



InvesTT Limited

2018 Annual Administrative Report

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1.0 INTRODUCTION

InvesTT Trinidad and Tobago (InvesTT), is the national investment promotion agency, established by the Government of the Republic of Trinidad and Tobago (GORTT) to lead in the economic transformation of the country through the stimulation of GDP growth in mandated non-oil and gas industries/sectors.

InvesTT Limited (InvesTT) was incorporated as a subsidiary of e TecK in November 2011 and by Cabinet Minute No. 1893 of July 12, 2012 to be the national Investment Promotion Agency (IPA) of the Republic of Trinidad and Tobago. Cabinet Minute No. 513 of February 28, 2013 rationalized the operations and functions of InvesTT's former parent company, e TecK, which led to InvesTT becoming a wholly owned Government enterprise under the Ministry of Trade and Industry.

The Agency's mandate is to implement policy and investment promotion strategies of the Government and to act as the first point of access for potential foreign investors. It is tasked with facilitating all the relevant requirements and regulatory approvals required by investors and improving the business environment through strategic stakeholder interventions and Policy Advocacy.

Furthermore, InvesTT became responsible for the tenanting of the Tamana Intech Park, Wallerfield via correspondence from the Permanent Secretary of the Ministry of Trade and Industry, dated August 17th 2016, referencing a Cabinet decision.

1.1 Vision

Trinidad and Tobago - A Sustainable Diversified Economy.

1.2 Mission

To attract, facilitate and retain investment in Trinidad and Tobago.

1.3 Mandate

InvesTT's mandate is to be the point of access for potential investors, managing the following functions:

- Investor Sourcing
- Investor Facilitation
- Investor Aftercare
- Investment Marketing
- Tenanting and Marketing of Tamana Intech Park

Further information on InvesTT may be accessed via our website: www.investt.co.tt

The GORTT-mandated industries that have been selected for growth and development through the efforts of InvesTT are:

- Agriculture and Agro-processing

- Aviation Services - Aircraft Maintenance and Repair
- Fishing and Fish Processing
- Maritime Services - Shipbuilding, Ship repair, Dry-docking and Yachting services
- Software Design and Applications
- Creative Industries - Film, Music, Entertainment, Fashion and Design

In addition to the GORTT-mandated industries for the country, the Tamana Intech Park has been specifically earmarked as a site for the location of industries within the following sectors:

- ICT
- BPO
- Data Processing/Centres
- Animation/Software Development
- Financial Services
- High Value Manufacturing/Assembly

1.4 Core Values

The corporate core values were reviewed and revised in Quarter 1 2018 to better reflect the desired values of InvesTT, as we strive to fulfill our mandate:

Teamwork

We are supportive of each other's effort and work collaboratively to leverage our collective strengths. We care for each other professionally and work together in a manner which positively impacts staff morale.

Integrity

We steadfastly adhere to the highest ethical principles and standards. We value truthfulness, fairness, personal responsibility, and adherence to the policies of the company.

Professionalism

We respect all individuals and value their contributions. We are reliable, courteous, punctual and take ownership of our deliverables. We are accountable for our actions and focus on finding solutions. We represent the InvesTT brand proudly, striving always to enhance it by our interactions and the quality of our work performance.

Excellence

We endeavour to exceed expectations in every deliverable. We persistently create better, more efficient ways of doing what we do and build on our personal and professional accomplishments to consistently deliver high quality service to our internal and external customers.

1.5 Strategic Objectives

In keeping with InvesTT's mandate, the Agency will continue to focus and build on its expertise in the following functions:

- i. Investor Awareness/Marketing
- ii. Investor Outreach and Targeting
- iii. Marketing and Tenanting Tamana In Tech Park

1.6 **Strategic Plan**

InvesTT's 2017 - 2020 Strategic Plan was approved by the Ministry of Trade and Industry on April 12, 2017.

The core strategic goals of InvesTT are Increasing Direct Investment, Identifying and Promoting Investment Opportunities and Tenanting Tamana, all of which are actively being pursued. The methodology used to monitor these goals are multi-layered, at the Individual, Unit, Leadership Team and Company levels:

- Individual Key Performance Indicators, which are signed by respective officers
- Monthly One-on-One individual meetings with Managers to review individual KPIs
- Bi-Monthly Unit meetings
- Monthly Unit Reports, including dashboards
- Bi-Monthly Leadership Team meetings to update on progress
- Corporate Performance Report on key strategic deliverables, prepared by President, which is reported to the Board at its monthly meeting
- Monthly reporting on project deliverables to the Line Ministry and Ministry of Finance.

1.6.1 Strategic Plan Monitoring & Implementation:

The Monitoring and Evaluation Unit of the Ministry of Trade and Industry provides quarterly oversight of the deliverables of InvesTT. Internally, monitoring of implementation is the responsibility of the President who reports to the Board on a monthly basis with the Corporate Performance Report. The Corporate Performance Report highlights the strategic deliverables to be accomplished each fiscal and summarizes the actual achievements (Section 3.2). The Vice Presidents and respective Unit Managers are responsible for reporting on the deliverables of their relevant Units on a monthly basis. These Unit Reports are compressed into the Corporate Performance Report that is reported to the Board.

2.0 ORGANIZATIONAL STRUCTURE

2.1 Corporate Structure

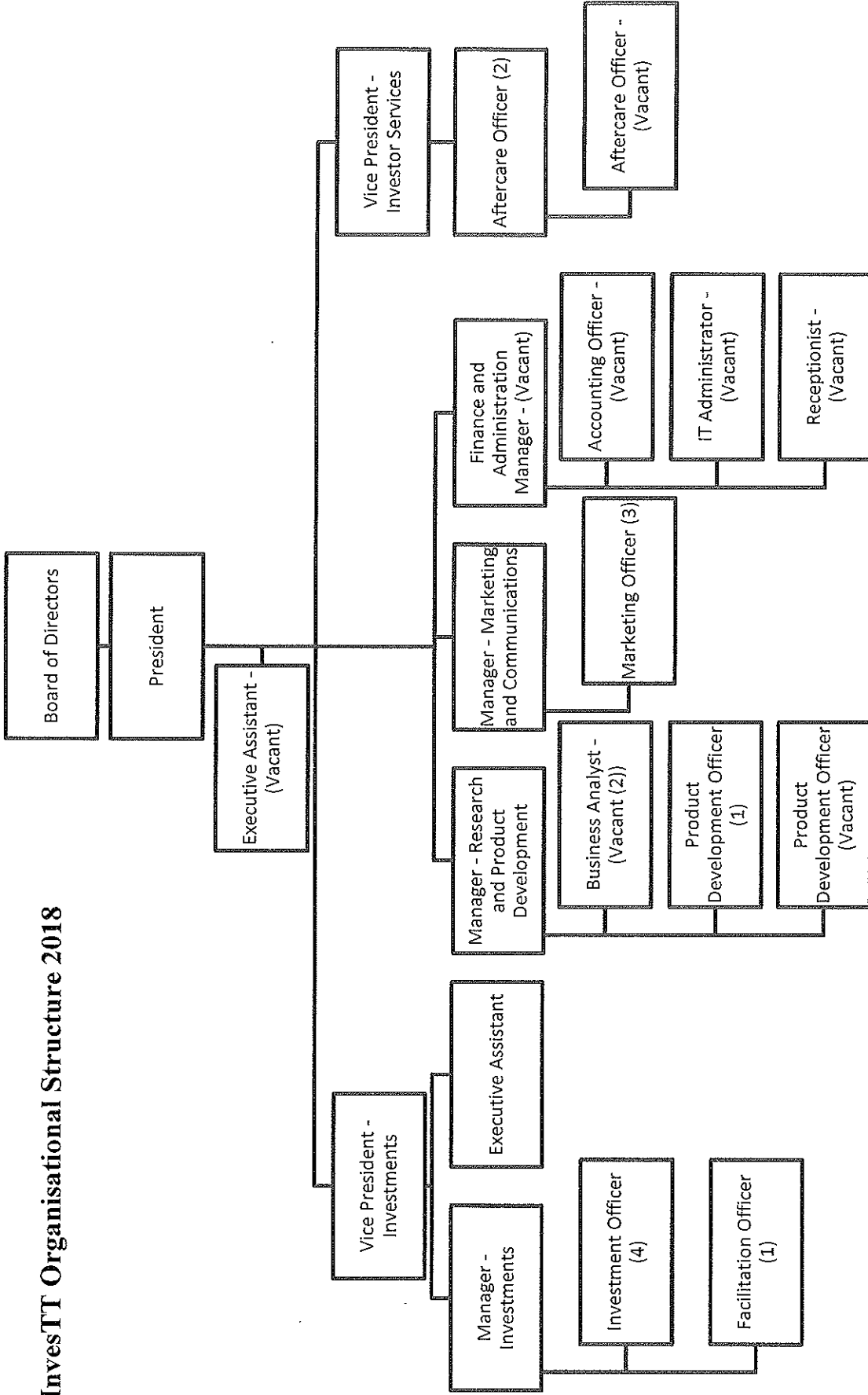
InvesTT's organizational structure is shown on the following page. Of note:

- Total number of positions – 28; number of positions filled – 19; number of vacant positions – 9.
- The Finance and Administration positions remain vacant, as the recurrent funding and office space required is not yet available to InvesTT. In the interim, those services are provided by e TecK.
- e TecK also provides administrative services in terms of Human Resources, Internal Audit, Company Secretarial Services and Legal Services.

InvesTT's Directors:

- Ms. Amalia Maharaj
- Ms. Janelle Commissiong
- Ms. Tricia Beckles
- Ms. Nola Drayton Smith
- Bevan Narinesingh (Joined: May 2018)
- Gerard Noel (Joined: May 2018)
- Mr. Moonilal Lalchan Former Chairman (Resigned: January 2018)
- Ms. Sharon Christopher (Resigned: February 2018)
- Mr. Philip Knaggs Chairman (appointed for a period of two years wef March 8, 2019)

InvesTT Organisational Structure 2018



2.2 Services /Products provided and Special Projects embarked upon

InvesTT offers a range of services summarized as:

Sourcing of Investments

The Investments Division of InvesTT provides “first point of contact” services for all incoming investors to Trinidad and Tobago. The Division provides best in class performance on the provision of timely and relevant data to investors in all non-oil and gas sectors. Investments also hosts end to end site visits for all potential foreign investors and sets up meetings with key Government and private sector entities. Another function is the proactive delivery of investment opportunities to targeted investors in an effort to aid the growth of the sectors earmarked for development by the Government of Trinidad and Tobago. The Investments Division focuses on the country’s key sectors of interest.

Investor Services

InvesTT provides investors with Facilitation and Aftercare Services to assist throughout their investment decision-making process until the set-up of their operations in Trinidad and Tobago. InvesTT continues to provide these services even after the entities become operational. Investor Services works intimately with investors to provide reliable, timely facilitation and strategic interventions in an effort to continually reduce transaction times for the successful implementation of investment projects. The team’s activities are guided by the following four (4) strategic objectives:

1. Drive Reinvestment
2. Increase Lead Generation & Conversion Rates
3. Improve Customer Intimacy & Facilitation
4. Increase Operational Efficiency & Effectiveness

Investment Marketing:

InvesTT’s comprehensive marketing effort promotes awareness of Trinidad and Tobago as a location for investment and highlights current investment opportunities. It also enhances the company’s brand and amplifies InvesTT’s reach through its web presence which creates awareness among newly targeted investors, engages clients of InvesTT in social media and provides marketing support and collateral. The Marketing Department plays a critical support role for the activities of the Investments and Investor Services Divisions, as well as for corporate events.

The marketing portfolio comprises the following elements:

- Advertising and Public Relations
- Website & Social Media Management
- Development of collateral materials
- Targeted marketing campaigns

Special Projects Embarked Upon *(Accomplishments summarized in 3.2)*

- *Investor Targeting and Outreach* - Investor targeting and outreach remains a key part of the achievement of InvesTT's mandate and investment goals. The pursuance of these goals necessitates specific investor identification and outreach activities in both the local and foreign market. Outreach in foreign markets will focus on:
 - Targeting of key FDI influencers, mainly site selection consultants, through focused communication of investment opportunities in their industry specialties
 - Geographic investor targeting with a focus on China, India, Latin and North America.
 - Focused and targeted diaspora engagement to identify investment leads
 - Attendance at key conferences as well as set up of focused targeting missions to develop relevant investment leads in targeted sectors
 - Stimulation of Local reinvestment activity
 - Implementation of regional investment strategy

- *Investment Marketing & Website Upgrading* - Studies indicate that for the modern Investment Promotion Agency (IPA), an updated informative website is one of the most cost effective means of reaching potential investors and providing them with relevant data. This project is designed to ensure InvesTT's website and social media presence adds the maximum value to the investor, while being a very cost effective marketing tool for the IPA. In addition, the IPA must market to investors internationally and locally, to ensure consideration of Trinidad and Tobago as a preferred investment destination. The scope of the project is defined below:
 - Upgrade of the InvesTT website to better serve the needs of investors based upon feedback
 - Marketing programmes to promote investment opportunities and reach target investor groups
 - Ensure greater access of collateral material in soft copy by persons for whom English is not a first language
 - The addition of interactive tools to improve self-service by investors of simple information
 - Highlighting investor successes to help instill confidence in investing in Trinidad and Tobago
 - Create investment leads by marketing the website and InvesTT services
 - Marketing support for all local and external event participation

2.3 Delegated Levels of Authority

Signatories to Bank Accounts

1. President, InvesTT
2. Vice President, Investments, InvesTT
3. Vice President, Investor Services, InvesTT
4. Any Director on the Board of Directors of InvesTT, with the exception of Directors on the Audit Committee.

Appropriate adjustments must be made to the signatories when members of the Executive or Directors resign or new appointments are made.

Signing Limits for InvesTT Bank Accounts (in TT\$) shall be:

Amount in TT\$	Signatories
Up to \$100,000	The President and a Vice President or two Vice Presidents or the President and any Director or a Vice President and any Director
Over \$100,000 up to \$250,000	The President and any Director or any one of the two Vice Presidents together with any Director
Over \$250,000	The President and any Director or any two Directors
Investments	The President and a Vice President or two Vice Presidents

Financial Authority Limits

The Financial Authority Limits for awarding contracts is as follows:-

Financial Authority Limits for Awarding Contracts:

President	-	Up to TT\$100,000.00
Board Directors	-	>TT\$100,000.00

All contracts must be in accordance with the Company's standard terms and must be vetted or prepared on behalf of the Company by its legal personnel and be signed by the authorized signatory in the presence of a witness. All contracts must be in accordance with the approved Budget for that fiscal year.

Signatories for Contracts

Contracts to be executed by InvesTT Limited may be signed by the President or a Vice-President once properly approved in accordance with the company's approved Financial Authority Limits stated above.

2.4 **Legislative and Regulatory Framework**

InvesTT abides by all legislation, regulations and policies of Trinidad and Tobago in accordance with the activities and transactions according to our mandate e.g. the Companies Act; VAT Regulation Act; Insurance Regulation Act; Finance Act; State Enterprises Performance Monitoring Manual etc.

2.5 **Reporting Functions**

2.6.1 **Departmental Reports**

InvesTT currently comprises two (2) Divisions and the Office of the President. These are:

1. Office of the President (The Marketing & Communications Department operates within The Office of the President)
2. Investments (The Business Intelligence Department operates within The Investments Division)
3. Investor Services

GOALS

Each Department's business/goal plan is reflective of its deliverables for the relevant fiscal year and such business/goal plans feed into the overall Divisional goal plan, which in turn feed into the Strategic Plan. Hence, a department's deliverables are aligned to the company's mandates/goals. Departmental goals are usually set and agreed upon at the beginning of each fiscal year.

REPORTING

On a weekly and monthly basis, Departments update the status of their respective deliverables as against Divisional/Corporate goals. Departments report to its respective Vice President/President and ultimately the Board via Departmental Monthly Reports. Updates to these Reports correspond with the company's CRM system so that the status of deliverables is tracked manually and electronically.

In addition to the above-mentioned Departmental Reports, some Departments or the Shared Services Teams are also called upon to prepare other reports for use by the Board and its Subcommittees, when necessary.

2.6.2 **Reports to Ministries, President/ Parliament**

The State Enterprises Performance Monitoring Manual outlines the framework within which State Enterprises (like InvesTT) and the Central Government interact. In particular, it highlights the reporting relationships of the State Enterprise vis-à-vis its Line Ministry, the Ministry of Finance (Investments Division) and the Cabinet.

As part of these reporting relationships, InvesTT is required to submit on a regular basis the following reports to its Line Ministry (Ministry of Trade and Industry) and Ministry of Finance (Investment Division/Corporation Sole):

1. Strategic Plan
2. Annual Budget
3. Annual Financial Statements
4. Administrative Report
5. Board Minutes
6. Status of Loan and Overdraft Portfolio
7. Award of Tender Reports

In some cases, Management may also be called upon to prepare and submit specific reports on high-profile projects or draft Cabinet Notes for consideration by the relevant Line Minister before submission to Cabinet.

3.0 POLICIES AND DEVELOPMENT INITIATIVES

3.1 Short, Medium and Long Term Plans

International Best Practice

In its thrust to attract foreign direct investment the agency must first attain international best practice. While many of the activities that contribute towards international best practice can be executed in parallel with the initiatives identified to strategically differentiate the country and TIP, the benefits of those strategies can only be realized through on attainment of best practice to improve competitiveness.

While attaining international best practice, the Agency will differentiate itself by uniquely addressing and executing the following strategies:

Awareness

Awareness builds on past excellence and establishes the agency and Trinidad and Tobago as a combined world-class brand. This would involve positioning the company nationally by collaborating with stakeholders while presenting a unique value proposition to investors. The agency would seek to differentiate brand T&T and create a more positive image of the country in the minds of stakeholders through consistent messaging and bespoke branding events. Increased awareness will positively influence the investment decision-making activities of key audiences.

Access

The Agency will have access to all levels of government and private sector leaders to facilitate investment. Additionally, the provision of access will best position the Agency to deliver on a

value proposition that speaks to first class customer service. This approach will change the paradigm for the way in which the government facilitates investment and will augment the differentiation of the Agency from its regional and international competitors.

Information

The Agency will utilize information technology as a core tool to achieve all of its goals and it will serve as a conduit and clearinghouse for all investment projects in the country by coordinating with the private sector to link investment ready projects with interested investors. Up to date and relevant Information is the key to sound business decisions. The agency will exchange critical and accurate information in an easily accessible way through our direct interactions with foreign and local investors, as well as any other relevant stakeholders – including the public at large and the media via a variety of innovative online and offline methods.

Product Improvement

Finally, the Agency’s approach to continuous product improvement will have the necessary impact of consistently being competitive. Product Improvement is the sustained activity required to address the developmental areas in each of the products/prospectuses/investment opportunities that the agency will be promoting to potential investors. While the agency will identify and deliver several investment prospectuses over the next four (4) years, these prospectuses will identify potential gaps or developmental areas that must be addressed in order for the prospectus to be internationally competitive. These activities must be completed prior to, or in parallel with, focused investor targeting and engagement.

By establishing a baseline of best practice and building upon that baseline with four (4) intertwined strategic approaches designed to differentiate the Agency from its competitors, it is possible to deliver maximum value.

3.2 Performance Objectives and Accomplishments

This section focuses on InvesTT’s overall performance for the year 2017/2018:

InvesTT’s Corporate Performance Report Fiscal 2017/18

Deliverable	Unit	Target	Achievement Oct 2017 to Sep 2018	Notes
Operational				
Tenants for Tamana Intech Park	No.	At Least 2 land lots or total rent of TT\$140,000 per annum	1	Stages Engineering signed letter of offer. On boarding process is underway including interventions with the relevant stakeholder agencies, assistance with applications to TCPD, EMA, Customs and Excise Division and others as required over the period to becoming operational.

Deliverable	Unit	Target	Achievement Oct 2017 to Sep 2018	Notes
Increase web presence in all formats	%	10%	website -4% ;Linked In +100%; Twitter +22%; Facebook +31%; Instagram +1052 followers	New website launched in Nov 2017 and is expected to generate increased visits in 2018/2019. Active social media pages are very effective in attracting interest in awareness of investment potential of T&T.
Audit Baseline Forms: Closed Investments	%	100%	50%	Forms were revised. Monitoring & Validation schedule is being implemented to be completed by Sep 2018.
Local Reinvestment Plan	%	100%	100%	Approved and being implemented
Good Practices Research Study	%	100%	100%	Approved and being implemented
UTT Linkages study re Tamana	%	100%	100%	Completed
Micro Enterprises Opportunities in Targeted Sectors	%	100%	100%	Micro opportunities identified including Transportation, Deliveries, Food Services, Janitorial, Courier, Mail, Stationery, Technicians, Air Condition, Electrical, Plumbing, Facilities, Grass Cutting, Building Maintenance, Washing, Mechanics for vehicles, Printers and Suppliers of branded T-Shirts and other marketing collateral shared. Unicomer and iQor were the two companies providing the most opportunities. The Thirteen Prospectuses which were completed in fiscal 2016/17 were shared with NEDCO for forwarding to their customers and uploading to their website. Additional opportunities to be identified over Q3-Q4 site visits.
# new Direct investments	No.	2	4	Virtana Ltd. - TT\$764k Cree Productions Trinidad Ltd -TT\$168k Transocean - TT\$638m Total – Approx. TT\$639m
# new Reinvestments	No.	2	4	Stages - TT\$10m Holiday Foods -TT\$201m HADCO -TT\$20.1m Nutrimix - TT\$20.1m HADCO Imanex -TT\$6.7m Total – Approx. TT\$258m
People				
Performance Appraisals	%	100%	90%	Half year reviews signed off.
Up to Date HR Manual & rollout		31/12/2017	39%	7/35 policies completed. Additional 4 policies reviewed by Leadership team and submitted to HRC. Amendments recommended by HRC.

Deliverable	Unit	Target	Achievement Oct 2017 to Sep 2018	Notes
Staff Training Programme		100%	75%	Training plans received and being executed by Depts. IDB training programme completed by 2 employees
Execution of Staff Morale Improvement Plan		100%	100%	Implementation Plan Revised as per HRC recommendations. We are now moving towards an HR led initiative to encourage teamwork and champion training interventions.
Compliance				
Board Reports & Packages	%	100%	100%	one week deadline achieved
MTI & MOF reporting requirements	%	100%	97%/97%	Reports due from eTeck; also Outstanding Reports due to be reviewed first by BoD before being forwarded to respective Ministries
Financial				
Management of Budgets	%	100%	100%	Releases were fully utilised on budgeted expenditure items
Audit 2017		31-Jan-18	100%	Published July 12, 2018

A new direct investment is an investment made by a foreign firm entering Trinidad & Tobago for the first time. It is considered closed when the investment letter is received from the investor and there is firm evidence of investment intent, such as a copy of signed lease. The investment value is calculated as the initial capital costs + Year 1 operating expenses.

A reinvestment is an additional investment made by a tenured investor in Trinidad and Tobago thus titled "re-investment." Re-investment is the ultimate goal of the provision of "Aftercare Services." Aftercare, as defined by the 2007 United Nations Conference on Trade and Development (UNCTAD) Investment Advisory Series, is the range of activities from post-establishment facilitation services through to developmental support to retain investment, encourage follow-on investment and achieve greater local economic impact. It is the range of activities required to ensure the seamless implementation of investment projects. A re-investment considered closed when the reinvestment letter is received from the investor and at least three auditable services were provided to the investor. The investment value is calculated as the incremental capital costs of the reinvestment.

Further details on new direct investments and reinvestments are outlined in the table below:

Name of Company	Country of Origin	Sector	Permanent Jobs	Description of Operations	Amount of Planned Investment (TTS)	Export Earning Capability	Linkages	Services provided by InvesTT
Virtana Ltd	USA	Software Development	2	Software programming for robotics	\$763,800	High	UWI	Provision of market information. Assistance with work permits.
Transocean	USA	Shipping	70	Cold stacking of drill ships	\$637,809,400	High	BuxoTT/Peterson Logistics	Provided within administrative report
Cree Productions	Germany	Creative Industries	-	Music label/Production Company	\$167,500	High	Licensing of 70s and 80s calypso from local artistes	Assistance with work permits and identification of real estate for offices
Holiday Foods	Trinidad and Tobago	Manufacturing	-	Relocation of facility for future expansion. No additional jobs immediately created.	\$201,000,000			
Hadco Ltd	Trinidad and Tobago	Manufacturing	10	Ice cream cone	\$6,700,000			
Hadco Ltd	Trinidad and Tobago	Manufacturing	33	Ice cream	\$20,100,000			
Nutrimix Foods Ltd	Trinidad and Tobago	Manufacturing	100	State of the art Hatchery	\$20,100,000			
Stages Engineering Consulting	Trinidad and Tobago	Services	7	Development of new headquarters	\$10,050,000	Medium		Led Tamana tenant through application process to approval of tenancy.
				<i>Total</i>	<i>\$896,690,700</i>			

* A detailed breakdown of the Transocean investment is given below:

- Maritime Service division has provided the actual fees paid by Transocean to date below which amounts to **US\$9,363,500** (included in chart below).
- BuxoTT, Transocean's main local service providers in Trinidad & Tobago, have estimated that Transocean spent approximately **US\$18.432m** in direct local labour costs including labour and living expenses for the crew on the ships over the cold stacking period
- The local labour and equipment spend during initial set up was approximated (by Buxo TT) at **US\$11m** per ship, which would equate to a total of **US\$66m**.
- As such, the total **estimated** investment over the period can be estimated at **US\$93,795,500**.

The key services provided by InvesTT to Transocean and with the relevant stakeholders were:

- Facilitated numerous country site visits between May and October 2015.
- Set meetings with various Ministers, Ministries and Agencies. This includes Maritime Services Division, EMA, Customs, Immigration, Ministry of Trade and Industry.
- Drafted the initial Layup contract agreement.
- Assisted with the establishment of a customs framework.
- One Stop Shop: Facilitated work permits and visas for Transocean's key staff members.
- Assisted Maritime Services Division with conceptualizing the framework for the expansion of Transshipment and Cold Stacking activities in the Gulf of Paria.
- Created process maps for cold stacking and transshipment investment opportunities. Sent to Maritime Services Division.

4.0 FINANCIAL OPERATIONS

4.1 Budget Formulation

- Budgets are based on the Company's mandate, priorities and policy.
- Budgets are prepared by Managers after careful study of their departmental mission/objectives/priorities for the upcoming year on a zero basis.
- Department budgets are then scrutinized by the respective Vice Presidents, the Finance Services Department and the President, with a view to establishing their soundness and compatibility with each other so that they may be meaningfully combined into divisional plans and ultimately a single financial plan for the entire company. This is then forwarded to the Board of Directors (BOD).
- Budgets are used to assess the performance of the Company.
- Budgets require approval by the Board of Directors.
- A system is used to monitor revenue and expenditure throughout the Company.
- Each department is expected to operate within its budget.
- The ongoing implementation of projects is assessed by the comparison of planned vs. actual expenditure.
- The Finance Services Department of e TecK, through the shared services agreement, prepares and circulates Monthly Management Accounts to the President for the ongoing monitoring of their actual results against planned/budgeted results for both operations and projects.

4.2 Expenditure versus Income

InvesTT Limited

Audited Statement of profit or loss and other comprehensive income

Year ended 30 September 2018

(Expressed in Trinidad and Tobago dollars)

	Notes	2018	2017
		\$	\$
Government subvention	9	9,070,036	8,404,936
Expenses			
Operating	11	(1,061,456)	(1,734,836)
Administrative	11	(8,231,961)	(7,839,386)
Operating deficit		(223,381)	(1,169,285)
Finance costs		(8,426)	(12,518)
Interest income		14	16
Deficit before taxation		(231,793)	(1,181,788)
Taxation expense	12	(81,306)	(175,641)
Deficit after taxation expense		(313,099)	(1,357,429)
Total comprehensive deficit of the year		(313,099)	(1,357,429)

InvesTT Limited
Audited Notes to the financial statements
For the year ended 30 September 2018

11. **Administrative, operating and general expenses**

	<u>2018</u>	<u>2017</u>
	\$	\$
Operating expenses		
PSIP expense -001	1,061,456	1,425,006
PSIP expense -297	-	309,830
	<u>1,061,456</u>	<u>1,734,836</u>
 Administrative expenses		
Staff cost and related expenses	6,263,920	6,696,721
Motor vehicle rental	159,300	85,763
Motor vehicle oil & gas	130,112	128,939
Motor vehicle maintenance	18,300	4,500
Cell phones and private lines	29,340	23,970
Professional consultancy	41,485	42,906
Legal fees	34,061	64,617
Audit fees	63,057	56,250
Subscriptions	8,565	8,114
Telephone	103,916	99,384
Meetings and functions	3,969	125
Office equipment rental	53,871	53,933
Office ICT services	12,222	5,519
Office maintenance	47,852	900
Office stationery and printing	14,966	9,488
Office supplies	3,324	-
Courier services	-	70
Internet	15,805	49,281
Janitorial services	102,728	55,926
Pantry items	5,617	2,785
Settlement / claim fees	701,190	35,070
Depreciation	12,579	19,918
Directors fees and allowances	265,180	293,500
Directors – board meeting expenses	17,007	10,406
Insurance	50,208	50,461
Foreign exchange loss	7,476	39,421
Loss on disposal of assets	-	1,419
Corporate expenses	65,913	-
	<u>8,231,961</u>	<u>7,839,385</u>

InvesTT Limited
Audited Statement of financial position
As at 30 September 2018
(Expressed in Trinidad and Tobago dollars)

	Notes	2018	2017
		\$	\$
Assets			
Non-current assets			
Office furniture and equipment	5	20,800	9,980
Non-current assets		<u>20,800</u>	<u>9,980</u>
Current assets			
Government Grants receivable	6,9	296,812	344,100
Due from related parties	6	37,515	37,752
Cash and cash equivalents	7	1,898,922	3,391,522
Total current assets		<u>2,233,249</u>	<u>3,773,374</u>
Total assets		<u><u>2,254,049</u></u>	<u><u>3,783,354</u></u>
Equity and liabilities			
Capital and reserves:			
Share capital	8	10	10
Accumulated deficit		(11,671,497)	(11,358,398)
Total equity		<u>(11,671,487)</u>	<u>(11,358,388)</u>
Current liabilities			
Trade and other payables	10	1,058,106	1,732,976
Due to related party	6	5,389,331	5,928,652
Deferred Government grants	9	7,221,151	7,304,473
Taxation payable	12	256,948	175,641
Total current liabilities		<u>13,925,536</u>	<u>15,141,742</u>
Total equity and liabilities		<u><u>2,254,049</u></u>	<u><u>3,783,354</u></u>

4.3 **Debt Policy**

As per Section 1.3.9 of State Enterprise Monitoring Manual “The approval of the Minister of Finance **must** be obtained before any State Enterprise or their subsidiary enters into new debt obligations.”

4.4 **Investment Policy**

InvesTT as a former subsidiary of e TecK adopted the following investment policy from e TecK:

<p>Policy Statement</p>	<p>It is the Policy of InvesTT to invest temporarily idle funds.</p> <p>Such investment shall be done prudently so as to preserve capital and to ensure adequate levels of liquidity, whilst maximizing returns.</p> <p>The policy establishes the methodology for control of funds invested by the Company and applies to all such investments.</p>
<p>Corporate Guidelines</p>	<p>InvesTT’s funding sources comprise subventions from the Government of Trinidad and Tobago. Investments shall be restricted to cash & near cash securities.</p> <p>All investments shall be denominated in TT\$ or US\$.</p> <p>Acceptable investing instruments include Fixed Deposits, Money Market Funds, Investment Note Certificates, Treasury Bills or any other approved by the Board of Directors.</p> <p>Investment shall be restricted to Financial Institutions that have been rated by an internationally recognized rating agency, and at the time of placing the investment have an <u>Investment Grade Rating</u> or Financial Institutions which are approved by the Ministry of Finance.</p> <p>No more than ten percent (10%) of InvesTT’s portfolio is to be invested in any one financial institution and/or its subsidiaries.</p>
<p>Procedure</p>	<p>The Manager Finance Services, as part of the shared services agreement, at the start of each quarter will forecast the temporarily idle funds for the quarter and make recommendations to Board of Directors after taking into consideration the following factors:</p> <ul style="list-style-type: none"> • Current yields & maturities; and • The extent of the diversification of Investment Portfolio. <p>On the basis of this information the Board of Directors will approve the placement of and indicate when investments are to be redeemed.</p>

4.5 Internal Audit Functions

The audit function is a shared service from e TecK.

Audit Committee Charter

Committee Charter outlines the provisions regarding the committee's mission, duties, responsibilities and membership requirements.

The Audit Committee assists InvestTT in fulfilling the oversight responsibilities for the financial reporting process, the system of internal control, the audit process, and the company's process for monitoring compliance with laws and regulations and the code of conduct.

Responsibilities

The committee executes the following responsibilities:

Financial Statements

- A. Review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas, and recent professional and regulatory pronouncements, and understand their impact on the financial statements.
- B. Review with management and the external auditors the results of the audit, including any difficulties encountered.
- C. Review the annual financial statements, and consider whether they are complete, consistent with information known to committee members, and reflect appropriate accounting principles.
- D. Review other sections of the annual report and regulatory filings before release and consider the accuracy and completeness of the information.
- E. Review with management and the external auditors all matters required to be communicated to the committee under generally accepted auditing standards.
- F. Understand how management develops interim financial documentation, and the nature and extent of internal and external auditor involvement.
- G. Review interim financial reports with management and the external auditors before filing with regulators, and consider whether they are complete and consistent with the information known to the committee members.

Internal Control

- A. Consider the effectiveness of the company's internal control system, including information technology, security and control.
- B. Understand the scope of internal and external auditors' review of the internal control over financial reporting, and obtain reports on significant findings and recommendations, together with management responses.

Internal Audit

- A. Review with Management and the Internal Auditor the charter, activities, staffing and organizational structure of the internal audit function.
- B. Have final authority to review and approve the annual audit plan and all major changes to the plan.
- C. Ensure there are no unjustified restrictions or limitations, and review and concur in the appointment, replacement or dismissal of the Internal Auditor.
- D. At least once per year, review the performance of the CAE and concur with the annual compensation and salary adjustment.
- E. Review the effectiveness of the internal audit function, including compliance with The Institute of Internal Auditors' *International Standards for Professional Practice of Internal Auditing*.
- F. On a regular basis, meet separately with the Internal Auditor to discuss any matters that the committee or internal audit believes should be discussed privately.

External Audit

- A. Review the external auditors' proposed audit scope and approach, including coordination of audit effort with internal audit.
- B. Review the performance of the external auditors and recommend the appointment and discharge of the auditors to the Board of Directors.
- C. The Committee shall have responsibility for setting the compensation of the independent auditor, with the ratification by the Board.
- D. Review and confirm the independence of the external auditors by obtaining statements from the auditors on relationships between the auditors and the company, including non-audit services, and discussing the relationships with the auditors.

- E. On a regular basis, meet separately with the external auditors to discuss any matters that the committee or auditors believe should be discussed privately.

Compliance

- A. Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of non-compliance.
- B. Review the findings of any examination by regulatory agencies, and any auditor observations.
- C. Review the process for communicating the code of conduct to company personnel, and for monitoring compliance therewith.
- D. Obtain regular updates from management and company legal counsel regarding compliance matters

Reporting Responsibilities

- A. Regularly report to the Board of Directors about committee activities, issues, and related recommendations.
- B. Provide an open avenue of communication between internal audit, the external auditors and the Board of Directors.
- C. Report annually to the shareholders, describing the committee's composition, responsibilities and how there were discharged, and any other information required by rule, including approval of non-audit services.
- D. Review any other reports the company issues that relate to committee responsibilities.

Other Responsibilities

- A. Perform other activities related to this charter as requested by the Board of Directors.
- B. Institute and oversee special investigations as needed.
- C. Review and assess the adequacy of the committee charter annually, requesting board approval for proposed changes and ensure appropriate disclosure as may be required by law or regulation.
- D. Confirm annually that all responsibilities outlined have been carried out.
- E. Evaluate the committee's and individual members' performance on a regular basis.

The Internal Audit Charter

The Internal Audit Charter outlines the purposes, authorities and responsibilities of the Internal Audit Function.

The Purpose of Internal Audit is to assist the Board of Directors of InvesTT in fulfilling oversight responsibilities with respect to:

- InvesTT's compliance with legal and regulatory requirements;
- Assessment of the External Audit entity's qualifications and independence;
- Performance of InvesTT's internal audit function.

The internal audit function is a value added service aimed to evaluate effectiveness of controls for which management is responsible for establishing and maintaining. The process of internal auditing aims to provide an independent, objective assurance on the integrity of InvesTT's fiscal and operating systems.

On the whole, the objective of the programme of internal audit is to assist all levels of management in the effective discharge/performance of their obligations and responsibilities by providing independent analysis, appraisal, advice and recommendations concerning the activities reviewed.

Accomplishing the overall internal audit objective will require:

1. Reviewing and evaluating the adequacy and effectiveness of the system of internal controls;
2. Appraising the timeliness, reliability, usefulness and integrity of management, finance and operating data and reports;
3. Reviewing the systems established to determine the level of compliance with internal policies and procedures and government regulations, statutory requirements and other pertinent regulatory standards;
4. Evaluating the economy, efficiency and effectiveness with which InvesTT's resources are employed.
5. Recommending improvements to controls, operations and risk mitigation resolutions;
6. Coordinating work with the External Audit entity;
7. Reviewing with the President and the External Audit entity the results of external audit, including any difficulties encountered. This review will include any restrictions on the scope of the External Audit entity's activities or on access to requested information and any significant disagreements with the audit report.

5.0 HUMAN RESOURCE DEVELOPMENT PLAN

5.1 Organizational Establishment

InvesTT is in the process of revising our HR Systems to better support our developmental needs.

5.2 Category of Employees

Types of Engagement:

1. *Permanent employment*

Appointed to the approved establishment to carry out the continuous day-to-day functions of the position;

2. *Contract employment*

Appointed to fulfill the specific needs of a project over a specific time period;

3. *Temporary employment*

Appointed to fill a position temporarily while the substantive holder is away on leave, or as a stop gap measure in a vacant position that is critically needed while the recruitment process is being pursued.

4. *Probation*

Three (3) months for (a) Office Support Staff; (b) Junior Professional I; (c) Junior Professional II; and six (6) months for (a) Professional; (b) Senior Professional; (c) Middle Management and (d) Executive. Confirmation in the position only on successful completion of probation.

Termination Notice:

Three (3) months for Senior Professional to Executive and one (1) month for Office Support to Professional. Payment in lieu of notice may be applied.

5.3 Performance Assessment/Management Strategies

InvesTT operates a relational computerized web based Performance and Talent Management tool called Bullseye. The main features are as follows:

- Performance Planning and Goal Management to assure SMART goals/ Key Performance Indicators (KPIs) which are aligned with the Company's strategic intent inclusive of its Mandate and Vision
- Performance Monitoring and Goal Progress which require Bi-annual / yearly KPIs updates and review;
- Performance Reviews which are completed bi-annually and which target (a) Core and Role specific Competencies and (b) Goal Attainment. The employee self-appraises followed by his direct supervisor as the first appraiser and then by the Divisional Head as the second appraiser. Discussions are held at each stage of the process.
- Analytical Reporting in respect of the competencies (competency matrix) and by extension the organizational capabilities or goal achievement and the identification of blockages in the deliverable system. These are generated by employee, department, division and Company.

Benefits associated with the system are:

- Accessibility of performance data across the Company;
- Real Time performance information to take appropriate corrective action;
- Performance visibility at the executive and management levels
- Performance spotlighting by employee, department, division and Company;
- Relational pay for performance system;
- Valid data to support staff movement initiatives, i.e. succession planning, promotions, etc.

5.4 **Promotion – Selection Procedures**

InvesTT's promotion policy is subsumed under the Staff Movements Policy. Its guiding principles are predicated on retention, morale and motivation, staff development and organizational capacity building and are in accordance with the following: -

- That there is an approved vacant position;
- Promotion from within the department will be made on the basis only of the most suitably qualified person for the job re (a) academic qualification; (b) training and experience; (c) skills and competencies and (d) superior performance over a two-year period;
- Seniority will apply where there is more than one suitably qualified candidate;
- Divisional Head authorizes the promotion;
- Vacancies are advertised internally where the talent does not exist within the department and interviews are held in accordance with the recruitment process.

Recruitment and Selection Procedures

This process is conducted in accordance with the HR Policy and is predicated on the selection of the highest caliber staff for all positions viz clerical; customer service; technical and skilled; professional and managerial and who demonstrate potential to fill higher positions and on the basis of the following: -

- An approved vacancy;
- The posting of vacancy notices in the Company and in the media;
- Recruitment Agencies may be engaged in the process to pre-screen and shortlist and or head hunt;
- Internal applicant screening and short-listing is conducted by the HR Department and the Line Manager;
- Applicant selection is accomplished through the interview and testing methods by a panel consisting of the Line Manager, the Human Resource Manager or the Senior Human Resource Officer (depending on the level of the position) and a suitably qualified independent official all of whom are competent in interviewing using the prescribed interview appraisal form;
- Background checks are also carried out to ascertain validity of information tendered and other data as required;
- The preferred candidate must also pass a pre-employment medical;
- The recruitment and selection process does not consider sex, colour, creed or religion nor physical or age impediments once within the Company's minimum limit and

retirement age regulation and as long as the factors do not affect the person's ability to perform the service requirements of the job;

- Terms and conditions of employment are detailed in the engagement letter;
- Employment and employment practices are subject to and governed by the labour legislation of Trinidad and Tobago and that of the wider geographical community serviced.

5.5 **Employee Support Services**

The Employee Assistance Programme (EAP) is facilitated by a recognized provider. The service assists all employees and their immediate family to manage their life challenges that may warrant professional insight and expertise to direct them to better cope on the job and in their personal lives. The programme also assists Management in dealing with conflict and troubled employees.

Benefits / Conditions of Employment

1. Pension / Annuity
2. Group Health Insurance
3. Group Life, Accidental Death, Dismemberment and Critical Illness Insurance
4. Employee Assistance Programme
5. Paid Annual Vacation Leave
6. Paid Sick Leave
7. Paid Maternity Leave
8. Paid Paternity Leave
9. Paid Casual Leave
10. Paid Jury Service Leave
11. Paid Bereavement Leave
12. Employee Initiated Training and Development
13. Joint Contribution Savings Plan
14. Travel Allowance
15. Pay for Performance and Bonus
16. Cellular Phones
17. Flex-time
18. Reward and Recognition
19. Subsistence

6.0 PROCUREMENT POLICIES

“InvesTT is committed to ensuring an equitable, transparent and accountable process in the purchasing of goods and the provision of works and services and in the disposal of its assets”.

Generally, the tendering process is utilized for the procurement of goods, works and services for InvesTT. The process begins with an Invitation to Bid/Request for Proposal/Request for Quotation and ends with a Contract.

The tendering process is governed by InvesTT Tenders Rules and Procedures approved by e Teck’s Board of Directors on 17th February 2004 and amended from time to time.

6.1 **Open Tender**

General Outline of the Standard Tender Process for Open/Public Tendering:

Open or Public Tendering is the process whereby invitations to tender are issued through advertisements or other forms of public notice. All interested contractors and suppliers are free to submit tenders. Invitations to Bid are published in the local and international press, the internet or in selected journals, as may be necessary.

Open tendering may be used when the Company’s list of approved Contractors does not cater or adequately cater for particular types of Goods, Works and/or Services, where it is competitively more advantageous and/or where the terms and conditions of Company borrowings so require.

The following three (3) methods of procurement may be employed for open/public tendering:

i) The One Stage Two Envelope Process

This process is conducted by issuing a tender requesting post-qualification information separate from technical and price information. The tender invitation will specify that tenders are to be submitted in two sealed envelopes - Envelope I containing the post-qualification information and Envelope II containing the technical and price proposals.

Envelope I shall be opened first and the post-qualification information shall be evaluated, while Envelope II remains sealed. Envelope II of only those bidders who have met the specified post-qualification criteria would be opened for evaluation. Envelope II of the bidders who failed to meet the specified post-qualification criteria will be returned unopened.

ii) The Two Stage Process

This process is conducted by issuing two separate procurement documents; the first document being an Invitation to Pre-qualify for Works and/or Services or, alternatively, an Invitation for Expressions of Interest for consultancy services in the first stage, and the second document being a Request for Proposal/ Invitation to Tender in the second stage.

The first stage is the stage at which pre-qualification information is requested to assess the applicant's ability to deliver the subject Works and/or Services. Only those responsive applicants substantially meeting the specified pre-qualification criteria shall proceed to the second stage, where they would be invited to bid.

In the case of Works and/or Services the Tender submitted in stage two contains the whole Bid comprising the technical information and price proposals in one or two sealed envelope/s as may be required. The lowest evaluated responsive bidder is deemed to be the preferred bidder.

This process is best used for large high value contracts or regardless of value when Works and/or Services including consultancy services are major or complex or of critical importance and/or where the contract duration is long. This process ensures that tender invitations are only extended to bidders who have the adequate experience, capabilities and financial resources to perform the subject Works and/or Services.

- iii) Bidders are asked to submit technical and commercial bids in separate sealed envelopes. Upon the closing of the tender the technical envelope is opened and evaluated. Only those tenderers who have passed the technical threshold have their commercial bid opened. Those who have failed to pass the technical criteria have their commercial bid returned to them unopened.

Approvals for Open/Public Tendering

Arranging for the placement of all advertisements or public notices in the relevant newspaper/journal shall be the responsibility of the User Department in conjunction with the Marketing & Communications Department.

The processes outlined under Selective Tendering will apply as far as applicable.

Central Tenders Board Procedure to be Supplemental to Rules

With respect to any matter not expressly provided for in the InvesTT Tender Rules, the Tenders Committee may be guided by the provisions of the Central Tenders Board Ordinance 1961 (No. 22 of 1961) and the Central Tenders Board Regulations 1965 (GN. 127/1965), as amended, in so far as those provisions are not inconsistent with the directives and policies expressed or implied in these Rules.

6.2 Selective Tender

General Outline of the Standard Tender Process for Selective Tendering

Selective Tendering is the process whereby tenderers are selected for invitation from the Company's list of approved Contractors and/or where justified, Contractors are specifically approved by the President or the Chairman of the Board Tenders Committee.

The standard process leading to an award of contract via selective tendering is as follows:

1. A user department may wish to have particular works or services executed or goods procured for a designated/approved InvesTT project.
2. The Terms of Reference (TOR) /Scope of Works (SOW) / Scope of Services is therefore completed by the user department; in some cases in conjunction with Independent Consultants.
3. An in-house estimate of what it may cost is prepared.
4. The Pre-Qualification Register is checked to see if such category of works/services exists and if so, which contractors are already pre-qualified with InvesTT to provide such goods, works or services.
5. If there are sufficient pre-qualified contractors on the Register, these are the firms/persons to be invited to tender.
6. If the list is inadequate or there is no such category or works/services in the Pre-Qualification Register, then inquiries are made (in conjunction with Independent Consultants and other state companies) to create a short list of contractors who can provide such works or services.

7. Such listing is submitted to the President for approval to invite (this is allowed for under the Tender Rules).
8. Meanwhile, complete technical documents are prepared by the user department (usually in conjunction with Consultants) including a Bill of Quantities (if applicable), Technical Specifications, Appendices, Drawings etc. and the TOR/ SOW listed in 2 above.
9. The technical documents along with the list of contractors to be invited (whether approved by the President or derived from the Pre-Qualification Register) are forwarded to the Procurement Department to issue the tender invitation. Tenders estimated to be > \$5,000 are issued by the Procurement Department.
10. Letters of invitation together with full tender packages (including the technical documents listed at 8 above and the Procedure for Bidding, Draft Contract and/or general conditions of contract, particular conditions of contract, Form of Tender, Security documents etc.) are prepared and issued to tenderers in exchange for a tender fee where applicable.
11. In some cases, mandatory/non-mandatory pre-tender meetings/site visits are held prior to tender closing dates.
12. Tenders are opened on the stipulated closing date (set out in the invitation letter) by the Secretary Tenders Committee or her delegate and a Vice President/Manager.
13. Tender details (price and bidders' names) are announced and recorded at public openings, unless otherwise specified.
14. Bids received are submitted to the user department for evaluation. When the evaluation is completed (pursuant to an approved evaluation criteria and by an appropriate evaluation team), an appropriate tender evaluation report is prepared and submitted to the Secretary, Tenders Committee for onward distribution to the relevant committee or person for approval. This is dependent on the value of the recommended award, details of which are set out under "Financial Approval Limits".
15. If and once approved, the appropriate "Letter of Award" is issued by the Secretary, Tenders Committee via the Procurement Department and the Contract is prepared by the Legal Department for acceptance and execution by the contracting parties.
16. Once executed, copies of the executed contract are forwarded to the user department (to commence the works/services or procure the goods) and the Finance Department

(for payment purposes). The original contract is lodged within the Legal Department's records.

17. The user department then becomes responsible for administration of the contract and execution of the works/services or procurement of the goods.

6.3 Sole Tender

General Outline of the Standard Tender Process for Sole Tendering

Sole or Direct Tendering refers to procurement from a selected supplier without inviting competing tenders from any other suppliers. The procedures to be applied for sole or direct tendering are set out in InvesTT's Tender Rules.

InvesTT's Tender Rules provides that:

The Company may without inviting Tenders, purchase Goods or secure the performance of Works and Services under the following circumstances:-

- (a) Where there is a limitation of source of supply of Goods or performance of a Service, or where the Goods comprise part of a system already in use by the Company, or where the Goods are spare or replacement parts for Goods already in use;
- (b) Where the Company, after diligent efforts, is unable to secure a contract because all the bid prices that have been received are significantly in excess of the in-house estimate or exceed the funds available for the supply of Goods or the undertaking of Works or Services, as the case may be;
- (c) Where the Company, after diligent efforts, is unable to secure a contract because no substantially responsive bids have been received; and
- (d) Where only one Contractor is capable or available or identified as having the qualifications or special proficiency, experience and skill of exceptional worth, expertise and/or equipment to do the stated Works and Services;
- (e) Where a Consultancy Service is a special assignment, provided that, the Consultant is the best qualified one selected from a short-list of consultants established on the basis of qualification, experience and competence relevant to the assignment and the selected consultant is approved by the Chairman or the Management Tenders Committee;

- (f) Up to a value of One Hundred Thousand Dollars (\$100,000) where the Works and Services are of an urgent and critical nature, i.e., there is some measure of risk to people or property and the profitability of the Company's operations so demand;

In cases of emergency such that a situation requires immediate action, a Vice President, if unable to contact the person or persons with the appropriate authority may award contracts for Works and Services necessary to bring the situation under control. Within two (2) working days of the termination of the emergency, a written application should be made to the relevant Committee for ratification of the action taken. This application shall include a statement of the emergency nature of the circumstances that prompted the action;

- (g) Where in the discretion of the Company it is advantageous and expedient to the Company's operations to conclude an arrangement with a preferred supplier of Goods, Works and Services.

PROVIDED, ALWAYS that, the approval of the Chairman of The Board Tenders Committee (BTC) must first be obtained prior to giving effect to (b), (c) and (g) above.

Note: Having regard to the nature, timelines and estimate of the value of the sole bid, the President has also been delegated by the Board to approve the issuance of sole bids.

Once the request to issue a sole bid is approved, the processes outlined under Selective Tendering will apply as appropriate.

7.0 PUBLIC AND COMMUNITY RELATIONS

7.1 Client and Public Access to Services/Service Delivery Systems

All of InvesTT's services are available through our website as well as via telephone or meetings in person.

7.2 Community and Stakeholder Relations/Outreach

InvesTT regularly engages our stakeholders either through one on one sessions or through stakeholder engagements that take place on an ongoing basis.

7.3 Strategic Partnerships

A critical component for InvesTT's facilitation role is the effective ongoing management of all critical external stakeholders. These stakeholders have been identified as the regulatory agencies and government ministries who provide critical regulatory approvals, funding, referrals and incentives. In this regard, external stakeholders hold the key to satisfying our investors' needs. As such, an effective network and partnership strategy is a prerequisite for InvesTT's positive impact on investors, customer service and reputation as an Investment Promotion Agency that brings value to the investor.

InvesTT continues to adopt a proactive and open approach to building and sustaining its stakeholder network. This approach advocates the use of personal relationships with key stakeholders, the development and maintenance of an open database of contact information and the requirement to hold periodic purposeful meetings. These tasks have become integrated into InvesTT's standard operating practice for all personnel that facilitate the administration of existing and new investors and the development of new commercial and industrial facilities.

Some of the key entities that InvesTT partners with to execute our Mandate are:

- Ministry of Trade & Industry
- Inter-Ministerial Committee on Investment Facilitation & Approvals
- Ministry of Planning and Development
- Ministry of Works and Transport
- Ministry of Foreign & CARICOM Affairs
- Ministry of Tourism & Tourism companies
- Tobago House of Assembly
- Statutory Agencies and Utilities (Town & Country, WASA, T&TEC etc.)
- Evolving TecKnologies and Enterprise Development Company Limited (e TecK)
- Economic Development Advisory Board

- CreativeTT
- exporTT
- Commissioner of State Lands (CoSL)
- Chaguaramas Development Authority (CDA)
- Maritime Services Division
- Trinidad and Tobago International Financial Centre (TTIFC)
- Trinidad and Tobago Free Zones (TTFZ)
- Immigration Division
- Customs and Excise Division
- Seafood Industry Development Company (SIDC)
- Airports Authority of Trinidad and Tobago (AATT)
- University of Trinidad & Tobago
- COSTAATT
- The University of the West Indies

InvestTT Limited

Financial statements

30 September 2018

(Expressed in Trinidad and Tobago dollars)

InvesTT Limited

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InvesTT Limited

Statement of management's responsibilities

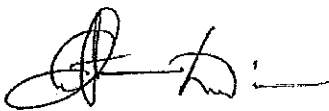
Management is responsible for the following:

- Preparing and fairly presenting the accompanying financial statements of InvesTT Limited, ('the Company') which comprise the statement of financial position as at 30 September 2018, the statements of profit or loss and other comprehensive income, changes in equity 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 the Company's 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; 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: Mr. Christopher Lewis
Title: President

14 March 2019

**Independent auditor's report
to the members of InvestTT Limited**

Report on the audit of the financial statements

Opinion

We have audited the financial statements of InvestTT Limited (the 'Company'), which comprise the statement of financial position as at 30 September 2018, and the statement of profit or loss and other comprehensive income, the statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at 30 September 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 ('ISA's). 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 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 these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 4 in the financial statements, which indicates that the Company's current liabilities exceeded its current assets by \$11,692,287 (2017: \$11,368,368). As stated in Note 4, the Company is dependent upon Government subvention without which a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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 IFRS, 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.

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

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Continued...

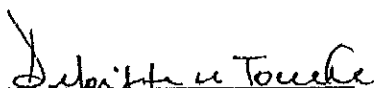
Independent auditor's report (continued)
to the members of InvestTT Limited

Auditor's responsibilities for the audit of the financial statements (continued)

As part of an audit in accordance with ISAs, we exercise professional judgement 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 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with those charged with governance 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.



Deloitte & Touche
Derek Mohammed (ICATT #864)
Port of Spain
Trinidad

3 April 2019

InvestTT Limited

Statement of financial position

As at 30 September 2018

(Expressed in Trinidad and Tobago dollars)

	Notes	2018 \$	2017 \$
Assets			
Non-current assets			
Office furniture and equipment	5	20,800	9,980
Non-current assets		20,800	9,980
Current assets			
Government Grants receivable	6,9	296,812	344,100
Due from related parties	6	37,515	37,752
Cash and cash equivalents	7	1,898,922	3,391,522
Total current assets		2,233,249	3,773,374
Total assets		2,254,049	3,783,354
Equity and liabilities			
Capital and reserves:			
Share capital	8	10	10
Accumulated deficit		(11,671,497)	(11,358,398)
Total equity		(11,671,487)	(11,358,388)
Current liabilities			
Trade and other payables	10	1,058,106	1,732,976
Due to related party	6	5,389,331	5,928,652
Deferred Government grants	9	7,221,151	7,304,473
Taxation payable	12	256,948	175,641
Total current liabilities		13,925,536	15,141,742
Total equity and liabilities		2,254,049	3,783,354

The notes on pages 8 to 26 are an integral part of these financial statements.

On 14 March 2019, the Board of Directors of InvestTT Limited authorised these financial statements for issue


Director


Director

InvesTT Limited

Statement of profit or loss and other comprehensive income

Year ended 30 September 2018

(Expressed in Trinidad and Tobago dollars)

	Notes	2018 \$	2017 \$
Government subvention	9	9,070,036	8,404,936
Expenses			
Operating	11	(1,061,456)	(1,734,836)
Administrative	11	(8,231,961)	(7,839,386)
Operating deficit		(223,381)	(1,169,285)
Finance costs		(8,426)	(12,518)
Interest income		14	16
Deficit before taxation		(231,793)	(1,181,788)
Taxation expense	12	(81,306)	(175,641)
Deficit after taxation expense		(313,099)	(1,357,429)
Total comprehensive deficit of the year		(313,099)	(1,357,429)

The notes on pages 8 to 26 form an integral part of these financial statements.

InvesTT Limited

Statement of changes in equity For the year ended 30 September 2018 (Expressed in Trinidad and Tobago dollars)

	<u>Share capital</u> \$	<u>Accumulated deficit</u> \$	<u>Total</u> \$
Balance at 1 October 2017	10	(11,358,398)	(11,358,388)
Total comprehensive deficit for the year	-	(313,099)	(313,099)
Balance at 30 September 2018	10	(11,671,497)	(11,671,487)
Balance at 1 October 2016	10	(10,000,969)	(10,000,959)
Total comprehensive deficit for the year	-	(1,357,429)	(1,357,429)
Balance at 30 September 2017	10	(11,358,398)	(11,358,388)

The notes on pages 8 to 26 form an integral part of these financial statements.

InvesTT Limited

Statement of cash flows

Year ended 30 September 2018

(Expressed in Trinidad and Tobago dollars)

	Notes	2018 \$	2017 \$
Cash flows from operating activities			
Deficit before taxation expense		(231,793)	(1,181,788)
Adjustments for:			
Depreciation	5	12,579	19,918
Loss on disposal of asset		-	1,419
Government subvention - received	9	(9,070,036)	(8,404,936)
Government grant received	9	9,034,001	11,326,000
Operating deficit before working capital changes		(255,249)	1,760,613
Changes in operating assets and liabilities:			
Decrease in amounts due from related party		237	421
Decrease in trade and other payables		(674,869)	(1,982,568)
Decrease in trade, other receivables and prepayments		-	49,255
Increase in amounts due to related party		(539,320)	1,377,401
Cash used in operations		(1,213,952)	(555,491)
Net cash used in operating activities		(1,469,201)	(1,205,122)
Cash flows from investing activities			
Proceeds from sale of fixed assets		-	2,827
Purchase of fixed assets		(23,399)	-
Net cash (used in) / generated from investing activities		(23,399)	2,827
Net increase in cash and cash equivalents		(1,492,600)	1,207,951
Cash and cash equivalents at beginning of period		3,391,522	2,183,571
Cash and cash equivalents at end of period	7	1,898,922	3,391,522

The notes on pages 8 to 26 form an integral part of these financial statements.

InvesTT Limited

Notes to the financial statements For the year ended 30 September 2018 (Expressed in Trinidad and Tobago dollars)

1. Incorporation and principal activity

InvesTT Limited ('the Company') was incorporated in the Republic of Trinidad and Tobago on 11 November 2011 as a wholly owned subsidiary of Evolving TecKologies and Enterprise Development Company Limited (e Teck). The Company was a wholly owned subsidiary of e Teck until 1 October 2013 when its issued shares were transferred to the Corporation Sole pursuant to a decision by Cabinet on 28 February, 2013. Prior to the transfer of shares the Company did not operate independently of e Teck.

InvesTT Ltd. is an Investmetromotion Agency under the Ministry of Trade and Industry whose entire operations are funded by grants from the Government of the Republic of Trinidad and Tobago. The Company has no independent source of revenue.

As a special purpose state enterprise under the Ministry of Trade and Industry the principal activities of the Company include:

- Implementing the Investment Policy and Investment Promotion Strategy of the Government
- Acting as the National 'One Stop Shop' and point of access for potential (international) investors in all sectors of the economy' facilitating all the relevant requirements and regulatory approvals required by investors.
- Investor sourcing
- Investor facilitation
- Investor aftercare
- Investment policy advocacy
- Country branding
- Country marketing

InvesTT Limited's registered address is the Atrium, Don Miguel Road Extension, El Socorro San Juan, this was subsequently changed by notice dated 17 February 2016 to Level 19 Nicholas Towers, 63-65 Independence Square Port of Spain. In Fiscal 2018 InvesTT's Limited registered address was further amended by notice dated 6th June 2018 to Level 18 Tower D Waterfront Complex.

2. Summary of significant accounting policies

2.1 Statement of compliance

From the first year of operations InvesTT Limited, the Company has adopted International Financial Reporting Standards ('IFRS').

2.2 Basis of preparation

These financial statements have been prepared under the historical cost convention.

The principal accounting policies adopted in the preparation of these financial statements are set out below.

The preparation of financial statements in conformity with the IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Areas involving a higher degree of judgement of complexity or areas where assumptions and estimations are significant to the financial statements are disclosed in note 3.

a) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less at the time of purchase, which are subject to an insignificant risk of changes in value.

InvesTT Limited

Notes to the financial statements
For the year ended 30 September 2018
(Expressed in Trinidad and Tobago dollars)

2. Summary of significant accounting policies (continued)

2.2 Basis of preparation (continued)

b) Office furniture and equipment

Office furniture and equipment is recorded at cost less accumulated depreciation at rates which are expected to apportion the cost of the assets on a systematic basis over their estimated useful lives.

Office furniture and equipment are depreciated on the straight line method of depreciation over the estimated useful lives of the assets as follows:

Building Improvements	20% per annum
Furniture & Fixtures	10% per annum
Office Equipment	10% per annum
Computers	33.33% per annum

Repairs and renovations are normally expensed as they are incurred. Expenses are reported as assets only if the amounts involved are substantial and one or more of the following conditions is satisfied: the original useful life is prolonged, the production capacity is increased, the quality of the products is enhanced materially or production costs are reduced considerably.

The gain or loss arising on the disposal or retirement of an item of office furniture and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit or loss and other comprehensive income.

The carrying amount of office furniture and equipment is reviewed whenever events or changes in circumstances indicate that impairment may have occurred.

c) Government grants

InvesTT Limited's operations are funded by grants provided by the Government of the Republic of Trinidad and Tobago ('GORTT'). Government subventions are recognised where there is reasonable assurance that the subvention will be received and all attached conditions will be complied with. When the subvention relates to an expense item, it is recognised as income over the period necessary to match the subvention on a systematic basis to the cost that it is intended to compensate. Where the subvention relates to an asset it is recognised as deferred income and released to income in equal amounts over the useful life of the related asset.

d) Foreign currency transactions

Items included in the financial statements of the Company are measured using the currency that best reflects the economic substance of the underlying events and the circumstances relevant to the Company ('the functional currency'). The functional and presentation currency of the Company is the Trinidad and Tobago dollar.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss.

InvesTT Limited

Notes to the financial statements
For the year ended 30 September 2018
(Expressed in Trinidad and Tobago dollars)

2. Summary of significant accounting policies (continued)

2.2 Basis of preparation (continued)

e) Financial assets

Financial assets within the scope of IAS 39 are classified as financial assets at fair value through the profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale financial assets, as appropriate. When financial assets are recognized initially, they are measured at fair value, plus, directly attributable transaction costs.

The Company determines the classification of its financial assets on initial recognition and where allowed and appropriate, re-evaluates this designation at each financial year end. Financial assets held by the Company includes cash and cash equivalents, amounts due from related parties and government grants receivable.

f) Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables and other payables are recognised at fair value.

g) Derecognition of financial assets and liabilities

Financial Assets

A financial asset is derecognized when:

- The rights to receive cash flows from the asset have expired;
- The Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- The Company has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Company's continuing involvement in the asset.

Financial Liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of profit or loss and other comprehensive income.

InvesTT Limited

Notes to the financial statements For the year ended 30 September 2018 (Expressed in Trinidad and Tobago dollars)

2. Summary of significant accounting policies (continued)

2.2 Basis of preparation (continued)

h) Taxation

InvesTT Limited is an Investment Promotion Agency under the Ministry of Trade and Industry whose entire operations are funded by GORTT grants, consequently their operations do not involve the sale of commercial supplies, as a result no taxation in the form of Corporation Tax, Value Added Tax has been incurred.

The Company is however uncertain of its obligations with respect to Green Fund Levy from financial years 2013 to 2018 and Business Levy from financial years 2016 to 2018. In light of this uncertainty the Company has made enquiries of the Board of Inland Revenue so as to determine its obligation. This matter has not yet been resolved. In the interim the Company has included in its books of accounts the amounts which may be due in respect of Green Fund levy and Business levy, exclusive of any interest or penalty which may attach to these amounts if the Company is found to be liable for same.

i) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, if it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that the reimbursement will be received and the amount of the receivable can be measured reliably.

j) Share capital

Ordinary shares are classified as equity.

Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

InvesTT Limited

Notes to the financial statements
For the year ended 30 September 2018
(Expressed in Trinidad and Tobago dollars)

2. Summary of significant accounting policies (continued)

2.3 Adoption of new and revised International Financial Reporting Standards

Standards and Interpretations adopted with no effect on financial statements

The Company has adopted the following new standards and interpretations which had little or no effect on the financial statements and which were effective for annual periods beginning on or after 1 October 2017.

- **Amendments to IAS 12, (Recognition of Deferred Tax Assets for Unrealised Losses)**

Unrealised losses on debt instruments measured at fair value and measured at cost for tax purposes give rise to a deductible temporary difference regardless of whether the debt instrument's holder expects to recover the carrying amount of the debt instrument by sale or by use.

The carrying amount of an asset does not limit the estimation of probable future taxable profits.

Estimates for future taxable profits exclude tax deductions resulting from the reversal of deductible temporary differences.

An entity assesses a deferred tax asset in combination with other deferred tax assets. Where tax law restricts the utilisation of tax losses, an entity would assess a deferred tax asset in combination with other deferred tax assets of the same type.

The application of these amendments did not have a significant impact on the Company's financial statements.

- **Amendments to IAS 7, (Disclosure Initiative)**

Amends IAS 7 Statement of Cash Flows to clarify that entities shall provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities.

The application of these amendments did not have a significant impact on the Company's financial statements.

- **Annual Improvements 2014-2016**

IFRS 12 - Clarifies the scope of the standard by specifying that the disclosure requirements in the standard, except for those in paragraphs B10–B16, apply to an entity's Interests listed in paragraph 5 that are classified as held for sale, as held for distribution or as discontinued operations in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations .

The application of these amendments did not have a significant impact on the Company's financial statements.

InvesTT Limited

Notes to the financial statements
For the year ended 30 September 2018
(Expressed in Trinidad and Tobago dollars)

2. Summary of significant accounting policies (continued)

2.3 Adoption of new and revised International Financial Reporting Standards (continued)

New and revised IFRS in issue but not yet effective

The Commission has not applied the following new and revised IFRS that have been issued but are not yet effective:

- | | |
|------------------------|--|
| • IFRS 9 | Financial instruments ¹ |
| • IFRS 15 | Revenue from Contracts with Customers ¹ |
| • IFRS 16 | Leases ² |
| • Amendments to IAS 12 | Recognition of Deferred Tax Assets
Unrealised Losses ¹ |
| • Amendments to IFRS 2 | Classification and Measurement of Share-based ¹ |
| • Amendments to IFRS | Annual improvements to IFRS 2014-2016 ¹ |
| • IFRIC 22 | Foreign currency transactions and advance
Considerations ² |
| • IFRIC 23 | Uncertainty over income tax treatments ² |
| • Amendments to IAS 40 | Transfers of investment property ¹ |
| • IFRS 17 | Insurance Contracts ³ |
| • Amendments to IFRS | Annual improvements to IFRS 2015-2017 ² |

¹ Effective for annual periods beginning on or after January 1, 2018, with earlier application permitted.

² Effective for annual periods beginning on or after January 1, 2019, with earlier application permitted.

³ Effective for annual periods beginning on or after January 1, 2021, with earlier application permitted.

2. Summary of significant accounting policies (continued)

2.3 Adoption of new and revised International Financial Reporting Standards (continued)

New and revised IFRS in issue but not yet effective (continued)

• **IFRS 9 *Financial Instruments***

IFRS 9 issued in November 2009 introduced new requirements for the classification and measurement of financial assets. IFRS 9 was subsequently amended in October 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition, and in November 2013 to include the new requirements for general hedge accounting. Another revised version of this IFRS was issued in July 2014 mainly to include a) impairment requirements for financial assets and b) limited amendments to the classification and measurement requirements by introducing 'fair value through other comprehensive income' (FVTOCI) measurement category for certain simple debt instruments.

Key requirements of IFRS 9:

- all recognised financial assets that are within the scope of IAS 39 *Financial Instruments: Recognition and Measurement* are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at FVTOCI. All other debt investments and equity investments are measured at their fair value at the end of the subsequent accounting periods. In addition, under IFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.
- with regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Under IAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss is presented in profit or loss.
- in relation to the impairment of financial assets, IFRS 9 requires an expected loss model, as opposed to an incurred loss model under IAS 39. The expected loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

InvesTT Limited

Notes to the financial statements
For the year ended 30 September 2018
(Expressed in Trinidad and Tobago dollars)

2. Summary of significant accounting policies (continued)

2.3 Adoption of new and revised International Financial Reporting Standards (continued)

New and revised IFRS in issue but not yet effective (continued)

- **IFRS 9 *Financial Instruments* (continued)**

- the new general hedge accounting requirements retain three types of hedge accounting mechanisms currently available in IAS 39. Under IFRS 9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an 'economic relationship'. Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

The directors of the Company anticipate that the application of IFRS 9 in the future may have a material impact on the amounts reported in respect of the Company's financial assets and liabilities. However it is not practicable to provide a reasonable estimate of the effect of IFRS 9 until the Company undertakes a detailed review.

- **IFRS 15 *Revenue from Contracts with Customers***

In May 2014, IFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue from contracts with customers. IFRS 15 will supersede the current revenue recognition guidance including IAS 18 *Revenue*, IAS 11 *Construction Contracts* and the related Interpretations when it becomes effective.

The core principle of IFRS 15 is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation

Under IFRS 15, an entity recognizes revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by IFRS 15.

InvesTT Limited

Notes to the financial statements
For the year ended 30 September 2018
(Expressed in Trinidad and Tobago dollars)

2. Summary of significant accounting policies (continued)

2.3 Adoption of new and revised International Financial Reporting Standards (continued)

New and revised IFRS in issue but not yet effective (continued)

- **IFRS 15 Revenue from Contracts with Customers (continued)**

On 20 June, 2016, the IASB issued amendments in *Clarifications to IFRS 15 'Revenue from Contracts with Customers'* which addressed three of the five topics identified (identifying performance obligations, principal versus agent considerations, and licensing) and provide some transition relief for modified contracts and completed contracts. The IASB concluded that it was not necessary to amend IFRS 15 with respect to collectability or measuring non-cash consideration. In all its decisions, the IASB considered the need to balance helping entities with implementing IFRS 15 and not disrupting the implementation process.

The directors of the Company anticipate that the application of IFRS 15 in the future may have a material impact on the amounts reported and disclosures made in the Company's financial statements. However, it is not practicable to provide a reasonable estimate of the effect of IFRS 15 until the Company performs a detailed review.

- **IFRS 16 Leases**

IFRS 16 specifies how an IFRS reporter will recognise, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17.

The directors of the Company anticipate that the application of IFRS 16 in the future may have a material impact on the amounts reported and disclosures made in the Company's financial statements. However, it is not practicable to provide a reasonable estimate of the effect of IFRS 16 until the Company performs a detailed review.

- **Classification and Measurement of Share-based Payment Transactions (Amendments to IFRS 2)**

Amendments to IFRS 2 Share-based Payment clarify the standard in relation to the accounting for cash-settled share-based payment transactions that include a performance condition, the classification of share-based payment transactions with net settlement features, and the accounting for modifications of share-based payment transactions from cash-settled to equity-settled.

The directors of the Company do not anticipate that the application of these amendments will have a significant impact on the Company's financial statements.

InvesTT Limited

Notes to the financial statements
For the year ended 30 September 2018
(Expressed in Trinidad and Tobago dollars)

2. Summary of significant accounting policies (continued)

2.3 Adoption of new and revised International Financial Reporting Standards (continued)

New and revised IFRS in issue but not yet effective (continued)

- ***Annual Improvements 2014-2016***

IFRS 1 - Deletes the short-term exemptions in paragraphs E3–E7 of IFRS 1, because they have now served their intended purpose.

IAS 28 - Clarifies that the election to measure at fair value through profit or loss an investment in an associate or a joint venture that is held by an entity that is a venture capital organisation, or other qualifying entity, is available for each investment in an associate or joint venture on an investment-by-investment basis, upon initial recognition.

The directors of the Company do not anticipate that the application of these amendments will have a significant impact on the Company's financial statements.

- ***IFRIC 22 Foreign Currency Transactions and Advance Consideration***

The interpretation addresses foreign currency transactions or parts of transactions where:

- there is consideration that is denominated or priced in a foreign currency;
- the entity recognises a prepayment asset or a deferred income liability in respect of that consideration, in advance of the recognition of the related asset, expense or income; and
- the prepayment asset or deferred income liability is non-monetary.

The Interpretations Committee came to the following conclusion:

- The date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary prepayment asset or deferred income liability.
- If there are multiple payments or receipts in advance, a date of transaction is established for each payment or receipt.

The directors of the Company do not anticipate that the application of this interpretation will have a significant impact on the Company's financial statements.

- ***IFRIC 23 Uncertainty over Income Tax Treatments***

The interpretation addresses the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12. It specifically considers:

- Whether tax treatments should be considered collectively
- Assumptions for taxation authorities' examinations
- The determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- The effect of changes in facts and circumstances

The directors of the Company do not anticipate that the application of this interpretation will have a significant impact on the Company's financial statements.

InvestTT Limited

Notes to the financial statements
For the year ended 30 September 2018
(Expressed in Trinidad and Tobago dollars)

2. Summary of significant accounting policies (continued)

2.3 Adoption of new and revised International Financial Reporting Standards (continued)

New and revised IFRS in issue but not yet effective (continued)

- **Amendments to IAS 40, *Transfer of investment property***

The amendments to IAS 40 *Investment Property*:

- Amends paragraph 57 to state that an entity shall transfer a property to, or from, investment property when, and only when, there is evidence of a change in use. A change of use occurs if property meets, or ceases to meet, the definition of investment property. A change in management's intentions for the use of a property by itself does not constitute evidence of a change in use.
- The list of examples of evidence in paragraph 57(a) – (d) is now presented as a non-exhaustive list of examples instead of the previous exhaustive list.

These amendments to the standard will not have an impact of the Company's financial statements.

- **IFRS 17, *Insurance Contracts***

IFRS 17 requires insurance liabilities to be measured at a current fulfilment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. IFRS 17 supersedes IFRS 4 *Insurance Contracts* as of 1 January, 2021. This standard will not have an impact of the Company's financial statements.

- **Annual Improvements 2015-2017**

IFRS 3 Business Combinations and IFRS 11 Joint Arrangements — The amendments to IFRS 3 clarify that when an entity obtains control of a business that is a joint operation, it remeasures previously held interests in that business. The amendments to IFRS 11 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not remeasure previously held interests in that business.

IAS 12 Income Taxes — The amendments clarify that the requirements in the former paragraph 52B (to recognise the income tax consequences of dividends where the transactions or events that generated distributable profits are recognised) apply to all income tax consequences of dividends by moving the paragraph away from paragraph 52A that only deals with situations where there are different tax rates for distributed and undistributed profits.

IAS 23 Borrowing Costs — The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings.

The directors of the Company do not anticipate that the application of these improvements will have a significant impact on the Company's financial statements.

InvesTT Limited

Notes to the financial statements For the year ended 30 September 2018 (Expressed in Trinidad and Tobago dollars)

3. Critical judgements and use of estimates

The preparation of financial statements in conformity with IFRS requires management to make critical judgements and use estimates and assumptions that affect the amounts reported in the financial statements and related notes to the financial statements. Actual results may differ from the estimates and assumptions used. Key sources of uncertainty which requires the use of estimates include:

Useful lives and residual values of property, plant and equipment

The estimates of useful lives as translated into depreciation rates are detailed in the property, plant and equipment policy above. These rates and the residual lives of the assets are reviewed annually taking cognizance of the forecasted commercial and economic realities.

Contingent liabilities

Management applies its judgement to the facts and advice it receives from its attorneys, advocates and other advisors in assessing if an obligation is probable, more likely than not or remote. Such judgement is used to determine if the obligation is recognised as a liability or disclosed as a contingent liability.

4. Going concern

At the 30 September 2018, the Company has an excess of current liabilities over current assets of \$11,692,287 (2017: \$11,368,368). The continued existence of the Company as a going concern is dependent upon the continued support from the Government of the Republic of Trinidad and Tobago through the Company's line ministry, the Ministry of Trade and Industry through Government subvention. It is to be noted that included in the Company's current liabilities are amounts due to related parties; GORTT and eTeck; these amounts total \$12,610,482 (2017: \$13,233,125).

The Government has allocated to the Company \$8 million for recurrent expenditure and \$3 million for the Public Sector Investment Programme for fiscal 2018. The Directors of the Company will be seeking clarification about whether additional funds will be made available to extinguish existing debts to related party, Evolving TeckNologies & Enterprise Development Company Limited, (eTeck), of \$5,389,331 (2017: \$5,928,652) during the course of the ensuing year.

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5. Office furniture and equipment

	2018	2017
	\$	\$
Cost		
At 1 October	58,344	66,839
Additions	23,399	-
Disposals	-	(8,495)
At 30 September	<u>81,743</u>	<u>58,344</u>
Depreciation		
At 1 October	(48,364)	(32,963)
Depreciation expense for the year	(12,579)	(19,918)
Disposals	-	4,247
At 30 September	<u>(60,943)</u>	<u>(48,364)</u>
Carrying amount		
At 30 September	<u>20,800</u>	<u>9,980</u>

6. Related party transactions and balances

The following represents transactions with related parties.

	2018	2017
	\$	\$
Government subventions received during the year (Note 9)	<u>9,034,001</u>	<u>11,326,000</u>
Key management remuneration include salary to executives and the directors fees	<u>2,458,982</u>	<u>2,091,601</u>

Related party balances

The following table provides the total amount of material transactions, which have been entered into with related parties as at 30 September 2018.

	Amount owed by related parties	Amount owed to related parties
	\$	\$
Evolving TeckNologies & Enterprise Development Company Limited	<u>37,515</u>	<u>5,389,331</u>
Grants Receivable from Ministry of Trade and Industry	<u>296,812</u>	<u>-</u>

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Notes to the financial statements For the year ended 30 September 2018 (Expressed in Trinidad and Tobago dollars)

6. Related party transactions and balances (continued)

The following table provides the total amount of material transactions, which have been entered into with related parties as at 30 September 2017.

	Amount owed by related parties	Amount owed to related parties
	\$	\$
Evolving TeckNologies & Enterprise Development Company Limited	<u>37,752</u>	<u>5,928,652</u>

7. Cash and cash equivalents

For the purposes of the statement of cash flows, the cash and cash equivalents comprise of the following:

	2018	2017
	\$	\$
Cash at bank	<u>1,898,922</u>	<u>3,391,522</u>

8. Share capital

The Company is authorised to issue an unlimited amount of ordinary shares. During the year 2015, the Company issued 9 ordinary shares of no par value for \$1 each to the Ministry of Finance and the Economy (2014: \$1 ordinary share of no par value). The consideration for the shares issued in 2015 comprises a receivable from the now Ministry of Finance in the amount of \$9.

In fiscal 2018 the directors of the Company have considered the event and remedied the situation to ensure that InvesTT Limited is now in compliance of section 34 of the Companies Act. As such these shares have been fully paid for effective March 2018 by the now Ministry of Finance in the amount of \$9.

	2018	2017
	\$	\$
Issued share capital – 10 ordinary shares of no par value	<u>10</u>	<u>10</u>

9. Deferred Government grant

	2018	2017
	\$	\$
Balance at 1 October	7,304,473	4,039,309
Grants received relating to the current period (Note 6)	9,034,002	11,326,000
Grants received relating to the prior period	(344,100)	-
Amounts released to statement of profit or loss	(9,070,036)	(8,404,936)
Government Grant receivable	<u>296,812</u>	<u>344,100</u>
Balance as at 30 September	<u>7,221,151</u>	<u>7,304,473</u>

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10. Trade and other payables	2018	2017
	\$	\$
Trade payables	857,554	1,557,335
Accrued expenses	200,552	175,641
	<u>1,058,106</u>	<u>1,732,976</u>
11. Administrative, operating and general expenses	2018	2017
	\$	\$
Operating expenses		
PSIP expense -001	1,061,456	1,425,006
PSIP expense -297	-	309,830
	<u>1,061,456</u>	<u>1,734,836</u>
Administrative expenses		
Staff cost and related expenses	6,263,920	6,696,721
Motor vehicle rental	159,300	85,763
Motor vehicle oil & gas	130,112	128,939
Motor vehicle maintenance	18,300	4,500
Cell phones and private lines	29,340	23,970
Professional consultancy	41,485	42,906
Legal fees	34,061	64,617
Audit fees	63,057	56,250
Subscriptions	8,565	8,114
Telephone	103,916	99,384
Meetings and functions	3,969	125
Office equipment rental	53,871	53,933
Office ICT services	12,222	5,519
Office maintenance	47,852	900
Office stationery and printing	14,966	9,488
Office supplies	3,324	-
Courier services	-	70
Internet	15,805	49,281
Janitorial services	102,728	55,926
Pantry items	5,617	2,785
Settlement / claim fees	701,190	35,070
Depreciation	12,579	19,918
Directors fees and allowances	265,180	293,500
Directors – board meeting expenses	17,007	10,406
Insurance	50,208	50,461
Foreign exchange loss	7,476	39,421
Loss on disposal of assets	-	1,419
Corporate expenses	65,913	-
	<u>8,231,961</u>	<u>7,839,385</u>

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12. Taxation

	<u>2018</u>	<u>2017</u>
	\$	\$
a) Current tax liabilities		
Business levy	122,177	107,668
Green fund levy	134,771	67,973
	<u>256,948</u>	<u>175,641</u>
b) Taxation expense		
Current tax expense in respect of the current year:		
Business levy	54,204	107,668
Green fund levy	27,102	67,973
	<u>81,306</u>	<u>175,641</u>

Refer to note 2.2 (h) for details.

13. Financial risk management

13.1 Categorization

	<u>2018</u>	<u>2017</u>
	\$	\$
Financial assets		
Loans and receivables		
Government Grant Receivables	296,812	344,100
Due from related parties	37,515	37,752
Cash and cash equivalents	1,898,922	3,391,522
Total assets	<u>2,233,249</u>	<u>3,773,374</u>
Other financial liabilities		
Amortised cost		
Trade and other payables	1,058,106	1,732,975
Due to related party	5,389,331	5,928,652
Total liabilities	<u>6,447,437</u>	<u>7,661,627</u>

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Notes to the financial statements For the year ended 30 September 2018 (Expressed in Trinidad and Tobago dollars)

13. Financial risk management

13.2 Management of insurance and financial risks

Risk is inherent in the Company's activities but it is managed through a process of ongoing identification, measurement and monitoring subject to risk limits and other controls. This process of risk management is critical to the Company's continuing as a going concern.

The Board of Directors is responsible for the overall risk management approach and for providing the risk strategies and principles to identify and control risks.

The Company's risks are measured using methods which reflect the expected loss likely to arise in normal circumstances. The models make use of probabilities derived from historical experience, adjusted to reflect the current economic environment.

Monitoring and controlling risks is primarily performed based on limits established by its Board of Directors. These limits reflect the business strategy and market environment of the Company as well as the level of risk that the Company is willing to accept.

13.3 Financial risks

The components of financial risk are liquidity risk and credit risk. All the Company's assets and liabilities are non-interest bearing, denominated in Trinidad and Tobago dollars and are due within one year and therefore the Company is not exposed to interest rate, currency risk or price risk.

13.4 Liquidity risk

Liquidity risk is the risk that cash may not be available to pay obligations when due at a reasonable cost.

	On demand	Up to 1 year	1 – 5 years	Over 5 years	Total
	\$	\$	\$	\$	\$
As at 30 September 2018					
Assets					
Government Grants Receivable	-	296,812	-	-	296,812
Due from related parties	37,515	-	-	-	37,515
Cash and cash equivalents	1,898,922	-	-	-	1,898,922
Total assets	1,936,437	296,812	-	-	2,233,249
Liabilities					
Trade payables	857,554	-	-	-	857,554
Due to related party	5,389,331	-	-	-	5,389,331
Accrued expenses	-	57,752	142,000	-	200,552
Total liabilities	6,246,885	57,752	142,000	-	6,447,437
Net liquidity gap	(4,310,448)	239,060	(142,000)	-	(4,214,188)

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13. Financial risk management (continued)

13.4 Liquidity risk (continued)

	On demand	Up to 1 year	1 – 5 years	Over 5 years	Total
	\$	\$	\$	\$	\$
As at 30 September 2017					
Assets					
Government Grants receivable	-	344,100	-	-	344,100
Due from related parties	37,752	-	-	-	37,752
Cash and cash equivalents	3,391,522	-	-	-	3,391,522
Total assets	3,429,274	344,100	-	-	3,773,374
Liabilities					
Trade payables	1,105,243	452,092	-	-	1,557,335
Due to related party	5,928,652	-	-	-	5,928,652
Accrued expenses	-	133,641	42,000	-	175,641
Total liabilities	7,033,895	585,733	42,000	-	7,661,628
Net liquidity gap	(3,604,623)	(241,632)	(42,000)	-	(3,888,253)

13.5 Credit risk

The Company has exposure to credit risk which is the risk that a counterparty will be unable to pay amounts in full when due. Key areas where the Company is exposed to credit risk are:

- Cash at bank
- Receivables

The Company manages its credit risk by transacting with entities that are of investment grade credit quality. Credit ratings are supplied by independent rating agencies where available and, if not available, the Company uses other publicly available financial information to rate its major customers. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

The Company categorises all cash on hand and at bank as high grade financial assets.

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14. Commitments

Leasing arrangements

Operating leases relate to leases of offices and other equipment with lease terms of between 6 months and 5 years. The Company does not have an option to purchase the leased offices at the expiry of the lease periods.

	<u>2018</u>	<u>2017</u>
	\$	\$
No later than 1 year	159,300	159,300
Later than 1 year and no later than 5 years	<u>159,300</u>	<u>318,600</u>
	<u>318,600</u>	<u>477,900</u>

15. Contingent liabilities

There are no contingent liabilities.

16. Subsequent events

The Company has determined at the time of issue of these financial statements, that there are no subsequent events, which require recognition or disclosure in these financial statements.