NATIONAL ENTERPRISES LIMITED

ANNUAL REPORT 2016

Ensuring Stability

Company Overview

National Enterprises Limited (NEL) is an investment holding company incorporated on August 27 1999 by the Government of the Republic of Trinidad and Tobago. NEL was formed to consolidate the Government's shareholding in selected State Enterprises and facilitate public offerings on the Trinidad and Tobago Stock Exchange.

NEL has 600 million issued shares in industries which drive the economy of Trinidad and Tobago: natural gas and energy-based manufacturing, telecommunications and the marketing and manufacturing of food basics.

NEL has shares in the following companies:

- National Flour Mills Limited (NFM)
- NGC NGL Company Limited (NGC NGL)
- NGC Trinidad and Tobago LNG Limited (NGC LNG)
- Telecommunications Services of Trinidad and Tobago Limited (TSTT)
- Trinidad Nitrogen Co. Limited (Tringen)
- NEL Power Holdings Limited (NPHL)
- Pan West Engineers and Constructors, LLC (Panwest)

Together, these companies employ a significant portion of the country's workforce and act as the crucible for local innovation and expertise development. Through NEL, individual and corporate investors can share in the financial stability and staying power of these enterprises. Today, over 6,000 citizens, who enjoy steady and consistent dividends and benefit from capital appreciation, own 100,000,000 shares in NEL.

Mission

Guided by our ethical and transparent culture, we will employ a disciplined, investment approach to achieve our vision. We will deliver optimal risk-adjusted returns from our diversified investment portfolio to provide superior shareholder value and to broaden national participation in capital markets.

Vision

To deliver consistently superior returns to our shareholders, we will focus on strong absolute growth with an emphasis on capital preservation.

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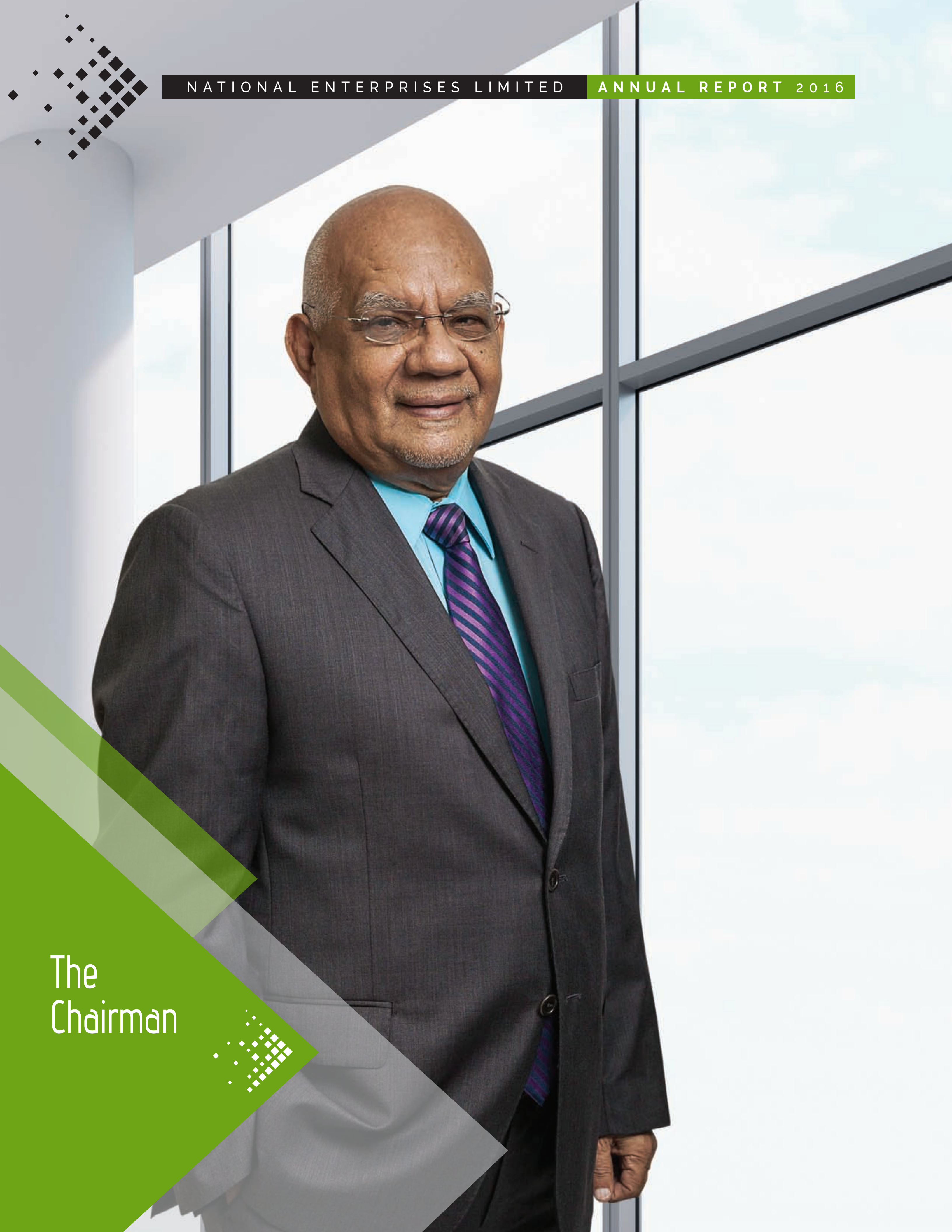


The Chairman

The Chairman's Statement

We are pleased to report that the integrated financial and business model represented by the portfolio of National Enterprises Limited (NEL) continues to deliver a consistent and stable dividend income stream to our more than **6000** shareholders.

Financial Results and Dividends

Despite a decline in both after-tax profits which fell from **$487.8 million** to **$109.6 million** and earnings per share from **$0.80 cents** to **$0.15 cents** per share, dividends from our investee companies increased from **$318.0 million** to **$362.0 million** in the financial year ended **March 2016.**

The decline in energy prices experienced in **September 2014** continued into the financial year ended **March 2016,** with associated price declines in ammonia and national gas liquids. Significant revenue declines were also experienced at several investee companies including Trinidad Nitrogen Co. Limited (TRINGEN), NGC LNG Company Limited (NGC LNG) and Trinidad and Tobago NGC NGL Limited (NGC NGL). The loss position at Telecommunications Services of Trinidad and Tobago (TSTT) represents a specific one-off circumstance as the company seeks to build a broadband business to improve its medium-term competitive position.

The Board of NEL, upon its constitution in **January 2016,** has been collaborating with the investee companies with a view to ensuring that they successfully navigate the current economic environment. The Board of NEL is reasonably assured that the strategic plans and initiatives now in place at its investee companies will address the challenges in the current economic and financial environment. Our Board has approved a final dividend of **$0.15 cents** per share, yielding a total dividend of **$0.50 cents** per share, for the year ended **March 31 2016,** which is consistent with the prior year payment.

Future Prospects

I am confident that NEL, with its diversified investment base will continue to provide its shareholders with enhanced value, together with adequate dividends in the coming years. With the economy of Trinidad and Tobago expected to remain on a sound and stable path over the medium-term, I am confident that NEL's shareholders will benefit substantially over the medium to long term.

Jerry Hospedales

Jerry Hospedales
Chairman

Notice of Meeting

NOTICE OF MEETING

Notice is hereby given that the 17th Annual Meeting of Shareholders of National Enterprises Limited "the Company" will be held at the Festival Ballroom, Radisson Hotel, Wrightson Road, Port of Spain on Thursday August 25 2016, commencing 10:00 am for the following purposes:

1. To receive and, if approved, adopt the financial statements of the Company for the year ended March 31 2016 and the Reports of the Directors and Auditors.

2. To re-elect Directors.

3. To reappoint the Auditors and empower the Directors to determine the Auditors' remuneration in respect of the period ending at the next Annual Meeting of the Company.

4. To transact any business which may properly be brought before the Meeting.

By order of the Board

AEGIS BUSINESS SOLUTIONS LIMITED
Secretary

Aegis Business Solutions Limited
Corporate Secretary
Port of Spain
July 21, 2016

NOTES:

1. Only shareholders on record at the close of business on July 21 2016, the date fixed by the Directors as the record date, are entitled to receive notice of the Annual Meeting.

2. A member entitled to attend and vote at the Meeting may appoint one or more proxies to attend and, upon a poll, vote instead of him. A proxy need not be a member of the Company.

Corporate Information

Board of Directors	Jerry Hospedales; Chairman Vishnu Dhanpaul Gerry Brooks Annalean Inniss Janet Parks Ferri Hosein Navin Rajkumar Anthony Clerk Ross Alexander
Corporate Secretary	Aegis Business Solutions Limited
Registered Office	Level 15, Tower D International Waterfront Centre Wrightson Road Port of Spain Trinidad and Tobago (868) 625-0015
Bankers	First Citizens Bank Limited 50 St. Vincent Street Port of Spain (868) 624-3178
Auditors	PKF Chartered Accountants and Business Advisors P.O. Bag 250 Belmont 90 Edward Street Port of Spain (868) 624-4569
Attorneys	LEX Caribbean P.O. Box 1165 First Floor 5-7 Sweet Briar Road St. Clair (868) 628-9255
Registrar	RBC Trust (Trinidad and Tobago) Limited 8th Floor 55 Independence Square Port of Spain (868) 625-7288

From L to R:
Ferri Hosein *
Navin Rajkumar
Annalean Inniss *
Jerry Hospedales; Chairman *

Board of Directors

From L to R:
Vishnu Dhanpaul *
Gerry Brooks
Janet Parks *
Ross Alexander
Anthony Clerk

* Appointed to the Board of Directors on January 29 2016.

From L to R:

Nisha Maraj; Accountant (Effective May 1 2015)

Krishnadath Ramlogan; General Manager (Resigned effective May 31 2016)

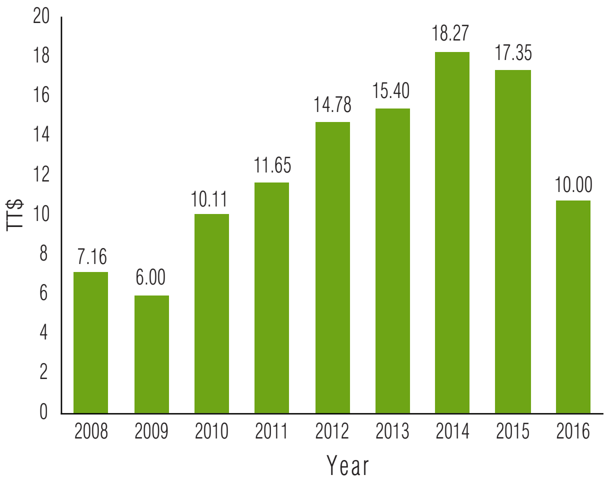
Keisha Armstrong; Head of Secretariat

The Team

NEL'S Group Structure

National Enterprises Limited

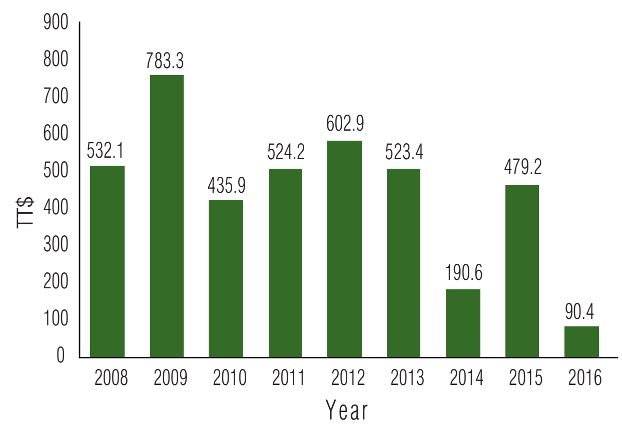
- **Associates**
  - NGC Trinidad and Tobago LNG Limited — 37.84%
  - NGC NGL Company Limited — 20%
- **Joint Ventures**
  - Trinidad Nitrogen Company Limited — 51%
  - Telecommunications Services of Trinidad and Tobago Limited — 51%
  - Pan West Engineers and Constructors, LLC — 33.33%
- **Subsidiaries**
  - National Flour Mills Limited — 51%
  - Power Generation Company of Trinidad and Tobago — 10%
    Class B Shareholding
  - NEL Power Holdings Limited — 100%



Record of Share Price ($)

Dividend Paid (¢)

Earnings Per Share ($)



Profit Attributable to Equity Holders ($M)

NEL'S Performance Histroy

San Juan Jabloteh Sports Club

National Enterprises Limited has assisted San Juan Jabloteh Youth Programme in funding the operations of its youth teams. The programme has also served to strengthen the football operations of the colleges and secondary schools which compete in the Secondary Schools football league.

In 2016, San Juan Jabloteh began its defense of all three (3) titles (U-13, U-15, and U-17) which it won in 2015. During the season, all teams made a special effort to defeat San Juan Jabloteh, the defending Champions and the first team to become the Triple Crown winner. Once again, the three (3) teams performed excellently and successfully defended its three (3) titles from 2015 winning the U-14, U-16 and U-18/Reserved titles. The Club has created history, becoming the first team to sweep all three (3) titles for the second consecutive time.

In addition, by virtue of winning the U-13 division in 2015, the club was invited to play in CONCACAF's U-13 Champions League Tournament in Mexico City from 21-31 July 2016, against the top fifteen (15) teams in the CONCACAF Region. This accomplishment proves that San Juan Jabloteh is not just the top team in Trinidad and Tobago, but also one of the top teams in the CONCACAF region.

At the end of the season, San Juan Jabloteh stood on top with the following points:

Members of NEL's San Juan Under 14 football team, coaches and support staff.

#	Teams	PL	W	D	L	GF	GA	PTS	PD	GD
1	SAN JUAN JABLOTEH	18	13	1	4	49	18	40	11	31

Corporate Social Responsibility and Engagement

Members of NEL's San Juan Under 18 football team, coaches and support staff.

#	Teams	PL	W	D	L	GF	GA	PTS	PD	GD
1	SAN JUAN JABLOTEH	18	14	2	2	46	19	44	7	27

Members of NEL's San Juan Under 16 football team, coaches and support staff.

#	Teams	PL	W	D	L	GF	GA	PTS	PD	GD
1	SAN JUAN JABLOTEH	18	15	2	1	56	10	47	4	46

Investee Companies

National Flour Mills Limited (NFM)

NEL Power Holdings Limited (NPHL)

NGC NGL Company Limited (NGC NGL)

Trinidad Nitrogen Co. Limited (Tringen)

NGC Trinidad and Tobago LNG Limited (NGC LNG)

Telecommunications Services of Trinidad and Tobago Limited (TSTT)

Pan West Engineers and Constructors Limited (Panwest)

National Flour Mills Limited (NFM)

National Flour Mills (NFM) Limited is owned by National Enterprises Limited with a 51.0% shareholding. NFM was established as a public trading company in 1972 and is the leading local producer of flour, dry mixes, pet food and livestock feed in Trinidad and Tobago. NFM is also a major distributor of packaged rice, bottled cooking oil and traded food products such as coconut milk, instant yeast and ginger tea. The company's manufactured wheat-based products are quite extensive and include all-purpose flour, bakers flour, whole wheat flour, cake flour, self-rising flour, breading flour, wheat germ, wheat bran, wheat cereal and the newly-launched cracked wheat flour. Its dry mix operations produce pholourie mix, split peas powder, baking powder, custard powder and icing sugar. NFM is one of the largest suppliers of feeds to the agriculture sector, offering a wide range of feeds for both poultry and livestock. Their range covers broilers, layers, ducks, goats, dairy, sheep, pigs, fishes and rabbits; and they are also the only manufacturers of horse and pet food in Trinidad and Tobago. NFM is a dominant player in the dog food market through the sale of its own brand, Command Performance, as well as third party manufacturing for local and global chains. The Company's food products are marketed under its brands; Lotus, Ibis, Good N' Natural, Hibiscus, Lion Brand; and its feeds under the brands: Command Performance and National Feeds. In addition to deepening local retail distribution channels, it remains the leading B2B flour supplier in the industrial sector; it is very focused on increasing regional trade and it has recently made inroads into extra-Caricom markets.

NEL Power Holdings Limited (NPHL)

NEL Power Holdings Limited (NPHL) is a subsidiary company established as a one-time arrangement to hold the asset of 10.0% shareholding of the Power Generation Company of Trinidad and Tobago Limited (PowerGen). The transaction involved NEL purchasing a BP company called Amoco Trinidad Power Resources Corporation which held the 10.0% shareholding in PowerGen as its only asset. PowerGen generates power for supply in bulk form to the Trinidad and Tobago Electricity Commission, which in turn breaks the power down to lower voltages for distribution to T&TEC's industrial, commercial and residential customers. PowerGen now owns, operates and maintains the two (2) power stations at Point Lisas (852 megawatts) and at Penal (236 megawatts). The Port of Spain power station was decommissioned in January 2016.

NGC NGL Company Limited (NGC NGL)

NGC NGL Company Limited (NGC NGL) is a holding company with a 51.0% shareholding in Phoenix Park Gas Processors Limited (PPGPL), located at the Point Lisas Industrial Estate. PPGPL is one of the largest and most efficient gas processing facilities in the Americas. PPGPL's core business is natural gas processing, NGL aggregation, fractionating and marketing. It provides high quality natural gas by processing raw, natural gas which is delivered to its facility from the existing natural gas pipeline system. Processing involves the extraction of natural gas liquids (NGLs). The methane rich, processed, natural gas is delivered to downstream facilities that use it as a fuel and feedstock. PPGPL also fractionates the extracted NGLs into three (3)products: propane, butane and natural gasoline. The extracted propane and butane are marketed in the Caribbean and Central America, whereas the natural gasoline is marketed internationally.

Trinidad Nitrogen Co. Limited (Tringen)

Trinidad Nitrogen Co. Limited (Tringen) is a limited liability company owned by National Enterprises Limited, with 51.0% shareholding and Yara Caribbean (2002) Limited with 49.0%. The company is managed through a Management and Operating Agreement by Yara Trinidad Limited, a wholly-owned subsidiary of Yara Caribbean (2002) Limited. Tringen manufactures anhydrous ammonia in two (2) independent plants, Tringen I and Tringen II. All production from both plants is sold through sales agency agreements with a related party on the international market. The Company has entered into agreements with various agencies of the Government of the Republic of Trinidad and Tobago for the supply of natural gas, electricity and water.

NGC Trinidad and Tobago LNG Limited (NGC LNG)

National Gas Company of Trinidad and Tobago LNG Limited (NGC LNG) is a company holding 10.0% shareholding of Atlantic LNG 1. This company was formed in July 1995, Atlantic LNG was charged to develop a liquefied natural gas plant in Point Fortin. The venture linked NGC LNG Limited, Amoco Trinidad (LNG) BV, British Gas Trinidad LNG Limited, Repsol International Finance BV and Cabot Trinidad LNG Limited. These linkages brought together extensive international experience in the natural gas industry. The first shipment of LNG was made in 1999. Today, Amoco's shareholding is now held by BP Trinidad (LNG) BV and Cabot's by Suez (Trinidad and Tobago) LNG Limited. The total production capacity of Atlantic LNG Company Trinidad and Tobago Limited's four trains is around 14.8 million metric tonnes per annum (mmtpa) (Tg/a). The capacity of Train 1, of which NGC LNG owns 10%.

Telecommunications Services of Trinidad and Tobago Limited (TSTT)

Telecommunications Services of Trinidad and Tobago Limited (TSTT) is Trinidad and Tobago's largest and most advanced provider of integrated communications solutions to the residential and commercial markets. Its leading-edge products are designed around an IP-based core infrastructure and marketed under its blink | bmobile brand. In addition to fixed line and 4G mobile communications, the Company offers wireless data using best-in-class HSPA+ and LTE technologies; Metro Ethernet; Video Conferencing; subscription-based IPTV; as well as business/home alarm monitoring services; and an innovative line of Android, iPhone and other smart devices available through individual and corporate subscriptions. TSTT's deployment of the country's largest wireless and fibre-optic networks, to deliver "quintuple play" services, positions the company as one of the more advanced providers of telecommunications services in the Caribbean. The company's customers include key industry leaders in the finance, energy, government, manufacturing, education, health care and tourism sectors. The Company's mobile business operates on an HSPA+ Mobile Network, complemented with access to unlimited high-speed data over dozens of Wi-Fi hotspots. TSTT's development as a world-class communications solutions provider has given state agencies, local enterprises and locally-based multinational corporations a solid foundation for their own expansion and development strategies. TSTT has a long-standing history of excellence as a corporate citizen through the blink | bmobile Foundation programme. The Company remains firm in its commitment to support continued business development and economic growth in Trinidad and Tobago through innovative services and a world-class communications infrastructure.

Pan West Engineers and Constructors Limited (Panwest)

National Enterprises Limited (NEL) together with The National Insurance Board of Trinidad and Tobago (NIB) and the Trinidad and Tobago Unit Trust Corporation (UTC) acquired a 10.0% shareholding in Phoenix Park Gas Processors Limited (PPGPL) for US $168 million. This was achieved through the 100.0% acquisition of Pan West Engineers and Constructors, LLC. (Panwest) which was a wholly-owned subsidiary of General Electric Capital Corporation (GE) and was the holder of a 10.0% equity interest in PPGPL. The consortium's purchase means that, for the first time, PPGPL is 100.0% locally-owned. Comprised of leading institutional investors predominantly owned by and managed on behalf of citizens, the consortium's first joint investment gives citizens a stake in a profitable midstream energy company, while expanding the opportunities for investment in a limited local capital market. The agreement between NIB, NEL and UTC splits the 10.0% stake in PPGPL evenly, leaving each member with 33.33%. The acquisition of an additional interest in PPGPL is consistent with NEL's strategy to increase its equity participation in the energy industry and to continue playing an integral role in the development of the local capital market. Through the consortium model, NEL anticipates further investments of this kind. PPGPL core business is natural gas processing and natural gas liquids aggregation, fractionation and marketing. It operates Trinidad and Tobago's only natural gas processing and NGL fractionation plant and is the largest producer and marketer of propane, mixed butane, isobutane and natural gasoline in the Caribbean. PPGPL cryogenic gas processing plant including associated infrastructure is located on the Point Lisas Industrial Estate and is one of the largest of such facilities in the western hemisphere.

Directors' Report 2016

The Directors are pleased to present their report to the members, together with the audited financial statements for the year ended March 31 2016. The Directors confirm to the best of their knowledge and belief that the Audited Financial Statements comply with the applicable financial reporting standards and present a true and fair view on the financials statement of the company.

2016 Financial Highlights for the year	**TT$ Million**
	$000
Net Profit for the year	109,585
Interim dividend paid	210,000
Final dividend declared	90,000
Total dividend paid for the year	300,000
Retained earnings as at March 31 2016	1,321,866

Dividend

An interim dividend of 0.35 cents per share was paid to shareholders on December 14 2015. The Directors declared a final dividend of 0.15 cents per share for the year ended March 31 2016 and shareholders on the Register of Members of the Company as at July 21 2016, will be entitled to receive this dividend. The dividend will be paid on August 19 2016.

Disclosure of Interest of Directors and Officers in any Material Contract

(pursuant to section 93(1) of the Company Act Ch 81:01.

At no time during the current financial year has any Director or Officer been a party to a material contract or a proposed material contract with the company, or been a Director or Officer of any body, or had a material interest in any body that was party to a material contract or a proposed material contract with the company.

Directors

Subsequent to the Sixteenth Annual Meeting, the following changes occurred to the Board of Directors.

- **Mr. Anthony Jordan** the representative of Republic Bank Limited resigned effective October 30 2015.
- **Mr. Anthony Clerk** represented Republic Bank Limited effective December 01 2015.
- **Dr. Utam Maharaj** the representative of NGC resigned effective October 30 2015.
- **Mr. Gerry Brooks** represented NGC NGL and LNG effective December 01 2015.

The following Directors resigned effective January 29 2016.

- Mr. Kenny Lue Chee Lip - Chairman
- Mr. Sylvester Ramquar - Deputy Chairman
- Mrs. Sherry Katwaroo-Ragbir - Director
- Ms. Valini Pundit - Director
- Mr. Ethelbert Wilson - Director

In accordance to Clause 4.4.1 and Clause 4.5.1 of the Company By-Laws, five (5) persons were nominated by the Government of the Republic of Trinidad and Tobago to serve as Directors on the Board of National Enterprises Limited.

The following persons were elected to the Board of Directors of National Enterprises Limited at a Special Meeting of the Shareholders held on January 29 2016 at the Radisson Hotel and Conference Centre, Trinidad.

- Mr. Jerry Hospedales - Chairman
- Mr. Vishnu Dhanpaul - Director
- Ms. Annalean Inniss - Director
- Mrs. Janet Parks - Director
- Ms. Ferri Hosein - Director

Auditors

Auditors, PKF Chartered Accountants and Business Advisors, retire at the end of the Seventeenth Annual Meeting of the Company on August 25 2016 and have indicated that they are willing to continue as the Auditors of National Enterprises Limited.

By Order of the Board

Aegis Business Solutions Limited
Corporate Secretary
Port of Spain
July 21, 2016

Substantial Interest as at March 31 2016

Shareholding	Total Shares Held	Holding %
Minister of Finance - Corporation Sole	396,324,698	66.05
The National Gas Company of Trinidad and Tobago Limited	100,000,641	16.67
National Insurance Board	25,000,000	4.17
Republic Bank Limited: All Accounts	19,432,024	3.24
RBC Trust Limited: All Accounts	14,432,809	2.41
First Citizens Trust & Asset Management: All Accounts	8,792,886	1.47
Trintrust Limited: All Accounts	5,487,086	0.91
T & T Unit Trust Corporation: All Accounts	5,254,100	0.88
Tatil Life Assurance: All Accounts	4,615,640	0.77
Norman Finance Limited	901,455	0.15

Directors Interest in National Enterprises Limited

Directors Name	Share Balance	
	As at March 31 2016	As at June 30 2016
Jerry Hospedales	8,410	8,410
Vishnu Dhanpaul	1	1
Annalean Inniss	0	0
Janet Parks	0	0
Ferri Hosein	0	0
Ross Alexander	2,000	2,000
Navin Rajkumar	0	0
Gerry Brooks	0	0
Anthony Clerk	0	0

Substantial and Directors' Interests

Consolidated Financial Statements 31 March 2016

Statement of Management's Responsibilities

June 27 2016

Re: Statement of Management's Responsibilities

Management is responsible for the following:

- preparing and fairly presenting the accompanying financial statements of National Enterprises Limited which comprise the statement of financial position as at March 31 2016 the statements of 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 company operational efficiencies;
- ensuring that the system of internal control operated effectively during the reporting period;
- producing reliable financial reporting that comply with laws and regulations, including the Companies Act; and
- using reasonable and prudent judgement in the determination of estimates.

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

Nothing has come to the attention of management to indicate that the company will not remain a going concern for the next twelve (12) 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.

Navin Rajkumar
Director

Gerry Brooks
Director

Independent Auditors' Report

PKF

The Shareholders
National Enterprises Limited

We have audited the accompanying consolidated financial statements of National Enterprises Limited, which comprise the statement of financial position as at 31 March 2016, the statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements present fairly, in all material respects, the financial position of National Enterprises Limited as of 31 March 2016, and of its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards.

PKF

Port-of-Spain
TRINIDAD AND TOBAGO
27 June 2016

Direct tel (868) 624-4569 I Direct fax (868) 624-4388
PKF I 90 Edward Street I Port-of-Spain I PO Bag 250 Belmont I Trinidad I WI

Partners: Renée-Lisa Philip Mark K. Superville

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS

	Notes	2016 ($'000)	31 March 2015 ($'000) (Re-stated)	2014 ($'000) (Re-stated)
Non-Current Assets:				
Equity accounted investments	5	2,318,064	2,675,169	2,336,503
Financial Assets	6	410,843	275,000	275,691
Fixed Assets	7	167,376	158,891	146,900
Retirement benefit asset	8	9,059	10,588	15,193
Trademarks	9	533	1,765	2,997
Deferred tax asset	19	11,867	20,100	22,970
Total Non-Current Assets		2,917,742	3,141,513	2,800,254
Current Assets:				
Inventories	10	78,940	87,986	76,647
Accounts receivables and prepayments	11	215,526	296,948	155,309
Cash and cash equivalents	12	391,868	463,893	586,250
Taxation recoverable		626	380	-
Total Current Assets		686,960	849,207	818,206
Total Assets		**3,604,702**	**3,990,720**	**3,618,460**

LIABILITIES AND EQUITY

	Notes	2016 ($'000)	2015 ($'000) (Re-stated)	2014 ($'000) (Re-stated)
Equity:				
Stated capital	14	1,736,632	1,736,632	1,736,632
Investment remeasurement reserve	15	16,349	17,912	16,766
Translation reserve	16	25,147	19,532	31,979
Retained earnings		1,321,866	1,602,048	1,428,335
Capital and reserves attributable to equity holders		3,099,994	3,376,124	3,213,712
Non-controlling interest		107,229	94,973	88,841
Total Equity		3,207,223	3,471,097	3,302,553
Non-Current Liabilities:				
Non-current portion of long-term borrowings	17	93,895	95,526	2,553
Non-current portion of finance lease liability	18	932	1,964	2,064
Deferred tax liability	19	34,384	35,084	34,719
Medical and Life Insurance	20	17,194	17,063	16,564
Total Non-Current Liabilities		146,405	149,637	55,900
Current Liabilities:				
Bank overdraft and short-term borrowings	21	168,021	306,214	217,040
Current portion of long-term borrowings	17	6,566	6,243	5,109
Current portion of finance lease facility	18	1,347	1,355	1,901
Taxation payable		26	-	212
Accounts payable and accruals	22	75,114	56,174	35,745
Total Current Liabilities		251,074	369,986	260,007
Total Liabilities		397,479	519,623	315,907
Total Liabilities and Equity		**3,604,702**	**3,990,720**	**3,618,460**

These financial statements were approved by the Board of Directors and authorised for issue on 27 June 2016 and signed on their behalf by:

Jerry Hospedales	
Director	Director
Jerry Hospedales	Navin Rajkumar

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	For the year ended 31 March 2016 ($'000)	2015 ($'000) (Re-stated)
Turnover		481,214	470,316
Cost of sales		(365,463)	(382,186)
Gross profit		115,751	88,130
Selling and distribution expenses		46,237	35,389
Administrative expenses		41,058	46,484
		87,295	81,873
Operating profit		28,456	6,257
Finance cost		(7,284)	(8,863)
Dividend income		10,808	18,301
Interest income		6,608	6,297
Other income		15,543	14,802
Share of profit of equity accounted investments net of tax		65,385	456,261
Profit before tax	23	119,516	493,055
Tax expense	24	(9,931)	(5,238)
Net profit for the year		109,585	487,817
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Unrealised gains		(1,563)	1,146
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of retirement benefit asset, net of tax		(1,813)	(647)
Other comprehensive income for the year		(3,376)	499
Total comprehensive income for the year		106,209	488,316
Attributable to:			
Equity holders of the Company		90,419	479,239
Non-controlling Interest		15,790	9,077
Net profit for the year		106,209	488,316
Earnings per share	25	$0.15	$0.80

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

For The Year Ended 31 March 2016

	Share Capital ($'000)	Investment Remeasurement Reserve ($'000)	Translation Reserve ($'000)	Retained Earnings ($'000)	Non-Controlling Interest ($'000)	Total Equity ($'000)
Year ended 31 March 2016						
Balance as at 1 April 2015	1,736,632	17,912	19,532	1,602,048	94,973	3,471,097
Total comprehensive income for the year	-	(1,563)	-	91,982	15,790	106,209
Share of translation reserve	-	-	5,615	-	-	5,615
Share of deferred tax on actuarial gain	-	-	-	(1,407)	-	(1,407)
Subsidiary dividend paid on non-controlling interest	-	-	-	-	(3,534)	(3,534)
Dividend refunded	-	-	-	1,243	-	1,243
Dividends paid **(Note 27)**	-	-	-	(372,000)	-	(372,000)
Balance as at 31 March 2016	**1,736,632**	**16,349**	**25,147**	**1,321,866**	**107,229**	**3,207,223**

	Share Capital ($'000)	Investment Remeasurement Reserve ($'000)	Translation Reserve ($'000)	Retained Earnings ($'000)	Non-Controlling Interest ($'000)	Total Equity ($'000)
Year ended 31 March 2015						
Balance as at 1 April 2014	1,736,632	16,766	31,979	1,450,384	87,896	3,323,657
Restatement **(Note 33)**	-	-	-	(22,049)	945	(21,104)
Re-stated balance as at 1 April 2014	1,736,632	16,766	31,979	1,428,335	88,841	3,302,553
Total comprehensive income for the year	-	1,146	-	478,093	9,077	488,316
Share of translation reserve	-	-	(12,447)	-	-	(12,447)
Share of deferred tax on actuarial gain	-	-	-	(25,315)	-	(25,315)
Subsidiary dividend	-	-	-	(3,065)	(2,945)	(6,010)
Dividends paid **(Note 27)**	-	-	-	(276,000)	-	(276,000)
Balance as at 31 March 2015	**1,736,632**	**17,912**	**19,532**	**1,602,048**	**94,973**	**3,471,097**

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

CONSOLIDATED STATEMENT OF CASH FLOWS

	For the year ended 31st March 2016 ($'000)	2015 ($'000) (Re-stated)
OPERATING ACTIVITIES		
Profit before taxation	119,516	493,055
Adjustment for non-cash items:		
Share of profit of equity accounted investments net of tax	(65,385)	(456,261)
Depreciation	11,149	2,617
Amortisation of trademarks	1,232	1,232
Loss on disposal of fixed assets	110	-
Restatement of property plant and equipment	-	(187)
Increase in provision for doubtful debts	5,507	2,188
Retirement benefit costs	(758)	4,242
	71,371	46,886
Net change in operating assets and liabilities		
Net change in accounts receivables	140,581	(32,388)
Net change in accounts payables	18,939	20,429
Net change in inventory	9,046	(11,339)
	239,937	23,588
Taxation paid	(2,014)	(2,376)
Cash generated from Operating Activities	237,923	21,212
INVESTING ACTIVITIES		
Purchase of investment	-	(349,636)
Dividends declared and received **(Note 26)**	362,032	318,028
Change in long-term investments	(137,406)	1,837
Disposal proceeds	80	-
Purchase of fixed assets	(19,824)	(14,421)
Cash generated from Investing Activities	204,882	(44,192)
FINANCING ACTIVITIES		
Finance lease liability	(1,040)	(646)
Proceeds from/(repayment of loan)	(1,308)	94,107
Dividend refunded	1,243	-
Dividend paid by subsidiary to non-controlling interest	(3,534)	(6,010)
Dividends paid **(Note 27)**	(372,000)	(276,000)
Cash used in Financing Activities	(376,639)	(188,549)
Net change in Cash Resources	66,166	(211,529)
Net Cash Resources at beginning of year	157,681	369,210
Net Cash Resources at end of year **(Note 13)**	**223,847**	**157,681**

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

1. Incorporation and Principal Activities:

National Enterprises Limited (NEL) is incorporated in Trinidad and Tobago and is controlled by the Minister of Finance (Corporation Sole). It was formed by the Government of the Republic of Trinidad and Tobago as part of a re-organisation exercise, to hold its shareholdings in selected state enterprises and facilitate a public offering on the Trinidad and Tobago Stock Exchange.

Its initial portfolio of investments in NFM, TSTT and TRINGEN were transferred at their last audited net asset value by the Minister of Finance (Corporation Sole) on behalf of the Government in exchange of 500,000,000 ordinary shares of no par value in the Company. All formation expenses were borne by the Ministry of Finance. Subsequently, on 14 December 2001, NEL acquired a 20% shareholding in NGC NGL financed by the issue of an additional 50,511,540 shares and on 8 December 2003, NEL acquired a 37.84% shareholding in NGC LNG financed by the issue of an additional 49,489,101 shares.

In December 2014, NEL entered into a joint venture and acquired 33.33% of Pan West Engineers and Constructors, LLC. NEL's principal business activity is therefore that of an Investment Holding Company and it has no business operations of its own. The company has a wholly owned subsidiary, NEL Power Holdings Limited. The principal business activities of its investee companies are disclosed in **Note 30**.

The accounts for the consolidated entity (the Group) are presented here. The accounts of the unconsolidated entity is presented separately.

The registered office of the Company is Level 15, Tower D, International Waterfront Centre, Wrightson Road, Port of Spain.

2. Summary of Significant Accounting Policies:

(a) Basis of preparation -

These financial statements are prepared in accordance with International Financial Reporting Standards (IFRSs), and are stated in thousands of Trinidad and Tobago dollars rounded to the nearest thousand. The historical cost basis is used, except for the measurement at fair value of available-for-sale investments and certain other financial instruments.

The accounting policies adopted are consistent with those of the previous financial year.

The group has elected to present one statement.

(b) Critical accounting estimates and judgements in applying accounting policies -

The preparation of financial statements in conformity with IFRSs requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates. Significant accounting estimates relate to the assessment of inventory and provision for doubtful receivables, as well as, the estimated useful lives of fixed assets and trademarks.

2. Summary of Significant Accounting Policies: (continued)

(c) New Accounting Standards and Interpretations

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

IFRS 5	Non-current Assets Held for Sale and Discontinued Operations - Amendments regarding changes in methods of disposal (effective for accounting periods beginning on or after 1 January 2016).
IFRS 7	Financial Instruments: Disclosures - Servicing contracts and applicability to condense interim financial statements (effective for accounting periods beginning on or after 1 January 2016).
IFRS 9	Financial Instruments (effective for accounting periods beginning on or after 1 January 2018).
IFRS 10	Consolidated Financial Statements - Amendments regarding the sale or contribution of assets between an investor and its associate or joint venture (effective for accounting periods beginning on or after 1 January 2016).
IFRS 10	Consolidated Financial Statements - Amendments regarding the application of consolidation exception (effective for accounting periods beginning on or after 1 January 2016).
IFRS 11	Joint Arrangements - Amendments regarding the accounting for acquisitions of an interest in a joint operation (effective for accounting periods beginning on or after 1 January 2016).
IFRS 12	Disclosure of Interest in Other Entities - Amendments regarding the application of consolidation exception (effective for accounting periods beginning on or after 1 January 2016).
IFRS 14	Regulatory Deferral Accounts (effective for accounting periods beginning on or after 1 January 2016).
IFRS 15	Revenue from Contracts with Customers (effective for accounting periods beginning on or after 1 January 2017).
IFRS 16	Leases (effective for accounting periods beginning on or after 1 January 2019).
IAS 1	Presentation of Financial Statements - Amendments resulting from disclosure initiative (effective for accounting periods beginning on or after 1 January 2016).
IAS 7	Statement of Cash Flows - Amendments resulting from disclosure initiative (effective for accounting periods beginning on or after 1 January 2017).
IAS 12	Income Taxes - Amendments resulting from recognition of deferred tax assets for unrealised losses (effective for accounting periods beginning on or after 1 January 2017).
IAS 16	Property, Plant and Equipment - Amendments regarding the clarification of acceptable methods of depreciation and amortisation (effective for accounting periods beginning on or after 1 January 2016).

2. Summary of Significant Accounting Policies: (continued)

(c) New Accounting Standards and Interpretations (continued)

IAS 16	Property, Plant and Equipment - Amendments bringing bearer plants into the scope of IAS 16 (effective for accounting periods beginning on or after 1 January 2016).
IFRS 19	Employee Benefits: Disclosures - Amendments regarding discount rate: regional market issue (effective for accounting periods beginning on or after 1 January 2016).
IAS 27	Separate Financial Statements - Amendments reinstalling the equity method as an accounting option for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements (effective for accounting periods beginning on or after 1 January 2016).
IAS 28	Investment in Associates - Amendments regarding the sale or contribution of assets between investor and its associate or joint venture (effective for accounting periods beginning on or after 1 January 2016).
IAS 28	Investment in Associates - Amendments regarding the application of consolidation exception (effective for accounting periods beginning on or after 1 January 2016).
IAS 34	Interim Financial Reporting - Amendments regarding disclosure of information "elsewhere in the interim financial report" (effective for accounting periods beginning on or after 1 January 2016).
IAS 38	Intangible Assets - Amendments regarding the clarification of acceptable methods of depreciation and amortisation (effective for accounting periods beginning on or after 1 January 2016).
IAS 41	Agriculture - Amendments bringing bearer plants into the scope of IAS 16 (effective for accounting periods beginning on or after 1 January 2016).

(d) Consolidation -

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. National Flour Mills Limited, in which the Group has a 51% interest, and NEL Power Holdings Limited, in which the Group has a 100% interest, are subsidiaries. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on which control ceases.

The Group uses the purchase method of accounting to account for the acquisition of subsidiaries. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the profit and loss account. All intercompany transactions and balances are eliminated on consolidation.

2. Summary of Significant Accounting Policies: (continued)

(e) Equity accounted investments -

National Enterprises Limited ("the Company" or "NEL") owns 51% of Telecommunication Services of Trinidad and Tobago Limited ("TSTT") and Trinidad Nitrogen Company Limited ("TRINGEN"). Although NEL is the majority shareholder in these entities, shareholder agreements with the minority shareholders of both companies establish joint control by the joint venture partners. Additionally, NEL owns 33.33% – Pan West Engineers Constructors, LLC and in accordance with International Accounting Standard No. 31 – Interests in Joint Ventures, these investments are accounted for using the equity method of accounting. NGC NGL Company Limited ("NGCNGL") and NGC Trinidad and Tobago LNG Limited ("NGCLNG") in which the Company has a 20% and 37.84% interest respectively, are associates and also accounted for using the equity method of accounting in accordance with International Accounting Standard No. 28 – Investments in Associates.

Equity accounting involves recognising in the Consolidated Statement of Comprehensive Income, the Group's share of the associated company's post-acquisition profits and losses. The Group's share of the associated company's post-acquisition movements in reserves is recognised in reserves. The Group's interest in associated companies is carried in the Consolidated Statement of Financial Position at an amount which reflects its share of net assets including any fair value adjustments at the date of acquisition.

(f) Financial assets -

Financial assets are classified into the following categories – loans and receivables, available for sale and held to maturity financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this at every reporting date.

Loans and receivables

Loans and receivables are non-derivative financial assets, with fixed or determinable payments that are not quoted in an active market and which the Group does not intend to sell in the short-term or which it has not designated as fair value through profit and loss, available for sale or held to maturity. Loans and receivables are carried at amortized cost using the effective interest method.

Available for sale

Investments intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or changes in interest rates are classified as available for sale. These investments are carried at fair value with realised gains and losses being taken to the profit and loss account and unrealised gains and losses being shown in equity.

Held to maturity

Investments with fixed or determinable payments and fixed maturity which the Group has the positive intent and ability to hold to maturity are classified as held to maturity and are stated at amortised costs.

Purchases and sales of investments are recognised on the trade date, which is the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus, in the case of financial assets not carried at fair value through profit and loss, transaction costs that are directly attributable to their acquisition. Investments are derecognised when the rights to receive cash flows from the investments have expired or where the Group has transferred substantially all risks and rewards of ownership.

2. Summary of Significant Accounting Policies: (continued)

(f) Financial assets - (continued)

Held to maturity (continued)

The fair value of publicly traded instruments is based on its quoted market price at the reporting date. Where market values are not available, the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same and discounted cash flow analysis.

(g) Fixed assets -

Fixed assets are stated as cost less related depreciation. Cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the assets' carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Consolidated Statement of Comprehensive Income during the financial period in which they are incurred. Land is not depreciated. Depreciation on other assets is calculated on the straight-line method to allocate their cost over their estimated useful lives using the following rates:

Industrial and office buildings	2.5%
Plant, machinery and equipment	4.0 – 10.0%
Office furniture and equipment	10.0% - 33.33%
Motor vehicles	25.0%

No depreciation is charged on work in progress.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposal are determined by comparing proceeds with the carrying amount and are included in the Consolidated Statement of Comprehensive Income.

(h) Retirement benefit plan -

The Subsidiary National Flour Mills (NFM) operates certain post-employment schemes, one being the defined benefit pension plan.

The liability or asset recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

The NFM's net obligation in respect of the defined benefit plan (the Plan) is calculated by estimating the amount of future benefit and that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of the Plan assets. When the calculation results in a potential asset for NFM, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds of the Plan or reductions in future contributions to the Plan (after considering any minimum funding requirements).

2. Summary of Significant Accounting Policies: (continued)

(h) Retirement benefit plan - (continued)

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

Re-measurement of the net defined benefit asset, which comprise actuarial gains and losses, the return on plan assets (excluding interest) are recognised immediately in other comprehensive loss.

Net interest expense (income) or the net defined benefit liability (asset) is determined using the discount rate. Net interest expense and other expenses related to the retirement benefit plan are recognised in profit or loss.

The actuary performs a full actuarial valuation every three years and any surpluses or deficits may be recognised by an adjustment of future contribution rates.

(i) Trademarks -

Trademarks are shown at historical cost less accumulated amortisation. Amortisation is calculated using the straight-line method at 7.1% per annum to allocate the cost of trademarks over their estimated useful lives. The remaining amortization period is approximately five (5) years.

(j) Inventories -

Inventories are stated at the lower of cost and net realisable value. The cost of raw materials, packaging materials and maintenance spares is determined on the first-in, first-out basis. Finished products are stated at the lower of average cost of production and net realisable value. Cost of production comprises raw material, direct labour, other direct cost and related production overheads based on normal operating capacity. It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business less selling expenses.

(k) Accounts receivable and prepayments -

Trade and sundry receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments are considered indicators that a receivable is impaired. The amount of the provision is the difference between the asset’s carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the Consolidated Statement of Comprehensive Income.

(l) Cash and cash equivalents -

Cash and cash equivalents comprise cash on hand, deposits held on call with banks, other short-term highly liquid investments less bank overdrafts. Bank overdrafts are shown within current liabilities on the Consolidated Statement of Financial Position.

2. Summary of Significant Accounting Policies: (continued)

(m) Share capital -

Shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds.

(n) Borrowings -

Borrowings are recognised initially at fair value net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Consolidated Statement of Comprehensive Income over the period of the borrowings using the effective interest method.

Borrowing costs incurred for the construction of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are expensed.

(o) Taxation -

The Group is subject to Corporation Tax as it does not meet the criteria of an Investment Company as defined by the Corporation Tax Act, Section 6(3). Tax on profit or loss for the year comprises current tax and the change in deferred tax. Current tax comprises tax payable calculated on the basis of the taxable income for the year, using the prevailing tax rate and any adjustment to tax payable for previous years.

Deferred tax is calculated using the liability method, whereby liabilities are recognised for temporary differences arising between the carrying amount of assets and liabilities in the Consolidated Statement of Financial Position and their tax basis, using tax rates that have been enacted or substantially enacted by the year end reporting date, which result in taxable amounts in future periods. Deferred tax assets relating to the carry forward of unused tax losses are recognised to the extent it is probable that sufficient taxable profits will be available against which the unused tax losses can be utilised.

(p) Provisions -

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any other item included in the same class of obligations may be small. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in the Consolidated Statement of Comprehensive Income.

(q) Revenue recognition -

Revenue comprises the fair value of the consideration received or receivable for the sale of goods in the ordinary course of activities. Revenue is shown net of value-added-tax, rebates and discounts and after eliminating intra-group sale. Interest income is recognised on the accruals basis and dividend income is accrued for when the right to receive payment is established.

2. Summary of Significant Accounting Policies: (continued)

(r) Earnings per share -

Earnings per share is calculated by dividing profit attributable to equity holders of the Group by the weighted average number of ordinary shares in issue during the year.

(s) Foreign currency translation -

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The financial statements are presented in thousands of Trinidad and Tobago dollars, which is the Group's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated Statement of Comprehensive Income.

Group companies

The results and financial position of group companies that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) Assets and liabilities for each Statement of Financial Position presented are translated at the closing rate at the date of the Statement of Financial Position;

(ii) Income and expenses for each Statement of Comprehensive Income are translated at average exchange rates; and

(iii) The resulting exchange differences are recognised as a separate component of equity.

(t) Segment reporting -

IFRS 8 requires operating segments to be identified on the basis of internal financial information about components of the Subsidiary, National Flour Mills (NFM), that are regularly reviewed by the Chief Operating Decision Maker ('CODM') to allocate resources to the segments and to assess their performance. The CODM has been identified as the Executive Management team. The CODM considers the business from a product/services perspective. Operating segments have been identified as Flour, Animal Feed and Other.

Segment reporting is prepared based on the different categories of products sold by the Subsidiary, NFM.

(u) Impairment of assets -

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For 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 suffer impairment are reviewed for possible reversal of the impairment at each reporting date.

2. Summary of Significant Accounting Policies: (continued)

(v) Leases -

Assets obtained under finance leases are capitalised in the Consolidated Statement of Financial Position and are depreciated over their estimated useful economic lives or the lease term, whichever is the shorter. The interest element of these obligations is charged to the Consolidated Statement of Comprehensive Income over the relevant period. The capital element of the future payments is treated as a liability.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Consolidated Statement of Comprehensive Income on a straight-line basis over the period of the lease.

(w) Dividends -

Dividend distribution to the shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are declared by the directors.

(x) Medical and life insurance plan -

National Flour Mills Limited (NFM) operates a medical and life insurance plan (the Medical Plan) covering employees who retire either directly from the company at age 60 or as a result of ill health. The Medical Plan is self-administered.

NFM's obligation in respect of the medical plan is calculated using approximate actuarial valuations of the liabilities and the projected unit actuarial method as required by IAS 19.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

Re-measurement of the net medical plan, which comprise actuarial gains and losses, (excluding interest) are recognised immediately in other comprehensive loss.

Net interest expense (income) or the net defined liability is determined using the discount rate. Net interest expense and other expenses related to the medical and life insurance are recognised in profit or loss.

(y) Comparative information -

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year. Adjustments to previously reported results were made in accordance with international Accounting Standards No. 8 – Accounting Policies, changes in Accounting Estimates and Errors

3. Financial Risk Management:

Financial risk factors

The Group's activities are primarily related to the use of financial instruments. The Group accepts funds from shareholders and earns interest by investing in equity investments.

3. Financial Risk Management: (continued)

Financial risk factors (continued)

The following table summarizes the carrying amounts and fair values of the Group's financial assets and liabilities:

	2016	
	Carrying Value ($'000)	**Fair Value ($'000)**
Financial Assets		
Equity accounted investments	2,318,064	2,318,064
Held to maturity	112,573	112,573
Available for sale	298,270	298,270
Retirement benefit asset	9,059	9,059
Accounts receivable and prepayments	215,526	215,526
Cash and cash equivalents	391,868	391,868
Financial Liabilities		
Finance lease liability	2,279	2,279
Long term borrowings	100,461	100,461
Accounts payables and accruals	75,114	75,114
Bank overdraft and short-term borrowings	168,021	168,021
Medical and Life Insurance Plan	17,194	17,194

	2015	
	Carrying Value ($'000)	**Fair Value ($'000)**
Financial Assets		
Equity accounted investments	2,675,169	2,675,169
Held to maturity	55,681	55,681
Available for sale	219,319	219,319
Retirement benefit asset	10,588	10,588
Accounts receivable and prepayments	296,948	296,948
Cash and cash equivalents	463,893	463,893
Financial Liabilities		
Finance lease facility	3,319	3,319
Long term borrowings	101,769	101,769
Accounts payables and accruals	56,174	56,174
Bank overdraft and short-term borrowings	306,214	306,214
Medical and Life Insurance Plan	17,063	17,063

3. Financial Risk Management: (continued)

Financial risk factors (continued)

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

(a) Interest rate risk -

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

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

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

Interest rate sensitivity analysis

The Group's exposure to interest rate risk is summarized in the table below, which analyses assets and liabilities at their carrying amounts categorized according to their maturity dates.

				2016		
	Effective Rate	Up to 1 year ($'000)	1 to 5 years ($'000)	Over 5 years ($'000)	Interest Bearing ($'000)	Total ($'000)
Financial Assets						
Equity accounted investments	0%	-	-	-	2,318,064	2,318,064
Held to maturity	2 - 7%	-	-	112,573	-	112,573
Available for sale	0%	-	-	298,270	-	298,270
Retirement benefit asset		-	-	9,059	-	9,059
Accounts receivable and prepayments	0%	215,526	-	-	-	215,526
Cash and cash equivalents	0 - 2.50%	391,868	-	-	-	391,868
		607,394	-	419,902	2,318,064	3,345,360
Financial Liabilities						
Finance lease facility		1,347	932	-	-	2,279
Long term borrowings	6.18%	6,566	-	93,895	-	100,461
Accounts payables and accruals	0%	75,114	-	-	-	75,114
Medical and Life Insurance Plan		-	-	17,194	-	17,194
Bank overdraft and short-term borrowings	0 - 1.4%	168,021	-	-	-	168,021
		251,048	932	111,089		363,069

3. Financial Risk Management: (continued)

Financial risk factors (continued)

(a) Interest rate risk - (continued)

				2015		
	Effective Rate	**Up to 1 year ($'000)**	**1 to 5 years ($'000)**	**Over 5 years ($'000)**	**Interest Bearing ($'000)**	**Total ($'000)**
Financial Assets						
Equity accounted investments	0%	-	-	-	2,675,170	2,675,170
Held to maturity	2 - 7%	-	-	55,681	-	55,681
Available for sale	0%	-	-	219,319	-	219,319
Retirement benefit asset		-	-	10,588	-	10,588
Accounts receivable and prepayments	0%	296,948	-	-	-	296,948
Cash and cash equivalents	0 - 2.25%	463,893	-	-	-	463,893
		760,841	-	285,588	2,675,170	3,721,599
Financial Liabilities						
Finance lease facility		1,355	1,964	-	-	3,319
Long term borrowings	6.18%	6,243	-	95,526	-	101,769
Medical and Life Insurance Plan		-	-	17,063	-	17,063
Accounts payables and accruals	0%	56,174	-	-	-	56,174
Bank overdraft and short-term borrowings	0 - 1.4%	306,214	-	-	-	306,214
		369,986	1,964	112,589	-	484,539

(b) Credit Risk -

Credit risk arises when a failure by counter parties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the reporting date. The Group has policies in place to ensure that all amounts due are collected within the specified credit period.

Cash balances are held with high credit quality financial intuitions and the Group has policies to limit the amount of exposure to any financial institution.

(c) Liquidity Risk -

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

Liquidity gap

The Group's exposures to liquidity risk is summarised in the table below which analyses assets and liabilities based on the remaining period from the reporting date to the contractual maturity date.

3. Financial Risk Management: (continued)

Financial risk factors (continued)

(c) Liquidity Risk - (continued)

	2016			
	Up to 1 year ($'000)	1 to 5 years ($'000)	Over 5 years ($'000)	Total ($'000)
Financial Assets				
Equity accounted investments	-	-	2,318,064	2,318,064
Held to maturity	-	-	112,573	112,573
Available for sale	-	-	298,270	298,270
Retirement benefit asset	-	-	9,059	9,059
Accounts receivable and prepayments	215,526	-	-	215,526
Cash and cash equivalents	391,868	-	-	391,868
	607,394	-	2,737,966	3,345,360
Financial Liabilities				
Finance lease facility	1,347	932	-	2,279
Long term borrowings	6,566	-	93,895	100,461
Medical and Life Insurance Plan	-	-	17,194	17,194
Accounts payables and accruals	75,114	-	-	75,114
Bank overdraft and short-term borrowings	168,021	-	-	168,021
	251,048	932	111,089	363,069

	2015			
	Up to 1 year ($'000)	1 to 5 years ($'000)	Over 5 years ($'000)	Total ($'000)
Financial Assets				
Equity accounted investments	-	-	2,675,170	2,675,170
Held to maturity	-	-	55,681	55,681
Available for sale	-	-	219,319	219,319
Retirement benefit asset	-	-	10,588	10,588
Accounts receivable and prepayments	296,948	-	-	296,948
Cash and cash equivalents	463,893	-	-	463,893
	760,841	-	2,960,758	3,721,599
Financial Liabilities				
Finance lease facility	1,355	1,964	-	3,319
Long term borrowings	6,243	-	95,526	101,769
Medical and Life Insurance Plan	-	-	17,063	17,063
Accounts payables and accruals	56,174	-	-	56,174
Bank overdraft and short-term borrowings	306,214	-	-	306,214
	369,986	1,964	112,589	484,539

3. Financial Risk Management: (continued)

Financial risk factors (continued)

(d) Currency risk -

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Group's measurement currency. The Group is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the United States Dollar. The Group's management monitors the exchange rate fluctuations on a continuous basis and acts accordingly.

(e) Operational risk -

Operational risk is the risk derived from deficiencies relating to the Group's information technology and control systems, as well as the risk of human error and natural disasters. The Group's systems are evaluated, maintained and upgraded continuously. Supervisory controls are installed to minimize human error. Additionally, staff is often rotated and trained on an on-going basis.

(f) Compliance risk -

Compliance risk is the risk of financial loss, including fines and other penalties, which arise from non-compliance with laws and regulations of the state. The risk is limited to a significant extent, due to the supervision applied by the Securities and Exchange Commission of Trinidad and Tobago, as well as by the monitoring controls applied by the Group.

(g) Reputation risk -

The risk of loss of reputation arising from the negative publicity relating to the Group's operations (whether true or false) may result in a reduction of its clientele, reduction in revenue and legal cases against the Group. The Group engages in public social endeavours to engender trust and minimize this risk.

4. Critical Accounting Estimates and Judgements:

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

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. The Group makes estimates and assumptions concerning the future. However, actual results could differ from those estimates as the resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

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

4. Critical Accounting Estimates and Judgements: (continued)

The critical judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements, are as follows:

(i) Whether investments are classified as held to maturity investments, available for sale or loans and receivables;

(ii) Whether leases are classified as operating leases or finance leases;

(iii) Which depreciation method for plant and equipment is used.

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

(i) Impairment of assets

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

(ii) Plant and equipment

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

5. Equity Accounted Investments:

	TSTT ($'000)	TRINGEN ($'000)	NGCLNG ($'000)	NGCNGL ($'000)	PAN WEST ($'000)	Total ($'000)
Year ended 31 March 2016						
Balance as at 1 April 2015	1,315,704	243,999	291,381	474,449	349,636	2,675,169
Share of profit after taxation	(153,380)	139,600	18,923	35,794	24,448	65,385
Dividends received	(54,288)	(81,314)	(68,392)	(133,561)	(24,477)	(362,032)
Dividends declared	-	(32,130)	-	(32,536)	-	(64,666)
Share of translation reserve	-	3,258	413	1,944	-	5,615
Share of net actuarial loss	(7,841)	6,434	-	-	-	(1,407)
Balance as at 31 March 2016	1,100,195	279,847	242,325	346,090	349,607	**2,318,064**
Year ended 31 March 2015						
Balance as at 1 April 2014	1,230,729	303,353	294,436	507,985	-	2,336,503
Investment in Joint Venture	-	-	-	-	349,636	349,636
Share of profit after taxation	108,575	156,634	72,269	109,002	9,781	456,261
Dividends declared	-	(111,441)	-	-	-	(111,441)
Dividends paid	-	(97,800)	(73,333)	(137,114)	(9,781)	(318,028)
Share of translation reserve	-	(5,032)	(1,991)	(5,424)	-	(12,447)
Share of net actuarial loss	(23,600)	(1,715)	-	-	-	(25,315)
Balance as at 31 March 2015	1,315,704	243,999	291,381	474,449	349,636	**2,675,169**

5. Equity Accounted Investments: (continued)

As a result of the financial year ends of TRINGEN, NFM, NGCNGL and NGCLNG not being co-terminus with that of NEL, the book value under the equity method is based on the audited net asset positions as at 31 December 2015.

The Group's share of the results of associates and its share of the assets and liabilities are as follows:

	Assets ($'000)	Liabilities ($'000)	Income ($'000)	Profit after Taxation ($'000)
2016				
NGC NGL Company Limited	223,812	20	36,115	35,794
NGC Trinidad and Tobago LNG Limited	54,543	33	19,287	18,923
	278,355	53	55,402	54,717
2015				
NGC NGL Company Limited	319,804	20	109,100	109,002
NGC Trinidad and Tobago LNG Limited	103,666	30	72,687	72,269
	423,470	50	181,787	181,271

There are no contingent liabilities relating to the associated companies.

The Group's share of the results of joint ventures and its share of the assets, liabilities, contingent liabilities and capital commitments are as follows:

	TSTT		TRINGEN		PAN WEST	
	2016 ($'000)	2015 ($'000)	2016 ($'000)	2015 ($'000)	2016 ($'000)	2015 ($'000)
Assets						
Non-current assets	1,612,775	1,957,910	571,048	652,330	349,636	349,636
Current assets	568,935	721,874	245,615	257,563	-	-
	2,181,710	2,679,784	816,663	909,893	349,636	349,636
Liabilities						
Non-current liabilities	171,731	308,235	180,641	188,982	-	-
Current liabilities	909,732	1,055,795	286,055	357,294	-	-
	1,081,463	1,364,030	466,696	546,276	-	-
Net assets	1,100,247	1,315,754	349,967	363,617	349,636	349,636
Income	1,450,179	1,510,266	1,037,869	1,140,339	24,507	29,433
Expenses	(1,603,559)	(1,425,291)	(898,269)	(983,705)	(59)	(90)
Profit/(loss) after taxation	(153,380)	84,975	139,600	156,634	24,448	29,343
Capital commitments	87,363	96,339	30,682	24,823	-	-

5. Equity Accounted Investments: (continued)

	No. of Shares	Book Value Under Equity Method ($'000)
31-Mar-16		
Telecommunications Services of Trinidad and Tobago Limited ("A" shares)	144,238,384	1,100,195
Trinidad Nitrogen Co. Limited ("A" shares)	306,000	279,847
NGC NGL Company Limited ("B" shares)	9,406,950	346,090
NGC Trinidad and Tobago LNG Limited ("B" shares)	9,226	242,325
Pan West Engineers and Construction, LLC		349,607
		2,318,064
31-Mar-15		
Telecommunications Services of Trinidad and Tobago Limited ("A" shares)	144,238,384	1,315,704
Trinidad Nitrogen Co. Limited ("A" shares)	306,000	243,999
NGC NGL Company Limited ("B" shares)	9,406,950	474,449
NGC Trinidad and Tobago LNG Limited ("B" shares)	9,226	291,381
Pan West Engineers and Construction, LLC		349,636
		2,675,169

6. Financial Assets:

	2016 ($'000)	2015 ($'000)
Held to maturity:		
National Housing Authority TT$40M 7% FXRB due 2025	39,511	39,459
Home Mortgage Bank TT$20M series B 2% FXRB due 2022	14,333	16,222
First Citizens Bank loan note	52,529	-
Restricted Deposit	6,200	-
Available for sale investments:		
CLICO Investment Fund	22,560	22,510
First Citizens Bank Limited	43,554	45,269
Power Generation Company of Trinidad and Tobago Limited	151,316	151,316
Trinidad and Tobago Stock Exchange	224	224
Trinidad and Tobago National Gas Limited	30,636	-
UTC Calypso Index Fund	49,980	-
	410,843	**275,000**

7. Fixed Assets:

	Industrial and Office Buildings ($'000)	Plant, Machinery and Equipment ($'000)	Office Furniture, Equipment and Motor Vehicles ($'000)	Work in Progress ($'000)	Total ($'000)
31-Mar-16					
Opening net book amount	103,172	50,630	4,786	303	158,891
Additions	1,727	4,028	2,925	11,144	19,824
Disposal	-	-	(190)	-	(190)
Reclassification	303	-	-	(303)	-
Depreciation	(2,953)	(6,245)	(1,951)	-	(11,149)
Closing net book value	102,249	48,413	5,570	11,144	167,376
Cost	147,750	293,307	39,353	11,144	491,554
Accumulated depreciation	(45,501)	(244,894)	(33,783)	-	(324,178)
Closing net book value	102,249	48,413	5,570	11,144	**167,376**

	Industrial and Office Buildings ($'000)	Plant, Machinery and Equipment ($'000)	Office Furniture, Equipment and Motor Vehicles ($'000)	Work in Progress ($'000)	Total ($'000)
31-Mar-15					
Opening net book amount	106,195	37,722	2,983	-	146,900
Additions	286	12,038	1,794	303	14,421
Disposal	-	-	(152)	-	(152)
Restatement	-	339	-	-	339
Depreciation	(3,309)	531	161	-	(2,617)
Closing net book value	103,172	50,630	4,786	303	158,891
Cost	145,721	289,279	36,617	303	471,920
Accumulated depreciation	(42,549)	(238,649)	(31,831)	-	(313,029)
Closing net book value	103,172	50,630	4,786	303	**158,891**

8. Retirement Benefit Asset

The Subsidiary, National Flour Mills (NFM) operates a defined benefit pension plan as follows:

	2016 ($'000)	2015 ($'000)
(a) Change in Defined Benefit Obligations		
Defined benefit obligations at start	(161,663)	(150,182)
Service cost	(6,255)	(6,221)
Interest cost	(7,931)	(7,406)
Members' contributions	(1,728)	(1,480)
Benefits paid	6,180	4,194
Remeasurement:		
Experience adjustments	813	(4,695)
Actuarial loss from changes in financial assumptions	7,881	4,127
Defined Benefit Obligation at end	(162,703)	(161,663)
(b) Amount recognised in the Statement of Financial Position		
Present value of defined benefit obligation	(162,703)	(161,663)
Fair value of plan assets	171,762	172,251
Net IAS #19 Defined Benefit Asset	**9,059**	**10,588**
(c) Change in Plan Assets		
Plan assets at start of year	172,251	165,375
Expected return on Plan assets	(12,062)	(788)
Interest income	8,684	8,254
Group contributions	7,755	2,508
Members' contributions	1,728	1,480
Benefits paid	(6,180)	(4,194)
Expense allowance	(414)	(384)
Plan Assets at end of year	**171,762**	**172,251**
Actual Return on Plan Assets	**(3,378)**	**7,466**
(d) Amounts recognised in the Statement of Comprehensive Income		
Current service cost	6,255	6,221
Interest on defined benefit obligation	(753)	(848)
Administration expenses	414	384
Net Pension Cost	**5,916**	**5,757**

8. Retirement Benefit Asset (continued)

	2016 ($'000)	2015 ($'000)
(e) Reconciliation of Opening and Closing Statement of Financial Position Entries		
Opening defined benefit asset	10,588	15,193
Net pension cost	(5,916)	(5,757)
Remeasurement recognised in other comprehensive income	(3,368)	(1,356)
Group contributions paid	7,755	2,508
Closing Defined Benefit Asset	**9,059**	**10,588**
(f) Remeasurement reorganised in other Comprehensive Income		
Experience losses	3,368	1,356
(g) Experience History		
Defined benefit obligation	(162,703)	(161,663)
Fair value of Plan assets	171,762	172,251
Surplus	9,059	10,588
Experience adjustment of Plan liabilities	813	(4,695)
Actuarial losses from changes in financial assumptions	7,881	4,127

(h) The Subsidiary, National Flour Mills (NFM) expects to contribute **$5.2 million** to its defined benefit pension plan in 2016.

	2016 ($'000)	2015 ($'000)
(i) Summary of Principal Assumptions		
Discount rate	5.00%	5.00%
Salary increases	3.25%	4.25%
Pension increases	0.00%	0.00%

The calculation of the defined obligation is sensitive to the assumptions used. The following table summarises how the defined obligation as at 31 March 2016 would have changed as a result of a change in the assumptions used.

	1% pa Increase $million	1% pa decrease $million
Discount rate	26.576	(21.179)
Future salary increases	(7.516)	7.881

8. Retirement Benefit Asset (continued)

(i) Summary of Principal Assumptions (continued)

An increase of 1 year in the assumed life expectancies would increase the defined benefit obligation at 31 March 2016 by $2.923 million (2015: $2.905 million).

These sensitivities were calculated by re-calculating the defined benefit obligations using the revised assumptions as adjusted for the sensitivities.

There have been no changes in the way the sensitivity analysis was computed when compared with the financial year ended 31 March 2015.

The most recent actuarial assessment of the Pension Plan was at 31 March 2015.

(j) Asset Allocation

Locally listed equities ties	49,019	44,375
Overseas equities	10,902	12,288
TT$-denominated bonds	64,994	72,561
Non-TT$-denominated bonds (mainly US$)	14,136	13,289
Mutual funds (short-term securities)	304	1,953
Cash and cash equivalents	21,730	15,941
Other (immediate annuity policies)	10,677	11,844
Fair value of Plan assets at end of year	171,762	172,251

The plan does not directly hold any assets of NFM.

(k) The defined benefit obligation is allocated between the Plan's members as follows:

Active	57%	59%
Deferred members	18%	17%
Pensioners	25%	24%

The weighted average duration of the defined benefit obligation at the year end 15.3 year (2015: 15.5 years).

95% (2015: 95%) of the value of the benefits for active members is vested.

21% (2015: 27%) of the defined benefit obligation for active members is conditional on future salary increases.

9. Trademarks:

	2016 ($'000)	**2015 ($'000)**
Cost	17,312	17,312
Accumulated amortisation	(16,779)	(15,547)
Net book value	**533**	**1,765**
Net book value at beginning of year	1,765	2,997
Charge for the year	(1,232)	(1,232)
Net book value at end of year	**533**	**1,765**

10. Inventories: (continued)

	2016 ($'000)	2015 ($'000)
Raw materials	66,905	79,318
Packaging materials	3,800	3,134
Finished products	8,235	5,534
	78,940	**87,986**

Inventories are stated after a provision for impairment of **$718,000** (2015: $718,000). The amount recognised as an expense in the year in respect of the write down of inventories is nil (2015: nil). The amount recognised as a credit in the year in respect of reversals of write downs of inventories is nil (2015: nil).

The cost of inventories recognised as an expense and included in cost of sales is **$283,844,000** (2015: $305,620,000).

11. Accounts Receivable and Prepayments:

	2016 ($'000)	2015 ($'000)
Trade receivables	62,736	55,767
Dividends declared but not received	64,666	111,441
Prepayments	3,140	2,380
Sundry receivables	4,872	48,905
Other receivables	13,752	6,888
Debenture	51,221	56,936
Government of the Republic of Trinidad and Tobago	15,139	14,631
	215,526	**296,948**

The amount due from the Government of the Republic of Trinidad and Tobago (GORTT) is as a result of NFM offering discounts to customers to pass on to the public on specific products at the request of the GORTT.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. The credit risk exposure for trade receivables at the reporting date by type of counterparty was:

	2016 ($'000)	2015 ($'000)
Wholesalers	11,761	10,360
Industrial	14,113	9,691
Export	6,294	2,514
Feed	15,061	14,519
Retailers	11,132	10,984
Other	4,375	7,699
	62,736	**55,767**

11. Accounts Receivable and Prepayments: (continued)

The ageing analysis of trade receivables at the reporting date was:

	Gross 2016 ($'000)	Impairment 2016 ($'000)	Gross 2015 ($'000)	Impairment 2015 ($'000)
Not past due	52,290	-	54,814	-
Past due:				
1-2 months	14,151	3,705	6,260	5,307
2-3 months	5,476	5,476	1,055	1,055
3-6 months	19,644	19,644	16,956	16,956
	91,561	28,825	79,085	23,318

The movement in the impairment allowance during the year was as follows:

	2016 ($'000)	2015 ($'000)
Balance at 1 April	23,318	21,130
Allowance charged to profit for the year	5,507	2,188
Balance at 31 March	28,825	23,318

12. Cash and Cash Equivalents:

	2016 ($'000)	2015 ($'000)
Cash at bank	155,468	83,783
Short-term investments	236,400	380,110
	391,868	**463,893**

13. Cash Resources:

	2016 ($'000)	2015 ($'000)
Cash and cash equivalents	391,868	463,895
Bank overdraft and short-term borrowings **(Note 21)**	(168,021)	(306,214)
	223,847	**157,681**

14. Stated Capital:

	2016 ($'000)	2015 ($'000)
Authorised		
Unlimited number of shares of no par value		
Issued and fully paid		
600,000,641 ordinary shares of no par value	**1,736,632**	**1,736,632**

15. Investment Remeasurement Reserve:

In accordance with IAS #39, an investment re-measurement reserve has been created to capture unrealised gains/losses on available-for-sale investments.

16. Translation Reserve:

This reserve is used to record exchange differences arising from the translation of the functional currency for Pan West Engineers and Constructors LLC (USD) to the presentation currency (TTD).

17. Borrowings:

		2016 ($'000)	2015 ($'000)
(i)	Republic Bank Limited	100,461	101,769
	Current portion of long term borrowings	**(6,566)**	**(6,243)**
	Non-current portion of long-term borrowings	**93,895**	**95,526**

(i) The balance represents a loan facility from Republic Bank Limited for the amount of **US$16,300,000** to assist with share acquisition in the Power Generation Company of Trinidad and Tobago Limited. The loan is repayable over ten (10) years at a rate of 2.829% per annum by principal reductions of **US$1,000,000** for the first three (3) years (2014-2017) thereafter payable via seven (7) annual payments of **US$1,900,000** in arrears.

18. Capital and Lease Commitments:

The finance leases pertain to motor vehicles used by the Subsidiary, NFM.

Finance leases liabilities are payable as follows:

	Future Minimum Lease Payments 2015 ($'000)	Interest 2015 ($'000)	Present Value of Minimum Lease Payments 2015 ($'000)	Future Minimum Lease Payments 2016 ($'000)	Interest 2016 ($'000)	Present Value of Minimum Lease Payments 2016 ($'000)
Less than one year	1,355	-	-	1,347	-	-
Between one and five years	3,764	(1,800)	-	2,837	(1,905)	-
	5,119	(1,800)	-	4,184	(1,905)	-

NFM has entered into a lease agreement for the land where its head office is situated. Minimum lease payments under non-cancellable operating leases are as follows:

18. Capital and Lease Commitments:

	2016 ($'000)	2015 ($'000)
Less than one year	1,347	1,355
Between one and five years	932	1,964
More than five years	-	-
	2,279	**3,319**

19. Deferred Tax Asset/Liability:

	2016 ($'000)	2015 ($'000)
Tax losses carried forward	7,569	15,835
Excess of net book value over written-down tax value	(32,118)	(32,436)
Remeasurement of medical plan	4,298	4,265
Retirement benefit asset	(2,266)	(2,648)
	(22,517)	**(14,984)**

The movement in deferred tax for the year is as follows:

	2016 ($'000)	2015 ($'000)
Balance at beginning of year	(14,984)	(11,749)
Charge to the Income Statement	(8,138)	(3,451)
Recognition in other comprehensive income	605	216
Balance at end of year	**(22,517)**	**(14,984)**
Deferred tax asset	11,867	20,100
Deferred tax liability	(34,384)	(35,084)
	(22,517)	**(14,984)**

20. Medical and Life Insurance Plan:

	2016 ($'000)	2015 ($'000)
(a) Change in Defined Benefit Obligations		
Defined benefit obligations at start	(17,063)	(16,564)
Service cost	(616)	(615)
Interest cost	(844)	(818)
Benefits paid	379	440
Remeasurement:		
Experience adjustments	758	391
Actuarial loss from changes in financial assumptions	192	103
Defined Benefit Obligation at end	**(17,194)**	**(17,063)**

20. Medical and Life Insurance Plan: (continued)

(b) The obligation is allocated between the members as follows:

Active	44%	44%
Pensioners	56%	56%

The weighted average duration of the obligation at the year-end was 15.3 years (2015 : 15.5 years).

(c) Amounts recognised in the Statement of Comprehensive Income

	2016 ($'000)	**2015 ($'000)**
Current service cost	616	615
Interest on obligation	844	818
Net Pension Cost	1,460	1,433

(d) Reconciliation of Opening and Closing Statement of Financial Position Entries

Opening Medical Life Insurance Plan liability	17,063	16,564
Net medical plan cost	1,460	1,433
Remeasurement recognised in other comprehensive income	(950)	(494)
Group contributions paid	(379)	(440)
Closing Medical Life Insurance Plan liability	**17,194**	**17,063**

(e) Remeasurement reorganised in other Comprehensive Income

Experience losses	(950)	(494)

(f) The subsidiary, National Flour Mills Limited, expects to pay **$0.396 million** in benefits in 2016.

(g) Summary of Principal Assumptions

	2016 ($'000)	**2015 ($'000)**
Discount rate	5.00%	5.00%
Salary increases	3.25%	4.25%
Medical cost increases	4.50%	4.50%

The calculation of the Medical Plan obligation is sensitive to the assumptions used. The following summarises how the Medical Plan obligation as at 31 March 2016 would have changed as a result of a change in the assumptions used.

	1% pa Decrease $million	**1% pa Increase $million**
Discount rate	2,827	(2,228)
Medical cost increases	(1,666)	2,088

20. Medical and Life Insurance Plan: (continued)

(g) Summary of Principal Assumptions (continued)

An increase of 1 year in the assumed life expectancies would increase the Medical Plan obligation at 31 March 2016 by **$0.256 million**.

These sensitivities were calculated by re-calculating the Medical Plan obligation using the assumptions as adjusted for the sensitivities.

There have been no changes in the way the sensitivity analysis was computed when compared with the financial year ended 31 March 2015.

The most recent actuarial assessment of the Medical and Life Insurance Plan was at 31 March 2015.

Risk exposure – Retirement Benefit Asset (the Plan) and medical plan (Medical Plan).

Through its defined benefit pension plans and medical plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

(i) Assets volatility

The Plan and the Medical Plan liabilities are calculated using a discount rate set with reference to government bond yields; if plan assets underperform this yield, this will create a deficit. The Plan holds a significant proportion of equities, government bonds and corporate bonds, which all provide volatility and risk.

As the Plan matures, the Group intends to reduce the level of investment risk by investing more in assets that better match the liabilities.

The Group believes that due to the long-term nature of the Plan liabilities, a level of continuing equity investment is an appropriate element of the Group's long-term strategy to efficiently manage the Plan.

(ii) Changes in bond yields

A decrease in government bond yields will increase the Plan's liabilities, although this will be partially offset by an increase in the value of the Plan's bond holdings.

(iii) Inflation risks

Some of the group's pension obligations are linked to salary inflation, and higher inflation will lead to higher liabilities. The majority of the Plan's assets are either unaffected by (fixed interest bonds) or loosely correlated with (equities) inflation, meaning that an increase in inflation will also increase the deficit.

(iv) Life expectancy

The majority of the Plan and Medical Plan obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the Plans' liabilities.

21. Bank Overdraft and Short-Term Borrowing:

	2016 ($'000)	2015 ($'000)
Revolving grain (i)	107,613	122,031
Short term loan facility (ii)	60,408	184,183
Balance at end of year	**168,021**	**306,214**

(i) Revolving grain purchase loans have been provided by the following to finance the importation of grain.

	2016 (US$'000)	2015 (US$'000)
Export Import Bank of Trinidad and Tobago (Eximbank) Limited	5,213	4,004
Citibank (Trinidad and Tobago) Limited	11,471	14,462
	16,684	18,466
	(TT$'000)	**(TT$'000)**
TTD equivalent	107,613	122,031

Export Import Bank of Trinidad and Tobago -

The terms and conditions with the port Import Bank of Trinidad and Tobago (Eximbank or the Lender) Limited are as follows:

- The loan shall be repaid to the lender 30-180 days from the drawdown date.
- Interest on the Facility granted by the Lender is payable by the Borrower or the Group at the interest rate determined in the first tiered interest rate; this interest rate will be subject to revision and change at any time, based on prevailing market conditions, without any prior notice to the Borrower.
- First Tiered Interest Rate – the rate of interest that the Lender applies to the facility will be 6.50% per annum.
- Promissory notes are signed and stamped for amounts advanced prior to disbursement of funds.

Citibank (Trinidad and Tobago) Limited -

The terms and conditions with Citibank (Trinidad and Tobago) Limited are as follows:

- This facility can be extended from time to time by collective consent of the Ministry of Finance and the Economy, the Borrower and the Lender and repayable within 90 days of the disbursement of funds.
- The Revolving Line of Credit for trade finance related activities, in relation to the purchase of grain from Gavilon or any other supplier from time to time, as may be specifically permitted by the Lender.
- This facility is secured by a letter of guarantee issued by the Ministry of Finance and the Economy of the Government of the Republic of Trinidad and Tobago for up to US$15M. Interest ranges between 2.82% to 2.91%. Both principal and interest payments are due to maturity.

21. Bank Overdraft and Short-Term Borrowing: (continued)

(ii) This represents a short-term loan facility from Republic Bank Limited for the amount of **US$33,500,000** to assist with the joint acquisition of the Pan West Engineers and Contractors, LLC Limited at a rate of 1.4% per annum fixed, payable as at 19 May 2015. NEL recently secured an extension on the loan balance of **US$9,200,000** with semi-annual interest rate resets. The short term loan facility is secured by a charge over cash **TT$120,500,000** held on the Second Unit Scheme account held with the Trinidad and Tobago Unit Trust Corporation.

22. Accounts Payable and Accruals:

	2016 ($'000)	2015 ($'000)
Trade payables	51,030	19,301
Payroll related liabilities	5,502	9,265
Accrued Expenses	8,959	18,037
Government of the Republic of Trinidad and Tobago	9,623	9,571
	75,114	**56,174**

23. Profit Before Taxation:

Profit before taxation is arrived at after charging:

	2016 ($'000)	2015 ($'000)
Finance charges	7,284	8,863
Depreciation and amortisation	12,381	3,849
Directors' fees	1,551	1,874

24. Tax Expense:

	2016 ($'000)	2015 ($'000)
Current year	(1,793)	(1,787)
Deferred tax	(8,138)	(3,451)
	(9,931)	**(5,238)**
Reconciliation of the effective tax rate to the statutory rate is as follows:		
Profit before taxation	119,516	493,055
Tax at statutory rate	(29,879)	(123,264)
Tax effect of expenses/income not deductible for tax purposes	21,727	119,813
Business Levy	(1,093)	(1,770)
Green Fund Levy	(686)	(17)
	(9,931)	**(5,238)**

25. Earnings Per Share:

	2016 ($'000)	2015 ($'000)
Profit attributable to equity holders of the Subsidiary	90,419	479,239
Weighted average number of ordinary shares in issue ('000)	600,001	600,001
Earnings per share	**0.15**	**0.80**

26. Dividends Received from Joint Ventures and Associates:

	2016 ($'000)	2015 ($'000)
Telecommunications Services of Trinidad and Tobago Limited	54,288	-
Trinidad Nitrogen Co., Limited	81,314	97,800
NGC NGL Company Limited	133,561	137,114
NGC Trinidad and Tobago LNG Limited	68,392	73,333
Pan West Engineers and Constructors, LLC	24,477	9,781
	362,032	**318,028**

27. Dividends Paid:

	2016 ($'000)	2015 ($'000)
2015 final dividend - **$0.27** per share (2014 - **$0.23** per share)	162,000	138,000
2016 interim dividend - **$0.35** per share (2015 - **$0.23** per share)	210,000	138,000
	372,000	**276,000**

A final dividend in respect of the year ended 31 March 2016 is **$0.15** (2015 - **$0.27**) has been approved. These financial statements do not reflect this dividend payable.

28. Contingent Liabilities:

As at 31 March 2016, the subsidiary National Flour Mills (NFM) had a contingent liability in respect of various legal proceedings. The actual liability could differ from this estimate of **$2,081,000**.

29. Related Party Transactions:

	2016 ($'000)	2015 ($'000)
Key management compensation:		
Salaries and other short-term benefits	13,799	9,201
Termination benefits	684	555
	14,483	**9,756**

30 Principal Business Activities:

The principal business activities of the subsidiary and other investee companies are:

Investment	Incorporated	Activity	% Interest
Subsidiary			
National Flour Mills Limited	Trinidad and Tobago	Food processing	51.00%
NEL Power Holdings Limited	Delaware, USA	Investment	100.00%
Joint Ventures			
Telecommunications Services of Trinidad and Tobago Limited	Trinidad and Tobago	Telecommunications provider	51.00%
Trinidad Nitrogen Co., Limited	Trinidad and Tobago	Manufacturer of ammonia	51.00%
Pan West Engineers and Contractors, LLC	Delaware, USA	Investment	33.33%
Associates			
NGC NGL Company Limited	Trinidad and Tobago	Investment holding company	20.00%
NGC Trinidad and Tobago LNG Limited	Trinidad and Tobago	Investment holding company	37.84%

31. Operating Segments:

National Flour Mills Limited has two reportable segments, as described below, which are the subsidiary's strategic divisions.The strategic divisions offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic divisions, the subsidiary's Chief Executive Officer (CEO) reviews internal management reports monthly. The following summary describes the operations in each of the subsidiary's reportable segments:

- Foodstuff. Includes manufacturing and distributing flour, flour by-products and rice.
- Animal feed. Includes manufacturing and distribution of feed products for animals.

Other operations include the purchase and sale of imported dry goods, as well as imported corn and soya bean meal.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment gross profit, as included in the internal management reports that are reviewed by the National Flour Mills Limited's CEO. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Financial information regarding assets and liabilities by operating segment is not reported on a regular basis to National Flour Mills Limited's CEO.

31. Operating Segments: (continued)

	Food		Animal Feed		Other		Total	
	2016 ($'000)	2015 ($'000)	2016 ($'000)	2015 ($'000)	2016 ($'000)	2015 ($'000)	2016 ($'000)	2015 ($'000)
External Revenue	294,886	308,526	125,575	128,214	60,753	33,576	481,214	470,316
Depreciation and amortisation	8,392	2,740	3,842	1,072	28	8	12,262	3,820
Gross profit	76,445	57,369	31,108	24,346	8,198	6,415	115,751	88,130

32. Maturity of Financial Liabilities:

The following are the contractual maturities of financial liabilities, including estimated interest payments:

	Carrying Amount ($'000)	Contractual Cash Flow ($'000)	6 Months or less ($'000)	6-12 Months ($'000)	1-2 Years ($'000)	2-5 Years ($'000)
31-Mar-16						
Long term borrowings	100,461	100,461	-	12,476	12,476	75,509
Other secured advances	168,021	168,021	168,021	-	-	-
Finance lease liability	2,279	2,279	-	1,347	-	932
Medical and life insurance plan	17,194	17,194	-	-	-	17,194
Accounts payable and accruals	75,114	75,114	75,114	-	-	-
		363,069	243,135	13,823	12,476	93,635
31-Mar-15						
Long term borrowings	101,769	101,769	-	-	-	101,769
Other secured advances	306,214	306,214	306,214	-	-	-
Finance lease liability	3,319	3,319	-	1,355	-	1,964
Medical and life insurance plan	17,063	17,063	-	-	-	17,063
Accounts payable and accruals	56,174	56,174	56,174	-	-	-
		484,539	362,388	1,355	-	120,796

33. Restatement:

Comparative information has been adjusted to take into account the following restatements and reclassifications made to prior year balances of the Subsidiary, National Flour Mills (NFM):

(a) The restatements to fixed assets were as follows:

(i) Certain items of fixed assets were incorrectly revalued by NFM in prior years. Adjustments were required to the financial statements to remove the fair value element included in fixed assets with the corresponding amount included as a capital reserve in order to record all aspects of fixed assets at historical cost less accumulated depreciation.

(ii) Historically, capital spares were recorded within inventory on the statement of financial position which is inconsistent with IAS 16 Property, Plant and Equipment. These amounts were reclassified to fixed assets.

33. Restatement: (continued)

(a) The restatements to fixed assets were as follows: (continued)

(iii) Historically, certain assets were accounted for as an operating lease. On further review of the lease arrangement, these should have been accounted for as a finance lease in accordance with IAS 17 - leases.

(iv) An item of fixed assets was included within accounts receivable and prepayments. This is inconsistent with IAS 16 - property, plant and equipment. This amount was reclassified to fixed assets, and depreciated.

(b) There were certain inventory items on hand that were not included within inventory at the respective year ends. In addition, there were certain items that were incorrectly included within inventory.

(c) Deferred income tax asset was restated to reflect the adjustments arising from the correction of these prior period errors.

(d) The medical plan liability and the corresponding net expense were previously omitted. This has now been included.

(e) Amounts due to/due from the GORTT was reclassified from accounts payable and accounts receivable respectively and presented separately.

(f) The statement of cash flows was restated as a result of these adjustments.

(g) Earnings per share was recalculated for the years presented in order to reflect the restatements.

The impact of these items is shown below.

	Notes	As previously reported ($'000)	Restatements ($'000)	Reclassifications ($'000)	As restated ($'000)
Statement of Financial Position 31 March 2014					
Assets					
Fixed assets	33 a (i)-(iv)	141,077	5,823	-	146,900
Accounts receivable and prepayments	33 a (iv)	146,294	(396)	9,411	155,309
Inventories	33 a (ii) & 4 b	87,348	(10,701)	-	76,647
Deferred tax asset	33 c	-	5,080	17,890	22,970
Liabilities and equity					
Deferred tax liability	33 c	15,911	918	17,890	34,719
Medical and Life Insurance	33 d	-	16,564	-	16,564
Accounts payable and accruals		26,340	-	9,405	35,745
Lease liability – current and non-current	33 a (iii)	546	3,419	-	3,965
Shareholders' equity					
Retained earnings	33 a (i)	1,450,384	(22,049)	-	1,428,335

33. Restatement: (continued)

	Notes	As previously reported ($'000)	Restatements ($'000)	Reclassifications ($'000)	As restated ($'000)
Statement of Financial Position 31 March 2015					
Assets					
Fixed assets	33 a (i)-(iv)	152,756	5,823	-	158,891
Accounts receivable and prepayments	33 a (iv)	287,920	(542)	9,570	296,948
Inventories	33 a (ii) & 33 b	103,807	(15,821)	-	87,986
Deferred tax asset		-	10,586	9,514	20,100
Liabilities and equity					
Deferred tax liability	33 c	24,892	678	9,514	35,084
Medical and Life Insurance	33 d	-	17,063	-	17,063
Accounts payable and accruals	33 b	43,982	2,622	9,570	56,174
Lease liability – current and non-current	33 a (iii)	-	3,319	-	3,319
Shareholders' equity					
Retained earnings	33 a (i)	1,625,238	(23,190)	-	1,602,048
Statement of Comprehensive Income 31 March 2015					
Cost of sales	33 a (ii) & 33 b	374,865	7,321	-	382,186
Administrative expenses	33 a (ii)-(iv) & 33 d	46,843	(359)	-	46,484
Tax expense	33 c	11,071	(5,833)	-	5,238
Net profit for the year		490,424	(2,607)	-	487,817
Statement of Cash Flows					
Profit before tax		501,495	(8,440)	-	493,055
Net cash generated from operating activities		(113,491)	23,262	-	(90,229)
Net cash used in financing activities		(185,896)	(2,653)	-	(188,549)

ASSETS

	Notes	31 March 2016 ($'000)	31 March 2015 ($'000)
Non-Current Assets:			
Fixed assets	5	857	569
Investment in subsidiaries	6	102,654	102,654
Investment in joint ventures and associated companies	7	2,318,064	2,675,169
Other long-term investments	8	253,327	123,684
Due from NPHL	9	112,329	117,994
Total Non-Current Assets		2,787,231	3,020,070
Current Assets:			
Accounts receivable and prepayments	10	73,427	159,967
Short-term investments	11	236,400	379,866
Cash in hand and at bank	12	80,220	19,074
Taxation recoverable		626	379
Total Current Assets		390,673	559,286
Total Assets		**3,177,904**	**3,579,356**

EQUITY AND LIABILITIES

	Notes	31 March 2016 ($'000)	31 March 2015 ($'000)
Equity:			
Stated capital	13	1,736,632	1,736,632
Translation Reserve	14	25,147	19,532
Investment Remeasurement Reserve	15	16,349	17,912
Retained earnings		1,337,119	1,619,447
Total Equity		3,115,247	3,393,523
Current Liabilities:			
Short-term loan facility	16	60,408	184,183
Accounts payable and accruals	17	2,249	1,650
Total Current Liabilities		62,657	185,833
Total Equity and Liabilities		**3,177,904**	**3,579,356**

These unconsolidated financial statements were approved by the Board of Directors and authorised for issue on 27 June 2016 and signed on their behalf by:

Jerry Hospedales

Director
Jerry Hospedales

Director
Navin Rajkumar

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

	Notes	For the year ended 31 March 2016 ($'000)	2015 ($'000)
Revenue			
Interest income		6,600	6,297
Dividend income	18	26,005	6,794
Other income		1,203	4,180
		33,808	17,271
Operating Expenses			
Accounting and audit fees		477	597
Administrative services		822	947
Bank charges		23	279
Consulting fees		1,883	6,847
Depository fees		129	120
Depreciation		119	29
Directors' fees		556	542
Loss on foreign exchange		-	39
Publication fees		982	1,007
Staff salaries and benefits		1,634	1,167
T & T Securities and Exchange Commission		87	124
		6,712	11,698
Operating profit		27,096	5,573
Finance costs		(1,821)	(1,959)
		25,275	3,614
Share of profit of equity accounted investments net of tax		65,385	456,261
Net profit before tax		90,660	459,875
Taxation	19	(824)	(352)
Net profit for the year		89,836	459,523
Other Comprehensive Income			
Items that may be reclassified subsequently to profit or loss			
Unrealised gains		(1,563)	1,146
Total Comprehensive Income		**88,273**	**460,669**

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

Notes:

Notes:

Notes:

THE REPUBLIC OF TRINIDAD & TOBAGO

THE COMPANIES ACT, CHAPTER 81:01
(Section 144)

Management Proxy Circular

1. **Name of Company:** National Enterprises Limited **Company No.**: N-735 (95)

2. **Particulars of Meeting**:

   Annual Meeting to be held at Radisson Hotel, Wrightson Road, Port of Spain on **August 25, 2016** at **10:00am.**

3. **Solicitation:**
   The management of the Company is required by the Companies Act, Chapter 81:01 of the laws of Trinidad and Tobago ("the Act") to send together with the notice convening the meeting, forms of proxy. By complying with the Act, management is deemed to be soliciting proxies within the meaning of the Act. This Management Proxy Circular accompanies the Notice of Annual Meeting of the Company and is furnished in connection with the solicitation by the management of the Company of proxies for use at the meeting or any adjournment thereof.

4. **Any director's statement submitted pursuant to section 76 (2):**
   No statement has been received from any director pursuant to section 76(2) of the Companies Act, Chapter 81:01

5. **Any auditor's statement submitted pursuant to section 171(1):**
   Not Applicable

6. **Any shareholder's proposal and/or statement submitted pursuant to sections 166(a) and 117(2):**

   No proposals have been submitted.

DATE	NAME AND TITLE	SIGNATURE
July 21 2016	Aegis Business Solutions (Limited) Corporate Secretary	AEGIS BUSINESS SOLUTIONS LIMITED Secretary

INSTRUCTIONS

Item 1: Set out the full legal name of the company and, except where a number has not been assigned, state the company number.

Item 2: State full particulars of the meeting including the date, place and time.

Item 3: Set out the solicitation being made by management of the company.

Item 4: Any Director's statement submitted pursuant to section 76(2) shall, unless it is included in or attached to a *Management Proxy Circular*, be sent to every shareholder entitled to receive notice of the meeting and to the registrar; section 76 (3)

Item 5: Any Auditor's statement submitted pursuant to section 171(1) shall, unless it is included in or attached to a *Management Proxy Circular*, be sent to every Shareholder entitled to receive notice of the meeting and to the Registrar; section 171(2)

Item 6: Any proposal submitted by a Shareholder pursuant to section 116(a) and any statement pursuant to section 117(2) must be set out in the *Management Proxy Circular* or attached thereto.

Signature: A Director or authorised officer of the company shall sign the circular.

THE COMPANIES ACT, CHAPTER 81:01
(Section 143 (1))

FORM OF PROXY

1. Name of Company: National Enterprises Limited Company No.: N-735 (95)

2. Particulars of Meeting: Seventeenth Annual Meeting of Shareholders to be held at the Radission Hotel, Wrightson Road, Port of Spain on August 25 2016, at 10 am.

I/We (block letters please)____

of____

____

Shareholder(s) in the above Company, appoint(s) ________________________________

of____

____

or failing him____

of____

to be my/our proxy to vote for me/us and on my/our behalf at the above meeting and any adjournment thereof in the same manner, to the same extent and with the same powers as if I/we were present at the said meeting or such adjournment or adjournments thereof.

Please indicate, with an "X" in the spaces below, how you wish your proxy to vote on the Resolutions referred to. If no such indication is given, the proxy will exercise his discretion as to how he votes or whether he abstains from voting.

		For	Against
Resolution 1	That the financial statements of the Company for the year ended March 31 2016 and the reports of Directors and Auditors be received and adopted.		
Resolution 2	That the following person be appointed as Director to the Board of National Enterprises Limited for a period of three (3) years with effect from the date of appointment. Mr. Navin Rajkumar — representative from the National Insurance Board.		

		For	Against
Resolution 3	That the following person be appointed as Director to the Board of National Enterprises Limited for a period of three (3) years with effect from the date of appointment. Mr. Gerry Brooks — representative from the National Gas Company of Trinidad and Tobago.		
Resolution 4	That PKF Chartered Accountants and Business Advisors be re-appointed as the Auditors and the Directors be empowered to determine the Auditors' remuneration in respect of the period ending at the conclusion of the Eighteen Annual Meeting of the Company.		

Signature(s) ______________________ Witness (es) ______________________

______________________ ______________________

Date ______________________ ______________________

NOTES

- In the case of a joint holding, the signature of any one is sufficient, but the names of all joint holders should be stated.
- If the appointer is a Corporation, this form must be under its common seal or under the hand of some officer or attorney duly authorised in that behalf.
- To be valid, this form must be completed and deposited at the Registered Office of the Company at the address below, not less than forty-eight (48) hours before the time fixed for holding the meeting or adjourned meeting.

THE CORPORATE SECRETARY
NATIONAL ENTERPRISES LIMITED
LEVEL 15, TOWER D
INTERNATIONAL WATERFRONT CENTRE
WRIGHTSON ROAD
PORT OF SPAIN

NATIONAL ENTERPRISES LIMITED

CHANGE OF ADDRESS FORM

Please complete all information requested in this form.

When completed in its entirety and signed, please return this form along with a copy of a utility bill and two forms of valid national identification to:

Private and Confidential

Keisha Armstrong
Head of Secretariat
National Enterprises Limited
Level 15, Tower D
International Waterfront Centre
Wrightson Road
Port of Spain

Section 1 – Shareholder's Current Information

Current Name: ____

Current Address: ____

Contact Number: ____

Section 2 - Shareholder's New Information (if any changes)

Changed Name: ____

Changed Address: ____

____

Contact Number: ____

Section 3 - Dividend Payment Instructions

Dividends are paid semi-annually, through RBC Trust (Trinidad and Tobago) Limited, via cheque or direct deposit via ACH to a commercial bank of your choice. If you do not provide a dividend address, the dividend cheques will be mailed to the shareholders current address on record on the payment date each year. **Kindly advise by ticking your agreed payment method.**

Cheque Payment ☐

Dividend Address ______________________________

Contact Information ______________________________

Direct Deposit (via ACH) ☐

Bank of Choice ______________________________

Account Number ______________________________

Shareholder Comments: ______________________________

____

____

____

____

____

Signature of Shareholder: ____________________ ____________________

Date: ______________________________

National Enterprises Limited
Level 15, Tower D
International Waterfront Centre
Wrightson Road, Port of Spain
Trinidad & Tobago
T: (868) 625-0015
F: (868) 624-3029
E: info.nel@gov.tt
W: www.nel.co.tt