Trinidad and Tobago International Financial Centre Management Company Limited

Financial statements
September 30, 2019
(Expressed in Trinidad and Tobago dollars)

Contents

Trinidad & Tobago International Financial Centre Management Company Limited

Statement of management's responsibilities

Management is responsible for the following:

- Preparing and fairly presenting the accompanying financial statements of Trinidad and Tobago International Financial Centre Management Company Limited, ('the Company') which comprise the statement of financial position as at September 30, 2019, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information;
- Ensuring that the Company keeps proper accounting records;
- Selecting appropriate accounting policies and applying them in a consistent manner;
- Implementing, monitoring and evaluating the system of internal control that assures security of the Company's assets, detection/prevention of fraud, and the achievement of the Company's 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; 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.

Chief Executive Officer

November 21, 2019

Vice President Corporate Services

November 21, 2019

Independent auditors' report
to the shareholders of
Trinidad and Tobago International Financial Centre
Management Company Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Trinidad and Tobago International Financial Centre Management Company Limited (the 'Company'), which comprise the statement of financial position as at September 30, 2019, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2019, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

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

Information other than the financial statements

Management is responsible for the other information. The other information obtained at the date of this auditor's report comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with the audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

Continued...

Deloitte.

Independent auditors' report (continued)
to the shareholders of
Trinidad and Tobago International Financial Centre
Management Company Limited

Auditor's responsibilities for the Audit of the Financial Statements

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

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

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

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

Deloitte & Touche

Deloitte & Touche
Derek Mohammed, (ICATT #864)

Port of Spain
Trinidad

November 21, 2019

Trinidad & Tobago International Financial Centre
Management Company Limited

Statement of financial position
(Expressed in Trinidad and Tobago dollars)

	Notes	As at September 30, 2019	2018
		$	$
ASSETS			
Non-current assets			
Property plant and equipment	4	858,331	976,662
Deferred tax asset	9	62,272	54,264
Total non-current assets		920,603	1,030,926
Current assets			
Tax receivable		4,221	5,024
Other receivables	5	181,560	421,337
Short term deposits	6	-	25,000,000
Cash and cash equivalents	6	26,729,099	13,510,281
Total current assets		26,914,880	38,936,642
Total assets		**27,835,483**	**39,967,568**
EQUITY AND LIABILITIES			
Equity			
Stated capital	7	100	100
Retained earnings		1,027,229	691,540
Total equity		1,027,329	691,640
Current liabilities			
Tax payable		33,322	86,831
Other liabilities	8	1,360,110	1,242,653
Deferred operating subventions	10	25,414,722	37,946,444
Total current liabilities		26,808,154	39,275,928
Total equity and liabilities		**27,835,483**	**39,967,568**

The notes set out on pages 8 to 27 form an integral part of these financial statements.

On November 21, 2019, the Board of Directors of Trinidad and Tobago International Financial Centre Management Company Limited authorised these financial statements for issue.

Director

Director

Trinidad & Tobago International Financial Centre Management Company Limited

Statement of profit or loss and other comprehensive income
(Expressed in Trinidad and Tobago dollars)

	Notes	Year ended September 30, 2019 $	2018 $
Government subventions	10	12,531,722	10,580,292
Interest income		454,941	410,873
Foreign exchange gain / (loss)		20,336	(48,232)
Disposal of assets gain		632	10,676
Other income		94	-
Operating and administrative expenses	11	(12,531,722)	(10,532,060)
Profit for the year before taxation		476,003	421,549
Taxation	12	(140,314)	(121,936)
Profit for the year after taxation		**335,689**	**299,613**
Other comprehensive income		-	-
Total comprehensive income		**335,689**	**299,613**

The notes set out on pages 8 to 27 form an integral part of these financial statements.

Trinidad & Tobago International Financial Centre Management Company Limited

Statement of changes in equity
for the year ended September 30, 2019
(Expressed in Trinidad and Tobago dollars)

	Stated capital	Retained earnings	Total
	$	$	$
Balance at October 1, 2018	100	691,540	691,640
Total comprehensive income	-	335,689	335,689
Balance at September 30, 2019	**100**	**1,027,229**	**1,027,329**
Balance at October 1, 2017	100	391,927	392,027
Total comprehensive income	-	299,613	299,613
Balance at September 30, 2018	**100**	**691,540**	**691,640**

The notes set out on pages 8 to 27 form an integral part of these financial statements.

Trinidad & Tobago International Financial Centre Management Company Limited

Statement of cash flows
(Expressed in Trinidad and Tobago dollars)

	Notes	Year ended September 30, 2019	2018
		$	$
Cash flows from operating activities			
Profit before taxation		476,003	421,549
Adjustment for:			
Operating subventions released to the statement of profit or loss	10	(12,531,722)	(10,580,292)
Gain on disposal of fixed assets		(632)	(10,676)
Depreciation	4	294,308	318,948
Operating loss before working capital changes		(11,762,043)	(9,850,471)
Decrease /(increase) in other receivables		239,777	(242,814)
Increase in other payables		117,457	219,267
Cash used in operations		(11,404,809)	(9,874,018)
Taxation paid		(201,028)	(93,671)
Net cash flows used in operating activities		(11,605,837)	(9,967,689)
Cash flows from investing activities			
Purchase of property, plant and equipment	4	(175,977)	(183,333)
Proceeds from sale of fixed assets		632	11,598
Investment in fixed deposit		25,000,000	(15,000,000)
Net cash flows used in investing activities		24,824,655	(15,171,735)
Cash flows from financing activities			
Government subventions	10	-	9,275,639
Net cash flows generated from financing activities		-	9,275,639
Net decrease in cash and cash equivalents		13,218,818	(15,863,785)
Cash and cash equivalents at beginning of year		13,510,281	29,374,066
Cash and cash equivalents at end of year	6	**26,729,099**	**13,510,281**

The notes set out on pages 8 to 27 form an integral part of these financial statements.

1. Company information

Trinidad and Tobago International Financial Centre Management Company Limited (the 'Company') was incorporated in the Republic of Trinidad and Tobago under the Companies' Act 1995 on November 6, 2008. The Company started activities on August 21, 2009 and was established by the Government of the Republic of Trinidad & Tobago to manage the implementation and operations of the Trinidad and Tobago International Financial Centre. Its registered office is situated at 15th Floor Tower D, International Waterfront Centre, No. 1 Wrightson Road, Port of Spain. The Company currently has sixteen (16) employees (2018: fifteen (15)).

The Company receives quarterly subventions from the Government of the Republic of Trinidad and Tobago, which safeguards its ability to continue as a going concern.

2. Summary of significant accounting policies and estimates

2.1 Basis of preparation

These financial statements have been prepared on a historical basis and are expressed in Trinidad and Tobago dollars.

2.2 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

2.3 Significant accounting policies

a) Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation. Depreciation is provided on a straight-line basis at the following rates which are estimated to write off the cost of the assets over their estimated useful lives.

Office equipment	25%
Motor vehicles	20%
Furniture and fixtures	10%
Computers	33⅓%
Leasehold Improvements	10%

b) Other receivables

Other receivables are carried at anticipated realisable value.

c) Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash in hand, deposits held on call with banks, deposits with maturity dates which are within three (3) months when acquired and investment in money market instruments, net of bank overdrafts.

Short term deposits are deposits held with banks with maturity dates greater than three (3) months.

d) Other payables

Other payables are a present obligation arising from past events, which is expected to result in an outflow of resources embodying economic benefits. Trade and other payables are recognised initially at fair value.

2. Summary of significant accounting policies and estimates (continued)

2.3 Significant accounting policies (continued)

e) Taxation

Current income tax

Current income taxes are accounted for on the basis of tax effect accounting using the liability method. The provision for current income taxes is based on estimated taxable income. This provision excludes the tax effects of certain timing differences when there is reasonable evidence that these timing differences will not reverse for some considerable time ahead and there is no indication that, after this period, these timing differences are likely to reverse.

Deferred income taxes

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of the unused tax credits and unused tax losses can be utilised. Currently enacted tax rates are used in the determination of deferred income tax.

The carrying amount of deferred income tax assets is reviewed at the reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to all or parts of the deferred income tax asset to be utilised.

f) Foreign currency translation

The Company's financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Company's financial statements are presented in Trinidad & Tobago dollars.

For the purposes of presenting these financial statements, the Company's foreign currency transactions are translated into local currency using the exchange rates prevailing at the time the transactions occur. The assets and liabilities of the Company held in foreign currency are translated at the average exchange rates at the end of the period.

g) Government subventions

Government subventions are recognised only at the time of receipt. When the subvention relates to an expense item, it is recognised as income over the period necessary to match the subvention on a systematic basis to the cost that it is intended to compensate. Where the subvention relates to an asset it is recognised as deferred income and released to income in equal amounts over the useful life of the related asset. There is a commitment from the Government of the Republic of Trinidad and Tobago to continue funding the operations of the Trinidad and Tobago International Financial Centre Management Company Limited. Government subventions are normally received on a quarterly basis.

2. Summary of significant accounting policies and estimates (continued)

2.3 Significant accounting policies (continued)

h) Financial instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value through profit or loss and recognised immediately in profit or loss. The Company applied IFRS 9 prospectively, with an initial application date of January 1, 2018. The Company has not restated the comparative information, which continues to be reported under IAS 39.. If differences were identified, these differences would have been reported as an adjustment to opening retained earnings. There were no differences arising from the adoption of IFRS 9

(i) Initial recognition of financial assets

Financial assets, other than those designated and effective as hedging instruments, are classified and subsequently measured based on the following categories:

- amortised cost
- fair value through profit or loss (FVTPL)
- fair value through other comprehensive income (FVTOCI).

The classification is determined by both:

- the entity's business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented under impairment.

(ii) Impairment of financial assets

First time application of IFRS 9

In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires the Company to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets.
IFRS 9 requires the Company to recognise a loss allowance for expected credit losses on financial instruments.

In particular, IFRS 9 requires the Company to measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses (ECL) if the credit risk on that financial instrument has increased significantly since initial recognition, or if the financial instrument is a purchased or originated credit-impaired financial asset.

2. Summary of significant accounting policies and estimates (continued)

2.3 Significant accounting policies (continued)

h) Financial instruments (continued)

(ii) Impairment of financial assets (continued)

First time application of IFRS 9

However, if the credit risk on a financial instrument has not increased significantly since initial recognition (except for a purchased or originated credit-impaired financial asset), the Company is required to measure the loss allowance for that financial instrument at an amount equal to 12-months ECL. IFRS 9 also permits a simplified approach for measuring the loss allowance at an amount equal to lifetime ECL for trade receivables and lease receivables in certain circumstances.

For the purpose of assessing whether there has been a significant increase in credit risk since initial recognition of financial instruments that remain recognised on the date of initial application of IFRS 9 (i.e. January 1, 2018), the directors have compared the credit risk of the respective financial instruments on the date of their initial recognition to their credit risk as at January 1, 2017.

On assessment of items existing as at October 1, 2018 that are subject to impairment provisions of IFRS 9 the following was noted:

The only Financial Instrument held by the Company in 2019 was Cash and Cash Equivalents comprising of (Cash in hand (TTD); Cash in hand (Foreign currencies); Cash at Bank; Mutual Funds and Cash at Bank (USD). There were two Fixed Deposits which matured in 2019 and were not reinvested but added to the funds held in the Mutual Fund. In 2018 the Company held similar Financial Instruments as the current year, Cash and Cash Equivalents comprising of (Cash in hand (TTD); Cash in hand (Foreign currencies); Cash at Bank; Mutual Funds and Cash at Bank (USD)). In addition to these there were also two (2) short term Fixed deposits held in TT dollars. Given the nature of the Financial instruments the Directors of the company do not anticipate a significant increase in credit risk on the Company's Financial Statements arising since the initial recognition of IFRS 9.

i) Comparative information

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year. These changes have no effect on the profit after taxation of the Company for the previous year.

2. Summary of significant accounting policies and estimates (continued)

2.4 Use of estimates

The preparation of financial statements in conformity with International Financial Reporting Standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of the revenue and expenses during the reporting period. Actual results could differ from the estimates.

Useful lives and residual values of property, plant and equipment

The estimates of useful lives as translated into depreciation rates are detailed in the property, plant and equipment policy below. These rates and the residual lives of the assets are reviewed annually taking cognizance of the forecast commercial and economic realities and through benchmarking of accounting treatments within the industry.

Income taxes

The Company is subject to income taxes locally. There are several transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact on the income tax and deferred tax provisions in the period in which such determination is made.

Contingent liabilities

Management applies its judgement to the facts and advice it receives from its attorneys, advocates and other advisors in assessing if an obligation is probable, more likely than not, or remote. Such judgement is used to determine if the obligation is recognised as a liability or disclosed as a contingent liability.

3. Application of new and revised International Financial Reporting Standards ('IFRS')

3.1 New IFRS and amendments to IFRS that are mandatorily effective for the current year

In the current year, the Company has applied a number of amendments to IFRS and new Interpretations issued by the International Accounting Standards Board ('IASB') that are mandatorily effective for an accounting period that begins on or after October 1, 2018.

- **IFRS 9 Financial Instruments**

  Finalised version of IFRS 9 which contains accounting requirements for financial instruments, replacing IAS 39 Financial Instruments: Recognition and Measurement.

  The directors of the Company anticipate that the application of IFRS 9 does not have a material impact on the amounts reported in respect of the Company's financial assets and liabilities.

- **IFRS 15 Revenue from Customer**

  IFRS 15 provides a single, principles based five-step model to be applied to all contracts with customers.

  The directors of the Company anticipate that the application of IFRS 15 does not have a material impact on the amounts reported in respect of the Company's financial assets and liabilities.

- **IFRIC 22 Foreign Currency Transactions and Advance Consideration**

  The interpretation addresses foreign currency transactions or parts of transactions where:

  - there is consideration that is denominated or priced in a foreign currency;
  - the entity recognises a prepayment asset or a deferred income liability in respect of that consideration, in advance of the recognition of the related asset, expense or income; and
  - the prepayment asset or deferred income liability is non-monetary.

  The directors of the Company anticipate that the application of IFRS 22 does not have a material impact on the amounts reported in respect of the Company's financial assets and liabilities.

- **Clarifications to IFRS 15 'Revenue from Contracts with Customers'**

  Amends IFRS 15 Revenue from Contracts with Customers to clarify three aspects of the standard (identifying performance obligations, principal versus agent considerations, and licensing) and to provide some transition relief for modified contracts and completed contracts.

  The directors of the Company anticipate that the application of IFRS 15 does not have a material impact on the amounts reported in respect of the Company's financial assets and liabilities.

3. Application of new and revised International Financial Reporting Standards ('IFRS') (continued)

3.1 New IFRS and amendments to IFRS that are mandatorily effective for the current year (continued)

- **Classification and Measurement of Share-based Payment Transactions (Amendments to IFRS 2)**

  Amends IFRS 2 Share-based Payment to clarify the standard in relation to the accounting for cash-settled share-based payment transactions that include a performance condition, the classification of share-based payment transactions with net settlement features, and the accounting for modifications of share-based payment transactions from cash-settled to equity-settled.

  The directors of the Company anticipate that the application of IFRS 2 does not have a material impact on the amounts reported in respect of the Company's financial assets and liabilities.

- **Transfers of Investment Property (Amendments to IAS 40)**

  Amends paragraph 57 to state that an entity shall transfer a property to, or from, investment property when, and only when, there is evidence of a change in use. A change of use occurs if property meets, or ceases to meet, the definition of investment property. A change in management's intentions for the use of a property by itself does not constitute evidence of a change in use.

  The directors of the Company anticipate that the application of IAS 40 does not have a material impact on the amounts reported in respect of the Company's financial assets and liabilities.

- **Annual Improvements to IFRS Standards 2014–2016 Cycle**

  IFRS 1 - Deletes the short-term exemptions in paragraphs E3–E7 of IFRS 1, because they have now served their intended purpose

  IFRS 12 - Clarifies the scope of the standard by specifying that the disclosure requirements in the standard, except for those in paragraphs B10–B16, apply to an entity's interests listed in paragraph 5 that are classified as held for sale, as held for distribution or as discontinued operations in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations

  IAS 28 - Clarifies that the election to measure at fair value through profit or loss an investment in an associate or a joint venture that is held by an entity that is a venture capital organisation, or other qualifying entity, is available for each investment in an associate or joint venture on an investment-by-investment basis, upon initial recognition.

3. Application of new and revised International Financial Reporting Standards ('IFRS') (continued)

3.2 New and revised IFRS in issue but not yet effective

- The Company has not applied the following new and revised IFRS that have been issued but are not yet effective:IFRS 16 Leases[1]
- IFRIC 23 Uncertainty over income tax treatments[1]
- Amendments to IFRS 9 Prepayment Features with Negative Compensation[1]
- Amendments to IAS 28 Long-term Interests in Associates and Joint Venture[1]
- Amendments to IAS 19 Plan Amendment, Curtailment or Settlement[1]
- Amendments to IFRS Annual improvements to IFRS 2015-2017[2]
- Amendments to IFRS 3 *Definition of a Business*[2]
- Amendments to IAS 1 and IAS 8 *Definition of Material*[2]
- *Amendments to References to the Conceptual Framework in IFRS Standards*[2]
- *Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7)*[2]

[1] Effective for annual periods beginning on or after January 1, 2019, with earlier application permitted.
[2] Effective for annual periods beginning on or after January 1, 2020, with earlier application permitted.
[3] Effective for annual periods beginning on or after January 1, 2021, with earlier application permitted.

- ***IFRS 16 Leases***

  IFRS 16 specifies how an IFRS reporter will recognise, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17.

  The directors of the Company anticipate that the application of IFRS 16 in the future may not have a material impact on the amounts reported and disclosures made in the Company's financial statements. However, it is not practicable to provide a reasonable estimate of the effect of IFRS 16 until the Company performs a detailed review.

- ***IFRIC 23 Uncertainty over Income Tax Treatments***

  The interpretation addresses the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12. It specifically considers:

  - Whether tax treatments should be considered collectively
  - Assumptions for taxation authorities' examinations
  - The determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
  - The effect of changes in facts and circumstances

  The directors of the Company anticipate that the application of IFRIC 23 in the future may not have a material impact on the amounts reported and disclosures made in the Company's financial statements. However, it is not practicable to provide a reasonable estimate of the effect of IFRIC 23 until the Company performs a detailed review.

3. Application of new and revised International Financial Reporting Standards ('IFRS') (continued)

3.2 New and revised IFRS in issue but not yet effective (continued)

- ***Prepayment Features with Negative Compensation (Amendments to IFRS 9)***

  Amends the existing requirements in IFRS 9 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments.

  The directors of the Company anticipate that the application of IFRS 9 in the future may not have a material impact on the amounts reported and disclosures made in the Company's financial statements. However, it is not practicable to provide a reasonable estimate of the effect of IFRS 9 until the Company performs a detailed review.

- ***Amendments to IAS 28, Long-term Interests in Associates and Joint Ventures***

  Clarifies that an entity applies IFRS 28 Financial Instruments to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied.

  The directors of the Company anticipate that the application of IAS 28 in the future may not have a material impact on the amounts reported and disclosures made in the Company's financial statements. However, it is not practicable to provide a reasonable estimate of the effect of IAS 28 until the Company performs a detailed review.

- ***Amendments to IAS 19, Plan Amendment, Curtailment or Settlement***

  The amendments in *Plan Amendment, Curtailment or Settlement (Amendments to IAS 19)* are:

  - If a plan amendment, curtailment or settlement occurs, it is now mandatory that the current service cost and the net interest for the period after the remeasurement are determined using the assumptions used for the remeasurement.
  - In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling.

  The directors of the Company do not anticipate that the application of these amendments will have a significant impact on the Company's financial statements.

3. Application of new and revised International Financial Reporting Standards ('IFRS') (continued)

3.2 New and revised IFRS in issue but not yet effective (continued)

- ***Annual Improvements to IFRS Standards 2015–2017 Cycle***

  IFRS 3 and IFRS 11 - The amendments to IFRS 3 clarify that when an entity obtains control of a business that is a joint operation, it remeasures previously held interests in that business. The amendments to IFRS 11 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not remeasure previously held interests in that business.

  IAS 12 - The amendments clarify that the requirements in the former paragraph 52B (to recognise the income tax consequences of dividends where the transactions or events that generated distributable profits are recognised) apply to all income tax consequences of dividends by moving the paragraph away from paragraph 52A that only deals with situations where there are different tax rates for distributed and undistributed profits.

  IAS 23 - The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings.

  The directors of the Company do not anticipate that the application of these amendments will have a significant impact on the Company's financial statements.

- ***Amendments to IFRS 3, Definition of a Business***

  The amendments in *Definition of a Business (Amendments to IFRS 3)* are changes to Appendix A *Defined terms*, the application guidance, and the illustrative examples of IFRS 3 only. They:

  - clarify that to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs;
  - narrow the definitions of a business and of outputs by focusing on goods and services provided to customers and by removing the reference to an ability to reduce costs;
  - add guidance and illustrative examples to help entities assess whether a substantive process has been acquired;
  - remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs; and
  - add an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business.

  The directors of the Company do not anticipate that the application of these amendments will have a significant impact on the Company's financial statements.

- ***Amendments to IAS 1 and IAS 8, Definition of Material***

  The amendments in *Definition of Material (Amendments to IAS 1 and IAS 8)* clarify the definition of 'material' and align the definition used in the Conceptual Framework and the standards.

  The directors of the Company do not anticipate that the application of these amendments will have a significant impact on the Company's financial statements.

3. **Application of new and revised International Financial Reporting Standards ('IFRS') (continued)**

3.2 **New and revised IFRS in issue but not yet effective (continued)**

- ***Amendments to References to the Conceptual Framework in IFRS Standards***

  Together with the revised Conceptual Framework published in March 2018, the IASB also issued Amendments to References to the Conceptual Framework in IFRS Standards. The document contains amendments to IFRS 2, IFRS 3, IFRS 6, IFRS 14, IAS 1, IAS 8, IAS 34, IAS 37, IAS 38, IFRIC 12, IFRIC 19, IFRIC 20, IFRIC 22, and SIC-32. Not all amendments, however update those pronouncements with regard to references to and quotes from the framework so that they refer to the revised Conceptual Framework. Some pronouncements are only updated to indicate which version of the framework they are referencing to (the IASC framework adopted by the IASB in 2001, the IASB framework of 2010, or the new revised framework of 2018) or to indicate that definitions in the standard have not been updated with the new definitions developed in the revised Conceptual Framework.

  The directors of the Company do not anticipate that the application of these amendments will have a significant impact on the Company's financial statements.

- ***Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7)***

  The amendments in Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7) clarify that entities would continue to apply certain hedge accounting requirements assuming that the interest rate benchmark on which the hedged cash flows and cash flows from the hedging instrument are based will not be altered as a result of interest rate benchmark reform.

  The directors of the Company do not anticipate that the application of these amendments will have a significant impact on the Company's financial statements.

4. Property, plant and equipment

2019	Leasehold Improvements	Equipment	Motor Vehicles	Furniture & Fixtures	Computer Software	Total
	$	$	$	$	$	$
Cost						
At October 1, 2018	905,792	1,816,320	284,799	316,204	485,400	3,808,515
Additions	-	127,050	-	19,114	29,813	175,977
Disposals	-	(10,415)	-	-	-	(10,415)
At September 30, 2019	905,792	1,932,955	284,799	335,318	515,213	3,974,077
Accumulated depreciation						
At October 1, 2018	374,425	1,667,061	185,178	155,815	449,374	2,831,853
Disposals	-	(10,415)	-	-	-	(10,415)
Depreciation	90,579	96,611	56,960	32,417	17,741	294,308
At September 30, 2019	465,004	1,753,257	242,138	188,232	467,115	3,115,746
Net book value						
At September 30, 2019	**440,788**	**179,698**	**42,661**	**147,086**	**48,098**	**858,331**

2018	Leasehold Improvements	Equipment	Motor Vehicles	Furniture & Fixtures	Computer Software	Total
Cost						
At October 1, 2017	905,792	1,827,829	286,639	316,204	437,041	3,773,505
Additions	-	134,974	-	-	48,359	183,333
Disposals	-	(146,483)	(1,840)	-	-	(148,323)
At September 30, 2018	905,792	1,816,320	284,799	316,204	485,400	3,808,515
Accumulated depreciation						
At October 1, 2017	283,846	1,694,854	130,058	124,196	428,274	2,661,228
Disposals	-	(146,483)	(1,840)	-	-	(148,323)
Depreciation	90,579	118,690	56,960	31,619	21,100	318,948
At September 30, 2018	374,425	1,667,061	185,178	155,815	449,374	2,831,853
Net book value						
At September 30, 2018	**531,367**	**149,259**	**99,621**	**160,389**	**36,026**	**976,662**

5. Other receivables

	2019	2018
	$	$
Prepayment	139,781	168,132
Other receivables	41,779	253,205
	181,560	**421,337**

6. Cash, cash equivalents and short-term deposits

	2019	2018
	$	$
Cash in hand - TTD	3,614	6,000
Cash in hand – foreign currencies	21,550	21,328
Cash at bank- TTD	493,290	290,500
Cash at bank - USD	2,800,551	3,832,842
Mutual Fund- Interest rate 2019: 0.9% (2018: 0.9%)	23,410,094	9,359,611
Total cash and cash equivalents	**26,729,099**	**13,510,281**
Fixed deposit- Interest rate 1.65%	-	10,000,000
Fixed deposit- Interest rate 1.75%	-	15,000,000
Total short-term deposits	**-**	**25,000,000**
	26,729,099	**38,510,281**

7. Stated capital

	2019	2018
Authorised:	$	$
Unlimited ordinary shares of no par value		
Issued and paid:		
10 Ordinary shares @ $10 each	**100**	**100**

8. Other liabilities

	2019	2018
	$	$
Accruals	161,305	438,809
Other payables	1,198,805	803,844
	1,360,110	**1,242,653**

Other payables include provision for gratuities less payouts for the current year of $1,167,107, (2018: $761,284).

9. Deferred tax

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities, and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

a) Deferred tax asset – net:

	2019 $	2018 $
At the beginning of the year		
Statement of Profit or Loss:	54,264	27,155
Credit for the year	8,008	27,109
At the end of the year	**62,272**	**54,264**

The deferred tax asset in the statement of financial position and the deferred tax credit in the statement of profit or loss are attributable to the following:

	At start of year $	Credit to statement of profit or loss/other comprehensive income $	At end of year $
As at 31 December			
Deferred tax asset			
Property, plant & equipment	**54,264**	**8,008**	**62,272**

10. Deferred operating subventions

Government subventions totalling $0 (2018: $9,275,639) were received during the financial year and the balance at September 30, is shown as deferred operating subventions in the statement of financial position. The subvention income is recognised in the statement of profit or loss as expenses are incurred.

	2019 $	2018 $
Beginning balance	37,946,444	39,251,097
Funds received from the Government of the Republic of Trinidad and Tobago (Note 13)	-	9,275,639
Amounts transferred to statement of profit or loss	(12,531,722)	(10,580,292)
	25,414,722	**37,946,444**

11. Operating and administrative expenses

	2019	2018
	$	$
Audit fees	77,156	142,141
Bank charges	7,985	11,638
BPO/Shared Services development	1,770,438	1,076,247
Financial Markets development	2,028,337	691,997
Marketing and communications	1,633,126	1,382,016
Depreciation	294,308	318,948
Directors' fees	396,000	396,000
Group health and life	92,752	82,454
Insurance	66,840	73,917
Internet charges	19,486	19,845
Janitorial services	77,585	86,596
Legal & professional fees	114,955	264,696
Meals & entertainment	5,384	3,937
Motor vehicle expenses	8,042	7,275
Office expenses	237,465	186,466
Penalty	-	115
Repairs and maintenance	182,261	192,156
Salaries and related staff costs	5,295,652	5,424,617
Security	32,780	27,995
Subscriptions	61,746	7,836
Telephone expenses	129,424	135,168
	12,531,722	**10,532,060**

12. Taxation

12.1 Tax charge for the period is made up as follows:

	2019	2018
	$	$
Deferred tax (credit) (Note 9)	(8,008)	(27,109)
Green fund levy	39,610	32,714
Corporation tax	108,712	116,331
	140,314	**121,936**

12.2 Reconciliation of applicable tax charge to effective tax charge:

	2019	2018
Profit before tax	476,003	421,549
Tax at the rate of 30%	142,801	126,465
Expenses not allowable for taxation	35,368	6,724
Expenses allowable for taxation	(59,342)	(10,034)
Exempt income	(18,312)	(32,023)
Effect of timing differences	8,198	25,199
Other differences	(8,008)	(27,109)
Green fund levy	39,610	32,714
	140,314	**121,936**

13. Related party transactions

The following represents transactions with related parties:

Key management compensation

	2019	2018
	$	$
Remuneration of management and directors	**2,256,300**	**2,114,074**
Government subventions received during the year (Note 10)	-	9,275,639
	2,256,300	**11,389,713**

These amounts above are included in salaries and directors' fees under administrative expenses. There were no other transactions between the Company and it's related parties during the year.

14. Financial risk management

14.1 Categorisation

	Financial assets and liabilities	Non-financial assets and liabilities	Equity Instrument s	Total
	$	$	$	$
As at September 30, 2019				
ASSETS				
Property, plant and equipment	-	858,331	-	858,331
Deferred tax asset	-	62,272	-	62,272
Other receivables	-	181,560	-	181,560
Tax receivable	4,221	-	-	4,221
Cash at bank and in hand	26,729,099	-	-	26,729,099
Total assets	**26,733,320**	**1,102,163**	**-**	**27,835,483**
EQUITY AND LIABILITIES				
Shareholders' equity				
Stated capital	-	-	100	100
Retained earnings	-	-	1,027,229	1,027,229
Liabilities				
Deferred operating subvention	-	25,414,722	-	25,414,722
Tax payable	33,322	-	-	33,322
Other liabilities	-	1,360,110	-	1,360,110
Total equity and liabilities	**33,322**	**26,774,832**	**1,027,329**	**27,835,483**

14. Financial risk management (continued)

14.1 Categorisation (continued)

	Financial assets and liabilities	Non-financial assets and liabilities	Equity Instrument s	Total
	$	$	$	$
As at September 30, 2018				
ASSETS				
Property, plant and equipment	-	976,662	-	976,662
Deferred tax asset	-	54,264	-	54,264
Other receivables	-	421,337	-	421,337
Tax receivable	5,024	-	-	5,024
Cash at bank and in hand	38,510,281	-	-	38,510,281
Total assets	**38,515,305**	**1,452,263**	**-**	**39,967,568**
EQUITY AND LIABILITIES				
Shareholders' equity				
Stated capital	-	-	100	100
Retained earnings	-	-	691,540	691,540
Liabilities				
Deferred operating subvention	-	37,946,444	-	37,946,444
Tax payable	86,831	-	-	86,831
Other liabilities	-	1,242,653	-	1,242,653
Total equity and liabilities	**86,831**	**39,189,097**	**691,640**	**39,967,568**

14.2 Management of financial risks

Risk is inherent in the Company's activities, but it is managed through a process of on-going identification, measurement and monitoring subject to risk limits and other controls. This process of risk management is critical to the Company's continuing as a going concern.

The Board of Directors is responsible for the overall risk management approach and for providing the risk strategies and principles to identify and control risks.

The Company's risks are measured using methods, which reflect the expected loss likely to arise in normal circumstances. The models make use of probabilities derived from historical experience, adjusted to reflect the current economic environment.

Monitoring and controlling risks is primarily performed based on limits established by its Board of Directors. These limits reflect the business strategy and market environment of the Company as well as the level of risk that the Company is willing to accept.

14. Financial risk management (continued)

14.3 Financial risks

The components of financial risk are liquidity risk and credit risk. All the Company's assets and liabilities (with the exception of funds held in the Mutual Fund and fixed deposits), are non-interest bearing, denominated in Trinidad and Tobago dollars and are due within one year and therefore the Company is not exposed to significant interest rate, currency risk or price risk.

14.4 Liquidity risk

Liquidity risk is the risk that cash may not be available to pay obligations when due at a reasonable cost.

	On demand	Up to 1 year	1 – 5 years	Total
	$	$	$	$
As at September 30, 2019				
Assets				
Other receivables	-	181,560	-	181,560
Tax receivable	-	4,221	-	4,221
Cash and cash equivalents	26,729,099	-	-	26,729,099
Total assets	**26,729,099**	**185,781**	**-**	**26,914,880**
Liabilities				
Taxation payable	-	33,322	-	33,322
Other liabilities	-	1,360,110	-	1,360,110
Total liabilities	**-**	**1,393,432**	**-**	**1,393,432**
Net liquidity gap	**26,729,099**	**(1,207,651)**		**25,521,448**
As at September 30, 2018				
Assets				
Other receivables	-	421,337	-	421,337
Tax receivable	-	5,024	-	5,024
Cash and cash equivalents	13,510,281	25,000,000	-	38,510,281
Total assets	**13,510,281**	**25,426,361**	**-**	**38,936,642**
Liabilities				
Taxation payable	-	86,831	-	86,831
Other liabilities	-	1,242,653	-	1,242,653
Total liabilities	**-**	**1,329,484**	**-**	**1,329,484**
Net liquidity gap	**13,510,281**	**24,096,877**	**-**	**37,607,158**

14. Financial risk management (continued)

14.5 Credit risk

The Company has exposure to credit risk which is the risk that a counterparty will be unable to pay amounts in full when due. Key areas where the Company is exposed to credit risk are:

- Cash at bank
- Receivables

The Company manages its credit risk by transacting with entities that are of investment grade credit quality. Credit ratings are supplied by independent rating agencies where available and, if not available, the Company uses other publicly available financial information to rate its major customers. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

The Company categorises all cash on hand and at bank as high-grade financial assets.

14.6 Foreign currency risk

a) Market risk

(i) Foreign exchange risk

The Company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar. Foreign exchange risk arises from future commercial transactions and investments in US$ denominated securities.

The Company has certain holdings in, and also undertakes transactions in foreign currencies, where they are exposed to foreign currency translation risk at a low level.

At 30 September 2019, if the Trinidad and Tobago dollar had weakened by 1% against the US dollar with all other variables held constant, post-tax profit for the year would have been $19,604 higher (2018: $38,328 higher), mainly as a result of foreign exchange gains/losses on translation of US dollars.

(ii) Fair value interest rate risk

The majority of the Company's financial liabilities and its financial assets are at fixed interest terms and as a result minimises any interest rate risk faced by the Company.

15. Capital management

The Board of Directors monitors the capital base. The objectives are to safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders while maintaining a strong capital base to support the development of its business. There have been no changes from the prior year.

16. Commitments

As at September 30, 2019, the Company has no capital commitments.

17. Subsequent events

The Company has determined, at the time of issue of these financial statements, that there are no subsequent events, which require recognition or disclosure in these financial statements.