

Audited Financial Statements

**CENTRE FOR TRAINING AND
INNOVATION**

30 June 2021

CENTRE FOR TRAINING AND INNOVATION

Audited Financial Statements

30 June 2021

C O N T E N T S

	Page
Independent Auditors' Report	1-3
Statement of Financial Position	4
Statement of Income and Accumulated Funds	5
Statement of Cash Flows	6
Notes to Financial Statements	7-17

INDEPENDENT AUDITORS' REPORT

To the Members of
CENTRE FOR TRAINING AND INNOVATION

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Opinion

We have audited the accompanying financial statements of Centre for Training and Innovation ("CTI" or "the Company"), which comprise the statement of financial position as at 30 June 2021, and the statements of income and accumulated funds and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of CTI as at 30 June 2021 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium-sized Entities ("IFRS for SMEs").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). 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 Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* ("IESBA Code"), and we have fulfilled our other responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS for SMEs 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 CTI'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 CTI or to cease operations, or has no realistic alternative but to do so.

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

To the Members of
CENTRE FOR TRAINING AND INNOVATION

Auditors' 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 auditors' 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 ISAs 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 ISA, 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 controls.
- Obtain an understanding of internal controls 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 CTI's internal controls.
- 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 CTI'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 Company 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 achieve fair presentation.

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.

To the Members of
CENTRE FOR TRAINING AND INNOVATION

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

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 controls that we identify during our audit.

19 August 2022

Nassau, The Bahamas



CHARTERED ACCOUNTANTS

CENTRE FOR TRAINING AND INNOVATION

Statement of Financial Position
(Expressed in Bahamian dollars)

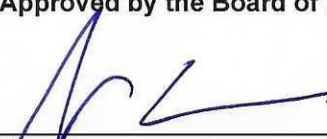
As at 30 June 2021

	Notes	2021 \$	2020 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	314,865	200,718
Accounts and other receivables	6, 11	62,447	44,782
Due from related party	11	245,818	-
		623,130	245,500
NON-CURRENT ASSETS			
Other asset	7	50,025	50,025
Property and equipment, net	8	4,181,809	3,023,473
		4,231,834	3,073,498
TOTAL ASSETS		4,854,964	3,318,998
LIABILITIES AND ACCUMULATED FUNDS			
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and accrued expenses	9	52,712	91,385
Other liabilities		8,879	7,224
Due to related party	11, 12	246,637	-
		308,228	98,609
ACCUMULATED FUNDS			
Unrestricted fund		2,329,488	2,344,114
Restricted funds		2,217,248	876,275
		4,546,736	3,220,389
TOTAL LIABILITIES AND ACCUMULATED FUNDS		4,854,964	3,318,998

COMMITMENTS

13

Approved by the Board of Directors and signed on its behalf by:



Director



Director

19 August 2022

Date

See accompanying notes. Independent Auditors' Report pages 1 through 3.

CENTRE FOR TRAINING AND INNOVATION

Statement of Income and Accumulated Funds
(Expressed in Bahamian dollars)

Year ended 30 June 2021

	Notes	Unrestricted fund		Restricted funds		Total funds	
		2021	2020	2021	2020	2021	2020
		\$	\$	\$	\$	\$	\$
INCOME							
Donations	10	1,425,117	1,292,714	1,680,754	540,759	3,105,871	1,833,473
Tuition and fees		42,954	69,139	-	-	42,954	69,139
Hotel	16	66,861	89,410	-	-	66,861	89,410
Other	5, 7, 16	83,265	437,796	-	-	83,265	437,796
Total Income		1,618,197	1,889,059	1,680,754	540,759	3,298,951	2,429,818
EXPENSES							
Salaries and wages	11	1,117,357	1,329,045	-	-	1,117,357	1,329,045
Donations	14, 16	30,460	4,977	339,781	297,599	370,241	302,576
Office, supplies and postage		124,987	257,011	-	-	124,987	257,011
Contractual services		109,866	209,704	-	-	109,866	209,704
Depreciation	8	66,720	57,554	-	-	66,720	57,554
Utilities		49,440	47,528	-	-	49,440	47,528
Repairs and maintenance		36,104	41,637	-	-	36,104	41,637
Professional fees		29,639	64,263	-	-	29,639	64,263
Insurance		22,373	18,933	-	-	22,373	18,933
Other	16	17,517	10,148	-	-	17,517	10,148
Travel		11,136	7,430	-	-	11,136	7,430
Seminars and training		5,588	15,865	-	-	5,588	15,865
Rent	13	5,300	11,950	-	-	5,300	11,950
Advertisement and marketing		3,173	3,916	-	-	3,173	3,916
School		3,163	7,430	-	-	3,163	7,430
Projects		-	36,891	-	-	-	36,891
Total Expenses		1,632,823	2,124,282	339,781	297,599	1,972,604	2,421,881
SURPLUS (DEFICIT) OF INCOME OVER EXPENSES	10	(14,626)	(235,223)	1,340,973	243,160	1,326,347	7,937
ACCUMULATED FUNDS, Beginning of the year		2,344,114	2,579,337	876,275	633,115	3,220,389	3,212,452
ACCUMULATED FUNDS, End of the year		2,329,488	2,344,114	2,217,248	876,275	4,546,736	3,220,389

See accompanying notes. Independent Auditors' Report pages 1 through 3.

CENTRE FOR TRAINING AND INNOVATION

Statement of Cash Flows
(Expressed in Bahamian dollars)

Year ended 30 June 2021

	Notes	2021 \$	2020 \$
CASH AND CASH EQUIVALENTS PROVIDED BY (USED IN):			
OPERATING ACTIVITIES			
Surplus of income over expenses		1,326,347	7,937
Adjustment for non-cash items:			
Interest income	5	(152)	(76)
Dividend income	7	-	(61)
Depreciation	8	66,720	57,554
Gain on sale of vehicle		-	(939)
Changes in operating assets and liabilities:			
(Increase)/decrease in accounts and other receivables		(17,665)	7,535
Increase in due from related party		(245,818)	-
Decrease in accounts payable and accrued expenses		(38,673)	(14,026)
Increase in other liabilities		1,655	7,224
Increase in due to related party		246,637	-
Interest received	5	152	76
Dividend received	7	-	61
Net cash provided by operating activities		1,339,203	65,285
INVESTING ACTIVITIES			
Additions to property and equipment	8	(1,225,056)	(183,655)
Proceeds from disposal of property and equipment		-	940
Decrease in other asset		-	1,800
Net cash used in investing activities		(1,225,056)	(180,915)
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS DURING THE YEAR			
		114,147	(115,630)
Cash and cash equivalents, beginning of the year		200,718	316,348
CASH AND CASH EQUIVALENTS, END OF THE YEAR			
		314,865	200,718

See accompanying notes. Independent Auditors' Report pages 1 through 3.

CENTRE FOR TRAINING AND INNOVATION

Notes to Financial Statements

30 June 2021

1. GENERAL INFORMATION AND NATURE OF OPERATIONS

The Centre for Training and Innovation (“CTI” or the “Company”) was incorporated on 4 May 2016, in the Commonwealth of The Bahamas as a company limited by guarantee. Therefore, CTI has no authorized capital but is limited by guarantee whereby each member has agreed that in the event of the Company’s winding up, and its liabilities exceed its assets, to contribute up to ten dollars (\$10) each. The One Eleuthera Foundation (“OEF”), a related party, was appointed as one of its founding members. At 30 June 2021 CTI had 4 founding members (2020: 4).

CTI program provides tertiary level educational and vocational training to students on Eleuthera providing personal and social skill developments whilst instilling a spirit of independence, innovation and community development, and accommodates the needs of the labor market through its programs and courses.

The registered office of CTI is located at 3 Bayside Executive Park, West Bay Street and Blake Road, P.O. Box N-4875 Nassau, The Bahamas. CTI’s business office is located at Mingo Drive and Queens Highway, Rock Sound, Eleuthera.

2. STATEMENT OF COMPLIANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Company’s financial statements are presented in accordance with International Financial Reporting Standards for Small and Medium-sized Entities (“IFRS for SMEs”) as issued by the International Accounting Standards Board (“IASB”) and prepared under the historical cost convention and are presented in Bahamian dollars, the Company’s functional currency. The Board of Directors determined that IFRS for SMEs is the appropriate financial reporting standard rather than full IFRS because the Company’s activities are fairly simple and limited in scope and do not encompass the wide array of business activities that is contemplated by full IFRS.

3. NEW AND REVISED STANDARDS OR INTERPRETATIONS

The IASB has not made amendments to the IFRS for SME’s during the year.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied, unless otherwise stated.

Management’s use of judgments and estimates

The Company uses accounting estimates and assumptions in the preparation of these financial statements. Although these estimates are based on management’s best knowledge of current events and transactions, actual results may ultimately differ from those estimates. The effect of any changes in estimates will be recorded in the Company’s financial statements when determinable.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

CENTRE FOR TRAINING AND INNOVATION

Notes to Financial Statements

30 June 2021

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Management's use of judgments and estimates (continued)

The following presents a summary of these significant estimates and judgments:

Estimates

Estimation of useful lives of property and equipment

Useful lives of property and equipment are estimated based on the period over which these assets are expected to be available for use.

Judgments

Operating lease commitments - Company as lessee

Management exercises judgment in determining whether substantially all the significant risks and rewards of ownership of the leased assets are transferred to the Company. Lease contracts, which transfer to the Company substantially all the significant risks and rewards incidental to ownership of the leased items, are classified as finance leases. Otherwise, they are considered as operating leases.

The Company entered into an agreement with a partner organization to lease a classroom space for one of its programs, and determined, based on an evaluation of the terms and conditions of the arrangement, that the lessor retains all the significant risks and rewards of ownership of the property and therefore accounts for the contract as an operating lease.

Cash and cash equivalents

Cash and cash equivalents are comprised of depository accounts with banks, other financial institutions and cash on hand which are subject to an insignificant risk of change in value.

Accounts and other receivables and Other asset

Accounts and other receivables and Other asset are recognized initially at the transaction price. They are subsequently measured at amortized cost using the effective interest method, less provision for doubtful debts. A provision for doubtful debts is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the financial asset.

Property and equipment, net

Property and equipment are tangible assets like land, buildings, machinery and equipment, vehicles, small and large appliances and construction in progress.

Land is stated at cost and not depreciated. When acquiring land, certain costs are ordinary and necessary and are capitalized and part of the total cost of the real property. These costs include the cost of the land, title fees, legal fees, survey costs, and zoning fees. Also included are site preparation costs like grading and draining, or the cost to raze an old structure. All of these costs may be considered ordinary and necessary to get the land ready for its intended use.

CENTRE FOR TRAINING AND INNOVATION

Notes to Financial Statements

30 June 2021

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and equipment, net (continued)

Buildings, machinery and equipment and vehicles are initially recorded at cost, less accumulated depreciation in the statement of financial position. All costs associated with the purchase or construction shall be considered, including ancillary costs such as freight and transportation charges, site preparation expenditures, installation charges, professional fees, and legal costs directly attributable to asset acquisition.

Where an item of property, and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value is not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

Capital projects will be capitalized as "construction in progress" until completed. Costs to be capitalized include direct costs, such as labor, materials, and transportation and indirect costs such as engineering and construction management. Construction in progress relates to assets not yet placed in service. In addition, preliminary planning, professional fees and other costs which are, or are anticipated to be, associated with acquiring and developing the project are also capitalized in construction in progress. In the event alternative schemes are implemented, aborted construction in progress costs will be expensed. No depreciation is charged on construction in progress, as there is no consumption of the economic benefit until the asset reaches practical completion.

Repair costs for property and equipment will be subject to capitalization when the repair extends the useful life of the related asset. The cost is recorded as an increase to the appropriate asset account.

CTI capitalizes all expenditure on property and equipment with a cost greater than or equal to \$2,500 and a useful life of at least three (3) years, unless otherwise stipulated by a grant. When an asset is purchased through a grant, the grant's capitalization rules apply. CTI will conduct a regular inventory of its property and equipment and maintain a central list which includes date of purchase, registration numbers, warranty information, original cost, and the assets' estimated useful lives.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts. These are included in the statement of comprehensive income and accumulated funds. Donated assets and capitalized donated leases are recorded at their estimated fair values at the date of donation.

Depreciation and amortization are computed on a straight-line basis using the assets' estimated useful lives as follows:

	Years
Buildings	20 - 50 years
Machinery and equipment	10 - 25 years
Vehicles	3 - 6 years
Small and large appliances	2 years

CENTRE FOR TRAINING AND INNOVATION

Notes to Financial Statements

30 June 2021

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and equipment, net (continued)

When assets are retired or otherwise disposed of, the costs and related accumulated depreciation are removed from the accounts and any resulting gain or loss is credited or charged to operations.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the Company. All other leases are classified as operating leases.

Rights to assets held under finance leases are recognized as assets of the Company at the fair value of the leased property (or, if lower, the present value of minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in statement of income and accumulated funds. Assets held under finance leases are included in property, plant and equipment, and depreciated and assessed for impairment losses in the same way as owned assets.

Rent payable or paid under operating leases are charged to statement of income and accumulated funds on a straight-line basis over the term of the relevant lease.

Impairment of non-financial assets

An assessment is made at each reporting date to determine whether there is any indication of impairment of any assets. If any such indication exists, the asset's recoverable amount is estimated. An asset's recoverable amount is computed as the higher of the asset's value in use or its net selling price. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

An assessment is made at each reporting date to determine whether there is any indication of impairment of any assets. If any such indication exists, the asset's recoverable amount is estimated. An asset's recoverable amount is computed as the higher of the asset's value in use or its net selling price.

An impairment loss is recognized only if the carrying amount of an asset exceeds its recoverable amount.

An impairment loss is charged to operations in the period in which it arises unless the asset is carried at a revalued amount in which case the impairment is charged to the revaluation increment of the said asset.

A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount of an asset, however, not to an amount higher than the carrying amount that would have been determined (net of any depreciation).

CENTRE FOR TRAINING AND INNOVATION

Notes to Financial Statements

30 June 2021

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of non-financial assets (continued)

A reversal of an impairment loss is credited to current operations.

Accounts payable and accrued expenses

Accounts payable and accrued expenses are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

Restricted funds

Restricted funds are donations and gifts received by the Company upon which the donors have imposed restrictions on their expenditure. The receipt and expenditure of restricted funds are reported in the statement of income and accumulated funds except for the expenditure of restricted funds to purchase capital assets. The receipt of such funds is reported as income and once the capital assets are acquired an amount equal to the cost of the capital assets is transferred from the Accumulated Funds-Restricted Funds to the Accumulated Funds-Unrestricted Fund.

Unrestricted fund

The Unrestricted Fund comprises donations and gifts upon which the donors have not imposed any restrictions on their expenditure. The Accumulated Fund-Unrestricted comprises the surplus of unrestricted income over expenses and Restricted Funds received for the purchase of capital assets that have been acquired.

Income

Income arises mainly from donations, gifts, grants, hotel and tuition fees.

Income is recognized to the extent that it is probable that the economic benefits will flow to the Company and the income can be reliably measured. The following specific recognition criteria must also be met before income is recognized:

Donations, gifts and grants

Donations, gifts and grants are recorded as income upon receipt or when receipt is reasonably determined.

Donations and grants with performance-related conditions are recorded as income upon receipt and when receipt is reasonably determined and when the performance-related conditions are met.

Expenses

Expenses are recognized in the statement of income and accumulated funds upon utilization of the service or at the date of their origin.

Other income and expenses

Other income and expenses are recorded on the accrual basis.

CENTRE FOR TRAINING AND INNOVATION

Notes to Financial Statements

30 June 2021

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Taxes and Value Added Tax

There are no income taxes imposed on the Company in the Commonwealth of The Bahamas. On 1 January 2015, the Value Added Tax ("VAT") Act came into force and essentially all goods and services in The Bahamas became subject to VAT at the rate of 7.5%. The Company, as a not-for-profit entity, is not considered assessable to VAT on its revenue but is subject to VAT on the purchase of goods and services. Effective 1 July 2018, the regular VAT rate increased from 7.5% to 12%.

Related party transactions

Transactions between related parties are based on terms similar to those offered to nonrelated parties. Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions and the parties are subject to common control or common significant influence.

Post-reporting date events

Post-reporting date events that provide additional information about the Company's position at the reporting date (adjusting event) are reflected in the financial statements. Post-reporting date events that are not adjusting events, if any, are disclosed when material to the financial statements.

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at 30 June 2021 are comprised of the following:

	2021	2020
	\$	\$
RBC Royal Bank (Bahamas) Limited - current	237,754	167,748
RBC Royal Bank (Bahamas) Limited - current (restricted account)	42,661	-
One Eleuthera Cooperative Credit Union Limited - savings	24,100	22,620
RBC Royal Bank (Bahamas) Limited - fixed deposit	10,000	10,000
Cash on hand	350	350
	<u>314,865</u>	<u>200,718</u>

The current account with RBC Royal Bank (Bahamas) Limited is non-interest bearing. Another RBC Royal Bank (Bahamas) Limited non-interest bearing current account was opened in January 2021 to hold restricted funds related to the Cravo Cooling House project. The RBC Royal Bank (Bahamas) Limited - fixed deposit is held as security for the Company's credit card facility and is non-interest bearing.

During the year, the savings account with One Eleuthera Cooperative Credit Union Limited ("OECCUL"), a related party, earns interest at 0.5% annually (2020: 0.5%). Interest income earned and received from the savings account during the year amounted to \$152 (2020: \$76), which is presented as other income in the Company's Statement of Income and Accumulated Funds.

CENTRE FOR TRAINING AND INNOVATION

Notes to Financial Statements

30 June 2021

6. ACCOUNTS AND OTHER RECEIVABLES

Accounts and other receivables as at 30 June 2021 are comprised of the following:

	2021	2020
	\$	\$
Hotel receivables	41,071	3,041
Services rendered receivables	9,905	9,260
Prepayments	9,624	-
Professional / academic receivables	615	726
Others	541	1,139
Vocational/ technical receivables	522	2,640
Culinary receivables	151	2,356
Hospitality receivables	18	25,620
	62,447	44,782

The Company's accounts and other receivables have been reviewed by management for indicators of impairment. Certain accounts when found to be impaired are identified and an impairment loss recorded. Management estimated that there were no impairment losses during the year.

7. OTHER ASSET

As at 30 June 2021, other asset amounted to \$50,025 (2020: \$50,025), which comprises an investment in member shares with OECCUL, which is recorded at cost.

During the year, the Company earned and received dividends on these shares amounting to Nil (2020: \$61) and are recognized in the Statement of Income and Accumulated Funds as other income.

CENTRE FOR TRAINING AND INNOVATION

Notes to Financial Statements

30 June 2021

8. PROPERTY AND EQUIPMENT, net

Property and equipment, net, as at 30 June 2021 are comprised of the following:

	Land	Buildings	Machinery and Equipment	Vehicles	Small and Large Appliances	Construction in progress	Total
	\$	\$	\$	\$	\$	\$	\$
Cost:							
Balance at 30 June 2019	986,228	1,887,399	87,850	29,500	61,826	-	3,052,803
Additions during the year	-	183,655	-	-	-	-	183,655
Disposals during the year	-	-	-	(12,000)	-	-	(12,000)
Balance at 30 June 2020	986,228	2,071,054	87,850	17,500	61,826	-	3,224,458
Additions during the year	-	105,297	32,007	46,601	3,750	1,037,401	1,225,056
Balance at 30 June 2021	986,228	2,176,351	119,857	64,101	65,576	1,037,401	4,449,514
Accumulated depreciation and impairment:							
Balance at 30 June 2019	-	(110,328)	(18,339)	(14,267)	(12,496)	-	(155,430)
Depreciation for the year	-	(40,753)	(6,809)	(3,967)	(6,025)	-	(57,554)
Disposals during the year	-	-	-	11,999	-	-	11,999
Balance at 30 June 2020	-	(151,081)	(25,148)	(6,235)	(18,521)	-	(200,985)
Depreciation for the year	-	(46,634)	(8,681)	(4,313)	(7,092)	-	(66,720)
Balance at 30 June 2021	-	(197,715)	(33,829)	(10,548)	(25,613)	-	(267,705)
Net carrying values:							
At 30 June 2021	986,228	1,978,636	86,028	53,553	39,963	1,037,401	4,181,809
At 30 June 2020	986,228	1,919,973	62,702	11,265	43,305	-	3,023,473

OEF and CTI have a joint project to construct a one-acre retractable roof greenhouse called Cravo Cooling House ("CCH"). This project will be carried out in three phases, construction, outfitting, and operations. It is an estimated \$2.5 to \$3.0 million investment that will revolutionize the farming industry on Eleuthera and hopefully the Bahamas and will be used to assist with increasing food security on the island of Eleuthera. CCH will allow crops to be grown year-round thus increasing our harvest yields, and protecting crops from extreme weather conditions. The project commenced in April 2021 and its funding was sourced from the restricted donations for the said project.

CENTRE FOR TRAINING AND INNOVATION

Notes to Financial Statements

30 June 2021

9. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses as at 30 June 2021 are comprised of the following:

	2021	2020
	\$	\$
Accounts payable	44,212	91,385
Accrued expenses	8,500	-
	52,712	91,385

10. RESTRICTED FUNDS

During the year, CTI received donations in the amount of \$1,680,754, to assist with its restricted programs (2020: \$540,759).

During the year, the Company's surplus of income over expenses for restricted funds amounted to \$1,340,973 (2020: \$243,160).

11. RELATED PARTY BALANCES AND TRANSACTIONS

The Company's related party balances and transactions are comprised of the following:

		2021	2020
	Related party	\$	\$
Balances			
Accounts receivable	One Eleuthera Foundation	20,241	9,260
Due from related party	One Eleuthera Foundation of the U.S.	245,818	-
Due to related party	One Eleuthera Foundation	246,637	-
Transactions			
Salaries and wages	Key management personnel	169,700	179,233

12. DUE TO RELATED PARTY

As at 30 June 2021, the Company's due to related party balance with One Eleuthera Foundation includes an on-demand, short term, unsecured and non-interest bearing cash advances amounting to \$232,150. The remaining balance amounting to \$14,487 pertains to payable on purchases made by the related party on behalf of the Company.

13. LEASE COMMITMENT

Operating Lease

CTI entered into an agreement with South Eleuthera Emergency Partners, Wemyss Bight for a cost of \$500 a month for the use of the property to hold classes. This agreement was ended in April 2021. During the year, the Company incurred rent expense amounting to \$5,300 (2020: \$11,950).

CENTRE FOR TRAINING AND INNOVATION

Notes to Financial Statements

30 June 2021

14. DONATIONS EXPENSES

During the year, the Foundation incurred donation expenses as follows:

	2021	2020
	\$	\$
Unrestricted donation expenses	30,460	4,977
Restricted donation expenses	339,781	297,599
	370,241	302,576

15. IMPACT OF THE NOVEL CORONAVIRUS 2019 ("COVID-19") PANDEMIC

In March 2020, The World Health Organization declared the outbreak of the COVID-19, a pandemic. The Bahamas Government attempted to mitigate the COVID-19 spread by implementing lockdowns, ceasing intra-island travel, closure of certain types of businesses; limiting other business activities and only allowing essential businesses to operate. These measures brought significant uncertainty which resulted in Management deciding to close the "Tea Room" Restaurant indefinitely, and downsizing the Company's Hotel business staff, which resulted in some 39% of the staff being laid off. As of 30 June 2021, 41%, of the referenced staff members have been rehired.

16. RECLASSIFICATION OF PRIOR PERIOD PRESENTATION

Certain prior period amounts have been reclassified for consistency with the current period presentation. These reclassifications had no effect on the reported results of operations of the Company.

	2020 (After reclassification)	2020 (Before reclassification)	Net effect
	\$	\$	\$
Income			
Hotel	89,410	-	89,410
Other	437,796	527,206	(89,410)
	527,206	527,206	-
Expenses			
Charitable contributions (Unrestricted fund)	-	4,977	4,977
Donations (Unrestricted fund)	4,977	-	(4,977)
Other (Restricted fund)	-	297,599	297,599
Donations (Restricted fund)	297,599	-	(297,599)
	302,576	302,576	-

CENTRE FOR TRAINING AND INNOVATION

Notes to Financial Statements

30 June 2021

17. POST-REPORTING DATE EVENTS

The Company evaluated the impact of all post-reporting date events from 1 July 2021 and up to 19 August 2022, the date of authorization of these financial statements that require adjustments or disclosure in the financial statements

The National Insurance Board biennial adjustment was effective 1 July 2022 to the wage ceiling. Employees whose income exceeds \$710 weekly or \$3,077 monthly were adjusted to the new wage ceiling of \$740 weekly or \$3,207 monthly.

Effective January 1, 2022, the VAT Bill and Regulations was amended, changing the rate from 12% to 10%.

The CCH project is 95% completed as of August 2022, and is scheduled to be operational in September 2022.

Independent Auditors' Report pages 1 through 3.