



The Sports Company of Trinidad and Tobago Limited

FINANCIAL STATEMENTS

30 SEPTEMBER 2021



**THE SPORTS COMPANY OF
TRINIDAD AND TOBAGO LIMITED
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The Sports Company of Trinidad and Tobago Limited

Statement of Management Responsibilities


Management is responsible for the following:

- Preparing and fairly presenting the accompanying financial statements of The Sports Company of Trinidad and Tobago Limited (the Company) which comprise the statement of financial position as at 30 September 2021, the statements of comprehensive income changes in shareholder's equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information;
- Ensuring that the Company keeps proper accounting records;
- Selecting appropriate accounting policies and applying them in a consistent manner;
- Implementing, monitoring and evaluating the system of internal control that assures security of the Company's assets, detection/prevention of fraud, and the achievement of the Company's operational efficiencies;
- Ensuring that the system of internal control operated effectively during the reporting period;
- Producing reliable financial reporting that complies with laws and regulations; and
- Using reasonable and prudent judgement in the determination of estimates.


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

Nothing has come to the attention of management to indicate that the Company will not remain a going concern for the next twelve months from the reporting date; or up to the date the accompanying financial statements have been authorised for issue, if later.

Management affirms that it has carried out its responsibilities as outlined above.



Signed
Title: Chief Executive Officer
Date: 15 December 2021



Signed
Title: Head of Accounts
Date: 15 December 2021



Independent Auditor's Report

To the Directors,

Report - Audit of the Financial Statements of The Sports Company of Trinidad and Tobago Limited

Opinion

We have audited the financial statements of **The Sports Company of Trinidad and Tobago Limited (the Company)**, which comprise the statement of financial position as at 30 September 2021, the statements of comprehensive income, changes in shareholder's equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statement present fairly, in all material respects, the financial position of the Company as at 30 September 2021 and financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the international Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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



Independent Auditor's Report (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



Independent Auditor's Report (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**San Juan
15 December 2021**

Moore
Chartered Accountants

The Sports Company of Trinidad and Tobago Limited
Statement of Financial Position
As at 30 September 2021

	<u>Note</u>	2021 <u>TT\$</u>	2020 <u>TT\$</u>
Assets			
Current Assets			
Cash and cash equivalents	7	83,401,915	78,454,180
Other receivables and prepayments	8	2,949,162	3,332,125
Financial assets	9	<u>1,333</u>	<u>1,315</u>
Total		<u>86,352,410</u>	<u>81,787,620</u>
Non-Current Assets			
Bond receivable	10	277,139,544	306,314,338
Plant and equipment	11	<u>4,498,782</u>	<u>4,673,012</u>
Total		<u>281,638,326</u>	<u>310,987,350</u>
Total Assets		<u>367,990,736</u>	<u>392,774,970</u>
Current Liabilities			
Accounts payables and accruals	12	184,795,552	129,361,754
Deferred income	13	<u>62,913,004</u>	<u>70,241,122</u>
Total		<u>247,708,556</u>	<u>199,602,876</u>
Non-Current Liabilities			
Bond payable	10	<u>277,139,544</u>	<u>306,314,338</u>
Total Liabilities		<u>524,848,100</u>	<u>505,917,214</u>
Shareholders' Equity			
Stated capital	14	10	10
Accumulated deficit		<u>(156,857,374)</u>	<u>(113,142,254)</u>
		<u>(156,857,364)</u>	<u>(113,142,244)</u>
Total Liabilities and Shareholder's Equity		<u>367,990,736</u>	<u>392,774,970</u>

The accompanying notes on pages 11 to 23 form an integral part of these financial statements.

Director:



DOUGLAS CAMACHO- CHAIRMAN

Director:



VYASH NANDLAL

Date:

15-DEC-2021

The Sports Company of Trinidad and Tobago Limited
Statement of Comprehensive Income
For the Year Ended 30 September 2021

	<u>Note</u>	<u>2021</u> <u>TT\$</u>	<u>2020</u> <u>TT\$</u>
Income			
Government grants	15	125,291,107	177,888,353
Other income		<u>2,146,618</u>	<u>2,487,884</u>
		<u>127,437,725</u>	<u>180,376,237</u>
Expenditure			
Professional fees		118,410	80,550
Building and equipment insurance		16,230	19,488
Conference, seminars and meetings		28,093	18,660
Contract gratuities		2,475,727	2,282,839
Court settlement and expenses		1,338,612	-
Depreciation		590,852	633,487
Directors' stipend		660,000	583,508
Equipment and storage rental		114,658	70,911
Facility expenses	16	47,731,975	46,342,608
Finance charges		13,527	38,802
Infrastructure development	17	92,943,870	104,011,520
Loss on disposal of assets		2,037	11,296
NGBs and sporting initiatives	18	5,007,855	7,380,024
Office expenses		816,167	794,283
Overseas travel		142,489	-
Consultancy fees		2,856,410	2,866,340
Promotion		262,281	351,093
Penalties and interest		11,800	5,000
Salaries and staff benefits		15,493,126	13,905,067
Shipping fees		7,706	-
Telephone and internet		141,042	72,039
Training		148,846	89,993
Travelling and subsistence		14,191	16,728
Vehicle maintenance		50,668	33,465
Vehicle rental		<u>166,275</u>	<u>150,975</u>
		<u>171,152,846</u>	<u>179,758,676</u>
Net (deficit) / surplus for the year		(43,715,120)	617,561
Accumulated deficit brought forward		<u>(113,142,254)</u>	<u>(113,759,815)</u>
Accumulated deficit at the end of the year		<u>(156,857,374)</u>	<u>(113,142,254)</u>

The accompanying notes on pages 11 to 24 form an integral part of these financial statements.

The Sports Company of Trinidad and Tobago Limited
Statement of Changes in Shareholder's Equity
For the Year Ended 30 September 2021

	Stated Capital <u>TT\$</u>	Accumulated Surplus/(Deficit) <u>TT\$</u>	Shareholder's Equity <u>TT\$</u>
2021			
Balance as at 1 October 2020	10	(113,142,254)	(113,142,244)
Deficit for the year	<u>-</u>	<u>(43,715,120)</u>	<u>(43,715,120)</u>
Balance as at 30 September 2021	<u>10</u>	<u>(156,857,374)</u>	<u>(156,857,364)</u>
2020			
Balance as at 1 October 2019	10	(113,759,815)	(113,759,805)
Surplus for the year	<u>-</u>	<u>617,561</u>	<u>617,561</u>
Balance as at 30 September 2020	<u>10</u>	<u>(113,142,254)</u>	<u>(113,142,244)</u>

The accompanying notes on pages 11 to 24 form an integral part of these financial statements.

The Sports Company of Trinidad and Tobago Limited
Statement of Cash Flow
For the Year Ended 30 September 2021

	2021	2020
	<u>TT\$</u>	<u>TT\$</u>
Cash flows from operating activities:		
(Deficit) / Surplus for the year	(43,715,120)	617,561
Adjustments for:		
Depreciation	590,852	633,487
Loss on disposal of assets	<u>2,037</u>	<u>11,296</u>
	<u>(43,122,231)</u>	<u>1,262,344</u>
Changes in:		
Other receivables and prepayments	382,963	133,176
Accounts payable and accruals	55,433,798	4,295,209
Financial assets	(18)	(18)
Deferred income	<u>(7,328,118)</u>	<u>(13,507,397)</u>
Net cash generated / (used in) operating activities	<u>5,366,394</u>	<u>(7,816,685)</u>
Cash flows from investing activities		
Net change in bond receivable	29,174,794	29,172,794
Proceeds from sale of assets	1,150	2,959
Acquisition of assets	<u>(419,809)</u>	<u>(1,975,462)</u>
Net cash generated from investing activities	<u>28,756,135</u>	<u>27,200,291</u>
Cash flows from financing activities:		
Net change in bond payable	<u>(29,174,794)</u>	<u>(29,172,794)</u>
Net cash used in financing activities	<u>(29,174,794)</u>	<u>(29,172,794)</u>
Net increase / (decrease) in cash and cash equivalents	4,947,735	(9,789,187)
Cash and cash equivalents at beginning of year	<u>78,454,180</u>	<u>88,243,368</u>
Cash and cash equivalents at end of year	<u>83,401,915</u>	<u>78,454,180</u>
Represented by:		
Cash and cash equivalents	<u>83,401,915</u>	<u>78,454,180</u>

The accompanying notes on pages 11 to 24 form an integral part of these financial statements.

The Sports Company of Trinidad and Tobago Limited
Notes to the Financial Statements
30 September 2021

1. General information

The Sports Company of Trinidad and Tobago ("SporTT" or "the Company") was incorporated in the Republic of Trinidad and Tobago on September 27, 2004, under the Companies Act, Chapter 81:01 of the laws of Trinidad and Tobago. The principal activity of the Company is to act as an agent for and on behalf of the Government of the Republic of Trinidad and Tobago (GORTT) to enhance local sporting ventures.

2. Basis of accounting

These financial statements have been prepared in accordance with IFRS Standards. They were authorised for issue by the Company's board of directors on 15 December 2021.

Details of the Company's accounting policies, including changes thereto, are included in Note 5.

3. Functional and presentation currency

These financial statements are presented in Trinidad and Tobago Dollar (TTD), which is the Company's functional and presentation currency. All amounts have been rounded to the nearest dollar, unless otherwise indicated.

4. Use of judgements and estimates

In preparing these financial statements, management has made judgements and estimates that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

a) Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at 30 September 2021 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following note:

- Note 5(d): recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.

The Sports Company of Trinidad and Tobago Limited
Notes to the Financial Statements
30 September 2021

5. Significant accounting policies

a) Government grants

The Company recognises grants from the Government of the Republic of Trinidad and Tobago (GORTT) at fair value where there is reasonable assurance that the grants will be received, and the Company will comply with the conditions associated with the grants.

Government grants relating to infrastructure development are initially recognised as deferred income at fair value if there is reasonable assurance that they will be received, and the Company will comply with the conditions associated with the grant. These grants are recognised in the statement of comprehensive income over the period necessary to match them with the net expenses they are intended to compensate.

Grants related to the acquisition of assets are recognised in the statement of comprehensive income on a systematic basis over the useful life of the asset.

Grants that compensate the Company for expenses incurred are recognised in the statement of comprehensive income as recurrent expenditure on a systematic basis in the periods in which the expenses are recognised, unless the conditions for receiving the grant are met after the related expenses have been recognised. In this case, the grant is recognised when it becomes receivable.

b) Property and equipment

Items of property and equipment are measured at cost, less accumulated depreciation and any accumulated impairment losses. Any gain or loss on disposal of an item of property, plant and equipment is recognised in the statement of comprehensive income. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation is calculated to write off the cost of items of property and equipment less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in the statement of comprehensive income. Land is not depreciated. The depreciation rates used for both the current and comparative periods are as follows:

- Motor vehicles	20%
- Furniture and fixtures	10%
- Computer equipment	33%
- Office equipment	12.5%
- Gym equipment	12.5%
- Equipment and machinery	20%

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

The Sports Company of Trinidad and Tobago Limited
Notes to the Financial Statements
30 September 2021

5. Significant accounting policies (continued)

c) Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. Where an impairment loss subsequently reverses (except for goodwill), the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

d) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the obligation.

e) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances with banks, and investments in money market instruments which are readily convertible, being those with original maturities of three months or less.

Cash and cash equivalents are measured at fair value, based on the relevant exchange rates at the reporting date.

The Sports Company of Trinidad and Tobago Limited
Notes to the Financial Statements
30 September 2021

5. Significant accounting policies (continued)

f) Foreign currency translation

Transactions in currencies other than TTD are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting date.

Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Gains and losses arising on exchange are included in the net surplus of deficit. Foreign currency gains and losses are reported on a net basis.

6. Standards issued but not yet effective

A number of new standards are effective for annual periods beginning after 1 January 2021 and earlier application is permitted; however, the Company has not early adopted the new or amended standards in preparing these financial statements.

- ❖ *Amendments to IFRS 16 - Covid-19-Related Rent Concessions*
- ❖ *Annual Improvements to IFRS Standards 2018–2020*
- ❖ *Amendments to IAS 16 - Property, Plant and Equipment: Proceeds before intended use*
- ❖ *Amendments to IFRS 3 - Reference to the Conceptual Framework*
- ❖ *Amendments to IAS 1 - Classification of Liabilities as Current or Non-current*
- ❖ *IFRS 17 - Insurance Contracts*
- ❖ *Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of Accounting Policies*
- ❖ *Amendments to IAS 8 - Disclosure of Accounting Policies and Definition of Accounting Estimates*
- ❖ *Amendments to IAS 37 - Onerous Contracts – Cost of Fulfilling a Contract*
- ❖ *Amendments to IAS 12 - Deferred tax related to assets and liabilities arising from a single transaction*
- ❖ *Amendments to IFRS 10 and IAS 28 - Sale or contribution of assets between an investor and its associate or joint venture*

IFRS 16

Amendments to IFRS 16 'Leases' Covid-19 Related Rent Concessions beyond 30 June 2021. This amendment extends the practical expedient to rent concessions that reduce only lease payments originally due on or before 30 June 2022, provided the other conditions for applying the practical expedient are met.

The amendments are applicable for annual periods commencing on or after 1 April 2021.

The Sports Company of Trinidad and Tobago Limited
Notes to the Financial Statements
30 September 2021

6. Standards issued but not yet effective (continued)

IFRS 17

IFRS 17 'Insurance contracts' establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts issued. It also requires similar principles to be applied to reinsurance contracts held and investment contracts with discretionary participation features issued.

IFRS 17 is effective for annual periods commencing on or after 1 January 2023.

IAS 1

Amendments to IAS 1 'Presentation of financial statements' clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. The meaning of settlement of a liability is also clarified.

The amendments are applicable for annual periods commencing on or after 1 January 2023.

IAS 16

Amendments to IAS 16 'Property, plant and equipment' require an entity to recognise the sales proceeds from selling items produced while preparing property, plant and equipment for its intended use and the related costs in profit or loss, instead of deducting the amounts received from the cost of the asset.

The amendments are applicable for annual periods commencing on or after 1 January 2022.

IFRS 3

Amendments to IFRS 3 'Business combinations' update a reference to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.

The amendments are applicable for annual periods commencing on or after 1 January 2022.

IAS 37

Amendments to IAS 37 'Provisions, contingent liabilities and contingent assets' specify the costs that an entity includes when assessing whether a contract will be loss-making.

The amendments are applicable for annual periods commencing on or after 1 January 2022.

The Sports Company of Trinidad and Tobago Limited
Notes to the Financial Statements
30 September 2021

6. Standards issued but not yet effective (continued)

Annual Improvements to IFRS Standards 2018–2020 amend

- IFRS 1 to simplify the application of IFRS 1 by a subsidiary that becomes a first-time adopter after its parent in relation to the measurement of cumulative translation differences;
- IFRS 9 to clarify the fees an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability;
- IFRS 16 illustrative example 13 to remove the illustration of payments from the lessor relating to leasehold improvements.
- IAS 41 to remove the requirement to exclude cash flows from taxation when measuring fair value, thereby aligning the fair value measurement requirements in IAS 41 with those in other accounting standards.

The amendments are applicable for annual periods commencing on or after 1 January 2022.

IFRS 10

Amendments to IFRS 10 'Consolidated financial statements and IAS 28 'Investments in associates' clarify the accounting treatment for sales or contribution of assets between an investor and its associates or joint ventures. Where the non-monetary assets constitute a business, the investor will recognise the full gain or loss on the sale or contribution of assets. Otherwise, the gain or loss is recognised by the investor only to the extent of the other investor's interests in the associate or joint venture. The amendments have been deferred until IASB has finalised its research project on the equity method.

Amendments to Disclosure of Accounting Policies and Definition of Accounting Estimates modify:

- IFRS 7, to clarify that information about measurement bases for financial instruments is expected to be material to an entity's financial statements;
- IAS 1, to require entities to disclose their material accounting policy information rather than their significant accounting policies;
- IAS 8, to clarify how entities should distinguish changes in accounting policies and changes in accounting estimates;
- IAS 34, to identify material accounting policy information as a component of a complete set of financial statements; and
- AASB Practice Statement 2, to provide guidance on how to apply the concept of materiality to accounting policy disclosures.

The Sports Company of Trinidad and Tobago Limited
Notes to the Financial Statements
30 September 2021

6. Standards issued but not yet effective (continued)

Amendments to Deferred tax related to assets and liabilities arising from a single transaction modify IAS 12 to clarify the accounting for deferred tax on transactions that, at the time of the transaction, give rise to equal taxable and deductible temporary differences. In specified circumstances, entities are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. The amendments clarify that the exemption does not apply to transactions for which entities recognise both an asset and a liability and that give rise to equal taxable and deductible temporary differences. This may be the case for transactions such as leases and decommissioning, restoration and similar obligations. Entities are required to recognise deferred tax on such transactions.

The Standard amends IFRS 1 to require deferred tax related to leases and decommissioning, restoration and similar obligations to be recognised by first-time adopters at the date of transition to Australian Accounting Standards, despite the exemption set out in IAS 12.

The Sports Company of Trinidad and Tobago Limited
Notes to the Financial Statements
30 September 2021

	2021	2020
	<u>TT\$</u>	<u>TT\$</u>
7. Cash and cash equivalents		
First Citizens Bank Limited – Operations	18,143,941	4,920,607
First Citizens Bank Limited – Infrastructure Development	2,324,969	3,273,942
Petty Cash	20,001	18,509
First Citizens Bank Limited – ANSA Bond	<u>62,913,004</u>	<u>70,241,122</u>
	<u>83,401,915</u>	<u>78,454,180</u>
8. Other receivable and prepayments:		
Prepaid expenses	(6,725)	66,474
Staff advances	1,250	-
3.8% bond interest receivable	<u>2,954,637</u>	<u>3,265,651</u>
	<u>2,949,162</u>	<u>3,332,125</u>
9. Financial assets		
This balance represents an investment held in the Abercrombie Fund held at First Citizens Bank Limited.		
FCB Abercrombie Fund Investment	<u>1,333</u>	<u>1,315</u>
10. Bond held to maturity		
This held to maturity financial instrument is measured to amortised cost and represent a \$495.94 million bond at a fixed rate of 3.80% issued on behalf of the Company by the Government of the Republic of Trinidad & Tobago (GORTT) on 19 December 2013 and held to maturity to 19 December 2030. Principal and interest are payable semi-annually on December 19 and June 19 and are maintained by the GORTT, these payments are guaranteed irrevocably and unconditionally. All risk and reward of the instrument is borne by GORTT.		
Bond receivable	<u>277,139,544</u>	<u>306,314,338</u>
Bond payable	<u>277,139,544</u>	<u>306,314,338</u>

The Sports Company of Trinidad and Tobago Limited
Notes to the Financial Statements
30 September 2021

11. Property and equipment

2021	Motor Vehicles	Fittings and Fixtures	Office Equipment	Computer Equipment	Gym Equipment	Equipment and Machinery	Total
Cost							
Balance as at 1 Oct 2020	316,130	2,180,664	1,529,379	4,489,848	2,660,539	1,333,434	12,509,994
Work in progress	-	-	-	-	105,660	-	105,660
Additions	-	18,894	47,169	138,754	-	109,332	314,149
Disposals	-	-	(4,600)	-	-	-	(4,600)
Balance as at 30 Sept 2021	<u>316,130</u>	<u>2,199,558</u>	<u>1,571,948</u>	<u>4,628,602</u>	<u>2,766,199</u>	<u>1,442,766</u>	<u>12,925,203</u>
Accumulated Depreciation							
Balance as at 1 Oct 2020	264,430	1,349,473	966,660	3,714,713	803,409	738,297	7,836,982
Charge of the year	9,591	81,255	68,573	249,963	56,321	125,149	590,852
Disposals	-	-	(1,413)	-	-	-	(1,413)
Balance as at 30 Sept 2021	<u>274,021</u>	<u>1,430,728</u>	<u>1,033,820</u>	<u>3,964,676</u>	<u>859,730</u>	<u>863,446</u>	<u>8,426,421</u>
Net Book Value							
As at 30 Sept 2021	<u>42,109</u>	<u>768,830</u>	<u>538,128</u>	<u>663,926</u>	<u>1,906,469</u>	<u>579,320</u>	<u>4,498,782</u>
As at 30 Sept 2020	<u>51,700</u>	<u>831,191</u>	<u>562,719</u>	<u>775,135</u>	<u>1,857,130</u>	<u>595,137</u>	<u>4,673,012</u>

Sports Company of Trinidad and Tobago Limited
Notes to the Financial Statements
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11. Property and equipment (continued)

2020	Motor Vehicles	Fittings and Fixtures	Office Equipment	Computer Equipment	Gym Equipment	Equipment and Machinery	Total
Cost							
Balance as at 1 Oct 2018	316,130	2,163,789	1,429,755	4,111,107	1,275,660	1,262,281	10,558,722
WIP	-	-	-	(34,636)	1,384,879	-	1,350,243
Additions/for the Year	-	16,875	99,624	425,212	-	83,508	625,219
Disposals	-	-	-	(11,835)	-	(12,355)	(24,190)
Balance as at 30 Sept 2020	<u>316,130</u>	<u>2,180,664</u>	<u>1,529,379</u>	<u>4,489,848</u>	<u>2,660,539</u>	<u>1,333,434</u>	<u>12,509,994</u>
Accumulated Depreciation							
Balance as at 1 Oct 2018	251,504	1,258,525	890,744	3,472,130	735,945	604,582	7,213,430
Charge of the Year	12,926	90,948	75,916	249,326	67,464	136,907	633,487
Disposals	-	-	-	(6,743)	-	(3,192)	(9,935)
Balance as at 30 Sept 2020	<u>264,430</u>	<u>1,349,473</u>	<u>966,660</u>	<u>3,714,713</u>	<u>803,409</u>	<u>738,297</u>	<u>7,836,982</u>
Net Book Value							
As at 30 Sept 2020	<u>51,700</u>	<u>831,191</u>	<u>562,719</u>	<u>775,135</u>	<u>1,857,130</u>	<u>595,137</u>	<u>4,673,012</u>
As at 30 Sept 2019	<u>64,626</u>	<u>905,264</u>	<u>539,011</u>	<u>638,977</u>	<u>539,715</u>	<u>657,699</u>	<u>3,345,292</u>

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	2021	2020
	<u>TT\$</u>	<u>TT\$</u>
12. Accounts payable and accruals		
Professional fees payable	55,000	80,550
Accrued expenses	92,830,208	45,755,775
Refundable deposits	638,597	862,373
Accounts payable - operations	85,975,030	76,298,507
Accrued vacation leave	818,630	787,464
Accrued gratuity	1,523,450	2,311,434
Ansa bond accrued interest	<u>2,954,637</u>	<u>3,265,651</u>
	<u>184,795,552</u>	<u>129,361,754</u>
13. Deferred income		
This balance relates to the proceeds from the TT\$495.94 million bond issued on 19 December 2014 to finance the development of nine (9) recreational facilities (IDF).		
Opening balance	70,241,122	83,748,521
Drawdown to finance IDF expenditure	(5,246,674)	(12,610,872)
Drawdown to finance recurrent expenditure	<u>(2,081,444)</u>	<u>(896,527)</u>
Ending balance	<u>62,913,004</u>	<u>70,241,122</u>
14. Stated capital		
Authorised:		
An unlimited number of ordinary shares of no par-value		
Issued and Fully Paid		
10 ordinary shares of no par-value, issued at \$1 each	<u>10</u>	<u>10</u>
15. Government grants		
Recurrent expenditure	72,595,444	82,844,518
Infrastructure development fund	<u>52,695,663</u>	<u>95,043,835</u>
	<u>125,291,107</u>	<u>177,888,353</u>

In 2021, Government Funding received for 2020 payments were \$747,474 for IDF and \$24,028,604 for Recurrent Expenditure. Government funding received for the year 2021 was IDF \$46,701,515 and Recurrent \$46,485,396. Funds utilized from ANSA were \$5,246,674 for IDF and \$2,081,444 for Recurrent.

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	2021	2020
	<u>TT\$</u>	<u>TT\$</u>
16. Facility expenses		
Security	6,491,526	5,673,417
Indoor facilities	12,834,919	11,378,185
Janitorial	5,527,586	5,145,890
Field maintenance	5,628,005	5,354,083
Contract labour	307,130	326,100
T&TEC	2,330,338	3,200,080
TSTT	72,730	73,166
WASA	714,208	1,026,561
Internet	103,978	95,040
Cable	31,559	16,520
Office supplies	37,163	29,096
Repairs and maintenance – Building	444,956	443,502
Repairs and maintenance - Lighting	7,436	22,554
Equipment rental	169,082	76,272
Minor equipment	9,764	2,486
Transport	1,700	2,180
National sporting facilities	<u>13,019,895</u>	<u>13,477,476</u>
	<u>47,731,975</u>	<u>46,342,608</u>
17. Infrastructure development expenses		
Youth Facility Moruga	6,377,410	10,546,720
Upgrade of Caroni Facility	2,701,605	2,872,396
Upgrade Recreational Ground	4,882,323	36,033,707
Upgrade Corporation Ground	694,308	7,747,342
Upgrade Multipurpose Stadium	28,800	698,671
Construction Diego Martin	6,574,867	7,042,642
Construction of Laventille Swimming Pool	961,771	6,281,747
Upgrade of Mahaica Oval	6,345,265	6,457,175
Upgrade Dwight York Stadium	21,932,894	1,862,330
Construction of Community Swimming Pool	8,462,425	4,679,636
Development Master Plan	-	19,250
Development Skinner Park	<u>33,982,202</u>	<u>19,769,904</u>
	<u>92,943,870</u>	<u>104,011,520</u>

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	2021	2020
	<u>TT\$</u>	<u>TT\$</u>
18. Allocations to National Sporting Organisations		
Athletics	403,146	765,274
Basketball	33,752	12,281
Boxing	168,637	220,642
Cricket	570,040	1,783,500
Cycling	414,334	1,323,854
Football	-	1,762,323
Golf	350,960	144,287
Gymnastics	-	132,500
Hockey	2,604,904	395,870
Lawn tennis	175,219	220,356
Other – EDPU	26,603	106,168
Rugby	-	76,492
Sailing	338,412	361,059
Netball	(149,410)	-
Swimming	<u>71,258</u>	<u>75,418</u>
	<u>5,007,855</u>	<u>7,380,024</u>

The negative balance for Netball is due to the return of excess funding for World Cup 2019 in London that was previously allocated to the Organisation.

19. Capital commitments

There are no capital commitments as at the reporting date.

20. Subsequent Events

Beginning in January 2021, global financial markets experienced and may continue to experience significant volatility resulting from the spread of a novel coronavirus known as COVID-19. The outbreak of COVID-19 has resulted in travel and border restrictions. Quarantines, supply chain disruptions, lower consumer demand and general market uncertainty. The extent and duration of the impact of COVID-19 on global and local economies, financial markets and sectors, and specific industry in which the Company operates is uncertain at this point.

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21. Contingent liabilities

As at the year ended, there is an ongoing dispute between the Company and a former employee, however the matter is still in its early stages. The Company's potential liability in relation to this matter is \$200,000.

In addition, a former contractor has sent communication dated 10 August 2021 via their legal counsel with the intent to pursue \$69,829,651.46 in connection with a contract made with SPORTT on the 15 June 2016 for maintenance services of the National Facilities.