JAMAICA ACCOUNTABILITY METER PORTAL LIMITED

Financial Statements
Year Ended December 31, 2021

JAMAICA ACCOUNTABILITY METER PORTAL LIMITED

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

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Independent Auditor's Report

To the Members of **Jamaica Accountability Meter Portal Limited**

Report on the Audit of the Financial Statements

Opinion

I have audited the separate financial statements of Jamaica Accountability Meter Portal Limited set out on pages 4 to 17, which comprise the separate statement of financial position as at December 31, 2021, the separate statements of comprehensive income, cash flows for the year then ended, notes, comprising significant accounting policies and other explanatory information.

In my opinion, the accompanying separate financial statements give a true and fair view of the financial position of the Company as at December 31, 2021, and of its separate financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), and the Jamaican Companies Act.

Basis for Opinion

I conducted my audit in accordance with International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Company in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code) and I have fulfilled my other ethical responsibilities in accordance with the IESBA Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management and the Board of Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS 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.

Independent Auditor's Report

To the Members of **Jamaica Accountability Meter Portal Limited**

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance that 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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.

Independent Auditor's Report

To the Members of **Jamaica Accountability Meter Portal Limited**

- 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

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Report on additional matters as required by the Jamaican Companies Act

I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purposes of my audit. In my opinion, proper accounting records have been maintained, so far as appears from my 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.

Kingston, Jamaica
August 12, 2022

Jamaica Accountability Meter Portal Limited
Statement of Financial Position
Year ended December 31, 2021

	Notes	2021	2020
Net assets employed:			
CURRENT ASSETS			
Cash at bank	3	608,731	104,959
Accounts receivable	4	20,496,322	24,275,074
		21,105,053	24,380,033
CURRENT LIABILITIES			
Payables	5	27,968,764	28,583,813
NET CURRENT LIABILITIES		(6,863,711)	(4,203,780)
PROPERTY, PLANT & EQUIPMENT	6	798,232	1,110,170
		(6,065,479)	**(3,093,610)**
Financed by:			
Accumulated deficit		**(6,065,479)**	**(3,093,610)**

The financial statements on pages 4 to 17 were approved for issue by the Board of Directors on August 12, 2022 and signed on its behalf by:

.....Director .....Director

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

Jamaica Accountability Meter Portal Limited
Statement of Comprehensive Income - Summary
Year ended December 31, 2021

	Notes	2021	2020
INCOME	7	16,987,107	15,216,311
Operating deficit		(2,985,959)	(2,227,929)
Interest income		14,090	3,917
Other income		-	84,000
Net comprehensive deficit	8	(2,971,869)	(2,140,012)

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

Jamaica Accountability Meter Portal Limited
Statement of Changes in Equity
Year ended December 31, 2021

	Accumulated deficit
Balance at December 31, 2019	(953,598)
Deficit for the year	(2,140,012)
Balance at December 31, 2020	(3,093,610)
Deficit for the year	(2,971,869)
Balance at December 31, 2021	(6,065,479)

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

Jamaica Accountability Meter Portal Limited
Statement of Cash Flows
Year ended December 31, 2021

	2021	2020
CASH FLOWS USED IN OPERATING ACTIVITIES		
Net deficit from operations	(2,971,869)	(2,140,012)
Add: Non-cash item		
Depreciation	370,438	211,379
	(2,601,431)	(1,928,633)
CHANGES IN NON-CASH WORKING CAPITAL COMPONENTS		
Accounts receivable	3,778,752	(11,190,195)
Accounts payables	(615,049)	13,958,888
	3,163,703	2,768,693
Cash flows from operations	562,272	840,060
CASH FLOWS USED IN INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(58,500)	(541,278)
NET INCREASE IN CASH	503,772	298,782
CASH AT START OF THE YEAR	104,959	(193,823)
CASH AT END OF THE YEAR	**608,731**	**104,959**
Represented by:		
Cash balance	**608,731**	**104,959**

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

1. Corporate structure and nature of business

The company is incorporated in Jamaica under the Companies Act and is domiciled in Jamaica. The registered office of the company and its principal place of business are situated at 7 Lady Musgrave Road, Kingston 5.

The company was incorporated September 12, 2017 and commenced trading January 1, 2018.

The principal activity of the company is that of improving governance in Jamaica by the elimination/minimization of mismanagement, waste, corruption and misappropriation of public funds and assets.

The company is a non-profit organization and is limited by guarantee without share capital. The guarantee is limited to a maximum of $500 per subscriber.

2. Statement of compliance, basis of preparation and significant accounting policies

(a) Statement of compliance

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and their interpretations adopted by the International Accounting Standards Board (IASB), and comply with the provisions of the Companies Act.

(b) Basis of preparation

The financial statements are presented in Jamaican dollars (J$), which is the functional currency of the company. The financial statements are prepared under the historical cost convention.

2. Statement of compliance, basis of preparation and significant accounting policies (continued)

(c) Use of estimates and judgements

The preparation of the financial statements to conform to IFRS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, contingent assets and contingent liabilities at the statement of financial position's date, and the income and expense for the year ended. Actual amounts could differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of IFRS that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next financial year are discussed below.

(i) Residual value and expected useful life of property, plant and equipment

The residual value and the expected useful life of an asset are reviewed at least at each financial year end, and, if expectations differ from previous estimates, the change is accounted for. The useful life of an asset is defined in terms of the asset's expected utility to the company.

2. Statement of compliance, basis of preparation and significant accounting policies (continued)

(d) Cash and cash equivalents:

Cash and cash equivalents comprise cash and bank balances including short-term deposits and other monetary investments with maturities ranging between one and three months from the statement of financial position's date.

Bank overdrafts, repayable on demand and forming an integral part of the company's cash management activities, are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

(e) Accounts receivable:

Accounts receivable are stated at cost less impairment losses.

(f) Related parties:

A party is related to the company, if:

(i) directly, or indirectly through one or more intermediaries, the party:
  (a) is controlled by, or is under common control with the company;
  (b) has a direct or indirect interest in the company that gives it significant influence; or
  (c) has joint control over the company
(ii) the party is an associate of the company;
(iii) the party is a joint venture in which the company is a venture;
(iv) the party is a member of the key management personnel of the company;
(v) the party is a close member of the family of any individual referred to in (i) or (iv);
(vi) the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with or indirectly with any individual referred to in (iv) or (v).

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

The company has a related party relationship with its directors and key management personnel, representing certain senior officers of the company.

2. Statement of compliance, basis of preparation and significant accounting policies (continued)

(g) Accounts payable

Trade and other payables are stated at cost.

(h) Provisions

A provision is recognized in the statement of financial position when the company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected cash flows at a pre-tax rate that reflects market assessments of the time value of money and, where appropriate, the risks specific to the obligation.

(i) Property, plant and equipment

(1) Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

(ii) Depreciation

Property, plant and equipment are depreciated on a straight-line basis at annual rates estimated to write off the assets over their expected useful lives. The depreciation rates are as follows:

Furniture, fixtures & equipment	10%
Computer equipment	33.33%

Depreciation methods, useful lives and residual values are reassessed annually.

2. Statement of compliance, basis of preparation and significant accounting policies (continued)

(j) Impairment

The carrying amounts of the company's assets are reviewed at each statement of financial position's date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated at the statement of financial position's date. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the statement of comprehensive income.

Reversal of impairment

An impairment loss in respect of a receivable is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognized. An impairment loss is reversed only to the extent that the carrying amount does not exceed the carrying amount that would be determined, net of depreciation or amortization, if no impairment loss had been recognized.

(k) Financial instruments

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise. For the purpose of these financial statements, financial assets have been determined to include short-term investment and amounts due from related party. Similarly, financial liabilities include bank overdraft and amounts payable.

(l) Determination of fair value

Fair value amounts represent estimates of the arm's length consideration that would be currently agreed between knowledgeable, willing parties who are under no compulsion to act and is best evidenced by a quoted market price, if one exists. Some financial instruments lack an available trading market. These instruments have been valued using present value or other valuation techniques and the fair value shown may not necessarily be indicative of the amounts realizable in an immediate settlement of the instruments.

2. Statement of compliance, basis of preparation and significant accounting policies (continued)

(m) Revenue recognition

Revenue is recognized in the statement of comprehensive income on the receipt of donations.

(n) Determination of income and expenditure

Net income is determined as the difference between donation received and the costs and other charges incurred during the accounting period under review. Net income on transactions are taken in the period in which they are realized. Losses are taken in the period in which they are realized or determined.

(o) Foreign currencies

Transactions in foreign currencies are converted at the rates of exchange at the dates of those transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Jamaican dollars at the rates of exchange ruling on that date. Gains and losses arising from fluctuations in exchange rates are recognized in the income statement.

Non-monetary assets and liabilities denominated in foreign currencies are stated at fair value and are translated to Jamaican dollars at foreign exchange rates at the dates the value was determined.

For the purpose of the statement of cash flows, all foreign currency gains and losses recognized in the income statement are treated as cash items and included in cash flows from operating or financing activities along with movements in the relevant balances.

3. Cash at bank	2021	2020
Current account	608,731	104,959

4. Accounts receivable	2021	2020
The Private Sector Organization of Jamaica	20,356,322	24,135,074
Other	140,000	140,000
	20,496,322	24,275,074

The amount of $20,356,322 represents undisbursed funds received by the PSOJ from the European Union. See note 5.

5. Payables	2021	2020
Audit fee	250,000	353,625
Deferred income, European Union, held by PSOJ	22,613,484	24,693,717
Utilities	1,240,963	42,442
Other	3,846,651	3,494,029
	27,951,098	28,583,813

6. Property, Plant & Equipment

	Furniture, fixtures & equipment	Computers	Total
COST:			
December 31, 2019	531,318	405,092	936,410
Addition	-	541,278	541,278
December 31, 2020	531,318	946,370	1,477,688
Addition	28,980	29,520	58,500
December 31, 2021	560,298	975,891	1,536,189
DEPRECIATION:			
December 31, 2019	62,172	93,967	156,139
Charge for the year	53,132	158,247	211,379
December 31, 2020	115,304	252,214	367,518
Charge for the year	53,373	317,065	370,438
December 31, 2021	168,677	569,279	737,956
NET BOOK VALUES:			
December 31, 2021	391,621	406,611	798,232
December 31, 2020	416,014	694,156	1,110,170

7. Income

Income comprises donations which are contributions received from the European Union and Open Society Foundations.

8. Disclosure of expenses

	2021	2020
Results are stated after charging/(crediting):		
Directors' remuneration	7,495,380	7,495,380
Auditor's remuneration	250,000	181,125
Depreciation	370,438	211,379
Interest earned	(14,090)	(3,917)

9. Taxation

Tax status is yet to be ascertained. Application has been made to seek tax exemption status.

10. Financial Risk Management

Exposure to various types of financial instrument risks arises in the ordinary course of the company's business. The Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework. The company's risk management policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls, and to monitor risk and adherence to limits. Risk management policies are reviewed on a regular basis and reflect changes in market conditions and the company's activities.

(a) 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.

At statement of financial position's date, there was no significant concentration of credit risk and maximum exposure to credit risk is represented by the carrying amount of each financial asset.

(b) Market risk

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market price, whether those changes are caused by factors specific to the individual security or its issuer, or factors affecting all securities traded in the market. The company has no significant exposure to market risk as financial instruments subject to this risk are not material.

(i) Interest rate risk

Interest rate is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

Bank overdrafts are subjected to interest rates which may be varied with appropriate notice by the lender.

Interest rate sensitivity

There would be no material impact on operating results as financial assets and liabilities are contracted for short term duration at fixed interest rates.

10. Financial Risk Management (continued)

(b) Market risk (continued)

(ii) Foreign currency risk

Foreign currency risk is the risk that the value of the financial instrument will fluctuate due to changes in foreign exchange rates.

(c) Liquidity risk

Liquidity risk, also referred to as funding risk, is the risk that the company will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at, or close to, its fair value. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, and the availability of funding through an adequate amount of committed credit facilities. The company manages liquidity risk by maintaining adequate amounts of liquid financial assets of appropriate terms and currencies, by pursuing prompt payment practices and by putting in place appropriate stand-by credit arrangements.

(d) Capital management

The company's objectives when managing capital are to safeguard its ability to continue as a going concern, to provide returns to its stakeholders, and maintain a strong capital base to to support the development of its business.

SUPPLEMENTARY INFORMATION TO THE FINANCIAL STATEMENTS

OF

JAMAICA ACCOUNTABILITY METER PORTAL LIMITED

YEAR ENDED DECEMBER 31, 2021

Jamaica Accountability Meter Portal Limited
Statement of Comprehensive Income - Detailed
Year ended December 31, 2021

	2021	2020
INCOME:		
Donations	16,987,107	15,216,311
EXPENDITURE		
Advertising	1,622	46,484
Audit and accounting	258,000	276,125
Bank charges	24,325	20,581
Directors' emoluments	7,495,380	7,495,380
Courier	16,200	48,900
Depreciation	370,438	211,379
Printing and office supplies	69,634	106,637
Professional	9,946,303	7,757,569
Rates & taxes	6,000	5,450
Rent	889,000	840,000
Repairs and maintenance	115,321	91,318
Workshop training and welfare	313,543	101,242
Subscription	124,834	168,522
Utilities	342,466	274,653
TOTAL EXPENDITURE	19,973,066	17,444,240
NET DEFICIT	(2,985,959)	(2,227,929)