

InvesTT Limited

Financial statements

30 September 2019

(Expressed in Trinidad and Tobago dollars)

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InvesTT Limited

Statement of management's responsibilities

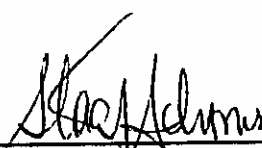
Management is responsible for the following:

- Preparing and fairly presenting the accompanying financial statements of InvesTT Limited, ('the Company') which comprise the statement of financial position as at 30 September 2019, 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: Ms. Stacy Adams
Title: President (Ag.)

9 January 2020

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 2019, 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 2019, 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.

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...

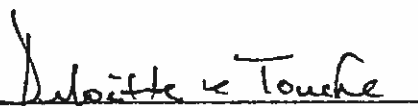
**Independent auditor's report (continued)
to the members of InvestTT Limited**

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

10 January 2020

InvesTT Limited

Statement of financial position As at 30 September 2019 (Expressed in Trinidad and Tobago dollars)

	Notes	2019 \$	2018 \$
Assets			
Non-current assets			
Office furniture and equipment	5	88,838	20,800
Non-current assets		<u>88,838</u>	<u>20,800</u>
Current assets			
Government grants receivable	6,9	-	296,812
Due from related parties	6	37,033	37,515
Other receivables & prepayments		7,293	-
Cash and cash equivalents	7	1,356,745	1,898,922
Total current assets		<u>1,401,071</u>	<u>2,233,249</u>
Total assets		<u>1,489,909</u>	<u>2,254,049</u>
Equity and liabilities			
Capital and reserves:			
Share capital	8	10	10
Accumulated deficit		(10,989,496)	(11,671,497)
Total equity		<u>(10,989,486)</u>	<u>(11,671,487)</u>
Current liabilities			
Trade and other payables	10	358,451	1,058,106
Due to related party	6	5,389,331	5,389,331
Deferred Government grants	9	6,731,613	7,221,151
Taxation payable	12	-	256,948
Total current liabilities		<u>12,479,395</u>	<u>13,925,536</u>
Total equity and liabilities		<u>1,489,909</u>	<u>2,254,049</u>

The notes on pages 8 to 30 are an integral part of these financial statements.

On 9 January 2020, the Board of Directors of InvesTT Limited authorised these financial statements for issue


Director



InvesTT Limited

Statement of profit or loss and other comprehensive income

Year ended 30 September 2019

(Expressed in Trinidad and Tobago dollars)

	Notes	2019 \$	2018 \$
Government subvention	9	9,344,480	9,070,036
Expenses			
Operating	11	(1,547,800)	(1,061,456)
Administrative	11	(7,363,857)	(8,231,961)
Operating surplus/(deficit)		432,823	(223,381)
Finance costs		(7,799)	(8,426)
Interest income		29	14
Surplus/(deficit) before taxation		425,053	(231,793)
Taxation expense	12	256,948	(81,306)
Surplus/(deficit) after taxation expense		682,001	(313,099)
Total comprehensive surplus/(deficit) for the year		682,001	(313,099)

The notes on pages 8 to 30 form an integral part of these financial statements.

InvesTT Limited

Statement of changes in equity For the year ended 30 September 2019 (Expressed in Trinidad and Tobago dollars)

	<u>Share capital</u> \$	<u>Accumulated deficit</u> \$	<u>Total</u> \$
Balance at 1 October 2018	10	(11,671,497)	(11,671,487)
Total comprehensive surplus for the year	-	682,001	682,001
Balance at 30 September 2019	10	(10,989,496)	(10,989,486)
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)

The notes on pages 8 to 30 form an integral part of these financial statements.

InvesTT Limited

Statement of cash flows

Year ended 30 September 2019

(Expressed in Trinidad and Tobago dollars)

	Notes	2019 \$	2018 \$
Cash flows from operating activities			
Surplus before taxation expense		425,053	(231,793)
Adjustments for:			
Depreciation	5	15,681	12,579
Government subvention released to the statement of income	9	(9,344,480)	(9,070,036)
Government grant received	9	9,151,754	9,034,001
Operating surplus/(deficit) before working capital changes		<u>248,008</u>	<u>(255,249)</u>
Changes in operating assets and liabilities:			
Decrease in amounts due from related party		482	237
Decrease in trade and other payables		(699,655)	(674,869)
Increase in trade, other receivables and prepayments		(7,293)	-
Increase in amounts due to related party		-	(539,320)
Cash used in operations		<u>(706,466)</u>	<u>(1,213,952)</u>
Net cash used in operating activities		<u>(458,458)</u>	<u>(1,469,201)</u>
Cash flows from investing activities			
Purchase of office furniture and equipment		<u>(83,719)</u>	<u>(23,399)</u>
Net cash used in investing activities		<u>(83,719)</u>	<u>(23,399)</u>
Net decrease in cash and cash equivalents		<u>(542,177)</u>	<u>(1,492,600)</u>
Cash and cash equivalents at beginning of period		<u>1,898,922</u>	<u>3,391,522</u>
Cash and cash equivalents at end of period	7	<u>1,356,745</u>	<u>1,898,922</u>

The notes on pages 8 to 30 form an integral part of these financial statements.

InvesTT Limited

Notes to the financial statements For the year ended 30 September 2019 (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 TecKnologies 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 Limited is an Investment Promotion 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 2019 InvesTT's Limited registered address was further amended by notice dated 6 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.

InvesTT Limited

Notes to the financial statements
For the year ended 30 September 2019
(Expressed in Trinidad and Tobago dollars)

2. Summary of significant accounting policies (continued)

2.2 Basis of preparation (continued)

a) 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.

b) 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.

Management has adopted IFRS 15 from October 1, 2018. However, given that InvesTT's funding is entirely comprised of GORTT grants, the question of revenue recognition does not arise at this time, accordingly Management is of the view that this change has had no impact on the Company's accounting records and has not restated comparative figures as a result of the adoption of IFRS 15.

2. Summary of significant accounting policies (continued)

2.2 Basis of preparation (continued)

c) 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.

d) Financial assets & liabilities

IFRS 9, 'Financial Instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets:

- amortized cost,
- fair value through other comprehensive income
- fair value through profit or loss.

The basis of classification depends on InvesTT's business model and the contractual cash flow characteristics of the financial asset being considered.

For financial assets, IFRS 9 requires the implementation of a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39.

For financial liabilities, IFRS 9 requires there no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income.

For both assets and liabilities designated at fair value through profit or loss. Management has assessed the effect of IFRS 9 and determined that current recognition policies meet the guidance provided in the standard. Therefore, IFRS 9 does not have a material impact on the Company's financial statements.

InvesTT Limited

Notes to the financial statements
For the year ended 30 September 2019
(Expressed in Trinidad and Tobago dollars)

2. Summary of significant accounting policies (continued)

2.2 Basis of preparation (continued)

d) Financial assets & liabilities (continued)

The following table indicates the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of the Company's financial assets and liabilities as at 1 October, 2018.

	Original Classification – IAS 39	New Classification – IFRS 9	Carrying Amount – IAS 39	Carrying Amount – IFRS 9
Financial assets				
Government grants receivable	Loans and receivables	Amortised cost	296,812	296,812
Due from related parties	Loans and receivables	Amortised cost	37,515	37,515
Cash and cash equivalents	Loans and receivables	Amortised cost	1,898,922	1,898,922
Financial liabilities				
Trade and other payables	Other financial liabilities	Amortised cost	1,058,106	1,058,106
Due to related party	Other financial liabilities	Amortised cost	5,389,331	5,389,331

Business model assessment

IFRS 9 also requires the application of a business model test, to facilitate the classification of InvesTT's business model. This classification is based on the actual applicable facts.

Notably InvesTT's business model does not depend on Management's intentions, but on its actual practice as evidenced by its actions, undertaken to achieve its business objective.

The business model assessment determines whether financial assets are held to collect, for sale, or for trading.

InvesTT's business model has been assessed to be held to collect and hence the financial assets included within this category are initially recognized at fair value and subsequently measured at amortized cost.

e) Derecognition of financial assets and liabilities

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 2019
(Expressed in Trinidad and Tobago dollars)

2. Summary of significant accounting policies (continued)

2.2 Basis of preparation (continued)

f) 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.

g) 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.

2. Summary of significant accounting policies

2.3 New IFRS and amendments to IFRS that are mandatorily effective for the current year

In the current year, the Company has applied a number of amendments to IFRS and new Interpretations issued by the International Accounting Standards Board ('IASB') that are mandatorily effective for the Company for the year commencing October 1, 2018.

• **IFRS 9 *Financial Instruments***

IFRS 9 Financial Instruments replaces IAS 39 Financial Instruments: Recognition and Measurement for annual periods beginning on or after 1 January 2018. The Company applied IFRS 9 prospectively, with an initial application date of 1 January 2018. The Company has not restated the comparative information, which continues to be reported under IAS 39. Differences arising from the adoption of IFRS 9 have been recognised directly in retained earnings and other components of equity.

IFRS 9 introduced new requirements for:

- 1) The classification and measurement of financial assets and financial liabilities,
- 2) Impairment of financial assets, and
- 3) General hedge accounting.

1) Classification and measurement of financial assets

All recognised financial assets that are within the scope of IFRS 9 are required to be measured subsequently at amortised cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Specifically:

- Debt instruments that are held within a business model whose objective is to collect the contractual cash flow, and that have contractual cash flow that are solely payments of principal and interest on the principal amount outstanding, are measured subsequently at amortised cost;
- Debt instruments that are held within the business model whose objective is to collect both the contractual cash flows and to sell the debt instruments, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured subsequently at fair value through other comprehensive income (FVTOCI);
- All other debt investments and equity investments are measured subsequently at fair value through profit or loss (FVTPL).

The Company has evaluated that the application did not have an impact on the Company financial statements. Financial assets classified as receivables under IAS 39 that were measured at amortised cost continue to be measured at amortised cost under IFRS 9 as they are held within a business model to collect contractual cash flows and the cash flows consist solely of principal and interest on the principal outstanding.

2. Summary of significant accounting policies

2.3 New IFRS and amendments to IFRS that are mandatorily effective for the current year (continued)

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

- 2) Impairment of financial assets

IFRS 9 requires an expected credit loss model as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires the Company 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 of the financial assets.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument. It is a function of the probability of default, loss given default and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward looking information.

The Company has not restated the comparative information, which continues to be reported under IAS 39

- General hedge accounting

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 Company does not have any instruments which require hedge accounting.

- **IFRS 15 *Revenue from Contracts with Customers* and clarifications to IFRS 15 *Revenue from Contracts* (April 2016)**

IFRS 15 supersedes the current revenue recognition guidance including IAS 18 Revenue, IAS 11 Construction Contracts and the related interpretations.

The core principle of IFRS 15 is that an entity should recognise 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: Recognise revenue when (or as) the entity satisfies a performance obligation.

2. Summary of significant accounting policies

2.3 New IFRS and amendments to IFRS that are mandatorily effective for the current year (continued)

- **IFRS 15 Revenue from Contracts with Customers and clarifications to IFRS 15 Revenue from Contracts (April 2016) (continued)**

Under IFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the 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.

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.

- **Amendments to IFRS 2 Classification and measurement of the Share-Based Payment Transactions**

The amendments clarify the following:

1. In estimating the fair value of a cash-settled share-based payment, the accounting for the effects of vesting and non-vesting conditions should follow the same approach as for equity-settled share-based payment.
2. Where tax law or regulation requires an entity to withhold a specified number of equity instruments equal to the monetary value of the employees tax obligation to meet the employees tax liability which is then remitted to the tax authority, i.e. the share base payment arrangement has a 'net settlement feature', such an arrangement should be classified as equity-settled in its entirety, provided that the share-based payment would have been classified as equity-settled had it not included the net settlement feature.
3. A modification of a share-based payment that changes the transaction from cash-settled to equity-settled should be accounted for as follows:
 - i. The original liability is recognised;
 - ii. The equity-settled share-based payment is recognised at the modification date fair value of equity instrument granted to the extent that services have been rendered up to the modification date; and
 - iii. Any difference between the carrying amount of the modification date and the amount recognised in equity should be recognised in profit and loss immediately.

The Management of the Company has evaluated that the application of these amendments will not have an impact on the financial statements.

2. Application of new and revised International Financial Reporting Standards ('IFRS')

2.3 New IFRS and amendments to IFRS that are mandatorily effective for the current year (continued)

- **Amendments to IAS 40 Transfers of Investment Property**

The amendments clarify that a transfer to, or from, investment property necessitates an assessment of whether a property meets, or ceased to meet, the definition of investment property, supported by observable evidence that a change in use has occurred. The amendments further clarify that situations other than the ones listed in IAS 40 may evidence a change in use, and that a change in use is possible for properties under construction (i.e. a change in use is not limited to completed properties).

The amendments are effective for annual periods beginning on or after 1 January 2018 with earlier application permitted. Entities can apply the amendments either retrospectively (if this is possible without the use of hindsight) or prospectively. Specific transition provisions apply.

The Management of the Company has evaluated that the application of these amendments will not have an impact on the financial statements.

- **Annual Improvement to IFRSs 2014-2016 Cycle**

The Annual Improvements include amendments to IFRS 1 and IAS 28 which is mandatorily effective for the Company.

The amendments to IAS 28 clarify that the option for a venture capital organisation and other similar entities to measure investments in associate and joint ventures at FVTPL is available separately for each associate or joint venture. In respect of the option for the entity that is not an investment entity (IE) to retain the fair value measurement applies by its associates and joint ventures that are IEs when applying the equity method, the amendments make a similar clarification that this choice is available for each IE associate or IE joint venture.

The Management of the Company has evaluated that the application of these amendments will not have an impact on the financial statements.

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

IFRIC 22 addresses how to determine the 'date of transaction' for the purpose of determining the exchange rate to use on the initial recognition of an asset, expense or income, when consideration for that item has been paid or received in advance in a foreign currency which resulted in the recognition of a non-monetary asset on non-monetary liability.

2. Application of new and revised International Financial Reporting Standards ('IFRS')

2.3 New IFRS and amendments to IFRS that are mandatorily effective for the current year (continued)

• IFRIC 22 Foreign Currency Transactions and Advance Consideration (continued)

The Interpretation specifies that the date of transaction is the date on which the entity initially recognises the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration. If there are multiple payments or receipts in advance, the Interpretation requires an entity to determine the date of transaction for each payment or receipt of advance consideration.

The Interpretation is effective for annual periods beginning on or after 1 January 2018 with earlier application permitted. Entities can apply the Interpretation either retrospectively or prospectively. Specific transition provisions apply to prospective application.

The Management of the Company has evaluated that the application of these amendments will not have an impact on the financial statements.

2.4 New and revised IFRS in issue but not yet effective

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

- | | |
|--|---|
| • IFRS 16 | Leases ¹ |
| • IFRS 17 | Insurance Contracts ² |
| • Amendments to IFRS 9 | Prepayment Features with Negative Contribution ¹ |
| • Amendments to IAS 28 | Long-term interests in associates and joint Ventures ¹ |
| • Annual Improvements to IFRS Standards 2015-2017 Cycle | Amendments to IFRS 3 Business Combinations, IFRS 11 Joint arrangements, IAS 12 Income Taxes and IAS 23 Borrowing Costs ¹ |
| • Amendments to IAS 19 Employee | Employee Plan Amendment, Curtailment or Settlement Benefits ¹ |
| • IFRS 10 Consolidated Financial Statement and IAS 28 (amendments) | Sale or Contribution of Assets between an Investor and its Associates or Joint Ventures ³ |
| • IFRIC 23 | Uncertainty over income tax treatments ¹ |

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

²Effective for annual periods beginning on or after 1 January 2021, with earlier application permitted.

³Effective date to be set.

2. Application of new and revised International Financial Reporting Standards ('IFRS')

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

• **IFRS 16 Leases**

IFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. IFRS 16 will supersede the current lease guidance including IAS 17 Leases and the related interpretations when it becomes effective.

IFRS 16 distinguishes leases and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases (off balance sheet) and finance leases (on balance sheet) are removed for lessee accounting and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees (i.e. all on balance sheet) except for short-term leases and leases of low value assets.

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at that date.

Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. Furthermore, the classification of cash flows will also be affected as operating lease payments under IAS 17 are presented as operating cash flows; whereas under the IFRS 16 model, the lease payments will be split into a principal and an interest portion, which will be presented as financing and operating cash flows respectively.

In contrast to lessee accounting, IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease. Furthermore, extensive disclosures are required by IFRS 16.

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.

2. Application of new and revised International Financial Reporting Standards ('IFRS')

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

• **IFRS 17 Insurance Contracts**

In May 2017, the IASB issued IFRS 17 *Insurance Contracts* (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 *Insurance Contracts* (IFRS 4) that was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of IFRS 17 is the general model, supplemented by:

1. A specific adaptation for contracts with direct participation features (the variable fee approach)
2. A simplified approach (the premium allocation approach) mainly for short-duration contracts

This standard will not have an impact of the Company's financial statements.

• **Amendments to IFRS 9: Prepayment Features with Negative Compensation**

The amendments to IFRS 9 clarify that for the purpose of assessing whether a prepayment feature meets the SPPI condition, the party exercising the option may pay or receive reasonable compensation for the prepayment irrespective of the reason for prepayment. In other words, prepayment features with negative compensation do not automatically fail SPPI.

The amendment should be applied retrospectively and are effective from 1 January 2019, with earlier application permitted. There are specific transition provisions depending on when the amendments are first applied, relative to the initial application of IFRS 9.

The directors of the Company anticipate that the application of IFRS 9 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 this amendment until the Company performs a detailed review.

• **Amendments to IAS 28 Long-term Interests in Associates and Joint Ventures**

The amendment clarifies that IFRS 9, including its impairment requirements, applies to long-term interests. Furthermore, in applying IFRS 9 to long-term interests, an entity does not take into account adjustments to their carrying amount required by IAS 28 (i.e., adjustments to the carrying amount of long-term interests arising from the allocation of losses of the investee or assessment of impairment in accordance with IAS 28).

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

2. Application of new and revised International Financial Reporting Standards ('IFRS')

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

- **Annual Improvements to IFRS Standards 2015–2017 Cycle**

The Annual Improvements include amendments to the following standards:

- **IFRS 3 Business Combination** - The amendments to IFRS 3 clarify that when an entity obtains control of a business that is a joint operation, the entity applies the requirements for a business combination achieved in stages, including remeasuring its previously held interest (PHI) in the joint operation at fair value. The PHI to be remeasured includes any unrecognised assets, liabilities and goodwill relating to the joint operation.
- **IFRS 11 Joint Arrangements** - The amendments to IFRS 11 clarify that when a party that participates in, but does not have joint control of a joint operation that is a business obtains joint control of such a joint operation, the entity does not remeasure its PHI in the joint operation.
- **IAS 12 Income Taxes** - The amendments clarify that an entity should recognise the income tax consequences of dividends in profit and loss, other comprehensive income or equity according to where the entity originally recognised the transactions that generated the distributable profits. This is the case irrespective of whether different tax rates apply to 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 this interpretation will have a significant impact on the Company's financial statements.

- **Amendments to IAS 19 Employee Benefits Plan Amendment, Curtailment or Settlement**

The amendment clarifies that the past service costs (or of the gain or loss on settlement) is calculated by measuring the defined benefit liability (asset) using updated assumptions and comparing benefits offered and plan assets before and after the plan amendment (or curtailment or settlement) but ignoring the effect of the asset ceiling. Any change in the effect of the asset ceiling that may result from the plan amendment (or curtailment or settlement) is recognised in other comprehensive income.

The amendment requires that updated assumptions be used to remeasure current service cost and net interest for the remainder of the reporting period after the change to the plan. Net interest post plan amendments is calculated by multiplying the net defined benefit liability (asset) with the discount rate used in the remeasurement.

These amendments will apply only to any future plan amendments, curtailments, or settlements of the Company.

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.

2. Application of new and revised International Financial Reporting Standards ('IFRS')

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

- **Amendments to IFRS 10 and IAS 28: *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture***

The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interest in that associate or joint venture.

Similarly, gains and losses resulting from the measurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interest in the new associate or joint venture.

The effective date of the amendments has yet to be set by the IASB; however earlier application of the amendments is permitted.

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 sets out how to determine the accounting tax position when there is uncertainty over income tax treatments. The Interpretation requires an entity to:

- Determine whether uncertain tax position is assessed separately or as a group; and
- Assess whether it is probable that a tax authority will accept an uncertain tax treatment used, or proposed to be used, by an entity in its income tax filings:

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

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.

InvesTT Limited

Notes to the financial statements For the year ended 30 September 2019 (Expressed in Trinidad and Tobago dollars)

3. Critical judgements and use of estimates (continued)

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. Financial performance and liquidity

At the 30 September 2019, the Company has an excess of current monetary liabilities over current monetary assets of \$4,346,711 (2018: \$4,471,136) and a negative equity position of \$10,989,486 (2017: \$11,671,487). 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. The Government has allocated to the Company \$8.884 million for recurrent expenditure and \$1m for the Public Sector Investment Programme for fiscal 2020 to enable continued operations.

It is to be noted that included in the Company's current liabilities are amounts due to related party; e Teck; these amounts total \$5,389,331 (2018: \$12,610,482). The Directors have considered the implications of these amounts on the liquidity of the Company. The Directors of the Company has sought approval for the amount due to e Teck of \$5,389,331 to be written off in the subsequent financial year contingent upon receipt of approval of the Company's line ministry (see Note 16). Subsequent to the write off of this debt, the liquidity position of the Company will be considered to be healthy.

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5. Office furniture and equipment

	Computers	Building improvements	Total
	\$	\$	\$
At 1 October 2017	58,344	-	58,344
Additions	23,399	-	23,399
At 30 September 2018	81,743	-	81,743
Additions	48,923	34,796	83,719
At 30 September 2019	130,666	34,796	165,462
Depreciation			
At 1 October 2017	(48,364)	-	(48,364)
Depreciation expense for the year	(12,579)	-	(12,579)
At 30 September 2018	(60,943)	-	(60,943)
Depreciation expense for the year	(12,723)	(2,958)	(15,681)
At 30 September 2019	(73,666)	(2,958)	(76,624)
Carrying amount			
At 30 September 2018	20,800	-	20,800
At 30 September 2019	57,000	31,838	88,838

6. Related party transactions and balances

The following represents transactions with related parties.

	2019	2018
	\$	\$
Government subventions received during the year (Note 9)	9,151,754	9,034,002
Key management remuneration include salary to executives and the directors fees	2,210,897	2,458,982

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 2019.

	Amount owed by related parties	Amount owed to related parties
	\$	\$
Evolving TecKnologies & Enterprise Development Company Limited	37,033	5,389,331

InvesTT Limited

Notes to the financial statements For the year ended 30 September 2019 (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 2018.

	Amount owed by related parties	Amount owed to related parties
	<u>\$</u>	<u>\$</u>
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>

7. Cash and cash equivalents

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

	2019	2018
	<u>\$</u>	<u>\$</u>
Cash at bank	<u>1,356,745</u>	<u>1,898,922</u>

8. Share capital

The Company is authorised to issue an unlimited amount of ordinary shares.

	2019	2018
	<u>\$</u>	<u>\$</u>
Issued share capital – 10 ordinary shares of no par value	<u>10</u>	<u>10</u>

9. Deferred Government grant

	2019	2018
	<u>\$</u>	<u>\$</u>
Balance at 1 October	7221,151	7,304,473
Grants received relating to the current period (Note 6)	9,151,754	9,034,002
Grants received relating to the prior period	(296,812)	(344,100)
Amounts released to statement of profit or loss	(9,344,480)	(9,070,036)
Government Grant receivable	-	296,812
Balance as at 30 September	<u>6,731,613</u>	<u>7,221,151</u>

InvesTT Limited

Notes to the financial statements
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10. Trade and other payables	2019	2018
	\$	\$
Trade payables	42,507	857,554
Accrued expenses	315,944	200,552
	358,451	1,058,106
11. Administrative, operating and general expenses	2019	2018
	\$	\$
Operating expenses		
PSIP expense -001	1,547,800	1,061,456
Administrative expenses		
Staff cost and related expenses	6,049,437	6,263,920
Motor vehicle rental	165,938	159,300
Motor vehicle oil & gas	130,399	130,112
Motor vehicle maintenance	56,530	18,300
Cell phones and private lines	25,209	29,340
Professional consultancy	63,974	41,485
Legal fees	3,466	34,061
Audit fees	57,600	63,057
Subscriptions	7,859	8,565
Telephone	88,598	103,916
Meetings and functions	8,406	3,969
Office equipment rental	53,864	53,871
Overseas Travel	7,603	-
Office ICT services	3,011	12,222
Office maintenance	3,600	47,852
Office stationery and printing	20,487	14,966
Office supplies	5,057	3,322
Security services	(150)	-
Internet	8,194	15,805
Janitorial services	135,356	102,728
Pantry items	12,792	5,617
Settlement / claim fees	-	701,190
Depreciation	15,681	12,579
Directors fees and allowances	317,169	265,180
Directors – board meeting expenses	17,809	17,007
Insurance	50,197	50,208
Foreign exchange loss	19,663	7,476
Corporate expenses	36,108	65,913
	7,363,857	8,231,961

InvesTT Limited

Notes to the financial statements
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12. Taxation

	<u>2019</u>	<u>2018</u>
	\$	\$
a) Current tax liabilities		
Business levy	-	122,177
Green fund levy	-	134,771
	<u>-</u>	<u>256,948</u>
b) Taxation expense		
Current tax (reversals)/expense in respect of the current year:		
Business levy	(122,177)	54,204
Green fund levy	(134,771)	27,102
	<u>(256,948)</u>	<u>81,306</u>

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 and Value Added Tax has been incurred.

InvesTT Limited was initially uncertain of its obligation 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 enquires to the Board of Inland Revenue so as to determine its obligation and in the interim resolved to accrue in its books of accounts the amounts which may be due in respect of Green Fund Levy and Business Levy.

In Fiscal 2019 InvesTT would have received formal correspondence from the Board of Inland Revenue noting the stance that Green Fund Levy cannot be charged if there are no gross receipts/ Income. In May 2019 InvesTT Limited would have also contracted professional Tax consultants for the preparation of its Corporation Tax returns for the period 2014 -2018 which was completed and filed in June 2019 with the Board of Inland Revenue.

In filing of its corporation tax returns InvesTT Limited requested further clarification from Tax consultants on its obligation with respect to the payment of Green Fund and Business Levy. The consultants undertook additional research and corroborated the stance taken by the Board of Inland Revenue and later advised that given the nature of the activities conducted by InvesTT Limited as "an Investment Promotion Agency" under the Ministry of Trade and Industry whose entire operations are funded by grants from GORTT via government subventions could not be considered gross receipts or funds generated in the operation of its business activities. Thus InvesTT Limited would not be liable for Business Levy or Green Fund Levy.

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Notes to the financial statements For the year ended 30 September 2019 (Expressed in Trinidad and Tobago dollars)

13. Financial risk management 13.1 Categorization

	2019	2018
	\$	\$
Financial assets		
Amortised cost		
Government Grant Receivables	-	296,812
Due from related parties	37,033	37,515
Cash and cash equivalents	1,356,745	1,898,922
Total assets	1,393,778	2,233,249
Other financial liabilities		
Amortised cost		
Trade and other payables	358,451	1,058,106
Due to related party	5,389,331	5,389,331
Total liabilities	5,747,782	6,447,437

13.2 Management of insurance and financial risks

Risk is inherent in the Company's activities, but it is managed through a process of on-going 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.

InvesTT Limited

Notes to the financial statements
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13. Financial risk management (continued)

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 2019					
Assets					
Due from related parties	37,033	-	-	-	37,033
Cash and cash equivalents	1,356,745	-	-	-	1,356,745
Total assets	1,393,778	-	-	1,393,778	1,393,778
Liabilities					
Trade payables	42,507	-	-	-	42,507
Due to related party	5,389,331	-	-	-	5,389,331
Accrued expenses	-	315,943	-	-	315,944
Total liabilities	5,431,838	315,943	-	-	5,747,782
Net liquidity gap	(4,038,060)	(315,943)	-	-	(4,354,004)
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	142,800	-	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)

InvesTT Limited

Notes to the financial statements For the year ended 30 September 2019 (Expressed in Trinidad and Tobago dollars)

13. Financial risk management (continued)

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.

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>2019</u>	<u>2018</u>
	\$	\$
No later than 1 year	159,300	159,300
Later than 1 year and no later than 5 years	19,913	159,300
	<u>179,213</u>	<u>318,600</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 the following subsequent event must be mentioned:

InvesTT Limited was incorporated on the 11 November 2011. The Company was a wholly owned subsidiary of eTeck until 1 October 2013 when its shares were transferred to Corporation Sole pursuant to a decision by Cabinet on 28 February 2013.

Prior to the transfer of these shares InvesTT Limited did not operate independently of eTeck. In an attempt to facilitate InvesTT's smooth transition as an Independent entity, eTeck financially assisted InvesTT via the provision of funding to meet their R009 Recurrent expenditure on a monthly basis. The amount due to eTeck as at September 2019 is currently \$5,389,331 which represents funding provided for the periods October 2013 - May 2017.

InvesTT Limited is fully reliant on Government subventions and has no alternative revenue streams to fund its operations, as such the Company has been unable to fully repay the financial commitments to eTeck.

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Notes to the financial statements
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16. Subsequent events (continued)

The Ministry of Trade and Industry has recommended via Cabinet Minute dated 21 November 2019 the following:

- Approval be granted to Evolving TecKnologies & Enterprise Development Company Limited (eTeck) to write off the sum of \$5,389,331 owed by InvesTT Limited.
- Evolving Tecknologies & Enterprise Development Limited (eTeck) to Inform InvesTT Limited of the decision to have the debt written off.

No adjustment has been made to the financial statements for this matter since formal correspondence from the line ministry is pending. It is anticipated that the approval will be received in financial year 2020, upon which the liability will be derecognized.