



**T&T INTERNATIONAL FINANCIAL CENTRE  
MANAGEMENT COMPANY LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**30 SEPTEMBER 2011**

Ernst & Young

 **ERNST & YOUNG**

TRINIDAD AND TOBAGO INTERNATIONAL FINANCIAL CENTRE MANAGEMENT COMPANY  
LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2011

<b>C O N T E N T S</b>	<b>Page</b>
Independent Auditors' Report	2
Statement of Financial Position	3
Statement of Comprehensive Income	4
Statement of Changes in Equity	5
Statement of Cash Flows	6
Notes to the Financial Statements	7 - 15

## INDEPENDENT AUDITORS' REPORT

### TO THE SHAREHOLDERS OF TRINIDAD AND TOBAGO INTERNATIONAL FINANCIAL CENTRE MANAGEMENT COMPANY LIMITED

We have audited the financial statements of Trinidad and Tobago International Financial Centre Management Company Limited (the "Company") which comprise the statement of financial position as at 30 September 2011, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatements whether due to fraud or error.

#### **Auditors' Responsibility**

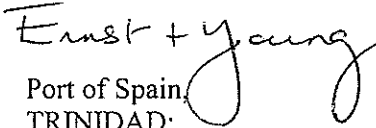
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate for the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

#### **Opinion**

In our opinion, the financial statements give a true and fair view of the financial position of the Company as of 30 September 2011 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

  
Port of Spain,  
TRINIDAD:  
11 July 2012

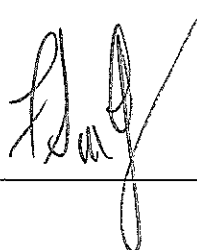
TRINIDAD AND TOBAGO INTERNATIONAL FINANCIAL CENTRE MANAGEMENT COMPANY  
LIMITED


STATEMENT OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2011  
(Expressed in Trinidad and Tobago Dollars)

	Notes	2011	Restated 2010
<b>ASSETS</b>			
Cash at hand and bank		4,054,252	6,095,339
Property and equipment	4	<u>344,840</u>	<u>438,831</u>
<b>Total assets</b>		<u><b>4,399,092</b></u>	<u><b>6,534,170</b></u>
<b>LIABILITIES</b>			
Other liabilities	5	3,716,028	3,223,764
Taxes payable		322,263	200,779
Deferred tax liability	6	48,711	19,964
Deferred operating grants	7	<u>600,506</u>	<u>3,233,187</u>
Total liabilities		<u>4,687,508</u>	<u>6,677,694</u>
<b>EQUITY</b>			
Share capital	8	100	100
Retained deficit		<u>(288,516)</u>	<u>(143,624)</u>
Total equity		<u>(288,416)</u>	<u>(143,524)</u>
<b>Total liabilities and equity</b>		<u><b>4,399,092</b></u>	<u><b>6,534,170</b></u>

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

These financial statements were authorised for issue by the Board of Directors on 11 July 2012.

  
\_\_\_\_\_: Director

  
\_\_\_\_\_: Director

TRINIDAD AND TOBAGO INTERNATIONAL FINANCIAL CENTRE MANAGEMENT COMPANY  
LIMITED

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 SEPTEMBER 2011  
(Expressed in Trinidad and Tobago Dollars)

	Notes	2011	Restated 14 Months 2010
<b>Revenues</b>			
Operating grants released to the statement of comprehensive income	7	5,132,681	21,766,713
Interest income		<u>5,339</u>	<u>82,930</u>
Total revenues		5,138,020	21,849,643
<b>Expenditures</b>			
Administrative expenses	9	<u>(5,132,681)</u>	<u>(21,766,713)</u>
Net operating income		5,339	82,930
Finance costs		<u>—</u>	<u>(5,811)</u>
Income before taxation		5,339	77,119
Taxation expense	6	<u>(150,231)</u>	<u>(220,743)</u>
Loss for the period after taxation		(144,892)	(143,624)
Other comprehensive income		<u>—</u>	<u>—</u>
<b>Total comprehensive loss for the period</b>		<u>(144,892)</u>	<u>(143,624)</u>

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

TRINIDAD AND TOBAGO INTERNATIONAL FINANCIAL CENTRE MANAGEMENT COMPANY  
LIMITED

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 SEPTEMBER 2011  
(Expressed in Trinidad and Tobago Dollars)

	Share capital	Retained deficit	Total equity
Shares issued	100	-	100
Comprehensive loss for the period - restated	<u>-</u>	<u>(143,624)</u>	<u>(143,624)</u>
<b>Balance at 30 September 2010 - restated</b>	100	(143,624)	(143,524)
Comprehensive loss for the period	<u>-</u>	<u>(144,892)</u>	<u>(144,892)</u>
<b>Balance at 30 September 2011</b>	<u>100</u>	<u>(288,516)</u>	<u>(288,416)</u>

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

TRINIDAD AND TOBAGO INTERNATIONAL FINANCIAL CENTRE MANAGEMENT COMPANY  
LIMITED

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 SEPTEMBER 2011  
(Expressed in Trinidad and Tobago Dollars)

	2011	Restated 14 Months 2010
<b>Cash flows from operating activities</b>		
Income before taxation	5,339	77,119
<b>Adjustments for:</b>		
Operating grants released to the statement of comprehensive income	(5,132,681)	(21,766,713)
Depreciation	<u>98,575</u>	<u>41,566</u>
Operating losses before working capital changes	(5,028,767)	(21,648,028)
Increase in other liabilities	<u>492,264</u>	<u>3,223,764</u>
<b>Net cash flows used in operating activities</b>	<u>(4,536,503)</u>	<u>(18,424,264)</u>
<b>Cash flows from investing activities</b>		
Purchase of property and equipment	<u>(4,584)</u>	<u>(480,397)</u>
<b>Net cash flows used in investing activities</b>	<u>(4,584)</u>	<u>(480,397)</u>
<b>Cash flows from financing activities</b>		
Shares issued	-	100
Funding received from the government	<u>2,500,000</u>	<u>24,999,900</u>
<b>Net cash flows from financing activities</b>	<u>2,500,000</u>	<u>25,000,000</u>
<b>Net (decrease)/increase in cash at hand and bank</b>	<u>(2,041,087)</u>	<u>6,095,339</u>
<b>Cash at hand and bank at beginning of year</b>	<u>6,095,339</u>	<u>-</u>
<b>Cash at hand and bank at end of year</b>	<u>4,054,252</u>	<u>6,095,339</u>
<b>Represented by:</b>		
Petty cash	2,500	2,000
Cash at bank	<u>4,051,752</u>	<u>6,093,339</u>
	<u>4,054,252</u>	<u>6,095,339</u>

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

TRINIDAD AND TOBAGO INTERNATIONAL FINANCIAL CENTRE MANAGEMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2011  
(Expressed in Trinidad and Tobago Dollars)

**1. Company information**

Trinidad and Tobago International Financial Centre Management Company Limited (the "Company") was incorporated in the Republic of Trinidad and Tobago under the Companies Act 1995 on 6 November 2008. The Company started activities on 21 August 2009 and was established to manage the implementation and operations of the Trinidad and Tobago International Financial Centre. Its registered office is at 7th Floor Tower C, International Waterfront Centre, Wrightson Road, Port of Spain.

**2. Significant accounting policies**

**a) Basis of preparation**

These financial statements have been prepared on a historical cost basis and are expressed in Trinidad and Tobago dollars.

**b) Statement of compliance**

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the IASB.

**c) Accounting period**

In the prior period, these financial statements were prepared for the fourteen (14) month period ending 30 September 2010 since the Company commenced activities on 21 August 2009, and no financial statements were prepared for the two (2) month period ended 30 September 2009. The financial statements will be prepared annually as at 30 September from 2011 onwards.

**d) Accounting policies and disclosures**

*i) New accounting policies adopted*

The accounting policies adopted in the preparation of the Company's financial statements are consistent with those followed in the preparation of the Company's financial statements for the 14 months ended 30 September 2010 except for the standards and interpretations noted below:

*IAS 1 - Presentation of Financial Statements (effective 1 January 2010)*

The terms of a liability that could at anytime result in its settlement by the issuance of equity instruments at the option of the counterparty do not affect its classification. The adoption of this standard had no effect on the financial position or performance of the Company.



TRINIDAD AND TOBAGO INTERNATIONAL FINANCIAL CENTRE MANAGEMENT COMPANY  
LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2011  
(Expressed in Trinidad and Tobago Dollars)  
(Continued)

2. Significant accounting policies (continued)

d) Accounting policies and disclosures (continued)

i) *New accounting policies adopted* (continued)

*IAS 7 - Statement of Cash Flows (effective 1 January 2010)*

Only expenditure that results in a recognized asset can be classified as a cash flow from investing activities. The adoption of this standard had no effect on the financial position or performance of the Company.

ii) *New accounting policies not adopted*

The Company has not adopted the following new and revised IFRS and IFRIC interpretations that have been issued as these standards/interpretations do not apply to the activities of the Company:

- IFRS 1 - First-time Adoption of International Financial Reporting Standards - Additional Exemptions for First-time Adopters (Amendments) (effective 1 January 2010)
- IFRS 1 - First-time Adoption of International Financial Reporting Standards - Limited Exemption from Comparative IFRS 7 Disclosures for First-time Adopters (effective 1 July 2010)
- IFRS 2 - Share-based payment: Group Cash-settled Share-based Payment Transactions (effective 1 January 2010)
- IFRS 5 - Non-current Assets Held for Sale and Discontinued Operations (effective 1 January 2010)
- IFRS 8 - Operating Segments (effective 1 January 2010)
- IAS 17 - Leases (effective 1 January 2010)
- IAS 32 - Financial Instruments: Presentation - Classification of Rights Issues (Amendment) (Effective 1 February 2010)
- IAS 36 - Impairment of Assets (effective 1 January 2010)
- IAS 39 - Financial Instruments: Recognition and Measurement ( effective 1 January 2010)
- IFRIC 19 - Extinguishing Financial Liabilities with Equity Instruments (Effective 1 July 2010)

TRINIDAD AND TOBAGO INTERNATIONAL FINANCIAL CENTRE MANAGEMENT COMPANY  
LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2011  
(Expressed in Trinidad and Tobago Dollars)  
(Continued)

2. Significant accounting policies (continued)

d) Accounting policies and disclosures (continued)

iii) *Standards issued but not yet effective*

The Company has not early adopted the following new and revised IFRS and IFRIC interpretations that have been issued but are not yet effective. The Company is currently assessing the impact of these standards and interpretations.

IFRS 1	-	First-time Adoption of International Financial Reporting Standards (Amendment) - Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters (effective 1 July 2011)
IFRS 7	-	Financial Instruments: Disclosures - Enhanced Derecognition Disclosure Requirements (effective 1 July 2011)
IFRS 9	-	Financial Instruments: Classification and Measurement (effective 1 January 2013)
IFRS 10	-	Consolidated Financial Statements, IAS 27 Separate Financial Statements (effective 1 January 2013)
IFRS 11	-	Joint Arrangements, IAS 28 Investments in Associates and Joint Ventures (effective 1 January 2013)
IFRS 12	-	Disclosure of Interests in Other Entities (effective 1 January 2013)
IFRS 13	-	Fair Value Measurement (effective 1 January 2013)
IAS 1	-	Presentation of Items of Other Comprehensive Income - Amendments to IAS 1 (effective 1 July 2012)
IAS 12	-	Income Taxes - Recovery of Underlying Assets (effective 1 January 2012)
IAS 19	-	Employee Benefits (Revised) (effective 1 January 2013)
IAS 24	-	Related Party Disclosures (effective 1 January 2011)
IFRIC 14	-	Prepayments of a minimum funding requirement (effective 1 January 2011)

*Improvements to International Financial Reporting Standards (issued 2010)*

The International Accounting Standards Board (IASB) issued the "Improvements to IFRSs" which is part of its annual improvement project and a vehicle for making non-urgent but necessary amendments to various IFRSs. These amendments are effective for periods beginning on or after 1 January 2011 unless otherwise stated.

TRINIDAD AND TOBAGO INTERNATIONAL FINANCIAL CENTRE MANAGEMENT COMPANY  
 LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 30 SEPTEMBER 2011  
 (Expressed in Trinidad and Tobago Dollars)  
 (Continued)

2. **Significant accounting policies** (continued)

d) **Accounting policies and disclosures** (continued)

*Improvements to International Financial Reporting Standards (issued 2010)*  
 (continued)

The following shows the IFRSs and topics addressed by the amendments.

IFRS	Subject of amendment
IAS 1	- Presentation of Financial Statements
IAS 27	- Consolidated and Separate Financial Statements
IAS 34	- Interim Financial Reporting
IFRS 1	- First-time Adoption of International Financial Reporting Standards
IFRS 3	- Business Combinations
IFRS 7	- Financial Instruments: Disclosures
IFRIC 13	- Customer Loyalty Programmes

e) **Cash at hand and bank**

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash at hand, deposits held at call with banks, deposits with maturity dates which are within three (3) months when acquired and investment in money market instruments, net of bank overdrafts.

f) **Property and equipment**

Property and equipment other than freehold land and buildings are stated at historical cost less accumulated depreciation. Depreciation is calculated using the straight line method at the following rates which are estimated to write off the cost of the assets over their estimated useful lives.

Office equipment	25%
Motor vehicles	20%
Furniture and fixtures	10%
Computers	33.33%

TRINIDAD AND TOBAGO INTERNATIONAL FINANCIAL CENTRE MANAGEMENT COMPANY  
LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2011  
(Expressed in Trinidad and Tobago Dollars)  
(Continued)

2. **Significant accounting policies (continued)**

g) **Taxation**

*Current income tax*

Current income taxes are accounted for on the basis of tax effect accounting using the liability method. The provision for current income taxes is based on estimated taxable income. This provision excludes the tax effects of certain timing differences when there is reasonable evidence that these timing differences will not reverse from some considerable time ahead and there is no indication that, after this period, these timing differences are likely to reverse.

*Deferred tax*

Deferred tax is provided using the liability method on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, except for differences relating to the initial recognition of assets or liabilities which affect neither accounting nor taxable profit.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

h) **Foreign currency transactions**

Monetary assets and liabilities denominated in foreign currencies are expressed in Trinidad and Tobago dollars at rates of exchange ruling on the statement of financial position date. All revenue and expenditure transactions denominated in foreign currencies are translated at mid-exchange rates and the resulting profits and losses on exchange from these trading activities are dealt with in the statement of comprehensive income.

i) **Government grants**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income over the period necessary to match the grant on a systematic basis to the cost that it is intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the useful life of the related asset. There is a commitment from the Government of Trinidad and Tobago to continue funding the operations of the Trinidad and Tobago International Financial Centre Management Company Limited. Government subvention is received on a quarterly basis.

TRINIDAD AND TOBAGO INTERNATIONAL FINANCIAL CENTRE MANAGEMENT COMPANY  
LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2011  
(Expressed in Trinidad and Tobago Dollars)  
(Continued)

2. **Significant accounting policies** (continued)

j) **Restatement of comparative information**

The financial statements for the fourteen (14) month period ended 30 September 2010 have been restated to account for withholding taxes paid to foreign consultants as well as the related interest and penalties. The amounts due in the previous year are \$1,576,956 in withholding taxes and \$714,920 in interest and penalties.

3. **Significant accounting judgement, estimates and assumptions**

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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of the revenue and expenses during the reporting period. Actual results could differ from the estimates.

4. **Property and equipment**

	<b>Office equipment</b>	<b>Motor vehicles</b>	<b>Total 2011</b>	<b>Total 2010</b>
<b>Cost</b>				
At beginning of period	20,922	459,475	480,397	–
Additions	4,584	–	4,584	480,397
Disposals	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
At end of period	<u>25,506</u>	<u>459,475</u>	<u>484,981</u>	<u>480,397</u>
<b>Accumulated depreciation</b>				
At beginning of period	3,276	38,290	41,566	–
Depreciation	6,680	91,895	98,575	41,566
Disposal	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
At end of period	<u>9,956</u>	<u>130,185</u>	<u>140,141</u>	<u>41,566</u>
<b>Net book value</b>	<u>15,550</u>	<u>329,290</u>	<u>344,840</u>	<u>438,831</u>

TRINIDAD AND TOBAGO INTERNATIONAL FINANCIAL CENTRE MANAGEMENT COMPANY  
LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2011  
(Expressed in Trinidad and Tobago Dollars)  
(Continued)

**5. Other liabilities**

	2011	2010
Withholding taxes payable	1,687,615	1,576,956
Penalties and interest payable	1,161,864	714,920
Salaries payable	741,902	789,850
Accounting fees payable	58,400	65,000
Audit fees payable	60,000	35,000
Security costs	<u>6,247</u>	<u>42,038</u>
Total other liabilities	<u>3,716,028</u>	<u>3,223,764</u>

Included in other liabilities is a provision for expenses in respect of employment contracts entered into by the Company. This provision is recognised based on management's estimate of the expected costs of the applicable agreements entered into by the Company.

**6. Taxation**

	2011	2010
<b>Deferred tax liability – fixed assets</b>		
Deferred tax brought forward	19,964	–
Deferred tax expense	<u>28,747</u>	<u>19,964</u>
Deferred tax carried forward	<u>48,711</u>	<u>19,964</u>
<b>Taxation expense</b>		
Corporation tax	116,988	178,929
Deferred tax expense	28,747	19,964
Green fund levy	<u>4,496</u>	<u>21,850</u>
Taxation expense	<u>150,231</u>	<u>220,743</u>

As at 30 September 2011, there was no legislation enacted which exempts the Company from paying income tax.

The Company is exempted from paying business levy tax for a three year period from the registration of the business. However it is subject to Green Fund Levy of 0.1% of gross revenue.

TRINIDAD AND TOBAGO INTERNATIONAL FINANCIAL CENTRE MANAGEMENT COMPANY  
LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2011  
(Expressed in Trinidad and Tobago Dollars)  
(Continued)

**7. Deferred operating grants**

	2011	2010
Opening balance	3,233,187	–
Funds received from the Government of Trinidad and Tobago	2,500,000	24,999,900
Amounts transferred to statement of comprehensive income	<u>(5,132,681)</u>	<u>(21,766,713)</u>
Deferred operating grants	<u>600,506</u>	<u>3,233,187</u>

**8. Share capital**

	2011	2010
Authorised: Unlimited ordinary shares of no par value		
Issued and paid: 10 ordinary shares @ \$10 each	<u>100</u>	<u>100</u>

**9. Administrative expenses**

	2011	2010
Salaries	2,783,076	2,592,947
Withholding tax	110,658	1,576,957
Penalty and interest	450,640	717,393
Consultancy fees	649,040	12,934,415
Marketing and advertising	38,780	2,370,163
Recruitment costs	47,840	540,221
Director fees	223,149	439,536
Security	151,195	223,267
Legal and professional fees	214,539	140,160
Office expenses	24,146	61,834
Insurance	36,809	47,702
Depreciation	98,575	41,566
Accounting fees	83,640	–
Audit fees	61,915	35,000
Telephone expenses	41,604	28,742
Janitorial services	28,246	8,125
Travel expenses	27,403	–
Meals and entertainment	<u>22,164</u>	<u>4,237</u>
Balance carried forward	<u>5,093,419</u>	<u>21,762,265</u>

TRINIDAD AND TOBAGO INTERNATIONAL FINANCIAL CENTRE MANAGEMENT COMPANY  
LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2011  
(Expressed in Trinidad and Tobago Dollars)  
(Continued)

**10. Administrative expenses (continued)**

	2011	2010
Balance brought forward	5,093,419	21,762,265
Seminars and conferences	15,009	3,273
Bank charges	9,778	-
Repairs and maintenance	1,871	1,175
Motor vehicle expenses	<u>12,604</u>	<u>-</u>
Total administrative expense	<u>5,132,681</u>	<u>21,766,713</u>

**11. Contingent liabilities**

There were legal proceedings against the Company which arose subsequent to year end. Professional advice indicates that it is uncertain whether any significant loss will arise or that it would be premature at this stage of the action to determine the eventuality.



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