



Chartered Accountants
& Business Advisors

**THE TRINIDAD AND TOBAGO
SOLID WASTE MANAGEMENT COMPANY LIMITED**

FINANCIAL STATEMENTS

30 SEPTEMBER 2016

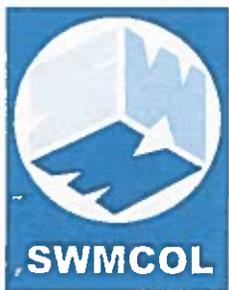


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**THE TRINIDAD AND TOBAGO
SOLID WASTE MANAGEMENT COMPANY LIMITED**

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SWMCOL

THE TRINIDAD & TOBAGO SOLID WASTE MANAGEMENT COMPANY LIMITED

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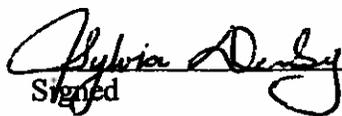
Management is responsible for the following:

- preparing and fairly presenting the accompanying financial statements of The Trinidad and Tobago Solid Waste Management Company Limited, which comprise the statement of financial position as at 30 September 2016, the statement 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 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.

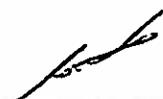
In preparing these audited financial statements, management utilised the International Financial Reporting Standards, as issued by the International Accounting Standards Board and adopted by the Institute of Chartered Accountants of Trinidad and Tobago. Where International Financial Reporting Standards 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 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

21 August 2018


Signed

21 August 2018



Chartered Accountants
& Business Advisors

INDEPENDENT AUDITORS' REPORT

The Shareholder

The Trinidad and Tobago Solid Waste Management Company Limited

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 30 September 2016, the statement 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.

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 mis-statement, 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 auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Trinidad and Tobago Solid Waste Management Company Limited as of 30 September 2016, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Barataria

28 August 2018

PKF Chartered Accountants and Business Advisors (Trinidad) is a member of the PKF International Limited family of legally independent firms and does not accept any responsibility or liability for the actions or inactions of any individual member or correspondent firm or firms.

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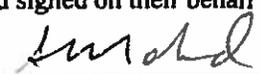
Partners: Renée-Lisa Philip Mark K. Superville

**THE TRINIDAD AND TOBAGO
SOLID WASTE MANAGEMENT COMPANY LIMITED**

STATEMENT OF FINANCIAL POSITION

<u>ASSETS</u>		30 September	
	<u>Notes</u>	<u>2016</u> (\$)	<u>2015</u> (\$)
Current Assets:			
Cash and Cash Equivalents	5	19,796,681	36,821,238
Available-for-Sale Investments	6	2,255,547	2,200,263
Accounts Receivable and Prepayments	7	21,388,603	17,435,098
Taxation Recoverable		-	87,038
Inventories	8	<u>1,148,732</u>	<u>965,048</u>
Total Current Assets		44,589,563	57,508,685
Non-Current Assets:			
Net Pension Assets	9	660,000	48,000
Deferred Tax Asset	10	6,173,444	6,173,444
Property, Plant and Equipment	11	<u>29,210,537</u>	<u>29,827,563</u>
Total Assets		<u>80,633,544</u>	<u>93,557,692</u>
<u>LIABILITIES AND SHAREHOLDER'S EQUITY</u>			
Current Liabilities:			
Bank Overdraft	12	1,987,452	1,737,714
Accounts Payable and Accruals	13	24,360,825	30,724,537
Taxation Payable		<u>412,744</u>	<u>-</u>
Total Current Liabilities		26,761,021	32,462,251
Non-Current Liabilities:			
Capital Grants Deferred	14	7,408,237	4,234,204
Revenue Grants Deferred	15	<u>8,585,622</u>	<u>13,390,457</u>
Total Liabilities		<u>42,754,880</u>	<u>50,086,912</u>
Shareholder's Equity:			
Stated Capital	16	1,936,333	1,936,333
Revaluation Reserve	17	2,550,924	2,550,924
Fair Value Reserve		(65,573)	(65,573)
Investment Remeasurement Reserve		129,108	117,342
Retained Earnings	18	<u>33,327,872</u>	<u>38,931,754</u>
Total Shareholder's Equity		<u>37,878,664</u>	<u>43,470,780</u>
Total Equity and Liabilities		<u>80,633,544</u>	<u>93,557,692</u>

These financial statements were approved by the Board of Directors and authorized for issue on 21 August 2018 and signed on their behalf by:



Director



Director

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

**THE TRINIDAD AND TOBAGO
SOLID WASTE MANAGEMENT COMPANY LIMITED**

STATEMENT OF COMPREHENSIVE INCOME

30 SEPTEMBER 2016

	<u>Notes</u>	30 September	
		<u>2016</u>	<u>2015</u>
		(\$)	(\$)
Income:			
Revenue	20	<u>32,666,220</u>	<u>33,940,610</u>
Total Income		<u>32,666,220</u>	<u>33,940,610</u>
Expenditure:			
Personnel remuneration and benefits	21	21,368,935	25,407,419
Depreciation		4,952,447	4,486,905
Other operating expenses	22	12,581,158	14,807,604
Finance costs		<u>103,722</u>	<u>38,499</u>
Total Expenditure		<u>39,006,262</u>	<u>44,740,427</u>
Operating loss for the year		(6,340,042)	(10,799,817)
Interest income		<u>160,609</u>	<u>172,924</u>
Loss before taxation		(6,179,433)	(10,626,893)
Taxation	23	<u>(239,449)</u>	<u>2,598,782</u>
Net loss for the year		(6,418,882)	(8,028,111)
Other Comprehensive Income:			
<u>Items that may be reclassified subsequently to profit and loss</u>			
Gain/(loss) on Available-for-Sale Financial Assets		11,766	(5,305)
<u>Items that will not be reclassified subsequently to profit and loss</u>			
Gain on Net Pension Asset (Net of Deferred Tax)		<u>815,000</u>	<u>48,000</u>
Total Comprehensive Income for the Year		<u><u>(5,592,116)</u></u>	<u><u>(7,985,416)</u></u>

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

**THE TRINIDAD AND TOBAGO
SOLID WASTE MANAGEMENT COMPANY LIMITED**

STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY

30 SEPTEMBER 2016

	<u>Stated Capital</u> (\$)	<u>Revaluation Reserve</u> (\$)	<u>Fair Value Reserve</u> (\$)	<u>Investment Remeasurement Reserve</u> (\$)	<u>Retained Earnings</u> (\$)	<u>Total Shareholder's Equity</u> (\$)
Balance as at 1 October 2014	1,936,333	2,550,924	(65,573)	122,647	46,911,865	51,456,196
Net loss for the year	-	-	-	-	(8,028,111)	(8,028,111)
Gain on Pension Asset (Net of Deferred Tax)	-	-	-	-	48,000	48,000
Loss on Available-for-Sale Financial Assets	-	-	-	(5,305)	-	(5,305)
Balance as at 30 September 2015	<u>1,936,333</u>	<u>2,550,924</u>	<u>(65,573)</u>	<u>117,342</u>	<u>38,931,754</u>	<u>43,470,780</u>
Balance as at 1 October 2015	1,936,333	2,550,924	(65,573)	117,342	38,931,754	43,470,780
Net loss for the year	-	-	-	-	(6,418,882)	(6,418,882)
Gain on Pension Asset (Net of Deferred Tax)	-	-	-	-	815,000	815,000
Gain on Available-for-Sale Financial Assets	-	-	-	11,766	-	11,766
Balance as at 30 September 2016	<u>1,936,333</u>	<u>2,550,924</u>	<u>(65,573)</u>	<u>129,108</u>	<u>33,327,872</u>	<u>37,878,664</u>

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

**THE TRINIDAD AND TOBAGO
SOLID WASTE MANAGEMENT COMPANY LIMITED**

STATEMENT OF CASH FLOWS

30 SEPTEMBER 2016

	30 September	
	<u>2016</u>	<u>2015</u>
	(\$)	(\$)
Operating Activities:		
Loss before taxation	(6,179,433)	(10,626,893)
Depreciation	4,952,447	4,486,905
Loss on Disposal of Property, Plant and Equipment	<u>271,575</u>	<u>94,895</u>
	(955,411)	(6,045,093)
Net Change in Inventories	(183,684)	58,379
Net Change in Accounts Receivable and Prepayments	(3,953,505)	(1,640,393)
Net Change in Accounts Payable and Accruals	(6,363,712)	(9,412,000)
Net taxation	<u>260,333</u>	<u>(85,459)</u>
Cash used in Operating Activities	<u>(11,195,979)</u>	<u>(17,124,566)</u>
Investing Activities		
Net Change in Pension Asset	203,000	177,000
Purchase of Property, Plant and Equipment	(4,615,832)	(7,647,542)
Net change in Available-for-Sale Investments	(43,518)	(7,856)
Proceeds from Disposal of Property, Plant and Equipment	<u>8,836</u>	<u>444,472</u>
Cash used in Investing Activities	<u>(4,447,514)</u>	<u>(7,033,926)</u>
Financing Activities		
Net Change in Grants (Revenue and Capital)	<u>(1,630,802)</u>	<u>728,500</u>
Cash (used in)/provided by Financing Activities	<u>(1,630,802)</u>	<u>728,500</u>
Net Change in Cash and Cash Equivalents	(17,274,295)	(23,429,992)
Cash and Cash Equivalents		
- at Beginning of Year	<u>35,083,524</u>	<u>58,513,516</u>
- at End of Year	<u><u>17,809,229</u></u>	<u><u>35,083,524</u></u>
Represented by:		
Bank Overdraft	(1,987,452)	(1,737,714)
Cash and Cash Equivalents	<u>19,796,681</u>	<u>36,821,238</u>
	<u><u>17,809,229</u></u>	<u><u>35,083,524</u></u>

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

**THE TRINIDAD AND TOBAGO
SOLID WASTE MANAGEMENT COMPANY LIMITED**

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

1. Incorporation and Principal Activity:

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 individually 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. Summary of Significant Accounting Policies:

(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 judgment 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) The Company 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 company 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).

**THE TRINIDAD AND TOBAGO
SOLID WASTE MANAGEMENT COMPANY LIMITED**

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

2. Summary of Significant Accounting Policies (Cont'd):

(b) New Accounting Standards and Interpretations (cont'd) -

- 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).
- 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).

**THE TRINIDAD AND TOBAGO
SOLID WASTE MANAGEMENT COMPANY LIMITED**

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

2. Summary of Significant Accounting Policies (Cont'd):

(b) New Accounting Standards and Interpretations (cont'd) -

- IAS 27 Separate Financial Statements - Amendments reinstalling the equity method as an accounting option for investments in subsidiaries, joint 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).

(c) Property, plant and equipment -

Property, plant and equipment are stated at cost less accumulated depreciation (see Note3). The estimated useful lives of assets are review 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 and machinery	-	20% to 25%
Motor vehicles	-	20%
Office furniture and equipment	-	10% to 20%
Computer equipment	-	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 shareholder's equity.

**THE TRINIDAD AND TOBAGO
SOLID WASTE MANAGEMENT COMPANY LIMITED**

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

2. Summary of Significant Accounting Policies (Cont'd):

(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 reporting date. Receivables are classified as receivables and prepayments in the Statement of Financial Position.

Available-for-Sale

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 reporting date, in which case they are included in current assets.

Unrealized gains and losses are reported as a separated 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.

**THE TRINIDAD AND TOBAGO
SOLID WASTE MANAGEMENT COMPANY LIMITED**

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

2. Summary of Significant Accounting Policies (Cont'd):

(f) Foreign currency translations -

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operated ('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.

(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.

**THE TRINIDAD AND TOBAGO
SOLID WASTE MANAGEMENT COMPANY LIMITED**

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

2. Summary of Significant Accounting Policies (Cont'd):

(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 reporting 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 taxes rated are used to determine deferred tax.

(l) 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 other 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.

**THE TRINIDAD AND TOBAGO
SOLID WASTE MANAGEMENT COMPANY LIMITED**

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

2. Summary of 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.

**THE TRINIDAD AND TOBAGO
SOLID WASTE MANAGEMENT COMPANY LIMITED**

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

2. Summary of 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 not 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 reporting 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.

**THE TRINIDAD AND TOBAGO
SOLID WASTE MANAGEMENT COMPANY LIMITED**

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

2. Summary of Significant Accounting Policies (Cont'd):

(r) Significant accounting judgments, estimates and assumptions -

- Net pension asset

The cost of the defined benefit plan is determined using actuarial valuation. The Company's independent actuary uses judgments 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 judgment 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.

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3. Financial Risk Management:

Financial risk factors

The Company's activities are primarily related to the use of financial instruments. The Company earns its income through the provision of services for the collection of waste and accepts funds mainly from the GORTT and earns interest by investing in equity investments.

Financial instruments

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

	2016	
	Carrying Value	Fair Value
	(\$)	(\$)
Financial Assets:		
Cash and cash equivalents	19,796,681	19,796,681
Available-for-Sale investments	2,255,547	2,255,547
Accounts receivable and prepayments	<u>21,388,604</u>	<u>21,388,604</u>
	<u>43,440,832</u>	<u>43,440,832</u>
Financial Liabilities:		
Bank overdraft	1,987,452	1,987,452
Accounts payable and accruals	<u>24,360,825</u>	<u>24,360,825</u>
	<u>26,348,277</u>	<u>26,348,277</u>
	2015	
	Carrying Value	Fair Value
	(\$)	(\$)
Cash and cash equivalents	36,821,238	36,821,238
Available-for-Sale investments	2,200,263	2,200,263
Accounts receivable and prepayment	<u>17,435,098</u>	<u>17,435,098</u>
	<u>56,456,599</u>	<u>56,456,599</u>
Financial Liabilities:		
Bank overdraft	1,737,714	1,737,714
Accounts payable and accruals	<u>30,724,537</u>	<u>30,724,537</u>
	<u>32,462,251</u>	<u>32,462,251</u>

**THE TRINIDAD AND TOBAGO
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3. Financial Risk Management (Cont'd):

The Company 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 Company to manage these risks are discussed below:

(a) Interest rate risk -

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The Company's income and operating cash flows are substantially independent of changes in market interest rates as the Company has no significant interest bearing assets. The Company is only exposed to interest rate risk in relation to its current accounts held at Citibank Trinidad Limited, Scotiabank (Trinidad and Tobago) Limited and First Citizens Bank Limited. As the Company has no significant variable interest-bearing asset, the Company's income and operating cash flows are substantially independent of changes in market interest rates.

(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 Company has policies in place to ensure that all amounts due are collected within specified credit period.

Cash balances are held with high credit quality financial institutions and the Company 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 Company 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.

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NOTES TO THE FINANCIAL STATEMENTS

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3. Financial Risk Management (Cont'd):

(c) Liquidity risk (cont'd) -

(i) Liquidity gap

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

	----- 2016 -----			
	<u>Up to 1 year</u>	<u>1 to 5 years</u>	<u>Over 5 years</u>	<u>Total</u>
	(\$)	(\$)	(\$)	(\$)
Financial Assets:				
Cash and cash equivalents	19,796,681	-	-	19,796,681
Available-for-Sale investments	2,255,547	-	-	2,255,547
Accounts receivable and prepayments	<u>21,388,604</u>	<u>-</u>	<u>-</u>	<u>21,388,604</u>
	<u>43,440,832</u>	<u>-</u>	<u>-</u>	<u>43,440,832</u>
Financial Liabilities:				
Bank overdraft	1,987,452	-	-	1,987,452
Accounts payable and accruals	<u>24,360,825</u>	<u>-</u>	<u>-</u>	<u>24,360,825</u>
	<u>26,348,277</u>	<u>-</u>	<u>-</u>	<u>26,348,277</u>
	----- 2015 -----			
	<u>Up to 1 year</u>	<u>1 to 5 years</u>	<u>Over 5 years</u>	<u>Total</u>
	(\$)	(\$)	(\$)	(\$)
Financial Assets:				
Cash and cash equivalents	36,821,238	-	-	36,821,238
Available-for-Sale investments	2,200,263	-	-	2,200,263
Accounts receivable and prepayments	<u>17,435,098</u>	<u>-</u>	<u>-</u>	<u>17,435,098</u>
	<u>56,456,599</u>	<u>-</u>	<u>-</u>	<u>56,456,599</u>
Financial Liabilities:				
Accounts payable and accruals	1,737,714	-	-	1,737,714
	<u>30,724,537</u>	<u>-</u>	<u>-</u>	<u>30,724,537</u>
	<u>32,462,251</u>	<u>-</u>	<u>-</u>	<u>32,462,251</u>

**THE TRINIDAD AND TOBAGO
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3. Financial Risk Management (Cont'd):

(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 Company's measurement currency. The Company is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the United States Dollar. The Company'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 Company's information technology and control systems, as well as the risk of human error and natural disasters. The Company's systems are evaluated, maintained and upgraded continuously.

(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 the extent of monitoring controls applied by the Company.

(g) Reputation risk -

The risk of loss of reputation arising from the negative publicity relating to the Company's operations (whether true or false) may result in a reduction of its clientele, reduction in revenue and legal cases against the Company. The Company applies procedures to 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 Company'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 Company makes estimates and assumptions concerning the future and 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:

**THE TRINIDAD AND TOBAGO
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4. Critical Accounting Estimates and Judgements:

Changes in accounting estimates are recognised in the Statement of Comprehensive Income in the period in which the estimate is changed, if the change affects that period only. If the change affects a prior period, the Company recognizes this change in the Statement of Movement of Funds in the current period.

The critical judgement, apart from that involving estimations, which has the most significant effect on the amounts recognised in the financial statements, is as follows:-

1. Which depreciation method for building and equipment is used.
2. Whether property, plant and equipment are measured at cost or revalued amount.

The key assumption concerning the future and other key sources of estimation uncertainty at the reporting date (requiring management's most difficult, subjective or complex judgements) that has a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is with respect to building 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. Cash and Cash Equivalents:

	30 September	
	<u>2016</u> (\$)	<u>2015</u> (\$)
Petty cash	17,000	17,000
Cash at bank – First Citizens Bank Limited –TT\$	992,728	5,964,565
Scotiabank US\$	235,295	307,535
FCB Project Accounts	5,987,613	12,783,011
Citibank	1,491,877	6,620,073
First Citizens Bank Limited – Abercrombie Fund	1,605,789	1,753,721
Trinidad and Tobago Unit Trust Corporation	<u>9,466,379</u>	<u>9,375,333</u>
	<u>19,796,681</u>	<u>36,821,238</u>

6. Available-for-Sale Investments:

	30 September	
	<u>2016</u> (\$)	<u>2015</u> (\$)
Trinidad and Tobago Unit Trust Corporation	<u>2,255,547</u>	<u>2,200,263</u>

**THE TRINIDAD AND TOBAGO
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NOTES TO THE FINANCIAL STATEMENTS

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7. Accounts Receivable and Prepayments:

	30 September	
	<u>2016</u>	<u>2015</u>
	(\$)	(\$)
Trade receivables	18,172,282	16,490,539
Less: Provision for bad and doubtful debts	<u>(11,389,551)</u>	<u>(11,358,551)</u>
	6,782,731	5,131,988
Beverage container projects	892,477	-
Other receivables and prepayments	741,727	471,816
Ministry of Local Government	<u>12,971,668</u>	<u>11,831,294</u>
	<u>21,388,603</u>	<u>17,435,098</u>

Provision For Doubtful Debts:

	30 September	
	<u>2016</u>	<u>2015</u>
	(\$)	(\$)
Balance at beginning of year	11,358,551	11,358,551
Bad debt provision expense	<u>31,000</u>	<u>-</u>
Balance at end of year	<u>11,389,551</u>	<u>11,358,551</u>

8. Inventories:

	30 September	
	<u>2016</u>	<u>2015</u>
	(\$)	(\$)
Bins	264,430	253,030
Spares	953,937	781,653
Less: Provision for obsolete stock	<u>(69,635)</u>	<u>(69,635)</u>
	<u>1,148,732</u>	<u>965,048</u>

**THE TRINIDAD AND TOBAGO
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9. Net Pension Assets:

(a) Changes in the Defined Benefit Obligation -

	30 September	
	<u>2016</u>	<u>2015</u>
	(\$)	(\$)
Present value of obligation at start of year	11,230,000	10,970,000
Interest cost	453,000	444,000
Current service cost	197,000	193,000
Benefits paid/payable	(185,000)	(113,000)
Actuarial gain on obligation	<u>(785,000)</u>	<u>(264,000)</u>
Defined Benefit Obligation at end of year	<u>10,910,000</u>	<u>11,230,000</u>

(b) Amounts recognised in the Statement of Financial Position -

	30 September	
	<u>2016</u>	<u>2015</u>
	(\$)	(\$)
Present value of the obligation	10,910,000	11,230,000
Fair value of plan assets	<u>(11,570,000)</u>	<u>(11,278,000)</u>
Asset recognised in statement of financial position	<u>(660,000)</u>	<u>(48,000)</u>

(c) Changes in Plan Assets -

	30 September	
	<u>2016</u>	<u>2015</u>
	(\$)	(\$)
Fair value of plan assets at start of year	11,278,000	11,147,000
Actual return on plan assets	477,000	244,000
Benefits paid/payable	<u>(185,000)</u>	<u>(113,000)</u>
Fair value of plan assets at end of year	<u>11,570,000</u>	<u>11,278,000</u>

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NOTES TO THE FINANCIAL STATEMENTS

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9. Net Pension Assets (Cont'd):

(d) Amounts recognized in the Statement of Comprehensive Income -

	30 September	
	<u>2016</u> (\$)	<u>2015</u> (\$)
Current service cost	197,000	193,000
Net interest on pension assets	<u>6,000</u>	<u>-</u>
Net pension cost	<u>203,000</u>	<u>193,000</u>

(e) Movement in the asset recognised in the Statement of Financial Position -

	30 September	
	<u>2016</u> (\$)	<u>2015</u> (\$)
Net (assets)/liability at start of year	(48,000)	(177,000)
Amounts recognised in profit and loss	203,000	193,000
Remeasurements recognised in Other Comprehensive Income	<u>(815,000)</u>	<u>(64,000)</u>
Net asset at end of year	<u>(660,000)</u>	<u>(48,000)</u>

(f) Amounts recognised in Other Comprehensive Income -

	30 September	
	<u>2016</u> (\$)	<u>2015</u> (\$)
Actuarial gains	815,000	64,000
Deferred income tax	<u>(203,750)</u>	<u>(16,000)</u>
	<u>611,250</u>	<u>48,000</u>

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9. Net Pension Assets (Cont'd):

(g) Actual return on Plan Assets -

	30 September	
	<u>2016</u> (\$)	<u>2015</u> (\$)
Expected return on plan assets	785,000	264,000
Actuarial loss on plan assets	<u>30,000</u>	<u>(200,000)</u>
Actual return on plan assets	<u><u>815,000</u></u>	<u><u>64,000</u></u>

(h) Summary of Principal Assumptions -

	30 September	
	<u>2016</u> (\$)	<u>2015</u> (\$)
Discount rate	5.00%	4.00%
Expected return on plan assets	5.00%	0.00%
Future salary increases	4.00%	3.00%
Future pension increases	0.00%	0.00%
Post-Retirement Mortality	GAM94	GAM94

10. Deferred Tax Asset:

	30 September	
	<u>2016</u> (\$)	<u>2015</u> (\$)
Balance as at beginning of the year	6,173,444	3,488,104
Effect on Statement of Total Comprehensive Income:		
Profit and loss	-	2,701,340
Other Comprehensive Income	<u>-</u>	<u>(16,000)</u>
Balance at end of year	<u><u>6,173,444</u></u>	<u><u>6,173,444</u></u>
Deferred taxation is attributable to the following item:		
Excess of net book value over written-down value	(1,552,534)	(1,552,534)
Pension fund asset	(12,000)	(12,000)
Taxable losses	<u>7,737,978</u>	<u>7,737,978</u>
	<u><u>6,173,444</u></u>	<u><u>6,173,444</u></u>

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11. Property, Plant and Equipment:

	<u>Land and Building</u> (\$)	<u>Plant Machinery</u> (\$)	<u>Motor Vehicle</u> (\$)	<u>Office Furniture and Equipment</u> (\$)	<u>Computer Equipment</u> (\$)	<u>Portable Toilets</u> (\$)	<u>Total</u> (\$)
Cost							
Balance as at 1 October 2015	16,800,744	36,063,478	2,245,307	8,805,676	1,711,132	-	65,626,337
Additions	-	4,442,808	-	101,142	71,882	-	4,615,832
Disposals	(56,609)	(568,837)	-	(1,085,776)	(682,997)	(1,269,612)	(3,663,831)
Reclassifications	<u>145,100</u>	<u>(3,909,266)</u>	<u>368,574</u>	<u>586,049</u>	<u>-</u>	<u>2,809,543</u>	<u>-</u>
Balance as at 30 September 2016	<u>16,889,235</u>	<u>36,028,183</u>	<u>2,613,881</u>	<u>8,407,091</u>	<u>1,100,017</u>	<u>1,539,931</u>	<u>66,578,338</u>
Accumulated Depreciation							
Balance as at 1 October 2015	4,197,535	22,201,789	1,467,970	6,950,885	980,595	-	35,798,774
Charge for the year	224,550	4,007,795	167,547	346,347	151,305	54,903	4,952,447
Disposals	(13,635)	(528,775)	-	(1,009,460)	(573,117)	(1,258,433)	(3,383,420)
Reclassifications	<u>139,442</u>	<u>(3,625,920)</u>	<u>332,336</u>	<u>509,307</u>	<u>-</u>	<u>2,644,835</u>	<u>-</u>
Balance as at 30 September 2016	<u>4,547,892</u>	<u>22,054,889</u>	<u>1,967,853</u>	<u>6,797,079</u>	<u>558,783</u>	<u>1,441,305</u>	<u>37,367,801</u>
Net Book Value							
Balance as at 30 September 2016	<u>12,341,343</u>	<u>13,973,294</u>	<u>646,028</u>	<u>1,610,012</u>	<u>541,234</u>	<u>98,626</u>	<u>29,210,537</u>
Balance as at 30 September 2015	<u>12,603,209</u>	<u>13,861,689</u>	<u>777,337</u>	<u>1,854,791</u>	<u>730,537</u>	<u>-</u>	<u>29,827,563</u>

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11. Property, Plant and Equipment (Cont'd):

Cost	Land and Building (\$)	Plant Machinery (\$)	Motor Vehicle (\$)	Office Furniture and Equipment (\$)	Computer Equipment (\$)	Total (\$)
Balance as at 1 October 2014	16,695,194	34,485,964	2,456,634	7,666,367	1,608,780	62,912,939
Additions	105,550	6,159,467	136,522	1,139,309	106,694	7,647,542
Disposals	-	(4,581,953)	(347,849)	-	(4,342)	(4,934,144)
Balance as at 30 September 2015	<u>16,800,744</u>	<u>36,063,478</u>	<u>2,245,307</u>	<u>8,805,676</u>	<u>1,711,132</u>	<u>65,626,337</u>
Accumulated Depreciation						
Balance as at 1 October 2014	3,971,583	22,927,507	1,362,807	6,642,551	802,198	35,706,646
Charge for the year	225,952	3,544,384	228,301	308,334	179,934	4,486,905
Disposals	-	(4,270,102)	(123,138)	-	(1,537)	(4,394,777)
Balance as at 30 September 2015	<u>4,197,535</u>	<u>22,201,789</u>	<u>1,467,970</u>	<u>6,950,885</u>	<u>980,595</u>	<u>35,798,774</u>
Net Book Value						
Balance as at 30 September 2015	<u><u>12,603,209</u></u>	<u><u>13,861,689</u></u>	<u><u>777,337</u></u>	<u><u>1,854,791</u></u>	<u><u>730,537</u></u>	<u><u>29,827,563</u></u>
Balance as at 30 September 2014	<u><u>12,723,611</u></u>	<u><u>11,558,457</u></u>	<u><u>1,093,827</u></u>	<u><u>1,023,816</u></u>	<u><u>806,582</u></u>	<u><u>27,206,293</u></u>

**THE TRINIDAD AND TOBAGO
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12. Bank Overdraft:

This represents the balance on an overdraft current account held with Scotiabank Trinidad and Tobago Limited which attracts a rate of interest of 8.85% per annum. The overdraft limit of \$1,755,000 is covered by an account held with the Trinidad and Tobago Unit Trust Corporation.

13. Accounts Payable Accruals:

	30 September	
	<u>2016</u> (\$)	<u>2015</u> (\$)
Trade Payables	10,168,116	10,564,504
Beverage Containers Project	-	3,322,718
Value Added Tax	443,627	417,966
Other Payables and Accruals	<u>13,749,082</u>	<u>16,419,349</u>
	<u>24,360,825</u>	<u>30,724,537</u>

14. Capital Grants Deferred:

	30 September	
	<u>2016</u> (\$)	<u>2015</u> (\$)
Balance as at October 1	4,234,204	-
Addition	4,804,625	4,742,343
Amortized to the Statement of Comprehensive Income	<u>(1,630,592)</u>	<u>(508,139)</u>
Balance at end of the year	<u>7,408,237</u>	<u>4,234,204</u>

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.

**THE TRINIDAD AND TOBAGO
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15. Revenue Grants Deferred:

	30 September	
	<u>2016</u> (\$)	<u>2015</u> (\$)
Balance at beginning of year	13,390,457	16,896,161
Amounts utilized	<u>(4,804,835)</u>	<u>(3,505,704)</u>
Balance at end of the year	<u><u>8,585,622</u></u>	<u><u>13,390,457</u></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.

16. Stated Capital:

	30 September	
	<u>2016</u> (\$)	<u>2015</u> (\$)
Authorised: 25,000,000 ordinary shares shares of no par value	-	-
Issued and fully paid: 1,936,332 ordinary shares of no par value 1 call unit of 50 cents	<u>1,936,332</u> <u>1</u>	<u>1,936,332</u> <u>1</u>
	<u><u>1,936,333</u></u>	<u><u>1,936,333</u></u>

17. Revaluation Reserve:

The revaluation of the company's land and buildings was done by independent valuers Raymond and Pierre during the year 2013. This resulted in an increase in the value of the land and building which was transferred to the revaluation reserve, increasing it to \$2,550,924.

18. Investment Remeasurement Reserve:

The Company has created an investment remeasurement reserve which includes unrealized gain/losses on Available-for-Sale investments.

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19. Related Party Transactions:

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial decisions.

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the company.

A number of transactions are entered into with related parties in the normal course of business. These transactions were carried out on commercial terms at market rates.

Balances and transaction with related parties and key management personnel during the year were as follows:

	30 September	
	<u>2016</u>	<u>2015</u>
	(\$)	(\$)
Expenses		
Directors' fees	409,006	487,662
Directors' expenses	115,573	258,693
Key management compensation		
Short-term benefits	4,044,600	3,758,100

20. Revenue:

	30 September	
	<u>2016</u>	<u>2015</u>
	(\$)	(\$)
Collection Services	21,550,904	22,528,907
Recycling	392,154	172,500
Project and Consultancy	8,649,053	10,599,800
Other income	<u>2,074,109</u>	<u>639,403</u>
	<u>32,666,220</u>	<u>33,940,610</u>

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21. Personnel Remuneration and Benefits:

	30 September	
	<u>2016</u>	<u>2015</u>
	(\$)	(\$)
Salaries and wages	20,094,912	24,178,819
Termination benefits	-	22,128
Other staff benefits	<u>1,274,023</u>	<u>1,206,472</u>
	<u>21,368,935</u>	<u>25,407,419</u>

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22. Other Operating Expenses:

	30 September	
	<u>2016</u>	<u>2015</u>
	(\$)	(\$)
Advertising	59,719	364,791
Auditing	112,575	136,500
Communication	435,114	479,233
Contract labour and equipment	2,482,489	2,836,478
Directors' fees	409,006	487,662
Directors' expenses	115,573	258,693
Entertainment	-	26,352
Fuel and lubricants	773,559	775,693
Insurance	434,263	423,202
(Gain)/Loss on disposal	271,575	94,895
Membership dues and subscriptions	14,139	35,647
Motor vehicle expenses	1,429,277	1,491,276
Office supplies	671,785	766,729
Other expenses	433,608	548,455
Penalties and other charges	57,337	7,929
Professional and legal fees	811,341	848,967
Provision for bad debts	31,000	-
Rentals	1,152,547	836,752
Repairs and maintenance	770,933	772,238
Safety gear	263,395	303,197
Security	558,548	1,289,623
Sponsorship and donations	28,387	55,156
Staff events	98,096	582,526
Trade disputes	709,675	845,433
Training	88,252	134,581
Travel – local	40,835	42,618
Travel – foreign	34,738	35,756
Utilities	<u>293,393</u>	<u>327,222</u>
Other Expenses	<u>12,581,159</u>	<u>14,807,604</u>

**THE TRINIDAD AND TOBAGO
SOLID WASTE MANAGEMENT COMPANY LIMITED**

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2016

23. Taxation:

	30 September	
	<u>2016</u>	<u>2015</u>
	(\$)	(\$)
Business Levy	(155,455)	(68,372)
Green Fund Levy	(83,994)	(34,186)
Deferred taxation	<u>-</u>	<u>2,701,340</u>
	<u>(239,449)</u>	<u>2,598,782</u>
Loss before taxation	<u>(6,179,433)</u>	<u>(10,626,893)</u>
Tax calculated @ 25%	1,544,858	2,656,723
Business Levy	(155,455)	(68,372)
Green Fund Levy	(83,994)	(34,186)
Expenses not deductible for tax purposes	(46,558)	1,386
Taxable losses impaired	(1,538,452)	-
Income not subject to tax	<u>40,152</u>	<u>43,231</u>
	<u>(239,449)</u>	<u>2,598,782</u>

24. 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.

	30 September	
	<u>2016</u>	<u>2015</u>
	(\$)	(\$)
Grants received for the year	75,150,000	75,150,000
Expenditure for the year	<u>(76,277,950)</u>	<u>(77,792,723)</u>
Deficit	<u>(1,127,950)</u>	<u>(2,642,723)</u>