



TTT Limited



August 07th, 2020

Mr. Ryan Maharaj
Ministry of Finance
Investments Division
Level 15, Eric Williams Financial Building
Independence Square
PORT OF SPAIN

Dear Sir,

Re: TTT Limited – Audited Financial Statements 2018

Please find enclosed for your attention, the Audited Financial Statements for the nine months ended 30thg September, 2018. The Audited Financial Statement 2018 was authorised by the Board of Directors of TTT Limited on 06th August, 2020.

Yours sincerely,

Christophe Brathwaite
Corporate Secretary
TTT Limited

cc. Minister of Finance



Grant Thornton
ORBIT Solutions

TTT LIMITED (formerly CARIBBEAN NEW MEDIA GROUP LIMITED)

FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED

SEPTEMBER 30, 2018



**TTT LIMITED (formerly CARIBBEAN NEW MEDIA GROUP LIMITED)
FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018**

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TTT Limited

STATEMENT OF MANAGEMENT'S RESPONSIBILITIES

Management is responsible for the following:

- Preparing and fairly presenting the accompanying financial statements of TTT Limited (formerly Caribbean New Media Group Limited), which comprises the statement of financial position as at September 30, 2018 the statements of comprehensive income, changes in equity and cash flows for the nine months then ended, and a summary of significant accounting policies and other explanatory information;
- Ensuring that the Company keeps proper accounting records;
- Selecting appropriate accounting policies and applying them in a consistent manner;
- Implementing, monitoring and evaluating the system of internal control that assures security of the Company's assets, detection/prevention of fraud, and the achievement of company operational efficiencies;
- Ensuring that the system of internal controls operated effectively during the reporting period;
- Producing reliable financial reporting that comply with laws and regulations, including the Companies Act; and
- Using reasonable and prudent judgement in the determination of estimates.

In preparing these audited financial statements, management utilised the International Financial Reporting Standards, as issued by the International Accounting Standards Board and adopted by the Institute of Chartered Accountants of Trinidad and Tobago. Where International Financial Reporting Standards presented alternative accounting treatments, management chose those considered most appropriate in the circumstances. Nothing has come to the attention of management to indicate that the Company will not remain a going concern for the next twelve months from the reporting date, or up to the date the accompanying financial statements have been authorised for issue, if later Management affirms that it has carried out its responsibilities as outlined above.

Relna Vire
Finance and Accounting Manager (Ag.)

David Roberts
Chief Executive Officer

Independent Auditors' Report

To the Board of Directors of TTT Limited (formerly Caribbean New Media Group Limited)

Opinion

We have audited the financial statements of TTT Limited (formerly Caribbean New Media Group Limited) ("the Company"), which comprise the statement of financial position as at September 30, 2018, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the nine months 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, 2018, and its financial performance and its cash flows for the nine months then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditors' 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") together with the ethical requirements that are relevant to our audit of the financial statements in the Republic of Trinidad and Tobago, and we have fulfilled our ethical responsibilities in accordance with these requirements and with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 22 in the financial statements which indicates that the Company incurred a total comprehensive loss for the year of \$150,496 during the year ended September 30, 2018 and, as of that date, the Company's current liabilities exceeded its current assets by \$6,509,741. As stated in Note 22, these events or conditions, along with other matters as set forth in Note 22, indicate that a material uncertainty exists that may cast doubt on the Company's ability to continue as a going concern. Our opinion was not qualified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements of the current period. Key audit matters are selected from matters communicated with those charged with governance. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming our opinion thereon, and the auditor does not provide a separate opinion on these matters.

Independent Auditors' Report (continued)

Key Audit Matters (continued)

Key Audit Matters	How our Audit Addressed the Key Audit Matter
<p>Impairment of trade and other receivables</p> <p>The provision for bad debts represented 88% of the trade and other receivables balance.</p>	<p>We performed tests on the trade and other receivables balance to determine that the provision was reasonable and adequate.</p>

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 International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 misstatements, whether due to fraud or error, and to issue the auditors' 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 scepticism 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.



Independent Auditors' Report (continued)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- 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 auditors' 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 auditors' 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entity or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company's audit. We remain solely responsible for our audit opinion.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditors' report is Giles Leung.

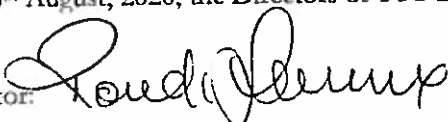
Grant Thornton
ORBIT Solutions
Port of Spain,
August 6, 2020

TTT LIMITED (formerly CARIBBEAN NEW MEDIA GROUP LIMITED)
STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2018

	Notes	2018 \$	2017 \$
ASSETS			
Non-current assets			
Property, plant and equipment	4	60,295,712	62,914,504
Deferred tax asset	5	<u>13,538,311</u>	<u>11,461,286</u>
		<u>73,834,023</u>	<u>74,375,790</u>
Current assets			
Cash and cash equivalents	6	7,748,725	22,783
Trade and other receivables	7	915,587	2,074,598
Amounts due from related parties	8	708,659	860,700
Taxation recoverable		<u>306,651</u>	<u>306,203</u>
		<u>9,679,622</u>	<u>3,264,284</u>
TOTAL ASSETS		<u>83,513,645</u>	<u>77,640,074</u>
EQUITY AND LIABILITIES			
Equity			
Stated capital	9	10	10
Accumulated losses		(11,909,753)	(11,759,257)
		(11,909,743)	(11,759,247)
Non-current liabilities			
Deferred capital grant	10	65,695,714	62,919,802
Deferred tax liability	5	<u>13,538,311</u>	<u>11,461,286</u>
		<u>79,234,025</u>	<u>74,381,088</u>
Current liabilities			
Trade and other payables	11	16,138,116	15,011,840
Taxation payable		<u>51,247</u>	<u>6,393</u>
		<u>16,189,363</u>	<u>15,018,233</u>
Total liabilities		<u>95,423,388</u>	<u>89,399,321</u>
TOTAL EQUITY AND LIABILITIES		<u>83,513,645</u>	<u>77,640,074</u>

The accompanying notes form an integral part of these financial statements

On 06th August, 2020, the Directors of TTT Limited authorised these financial statements for issue.

Director: 

Director: 

TTT LIMITED (formerly CARIBBEAN NEW MEDIA GROUP LIMITED)
STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018

	Notes	Nine months ended September 30, 2018 \$	2017 \$
Income from operations			
Revenue	12	7,546,451	12,174,469
Cost of sales	13	<u>(6,703,501)</u>	<u>(11,864,874)</u>
Gross profit		842,950	309,595
Other income			
Recurrent operating grant		13,335,000	16,050,000
Capital grant released		2,624,088	3,689,643
Interest income		<u>—</u>	<u>5</u>
Total other sources of income		<u>15,959,088</u>	<u>19,739,648</u>
		<u>16,802,038</u>	<u>20,049,243</u>
Indirect expenses			
Administrative	14	(14,256,831)	(25,981,425)
Depreciation		(2,537,637)	(3,689,643)
Finance charges		<u>(45,433)</u>	<u>(8,609)</u>
Total indirect expenses		<u>(16,839,901)</u>	<u>(29,679,677)</u>
Loss before taxation		(37,863)	(9,630,434)
Taxation	15	<u>(112,633)</u>	<u>(13,706)</u>
Loss for the year		(150,496)	(9,644,140)
Other comprehensive income		<u>—</u>	<u>—</u>
Total comprehensive loss for the year		<u>(150,496)</u>	<u>(9,644,140)</u>

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

TTT LIMITED (formerly CARIBBEAN NEW MEDIA GROUP LIMITED)
STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018

	Stated capital \$	Accumulated losses \$	Total \$
Balance at January 1, 2018	10	(11,759,257)	(11,759,247)
Total comprehensive loss for the period	—	<u>(150,496)</u>	<u>(150,496)</u>
Balance at September 30, 2018	<u>10</u>	<u>(11,909,753)</u>	<u>(11,909,743)</u>
Balance at January 1, 2017	10	(2,115,117)	(2,115,107)
Total comprehensive loss for the year	—	<u>(9,644,140)</u>	<u>(9,644,140)</u>
Balance as at December 31, 2017	<u>10</u>	<u>(11,759,257)</u>	<u>(11,759,247)</u>

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

TTT LIMITED (formerly CARIBBEAN NEW MEDIA GROUP LIMITED)
STATEMENT OF CASHFLOWS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018

	Nine months ended September 30, 2018 \$	2017 \$
Cash flows from operating activities		
Loss before taxation	(37,863)	(9,630,434)
Adjustments to reconcile loss before tax to net cash flows		
Depreciation of property, plant and equipment	2,537,637	3,689,643
Capital and operating grants utilised	(15,959,088)	(19,739,648)
Gain on foreign exchange	155,617	4,440
Loss on disposal of property, plant and equipment	<u>85,482</u>	<u>122,693</u>
Operating loss before changes in working capital	(13,218,215)	(25,553,306)
Decrease in trade and other receivables	1,159,011	2,905,645
Decrease in amounts due from related parties	152,041	983,871
Decrease in inventories	-	1,523,964
Increase in trade and other payables	<u>970,661</u>	<u>936,854</u>
Cash used in operating activities	(10,936,502)	(19,202,972)
Taxation paid (net)	<u>(68,229)</u>	<u>(110,394)</u>
Net cash used in operating activities	(11,004,731)	(19,313,366)
Cash flows from investing activities		
Purchase of property, plant and equipment	<u>(4,327)</u>	<u>(117,394)</u>
Net cash flows used in investing activities	<u>(4,327)</u>	<u>(117,394)</u>
Cash flows from financing activities		
Deferred grants received	<u>18,735,000</u>	<u>16,050,000</u>
Net cash generated from financing activities	<u>18,735,000</u>	<u>16,050,000</u>
Net increase/(decrease) in cash and cash equivalents	7,725,942	(3,380,760)
Cash and cash equivalents at the beginning of the year	<u>22,783</u>	<u>3,403,543</u>
Cash and cash equivalents at the end of the year (Note 6)	<u><u>7,748,725</u></u>	<u><u>22,783</u></u>

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

**TTT LIMITED (formerly CARIBBEAN NEW MEDIA GROUP LIMITED)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018**

1. Corporate information

TTT Limited (formerly Caribbean New Media Group Limited) (“the Company”) was incorporated in the Republic of Trinidad and Tobago on January 11, 2005 and its registered office is situated at No. 11A Maraval Road, Port-of-Spain. Its principal activities are the provision of media services via television and radio broadcasting. On August 30, 2018 the Company changed its name from Caribbean New Media Group Limited to TTT Limited.

The Company also changed its fiscal reporting period from December 31 to September 30, in line with the shareholder’s fiscal reporting period. As a result of this change, this reporting period is for nine months, from January 1, 2018 to September 30, 2018 with comparative information reported for twelve months from January 1, 2017 to December 31, 2017.

The shareholders of the Company are the Ministry of Finance as Corporation Sole, with one share held by a nominee, on behalf of the Ministry of Finance.

2. Basis of preparation and accounting policies

i) Basis of preparation

These financial statements have been prepared in accordance with the International Financial Reporting Standards (“IFRSs”) as issued by the International Accounting Standards Board.

These financial statements are prepared under the historical cost convention.

The Company’s functional and presentation currency is the Trinidad and Tobago dollar.

The preparation of financial statements in compliance with IFRSs requires management to make certain critical accounting estimates and to exercise its judgement in the process of applying the Company’s accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenditure during the reporting period. Although these estimates are based on management’s best knowledge of current events and actions, actual results may ultimately differ from those estimates.

ii) Summary of significant accounting policies

a. Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is provided on the reducing balance method.

TTT LIMITED (formerly CARIBBEAN NEW MEDIA GROUP LIMITED)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018
(Continued)

2. Basis of preparation and accounting policies (continued)

ii) Summary of significant accounting policies (continued)

a. Property, plant and equipment (continued)

The following rates, considered appropriate to write-off the assets over their estimated useful lives, are applied:

	%
Building and leasehold improvements	2
Machinery and equipment	5 - 25
Furniture and fittings	10
Office equipment	25
Motor vehicles	10 - 25
Computer equipment	33

No depreciation is charged on work-in-progress. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if there is an indication of a prospective change since the last reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated future economic benefits.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within other income in the statement of income.

Management applies judgment in considering the substance of a lease agreement and whether it transfers substantially all the risks and rewards incidental to ownership of the leased asset. Key factors considered include the length of the lease term in relation to the economic life of the asset, the present value of the minimum lease payments in relation to the asset's fair value, and whether the group obtains ownership of the asset at the end of the lease term.

b. Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, deposits with banks, and other short-term highly liquid investments with original maturities of three months or less. They are carried at cost, which approximates fair value.

c. Trade and other receivables

Trade receivables are measured at cost. Appropriate allowances for estimated irrecoverable amounts are recognised in the statement of comprehensive income when there is objective evidence that the asset is impaired.

d. Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. A number of transactions are entered into with related parties in the normal course of business. These transactions are carried out on commercial terms and conditions and at market rates.

TTT LIMITED (formerly CARIBBEAN NEW MEDIA GROUP LIMITED)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018
(Continued)

2. Basis of preparation and accounting policies (continued)

ii) Summary of significant accounting policies (continued)

e. Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses.

f. Government subventions

The Company is the recipient of annual subventions from the Ministry of Finance ("MOF"), which are disbursed monthly. According to the MOF mandate, the Company is to operate as a commercially viable enterprise, with a view for profit. In the event of losses, the Company is allowed to draw upon the Income and Capital Grants, which have been capitalised in accordance with IAS 20 *Accounting for Government Grants and Disclosure of Government Assistance*, in order to meet its relevant loss requirements.

i) Deferred capital grants

Grants related to capital expenditure are recorded and credited to the statement of comprehensive income on a reducing-balance basis over the expected lives of the respective capital assets.

ii) Deferred income

Grants related to operating expenditure are recorded and recognised in the statement of comprehensive income over the period necessary to match them with costs they are qualified to compensate.

Grants received without any stipulation for capital or operating expenditure are applied initially to cover capital expenditure, with the balance (if any) to cover recurrent expenditure.

g. Trade and other payables

Trade payables are a present obligation arising from past events which is expected to result in an outflow of resources embodying economic benefits.

Trade payables are initially measured at fair value with gains or losses recognised in the statement of comprehensive income.

h. Revenue

Revenue arises from the rendering of services. It is measured at the fair value of consideration received or receivable, excluding sales taxes, and reduced by any rebates and trade discounts allowed.

Revenue is recognised, on the accrual basis, from the provision of television or radio broadcasting services, individually or on a fixed contract basis

TTT LIMITED (formerly CARIBBEAN NEW MEDIA GROUP LIMITED)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTMBER 30, 2018
(Continued)

2. Basis of preparation and accounting policies (continued)

ii) Summary of significant accounting policies (continued)

i. Taxation

- i) Taxation expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the liability method.

- ii) Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Deferred tax liabilities are generally recognised in full, although IAS 12 'Income Taxes' specifies limited exemptions.

- iii) Revenue, expenses and assets are recognised net of the amount of value added tax except: where the value added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the value added tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable, and receivables and payables are stated inclusive of value added tax.
- iv) The net amount of value added tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

j. Foreign currency

Transactions in foreign currencies are translated into Trinidad and Tobago dollars at the exchange rates prevailing at the dates of the transactions. Current assets and liabilities denominated in foreign currencies are translated at the exchange rates prevailing at the balance sheet date. Profits and losses arising are dealt with in the statement of income.

k. Leased assets

Finance leases

Management applies judgment in considering the substance of a lease agreement and whether it transfers substantially all the risks and rewards incidental to ownership of the leased asset. Key factors considered include the length of the lease term in relation to the economic life of the asset, the present value of the minimum lease payments in relation to the asset's fair value, and whether the Company obtains ownership of the asset at the end of the lease term.

TTT LIMITED (formerly CARIBBEAN NEW MEDIA GROUP LIMITED)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018
(Continued)

2. Basis of preparation and accounting policies (continued)

ii) Summary of significant accounting policies (continued)

k. Leased assets (continued)

For leases of land and buildings, the minimum lease payments are first allocated to each component based on the relative fair values of the respective lease interests. Each component is then evaluated separately for possible treatment as a finance lease, taking into consideration the fact that land normally has an indefinite economic life.

See Note 2 ii) a) for the depreciation methods and useful lives for assets held under finance leases.

The interest element of lease payments is charged to profit or loss, as finance costs over the period of the lease.

Operating leases

All other leases are treated as operating leases. Where the Company is a lessee, payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease. For leases of land and buildings, the minimum lease payments are first allocated to each component based on the relative fair values of the respective lease interests. Each component is then evaluated separately for possible treatment as a finance lease, taking into consideration the fact that land normally has an indefinite economic life.

l. Financial instruments

All regular purchases and sales of financial assets are recognised or derecognised on the trade date, that is, the date on which the Company commits itself to purchase or sell an asset. A regular way purchase and sale of financial assets is a purchase or sale of an asset under a contract whose terms require delivery of the asset within the timeframe established generally by regulation or convention in the marketplace concerned.

Financial assets

Financial assets are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

Financial assets are comprised of cash and cash equivalents and trade and other receivables.

TTT LIMITED (formerly CARIBBEAN NEW MEDIA GROUP LIMITED)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018
(Continued)

2. Basis of preparation and accounting policies (continued)

ii) Summary of significant accounting policies (continued)

1. Financial instruments (continued)

Financial liabilities

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Financial liabilities are re-measured at amortised cost using the effective interest method.

Financial liabilities comprise trade and other payables.

Impairment of financial assets

Financial liabilities are derecognised when they are extinguished that is when the obligation specified in the contract is discharged, cancelled or expired.

The difference between the carrying amount of a financial liability extinguished and the consideration paid is recognised in the statement of comprehensive income.

The Company assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired.

A financial asset or group of financial assets is impaired and impairment losses are incurred if and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Objective evidence that a financial asset or group of financial assets is impaired includes observable data that comes to the attention of the Company about the following loss events:

- i) Significant financial difficulty of the issuer or obligor.
- ii) A breach of contract, such as default or delinquency in interest or principal payments.
- iii) It is probable that the borrower will enter into bankruptcy or other financial reorganization.

TTT LIMITED (formerly CARIBBEAN NEW MEDIA GROUP LIMITED)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018
(Continued)

2. Basis of preparation and accounting policies (continued)

ii) Summary of significant accounting policies (continued)

1. Financial instruments (continued)

iv) The disappearance of an active market for that financial asset because of financial difficulties.

The Company first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant. If the Company determines that no objective evidence of impairment exists for an individually assessed financial asset, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

m. Comparative figures

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

n. Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

i) Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain software and IT equipment.

ii) Fair value measurement

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible, but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

iii) Impairment of financial assets

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

iv) Income taxes

Significant estimates are required in determining the provision for income taxes. If the final tax outcome is different from the amounts that were initially recorded, it will impact the income tax provision in the period in which such determination is made

TTT LIMITED (formerly CARIBBEAN NEW MEDIA GROUP LIMITED)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018
(Continued)

2. Basis of preparation and accounting policies (continued)

ii) Summary of significant accounting policies (continued)

n. Estimation uncertainty (continued)

v) Deferred taxes

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

3. Changes in accounting policy

i) New and revised standards that are effective for annual periods beginning on or after January 1, 2018

Amendments to IFRSs that became mandatorily effective in 2018 have no material impact on the Company's financial results or position.

ii) Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Company

At the date of authorisation of these financial statements, certain new standards, and amendments to existing standards have been published by the International Accounting Standards Board ("IASB") that are not yet effective and have not been adopted early by the Company. Information on those expected to be relevant to the Company's financial statements is provided below.

Management anticipates that all relevant pronouncements will be adopted in the Company's accounting policies for the first period beginning after the effective date of the pronouncement. New standards, interpretations and amendments not either adopted or listed below are not expected to have a material impact on the Company's financial statements.

- IFRS 9, '*Financial Instruments*', which is effective for annual periods beginning on or after January 1, 2018, replaces the existing guidance in IAS 39 '*Financial Instruments: Recognition and Measurement*'. IFRS 9 includes revised guidance on the classification and measurement requirements for financial assets and liabilities to include a new "expected credit loss" model for the impairment of financial assets and a substantially-reformed approach to hedge accounting. It also carries forward the guidance on derecognition of financial instruments from IAS 39.

The financial assets are classified by reference to the business model within which they are held and their contractual cash flow characteristics. Although the permissible measurement bases for financial liabilities, fair value through other comprehensive income ("FVTOCI") and fair value through profit or loss ("FVTPL") - are similar to IAS 39, the criteria for classification into the appropriate measurement category are significantly different. IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' model, which means it is no longer necessary for a credit event to have occurred before a credit loss is recognised.

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3. Changes in accounting policy (continued)

ii) Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Company (continued)

The Company is assessing the impact that this amendment will have on its 2019 financial statements.

- IFRS 15, '*Revenue from Contracts with Customers*', which is effective for annual periods beginning on or after January 1, 2018 presents new requirements for the recognition of revenue, replacing IAS 18 '*Revenue*', IAS 11 '*Construction Contracts*', and several revenue-related Interpretations. The new standard establishes a control-based revenue recognition model and provides additional guidance in many areas not covered in detail under existing IFRSs, including how to account for arrangements with multiple performance obligations, variable pricing, customer refund rights, supplier repurchase options, and other common complexities.

The Company is assessing the impact that this amendment will have on its 2019 financial statements.

- IFRS 16, '*Leases*' which is effective for annual periods beginning on or after January 1, 2019, eliminates the current dual accounting model for lessees, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. Instead, 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.

Lessor accounting requirements remain the same as applied under IAS 17 where the lessor will continue to classify leases as finance and operating leases. Finance lease accounting will be based on IAS 17 lease accounting, with recognition of net investment in lease comprising lease receivable and residual asset. Operating lease accounting will be based on IAS 17 operating lease accounting.

Early adoption is permitted if IFRS 15, '*Revenue from Contracts with Customers*' is also adopted. The Company is assessing the impact that this amendment will have on its 2019 financial statements.

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4. Property, plant and equipment

	Buildings and leasehold improvements \$	Machinery and equipment \$	Fixtures and fittings \$	Office equipment \$	Motor vehicles \$	Computer equipment \$	Work in progress \$	Total \$
Cost								
At the beginning of the year	40,546,487	65,646,931	5,176,534	920,682	5,124,541	8,263,348	475,808	126,154,331
Additions	-	-	2,005	-	-	2,322	-	4,327
Disposals	(122,625)	-	-	-	-	-	-	(122,625)
At the end of the year	40,423,862	65,646,931	5,178,539	920,682	5,124,541	8,265,670	475,808	126,036,033
Accumulated depreciation								
At the beginning of the year	7,947,424	40,225,668	3,208,496	730,005	3,392,088	7,736,146	-	63,239,827
Charge for the year	510,013	1,612,903	147,761	23,374	129,934	113,652	-	2,537,637
Disposals	(37,143)	-	-	-	-	-	-	(37,143)
At the end of the year	8,420,294	41,838,571	3,356,257	753,379	3,522,022	7,849,798	-	65,740,321
Net book value								
At September 30, 2018	32,003,568	23,808,360	1,822,282	167,303	1,702,519	415,812	475,808	60,295,712
At December 31, 2017	32,599,063	25,421,263	1,968,038	190,677	1,732,453	527,202	475,808	62,914,504

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FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018
(Continued)

5. Deferred tax assets and liabilities

	Balance as at January 1, 2018	Benefit/(charge) to statement of comprehensive income	Balance as at September 30, 2018
	\$	\$	\$
As at September 30, 2018			
Deferred tax asset			
Tax losses	40,090,974	12,755,961	52,846,935
Valuation allowance	<u>(28,629,688)</u>	<u>(10,678,936)</u>	<u>(39,308,624)</u>
	<u>11,461,286</u>	<u>2,077,025</u>	<u>13,538,311</u>
Deferred tax liability			
Property, plant and equipment	<u>(11,461,286)</u>	<u>(2,077,025)</u>	<u>(13,538,311)</u>

	Balance as January 1, 2017	Benefit/(charge) to statement of comprehensive income	Balance as December 31, 2017
	\$	\$	\$
As at December 30, 2017			
Deferred tax asset			
Tax losses	39,389,689	701,285	40,090,974
Valuation allowance	<u>(27,866,677)</u>	<u>(763,011)</u>	<u>(28,629,688)</u>
	<u>11,523,012</u>	<u>(61,726)</u>	<u>11,461,286</u>
Deferred tax liability			
Property, plant and equipment	<u>(11,523,012)</u>	<u>61,726</u>	<u>(11,461,286)</u>

	2018	2017
	\$	\$
6. Cash and cash equivalents		
Cash on hand	3,024	5,705
Cash at bank	<u>7,745,701</u>	<u>17,078</u>
	<u>7,748,725</u>	<u>22,783</u>

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(Continued)

	2018	2017
	\$	\$
7. Trade and other receivables		
Trade receivables	6,697,929	7,072,933
Provision for bad debts	<u>(5,891,288)</u>	<u>(5,185,753)</u>
	806,641	1,887,180
Other receivables	<u>108,946</u>	<u>187,418</u>
	<u>915,587</u>	<u>2,074,598</u>
8. Amounts due from related parties		
Government ministries and statutory bodies	3,930,976	4,777,530
Provision for bad debts	<u>(3,222,317)</u>	<u>(3,916,830)</u>
	<u>708,659</u>	<u>860,700</u>
<p>The transactions conducted with related parties were carried out on commercial terms and conditions at market rates.</p> <p>The following transactions were carried out with related parties during the year:</p>		
Sales to related parties	<u>2,199,296</u>	<u>439,442</u>
Key management compensation		
Short-term employee benefits:		
Salaries including bonuses	<u>1,531,671</u>	<u>2,321,890</u>
9. Stated capital		
Authorised		
Unlimited number of ordinary shares		
Issued		
10 ordinary shares at \$1 per share	<u>10</u>	<u>10</u>

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(Continued)

10. Deferred capital grant/deferred income

	Deferred capital grant \$	Deferred income \$	Total \$
Balance as at January 1, 2018	62,919,802	-	62,919,802
Received for the year	5,400,000	18,735,000	24,135,000
Released to statement of comprehensive income	(2,624,088)	(18,735,000)	(21,359,088)
Capital allocation	<u>-</u>	<u>-</u>	<u>-</u>
Balance as at September 30, 2018	<u>65,695,714</u>	<u>-</u>	<u>65,695,714</u>
Balance as at January 1, 2017	66,609,445	-	66,609,445
Received for the year	-	16,050,000	16,050,000
Released to statement of comprehensive income	(3,733,396)	(16,050,000)	(19,783,396)
Capital allocation	<u>43,753</u>	<u>-</u>	<u>43,753</u>
Balance as at December 31, 2017	<u>62,919,802</u>	<u>-</u>	<u>62,919,802</u>

11. Trade and other payables

	2018 \$	2017 \$
Trade payables	9,020,317	6,635,130
Accruals	5,938,189	6,822,885
Other payables	<u>1,179,610</u>	<u>1,553,825</u>
	<u>16,138,116</u>	<u>15,011,840</u>

12. Revenue

	Nine months ended September 30, 2018 \$	2017 \$
Airtime and production	7,017,411	11,497,937
Transmitter rental	501,840	669,120
Interactive media	<u>27,200</u>	<u>7,412</u>
	<u>7,546,451</u>	<u>12,174,469</u>

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FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018
(Continued)

13. Cost of sales

	Nine months ended September 30, 2018	2017
	\$	\$
Purchase of programmes- local	-	47,000
Purchase of programmes- foreign	-	1,523,964
Programme material	770	36,484
Broadcast expense	434,170	1,899,832
Rental of vehicles	323,600	459,480
Rental of equipment	237,300	398,600
Local production and editing	45,060	(13,437)
Promotions & giveaways	17,836	81,444
License fees- TATF	683,852	1,189,914
License fees- COTT	205,077	296,058
Repairs and maintenance	1,242,290	1,733,167
Marketing and advertising expense	239,776	(22,320)
Freelance expense	2,661,296	3,120,967
Commission expense	<u>612,474</u>	<u>1,113,721</u>
	<u>6,703,501</u>	<u>11,864,874</u>

14. Administrative expenses

Directors' fees and expenses	267,852	345,944
Salaries and wages	11,152,288	16,258,782
Training and development	-	2,289
Travel	31,402	54,316
Office supplies	121,185	220,390
Information technology and website maintenance	838,335	975,068
Utilities	476,222	1,215,095
General expenses	207,182	550,977
Legal and professional	207,444	2,010,083
Subscriptions and donations	68,282	150,104
Staff expenses	14,099	6,194
Insurance	404,049	528,978
Security	(113,129)	976,861
Rent	329,500	724,853
Provision for bad debts	11,021	1,957,051
Gain/loss on foreign exchange	155,617	4,440
Loss on disposal/derecognition of assets	<u>85,482</u>	<u>-</u>
	<u>14,256,831</u>	<u>25,981,425</u>

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(Continued)

	Nine months ended September 30, 2018 \$	2017 \$
15. Taxation		
Business levy	75,089	73,047
Green fund levy	37,544	36,523
Prior year adjustment	<u>-</u>	<u>(95,864)</u>
	<u>112,633</u>	<u>13,706</u>
The Company's effective rate varies from the statutory rate of 30% as a result of the differences shown below.		
Loss before taxation	<u>(37,863)</u>	<u>(9,630,434)</u>
Tax charge at 30% (2017: 25- 30%)	(11,359)	(2,407,609)
Tax effect of:		
Tax effect of expenses not allowable	3,795,937	4,150,244
Tax effect of allowable allowances	(4,787,726)	(4,934,911)
Business levy	75,089	73,047
Green fund levy	37,544	36,523
Tax losses not recognised	954,771	2,994,703
Other	<u>48,377</u>	<u>101,709</u>
	<u>112,633</u>	<u>13,706</u>

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16. Financial instruments risk

The Company is exposed to various risks in relation to financial instruments. Its financial assets and liabilities by category are summarized in note 2.ii). The main types of risks to which TTT Limited are exposed to are credit risk and liquidity risk.

The Company's risk management is coordinated at its headquarters, in close cooperation with the board of directors, and focuses on actively securing the Company's short to medium-term cash flows by minimising the exposure to volatile financial markets.

The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed are described below.

i) Credit risk analysis

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments, for example by granting receivables to customers. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised.

The Company continuously monitors defaults of customers and other counterparties identified either individually or by the Company and incorporates this information into its credit risk controls. The Company's policy is to deal only with creditworthy counterparties.

The Company's management considers that all of the financial assets that are not impaired or past due for September 30 and December 31, reporting dates under review are of good credit quality. At year end, the Company has certain trade receivables that have not been settled by the contractual due date but are not considered to be impaired. The amounts at September 30 and December 31 analysed by the length of time past due, are:

	Current	30 days	60 days	90 days	Total
	\$	\$	\$	and over	\$
				\$	
September 30, 2018					
Trade and other receivables	446,229	165,318	(20,844)	324,884	915,587
Amounts due from related parties	653,131	(477,554)	110,693	422,389	708,659
	Current	30 days	60 days	90 days	Total
	\$	\$	\$	and over	\$
				\$	
December 31, 2017					
Trade and other receivables	1,278,067	534,387	108,977	153,167	2,074,598
Amounts due from related parties	17,545	44,786	19,314	779,055	860,700

In respect of trade and other receivables, The Company is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Trade receivables consist of a large number of customers in various industries and geographical areas. Based on historical information about customer default rates management considers the credit quality of trade receivables that are not past due or impaired to be good.

TTT LIMITED (formerly CARIBBEAN NEW MEDIA GROUP LIMITED)
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(Continued)

16. Financial instruments risk (continued)

The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

ii) Liquidity risk analysis

Liquidity risk is the risk that the Company may be unable to meet its obligations. The Company manages its liquidity needs by monitoring scheduled payments for long-term financial liabilities, drawing on the government subvention as well as forecast cash inflows and outflows due in day-to-day business. The data used for analysing these cash flows is consistent with that used in the contractual maturity analysis below. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 180-day and a 360-day lookout period are identified monthly.

The Company's objective is to maintain cash and marketable securities to meet its liquidity requirements for 30-day periods at a minimum. This objective was met for the reporting periods. Funding for long-term liquidity needs is additionally secured by drawing on the government subvention. As at September 30, 2018, the Company's non-derivative financial liabilities have contractual maturities as summarised below:

	Current	Total
	\$	\$
September 30, 2018		
Trade and other payables	<u>16,138,116</u>	<u>16,138,116</u>
December 31, 2017		
Trade and other payables	<u>15,011,840</u>	<u>15,011,840</u>

17. Financial assets and liabilities

Note 2. ii) i. provides a description of each category of financial assets and financial liabilities and the related accounting policies. There are no borrowings, bonds derivatives, instruments nor any other financial instruments. The carrying amounts of financial assets and financial liabilities in each category are as follows:

	2018	2017
	\$	\$
Financial assets		
Trade and other receivables	915,587	2,074,598
Amounts due from related parties	708,659	860,700
Cash and cash equivalents	<u>7,748,725</u>	<u>22,783</u>
	<u>9,372,971</u>	<u>2,958,081</u>
Financial liabilities		
Trade and other payables	<u>16,138,116</u>	<u>15,011,840</u>

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18. Fair value measurement

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into the third level of the fair value hierarchy.

- Level 3: unobservable inputs for the asset or liability

19. Contingent liabilities

Various warranty and legal claims were brought against the Company during the year. Recognized as a provision, management considers these claims to be probable, and they will require settlement at the Company's expense in 2019. This evaluation is consistent with external independent legal advice. Further information on these contingencies is omitted so as not to seriously prejudice the Company's position in the related disputes.

20. Leases

Operating leases as lessee

The Company's main administrative office, related facilities and motor vehicles are currently held under operating lease arrangements. Operating lease liabilities are secured by the related assets held under operating leases. Future minimum operating lease payments at year end, were as follows:

	Minimum lease payments due			Total \$
	Within 1 year \$	1 to 5 years \$	Over 5 years \$	
	September 30, 2018	<u>560,900</u>	<u>—</u>	
December 31, 2017	<u>842,000</u>	<u>1,464,000</u>	<u>—</u>	<u>2,306,000</u>

21. Capital commitments

The Company has no capital commitments.

22. Material uncertainty related to going concern

These financial statements have been prepared on the going concern basis despite the total comprehensive loss for the year of \$150,496 incurred during the year ended September 30, 2018 and, as of that date the Company's current liabilities exceeded its current assets by \$6,509,741.

The Company has been dependent on the Government of the Republic of Trinidad and Tobago ("GORTT") to fund its operating and capital expenditures since inadequate resources are generated from its operating activities at this time. In the absence of continued support from the Government of the Republic of Trinidad and Tobago, the conditions cited above indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Management is of the opinion that the Company continues to have a strategic role in the country's development. In addition, each year the Company delivers events, programmes and productions on behalf of the GORTT. Revenue from delivering these aforementioned activities, as well as strategic partnerships and sponsorship opportunities in the marketplace, are all important contributing factors to the improved economic performance of the Company.

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23. Subsequent events

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a global pandemic, which continues to affect Trinidad and Tobago, the region and the world.

Management is uncertain of the effects of the global pandemic on its financial statements and believes that any disturbance may be temporary; however, there is uncertainty about the length and potential impact of the disturbance.

As a result, we are unable to estimate the potential impact on the Company's operations as at the date of these financial statements.