

VISION BERMUDA
FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT
MARCH 31, 2024

INDEPENDENT AUDITORS' REPORT

To the Members of Vision Bermuda

Qualified Opinion

We have audited the accompanying financial statements of Vision Bermuda (the "Charity"), which comprise the statement of financial position as at March 31, 2024, and the related statement of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the matter noted in the Basis for Qualified Opinion section of our report, these financial statements present fairly, in all material respects, the financial position of the Charity as at March 31, 2024 and the results of its operations and its cash flows for the year then ended in accordance with Part III of the Canadian Professional Accountants ("CPA") Handbook - Accounting Standards for Not-for-Profit Organizations ("ASNPO").

Basis for Qualified Opinion

In common with many non-profit organizations, the Charity derives a significant portion of its revenue from donations and fund-raising events, 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 Charity and we were not able to determine whether any adjustments might be necessary to revenues, excess (deficiency) of revenues over expenses, assets and net assets.

We conducted our audit in accordance with Canadian Generally Accepted Auditing Standards ("CAS"). 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 independent of the Charity in accordance with the ethical requirements of the Chartered professional Accountants of Bermuda Rules of Professional Conduct ("CPA Bermuda Rules") that are relevant to our audit of financial statements in Bermuda. We have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Chartered Professional Accountants Handbook, Part III - Accounting Standards for Not-for-Profit Organizations ("ASPNO"), 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.

In preparing the financial statements, management is responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Charity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Charity's financial reporting process.

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 a guarantee that an audit conducted in accordance with CAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with CAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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.
- 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 the Charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The Purpose of our Audit Work and to Whom we owe our Responsibilities

This report is made solely to the Members as a body, in accordance with the agreed scope of our engagement. Our audit work has been undertaken so that we might state to the Members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Members as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Thornton (Bermuda) Limited

Grant Thornton (Bermuda) Limited
Hamilton, Bermuda
September 20, 2024

VISION BERMUDA
STATEMENT OF FINANCIAL POSITION
MARCH 31, 2024

(Expressed in Bermuda dollars)

	2024	2023
ASSETS		
CURRENT ASSETS		
Cash	\$ 140,740	\$ 175,419
Restricted cash (note 6)	47,905	182,525
Accounts receivable	7,182	7,000
Inventory and equipment (note 4)	<u>9,558</u>	<u>5,859</u>
	205,385	370,803
CAPITAL ASSETS (note 2c)	<u>1,501,919</u>	<u>1,013,154</u>
	<u>\$ 1,707,304</u>	<u>\$ 1,383,957</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 50,727	\$ 72,813
Deferred contributions (note 6)	<u>1,549,823</u>	<u>1,195,678</u>
	1,600,550	1,268,491
NET ASSETS		
Unrestricted net assets	<u>106,754</u>	<u>115,466</u>
	<u>\$ 1,707,304</u>	<u>\$ 1,383,957</u>

Approved by:


 _____ Director


 _____ Treasurer

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

VISION BERMUDA
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 2024

(Expressed in Bermuda dollars)

	2024	2023
REVENUES		
Vision equipment sales	\$ 3,499	\$ 610
Cost of goods sold (notes 4 and 5)	<u>(2,613)</u>	<u>(840)</u>
	<u>886</u>	<u>(230)</u>
Donations (notes 6, 7 and 8)	385,502	358,636
Investment income - Lady Hall Trust	24,368	12,739
Government grant	15,000	15,000
Union dues	1,416	1,402
Membership dues	<u>1,090</u>	<u>325</u>
	<u>427,376</u>	<u>388,102</u>
Total revenue	<u>428,262</u>	<u>387,872</u>
EXPENSES		
Salaries and other employment costs	227,613	200,594
Program expenses (note 6)	153,346	106,684
IT Support	15,419	10,832
Professional fees (note 8)	11,500	11,500
Miscellaneous	8,736	10,928
Insurance	5,058	4,463
Marketing and promotion	4,812	2,057
Rent	4,108	10,200
Utilities	3,651	1,544
Office supplies	2,604	1,078
Repairs and maintenance	<u>127</u>	<u>575</u>
	<u>436,974</u>	<u>360,455</u>
(DEFICIENCY) EXCESS OF REVENUES OVER EXPENSES	<u>\$ (8,712)</u>	<u>\$ 27,417</u>

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

VISION BERMUDA
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2024

(Expressed in Bermuda dollars)

	2024	2023
UNRESTRICTED NET ASSETS		
Balance, beginning of year	\$ 115,466	\$ 88,049
(Deficiency) Excess of revenues over expenses	<u>(8,712)</u>	<u>27,417</u>
Balance, end of year	<u>\$ 106,754</u>	<u>\$ 115,466</u>

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

VISION BERMUDA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2024
(Expressed in Bermuda dollars)

	2024	2023
CASH PROVIDED BY (USED FOR):		
OPERATING ACTIVITIES		
(Deficiency) Excess of revenues over expenses	\$ (8,712)	\$ 27,417
Changes in non-cash operating balances:		
Accounts receivable	(182)	(7,000)
Inventory and equipment	(3,699)	(4,491)
Accounts payable and accrued liabilities	(22,086)	(4,517)
Deferred contributions	<u>354,145</u>	<u>450,954</u>
Net cash provided by operating activities	<u>319,466</u>	<u>462,363</u>
INVESTING ACTIVITIES		
Purchase of capital assets	<u>(488,765)</u>	<u>(361,014)</u>
NET INCREASE (DECREASE) IN CASH	(169,299)	101,349
CASH , beginning of year	<u>357,944</u>	<u>256,595</u>
CASH , end of year	<u>\$ 188,645</u>	<u>\$ 357,944</u>

Total cash is derived from the following balance sheet items:

	2024	2023
Cash	\$ 140,740	\$ 174,419
Restricted cash (note 6)	<u>47,905</u>	<u>182,525</u>
	<u>\$ 188,645</u>	<u>\$ 357,944</u>

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

VISION BERMUDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

(Expressed in Bermuda dollars)

1. PURPOSE OF THE ORGANIZATION

Vision Bermuda, formerly known as The Bermuda Society for the Blind (the “Charity”), was incorporated by an Act of Parliament on January 26, 1957. This Act was updated by the Vision Bermuda Amendment Act of September 7, 2021. It is registered under The Charities Act 1978 in Bermuda.

The purpose of the Charity is to promote the habilitation or rehabilitation, welfare, education and employment of the blind and their families in Bermuda.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Chartered Professional Accountants (“CPA”) Canada Handbook Accounting - Part III, Accounting Standards for Not-for-Profit Organizations (“ASNPO”).

a) Cash

Cash is comprised of cash held with banks.

b) Inventory and equipment

Inventory and equipment are valued at the lower of cost and net realizable value.

c) Capital assets

The Charity owns the freehold title to Beacon House, 3 Beacon Street, Hamilton, HM 10. The capital assets were acquired for minimal consideration and are reflected in the accompanying statements of financial position at a nominal value of \$1.

The Charity has contracted with local and overseas contractors, suppliers and consultants relating to the renovation of Beacon House. During the year, \$488,765 (2023 - \$361,014) was paid in respect of this renovation. These costs have been included in renovations in progress. Once these renovations have been completed, these costs, along with all other building renovation related costs, will be amortized on a straight-line basis over their expected life of 40 years. See Note 5.

d) Revenue recognition

The Charity follows the deferral method of accounting for contributions. Internally and externally restricted contributions related to expenses of future periods are deferred and recognized as revenue in the period in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Investment income earned on investments held by the estate of Lady Hall is contributed to the Charity for the purpose of operating activities. Unrestricted investment income is recognized as revenue when received.

VISION BERMUDA

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED MARCH 31, 2024

(Expressed in Bermuda dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

e) Contributed services

Volunteers contribute a significant number of hours each year assisting the Charity in carrying out its services to the community. Since these services are not normally purchased by the Charity, and because of the difficulty in determining their fair value, contributed services, excluding those where a fair value can be readily determined (note 7), are not recognized in these statements.

f) Use of estimates

The preparation of financial statements in conformity with Canadian Accounting Standards for Not-for-Profit Organizations 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 the Charity's best estimates and assumptions, actual results could differ from these estimates.

3. ECONOMIC DEPENDENCE AND GOING CONCERN

To fund operations and the Beacon House renovation, the Charity is dependent upon donations. The ongoing operations of the Charity and the completion of the Beacon House renovation are highly dependent upon raising revenue from public and private contributions in each year and the commensurate management of costs in order to ensure that the Charity can continue as a going concern.

4. INVENTORY AND EQUIPMENT

Details of inventory and equipment are as follows:

	2024	2023
Inventory and equipment, beginning of year	\$ 5,859	\$ 1,368
Purchases	6,312	5,331
Cost of goods sold (note 5)	<u>(2,613)</u>	<u>(840)</u>
Inventory and equipment, end of year	<u>\$ 9,558</u>	<u>\$ 5,859</u>

5. COST OF GOODS SOLD

Details of cost of goods sold are as follows:

	2024	2023
Direct materials (note 4)	<u>\$ 2,613</u>	<u>\$ 840</u>

VISION BERMUDA

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED MARCH 31, 2024

(Expressed in Bermuda dollars)

6. DEFERRED CONTRIBUTIONS

Deferred contributions represent donations received or allocated for specific projects or where the donor has restricted use. Deferred contributions are comprised of:

	2024	2023
Beacon House renovation	\$ 1,545,673	\$ 1,177,639
Critical needs program	<u>4,150</u>	<u>18,039</u>
	<u>\$ 1,549,823</u>	<u>\$ 1,195,678</u>

Movement in the deferred contributions consists of the following:

Balance, beginning of year	\$ 1,195,678	\$ 744,724
Contributions (note 7 and below)	480,534	527,981
Recognized in donation income	<u>(126,389)</u>	<u>(77,027)</u>
Balance, end of year	<u>\$ 1,549,823</u>	<u>\$ 1,195,678</u>

Deferred contributions are deferred and recognized as revenue in the period in which the related expenses are incurred.

Deferred contributions relating to the Beacon House renovation will be recognized in donation income on a straight-line basis over 40 years, the same basis under which the capitalized assets will be amortized.

During the year ended March 31, 2024, restricted donations in the amount of \$112,500 (2023 - \$80,000) were received and \$126,389 (2023 - \$77,027) was recognized in donation income (to match expenses) relating to the critical needs program.

Cash in the amount of the deferred contributions of \$1,549,823 (2023 - \$1,195,678) less the amount capitalized to date on the Beacon House renovation (Note 2c) has been restricted for such use.

7. NET ASSETS

During the year ended March 31, 2024, the Charity received restricted donations for the Beacon House renovation project in the amount of \$368,034 (2023 - \$447,981). The Charity has agreed not to utilize these funds for general operating expenses but rather for the Beacon House renovation project.

During the year ended March 31, 2024, restricted donations in the amount of \$488,765 (2023 - \$361,014) were used for the Beacon House renovation project.

VISION BERMUDA

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED MARCH 31, 2024

(Expressed in Bermuda dollars)

8. DONATIONS-IN-KIND

The Charity received \$11,500 (2023 - \$11,500) as donations-in-kind for audit fees during the year and has recognized the matching expenses in the statement of operations.

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair Value

The Charity's financial instruments consist of cash, accounts receivable and accounts payable and accrued liabilities. The carrying value of cash, accounts receivable and accounts payable and accrued liabilities approximate fair value due to their short-term nature.

Credit Risk

Cash and accounts receivable potentially expose the Charity to credit risk. In management's opinion, the risk of loss due to credit risk is not significant as cash is held with a financial institution which has a high credit rating and management actively monitors the recoverability of accounts receivable and establishes a provision for doubtful accounts on a specific identification basis.

Liquidity Risk

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

10. CAPITAL MANAGEMENT

The Charity manages its capital to mitigate the foregoing risks and to provide reasonable assurance that it will be able to meet its requirements and continue as a going concern.

11. SUBSEQUENT EVENTS

Management has evaluated subsequent events for recognition and disclosure to September 20, 2024, which is the date that the financial statements were available to be issued.

Beacon House renovations were substantially complete and the building was occupied as of April 6, 2024.