CARIBBEAN INDUSTRIAL RESEARCH INSTITUTE (CARIRI) AND
SCIENTIFIC RESEARCH COUNCIL (SRC) - (THE CONSORTIUM)
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (WORLD BANK)
GRANT NO. TF 0A0081-6R
JAMAICA/TRINIDAD CARIBBEAN CLIMATE INNOVATION CENTER (CCIC) PROJECT
FINANCIAL STATEMENTS
31 JANUARY 2019
CARIBBEAN INDUSTRIAL RESEARCH INSTITUTE (CARIRI) AND
SCIENTIFIC RESEARCH COUNCIL (SRC) - (THE CONSORTIUM)
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (WORLD BANK)
GRANT NO. TF 0A0081-6R
JAMAICA/TRINIDAD CARIBBEAN CLIMATE INNOVATION CENTER (CCIC) PROJECT
FINANCIAL STATEMENTS
31 JANUARY 2019

INDEX

INDEPENDENT AUDITORS’ REPORTS

• On the Caribbean Industrial Research Institute (CARIRI) and Scientific Research Council (SRC) International Bank for Reconstruction and Development (World Bank) Grant NO. TF 0A0081-6R Jamaica/Trinidad Caribbean Climate Innovation Center (CCIC) Project’s Financial Statements 1
• On System of Internal Control 1.2
• On Compliance with the Financial Clauses of the Project Agreement and with Legislation and Official Regulations 1.4

FINANCIAL STATEMENTS

Statement of Sources and Uses of Funds 2
Statement of Cumulative Investments 3
Statement of Designated Account Reconciliation 4
Notes to the Project Financial Statements 5-7
INDEPENDENT AUDITORS’ REPORT

To the Project Management
Caribbean Industrial Research Institute (CARI) Scientific Research Council (SRC) on the CCIC Project Financial Statements

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Caribbean Climate Innovation Center (CCIC) Project financial statements set out on pages 2 to 7, which comprise the Statements of Sources and Uses of Funds, Cumulative Investments, Designated Account Reconciliation and the notes to the financial statements, as of and for the period ended 31 January 2019. The project is funded by the Government of Canada, administered by the World Bank through the Grant Agreement No. TF 0A0081-6R

In our opinion:

a) the Statements of Sources and Uses of Funds and Cumulative Investments, together with the related Designated Account Reconciliation and the accompanying notes to the financial statements, fairly present in all material respects, the financial execution of the CCIC Project as of and during the period ended 31 January 2019, in accordance with the basis of accounting described in note 3(a), applied on a consistent basis, and in relation to the extant agreement of the Project Agreement No. TF 0A0081-6R.

b) the expenditures reported, in all material respects, were considered eligible and project funds were used solely for the intended purposes.

Basis of Opinion

As described in note 3 (a), the Statement of Sources and Uses of Funds, Statement of Cumulative Investments and the Designated Account Reconciliation were prepared using the cash basis of accounting. Cash basis accounting recognizes transactions only when the cash and/or cash equivalent is received or disbursed by the entity, and not when they give rise to, accrue or originate rights or obligations although there was no cash movement.

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with the cash basis of accounting as described in note 3 (a) and for such internal control as management determines are necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

The project’s management is responsible for overseeing the financial reporting process.
INDEPENDENT AUDITORS’ REPORT (CONT’D)

To the Project Management  
Caribbean Industrial Research Institute (CARIRI)  
Scientific Research Council (SRC) on the CCIC Project Financial Statements

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 International Standards on Auditing (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 and specific requirements of the funding agency, 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 CARIRI’s and SRC’s internal control.

- 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 the project’s management 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.

Chartered Accountants  
2 May 2019
INDEPENDENT AUDITORS’ REPORT

To the Project Management
Caribbean Industrial Research Institute (CARIRI)
Scientific Research Council (SRC) on the CCIC Project Financial Statements

Report on System of Internal Control

We have audited the Statements of Sources and Uses of Funds, Cumulative Investments, Designated Account Reconciliation and the notes to the financial statements as of and for period ended 31 January 2019 for the CCIC Project financed by the Government of Canada and administered by the World Bank and have issued our report thereon dated 2 May 2019.

This report complements our opinion on the referenced financial statements.

The project’s management is responsible for establishing and maintaining a system of internal control sufficient to mitigate the risks of financial information misstatements and safeguard the assets of the project, including construction works and other procured goods. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of system of internal control policies and procedures.

The objectives of a system of internal control are to provide management with reasonable, but not absolute assurance, that assets are protected against loss from unauthorized use or disposition; transactions are executed in accordance with management’s authorization and in accordance with the terms of the contract, and transactions are recorded properly to permit the preparation of fair and true financial statements. Because of inherent limitations in any system of internal control, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the CCIC project’s financial statements for the period ended 31 January 2019, we obtained an understanding of the system of internal control, and we assessed control risk in order to determine the auditing procedures for the purpose of expressing an opinion on the project’s financial statements and not to express an opinion on the effectiveness of the system of internal control. Accordingly, we do not express such an opinion.

Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the system of internal control that, in our judgment, could adversely affect the ability of the project to record, process, summarize, and report financial data consistent with assertions of management in the Statement of Sources and Uses of Funds and the Statement of Cumulative Investments.
INDEPENDENT AUDITORS’ REPORT

To the Project Management
Caribbean Industrial Research Institute (CARIRI)
Scientific Research Council (SRC) on the CCIC Project Financial Statements

Report on System of Internal Control (cont’d)

A material weakness is a reportable condition in which the design or operation of one or more of the specific elements of the system of internal control does not reduce to a relatively low level the risk that significant errors or irregularities in amounts that would be material in relation to the CCIC project’s financial statements may occur and not be detected in a timely period by employees in the normal course of performing their assigned functions.

We did not identify any material internal control weakness.

Chartered Accountants

2 May 2019
INDEPENDENT AUDITORS' REPORT

To the Project Management
Caribbean Industrial Research Institute (CARIRI)
Scientific Research Council (SRC) on the CCIC Project Financial Statements

Compliance with the Financial Clauses of the Project Agreement and with Legislation and Official Regulations

We have audited the Statements of Sources and Uses of Funds, Cumulative Investments, Designated Account Reconciliation and the notes of the financial statements as of and for the period ended 31 January 2019 for the CCIC Project, financed by the Government of Canada and administered by the World Bank and have issued our audit report thereon dated 2 May 2019.

In relation to our audit of the financial statements referred to on page 2 to 7, we examined compliance with the financial and accounting contractual clauses of the Project Agreement No TF OA0081-6R, dated 22 April 2015 during the period ended 31 January 2019.

The project's management is responsible to ensure compliance with the terms of the above-mentioned agreement, and to design and maintain a proper internal control structure to ensure reliable processing of information, safeguarding assets of the project, and the prevention and detection of fraud and other irregularities.

In our opinion,

1. the executing agency has a suitable organizational structure and follows appropriate administrative and financial practices, thereby complying with Article II; Section 2.03 of the IBRD Project Agreement.

2. the executing agency, excepting for the matter outlined below, maintains an adequate accounting system based on separate or clearly identified accounts duly consistent with the accounting plan of the executing agency that permits the recording, monitoring, consolidation and reporting of the operations, costs and benefits under the project financed by the above-mentioned Project Agreement, in accordance with satisfactory accounting/financial practices and standards consistently applied as envisioned in Article II, Section 2.07 of the Standard Conditions for Grants Made by the World Bank Out of Various Funds.

Expenditures relating to the project were not allocated to the activity components as specified in the budget and project agreement and thus not in accordance with Section 2.07(a) of the World Bank Standard Conditions.

3. Project Agreement - No. TF OA0081-6R:

(i) The grantee shall prepare and furnish, or cause to be prepared and furnished, to the World Bank not later than forty-five days after the end of each calendar quarter, interim un-audited financial reports for the Project covering the quarter, in form and substance satisfactory to the World Bank.

The interim un-audited financial reports for the project were not presented to the World Bank within the specified period of forty-five days after each quarter.
INDEPENDENT AUDITORS' REPORT (CONT’D)

To the Project Management
Caribbean Industrial Research Institute (CARIRI)
Scientific Research Council (SRC)
on the CCIC Project Financial Statements

Compliance with the Financial Clauses of the Project Agreement and with Legislation and Official Regulations (cont’d)

3. Project Agreement - NO. TF 0A0081-6R (cont’d):
   (ii) The grantee shall have the financial statements of the Project and the Project audited, or cause the financial statements to be audited.
   (iii) The audited financial statements of the project shall be furnished to the Bank not later than six months after the specified date.

In the course of the examination mentioned in the first paragraph of this opinion, we also examined compliance during the financial period by the executing agency with the major legislation and regulations affecting the activities of the CARIRI/SRC, particularly as they relate to CCIC project execution.

In our opinion, except for the matters mentioned in paragraphs 2 and 3(i), the executing agency has complied with the stipulations of the above-mentioned legal provisions.

Chartered Accountants

2 May 2019
CARIBBEAN INDUSTRIAL RESEARCH INSTITUTE (CARIRI) AND
SCIENTIFIC RESEARCH COUNCIL (SRC) - (THE CONSORTIUM)

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (WORLD BANK)

GRANT NO. TF 0A0081-6R

JAMAICA/TRINIDAD CARIBBEAN CLIMATE INNOVATION CENTER (CCIC) PROJECT

STATEMENT OF SOURCES AND USES OF FUNDS

PERIOD ENDED 31 JANUARY 2019

<table>
<thead>
<tr>
<th></th>
<th>Current Period Actual</th>
<th>Cumulative 31/1/2019</th>
<th>Cumulative 30/11/2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>US$</td>
<td>US$</td>
<td>US$</td>
</tr>
<tr>
<td><strong>RECEIPTS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>World Bank</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Designated account</td>
<td>110,000</td>
<td>1,438,321</td>
<td>1,328,321</td>
</tr>
<tr>
<td>Reimbursements</td>
<td>-</td>
<td>61,679</td>
<td>61,679</td>
</tr>
<tr>
<td>Interest</td>
<td>329</td>
<td>928</td>
<td>599</td>
</tr>
<tr>
<td><strong>Total Receipts</strong></td>
<td>110,329</td>
<td>1,500,928</td>
<td>1,390,599</td>
</tr>
<tr>
<td><strong>EXPENDITURES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Component 1 - Continue</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>to build a pipeline</td>
<td>571,679</td>
<td>1,035,912</td>
<td>464,233</td>
</tr>
<tr>
<td>of growth-oriented</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>entrepreneurs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Component 2 - Strengthen</td>
<td></td>
<td>22,822</td>
<td>22,822</td>
</tr>
<tr>
<td>the capacity of the</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>entrepreneurs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Component 3 - Facilitate</td>
<td></td>
<td>72,965</td>
<td>72,965</td>
</tr>
<tr>
<td>access to early</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>growth-stage capital</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Component 4 - Capture</td>
<td></td>
<td>27,249</td>
<td>27,249</td>
</tr>
<tr>
<td>and disseminate the</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>knowledge</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project management and</td>
<td>31,966</td>
<td>319,137</td>
<td>287,171</td>
</tr>
<tr>
<td>administrative costs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td>603,645</td>
<td>1,478,085</td>
<td>874,440</td>
</tr>
<tr>
<td>**RECEIPTS LESS</td>
<td>(493,316)</td>
<td>22,843</td>
<td>516,159</td>
</tr>
<tr>
<td>EXPENDITURES**</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foreign Exchange</td>
<td>1,989</td>
<td>1,107</td>
<td>(882)</td>
</tr>
<tr>
<td>Adjustment**</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Funds (paid)/due to the</td>
<td>(39,620)</td>
<td>(1,298)</td>
<td>38,322</td>
</tr>
<tr>
<td>CTEP project**</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>(37,631)</td>
<td>(191)</td>
<td>37,440</td>
</tr>
<tr>
<td><strong>BANK BALANCES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opening Cash Balances</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Designated account</td>
<td>256,259</td>
<td>45</td>
<td>45</td>
</tr>
<tr>
<td>Project account US$</td>
<td>296,960</td>
<td>102</td>
<td>102</td>
</tr>
<tr>
<td>Account</td>
<td>527</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Opening Balance</strong></td>
<td></td>
<td>553,746</td>
<td>147</td>
</tr>
<tr>
<td>Closing Cash Balances</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Designated account</td>
<td>1,481</td>
<td>1,481</td>
<td>256,259</td>
</tr>
<tr>
<td>Project account US$</td>
<td>18,584</td>
<td>18,584</td>
<td>296,960</td>
</tr>
<tr>
<td>Account</td>
<td>2,734</td>
<td>2,734</td>
<td>527</td>
</tr>
<tr>
<td><strong>Total Closing Balance</strong></td>
<td></td>
<td>22,799</td>
<td>22,799</td>
</tr>
</tbody>
</table>
CARIBBEAN INDUSTRIAL RESEARCH INSTITUTE (CARIRI) AND
SCIENTIFIC RESEARCH COUNCIL (SRC) - (THE CONSORTIUM)
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (WORLD BANK)
GRANT NO. TF 0A0081-6R
JAMAICA/TRINIDAD CARIBBEAN CLIMATE INNOVATION CENTER (CCIC) PROJECT
STATEMENT OF CUMULATIVE INVESTMENTS
PERIOD ENDED 31 JANUARY 2019

<table>
<thead>
<tr>
<th></th>
<th>SRC 1/12/17 to 31/1/19</th>
<th>CARIRI 1/12/17 to 31/1/19</th>
<th>Current Total 1/12/17 to 31/1/19</th>
<th>Cumulative Total 1/1/15 to 31/1/19</th>
<th>Cumulative Total 1/1/15 to 30/11/17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Component 1</td>
<td>571,679</td>
<td>-</td>
<td>571,679</td>
<td>1,035,912</td>
<td>464,233</td>
</tr>
<tr>
<td>Component 2</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>22,822</td>
<td>22,822</td>
</tr>
<tr>
<td>Component 3</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>72,965</td>
<td>72,965</td>
</tr>
<tr>
<td>Component 4</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>27,249</td>
<td>27,249</td>
</tr>
<tr>
<td>Project management and administrative costs</td>
<td>103</td>
<td>31,863</td>
<td>31,966</td>
<td>319,137</td>
<td>287,171</td>
</tr>
<tr>
<td></td>
<td>571,782</td>
<td>31,863</td>
<td>603,645</td>
<td>1,478,085</td>
<td>874,440</td>
</tr>
</tbody>
</table>
CARIBBEAN INDUSTRIAL RESEARCH INSTITUTE (CARIRI) AND
SCIENTIFIC RESEARCH COUNCIL (SRC) - (THE CONSORTIUM)

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (WORLD BANK)

GRANT NO. TF 0A0081-6R

JAMAICA/TRINIDAD CARIBBEAN CLIMATE INNOVATION CENTER (CCIC) PROJECT

STATEMENT OF DESIGNATED ACCOUNT RECONCILIATION

PERIOD ENDED 31 JANUARY 2019

<table>
<thead>
<tr>
<th></th>
<th></th>
<th>US$</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Total advance by International Bank for Reconstruction and Development (World Bank)</td>
<td>1,438,321</td>
</tr>
<tr>
<td>2</td>
<td>Less: Eligible expenditure for the period ended 31 January 2019 documented by the World Bank</td>
<td>298,258</td>
</tr>
<tr>
<td>2(a)</td>
<td>Less: Cumulative eligible expenditure for the prior periods documented by the World Bank</td>
<td>812,761</td>
</tr>
<tr>
<td>3</td>
<td>Present outstanding amount advance to the designated account (1-2)</td>
<td>327,302</td>
</tr>
<tr>
<td>4</td>
<td>Balance of USD designated account per bank reconciliation statement as at period end</td>
<td>1,481</td>
</tr>
<tr>
<td>4(a)</td>
<td>Balance of project account per bank reconciliation statement as at period end</td>
<td>21,318</td>
</tr>
<tr>
<td>5</td>
<td>Plus: Eligible expenditure for the current period documented after the period end 31 January 2019</td>
<td>305,387</td>
</tr>
<tr>
<td>6</td>
<td>Plus: Total amount withdrawn and not yet claimed</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Plus: Amounts claimed in previous applications not yet credited at date of bank statements</td>
<td>-</td>
</tr>
<tr>
<td>7</td>
<td>Less: Interest earned net of charges</td>
<td>(928)</td>
</tr>
<tr>
<td>8</td>
<td>Total advance accounted for</td>
<td>327,258</td>
</tr>
<tr>
<td>9</td>
<td>Difference (3-9)</td>
<td>44</td>
</tr>
</tbody>
</table>

Item 10 - represents net of opening balances and exchange rate adjustment.
CARIBBEAN INDUSTRIAL RESEARCH INSTITUTE (CARIRI) AND
SCIENTIFIC RESEARCH COUNCIL (SRC) - (THE CONSORTIUM)

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (WORLD BANK)

GRANT NO. TF 0A0081-6R

JAMAICA/TRINIDAD CARIBBEAN CLIMATE INNOVATION CENTER (CCIC) PROJECT

NOTES TO THE PROJECT FINANCIAL STATEMENTS

31 JANUARY 2019

1. IDENTIFICATION:

The Caribbean Climate Innovation Center (CCIC) Project the beneficiary, operating through Caribbean Research Institute (CARIRI) and Scientific Research Council (SRC) the Implementing Agencies signed an agreement with the International Bank for Reconstruction and Development (World Bank) acting as administrator of grant funds provided by the Government of Canada under the Support for Entrepreneurship Program for Innovation in the Caribbean (EPIC) Multi-Donor Trust Fund (InfoDev Grant No. TF071619) in the sum of US$1,500,000.

CARIRI, established in 1970 is a professional service body, wholly owned by the Government of Trinidad and Tobago with a mandate to provide technical, industrial and research services to public and private industrial enterprises as well as to collect and disseminate technical information, including applicable standards, specification and quality control procedures.

Scientific Research Council (SRC) established in 1960, is wholly owned by the Government of Jamaica and is Jamaica’s principal public sector agency responsible for the fostering and coordination of scientific research and the promotion of its application. Many of the SRC’s projects support the growth and development of the agro-industrial sector in Jamaica through research, adaptation of available technologies, creation of new and appropriate technologies and the provision of training and technical assistance.

CARIRI and SRC are known as the “Consortium”.

The beneficiary countries of the project include Trinidad and Tobago, Jamaica, Antigua and Barbuda, Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Montserrat, St. Kitts and Nevis, St Lucia, St. Vincent and the Grenadines and Suriname.

2. PROJECT OBJECTIVES AND ACTIVITIES:

The objectives of the Grant are to continue the implementation of the Caribbean Climate Innovation Center (“CCIC”) project and to build the capacity of the CCIC to support growth-oriented entrepreneurs in developing locally-appropriate solutions to climate change mitigation and adaptation in the Caribbean. Ultimately, this will contribute to the strengthening of the entrepreneurship ecosystem in the region.
2. PROJECT OBJECTIVES AND ACTIVITIES (CONT’D):

The Project includes the following activities:

(i) Building a pipeline of growth-oriented entrepreneurs, including providing Sub-grants to entrepreneurs through a competitive and transparent process to regional sub-projects on an annual basis and providing these entrepreneurs with access to services provided by CCIC.

(ii) Providing technical assistance and support to strengthen the capacities of entrepreneurs through a suite of services such as business incubation, marketing-related training, mentoring, market development services, product testing and prototyping services.

(iii) Facilitating access to early-stage capital in conjunction with the Access to Finance component of the EPIC program by providing entrepreneurs with targeted pre-investment advisory services, investment facilitation and engagement with angel investors, etc.

(iv) Capturing and disseminating knowledge obtained through market analyses and case studies in the area of climate technology and entrepreneurship development in the Caribbean and sharing said knowledge with other Climate Innovation Centers being setup by infoDev’s Climate Technology Program around the world.

3. SIGNIFICANT ACCOUNTING POLICIES:

(a) Basis of preparation -

These financial statements have been prepared under the historical cost convention, using the cash basis of accounting, recognizing revenue when the cash is received and recognizing expenses when the cash has been disbursed. This accounting policy is a comprehensive basis of accounting other than that required under International Financial Reporting Standards (IFRS) under which transactions should be recorded when they occur and not when they are paid.
3. SIGNIFICANT ACCOUNTING POLICIES (CONT’D):

   (b) Foreign currency translation -

   The project’s accounting records are maintained in United States and Jamaican Dollars. Cash received in US$ currency, in a specific commercial bank account, is converted at the rate of exchange in effect at the time of the receipt of these funds.

   Expenditure incurred in Jamaican dollars is translated to US dollars at the rates of exchange ruling at the receipt dates.

   Balances in Jamaican currencies are translated to US dollars at the rate of exchange ruling at the end of the reporting period.

   The exchange rate gain or loss that results from a difference of the exchange rate when funds are receipted, payments made or converted are accounted for as an exchange rate difference.

4. CASH AVAILABLE BALANCE:

   US$  
   
   Cash balance at 31 January 2019  22,799  
   Payments subsequent to 31 January 2019  (6,586)  
   Audit fees (commitments)  (8,207)  
   Due to the World Bank  8,006  

5. EVENTS OCCURRING AFTER THE REPORTING DATE:

   Payments of US$6,586 relating to stipend and telephone charges incurred before period end were made from the project funds.

6. COMMITMENTS:

   At 31 January 2019, the closing date of the project, audit fees of J$ 1,117,000 (US$8,207), contracted for before period end was due to be paid from the project’s resources.