

**NATIONAL MAINTENANCE TRAINING
AND
SECURITY COMPANY LIMITED
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST DECEMBER, 2015**

SHAFFICK HOSEIN AND COMPANY
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NATIONAL MAINTENANCE TRAINING AND SECURITY COMPANY LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST DECEMBER, 2015

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INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF NATIONAL MAINTENANCE TRAINING AND SECURITY COMPANY LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of National Maintenance Training and Security Company Limited which comprise the statement of financial position as at 31st December, 2015, and the statement of comprehensive income, and the statement of changes in equity and the statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control, relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of National Maintenance Training and Security Company Limited as of 31st December, 2015, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

54 Jarvis Street,
Vistabella
17th March, 2016.


SHAFFICK HOSEIN & CO.
CHARTERED ACCOUNTANTS

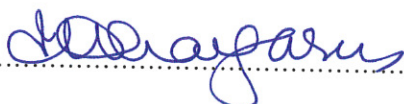
NATIONAL MAINTENANCE TRAINING AND SECURITY COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED
31st DECEMBER, 2015

<u>ASSETS</u>	<u>NOTES</u>	<u>2015</u>	<u>2014</u>
<u>Non - Current Assets</u>			
<u>FIXED ASSETS</u>			
Property, Plant and Equipment	6	29,877,448	31,059,785
<u>Other Non-Current Assets</u>			
Amounts receivable from GORTT	3b	138,317,376	167,763,366
Deferred Taxation	15a	<u>5,898,496</u>	<u>7,217,692</u>
		<u>144,215,872</u>	<u>174,981,058</u>
TOTAL NON-CURRENT ASSETS		<u>174,093,319</u>	<u>206,040,843</u>
<u>CURRENT ASSETS</u>			
Inventories	7	6,019,896	6,562,187
Debtors and Prepayments	8	290,906,008	245,584,568
Amounts Receivable from GORTT	3a	29,445,990	29,445,990
Investment	9	54,423,154	53,902,640
Cash on Hand and at Banks	10	<u>24,755,334</u>	<u>34,253,013</u>
		<u>405,550,381</u>	<u>369,748,398</u>
TOTAL ASSETS		<u>\$579,643,700</u>	<u>\$575,789,241</u>
<u>EQUITY AND LIABILITIES</u>			
Share Capital	11	3,000,000	3,000,000
Re-valuation Reserve	14	19,777,867	19,777,867
Retained Earnings		<u>54,507,167</u>	<u>52,796,638</u>
		<u>77,285,034</u>	<u>75,574,505</u>
<u>Non-Current Liabilities</u>			
Pension	4	4,795,000	5,828,000
Provision for Retirement Lump Sum Benefits	5	151,931,000	151,540,000
Provision for Vacation Leave	12	43,660,841	34,461,728
Deferred Taxation	15b	747,017	1,056,459
Amount due to Bond Holders	3d	<u>138,317,376</u>	<u>167,763,366</u>
		<u>339,451,234</u>	<u>360,649,553</u>
<u>CURRENT LIABILITIES</u>			
Creditors and Accruals	13	133,461,442	110,119,193
Amount Due to Bond Holders	3c	<u>29,445,990</u>	<u>29,445,990</u>
		<u>162,907,432</u>	<u>139,565,183</u>
TOTAL LIABILITIES & EQUITY		<u>\$579,643,700</u>	<u>\$575,789,241</u>

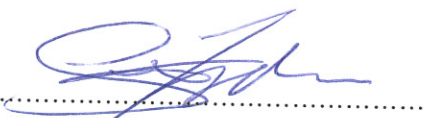
The notes on pages 7 to 21 form part of these financial statements.

On 16th March, 2016, the Board of Directors of National Maintenance Training and Security Company Limited authorized these financial statements for issue.

Director.....



Director.....



NATIONAL MAINTENANCE TRAINING AND SECURITY COMPANY LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED
31st DECEMBER, 2015

	<u>NOTES</u>	<u>2015</u>	<u>2014</u>
Income from Operations	18	444,340,150	452,956,465
Rent		1,938,488	1,938,488
Interest Received		467,701	504,817
Other Income		70,328	73,189
(Loss)/Profit on Disposal of Fixed Assets		<u>(1,960)</u>	<u>410,638</u>
TOTAL INCOME		<u>446,814,707</u>	<u>455,883,597</u>
 <u>EXPENSES</u>			
Depreciation		2,185,424	2,359,883
Directors Fees and Allowances	16	338,626	562,500
Finance Charges	22	289,370	374,192
Operating Expenses	20	20,181,941	20,388,712
Provision for Bad Debts		-	4,455,568
Staff and Salary Expenses	19	404,213,597	389,352,957
Supplies and Materials	21	<u>15,519,612</u>	<u>32,368,989</u>
TOTAL EXPENSES		<u>442,728,570</u>	<u>449,862,802</u>
PROFIT FOR THE YEAR BEFORE TAXATION		4,086,137	6,020,795
TAXATION (Note 17)		<u>(2,375,608)</u>	<u>(1,435,390)</u>
NET PROFIT FOR THE YEAR AFTER TAXATION		<u>\$1,710,529</u>	<u>\$4,585,405</u>

The notes on pages 7 to 21 form part of these financial statements.

NATIONAL MAINTENANCE TRAINING AND SECURITY COMPANY LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED
31ST DECEMBER, 2015

	<u>SHARE CAPITAL</u>	<u>REVALUATION RESERVE</u>	<u>RETAINED EARNINGS</u>	<u>TOTAL</u>
Balance at 01.1.2015	3,000,000	19,777,867	52,796,638	75,574,505
Profit for the year	-	-	<u>1,710,529</u>	<u>1,710,529</u>
Balance at 31.12.2015	<u>\$20,000,000</u>	<u>\$19,777,867</u>	<u>\$54,507,167</u>	<u>\$77,285,034</u>
Balance at 01.01.2014	3,000,000	19,777,867	48,211,233	70,989,100
Profit for the year	-	-	<u>4,585,405</u>	<u>4,585,405</u>
Balance at 31.12.2014	<u>\$3,000,000</u>	<u>\$19,777,867</u>	<u>\$52,796,638</u>	<u>\$75,574,505</u>

The notes on pages 7 to 21 form part of these financial statements.

NATIONAL MAINTENANCE TRAINING AND SECURITY COMPANY LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED
31ST DECEMBER, 2015

	<u>2015</u>	<u>2014</u>
<u>OPERATING ACTIVITIES</u>		
Profit for the year before Taxation	4,086,137	6,020,795
Adjustment for Depreciation	2,185,424	2,359,883
Gain/ (Loss) on Disposal of Fixed Assets	<u>1,960</u>	<u>(410,638)</u>
Operating profit before working capital changes	6,273,521	7,970,041
<u>CHANGES IN WORKING CAPITAL</u>		
(Decrease)/Increase in Severance and Pensions	(642,000)	6,766,000
Increase in Provision for Vacation Leave	9,199,115	10,142,474
(Increase) in Receivables and Prepayments	(45,321,442)	(57,661,248)
(Increase)/Decrease in Inventories	542,291	(1,415,797)
(Decrease) in Trade Payables	(7,996,154)	(1,012,749)
Increase in Other Creditors and Accruals	<u>31,338,403</u>	<u>36,255,181</u>
Cash provided by Operating Activities	(6,606,266)	1,043,902
Taxation Paid	<u>(1,266,462)</u>	<u>(1,224,214)</u>
Net Cash flow from Operating Activities	<u>(7,872,728)</u>	<u>(180,312)</u>
<u>INVESTING ACTIVITIES</u>		
Acquisition of Fixed Assets	(1,102,478)	(1,393,564)
Disposal of Fixed Assets	<u>(1,960)</u>	507,000
Cash used by Investing Activities	<u>(1,104,438)</u>	<u>(886,564)</u>
<u>FINANCING ACTIVITIES</u>		
	-	-
Cash (used)/provided by Financing Activities	-	-
Net (Decrease in cash Equivalent	(8,977,166)	(1,066,876)
Cash at 01.01.	<u>88,155,654</u>	<u>89,222,529</u>
Cash at 31.12.	<u>\$79,178,488</u>	<u>\$88,155,653</u>
<u>REPRESENTED BY:</u>		
Cash on Hand & at Bank	24,755,334	34,253,013
Investments	<u>54,423,154</u>	<u>53,902,640</u>
	<u>\$79,178,488</u>	<u>\$88,155,653</u>

The notes on pages 7 to 21 form part of these financial statements.

NATIONAL MAINTENANCE TRAINING AND SECURITY COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31st DECEMBER, 2015

1. **INCORPORATION AND PRINCIPAL BUSINESS ACTIVITY**

The company was incorporated under the Companies Act (1995) in the Republic of Trinidad and Tobago on 27th November, 1979. The registered office is MTS Plaza, Aranguez Main Road, Aranguez.

The Company changed its name by Special Resolution from the Secondary Schools Maintenance Training and Security Company Limited to National Maintenance Training and Security Company Limited. Approval for change was granted by the Registrar of Companies on 29th December, 1989.

Its principal business activities are the provision of security, janitorial, agricultural services and project management.

2. **ACCOUNTING POLICIES**

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

2.1 **Basis of Preparation**

These financial statements have been prepared under the historical cost convention and no account has been taken of the effects of inflation. The company's accounting policies conform with International Accounting Standards approved in Trinidad and Tobago.

The preparation of financial statements in conformity with International Financial Reporting Standard requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates.

The company makes estimates and assumptions concerning the future. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

2.2 **Inventories**

Inventories are stated at the lower of cost and net realizable value, allowance having been made for slow moving and obsolete items. Stocks are valued on an average cost basis. Cost of inventories excludes borrowing costs. Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

NATIONAL MAINTENANCE TRAINING AND SECURITY COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
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2.3. **Revenue and Expenditure**

Revenue and expenditure are accounted for on an accruals basis. With respect to projects under management, the project management fees are recorded as revenue.

2.4 **Investments**

Investments are intended to be held for an indefinite period of time and may be sold in response to the need for liquidity or changes in interest rates. These investments are carried at fair value with realized gains and losses taken to the statement of comprehensive income.

2.5 **Leases**

For operating leases, lease payments are recognized as an expense on the straight line basis over the term of the lease.

2.6 **Financial Assets**

The company classifies its financial assets as loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and receivables are non-derivative financial assets with fixed or determined payments that are not quoted in an active market. They are included in current assets, except for maturities greater than twelve (12) months after the statement of financial position date. These are classified as non-current assets. The Company's loans and receivables comprise "trade receivables and prepayments" and "cash and cash equivalents" in the statement of financial position.

2.7 **Provisions**

Provisions are recognized when the company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimates of the amount of the obligation can be made.

2.8. **Cash and Cash Equivalents**

For the purpose of the cash flow statements, cash and cash equivalents are cash in hand, deposits held at bank, and short terms cash investments.

**NATIONAL MAINTENANCE TRAINING AND SECURITY COMPANY LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED
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2.9. Foreign Currencies

The financial statements are stated in Trinidad and Tobago dollars. Revenue transactions in foreign currencies are translated at the rates ruling at the date of the transaction. Assets and liabilities in foreign currencies are translated at the rates prevailing at the statement of financial position date. Profit and losses are disclosed in the statement of comprehensive income.

2.10 Borrowings

Borrowings are recognized initially at cost, being their issue cost net of transaction costs incurred. Subsequently, borrowings are stated at amortized cost and any difference between net proceeds and the redemption value is recognized in the statement of financial position. Profit and losses are disclosed in the statement of comprehensive income.

2.11 Plant, Property and Equipment

Fixed assets are stated at cost. Depreciation is provided for on the Reducing Balance Basis at rates sufficient to write off the assets over their estimated useful lives. Rates used are as follows:

Furniture & Fittings	10%
Office Equipment	25%
Plant, Machinery & Equipment	33.3%
Motor Vehicles	25%
Computer Equipment	25%
Fire Arms	33.3%
Land	-
Building	2.5%

2.12 Impairment of Non-Financial Assets

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events of changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the assets fair value less costs to sell add value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

NATIONAL MAINTENANCE TRAINING AND SECURITY COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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2.13 Employee Benefits – Pension and Termination Benefit

The company operates a defined benefit pension plan, the assets of which are held in separate trustee-administered funds. The company also operates an unfunded termination lump sum benefit arrangement for un-unionized employees who are covered by an industrial agreement.

The company's pension and retirement benefit accounting costs are assessed under IAS 19 using the projected unit method, taking account of recommendations of independent qualified actuaries.

2.14 Current and Deferred Taxes

The tax expense for the period comprises current and deferred tax. Tax is recognized in the statement of comprehensive income, except to the extent that it relates to items recognized directly in equity. In this case, the tax is also recognized in equity.

The current tax charge is calculated on the basis of the tax laws enacted or substantially enacted at the statement of financial position date.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. The principal temporary differences arise from depreciation on property, plant and equipment and losses carried forward.

Currently enacted tax rates are used to determine deferred income tax.

Deferred taxation relating to the carry forward of unused tax losses are recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized.

2.15 Comparative Information

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

2.16 Financial Risk Management

The company's activities expose it to a variety of financial risks: market risk, credit risk, liquidity risk and cash flow and internet rate risk. Risk management is carried out in line

NATIONAL MAINTENANCE TRAINING AND SECURITY COMPANY LIMITED
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with policies approved by the Board of Directors. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and the investment of excess liquidity.

(a) Market Risk

The company monitors its exposure to fluctuations in foreign currencies. If it is determined that there is a need to hedge this exposure the appropriate instrument is used.

(b) Credit Risk

Credit risk arises from cash and cash equivalents as well as credit exposures to customers. The company has a significant concentration of credit risk. However, the company has policies in place to ensure that services rendered are made to customers with an appropriate credit history. The credit quality of customers, their financial position, past experience and other factors are taken into consideration in assessing credit risk and are regularly monitored through the use of credit terms. Management does not expect any losses from non-performance from counterparties.

(c) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and short-term funds and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying business, the company aims at maintaining flexibility in funding by keeping committed credit lines available.

(d) Cash flow and Fair Value Interest Rate Risk

As the company has no significant interest-bearing assets, the company's income and operating cash flows are substantially independent of changes in market rates.

2.17 Capital Risk Management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern, in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure.

NATIONAL MAINTENANCE TRAINING AND SECURITY COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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2.18 New Standards and Interpretations Not Yet Adopted.

The company has not applied the following standards, revised standards and interpretations which have been issued but are not yet effective as they either do not apply to the activities of the company or have no material impact on its financial statements.

- IFRS 2 – Share-based Payment
- IFRS 8 – Operating Segments
- IAS 27 – Consolidated and Separate Financial Statements
- IAS 28 – Investments in Associates
- IAS 29 – Financial Reporting in Hyperinflationary Economies
- IAS 32 – Financial Instruments – Presentation
- IAS 39 – Financial Instruments – Recognition and Measurement
- IAS 40 – Investment Property
- IAS 41 – Agriculture

3. <u>AMOUNTS DUE FROM THE GOVERNMENT OF TRINIDAD AND TOBAGO</u>	<u>2015</u>	<u>2014</u>
Bonds		
1. Citicorp Merchant Bank	40,199,264	49,132,433
2. Unit Trust Corporation of T&T	69,230,769	80,769,231
3. Unit Trust Corporation of T&T	<u>58,333,333</u>	<u>67,307,692</u>
TOTAL BONDS	<u>\$167,763,366</u>	<u>\$197,209,356</u>

REPRESENTED BY:

Current portion due from the Government of Trinidad and Tobago	3(a)	29,445,990	29,445,990
Long term portion due from the Government of Trinidad and Tobago	3(b)	<u>138,317,376</u>	<u>167,763,366</u>
		<u>\$167,763,366</u>	<u>\$197,209,356</u>

**NATIONAL MAINTENANCE TRAINING AND SECURITY COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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	<u>2015</u>	<u>2014</u>
The Company's legal obligations with regards to these bonds are as follows:		
Current Portion due to bond holders 3(c)	29,445,990	29,445,990
Long Term Portion due to bond holders 3(d)	<u>138,317,376</u>	<u>167,763,366</u>
	<u>\$167,763,366</u>	<u>\$197,209,356</u>

1. \$174.1 million issued by CitiCorp Merchant Bank Limited on the 15th June, 2000 in favour of National Maintenance Training and Security Company Ltd (MTS) to be used for the construction of ten Secondary Schools under the first phase of the Secondary Education Modernization Programme (SEMP Phase 1) and extends for twenty years. These 11.75% Bonds 2000-2020 are guaranteed by the Government of Trinidad and Tobago.
2. \$225.0 million issued by the Unit Trust Corporation of Trinidad and Tobago Limited as a first tranche on the 16th November, 2001 in favour of National Maintenance Training and Security Co. Ltd (MTS) to be used for construction of twelve (12) secondary schools under the phase of the Secondary Education Modernization Programme (SEMP Phase 2) and extends for twenty years. This bond issued as Series 1 -10.15%. Fixed Rate Bonds 2001-2021 under a guarantee from the Government of Trinidad and Tobago.
3. \$175.0 million issued by the unit Trust Corporation of Trinidad and Tobago Limited as a second tranche on the 16th November, 2001 in favour of National Maintenance Training and Security Co. Ltd (MTS) to be used for construction of twelve (12) secondary schools under the phase of the Secondary Education Modernization Programme (SEMP Phase 2) and extends for twenty years. This bond issued as Series 1 -10.15%. Fixed Rate Bonds 2002-2022 under a guarantee from the Government of Trinidad and Tobago.

4. <u>PENSIONS</u>	<u>2015</u>	<u>2014</u>
<u>Non - Current Liability</u>	<u>\$4,795,000</u>	<u>\$5,828,000</u>

The company's pension and retirement benefit accounting cost are assessed under International Accounting Standard #19 using the projected unit method by qualified independent actuaries.

NATIONAL MAINTENANCE TRAINING AND SECURITY COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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<u>MTS PENSION FUND PLAN</u>	<u>2015</u>	<u>2014</u>
<u>Non - Current Liability</u>		
Defined Benefit Obligation	44,041,000	45,488,000
Fair Value of Assets	<u>(39,246,000)</u>	<u>(39,660,000)</u>
Net defined liability	<u>\$4,795,000</u>	<u>\$5,828,000</u>

Movement in Asset Recognized in the Statement of Financial Position

<u>Non - Current Liability</u>	<u>2015</u>	<u>2014</u>
Defined benefit asset as at January, 1 st	5,828,000	6,314,000
Experience Gain	(1,319,000)	(804,000)
Plus net pension cost	2,156,000	2,257,000
Less: Company Contributions Paid	<u>(1,870,000)</u>	<u>(1,939,000)</u>
Defined Benefit liability (asset) as at 31 st December	<u>\$4,795,000</u>	<u>\$5,828,000</u>

The amounts to be recognized in the Statement of Comprehensive income are as follows:

	<u>2015</u>	<u>2014</u>
Current Service Cost	1,868,000	1,947,000
Interest on Defined Benefit Obligation	188,000	205,000
Amortized net Loss	<u>100,000</u>	<u>105,000</u>
Net Pension Cost	<u>\$2,156,000</u>	<u>\$2,257,000</u>
Actual Return on Plan Assets	<u>.886</u>	<u>.902</u>

5. PROVISION FOR TERMINATION LUMP SUM BENEFIT 2015 2014

Provision for termination lump sum benefit	<u>\$151,931,000</u>	<u>\$151,540,000</u>
Company unfunded termination lump sum benefit arrangement		
Defined Benefit Obligation	<u>\$151,540,000</u>	<u>\$144,288,000</u>

NATIONAL MAINTENANCE TRAINING AND SECURITY COMPANY LIMITED
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Movement in the Liability recognized in the Statement of Financial Position

	<u>2015</u>	<u>2014</u>
Defined benefit as at 1 st January	151,540,000	144,288,000
Plus Termination benefit net cost	<u>391,000</u>	<u>7,252,000</u>
Defined Benefit Asset as at 31 st December	<u>\$151,931,000</u>	<u>\$151,540,000</u>

The amounts recognized in the Statement of Comprehensive Income are as follows:

Current Service Cost	<u>\$391,000</u>	<u>\$7,252,000</u>
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NATIONAL MAINTENANCE TRAINING AND SECURITY COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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6. <u>PROPERTY, PLANT AND EQUIPMENT</u>	<u>FURNITURE & FITTINGS</u>	<u>OFFICE EQUIPMENT</u>	<u>PLANT & EQUIPMENT</u>	<u>VEHICLES</u>	<u>COMPUTER EQUIPMENT</u>	<u>FIRE ARMS</u>	<u>LAND</u>	<u>BUILDINGS</u>	<u>TOTAL</u>
<u>Original Costs</u>									
Cost at 31.12.14	3,169,175	3,716,610	15,512,458	5,371,241	4,965,001	1,456,359	21,823,838	8,176,163	64,190,845
Additions	37,268	10,730	765,401	-	-	90,500	-	-	903,899
Disposals	-	-	-	(524,158)	(370,328)	-	-	-	(894,486)
Cost at 31.12.15	<u>\$3,206,443</u>	<u>\$3,727,340</u>	<u>\$16,277,859</u>	<u>\$4,847,083</u>	<u>\$4,594,673</u>	<u>\$1,546,859</u>	<u>\$21,823,838</u>	<u>\$8,176,163</u>	<u>\$64,200,258</u>
<u>ACCUMULATED DEPRECIATION</u>									
Bal b/f 31.12.14	(2,342,278)	(3,529,936)	(13,570,608)	(3,696,598)	(4,052,278)	(1,383,803)	-	(4,555,556)	(33,131,057)
Charge for the Year	(97,336)	(40,502)	(834,273)	(420,387)	(261,648)	(36,569)	-	(494,709)	(2,185,424)
DISPOSALS	-	-	51,792	518,671	423,208	-	-	-	993,671
AS AT 31.12.15	<u>\$(2,439,614)</u>	<u>\$(3,570,438)</u>	<u>\$(14,353,089)</u>	<u>\$(3,598,314)</u>	<u>\$(3,890,718)</u>	<u>\$(1,420,372)</u>	<u>\$ -</u>	<u>\$(5,050,265)</u>	<u>\$(34,322,810)</u>
<u>NET BOOK VALUE</u>									
AS AT 31.12.15	<u>\$766,829</u>	<u>\$156,902</u>	<u>\$1,924,770</u>	<u>\$1,248,769</u>	<u>\$703,955</u>	<u>\$126,487</u>	<u>\$21,823,838</u>	<u>\$3,125,898</u>	<u>\$29,877,448</u>
AS AT 31.12.14	<u>\$826,894</u>	<u>\$186,674</u>	<u>\$1,941,850</u>	<u>\$1,674,643</u>	<u>\$912,723</u>	<u>\$72,556</u>	<u>\$21,823,838</u>	<u>\$3,620,607</u>	<u>\$31,059,785</u>

NATIONAL MAINTENANCE TRAINING AND SECURITY COMPANY LIMITED
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7.	<u>INVENTORY</u>	<u>2015</u>	<u>2014</u>
	Electronics Security	388,088	320,710
	Raw Materials and Consumables	6,012,347	6,622,017
	LESS: Provision for Obsolescence	(380,539)	(380,539)
		<u>\$6,019,896</u>	<u>\$6,562,188</u>
8.	<u>DEBTORS AND PREPAYMENTS</u>	<u>2015</u>	<u>2014</u>
	Trade Debtors	224,702,735	187,347,476
	Provision for Bad Debts	(34,412,134)	(34,412,134)
	Prepayments and Other Receivables	<u>100,615,406</u>	<u>92,649,226</u>
		<u>\$290,906,007</u>	<u>\$245,584,568</u>
9.	<u>SHORT TERM INVESTMENTS</u>	<u>2015</u>	<u>2014</u>
	Unit Trust Corporation	11,691,375	11,585,217
	FCB Abercrombie Fund	<u>42,731,779</u>	<u>42,317,423</u>
		<u>\$54,423,154</u>	<u>\$53,902,640</u>
10.	<u>CASH AND CASH AT BANK</u>	<u>2015</u>	<u>2014</u>
	Petty Cash Floats	102,501	106,500
	First Citizens Bank Limited	73,827	62,571
	Republic Bank Limited – Current Account	21,563,261	22,404,511
	Republic Bank Limited – SEMP	46,069	8,046,603
	Republic Bank Limited – Payroll	43,917	45,132
	Scotia Bank T&T Limited – Fleet	903,785	485,642
	Scotia Bank T&T Limited	<u>2,021,974</u>	<u>3,102,053</u>
		<u>\$24,755,334</u>	<u>\$34,253,012</u>
11.	<u>SHARE CAPITAL</u>	<u>2015</u>	<u>2014</u>
	<u>AUTHORIZED</u>		
	Unlimited Ordinary Shares	\$___-	\$___-
	<u>ISSUED AND FULLY PAID</u>		
	3,000,000 Ordinary Shares	<u>\$3,000,000</u>	<u>\$3,000,000</u>

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12.	<u>PROVISION FOR VACATION LEAVE</u>	<u>2015</u>	<u>2014</u>
	Provision for Vacation Leave	\$ <u>43,660,841</u>	\$ <u>34,461,728</u>

13.	<u>CREDITORS AND ACCRUALS</u>	<u>2015</u>	<u>2014</u>
	Trade Creditors	7,147,881	15,144,035
	Accruals	90,112,946	47,307,246
	Provisions	1,901,938	1,942,438
	Projects	30,428,671	23,760,138
	Vat	<u>3,870,006</u>	<u>21,965,336</u>
		\$ <u>133,461,442</u>	\$ <u>110,119,193</u>

14.	<u>REVALUATION RESERVE</u>	<u>2015</u>	<u>2014</u>
	Revaluation Reserve	\$ <u>19,777,867</u>	\$ <u>19,777,867</u>

The property comprising freehold lands and buildings were revalued in accordance with IAS 16 by a professional firm of valuers, Linden Scott and Associates. The surplus arising from the revaluation was credited to the revaluation reserve account. The valuation was accounted for in the year ended 31st December, 2011.

15.	<u>DEFERRED TAXATION</u>	<u>2015</u>	<u>2014</u>
	a) <u>Deferred Tax Asset</u>		
	Bought Forward	7,217,693	8,964,789
	Amount utilized during the Year (Note 17)	(1,319,197)	(1,747,096)
	Balance Carried Forward	\$ <u>5,898,496</u>	\$ <u>7,217,693</u>
	b) <u>Deferred Tax Liability</u>		
	Balance Brought Forward	1,056,459	987,489
	Charge to Statement of Comprehensive Income (Note 17)	(309,442)	<u>68,970</u>
	Balance Carried Forward	\$ <u>747,017</u>	\$ <u>1,056,459</u>

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16. <u>RELATED PARTIES</u>	<u>2015</u>	<u>2014</u>
Directors' Compensation	\$338,626	\$562,500
<u>Key Management Compensation</u>		
Salaries and Other Short Term Benefits	3,015,161	2,953,800
Post-Employment Benefits	<u>364,711</u>	<u>549,000</u>
	<u>\$3,379,872</u>	<u>\$3,502,800</u>
17. <u>TAXATION</u>	<u>2015</u>	<u>2014</u>
Corporation Tax	1,319,197	1,747,097
Deferred Tax Asset	(1,319,197)	(1,747,097)
Business Levy and Green Fund	2,685,050	1,366,420
Tax Liability Charge	(309,442)	<u>68,970</u>
TOTAL TAXATION	<u>\$2,375,608</u>	<u>\$1,435,390</u>
Profit before Taxation	4,086,137	6,020,795
Expenses not deductible for Tax	2,583,820	2,714,938
Income/Allowances subject to Tax	<u>(1,393,168)</u>	<u>(1,747,348)</u>
	<u>5,276,789</u>	<u>6,988,385</u>
Tax Calculated at 25%	1,319,197	1,747,097
Tax Loss Utilized	<u>(1,319,197)</u>	<u>(1,747,097)</u>
	-	-
Business and Green Fund Levy	2,685,050	1,366,420
Deferred Tax Adjustment	<u>(309,442)</u>	<u>68,970</u>
	<u>\$2,375,608</u>	<u>\$1,435,390</u>

The Company has taxation losses available for set off against future profits amounting to approximately \$28,870,772. These losses have not yet been agreed by the Board of Inland Revenue.

18. <u>INCOME FROM OPERATIONS</u>	<u>2015</u>	<u>2014</u>
Agriculture	8,001,693	8,721,630
Engineering	6,107,845	4,443,137
Janitorial & Maintenance	172,793,363	162,140,378
Security	233,775,649	254,015,537
Technical	<u>23,661,600</u>	<u>23,635,783</u>
	<u>\$444,340,150</u>	<u>\$452,956,465</u>

NATIONAL MAINTENANCE TRAINING AND SECURITY COMPANY LIMITED
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19.	<u>STAFF AND SALARY EXPENSES</u>	<u>2015</u>	<u>2014</u>
	Casual Labour	141,553	166,927
	Dental & Vision	(165,402)	302,090
	Group Life	93,785	97,688
	Health Plan Employer's Contribution	877,654	789,167
	Interest Subsidy – Loan Employee	41,825	47,034
	Local Travel Expenses	11,684	-
	Meal Allowance	375	-
	Medical Expenses	937,250	1,080,909
	NIS Employee's Contribution	26,965,738	24,221,953
	Pension Plan	1,853,196	1,448,061
	Salaries – Monthly	14,364,553	14,710,665
	Staff Welfare	404,293	573,216
	Wages – Forth-nightly	<u>358,687,093</u>	<u>345,915,247</u>
		<u>\$404,213,597</u>	<u>\$389,352,957</u>
20.	<u>OPERATING EXPENSES</u>	<u>2015</u>	<u>2014</u>
	Accommodation	46,308	(267,922)
	Air Travel	106,556	57,973
	Canine	2,439,471	3,355,836
	Consumable Tools	130,020	150,606
	Data Processing other Expenses	143,011	132,763
	Electricity	1,024,889	1,096,560
	Fuec/Gun Lodging	225,570	133,240
	Identification Cards	55,000	-
	Insurance	2,058,890	2,144,637
	Legal & Professional Fees	814,293	1,474,661
	Library Costs/Memberships	52,588	37,688
	Operating Expenses – Vehicles	997,868	1,006,305
	Other Security Service	2,640	8,040
	Other	525,778	732,982
	Photocopying	(80)	111
	Photography	-	11,452
	Postage	2,628	2,571
	Project – Surplus/ (Deficit)	-	(3,023,056)
	Public Relations	2,408,499	3,554,865
	Rent	6,861,118	6,748,166
	Telephone/Fax	930,533	933,369
	Tenders	(6,800)	38,984
	Training	1,209,774	1,889,936
	Transportation	79,747	97,688
	Vehicle Parking	12,435	11,183
	Water Rates	<u>61,205</u>	<u>60,074</u>
	TOTAL OPERATING EXPENSES	<u>\$20,181,941</u>	<u>\$20,388,712</u>

NATIONAL MAINTENANCE TRAINING AND SECURITY COMPANY LIMITED
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21.	<u>SUPPLIES AND MATERIALS</u>	<u>2015</u>	<u>2014</u>
	Consumables	6,798,534	12,653,959
	Maintenance and Repairs	5,921,326	14,195,498
	Other	1,693	19,706
	Supplies	<u>2,798,059</u>	<u>5,499,826</u>
		<u>\$15,519,612</u>	<u>\$32,368,989</u>

22.	<u>FINANCE CHARGES</u>	<u>2015</u>	<u>2014</u>
	Bank Charges	238,370	339,192
	Fees on Bond Issues	<u>51,000</u>	<u>35,000</u>
		<u>\$289,370</u>	<u>\$374,192</u>

23.	<u>SUBSEQUENT EVENTS</u>	<u>2015</u>	<u>2014</u>
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The company is in the process of wage negotiation with various unions which represent the employees which covers years 2011 to 2015. These negotiations are guided by instructions from the Chief Personnel Officer. No increase rates have been proposed by the company to date as they are awaiting instruction. Since the current negotiations are not yet finalized, the quantum of the increase, if any, cannot be determined. It is expected that the Government will fund any backpay which may arise on the completion of the wage negotiations.

24.	<u>CONTINGENT LIABILITIES</u>	<u>2015</u>	<u>2014</u>
	Performance Bonds	<u>\$233,455</u>	<u>\$1,038,143</u>
	Litigation Matters	<u>\$1,901,938</u>	<u>\$2,500,000</u>