

THE BARBADOS COMMUNITY FOUNDATION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 2024-01-31

2024-10-23

INDEPENDENT AUDITORS' REPORT

To the Shareholders of The Barbados Community Foundation

Opinion

We have audited the non-consolidated financial statements of The Barbados Community Foundation, which comprise the statement of financial position as at 2024-01-31, and the statement of comprehensive income, statement of changes in equity and statement of change in cash flows for the year then ended, and notes to the non-consolidated financial statements, including a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying non-consolidated financial statements present fairly, in all material respects the financial position of The Barbados Community Foundation, as of 2024-01-31, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards 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 Barbados Community Foundation non-consolidated 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 ethical 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 non-consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these non-consolidated financial statements in accordance with International Financial Reporting Standards for SMEs and for such internal control as management determines is necessary to enable the preparation of non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated 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.

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Auditors' Responsibility for the Audit of the non-consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the non-consolidated 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 non-consolidated financial statements.

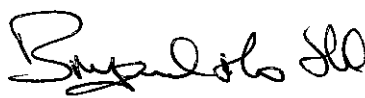
As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:-

- Identify and assess the risks of material misstatement of the non-consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention to our auditors' report to the related disclosures in the non-consolidated 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 Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the non-consolidated financial statements, including the disclosures, and whether the non-consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Other Matter

This report is made solely to the Foundation's shareholders, as a body, in accordance with Section 42 of the Charities Act of Barbados. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Foundation and the Foundation's members as a body, for our audit work, for this report, or for the opinions we have formed.


BRYANT & CO LTD

THE BARBADOS COMMUNITY FOUNDATION

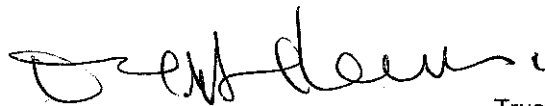
BALANCE SHEET

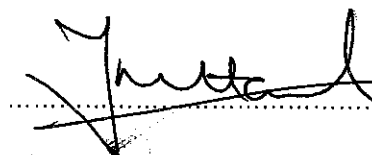
AS OF 2024-01-31

	<u>NOTES</u>	<u>2024</u>	<u>2023</u>
CURRENT ASSETS:			
Cash in bank	3	\$ 13,623.00	\$ 29,097.00
Restricted cash	4	820,000.00	350,000.00
Cash on deposit	5	614,140.00	563,267.00
Accounts receivable		2,288.00	2,288.00
		<u>1,450,051.00</u>	<u>944,652.00</u>
INVESTMENTS			
	6	<u>165,121.00</u>	<u>173,623.00</u>
		<u>\$ 1,615,172.00</u>	<u>\$ 1,118,275.00</u>
GENERAL FUND			
		<u>\$ 1,053,058.00</u>	<u>\$ 1,051,161.00</u>
CURRENT LIABILITIES:			
Accounts payable and accrued liabilities		5,815.00	5,815.00
Deferred contributions	8	556,299.00	61,299.00
		<u>562,114.00</u>	<u>67,114.00</u>
		<u>\$ 1,615,172.00</u>	<u>\$ 1,118,275.00</u>

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

Approved by the Board of Directors on 2024-10-23 and signed on its behalf by:


..... Trustee


..... Trustee

THE BARBADOS COMMUNITY FOUNDATION

STATEMENT OF CHANGES IN GENERAL FUND

AS OF 2024-01-31

	<u>2024</u>	<u>2023</u>
Balance 31st January 2022	\$ 1,075,069.00	\$ 1,092,571.00
(Deficit) for the year	<u>(23,908.00)</u>	<u>(17,502.00)</u>
Balance 31st January, 2023	1,051,161.00	1,075,069.00
Surplus/(Deficit) for the year	<u>1,897.00</u>	<u>(23,908.00)</u>
Balance 31st January 2024	<u>\$ 1,053,058.00</u>	<u>\$ 1,051,161.00</u>

THE BARBADOS COMMUNITY FOUNDATION
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 2024-01-31

	<u>NOTES</u>	<u>2024</u>	<u>2023</u>
REVENUE:			
Local:			
Contributions - unrestricted		\$ 124,458.00	\$ 73,631.00
Contributions - restricted		48,882.00	143,900.00
Net investment gain/(loss) income		(8,502.00)	(17,647.00)
Interest and dividend income		<u>26,945.00</u>	<u>24,189.00</u>
		<u>191,783.00</u>	<u>224,073.00</u>
EXPENSES:			
Donations - unrestricted		157,542.00	213,985.00
Dues and subscriptions		-	50.00
Salaries and national insurance		22,595.00	22,595.00
Audit and professional fees		5,763.00	5,185.00
Marketing and advertising		3,647.00	5,756.00
Bank charges		<u>339.00</u>	<u>410.00</u>
		<u>189,886.00</u>	<u>247,981.00</u>
TOTAL SURPLUS/(DEFICIT) FOR THE YEAR		<u>\$ 1,897.00</u>	<u>\$ (23,908.00)</u>

THE BARBADOS COMMUNITY FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 2024-01-31

	<u>2024</u>	<u>2023</u>
OPERATING ACTIVITIES		
Profit/(Loss)	\$ 1,897.00	\$ (23,908.00)
Adjusted for:		
Change in monies on deposit	(50,873.00)	430,598.00
Change in restricted cash	(470,000.00)	(350,000.00)
Change in accounts payable and accrued liabilities	-	(4,113.00)
Net interest	(20,892.00)	(19,412.00)
Dividends	(6,053.00)	(4,777.00)
Change in fair value of investments	8,502.00	17,648.00
	<u> </u>	<u> </u>
Operating (loss)/surplus before working capital changes	(537,419.00)	46,036.00
Increase/(decrease) in deferred contributions	495,000.00	(78,746.00)
	<u> </u>	<u> </u>
Net cash used in operating activities	<u>(42,419.00)</u>	<u>(32,710.00)</u>
INVESTING ACTIVITIES		
Dividends received	\$ 6,053.00	\$ 4,777.00
Interest received	20,892.00	19,412.00
	<u> </u>	<u> </u>
Net cash from investing activities	<u>26,945.00</u>	<u>24,189.00</u>
NET DECREASE IN CASH AT BANK	(15,474.00)	(8,521.00)
CASH AT BANK - beginning of year	<u>29,097.00</u>	<u>37,618.00</u>
CASH AT BANK - end of year	<u>\$ 13,623.00</u>	<u>\$ 29,097.00</u>

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

THE BARBADOS COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 2024-01-31

1. REGISTRATION AND PRINCIPAL ACTIVITY:

The Barbados Community Foundation ("the Foundation") was founded on 11th November, 1999 by a Declaration of Trust, as a private charitable foundation for the purpose of providing charitable assistance to a wide range of causes. The Foundation was registered as a charity on 16th November, 1999 under the Charities Act, Cap. 243 of the laws of Barbados.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

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

(a) Basis of preparation

These financial statements are stated in Barbados dollars and have been prepared in accordance with International Financial Reporting Standards for Small and Medium-sized Entities ("IFRS for SMEs") promulgated by the International Accounting Standards Board ("IASB").

The preparation of financial statements in conformity with IFRS for SMEs requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates. The following are the significant accounting policies adopted by the Company.

(b) Cash and cash equivalents:

Cash and cash equivalents include cash on hand, cash at bank, short-term deposits and other short-term highly liquid investments with original maturities of three months or less.

(c) Investments:

The Foundation's investments have been classified as 'financial assets at fair value through profit or loss'. Regular-way purchases and sales of investments are recognized on the trade date, which is the date the foundation commits to purchase or sell the investments. Investments are derecognized when the rights to receive cash flows from the investments have expired or the Foundation has transferred substantially all risks and rewards of ownership.

Investments are initially recognized at fair value and are subsequently carried at their value basis on quoted bid prices. Gains or losses arising from changes in the fair value of investments classified as 'financial assets at fair value through profit or loss' are recognized within the statement of income and expenditure as they arise. The average cost method is used to determine realized gains and losses on the disposal of investments.

THE BARBADOS COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 2024-01-31

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

(d) Short-term deposits:

Short-term deposits are measured at amortized cost using the effective interest method.

(e) Property, plant and equipment:

Property, plant and equipment are measured at cost less accumulated depreciation and any impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the assets. Depreciation is recognized within the statement of income and expenditure on a straight-line basis over the estimated useful life of the asset. Specifically, depreciation on computer equipment is calculated at a rate of 33.33% per annum.

(f) Deferred contributions:

Deferred contributions represent the deferred portion of restricted contributions. Deferred contributions are recognized as income when the related expenses are incurred.

(g) Foreign currencies:

Items included within the financial statements of the Foundation are measured using the currency of the primary economic environment in which the entity operates (i.e. the functional currency). The financial statements are presented in Barbados dollars which is also the Foundation's functional currency. Transactions in foreign currencies are translated into Barbados dollars at exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized within the statement of income and expenditure. Monetary assets and liabilities in foreign currencies are expressed in Barbados dollars at rates of exchange ruling at the balance sheet date and any gain or loss is included within the statement of income and expenditure.

(h) Income:

The Foundation recognizes income when the amount of income can be reliably measured and it is probable that future economic benefits will flow to the Foundation. Unrestricted contributions are recognized in income when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Restricted contributions (i.e. those with externally imposed conditions) are recorded initially as deferred contributions and subsequently recognized within income on a systematic basis during the periods in which the related expenditures are incurred.

Interest income is recognized using the effective interest method. Dividend income is recognized when the right to receive payment is established.

THE BARBADOS COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 2024-01-31

2. SIGNIFICANT ACCOUNTING POLICIES: (Continued)

(i) Taxation:

The Foundation is a charity registered under the Charities Act, Cap. 243 of the laws of Barbados accordingly is exempt from income tax under Section 4 of the Barbados Income Tax Act.

3. CASH IN BANK:

Cash at bank includes \$13,623.00 (2023 - \$29,097.00) held in savings accounts which bear interest at 0.050% (2023 – 0.050%) per annum.

4. RESTRICTED CASH:

The amount represents monies donated by Cave Shepherd & Co Limited in respect of the agreement dated December 22, 2023.

5. SHORT-TERM DEPOSITS:

	<u>2024</u>	<u>2023</u>
SigniaGlobe Financial Group Inc. (i)	\$570,550.00	\$562,073.00
Cave Shepherd & Co. Limited (ii)	<u>43,590.00</u>	<u>1,194.00</u>
	<u>\$614,140.00</u>	<u>\$563,267.00</u>

(a) The short-term deposit with SigniaGlobe Financial Group Inc. bears interest at 1.50% (2023 - 1.50%) per annum and matures on 3rd February, 2024.

(b) The short-term deposit with Cave Shepherd & Co. Limited bears interest at 3.50% (2023 – 3.50%) per annum and matures on 30th June, 2024.

THE BARBADOS COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 2024-01-31

6. INVESTMENTS

Investments categorized as 'financial investments at fair value through profit or loss' are as follows:-

	NO. OF SHARES	COST 2024	MARKET VALUE 2024	MARKET VALUE 2023
Fortress Caribbean Growth Fund	1,787	\$ 4,199.00	\$ 13,176.00	\$ 13,341.00
Royal Bank of Canada	265	25,991.00	39,696.00	40,690.00
Eppley Caribbean Property Fund Limited SCC				
- Value Fund	61,960	39,848.00	25,404.00	33,459.00
- Development Fund	61,960	39,848.00	9,914.00	10,533.00
Goddard Enterprises Limited	24,000	17,700.00	75,600.00	74,400.00
Neal & Massy Holdings Limited	909	13,635.00	1,331.00	1,200.00
		<u>\$ 141,221.00</u>	<u>\$ 165,121.00</u>	<u>\$ 173,623.00</u>

7. PROPERTY, PLANT AND EQUIPMENT:

	COMPUTER AND OFFICE EQUIPMENT
COST:	
2023-01-31 & 2024-01-31	<u>\$ 14,673.75</u>
ACCUMULATED DEPRECIATION:	
2023-01-31 & 2024-01-31	<u>14,673.75</u>
CARRYING : VALUES:	
2023-01-31	<u>\$ -</u>
2024-01-31	<u>\$ -</u>

THE BARBADOS COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 2024-01-31

8. DEFERRED CONTRIBUTIONS:

	<u>2024</u>	<u>2023</u>
Balance - beginning of the year	\$ 61,299.00	\$ 140,045.00
Restricted contributions received during the year	43,882.00	-
Deferred contributions recognized as income during the year	(48,882.00)	(78,746.00)
Deferred contributions received during the year	<u>500,000.00</u>	<u>-</u>
Balance - end of the year	<u>556,299.00</u>	<u>61,299.00</u>

9. GENERAL FUND:

Included within the general fund as of 31st January, 2024 are net unrealized gains on investments amounting to \$(8,502.00) (2023 - \$(17,647.00)).

10. NET INVESTMENT (LOSS) INCOME:

Net investment (loss) income comprises the following components:

	<u>2024</u>	<u>2023</u>
Interest net of withholding taxes	\$ 20,892.00	\$ 19,412.00
Dividends, net of withholding tax	<u>6,053.00</u>	<u>4,777.00</u>
	<u>26,945.00</u>	<u>24,189.00</u>
Change in fair value of investments	<u>(8,502.00)</u>	<u>(17,647.00)</u>
	<u>\$ 18,443.00</u>	<u>\$ 6,542.00</u>

11. COMMITMENTS:

The Foundation has committed to making certain future donations. As of 31st January, 2024, its commitments were as follows:

	<u>2024</u>	<u>2023</u>
Not later than one year	\$ 21,500.00	\$ 21,500.00
Later than one year but not later than five years	<u>21,500.00</u>	<u>21,500.00</u>
	<u>\$ 43,000.00</u>	<u>\$ 43,000.00</u>

Future commitments disclosed above include an ongoing annual donation of \$12,500.00 (2023 - \$12,500.00) along with other donations committed for specific periods.

THE BARBADOS COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 2024-01-31

12. FINANCIAL INSTRUMENTS:

The Foundation's activities expose it to certain risks from its financial instruments which it holds including interests rate risk, market price risk, credit risk and to a lesser extent, currency and liquidity risk:-

(a) Interest rate risk:

The Foundation is exposed to fluctuations in the prevailing level of market interest rates on its interest-bearing financial instruments. Short-term deposits bearing rates of interest that are fixed during the term to their maturity. At maturity these deposits will be subject to the prevailing interest rates which are likely to be lower. The Foundation's exposure to interest rate risk is disclosed within notes 3 and 4.

(b) Market price risk:

Investments are categorized as 'financial assets at fair value through profit or loss' and carried at their market value. The carrying value of the other financial assets and liabilities are considered reasonable estimates of their fair value because of the short maturity of these instruments. The Foundation's equity securities are susceptible to market price risk due to uncertainties regarding future market prices. The Foundation's equity investments are either listed on the Barbados Stock Exchange, other recognized stock exchanges or invested in open ended mutual funds whose NAV's are reported publicly. A change of +/- 5% in the share/unit price of each of the Foundation's investments, holding all other variables constant, would result in a decrease/increase in the surplus/deficit for the year of \$8,681.15 (2023 - \$9,563.37)

(c) Credit risk :

Credit risk is the risk that an issuer, or counterparty will be unable to meet a commitment entered with the Foundation. The maximum exposure to credit risk is represented by the carrying amount of financial assets on the statement of financial position. As of 31st January 2024, the Foundation's maximum exposure to credit risk amounted to \$1,450,051.00 (2023 - \$944,652.00).

Cash, is placed with stable financial institutions. Short-term deposits are currently placed with a well-established public company and a Part III Finance Company regulated by the Central Bank of Barbados.

(d) Liquidity risk:

Liquidity risk, the risk that the Foundation will not be able to meet its financial obligations as they become due, is not considered significant given the nature of the Foundation and its activities. Commitments are not made without sufficient funds from contributions. The foundation's future commitments at 31st January, 2024 are disclosed in note 10.

THE BARBADOS COMMUNITY FOUNDATION

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 2024-01-31

12. FINANCIAL INSTRUMENTS: (Continued)

(e) Currency risk

The Foundation is not directly exposed to currency risk as all of its financial instruments are denominated in Barbados dollars, which is also the Foundation's functional currency. Currency risk is the risk that the fair value or future cash flows of the company's financial Contributions in foreign currencies are converted to Barbados dollars at prevailing exchange rates.