

TOURISM TRINIDAD DESTINATION MANAGEMENT COMPANY LIMITED

FINANCIAL STATEMENTS

30TH SEPTEMBER 2018

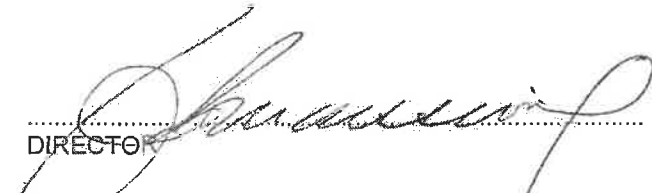
**HLB Montgomery & Co
Chartered Accountants
118 Abercromby Street
Port of Spain**

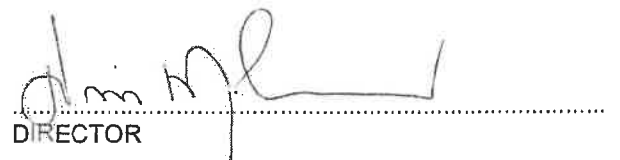
TOURISM TRINIDAD DESTINATION MANAGEMENT COMPANY LIMITED

Statement of Management Responsibilities

1. It is the responsibility of management to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the operating results of the Company for the year. It is also management's responsibility to ensure that the Company keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company. They are also responsible for safeguarding the assets of the Company.
2. Management is responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standards. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.
3. Management accepts responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with the International Financial Reporting Standards. Management is of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Company and of its operating results. Management further accepts responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial controls.

Nothing has come to the attention of Management to indicate that the Company will not remain a going concern for at least the next twelve months from the date of this statement.


.....
DIRECTOR
Date: 31 DECEMBER 2018


.....
DIRECTOR
Date: 31- DEC- 2018

HLB MONTGOMERY & CO
Chartered Accountants

Independent Auditor's Report

To the Shareholders of: TOURISM TRINIDAD DESTINATION MANAGEMENT COMPANY LIMITED

Opinion

We have audited the accompanying financial statements of Tourism Trinidad Destination Management Company Limited which comprise the statement of financial position as at 30th September 2018, statement of 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 30th September 2018 and its financial performance and 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). 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.

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

Management is responsible for the preparation and the 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.

Auditors' responsibilities for the audit of the financial statements

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

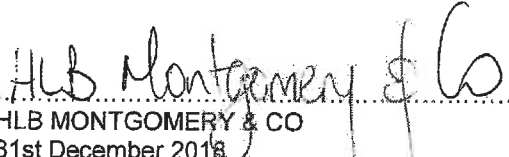
As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Auditor's responsibilities for the audit of the financial statements

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.


HLB MONTGOMERY & CO
31st December 2018
Port of Spain
TRINIDAD AND TOBAGO

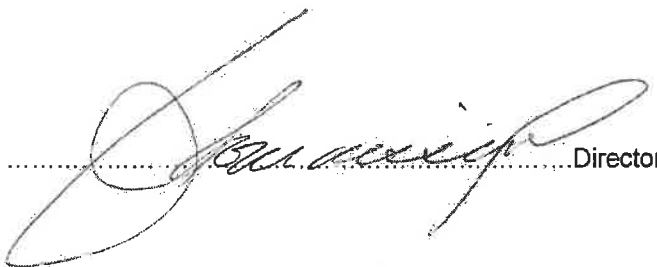
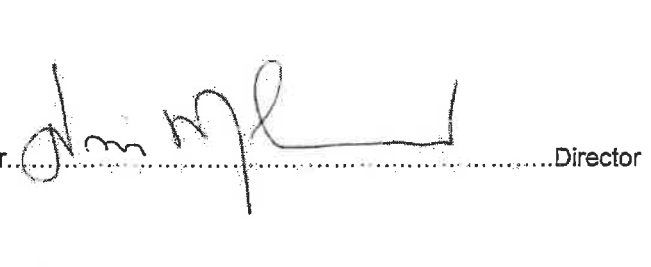
TOURISM TRINIDAD DESTINATION MANAGEMENT COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

30TH SEPTEMBER 2018

| <u>Assets</u> | <u>Notes</u> | <u>2018</u> | <u>2018</u> |
|--------------------------------------|--------------|-------------|-------------|
| <u>Non Current Assets</u> | | | |
| Property, Plant and Equipment | 2 | | 1,794 |
| <u>Current Assets</u> | | | |
| Cash in Hand and at Bank | 3 | 1,998,255 | |
| | | <hr/> | 1,998,255 |
| | | | <hr/> |
| <u>Total Assets</u> | | | \$2,000,049 |
| | | | ===== |
| <u>Capital and Liabilities</u> | | | |
| <u>Capital</u> | | | |
| Stated Capital | 4 | 1 | |
| Accumulated Surplus | | 1,854,675 | |
| | | <hr/> | 1,854,676 |
| <u>Current Liabilities</u> | | | |
| Accounts Payable and Accruals | 5 | | 145,373 |
| | | | <hr/> |
| <u>Total Capital and Liabilities</u> | | | \$2,000,049 |
| | | | ===== |

The accompanying significant accounting policies on page 9 and notes on pages 10 and 11 form an integral part of these financial statements. On 31st December 2018.....the Board of Directors authorized these financial statements for issue.

..........Director..........Director

TOURISM TRINIDAD DESTINATION MANAGEMENT COMPANY LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD ENDED 30TH SEPTEMBER 2018

| | <u>Notes</u> | <u>2018</u> |
|-----------------------------------|---------------------|-----------------------------|
| Income – Releases from Government | 6 | 2,962,000 |
| Expenses – Schedule 1 | 7 | (1,107,159) |
| | | <hr/> |
| | | 1,854,841 |
| Finance Cost – Schedule 2 | 7 | (165) |
| | | <hr/> |
| <u>Surplus for the Period</u> | | <u>\$1,854,676</u> ===== |

TOURISM TRINIDAD DESTINATION MANAGEMENT COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 30TH SEPTEMBER 2018

| | <u>Stated Capital</u> | <u>Accumulated Surplus</u> | <u>Total</u> |
|---|---------------------------|--------------------------------|--------------|
| Net Surplus for the Period | - | 1,854,676 | 1,854,676 |
| Issue of Share Capital | 1 | (1) | - |
| | <hr/> | <hr/> | <hr/> |
| <u>Balance as at 30th September 2018</u> | \$1 | \$1,854,675 | \$1,854,704 |
| | ===== | ===== | ===== |

TOURISM TRINIDAD DESTINATION MANAGEMENT COMPANY LIMITED

STATEMENT OF EXPENSES

FOR THE PERIOD ENDED 30TH SEPTEMBER 2018

| <u>Expenses – Schedule 1</u> | <u>2018</u> |
|---|------------------------|
| Administrative Expenses | 121,919 |
| Audit Fees | 23,625 |
| Consultancy Fees | 242,720 |
| Director's Fees and Allowances | 703,563 |
| Legal and Professional Fees | 2,965 |
| National Insurance | 28 |
| Operating Expenses | 6,477 |
| Salaries and Allowances | 5,862 |
| | <hr/> |
| | \$1,107,159 |
| | ===== |
| <u>Finance Cost – Schedule 2</u> | <u>2018</u> |
| Bank Charges | \$165 |
| | ===== |

TOURISM TRINIDAD DESTINATION MANAGEMENT COMPANY LIMITED

STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 30TH SEPTEMBER 2018

| <u>OPERATING ACTIVITIES</u> | <u>2018</u> |
|---|----------------------|
| Net Surplus for the Period | 1,854,676 |
| Adjustment for items not involving the movement of funds: | |
| Share Capital | (1) |
| | <hr/> |
| <u>Operating Income before Working Capital Changes</u> | 1,854,675 |
| | <hr/> |
| <u>CHANGES IN OPERATING ASSETS/LIABILITIES</u> | |
| Increase in Accounts Payable | 145,373 |
| | <hr/> |
| <u>Net Cash Provided by Operating Activities</u> | 2,000,048 |
| | <hr/> |
| <u>FINANCING ACTIVITIES</u> | |
| Purchase of Fixed Assets | (1,794) |
| | <hr/> |
| <u>Net Cash Used in Financing Activities</u> | (1,794) |
| | <hr/> |
| <u>INVESTING ACTIVITIES</u> | |
| Increase in Share Capital | 1 |
| | <hr/> |
| <u>Net Cash Provided by Investing Activities</u> | 1 |
| | <hr/> |
| Net Increase in Cash and Cash Equivalents | 1,998,255 |
| Cash and Cash Equivalent – at the beginning of the year | - |
| | <hr/> |
| Cash and Cash Equivalents – at the end of the Year | \$1,998,255 ===== |
| | <hr/> |
| <u>REPRESENTED BY:</u> | |
| Cash in Hand and at Bank | \$1,998,255 ===== |

TOURISM TRINIDAD DESTINATION MANAGEMENT COMPANY LIMITED

SIGNIFICANT ACCOUNTING POLICIES

30TH SEPTEMBER 2018

The following summary of significant accounting policies of Tourism Trinidad Destination Management Company Limited which have been consistently applied is set forth to facilitate the understanding of data presented in these financial statements.

(a) **Basis of Accounting**

These financial statements have been prepared under the historical cost convention and no account has been taken of the effects of inflation.

The financial statements have been prepared in accordance the accruals basis where expenses are recognized in the period in which they occur regardless of when they are paid.

(b) **Property, Plant and Equipment**

Property, plant and equipment (PPE) are stated at cost or deemed cost less accumulated depreciation. PPE are amortized using the straight-line method at the following rates per year

| | |
|------------------|-------------------|
| Office Equipment | 10% straight-line |
|------------------|-------------------|

(c) **Currency**

These financial statements are presented in Trinidad and Tobago Dollars

TOURISM TRINIDAD DESTINATION MANAGEMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30TH SEPTEMBER 2018

1. GENERAL

The Company (Registration Number 1787573) was incorporated on June 29th 2017 in Trinidad and Tobago by the Investment Division of the Ministry of Finance as the Tourism Trinidad Destination Management Company Limited (Tourism Trinidad) with its registered office at Level 15, Eric Williams Financial Complex, Independence Square, Port of Spain.

Tourism Trinidad was born out of the strategic need to separate the product offerings of our two islands, so that greater focus is placed on each island's destination strengths (internally) and targets markets (externally). It is therefore our mandate to deliver a positive and unforgettable Destination Trinidad experience (via solid destination product development and compelling marketing), as a means of diversifying our economy, to generate revenue beyond our established energy sector.

The principal activities of the Company are as follows:

- (a) To market Trinidad's tourism offerings and facilitate the marketing and promotion internationally in our key overseas markets.
- (b) To attract tourism investment and promote tourism business development in Trinidad.
- (c) To promote education, awareness and cooperation in advancing economic expansion through tourism.

These are the first financial statements of the company.

2. PROPERTY PLANT & EQUIPMENT

| <u>Cost</u> | <u>Office Equipment</u> | <u>Total</u> |
|---|------------------------------------|---------------------|
| Additions | 1,794 | 1,794 |
| | <hr/> | <hr/> |
| <u>Balance as at 30th September 2018</u> | <u>\$1,794</u> | <u>\$1,794</u> |
| | ===== | ===== |
| <u>Accumulated Depreciation</u> | | |
| Charge for the Year | - | - |
| | <hr/> | <hr/> |
| Balance as at 30 th September 2018 | - | - |
| | <hr/> | <hr/> |
| <u>N.B.V. as at 30th September 2018</u> | <u>\$1,794</u> | <u>\$1,794</u> |
| | ===== | ===== |

PPE acquired during or disposed of during the year are amortized on a pro-rated basis in the year of purchase/disposal. The PPE purchased in this year was acquired at year end and as a result no depreciation expense was applied.

TOURISM TRINIDAD DESTINATION MANAGEMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS CONT'D

30TH SEPTEMBER 2018

3. **CASH IN HAND AND AT BANK**

The Company operates a single chequing account (Account Number 2506596) at First Citizens Bank Limited, One Woodbrook Place, 181 Tragarete Road, Port of Spain.

| | |
|-------------------------|----------------------|
| | <u>2018</u> |
| First Citizens Bank Ltd | \$1,998,255 ===== |

4. **STATED CAPITAL**

The stated capital represents one share (\$1) with the registered holder being the Minister of Finance (Corporation Sole) of Eric Williams Finance Complex, Independence Square, Port of Spain.

5. **LIABILITIES**

All of the liabilities at year end were current liabilities i.e. expenses incurred to the financial year that were unpaid at year end. These liabilities include:

| | |
|---------------------------|--------------------|
| | <u>2018</u> |
| Accounts Payable | 2,813 |
| Accrued Expenses | 82,955 |
| Payroll Expenses | 5,862 |
| Statutory Amounts Payable | 28 |
| Other Current Liabilities | 53,715 |
| | <hr/> |
| | \$145,373 ===== |

6. **INCOME – RELEASES FROM GOVERNMENT**

The income of \$2,962,000 represents the amount released by Government in the financial year to finance the startup expenses of the Company.

7. **EXPENSES**

The expenses incurred during the year include the following:

Administrative Expenses – Expenses relating to outsourced Corporate Secretary Services and Board Meetings.

Consultancy Services – Consultants were engaged to provide recruitment and payroll services in the absence of internal staff during the financial year.

Salaries and Allowances – Salary for one Administrative Assistant on contract in September 2018.

Audit fees, bank charges, operating expenses, legal fees and directors fees and allowances.