ANGUILLA COMMUNITY COLLEGE

Financial Statements

December 31, 2018

(Expressed in Eastern Caribbean dollars)

Anguilla Community College

Financial Statements for the period ended 31 December 2018

Certificate of Audit and Report of the Chief Auditor

Section 59(2) of the Financial Administration and Audit Act (Revised Statutes of Anguilla Chapter F27 as at 15 December 2010) (the Act) permits me, as Chief Auditor, to accept the audit of the accounts and financial statements of a government agency by an independent auditor, if the appointment of the auditor has been approved by me, and the audit of the agency has been performed in accordance with my directions.

After I accept the audit of the accounts and financial statements of a government agency by an independent auditor, Sections 59(6) and (7) of the Act require me to issue a certificate of audit and prepare a report that evidence the acceptance of the audit of the independent auditor, and to send the certificate of audit and report to the government agency, to the minister responsible for the government agency and to the Minister of Finance.

Section 65 of the Act requires the Anguilla Community College as a government agency to submit an annual report, including my certificate and report, to the minister responsible for the College, the Permanent Secretary and the Minister of Finance. The minister responsible for the College is required to lay the annual report before the House of Assembly.

The appointment of BDO as the independent auditor of the Anguilla Community College was retrospectively approved by me. I accept their audit of the College's financial statements for the year ended 31 December 2018.

As recorded in their Auditors' Report, BDO have audited the financial statements of the Anguilla Community College, which comprise the Statement of Financial Position as at 31 December 2018, Statement of Comprehensive Income, Statement of changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes. The College's management is responsible for the preparation and fair presentation of the financial statements. BDO's responsibility is to express an opinion on the financial statements based on their audit.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. BDO consider that the audit evidence they have obtained is sufficient and appropriate to provide a basis for their opinion.

In BDO's opinion the financial statements present fairly, in all material respects, the financial position of the Anguilla Community College as of 31 December 2018 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Opinion on Regularity requirements

Section 52 of the Financial Administration and Audit Act (the Act) states that the auditor in his or her examination of the College's financial statements shall make such checks as he or she considers necessary to enable him or her to form an opinion as to, but not limited to whether all money appropriated or otherwise disbursed is applied to the purpose for which the House of Assembly intended to provide, and that the expenditure conforms to the authority that governs it.

BDO qualified their regularity opinion because the College's budget and estimates had not been approved by the House of Assembly as required by Section 66 of the Act and Section 35 of the Community College Act 2009.

Emphasis of Matter

BDO's opinion includes an emphasis of matter as detailed below.

On 12 December 2013 the Government of Anguilla approved the Anguilla Community College Development Project (the project) for a total cost of EC$15,669,518. The project will be funded through borrowing and grant from the Caribbean Development Bank amounting to EC$8,642,563 and EC$241,938 respectively. The Government of Anguilla through the Anguilla Community College will also provide funding totalling EC$6,785,017 which includes the value of land on which the college will be located amounting to EC$4,569.940. The purpose of the project is to enhance the teaching and learning environment, the instructional and management capacity of the staff and the quality and relevance of the programme offerings of the College of Anguilla.

Included in the budget of the project is the construction costs of the college new building amounting to approximately EC$8,850,000 including contingencies, interest and commitments on borrowings. As at 31 December 2018 the Government and the College already spent EC$1,762,437 (2017: EC$1,408,783) on construction and related expenses including commitment fees and interest without starting the actual construction of the building. Details of the actual expenses are as follows.

Details	Expenditure in EC$
Design services	463,041
Construction supervision	139,520
Project coordinator*	651,289
Project management services	62,904
Interest	58,821
Commitment fees	386,862
Total	**1,762,437**

*including amount paid by GoA in 2015

If the construction does not proceed as planned the College will continue to incur significant costs on interest and commitment fee. The commitment fee which is charged at 1% per annum on the amount of the loan unwithdrawn is already significantly over the original budget of EC$120,969.

Subsequent to BDO's opinion on 11 April 2019, I understand there was a ground-breaking ceremony on 19 June 2019 on land at Long Path Road and that construction work on a new college premises has commenced.

I have no further observations on these accounts.

Anthony Barrett
Chief Auditor
27 June 2019

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COLLEGE INFORMATION

REGISTERED OFFICE
P. O. Box 1650
203 The Rogers Building
Edwin Wallace Rey Drive
George Hill, AI 2640
Anguilla

BOARD OF GOVERNORS
Rodney Rey, Chairman
Amelia Vanterpool-Kubishch, Deputy Chairman
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Patterson Hunte, Member
Lana Horsford-Harrigan, Member
Rohan Petty, Member
Twana Duncan, Member
Mark Romney, Member
Ronald Harrigan, Member

SECRETARY
Carla Harris

BANKER
National Commercial Bank of Anguilla Limited
P.O. Box 44
The Valley, Anguilla

AUDITOR
BDO LLC
Chartered Accountants
17 Fairplay Complex
Cosley Drive
The Valley
Anguilla, BWI

BDO

BDO LLC
P.O. Box 136
17 Fairplay Complex
Cosley Drive
The Valley, AI-2640
Anguilla, BWI

Tel: 264-497-5500
Fax: 264-497-3755
e-Mail: clandel.romney@bdo[illegible].com
Website: www.bdocaribbean.com

INDEPENDENT AUDITOR'S REPORT

To the Chief Auditor of the Anguilla Community College

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Anguilla Community College (the "College"), which comprise:

- the statement of financial position as at December 31, 2018;
- the statements of comprehensive (loss)/income, statement of changes in capital and statement of cash flows for the year then ended; and
- notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion the accompanying financial statements present fairly, in all material respects, the financial position of the College as at December 31, 2018, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

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 Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the College in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Anguilla, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, 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 College'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 College or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the College's financial reporting process.

INDEPENDENT AUDITOR'S REPORT *(continued)*

To the Chief Auditor of the Anguilla Community College *(continued)*

Report on the Audit of the Financial Statements *(continued)*

Auditor's 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 a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional 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 College'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 College'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 College to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

INDEPENDENT AUDITOR'S REPORT *(continued)*

To the Chief Auditor of the Anguilla Community College *(continued)*

Report on Regulatory Requirements

Basis for Qualified Opinion on Regularity

Section 52 of the Financial Administration and Audit Act (the "Act") states that the auditor in his or her examination of the College's financial statements shall make such checks as he or she considers necessary to enable him or her to form an opinion as to, but not limited to whether all money appropriated or otherwise disbursed is applied to the purpose for which the House of Assembly intended to provide, and that the expenditure conforms to the authority that governs it.

Also, section 66 of the Act states the following:

(1) A government agency shall, before 31 October preceding the commencement of its financial year, submit to the appropriate minister for his or her approval estimates of its recurrent and capital expenditure and its estimates of revenue and other financing required for the year in such form as the Minister of Finance may direct.

(2) The appropriate minister shall, before the commencement of the financial year of the Government agency submit to the Minister of Finance for his or her approval the estimates of recurrent and capital expenditure and its estimates of revenue and other financing required by the government agency.

(3) The appropriate minister shall, without delay after approval by the Minister of Finance, lay the estimates approved by the Minister of Finance before the House of Assembly, if the House of Assembly is sitting, and, if it is not sitting, then without delay after it next sits.

Moreover, section 35 of the Anguilla Community College Act, 2009 states that the Government shall, with the approval of the House of Assembly, grant the College such sum as the Minister of Finance may certify as required to enable the College to commence its functions.

The College's estimates of its recurrent and capital expenditure required for the year were prepared and approved by the appropriate minister and Ministry of Finance, however we were not provided with any evidence that the appropriate minister was able to lay down to the House of Assembly the estimates duly approved by the Minister of Finance for proper approval.

Furthermore, in order for us to satisfy the requirement of section 52 of the Act, in the absence of proper approval of the House of Assembly as required by section 66 of the Act, the College's estimates of its recurrent and capital expenditure were used to determine whether the financial transactions during the year conform to the authorities that govern the College's.

Qualified Opinion on Regularity

In our opinion, except for the absence of the approval of the House of Assembly on the College's estimates of its recurrent and capital expenditure as required by section 66 of the Act, in all material respects, the expenditure and income have been applied for its intended purpose and the financial transactions conform to the authorities that govern the College.

BDO

INDEPENDENT AUDITOR'S REPORT *(continued)*

To the Chief Auditor of the Anguilla Community College *(continued)*

Report on Regulatory Requirements *(continued)*

Other Matter

We draw attention to the following:

On the 12th of December 2013, the Government of Anguilla approved the Anguilla Community College Development Project (the "Project") for a total cost of EC$15,669,518 (US$5,829,000). The project will be funded through borrowing and grant from Caribbean Development Bank amounting to EC$8,642,563 (US$3,215,000) and EC$241,938 (US$90,000), respectively. The Government of Anguilla through the Anguilla Community College (the "College") will also provide funding totalling to EC$6,785,017 (US$2,524,000) which includes the value of land which the College will be located amounting to EC$4,569,940 (US$1,700,000). The purpose of the project is to enhance the teaching and learning environment, the instructional and management capacity of the staff and the quality and relevance of programme offerings of the College in Anguilla.

Included in the budget of the Project is the construction costs of the College new building amounting to approximately EC$8,850,000 including contingencies, interest and commitments on borrowings. As at December 31, 2018, the Government and the College already spent approximately EC$1,762,437 (2017: EC$1,408,783) on construction related expenses including commitment fees and interest without starting the actual construction of the building. Details of the actual expenses are as follows:

Details in EC$	Actual
Design Services	463,041
Construction Supervision	139,520
Project Coordinator*	651,289
Project management services	62,904
Interest	58,821
Commitment fees	386,862
Total	EC$1,762,437

** Including amount paid by GOA in 2015*

If the construction will not proceed as plan, the College will continue to incur significant costs on the interest costs and commitment fee. The commitment fee which is charged at 1% per annum on the amount of the loan unwithdrawn is already significantly over the budget. Commitment fee original budget is only EC$120,969.

BDO LLC

Chartered Accountants
11th of April 2019
The Valley
Anguilla, British West Indies

ANGUILLA COMMUNITY COLLEGE
Statement of Financial Position
As at December 31, 2018

(Expressed in Eastern Caribbean dollars (EC$))

	Notes	2018	2017
ASSETS			
Current assets			
Cash on hand and in bank	7	**35,033**	706,949
Investments	8	**897,762**	896,786
Accounts and other receivables	9	**63,813**	51,146
Prepayments and other current assets	10	**146,220**	198,417
Total current assets		**1,142,828**	1,853,298
Non-current assets			
Property and equipment - net	11	**3,724,764**	3,630,428
Intangible assets	12	**-**	-
Other assets	13	**330,397**	395,261
Total non-current assets		**4,055,161**	4,025,689
Total assets		**5,197,989**	5,878,987
LIABILITIES AND CAPITAL			
Liabilities			
Accounts and other payables	14	**374,901**	120,420
Deferred Income	15	**403,214**	427,989
Borrowings	16	**773,661**	569,375
Total liabilities		**1,551,776**	1,117,784
Capital			
Capital contributions	17	**4,650,310**	4,650,310
(Deficit)/fund earnings		**(1,004,097)**	110,893
Total capital		**3,646,213**	4,761,203
Total liabilities and capital		**5,197,989**	5,878,987

These financial statements from pages 6 to 29 were approved and authorized for issue by the Board of Governors on 11th of April, 2019 and were signed on its behalf by:

Mr. Rodney Rey
Chairman

Dr. Karl Dawson
President

The notes on pages 10 to 29 are integral part of these financial statements.

ANGUILLA COMMUNITY COLLEGE
Statement of Comprehensive (Loss)/Income
For the Year Ended December 31, 2018

(Expressed in Eastern Caribbean dollars (EC$))

	Notes	**2018**	2017
Revenues			
Tuition and other student fees		**597,991**	492,089
Café revenue		**57,848**	64,586
Grant income	*13*	**43,426**	-
		699,265	556,675
Direct costs			
Academic programs		**(765,936)**	(467,275)
Café		**(15,252)**	(28,405)
Grant expense	*13*	**(43,426)**	-
		(824,614)	(495,680)
Gross income		**(125,349)**	60,995
Other Income			
Government subventions	*22*	**3,015,178**	3,115,178
Grant income		**169**	63,858
Interest	*8*	**21,294**	22,891
Other		**15,807**	26,061
		3,052,448	3,227,988
General and administrative expenses			
Salaries and wages		**(1,849,578)**	(1,690,711)
Professional fees	*19*	**(481,563)**	(71,660)
Rent	*21*	**(416,520)**	(395,694)
Employee benefits	*18*	**(321,260)**	(261,952)
Board of Governors	*22*	**(167,400)**	(162,140)
Utilities		**(116,437)**	(88,689)
Advertising		**(111,322)**	(13,797)
Repairs and maintenance		**(71,834)**	(74,158)
Communication		**(66,158)**	(25,971)
Depreciation and amortization	*11, 12*	**(50,937)**	(79,846)
Office supplies		**(39,151)**	(23,752)
Finance charge	*16*	**(36,317)**	(16,122)
Impairment loss	*9*	**(23,379)**	-
Other	*20*	**(290,233)**	(88,667)
		(4,042,089)	(2,993,159)
Net (loss)/income		**(1,114,990)**	295,824

The notes on pages 10 to 29 are integral part of these financial statements.

ANGUILLA COMMUNITY COLLEGE
Statement of Changes in Capital
For the Year Ended December 31, 2018

(Expressed in Eastern Caribbean dollars (EC$))

	Note	2018	2017
Capital contributions		**4,650,310**	4,650,310
Fund (deficit)/earnings			
Beginning of the year		**110,893**	(184,931)
Net (loss)/income		**(1,114,990)**	295,824
End of the year		**(1,004,097)**	110,893
Total capital		**3,646,213**	4,761,203

The notes on pages 10 to 29 are integral part of these financial statements.

ANGUILLA COMMUNITY COLLEGE
Statement of Cash Flows
For the Year Ended December 31, 2018

(Expressed in Eastern Caribbean dollars (EC$))

	Notes	2018	2017
Cash flows from operating activities			
Net (loss)/income		**(1,114,990)**	295,824
Adjustments for:			
Impairment loss	*9*	**23,379**	-
Depreciation and amortization	*11, 12*	**50,937**	79,846
Interest income		**(21,294)**	(22,891)
Finance charges		**36,317**	16,122
Loss on damaged vehicle		**-**	12,686
Net (loss)/income before working capital changes		**(1,025,651)**	381,587
(Increase)/decrease in:			
Accounts and other receivables		**(36,046)**	90,232
Prepayments and other current assets		**34,698**	(38,677)
Other assets		**64,864**	(25,417)
(Decrease)/increase in:			
Deferred income		**(24,775)**	11,702
Accounts and other payables		**254,481**	(119,362)
Cash (used in)/provided by operating activities		**(732,429)**	300,065
Interest received		**38,793**	5,667
Interest paid		**(36,317)**	-
Net cash (used in)/provided by operating activities		**(729,953)**	305,732
Cash flows from investing activities			
Additional investments		**(976)**	(956)
Acquisition of property and equipment	*11*	**(145,273)**	(317,897)
Proceeds from disposal of property and equipment		**-**	37,567
Net cash used in investing activities		**(146,249)**	(281,286)
Cash flows from financing activity			
Payment of long-term debt		**-**	(96,678)
Proceeds from borrowing		**204,286**	144,623
Net cash provided by financing activity		**204,286**	47,945
Net (decrease)/increase in cash on hand and in bank		**(671,916)**	72,391
Cash on hand and in bank at beginning of year		**706,949**	634,558
Cash on hand and in bank at end of year		**35,033**	706,949

The notes on pages 10 to 29 are integral part of the financial statements.

1. Reporting entity

Anguilla Community College (the "College") is a Statutory Body of the Government of Anguilla. It was established in Anguilla on March 1, 2009, under the provisions of the Anguilla Community College Act 2009. It operates from the Rogers Building in George Hill.

The principal activity of the College is to:

a) provide full and part-time education and training to persons of age 16 years and over, except that persons below this age may be admitted to the College in such special circumstances approved by the Board;

b) provide educational services, including teaching and research, relevant to the needs of Anguilla, of the highest educational standards required and expected of an institution at this level;

c) grant degrees, diplomas, certificates and other awards;

d) enter into association or affiliation with universities, college and other relevant institution within or outside Anguilla for the fulfillment of its functions; and

e) perform such other functions which for the time being are conferred on it by virtue of the Anguilla Community College Act.

The registered office of the College is at Rogers Building, George Hill, Anguilla.

2. Basis of preparation

(a) Statement of compliance
The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the International Accounting Standards Board (IASB).

(b) Basis of measurement
The financial statements of the College have been prepared on the historical cost basis.

(c) Functional and presentation currency
These financial statements are presented in Eastern Caribbean Dollars, which is the College's functional and presentation currency. Except as otherwise indicated, financial information presented in Eastern Caribbean dollars has been rounded to the nearest dollar.

2. Basis of preparation *(continued)*

(d) Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses. Actual results may 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 and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are described in note 6 to the financial statements.

(e) New standards, interpretations and amendments effective from 1 January 2018

The accounting policies adopted are consistent with those of the previous financial year except that the College has adopted the following new and amended IFRS and IFRIC (International Financial Reporting Interpretations Committee) interpretations as of January 1, 2018:

IFRS 9, Financial Instruments - This standard replaces IAS 39, Financial Instruments: Recognition and Measurement (and all the previous versions of IFRS 9). It provides requirements for the classification and measurement of financial assets and liabilities, impairment, hedge accounting, recognition, and derecognition.

IFRS 9 requires all recognized financial assets to be subsequently measured at amortized cost or fair value (through profit or loss or through other comprehensive income), depending on their classification by reference to the business model within which these are held and its contractual cash flow characteristics.

For financial liabilities, the most significant effect of IFRS 9 relates to cases where the fair value option is taken: the amount of change in fair value of a financial liability designated as at fair value through profit or loss that is attributable to changes in the credit risk of that liability is recognized in other comprehensive income (rather than in profit or loss), unless this creates an accounting mismatch.

For the impairment of financial assets, IFRS 9 introduces an "expected credit loss" model based on the concept of providing for expected losses at inception of a contract; recognition of a credit loss should no longer wait for there to be objective evidence of impairment.

For hedge accounting, IFRS 9 introduces a substantial overhaul allowing financial statements to better reflect how risk management activities are undertaken when hedging financial and non-financial risk exposures.

The derecognition provisions are carried over almost unchanged from IAS 39.

2. Basis of preparation *(continued)*

(e) New standards, interpretations and amendments effective from 1 January 2018

Based on the College's analysis of its business model and the contractual cash flow characteristics of its financial assets and liabilities as at December 31, 2018, the College has concluded that all of its financial assets and liabilities shall continue to be measured on the same basis as under IAS 39.

Also, the College assessed that the adoption of IFRS 9, specifically on determining impairment loss using simplified approach (or general approach, as applicable), has no impact on the carrying amounts of the College's financial assets carried at amortized cost (and/or other comprehensive income).

IFRS 15, Revenue from Contracts with Customers - The new standard replaces IAS 11, Construction Contracts, IAS 18, Revenue, and their related interpretations. It establishes a single comprehensive framework for revenue recognition to apply consistently across transactions, industries and capital markets, with a core principle (based on a five-step model to be applied to all contracts with customers), enhanced disclosures, and new or improved guidance (e.g. the point at which revenue is recognized, accounting for variable considerations, costs of fulfilling and obtaining a contract, etc.).

Amendments to IFRS 15, Revenue from Contract with Customers - Clarification to IFRS 15 - The amendments provide clarifications on the following topics: (a) identifying performance obligations; (b) principal versus agent considerations; and (c) licensing. The amendments also provide some transition relief for modified contracts and completed contracts.

Based on the College's assessment, all of the College's contracts with customers generally undertake to provide single performance obligation at a fixed price which is mainly the rendering of services. Thus, the allocation of transaction price to the single performance obligation is not applicable. The College recognizes revenue as the services are rendered over time. Accordingly, the adoption of IFRS 15 has no impact in the timing of the College's revenue recognition.

3. Significant accounting policies

(a) Foreign currency transactions

Transactions in foreign currencies are translated to Eastern Caribbean Dollars at the foreign exchange rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into Eastern Caribbean Dollars at the foreign exchange rate ruling at that date.

(b) Revenue recognition

Revenue is recognized to the extent that it is probable that economic benefits will flow to the College and revenue can be reliably measured.

3. Significant accounting policies *(continued)*

(b) Revenue recognition *(continued)*

Tuition and other student fees
Tuition and other student fees are recognized as revenue in the fiscal year these are earned and billed. Tuition and registration fees pertaining to the succeeding fiscal year collected in advance are shown as deferred income in the statement of financial position.

Revenue from government subventions and grants
Government grants received on capital expenditure are generally deducted in arriving at the carrying amount of the asset purchased. Grants for revenue expenditure are netted against the cost incurred by the College. Where retention of a government grant is dependent on the College satisfying certain criteria, it is initially recognized as deferred income. When the criteria for retention have been satisfied, the deferred income balance is released to the statement of comprehensive income or netted against the asset purchased.

Revenue from other grants
Grants that compensate the College for expenses incurred are recognized as revenue in the statement of revenues and expenses on a systematic basis in the same periods in which the expenses were incurred. Grants collected in advance with no expenses being incurred are shown as other assets and deferred income in the statement of financial position, respectively.

Interest income
Interest income on deposits with banks is recognized when earned and presented.

Other income
Other income which includes café revenue and other miscellaneous income, etc. which are not directly attributable to the ordinary conduct of college operations are recognized as income in the period earned.

(c) Expense recognition

Expenses are recognized when decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen that can be measured reliably. Expenses are recognized when they are incurred.

(d) Non-derivative financial instruments

Non-derivative financial assets comprise of cash in bank, investments, and accounts and other receivables. Non-derivative financial liabilities comprise of accounts and other payables, deferred income and borrowing.

i. *Classification, recognition and measurement*
Non-derivative financial instruments are measured initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs.

3. Significant accounting policies *(continued)*

(d) Non-derivative financial instruments *(continued)*

i. Classification, recognition and measurement (continued)
The College classifies its financial assets in the following categories: held-to-maturity financial assets and available-for-sale financial assets while financial liabilities are categorized as other amortized cost.

Cash on hand and in bank
Cash on hand and in bank include cash balances on hand, balance with local banks and highly liquid financial assets with maturities of less than three months, which are subject to insignificant risk of changes in their fair value.

Held-to-maturity financial assets
Held-to-maturity financial assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the College's management has the positive intention and ability to hold to maturity. Where the College intends to sell other than an insignificant amount of held-to-maturity financial assets, the entire category would be tainted and reclassified as available-for-sale. Held-to-maturity financial assets are measured at amortized cost, less any impairment losses. As at December 31, 2018 and 2017, the College's financial assets classified as held-to-maturity is its savings and fixed deposits held with a bank and its accounts and other receivables.

Available-for-sale financial assets
Available-for-sale financial assets are intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, exchange rates or equity prices. All other available-for-sale financial assets are carried at fair value.

Accounts payable
Accounts payable are non-derivative financial liabilities with fixed or determinable payments that are not quoted in an active market and that the College does not intend to sell immediately or in the near term. Subsequent to initial recognition, accounts payable are measured at amortized cost using the effective interest method.

Borrowings
Borrowings are the College' sources of debt funding. Borrowings are initially measured at fair value plus transaction costs, and subsequently measured at their amortized cost using the effective interest method, except, where the College chooses to carry the liabilities at fair value through profit or loss.

3. Significant accounting policies *(continued)*

(d) Non-derivative financial instruments *(continued)*

ii. Derecognition
The College derecognizes a non-derivative financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows from the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the College is recognized as a separate asset or liability.

Derecognition also takes place for certain assets when the College writes off balances pertaining to the assets deemed to be uncollectible. The College derecognizes a financial liability when its contractual obligations expire or have been discharged or cancelled.

iii. Offsetting
Non-derivative financial assets and liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the College has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously. Income and expenses are presented on a net basis only when permitted by the accounting standards, or for gains and losses arising from a group of similar transactions

iv. Amortized cost measurement
The amortized cost of a financial asset or liability is the amount at which the financial asset or liability is measured on initial recognition, minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount recognized and the maturity amount, minus any reduction for impairment.

v. Fair value measurement
The determination of fair values of financial assets and financial liabilities is based on quoted market prices or dealer price quotations for financial instruments traded in active markets. For all other financial instruments, fair value is determined by using valuation techniques.

vi. Identification and measurement of impairment
At each reporting date, the College assesses whether there is objective evidence that financial assets not carried at fair value through profit or loss are impaired. Financial assets are impaired when objective evidence demonstrates that a loss event has occurred after the initial recognition of the asset, and that the loss event has an impact on the future cash flows on the asset that can be estimated reliably.

3. Significant accounting policies *(continued)*

(d) Non-derivative financial instruments *(continued)*

vi. Identification and measurement of impairment (continued)
Impairment losses on assets carried at amortized cost are measured as the difference between the carrying amount of the financial assets and the present value of estimated cash flows discounted at the assets' original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance account. When a subsequent event causes the amount of impairment loss to decrease, the impairment loss is reversed through profit or loss.

(e) Property and equipment - net

i. Recognition and measurement
Items of property and equipment are measured at cost less accumulated depreciation and impairment losses, if any.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment. Borrowing costs related to the acquisition or construction of qualifying assets is recognized in the statement of revenues and expenses as incurred. When parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

Gains and losses on disposal of an item of property and equipment are determined by comparing the proceeds from disposal with the carrying amount of property and equipment and are recognized net within "other income" in the statement of revenues and expenses.

ii. Subsequent costs
The cost of replacing part of an item of property and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the College and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in the statement of revenues and expenses as incurred.

3. Significant accounting policies *(continued)*

(e) Property and equipment - net *(continued)*

iii. Depreciation

Depreciation is recognized in the statement of income on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment.

The estimated useful lives are as follows:

Plant and machinery	5 years
Furniture and fittings	5 years
Motor vehicles	5 years
Computer hardware	3 - 5 years
Computer software	5 years
Building	50 years

The assets' useful lives and depreciation method are reviewed periodically to ensure that the period and method of depreciation are consistent with the expected pattern of economic benefits from items of property and equipment.

iv. Impairment

The carrying amounts of the College's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. Is assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognized in the profit or loss.

In respect of other assets, impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(f) Borrowing costs

Interest and commitment fee incurred on the bank loan used to fund the construction of the College's future school building is being capitalized as part of its cost, net of interest received on cash drawn yet to be expended, if any. Other interest and commitment fee not related to the construction are expense outright.

3. Significant accounting policies *(continued)*

(g) Leases

All leases are classified as operating lease considering that significant portion of the risks and rewards of ownership are not transferred to the lessee for it to be classified as finance lease. Under operating lease, lease income is recognized in the statements of revenues and expenses on a straight-line basis over the term of the lease while under finance lease, the minimum lease payments are apportioned between the repayment of principal and finance income.

(h) Employee benefits

i. ***Retirement benefits***
By virtue of the Anguilla Community College Act, the College's retirement benefit is sponsored by the Government of Anguilla under its Pension Scheme for Public Officers. The scheme is a defined benefit state plan which operates under the simple pay-as-you-go basis. Obligations for contributions to the defined pension state plan are recognized as a pension expense in profit or loss when they are due.

ii. ***Short-term benefits***
Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

(i) Provisions

A provision is recognized if, as a result of a IASt event, the College has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(j) Subsequent events

Post year-end events that provide additional information about the College's financial position at reporting date (adjusting events) are reflected in the financial statements when material. Post year-end events that are not adjusting events are disclosed in the notes to the financial statements when material.

(k) Taxation

As per the Anguilla Community College Act 2009, Part 4 .41 the College is exempt from all taxes and levies on its income and operations and all taxes, duties, administrative fees and rates on its real property, personal property, instruments and documents.

3. Significant accounting policies *(continued)*

(l) New standards, amendments to standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations that have been issued but are not yet effective as at December 31, 2018 or not relevant to the College's operations. These are as follows:

- *IFRS 16 Leases (mandatorily effective for periods beginning on or after 1 January 2019)*
- Amendments to IFRS 9, *Financial Instruments - Prepayment Features with Negative Compensation (effective 1, January 2019)*
- Amendments to IAS 28, *Investments in Associates and Joint Ventures - Long-term Interests in Associates and Joint Ventures (effective 1, January 2019)*

The adoption of these amendments to standards and interpretations will not have any significant impact on the College's financial statements as at and for the year ending December 31, 2018.

4. Determination of fair values

IFRS 7 requires certain disclosures which require the classification of financial assets and financial liabilities measured at fair value using a fair value hierarchy that reflects the significance of the inputs used in making the fair value measurement. The fair value hierarchy has the following levels:

Level 1: Quoted market price (unadjusted) in an active market for an identical measurement.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that is not based on observable market data (unobservable inputs).

The level in the fair value hierarchy within which the financial asset or financial liability is categorized is determined on the basis of the lowest level input that is significant to the fair value measurement. Financial assets and financial liabilities are classified in their entirety into only one of the three levels.

i. Cash on hand and in bank and accounts receivable
Due to the short-term nature of the transactions, the fair value of cash on hand and in bank and accounts receivable approximate their carrying amounts as at reporting date.

ii. Accounts payable and deferred income
Due to the short-term nature of the transactions, the fair value of accounts payable and deferred income approximates their carrying amounts as at reporting date.

4. Financial risk management

Overview:
The College has exposure to the following risks from its use of financial instruments.

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the College's exposure to each of the above risks, the College's objectives, policies and processes for measuring and managing risk, and the College's management of capital. Further quantitative disclosures are included throughout these financial statements.

Management has overall responsibility for the establishment and oversight of the College's risk management framework and it assesses financial and control risks to the College.

i. Credit risk

Credit risk arises from the possibility that counter parties to a financial instrument may default on their obligations to the College. The College's maximum exposure to credit risk is indicated by the carrying amount of its financial assets.

	2018	2017
Cash in bank	**35,033**	706,949
Investment	**897,762**	896,786
Accounts and other receivables	**63,813**	51,146
	996,608	1,654,881

Accounts and other receivables
The College's exposure to credit risk is influenced mainly by the customers' ability to meet their obligations to the College and this depends on the state of the economy. The demographics of the College's customers base, including the default risk of the country in which contributors operate, has less of an influence on credit risk. Geographically there is no concentration of credit risk.

Cash in bank and investments
Cash in bank and investments are held with established financial institutions, which represent minimum risk of default

ii. Liquidity risk

Liquidity risk is the risk that the College will not be able to meet its financial obligations as they fall due. The College's approach to managing liquidity is to ensure that, as far as possible, it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the College's reputation.

(Expressed in Eastern Caribbean Dollars (EC$))

5. Financial risk management *(continued)*

ii. Liquidity risk *(continued)*

The following are the contractual maturities of financial assets and liabilities excluding the impact of netting arrangements:

	2018	2017
Assets		
Cash in bank	**35,033**	706,949
Investment	**897,762**	896,786
Accounts and other receivables	**63,813**	51,146
	996,608	1,654,881
Liabilities		
Accounts and other payables	**(374,901)**	(120,420)
Borrowings	**(773,661)**	(569,375)
	(1,148,562)	(689,795)
	(151,954)	965,086

iii. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and price risk will affect the value of the College's assets, the amount of its liabilities and/or income. Market risk arises from fluctuations in the value of liabilities and the value of investments held.

a. *Price risk*
Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer, or factors affecting the entire instrument traded in the market. The College has no quoted instruments consequently there is no significant exposure to price risk.

b. *Interest rate risk*
Some of the College's financial assets and liabilities are noninterest bearing. The College's interest-bearing assets and liabilities generally carry fixed rates of interest and therefore there is no significant exposure to interest rate risk.

c. *Currency risk*

Substantially all the College's transactions, assets and liabilities are denominated in either Eastern Caribbean or United States Dollars. Therefore, the College has no significant exposure to currency risk.

6. Critical accounting estimates and judgments

The College makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The following are the critical estimates and judgments used in applying accounting policies that have a significant risk of material adjustment to the carrying amounts of assets and liabilities within the next financial year and/or in future periods:

(a) Allowance for impairment losses
Assets accounted for at amortised cost are evaluated for impairment on a basis described in Note 3 (e) (v).

(b) Determination of fair values
The fair values of financial and non-financial assets and liabilities have been determined for measurement and/or disclosure purposes based on the methods described in Note 4.

(c) Estimated useful lives of property and equipment
The basis for the estimation of the lives of the College's property and equipment is disclosed in Note 3 (f) (iii).

7. Cash on hand and in bank

Cash in bank represents deposits with the National Commercial Bank of Anguilla Limited which earn interest at the rate of 1.0% per annum detailed as follows:

	2018	2017
Cash on hand	**650**	650
Cash in bank	**34,383**	706,299
	35,033	706,949

8. Investments

	2018	2017
National Commercial Bank of Anguilla Limited	**850,000**	850,000
National Commercial Bank of Anguilla Limited	**47,762**	46,786
	897,762	896,786

The above investments pertain to fixed deposits maintained with a local bank which carries an interest rates ranging from 1.3250% to 2.25% (2017: 2.075% to 2.25% per annum). The deposit at National Commercial Bank of Anguilla Limited will mature on 18th January 2019 and 30th April 2019, respectively.

(Expressed in Eastern Caribbean Dollars (EC$))

9. Accounts and other receivables

	2018	2017
Students receivable	**137,586**	92,780
Café receivable	**1,034**	9,794
Other receivables	**2,680**	2,688
	141,300	105,262
Allowance for impairment loss	**(77,495)**	(54,116)
	63,813	51,146

Details of allowance for impairment loss follow:

	2018	2017
Balance at beginning of the year	**54,116**	54,116
Impairment loss for the year	**23,379**	-
Balance at end of the year	**77,495**	54,116

10. Prepayments and other current assets

	2018	2017
Prepayments	**92,966**	**134,760**
Security deposits	**34,710**	**32,975**
Others	**18,544**	**30,682**
	146,220	198,417

11. Property and equipment - net

	Land & Building	Furniture & Fittings	Machinery & Equipment	Motor Vehicles	Leasehold improvement	WIP	Computer Hardware	Total
Cost								
31 December, 2016	4,254,345	231,300	189,757	61,533	72,438	931,475	165,276	5,906,124
Acquisitions	-	5,469	-	-	-	312,428	-	317,897
Disposals	-	-	-	(61,533)	-	-	-	(61,533)
31 December, 2017	**4,254,345**	**236,769**	**189,757**	-	**72,438**	**1,243,903**	**165,276**	**6,162,488**
Additions	-	-	**9,094**	**59,382**	-	**73,720**	**3,077**	**145,273**
Disposals	-	-	-	-	-	-	-	-
31 December, 2018	**4,254,345**	**236,769**	**198,851**	**59,382**	**72,438**	**1,317,623**	**168,353**	**6,307,761**
Accumulated depreciation								
31 December, 2016	132,013	202,708	170,235	-	72,438	-	132,744	710,138
Depreciation	22,312	16,234	16,965	11,281	-	-	13,055	79,847
Disposals	-	-	-	(11,281)	-	-	-	(11,281)
31 December, 2017	**154,325**	**218,943**	**187,200**	-	**72,438**	-	**145,799**	**778,704**
Depreciation	**22,313**	**7,934**	**2,439**	**10,887**	-	-	**7,364**	**50,937**
Disposals	-	-	-	-	-	-	-	-
31 December, 2018	**176,638**	**226,877**	**189,639**	**10,887**	**72,438**	-	**153,163**	**829,641**
Allowance for impairment loss								
31 December, 2016	1,775,668	-	-	-	-	-	-	1,775,668
Reversal	(22,312)	-	-	-	-	-	-	(22,312)
31 December, 2017	1,753,356	-	-	-	-	-	-	1,753,356
Charges	-	-	-	-	-	-	-	-
31 December, 2018	**1,753,356**	-	-	-	-	-	-	**1,753,356**
Carrying amount								
31 December, 2017	2,346,664	17,827	2,557	-	-	1,243,903	19,477	3,630,428
31 December, 2018	**2,324,352**	**9,892**	**9,212**	**48,495**	-	**1,317,623**	**15,189**	**3,724,764**

12. Intangible assets - net

Movements in this account follow:

	2018	2017
Cost		
Beginning balance	**168,265**	168,265
Acquisition during the year	**-**	-
Ending balance	**168,265**	168,265
Accumulated amortization		
Beginning balance	**168,265**	136,129
Amortization for the year	**-**	32,136
Ending balance	**168,265**	168,265
Carrying amount	**-**	-

13. Other asset

This account consists of grants and donations received by the College maintained in a savings deposit which are restricted for specific purpose. The movements of these restricted assets are as follows:

	Vocational training project fund	Scholarship fund	Presidents Discretionary Fund	Total
31 December 2016	260,628	109,216	-	369,844
Grants received during the year	-	26,882	-	26,882
Interest income	1,935	-	-	1,935
Expense incurred	-	(3,400)	-	(3,400)
31 December 2017	262,563	132,698	-	395,261
Grants received during the year	-	-	5,000	5,000
Interest income	1,817	-	-	1,817
Expense incurred	(43,426)	(28,255)	-	(71,681)
31 December 2018	**220,954**	**132,698**	**5,000**	**330,397**

14. Accounts and other payables

	Note	2018	2017
Provision for legal settlement	20	**207,005**	-
Provision for gratuity		**96,750**	35,068
Accrued expenses		**56,191**	62,544
Trade payables		**14,955**	22,808
		374,901	120,420

15. Deferred income

Deferred income represents unearned tuition and other student fees pertaining to the succeeding fiscal year collected or accrued in advance. This is subsequently recognized as income in the succeeding fiscal year.

This account also includes unearned revenue on grants restricted for specific purposes. Revenues are recognized based on a systematic basis in the same periods in which the expenses related to the grants are incurred.

Details are as follows:

	Note	2018	2017
Tuition and other student fees		**22,817**	32,728
Grants	13	**330,398**	395,261
Subventions		**49,999**	-
		403,214	427,989

16. Borrowings

On the 4th of April 2014, the College (the "Executing Agency"), the Government of Anguilla (the "Borrower") and the Caribbean Development Bank (the "Bank') entered in a loan agreement for the purpose of enhancing the teaching and learning environment, the instructional and management capacity of the staff and the quality and relevance of programme offerings of the College in Anguilla (the "Project").

The following are the significant provisions of the agreement:

a. Amount of loan - the Bank agrees to lend the Borrower, on the terms and conditions set forth in this Loan Agreement, an amount from the Bank's Ordinary Capital Resources not exceeding the equivalent of three million two hundred and fifteen thousand United States dollars (US$3,215,000 or EC$8,642,563).

16. Borrowings *(continued)*

The following are the significant provisions of the agreement: *(continued)*

b. Repayment - the Executing Agency and/or the Borrower shall repay the amount withdrawn from the Loan Account in forty-eight (48) equal or approximately equal and consecutive quarterly instalments on each due date, commencing on the first due date after the expiry of five (5) years following the date of this loan agreement or on such later due date as the Bank may specify in writing.

c. Interest - the interest will be at the rate of 4.1% per annum on the principal withdrawn and outstanding from time to time. Such interest shall be payable on a quarterly basis.

d. Commitment charge - a commitment charge at the rate of 1% per annum on the amount of the loan unwithdrawn from time on time. Such charge shall accrue from the 60th day after the date of this loan agreement and shall be payable quarterly.

Details of the cumulative withdrawn amount as at December 31, 2018 follow:

	2018	2017
Commitment charge	**386,862**	306,794
Principal (consultancy fee)	**624,493**	420,207
Interest	**60,036**	30,067
	1,071,391	757,068
Repayment	**(297,730)**	(187,693)
	773,661	569,375

Withdrawn amounts as at December 31, 2018 are presented in the financial statements as follows:

	Note	2018	2017
Property and equipment	*11*	**495,223**	421,503
Professional fees		**484,974**	280,688
Finance charges		**91,194**	54,877
		1,071,931	757,068

17. Contributed capital

Contributed capital represents the net position of property and equipment transferred to the college by the Government of Anguilla in 2010 and 2011 in accordance with the Anguilla Community College Act section 43, vesting of property.

18. Employee benefits

	2018	2017
Medical expenses	**77,918**	76,961
Staff allowances	**76,624**	30,472
Social security contributions	**58,011**	56,075
Gratuity expense	**61,681**	35,068
Pension plan contributions	**36,806**	38,260
Travel allowance	**9,006**	24,592
Others	**1,214**	524
	321,260	261,952

19. Professional fees

	2018	2017
Project Coordinator fee - CDB	**211,282**	-
Consultancy fee - CDB	**204,286**	18,981
Audit fee	**39,013**	39,013
Consultancy fee	**20,162**	-
Legal fees	**6,745**	32,647
Others	**75**	-
	481,563	90,641

20. Other expense

	2018	2017
Employee legal settlement	**207,005**	-
Insurance	**24,528**	7,552
Security	**21,592**	17,600
Entertainment	**15,051**	2,920
Forex loss	**10,001**	6,847
Bank charges	**5,331**	4,189
Cleaning	**4,459**	4,709
Subscription	**2,266**	27,067
Loss on disposal of fixed assets	-	12,685
Others	-	5,098
	290,233	88,667

(Expressed in Eastern Caribbean Dollars (EC$))

20. Other expense *(continued)*

During the year, a legal settlement was agreed with a former employee who alleges constructive dismissal and/or breach of contract against the College for a total amount of EC$207,005.

21. Lease

The College leases the premises it occupies. The lease contract commenced on January 1, 2018 and expires on December 31, 2019 with the option to renew the contract. The lease provides for a monthly rent of $34,710. The lease does not include contingent rentals.

22. Related party transactions

A party is related to the College if:

- Directly or indirectly through one or more intermediaries the party controls, is controlled by, or is under common control with, the College (this includes, parents, subsidiaries and fellow subsidiaries); has an interest in the College that gives it significant influence over the College; or has joint control over the College.
- The party is an associate of the College.
- The party is a joint venture in which the College is a venture.
- The party is a member of the key management personnel of the College or its parent.
- The party is a close member of the family or any individual referred to in (i) or (iv).
- The party is the entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
- The party is a postemployment benefit plan for the benefit of employees of the College or of any College, which is a related party of the College.

The College's significant related party transactions are summarized below:

	Type of transaction	2018	2017
Government of Anguilla	**Subvention**	**3,015,178**	3,115,178
Government of Anguilla	**Grant**	**71,681**	-
Government of Anguilla	**Borrowings (Guarantor)**	**773,661**	569,375
Key management personnel	**Compensation**	**1,320,271**	712,442
Board of Governors	**Board fees**	**167,400**	162,140
Board of Governors	**Property and equipment (services)**	**-**	-