

Audited Financial Statements

**CENTRE FOR TRAINING AND
INNOVATION**

30 June 2025

CENTRE FOR TRAINING AND INNOVATION

Audited Financial Statements

30 June 2025

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

We have audited the accompanying financial statements of Centre for Training and Innovation ("the Company"), which comprise the statement of financial position as at 30 June 2025, and the statements of operations and accumulated funds and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 30 June 2025, and 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 *Auditors' 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 controls 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company'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 the Company'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 Company'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.

26 September 2025

Nassau, The Bahamas

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

CHARTERED ACCOUNTANTS

CENTRE FOR TRAINING AND INNOVATION

Statement of Financial Position
(Expressed in Bahamian dollars)

30 June 2025

	Notes	2025 \$	2024 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	482,500	604,726
Accounts and other receivable	6	29,523	77,536
Due from related party	11	100,000	86,465
Value added tax receivable	4	5,816	-
		617,839	768,727
NON-CURRENT ASSET			
Property and equipment, net	7	4,908,089	4,991,663
TOTAL ASSETS		5,525,928	5,760,390
LIABILITIES AND ACCUMULATED FUNDS			
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and accrued expenses	8	56,962	57,866
Due to related party	11	24,436	20,077
Other liabilities		7,488	412
Value added tax payable	4	-	3,947
		88,886	82,302
ACCUMULATED FUNDS			
Unrestricted fund		3,101,700	3,515,970
Restricted funds		2,335,342	2,162,118
		5,437,042	5,678,088
TOTAL LIABILITIES AND ACCUMULATED FUNDS		5,525,928	5,760,390

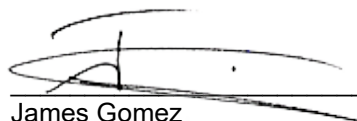
COMMITMENT

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The financial statements were signed as approved on behalf of the Board of Directors:



Kim Williams-Pulfer
Director and Chairperson



James Gomez
Director and Treasurer

26 September 2025

Date

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

CENTRE FOR TRAINING AND INNOVATION

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

Year ended 30 June 2025

	Notes	Unrestricted fund		Restricted funds		Total funds	
		2025	2024	2025	2024	2025	2024
		\$	\$	\$	\$	\$	\$
INCOME							
Donations	9, 11	871,612	1,300,352	498,051	257,840	1,369,663	1,558,192
Hotel		214,678	241,642	-	-	214,678	241,642
Restaurant		149,806	109,224	-	-	149,806	109,224
Agriculture		109,724	148,076	-	-	109,724	148,076
Tuition and fees		27,335	4,469	-	-	27,335	4,469
Other		1,750	2,274	-	-	1,750	2,274
Total Income		1,374,905	1,806,037	498,051	257,840	1,872,956	2,063,877
EXPENSES							
Salaries and related cost	11	1,014,640	1,063,094	-	-	1,014,640	1,063,094
Office, supplies and postage		336,420	278,843	-	-	336,420	278,843
Depreciation	7	180,561	174,727	-	-	180,561	174,727
Repairs and maintenance		64,608	33,921	-	-	64,608	33,921
Utilities		56,637	72,939	-	-	56,637	72,939
Insurance		46,404	43,005	-	-	46,404	43,005
Professional fees		23,153	21,000	-	-	23,153	21,000
Contractual services		21,316	5,278	-	-	21,316	5,278
Other		17,808	39,530	-	-	17,808	39,530
Bad debt expense	6	10,773	-	-	-	10,773	-
Advertising and marketing		8,777	7,990	-	-	8,777	7,990
Travel		6,054	6,115	-	-	6,054	6,115
Seminars and training		1,395	2,044	-	-	1,395	2,044
Donations	10, 12	629	24,829	324,827	106,846	325,456	131,675
School		-	1,234	-	-	-	1,234
Total Expenses		1,789,175	1,774,549	324,827	106,846	2,114,002	1,881,395
(DEFICIT) / SURPLUS OF INCOME OVER EXPENSES	9	(414,270)	31,488	173,224	150,994	(241,046)	182,482
ACCUMULATED FUNDS, beginning of the year		3,515,970	3,484,482	2,162,118	2,011,124	5,678,088	5,495,606
ACCUMULATED FUNDS, end of the year		3,101,700	3,515,970	2,335,342	2,162,118	5,437,042	5,678,088

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 2025

	Notes	2025 \$	2024 \$
CASH AND CASH EQUIVALENTS PROVIDED BY (USED IN):			
OPERATING ACTIVITIES			
(Deficit) / Surplus of income over expenses		(241,046)	182,482
Adjustments for non-cash items:			
Depreciation	7	180,561	174,727
Bad debts expense	6	10,773	-
Changes in operating assets and liabilities:			
Decrease (increase) in accounts and other receivables		37,240	(25,219)
(Increase) decrease in due from related party		(13,535)	117,639
Increase in value added tax receivable		(5,816)	-
Decrease in accounts payable and accrued expenses		(904)	(26,334)
Increase in due to related party		4,359	5,477
Increase (decrease) in other liabilities		7,076	(7,032)
(Decrease) increase in value added tax payable		(3,947)	3,947
Net cash (used in) provided by operating activities		(25,239)	425,687
INVESTING ACTIVITIES			
Purchases of property and equipment	7	(96,987)	(72,822)
Proceeds from investment shares		-	50,025
Net cash used in investing activities		(96,987)	(22,797)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS			
		(122,226)	402,890
Cash and cash equivalents, beginning of the year		604,726	201,836
CASH AND CASH EQUIVALENTS, END OF THE YEAR			
		482,500	604,726

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

CENTRE FOR TRAINING AND INNOVATION

Notes to Financial Statements

30 June 2025

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 to exceed ten dollars (\$10.00).

The One Eleuthera Foundation (“OEF”), a registered non-profit organization in The Bahamas and a related party, was appointed on 22 June 2018 as one of its founding members. At 30 June 2025, CTI had four (4) founding members and three (3) honorary members, which comprise a total of seven (7) members.

The CTI program provides tertiary level educational and vocational training to students on Eleuthera, providing personal and social skill development, whilst instilling a spirit of independence, innovation, and community development, and accommodates the needs of the labor market through its programs and courses. CTI operates training-focused social enterprises that generate revenue to help cover operational and program expenses, supporting long-term sustainability.

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 Company receives a substantial portion of its donations, gifts, and grants (restricted and unrestricted) from foundations and individuals domiciled in the United States of America, which are channeled through One Eleuthera Foundation - US (OEF-US), a nonprofit corporation established under the Non-Profit Corporation Law of the State of North Carolina, USA. Certain directors of the Company also serve as directors of OEF-US.

2. STATEMENT OF COMPLIANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS FOR SMEs AND GOING CONCERN ASSUMPTION

The Company’s financial statements are prepared 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 are contemplated by full IFRS.

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

The Company’s financial statements as at and for the year ended 30 June 2025 are authorized for issue by the Board of Directors effective 26 September 2025.

CENTRE FOR TRAINING AND INNOVATION

Notes to Financial Statements

30 June 2025

3. NEW AND REVISED STANDARDS OR INTERPRETATIONS

New and revised standards that are effective for annual periods beginning on or after 1 July 2024

The Company has adopted the following new amendment to IFRS for SMEs issued by the IASB, which is relevant to and effective for the Foundation's financial statements for the annual period beginning 1 July 2024:

- International Tax Reform - Pillar Two Model Rules - Amendments to the IFRS for SMEs Standard

This amendment does not have a significant impact on the financial statements of the Company; therefore, disclosures have not been made.

Standards, amendments, and interpretations to existing standards that are not yet effective and have not been adopted early by the Company

On 27 February 2025, the IASB issued the third edition of the IFRS for SMEs Accounting Standard. The updates to the Standard were made to reflect amendments made to the full IFRS Accounting Standards, whilst retaining the original objective of simplicity. The key concepts introduced in this update are:

- updating the requirements for the statement of cash flows, consolidated financial statements, financial instruments, and business combinations;
- bringing together the requirements for fair value measurement into a single section; and
- a revised model for revenue recognition.

The third edition of the Standard is effective for annual periods beginning on or after 1 January 2027. The Company will analyze the impact of this new Standard in accordance with Section 10 - Accounting Policies, Estimates and Errors, where applicable. However, the Company expects that it will apply some transition reliefs from retrospective application.

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.

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 2025

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 an office 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

Accounts and other receivables 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.

CENTRE FOR TRAINING AND INNOVATION

Notes to Financial Statements

30 June 2025

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and equipment, net (continued)

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 operations and accumulated funds.

CENTRE FOR TRAINING AND INNOVATION

Notes to Financial Statements

30 June 2025

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 operations 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 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.

CENTRE FOR TRAINING AND INNOVATION

Notes to Financial Statements

30 June 2025

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 operations 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 consists of donations and gifts upon which the donors have not imposed any restrictions on their expenditure. The Accumulated Funds-Unrestricted Fund 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, when receipt is reasonably determined, and when the performance-related conditions are met.

Expenses

Expenses are recognized in the statement of operations 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 in the statement of operations and accumulated funds on an accrual basis.

CENTRE FOR TRAINING AND INNOVATION

Notes to Financial Statements

30 June 2025

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Value Added Tax

There is no income tax 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. The Company has registered with the Ministry of Finance and is a VAT registrant with a VAT Certificate and Tax Identification Number (104088568) effective 1 January 2024. The Company is obligated to comply with the VAT Bill and Associated Regulations. Effective 1 April 2025, the VAT Bill and Regulations was amended, changing the VAT rate for unprepared food from 10% to 5%.

Input VAT that the Company incurs with regard to its vatable purchases of goods and services is offset against the recorded output VAT, and any difference is recognized by the Company as net input VAT (an asset account) or net output VAT (a liability account). Income that is subject to tax imposed on certain countries of origin is recognized net of the corresponding taxes in the statement of operations and accumulated funds. As of 30 June 2025, the net amount of VAT receivable from The Bahamas Government by the Company amounted to \$5,816 (2024: net VAT payable of \$3,947).

Business Licence

Effective 1 July 2023, the Government of The Commonwealth of The Bahamas repealed the Business Licence Act, 2010, and its related amendments and regulations with the Business Licence Act, 2023, and the Business Licence Regulations, 2023 ("the BL Act and Regulations"). Accordingly, all businesses, with turnover greater than \$250,000 but less than \$5,000,000, as defined by the BL Act and Regulations, are now required to submit reviewed financial statements, statement of turnover, and related business licence return for the calendar year ended 31 December.

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.

Related parties include the directors of the Company and other entities in which they served in a similar capacity, and key management personnel.

CENTRE FOR TRAINING AND INNOVATION

Notes to Financial Statements

30 June 2025

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at 30 June 2025 are comprised of the following:

	2025	2024
	\$	\$
Cash and cash equivalents - Unrestricted accounts:		
RBC Royal Bank (Bahamas) Limited - current	35,563	264,851
Bank of the Bahamas - current	15,526	16,934
Cash on hand	4,125	2,050
	<u>55,214</u>	<u>283,835</u>
Cash and cash equivalents - Restricted accounts:		
RBC Royal Bank (Bahamas) Limited - current	417,286	310,891
RBC Royal Bank (Bahamas) Limited - fixed deposit	10,000	10,000
	<u>427,286</u>	<u>320,891</u>
Total cash and cash equivalents	<u>482,500</u>	<u>604,726</u>

The current account with RBC Royal Bank (Bahamas) Limited ("RBC") is non-interest bearing. In January 2021, another non-interest-bearing current account was opened with RBC for the purpose of holding restricted funds. The RBC - fixed deposit is held as security for the Company's credit card facility and is non-interest bearing.

6. ACCOUNTS AND OTHER RECEIVABLE

Accounts and other receivable at 30 June 2025 are comprised of the following:

	2025	2024
	\$	\$
Accounts receivables:		
Hotel receivables	21,674	39,373
Culinary receivables	5,298	10,458
Professional / academic receivables	710	1,948
Services rendered receivables	699	474
Hospitality receivables	17	18
Agriculture receivables	-	19,605
Vocational / technical receivables	-	795
	<u>28,398</u>	<u>72,671</u>
Other receivable:		
Harbour Island Trade School receivables	1,125	4,865
Total accounts and other receivable	<u>29,523</u>	<u>77,536</u>

Certain accounts when found to be impaired, are identified and an impairment loss is recorded. The Company's accounts and other receivable have been reviewed by management for indicators of impairment. During the year, the Company directly wrote-off \$10,773 of its accounts receivable balances (2024: Nil).

CENTRE FOR TRAINING AND INNOVATION

Notes to Financial Statements

30 June 2025

7. PROPERTY AND EQUIPMENT, net

Property and equipment, net, as at 30 June 2025 are comprised of the following:

	Land	Buildings	Machinery and Equipment	Vehicles	Small and Large Appliances	Construction in progress	Total
	\$	\$	\$	\$	\$	\$	\$
Cost:							
Balance at 30 June 2023	986,228	3,810,710	498,883	64,101	71,666	95,194	5,526,782
Additions during the year	-	5,000	-	27,697	-	40,125	72,822
Transfers	-	-	55,509	-	-	(55,509)	-
Balance at 30 June 2024	986,228	3,815,710	554,392	91,798	71,666	79,810	5,599,604
Additions during the year	-	-	21,641	75,346	-	-	96,987
Balance at 30 June 2025	986,228	3,815,710	576,033	167,144	71,666	79,810	5,696,591
Accumulated depreciation:							
Balance at 30 June 2023	-	(323,108)	(41,417)	(27,015)	(41,674)	-	(433,214)
Depreciation for the year	-	(117,428)	(44,431)	(4,583)	(8,285)	-	(174,727)
Balance at 30 June 2024	-	(440,536)	(85,848)	(31,598)	(49,959)	-	(607,941)
Depreciation for the year	-	(116,258)	(49,936)	(7,621)	(6,746)	-	(180,561)
Balance at 30 June 2025	-	(556,794)	(135,784)	(39,219)	(56,705)	-	(788,502)
Net carrying values:							
At 30 June 2025	986,228	3,258,916	440,249	127,925	14,961	79,810	4,908,089
At 30 June 2024	986,228	3,375,174	468,544	60,200	21,707	79,810	4,991,663

On 30 June 2024, the Company installed a Generator for its hotel operations. As a result, the construction-in-progress amounting to \$55,509 was transferred to machinery and equipment.

CENTRE FOR TRAINING AND INNOVATION

Notes to Financial Statements

30 June 2025

8. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses as at 30 June 2025 are comprised of the following:

	2025	2024
	\$	\$
Accounts payable	47,286	55,146
Accrued expenses	9,676	2,720
	56,962	57,866

9. DONATIONS INCOME

Unrestricted Fund

Donations during the year and surplus of income over expenses that were unrestricted are as follows:

	2025	2024
	\$	\$
Donations	871,612	1,300,352
(Deficit) / Surplus of income over expenses	(414,270)	31,488

The Company received unrestricted donations from private companies and individuals to assist with its unrestricted programs.

Restricted Funds

Donations during the year and surplus of income over expenses that were restricted are as follows:

	2025	2024
	\$	\$
Donations	498,051	257,840
Surplus of income over expenses	173,224	150,994

The Company received restricted donations from private companies and individuals to assist with its restricted programs, including the construction of a cooling house, the purchase of machinery and equipment, and others.

During the year, the programs / projects of the restricted donations income were as follows:

Program / Project	2025	2024
	\$	\$
Learn and Earn Program	249,275	61,601
Harbour Island Trade School (HITS) Program	194,824	188,457
Others	15,922	3,585
Plant Propagation Project	15,642	4,197
Regenerative Food Forest	14,925	-
Birdwatching and Nature Trail	7,463	-
	498,051	257,840

CENTRE FOR TRAINING AND INNOVATION

Notes to Financial Statements

30 June 2025

9. DONATIONS INCOME (continued)

Learn and Earn Program

CTI's first and signature Learn and Earn Program was launched at the Rock Sound campus in 2016, to provide an alternate employment pathway for South Eleuthera youth during an economic downturn. This robust program remains actively subscribed and continues to offer vocational and technical training courses combined with paid on-the-job training, equipping participants with practical, job-ready skills while earning an income. The program is funded almost entirely through scholarships and donor contributions, which underwrite student stipends, course delivery, and administrative costs, ensuring that participation remains widely accessible. During the year ended June 2025, total program income amounted to \$249,275 (2024: \$61,601), with the majority provided through scholarships supporting student participation.

Harbour Island Trade School ("HITS") Program

Launched in 2019, the Harbour Island Trade School ("HITS") is a flagship CTI program that delivers comprehensive vocational and technical training to students in Harbour Island and North Eleuthera, across a wide range of disciplines designed to meet local workforce needs. Training offerings span construction, technical trades, hospitality, entrepreneurship, and other skill areas, equipping students with practical, job-ready experience. The program is significantly supported by the Friends of the Harbour Island Trade School, who fund the majority of student participation through scholarships. During the year ended June 2025, total income, which includes scholarships, donations, and tuition, amounted to \$194,824 (2024: \$188,457), with approximately 90% funded by scholarships and 10% from student tuition contributions.

Birdwatching and Nature Trail

The Birdwatching and Nature Trail project enhances CTI's environmental education and eco-tourism offerings by creating an immersive outdoor learning space for students and visitors, while promoting Eleuthera as a destination for nature-based tourism. This initiative is jointly supported by OEF and co-funded by the American Bird Conservancy, which provided \$7,463 (2024: Nil) in funding to strengthen the project's implementation.

Plant Propagation Project

The Plant Propagation Project is a collaboration between OEF, CTI, the American Bird Conservancy ("ABC"), and the Coalition for the Common Good / Antioch University to develop propagation protocols for native plants that support bird habitats in South Eleuthera for the Kirtland's Warbler. The project aims to propagate white sage and black torch using various plant propagation techniques, from seed collection and rooting to transplanting and community distribution. During the year, ABC funded the initiative with \$15,642 (2024: \$4,197).

Regenerative Food Forest

CTI has committed to investing in a 1.0-acre Regenerative Food Forest located on CTI's farm as a strategic initiative to advance regenerative agriculture on Eleuthera. This dedicated space explores advanced strategies for syntropic farming, soil creation, and soil enrichment, which positions Eleuthera as a center for sustainable agricultural innovation.

CENTRE FOR TRAINING AND INNOVATION

Notes to Financial Statements

30 June 2025

9. DONATIONS INCOME (continued)

Regenerative Food Forest (continued)

The Food Forest integrates a tourism component, attracting visitors interested in eco-friendly farming, and an education component, providing students and local farmers with hands-on training in regenerative techniques that promote soil health, resource efficiency, and climate resilience. The project is funded by The Ocean Foundation, which provided \$14,925 in grant funding for implementation.

10. DONATIONS EXPENSES

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

	2025	2024
	\$	\$
Restricted donation expenses	324,827	106,846
Unrestricted donation expenses	629	24,829
	325,456	131,675

11. RELATED PARTY BALANCES AND TRANSACTIONS

The Company's related party balances and transactions as at 30 June 2025 are comprised of the following:

	Related Parties	2025	2024
		\$	\$
Balances:			
Due from related party	OEF	100,000	86,465
Due to related party	OEF	24,436	20,077
Transactions:			
Salaries and related cost	Key management personnel	162,774	230,556

The Company owns the building in which one of OEF's offices is located. However, the Company does not charge rent to the related party for its use of the premises.

Due from related party includes donations and grants received by OEF from OEF-US, specifically for the Company, which have not passed through at the balance sheet date. These donations and grants were transferred to CTI on 15 September 2025.

During the year, OEF provided the Company with short-term interest-free advances for a total of \$50,000 (2024: \$150,000), which were settled within the same month the advances were granted.

In March 2025, OEF granted the Company with in-kind donations amounting to \$116,819 (2024: Nil). The amount is reported in the restricted donations income in the statement of operations and accumulated funds.

During the year, OEF granted the Company with \$450,000 to be used in the Company's operations. The amount is reported in the unrestricted donations income in the statement of operations and accumulated funds.

As at 30 June 2025, the amount due to related party amounting to \$24,436 (2024: \$20,077) is comprised of expenses paid by OEF on behalf of CTI and is fully payable.

CENTRE FOR TRAINING AND INNOVATION

Notes to Financial Statements

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12. LEASE COMMITMENT

Operating Lease

On 2 May 2023, CTI (“the Lessee”) entered into an agreement with the Roman Catholic Archbishop of Nassau, The Bahamas (“the Lessor”), to lease the Blessed Sacrament Roman Catholic Church Parish Hall located in Harbour Island, Eleuthera, The Bahamas.

This is used as classrooms for providing training in electrical and culinary trades, QuickBooks, and Entrepreneurship.

On 18 November 2024, the Lease agreement is renewed for a period of two years, from 1 July 2024 to 30 June 2026, at a total cost of \$15,000, payable in two equal annual installments.

During the year, the Company incurred \$15,000 (2024: \$15,400) for the lease in accordance with the lease agreement, which was included in donations under restricted expenses in the statement of operations and accumulated funds.

13. EVENTS AFTER THE REPORTING DATE

The Company evaluated the impact of all events after the reporting date from 1 July 2025 to 26 September 2025, which is the date the financial statements are available to be issued.

Except as disclosed in Note 11, there were no adjusting or non-adjusting events that needed to be disclosed or reflected in the financial statements.

Independent Auditors’ Report pages 1 through 3.