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THE TRINIDAD & TOBAGO SOLID WASTE MANAGEMENT COMPANY LIMITED

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2013**



R. Ramdass & Co.

CHARTERED ACCOUNTANTS

**#4 Gaston Street,
Lange Park, Chaguanas.
Trinidad, West Indies.
Tel: 665-0583, 0495.**





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THE TRINIDAD & TOBAGO SOLID WASTE MANAGEMENT COMPANY LIMITED

Financial Statements

for the year ended September 30, 2013

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THE TRINIDAD AND TOBAGO SOLID WASTE MANAGEMENT COMPANY LIMITED

Statement of Management's Responsibilities

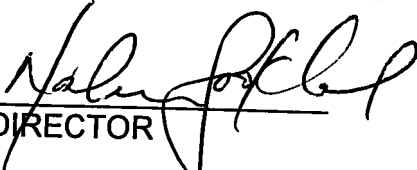
It is the responsibility of management to apply the appropriate accounting policies and make accounting estimates that are reasonable.

Management is responsible for ensuring that the statements presented are a fair and true presentation of the state of affairs of the Company which includes ensuring that the controls over the information from which the statements are derived are designed and properly monitored in a manner which would allow accurate information to be provided.

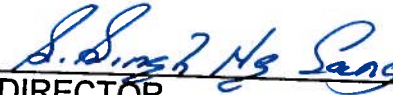
In addition, management is responsible for ensuring that the information presented is free from material misstatement whether due to fraud or error.

Management accepts responsibility for the annual financial statements as well as the responsibility for the maintenance of the accounting records and internal controls which form the basis of the financial statements. The financial statements of The Trinidad and Tobago Solid Waste Management Company Limited are prepared in accordance with International Financial Reporting Standards and the appropriate accounting policies have been established and applied in a manner which gives a true and fair view of the Company's financial affairs and operating results.

In addition, 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 date of this statement.


DIRECTOR

August 26, 2014


DIRECTOR

August 26, 2014



R. Ramdass & Co.
CHARTERED ACCOUNTANTS

4 A Gaston Street, Lange Park,
Chaguanas, Trinidad West Indies
Tel: 1-(868) 665-0583 / Fax: 665-0495
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Independent Auditors' Report

To the shareholders of

The Trinidad and Tobago Solid Waste Management Company Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **The Trinidad and Tobago Solid Waste Management Company Limited** which comprise the statement of financial position as at 30th September 2013, and 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 notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, 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.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of **The Trinidad and Tobago Solid Waste Management Company Limited** as at 30th September 2013 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

R. RAMDASS & CO.
CHAGUANAS
TRINIDAD W.I.

August 27, 2014



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THE TRINIDAD & TOBAGO SOLID WASTE MANAGEMENT COMPANY LIMITED

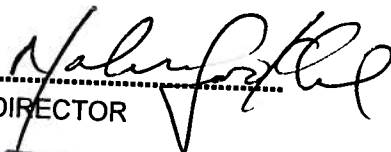
Statement of Financial Position

as at September 30, 2013

ASSETS	Notes	2013	Restated 2012	Restated 2011
		\$	\$	\$
Non-current assets				
Property, plant and equipment	3	20,597,354	21,278,683	23,713,368
Available-for-sale investments	4	23,940,577	24,087,022	23,543,661
Net pension asset	5(c)	45,000	52,000	464,000
Deferred tax asset	15(b)	2,205,437	875,480	912,051
Total Non-Current Assets		46,788,368	46,293,185	48,633,080
Current assets				
Inventories		891,853	871,825	939,137
Receivables and prepayments	6	23,318,435	25,079,612	33,943,291
Cash and short term funds	7	15,640,012	17,243,229	15,909,851
Taxation recoverable		70,207	266,579	-
Total Current Assets		39,920,507	43,461,245	50,792,279
Total Assets		86,708,875	89,754,430	99,425,359
SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' equity				
Stated capital	8	1,936,333	1,936,333	1,936,333
Revaluation reserve		2,550,924	1,429,550	1,429,550
Fair value reserve		(65,573)	(65,573)	(65,573)
Retained earnings		50,939,340	55,310,076	61,851,161
Total Shareholders' Equity		55,361,024	58,610,386	65,151,471
Non-current liabilities				
Capital grants deferred	9	614,136	1,228,272	3,561,789
Revenue grants deferred	10	17,012,275	17,096,466	17,247,060
Total Non-Current Liabilities		17,626,411	18,324,738	20,808,849
Current liabilities				
Bank overdrafts		-	-	411,345
Payables and accruals	11	13,721,440	12,819,307	12,877,958
Taxation payable		-	-	58,182
Finance lease obligations		-	-	117,554
Total Current Liabilities		13,721,440	12,819,307	13,465,039
Total Equity and Liabilities		86,708,875	89,754,430	99,425,359

The accompanying notes form an integral part of these financial statements

On August 26, 2014, the Board of Directors of The Trinidad & Tobago Solid Waste Management Company Limited authorised these financial statements for issue.


DIRECTOR


DIRECTOR





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THE TRINIDAD & TOBAGO SOLID WASTE MANAGEMENT COMPANY LIMITED

Statement of Comprehensive Income for the year ended September 30, 2013

	Notes	2013 \$	Restated 2012 \$
Revenue	12	35,408,690	32,388,392
Operating loss	13	(6,378,400)	(6,622,966)
Interest income		333,416	399,703
Finance cost	14	(33,994)	(161,008)
Loss Before Taxation		(6,078,978)	(6,384,271)
Taxation	15(a)	1,483,242	(136,564)
Loss For The Year		(4,595,736)	(6,520,835)
Other Comprehensive Income:			
<i>Items that may not be reclassified subsequently to Profit or Loss</i>			
Actuarial gains/(losses) on net pension asset net of deferred tax	5(e)	225,000	(20,250)
Gain on revaluation of prop., plant & equip. net of deferred tax		1,121,374	-
Total comprehensive loss for the year		(3,249,362)	(6,541,085)

The accompanying notes form an integral part of these financial statements





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THE TRINIDAD & TOBAGO SOLID WASTE MANAGEMENT COMPANY LIMITED

Statement of Changes in Equity for the year ended September 30, 2013

Notes	Stated Capital \$	Revaluation Reserve \$	Fair Value Reserve \$	Retained Earnings \$	Total Shareholders' Equity \$
Year ended September 30, 2013					
	1,936,333	1,429,550	(65,573)	55,310,076	58,610,386
<u>Comprehensive income</u>					
Loss for the year	-	-	-	(4,595,736)	(4,595,736)
<u>Other comprehensive income</u>					
Revaluation gain on prop., plant & equip (net of deferred tax)	-	1,121,374	-	-	1,121,374
Actuarial gain on net pension assets (net of deferred tax) 5(e)	-	-	-	225,000	225,000
Balance at September 30, 2013	1,936,333	2,550,924	(65,573)	50,939,340	55,361,024
Year ended September 30, 2012 (Restated)					
	1,936,333	1,429,550	(65,573)	62,350,230	65,650,540
Prior year adjustments (Note 17)				(499,069)	(499,069)
Restated opening balances	1,936,333	1,429,550	(65,573)	61,851,161	65,151,471
<u>Comprehensive income</u>					
Loss for the year	-	-	-	(6,520,835)	(6,520,835)
<u>Other comprehensive income</u>					
Actuarial loss on net pension assets (net of deferred tax) 5(e)	-	-	-	(20,250)	(20,250)
Balance at September 30, 2012	1,936,333	1,429,550	(65,573)	55,310,076	58,610,386

The accompanying notes form an integral part of these financial statements





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THE TRINIDAD & TOBAGO SOLID WASTE MANAGEMENT COMPANY LIMITED

Statement of Cash Flows for the year ended September 30, 2013

	2013	Restated 2012
	\$	\$
Cash flows from operating activities		
Loss before taxation	(6,078,978)	(6,384,271)
Adjustments to reconcile net loss to net cash from operating activities:		
Depreciation	2,887,512	3,355,113
Pension plan expense	307,000	385,000
Amortization of capital grants	(614,136)	(2,333,517)
Loss on disposal of property, plant & equipment	1,004,599	191,990
(Increase)/decrease in inventories	(20,028)	67,312
Decrease in receivables and prepayments	1,761,177	8,863,679
Increase/(decrease) in payables and accruals	902,133	(58,651)
Taxation recoverable/(paid)	83,876	(418,005)
Net cash from operating activities	<u>233,155</u>	<u>3,668,650</u>
Cash flows from investing activities		
Additions to property, plant and equipment	(2,270,542)	(1,668,461)
Proceeds on disposal of property, plant & equipment	371,916	556,043
Net change in investments	146,445	(543,361)
Net cash used in investing activities	<u>(1,752,181)</u>	<u>(1,655,779)</u>
Cash flows from financing activities		
Net change in leases	-	(117,554)
Net change in revenue grants deferred	(84,191)	(150,594)
Net cash used in financing activities	<u>(84,191)</u>	<u>(268,148)</u>
Net (decrease)/increase in cash and cash equivalents	<u>(1,603,217)</u>	<u>1,744,723</u>
Cash and cash equivalents at beginning of year	<u>17,243,229</u>	<u>15,498,506</u>
Cash and cash equivalents at end of year	<u>15,640,012</u>	<u>17,243,229</u>
Cash and cash equivalents		
Cash and short term funds	15,640,012	17,243,229
Total cash and cash equivalents	<u>15,640,012</u>	<u>17,243,229</u>

The accompanying notes form an integral part of these financial statements





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THE TRINIDAD & TOBAGO SOLID WASTE MANAGEMENT COMPANY LIMITED

Notes to the Financial Statements for the year ended September 30, 2013

1. INCORPORATION AND ACTIVITIES

The Trinidad and Tobago Solid Waste Management Company Limited (SWMCOL) is incorporated in the Republic of Trinidad and Tobago. The principal activity is the management and control of all wastes severally or jointly with any other company, statutory authority or persons in Trinidad and Tobago. The Company is the executing agent for specific programmes implemented by the Ministry of Local Government.

The registered office of the Company is 34 Independence Square, Port-of-Spain.

2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these financial statements are stated below:

a. Basis of preparation

These financial statements are prepared in accordance with International Financial Reporting Standards (IFRS), and are stated in Trinidad and Tobago Dollars. These financial statements have been prepared on a historical cost basis, except for the measurement at fair value of available-for-sale investments and revaluation of land and buildings.

The preparation of financial statements in conformity with International Financial Reporting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note (r).

b. New accounting standards and interpretations

(i) Standards and interpretations adopted:

- **IAS 19: 'Employee Benefits'**

In 2013, the Company amended its accounting policy with regard to the recognition of actuarial gains and losses on retirement benefits under the International Accounting Standard (IAS) #19, 'Employee Benefits'. Previously, actuarial gains and losses that arose were recognized only to the extent that cumulatively they exceeded 10 per cent of the greater of the present value of the defined benefit obligation and the fair value of plan assets, and that portion was recognized in the statement of comprehensive income over the expected average remaining working lives of the employees participating in the plan. Otherwise, the accumulated actuarial gains and losses were not recognized, except where there were unrecognized surpluses: in such instances the actuarial gains and losses were recognized as they occurred.





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THE TRINIDAD & TOBAGO SOLID WASTE MANAGEMENT COMPANY LIMITED

Notes to the Financial Statements for the year ended September 30, 2013

2. SIGNIFICANT ACCOUNTING POLICIES cont'd

Standards and interpretations adopted (cont'd)

The Company believes that fully recognizing actuarial gains and losses when they occur results in a better presentation of the financial statements which is more in line with current market practice and expected financial reporting developments thus providing more comparable market information.

Following the change in accounting policy, the Company now recognizes actuarial gains and losses in the period in which they occur, in equity in other comprehensive income, together with related deferred tax. Comparative periods have been restated and reclassified to reflect these changes, see note 17.

- **IAS 1: 'Financial Statement presentation' regarding other comprehensive income.**

The main change resulting from these amendments is a requirement for entities to group items presented in other comprehensive income (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassifications adjustments). The Company has adopted IAS 1 revisions in the current accounting period. It has had no impact on the financial information.

(ii) Standards and interpretations in issue not yet adopted:

- **IAS 32 Offsetting Financial Assets and Financial Liabilities – Amendments to IAS 32- Effective from periods beginning on or after 1 January 2014**
- **IFRS 9 Financial Instruments: Classification and Measurement - Effective from periods beginning on or after 1 January 2015**

Management is currently assessing the impact of these new standards on the financial reporting of the Company.





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THE TRINIDAD & TOBAGO SOLID WASTE MANAGEMENT COMPANY LIMITED

Notes to the Financial Statements for the year ended September 30, 2013

2. SIGNIFICANT ACCOUNTING POLICIES cont'd

c. Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation (see note 3). The estimated useful lives of assets are reviewed periodically, taking account of commercial and technological obsolescence as well as normal wear and tear, and the depreciation rates are adjusted if appropriate. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Depreciation is provided on the reducing balance basis at rates estimated to write-off the assets over their expected useful lives.

Current rates of depreciation are:

Buildings	-	2%
Plant, machinery and equipment	-	20% to 25%
Motor vehicles	-	20%
Office furniture and equipment	-	10% to 20%

Land and buildings were professionally valued in the year 2013 by Raymond and Pierre, Chartered Valuation Surveyors. Increases in the carrying amount arising on revaluation of properties were credited to other comprehensive income and shown as revaluation reserve in shareholders' equity.

d. Financial assets

The Company classifies its financial assets as receivables and available-for-sale. The classification depends on the purpose for which the financial assets were acquired.

Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

- **Receivables**

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than twelve (12) months after the statement of financial position date. Receivables are classified as receivables and prepayments in the statement of financial position.





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THE TRINIDAD & TOBAGO SOLID WASTE MANAGEMENT COMPANY LIMITED

**Notes to the Financial Statements
for the year ended September 30, 2013**

2. SIGNIFICANT ACCOUNTING POLICIES cont'd

Financial assets (cont'd)

- **Available-for-sale financial assets**

Investments intended to be held for an indefinite period of time, which may be sold in response to the needs for liquidity or changes in interest rates, are classified as available-for-sale. These are included in non-current assets unless management has the express intention of holding the investment for less than twelve (12) months from the statement of financial position date, in which case they are included in current assets.

Unrealized gains and losses are reported as a separate component of equity until the investment is derecognized or the investment is determined to be impaired. On derecognition or impairment, the cumulative gain or loss previously reported in equity is transferred to the statement of comprehensive income.

- e. **Stated capital**

Ordinary shares are classified as equity. Incremental cost directly attributable to the issue of new shares, if any, are shown in equity as a deduction, net of tax, from the proceeds.

- f. **Foreign currency translations**

- **Functional and presentation currency**

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). These financial statements are presented in Trinidad and Tobago Dollars, which is the Company's functional and presentation currency.

- **Transactions and balances**

Foreign currency transactions are translated into the presentation 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 of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of comprehensive income.





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THE TRINIDAD & TOBAGO SOLID WASTE MANAGEMENT COMPANY LIMITED

Notes to the Financial Statements for the year ended September 30, 2013

2. SIGNIFICANT ACCOUNTING POLICIES cont'd

g. Inventories

Inventories are valued at the lower of cost and net realizable value and represent plant spares and consumables. Cost is arrived at on the first in first out (FIFO) or at the weighted average method. Net realizable value is determined after review by technical personnel.

h. Leases

- Operating leases

Leases of assets under which all the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the statement of comprehensive income on a straight line basis over the period of the lease.

i. Trade receivables

Trade receivables are carried at original invoice amount less provision made for impairment of these receivables. A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the carrying amount and the recoverable amount.

j. Financial instruments

Financial instruments carried on the statement of financial position include cash and bank balances, investments, receivables, payables, bank overdrafts and borrowings and are stated at their approximate fair values determined in accordance with the policy statements disclosed.

k. Taxation

The taxation charge for the current year is based on the results for the year as adjusted for items which are non-assessable or disallowed. The taxation charge is calculated using the tax rate in effect at the statement of financial position date.

A deferred tax charge is provided, using the liability method, on all temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes.

Currently enacted tax rates are used to determine deferred tax.





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THE TRINIDAD & TOBAGO SOLID WASTE MANAGEMENT COMPANY LIMITED

**Notes to the Financial Statements
for the year ended September 30, 2013**

2. SIGNIFICANT ACCOUNTING POLICIES cont'd

i. Employee benefits

Some of the Company's full time employees are covered by The Trinidad and Tobago Solid Waste Management Company Limited Pension Plan, a defined benefit plan. The employee contributes five (5) percent of their pensionable salary and the Company contributes the balance of the cost as recommended by the actuary that is necessary to provide the benefits under the Plan. The Company shall not contribute in any one year less than the aggregate contributions paid to the Plan by all members in that year of income.

The pension accounting costs for the plan is assessed using the projected unit actuarial method. Under this method the cost of providing pensions is charged to the statement of comprehensive income so as to spread the regular cost over the service lives of the employees in accordance with the advice of the qualified actuary who carries out a full valuation of the plan every three (3) years.

The asset recognized in the statement of financial position in respect of the defined benefit plan is the present value of the defined benefit obligations less the fair value of plan assets at the financial position date together with adjustments for unrecognized actuarial gains and losses and past service cost.

Actuarial gains and losses arising from defined benefit obligations and plan assets are credited or charged to equity in other comprehensive income in the period in which they arise.

m. Trade and other payables

Trade and other payables are recognized initially at cost.





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THE TRINIDAD & TOBAGO SOLID WASTE MANAGEMENT COMPANY LIMITED

Notes to the Financial Statements
for the year ended September 30, 2013

2. SIGNIFICANT ACCOUNTING POLICIES cont'd

n. Impairment of assets

- Non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset recoverable amount is the higher of an asset's fair value less costs to sell and value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value.

- Financial assets

The carrying value of all financial assets not carried at fair value through the statement of comprehensive income is reviewed for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable. The identification of impairment and the determination of recoverable amounts is an inherently uncertain process involving various assumptions and factors, including the financial condition of the counter party, expected future cash flows, observable market prices and expected net selling prices.

o. Cash and cash equivalents

Cash and cash equivalents include all cash and bank balances, overdraft balances and cash investments with maturities of less than three months from the date of establishment.





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THE TRINIDAD & TOBAGO SOLID WASTE MANAGEMENT COMPANY LIMITED

Notes to the Financial Statements
for the year ended September 30, 2013

2. SIGNIFICANT ACCOUNTING POLICIES cont'd

p. Government grants

Grants from the Government of the Republic of Trinidad and Tobago are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

The Company manages three (3) landfill sites on behalf of the Government of the Republic of Trinidad and Tobago. Funds for the operation and management of these facilities are remitted monthly from The Ministry of Finance. Monthly grants received are treated as specific to the operation and management of the landfills and any shortfall in funding for the period of account is recognized as an amount receivable from the Government of the Republic of Trinidad and Tobago.

Government grants relating to property, plant and equipment are included in non-current liabilities as deferred government grants and are credited to the statement of comprehensive income on a straight line basis over a period of four (4) years.

q. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is presented, net of applicable taxes, returns and discounts, and is recognized upon delivery of products or performance of services and customer acceptance. Interest and investment income are recognized as they accrue unless collectability is in doubt.

r. Significant accounting judgments, estimates and assumptions

In the process of applying the Company's accounting policies, management makes certain judgments, estimates and assumptions concerning the future that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities. The most significant of these are described next: -

- **Impairment of financial assets**

Management makes judgments at each statement of financial position date to determine whether financial assets are impaired. Financial assets are impaired when the carrying value is greater than the recoverable amount and there is objective evidence of impairment.





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THE TRINIDAD & TOBAGO SOLID WASTE MANAGEMENT COMPANY LIMITED

Notes to the Financial Statements
for the year ended September 30, 2013

2. SIGNIFICANT ACCOUNTING POLICIES cont'd

r. Significant accounting judgments, estimates and assumptions (cont'd)

- Net pension asset

The cost of the defined benefit plan is determined using actuarial valuation. The Company's independent actuary uses judgements and assumptions in determining discount rates, expected rates of return on assets, future salary increases and future pension increases. Due to the long term nature of these plans, such estimates are subject to significant uncertainty.

- Deferred taxes

In calculating the provision for deferred taxation, management uses judgement to determine the probability that future taxable profits will be available to facilitate utilization of temporary tax differences which may arise.

- Property, plant and equipment

Management exercises judgment in determining whether costs incurred can accrue sufficient future economic benefits to the Company to enable the value to be treated as a capital expense. Further judgment is used upon annual review of the residual values and useful lives of all capital items to determine any necessary adjustments to carrying value.

s. Provisions

Provisions are recorded when the Company has a present legal or constructive obligation as a result of past events. It is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

t. 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. The impact of these restatements and re-classifications are summarized in Note 17.





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THE TRINIDAD & TOBAGO SOLID WASTE MANAGEMENT COMPANY LIMITED

Notes to the Financial Statements

for the year ended September 30, 2013

3. PROPERTY, PLANT AND EQUIPMENT

	Land & buildings	Plant, machinery & equipment	Motor vehicles	Office furniture & equipment	Total
	\$	\$	\$	\$	\$
Year ended September 30, 2013					
Cost/valuation	16,695,193	26,898,110	2,234,766	8,944,104	54,772,173
Accumulated depreciation	(3,741,918)	(22,077,412)	(1,168,698)	(7,186,792)	(34,174,820)
Net book amount	12,953,275	4,820,698	1,066,068	1,757,312	20,597,354
Net Book Amount					
October 1, 2012	10,503,540	6,631,973	1,578,101	2,565,069	21,278,683
Additions	1,526,146	202,940	347,849	193,607	2,270,542
Revaluation	1,312,155	-	-	-	1,312,155
Disposals	(177,184)	(26,377)	(615,667)	(557,287)	(1,376,515)
Depreciation charge	(211,382)	(1,987,838)	(244,215)	(444,077)	(2,887,512)
September 30, 2013	12,953,275	4,820,698	1,066,068	1,757,312	20,597,354
Year ended September 30, 2012 (Restated)					
Cost/valuation	13,697,788	29,315,362	2,817,877	12,898,801	58,729,828
Accumulated depreciation	(3,194,248)	(22,683,389)	(1,239,776)	(10,333,732)	(37,451,145)
Net book amount	10,503,540	6,631,973	1,578,101	2,565,069	21,278,683
Net Book Amount					
October 1, 2011	10,361,424	10,017,187	1,138,663	2,605,519	24,122,793
Prior period adjustment (Note 17)	-	(409,425)	-	-	(409,425)
Restated opening balances	10,361,424	9,607,762	1,138,663	2,605,519	23,713,368
Additions	333,483	170,481	755,748	408,749	1,668,461
Disposals	-	(734,927)	(13,106)	-	(748,033)
Depreciation charge	(191,367)	(2,411,343)	(303,204)	(449,199)	(3,355,113)
September 30, 2012	10,503,540	6,631,973	1,578,101	2,565,069	21,278,683





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THE TRINIDAD & TOBAGO SOLID WASTE MANAGEMENT COMPANY LIMITED

Notes to the Financial Statements

for the year ended September 30, 2013

	2013 \$	2012 \$
4. AVAILABLE-FOR-SALE INVESTMENTS		
First Citizens Bank Limited - Abercrombie Fund	4,349,882	4,846,248
Trinidad and Tobago Unit Trust Corporation	19,590,695	19,240,774
	23,940,577	24,087,022
5. EMPLOYEE BENEFITS		Restated
a. Changes in the present value of the defined benefit obligation are as follows: -	2013	2012
Present value of obligation at start of year	10,737,000	10,056,000
Interest cost	547,000	715,000
Current service cost	294,000	293,000
Benefits paid/payable	(199,000)	(267,000)
Actuarial (gain)/loss on obligation	(368,000)	(60,000)
Present value of obligation at end of year	11,011,000	10,737,000
b. Changes in the fair value of plan assets are as follows: -		
Fair value of plan assets at start of year	10,789,000	10,520,000
Expected return on plan assets	534,000	623,000
Benefits paid/payable	(199,000)	(267,000)
Actuarial gain/(loss) on plan assets	(68,000)	(87,000)
Fair value of plan assets at end of year	11,056,000	10,789,000
c. The amounts recognised in the statement of financial position are as follows: -		
Present value of the obligation	11,011,000	10,737,000
Fair value of plan assets	(11,056,000)	(10,789,000)
Asset recognised in statement of financial position	(45,000)	(52,000)





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THE TRINIDAD & TOBAGO SOLID WASTE MANAGEMENT COMPANY LIMITED

Notes to the Financial Statements

for the year ended September 30, 2013

	2013 \$	Restated 2012 \$
5. EMPLOYEE BENEFITS (cont'd)		
d. The amounts recognised in the statement of comprehensive income are as follows: -		
Current service cost	294,000	293,000
Net interest on pension asset	13,000	92,000
Expense recognised in statement of comprehensive income	307,000	385,000
The above amounts are included in other staff benefits in note 13(a) to the financial statements		
e. The amounts recognised in other comprehensive income are as follows: -		
Actuarial gains/(losses)	300,000	(27,000)
Deferred income tax	(75,000)	6,750
	225,000	(20,250)
f. Actual return on plan assets		
Expected return on plan assets	534,000	623,000
Actuarial (loss)/gain on plan assets	(68,000)	(87,000)
Actual return on plan assets	466,000	536,000
g. The principal actuarial assumptions used were as follows: -		
Discount rate	4.00%	5.00%
Expected return on plan assets	4.00%	5.00%
Future salary increases	3.00%	4.00%
Future pension increases	-	1.00%
6. RECEIVABLES AND PREPAYMENTS		
Trade receivables	22,209,592	23,897,184
Less : Provision for bad and doubtful debts	(7,928,927)	(4,060,346)
Trade receivables - (net)	14,280,665	19,836,838
Other receivables and prepayments	4,390,714	5,242,774
Ministry of Local Government	4,647,056	-
	23,318,435	25,079,612





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Notes to the Financial Statements

for the year ended September 30, 2013

	2013 \$	2012 \$
7. CASH AND SHORT TERM FUNDS		
Cash in hand	12,100	12,100
First Citizens Bank Limited-C/A	14,469,892	12,294,800
Scotiabank T&T Limited-C/A	1,073,033	679,162
Citibank T&T Limited- C/A	84,987	4,257,167
	15,640,012	17,243,229
8. STATED CAPITAL		
<u>Authorised</u>		
25,000,000 ordinary shares of no par value		
<u>Issued and fully paid</u>		
1,936,332 ordinary shares of no par value	1,936,332.00	1,936,332.00
1 call unit of 50 cents	0.50	0.50
	1,936,332.50	1,936,332.50
9. CAPITAL GRANTS DEFERRED		
Balance as at October 1,	1,228,272	3,561,789
Amortized to the statement of comprehensive income	(614,136)	(2,333,517)
Balance as at September 30,	614,136	1,228,272

The above grants were received from the Government of the Republic of Trinidad and Tobago for funding of property, plant and equipment. Capital grants are deferred and credited to the statement of comprehensive income on a straight line basis over a period of four (4) years.





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Notes to the Financial Statements

for the year ended September 30, 2013

	<u>2013</u> \$	<u>Restated</u> <u>2012</u> \$
10. REVENUE GRANTS DEFERRED		
Balance as at October 1,	17,096,466	17,247,060
Amounts utilized	(84,191)	(150,594)
Balance as at September 30,	<u>17,012,275</u>	<u>17,096,466</u>

The above grants were received from the Government of the Republic of Trinidad and Tobago to fund specific operations. The Company took a decision in the year 2013 to reclassify the Community-based Environment Improvement Initiative (C.E.I.I.) amount from payables to revenue grants deferred which also impacted the prior years as set out in note 17 to the financial statements.

	<u>2013</u>	<u>Restated</u> <u>2012</u>
11. PAYABLES AND ACCRUALS		
Trade payables	8,025,404	4,158,458
Other payables and accruals	5,696,036	6,903,821
Ministry of Local Government	-	1,757,028
	<u>13,721,440</u>	<u>12,819,307</u>
12. REVENUE		
Collection services	25,042,101	20,118,801
Recycling	216,839	164,891
Projects and consultancy	8,851,112	8,544,744
Other income	1,298,638	3,559,956
	<u>35,408,690</u>	<u>32,388,392</u>
13. OPERATING LOSS		
Revenue	35,408,690	32,388,392
Less expenses:		
Personnel remuneration and benefits (Note 13(a))	18,022,693	20,096,593
Other operating expenses	14,110,360	15,559,652
Depreciation	2,887,512	3,355,113
	<u>388,125</u>	<u>(6,622,966)</u>
Less: Specific prov. for bad and doubtful debts (Note 13(b))	6,766,525	-
	<u>(6,378,400)</u>	<u>(6,622,966)</u>





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THE TRINIDAD & TOBAGO SOLID WASTE MANAGEMENT COMPANY LIMITED

Notes to the Financial Statements for the year ended September 30, 2013

	2013 \$	2012 \$
13. OPERATING LOSS (cont'd)		
a. Personnel remuneration and benefits		
Salaries and wages	15,971,529	17,917,874
Directors' fees	510,467	501,551
Termination benefits	100,369	123,278
Other staff benefits	1,440,328	1,553,890
	<u>18,022,693</u>	<u>20,096,593</u>

b. Specific provision for bad and doubtful debts \$6,766,525

A decision was made in the year 2013 to provide for specific bad and doubtful debts of past years as recovery and timing of recovery of these were uncertain as at year end.

14. FINANCE COST

Interest expense	<u>33,994</u>	<u>161,008</u>
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15. TAXATION

a. (i) Green fund levy	37,499	<u>Restated</u> 31,081
(ii) Business levy	74,997	62,162
(iii) Deferred tax asset	(1,595,738)	43,321
	<u>(1,483,242)</u>	<u>136,564</u>

b. Movement in deferred tax asset balance :-

Net balance as at October 1,	(875,480)	(912,051)
(Credit)/charge to statement of comp. income**	(1,595,738)	43,321
Charge/(credit) to other comp. income	265,781	(6,750)
Net balance as at September 30,	<u>(2,205,437)</u>	<u>(875,480)</u>

** The credit to the statement of comprehensive income in the year 2013 was mainly due to the specific provisions for bad and doubtful debts as stated in note 13(b) to the financial statements.





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THE TRINIDAD & TOBAGO SOLID WASTE MANAGEMENT COMPANY LIMITED

Notes to the Financial Statements

for the year ended September 30, 2013

16. LANDFILL OPERATIONS

The Company received monthly grants from the Government of the Republic of Trinidad and Tobago to fund the operation and management of three (3) landfill sites.

Grants received for the year

Expenditure for the year

(Shortfall)/Surplus

	2013	2012
	\$	\$
	72,110,500	75,000,000
	(78,514,584)	(66,476,197)
	(6,404,084)	8,523,803

17. RESTATEMENTS AND RE-CLASSIFICATIONS

The company has adjusted comparative information as follows:

(a) Net Pension Asset

The company early adopted the amendments to IAS 19 "Employee Benefits" which resulted in the recognition of accumulated actuarial losses net of deferred tax arising from changes in actuarial assumptions in respect of prior years.

(b) Property, plant & equipment

An adjustment was made to depreciation with respect to Property, plant & equipment regarding Heavy Equipment for the years 2011 & 2012.

(c) Community-based Environment Improvement Initiative (C.E.I.I.)

The Company took a decision in the year 2013 to reclassify the C.E.I.I. amount from payables to revenue grants deferred which also impacted the prior years.



**Notes to the Financial Statements**

for the year ended September 30, 2013

17. RESTATEMENTS AND RE-CLASSIFICATIONS (cont'd)Statement of Financial Position

	Property, plant & equipment \$	Net pension asset \$	Deferred tax asset \$	Payables & accruals \$	Revenue grants deferred \$	Retained earnings \$
September 30, 2012						
As previously reported	21,739,286	335,000	689,579	20,631,828	9,283,945	55,867,778
<u>Year 2011 Adjustments</u>						
Actuarial loss on net pension asset net of deferred tax (Note 17(a))		(256,000)	64,000			(192,000)
Property, plant & equipment net of deferred tax (Note 17(b))	(409,425)		102,356			(307,069)
Reclassification of C.E.I.I (Note 17(c))				(7,812,521)	7,812,521	
<u>Year 2012 Adjustments</u>						
Actuarial loss on net pension asset net of deferred tax (Note 17(a))		(27,000)	6,750			(20,250)
Property, plant & equipment net of deferred tax (Note 17(b))	(51,178)		12,795			(38,383)
Revised closing 2012 balance	21,278,683	52,000	875,480	12,819,307	17,096,466	55,310,076





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THE TRINIDAD & TOBAGO SOLID WASTE MANAGEMENT COMPANY LIMITED

Notes to the Financial Statements for the year ended September 30, 2013

17. RESTATEMENTS AND RE-CLASSIFICATIONS (cont'd)

Statement of Comprehensive Income

	Depreciation	Taxation	Loss for the year	Other comprehensive income
	\$	\$	\$	\$
September 30, 2012				
As previously reported	3,303,935	149,359	(6,482,452)	-
<u>Year 2012 Adjustments</u>				
Actuarial loss on net pension asset net of deferred tax (Note 17(a))				20,250
Property, plant & equipment net of deferred tax (Note 17 (b))	51,178	(12,795)	(38,383)	-
Revised closing 2012 balance	3,355,113	136,564	(6,520,835)	20,250

18. CONTINGENT LIABILITIES

LITIGATIONS

As at 30 September 2013, there were certain legal proceedings against the Company for which no provision has been made as professional advice indicate that it would be premature at this stage of the action to determine that eventuality.

19. CAPITAL COMMITMENTS

During the fiscal year 2013/14, the Company invested capital in fleet modernization in order to improve the Company's position in the market it operates.





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THE TRINIDAD & TOBAGO SOLID WASTE MANAGEMENT COMPANY LIMITED

Notes to the Financial Statements for the year ended September 30, 2013

20. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT DISCLOSURES

The Company's activities expose it to a variety of financial risks: Foreign exchange risk, Credit risk and Liquidity risk.

(i) Foreign Exchange Risk

The Company is exposed to foreign exchange risk arising from the US Dollars financial instruments held. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency.

(ii) Credit Risk

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Company manages this by regular analysis of the ability of debtors to settle their outstanding balances. Impairment provisions are established for losses or potential losses that have been incurred at the reporting date.

(iii) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and available funding through an adequate amount of committed credit facilities. The Company maintains flexibility in funding by keeping committed credit lines available.

