

Audited Financial Statements

**CENTRE FOR TRAINING AND  
INNOVATION**

30 June 2022

# **CENTRE FOR TRAINING AND INNOVATION**

Audited Financial Statements

30 June 2022

## **C O N T E N T S**

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**INDEPENDENT AUDITORS' REPORT****T:** +1 (242) 322-7516  
**F:** +1 (242) 322-7517To the Members of  
**CENTRE FOR TRAINING AND INNOVATION**info@bakertilly.bs  
**www.bakertilly.bs****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 2022, 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 2022 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 auditors' 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 auditors' 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.

28 July 2023

Nassau, The Bahamas

  
**CHARTERED ACCOUNTANTS**

# CENTRE FOR TRAINING AND INNOVATION

Statement of Financial Position  
(Expressed in Bahamian dollars)

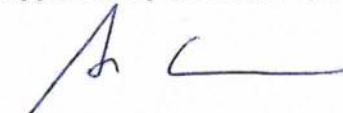
As at 30 June 2022


	Notes	2022 \$	2021 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	138,345	314,865
Accounts and other receivables	6	23,581	52,823
Prepayments	7	615	9,624
Due from related party	12	5,175	245,818
		167,716	623,130
<b>NON-CURRENT ASSETS</b>			
Other asset	8	50,025	50,025
Property and equipment, net	9	5,067,188	4,181,809
		5,117,213	4,231,834
<b>TOTAL ASSETS</b>		5,284,929	4,854,964
<b>LIABILITIES AND ACCUMULATED FUNDS</b>			
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Accounts payable and accrued expenses	10	43,801	52,712
Due to related party	12	150,088	246,637
Other liabilities		-	8,879
		193,889	308,228
<b>ACCUMULATED FUNDS</b>			
Unrestricted fund		1,371,656	2,329,488
Restricted funds		3,719,384	2,217,248
		5,091,040	4,546,736
<b>TOTAL LIABILITIES AND ACCUMULATED FUNDS</b>		5,284,929	4,854,964

## COMMITMENTS

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

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

28 July 2023  
\_\_\_\_\_  
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 2022

	Notes	Unrestricted fund		Restricted funds		Total funds	
		2022	2021	2022	2021	2022	2021
		\$	\$	\$	\$	\$	\$
<b>INCOME</b>							
Donations	11	257,756	1,425,117	1,668,924	1,680,754	1,926,680	3,105,871
Hotel		105,353	66,861	-	-	105,353	66,861
Tuition and fees		44,293	42,954	-	-	44,293	42,954
Agriculture		28,661	9,293	-	-	28,661	9,293
Other	5, 8	42,987	73,972	-	-	42,987	73,972
<b>Total Income</b>		<b>479,050</b>	<b>1,618,197</b>	<b>1,668,924</b>	<b>1,680,754</b>	<b>2,147,974</b>	<b>3,298,951</b>
<b>EXPENSES</b>							
Salaries and related cost	12	1,041,222	1,117,357	-	-	1,041,222	1,117,357
Donations	13, 14	2,075	30,460	166,788	339,781	168,863	370,241
Office, supplies and postage		132,898	124,987	-	-	132,898	124,987
Depreciation	9	79,291	66,720	-	-	79,291	66,720
Utilities		38,618	49,440	-	-	38,618	49,440
Repairs and maintenance		37,866	36,104	-	-	37,866	36,104
Contractual services		35,370	109,866	-	-	35,370	109,866
Other		22,905	17,517	-	-	22,905	17,517
Insurance		22,215	22,373	-	-	22,215	22,373
Professional fees		12,171	29,639	-	-	12,171	29,639
Travel		5,064	11,136	-	-	5,064	11,136
School		4,024	3,163	-	-	4,024	3,163
Advertisement and marketing		1,783	3,173	-	-	1,783	3,173
Seminars and training		1,380	5,588	-	-	1,380	5,588
Rent		-	5,300	-	-	-	5,300
<b>Total Expenses</b>		<b>1,436,882</b>	<b>1,632,823</b>	<b>166,788</b>	<b>339,781</b>	<b>1,603,670</b>	<b>1,972,604</b>
<b>SURPLUS (DEFICIT) OF INCOME OVER EXPENSES</b>	11	<b>( 957,832)</b>	<b>( 14,626)</b>	<b>1,502,136</b>	<b>1,340,973</b>	<b>544,304</b>	<b>1,326,347</b>
<b>ACCUMULATED FUNDS, Beginning of the year</b>		<b>2,329,488</b>	<b>2,344,114</b>	<b>2,217,248</b>	<b>876,275</b>	<b>4,546,736</b>	<b>3,220,389</b>
<b>ACCUMULATED FUNDS, End of the year</b>		<b>1,371,656</b>	<b>2,329,488</b>	<b>3,719,384</b>	<b>2,217,248</b>	<b>5,091,040</b>	<b>4,546,736</b>

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 2022

	Notes	2022 \$	2021 \$
<b>CASH AND CASH EQUIVALENTS PROVIDED BY (USED IN):</b>			
<b>OPERATING ACTIVITIES</b>			
Surplus of income over expenses		544,304	1,326,347
Adjustment for non-cash items:			
Interest income	5	( 275)	( 152)
Depreciation	9	79,291	66,720
Changes in operating assets and liabilities:			
Decrease (increase) in accounts and other receivables		29,242	( 8,041)
Decrease (increase) in prepayments		9,009	( 9,624)
Decrease (increase) in due from related party		240,643	( 245,818)
Decrease in accounts payable and accrued expenses		( 8,911)	( 38,673)
(Decrease) increase in other liabilities		( 8,879)	1,655
Decrease in due to related parties		( 96,549)	246,637
Interest received	5	275	152
Net cash provided by operating activities		788,150	1,339,203
<b>INVESTING ACTIVITY</b>			
Purchases of property and equipment	9	(964,670)	(1,225,056)
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS DURING THE YEAR</b>			
		(176,520)	114,147
Cash and cash equivalents, beginning of the year		314,865	200,718
<b>CASH AND CASH EQUIVALENTS, END OF THE YEAR</b>			
		138,345	314,865

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

# CENTRE FOR TRAINING AND INNOVATION

Notes to Financial Statements

30 June 2022

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## 1. GENERAL INFORMATION AND NATURE OF OPERATIONS

The Centre for Training and Innovation ("CTI" or the "Company"), a non-profit company, was incorporated on 4 May 2016 in the Commonwealth of The Bahamas as a company limited by guarantee and not having a share capital. In the event the Company is wound up, each member of the Company may be required to contribute an amount not exceeding ten dollars (\$10.00).

The One Eleuthera Foundation ("OEF"), a related party, was appointed on 22 June 2018 as one of its founding members. At 30 June 2022, CTI had four (4) founding members (2021: four (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, The Bahamas.

## 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

### Overall considerations

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.

# CENTRE FOR TRAINING AND INNOVATION

Notes to Financial Statements

30 June 2022

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## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### Management's use of judgments and estimates (continued)

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:

#### 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 credit losses. A provision for credit loss 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.

##### **Prepayments**

Prepayments is an asset on the balance sheet that represent expenses that have been paid in advance by a Company before they take delivery of the purchased goods or services.

# CENTRE FOR TRAINING AND INNOVATION

Notes to Financial Statements

30 June 2022

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## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 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.

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 income and accumulated funds.

# CENTRE FOR TRAINING AND INNOVATION

Notes to Financial Statements

30 June 2022

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## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### Property and equipment, net (continued)

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

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.

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.

# CENTRE FOR TRAINING AND INNOVATION

Notes to Financial Statements

30 June 2022

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## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### **Impairment of non-financial assets (continued)**

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.

### **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, farm, hotel, restaurant 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.

# CENTRE FOR TRAINING AND INNOVATION

Notes to Financial Statements

30 June 2022

## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 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.

### Taxation

There are no income taxes imposed on the Company in the Commonwealth of The Bahamas. The Company is subject to Value Added Tax ("VAT") on all purchases of goods and services. Effective 1 January 2022, the VAT Bill and Regulations was amended, changing the rate from 12% to 10%.

### 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 are comprised of the following:

	2022	2021
	\$	\$
<b>Cash and cash equivalents - Unrestricted accounts:</b>		
RBC Royal Bank (Bahamas) Limited - current	98,583	237,754
One Eleuthera Cooperative Credit Union Limited - savings	29,374	24,100
Cash on hand	250	350
	<u>128,207</u>	<u>262,204</u>
<b>Cash and cash equivalents - Restricted accounts:</b>		
RBC Royal Bank (Bahamas) Limited - fixed deposit	10,000	10,000
RBC Royal Bank (Bahamas) Limited - Restricted account	138	42,661
	<u>10,138</u>	<u>52,661</u>
<b>Cash and cash equivalents</b>	<u>138,345</u>	<u>314,865</u>

# CENTRE FOR TRAINING AND INNOVATION

Notes to Financial Statements

30 June 2022

## 5. CASH AND CASH EQUIVALENTS (continued)

The current account with RBC Royal Bank (Bahamas) Limited is non-interest bearing. In January 2021, another non-interest-bearing current account was opened 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 (2021: 0.5%).

Interest income earned and received from the savings account during the year amounted to \$275 (2021: \$152), which is presented as other income in the Company's Statement of Income and Accumulated Funds.

## 6. ACCOUNTS AND OTHER RECEIVABLES

Accounts and other receivables are comprised of the following:

	2022	2021
	\$	\$
Services rendered receivables	12,262	9,905
Hotel receivables	4,090	41,071
Others	2,773	541
Vocational / technical receivables	1,654	522
Agriculture receivables	1,425	-
Professional / academic receivables	1,222	615
Culinary receivables	137	151
Hospitality receivables	18	18
	23,581	52,823

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. PREPAYMENTS

Prepayments are comprised of the following:

	2022	2021
	\$	\$
Prepayments	615	9,624

The prior period balance was reclassified from accounts and other receivables for consistency with the current period presentation (See statement of financial position). This reclassification had no effect on the reported results of operations of the Company.

## 8. OTHER ASSET

As at 30 June 2022, other asset comprise of investment in shares at OECCUL recorded at cost. At a special general meeting held on 30 April 2022, OECCUL was placed into voluntary liquidation, and The Bahamas Co-operative League Limited was appointed as its liquidator.

## CENTRE FOR TRAINING AND INNOVATION

Notes to Financial Statements

30 June 2022

### 9. PROPERTY AND EQUIPMENT, net

Property and equipment, net, are comprised of the following:

	Land	Buildings	Machinery and Equipment	Vehicles	Small and Large Appliances	Construction in progress	Total
	\$	\$	\$	\$	\$	\$	\$
<b>Cost:</b>							
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
Additions during the year	-	-	-	-	6,090	958,580	964,670
Balance at 30 June 2022	986,228	2,176,351	119,857	64,101	71,666	1,995,981	5,414,184
<b>Accumulated depreciation and impairment:</b>							
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)
Depreciation for the year	-	( 48,732)	( 14,273)	( 8,551)	( 7,735)	-	( 79,291)
Balance at 30 June 2022	-	( 246,447)	( 48,102)	( 19,099)	( 33,348)	-	( 346,996)
<b>Net carrying values:</b>							
At 30 June 2022	986,228	1,929,904	71,755	45,002	38,318	1,995,981	5,067,188
At 30 June 2021	986,228	1,978,636	86,028	53,553	39,963	1,037,401	4,181,809

In April 2020, OEF and CTI embarked on a joint project to construct a one-acre retractable roof greenhouse called Cravo Cooling House ("CCH") on land owned by CTI. This project was carried out in three phases; construction, outfitting, and operations. It is a \$2.2 million investment that will revolutionize the farming industry on Eleuthera and hopefully the Bahamas as it 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 Company began growing crops utilizing the CCH in October 2022 and it became fully operational in February 2023.

# CENTRE FOR TRAINING AND INNOVATION

Notes to Financial Statements

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## 10. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses are comprised of the following:

	2022	2021
	\$	\$
Accounts payable	36,986	44,212
Accrued expenses	6,815	8,500
	43,801	52,712

## 11. DONATIONS

### Unrestricted Funds

During the year, CTI received donations in the amount of \$257,756 to assist with its unrestricted programs (2021: \$1,425,117).

During the year, the Company's deficit of income over expenses for unrestricted funds amounted to \$957,832 (2021: \$14,626).

	2022	2021
	\$	\$
Donations	257,756	1,425,117
Deficit of income over expenses	(957,832)	( 14,626)

### Restricted Funds

During the year, CTI received donations in the amount of \$1,668,924 to assist with its restricted programs (2021: \$1,680,754).

During the year, the Company's surplus of income over expenses for restricted funds amounted to \$1,502,136 (2021: \$1,340,973).

	2022	2021
	\$	\$
Donations	1,668,924	1,680,754
Surplus of income over expenses	1,502,136	1,340,973

## 12. RELATED PARTY BALANCES AND TRANSACTIONS

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

	Related Party	2022	2021
		\$	\$
<b>Balances</b>			
Due from related party	One Eleuthera Foundation	5,175	-
Due to related party	One Eleuthera Foundation	150,088	246,637
Due from related party	One Eleuthera Foundation of the U.S.	-	245,818
<b>Transactions</b>			
Donations income - restricted funds	One Eleuthera Foundation of the U.S.	150,000	-
Salaries and related cost	Key management personnel	195,067	169,700

As at 30 June 2022, 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 \$150,088 (2021: \$246,637).

# CENTRE FOR TRAINING AND INNOVATION

Notes to Financial Statements

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## 13. LEASE COMMITMENT

### Operating Lease

CTI ("the Lessee") entered into an agreement with the Roman Catholic Archbishop of Nassau, The Bahamas ("the Lessor") on 2 May 2022 to lease the Blessed Sacrament Roman Catholic Church Parish Hall located in Harbour Island, Eleuthera, The Bahamas, to use as classrooms for providing training in electrical and culinary trades, advanced electric installations, QuickBooks, entrepreneurship and property management.

The lease is for a period of one (1) year and two (2) months until 30 June 2023, for a total cost of \$14,000 to be paid in two equal installments in May 2022 and December 2022, respectively.

During the year, the Company incurred and paid \$7,000, which was recorded under restriction donation expense in the Statement of Income and Accumulated Funds.

## 14. DONATIONS EXPENSES

During the year, the Company incurred donations expenses as follows:

	2022	2021
	\$	\$
Unrestricted donation expenses	2,075	30,460
Restricted donation expenses	166,788	339,781
	168,863	370,241

## 15. POST-REPORTING DATE EVENTS

The Company evaluated the impact of all post-reporting date events from 1 July 2022 and up to 28 July 2023, 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.

The CCH project was completed and became operational in September 2022 with a total cost of \$2.2 million.

On 14 June 2023, CTI renewed the lease agreement with the Lessor for a total cost of \$14,000 for a period of one (1) year to be paid in advance in two (2) equal instalments in July 2023 and December 2023, respectively.

Effective 1 July 2023, the Company's Board of Directors appointed Keyron L. Smith as its acting President / CEO.

On 22 July 2023, CTI received full payment for its investment shares amounting to \$50,025 and savings account amounting to \$29,374 with OECCUL.

Independent Auditors' Report pages 1 through 3.