



Chartered Accountants
& Business Advisors

**EAST PORT OF SPAIN
DEVELOPMENT COMPANY LIMITED**

FINANCIAL STATEMENTS

30 SEPTEMBER 2012



Chartered Accountants
& Business Advisors

EAST PORT OF SPAIN DEVELOPMENT COMPANY LIMITED

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STATEMENT OF MANAGEMENT RESPONSIBILITIES

Management is responsible for the following:

- preparing and fairly presenting the accompanying financial statements of East Port of Spain Development Company Limited, which comprise the statement of financial position as at 30 September 2012 the statements of income and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information;
- ensuring that the company keeps proper accounting records;
- selecting appropriate accounting policies and applying them in a consistent manner;
- implementing, monitoring and evaluating the system of internal control that assures security of the company's assets, detection/prevention of fraud, and the achievement of company operational efficiencies;
- ensuring that the system of internal control operated effectively during the reporting period;
- producing reliable financial reporting that comply with laws and regulations, including the Companies Act; and
- using reasonable and prudent judgement in the determination of estimates.

In preparing these audited financial statements, management utilised the International Financial Reporting Standards, as issued by the International Accounting Standards Board and adopted by the Institute of Chartered Accountants of Trinidad and Tobago. Where International Financial Reporting Standards presented alternative accounting treatments, management chose those considered most appropriate in the circumstances.

Nothing has come to the attention of management to indicate that the company will not remain a going concern for the next twelve months from the reporting date; or up to the date the accompanying financial statements have been authorised for issue, if later.

Management affirms that it has carried out its responsibilities as outlined above.


Signed

Date: November 13th 2018.


Signed

Date: 13/11/18



Chartered Accountants
& Business Advisors

INDEPENDENT AUDITORS' REPORT

The Shareholder
East Port of Spain Development Company Limited

Opinion

We have audited the financial statements of East Port of Spain Development Company Limited, which comprise the statement of financial position as at 30 September 2012, the statements of comprehensive income and cash flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 30 September 2012 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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and the Board of Directors 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 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 Board of Directors is responsible for overseeing the Company's financial reporting process.

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Chartered Accountants
& Business Advisors

INDEPENDENT AUDITORS' REPORT (Cont'd)

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 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 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 the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' 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 achieves fair presentation.

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

Barataria
TRINIDAD
13 November 2018

EAST PORT OF SPAIN DEVELOPMENT COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

	<u>ASSETS</u>	30 September	
	<u>Notes</u>	<u>2012</u>	<u>2011</u>
Current Assets:			
Cash and cash equivalents	5	\$ 5,507,620	\$ 2,314,510
Accounts receivables and prepayments	6	66,295	48,813
Government grants receivable	7	<u>2,214,484</u>	<u>1,042,178</u>
		7,788,399	3,405,501
Non-Current Assets:			
Fixed assets	8	<u>928,544</u>	<u>1,179,005</u>
Total Assets		<u>\$ 8,716,943</u>	<u>\$ 4,584,506</u>

LIABILITIES AND SHAREHOLDER'S EQUITY

Current Liabilities:			
Accounts payable and accruals	9	\$ 3,324,669	\$ 633,155
Deferred income - government grants	10	4,932,307	3,243,792
Taxation payable		<u>3,214</u>	<u>345</u>
		8,260,190	3,877,292
Non-Current Liabilities:			
Deferred income - capital expenditure grants	12	<u>456,743</u>	<u>707,204</u>
Total Liabilities		8,716,933	4,584,496
Shareholder's Equity:			
Stated Capital	13	<u>10</u>	<u>10</u>
Total Liabilities and Shareholder's Equity		<u>\$ 8,716,943</u>	<u>\$ 4,584,506</u>

These financial statements were approved by the Board of Directors and authorised for issue on 13 November 2018 and signed on their behalf by:



Director



Director

(The accompanying notes form an integral part of these financial statements)

EAST PORT OF SPAIN DEVELOPMENT COMPANY LIMITED

STATEMENT OF COMPREHENSIVE INCOME

		For the year ended 30 September	
	<u>Notes</u>	<u>2012</u>	<u>2011</u>
Income:			
Management and design fees		\$ 815,454	\$ -
Other income		<u>164,575</u>	<u>83,999</u>
Total income		<u>980,029</u>	<u>83,999</u>
Expenditure:			
Administrative charges	15	846,499	502,306
Advertising and public relations		100,078	196,483
Depreciation		250,461	311,974
Directors' fees and allowances		563,945	567,250
Professional fees		263,410	189,475
Property expenses		598,327	656,408
Project development expense		2,455,157	-
Staff related expenses		<u>3,092,664</u>	<u>4,289,943</u>
Total expenditure		<u>8,170,541</u>	<u>6,713,839</u>
Loss from operations		(7,190,512)	(6,629,840)
Other Income:			
Government grants	16	7,180,851	6,537,441
Interest income		<u>12,875</u>	<u>92,744</u>
Net surplus for the year before taxation		3,214	345
Taxation (Note 17)		<u>(3,214)</u>	<u>(345)</u>
Net surplus for the year		<u>\$ -</u>	<u>\$ -</u>

(The accompanying notes form an integral part of these financial statements)

EAST PORT OF SPAIN DEVELOPMENT COMPANY LIMITED

STATEMENT OF CASH FLOWS

	For the year ended 30 September	
	<u>2012</u>	<u>2011</u>
Operating Activities:		
Net surplus for the year before taxation	\$ 3,214	\$ 345
Depreciation	<u>250,461</u>	<u>311,974</u>
	253,675	312,319
Net change in accounts receivables and prepayments	(17,482)	(14,939)
Net change in accounts payable and accruals	2,691,514	149,687
Net change in government grants receivable	(1,172,306)	(471,334)
Net change in deferred income – capital expenditure grants	(250,461)	(311,974)
Net change in deferred income – government grants	1,688,515	(6,225,467)
Tax paid	<u>(345)</u>	<u>(6,472)</u>
Funds provided by/(used in) operating activities	<u>3,193,110</u>	<u>(6,568,180)</u>
Investing Activities:		
Fixed assets acquired	<u>-</u>	<u>(105,513)</u>
Funds used in investing activities	<u>-</u>	<u>(105,513)</u>
Net change in cash balances	3,193,110	(6,673,693)
Cash and cash equivalent balances, beginning of year	<u>2,314,510</u>	<u>8,988,203</u>
Cash and cash equivalent balances, end of year	<u>\$ 5,507,620</u>	<u>\$ 2,314,510</u>
Represented by:		
Cash and cash equivalents	\$ 5,507,620	\$ 2,314,510
	<u>\$ 5,507,620</u>	<u>\$ 2,314,510</u>

(The accompanying notes form an integral part of these financial statements)

EAST PORT OF SPAIN DEVELOPMENT COMPANY LIMITED**NOTES TO THE FINANCIAL STATEMENTS****30 SEPTEMBER 2012****1. Incorporation and Principal Business Activity:**

East Port of Spain Development Company Limited was incorporated in the Republic of Trinidad and Tobago on 28 September 2005. The principal business activity of the company is to develop and redevelop a zone in East Port of Spain, bounded by Charlotte Street, Lady Young Road and the Eastern Main Road, including Morvant, Never Dirty, Caledonia, Beetham Estates, Sea Lots and Katanga. This development includes the improvement of the economic, social and physical environment of these areas. The company commenced operations on 1 May 2006.

2. Significant Accounting Policies:**(a) Basis of preparation -**

These financial statements have been prepared under the historical cost convention and no account has been taken of the effects of inflation. These financial statements have been prepared in accordance with International Financial Reporting Standards approved in the Republic of Trinidad and Tobago.

(b) Use of estimates -

The preparation of financial statements in conformity with International Financial Reporting Standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and the reported amounts of the income and expenditure during the reporting period. Actual results could differ from those estimated.

(c) New Accounting Standards and Interpretations -

- i) The Company has not applied the following standards, revised standards and interpretations that have been issued but are not yet effective as they either do not apply to the activities of the Company or have no material impact on its financial statements, except for IFRS 9 Financial Instruments:

IFRS 1 First-time Adoption of International Financial Reporting Standards – Replacement of “fixed dates” for certain exceptions with “the date of transition to IFRSs” (effective for accounting periods beginning on or after 1 July 2011).

EAST PORT OF SPAIN DEVELOPMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2012

2. Significant Accounting Policies (Cont'd):

c) New Accounting Standards and Interpretations (cont'd) -

IFRS 1	First-time Adoption of International Financial Reporting Standards – Additional exemption for entities ceasing to suffer from hyperinflation (effective for accounting periods beginning on or after 1 July 2011).
IFRS 1	First-time Adoption of International Financial Reporting Standards – Government Loans (effective for accounting periods beginning on or after 1 January 2013).
IFRS 7	Financial Instruments: Disclosure – Amendments enhancing disclosure about transfers of financial assets (effective for accounting periods beginning on or after 1 July 2011).
IFRS 9	Financial Instruments: Classification and Measurement (effective for accounting periods beginning on or after 1 January 2015).
IFRS 9	Financial Instruments: Accounting for Financial Liabilities and Derecognition (effective for accounting periods beginning on or after 1 January 2015).
IFRS 10	Consolidated Financial Statements (effective for accounting periods beginning on or after 1 January 2013).
IFRS 11	Joint Arrangements (effective for accounting periods beginning on or after 1 January 2013).
IFRS 12	Disclosure of Interest in Other Entities (effective for accounting periods beginning on or after 1 January 2013).
IFRS 13	Fair Value Measurement (effective for accounting periods beginning on or after 1 January 2013).
IAS 1	Presentation of Financial Statements – Amendments to revise the way other comprehensive income is presented (effective for accounting periods beginning on or after 1 July 2012).
IAS 19	Employee Benefits – Amended standard resulting from the Post-Employment Benefits and Termination Benefits projects (effective for accounting periods beginning on or after 1 January 2013).

EAST PORT OF SPAIN DEVELOPMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2012

2. Significant Accounting Policies (Cont'd):

c) New Accounting Standards and Interpretations (cont'd) -

IAS 27	Consolidated and Separate Financial Statements – Reissued as IAS 27 Separate Financial Statements (effective for accounting periods beginning on or after 1 January 2013).
IAS 28	Investments in Associates – Reissued as IAS 28 Investments in Associates and Joint Ventures (effective for accounting periods beginning on or after 1 January 2013).
IAS 32	Financial Instruments; Presentation – Amendments to application guidance on the offsetting of financial assets and financial liabilities (effective for accounting periods beginning on or after 1 January 2014).
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine (effective for recounting periods beginning on or after 1 January 2013).

The adoption of IFRS 9 Financial Instruments may result in significant changes in the Company's classification and presentation of financial instruments.

(d) Fixed assets -

Fixed assets are stated at cost less accumulated depreciation. Depreciation is provided on the reducing balance basis at rates sufficient to write-off the cost of the assets over their estimated useful economic lives with the exception of leasehold improvements which is depreciated using the straight line method. The following rates per annum were used:

Leasehold improvements	-	16.67%	Straight line
Computers	-	33.33%	Reducing balance
Office equipment	-	25%	Reducing balance
Fixtures and fittings	-	10%	Reducing balance
Furniture	-	25%	Reducing balance
Motor vehicles	-	25%	Reducing balance

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each Statement of Financial Position date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

EAST PORT OF SPAIN DEVELOPMENT COMPANY LIMITED**NOTES TO THE FINANCIAL STATEMENTS****30 SEPTEMBER 2012****2. Significant Accounting Policies (Cont'd):****(e) Government grant -**

Grants from the Government of the Republic of Trinidad and Tobago are recognised at their fair values, where there is a reasonable assurance that the grant will be received, and the Company will comply with all conditions attached.

Government grants relating to recurrent expenditure (for operating expenses) are deferred and included in non-current liabilities. They are recognised in the Statement of Comprehensive Income over the period necessary to match them with net expenses they are intended to compensate.

Government grants relating to Government sponsored projects are deferred and matched against the relevant costs when they are incurred. The net balance is recorded in current assets under Government Grants Receivable - Projects.

Government grants relating to capital expenditure (for the purchase and construction of fixed assets) are included to non-current liabilities. They are credited to the Statement of Comprehensive Income on a systematic and rational basis over the expected useful lives of these assets.

(f) Financial instruments -

Financial assets and financial liabilities are recognised on the Company's Statement of Financial Position when the Company becomes a party to the contractual provisions of the instrument.

Cash and cash equivalents

Cash and cash equivalents consist of highly liquid investments with original maturities of three months or less and are carried at cost, which approximates market value.

Trade receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired.

Trade payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost.

EAST PORT OF SPAIN DEVELOPMENT COMPANY LIMITED**NOTES TO THE FINANCIAL STATEMENTS****30 SEPTEMBER 2012****2. Significant Accounting Policies (Cont'd):****(g) Comparative figures -**

Certain changes in the presentation have been made during the year and comparative figures have been restated accordingly. These changes have no impact on the net profit reported for the previous year.

(h) Taxation -**Current tax**

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the statement of financial position date.

Deferred tax

Deferred income tax is provided in full, using the liability method, on all temporary differences at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the rate that is expected to apply to the period when the asset is realised or the liability is settled, based on the enacted tax rate at the statement of financial position date. Deferred tax assets relating to the carry-forward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilized. In the opinion of management, the effect of temporary differences at 30 September 2010 is not considered material.

EAST PORT OF SPAIN DEVELOPMENT COMPANY LIMITED**NOTES TO THE FINANCIAL STATEMENTS****30 SEPTEMBER 2012****3. Financial Risk Management:****Financial risk factors**

The Company is exposed to interest rate risk, liquidity risk, currency risk, operational risk, compliance risk and reputation risk arising from the financial instruments that it holds. The risk management policies employed by the Company to manage these risks are discussed below:

(a) Interest rate risk -

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company is exposed to interest rate risk through the effect of fluctuations in the prevailing levels of interest rates on interest bearing financial assets and liabilities, including loans and other funding instruments.

The exposure is managed through the matching of funding products with financial services and monitoring market conditions and yields.

(b) Liquidity risk -

Liquidity risk is the risk that arises when the maturity of assets and liabilities do not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Company has procedures with the object of minimising such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

To manage and reduce liquidity risk the Company's management actively seeks to match cash inflows with liability requirements.

(c) Operational risk -

Operational risk is the risk that derives from deficiencies relating to the Company's information technology and control systems, as well as the risk of human error and natural disasters. The Company's systems are evaluated, maintained and upgraded continuously.

(d) Compliance risk -

Compliance risk is the risk of financial loss, including fines and other penalties, which arise from non-compliance with laws and regulations of the state.

(e) Reputation risk -

The risk of loss of reputation arising from the negative publicity relating to the Company's operations (whether true or false) may result in a reduction in its revenue from social events. The Company applies procedures to minimize this risk.

Fair Value Estimation

The fair values of the Company's financial assets and liabilities approximates to their carrying amounts at the Statement of Financial Position date.

EAST PORT OF SPAIN DEVELOPMENT COMPANY LIMITED**NOTES TO THE FINANCIAL STATEMENTS****30 SEPTEMBER 2012****4. Critical Accounting Estimates and Judgments:**

The preparation of financial statements in accordance with International Financial Reporting Standards requires management to make judgements, estimates and assumptions in the process of applying the Company's accounting policies.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Company makes estimates and assumptions concerning the future and actual results could differ from those estimates as the resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Changes in accounting estimates are recognised in the Statement of Comprehensive Income in the period in which the estimate is changed, if the change affects that period only, or in the period of the change and future periods if the change affects both current and future periods.

The critical judgement, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements is the determination of which depreciation method for plant and equipment is used.

The key assumptions concerning the future and other key sources of estimation uncertainty at the Statement of Financial Position date (requiring management's most difficult, subjective or complex judgements) that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

i) Impairment of assets

Management assesses at each Statement of Financial Position date whether assets are impaired. An asset is impaired when the carrying value is greater than its recoverable amount and there is objective evidence of impairment. Recoverable amount is the present value of the future cash flows. Provisions are made for the excess of the carrying value over its recoverable amount.

ii) Fixed assets

Management exercises judgement in determining whether future economic benefits can be derived from expenditures to be capitalised and in estimating the useful lives and residual values of these assets.

EAST PORT OF SPAIN DEVELOPMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2012

5. Cash and Cash Equivalents:

	30 September	
	<u>2012</u>	<u>2011</u>
First Citizens Bank Limited – Abercrombie Fund	\$ 5,847	\$ 2,232,972
First Citizens Bank Limited – Current account	5,501,113	80,518
First Citizens Bank Limited – Projects account	160	520
Petty cash	500	500
	<u>\$ 5,507,620</u>	<u>\$ 2,314,510</u>

6. Accounts Receivable and Prepayments:

	30 September	
	<u>2012</u>	<u>2011</u>
Prepaid expenses	\$ 66,295	\$ 48,547
Employee advances	-	266
	<u>\$ 66,295</u>	<u>\$ 48,813</u>

7. Government Grants Receivable:

Project Expenditure	30 September	
	<u>2012</u>	<u>2011</u>
<u>Projects prior to 2012</u>		
Balance brought forward	\$ 1,042,178	\$ 570,844
Government grants received for projects expenditure	(371,040)	(1,728,931)
Projects expenditure for the year	367,816	2,200,265
Government grants receivable written-off	(1,038,954)	-
	-	1,042,178
<u>Projects from 2012 onward</u>		
Approved project costs	10,244,236	-
Government grants received	(8,029,752)	-
	<u>2,214,484</u>	<u>-</u>
	<u>\$ 2,214,484</u>	<u>\$ 1,042,178</u>

EAST PORT OF SPAIN DEVELOPMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2012

8. Fixed Assets:

Cost	Leasehold Improvements	Computers	Office Equipment	Fixtures and Fittings	Furniture	Motor Vehicles	Total
Balance as at 1 October 2011	\$ 103,402	\$ 635,547	\$ 437,226	\$ 493,526	\$ 451,226	\$ 747,874	\$ 2,868,801
Additions	-	-	-	-	-	-	-
Balance as at 30 September 2012	<u>103,402</u>	<u>635,547</u>	<u>437,226</u>	<u>493,526</u>	<u>451,226</u>	<u>747,874</u>	<u>2,868,801</u>
Accumulated Depreciation							
Balance as at 1 October 2011	60,722	469,295	307,305	129,661	288,519	434,294	1,689,796
Charge for the year	<u>7,114</u>	<u>55,412</u>	<u>32,481</u>	<u>36,389</u>	<u>40,670</u>	<u>78,395</u>	<u>250,461</u>
Balance as at 30 September 2012	<u>67,836</u>	<u>524,707</u>	<u>339,786</u>	<u>166,050</u>	<u>329,189</u>	<u>512,689</u>	<u>1,940,257</u>
Net Book Value							
Balance as at 30 September 2012	<u>\$ 35,566</u>	<u>\$ 110,840</u>	<u>\$ 97,440</u>	<u>\$ 327,476</u>	<u>\$ 122,037</u>	<u>\$ 235,185</u>	<u>\$ 928,544</u>
Balance as at 30 September 2011	<u>\$ 42,680</u>	<u>\$ 166,252</u>	<u>\$ 129,921</u>	<u>\$ 363,865</u>	<u>\$ 162,707</u>	<u>\$ 313,580</u>	<u>\$ 1,179,005</u>

EAST PORT OF SPAIN DEVELOPMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2012

8. Fixed Assets (Cont'd):

	<u>Leasehold Improvements</u>	<u>Computers</u>	<u>Office Equipment</u>	<u>Fixtures and Fittings</u>	<u>Furniture</u>	<u>Motor Vehicles</u>	<u>Total</u>
Cost							
Balance as at 1 October 2010	\$ 103,402	\$ 589,073	\$ 427,282	\$ 493,526	\$ 402,131	\$ 747,874	\$ 2,763,288
Additions	-	46,474	9,944	-	49,095	-	105,513
Balance as at 30 September 2011	103,402	635,547	437,226	493,526	451,226	747,874	2,868,801
Accumulated Depreciation							
Balance as at 1 October 2010	52,187	397,639	266,150	89,232	242,846	329,768	1,377,822
Charge for the year	8,535	71,656	41,155	40,429	45,673	104,526	311,974
Balance as at 30 September 2011	60,722	469,295	307,305	129,661	288,519	434,294	1,689,796
Net Book Value							
Balance as at 30 September 2011	\$ 42,680	\$ 166,252	\$ 129,921	\$ 363,865	\$ 162,707	\$ 313,580	\$ 1,179,005
Balance as at 30 September 2010	\$ 51,215	\$ 191,434	\$ 161,132	\$ 404,294	\$ 159,285	\$ 418,106	\$ 1,385,466

EAST PORT OF SPAIN DEVELOPMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2012

9. Accounts Payable and Accruals:

	30 September	
	<u>2012</u>	<u>2011</u>
Audit fees payable	\$ 69,000	\$ 50,000
Project expenditure payables	2,743,488	-
Vacation pay and gratuity payable	375,910	466,055
Sundry creditors	<u>136,271</u>	<u>117,100</u>
	<u>\$ 3,324,669</u>	<u>\$ 633,155</u>

10. Deferred Income – Government Grants:

	30 September	
	<u>2012</u>	<u>2011</u>
<u>Recurrent Expenditure</u>		
Balance brought forward	\$ 3,243,792	\$ 9,469,259
Government grants received for recurrent expenditure	4,047,131	-
Recurrent expenditure utilising government grants (net)	<u>(6,930,390)</u>	<u>(6,225,467)</u>
	360,533	3,243,792
<u>Project Expenditure</u>		
Government grants for project expenditure	10,612,053	-
Project expenditure for the year (Note 18)	(5,735,925)	-
Government grants written-off	<u>(304,354)</u>	<u>-</u>
	<u>4,571,774</u>	<u>-</u>
	<u>\$ 4,932,307</u>	<u>\$ 3,243,792</u>

11. Deferred Income – Capital Expenditure Grants:

	30 September	
	<u>2012</u>	<u>2011</u>
Balance brought forward	\$ 707,204	\$ 1,019,178
Government grants received for capital expenditure	-	-
Transferred to Statement of Comprehensive Income	<u>(250,461)</u>	<u>(311,974)</u>
	<u>\$ 456,743</u>	<u>\$ 707,204</u>

EAST PORT OF SPAIN DEVELOPMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2012

12. Stated Capital:

	30 September	
	2012	2011
Authorised:		
An unlimited number of ordinary shares of no par value		
Issued and fully paid:		
10 ordinary shares of no par value	\$ 10	\$ 10

13. Related Party Transactions:

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial decisions.

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the company.

A number of transactions are entered into with related parties in the normal course of business. These transactions were carried out on commercial terms at market rates.

Balances and transaction with related parties and key management personnel during the year were as follows:

	30 September	
	2012	2011
Expenses		
Directors' fees and allowances	\$ 563,945	\$ 567,250
Key management compensation		
Short-term benefits	\$ 1,011,000	\$ 984,000
Post employment benefits	-	335,275
	\$ 1,011,000	\$ 1,319,275

EAST PORT OF SPAIN DEVELOPMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

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14. Administrative Charges:

	30 September	
	<u>2012</u>	<u>2011</u>
Auto expenses	\$ 58,782	\$ 67,252
Bank charges	3,396	3,360
Books and periodicals	1,682	-
Directors expense	-	11,865
Disaster management	289,340	-
Donations	48,690	70,416
EPOssibilities 5K/10K run	31,764	56,323
Insurance	59,396	-
Licenses and Permits	11,285	-
Meeting expense	42,282	-
Office expenses	130,899	73,399
Penalties and interest	68,291	21,273
Printing and stationery	-	102,362
Security	10,328	-
Telephone expense	90,364	96,056
	<u>\$ 846,499</u>	<u>\$ 502,306</u>

15. Government Grants:

	30 September	
	<u>2012</u>	<u>2011</u>
Recurrent expenditure	\$ 6,930,390	\$ 6,225,467
Capital expenditure	<u>250,461</u>	<u>311,974</u>
	<u>\$ 7,180,851</u>	<u>\$ 6,537,441</u>

16. Taxation:

	30 September	
	<u>2012</u>	<u>2011</u>
Business Levy	\$ 2,134	\$ 168
Green Fund Levy	<u>1,080</u>	<u>177</u>
	<u>\$ 3,214</u>	<u>\$ 345</u>

EAST PORT OF SPAIN DEVELOPMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

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17. Projects Expenditure for the year:

	30 September	
	2012	2011
Project expenditure paid during the year	\$ 2,992,437	\$ 2,200,265
Project expenditure payables	2,743,488	-
	\$ 5,735,925	\$ 2,200,265
Represented by:		
Beetham Projects	231,676	1,638,419
Morris Marshall Recreation Ground	-	15,972
Sogren Trace	51,175	25,395
St. Paul Street Recreation Ground	3,500	15,500
Miscellaneous	68,890	3,000
Central Business District	-	335,874
Brian Lara Promenade	12,576	166,105
Enforcers Recreation Ground	702,524	-
Fatima Trace Infrastructure Works	925,784	-
Herman Scott Retaining Wall	113,373	-
Jacobin Recreation Ground	477,519	-
Layan Hill Infrastructure Upgrade	421,600	-
Manda Terrace Infrastructure Works	893,362	-
Sapodilla Hill Steps	804,489	-
Upper Mc Kai Lands	1,029,457	-
	\$ 5,735,925	\$ 2,200,265