normal course of preparing the Organization's financial statements, management reviews events that occur after the statement of financial position dated April 30, 2017 for potential recognition or disclosure in the financial statements. Management has evaluated subsequent events through December 6, 2017, which is the date the financial statements were available to be issued.

Method of Accounting:

The Organization's financial statements have been prepared on the accrual basis of accounting. Consequently, revenue is recognized when earned and expenses when incurred.

Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents:

For the purposes of the statements of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

**CHILD AID INTERNATIONAL INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**APRIL 30, 2017 AND 2016**  
**(CONTINUED)**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Statement Presentation:

The net assets of the Organization and changes therein are classified and reported as follows:

*Unrestricted Net Assets* – Net assets that are not subject to donor-imposed restrictions.

*Temporarily Restricted Net Assets* – Net assets subject to donor-imposed restrictions that may/or will be met, either by actions of the Organization and/or the passage of time.

NOTE B – DISTRIBUTIONS TO MEMBER CHARITIES

The Organization distributes to each member charity a percentage of the actual receipts proportionate to the designations donors made to that member charity.



**SUPPLEMENTARY  
INFORMATION**

**CHILD AID INTERNATIONAL INC.**  
**SCHEDULE OF FUNCTIONAL EXPENSES**  
**YEAR ENDED APRIL 30, 2017**  
**(WITH COMPARATIVE TOTALS FOR 2016)**

	<u>MANAGEMENT</u>	<u>PROGRAM</u>	<u>2017</u> <u>TOTAL</u>	<u>2016</u> <u>TOTAL</u>
Filing Fees	\$ -	\$ 11,009	\$ 11,009	\$ 251
Grants	-	276,989	276,989	220,889
Insurance	755	-	755	693
Office Expense	111	-	111	19
Professional Fees	3,525	-	3,525	3,354
Support Services	6,481	58,325	64,806	40,316
Travel	<u>736</u>	<u>-</u>	<u>736</u>	<u>-</u>
	<u>\$ 11,608</u>	<u>\$ 346,323</u>	<u>\$ 357,931</u>	<u>\$ 265,522</u>

The accompanying notes are an integral part of the financial statements.