

CARIBBEAN CHRISTIAN CENTRE FOR THE DEAF LIMITED

FINANCIAL STATEMENTS

31 AUGUST 2020

CARIBBEAN CHRISTIAN CENTRE FOR THE DEAF LIMITED

FINANCIAL STATEMENTS

31 AUGUST 2020

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INDEPENDENT AUDITORS' REPORT

To the Members of
Caribbean Christian Centre for the Deaf Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Caribbean Christian Centre for the Deaf Limited set out on pages 4 to 19, which comprise the statement of financial position as at 31 August 2020, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 August 2020, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and the requirements of the Jamaican Companies Act.

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 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 Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs and the Jamaican Companies Act, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the 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.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

INDEPENDENT AUDITORS' REPORT (CONT'D)

To the Members of
Caribbean Christian Centre for the Deaf Limited

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 ISAs, we exercise professional judgment and maintain professional scepticism 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 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 Company'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 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 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 our audit.

INDEPENDENT AUDITORS' REPORT (CONT'D)

To the Members of
Caribbean Christian Centre for the Deaf Limited

Report on additional matters as required by the Jamaican Companies Act

We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

In our opinion, proper accounting records have been kept, so far as appears from our examination of those records, and the financial statements, which are in agreement therewith, give the information required by the Jamaican Companies Act, in the manner required.

A handwritten signature in black ink, appearing to read 'BDO'.

Chartered Accountants

24 December 2020



CARIBBEAN CHRISTIAN CENTRE FOR THE DEAF LIMITED
STATEMENT OF INCOME AND EXPENDITURE
YEAR ENDED 31 AUGUST 2020

	<u>Note</u>	<u>2020</u> \$	<u>2019</u> \$
INCOME	7	152,418,303	166,094,105
EXPENSES (Page 21)		<u>(143,171,470)</u>	<u>(188,295,672)</u>
SURPLUS/(DEFICIT) FOR THE YEAR	8	<u>9,246,833</u>	<u>(22,201,567)</u>

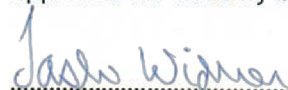
CARIBBEAN CHRISTIAN CENTRE FOR THE DEAF LIMITED

STATEMENT OF FINANCIAL POSITION

31 AUGUST 2020

	<u>Note</u>	<u>2020</u> ₤	<u>2019</u> ₤
<u>ASSETS</u>			
NON-CURRENT ASSETS:			
Property, plant and equipment	9	<u>352,587,829</u>	<u>353,158,260</u>
CURRENT ASSETS:			
Inventories	10	5,092,450	3,437,420
Receivables	11	855,278	219,000
Cash and bank balances	12	<u>18,668,312</u>	<u>11,042,377</u>
		<u>24,616,040</u>	<u>14,698,797</u>
		<u>377,203,869</u>	<u>367,857,057</u>
<u>EQUITY AND LIABILITIES</u>			
SHAREHOLDERS' EQUITY:			
Capital fund	13	<u>371,997,406</u>	<u>351,214,498</u>
CURRENT LIABILITIES:			
Payables	14	5,206,463	16,477,269
Bank Overdraft		<u>-</u>	<u>165,290</u>
		<u>5,206,463</u>	<u>16,642,559</u>
		<u>377,203,869</u>	<u>367,857,057</u>

Approved for issue by the Board of Directors on 24 December 2020 and signed on its behalf by:



Tashi Widmer
Tashi Widmer Director

.....
Kent Mogler Treasurer

CARIBBEAN CHRISTIAN CENTRE FOR THE DEAF LIMITED

STATEMENT OF CASH FLOWS

YEAR ENDED 31 AUGUST 2020

	<u>2020</u> \$	<u>2019</u> \$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Surplus/(deficit)	9,246,833	(22,201,567)
Items not affecting cash resources:		
Designated funds	7,063,429	7,555,189
Depreciation	<u>5,563,692</u>	<u>5,593,233</u>
Operating cash flows before movement in working capital	21,873,954	(9,053,145)
Changes in operating assets and liabilities-		
Inventories	(1,655,030)	902,580
Receivables	(636,278)	201,680
Payables	<u>(11,270,806)</u>	<u>(1,219,500)</u>
Net cash provided by/(used in) operating activities	<u>8,311,840</u>	<u>(9,168,384)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Additions to property, plant and equipment	<u>(520,615)</u>	<u>(2,088,691)</u>
Net cash used in investing activities	<u>(520,615)</u>	<u>(2,088,691)</u>
Net increase/(decrease) in cash and cash equivalents	7,791,225	(11,257,075)
Cash and cash equivalents at beginning of year	<u>10,877,087</u>	<u>22,134,162</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note12)	<u><u>18,668,312</u></u>	<u><u>10,877,087</u></u>

CARIBBEAN CHRISTIAN CENTRE FOR THE DEAF LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 AUGUST 2020

1. IDENTIFICATION AND PRINCIPAL ACTIVITIES

Caribbean Christian Centre for the Deaf is a non-profit organization domiciled in Jamaica. It was established to meet the educational needs of the deaf. The company is limited by guarantee and does not have a share capital.

2. REPORTING CURRENCY:

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). These financial statements are presented in Jamaican dollars, which is considered the company's functional and presentation currency.

3. SIGNIFICANT ACCOUNTING POLICIES:

The principal accounting policies applied in the preparation of these financial statements are set out below. The policies have been consistently applied to all the year presented. Where necessary, prior year comparatives have been restated and reclassified to conform to current year presentation.

(a) Basis of preparation -

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs), and have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. Although these estimates are based on management's best knowledge of current events and action, actual results could differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

New, revised and amended standards and interpretations that became effective during the year

Certain new standards, interpretations and amendments to existing standards have been published that became effective during the current financial year. The company has assessed the relevance of all such new standards, interpretations and amendments and has concluded that the following new standards, interpretations and amendments are immediately relevant to its operations.

CARIBBEAN CHRISTIAN CENTRE FOR THE DEAF LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 AUGUST 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(a) Basis of preparation (cont'd) -

New, revised and amended standards and interpretations that became effective during the year (cont'd)

IFRS 16, 'Leases', (effective for accounting periods beginning on or after 1 January 2019). The standard eliminates the current dual accounting mode for lessees, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. Instead, there is a single, on-balance sheet accounting model that is similar to current finance lease accounting. Entities will be required to bring all major leases on balance sheet, recognizing the assets and liabilities. The on-balance sheet liability will attract interest; the total lease expense will be higher in the early years of a lease even if a lease has fixed regular cash rentals. Optional lease exemption will apply to short-term leases and for low-value items with value of US \$5,000 or less.

Lessor accounting remains similar to current practice as the lessor will continue to classify leases as finance and operating leases.

The adoption of IFRS 16 from the 1 April resulted in changes in accounting policies and adjustments to amounts recognized in the 2020 financial statements. In accordance with the transitional provisions in IFRS 16, comparative figures have not been restated.

The company does not expect any impact from the adoption of the amendments on its financial statements as it does not use revenue-based depreciation or amortised methods.

Standards and amendments to publish standards that are not yet effective and have not been early adopted by the company

Amendments to IAS 1 and IAS 8- Definition of Material- Amendments to IAS 1 and IAS 8 (effective for annual periods beginning on or after 1 January 2020). The IASB issued amendments to IAS 1 presentation of financial statements and IAS 8 accounting policies, changes in accounting estimates and errors to align the definition of 'material' across the standards and to clarify certain aspects of the definition. The new definition states that, 'information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity. The amendments clarify the materiality will depend on the nature or magnitude of information, or both. An entity will need to assess whether the information, either individually or in combination with other information, is material in the context of the financial statements of the institution.

CARIBBEAN CHRISTIAN CENTRE FOR THE DEAF LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 AUGUST 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(b) Foreign currency translation -

Foreign currency transactions are accounted for at the exchange rates prevailing at the dates of the transactions.

Monetary items denominated in foreign currency are translated to Jamaican dollars using the closing rate as at the reporting date.

Exchange differences arising from the settlement of transactions at rates different from those at the dates of the transactions and unrealized foreign exchange differences on unsettled foreign currency monetary assets and liabilities are recognized in profit or loss.

(c) Property, plant and equipment -

Items of property, plant and equipment are initially recorded at historical or deemed cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Property, plant, and equipment received as gifts are valued in the accounting records at the market price, professionally established for used assets and at supplier's invoiced value for new assets. The amount matching the value of the assets is credited to capital fund.

Depreciation is calculated on the reducing balance method to write off the cost of each asset or the revalued amount, to their residual values over their estimated useful lives. Land is not depreciated. The expected useful lives of the other property, plant and equipment are as follows:

Building and roadway	2.5 %
Furniture, fixtures and equipment	10%, 20%
Motor vehicles	20%
Library books	10%

CARIBBEAN CHRISTIAN CENTRE FOR THE DEAF LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 AUGUST 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(d) Impairment of non-current assets

Property, plant and equipment and other non-current assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount, which is the greater of an asset's net selling price and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identified cash flows. Non financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

(e) Financial instruments

A financial instrument is any contract that gives rise to both a financial asset for one entity and a financial liability or equity instrument in another entity.

Financial assets

Classification

The company classifies its financial assets in the following categories: loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the reporting date. These are classified as non-current assets. The company's loans and receivables comprise trade and other receivables and cash and cash equivalents.

CARIBBEAN CHRISTIAN CENTRE FOR THE DEAF LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 AUGUST 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(e) Financial instruments (cont'd)

Financial liabilities

The company's financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost using the effective interest method. At the reporting date, the following items were classified as financial liabilities: Trade payables and other payables.

(f) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average cost basis for raw materials, actual cost for livestock and the standard cost basis for finished goods. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. Cost includes an appropriate share of overheads based on normal operating capacity.

(g) Trade and other receivables

Trade receivables are carried at original invoiced amount less provision made for impairment of these receivables. A provision for impairment of trade receivables is established when there is objective evidence that the company will not collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the carrying amount and the recoverable amount, being the expected cash flows discounted at the market rate of interest for similar borrowings. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in profit and loss. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited to profit or loss.

(h) Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash at bank, in hand, and short term deposits with original maturities of 90 days or less.

CARIBBEAN CHRISTIAN CENTRE FOR THE DEAF LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 AUGUST 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(i) Revenue recognition -

Donations and contributions are recognised when received. Auxiliary fees are recognised on the accrual basis. Revenue from the sale of goods is recognised in the statement of income when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably and there is no continuing management involvement with the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances and discounts.

Interest income is recognised in the statement of income for all interest bearing instruments on an accrual basis unless collectability is doubtful.

(j) Designated receipts

These represent amounts received from donors which are designated for special purpose or identifiable students or staff members for the purpose of covering cost incurred at, or in relation to their attendance or work at the centre and are included as a current liability until paid to, or applied on behalf of the beneficiaries.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY:

Judgements and estimates 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.

(a) Critical judgements in applying the company's accounting policies

In the process of applying the company's accounting policies, management has not made any judgements that it believes would cause a significant impact on the amount recognised in the financial statements.

(b) Key sources of estimation uncertainty

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts and assets and liabilities within the next financial year are discussed overleaf:

CARIBBEAN CHRISTIAN CENTRE FOR THE DEAF LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 AUGUST 2020

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D):

(b) Key sources of estimation uncertainty (cont'd)

(i) Depreciable assets

Estimates of the useful life and the residual value of property, plant and equipment are required in order to apply an adequate rate of transferring the economic benefits embodied in these assets in the relevant periods. The company applies a variety of methods in an effort to arrive at these estimates from which actual results may vary. Actual variations in estimated useful lives and residual values are reflected in profit or loss through impairment or adjusted depreciation provisions.

(ii) Net realizable value of inventories

Estimates of net realizable value are based on the most reliable evidence available at the time the estimates are made, of the amount the inventories are expected to realize. The estimates take into consideration fluctuations of price or cost directly relating to events occurring after the end of the period to the extent that such events confirm conditions existing at the end of the period.

Estimates of net realizable value also take into consideration the purpose for which the inventory is held.

5. FINANCIAL AND CAPITAL RISK MANAGEMENT:

The company is exposed through its operations to the following financial risks:

- Credit risk
- Fair value or cash flow interest rate risk
- Foreign exchange risk
- Other market price, and
- Liquidity risk

In common with all other businesses, the company's activities expose it to a variety of risks that arise from its use of financial instruments. This note describes the company's objectives, policies and processes for managing those risks to minimise potential adverse effects on the financial performance of the company and the methods used to measure them.

There have been no substantive changes in the company's exposure to financial instrument risks, its objectives, policies and processes for managing these risks or the methods used to measure market prices. The institution manages its exposure by maintaining only short term investments.

CARIBBEAN CHRISTIAN CENTRE FOR THE DEAF LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 AUGUST 2020

5. FINANCIAL AND CAPITAL RISK MANAGEMENT (CONT'D):

(a) Principal financial instruments

The principal financial instruments used by the company, from which financial instrument risk arises, are as follows:

- Trade receivables
- Cash and cash equivalents
- Trade payables

(b) Financial instruments by category

Financial assets

	<u>Loans and Receivable</u>	
	<u>2020</u>	<u>2019</u>
	\$	\$
Cash and cash equivalents	18,668,312	10,877,087
Receivables	<u>855,278</u>	<u>219,000</u>
Total financial assets	<u><u>19,523,590</u></u>	<u><u>11,096,087</u></u>

Financial liabilities

	<u>Financial liabilities at amortised cost</u>	
	<u>2020</u>	<u>2019</u>
	\$	\$
Payables	<u>5,206,463</u>	<u>16,477,269</u>

(c) Financial instruments not measured at fair value

Financial instruments not measured at fair value include cash and cash equivalents, receivables and payables.

Due to their short- term nature, the carrying value of cash and cash equivalents, receivables and payables approximates their fair value.

CARIBBEAN CHRISTIAN CENTRE FOR THE DEAF LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 AUGUST 2020

5. FINANCIAL AND CAPITAL RISK MANAGEMENT (CONT'D):

(d) Financial risk factors

The Board of directors has overall responsibility for the determination of the company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the company's finance function. The Board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investments of excess liquidity.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the company's competitiveness and flexibility. Further details regarding these policies are set out below:

(i) Market risk

Currency risk

Currency risk is the risk that the value of financial instrument will fluctuate because of changes in foreign exchange rates.

Currency risk arises from donations in US dollars and US dollar cash and bank balances. The company manages this risk by ensuring that the net exposure in foreign assets and liabilities is kept to an acceptable level by monitoring currency positions. The company further manages this risk by maximizing foreign currency earnings and holding net foreign currency assets.

Concentration of currency risk

The company is exposed to foreign currency risk in respect of US dollar cash and bank balance amounting to \$78,445 (2019- \$59,001).

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. As the company has no significant interest bearing assets or liabilities, the institution's income and operating cash flows are substantially independent of changes in market interest rates. The institution's interest rate risk arises from deposits and short-term deposits.

CARIBBEAN CHRISTIAN CENTRE FOR THE DEAF LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 AUGUST 2020

5. FINANCIAL AND CAPITAL RISK MANAGEMENT (CONT'D):

(d) Financial risk factors (cont'd)

(ii) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Credit risk arises from trade receivables, and cash and bank balances.

Trade receivables

Revenue transactions in respect of the company's primary operations are settled either in cash or by using major credit cards. For its operations done on a credit basis, the company has policies in place to ensure that sale of goods and services are made to customers with an appropriate credit history.

(iii) Liquidity risk

Liquidity risk is the risk that the institution will be unable to meet its payment obligations associated with its financial liabilities when they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, and the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

Liquidity risk management process

The company's liquidity management process, as carried out within the company includes:

- (i) Monitoring future cash flows and liquidity on a regular basis
- (ii) Maintaining a portfolio of short term deposit balances that can easily be liquidated as protection against any foreseen interruption to cash flow.
- (iii) Maintaining committed lines of credit.

6. TAXATION:

The income of the company is exempt from income tax as its activities are primarily for educational purposes.

7. INCOME:

Income primarily represents donations received in cash from foreign and local agencies, students' auxiliary fees and income from Sewing Department.

CARIBBEAN CHRISTIAN CENTRE FOR THE DEAF LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 AUGUST 2020

8. SURPLUS FOR THE YEAR:

Stated after charging/ (crediting) the following-

	<u>2020</u>	<u>2019</u>
	\$	\$
Staff costs (note 15)	90,189,329	107,190,571
Depreciation	5,563,692	5,593,233
Auditors' remuneration	535,000	500,000
Interest income	<u>(5,344)</u>	<u>(2,765)</u>

9. PROPERTY, PLANT AND EQUIPMENT:

	<u>Land and Building</u>	<u>Furniture Fixtures & Equipment</u>	<u>Library Books</u>	<u>Motor Vehicles</u>	<u>Road</u>	<u>Total</u>
	\$	\$	\$	\$	\$	\$
Cost/deemed cost- 1 September 2018	368,421,827	27,547,006	176,439	15,237,637	1,270,659	412,653,568
Additions	<u>-</u>	<u>2,046,831</u>	<u>41,860</u>	<u>-</u>	<u>-</u>	<u>2,088,691</u>
31 August 2019	368,421,827	29,593,837	218,299	15,237,637	1,270,659	414,742,259
disposals	<u>-</u>	<u>-</u>	<u>-</u>	<u>(800,000)</u>	<u>-</u>	<u>(800,000)</u>
Additions	<u>-</u>	<u>4,993,261</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,993,261</u>
31 August 2020	<u>368,421,827</u>	<u>34,587,098</u>	<u>218,299</u>	<u>14,437,637</u>	<u>1,270,659</u>	<u>418,935,520</u>
Depreciation- 1 September 2018	29,882,460	13,537,387	134,343	12,152,366	284,209	55,990,765
Charge for the year	<u>3,337,478</u>	<u>1,605,645</u>	<u>8,396</u>	<u>617,054</u>	<u>24,661</u>	<u>5,593,234</u>
31 August 2019	33,219,938	15,143,032	142,739	12,769,420	308,870	61,583,999
Eliminated	<u>-</u>	<u>-</u>	<u>-</u>	<u>(800,000)</u>	<u>-</u>	<u>(800,000)</u>
Charge for the year	<u>3,254,041</u>	<u>1,944,407</u>	<u>7,556</u>	<u>333,643</u>	<u>24,661</u>	<u>5,563,692</u>
31 August 2020	<u>36,473,979</u>	<u>17,087,439</u>	<u>150,295</u>	<u>12,303,063</u>	<u>332,915</u>	<u>66,347,691</u>
Net Book Value- 31 August 2020	<u>331,947,848</u>	<u>17,499,659</u>	<u>68,004</u>	<u>2,134,574</u>	<u>937,744</u>	<u>352,587,829</u>
31 August 2019	<u>335,201,889</u>	<u>14,450,805</u>	<u>75,560</u>	<u>2,468,217</u>	<u>961,789</u>	<u>353,158,260</u>

CARIBBEAN CHRISTIAN CENTRE FOR THE DEAF LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 AUGUST 2020

10. INVENTORIES:

	<u>2020</u>	<u>2019</u>
	\$	\$
Livestock	4,799,000	3,437,420
Raw material	<u>293,450</u>	<u>-</u>
	<u>5,092,450</u>	<u>3,437,420</u>

11. RECEIVABLES:

	<u>2020</u>	<u>2019</u>
	\$	\$
Trade receivables -Sewing department	-	20,000
Receivables - Auxiliary fees	<u>5,861,732</u>	<u>5,157,722</u>
	5,861,732	5,177,722
Provision for uncollectible auxiliary fees	<u>(5,232,954)</u>	<u>(5,058,222)</u>
	628,778	119,500
Other receivables	<u>226,500</u>	<u>99,500</u>
	<u>855,278</u>	<u>219,000</u>

12. CASH AND BANK BALANCES: -

(a) Cash and bank balances-

	<u>2020</u>	<u>2019</u>
	\$	\$
Savings accounts	11,607,867	8,323,312
Cash in hand and petty cash	75,166	55,512
Bank current accounts	<u>6,985,279</u>	<u>2,663,553</u>
	18,668,312	11,042,377

(b) Bank overdraft

Bank current accounts	<u>-</u>	<u>(165,290)</u>
	<u>18,668,312</u>	<u>10,877,087</u>

The bank overdraft resulted from unrepresented items at year end.

CARIBBEAN CHRISTIAN CENTRE FOR THE DEAF LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 AUGUST 2020

13. CAPITAL FUND:

This is made up of the accumulated surplus and the value of capital donations received.

	<u>2020</u>	<u>2019</u>
	\$	\$
Capital fund:		
Balance at beginning of year	<u>351,214,498</u>	<u>365,860,876</u>
Designated funds	7,063,429	7,555,189
Capital fund -fixed assets received as gifts	<u>4,472,646</u>	-
	11,536,075	7,555,189
Surplus/ (Deficit) for the year:		
Knockpatrick (Page 22)	1,414,602	(9,394,802)
Kingston (Page 23)	677,079	(6,230,947)
Montego Bay (Page 24)	1,175,684	(8,471,426)
Jamaica Deaf Village (Page 25)	188,048	333,802
Jamaica Deaf Village- Sewing Department (page 26)	<u>5,791,419</u>	<u>1,561,806</u>
	<u>9,246,833</u>	<u>(22,201,567)</u>
	<u>371,997,406</u>	<u>351,214,498</u>

14. PAYABLES:

	<u>2020</u>	<u>2019</u>
	\$	\$
Designated receipts (note 3j)	920,125	9,868,543
Other payables and accruals	<u>4,286,338</u>	<u>6,608,726</u>
	<u>5,206,463</u>	<u>16,477,269</u>

15. STAFF COSTS:

	<u>2020</u>	<u>2019</u>
	\$	\$
Salaries, wages and statutory contributions	<u>90,189,329</u>	<u>107,190,571</u>

The average number of persons employed by the company at the end of the year was ninety-three (93), (2019 - 99)



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INDEPENDENT AUDITORS' REPORT

To the Directors of
Caribbean Christian Centre for The Deaf Limited

The supplementary information presented on pages 21 to 26 has been taken from the accounting records of the company and has been subjected to the tests and other auditing procedures applied in our examination of the financial statements of the company for the year ended 31 August 2020.

In our opinion, this information, although not necessary for a fair presentation of the company's state of affairs, results of operations or cash flows is fairly presented in all material respects in relation to the financial statements taken as a whole.

Chartered Accountants

24 December 2020

CARIBBEAN CHRISTIAN CENTRE FOR THE DEAF LIMITED

INCOME AND EXPENDITURE ACCOUNT - COMBINED

YEAR ENDED 31 AUGUST 2020

	<u>2020</u>	<u>2019</u>
	\$	\$
INCOME:		
Donations	95,584,570	92,684,319
Auxiliary fees	4,736,735	6,022,785
Interest received	5,344	2,765
Farm and livestock sales	2,532,955	2,397,360
Life team income	28,251,734	49,354,535
Sewing Department	9,982,659	4,797,556
Foreign exchange gain	3,464,646	649,128
General Consumption Tax refund	-	647,929
Fundraising	748,129	810,777
Rental of facilities	6,611,531	8,726,951
Gain on disposal of fixed asset	500,000	-
	<u>152,418,303</u>	<u>166,094,105</u>
EXPENSES:		
Salaries, wages and related expenses	90,189,329	107,190,571
Staff and students' welfare	1,087,269	1,603,742
Audit fees	535,000	500,000
Electricity	7,105,150	9,286,444
Telephone	1,128,504	1,097,058
Water	2,382,509	2,732,007
Auxiliary supplies, stationery and postage	1,493,446	1,868,711
Food and kitchen supplies	9,349,923	18,803,968
Medical expenses	98,482	524,992
Professional fees	1,104,064	718,023
Repairs and maintenance	2,501,704	3,148,437
Motor vehicle expenses	4,124,949	3,916,475
Life team expenses	9,079,139	22,244,315
Sewing Department expenses	3,824,036	2,866,597
Camp and fundraising	-	106,426
Farm and livestock expenses	1,073,293	1,150,778
Bank charges and interest	188,040	213,375
Travelling and transportation	433,618	1,940,307
Uncollectible Auxiliary fees	1,615,892	2,364,018
Security	293,431	426,195
Depreciation	5,563,692	5,593,233
	<u>143,171,470</u>	<u>188,295,672</u>
Surplus/(Deficit) for the year	<u>9,246,833</u>	<u>(22,201,567)</u>

CARIBBEAN CHRISTIAN CENTRE FOR THE DEAF LIMITED

INCOME AND EXPENDITURE ACCOUNT - KNOCKPATRICK

YEAR ENDED 31 AUGUST 2020

	<u>2020</u>	<u>2019</u>
	\$	\$
INCOME:		
Donations	41,742,415	49,755,731
Auxiliary fees	2,898,005	4,227,400
Interest received	1,336	390
Farm and livestock sales	1,424,905	1,365,700
Life team income	8,648,057	11,374,873
Foreign exchange gain	728,442	360,998
General Consumption Tax refund	-	635,433
Fundraising	48,400	703,620
Rental of facilities	671,724	1,370,313
Gain on disposal of fixed asset	500,000	-
	<u>56,663,284</u>	<u>69,794,458</u>
EXPENSES:		
Salaries, wages and related expenses	35,454,455	46,381,229
Staff and students' welfare	762,579	376,020
Audit fees	133,750	125,000
Electricity	2,355,740	3,173,146
Telephone	360,554	296,770
Water	686,520	697,878
Professional fees	276,016	249,685
Auxiliary supplies, stationery and postage	486,717	1,106,495
Food and kitchen supplies	5,574,663	12,864,501
Medical expenses	51,374	249,140
Repairs and maintenance	714,751	1,115,657
Motor vehicle expenses	1,885,644	1,780,203
Life team expenses	1,465,895	4,877,743
Farm and livestock expenses	785,930	994,160
Bank charges	60,933	33,290
Travelling and transportation	160,217	788,962
Uncollectible auxiliary fees	1,123,961	1,141,005
Security	71,500	85,827
Depreciation	2,837,483	2,852,549
	<u>55,248,682</u>	<u>79,189,260</u>
Surplus/(deficit) for the year	<u>1,414,602</u>	<u>(9,394,802)</u>

CARIBBEAN CHRISTIAN CENTRE FOR THE DEAF LIMITED

INCOME AND EXPENDITURE ACCOUNT - KINGSTON

YEAR ENDED 31 AUGUST 2020

	<u>2020</u>	<u>2019</u>
	\$	\$
INCOME:		
Donations	26,889,29	25,547,079
Life team income	4,443,789	8,325,725
Interest income	1,336	2,375
Foreign exchange gain	576,398	-
Auxiliary fees	1,526,730	1,402,385
Fundraising	71,355	-
Rental of facilities	471,730	391,798
	<u>33,980,567</u>	<u>35,669,364</u>
EXPENSES:		
Salaries, wages and related expenses	23,156,416	26,492,513
Electricity	2,159,411	2,352,327
Audit fees	133,750	125,000
Telephone	540,322	552,932
Water	662,053	832,505
Professional fees	276,016	149,196
Auxiliary supplies, stationery and postage	528,927	212,426
Staff and students' welfare	212,201	670,217
Life team expenses	388,350	2,081,864
Food and kitchen supplies	2,648,554	4,265,353
Repairs and maintenance	660,899	1,234,870
Bank charges	61,910	83,902
Motor vehicle expenses	245,642	126,593
Security	221,931	268,819
Travelling and transportation	175,552	686,835
Foreign exchange loss	-	21,299
Medical expense	45,400	44,812
Uncollectible auxiliary fees	351,600	859,863
Depreciation	834,554	838,985
	<u>33,303,488</u>	<u>41,900,311</u>
Surplus/(Deficit) for the year	<u>677,079</u>	<u>(6,230,947)</u>

CARIBBEAN CHRISTIAN CENTRE FOR THE DEAF LIMITED
INCOME AND EXPENDITURE ACCOUNT - MONTEGO BAY
YEAR ENDED 31 AUGUST 2020

	<u>2020</u>	<u>2019</u>
	\$	\$
INCOME:		
Donations - General Operations	15,858,919	12,223,666
Life team income	1,158,723	4,307,531
Foreign exchange gain	576,398	-
Auxiliary fees	312,000	393,000
Fundraising	628,374	96,957
Rental of facilities	<u>1,729,757</u>	<u>2,397,766</u>
	<u>20,264,171</u>	<u>19,418,920</u>
EXPENSES:		
Salaries, wages and related expenses	12,992,472	17,189,731
Electricity	1,393,312	1,722,691
Audit fees	133,750	125,000
Telephone	151,846	133,215
Water	983,736	1,126,624
Professional fees	276,016	149,196
Auxiliary supplies, stationery and postage	215,411	223,078
Staff and students' welfare	16,925	492,527
Medical expenses	1,708	231,040
Life team expenses	67,440	2,516,288
Food and kitchen supplies	1,126,706	1,674,114
Repairs and maintenance	368,918	340,793
Motor vehicle expenses	496,480	528,855
Bank charges and interest	3,341	2,343
Travelling and transportation	52,452	243,295
Security	-	71,549
Uncollectible auxiliary fees	140,331	363,150
Camp and fundraising	-	85,669
Depreciation	<u>667,643</u>	<u>671,188</u>
	<u>19,088,487</u>	<u>27,890,346</u>
Surplus/(deficit) for the year	<u>1,175,684</u>	<u>(8,471,426)</u>

CARIBBEAN CHRISTIAN CENTRE FOR THE DEAF LIMITED
INCOME AND EXPENDITURE ACCOUNT - JAMAICA DEAF VILLAGE
YEAR ENDED 31 AUGUST 2020

	<u>2020</u>	<u>2019</u>
	\$	\$
INCOME:		
Donations- General operations	11,094,007	5,157,843
Life team income	14,001,165	25,346,404
Foreign exchange gain	1,583,408	309,429
General Consumption Tax refund	-	12,496
Farm Income	1,108,050	1,031,660
Interest Income	2,672	-
Fundraising	-	10,200
Rental of facilities	3,738,320	4,567,074
	<u>31,527,622</u>	<u>36,435,106</u>
EXPENSES:		
Salaries, wages and related expenses	18,585,986	17,127,098
Electricity	1,196,687	2,038,280
Audit fees	133,750	125,000
Telephone	75,782	114,141
Water	50,200	75,000
Professional fees	276,016	169,946
Auxiliary supplies, stationery and postage	262,391	326,712
Staff welfare	95,564	64,978
Life team expenses	7,157,454	12,768,420
Repairs and maintenance	757,163	457,117
Motor vehicle expenses	1,497,183	1,480,824
Travelling and transportation	45,397	221,215
Bank charges and interest	61,856	93,840
Camp and fundraising	-	20,757
Farm Expenses	287,363	156,618
Depreciation	856,809	861,358
	<u>31,339,574</u>	<u>36,101,304</u>
Surplus for the year	<u>188,048</u>	<u>333,802</u>

CARIBBEAN CHRISTIAN CENTRE FOR THE DEAF LIMITED
INCOME AND EXPENDITURE ACCOUNT - JAMAICA DEAF VILLAGE
SEWING DEPARTMENT
YEAR ENDED 31 AUGUST 2020

	<u>2020</u>	<u>2019</u>
	\$	\$
INCOME:		
Sewing	<u>9,982,659</u>	<u>4,797,556</u>
DIRECT EXPENSES:		
Material	1,448,158	810,067
Labour	2,216,004	1,799,989
Electricity	<u>159,874</u>	<u>148,577</u>
	<u>3,824,036</u>	<u>2,758,633</u>
GROSS SURPLUS	<u>6,158,623</u>	<u>2,038,923</u>
OTHER EXPENSES:		
Salaries and Wages	-	107,964
Depreciation	<u>367,204</u>	<u>369,153</u>
	<u>367,204</u>	<u>477,117</u>
Net surplus for the year	<u>5,791,419</u>	<u>1,561,806</u>