Point Lisas Industrial Port Development Corporation Limited

Parent and Consolidated Financial Statements

31 December 2023

(Expressed in Thousands of Trinidad and Tobago Dollars)

Point Lisas Industrial Port Development Corporation Limited

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Point Lisas Industrial Port Development Corporation Limited

Statement of Management's Responsibilities

Management is responsible for the following:

- Preparing and fairly presenting the accompanying parent financial statements of Point Lisas Industrial Port Development Corporation Limited (the Parent) and the consolidated financial statements of the Parent and its subsidiary (together 'the Group') which comprise the parent and consolidated statement of financial position as at 31 December 2023 and the parent and consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and material accounting policies and other explanatory information;

- Ensuring that the Group 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 Group's assets, detection/prevention of fraud, and the achievement of Group operational efficiencies;

- Ensuring that the system of internal control operated effectively during the reporting period;

- Producing reliable financial reporting that comply with laws and regulations, including the Companies Act; and

- Using reasonable and prudent judgment in the determination of estimates.

In preparing these audited parent and consolidated financial statements, management utilised IFRS Accounting Standards, as issued by the International Accounting Standards Board and adopted by the Institute of Chartered Accountants of Trinidad and Tobago. Where IFRS Accounting 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 Group will not remain a going concern for the next twelve months from the reporting date; or up to the date the accompanying parent and consolidated financial statements have been authorised for issue, if later.

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

President	Vice-President - Business Services
26 March 2024	26 March 2024

Independent auditor's report

To the Shareholders of Point Lisas Industrial Port Development Corporation Limited

Report on the audit of the parent and consolidated financial statements

Our opinion

In our opinion, the parent financial statements and the consolidated financial statements present fairly, in all material respects, the financial position of Point Lisas Industrial Port Development Corporation Limited (the Parent) and the consolidated financial position of the Parent and its subsidiary (together 'the Group') as at 31 December 2023, and their parent and consolidated financial performance and their parent and consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

What we have audited

Point Lisas Industrial Port Development Corporation Limited's parent and consolidated financial statements comprise:

- the parent and consolidated statement of financial position as at 31 December 2023;
- the parent and consolidated statement of profit or loss and other comprehensive income for the year then ended;
- the parent and consolidated statement of changes in equity for the year then ended;
- the parent and consolidated statement of cash flows for the year then ended; and
- the notes to the parent and consolidated financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the parent and consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Our audit approach

Overview

Overall materiality: TT$23.4 million (Parent and Group), which represents approximately 0.8% of net assets.

- The consolidated group consists of the Parent and one fully owned subsidiary (Point Lisas Terminals Limited), both of which are registered in Trinidad and Tobago.
- We performed a full scope audit of the Parent and determined that the subsidiary was financially inconsequential to the Group.

- Valuation of investment properties (Parent & Group)
- Impairment assessment of non-financial assets – Berths and piers (Parent & Group)

Audit scope

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the parent and consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including, among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

How we tailored our group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

A full scope audit was performed on the Parent as it was deemed individually financially significant. We determined that the subsidiary was inconsequential based on the limited transactional activity and limited balances and performed analytical procedures in respect thereof.

Our 2023 audit was planned and executed having regard to the fact that the operations of the Group were largely unchanged from the prior year. In light of this, the areas of audit focus continued to be the fair value movements on investment properties and the impairment assessment of the Parent & Group's non-financial assets due to a shortfall in the market capitalisation compared to the carrying amount of net assets in the parent and consolidated financial statements.

Our audit approach (continued)

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the parent and consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the parent and consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall parent and group materiality for the parent and consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the parent and consolidated financial statements as a whole.

Overall materiality	TT$23.4 million (Parent and Group)
How we determined it	Approximately 0.8% of net assets
Rationale for the materiality benchmark applied	We chose net assets as the benchmark because, in our view, it is the benchmark against which the performance of the Parent and Group is most commonly measured by users, and is a generally accepted benchmark. We chose 0.8% which is within a range of acceptable benchmark thresholds.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above TT$1,170,000, as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent and consolidated financial statements of the current period. These matters were addressed in the context of our audit of the parent and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
Valuation of investment properties (Parent & Group) *Refer to note 6 to the parent and consolidated financial statements for disclosures of related accounting policies and balances* Investment properties, carried at fair value, amounted to TT$2,287 million as at 31 December 2023 for the Parent and Group, which represented 69% of their total assets. Included in the parent and consolidated statement of profit or loss and other comprehensive income is TT$43 million of fair value gains arising from the revaluation of these properties. The investment properties, principally comprising freehold and leasehold land, represent a significant portion of the asset base of the Parent and Group. Management uses an external valuation expert to value these assets annually at fair value using valuation models, which include unobservable inputs. The valuation is based upon the Income Approach for leased properties and the Market Approach for land. The most significant inputs into these valuation models are future rental cash inflows based on the actual location and quality of the properties and supported by the terms of any existing leases and market prices of land, which incorporate extension assumptions, and are then discounted to present value. The areas which required judgement relate to the lease extension clauses, which allow for renewal for an additional 30 years, and the discount rates applied to future cash flows. The critical data inputs into the calculation are data from the lease contracts, including land size, rental rates, currency of agreement and lease tenure. The existence of significant estimation uncertainty as it pertains to the lease renewal, coupled with the material value of the properties, resulted in this being an audit focus area.	The approach to addressing the matter involved the following procedures, amongst others: • Updated our understanding of management's approach to performing the fair value assessment, including the process by which management's key assumptions and methodologies were developed and assessing their appropriateness. • Assessed the independence and competence of management's valuation expert. • Assessed the likelihood of the continued occupation and extension of the leases using available market data. • Evaluated the expert's assumptions focusing on the tenants' ability and intent to continue their operations at the leased properties, taking into account publicly available data impacting this assumption such as national gas reserves and the property's commercial attributes. Inspected, on a sample basis, historical trends of renewals of tenant leases. • Tested a sample of tenants to determine whether their rental payments were timely and whether there were any indicators that would make it unlikely that they would be able to continue with timely payments. • Evaluated management's discount rates by reference to local statutory policy and to the yield of a Government of Trinidad and Tobago bond for a similar tenor. • Tested, on a sample basis, the accuracy of the data inputs into the valuation model by verifying the size of property, rental rates, currency of agreement and rent expiry dates against signed contractual lease agreements and related addendums as applicable. • Tested the mathematical accuracy of the calculations used within the model. Based on the procedures performed, the valuation of investment properties in the parent and consolidated financial statements was, in our view, not unreasonable.

Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
Impairment assessment of non-financial assets – Berths and piers (Parent & Group) *Refer to notes 3 and 5 and to the parent and consolidated financial statements for disclosures of related accounting policies and balances.* At the reporting date, the Parent and Group's market capitalisation was significantly less than the carrying amount of its net assets and as per the Parent and Group's accounting policy, this is an indicator of potential impairment. As such, an impairment assessment was performed by management. Management determined that the port and estate operations are integrally linked and comprise a single cash generating unit. As some of the assets are already carried at fair value, the main focus of management's impairment assessment was on those assets which are not carried at fair value. In assessing potential impairment, management performed procedures to determine the recoverable amount of certain of those assets. The applicable assets related primarily to TT$212 million of berths and piers, included in property, plant and equipment on the parent and consolidated statement of financial position. Due to the specialised nature of the berths and piers, management engaged external independent valuators in 2023 who used the depreciated replacement cost (DRC) approach to determine fair value less cost of disposal for impairment purposes. The DRC approach involves estimation of the replacement cost new (RCN) defined as the current cost of a similar new asset having the nearest equivalent utility as the asset being appraised, as well as deductions for obsolescence. Significant assumptions utilised include: • Indirect costs including engineering, architect, and other professional fees; • Construction finance; and • Entrepreneurial profit. As the recoverable amount derived from the valuation of the berths and piers was higher than the total carrying amount of the assets which are not carried at fair value, management ultimately determined that no impairment provision was required. Based on the magnitude and the high degree of estimation uncertainty in assessing the fair value less cost of disposal of the assets assessed for impairment, this was an area of focus for the audit.	Our approach to addressing the matter, with the assistance of our valuation expert, involved the following procedures, amongst others: • Evaluated the method used by management to perform the impairment assessment. This included updating our understanding of the process by which management's key assumptions and methodologies were developed and assessing their appropriateness. • Assessed the independence and competence of management's internal experts involved in the process. • Tested, on a sample basis, data used in the valuation and key assumptions such as indirect costs, berth specifications, the depreciation rates, the rates for finance cost and entrepreneurial profit to relevant source or industry data and supporting documents. • Developed an independent expectation range of the DRC and compared it to management's recorded estimate. • Tested the mathematical accuracy of the calculations used within the model. Based on the procedures performed, the inputs and assumptions used in the impairment assessment of non-financial assets were, in our view, not unreasonable.

Other information

Management is responsible for the other information. The other information comprises the Annual Report (but does not include the parent and consolidated financial statements and our auditor's report thereon), which is expected to be made available to us after the date of this auditor's report.

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

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

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of management and those charged with governance for the parent and consolidated financial statements

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

In preparing the parent and consolidated financial statements, management is responsible for assessing the Parent and Group'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 Parent or Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Parent and Group's financial reporting process.

Auditor's responsibilities for the audit of the parent and consolidated financial statements

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

Auditor's responsibilities for the audit of the parent and consolidated financial statements (continued)

- 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 Parent and Group'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 Parent and Group'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 parent and consolidated 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 Parent or Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the parent and consolidated financial statements, including the disclosures, and whether the parent and consolidated 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 entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group 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, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent and consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Wendell Ramoutar.

PricewaterhouseCoopers

San Fernando
Trinidad, West Indies
27 March 2024

Point Lisas Industrial Port Development Corporation Limited

Parent and Consolidated Statement of Financial Position

(Expressed in Thousands of Trinidad and Tobago Dollars)

Parent As at 31 December 2022 $	Parent As at 31 December 2023 $		Notes	Group As at 31 December 2023 $	Group As at 31 December 2022 $
		Assets			
		Non-current assets			
760,923	755,853	Property, plant and equipment	5	755,853	760,923
2,243,705	2,286,680	Investment properties	6	2,286,680	2,243,705
15,824	16,399	Deferred income tax assets	8 c.	16,399	15,824
--	2,506	Right of use asset		2,506	--
320	320	Investment in subsidiary	1 a.	--	--
897	--	Financial asset at amortised cost	7	--	897
1,771	1,470	Financial assets at fair value through other comprehensive income	7 b.	1,470	1,771
3,023,440	3,063,228			3,062,908	3,023,120
		Current assets			
19,014	21,946	Inventory	9	21,946	19,014
58,970	59,106	Trade and other receivables	10	60,201	59,934
--	--	Taxation recoverable		739	739
162,951	148,078	Cash at bank and on hand	11	148,080	163,056
240,935	229,130			230,966	242,743
3,264,375	3,292,358	**Total assets**		3,293,874	3,265,863
		Equity and liabilities			
		Equity attributable to owners of the parent			
139,968	139,968	Stated capital	12	139,968	139,968
(32)	(32)	Treasury shares	14	(32)	(32)
277,408	275,238	Revaluation reserves	15 b.	275,238	277,408
833	532	Investment revaluation reserve	15 c.	532	833
2,466,625	2,515,391	Retained earnings		2,518,101	2,469,176
2,884,802	2,931,097			2,933,807	2,887,353
		Non-current liabilities			
12,201	14,514	Retirement benefit obligation	18 a.	14,514	12,201
38,817	38,777	Casual employee retirement benefit	18 b.	38,777	38,817
84,375	2,722	Long and medium-term borrowings	16	2,722	84,375
--	962	Lease liabilities		962	--
104,436	103,437	Deferred income tax liabilities	8 c.	103,437	104,436
54,079	53,112	Deferred lease rental income	25	53,112	54,079
293,908	213,524			213,524	293,908

Point Lisas Industrial Port Development Corporation Limited

Parent and Consolidated Statement of Financial Position (continued)
(Expressed in Thousands of Trinidad and Tobago Dollars)

Parent As at 31 December 2022 $	Parent As at 31 December 2023 $		Notes	Group As at 31 December 2023 $	Group As at 31 December 2022 $
		Current liabilities			
--	5,807	Bank overdraft	11	6,846	--
13,294	82,924	Long and medium-term borrowings	16	82,924	13,294
4,607	4,626	Deferred lease rental income	25	4,626	4,607
63,910	49,816	Trade and other payables	20	47,563	62,839
--	1,671	Lease liabilites		1,671	--
3,854	2,893	Current income tax liabilities		2,913	3,862
85,665	147,737			146,543	84,602
379,573	361,261	**Total liabilities**		360,067	378,510
3,264,375	3,292,358	**Total equity and liabilities**		3,293,874	3,265,863

The notes on pages 15 to 72 are an integral part of these parent and consolidated financial statements.

On 26 March 2024, the Board of Directors of Point Lisas Industrial Port Development Corporation Limited authorised these parent and consolidated financial statements for issue.

Ricardo Lewis Director   Cindy Manjon Director

Point Lisas Industrial Port Development Corporation Limited

Parent and Consolidated Statement of Profit or Loss and Other Comprehensive Income

(Expressed in Thousands of Trinidad and Tobago Dollars)

Parent Year ended 31 December 2022 $	Parent Year ended 31 December 2023 $		Notes	Group Year ended 31 December 2023 $	Group Year ended 31 December 2022 $
363,864	366,467	Revenue	19 & 21	366,467	363,864
(127,953)	(124,954)	Cost of providing services	22	(123,506)	(126,536)
235,911	241,513	**Gross profit**		242,961	237,328
25,125	42,975	Unrealised fair value gains on investment properties	6	42,975	25,125
(123,243)	(126,960)	Administrative expenses	22	(127,661)	(123,972)
(90,654)	(92,567)	Other operating expenses	22	(92,567)	(90,654)
9,418	2,366	Other income	7 c.	2,366	9,418
56,557	67,327	**Operating profit**		68,074	57,245
(3,545)	(5,158)	Finance costs		(5,158)	(3,545)
53,012	62,169	**Profit before taxation**		62,916	53,700
(9,624)	(9,678)	Taxation charge	8 a.	(10,266)	(10,199)
43,388	52,491	**Profit for the year**		52,650	43,501
		Other comprehensive income			
		Items that will not be reclassified to profit or loss			
(223)	(301)	Change in value of financial assets at fair value through other comprehensive income	7 b.	(301)	(223)
1,493	2,003	Deferred tax on accelerated tax depreciation – property plant, and equipment revalued and site improvements	8 c.	2,003	1,493
26,830	503	Gain on revaluation of land and buildings and own site improvements		503	26,830
		Remeasurements of:			
(10,449)	(3,269)	Retirement benefit obligation/(asset)	18 a.	(3,269)	(10,449)
(398)	1,604	Casual employee retirement benefit	18 b.	1,604	(398)
60,641	53,031	**Total comprehensive income for the year**		53,190	60,754
		Earnings per share			
110¢	132¢	**Basic earnings per share**	13	133¢	110¢
110¢	132¢	**Diluted earnings per share**	13	133¢	110¢

The notes on pages 15 to 72 are an integral part of these parent and consolidated financial statements.

Point Lisas Industrial Port Development Corporation Limited
Parent and Consolidated Statement of Changes in Equity
(Expressed in Thousands of Trinidad and Tobago Dollars)

Parent	Notes	Stated capital $	Revaluation reserves $	Investment revaluation reserves $	Treasury shares $	Retained earnings $	Shareholders' equity $
Year ended 31 December 2023							
Balance as at 1 January 2023		139,968	277,408	833	(32)	2,466,625	2,884,802
Profit for the year		--	--	--	--	52,491	52,491
Other comprehensive income							
- Transfer of revaluation reserve to retained earnings	15	--	(4,676)	--	--	4,676	--
- Change in value of financial assets at fair value through other comprehensive income	7 b.	--	--	(301)	--	--	(301)
- Gains on revaluation of land, buildings and and own site improvements		--	503	--	--	--	503
- Remeasurements of retirement benefit obligation	18 a.	--	--	--	--	(3,269)	(3,269)
- Remeasurements of casual employee retirement benefit	18 b.	--	--	--	--	1,604	1,604
- Deferred tax on accelerated tax depreciation	8 c.	--	2,003	--	--	--	2,003
Transactions with owners							
- Dividends	12 b.	--	--	--	--	(6,736)	(6,736)
Balance as at 31 December 2023		139,968	275,238	532	(32)	2,515,391	2,931,097
Year ended 31 December 2022							
Balance as at 1 January 2022		139,968	252,566	1,056	(32)	2,436,547	2,830,105
Comprehensive income							
- Profit for the year		--	--	--	--	43,388	43,388
Other comprehensive income							
- Transfer of revaluation reserve to retained earnings	15	--	(3,481)	--	--	3,481	--
- Change in value of financial assets at fair value through other comprehensive income	7 b.	--	--	(223)	--	--	(223)
- Gains on revaluation of land, buildings and and own site improvements		--	26,830	--	--	--	26,830
- Remeasurements of retirement benefit obligation	18 a.	--	--	--	--	(10,449)	(10,449)
- Remeasurements of casual employee retirement benefit	18 b.	--	--	--	--	(398)	(398)
– property, plant and equipment revalued							
- Deferred tax on accelerated tax depreciation	8 c.	--	1,493	--	--	--	1,493
Transactions with owners							
- Dividends	12 b.	--	--	--	--	(5,944)	(5,944)
Balance as at 31 December 2022		139,968	277,408	833	(32)	2,466,625	2,884,802

The notes on pages 15 to 72 are an integral part of these parent and consolidated financial statements.

Point Lisas Industrial Port Development Corporation Limited
Parent and Consolidated Statement of Changes in Equity (continued)
(Expressed in Thousands of Trinidad and Tobago Dollars)

Group	Notes	Stated capital $	Revaluation reserves $	Investment revaluation reserves $	Treasury shares $	Retained earnings $	Shareholders' equity $
Year ended 31 December 2023							
Balance as at 1 January 2023		139,968	277,408	833	(32)	2,469,176	2,887,353
Profit for the year		--	--	--	--	52,650	52,650
Other comprehensive income							
- Transfer of revaluation reserve to retained earnings	15	--	(4,676)	--	--	4,676	--
- Change in value of financial assets at fair value through other comprehensive income	7 b.	--	--	(301)	--	--	(301)
- Gains on revaluation of land, buildings and and own site improvements		--	503	--	--	--	503
- Remeasurements of retirement benefit obligation	18 a.	--	--	--	--	(3,269)	(3,269)
- Remeasurements of casual employee retirement benefit	18 b.	--	--	--	--	1,604	1,604
- Deferred tax on accelerated tax depreciation	8 c.	--	2,003	--	--	--	2,003
Transactions with owners							
- Dividends	12 b.	--	--	--	--	(6,736)	(6,736)
Balance as at 31 December 2023		139,968	275,238	532	(32)	2,518,101	2,933,807
Year ended 31 December 2022							
Balance as at 1 January 2022		139,968	252,566	1,056	(32)	2,438,985	2,832,543
Profit for the year		--	--	--	--	43,501	43,501
Other comprehensive income							
- Transfer of revaluation reserve to retained earnings	15	--	(3,481)	--	--	3,481	--
- Change in value of financial assets at fair value through other comprehensive income	7 b.	--	--	(223)	--	--	(223)
- Gains on revaluation of land, buildings and and own site improvements		--	26,830	--	--	--	26,830
- Remeasurements of retirement benefit obligation	18 a.	--	--	--	--	(10,449)	(10,449)
- Remeasurements of casual employee retirement benefit	18 b.	--	--	--	--	(398)	(398)
- Deferred tax on accelerated tax depreciation	8 c.	--	1,493	--	--	--	1,493
Transactions with owners							
- Dividends	12 b.	--	--	--	--	(5,944)	(5,944)
Balance as at 31 December 2022		139,968	277,408	833	(32)	2,469,176	2,887,353

The notes on pages 15 to 72 are an integral part of these parent and consolidated financial statements.

Point Lisas Industrial Port Development Corporation Limited

Parent and Consolidated Statement of Cash Flows

(Expressed in Thousands of Trinidad and Tobago Dollars)

Parent Year ended 31 December 2022 $	Parent Year ended 31 December 2023 $		Notes	Group Year ended 31 December 2023 $	Group Year ended 31 December 2022 $
64,845	32,435	**Cash generated from operating activities**	11 c.	31,868	65,180
(4,017)	(4,507)	Interest paid		(4,508)	(4,019)
60,828	27,928			27,360	61,161
(13,162)	(9,500)	Income tax paid		(10,074)	(13,743)
47,666	18,428	**Net cash generated from operating activities**		17,286	47,418
		Cash flows from investing activities			
(17,098)	(22,994)	Purchases of property, plant and equipment	5	(22,994)	(17,098)
--	163	Adjustment to property, plant and equipment		163	--
--	897	Proceeds from held to maturity assets		897	--
733	812	Interest received		812	733
(16,365)	(21,122)	**Net cash used in investing activities**		(21,122)	(16,365)
		Cash flows from financing activities			
(12,820)	(13,448)	Repayment of long and medium-term borrowings		(13,448)	(12,820)
--	1,557	Proceeds from long and medium term borrowings		1,557	--
(5,944)	(6,736)	Dividends paid	12 b.	(6,736)	(5,944)
(18,764)	(18,627)	**Net cash used in financing activities**		(18,627)	(18,764)
12,537	(21,321)	**Net (decrease)/(increase) in cash and cash equivalents**		(22,463)	12,289
149,977	162,951	**Cash and cash equivalents at beginning of year**		163,056	150,330
437	641	Effects of exchange rate changes on cash and cash equivalents		641	437
162,951	142,271	**Cash and cash equivalents at end of year**	11	141,234	163,056

The notes on pages 15 to 72 are an integral part of these parent and consolidated financial statements.

(Expressed in Thousands of Trinidad and Tobago Dollars)

1 Incorporation and principal activities

Point Lisas Industrial Port Development Corporation Limited (the Corporation) was incorporated on 16 September 1966 under the laws of the Republic of Trinidad and Tobago and has a primary listing on the Trinidad and Tobago Stock Exchange. Its registered office is located at PLIPDECO House, Orinoco Drive, Point Lisas Industrial Estate, Point Lisas, Couva, Trinidad, West Indies. The Corporation Sole (Government of the Republic of Trinidad and Tobago) is owner of 51% of the issued share capital.

Point Lisas Terminals Limited, a wholly owned subsidiary, was incorporated in the Republic of Trinidad and Tobago in 1981 and is solely involved in the supply of labour to the parent company for its cargo handling operations at the port.

Point Lisas Industrial Port Development Corporation Limited and its wholly owned subsidiary, Point Lisas Terminals Limited (together, the Group), are engaged in the following provision of services:

Leasing of industrial properties	Lease of land to tenants for 30 and 96 year or longer leases.
Industrial estate Management	Development and maintenance of onshore infrastructure, such as roads, lighting, drainage and including a Free Zone area, for the purpose of leasing.
Cargo handling	Provision of cargo handling services for import, export and transhipment vessels. The Port facilitates the receipt, storage and delivery of containerised, dry and liquid bulks, breakbulk and general cargo.
Marine	Coordination of all movement of vessels at the Port and neighbouring piers, inclusive of the berthing and unberthing operations as well as mooring and unmooring services.
Warehousing	Provision of less than container load warehousing services for both import and export trade and non-trade cargo. The less than container load warehousing service for export cargo facilitates intra-regional trade.
Security	Provision of security support to tenants on the Industrial Estate and Port users. Matters relating to the Port and Ship-to-Shore activities as it relates to the International Ship and Port Facility Security (ISPS) are handled by this unit.

a. *Investment in subsidiary*

The Group's subsidiary at 31 December 2023 consists of Point Lisas Terminals Limited which is 100% owned and is carried at a value of $320 (320,002 shares of no par value) (2022: $320 (320,002 shares of no par value)).

2 Transactions with related parties

	2023 $	2022 $
Parent/Group		
Key management compensation - Post retirement benefits	741	593
Key management compensation - short term benefits	3,921	3,739
Parent		
Labour costs charged by Point Lisas Terminals Limited (See Note 1)	97,991	95,831
Balance due to Point Lisas Terminals Limited	10,252	8,977

2 Transactions with related parties (continued)

a. *Principles of consolidation*

The consolidated financial statements include those of the parent company and its wholly owned subsidiary, Point Lisas Terminals Limited. All inter-company transactions, balances and unrealised gains/losses have been eliminated in the preparation of the Group's financial statements.

(i) *Subsidiaries*

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary consists of the fair values of the assets transferred, the liabilities incurred to the former owners of the acquired business, equity interests issued by the Group, fair value of any asset or liability resulting from a contingent consideration arrangement and fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

Acquisition-related costs are expensed as incurred.

In the parent company financial statements, the investment in the subsidiary is shown at cost less impairment.

(ii) *Changes in ownership interests*

The Group treats transactions with non-controlling interests that do not result in loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Group.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

3 Critical estimates, judgments and errors

The preparation of parent and consolidated financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the Group's accounting policies.

This note provides an overview of the areas that involve a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong. Detailed information about each of these estimates and judgments is included in notes referred to below together with information about the basis of calculation for each affected line item in the parent and consolidated financial statements. In addition, this note also explains where there have been actual adjustments this year as a result of changes to previous estimates.

a. *Significant estimates and judgments*

The areas involving significant estimates or judgments are:

- Estimation of fair values of land and buildings and investment properties – Notes 5 and 6
- Estimation of retirement benefit pension obligation/(asset) – Note 18 a.
- Estimation of casual employee retirement benefit – Note 18 b.
- Estimation of forward looking assumptions under IFRS 9 – Note 10.
- Estimates in the assessment of impairment of property, plant and equipment – Note 5.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

Impairment assessment of non-financial assets of the Group

Estimates are required in determining the recoverable amount of assets to assess whether an impairment exists. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. An asset is impaired when its carrying amount exceeds its recoverable amount. IAS 36 'Impairment of non-financial assets' describes some indicators that an impairment loss may have occurred. If any of those indicators are present, the Group will make a formal estimate of recoverable amount. At the statement of financial position date, the market capitalisation of the Group was significantly less than the net assets of the Group. As such, management determined that an impairment assessment was required to determine if the net assets of the Group were impaired. See Note 5 e.

4 Financial risk management

This note explains the Group's exposure to financial risks and how these risks could affect the Group's future financial performance. Current year profit and loss information has been included where relevant to add further context. The Group has exposure to the following risks:

a. Credit risk
   (i) Risk management
   (ii) Security
   (iii) Credit quality
   (iv) Exposure to credit risk

b. Liquidity risk

c. Market risk
   (i) Foreign exchange risk
   (ii) Interest rate risk
   (iii) Price risk

d. Capital risk management

This note contains information about the Group's exposure to each of the above risks and the objectives, policies and processes for managing and measuring the risk. Further quantitative disclosures are also included in the referred notes.

The Group's risk management is predominantly controlled policies approved by the board of directors. The board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

a. *Credit risk*

The Group is exposed to credit risk, which is the risk that its customers and counterparties may cause a financial loss by failing to discharge their contractual obligations. Credit risk arises from cash and cash equivalents, deposits with financial institutions as well as outstanding receivables. The credit quality of customers, their financial position, past experience and other factors are taken into consideration in assessing credit risk. There was no concentration of risk due to the number and diversity of operations of the customer base.

There were no changes in the policies and procedures for managing credit risk compared with prior year.

(i) *Risk management*

Cash and deposits are held with a number of reputable financial institutions, in amounts varying between $8 and $ 50,534 (2022: $8 and $77,335). The utilisation of credit limits is regularly monitored to manage the risk with trade receivables. Receivable balances are also monitored on an ongoing basis.

(ii) *Security*

There are no trade receivables for which the Group has obtained any form of guarantee, deeds of undertaking or letters of credit.

(Expressed in Thousands of Trinidad and Tobago Dollars)

4 Financial risk management (continued)

a. *Credit risk (continued)*

(iii) *Credit quality*

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to historical information about counterparty default rates:

Cash at bank	2023 $	2022 $
Parent		
Cash at bank	147,978	162,866
Group		
Cash at bank	146,939	162,969

The rest of the parent and consolidated statement of financial position item cash and cash equivalents comprises cash in hand.

(iv) *Exposure to credit risk*

The following is a summary of the Group's maximum exposure to credit risk:

Parent	Fully performing $	Past due $	Impaired $	Provision for impairment $	Total $
31 December 2023					
Cash at bank	147,978	--	--	--	147,978
Trade receivables	12,575	29,207	48,735	(48,735)	41,782
Other receivables (excluding prepayments)	3,253	--	527	(527)	3,253
	163,806	29,207	49,262	(49,262)	193,013

(Expressed in Thousands of Trinidad and Tobago Dollars)

4 **Financial risk management (continued)**

a. *Credit risk (continued)*

(iv) *Exposure to credit risk (continued)*

Parent (continued)

	Fully performing $	Past due $	Impaired $	Provision for impairment $	Total $
31 December 2022					
Financial asset at amortised cost	897	--	--	--	897
Cash at bank	162,866	--	--	--	162,866
Trade receivables	10,617	34,257	36,721	(36,721)	44,874
Other receivables (excluding prepayments)	1,984	--	527	(527)	1,984
	176,364	34,257	37,248	(37,248)	210,621

The Company does not hold any collateral in relation to these assets.

Group

	Fully performing $	Past due $	Impaired $	Provision for impairment $	Total $
31 December 2023					
Financial asset at amortised cost					
Cash at bank	146,939	--	--	--	146,939
Trade receivables	12,575	29,207	48,735	(48,735)	41,782
Other receivables (excluding prepayments)	4,348	--	551	(551)	4,348
	163,862	29,207	49,286	(49,286)	193,069
31 December 2022					
Financial asset at amortised cost	897	--	--	--	897
Cash at bank	162,969	--	--	--	162,969
Trade receivables	10,617	34,257	36,721	(36,721)	44,874
Other receivables (excluding prepayments)	2,947	--	551	(551)	2,947
	177,430	34,257	37,272	(37,272)	211,687

The Group does not hold any collateral in relation to these assets.

The Group recognises provision for losses for assets subject to credit risk using the expected credit loss model. While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

The Group has two types of financial assets that are subject to the expected credit loss model
- Trade receivables
- Financial assets at amortised cost

(Expressed in Thousands of Trinidad and Tobago Dollars)

4 Financial risk management (continued)

a. *Credit risk (continued)*

(iv) *Exposure to credit risk (continued)*

Trade receivables

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for trade receivables. To measure the lifetime loss allowance, the Group first considers whether any individual customer accounts require specific provisions. Loss rates are then assigned to these accounts based on various qualitative and quantitative factors. All other non-specific trade receivables are then grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of sales over a period of 54 months before 30 June 2023 and the corresponding historical credit losses experienced within this period.

Historical loss rates for trade receivables are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has reviewed factors such as unemployment rate, gross domestic product and oil prices and determined that the impact was not significant.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 90 days past due.

Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Summary of ECL calculations

The movement in the provision for expected credit losses for trade receivables is as follows. This includes specific provisions of $47,367 (2022: $34,995).

	2023 $	2022 $
Opening loss allowance as at 1 January	36,721	28,366
Increase in loss allowance recognised in profit or loss during the year	12,014	8,355
Balance at end of year	48,735	36,721

The following is an analysis of the net impairment expense on financial assets recognised in profit or loss:

Net changes to provisions for the year per above	12,014	8,355

Financial assets at amortised cost

The Group assesses on a forward-looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortised cost. The financial assets at amortised cost are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months' expected losses.

(Expressed in Thousands of Trinidad and Tobago Dollars)

4 Financial risk management (continued)

b. *Liquidity risk*

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. The Group's liquidity risk management process is measured and monitored by senior management personnel. This process includes:

- Monitoring cash flows and liquidity on a daily basis. This incorporates an assessment of expected cash flows and the availability of collateral which can be used to secure facilities.
- Maintaining committed lines of credit.
- Maintaining liquidity ratios.

There were no changes in the policies and procedures for managing liquidity risk compared with prior year.

Parent

	< 1 year $	1-2 years $	2-5 years $	More than 5 years $	Contractual cash flows $	Carrying amount $
31 December 2023						
Long and medium term borrowings	86,870	1,192	1,689	135	89,886	89,886
Bank overdraft	5,807	--	--	--	5,807	5,807
Lease liabilities	1,841	920	--	--	2,761	2,633
Deferred lease rental income	4,577	983	2,949	49,230	57,739	57,738
Trade payables	5,510	--	--	--	5,510	5,510
Due to subsidiary	10,252	--	--	--	10,252	10,252
Other payables (excluding statutory liabilities)	32,611	--	--	--	32,611	32,611
Total	147,468	3,095	4,638	49,365	204,566	204,437

	< 1 year $	1-2 years $	2-5 years $	More than 5 years $	Contractual cash flows $	Carrying amount $
31 December 2022						
Long and medium term Borrowings	17,989	86,709	1,839	81	106,618	97,669
Deferred lease rental income	4,577	983	2,949	50,177	58,686	58,686
Trade payables	6,908	--	--	--	6,908	6,908
Due to subsidiary	8,977	--	--	--	8,977	8,977
Other payables (excluding statutory liabilities)	46,659	--	--	--	46,659	46,659
Total	85,110	87,692	4,788	50,258	227,848	218,899

(Expressed in Thousands of Trinidad and Tobago Dollars)

4 **Financial risk management (continued)**

b. *Liquidity risk (continued)*

Group

	< 1 year $	1-2 years $	2-5 years $	More than 5 years $	Contractual cash flows $	Carrying amount $
31 December 2023						
Long and medium term Borrowings	86,870	1,192	1,689	135	89,886	89,886
Bank overdraft	6,846	--	--	--	6,846	6,846
Lease liabilities	1,841	920	--	--	2,761	2,633
Deferred lease rental income	4,577	983	2,949	49,230	57,739	57,738
Trade payables	5,510	--	--	--	5,510	5,510
Other payables (excluding statutory liabilities)	36,425	--	--	--	36,425	36,425
Total	142,069	3,095	4,638	49,365	199,167	199,038

	< 1 year $	1-2 years $	2-5 years $	More than 5 years $	Contractual cash flows $	Carrying amount $
31 December 2022						
Long and medium term Borrowings	17,989	86,709	1,839	81	106,618	97,669
Deferred lease rental income	4,577	983	2,949	50,177	58,686	58,686
Trade payables	6,908	--	--	--	6,908	6,908
Other payables (excluding statutory liabilities)	50,436	--	--	--	50,436	50,436
Total	79,910	87,692	4,788	50,258	222,648	213,699

The fair values are based on cash flows discounted using the borrowing rates and the facilities drawn down at year end as disclosed in Note 16. There were no fixed rate loans as at 31 December 2023 and 2022.

c. *Market risk*

Market risk is the risk that the fair value of future cash flows of the financial instrument will fluctuate because of changes in market prices. The Group takes on exposure to market risks from changes in foreign exchange rates and interest rates. Market risk exposures are measured using sensitivity analysis.

(i) *Foreign exchange risk*

Foreign exchange risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.
The Group manages its foreign exchange risk by the following:

- Ensuring that the net exposure in foreign assets and liabilities is kept to an acceptable level by monitoring currency positions.

4 **Financial risk management (continued)**

c. *Market risk (continued)*

(i) *Foreign exchange risk (continued)*

- Holding US$ balances.
- Invoicing only in US$ or in TT$ currency.

There were no changes in the policies and procedures for managing foreign currency risk compared with prior year. The impact on the parent and consolidated statement of profit or loss and other comprehensive income at 31 December 2023 if the US$ strengthened/weakened against the TT$ by an average rate of 5% is an increase/decrease in profits of $4,438 (2022: $4,367) respectively, mainly as a result of foreign exchange losses/gains on translation of US dollar denominated cash and cash equivalents and borrowings.

(ii) *Interest rate risk*

Interest rate risk is the risk that the value of future cash flows of a financial instrument will fluctuate because of changes in market rates. The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. The Group is exposed to no fair value interest rate risk. The Group finances its operations through a mixture of retained profits and borrowings. There were no changes in the policies and procedures for managing interest rate risk compared with prior year.

At 31 December 2023 and 2022, there were no fixed rate interest borrowings for the Group. The sensitivity to interest rate fluctuations are disclosed in Note 16 d. The contractual cash flows and carrying amounts of these floating rate borrowings are also disclosed in Note 16 e.

(iii) *Price risk*

The Group's exposure to equity securities price risk arises from investments held by the Group and classified in the parent and consolidated statement of financial position at fair value through other comprehensive income. The Group is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group. There were no changes in the policies and procedures for managing price risk compared with prior year. The sensitivity impact of this is immaterial.

d. *Capital risk management*

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the parent and consolidated statement of financial position) less cash and bank on hand. Total capital is calculated as 'shareholders' equity' as shown in the parent and consolidated statement of financial position plus net debt. Gearing is the measure of financial leverage, demonstrating the degree to which the Group's activities are funded by owner's funds versus creditor's funds.

The Group's policy is to keep the ratio at less than or equal to 50%.

(Expressed in Thousands of Trinidad and Tobago Dollars)

4 Financial risk management (continued)

d. *Capital risk management (continued)*

There were no changes in the policies and procedures for managing capital risk management compared with prior year.

The parent/Group has no gearing as at 31 December 2023 and 2022 as cash exceeded borrowings.

Parent	**2023 $**	**2022 $**
Net cash	56,624	65,282
Total equity	(2,931,097)	(2,884,802)
Total capital	(2,874,473)	(2,819,520)
Gearing ratio	N/A	N/A
Cash and cash equivalents	142,271	162,951
Borrowings – repayable within one year	(82,924)	(13,294)
Borrowings – repayable after one year	(2,723)	(84,375)
Net cash	56,624	65,282
Cash at bank on hand (Note 11)	148,078	162,951
Gross debt – variable interest rates	(91,454)	(97,669)
Net cash	56,624	65,282

	Other assets	**Liabilities from financing activities**		
	Cash/ Bank overdraft $	**Borrowing due within 1 year $**	**Borrowing due after 1 year $**	**Total $**
Net cash as at 1 January 2022	149,977	(13,264)	(97,222)	39,491
Cash flows	12,537	--	12,820	25,357
Foreign exchange adjustments	437	(30)	27	434
Net cash as at 31 December 2022	162,951	(13,294)	(84,375)	65,282
Net cash as at 1 January 2023	162,951	(13,294)	(84,375)	65,282
Cash flows	(21,444)	52	12,257	(9,135)
Foreign exchange adjustments	764	26	(20)	770
Other Changes	--	(69,708)	69,415	(293)
Net cash as at 31 December 2023	142,271	(82,924)	(2,723)	56,624

Cash exceeds borrowings so there is no net debt and therefore no gearing.

(Expressed in Thousands of Trinidad and Tobago Dollars)

4 Financial risk management (continued)

d. *Capital risk management (continued)*

	2023 $	2022 $
Group		
Net cash	55,587	65,387
Total equity	(2,933,807)	(2,887,353)
Total capital	(2,878,220)	(2,821,966)
Gearing ratio	N/A	N/A
Cash and cash equivalents	141,234	163,056
Borrowings – repayable within one year	(82,924)	(13,294)
Borrowings – repayable after one year	(2,723)	(84,375)
Net cash	55,587	65,387
Cash at bank and on hand (Note 11)	148,080	163,056
Gross debt – variable interest rates	(92,493)	(97,669)
Net cash	55,587	65,387

	Other assets	Liabilities from financing activities		
	Cash/ Bank overdraft $	Borrowing due within 1 year $	Borrowing due after 1 year $	Total $
Net cash as at 1 January 2022	150,330	(13,264)	(97,222)	39,844
Cash flows	12,289	--	12,820	25,109
Foreign exchange adjustments	437	(30)	27	434
Net cash as at 31 December 2022	163,056	(13,294)	(84,375)	65,387
Net cash as at 1 January 2023	163,056	(13,294)	(84,375)	65,387
Cash flows	(22,586)	52	12,257	(10,277)
Foreign exchange adjustments	764	26	(20)	770
Other Changes	--	(69,708)	69,415	(293)
Net cash as at 31 December 2023	141,234	(82,924)	(2,723)	55,587

Cash exceeds borrowings so there is no net debt and therefore no gearing.

Loan covenants

Under the terms of the major borrowing facilities, the Group is required to comply with the following financial covenants:

- Maximum total liabilities/tangible net worth of less than 0.4:1;
- Debt service coverage ratio of >1.3:1.

The Parent and Group has complied with these covenants throughout the reporting period.

Parent
As at 31 December 2023, the maximum total liabilities/ tangible net worth ratio was 0.05 (0.05 as at 31 December 2022) and the debt service coverage ratio was 3.94 (3.63 as at 31 December 2021).

Group
As at 31 December 2023, the maximum total liabilities/ tangible net worth ratio was 0.05 (0.05 as at 31 December 2022) and the debt service coverage ratio was 3.98 (3.67 as at 31 December 2022).

(Expressed in Thousands of Trinidad and Tobago Dollars)

4 Financial risk management (continued)

e. *Financial instruments by category*

Parent

Financial assets

The accounting policies for financial instruments have been applied to the line items below:

	2023 $	2022 $
Trade receivables (Note 10)	41,782	44,874
Other receivables (excluding prepayments)	3,253	1,984
Cash at bank	147,978	162,866
	193,013	209,724
Financial asset at amortised cost	--	897
Financial assets at fair value through other comprehensive income	1,470	1,771
	194,483	212,392

The Company has no assets at fair value through profit or loss.

Other financial liabilities

Liabilities as per parent statement of financial position

	2023 $	2022 $
Trade payables (Note 20)	5,510	6,908
Other payables (excluding statutory liabilities) (Note 20)	32,611	46,659
Due to subsidiary (Note 20)	10,252	8,977
Lease liabilities	2,633	--
Bank overdraft	5,807	--
Long and medium term borrowings	85,646	97,669
	142,459	160,213

The Company has no liabilities at fair value through profit or loss.

Group

Financial assets

The accounting policies for financial instruments have been applied to the line items below:

	2023 $	2022 $
Trade receivables	41,782	44,874
Other receivables (excluding prepayments)	4,348	2,947
Cash at bank	147,978	162,969
	194,108	210,790
Financial asset at amortised cost	--	897
Financial assets at fair value through other comprehensive income	1,470	1,771
	195,578	213,458

The Group has no assets at fair value through profit or loss.

(Expressed in Thousands of Trinidad and Tobago Dollars)

4 Financial risk management (continued)

e. *Financial instruments by category (continued)*

Group (continued)	2023 $	2022 $
Other financial liabilities		
Liabilities as per consolidated statement of financial position		
Trade payables	5,510	6,908
Other payables (excluding statutory liabilities)	36,425	50,436
Lease liabilities	2,633	--
Bank overdraft	6,846	--
Long and medium term borrowings	85,646	97,669
	137,060	155,013

The Group has no liabilities at fair value through profit or loss.

(Expressed in Thousands of Trinidad and Tobago Dollars)

5 Property, plant and equipment – Parent/Group

The subsidiary has no property, plant and equipment.

	Land $	Own Site improvements $	Estate infrastructure $	Berths and piers $	Port equipment $	Buildings $	Equipment, furniture and fittings $	Capital work in progress $	Total $
Year ended 31 December 2023									
Opening net book amount	255,620	84,923	61,486	218,680	53,434	57,751	14,013	15,016	760,923
Additions	–	1,233	–	155	3,077	419	4,143	13,967	22,994
Transfers from capital work in progress	–	310	–	–	350	–	2,783	(3,443)	–
Disposals/adjustments	–	(13)	–	–	–	(79)	(217)	(386)	(695)
Depreciation	–	(4,282)	(811)	(6,512)	(8,790)	(1,925)	(5,049)	–	(27,369)
Closing net book amount	255,620	82,171	60,675	212,323	48,071	56,166	15,673	25,154	755,853
At 31 December 2023									
Cost/valuation	255,620	86,453	81,056	325,688	270,198	58,093	103,250	25,154	1,205,512
Accumulated depreciation	–	(4,282)	(20,381)	(113,365)	(222,127)	(1,927)	(87,577)	–	(449,659)
Net book amount	255,620	82,171	60,675	212,323	48,071	56,166	15,673	25,154	755,853
Year ended 31 December 2022									
Opening net book amount	255,620	65,113	59,764	225,207	62,468	47,148	13,964	12,581	741,865
Additions	–	400	2,055	–	565	–	3,986	10,092	17,098
Transfers from capital work in progress	–	46	467	495	3,689	–	690	(5,387)	–
Revaluation	–	25,575	–	–	–	12,753	–	–	38,328
Disposals/adjustments	–	–	–	(370)	–	–	(131)	(2,270)	(2,771)
Depreciation	–	(6,211)	(800)	(6,652)	(13,288)	(2,150)	(4,496)	–	(33,597)
Closing net book amount	255,620	84,923	61,486	218,680	53,434	57,751	14,013	15,016	760,923
At 31 December 2022									
Cost/valuation	255,620	84,923	81,057	325,533	266,771	57,751	97,351	15,016	1,184,022
Accumulated depreciation	–	–	(19,571)	(106,853)	(213,337)	–	(83,338)	–	(423,099)
Net book amount	255,620	84,923	61,486	218,680	53,434	57,751	14,013	15,016	760,923
At 1 January 2022									
Cost/valuation	255,620	77,726	78,535	325,407	262,517	51,455	92,909	12,581	1,156,750
Accumulated depreciation	–	(12,613)	(18,771)	(100,200)	(200,049)	(4,307)	(78,945)	–	(414,885)
Net book amount	255,620	65,113	59,764	225,207	62,468	47,148	13,964	12,581	741,865

5 Property, plant and equipment (continued)

a. *Accounting policy*

Land, own site improvements and buildings comprise mainly properties used in connection with the port operations and offices and are shown at fair value based on periodic, but at least triennial, valuations by external independent valuators, less subsequent depreciation for buildings and own site improvements (land is not depreciated). Independent valuations are performed with sufficient regularity to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is adjusted to the revalued amount of the asset.

Increases in the carrying amount arising on revaluation of land, own site improvements and buildings are recognised, net of tax, in other comprehensive income and accumulated in revaluation reserves in shareholders' equity. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss. Decreases that reverse previous increases of the same asset are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to the parent and consolidated statement of profit or loss and other comprehensive income. Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to the parent and consolidated statement of profit or loss and other comprehensive income and depreciation based on the asset's original cost, net of tax, is reclassified from "revaluation reserve" to "retained earnings". See Note 15.

All other property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the parent and consolidated statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

Depreciation on assets (except land) is calculated at varying rates to allocate cost or revalued amounts of each asset to their residual values over their estimated remaining useful lives. Depreciation is calculated as follows:

Own site improvements	-	5%	straight-line basis
Estate infrastructure	-	1%	straight-line basis
Berths and piers	-	2%	straight-line basis
Port equipment	-	6.67%	straight-line basis
Buildings	-	3.33%	straight-line basis
Equipment, furniture and fittings	-	10% - 33.3%	reducing balance basis

Equipment, furniture and fittings comprise motor vehicles, computer equipment and other assets.

Based on independent professional advice, buildings are being written off over their estimated remaining useful lives, on the straight-line basis, over a period not in excess of thirty years.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts. These are included within the parent and consolidated statement of profit or loss and other comprehensive income. When revalued assets are sold, it is Group policy to transfer any amounts included in revaluation reserves in respect of those assets to retained earnings.

(Expressed in Thousands of Trinidad and Tobago Dollars)

5 Property, plant and equipment (continued)

b. *Significant fair value estimate*

The land, buildings and own site improvements were last revalued on 31 December 2022 by independent professional qualified valuers, Raymond & Pierre Chartered Valuation Surveyors.

The following table analyses the non-financial assets carried at fair value plus or minus the cost of additions or disposals less subsequent depreciation. The different levels of fair value measurements have been defined in Note 26 c.:

	Quoted prices in active markets for identical assets (level 1) $	Significant other observable inputs (level 2) $	Significant unobservable inputs (level 3) $
As at 31 December 2023			
Recurring fair value measurements			
- Land	--	--	255,620
- Own site improvements	--	--	82,171
- Buildings	--	--	56,166

	Quoted prices in active markets for identical assets (level 1) $	Significant other observable inputs (level 2) $	Significant unobservable inputs (level 3) $
As at 31 December 2022			
Recurring fair value measurements			
- Land	--	--	255,620
- Own site improvements	--	--	84,923
- Buildings	--	--	57,751

There were no transfers between levels during the year.

The Group's management annually reviews the latest valuations performed by the independent valuator for financial reporting purposes. At each financial year end the finance department:

- verifies all major inputs to the independent valuation report;
- assesses property valuation movements when compared to the prior year valuation report;
- holds discussions with the independent valuator.

The property has been developed as an industrial estate with its own port facilities with emphasis on energy-based industries using locally available gas reserves. The existing use is the highest and best to which the property could be put. The size and layout of the property was taken into consideration in the valuation. Based on the valuation the buildings appeared to be modern, structurally sound and in fair to good decorative condition and assumed to be adequate and appropriate for a structure of its size, type and use.

Level 3 fair values of land has been derived using the Market Approach. Sales prices of comparable land in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot.

Level 3 fair value of buildings and own site improvements have been derived using the Depreciated Replacement Cost Method. Under the Depreciated Replacement Cost Method, the gross replacement costs of the buildings were estimated and appropriate deductions were made for economic and functional obsolescence and environmental factors in order to arrive at a net or depreciated replacement cost. Gross replacement costs include the costs of infrastructural works and professional fees. The most significant input into this valuation approach is the construction price per square foot.

(Expressed in Thousands of Trinidad and Tobago Dollars)

5 Property, plant and equipment (continued)

b. *Significant fair value estimate (continued)*

	Land $	Own site improvements $	Buildings $	Total $
Opening balance 1 January 2023	255,620	84,923	57,751	398,294
Additions/transfers/ revaluation/adjustments	--	1,530	340	1,870
Amounts recognised in profit or loss - Depreciation	--	(4,282)	(1,925)	(6,207)
Closing balance 31 December 2023	255,620	82,171	56,166	393,957

	Land $	Own site improvements $	Buildings $	Total $
Opening balance 1 January 2022	255,620	65,113	47,148	367,881
Additions/transfers/ revaluation/adjustments	--	26,021	12,753	38,774
Amounts recognised in profit or loss - Depreciation	--	(6,211)	(2,150)	(8,361)
Closing balance 31 December 2022	255,620	84,923	57,751	398,294

c. *Carrying amounts that would have been recognised if land, buildings and own-site improvements were stated at cost*

If the land, buildings and own site improvements were stated on the historical cost basis, the amounts would be as follows:

	2023 $	2022 $
Cost	213,915	211,941
Accumulated depreciation	(75,326)	(81,896)
Net carrying amount	138,589	130,045

d. *Assets pledged as security*

Refer to Note 16 b. for information on property, plant and equipment pledged as security by the Group.

5 Property, plant and equipment (continued)

e. *Impairment assessment of non- financial assets of the Group*

At the statement of financial position date, the market capitalisation of the Group was significantly less than the net assets of the Group. Given this indicator of impairment management performed an impairment assessment to determine if the net assets of the Group were impaired.

The most significant asset groups included on the statement of financial position are investment properties of $2,284,420 and property, plant and equipment (PP&E) of $755,853.

Investment properties are carried at fair value (Note 6).

Land, buildings and site improvements of $393,957 (2022:$398,294) within PP&E are also carried at fair value in accordance with the Group's accounting policies based on periodic independent valuations.

The focus of the impairment assessment was on the carrying amount of the remaining items in PP&E not carried at fair value. This relates primarily to berths and piers, port equipment and estate infrastructure. Management have determined that the port and estate operations comprise one cash generating unit. As the recoverable amount derived from the valuation of berths and piers was higher than the total amount of assets not carried at fair value, no impairment provision was required.

In determining the fair value less cost of disposal for impairment, management utilised valuation techniques to estimate the price at which an orderly transaction to sell the asset would take place between market participants at the measurement date under current market conditions. In carrying out this review, management utilised the work performed by independent external valuators in 2023 to determine a fair value for certain assets.

Due to the specialised nature of the port's berths and piers, management engaged external independent valuators for the valuation in 2023 using the depreciated replacement cost (DRC) approach. Management considered this to be the most reliable method given relevant information, such as sales or rental transactions, is not readily available due to there being no public active market for specialised assets of this nature.

The DRC approach involves a number of complexities and judgments. The most significant are the estimation of the replacement cost new (RCN) defined as the current cost of a similar new asset having the nearest equivalent utility as the asset being appraised, as well as deductions for physical deterioration. The significant inputs and assumptions utilised include the following:

- Direct costs inclusive of materials, labour and equipment;
- Indirect costs including engineering, architect, and other professional fees;
- Construction finance;
- Entrepreneurial profit;
- Functional and economic obsolescence and;
- Estimation of physical deterioration.

(Expressed in Thousands of Trinidad and Tobago Dollars)

5 Property, plant and equipment (continued)

e. *Impairment assessment of non- financial assets of the Group (continued)*

The calculation of the fair value of the above assets are sensitive to the following assumptions used:

	2023	
	Increase in rate $	**Decrease in rate $**
Change in indirect cost – 5% (Decrease)/increase in fair value	(19,370)	19,370
Change in finance cost – 1% (Decrease)/increase in fair value	(8,910)	8,910
Change in entrepreneurial profit – 5% (Decrease)/increase in fair value	(25,394)	25,394

	2022	
	Increase in rate $	**Decrease in rate $**
Change in indirect cost – 5% (Decrease)/increase in fair value	(15,562)	15,562
Change in finance cost – 1% (Decrease)/increase in fair value	(7,158)	7,158
Change in entrepreneurial profit – 5% (Decrease)/increase in fair value	(20,401)	20,401

As the recoverable amount derived from the valuation of the port's berths and piers was higher than the carrying amount of the port and estate operations cash generating unit, management determined no impairment provision was required even with the sensitivity considerations noted above.

f. *Capital commitments*

The Group has $7,096 (2022: $8,342) in capital commitments as at 31 December 2023.

g. *Depreciation charge*

Depreciation expense has been included in 'other operating expenses' in the parent and consolidated statement of profit or loss and other comprehensive income.

h. *Borrowing cost capitalised*

Included within the additions during the year is borrowing cost of $728 (2022: $862). The capitalisation rate is the interest rate applicable to the specific borrowing for the rehabilitation of the berths, in this case 3% (2022: 3%).

(Expressed in Thousands of Trinidad and Tobago Dollars)

6 Investment properties

PARENT 2022 $	PARENT 2023 $		GROUP 2023 $	GROUP 2022 $
		As at 1 January		
2,165,990	2,190,435	30 year leases	2,190,435	2,165,990
52,590	53,270	96 years and longer leases	53,270	52,590
2,218,580	2,243,705		2,243,705	2,218,580
25,125	42,975	Unrealised fair value gains	42,975	25,125
2,243,705	2,286,680	As at 31 December	2,286,680	2,243,705

a. *Accounting policy*

Investment properties, principally comprising freehold and leasehold land, are held for long term rental yields and are not occupied by the Group. All investment properties are carried at fair value, representing open market value determined annually by independent external valuators. The fair value of investment properties reflects, among other things, rental income from current leases, assumptions about rental income from future leases in light of current market conditions and active market prices adjusted, if necessary, for differences in the nature and location of properties. Changes in fair value are recorded in the parent and consolidated statement of profit or loss and other comprehensive income.

b. *Significant fair value estimate*

The Group's investment properties were valued at 31 December 2023 by independent professional qualified valuers, Raymond & Pierre Chartered Valuation Surveyors, who hold a recognised relevant professional qualification and have recent experience in the locations and segments of the investment properties valued.

The Group's Finance department reviews the valuations performed by the independent valuers for financial reporting purposes. This department reports directly to the Vice President of Business Services. Discussions of valuations processes and results are held between the Vice President of Business Services, the Estate department, the Finance department and the independent valuers at least once every quarter, in line with the Group's quarterly reporting dates.

At each financial reporting date the Finance department:

- verifies all major inputs to the independent valuation report;
- assesses property valuation movements when compared to the prior valuation report;
- holds discussions with the independent valuator.

The market value represents the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion. For all investment properties, their current use equates to the highest and best use. The valuation is based on both the Income Method for leased properties and Market Approach for land.

Under the Income Approach Method, the estimated net rental income from a property by a year's purchase (multiplier) is calculated to arrive at a capital value for the property. The net income is derived from an estimated gross income less outgoings i.e. rates, insurance, repairs and management allowance. The present value is obtained by discounting at the risk free rates of 2.5%, 3.5% and 5%. The valuation for the 30 year leases also assumes that all tenants have renewal clauses in their current leases which will extend the lease for an additional 30 years. Under the Market Approach Method, the sales of comparable acreage of the properties are analysed to determine a value for the leased land under consideration.

(Expressed in Thousands of Trinidad and Tobago Dollars)

6 Investment properties (continued)

b. *Significant fair value estimate (continued)*

The following table analyses the non-financial assets carried at fair value. The different levels of fair value measurements have been defined in Note 26 c.:

	Quoted prices in active markets for identical assets (level 1) $	Significant other observable inputs (level 2) $	Significant unobservable inputs (level 3) $
As at 31 December 2023			
Recurring fair value measurements			
- Investment properties	--	--	2,286,680
As at 31 December 2022			
Recurring fair value measurements			
- Investment properties	--	--	2,243,705

There were no transfers between levels during the year. Level 3 fair values have been derived using the Income Approach Method for leased properties and Market Approach Method for land. Evidence of arm's length open market transactions of similar lands were analysed and the results applied to the subject lands after taking into consideration appropriate adjustments for location, size and other relevant factors. The most significant input into this valuation approach is future rental cash inflows based on the actual location and quality of the properties and supported by the terms of any existing leases and market prices of land.

The methods used in the valuation of land, building and own site improvement have been classified as level 3 as the inputs used in the methods are not readily available to the public and assumptions applied are based on the experience and judgment of the valuators prior to being reviewed and adopted by Management.

c. *Other disclosures*

PARENT 2022 $	PARENT 2023 $		GROUP 2023 $	GROUP 2022 $
		The following amounts have been recognised in the parent and consolidated statement of profit or loss and other comprehensive income		
104,634	112,552	Lease rental income (Note 19)	112,252	104,634
(1,416)	(1,524)	Direct costs from investment properties	(1,524)	(1,416)

d. *Sensitivity analysis*

The calculation of the fair value of investment properties is sensitive to the assumptions used. The following table summarises how the fair value as at 31 December 2023 and 2022 would have changed as a result of a change in the discount rates used of 2.5%, 3.5% and 5%.

	2023 1% pa increase $	2023 1% pa decrease $
(Decrease)/increase in fair value	(341,275)	473,110

	2022 1% pa increase $	2022 1% pa decrease $
(Decrease)/increase in fair value	(340,780)	459,200

(Expressed in Thousands of Trinidad and Tobago Dollars)

6 Investment properties (continued)

e. *Notification of vesting or lease of state land*

The Group was informed on 16 November 2021 by the Ministry of Agriculture, Lands and Fisheries of the vesting or lease by the State of a parcel of approximately 530 acres of State land subject to verification of title and encumbrances and management by the Group of unauthorised occupants and parties claiming an interest in the parcel. No progress was made on this matter in 2023.

7 Financial assets (excluding cash and cash equivalents)

PARENT 2022 $	PARENT 2023 $		GROUP 2023 $	GROUP 2022 $
897	--	Financial asset at amortised cost	--	897
		Financial assets at fair value through		
1,771	1,470	other comprehensive income	1,470	1,771
44,874	41,782	Trade receivables (Note 10)	41,782	44,874
1,984	3,780	Other receivables (excluding prepayments)	4,875	2,947
49,526	47,032		48,127	50,489

The above has been classified as follows in the parent and consolidated statement of financial position:

PARENT 2022 $	PARENT 2023 $		GROUP 2023 $	GROUP 2022 $
		Non-current assets		
897	--	Financial asset at amortised cost	--	897
		Financial assets at fair value through		
1,771	1,470	other comprehensive income	1,470	1,771
		Current assets		
44,874	41,782	Trade receivables (Note 10)	41,782	44,874
1,984	3,780	Other receivables (excluding prepayments)	4,875	2,947
49,526	47,032		48,127	50,489

a. (i) *Financial assets*

Classification

The Group classifies its financial assets in the following measurement categories:

- Those to be measured at Amortised Cost (AC), and
- Those to be measured subsequently at Fair Value Through Other Comprehensive Income (FVOCI).

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(Expressed in Thousands of Trinidad and Tobago Dollars)

7 Financial assets (excluding cash and cash equivalents) (continued)

a. (i) *Financial assets (continued)*

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Debt instruments at amortised cost

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset.

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest (SPPI) are measured at amortised cost. Interest income from these financial assets is included within 'investment income' using the effective interest rate method.

The amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses.

Equity instruments

Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in the parent and consolidated statement profit or loss and other comprehensive income as other income when the Group's right to receive payments is established.

Impairment

Refer to Note 4 a.(iv)).

b. *Financial assets at fair value through other comprehensive income*

PARENT			GROUP	
2022	2023		2023	2022
$	$		$	$
1,994	1,771	At beginning of year	1,771	1,994
(223)	(301)	Change in value transferred to equity	(301)	(223)
1,771	1,470	At end of year	1,470	1,771

Financial assets at FVOCI comprise solely of securities listed on the Trinidad and Tobago Stock Exchange and are denominated in Trinidad and Tobago dollars. The valuation method used is categorised as Level 1 as it utilises quoted prices in active markets. The different levels of fair value measurements have been defined in Note 26 c.

c. *Other income*

808	1,004	Interest income – tax exempt	1,004	808
8,610	1,362	Other income	1,362	8,610
9,418	2,366		2,366	9,418

(Expressed in Thousands of Trinidad and Tobago Dollars)

8 Taxation

a. *Taxation charge*

PARENT 2022 $	PARENT 2023 $		GROUP 2023 $	GROUP 2022 $
12,854	7,888	Corporation tax	7,888	12,854
(697)	649	Prior year under/(over) accrual for tax	649	(697)
--	--	Business levy - current year	588	575
(2,533)	1,142	Deferred income tax (Note 8 c.)	1,142	(2,533)
9,624	9,679		10,267	10,199

The tax charge differs from the theoretical amount that would arise using the basic tax rate of 30% (2022: 30%) as follows:

PARENT 2022 $	PARENT 2023 $		GROUP 2023 $	GROUP 2022 $
53,012	62,169	Profit before taxation	62,516	53,700
15,904	18,651	Tax calculated at applicable tax rate	18,755	16,110
(8,160)	(13,548)	Allowances/income not subject to tax	(12,870)	(8,160)
1,286	1,559	Expenses not deductible for tax	1,147	1,286
(697)	649	Prior year under/(over) accrual for tax	649	(697)
1,291	2,368	Other movements	1,998	1,085
--	--	Business levy	588	575
9,624	9,679		10,267	10,199

b. *Accounting policy*

The income tax expense for the period is the tax payable on the current period's taxable income, based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences.

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the parent and consolidated financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax asset and liabilities relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(Expressed in Thousands of Trinidad and Tobago Dollars)

8 Taxation (continued)

b. *Accounting policy (continued)*

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

c. *Deferred taxation*

PARENT 2022 $	PARENT 2023 $		GROUP 2023 $	GROUP 2022 $
85,788	88,612	At beginning of year	88,612	85,788
(1,493)	(2,003)	Accelerated tax depreciation – property plant, and equipment revalued and own site improvements	(2,003)	(1,493)
(4,478)	(1,401)	Tax on remeasurement of defined benefit obligation recognised in other comprehensive income (Note 18 a.)	(1,401)	(4,478)
(170)	687	Tax on remeasurement of casual employee retirement benefit recognised in other comprehensive income (Note 18 b.)	687	(170)
11,498	--	Tax on gains on revaluation of buildings and and own site improvements	--	11,498
(2,533)	1,142	Credit for the year (Note 8 a.)	1,142	(2,533)
88,612	87,037	At end of year	87,037	88,612

Deferred income taxes are calculated in full, on temporary differences under the liability method using a principal tax rate of 30%. Fair value gains and losses are not taxable and deductible respectively under the applicable tax law in Trinidad and Tobago. The deferred income tax (asset)/liability in the parent and consolidated statement of financial position and the deferred income tax charge/(credit) in the parent and consolidated statement of profit or loss and other comprehensive income are attributable to the following:

(Expressed in Thousands of Trinidad and Tobago Dollars)

8 Taxation (continued)

c. *Deferred taxation (continued)*

Parent/Group	2022 $	Charge/(Credit) to OCI $	Charge/(Credit) to SOCI $	2023 $
Year ended 31 December 2023				
Deferred income tax liabilities				
Tax on gains on revaluation of buildings and own site improvements	11,498	--	--	11,498
and equipment carried at cost	69,418	--	1,004	70,422
Accelerated tax depreciation – property, plant and equipment revalued and own site improvements	23,520	(2,003)	--	21,517
	104,436	(2,003)	1,004	103,437
Deferred income tax assets				
Casual employee retirement benefit	(11,644)	687	(675)	(11,632)
Retirement benefit obligation	(3,661)	(1,401)	707	(4,355)
Change in general provision of trade receivables under IFRS 9	(519)	--	106	(413)
	(15,824)	(714)	138	(16,400)
Net deferred income tax liabilities	88,612	(2,717)	1,142	87,037

Parent/Group	2021 $	Charge/(Credit) to OCI $	Charge/(Credit) to SOCI $	2022 $
Year ended 31 December 2022				
Deferred income tax liabilities				
Retirement benefit obligation	558	(4,478)	3,920	--
Tax on gains on revaluation of buildings and and own site improvements	--	11,498	--	11,498
Accelerated tax depreciation – property, plant and equipment carried at cost	70,746	--	(1,328)	69,418
Accelerated tax depreciation – property, plant and equipment revalued and own site improvements	25,013	(1,493)	--	23,520
	96,317	5,527	2,592	104,436
Deferred income tax assets				
Casual employee retirement benefit	(10,391)	(170)	(1,083)	(11,644)
Retirement benefit obligation/(asset)	--	--	(3,661)	(3,661)
Change in general provision of trade receivables under IFRS 9	(138)	--	(381)	(519)
	(10,529)	(170)	(5,125)	(15,824)
Net deferred income tax liabilities	85,788	5,357	(2,533)	88,612

(Expressed in Thousands of Trinidad and Tobago Dollars)

9 Inventory

The inventory balance comprises consumable maintenance spares and is shown net of provision for obsolete spares of $1,829 (2022: $1,829).

a. *Accounting policy*

Consumable spares are stated at cost, allowance having been made for slow moving and obsolete items. Cost is determined using the first-in, first-out (FIFO) method.

10 Trade and other receivables

PARENT			GROUP	
2022	2023		2023	2022
$	$		$	$
81,595	91,044	Trade receivables	91,044	81,595
(36,721)	(48,735)	Less: provision for impairment	(48,735)	(36,721)
44,874	42,309	Trade receivables – net	42,309	44,874
8,160	10,215	Other receivables and prepayments	11,335	9,148
(527)	(527)	Less: provision for impairment	(551)	(551)
6,463	7,109	Value added tax	7,108	6,463
58,970	59,106		60,201	59,934

a. *Accounting policy*

Trade receivables are amounts due from customers for rental fees or services performed in the ordinary course of business. They are generally due for settlement within 30 days and are therefore all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

Refer to Note 4 a.(iv) for the Group's accounting policy for the impairment of trade receivables. The creation and release of provision for impaired receivables have been included in 'administrative expenses' in the parent and consolidated statement of profit or loss and other comprehensive income. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the parent and consolidated statement of profit or loss and other comprehensive income.

Other receivables are amounts that generally arise from transactions outside the usual operating activities of the Group and prepayments are payments made in advance to suppliers.

b. *Fair value of trade and other receivables*

Due to the short-term nature of the current receivables, their carrying amount is assumed to be the same as their fair value.

(Expressed in Thousands of Trinidad and Tobago Dollars)

10 Trade and other receivables (continued)

c. *Impairment and risk exposure*

Parent/Group	Current $	More than 30 days Past due $	More than 60 days past due $	More than 90 days past due $	Total $
31 December 2023					
Expected credit loss rate	0.76%	1.64%	4.02%	67.33%	
Gross carrying amount					
Trade receivables	12,575	5,098	1,346	72,025	91,044
Loss allowance	96	84	54	48,501	48,735
31 December 2022					
Expected credit loss rate	1.03%	2.08%	5.48%	58.74%	
Gross carrying amount					
Trade receivables	10,728	6,756	2,233	61,878	81,595
Loss allowance	111	140	122	36,348	36,721

Refer to Note 4 a. (iv) for the movements on the Group's provision for impairment of trade receivables.

Sensitivity analysis

The calculation of the ECL for trade receivables is sensitive to the assumptions used, specifically the forward looking rate. The following table summarises how the ECL as at 31 December 2023 and 31 December 2022 would have changed as a result of an increase in the forward looking rate used of 5% and 10%.

	2023 5% increase $	2023 10% increase $
Increase in ECL	69	137

	2022 5% increase $	2022 10% increase $
Increase in ECL	86	173

11 Cash and cash equivalents

PARENT 2022 $	PARENT 2023 $		GROUP 2023 $	GROUP 2022 $
95,440	79,937	Current bank and cash balances	79,938	95,545
67,511	68,141	Short-term bank deposits	68,142	67,511
--	(5,807)	Bank overdraft	(6,846)	--
162,951	142,271	Cash and cash equivalents	141,234	163,056

(Expressed in Thousands of Trinidad and Tobago Dollars)

11 Cash and cash equivalents (continued)

a. *Accounting policy*

For the purpose of presentation in the parent and consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, short-term, highly liquid bank deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown in current liabilities in the parent and consolidated statement of financial position.

b. *Financial risk management*

The effective interest rates on cash and short-term deposits were between 0.0% and 1.2% (2022: 0.075% and 1.20%) per annum.

The Group has unsecured overdraft facilities of $20,000. Interest is charged at the average rate of 6.5% per annum (2022: 6.5% per annum).

c. *Cash generated from operating activities*

PARENT			GROUP	
2022	2023		2023	2022
$	$		$	$
53,012	62,169	Profit before taxation	62,916	53,700
		Adjustments for:		
(25,125)	(42,975)	Unrealised fair value gains on investment properties (Note 6)	(42,975)	(25,125)
33,597	27,369	Depreciation (Note 5)	27,369	33,597
2,771	711	Loss on disposal of property, plant and equipment	710	2,771
2,883	3,608	Interest expense	3,608	2,883
(808)	(1,004)	Interest income	(1,004)	(808)
12,194	12,740	Pension expense in retirement benefit obligation	12,740	12,194
(13,057)	(15,097)	Company contributions paid in retirement benefit obligation	(15,097)	(13,057)
4,396	4,919	Net benefit cost in casual employee retirement benefit	4,919	4,396
(786)	(2,668)	Lumpsums paid in casual employee retirement benefit	(2,668)	(786)
69,077	49,772		50,518	69,765
		Change in operating assets and liabilities:		
(17,553)	(136)	Decrease/(increase) in trade and other receivables	(267)	(17,401)
(1,582)	(2,932)	Increase in inventory	(2,932)	(1,582)
(171)	(175)	Decrease in deferred lease rental income	(175)	(171)
15,074	(14,094)	(Decrease)/increase in trade and other payables	(15,276)	14,569
64,845	32,435	Cash generated from operating activities	31,868	65,180

(Expressed in Thousands of Trinidad and Tobago Dollars)

12 Stated capital

PARENT 2022 $	PARENT 2023 $		GROUP 2023 $	GROUP 2022 $
		Authorised:		
		An unlimited number of ordinary shares of no par value		
		An unlimited number of preference shares of no par value		
		Issued and fully paid:		
		39,625,684 ordinary shares		
139,968	139,968	of no par value	139,968	139,968

a. *Accounting policy*

Share capital

Ordinary shares have no par value and entitle the holder to participate in dividends, and to share in the proceeds of winding up the parent company in proportion to the number of the shares held. On show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll share is entitled to one vote.

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Dividend distribution

Dividend distribution to the Group's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Group's directors.

b. *Dividends declared and payable*

On 24 March 2023, the Board of Directors approved a final dividend of 17¢ per share, amounting to $6,736 in respect of the year ended 31 December 2022. On 24 March 2022, the Board of Directors approved a final dividend of 15¢ per share, amounting to $5,944 in respect of the year ended 31 December 2021.

13 Earnings per share

Basic earnings per share is calculated by dividing the profit for the period attributable to the ordinary shareholders of the parent company by the weighted average number of ordinary shares in issue during the year. Diluted earnings per share is calculated by dividing the profit for the period attributable to the ordinary shareholders of the parent company by the weighted average number of ordinary shares in issue during the year plus allocated shares held by the ESOP Trustee.

(Expressed in Thousands of Trinidad and Tobago Dollars)

13 Earnings per share (continued)

	PARENT	
	2023	**2022**
	$	**$**
Profit for the year	52,491	43,388
Weighted average number of shares (excluding treasury shares) 39,395,684 (2022: 39,395,684)		
Basic earnings per share	132¢	110¢
Weighted average number of shares (including allocated shares) 39,619,684 (2022: 39,619,684)		
Diluted earnings per share	132¢	110¢

	GROUP	
	2023	**2022**
	$	**$**
Profit for the year	52,650	43,501
Weighted average number of shares (excluding treasury shares) 39,395,684 (2022: 39,395,684)		
Basic earnings per share	133¢	110¢
Weighted average number of shares (including allocated shares) 39,619,684 (2022: 39,619,684)		
Diluted earnings per share	133¢	110¢

14 Employee share ownership plan (ESOP) – Parent/Group

	No of shares	2023 $	2022 $
Fair value of shares held – unallocated	6,000	34	34
Fair value of shares held – allocated	224,000	829	829
	230,000	863	863
Cost of unallocated ESOP shares		32	32

a. *Accounting policy*

The parent company operates an Employee Share Ownership Plan (ESOP) to give effect to a contractual obligation to pay profit sharing bonuses to employees via shares of the parent company based on a set formula. Employees may acquire additional company shares to be held in trust by the Trustees but the costs of such purchases are for the employee's account. All permanent employees of the parent company and its subsidiary (Note 1) are eligible to participate in the Plan that is directed by a Management Committee comprising management of the Company and representatives of the general membership. Independent Trustees are engaged to hold in trust all shares in the Plan as well as to carry out the necessary administrative functions. Shares acquired by the ESOP are funded by the parent company contributions and cash advances by the parent company to the ESOP. The cost of the shares so acquired and which remain unallocated to employees have been recognised in Shareholders' Equity under 'Treasury Shares'.

The fair value of allocated shares are measured using the closing market price prevailing on the Trinidad and Tobago Stock Exchange at the year-end. A liability is recorded for this amount.

(Expressed in Thousands of Trinidad and Tobago Dollars)

14 Employee share ownership plan (ESOP) – Parent/Group (continued)

a. *Accounting policy (continued)*

The Company has determined it has control over the Plan as:

- the Company has power over the relevant activities of the employee share trust;
- the Company has exposure, or rights, to variable returns from its involvement with the employee share trust; and
- the Company has the ability to use its power over the employee share trust to affect the amount of the Company's returns.

The consolidation of the plan was immaterial to these parent and consolidated financial statements.

15 Revaluation reserves

a. *Nature and purpose of revaluation reserves*

The revaluation reserves include the following amounts:

Revaluation surplus – property, plant and equipment:

The property, plant and equipment revaluation surplus is used to record increments and decrements on the revaluation of property, plant and equipment.

Financial assets at fair value through other comprehensive income:

The Group has elected to recognise changes in the fair value of certain investments in equity securities in OCI, as explained in Note 7 b. These changes are accumulated within the investment revaluation reserve within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

PARENT			GROUP	
2022	2023		2023	2022
$	$		$	$
253,622	278,241	At beginning of year	278,241	253,622
26,830	--	Gains on revaluation of land, buildings and and own site improvements	--	26,830
(223)	(301)	Fair value loss of financial assets at fair value through other comprehensive income (Note 7 b.)	(301)	(223)
1,493	2,506	Deferred tax on accelerated tax depreciation – property, plant and equipment revalued and site improvements	2,506	1,493
(3,481)	(4,676)	Transfer/adjustment to retained earnings	(4,676)	(3,481)
278,241	275,770	At end of year	275,770	278,241

b. *Property, plant and equipment*

PARENT 2022	PARENT 2023		GROUP 2023	GROUP 2022
252,566	277,408	At beginning of year	277,408	252,566
26,830	--	Gains on revaluation of land, buildings and and own site improvements	--	26,830
1,493	2,506	Deferred tax on accelerated tax depreciation – property, plant and equipment revalued and site improvements	2,506	1,493
(3,481)	(4,676)	Transfer/adjustment to retained earnings	(4,676)	(3,481)
277,408	275,238	At end of year	275,238	277,408

(Expressed in Thousands of Trinidad and Tobago Dollars)

15 Revaluation reserves (continued)

c. *Financial assets at fair value through other comprehensive income*

PARENT 2022 $	PARENT 2023 $		GROUP 2023 $	GROUP 2022 $
1,056	833	At beginning of year	833	1,056
(223)	(301)	Fair value gain of financial assets at fair value through other comprehensive income (Note 7 b.)	(301)	(223)
833	532	At end of year	532	833

16 Long and medium-term borrowings

PARENT 2022 $	PARENT 2023 $		GROUP 2023 $	GROUP 2022 $
96,677	83,518	First Citizens Bank Limited	83,518	96,677
403	214	Ansa Merchant Bank Limited	214	403
589	1,914	Massy Finance GFC Ltd.	1,914	589
97,669	85,646		85,646	97,669

The above has been classified as follows in the parent and consolidated statement of financial position:

PARENT 2022 $	PARENT 2023 $		GROUP 2023 $	GROUP 2022 $
		Non-current liabilities		
84,375	2,722	Long and medium-term borrowings	2,722	84,375
		Current liabilities		
13,294	82,924	Long and medium-term borrowings	82,924	13,294
97,669	85,646		85,646	97,669

a. *Accounting policy*

Recognition and measurement

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between proceeds (net of transaction costs) and the redemption amount is recognised in the parent and consolidated statement of profit or loss and other comprehensive income over the period of the borrowings using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings, pending their expenditure on qualifying assets, is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

b. *Loan agreements*

(i) *First Citizens Bank Limited*

Facility (i) was for TT$5,000 which was fully repaid.

16 Long and medium-term borrowings (continued)

b. *Loan agreements (continued)*

(i) *First Citizens Bank Limited (continued)*

Facility (ii) is for US$12,390 of which US$10,372 was drawn down to settle existing loans. The financing arrangement allows for a full drawdown of the loan to be repayable over 10 years by 19 semi-annual principal payments of US$346 and a final bullet payment of US$3,668. The interest rate is Libor plus 2.6743% per annum, to be reset semi-annually subject to a floor rate of 3% per annum. The current effective interest rate per annum is 8.34% (2022:7.86%). The schedule of repayment on the drawn balance is reflected in Note 16 e. The balance as at 31 December 2023 was TT$26,959.

Facility (iii) is for TT$117,743 which was fully drawn as at 31 December 2016 for infrastructural work to the Port. The financing arrangement allows for a full drawdown of the loan to be repayable over 10 years with a one year moratorium on principal. The repayment terms consist of semi-annual principal payments of TT$3,925 and a final bullet payment of TT$51,022. The interest rate is Prime less 4.5% per annum to be reset annually. The current effective interest rate per annum is 3% (2022 3%). The schedule of repayment on the drawn balance is reflected in Note 16 e. The balance as at 31 December 2023 was TT$54,946.

Facility (iv) is for TT$15,000 to be drawn in either Trinidad & Tobago Dollars or equivalent United States Dollars. This facility is to assist with working capital requirements. Interest payments to be serviced monthly; principal to be repaid within ninety (90) days of each drawdown. The interest rate for amounts drawn in Trinidad & Tobago Dollars is Prime less 1.0% per annum subject to a floor rate of 6% per annum. The current effective rate is 6.5% (2021: 6.5%) per annum. There was no drawdown of this facility at year end

Facility (v) is for US$800 which was fully drawn as at 31 October 2016. The financing arrangement allows for a full drawdown of the loan to be repayable over 10 years. The repayment terms consist of semi-annual principal payments of US$40. The interest rate is Libor plus 2.6743% per annum, to be reset semi-annually subject to a floor rate of 3% per annum. The current effective interest rate per annum is 8.56% (2022: 7.36%). The balance as at 31 December 2023 was TT$1,612.

Security on Facility (iv) is a Debenture Charge stamped to cover the aggregate amount of $20,000 over the fixed and floating assets of the Corporation.

Security on Facilities (ii) and (iii) is a Debenture Charge over the fixed and floating assets of the Corporation and a collateral chattel mortgage over the equipment financed.

Assignment of all risk insurance.

Each letter of credit to be fully secured by cash held in an account at Frist Citizens Bank, the aggregate value of the letters not to exceed US$10,000.

(ii) *Ansa Merchant Bank Limited*

On 1 October 2017 and 30 November 2017, the Corporation established hire purchase facilities with Ansa Merchant Bank Limited to purchase 3 new vehicles. The repayment terms consist of monthly principal and interest payments of TT$12. The balance as at 31 December 2023 was TT$403. The interest rate range from 7.5% to 9.84% (2022: 7.5% to 9.84%).

(iii) *Massy Finance GFC Ltd.*

On 24 June 2022, the Corporation established hire purchase facilities with Massy Finance GFC Ltd. to purchase 3 new vehicles. The repayment terms consist of monthly principal and interest payments of TT$9. The balance as at 31 December 2023 was TT$1,915. The interest rate range from 5.75% to 5.86%.

(Expressed in Thousands of Trinidad and Tobago Dollars)

16 Long and medium-term borrowings (continued)

c. *Fair value*

The fair values are not materially different to their carrying amounts since the interest payable on these borrowings are at floating rates (i.e. current market rates).

The carrying amounts of the Group's borrowings are denominated in the following currencies:

	2023 $	2022 $
US dollar	28,571	33,884
TT dollar	57,075	63,785
	85,646	97,669

d. *Sensitivity analysis - variable rate instruments*

	Increase/(decrease) in PRIME %	(Decrease)/increase effect on profit $
2023	+20	(36)
	-15	27
2022	+20	419
	-15	(314)

	Increase/(decrease) in LIBOR %	(Decrease)/increase effect on profit $
2023	+20	419
	-15	(314)
2022	+20	466
	-15	(349)

e. *Contractual cash flows of floating rate borrowings*

Group	< 1 year $	1-2 years $	2-5 years $	More than 5 years $	Contractual cash flows $	Carrying amount $
31 December 2023						
Long and Medium Term borrowings	86,870	1,192	1,689	135	89,886	85,646
Bank overdraft	6,846	--	--	--	6,846	6,846
Total Borrowings	93,716	1,192	1,689	135	96,732	92,492

	< 1 year $	1-2 years $	2-5 years $	More than 5 years $	Contractual cash flows $	Carrying amount $
31 December 2022						
Total Borrowings	17,989	86,709	1,839	81	106,618	97,669

f. *Compliance with loan covenants*

The Group has complied with the financial covenants of its borrowing facilities during the 2023 and 2022 reporting periods. Refer to Note 4 d. for details.

(Expressed in Thousands of Trinidad and Tobago Dollars)

17 Staff costs

PARENT 2022 $	PARENT 2023 $		GROUP 2023 $	GROUP 2022 $
196,402	193,578	Wages, salaries and benefits	192,509	195,386
12,194	12,740	Retirement benefit obligation/(asset) expense (Note 18 a.)	12,740	12,194
4,396	4,919	Casual employee retirement benefit expense (Note 18 b.)	4,919	4,396
212,992	211,237		210,168	211,976

a. *Accounting policy*

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented within trade and other payables in the parent and consolidated financial statements.

Other long-term employee benefit obligations

The Group also has liabilities for annual leave. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to current wage and salary levels and leave days outstanding.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

Termination benefits

Benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37 Provisions,Contingent Liabilities and Contingent Assets and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

Bonus plans

The Group recognises a liability and an expense for bonuses based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

Employee share ownership plan

The Group accounts for profit sharing entitlements which are settled in the shares of the parent company through an Employee Share Ownership Plan (ESOP) as an expense determined at market value. The cost of the unallocated shares of the parent company is recognised as a separate component within equity.

(Expressed in Thousands of Trinidad and Tobago Dollars)

17 **Staff costs (continued)**

a. *Accounting policy (continued)*

Post retirement benefits

Pension obligations (Note 18 a. (i)).

Casual employee retirement benefit (Note 18 b.(i)).

18 **Long term employee benefits**

a. *Retirement benefit obligation*

The Group operates a defined benefit pension plan for its eligible employees regulated by the Insurance Act Chapter 84:01 of Trinidad and Tobago. The plan is a final salary pension plan which provides benefits to members in the form of a guaranteed level of pension payable for life. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement. The plan is operated in accordance with a Trust Deed between the parent company and First Citizens Trustee Services Limited dated 19 July 1985. Fund managers appointed by the trustees of the plan administer the funds of the plan. The pension plan is generally funded by payments from employees and the parent company, taking account of the recommendations of independent qualified actuaries. The Plan was closed to new entrants from 1 May 2021 but the rule amendment to formally give effect to this has not yet been approved and registered.

A defined contribution plan is currently in the process of being established. The rules of this plan has been submitted to the Board of Inland Revenue (BIR) for review and approval. This was not yet provided. Deductions from employees have not commenced. All new eligible members will be joining the defined contribution plan.

There were no plan amendments, curtailments and settlements during the year.

	2023 $	2022 $
Net liability in the parent and consolidated statement of financial position (parent/group)		
Present value of defined benefit obligation	298,282	277,102
Fair value of assets	(283,768)	(264,901)
Net defined benefit liability	14,514	12,201
Reconciliation of opening and closing parent and consolidated statement of financial position entries (parent/group)		
Opening defined benefit liability	12,201	(1,863)
Pension expense	12,740	12,194
Re-measurements recognised in other comprehensive income	4,670	14,927
Company contributions paid	(15,097)	(13,057)
Closing defined benefit liability	14,514	12,201

(i) *Accounting policy*

Defined benefit plans define an amount of pension benefit that an employee will receive on retirement, dependent on factors such as age, years of service and compensation.

The liability or asset recognised in the parent and consolidated statement of financial position in respect of the defined benefit pension plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

(Expressed in Thousands of Trinidad and Tobago Dollars)

18 Long term employee benefits (continued)

a. *Retirement benefit obligation/(asset) (continued)*

(i) *Accounting policy (continued)*

The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method, and a full valuation is done every three years. The last full valuation was done for the year ended 31 December 2022 on 17 August 2023. Roll forward valuations, which are less detailed than full valuations are performed annually.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of long-term government securities that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the parent and consolidated statement of profit or loss and other comprehensive income.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the parent and consolidated statement of changes in equity and in the parent and consolidated statement of financial position.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service costs.

(ii) *Movement in present value of defined benefit obligation*

	2023 $	2022 $
Defined benefit obligation at start of year	277,102	257,999
Current service cost	11,491	11,709
Interest cost	16,735	15,610
Members' contributions	3,328	3,219
Experience adjustments	756	(917)
Benefits paid	(11,130)	(10,518)
Defined benefit obligation at end of year	298,282	277,102

The defined benefit obligation is allocated between the Plan's members as follows:

	2023	2022
Active members	67%	68%
Deferred members	3%	3%
Pensioners	30%	29%
The weighted average duration of the defined benefit obligation at year end	13.9yrs	14.2yrs

98% (2022: 97%) of the active member benefits are vested.
26% (2022: 27%) of the active member defined benefit obligation is conditional on future salary increases.

(Expressed in Thousands of Trinidad and Tobago Dollars)

18 **Long term employee benefits (continued)**

a. *Retirement benefit obligation (continued)*

(iii) *Movement in fair value of plan assets*

	2023 $	2022 $
Plan assets at start of year	264,901	259,862
Interest income	16,092	15,744
Return on plan assets, excluding interest income	(3,914)	(15,844)
Company contributions	15,097	13,057
Members' contributions	3,328	3,219
Benefits paid	(11,130)	(10,518)
Expense allowance	(606)	(619)
Fair value of plan assets at end of year	283,768	264,901
Actual return on plan assets	12,178	(100)
Asset allocation		
Locally listed equities	44,014	49,236
Overseas equities	29,765	23,673
Government bonds	122,884	105,507
Corporate bonds	70,908	61,330
Cash and cash equivalents	12,691	21,600
Other (immediate annuity policies)	3,506	3,555
Fair value of plan assets at end of year	283,768	264,901

The asset values as at 31 December 2023 were provided by the Plan's Investment Manager (First Citizens Trustee Services Limited). Overseas equities have quoted prices in active markets. Local equities also have quoted prices but the market is illiquid. The Investment Manager calculates the fair value of the Government bonds and corporate bonds by discounting expected future proceeds using a constructed yield curve. The value of the Plan's annuity policies with a local financial institution was estimated using the same assumptions used to calculate the defined benefit obligation. The value of these policies is not quoted and is reliant on the local financial institution's financial strength.

The majority of the Plan's Government bonds were issued by the Government of Trinidad and Tobago, which also guarantees many of the corporate bonds held by the Plan.

The Plan's assets are invested in accordance with a strategy agreed between the Plan's Trustee and Management Committee. This strategy is largely dictated by statutory constraints (at least 70% of the assets must be invested in Trinidad and Tobago and no more than 50% in equities) and the availability of suitable investments. There are no asset-liability matching strategies used by the Plan other than the decision to purchase immediate annuity policies to secure some pensions in payment and in deferment.

(iv) *Funding*

The Group meets the balance of the cost of funding of the defined benefit pension plan and the Group must pay contributions at least equal to those paid by members, which are fixed. The funding requirements are based on regular (at least every 3 years) actuarial valuations of the plan and the assumptions used to determine the funding required may differ from those set out above. The Group expects to pay $13,500 to the pension plan during 2024.

(Expressed in Thousands of Trinidad and Tobago Dollars)

18 **Long term employee benefits (continued)**

a. *Retirement benefit obligation (continued)*

(v) *Expense recognised in the parent and consolidated statement of profit or loss and other comprehensive income*

	2023 $	2022 $
Current service cost	11,491	11,709
Net interest on net defined benefit liability	643	(134)
Administration expense allowance	606	619
Pension expense (Note 17)	12,740	12,194

(vi) *Remeasurements recognised in other comprehensive income*

	2023	2022
Experience gains	4,670	14,927
Deferred income tax (Note 8 c.)	(1,401)	(4,478)
Total amount recognised in other comprehensive income	3,269	10,449

(vii) *Significant accounting estimate*

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of obligations.

The parent company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the obligations. In determining the appropriate discount rate, the parent company considers the interest rates of long term Government securities that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension liability.

	2023 Per annum	2022 Per annum
Summary of principal assumptions		
Discount rate	6.00%	6.00%
Underlying salary and wage inflation	4.00%	4.00%
Promotional/merit increases	1.00%	1.00%
Average individual salary increases	5.00%	5.00%
Future pension increases	0.00%	0.00%

These assumptions affect the deferred tax asset calculated on the pension benefit liability. The most recent completed actuarial valuation was as at 31 December 2023.

Assumptions regarding future mortality are based on published mortality tables. The life expectancies underlying the value of the defined benefit obligation as at year end are as follows:

	2023	2022
Life expectancy at age 60 for current pensioner in years		
Male	21.9	21.9
Female	26.2	26.1
Life expectancy at age 60 for current members age 40 in years		
Male	22.8	22.7
Female	27.1	27.1

(Expressed in Thousands of Trinidad and Tobago Dollars)

18 **Long term employee benefits (continued)**

a. *Retirement benefit obligation (continued)*

(vii) *Significant accounting estimate (continued)*

Sensitivity analysis

The calculation of the defined benefit obligation is sensitive to the assumptions used. The following table summarises how the defined benefit obligation as at 31 December 2023 and 2022 would have changed as a result of a change in the assumptions used.

			Impact on defined benefit obligation			
	Change in Assumptions		**Increase in assumptions**		**Decrease in assumptions**	
	2023	**2022**	**2023**	**2022**	**2023**	**2022**
Discount rate	1%pa	1%pa	-11.8%	-12.0%	+14.7%	+15.0%
Future salary increases	1%pa	1%pa	+4.8%	+5.1%	-4.3%	-4.6%
Life expectancy	1 year	1 year	+1.3%	+1.3%	-1.3%	-1.3%

These sensitivities were computed by re-calculating the defined benefit obligations using the revised assumptions. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the prior year.

b. *Casual employee retirement benefit*

The Group implemented a retirement benefit for casual employees in 2013 in accordance with its collective agreement. The benefit is for eligible employees who met several criteria as agreed with the bargaining body and the benefit is managed in house and financed by the Group. Lump sums will be paid as they fall due.

	2023 $	**2022 $**
Net liability in the parent and consolidated statement of financial position (parent/group)		
Present value of casual employee retirement benefit obligation	38,777	38,817
Reconciliation of opening and closing statement of financial position entries (parent/group)		
Opening net retirement benefit liability	38,817	34,639
Net benefit cost	4,919	4,396
Re-measurements recognised in other comprehensive income	(2,291)	568
Lump sums paid	(2,668)	(786)
Closing casual employee retirement benefit liability	38,777	38,817

(i) *Accounting policy*

The liability recognised in the parent and consolidated statement of financial position in respect of casual employee retirement benefit is the present value of the obligation at the financial position date, together with adjustments for unrecognised actuarial gains or losses.

The casual employee retirement benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

(Expressed in Thousands of Trinidad and Tobago Dollars)

18 **Long term employee benefits (continued)**

b. *Casual employee retirement benefit (continued)*

(i) *Accounting policy (continued)*

The present value of the casual employee retirement benefit obligation is determined by discounting the estimated future cash outflows using interest rates of long-term government securities that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related benefit obligation.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

(ii) *Funding*

The Group pays the termination lump sums as they fall due. The Group expects to pay lump sums of $2,206 in 2024 ($2,833 in 2023).

(iii) *Movement in present value of casual employee retirement benefit obligation*

	2023 $	2022 $
Obligation at start of year	38,817	34,639
Current service cost	2,592	2,274
Interest cost	2,327	2,122
Experience adjustments	(2,291)	568
Benefits paid	(2,668)	(786)
Obligation at end of year	38,777	38,817

The casual employee retirement benefit obligation is allocated between the members as follows:

	2023	2022
Casual employees	85%	85%
Former casual employees made permanent	12%	12%
Outstanding benefits	3%	3%
The weighted average duration of the retirement benefit obligation at year end	13.1yrs	13.1yrs

16% (2022: 16%) of the benefits are vested.
39% (2022: 39%) of the retirement obligation is conditional on future salary increases.

(Expressed in Thousands of Trinidad and Tobago Dollars)

18 **Long term employee benefits (continued)**

b. *Casual employee retirement benefit (continued)*

(iv) *Expense recognised in the parent and consolidated statement of profit or loss and other comprehensive income*

	2023 $	2022 $
Current service cost	2,592	2,274
Net interest on net retirement benefit liability	2,327	2,122
Casual employee retirement benefit expense (Note 17)	4,919	4,396

(v) *Re-measurements recognised in other comprehensive income*

Experience gains	(2,291)	568
Deferred income tax (Note 8 c.)	687	(170)
Total amount recognised in other comprehensive income	(1,604)	398

(vi) *Significant accounting estimate*

The present value of the retirement benefit depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost for the benefit include the discount rate. Any changes in these assumptions will impact the carrying amount of obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the obligations. In determining the appropriate discount rate, the Group considers the interest rates of long term Government securities that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related benefit liability.

Other key assumptions for casual employee retirement benefit are based in part on current market conditions.

	2023 Per annum	2022 Per annum
Summary of principal assumptions		
Discount rate	6.00%	6.00%
Average individual pay increases	4.00%	4.00%

There is limited experience data on casual employees hence management has used the same assumptions as that of the pension plan.

These assumptions affect the deferred tax asset calculated on the casual employee retirement benefit liability.

(Expressed in Thousands of Trinidad and Tobago Dollars)

18 **Long term employee benefits (continued)**

b. *Casual employee retirement benefit (continued)*

(vi) *Significant accounting estimate (continued)*

Sensitivity analysis

The calculation of the casual employee retirement benefit obligation is sensitive to the assumptions used. The following table summarises how the retirement benefit obligation as at 31 December 2023 and 2022 would have changed as a result of a change in the assumptions used.

	Impact on casual employee retirement benefit obligation					
	Change in Assumptions		**Increase in assumptions**		**Decrease in assumptions**	
	2023	**2022**	**2023**	**2022**	**2023**	**2022**
Discount rate	1%pa	1%pa	-11.3%	-11.3%	+13.5%	+13.5%
Future salary increases	1%pa	1%pa	+11.5%	+11.6%	+9.7%	-9.9%

These sensitivities were computed by re-calculating the casual employee retirement benefit obligation using the revised assumptions. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the prior year.

19 **Revenue**

a. *Accounting policy*

Revenue recognition

Revenue represents the amounts earned for lease rents, port and warehousing services and management fees.

Revenue from port and warehousing services and management fees is recognised in accordance with IFRS 15 and is recognised in the accounting period in which the services are rendered. Revenue is governed by an established tariff. The tariff details all services offered by the Group - Port and Warehouse. Revenue from providing services, for marine, mooring and unmooring, container handling, and storage rent etc. are recognised in the accounting period in which the services are rendered.

Revenue earned as rental income is recognised on an accrual basis in accordance with the terms of the individual lease agreements with tenants in accordance with IFRS 16. Lease premiums are deferred and recognised as revenue over the term of the lease. Leases between the parent company and tenants on the Industrial Estate are usually of two types, 30 year leases and 96 years and longer leases. The premiums received on 96 year leases are accounted for on a deferral basis. They are taken into income in equal annual amounts over the lives of the leases. Commitment fees received on all leases are taken into income upon receipt.

(Expressed in Thousands of Trinidad and Tobago Dollars)

19 Revenue (continued)

b. *Disaggregation of revenue from contracts with customers*

The Group derives revenue at a point in time from Cargo Handling Operations and Support departments.

	Port and related activities $	Support activities $	Total $
Year ended 31 December 2023			
Revenue	252,260	1,655	253,915
Year ended 31 December 2022			
Revenue	257,355	1,875	259,230

The revenue reported to the chief operating decision makers is measured in a manner consistent with that in the parent and consolidated statement of profit or loss and other comprehensive income.

c. *Revenue from lease income*

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term (Note 24 and 25). The respective leased assets are included in the balance sheet based on their nature.

Revenue from estate was $112,552 (2022: $104,634).

d. *Liabilities related to contracts with customers*

The Group has no liabilities related to contracts with customers.

20 Trade and other payables

PARENT 2022 $	PARENT 2023 $		GROUP 2023 $	GROUP 2022 $
6,908	5,510	Trade payables	5,510	6,908
1,366	1,443	Statutory liabilities	5,628	5,495
46,659	32,611	Other payables and accruals	36,425	50,436
54,933	39,564		47,563	62,839
8,977	10,252	Due to subsidiary	--	--
63,910	49,816		47,563	62,839

20 Trade and other payables (continued)

a. *Accounting policy*

Trade payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

b. *Fair value of trade payables*

Due to the short term nature of the current payables, their carrying amount is assumed to be the same as their fair value.

21 Segment information

a. *Accounting policy*

Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the President and the management team, which is the team responsible for allocating resources and assessing performance of the operating segments and is also responsible for making strategic decisions. The Group's executive management team, consisting of the President, the Vice Presidents of Business Services, Port and Technical, examine the Group's performance from an operations perspective and has identified two reportable segments of its business.

(i) Port operations – This covers services supplied for the import, export and transhipment of containers and general cargo. The fees for these services include handling charges, storage rents, stuffing/unstuffing and other miscellaneous services. These are all based on an established tariff.

(ii) Estate operations – This covers operations involved in the development, maintenance and supply of onshore infrastructure which are leased to tenants at contracted rates as charged for occupancy, wayleaves and common service charges.

(Expressed in Thousands of Trinidad and Tobago Dollars)

21 Segment information (continued)

a. *Accounting policy (continued)*

These are the reportable segments of the Group as they form the basis used by the President and management team, as the chief operating decision makers, for assessing performance and allocating resources.

These reported segments are closely integrated as the viability of one segment depends on the continued operations of the other. As such, the operation comprises one cash generating unit, which is taxed as one unit and for which other expenses do not relate entirely to one segment.

b. *Segment operations*

Parent

	Port and related activities $	Estate $	Support activities $	Total $
Year ended 31 December 2023				
Revenue	252,260	112,552	1,655	366,467
Gross profit	127,306	112,552	1,655	241,513
Unrealised fair value gains on investment properties	--	42,975	--	42,975
Depreciation	(22,602)	(1,524)	(5,750)	(29,876)
Repairs and maintenance	(34,244)	(1,676)	(5,040)	(40,960)
Other expenses – net	(59,759)	(16,916)	(69,650)	(146,325)
Finance costs	(3,774)	--	(1,384)	(5,158)
Profit before taxation				62,169
Year ended 31 December 2022				
Revenue	257,355	104,634	1,875	363,864
Gross profit	129,402	104,634	1,875	235,911
Unrealised fair value gains on investment properties	--	25,125	--	25,125
Depreciation	(29,816)	(1,416)	(2,365)	(33,597)
Repairs and maintenance	(33,573)	(569)	(3,059)	(37,201)
Other expenses – net	(57,935)	(11,847)	(63,899)	(133,681)
Finance costs	(2,903)	--	(642)	(3,545)
Profit before taxation				53,012

Point Lisas Industrial Port Development Corporation Limited

Notes to the Parent and Consolidated Financial Statements (continued)
31 December 2023
(Expressed in Thousands of Trinidad and Tobago Dollars)

21 **Segment information (continued)**

b. *Segment operations (continued)*

Group

	Port and related activities $	Estate $	Support activities $	Total $
Year ended 31 December 2023				
Revenue	252,260	112,552	1,655	366,467
Gross profit	128,754	112,552	1,655	242,961
Unrealised fair value gains on investment properties	--	42,975		42,975
Depreciation	(22,602)	(1,524)	(5,750)	(29,876)
Repairs and maintenance	(34,244)	(1,676)	(5,040)	(40,960)
Other expenses – net	(60,461)	(16,916)	(69,650)	(147,027)
Finance costs	(3,774)	--	(1,384)	(5,158)
Profit before taxation				62,915
Year ended 31 December 2022				
Revenue	257,355	104,634	1,875	363,864
Gross profit	130,818	104,634	1,876	237,328
Unrealised fair value gains on investment properties	--	25,125	--	25,125
Depreciation	(29,816)	(1,416)	(2,365)	(33,597)
Repairs and maintenance	(33,573)	(569)	(3,059)	(37,201)
Other expenses – net	(58,664)	(11,847)	(63,899)	(134,410)
Finance costs	(2,903)	--	(642)	(3,545)
Profit before taxation				53,700

The revenue reported to the chief operating decision makers is measured in a manner consistent with that in the parent and consolidated statement of profit or loss and other comprehensive income.

(Expressed in Thousands of Trinidad and Tobago Dollars)

21 Segment information (continued)

c. *Segment assets*

	Port and Related activities $	Estate $	Support activities $	Total $
Total segment assets				
Parent				
31 December 2023	545,995	2,551,864	12,961	3,110,820
31 December 2022	564,040	2,458,433	49,112	3,071,585
Group				
31 December 2023	545,675	2,551,864	14,057	3,111,596
31 December 2022	563,720	2,458,433	50,075	3,072,228

Total assets are measured in a manner consistent with that of the parent and consolidated financial statements. These assets are allocated based on the operations of the segment.
Reportable segments' assets are reconciled to total assets as follows:

PARENT 31 December 2022 $	PARENT 31 December 2023 $		GROUP 31 December 2023 $	GROUP 31 December 2022 $
3,071,585	3,110,820	Total segment assets	3,111,596	3,072,228
162,951	148,078	Cash and bank on hand	148,080	163,056
15,824	16,399	Deferred income tax	16,399	15,824
14,015	17,061	Other assets	17,799	14,755
3,264,375	3,292,358	Total assets as per statement of financial position	3,293,874	3,265,863

Total segment assets include additions to property, plant and equipment as follows:

	Port and Related activities $	Estate $	Support activities $	Total $
Parent/ Group				
31 December 2023	13,887	520	8,517	22,924
31 December 2022	9,753	2,330	5,015	17,098

d. *Segment liabilities*

Total liabilities are centrally managed and are not allocated by segments.

(Expressed in Thousands of Trinidad and Tobago Dollars)

22 Expenses by nature

PARENT 2022 $	PARENT 2023 $		GROUP 2023 $	GROUP 2022 $
212,992	211,237	Staff costs (Note 17)	210,168	211,976
33,597	27,369	Depreciation (Note 5)	27,369	33,597
--	2,506	Amortisation of Leases	2,506	--
37,201	40,961	Repairs and maintenance	40,961	37,201
15,604	16,093	Utilities	16,093	15,604
13,395	12,371	Office expenses	12,690	13,718
8,355	12,013	Bad debts/impairment	12,013	8,355
6,612	6,575	Other	6,575	6,612
4,251	5,638	Insurance	5,638	4,251
2,017	3,790	Legal and professional fees	3,790	2,017
3,296	460	Vehicle and transport	460	3,296
2,129	2,824	Communication	2,827	2,134
829	829	Directors' remuneration	829	829
1,572	1,815	Marketing	1,815	1,572
341,850	344,481	Total cost of providing services, administrative expenses and other operating expenses	343,734	341,162

Audit fees for the year ended 31 December 2023 totalled $833 (2022: $1,171). Other fees paid to the auditor (and related network firms) for non-assurance services totalled $59 (2022: $335).

23 Contingent liabilities

a. Customs bonds — 3,950 — 3,950

The Group has approved bond facilities with First Citizens Bank Limited of $3,000, Scotiabank Trinidad and Tobago Limited of $3,200 and with Republic Bank Limited of $2,000. These approved bonds remain unchanged from 2022.

b. The Corporation is a party to various legal actions. In the opinion of the directors, after taking appropriate legal advice, the outcome of such actions will not result in any significant additional liabilities. Provisions have been made in these parent and consolidated financial statements, where applicable.

c. The Property Tax Act of 2009 (PTA) was enacted into law by the Government of the Republic of Trinidad and Tobago (GORTT), effective from 1 January 2010. There were challenges with its implementation and GORTT implemented waivers of the tax, the last of which expired on 30 September 2017. At present, there is a Tax amnesty granted by the GORTT for the period 14 November 2022 to 17 March 2023. The PTA has not yet been enforced primarily due to non-completion of property valuations by the statutory authority and assessments not being sent to taxpayers. While a present obligation exists, taxpayers are unable to reliably estimate the liability as the basis for fair value at this time has not been clarified.

24 Leases

This Note provides information for leases where the Group is a lessee. For leases where the Group is a lessor, see Note 6(c).

The lease liability was not material to be presented in the parent and consolidated statement of financial position.

24 Leases (continued)

a. *Accounting policy*

The Group leases vehicles and printers. Where applicable, rental contracts are typically made for fixed periods of 3 years for vehicles and a month by month basis for printers.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments(including in substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Corporation, which does not have recent third party financing, an
- makes adjustments specific to the lease, e.g. term, country, currency and security.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs
- restoration costs

(Expressed in Thousands of Trinidad and Tobago Dollars)

24 Leases (continued)

a. *Accounting policy (continued)*

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. The Group revalues its land and buildings that are presented within property, plant and equipment. There are no right-of-use buildings held by the Group.

Extension and termination options

Extension and termination options are included in the vehicles lease across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

25 Deferred lease rental income - Parent/Group

	2023 $	2022 $
Current portion	4,626	4,607
Non-current portion	53,112	54,079
	57,738	58,686

PARENT 2022 $	PARENT 2023 $		GROUP 2023 $	GROUP 2022 $
		At beginning of year:		
4,694	4,523	30 year leases and unearned revenue	4,523	4,694
54,936	54,163	96 years and longer leases	54,163	54,936
59,630	58,686		58,686	59,630
103,690	111,604	Amounts received during the year	111,604	103,690
163,320	170,290		170,290	163,320
(104,634)	(112,552)	Income brought into account (Note 21b.)	(112,552)	(104,634)
58,686	57,738	At end of year	57,738	58,686
		Summarised as follows:		
4,523	4,349	30 year leases and unearned revenue	4,349	4,523
54,163	53,389	96 years and longer leases	53,389	54,163
58,686	57,738		57,738	58,686
(54,079)	(53,112)	Less: non-current portion	(53,112)	(54,079)
4,607	4,626	Current portion	4,626	4,607

(Expressed in Thousands of Trinidad and Tobago Dollars)

25 Deferred lease rental income (continued)

	2023 $	2022 $
Within 1 year	4,577	4,607
Between 1 and 2 years	983	983
Between 2 and 3 years	983	983
Between 3 and 4 years	983	983
Between 4 and 5 years	983	983
Later that 5 years	49,229	50,147
	57,738	58,686

a. *Accounting policy*

Refer to Note 19 a.

26 Material accounting policies

This Note provides a list of the material accounting policies adopted in the preparation of these parent and consolidated financial statements to the extent they have not already been disclosed in the other Notes above. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the Group consisting of Point Lisas Industrial Port Development Corporation Limited and its subsidiary, Point Lisas Terminals Limited.

a. *Basis of preparation*

(i) *Compliance with IFRS*

The parent and consolidated financial statements of Point Lisas Industrial Port Development Corporation Limited have been prepared in accordance with IFRS Accounting Standards. IFRS Accounting Standards comprise the following authoritative literature:

- IFRS Accounting Standards,
- IAS Standards and
- Interpretations developed by the IFRS Interpretations Committee (IFRIC Interpretations) or its predecessor body, the Standing Interpretations Committee (SIC Interpretations).

(ii) *Historical cost convention*

The parent and consolidated financial statements have been prepared on a historical cost basis, except for the following:

- the revaluation of land, buildings and own site improvements – measured at fair value,
- investment properties – measured at fair value,
- financial assets at fair value through other comprehensive income – measured at fair value, and
- defined benefit pension plans – plan assets measured at fair value.

(iii) *New and amended standards adopted by the Group*

The Group has applied the following amendments for the first time for their annual reporting period commencing 1 January 2023:

- Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2,
- Definition of Accounting Estimates – Amendments to IAS 8,
- Deferred Tax related to Assets and Liabilities arising from a single transactions – Amendments to IAS 12 and
- OECD Pillar Two Rules.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

26 **Material accounting policies (continued)**

a. *Basis of preparation (continued)*

(iv) *New standards and interpretations not yet adopted by the Group*

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 31 December 2023 reporting periods and have not been early adopted by the Group. These standards, amendments or interpretations are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

Title	Key Requirements
Classification of Liabilities as Current or Non-current – Amendments to IAS 1 Non-current Liabilities with Covenants – Amendments to IAS 1 Effective 1 January 2024	Amendments made to IAS 1 Presentation of Financial Statements in 2020 and 2022 clarified that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity's expectations or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant). Covenants of loan arrangements will not affect classification of a liability as current or non-current at the reporting date if the entity must only comply with the covenants after the reporting date. However, if the entity must comply with a covenant either before or at the reporting date, this will affect the classification as current or non-current even if the covenant is only tested for compliance after the reporting date. The amendments require disclosures if an entity classifies a liability as non-current and that liability is subject to covenants that the entity must comply with within 12 months of the reporting date. The disclosures include: •the carrying amount of the liability•information about the covenants, and•facts and circumstances, if any, that indicate that the entity may have difficulty complying with the covenants. The amendments also clarify what IAS 1 means when it refers to the 'settlement' of a liability. Terms of a liability that could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instrument can only be ignored for the purpose of classifying the liability as current or non-current if the entity classifies the option as an equity instrument. However, conversion options that are classified as a liability must be considered when determining the current/non-current classification of a convertible note. The amendments must be applied retrospectively in accordance with the normal requirements in IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. Special transitional rules apply if an entity had early adopted the 2020 amendments regarding the classification of liabilities as current or non-current.

26 **Material accounting policies (continued)**

a. *Basis of preparation (continued)*

(iv) *New standards and interpretations not yet adopted by the Group (continued)*

Title	Key Requirements
Lease Liability in a Sale and Leaseback – Amendments to IFRS 16 Effective 1 January 2024	In September 2022, the IASB finalised narrow-scope amendments to the requirements for sale and leaseback transactions in IFRS 16 Leases which explain how an entity accounts for a sale and leaseback after the date of the transaction. The amendments specify that, in measuring the lease liability subsequent to the sale and leaseback, the seller-lessee determines 'lease payments' and 'revised lease payments' in a way that does not result in the seller-lessee recognising any amount of the gain or loss that relates to the right of use that it retains. This could particularly impact sale and leaseback transactions where the lease payments include variable payments that do not depend on an index or a rate.
Supplier finance arrangements – Amendments to IAS 7 and IFRS 7 Effective 1 January 2024	The IASB has issued new disclosure requirements about supplier financing arrangements ('SFAs'), after feedback to an IFRS Interpretations Committee agenda decision highlighted that the information required by IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures falls short of meeting user information needs. The objective of the new disclosures is to provide information about SFAs that enables investors to assess the effects on an entity's liabilities, cash flows and the exposure to liquidity risk. The new disclosures include information about the following: The terms and conditions of SFAs.1.The carrying amounts of financial liabilities that are part of SFAs and the line items in which those liabilities are presented.2.The carrying amount of the financial liabilities in (b) for which suppliers have already received payment from the finance providers.3.The range of payment due dates for both the financial liabilities thatare part of SFAs, and comparable trade payables that are not part of such arrangements.4.Non-cash changes in the carrying amounts of financial liabilities in(b).5.Access to SFA facilities and concentration of liquidity risk with financeproviders.The IASB has provided transitional relief by not requiring comparative information in the first year, and also not requiring disclosure of specified opening balances. Further, the required disclosures are only applicable for annual periods during the first year of application. Therefore, the earliest that the new disclosures will have to be provided is in annual financial reports for December 2024 year-ends, unless an entity has a financial year of less than 12 months.

26 **Material accounting policies (continued)**

b. *Foreign currency translation*

(i) *Functional and presentation currency*

Items included in the parent and consolidated financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). These parent and consolidated financial statements are presented in Trinidad and Tobago dollars, which is the Parent and Group's functional and presentation currency.

(ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates, are generally recognised in the parent and consolidated statement of profit or loss and other comprehensive income.

Foreign exchange gains and losses that relate to borrowings are presented in the parent and consolidated statement of profit or loss and other comprehensive income, within finance costs. All other foreign exchange gains and losses are presented in the parent and consolidated statement of profit or loss on a net basis within other income or other expenses.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

c. *Fair value hierarchy*

Judgments and estimates are made in determining the fair values for items recognised and measured at fair value in the parent and consolidated financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows:

Level 1 - The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price.

Level 2 - The fair value of financial instruments that are not traded in an active market (e.g. over-the counter derivatives) is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity-specific estimates.

Level 3 - One or more of the significant inputs is not based on observable market data. This is the case for unlisted equity securities.

d. *Property, plant and equipment (Note 5 a.)*

e. *Investment properties (Note 6 a.)*

f. *Financial assets (Note 7 a.)*

26 Material accounting policies (continued)

g. *Current and deferred income tax (Note 8 b.)*

h. *Inventory (Note 9 a.)*

i. *Trade receivables (Note 10 a.)*

j. *Cash and cash equivalents (Note 11 a.)*

k. *Impairment of non- financial assets*

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

l. *Stated capital (Note 12 a.)*

m. *Borrowings (Note 16 a.)*

n. *Employee benefits*

- *Termination benefits (Note 17 a.)*
- *Bonus plans (Note 17 a.)*
- *Employee share ownership plan (Note 17 a. and 14 a.)*
- *Retirement benefit obligation/(asset) (Note 18 a. (i))*
- *Casual employee retirement benefit (Note 18 b. (i))*

o. *Revenue recognition (Note 19 a.)*

p. *Trade payables (Note 20 a.)*

q. *Provisions (Note 20 a.)*

r. *Segment reporting (Note 21 a.)*

s. *Leases (Note 24 a.)*

t. *Rounding of amounts*

All amounts disclosed in the parent and consolidated financial statements and notes have been rounded to the nearest thousand currency units unless otherwise stated.

27 Subsequent events

Subsequent to the period end, there were no events requiring adjustments or disclosures.