

CREATIVE LANGUAGE BASED LEARNING FOUNDATION

**[Limited by Guarantee]
Financial Statements
2023 March 31**

CREATIVE LANGUAGE BASED LEARNING FOUNDATION

[Limited by Guarantee]

Index

2023 March 31

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INDEPENDENT AUDITORS' REPORT

To the directors of
Creative Language Based Learning Foundation

Report on the Audit of the Foundation's Financial Statements

Opinion

We have audited the financial statements of Creative Language Based Learning Foundation ("the foundation"), set out on pages 4 - 16, which comprise the statement of financial position as at 2023 March 31, and the statement of income and retained earnings and cash flow statement for the year then ended, and a summary of 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 foundation as at 2023 March 31 and of its financial performance and changes in equity and cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium-Sized Entities (IFRS for SMEs), and 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 Auditor's Responsibility 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 evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and the Board of Directors

Management is responsible for the preparation and fair presentation of these financial statements that give a true and fair view in accordance with International Financial Reporting Standards for Small and Medium-Sized Entities (IFRS for SMEs) 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 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 Company or to cease operations, or has no realistic alternative but to do so.

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

INDEPENDENT AUDITORS' REPORT

To the Directors of
Creative Language Based Learning Foundation

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 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 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 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the 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 presents a true and fair view.

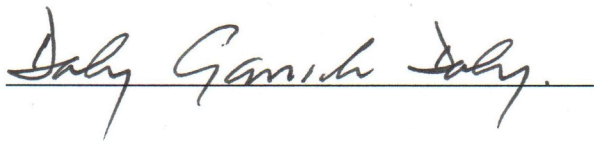
We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITORS' REPORT

To the Directors of
Creative Language Based Learning Foundation

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 maintained, 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.



2024 February 16

CREATIVE LANGUAGE BASED LEARNING FOUNDATION

[Limited by Guarantee]

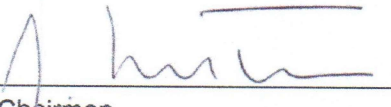
Statement of Financial Position

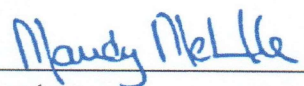
At 2023 March 31

(All amounts are expressed in Jamaican dollars unless otherwise stated)

	Notes	2023 \$	2022 \$
Assets			
Non-current assets			
Property, plant and equipment	3.1	<u>4,764,258</u>	<u>2,299,297</u>
		<u>4,764,258</u>	<u>2,299,297</u>
Current assets			
Tax recoverable		12,260	9,583
Cash and bank balances	4.1	<u>5,172,061</u>	<u>775,745</u>
		<u>5,184,321</u>	<u>785,328</u>
Total assets		<u>9,948,579</u>	<u>3,084,625</u>
Liabilities			
Current liabilities			
Trade and other payables	4.2	4,461,452	4,044,555
Borrowings	4.3	<u>10,151,303</u>	<u>10,318,597</u>
Total liabilities		<u>14,612,755</u>	<u>14,363,152</u>
Net assets		<u>(4,664,176)</u>	<u>(11,278,527)</u>
Retained funds and equity			
Retained funds		<u>(4,664,176)</u>	<u>(11,278,527)</u>
Total retained funds and equity		<u>(4,664,176)</u>	<u>(11,278,527)</u>

The financial statements set out on pages 4 to 16 were approved for issue by the Board of Directors on 2024 February 16 and signed on its behalf by:


Chairman


Director

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

CREATIVE LANGUAGE BASED LEARNING FOUNDATION

[Limited by Guarantee]

Statement of Income and Retained Funds

Year ended 2023 March 31

(All amounts are expressed in Jamaican dollars unless otherwise stated)

	Notes	2023 \$	2022 \$
Revenue	5.1	47,098,439	13,713,759
Direct expenses	5.2	<u>36,771,794</u>	<u>12,612,825</u>
		10,326,645	1,100,934
Interest income		<u>10,704</u>	<u>12,359</u>
		10,337,349	1,113,293
Administrative expenses		<u>3,722,998</u>	<u>4,733,748</u>
Net surplus (deficit) for the year		6,614,351	(3,620,455)
Retained funds at the beginning of the year		<u>(11,278,527)</u>	<u>(7,658,072)</u>
Retained funds at the end of the year		<u><u>(4,664,176)</u></u>	<u><u>(11,278,527)</u></u>

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

CREATIVE LANGUAGE BASED LEARNING FOUNDATION
[Limited by Guarantee]
Statement of Cash Flows
Year ended 2023 March 31

(All amounts are expressed in Jamaican dollars unless otherwise stated)

	Note	2023 \$	2022 \$
Cash flows from operating activities			
Net surplus (deficit) for the year		6,614,351	(3,620,455)
Adjustments for:			
Depreciation		2,780,590	4,022,588
Unrealised foreign exchange gain		-	(416,550)
		9,394,941	(14,417)
Movements in working capital			
Increase (decrease) in trade and other payables		416,897	(3,092)
Decrease in amounts owed to directors		(167,294)	(5,203,776)
Cash generated from (used in) operating activities		9,644,544	(5,221,285)
Taxation paid		(2,677)	-
Net cash inflow from operating activities		9,641,867	(5,221,285)
Cash flows from investing activities			
Acquisition of property, plant and equipment		(5,245,551)	(46,233)
Net cash outflow from investing activities		(5,245,551)	(46,233)
Net increase (decrease) in cash and cash equivalents		4,396,316	(5,267,518)
Cash and cash equivalents at the start of the year		775,745	5,548,454
Effects of exchange rate changes on the balance of cash held in foreign currencies		-	494,809
Cash and cash equivalents at the end of the year	4.1	5,172,061	775,745

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

CREATIVE LANGUAGE BASED LEARNING FOUNDATION

[Limited by Guarantee]

Notes to the Financial Statements

Year ended 2023 March 31

(All amounts are expressed in Jamaican dollars unless otherwise stated)

1.0 General information

Creative Language Based Learning Foundation ("the foundation") is a charitable organisation which was incorporated under the Companies Act of Jamaica as an organisation limited by guarantee.

The purpose of the foundation is to develop an island-wide network of early childhood and special needs teachers skilled in diagnosing the impact that sensory cognitive deficits have on a child's learning ability and tracking these deficits with process-based instruction.

The registered office is located at 2-2B Shortwood Road Kingston 8.

The foundation obtained a certificate of registration of a registered charitable organization from the Charities Authority (DCFS) and as such is eligible for tax exemption or relief under the Income Tax, GCT, Property tax, Stamp Duty, Transfer Tax, Customs Acts and the Provisional Collection of Tax (Minimum Business Tax) Order, 2014.

The certificate is valid from 2023 June 28 to 2024 June 27.

These financial statements are expressed in Jamaican dollars.

2.0 Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements of Creative Language Based Learning Foundation have been prepared in accordance with International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board.

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of land and buildings.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Trust's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 6.

CREATIVE LANGUAGE BASED LEARNING FOUNDATION**[Limited by Guarantee]****Notes to the Financial Statements****Year ended 2023 March 31**(All amounts are expressed in Jamaican dollars unless otherwise stated)

2.0 Summary of significant accounting policies cont'd**2.2 Property, plant and equipment**

Property, plant and equipment is stated at historical cost or deemed cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The depreciation methods and periods used by the Trust are disclosed in note 3.1.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is taken into account in arriving at the operating profit or loss for the period.

2.3 Impairment of non-financial long-lived assets

In the event that facts and circumstances indicate that the Trust's long-lived non financial assets may be impaired, an evaluation of the recoverable amount would be performed. If the estimated recoverable amount is lower than the carrying amount of the asset, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

2.4 Trade and other payables

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

2.5 Provisions

Provisions are recognised when: the Trust has a present legal or constructive obligation as a result of past events; it is probable that a transfer of economic benefits will be required to settle the obligations, and the amount can be reliably estimated.

2.6 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, net of discounts and sales-related taxes collected on behalf of the government.

- The Trust recognizes revenue from contributions on a cash basis.
- Interest income is recognised using the effective interest method.
- Dividend income from investments is recognised in the period in which the Trust's right to receive payment has been established.

CREATIVE LANGUAGE BASED LEARNING FOUNDATION**[Limited by Guarantee]****Notes to the Financial Statements****Year ended 2023 March 31**(All amounts are expressed in Jamaican dollars unless otherwise stated)

2.0 Summary of significant accounting policies cont'd**2.7 Foreign currency transactions****2.7.1 Functional and presentation currency**

Items included in the financial statements of the entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

2.7.2 Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates 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 recognised in profit or loss.

2.8 Cash and cash equivalents

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

2.9 Taxation

The income of the foundation is exempt from income tax pursuant to Section 12(h) of the Jamaican Income Tax Act.

CREATIVE LANGUAGE BASED LEARNING FOUNDATION

[Limited by Guarantee]

Notes to the Financial Statements

Year ended 2023 March 31

(All amounts are expressed in Jamaican dollars unless otherwise stated)

3.0 Non-financial assets and liabilities

The following notes provide information about the foundation's non-financial assets and liabilities, including:

- Specific information about each type of non-financial asset and non-financial liability:
Property, plant and equipment Note 3.1
- Accounting policies
- Information about determining the fair value of assets and liabilities, including judgements and estimation uncertainty involved.

CREATIVE LANGUAGE BASED LEARNING FOUNDATION

Notes to the Financial Statements

Year ended 2023 March 31

(All amounts are expressed in Jamaican dollars unless otherwise stated)

3.0 Non-financial assets and liabilities cont'd

3.1 Property, plant and equipment

	Teacher Kits \$	Computers \$	Total \$
Cost			
2021 April 01	11,649,476	622,041	12,271,517
Additions	<u>46,233</u>	<u>-</u>	<u>46,233</u>
2022 March 31	11,695,709	622,041	12,317,750
Additions	<u>5,245,551</u>	<u>-</u>	<u>5,245,551</u>
2023 March 31	<u>16,941,260</u>	<u>622,041</u>	<u>17,563,301</u>
Depreciation			
2021 April 01	5,869,897	125,968	5,995,865
Charge for the year	3,898,180	124,408	4,022,588
2022 March 31	9,768,077	250,376	10,018,453
Charge for the year	<u>2,656,181</u>	<u>124,409</u>	<u>2,780,590</u>
2023 March 31	<u>12,424,258</u>	<u>374,785</u>	<u>12,799,043</u>
Net book value			
2023 March 31	<u>4,517,002</u>	<u>247,256</u>	<u>4,764,258</u>
2022 March 31	<u>1,927,632</u>	<u>371,665</u>	<u>2,299,297</u>

Depreciation methods and useful lives

Depreciation on assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives using the straight-line method. The estimated useful lives range as follows:

Computers	20%
Teacher kits	33 $\frac{1}{3}$ %

The assets residual values, useful lives and depreciation methods are reviewed and adjusted if appropriate if there is an indication of any significant change since the last reporting date.

CREATIVE LANGUAGE BASED LEARNING FOUNDATION

[Limited by Guarantee]

Notes to the Financial Statements

Year ended 2023 March 31

(All amounts are expressed in Jamaican dollars unless otherwise stated)

4.0 Financial assets and liabilities

The following notes provide information about the foundation's financial instruments, including:

- an overview of all financial instruments held by the Foundation
- specific information about each type of financial instrument
- accounting policies
- information about determining the fair value of the instruments, including judgements and estimation uncertainty involved.

	Notes	2023 \$	2022 \$
<u>Financial assets at amortised cost</u>			
Cash and bank balances	4.1	<u>5,172,061</u>	<u>775,745</u>
		<u>5,172,061</u>	<u>775,745</u>
	Notes	2023 \$	2022 \$
<u>Financial liabilities at amortised cost</u>			
Trade and other payables	4.2	4,461,452	4,044,555
Owed to related parties	7.1	<u>10,151,303</u>	<u>10,318,597</u>
		<u>14,612,755</u>	<u>14,363,152</u>

CREATIVE LANGUAGE BASED LEARNING FOUNDATION
[Limited by Guarantee]
Notes to the Financial Statements
Year ended 2023 March 31

(All amounts are expressed in Jamaican dollars unless otherwise stated)

4.0 Financial assets and liabilities cont'd
4.1 Cash and bank balances

	2023	2022
	\$	\$
Chequing account	2,735,512	237,570
USD savings account	<u>2,436,549</u>	<u>538,175</u>
	<u><u>5,172,061</u></u>	<u><u>775,745</u></u>

4.2 Trade and other payables

	2023	2022
	\$	\$
Payables and accruals	<u>4,461,452</u>	<u>4,044,555</u>
	<u><u>4,461,452</u></u>	<u><u>4,044,555</u></u>

4.3 Borrowings

	2023			2022		
	Current	Non-current	Total	Current	Non-current	Total
	\$	\$	\$	\$	\$	\$
Unsecured						
Loans from related parties	<u>10,151,303</u>	<u>-</u>	<u>10,151,303</u>	<u>10,318,597</u>	<u>-</u>	<u>10,318,597</u>
Total loans	<u><u>10,151,303</u></u>	<u><u>-</u></u>	<u><u>10,151,303</u></u>	<u><u>10,318,597</u></u>	<u><u>-</u></u>	<u><u>10,318,597</u></u>

Further information relating to loans from related parties is set out at Note 7.1.

CREATIVE LANGUAGE BASED LEARNING FOUNDATION**[Limited by Guarantee]****Notes to the Financial Statements****Year ended 2023 March 31**

(All amounts are expressed in Jamaican dollars unless otherwise stated)

5.0 Income and expenses**5.1 Revenue**

Revenue represents amounts received as donations from current partners such as the Americans for Jamaica, Cecil Boswell Foundation, Digicel and other private donors.

5.2 Direct expenses

	2023	2022
	\$	\$
Coaching	29,867,302	5,235,145
Summer school	6,314,764	7,377,680
Other	<u>589,728</u>	<u>-</u>
	<u>36,771,794</u>	<u>12,612,825</u>

5.3 Disclosure of expenses

In arriving at the results for the year, the following have been charged (credited):

	2023	2022
	\$	\$
Auditors' remuneration	250,000	280,000
Depreciation	<u>2,780,590</u>	<u>4,022,588</u>

CREATIVE LANGUAGE BASED LEARNING FOUNDATION**[Limited by Guarantee]****Notes to the Financial Statements****Year ended 2023 March 31**(All amounts are expressed in Jamaican dollars unless otherwise stated)

6.0 Risks

This section of the notes discusses the Foundation's exposure to various risks and shows how these could affect the Foundation's financial position and performance.

- Critical estimates, judgments and errors Note 6.1

6.1 Critical estimates, judgements and errors

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the Foundation's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong. Detailed information about each of these estimates and judgements is included in notes below together with information about the basis of calculation for each affected line item in the financial statements. In addition, this note also explains where there have been actual adjustments this year as a result of an error and of changes to previous estimates.

Critical judgements in applying the entity's accounting policies

Management has not made any judgment that would be considered critical to the amounts recognized in the financial statements.

Critical accounting estimates and assumptions

Management has not made any key assumptions concerning the future or other key sources of estimation uncertainty at the end of the reporting period that would have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

CREATIVE LANGUAGE BASED LEARNING FOUNDATION**[Limited by Guarantee]****Notes to the Financial Statements****Year ended 2023 March 31**

(All amounts are expressed in Jamaican dollars unless otherwise stated)

7.0 Other information

This section of the notes includes other information that must be disclosed to comply with accounting standards and other pronouncements.

- Related party transactions

Note 7.1**7.1 Related party transactions**

The company has a related party relationship with the directors.

The following transactions were carried out with related parties:

7.1.1 Loans from related parties

Year-end balances are shown below:

	2023	2022
	\$	\$
Owed to directors	<u>10,151,303</u>	<u>10,318,597</u>

Directors' loans are interest free and have no fixed terms of repayment. Repayment of loans will not be sought until at least one year from the date of approval of these financial statements.

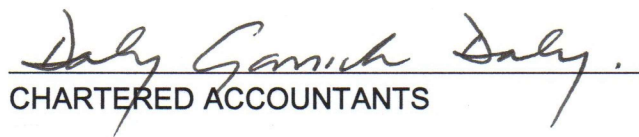
INDEPENDENT AUDITORS' REPORT

To the Directors of
Creative Language Based Learning Foundation
[Limited by Guarantee]

ADDITIONAL INFORMATION

The additional information presented on page 18 has been taken from the accounting records of the foundation and has been subjected to the tests and other auditing procedures applied in our examination of the financial statements of the foundation for the year ended 2023 March 31.

In our opinion, the said information is fairly presented in all material respects in relation to the financial statements taken as a whole although it is not necessary for a fair presentation of the state of affairs of the foundation at 2023 March 31, or of the net expenditure, changes in equity or cash flows for the year then ended.


CHARTERED ACCOUNTANTS

CHARTERED ACCOUNTANTS

Unit 10A Office Block
The Trade Centre
30-32 Red Hills Road
Kingston 10
Jamaica

2024 February 16

CREATIVE LANGUAGE BASED LEARNING FOUNDATION**[Limited by Guarantee]****Schedule of Expenses****Year ended 2023 March 31**

(All amounts are expressed in Jamaican dollars unless otherwise stated)

	2023	2022
	\$	\$
Video production	116,500	61,250
Licences and permits	586,500	-
Audit and accounting fees	250,000	280,000
Bank charges	107,253	83,711
Foreign currency gain	(170,285)	259,850
Other expenses	52,440	26,349
Depreciation	<u>2,780,590</u>	<u>4,022,588</u>
	<u><u>3,722,998</u></u>	<u><u>4,733,748</u></u>