

Audited Financial Statements

ONE ELEUTHERA FOUNDATION

June 30, 2017

ONE ELEUTHERA FOUNDATION

Audited Financial Statements

June 30, 2017

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INDEPENDENT AUDITORS' REPORT

To the Directors of
ONE ELEUTHERA FOUNDATION

Opinion

We have audited the accompanying financial statements of One Eleuthera Foundation ("the Foundation"), which comprise the statement of financial position as at June 30, 2017, and the statements of income and retained 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 the Foundation as at June 30, 2017 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 Foundation 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 the Foundation'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 Foundation or to cease operations, or has no realistic alternative but to do so.

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

To the Directors of
ONE ELEUTHERA FOUNDATION

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 it 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 the Foundation'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 the Foundation'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 Foundation 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 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 Directors of
ONE ELEUTHERA FOUNDATION

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.

November 1, 2019

Nassau, The Bahamas

A handwritten signature in blue ink that reads "Baker Tilly". Below the signature, the words "CHARTERED ACCOUNTANTS" are printed in a bold, black, sans-serif font.

ONE ELEUTHERA FOUNDATION

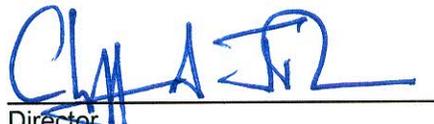
Statement of Financial Position
(Expressed in Bahamian dollars)

June 30, 2017

	Notes	2017 \$	2016 \$
ASSETS			
CURRENT ASSETS			
Cash	5, 11	792,960	1,024,565
Accounts receivable		3,053	138
Other assets		2,851	900
		<u>798,864</u>	<u>1,025,603</u>
NON-CURRENT ASSET			
Property and equipment, net	6	-	248
TOTAL ASSETS		<u>798,864</u>	<u>1,025,851</u>
LIABILITIES AND ACCUMULATED FUND BALANCE			
LIABILITIES			
Bank overdraft	5	-	8
Due to Centre for Training and Innovation	7, 11	-	209,255
Funds held for third parties	8	584,092	502,194
Accounts payable and accrued expenses	9	17,275	9,112
		<u>601,367</u>	<u>720,569</u>
ACCUMULATED FUND BALANCE		<u>197,497</u>	<u>305,282</u>
TOTAL LIABILITIES AND ACCUMULATED FUND BALANCE		<u>798,864</u>	<u>1,025,851</u>

These financial statements were approved on behalf of the Board of Directors on November 1, 2019 by:


Director


Director

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

ONE ELEUTHERA FOUNDATION

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

Year ended June 30, 2017

	Notes	Unrestricted fund		Restricted funds		Total funds	
		2017	2016	2017	2016	2017	2016
		\$	\$	\$	\$	\$	\$
INCOME AND GIFTS							
Donations and gifts	10	1,147,260	710,401	-	-	1,147,260	710,401
Social purpose trading activities		-	-	176,396	118,954	176,396	118,954
Other income		92,903	3,444	-	-	92,903	3,444
Total Income and Gifts		1,240,163	713,845	176,396	118,954	1,416,559	832,799
EXPENSES							
Donations	10, 11	820,261	23,271	-	-	820,261	23,271
Hosted and sponsored programs	10	107,926	129,629	150,006	160,487	257,932	290,116
Salaries and wages	11	254,910	272,226	-	-	254,910	272,226
Consultation fees		58,719	29,419	-	-	58,719	29,419
Meetings and travel		44,045	53,773	-	-	44,045	53,773
Advertisement and marketing		28,453	33,093	-	-	28,453	33,093
Merchandise		19,829	4,043	-	-	19,829	4,043
Facilities and utilities		9,660	13,748	-	-	9,660	13,748
Audit fees		9,000	8,438	-	-	9,000	8,438
Supplies		8,111	11,129	-	-	8,111	11,129
Repair and maintenance		5,326	3,932	-	-	5,326	3,932
Bank charges		4,794	4,258	-	-	4,794	4,258
Miscellaneous		2,698	150	-	-	2,698	150
Business license		358	1,051	-	-	358	1,051
Depreciation	6	248	234	-	-	248	234
Total Expenses		1,374,338	588,394	150,006	160,487	1,524,344	748,881
SURPLUS (DEFICIT) OF INCOME OVER EXPENSES		(134,175)	125,451	26,390	(41,533)	(107,785)	83,918
Transfers between unrestricted to restricted funds during the year		-	(41,533)	-	41,533	-	-
ACCUMULATED FUND BALANCE, beginning of the year		260,955	221,364	44,327	-	305,282	221,364
ACCUMULATED FUND BALANCE, end of the year		126,780	305,282	70,717	-	197,497	305,282

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

ONE ELEUTHERA FOUNDATION

Statement of Cash Flows
(Expressed in Bahamian dollars)

Year ended June 30, 2017

	Notes	2017 \$	2016 \$
CASH PROVIDED BY (USED IN):			
OPERATING ACTIVITIES			
Surplus (deficit) of income over expenses		(107,785)	83,918
Adjustment for non-cash item:			
Depreciation	6	248	234
Changes in operating assets and liabilities:			
(Increase) decrease in accounts receivable		(2,915)	912
Increase in other assets		(1,951)	-
(Decrease) increase in due to Centre for Training and Innovation		(209,255)	209,255
Increase (decrease) in Funds held for third parties		81,898	(242)
(Decrease) increase in accounts payable and accrued expenses	9	8,163	(8,696)
Net cash (used in) provided by operating activities		(231,597)	285,381
NET (DECREASE) INCREASE IN CASH DURING THE YEAR			
		(231,597)	285,381
Cash, beginning of the year		1,024,557	739,176
CASH, END OF THE YEAR			
		792,960	1,024,557
CASH POSITION REPRESENTED BY:			
Cash	5	792,960	1,024,565
Bank overdraft	5	-	(8)
		792,960	1,024,557

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

ONE ELEUTHERA FOUNDATION

Notes to Financial Statements

June 30, 2017

1. GENERAL INFORMATION AND NATURE OF OPERATIONS

One Eleuthera Foundation (“the Foundation”) was incorporated on March 14, 2012 under the Companies Act 1992, of the Commonwealth of The Bahamas. The Foundation was established to invest in unique, high quality projects that strengthen Eleuthera’s communities and further the economic, environmental and social development of the island.

The registered office of the Foundation is located at 3 Bayside Executive Park, West Bay Street and Blake Road, P.O. Box N-4875 Nassau, The Bahamas.

2. STATEMENT OF COMPLIANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS

The Foundation’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 Foundation’s functional currency.

3. CHANGES IN ACCOUNTING POLICIES

Overall considerations

On May 2015, IASB issued the 2015 Amendments to the International Financial Reporting Standard for Small and Medium-sized Entities. Entities reporting using the IFRS for SMEs are required to apply the amendments for annual periods beginning on or after January 1, 2017. Earlier application is permitted.

Each individual amendment only affects a few paragraphs and in many cases only few words except for the following:

- allowing an option to use the revaluation model for property, plant and equipment in Section 17: Property, Plant and Equipment;
- aligning the main recognition and measurement requirements for deferred income tax with IAS 12, *Income Taxes*; and
- aligning the main recognition and measurement requirements for exploration and evaluation assets with IFRS 6, *Exploration for and Evaluation of Mineral Resources*.

Management anticipates that the other relevant amendments will be adopted in the Foundation’s accounting policies for the first period beginning after the effective date and are not expected to have a material impact on the Foundation’s financial statements.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements prepared by the Foundation are in accordance with the IFRS for SMEs issued by the IASB. The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

ONE ELEUTHERA FOUNDATION

Notes to Financial Statements

June 30, 2017

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Management's use of judgments and estimates

The Foundation uses accounting estimates and assumptions in the preparation of these combined 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 Foundation'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.

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

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.

Cash

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

Accounts receivable

Accounts receivable 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 Foundation will not be able to collect all amounts due according to the original terms of the receivables.

Property and equipment, net

Property and equipment are initially recognized at cost less depreciation and amortization in the statement of financial position. Cost includes the value of consideration exchanged. The cost of self-constructed assets includes the cost of materials and direct labor, and any other cost directly attributed to bringing the asset to a working condition for its intended use. All other subsequent expenditures are expensed in the period in which they are incurred.

Depreciation and amortization are computed on a straight-line basis using an estimated useful life of 3 years for the computer equipment.

ONE ELEUTHERA FOUNDATION

Notes to Financial Statements

June 30, 2017

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of 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.

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 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).

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

Funds held for third parties

Funds held for third parties are funds received by the Foundation from its partner organizations used to benefit individual beneficiaries on a non-contractual basis or are payments to organizations that are intended to enable the Foundation to provide services or make grants to their beneficiaries for a social purpose on a non-contractual basis. Although an organization's commitments to provide services or grants are not always legally binding under contract, a liability can still arise if the charity has no realistic alternative to settling an obligation resulting from a commitment it has made.

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 the assets and liabilities administered by the Foundation for a specific program or social purpose.

ONE ELEUTHERA FOUNDATION

Notes to Financial Statements

June 30, 2017

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Unrestricted funds

Unrestricted funds are the funds administered by the Foundation for general purpose and its daily operations

Income and restricted gifts

Income arises mainly from donations and restricted gifts.

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

Donations and gifts

Donation and gifts income are recognized upon cash receipt from the respective donors throughout the period. These donations are collected to assist the Foundation's daily operations.

Social purpose trading activities

These are donations and gifts received by the Foundation and are restricted for specific purpose or activity and are recorded upon cash receipt from the respective donors throughout the period.

Expenses

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

Donation expense

Donation expenses are recorded upon the cash payment to provide other charitable organizations with monetary sponsorship.

Other income and expenses

Income and expenses are recorded on the accrual basis.

Income Taxes and Value Added Tax

There are no income taxes imposed on the Foundation in The Commonwealth of The Bahamas. On January 1, 2015, the Value Added Tax (VAT) Bill and Regulations became effective in the Commonwealth of The Bahamas with three categories for goods and services: VAT at 7.5%, VAT Exempt and Zero Rated VAT. The Foundation is a charitable organization and is considered a non-taxable entity for most transactions. The Foundation is not a VAT registrant, but has registered with the Ministry of Finance for a Tax Identification Number ("TIN"). The Foundation is obligated to comply with the Bill and associated Regulations as a TIN only registrant.

ONE ELEUTHERA FOUNDATION

Notes to Financial Statements

June 30, 2017

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 Foundation'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 BANK OVERDRAFT

Total cash and cash position as at June 30, 2017 are comprised of the following:

	2017	2016
	\$	\$
RBC Royal Bank (Bahamas) Limited - current	682,960	1,024,565
One Eleuthera Cooperative Credit Union Limited	100,000	-
RBC Royal Bank (Bahamas) Limited - fixed deposit	10,000	-
Total cash	792,960	1,024,565
Bank overdraft - Commonwealth Bank	-	(8)
Total cash and cash position	792,960	1,024,557

The current account with RBC Royal Bank (Bahamas) Limited is non-interest bearing. The RBC Royal Bank (Bahamas) Limited - fixed deposit is held as security for the Foundation's credit card facility and is non-interest bearing.

As at June 30, 2017, The Foundation's savings account with One Eleuthera Cooperative Credit Union Limited earn interest at 0.5% annually.

In 2016, interest is charged on bank overdraft at Bahamian Prime Rate plus 1% per annum.

ONE ELEUTHERA FOUNDATION

Notes to Financial Statements

June 30, 2017

6. PROPERTY AND EQUIPMENT, net

Property and equipment, net as at June 30, 2017 are comprised of the following:

	Computer Equipment
	\$
Cost:	
June 30, 2015	1,647
Additions during the year	-
June 30, 2016	1,647
Additions during the year	-
June 30, 2017	1,647
Accumulated depreciation:	
June 30, 2015	1,165
Depreciation for the year	234
June 30, 2016	1,399
Depreciation for the year	248
June 30, 2017	1,647
Net carrying values:	
At June 30, 2017	-
At June 30, 2016	248

7. DUE TO CENTRE FOR TRAINING AND INNOVATION

The Centre for Training and Innovation (CTI) was incorporated on May 4, 2016 in the Commonwealth of The Bahamas as a company limited by guarantee and The Foundation as its Founding Member. As Founding Member, the Foundation selects CTI's Board of Directors and is therefore deemed to be CTI's controlling entity.

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

In 2016, the Foundation served as custodian of funds being raised for CTI that included a capital campaign launched for the purchase of land in Rock Sound, Eleuthera. For the year ended June 30, 2016, the Foundation received \$2,660,339 and disbursed \$2,451,084 on behalf of CTI. During the year, CTI established its own bank account and thus no longer required the Foundation to serve as custodian of its funds.

As at June 30, 2017, funds held by the Foundation due to CTI amounted to Nil (2016: \$209,255).

ONE ELEUTHERA FOUNDATION

Notes to Financial Statements

June 30, 2017

8. FUNDS HELD FOR THIRD PARTIES

The Foundation serves as custodian for funds donated for a number of incorporated and unincorporated entities whose activities are not associated with the activities of the Foundation. The disbursement of these funds are directed by the third parties and neither the Foundation nor its directors and officers play a decision making role in the disbursement of these funds. The entities for whom the Foundation serves as custodian and their activities for the year ended June 30, 2017 are as follows:

Entity	At June 30, 2016 \$	Funds received during the year \$	Funds disbursed during the year \$	At June 30, 2017 \$
Space to Create	456,484	714	(99,186)	358,012
Cotton Bay Fund for South Eleuthera	-	279,092	(107,750)	171,342
South Eleuthera Mission	-	44,794	(5,000)	39,794
Jail House Cupid's Cay	9,944	-	-	9,944
Exec. Nonprofit Leadership Course	-	5,000	-	5,000
Scholarships - CTI	17,910	-	(17,910)	-
The One Eleuthera Cooperative Credit Union Ltd.	11,928	-	(11,928)	-
Bahamas Habitat	5,928	-	(5,928)	-
	502,194	329,600	(247,702)	584,092

Space to Create

This is an arts summer camp on Harbour Island, North Eleuthera, established by Will Simmons, an art teacher and a resident of Harbour Island in 2010.

Cotton Bay Fund for South Eleuthera

Cotton Bay Fund for South Eleuthera (CBFSE) is the successor organization to the Cotton Bay Fund (CBF) that was dissolved in 2016. Prior to its dissolution, CBF nominated OEF to receive, raise funds and make grants to and for the betterment of the residents of South Eleuthera. In 2016, OEF accepted to carry on the mandate of CBF until CBFSE has been established as a donor designated fund. The Foundation was authorized to solicit funds from persons who previously made donations to CBF.

South Eleuthera Mission

South Eleuthera Mission is a nonprofit organization that was incorporated in 2008. It was established as a facility to serve as a catalyst for further educational and community development. While the core focus is attainment of advanced educational level for all students, it has become necessary to repurpose the organization from an activity center to a coordinating center.

Jail House Cupid's Cay

Jail House Cupid's Cay program pertains solely to the restoration of the Old Jail House on Cupid's Cay in partnership with the Governor's Harbour Historical Society.

ONE ELEUTHERA FOUNDATION

Notes to Financial Statements

June 30, 2017

8. FUNDS HELD FOR THIRD PARTIES (continued)

Exec. Nonprofit Leadership Course

The Foundation applied to Cotton Bay Fund for South Eleuthera and received a grant to conduct a workshop for nonprofit organizations. Dan Prater of Drury University, The Centre for Nonprofit Leadership, Springfield, MO., USA was the instructor.

Scholarships - CTI

This represents funds received from donors to underwrite scholarships for residents of Eleuthera to attend vocational programs put on by CTI. The scholarship recipients are selected by the CTI Registrar department.

The One Eleuthera Cooperative Credit Union Ltd. (OECFUL)

The OECFUL is a non-profit cooperative society in the savings and loan business. OECFUL is owned and operated by people who have joined together to save regularly and lend money to each other. The OECFUL is compliant with regulations set by The Central Bank of The Bahamas and works in the same capacity as a regular bank except it is owned and managed by the members of the Credit Union. The establishing of the OECFUL fulfills one of the Foundations' vision for economic development and opportunity for South Eleuthera, laid out in "The Shared Vision".

Bahamas Habitat

Bahamas Habitat is an international service organization that partners with volunteer pilots, aircraft owners and aviation industry professionals to fly their own aircraft and provide dignified humanitarian outreach to the people of the Bahamas, Haiti and Mexico. Bahamas Habitat is a 501(c)(3) organization, and contributions are tax deductible to the extent allowed by law. The Foundation partnered with Bahamas Habitat so that US based donors would have the avenue of making tax write off donations. Bahamas Habitat forwards the donation once received along with all relevant information on the donor for acknowledging and thanking purposes by The Foundation.

9. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable as at June 30, 2017 consist of the following:

	2017	2016
	\$	\$
Accounts payable and accrued expenses	17,275	9,112

10. INCOME AND GIFTS, DONATIONS AND HOSTED AND SPONSORED PROGRAMS EXPENSES

During the year, income and gifts for unrestricted and restricted funds received by the Foundation are comprised of the following:

	2017	2016
	\$	\$
Unrestricted funds	1,147,260	710,401
Restricted funds - Social purpose trading activities	176,396	118,954
	1,323,656	829,355

ONE ELEUTHERA FOUNDATION

Notes to Financial Statements

June 30, 2017

10. INCOME AND GIFTS, DONATIONS AND HOSTED AND SPONSORED PROGRAMS EXPENSES (continued)

Social purpose trading activities include restricted programs and projects for economic development, health and wellness and partner in education.

Donations expense during the year amounting to \$820,261 (2016: \$23,271) was incurred by the Foundation to assist other charitable and non-profit organizations such as CTI (See Note 11).

During the year, the hosted and sponsored programs are as follows:

	2017	2016
	\$	\$
Credit Union	90,717	13,525
South Eleuthera Mission	64,172	79,282
SGK	43,129	-
Breast Cancer Outreach Program	33,771	22,183
Others	12,012	53,014
Earth Day	6,170	10,300
Health and Wellness	5,794	-
Eleuthera Community Farms & Deli	1,929	33,218
SEEP TB	238	32,056
Eleuthera Enterprise Center	-	25,933
Eleuthera Imaging Program	-	17,235
SEEP WB	-	13,613
	257,932	300,359

11. RELATED PARTY BALANCES AND TRANSACTIONS

Related party balances and transactions are comprised of the following:

	Related party	2017	2016
		\$	\$
Balances			
Cash	OECCUL	100,000	-
Due to Centre for Training and Innovation	CTI	-	209,255
Transactions			
Donations expense	CTI	807,898	-
Salaries and wages	Key management personnel	287,800	140,000

The Foundation's offices are located in a building that is owned by CTI. However, CTI does assess a rent charge on the Foundation for its occupancy. The donation expense incurred by the Foundation were disbursements paid on behalf of CTI to support its operations.

12. POST-REPORTING DATE EVENTS

The Foundation evaluated the impact of all post-reporting date events from July 1, 2017 and up to November 1, 2019, the date of authorization of these financial statements that require adjustments in the financial statements.

Five (5) Directors were newly appointed from October 28, 2017 to February 23, 2019 with varying one (1) or two (2) year term periods.

ONE ELEUTHERA FOUNDATION

Notes to Financial Statements

June 30, 2017

12. POST-REPORTING DATE EVENTS (continued)

The Foundation renewed and extended the following partnership agreements:

Entity / Organization	Action	Date executed
Bahamas Plastic Movement	New	July 14, 2017
South Eleuthera Emergency Partners	Extended	November 22, 2017
Island Journeys	Extended	November 23, 2017
Space to Create	Extended	December 13, 2017
Cancer Society of Eleuthera	Renewed	February 21, 2018

The Bahamian Government in its 2018/19 Budget Communication proposed an increase in the regular rate of VAT from the current 7.5% to 12%, effective July 1, 2018. The rate increase and other changes to the VAT regime were announced on May 30, 2018.

Independent Auditors' Report pages 1 through 3.