

Centre Against Abuse

**Financial Statements and
Independent Auditors' Report**

March 31, 2018

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Centre Against Abuse

We have audited the accompanying financial statements of Centre Against Abuse (the "Centre"), which comprise the balance sheet as at March 31, 2018, and the statements of revenue and expenses and changes in net (deficit) 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 Bermudian and Canadian accounting standards for not-for-profit organizations, 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.

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 generally accepted auditing standards in Canada and Bermuda. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of 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 qualified audit opinion.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Centre derives revenue from donations the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Centre and we were not able to determine whether any adjustments might be necessary to recorded revenues, expenses, the change in net (deficit) assets, and cash flows for the year ended March 31, 2018, assets, liabilities and net (deficit) assets as at March 31, 2018.

INDEPENDENT AUDITOR'S REPORT (Cont'd)

Because we were appointed auditors of the Centre during 2020, we were not able to obtain sufficient and appropriate evidence to support the opening net (deficit) assets which is a cumulative balance. Based on the long-standing history of the Centre and the fact that it has not undergone audit in prior years the balance was not subject to verification. As a result, we are unable to determine whether any adjustments to opening net (deficit) assets might be necessary for 2018.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Centre Against Abuse as at March 31, 2018, and the results of its operations and its cash flows for the year then ended in accordance with Bermudian and Canadian accounting standards for not-for-profit organizations.

Emphasis of Matter

Without further qualifying our opinion, we draw attention to Note 1 in the financial statements which indicate the Centre incurred losses of \$204,621 during the year ended March 31, 2018 and, as of that date, the Centre's current liabilities exceeded its total assets by \$50,544. These conditions, as described in Note 1, indicate the existence of a material uncertainty that cast significant doubt on the Centre's ability to continue as a going concern.

Deloitte Ltd.

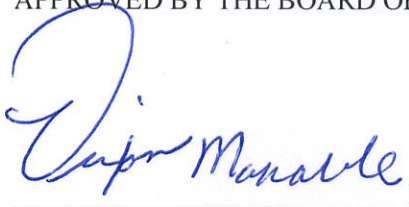
June 4, 2021

CENTRE AGAINST ABUSE
BALANCE SHEET
as at March 31, 2018
(expressed in Bermuda dollars)


	2018	(Unaudited) 2017
CURRENT ASSETS		
Cash/(Overdraft) (Note 3)	\$ 141,095	\$ (37,636)
Other current assets (Note 4)	3,777	-
	<u>144,872</u>	<u>(37,636)</u>
NON-CURRENT ASSETS		
Fixed assets (Note 5)	2,025	1,037,610
	<u>\$ 146,897</u>	<u>\$ 999,974</u>
CURRENT LIABILITIES		
Accounts payable, accrued and other liabilities (Note 6)	\$ 197,441	\$ 845,897
	<u></u>	<u></u>
NET ASSETS		
Net (deficit) assets	(50,544)	154,077
	<u>\$ 146,897</u>	<u>\$ 999,974</u>

See accompanying notes to the financial statements

APPROVED BY THE BOARD OF DIRECTORS



Director



Director

CENTRE AGAINST ABUSE
STATEMENT OF REVENUE AND EXPENSES
for the year ended March 31, 2018
(expressed in Bermuda dollars)

	2018	(Unaudited) 2017
REVENUES		
Donations and other receipts (Notes 7)	\$ 124,689	\$ 67,278
Programme income (note 10)	51,170	115,385
Board fees	800	200
Fundraising	460	4,387
	<hr/> 177,119	<hr/> 187,250
EXPENSES		
Payroll (note 6)	242,111	204,838
Administration expenses (note 8)	52,150	53,032
Programme expenses (note 10)	32,063	35,761
Professional fees (note 7)	18,150	-
Bank charges	7,449	4,035
Depreciation (note 5)	2,025	2,025
Operating expenses (note 9)	1,219	2,348
Others	325	380
Loss on sale of building	26,248	-
	<hr/> 381,740	<hr/> 302,419
EXCESS OF EXPENSES OVER REVENUE	<hr/> \$ (204,621)	<hr/> \$ (115,169)

See accompanying notes to the financial statements

CENTRE AGAINST ABUSE
STATEMENT OF CHANGES IN NET (DEFICIT) ASSETS
for the year ended March 31, 2018
(expressed in Bermuda dollars)

	Invested in Fixed Assets	Internally Restricted	Unrestricted	2018 Total	(Unaudited) 2017 Total
NET ASSETS, BEGINNING OF YEAR	\$ -	\$ -	\$ 154,077	\$ 154,077	\$ 269,246
Excess of expenses over revenue	-	-	(204,621)	(204,621)	(115,169)
NET (DEFICIT) ASSETS, END OF YEAR	\$ -	\$ -	\$ (50,544)	\$ (50,544)	\$ 154,077

See accompanying notes to the financial statements

CENTRE AGAINST ABUSE
STATEMENT OF CASH FLOWS
for the year ended March 31, 2018
(expressed in Bermuda dollars)

	2018	(Unaudited) 2017
OPERATING ACTIVITIES:		
Excess of expenses over revenue	\$ (204,621)	\$ (115,169)
Adjustments for:		
Depreciation	2,025	2,025
Loss on sale of building	26,248	-
Changes in working capital balances:		
Accounts receivables	-	33,000
Prepaid expenses	(3,777)	-
Accounts payable, accrued and other liabilities	(648,455)	72,616
Other assets	-	(1,955)
Net cash provided by (used in) operating activities	<u>(828,580)</u>	<u>(9,483)</u>
INVESTING ACTIVITIES:		
Proceeds on sale of building and furniture and fittings being, net cash provided by investing activities	<u>1,007,311</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH	178,731	(9,483)
CASH/(OVERDRAFT), BEGINNING OF YEAR	<u>(37,636)</u>	<u>(28,153)</u>
CASH/(OVERDRAFT), END OF YEAR	<u>\$ 141,095</u>	<u>\$ (37,636)</u>

See accompanying notes to the financial statements

CENTRE AGAINST ABUSE
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2018
(expressed in Bermuda dollars)

1. STATUS AND PURPOSE OF THE CENTRE

The Centre Against Abuse (the "Centre") is registered as a charitable organization under the Charities Act of Bermuda, 1978. The Centre's primary goal is to provide support services for adult survivors of domestic abuse and sexual abuse; along with providing awareness in the community.

The Centre's confidential services include:

- Safe housing
- Counseling;
- Court advocacy
- Drop in service
- Resource navigation
- 24-hour helpline
- Community awareness

Going Concern

The Centre recorded a \$204,621 net loss for the year ended March 31, 2018, it has \$52,569 deficit in working capital, and \$50,544 net deficit of assets as at March 31, 2018. The Centre does not have sufficient assets to meet its current obligations. Furthermore, without active charity status the Centre cannot solicit or receive charitable funding until the point in time when reinstated as an active charity by the Registrar. Accordingly, significant doubt exists over the Centre's ability to continue as a going concern. The Centre's ability to continue as a going concern is dependent upon financial support from donors, the Government of Bermuda, and the community.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with accounting standards for not-for-profit organizations, Part III of the CPA Canada Handbook, generally accepted in Bermuda and Canada ("ASNPO") and include the following significant accounting policies:

Use of estimates

The preparation of financial statements in accordance with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting periods. Actual results could differ from management's best estimates as additional information becomes available in the future. These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in the period in which they become known.

Significant estimates include assumptions used in estimating the amounts and collectability of donations receivable, the useful lives and related depreciation of tangible fixed assets, provisions for accrued and contingent liabilities, and the portion of restricted contributions earned in the year.

CENTRE AGAINST ABUSE
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2018
(expressed in Bermuda dollars)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Revenue recognition

The Centre follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Membership fees and rent is recognized proportionately over the fiscal year to which it relates.

Cash

Cash is defined as bank balances and undeposited funds that are readily available to the Centre. The Centre had balances in overdraft with HSBC Bank Bermuda as at March 31, 2017.

Fixed assets

Except for land which is stated at cost, fixed assets are stated at cost net of accumulated depreciation. Donated fixed assets are recorded at fair value at the time of donations net of accumulated depreciation. Depreciation is provided on the straight-line basis over the estimated useful lives at the following rates per annum:

Automotive equipment	20%
Buildings	5%
Equipment	25%
Furniture and fitting	20%

The Centre periodically reviews the useful life of its tangible and intangible fixed assets considering events or changes in circumstances.

Construction in progress is shown at a value that recognizes the extent of the completion of construction work. Depreciation for construction in progress will commence when the asset has been brought to its useful state.

Financial instruments

The Centre initially measures its financial assets and liabilities at fair value. The Centre subsequently measures all financial assets and liabilities at amortized cost. Financial assets and liabilities measured at amortized cost include cash and time deposits, donations receivable, accrued interest receivable, and accounts payable and accrued liabilities.

CENTRE AGAINST ABUSE
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2018
(expressed in Bermuda dollars)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Donated services

The Centre records the value of donated services at fair value when the fair value can be reasonably estimated, the services are used in the normal course of the Centre's operations and would have otherwise been purchased by the Centre. Volunteers contribute an indeterminable number of hours every year to assist the Centre in carrying out its activities. Because of the difficulty in determining their fair value, services contributed by the volunteers are not recognized in the financial statements.

3. CASH/(OVERDRAFT)

	2018	(Unaudited) 2017
Cash/(overdraft)	\$ 135,438	\$ (37,943)
Undeposited funds	5,657	307
	<u>\$ 141,095</u>	<u>\$ (37,636)</u>

4. OTHER CURRENT ASSETS

	2018	(Unaudited) 2017
Prepaid rent – office space	\$ 2,650	\$ -
Prepaid Rent – Dress for Success	1,127	-
	<u>\$ 3,777</u>	<u>\$ -</u>

5. FIXED ASSETS

	Cost	Accumulated Depreciation	Net Book Value 2018	Net Book Value 2017 (Unaudited)
Automotive equipment	\$ 6,123	\$ (4,592)	\$ 1,531	\$ 3,062
Building	-	-	-	1,000,000
Equipment	1,977	(1,483)	494	989
Furniture and Fittings	-	-	-	33,559
	<u>\$ 8,100</u>	<u>\$ (6,075)</u>	<u>\$ 2,025</u>	<u>\$ 1,037,610</u>

During the year ended March 31, 2018 the Centre sold its Building, Furniture and Fittings for net proceeds of \$1,007,311, the difference between net proceeds and carrying value has been recognized as a loss on sale in the amount of \$26,248 on the Statement of Revenue and Expenses.

CENTRE AGAINST ABUSE
NOTES TO THE FINANCIAL STATEMENTS

March 31, 2018

(expressed in Bermuda dollars)

6. ACCOUNTS PAYABLE ACCRUED AND OTHER LIABILITIES

Other current liabilities include balance due to the Government of Bermuda for payroll tax and social insurance of \$39,783 (2017: \$101,400).

7. DONATED SERVICES

Donations include donated professional services of \$13,500 (2017: \$Nil) representing 75% of the audit cost for the year ended March 31, 2018. An accrual for professional fees of \$4,500 (2017: \$Nil) is included in accounts payable and accrued liabilities representing the proportion of audit fees not donated and therefore payable for this year's audit.

8. ADMINISTRATION EXPENSES

Administration expenses are comprised of:

	2018	(Unaudited) 2017
Rent	\$ 31,800	\$ 31,800
Advertising	441	2,866
Write off	372	379
Accreditation	1,250	1,250
Training	230	232
Printing and office supplies	2,727	2,876
Repairs and maintenance	3,897	-
Computer services and support	5,299	8,143
Telephone and communications	4,082	4,169
Electricity	2,052	1,317
	<u>\$ 52,150</u>	<u>\$ 53,032</u>

9. OPERATING EXPENSES

Operating expenses are comprised of:

	2018	(Unaudited) 2017
Crisis Hotline	\$ 1,219	\$ 1,333
Events	-	1,015
	<u>\$ 1,219</u>	<u>\$ 2,348</u>

CENTRE AGAINST ABUSE
NOTES TO THE FINANCIAL STATEMENTS
 March 31, 2018
(expressed in Bermuda dollars)

10. PROGRAMMES

Dress for Success

	2018	(Unaudited) 2017
Revenue	\$ 23,390	\$ 22,310
Expenses	15,582	15,461
	<hr/>	<hr/>
Net revenue	\$ 7,808	\$ 6,849
	<hr/>	<hr/>

Shelter Costs

	2018	(Unaudited) 2017
Revenue	\$ 21,000	\$ 84,000
Expenses	4,782	7,045
	<hr/>	<hr/>
Net revenue	\$ 16,281	\$ 76,955
	<hr/>	<hr/>

Court Advocacy

	2018	(Unaudited) 2017
Revenue	\$ 5,875	\$ 6,525
Expenses	-	1,880
	<hr/>	<hr/>
Net revenue	\$ 5,875	\$ 4,645
	<hr/>	<hr/>

Counselling Fees

	2018	(Unaudited) 2017
Revenue	\$ 905	\$ 2,550
Expenses	11,700	11,375
	<hr/>	<hr/>
Net revenue	\$ (10,795)	\$ (8,825)
	<hr/>	<hr/>

CENTRE AGAINST ABUSE
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2018
(expressed in Bermuda dollars)

11. ECONOMIC DEPENDENCE

The future viability of the Centre is dependent on its ability to raise and collect the necessary level of donations and grants to cover its operating expenses.

12. COMMITMENTS

The Centre has committed to a monthly rent of \$2,650. The rent expense for the year amounted to \$31,800 (2017: \$31,800) and is included under rent expense.

The Centre has committed to a monthly rent of \$1,127 for the Dress for Success thrift store. The rent expense for the year amounted to \$13,520 (2017: \$13,440) is included in rent expense under Dress for Success.

The Centre had an unsecured facility with a limit of \$50,000 that was issued through a financial institution.

13. FINANCIAL INSTRUMENTS RISKS

The Centre is exposed to various risks through its financial instruments. The following analysis provides a measure of the Centre's risk exposure as at March 31, 2018. Reference should be made to the balance sheet and related notes for the quantitative values of the financial statement items referred to herein.

Liquidity risk

Liquidity risk is the risk that the Centre will not be able to meet its financial obligations as they fall due. The Centre manages its liquidity risk by ensuring it always has sufficient cash to meet its obligations when due and management continuously monitoring and reviewing cash flow. The Centre is exposed to this risk mainly in respect of its accounts payable and accrued liabilities.

Credit risk

Cash and cash equivalents potentially expose the Centre to credit risk. In management's opinion, the risk of loss due to credit risk is not significant as cash and cash equivalent are also obtained through an overdraft facility with a financial institution in Bermuda. The Centre is exposed to this risk in respect of its donation's receivable and accounts receivable.

Interest rate risk

The Centre is exposed to interest rate risk on its nominal fixed-rate financial instruments being its time deposits as set out in Note 3, which would subject the Centre to a fair value risk.

CENTRE AGAINST ABUSE
NOTES TO THE FINANCIAL STATEMENTS

March 31, 2018

(expressed in Bermuda dollars)

14. SUBSEQUENT EVENTS

The spread of the COVID-19 virus during the first quarter of 2020 has had a significant impact on the Bermuda economy and the daily lives of its citizens, and it is expected that the Centre's results during the year ending March 31, 2021 will be negatively impacted as a result of the performance on the Centre, and limitations on the its ability to carry out certain of its fund raising activities. It is currently uncertain what the magnitude of the impact of COVID-19 will be and the effect on the 2021 financial statements. This will depend on future developments, including the duration and spread of the outbreak, related restrictions, and the extent to which the Bermuda economy subsequently recovers.

The Centre's ability to remain a going concern, as disclosed in Note 1, remains as of the date the financial statements were available to be issued.

The Board of Directors evaluated subsequent events for recognition and disclosure to June 4, 2021, which is the date that the financial statements were available to be issue.