
WHITE WATER MEADOWS CITIZENS' ASSOCIATION LIMITED

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2014

WHITE WATER MEADOWS CITIZENS' ASSOCIATION LIMITED

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2014

CONTENTS

<u>FINANCIAL STATEMENTS</u>	PAGE
Independent Auditors Report to the Members	1 - 2
Statement of Financial Position	3
Statement of Comprehensive Income	4
Statement of Changes in Fund	5
Statement of Cash Flows	6
Notes to the Financial Statements	7 - 15
<u>SUPPLEMENTARY INFORMATION</u>	
Independent Auditors Report to the Directors	16
Detailed Statement of Income	17
Operating Expenses	18
Project Expenses	18
Policy & General Expenses	18
Bank Charges & Interest Expenses	18

INDEPENDENT AUDITORS' REPORT

To the Members of
WHITE WATER MEADOWS CITIZENS' ASSOCIATION LIMITED
AS AT DECEMBER 31, 2014

We have audited the financial statements of WHITE WATER MEADOWS CITIZENS' ASSOCIATION LIMITED set out on pages 3 to 15, which comprise the statement of financial position as at 31 December 2014, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and the Jamaican Companies Act. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and consistently applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal controls relevant to the company's preparation and fair presentation of the

INDEPENDENT AUDITORS' REPORT (CONT'D)

To the Members of
WHITE WATER MEADOWS CITIZENS' ASSOCIATION LIMITED

financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the company's financial position as at 31 December 2014, and of its financial performance, changes in equity and cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the provisions of the Jamaican Companies Act.

Report on additional requirements of 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 and the financial statements are in agreement therewith, and give the information required by the Act, in the manner so required.


Neville Robinson

Chartered Accountants

21 July 2015

WHITE WATER MEADOWS CITIZENS ASSOCIATION LIMITED
STATEMENT OF FINANCIAL POSITION
December 31, 2014

	Notes	2014
<u>ASSETS</u>		
Property, Plant & Equipment	(11)	225,940
Total property, plant and equipment		225,940
Current Assets		
Investment	(7)	412,409
Cash and cash equivalent	(8)	35,730
Total current assets		448,139
TOTAL ASSETS		674,079
<u>RESERVES AND LIABILITIES</u>		
Shares	(9)	-
Capital reserve		619,608
Operating fund		(49,981)
Project fund		64,452
Fund balances		634,079
Current Liabilities		
Payables and accruals	(10)	40,000
Total current liabilities		40,000
TOTAL RESERVES AND LIABILITIES		674,079

To be read in conjunction with the accompanying notes to the financial statements

ON BEHALF OF THE BOARD

.....) Member

.....) Member

WHITE WATER MEADOWS CITIZENS ASSOCIATION LIMITED
STATEMENT OF COMPREHENSIVE INCOME
Year Ended December 31, 2014

	Notes	2014
Turnover		
Income:	(5)	
Operating income	Page 17	218,816 -
Project income	Page 17	420,649
Investment and interest income		9,404
Foreign exchange translation gain		-
Other income		4,170
Total income		<u>653,039</u>
Administration Expenses	Page 18	(232,534)
Project Expenses	Page 18	(356,197)
Policy & General Expenses	Page 18	(47,105)
Finance Expenses	Page 18	<u>(2,732)</u>
Net (deficit) / surplus for the year	(6)	<u>14,471</u>

To be read in conjunction with the accompanying notes to the financial statements

WHITE WATER MEADOWS CITIZENS ASSOCIATION LIMITED
STATEMENT OF CHANGES IN FUND
Year Ended December 31, 2014

FUND	Beginning Balance	Income	Expenses	Closing Balance
Operating Fund	-	232,390	282,371	(49,981)
Total Operating Fund Balances	-	232,390	282,371	(49,981)
Project Fund				
General Project	-	-	-	-
Valentines Day Movie	-	31,300	8,745	22,555
Lyme @ the Gate	-	27,800	9,830	17,970
Retro Party	-	161,630	251,669	(90,039)
Tag Drive	-	131,800	-	131,800
Children Treat	-	12,200	17,528	(5,328)
GSAT Awards	-	5,400	5,250	150
Sports Day	-	50,519	63,175	(12,656)
Total Project Fund Balances	-	420,649	356,197	64,452
Grand Total Fund Balances	-	653,039	638,568	14,471

WHITE WATER MEADOWS CITIZENS ASSOCIATION LIMITED
STATEMENT OF CASH FLOWS
Year Ended December 31, 2014

	2014
Cash flows from operating activities:	
Net increase in funds for the year	14,471
Adjustments to reconcile net surplus for the year to net cash provided by operating activities	
Depreciation	25,105
	39,576
(Increase) / decrease in current assets	
Investment	(412,409)
Increase / (decrease) in current liabilities	
Payables and accruals	40,000
	40,000
Net cash provided by operations	(332,833)
Net cash provided by/ (used in) Investing activities	
	(251,045)
Net cash provided by/ (used in) financing activities	
Opening fund balance	619,608
Net increase/ (decrease) in cash and cash equivalents	35,730
Cash and cash equivalents at beginning of year	-
Cash and cash equivalent at end of year	35,730
To be read in conjunction with the accompanying notes to the financial statements	

WHITE WATER MEADOWS CITIZENS' ASSOCIATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014

1. IDENTIFICATION AND PRINCIPAL ACTIVITIES:

- (a) WHITE WATER MEADOWS CITIZENS' ASSOCIATION LIMITED is a limited liability company incorporated and domiciled in Jamaica.
- (b) (The principal activities of the company are to:
 - (i) Undertake, develop and carry on charitable, educational, and developmental activities within the community of White Water Meadows.
 - (ii) Represent its members in all matters of public interests related to the preservation, protection and enhancement of the life and welfare of the community.

2. REPORTING CURRENCY:

These financial statements are expressed in Jamaican dollars.

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. 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 (IFRS) and their interpretations adopted by the International Accounting Standards Board, and have been prepared under the historical cost convention. They are also prepared in accordance with provisions of the Jamaican Companies Act.

The preparation of financial statements to conform to IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, contingent assets and contingent liabilities at the date of the statement of financial position and the total comprehensive income during the reporting period. The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and underlying assumptions are reviewed on an ongoing basis and any adjustments that may be necessary would be reflected in the year in which actual results are known. The areas involving a higher degree of judgment in complexity are discussed below.

WHITE WATER MEADOWS CITIZENS' ASSOCIATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(a) Basis of preparation (cont'd) –

(i) Income taxes

Estimates are required in determining the provision for income tax. The Company is exempted from income tax by authority of the charities act.

(ii) Expected useful life and residual value of property, plant and equipment

The property, plant and equipment of a long term nature are depreciated over ten years.

(iii) Net realizable value of inventories

Estimates of net realisable value are based on the most reliable evidence available at the time the estimates are made, of the amounts the inventories are expected to realise. These estimates take into consideration fluctuations of price or costs directly relating to events occurring after the end of the year to the extent that such events confirm conditions existing at the end of the year. At year end there was no inventory items.

(b) Foreign currency translation -

Transactions in foreign currencies are converted at the exchange rates prevailing at the dates of the transactions. At the year end date, monetary assets and liabilities denominated in foreign currency are translated using the exchange rate ruling at that 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 recognised in the statement of comprehensive income.

Exchange differences on non-monetary financial assets are a component of the change in their fair value. Depending on the classification of a non-monetary financial asset, exchange differences are either recognized in the statement of comprehensive income (applicable for financial assets fair valued through profit or loss), or within other comprehensive income

**WHITE WATER MEADOWS CITIZENS' ASSOCIATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014**

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(c) 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 of another entity.

Financial assets

The company classifies its financial assets in the following categories: loans and receivables and available for sale. 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.

(d) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any other categories. Changes in the fair value of financial assets classified as available-for-sale are recognised in other comprehensive income.

Financial liabilities

The company's financial liabilities are initially measured at fair value, and are subsequently measured at amortized cost using the effective interest rate method. These liabilities are classified as payables, bank overdraft and long term loan and included in current and non-current liabilities on the statement of financial position.

WHITE WATER MEADOWS CITIZENS' ASSOCIATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(e) Trade and other receivables -

Trade receivables are carried at original invoice amount less provision made for impairment losses. A provision for impairment of trade receivables 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 receivables. Other receivables are stated at amortized cost less impairment losses.

(f) 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, deposits with original maturities of three months or less, net of bank overdraft.

(h) Trade payables -

Trade payables are stated at cost.

(l) Revenue recognition -

Revenue is recognized in the statement of comprehensive 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 comprehensive income for all interest bearing instruments on an accrual basis unless collectability is doubtful.

**WHITE WATER MEADOWS CITIZENS' ASSOCIATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014**

4. FINANCIAL AND CAPITAL RISK MANAGEMENT:

(a) Financial risk factors -

The company's activities expose it to a variety of financial risks: market risk (including currency risk and price risk), credit risk, liquidity risk, interest rate risk and operational risk. The company's overall risk management policies are established to identify and analyze the risks faced by the company and to set appropriate risk limits and controls and to monitor risk and adherence to limits. The risk management framework is based on guidelines set by the Board of Directors together with management and seeks to minimize potential adverse effects on the company's financial performance.

(i) Market risk

Price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices. At year end the company had no significant exposure to such risks.

(ii) 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 company's income and operating cash flows are substantially independent of changes in market interest rates. The company's interest rate risk arises from deposits and short term instruments.

**WHITE WATER MEADOWS CITIZENS' ASSOCIATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014**

4. FINANCIAL AND CAPITAL RISK MANAGEMENT (CONT'D)

(iii) 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. The company has limited concentrations of credit risk. The company has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. Cash transactions are limited to high credit quality financial institutions. The company manages its credit risk by screening its customers, establishing credit limits and the rigorous follow-up of receivables; and ensuring investments are low-risk or, are held with reputable financial institutions.

(iv) Liquidity risk

Liquidity risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. The company manages this risk by keeping committed credit lines available.

(v) Capital risk

Capital risk is the risk that the company fails to comply with mandated regulatory requirements resulting in breach of those requirements. The company's objectives when managing capital are to comply with capital requirements, safeguard the company's ability to continue as a going concern and to maintain strong capital base to support the development of its business.

**WHITE WATER MEADOWS CITIZENS' ASSOCIATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014**

4. FINANCIAL AND CAPITAL RISK MANAGEMENT (CONT'D)

(vi) Operational risk

Operational risk is the risk of direct or indirect loss arising from a variety of causes associated with the company's processes, personnel, technology and external factors, other than financial risks, such as generally accepted standards of corporate behaviour. The company manages operational risk so as to avoid financial loss and damage to its reputation.

(b) Fair value estimation -

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

The fair value of financial instruments traded in an active market is based on quoted market prices at the statement of financial position date. The quoted market price used for financial assets held by the company is current bid price; the appropriate quoted market price for financial liabilities is the current ask price.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The company uses a variety of methods and makes assumptions that are based on market conditions existing at each statement of financial position date.

The amounts included in the financial statements for cash and cash equivalents, receivables, payables and related company balances reflect their approximate fair value because of the short term maturity of these instruments.

Long term liabilities reflect the company's contractual obligations and are carried at amortised cost, which is deemed to approximate the fair value of these liabilities because these liabilities are subject to such terms and conditions as are available in the market for similar instruments.

WHITE WATER MEADOWS CITIZENS' ASSOCIATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014

5. REVENUE:

Revenue represents project income, interest income, fees and donations.

6. SURPLUS/ (DEFICIT):

Stated after charging the following -

	2014
Administration expenses	232,534
Project expenses	356,197
Policy and general expenses	47,105
Finance expenses	<u>2,732</u>

7. INVESTMENTS:

	<u>2014</u>
JMMB-1218840	22,246
JMMB-1218844	342,823
JMMB-1218845	47,340
Other Investment	<u>0</u>
	<u>412,409.</u>

8. BANK & CASH CCOUNTS:

	<u>2014</u>
Current Account	0
Cash	<u>35,730</u>
	<u>35,730</u>

WHITE WATER MEADOWS CITIZENS' ASSOCIATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2014

9. **SHARES:**

The Company is limited by Guarantee

10. **PAYABLES:**

2014

Trade Payables	0
Accruals	<u>40,000</u>
	<u>40,000</u>

11. **PROPERTY, PLANT & EQUIPMENT:**

Motor vehicle is depreciated over five years.

2014

Furniture & Equipment cost or valuation	251,045
Additions during the year	0
Deletions during the year	<u>0</u>
Cost or valuation at the end of the year	251,045
Depreciation at the start of the year	0
Depreciation during the year	<u>25,105</u>
Total depreciation	<u>25,105</u>
Net book value	<u>225,940</u>



INDEPENDENT AUDITORS' REPORT

To the Director of
WHITE WATER MEADOWS CITIZENS' ASSOCIATION LIMITED

The supplementary information presented on pages 17 and 18 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 December 2014.

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

Neville Robinson

Chartered Accountants

21 July 2015

WHITE WATER MEADOWS CITIZENS ASSOCIATION LIMITED
SCHEDULE OF DONATIONS & CONTRIBUTIONS
Year Ended December 31, 2014

	2014
OPERATING INCOME	
Website and Community	14,400
Maintenance Dues	106,616
Lease Agreement	96,000
Hartlands and Internal Roads Rehabilitation	<u>1,800</u>
Total project funds	<u>218,816</u>
PROJECT FUNDS	
General Project	-
Valentines Day Movie	31,300
Lyme @ the Gate	27,800
Rretro Party	161,630
Tag Drive	131,800
Children Treat	12,200
GSAT Awards	5,400
Sports Day	<u>50,519</u>
Total Project Income	<u>420,649</u>

WHITE WATER MEADOWS CITIZENS ASSOCIATION LIMITED
SUPPORTING SCHEDULE OF EXPENSES
Year Ended December 31, 2014

	2014
ADMINISTRATIVE EXPENSES	
Audit and accounting fees	40,000
Community outreach	2,718
Town cryer announcement	12,000
Repairs and maintenance	108,458
Rental of tables and chairs	3,700
Website hosting and maintenance	34,500
Miscellaneous admin expenses	<u>31,158</u>
Total administration expenses	<u>232,534</u>
PROJECT EXPENSES	
General Project	-
Valintines Day Movie	8,745
Lyme @ the Gate	9,830
Retro Party	251,669
Children Treat	17,528
GSAT Awards	5,250
Sports Day	<u>63,175</u>
Total project expenses	<u>356,197</u>
POLICY & GENERAL EXPENSES	
Registrar expenses	22,000
Depreciation	<u>25,105</u>
Total policy and general expenses	<u>47,105</u>
FINANCE COSTS	
Bank charges and interest	<u>2,732</u>
Total bank charges and interest	<u>2,732</u>