MOORE

PORT OF SPAIN SHOPPING COMPLEX LIMITED

FINANCIAL STATEMENTS

30 SEPTEMBER 2022

Port of Spain Shopping Complex Limited
Financial Statements
30 September 2022

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Port of Spain Shopping Complex Limited

Statement of Management Responsibilities

Management is responsible for the following:

- Preparing and fairly presenting the accompanying financial statements of Port of Spain Shopping Complex Limited ("the Company") which comprise the statement of financial position as at 30 September 2022, the statements of comprehensive income, changes in accumulated fund and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information;
- Ensuring that the Company keeps proper accounting records;
- Selecting appropriate accounting policies and applying them in a consistent manner;
- Implementing, monitoring and evaluating the system of internal control that assures security of the Company's assets, detection/prevention of fraud, and the achievement of the Company's operational efficiencies;
- Ensuring that the system of internal control operated effectively during the reporting period;
- Producing reliable financial reporting that complies with laws and regulations; and
- Using reasonable and prudent judgement in the determination of estimates.

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

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

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

Signed	Lester Henry **Signed**
Title: Director	**Title: Director**
Date: 11 September 2024	**Date: 11 September 2024**

Independent Auditor's Report

To the Directors of Port of Spain Shopping Complex Limited

Qualified Opinion

We have audited the accompanying financial statements of **Port of Spain Shopping Complex Limited** ("the Company"), which comprise the statement of financial position as at September 30, 2022, and the statement of comprehensive income, statement of accumulated funds 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, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

We were unable to obtain sufficient and appropriate audit evidence as it relates to the valuation and accuracy of the carrying value of Investment Properties in accordance with International Accounting Standard (IAS) 40 and consequently, unable to determine whether any adjustment(s) to these balances were necessary.

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 ethical requirements that are relevant to our audit of the financial statements in The Republic of Trinidad & Tobago, 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.

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.

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.

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Independent Auditor's Report (cont'd)

To the Directors of Port of Spain Shopping Complex Limited (cont'd)

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

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

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.

R Ramdass & Co

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

September 14 , 2024

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Port of Spain Shopping Complex Limited
Statement of Financial Position
As at 30 September 2022

Assets	Notes	2022 TT$	2021 TT$
Current Assets			
Accounts receivables and prepayments	**6**	2,234,582	1,986,417
Due from related parties	**9**	4,266,805	2,420,043
Total Current Assets		**6,501,387**	**4,406,460**
Non- Current Assets			
Property, plant & equipment	**11**	649,091	404,590
Investment property	**10**	40,299,768	40,614,00
Total Non-Current Assets		**40,948,859**	**41,018,590**
Total Assets		**47,450,246**	**45,425,050**
Liabilities & Accumulated Fund			
Current Liabilities			
Accounts payables and accruals	**12**	656,292	619,672
Taxation payable	**15**	3,307	5,902
		659,599	**625,574**
Non- Current Liabilities			
Employees’ benefits- retirement obligations		**563,367**	**618,676**
Total Liabilities		**1,222,966**	**1,244,250**
Accumulated Fund			
Capital reserve account		42,594,401	42,961,142
Accumulated surplus		3,632,879	1,219,658
Total Accumulated Fund		**46,227,280**	**44,180,800**
Total Liabilities & Accumulated Fund		**47,450,246**	**45,425,050**

The notes on pages 9 to 25 form an integral part of these financial statements.

On 11 September 2024, the Directors of Port of Spain Shopping Complex Limited authorised these financial statements for issue.

Director: [signature] **Director:** Lester Henry **Date:** 11th September 2024

Port of Spain Shopping Complex Limited
Statement of Comprehensive Income
For the Year Ended 30 September 2022

	Note	2022 TT$	2021 TT$
Income			
Government grants	**13**	7,751,690	5,946,802
Rental income	**13**	2,667,711	2,256,434
Other income	**13**	46,247	9,131
		10,465,648	**8,212,367**
Expenditure			
Accounting and audit fees		119,614	119,614
Allowances		9,613	11,599
Building repairs and maintenance		1,049,343	352,674
Depreciation		786,490	821,626
Due and subscriptions		-	8,926
Electricity		763,766	697,104
Equipment repairs and maintenance		188,635	225,948
Expected credit losses	**7**	242,766	328,410
Insurance		315,514	349,708
Office supplies and stationery		340,185	178,357
Penalty and interest		20	-
Promotions and publicity		133,323	2,492
Salaries, wages and employee deductions	**14**	2,361,234	2,324,082
Security		1,606,711	1,509,429
Severance		2,625	74,605
Staff welfare		63,726	36,224
Telephone/Net		47,019	105,878
Water and sewerage rates		13,701	16,068
		8,044,285	**7,162,744**
Surplus for the year before tax		**2,421,363**	**1,049,623**
Provision for tax	**15**	(8,142)	(6,797)
Surplus for the year after tax		**2,413,221**	**1,042,826**
Accumulated surplus b/fwd		1,219,658	176,832
Accumulated surplus c/fwd		**3,632,879**	**1,219,658**

The notes on pages 9 to 25 form an integral part of these financial statements.

Port of Spain Shopping Complex Limited
Statement of Changes in Accumulated Fund
For the Year Ended 30 September 2022

	Capital Reserve	Accumulated Surplus	Total Accumulated Fund
	TT$	TT$	TT$
Balance as at 1 October 2021	42,961,142	1,219,658	44,180,800
Surplus for the year	-	2,413,221	2,413,221
Movement in capital reserve	(366,741)	-	(366,741)
Balance as at 30 September 2022	**42,594,401**	**3,632,879**	**46,227,280**
Balance as at 1 October 2020	42,985,014	176,832	43,161,846
Surplus for the year	-	1,042,826	1,042,827
Movement in capital reserve	(23,872)	-	(23,872)
Balance as at 30 September 2021	**42,961,142**	**1,219,658**	**44,180,800**

The notes on pages 9 to 25 form an integral part of these financial statements.

Port of Spain Shopping Complex Limited
Statement of Cash Flow
For the Year Ended 30 September 2022

	2022 TT$	2021 TT$
Cash Flows from Operating Activities:		
Surplus for the year before tax	2,421,363	1,049,623
Adjustments:		
Depreciation	786,490	821,626
	3,207,853	**1,871,249**
Movement in working capital:		
(Increase) in accounts receivables and prepayments	(2,094,928)	(1,911,387)
(Decrease)/Increase in accounts payable and accruals	(18,689)	83,597
Net cash (used in) working capital	**(2,113,617)**	**(1,827,790)**
Cash generated from operating activities	**1,094,236**	**43,459**
Taxes paid	(10,737)	(5,031)
Net cash generated from operating activities	**1,083,499**	**38,428**
Cash Flows from Investing Activities		
Acquisition of non-current assets	-	(2,348)
Purchase of non-current assets	(716,758)	(12,209)
Net cash from investing activities	**(716,758)**	**(14,556)**
Cash Flows from Financing Activities:		
Movement in capital reserve	**(366,741)**	**(23,872)**
Net increase in Cash And Cash Equivalents	**-**	**-**
Cash and cash equivalents at beginning of year	**-**	**-**
Cash and cash equivalents at end of year	**-**	**-**

The notes on pages 9 to 25 form an integral part of these financial statements.

1. Incorporation and principal activity

Port of Spain Shopping Complex Limited ("the Company") was incorporated in the Republic of Trinidad and Tobago on February 26th, 2020, under the Companies Act, Chapter 81:01 of the laws of Trinidad and Tobago.

The principal business activity of the Company is to provide commercial space for micro-entrepreneurial businesses among residents of East Port of Spain. There are two (2) malls in existence, New City Mall and East Side Plaza, as at the incorporation date, operate under the entity, Port of Spain Shopping Complex Limited, and falls under the purview of The Ministry of Housing and Urban Development of the Government of Trinidad and Tobago.

2. Adoption of new and revised International Financial Reporting Standards

a) New standards and amendments issued but not yet effective for years ending 30 September 2022

- *Amendments to IAS 1 - Classification of Liabilities as Current or Non-current*
- *Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of Accounting Policies*
- *Amendments to IAS 8 - Disclosure of Accounting Policies and Definition of Accounting Estimates*

Amendments to IAS 1 'Presentation of financial statements' clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. The meaning of settlement of a liability is also clarified. The amendments are applicable for annual periods commencing on or after 1 January 2023

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

- IAS 1, to require entities to disclose their material accounting policy information rather than their significant accounting policies;
- IAS 8, to clarify how entities should distinguish changes in accounting policies and changes in accounting estimates;
- IAS 34, to identify material accounting policy information as a component of a complete set of financial statements; and
- IFRS Practice Statement 2 Making Materiality Judgements, to provide guidance on how to apply the concept of materiality to accounting policy disclosures.

There are no future standards that are likely to have a significant impact on the Company.

3. Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years presented, unless otherwise stated.

3.1) Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). They were authorised for issue by the Company's Board of Directors on 11 September 2024.

The financial statements have been prepared on the historical cost basis. The principal accounting policies that have been applied consistently by the Company to all periods presented in these financial statements are set out below.

3.2) Use of estimates and judgements

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies selected for use by the Company. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in relevant notes. Use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates.

3.3) Foreign currency translation

<u>Functional and presentation currency</u>

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. The Trinidad and Tobago Dollar (TT$) is the Company's functional currency and its presentation currency. These financial statements are presented in Trinidad and Tobago Dollars. The main stakeholders are the Government of the Republic of Trinidad and Tobago ("GORTT"), the Ministry of Finance, the Ministry of Housing and Urban Development and its employees.

3. Significant accounting policies (Continued)

3.4) Government grants

The Company recognizes grants from the government of the Republic of Trinidad and Tobago at fair value where there is reasonable assurance that the grants will be received, and the company will comply with the conditions associated with the grants.

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

As at the period ended 30 September 2022 the company which falls under the purview of The Ministry of Housing and Urban Development of GORTT did not receive any grant income or subvention directly to its account for the payment and management of recurrent expenditure. The Company received a subvention allocation for its recurrent expenditure and was required to submit payment requisitions to facilitate the settlement of expenditure directly to service providers by the Ministry of Housing and Urban Development of GORTT. For the periods ended 30 September 2022 and 2021 recognition of the subvention is reflected and recorded based on both completion of requisitions and the issue of relevant payments to service providers. See note 13.

3.5) Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is stated at its historical costs reporting date.

The buildings known as New City Mall and East Side Plaza are classed as investment property due to rental income derived from their operation.

The depreciation rates used for both the current and comparative periods are as follows:

Building	2%
Land	0%

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

3. Significant accounting policies (Continued)

3.6) Property and equipment

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

Depreciation is calculated to write off the cost of items of property and equipment less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognized in the statement of comprehensive income.

The depreciation rates used for both the current and comparative periods are as follows:

Furniture and Fixtures	25%
Computer Equipment	33%
Office Equipment	25%
Equipment	25%

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

3.7) Impairment

Non-financial assets

At each reporting date, non-financial assets are reviewed to determine whether there is any indication that these assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of these assets is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount and an impairment loss is recognized immediately in the statement of comprehensive income.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount but not in excess of the amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized immediately in the statement of comprehensive income.

3. Significant accounting policies (Continued)

3.7) Impairment (continued)

Financial assets

At the end of each reporting period, the carrying amounts of accounts receivable are reviewed to determine whether there is objective evidence that the amounts are not recoverable. If so, an impairment loss is recognized immediately in the statement of comprehensive income

3.8) Financial instruments

Recognition and derecognition of financial instruments

Financial instruments are recognised on the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets that are regular way purchased or sold are recognised using the trade date accounting i.e. that is when the Company commits to purchase or sell.
Financial instruments that are not trade receivables are initially measured at fair value, which generally equates to acquisition cost, which includes transaction costs for financial instruments not subsequently measured at fair value.

Financial assets are derecognised when:

- The contractual rights to cash flows from the financial asset expire, or
- The asset is transferred such that contractual rights to cash flows of the assets and the risks and rewards of ownership are transferred, On de-recognition, the Company recognised the differences between carrying amount and consideration.

Financial liabilities (or a part of) are derecognised when, and only when the obligation is extinguished — i.e. when the obligation specified in the contract is discharged or cancelled or expires. The gain or loss between the carrying value and amount paid is recognised in profit or loss.

3. Significant accounting policies (Continued)

3.8) Financial instruments (continued)

Impairment of Financial Assets

Based on credit risk identified in note 4, management considers the probable loss arising from the default of trade receivables and applies principals as permitted by IFRS 9 to determine and expected calculated loss for the reporting period

Expected Credit Loss (ECL)

Financial Assets measured at amortised cost are subject to impairment assessment. The Company applies the simplified approach permitted by IFRS 9 to measure the ECL.

Probability of Default (PD): The likelihood that the debtor will default on the obligation.

Loss Given Default (LGD): The portion of the asset that would be lost if the debtor defaults.

Exposure at Default (ED): The amount that is exposed to default at year end.

Expected Credit Loss (ECL) is calculated as follows:

- ECL = PD x LGD x ED

  Rational and assumptions for the probability of default is based on both current and historical information of the financial assets. The financial asset subject to impairment for the Company are its Trade Receivables; the PD percentage is based on the aged grouping of the trade receivables into the following categories:

  - *Stage 1 - Less than 31 days – 5%*

    This probability is based on a level of prudency which ensures that any early signs of financial stress or operational issues that might lead to default are captured. Even though the amounts tend to remain current, a minimal percentage was allocated to cover unforeseen circumstances.

  - *Stage 2 - Over 31 days less than 90 days – 15%*

    Setting a PD in this range reflects the increasing risk but maintains a level of caution, keeping a level of prudency. Even though amounts in this category may have a higher tendency to remain current compared to more extended overdue periods, the higher PD ensures that the model conservatively anticipates potential defaults.

3. Significant accounting policies (Continued)

3.8) Financial instruments (continued)

- *Stage 3 -Over 90 days – 30%*

  As of 2024 due to letters being issued, some amounts are still outstanding for previous, and some are still paying on current amount, it covers approximately 70% of what is collected on average, leaving a 30% chance of the receivables over 90 days having a possibility of default.

- *Previous Tenancy - 75%*

  This grouping represents long outstanding receivables transferred from the previous entities, New City Mall and East Side Plaza. Legal letters were issued to these tenants in 2024 to which favourable responses were received on commencing a recoverability exercise on outstanding amounts, these have been slow incoming as such the PD has been set at 75%.

Classification and measurement of financial liabilities

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method.

The Company derecognises financial liabilities when the obligations of the Company are discharged, cancelled or have expired.

3.9) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

Currently the Company does not offset financial assets and financial liabilities.

3. Significant accounting policies (Continued)

3.10) Trade Receivable

Trade receivables are amounts due from tenants for the rental of commercial entrepreneurial space through the ordinary course of business. Trade receivables are financial assets stated initially at fair value which is taken to be their transaction cost and subsequently at their amortised cost less any loss allowance. Loss allowance is based on lifetime expected credit losses assessed and determined at initial recognition and subsequently adjusted for any changes in expectation.

3.11) Share capital

Ordinary shares are classified as equity. As at fiscal year-end 30 September 2022, there was no issue of share capital by the Company

3.12) Employee Benefits

Retirement benefit obligations

The Company has a defined benefit plan. Defined benefit pension plans are retirement plans where the employer guarantees a specific pension benefit amount to employees upon retirement, usually dependent on one or more factors such as age, years of service with the Company and compensation levels.

3.13) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

3. Significant accounting policies (Continued)

3.14) Leases as a Lessor

The Company act as a lessor in leasing arrangement involving rental of commercial space to micro- entrepreneurial businesses among residents of East Port of Spain. Leases are classified as either operating leases or finance leases based on the substance of the transaction. All leases held by the Company are classified as operating leases.

Operating lease income is recognised on a straight-line basis over the lease term unless another systematic basis is more representative of the pattern in which the benefit from the leased asset is diminished.

The Company has recognised lease income from operating leases in the statement of comprehensive income in accordance with IFRS 16. See note 13.

4. Financial risk management

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's overall risk management strategy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board has established a Finance and Investment committee which is responsible for developing and monitoring the Company's risk management strategy and policies. The committee reports regularly to the board of directors on its activities.

The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in the light of the risks faced by the Company.

The Company's financial instruments consist mainly of accounts receivable and payable, amounts due to and from associated entities and related parties.

- **Market Risk**

  (i) *Foreign exchange risk*
  The Company operates locally and is not exposed to foreign exchange risk arising from currency exposure.

  (ii) *Price risk*
  As at 30 September 2022, the Company held no equity securities and commodities exposed to price risk.

  (iii) *Cash Flow and Fair Value Interest Rate Risk*
  As at 30 September 2022, the Company held no significant interest-bearing assets, its income and operating cash flows are not dependent on changes in market interest rates.

- **Credit risk management**

  Credit risk arises on trade receivables and contract assets, on investments in debt securities, other receivables such as loans to related parties, cash and cash equivalents and deposits with financial institutions.

4. Financial risk management (Continued)

Trade receivables consist mainly of a rental income receivable from a widespread customer base. The Company monitors the financial position of their customers on an on-going basis.

Impairment is assessed in references to expected credit losses associated with financial instruments. A loss allowance is calculated based on expected credit losses from day one, but the impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Company applies the simplified approach as permitted by IFRS 9.

In assessment of credit risk and expected losses, management considers a risk of default and its probability based on the aged position of the receivable.

(i) *Credit Quality of Financial Assets*

Financial assets bearing credit risk amount to $8,307,966 (2021: $5,580,608) and are not subject to external credit ratings.

2022	**Past due but not Impaired**	**Past due and Impaired**	**Total**
	TT$	**TT$**	**TT$**
Trade Receivables	2,175,697	1,806,579	3,982,276
Prepayments	58,885	-	58,885
Due from related parties	4,266,805	-	4,266,805
	6,501,387	**1,806,579**	**8,307,966**

2021			
	TT$	**TT$**	**TT$**
Trade Receivables	1,934,404	1,174,148	3,108,552
Prepayments	52,013	-	52,013
Due from related parties	2,420,043	-	2,420,043
	4,406,460	**1,174,148**	**5,580,608**

- **Liquidity risk**

  Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents to meet financial liabilities as they fall due. The amounts disclosed in notes 6 and 12 are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not considered significant.

5. Capital reserve

The capital reserve is recognized under shareholders' equity within the statement of financial position. This value arises from the net assets from the previous operating entities of New City Mall and East Side Plaza. The assets include non-current assets in the form of property, plant & equipment, investment property, trade and other receivables. Cash and cash equivalents were not included due to the Company having no control of bank or investment accounts as at fiscal year-end. Liabilities transferred include trade payables and accruals and employee retirement benefits obligations**.** Impairment to the trade receivables transferred identified as 'previous tenancy' and any other assets are charged against the capital reserve

6. Accounts receivables and prepayments

	2022 TT$	2021 TT$
Accounts receivable- New City Mall	3,531,816	2,860,225
Accounts receivable- East Side Plaza	450,460	248,327
	3,982,276	**3,108,552**
Less: ECL adjustment	(1,806,579)	(1,174,148)
	2,175,697	**1,934,404**
Prepayments	58,885	52,013
	2,234,582	**1,986,417**

The accounts receivables presented in the financial statements represent amounts due to the Company from rental income and other charges associated with their lease agreements. These receivables are classified as current based on their expected collection within the normal operating cycle of the business.

7. Expected Calculated Loss

	2022 TT$	2021 TT$
Provision for Expected Credit Loss b/fwd	1,174,148	845,738
Current year provision charged to capital reserve (previous tenancy)	389,665	-
Current year provision charged to SOCI (current tenancy)	242,766	328,410
	1,806,579	**1,174,148**

8. Movement analysis of ECL

2022

Aged	New City Mall	East Side Plaza	Total Receivable	ECL Rate	Expected Credit Loss
Less than 31 days	216,534	10,100	226,634	5%	11,332
31 to 90 days	131,558	87,393	218,951	15%	32,843
Over 90 days	1,625,061	352,966	1,978,027	30%	593,407
Previous Tenancy	1,558,663	-	1,558,663	75%	1,168,997
	3,531,816	**450,460**	**3,982,276**		**1,806,579**

2021

Aged	New City Mall	East Side Plaza	Total Receivable	ECL Rate	Expected Credit Loss
Less than 31 days	140,751	15,313	156,064	5%	7,803
31 to 90 days	129,309	78,259	207,568	15%	31,135
Over 90 days	1,031,502	154,755	1,186,257	30%	355,878
Previous Tenancy	1,558,663	-	1,558,663	50%	779,332
	2,860,225	**248,327**	**3,108,552**		**1,174,148**

9. Related parties

The Company has related party relationships with associated entities and key management personnel. The associated companies are identified as New City Mall and East Side Plaza due to Port of Spain Shopping Complex assuming control of those entities' assets and obligations. Key management personnel are identified as the Board of Directors and Executive Management.

	2022 TT$	2021 TT$
Key Management Personnel Compensation:		
Directors' remuneration	-	-
Due from related parties		
Due from East Side Plaza	2,163,643	1,233,387
Due from New City Mall	2,103,162	1,186,656
	4,266,805	**2,420,043**

These receivables represent the net amounts owed to the Company by the identified related party entities for the collection of rental receipts and payment of expenses incurred by the Company during the reporting period. They are non-interest bearing and do not carry a fixed repayment date or terms. They are not impaired; amounts were settled in full within fiscal year ending September 2024.

10. Investment properties

	Buildings NCM and ESP TT$	Land NCM and ESP TT$	Total TT$
Balance as at 01 October 2021	33,614,000	7,000,000	40,614,000
Additions for the year	358,646		358,646
Depreciation charge for year	(672,878)	-	(672,878)
Balance as at 30 September 2022	**33,299,768**	**7,000,000**	**40,299,768**
Balance as at 01 October 2020	34,300,000	7,000,000	41,300,000
Depreciation charge for year	(686,000)	-	(686,000)
Balance as at 30 September 2021	**33,614,000**	**7,000,000**	**40,614,000**

11. Property, plant and equipment

Cost	Equipment TT$	Fittings & Fixtures TT$	Office Equipment TT$	Computer Equipment TT$	Total TT$
Balance as at 1 October 2021	421,199	69,666	190,425	29,574	710,864
Additions/for the year	346,795	10,195	1,123	-	358,113
Balance as at Sept 30 2022	**767,994**	**79,861**	**191,548**	**29,574**	**1,068,977**
Accumulated depreciation					
Balance as at 1 October 2021	(183,834)	(29,709)	(81,866)	(10,864)	(306,273)
Charge for the year	(68,588)	(11,369)	(27,420)	(6,236)	(113,613)
Balance as at Sept 30 2022	**(252,422)**	**(41,078)**	**(109,286)**	**(17,100)**	**(419,886)**
Net Book Value					
Balance as at Sept 30 2022	**515,572**	**38,783**	**82,262**	**12,474**	**649,091**
Balance as at Sept 30 2021	**237,364**	**39,957**	**108,559**	**18,710**	**404,590**
Balance as at 1 October 2020	418,851	69,666	189,080	18,710	696,307
NCA injections from previous entities	2,348	-		-	2,348
Additions/for the year	-	-	1,345	10,864	12,209
Balance as at Sept 30 2021	**421,199**	**69,666**	**190,425**	**29,574**	**710,864**
Accumulated depreciation					
Balance as at 1 October 2020	(104,713)	(16,390)	(45,680)	(3,865)	(170,648)
Charge for the year	(79,122)	(13,319)	(36,186)	(6,999)	(135,626)
Balance as at Sept 30 2021	**(183,835)**	**(29,709)**	**(81,866)**	**(10,864)**	**(306,274)**
Net Book Value					
Balance as at Sept 30 2021	**237,364**	**39,957**	**108,559**	**18,710**	**404,590**

12. Accounts payable and accruals

	2022 TT$	2021 TT$
Accrued expenses	439,892	239,228
Accounts payables	200,811	370,317
NIS payable	10,829	9,458
Health Surcharge payable	4,760	669
	656,292	**619,672**

13. Revenue

	2022 TT$	2021 TT$
Rental income – New City Mall	1,581,570	1,594,882
Rental income- East Side Plaza	1,086,141	661,552
	2,667,711	**2,256,434**
Subventions- New City Mall	4,561,986	3,124,365
Subventions- East Side Plaza	3,189,704	2,822,437
	7,751,690	**5,946,802**

Subvention recognised above are based on requisitions and payment of expenditure arising from operations of the malls New City Mall and East Side Plaza. These payments are made directly to service providers by the Ministry of Housing and Urban Development. The cumulative amounts of these completed payments for the fiscal period are recognised as revenue as identified in note 3.4 under Government Grants

	2022 TT$	2021 TT$
Washroom facilities fees	43,242	4,491
Other income	3,005	4,640
	46,247	**9,131**

14. Salaries, wages and employee deductions

	2022 TT$	2021 TT$
Salaries	939,978	986,658
Wages	833,120	803,823
N.I.S.	271,887	265,274
HSC/PAYE	61,462	67,514
Employee salary deductions	254,787	200,813
	2,361,234	**2,324,082**

15. Taxation

Taxation is computed using currently enacted rates in respect of the year of income under review on taxable profits derived from income streams that are subject to charge under the Income Tax and Corporation Tax Acts.

	2022	**2021**
	TT$	**TT$**
Provision for tax - Green Fund Levy	8,142	6,797
Less: Current year payments	(10,737)	(5,031)
Previous year liability	5,902	4,136
Taxation payable	**3,307**	**5,902**

Green Fund Levy is computed at the rate of 0.3% on revenues that are subject to tax under the taxing provisions previously mentioned.

16. Capital commitments

There are no capital commitments as at the reporting date.

17. Subsequent events

Beginning in January 2020, global financial markets experienced significant volatility resulting from the spread of a novel coronavirus known as COVID-19. The outbreak of COVID-19 resulted in loss of rental income, deferred financial assistance from the government bodies, tenant negotiations regarding rental payments, lease terms, or other contractual arrangements. These negotiations resulted in temporary rent concessions, lease extensions, or other adjustments to mitigate the financial impact on both parties. Restrictions related to the COVID-19 pandemic were lifted in July 2022 for the general public and health care facilities in May 2023.

18. Contingent liabilities

The Company has assessed its financial position in accordance with International Financial Reporting Standards (IFRS) and has determined that there are no material contingent liabilities as of 30 September 2022.

In accordance with IAS 37, "Provisions, Contingent Liabilities and Contingent Assets," the Company has conducted a thorough review of its contractual agreements and other potential obligations. Based on this assessment, management has determined that there are no contingent liabilities that require recognition in the financial statements. The Company will continue to monitor its obligations and commitments, including those of a contingent nature, and will make appropriate disclosures in the financial statements in accordance with IFRS should circumstances change.