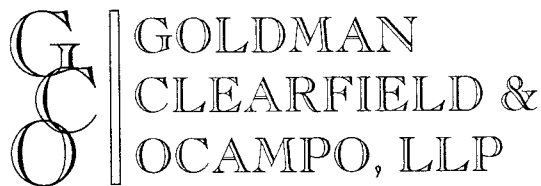


**CHILD AID INTERNATIONAL INC.**  
**FINANCIAL STATEMENTS**  
**YEARS ENDED APRIL 30, 2022 AND 2021**

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CERTIFIED PUBLIC ACCOUNTANTS

## **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, 2022 and 2021 and the related statements of activities, functional expenses and cash flows for the years then ended, and related notes to the financial statements.

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, 2022 and 2021 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.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Child Aid International Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Child Aid International Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Child Aid International Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Child Aid International Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

*Goldman, Clearfield & Ocampo, LLP.*

Columbia, MD  
August 12, 2022

**CHILD AID INTERNATIONAL INC.  
STATEMENTS OF FINANCIAL POSITION  
APRIL 30, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
<b>ASSETS</b>		
Cash	\$ 24,071	\$ 22,377
Pledges Receivable	26,467	9,098
Program Service Fees Receivable	1,200	275
Prepaid Expenses	<u>779</u>	<u>763</u>
<b>TOTAL ASSETS</b>	<u>\$ 52,517</u>	<u>\$ 32,513</u>
 <b>LIABILITIES</b>		
Filing Fees Payable	\$ 5,835	\$ 6,650
Grants Payable	<u>25,722</u>	<u>8,523</u>
<b>TOTAL LIABILITIES</b>	<u>31,557</u>	<u>15,173</u>
 <b>NET ASSETS</b>		
Without Donor Restrictions	<u>20,960</u>	<u>17,340</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 52,517</u>	<u>\$ 32,513</u>

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

**CHILD AID INTERNATIONAL INC.  
STATEMENTS OF ACTIVITIES  
YEARS ENDED APRIL 30, 2022 AND 2021**

	<b><u>WITHOUT DONOR RESTRICTIONS</u></b>	
	<b><u>2022</u></b>	<b><u>2021</u></b>
<b>REVENUES AND OTHER SUPPORT</b>		
Contributions	\$ 164,093	\$ 169,471
Program Service Fees	<u>42,590</u>	<u>42,185</u>
<b>TOTAL REVENUES AND OTHER SUPPORT</b>	<u>206,683</u>	<u>211,656</u>
<b>EXPENSES</b>		
Management	5,853	6,141
Program	<u>197,210</u>	<u>201,651</u>
<b>TOTAL EXPENSES</b>	<u>203,063</u>	<u>207,792</u>
<b>INCREASE IN NET ASSETS</b>	3,620	3,864
<b>NET ASSETS - BEGINNING</b>	<u>17,340</u>	<u>13,476</u>
<b>NET ASSETS - ENDING</b>	<u>\$ 20,960</u>	<u>\$ 17,340</u>

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

**CHILD AID INTERNATIONAL INC.**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
**YEARS ENDED APRIL 30, 2022 AND 2021**

	<b>2022</b>		
	<b><u>MANAGEMENT</u></b>	<b><u>PROGRAM</u></b>	<b><u>TOTAL</u></b>
Filing Fees	\$ -	\$ 38,565	\$ 38,565
Grants	-	147,899	147,899
Insurance	834	-	834
Professional Fees	3,825	-	3,825
Support Services	<u>1,194</u>	<u>10,746</u>	<u>11,940</u>
	<u>\$ 5,853</u>	<u>\$ 197,210</u>	<u>\$ 203,063</u>

	<b>2021</b>		
	<b><u>MANAGEMENT</u></b>	<b><u>PROGRAM</u></b>	<b><u>TOTAL</u></b>
Filing Fees	\$ -	\$ 38,459	\$ 38,459
Grants	-	149,705	149,705
Insurance	817	-	817
Professional Fees	3,825	-	3,825
Support Services	<u>1,499</u>	<u>13,487</u>	<u>14,986</u>
	<u>\$ 6,141</u>	<u>\$ 201,651</u>	<u>\$ 207,792</u>

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

**CHILD AID INTERNATIONAL INC.  
STATEMENTS OF CASH FLOWS  
YEARS ENDED APRIL 30, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase in Net Assets	\$ 3,620	\$ 3,864
Adjustments to Reconcile Changes in Net Assets to Net Cash Provided by Operating Activities:		
(Increase) Decrease in:		
Accounts Receivable	-	275
Pledges Receivable	(17,369)	(1,655)
Program Service Fees Receivable	(925)	193
Prepaid Expenses	(16)	(16)
Increase (Decrease) in:		
Accounts Payable	-	(25)
Filing Fees Payable	(815)	4,166
Grants Payable	<u>17,199</u>	<u>(4,621)</u>
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>1,694</u>	<u>2,181</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	1,694	2,181
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	<u>22,377</u>	<u>20,196</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 24,071</u>	<u>\$ 22,377</u>

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



**CHILD AID INTERNATIONAL INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**APRIL 30, 2022 AND 2021**

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 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.

Income Taxes:

The Organization's Return of Organization Exempt from Income Tax (Form 990) for the years ended April 30, 2022, 2021 and 2020 are subject to examination, generally, for three years after they were filed.

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, except on net income derived from unrelated business activities. The Organization does not have any income from unrelated business activities. The Organization believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements.

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, 2022 for potential recognition or disclosure in the financial statements. Management has evaluated subsequent events through August 12, 2022, 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.

**CHILD AID INTERNATIONAL INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**APRIL 30, 2022 AND 2021**  
**(CONTINUED)**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

Pledges Receivable:

Pledges Receivable consist of pledges that are expected to be collected within one year of the balance sheet, and therefore have been recognized at their net realizable value. Management has reviewed the pledges and considers them fully collectible.

Program Service Fees Receivable:

Program Service Fees Receivable consist of fees earned for the Organization's assistance with the fundraising drives. The fees are expected to be collected within one year of the balance sheet, and therefore have been recognized at their net realizable value. Management considers all fees fully collectible.

Financial Statement Presentation:

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

*Net Assets Without Donor Restrictions* – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of Child Aid International, Inc.'s management and board of directors.

*Net Assets With Donor Restrictions* – Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of Child Aid International, Inc. or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

**CHILD AID INTERNATIONAL INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**APRIL 30, 2022 AND 2021**  
**(CONTINUED)**

**NOTE B – AVAILABILITY AND LIQUIDITY**

As of April 30, 2022, Child Aid International, Inc. has \$51,738 of financial assets available within one year of the balance sheet date to meet cash needs for general expenditure, consisting of cash of \$24,071, pledges receivable of \$26,467 and other receivables totaling \$1,200. As of April 30, 2021, Child Aid International, Inc. has \$31,750 of financial assets available within one year of the balance sheet date to meet cash needs for general expenditure, consisting of cash of \$22,377, pledges receivable of \$9,098 and other receivables totaling \$275. None of the financial assets is subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the balance sheet date. The receivables are subject to implied time restrictions but are expected to be collected within one year. Child Aid International, Inc.'s goal is generally to maintain financial assets to meet 30 days' worth of operating expenses.

**NOTE C – FUNCTIONAL EXPENSES**

The cost of providing program and other activities have been summarized on a functional basis in the statement of activities. Certain costs have been allocated among management and program services benefited. Such allocations are determined by management on an equitable basis.

**NOTE D – DISTRIBUTIONS TO MEMBER CHARITIES**

The Organization distributes a proportionate share of receipts based on the results of each individual campaign. The proportionate share of receipts is determined by donor designations to the individual member organization, as reported by campaign administrators.

**NOTE E – CONTINGENCIES**

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus ("COVID-19") as a pandemic, which continues to spread throughout the United States. The Organization could be materially and adversely affected by the risks, or the public perception of the risks, related to an epidemic, pandemic, outbreak, or other public health crisis, such as the recent outbreak of COVID-19. The ultimate extent of the impact of any epidemic, pandemic or other health crisis on the business, financial condition, and results of operations will depend on future developments, which are uncertain and cannot be predicted, including new information that may emerge concerning the severity of such epidemic, pandemic or other health crisis and actions taken to contain or prevent their further spread, among others. Accordingly, the Organization cannot predict the extent to which the financial condition and results of operations will be affected.