



MOORE

**THE SPORTS COMPANY OF
TRINIDAD AND TOBAGO LIMITED
FINANCIAL STATEMENTS
30 SEPTEMBER 2023**

**The Sports Company of Trinidad and Tobago Limited
Financial Statements
30 September 2023**

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The Sports Company of Trinidad and Tobago Limited

Statement of Management Responsibilities

Management is responsible for the following:

- Preparing and fairly presenting the accompanying financial statements of The Sports Company of Trinidad and Tobago Limited ("the Company") which comprise the statement of financial position as at 30 September 2023, the statements of comprehensive income, changes in shareholder's equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information;
- Ensuring that the Company keeps proper accounting records;
- Selecting appropriate accounting policies and applying them in a consistent manner;
- Implementing, monitoring and evaluating the system of internal control that assures security of the Company's assets, detection/prevention of fraud, and the achievement of the Company's operational efficiencies;
- Ensuring that the system of internal control operated effectively during the reporting period;
- Producing reliable financial reporting that complies with laws and regulations; and
- Using reasonable and prudent judgement in the determination of estimates.


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

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

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



Signed
Title: Chief Executive Officer
Date: 15 December 2023



Signed
Title: Head of Accounts
Date: 15 December 2023



Independent Auditor's Report

To the Directors,

Report - Audit of the Financial Statements of The Sports Company of Trinidad and Tobago Limited

Opinion

We have audited the financial statements of The Sports Company of Trinidad and Tobago Limited ("the Company"), which comprise the statement of financial position as at 30 September 2023, the statements of comprehensive income, changes in shareholder's equity and cash flows for the year then ended, and notes to the financial statements, including significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 30 September 2023 and its financial performance and cash flows for the year then ended, in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

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

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

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

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.



Independent Auditor's Report (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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



Independent Auditor's Report (Continued)

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

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

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

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

The engagement partner on the audit resulting in this independent auditors' report is Anthony Pierre.

San Juan
15 December 2023



Chartered Accountants

The Sports Company of Trinidad and Tobago Limited
Statement of Financial Position
As at 30 September 2023

Assets	Note	2023 TT\$	2022 TT\$
Current assets			
Cash and cash equivalents	8	60,154,775	86,198,777
Other receivables and prepayments	9	24,394,236	14,806,363
Financial assets	10	-	1,349
Total current assets		<u>84,549,011</u>	<u>101,006,489</u>
Non-current assets			
Bond receivable	11	218,795,956	247,968,750
Property and equipment	12	<u>10,187,925</u>	<u>4,723,945</u>
Total non-current assets		<u>228,983,881</u>	<u>252,692,695</u>
Total assets		<u>313,532,892</u>	<u>353,699,184</u>
Current liabilities			
Accounts payables and accruals	13	170,705,466	210,220,399
Deferred income	14	<u>41,578,697</u>	<u>55,745,997</u>
Total current liabilities		<u>212,284,163</u>	<u>265,966,396</u>
Non-current liabilities			
Bond payable	11	<u>218,795,956</u>	<u>247,968,750</u>
Total non-current liabilities		<u>218,795,956</u>	<u>247,968,750</u>
Total liabilities		<u>431,080,119</u>	<u>513,935,146</u>
Shareholders' equity			
Stated capital	15	10	10
Accumulated deficit		<u>(117,547,237)</u>	<u>(160,235,972)</u>
Total shareholders' equity		<u>(117,547,227)</u>	<u>(160,235,962)</u>
Total liabilities and shareholders' equity		<u>313,532,892</u>	<u>353,699,184</u>

The notes on pages 10 to 24 form an integral part of these financial statements.

On 15 December 2023, the Directors authorised these financial statements for issue.

Director:  Director:  Date: 15/12/23

The Sports Company of Trinidad and Tobago Limited
Statement of Comprehensive Income
For the Year Ended 30 September 2023

	<u>Note</u>	<u>2023</u> <u>TT\$</u>	<u>2022</u> <u>TT\$</u>
Income			
Government grants	16	251,919,692	203,097,653
Other income		<u>795,021</u>	<u>1,045,009</u>
		<u>252,714,713</u>	<u>204,142,662</u>
Expenditure			
Professional fees		129,469	110,375
Building and equipment insurance		17,833	13,634
Conference, seminars and meetings		226,207	38,518
Contract gratuities		3,987,633	3,412,126
Court settlement and expenses		(2,500)	109,870
Depreciation		724,874	561,756
Directors' stipend		792,000	724,300
Equipment and storage rental		248,204	359,740
Facility expenses	17	64,547,512	67,313,080
Finance charges		23,229	13,514
Infrastructure development	18	66,421,628	89,015,555
Loss on assets written off		200,763	598,364
NGBs and sporting initiatives	19	41,241,111	19,767,841
Official entertainment		93,060	-
Office expenses		1,119,466	790,070
Overseas travel		335,737	75,634
Consultancy fees		3,110,436	2,483,294
Promotion		2,404,599	570,259
Penalties and interest		-	17,000
Salaries and staff benefits		23,824,516	20,917,510
Shipping fees		-	3,000
Telephone and internet		213,321	161,363
Training		58,009	208,956
Traveling and subsistence		94,280	61,869
Vehicle maintenance		48,653	33,747
Vehicle rental		<u>165,938</u>	<u>159,885</u>
		<u>210,025,978</u>	<u>207,521,260</u>
Surplus / (deficit) for the year	20	42,688,735	(3,378,598)
Accumulated deficit brought forward		<u>(160,235,972)</u>	<u>(156,857,374)</u>
Accumulated deficit at the end of the year		<u>(117,547,237)</u>	<u>(160,235,972)</u>

The notes on pages 10 to 24 form an integral part of these financial statements.

**The Sports Company of Trinidad and Tobago Limited
Statement of Changes in Shareholder's Equity
For the Year Ended 30 September 2023**

	Stated Capital <u>TT\$</u>	Accumulated Surplus/(Deficit) <u>TT\$</u>	Shareholder's Equity <u>TT\$</u>
2023			
Balance as at 1 October 2022	10	(160,235,972)	(160,235,962)
Surplus for the year	<u>-</u>	<u>42,688,735</u>	<u>42,688,735</u>
Balance as at 30 September 2023	<u>10</u>	<u>(117,547,237)</u>	<u>(117,547,227)</u>
2022			
Balance as at 1 October 2021	10	(156,857,374)	(156,857,364)
Deficit for the year	<u>-</u>	<u>(3,378,598)</u>	<u>(3,378,598)</u>
Balance as at 30 September 2022	<u>10</u>	<u>(160,235,972)</u>	<u>(160,235,962)</u>

The notes on pages 10 to 24 form an integral part of these financial statements.

The Sports Company of Trinidad and Tobago Limited
Statement of Cash Flow
For the Year Ended 30 September 2023

	2023	2022
	<u>TT\$</u>	<u>TT\$</u>
Cash flows from operating activities:		
Surplus /(deficit) for the year	42,688,735	(3,378,598)
Adjustments:		
Depreciation	724,874	561,756
Loss on assets written off	<u>200,764</u>	<u>598,364</u>
	43,614,373	(2,218,478)
Changes in:		
Other receivables and prepayments	(9,587,873)	(11,857,201)
Accounts payable and accruals	(39,514,933)	25,424,847
Financial assets	1,349	(16)
Deferred income	(14,167,300)	(7,167,007)
Net cash generated from operating activities	<u>(19,654,384)</u>	<u>4,182,145</u>
Cash flows from investing activities		
Net change in bond receivable	29,172,794	29,170,794
Proceeds from sale of assets	1,668	-
Acquisition of assets	<u>(6,391,286)</u>	<u>(1,385,283)</u>
Net cash generated from investing activities	<u>22,783,176</u>	<u>27,785,511</u>
Cash flows from financing activities:		
Net change in bond payable	<u>(29,172,794)</u>	<u>(29,170,794)</u>
Net cash used in financing activities	<u>(29,172,794)</u>	<u>(29,170,794)</u>
Net (decrease) / increase in cash and cash equivalents	(26,044,002)	2,796,862
Cash and cash equivalents at beginning of year	<u>86,198,777</u>	<u>83,401,915</u>
Cash and cash equivalents at end of year	<u>60,154,775</u>	<u>86,198,777</u>
Represented by:		
Cash and cash equivalents	<u>60,154,775</u>	<u>86,198,777</u>

The notes on pages 10 to 24 form an integral part of these financial statements.

The Sports Company of Trinidad and Tobago Limited
Notes to the Financial Statements
30 September 2023

1. Incorporation and principal activity

The Sports Company of Trinidad and Tobago ("the Company") was incorporated in the Republic of Trinidad and Tobago on September 27, 2004 under the Companies Act, Chapter 81:01 of the laws of Trinidad and Tobago. The principal activity of the Company is to act as an agent for and on behalf of the Government of the Republic of Trinidad and Tobago ("GORTT") to enhance local sporting ventures.

The registered office of the Company is situated at the National Cycling Velodrome, Couva Main Road, Balmain, Couva.

2. Adoption of new and revised International Financial Reporting Standards

a) New standards and amendments effective in the period on or after 1 January 2023

The following standards and amendments have become effective for the annual periods commencing on or after 1 January 2023. The Company did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amended standards.

- ❖ *IFRS 17 - Insurance Contracts*
- ❖ *Amendments to IAS 1 - Classification of Liabilities as Current or Non-current*
- ❖ *Amendments to IFRS 10 and IAS 28 - Sale or contribution of assets between an investor and its associate or joint venture*
- ❖ *Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of Accounting Policies*
- ❖ *Amendments to IAS 8 - Disclosure of Accounting Policies and Definition of Accounting Estimates*
- ❖ *Amendments to IAS 12 - Deferred tax related to assets and liabilities arising from a single transaction*

IFRS 17 'Insurance contracts' establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts issued. It also requires similar principles to be applied to reinsurance contracts held and investment contracts with discretionary participation features issued. IFRS 17 is effective for annual periods commencing on or after 1 January 2023.

Amendments to IAS 1 'Presentation of financial statements' clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. The meaning of settlement of a liability is also clarified. The amendments are applicable for annual periods commencing on or after 01 January 2023.

The Sports Company of Trinidad and Tobago Limited
Notes to the Financial Statements
30 September 2023

2. Adoption of new and revised International Financial Reporting Standards (continued)

a) New standards and amendments effective in the period on or after 1 January 2023 (continued)

Amendments to IFRS 10 'Consolidated financial statements' and IAS 28 'Investments in associates' clarify the accounting treatment for sales or contribution of assets between an investor and its associates or joint ventures. Where the non-monetary assets constitute a business, the investor will recognise the full gain or loss on the sale or contribution of assets. Otherwise, the gain or loss is recognised by the investor only to the extent of the other investor's interests in the associate or joint venture. The amendments have been deferred until IASB has finalised its research project on the equity method.

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

- IFRS 7, to clarify that information about measurement bases for financial instruments is expected to be material to an entity's financial statements;
- IAS 1, to require entities to disclose their material accounting policy information rather than their significant accounting policies;
- IAS 8, to clarify how entities should distinguish changes in accounting policies and changes in accounting estimates;
- IAS 34, to identify material accounting policy information as a component of a complete set of financial statements; and
- IFRS Practice Statement 2 Making Materiality Judgements, to provide guidance on how to apply the concept of materiality to accounting policy disclosures.

Amendments to Deferred tax related to assets and liabilities arising from a single transaction modify IAS 12 to clarify the accounting for deferred tax on transactions that, at the time of the transaction, give rise to equal taxable and deductible temporary differences. In specified circumstances, entities are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. The amendments clarify that the exemption does not apply to transactions for which entities recognise both an asset and a liability and that give rise to equal taxable and deductible temporary differences. This may be the case for transactions such as leases and decommissioning, restoration and similar obligations. Entities are required to recognise deferred tax on such transactions. The Standard amends IFRS 1 to require deferred tax related to leases and decommissioning, restoration and similar obligations to be recognised by first-time adopters at the date of transition to International Accounting Standards, despite the exemption set out in IAS 12.

b) New standards and amendments issued but not yet effective for years ending 30 September 2023

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

The Sports Company of Trinidad and Tobago Limited
Notes to the Financial Statements
30 September 2023

3. Basis of accounting

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). They were authorised for issue by the Company's Board of Directors on 15 December 2023.

4. Use of estimates and judgements

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The areas involving a higher degree of judgement of complexity or areas where assumptions and judgements are significant to the financial statements are disclosed in Note 7.

5. Foreign currency translation

Functional and presentation currency

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

Transactions and balances

Transactions in currencies other than TT\$ are recorded at rates prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting date.

The Sports Company of Trinidad and Tobago Limited
Notes to the Financial Statements
30 September 2023

6. Significant accounting policies

The significant accounting policies adopted in the preparation of the financial statements have been applied consistently to all periods in the financial statements set out below.

a) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances with banks, and investments in money market instruments which are readily convertible, being those with original maturities of three months or less. Cash and cash equivalents are measured at fair value, based on the relevant exchange rates at the reporting date.

b) Property and equipment

Items of property and equipment are measured at cost, less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated to write off the cost of items of property and equipment less their estimated residual values using the reducing balance method over their estimated useful lives and is recognised in the statement of comprehensive income. Land is not depreciated.

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

Motor vehicles	20%
Furniture and fixtures	10%
Computer equipment	33%
Office equipment	12.5%
Gym equipment	12.5%
Equipment and machinery	20%

Items are recorded as work in progress until they are ready for their intended use; thereafter they are transferred to the related category of property and equipment and depreciated over their estimated useful lives.

Repairs to equipment are normally expensed as they are incurred. Expenses are reported as assets only if the amounts involved are substantial and one or more of the following conditions is satisfied: the original useful life is prolonged, the production capacity is increased, the quality of the products is enhanced materially, or production costs are reduced considerably.

The gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the statement of comprehensive income.

The carrying amount of property and equipment is reviewed whenever events or changes in circumstances indicate that impairment may have occurred.

The Sports Company of Trinidad and Tobago Limited
Notes to the Financial Statements
30 September 2023

6. Significant accounting policies (Continued)

c) Other receivables

Other receivables are recognised initially at fair value and subsequently measured at amortised cost less provision for impairment. At the end of each reporting period, the carrying amounts of other receivables are reviewed to determine whether there is objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in the statement of comprehensive income. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the receivable is impaired.

d) Share capital

Ordinary shares are classified as equity.

e) Accounts payable

Accounts payable are obligations on the basis of normal credit terms and do not bear interest.

f) Provisions

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

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

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

The Sports Company of Trinidad and Tobago Limited
Notes to the Financial Statements
30 September 2023

6. Significant accounting policies (Continued)

g) Impairment

Non-financial assets

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

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

Financial assets

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

h) Government grants

The Company recognises government grants at fair value where there is reasonable assurance that the grants will be received, and the Company will comply with the conditions associated with the grants.

Government grants relating to infrastructure development are initially recognised as deferred income at fair value if there is reasonable assurance that they will be received, and the Company will comply with the conditions associated with the grant. These grants are recognised in the statement of comprehensive income over the period necessary to match them with the net expenses they are intended to compensate.

Grants related to the acquisition of assets are recognised in the statement of comprehensive income on a systematic basis over the useful life of the asset.

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

The Sports Company of Trinidad and Tobago Limited
Notes to the Financial Statements
30 September 2023

6. Significant accounting policies (Continued)

i) Financial instruments

Financial instruments are contracts that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized in the Statement of Financial Position when the Company becomes a party to the contractual provisions of the instrument.

The Company classifies its financial assets in the following categories:

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances with banks, and investments in money market instruments which are readily convertible, being those with original maturities of three months or less and are carried at cost, which approximates market value.

Other receivables

Other receivables are measured at cost. Appropriate allowances for estimated irrecoverable amounts are recognised in the Statement of Comprehensive Income when there is objective evidence that the asset is impaired.

Financial liabilities

When financial liabilities are recognised initially, they are measured at fair value of the consideration given plus transaction costs directly attributable to the acquisition of the liability. Financial liabilities are measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when they are extinguished, that is when the obligation specified in the contract is discharged, canceled, or expired. The difference between the carrying amount of a financial liability extinguished and the consideration paid is recognised in the Statement of Comprehensive Income.

The Company classifies its financial liabilities in the following categories:

Accounts payable

Accounts payable are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

The Sports Company of Trinidad and Tobago Limited
Notes to the Financial Statements
30 September 2023

6. Significant accounting policies (Continued)

j) Taxation

In accordance with the Corporation Act, Section 6, the Company is exempt from corporation tax.

k) Comparatives

When necessary, comparative figures are adjusted to conform with changes in presentation in the current year.

7. Critical judgements and the use of estimates

The preparation of financial statements in conformity with IFRS requires management to make critical judgments and use estimates and assumptions that affect the amounts reported in the financial statements and related notes to the financial statements. Actual results may differ from the estimates and assumptions used. Key sources of uncertainty, which requires the use of estimates, include:

Useful lives and residual values of property and equipment

The estimates of useful lives as translated into depreciation rates are detailed in the property and equipment policy above. These rates and the residual lives of the assets are reviewed annually.

Contingent liabilities

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

The Sports Company of Trinidad and Tobago Limited
Notes to the Financial Statements
30 September 2023

	2023	2022
	<u>TT\$</u>	<u>TT\$</u>
8. Cash and cash equivalents		
First Citizens Bank Limited – Operations	13,753,023	25,948,932
First Citizens Bank Limited – Infrastructure Development	2,797,186	4,226,870
First Citizens Bank Limited – USD	350,341	249,978
First Citizens Bank Limited - CYG	1,646,828	-
First Citizens Bank Limited – CYG USD	1,700	-
First Citizens Bank Limited – ANSA Bond	41,578,697	55,745,997
Petty Cash	<u>27,000</u>	<u>27,000</u>
	<u>60,154,775</u>	<u>86,198,777</u>
9. Other receivables and prepayments:		
Prepaid expenses	95,715	88,310
Staff advances	-	13,500
Deferred IDF and recurrent funds	21,965,913	11,851,535
3.8% bond interest receivable	<u>2,332,608</u>	<u>2,853,018</u>
	<u>24,394,236</u>	<u>14,806,363</u>
<p>The Deferred Income of \$21,965,913 represents the accrual for government grants the Company expected to receive in September 2023, however, the line ministry was only able to release the cheque in October 2023 although the cheques were prepared in September 2023.</p>		
10. Financial asset:		
FCB Abercrombie Fund	<u>-</u>	<u>1,349</u>
11. Bond held to maturity		
Bond receivable	<u>218,795,956</u>	<u>247,968,750</u>
Bond payable	<u>218,795,956</u>	<u>247,968,750</u>

This held-to-maturity financial instrument is measured to amortised cost and represents a \$495.94 million bond at a fixed rate of 3.80% issued on behalf of the Company by the Government of the Republic of Trinidad & Tobago (GORTT) on December 19th, 2013 and held to maturity to 19 December 2030. Principal and interest are payable semi-annually on December 19 and June 19 and are maintained by the GORTT, these payments are guaranteed irrevocably and unconditionally. All risk and reward of the instrument is borne by GORTT.

The Sports Company of Trinidad and Tobago Limited
Notes to the Financial Statements
30 September 2023

12. Property and equipment

2023	Motor Vehicles	Fittings & Fixtures	Office Equipment	Computer Equipment	Gym Equipment	Equipment & Machinery	Total
Cost	TT\$	TT\$	TT\$	TT\$	TT\$	TT\$	TT\$
Balance as at 1 Oct 2022	316,130	808,208	1,362,485	3,429,472	2,625,870	2,095,623	10,637,788
Additions	-	69,405	68,978	935,569	-	2,285,041	3,358,993
Work in progress (net)	-	-	-	903,397	1,074,659	1,054,235	3,032,291
Disposals	-	-	-	(16,663)	-	-	(16,663)
Write off	-	(448,690)	(186,051)	(558,728)	(67,591)	(109,565)	(1,370,625)
Balance as at 30 Sept 2023	<u>316,130</u>	<u>428,923</u>	<u>1,245,412</u>	<u>4,693,047</u>	<u>3,632,938</u>	<u>5,325,334</u>	<u>15,641,784</u>
Accumulated Depreciation							
Balance as at 1 Oct 2022	281,770	497,400	770,800	2,511,388	884,543	967,942	5,913,843
Charge of the year	6,276	30,577	76,126	327,235	42,090	242,570	724,874
Write off	-	(331,379)	(149,462)	(552,723)	(50,662)	(100,632)	(1,184,858)
Balance as at 30 Sept 2023	<u>288,046</u>	<u>196,598</u>	<u>697,464</u>	<u>2,285,900</u>	<u>875,971</u>	<u>1,109,880</u>	<u>5,453,859</u>
Net Book Value							
As at 30 Sept 2022	<u>28,084</u>	<u>232,325</u>	<u>547,948</u>	<u>2,407,147</u>	<u>2,756,967</u>	<u>4,215,454</u>	<u>10,187,925</u>
As at 30 Sept 2023	<u>34,360</u>	<u>310,808</u>	<u>591,685</u>	<u>918,084</u>	<u>1,741,327</u>	<u>1,127,681</u>	<u>4,723,945</u>

Sports Company of Trinidad and Tobago Limited
Notes to the Financial Statements
30 September 2023

12. Property and equipment (Continued)

2022	Motor Vehicles TT\$	Fittings & Fixtures TT\$	Office Equipment TT\$	Computer Equipment TT\$	Gym Equipment TT\$	Equipment & Machinery TT\$	Total TT\$
Balance as at 1 Oct 2021	316,130	2,199,558	1,571,948	4,628,601	2,766,200	1,442,764	12,925,201
Additions	-	15,048	242,005	462,935	-	32,554	752,542
Work in progress	-	-	-	-	(105,660)	628,216	628,216
Transfers	-	-	-	105,660	-	-	-
Adjustments	-	-	-	4,525	-	-	4,525
Write off	-	(1,406.39)	(451,468)	(1,772,249)	(34,670)	(7,911)	(3,672,696)
Balance as at 30 Sept 2022	316,130	808,208	1,362,485	3,429,472	2,625,870	2,095,623	10,637,788
Accumulated Depreciation							
Balance as at 1 Oct 2021	274,019	1,430,728	1,033,820	3,964,676	859,730	863,446	8,426,419
Charge of the year	7,751	60,531	74,054	261,072	48,926	109,422	561,756
Disposals	-	(993,859)	(337,074)	(1,714,360)	(24,113)	(4,926)	(3,074,332)
Balance as at 30 Sept 2022	281,770	497,400	770,800	2,511,388	884,543	967,942	5,913,845
Net book value							
As at 30 Sept 2022	34,360	310,808	591,685	918,084	1,741,327	1,127,681	4,723,945
As at 30 Sept 2021	42,111	768,830	538,128	663,925	1,906,470	579,318	4,498,782

Sports Company of Trinidad and Tobago Limited
Notes to the Financial Statements
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	2023	2022
	<u>TT\$</u>	<u>TT\$</u>
13. Accounts payable and accruals		
Professional fees payable	127,500	56,813
Accrued expenses	96,107,502	145,194,115
Refundable deposits	673,944	940,789
Accounts payable - operations	50,976,665	56,327,037
Accrued vacation leave	1,379,458	1,377,212
Accrued gratuity	2,437,619	3,327,415
Prepaid revenue	15,022,180	144,000
ANSA bond accrued interest	2,332,608	2,853,018
CYG offset payables	<u>1,647,990</u>	<u>-</u>
	<u>170,705,466</u>	<u>210,220,399</u>
14. Deferred income		
Balance as at 1 Oct	55,745,997	62,913,004
Drawdown to finance IDF expenditure	(895,850)	(896,614)
Drawdown to finance recurrent expenditure	<u>(13,271,450)</u>	<u>(6,270,393)</u>
Balance as at 30 Sept	<u>41,578,697</u>	<u>55,745,997</u>
15. Stated capital		
<u>Authorised:</u>		
An unlimited number of ordinary shares of no par-value		
<u>Issued and fully paid</u>		
10 ordinary shares of no par-value, issued at \$1 each	<u>10</u>	<u>10</u>
16. Government grants		
Recurrent expenditure	138,809,407	145,268,540
Infrastructure development fund	<u>113,110,285</u>	<u>57,829,113</u>
	<u>251,919,692</u>	<u>203,097,653</u>
Recurrent grants received	119,344,943	138,998,147
Recurrent grants received for prior period payments	6,193,015	-
Funds utilized from ANSA in relation recurrent expenditure	<u>13,271,449</u>	<u>6,270,393</u>
	<u>138,809,407</u>	<u>145,268,540</u>
IDF grants received	33,735,283	55,685,282
IDF grants received for prior period payments	78,479,152	1,247,216
Funds utilized from ANSA in relation to IDF	<u>895,850</u>	<u>896,615</u>
	<u>113,110,285</u>	<u>57,829,113</u>

Sports Company of Trinidad and Tobago Limited
Notes to the Financial Statements
30 September 2023

	2023	2022
	<u>TT\$</u>	<u>TT\$</u>
17. Facility expenses		
Security	8,900,794	8,121,017
Indoor facilities	17,047,214	19,757,364
Janitorial	6,028,492	6,883,681
Field maintenance	6,984,065	7,886,108
Contract labour	333,870	278,480
T&TEC	3,788,847	2,778,128
TSTT	74,971	70,103
WASA	1,101,720	1,116,789
Internet	165,458	96,530
Cable	22,763	26,657
Office supplies	10,821	41,967
Repairs and maintenance – Building	697,755	781,301
Repairs and maintenance - Lighting	118,638	115,546
Equipment rental	170,016	121,438
Minor equipment	-	2,228
National sporting facilities	<u>19,102,088</u>	<u>19,235,743</u>
	<u>64,547,512</u>	<u>67,313,080</u>
18. Infrastructure development expenses		
Youth facility Moruga	548,839	3,574,961
Development of master plan	414,563	-
Upgrade of Caroni facility	2,758,537	1,791,126
Upgrade recreational ground	6,086,692	2,185,694
Upgrade Multipurpose Stadium	3,978,909	714,972
Construction Diego Martin	-	1,182,794
Construction of Laventille swimming pool	-	766,757
Upgrade of Mahaica Oval	5,603,049	17,861,565
Upgrade Dwight York Stadium	670,417	4,590,653
Construction of community swimming pool Commonwealth	8,839,679	-
Development Skinner Park	<u>31,137,224</u>	<u>43,883,959</u>
	<u>66,421,628</u>	<u>89,015,555</u>

Sports Company of Trinidad and Tobago Limited
Notes to the Financial Statements
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	2023	2022
	<u>TT\$</u>	<u>TT\$</u>
19. Allocations to National Sporting Organisations		
Athletics	2,745,289	1,439,531
Basketball	92,642	152,575
Boxing	1,624,105	227,183
Cricket	14,914,750	9,308,847
Cycling	2,420,218	907,896
Football	6,525,007	87,000
Golf	1,454,144	196,543
Gymnastics	57,597	132,928
Hockey	-	1,265,898
Lawn tennis	518,355	810,610
Other – EDPU	48,970	16,786
Rugby	1,322,196	681,070
Sailing	173,987	-
Netball	2,310,557	627,565
Swimming	825,066	2,248,449
Special events	2,536,775	-
Volleyball	107,520	-
Youth camps	<u>3,563,933</u>	<u>1,664,960</u>
	<u>41,241,111</u>	<u>19,767,841</u>

	2023
	<u>TT\$</u>
20. Explanation of Surplus	
Surplus	42,688,735
<u>Less:</u>	
IDF - FY 2021 and 2022 invoices expensed in prior years and reversal of over accrual (revenue only received in FY 2023)	<u>(31,330,202)</u>
	11,358,533
Recurrent funds received for prior year payables	<u>(6,193,015)</u>
	5,165,518
Items capitalised	<u>(7,129,686)</u>
HCS & JPC expenses not received due to closure	<u>(1,147,781)</u>
True deficit	<u>(3,111,949)</u>

Sports Company of Trinidad and Tobago Limited
Notes to the Financial Statements
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21. Contingent liabilities

As at the year ended, there is an ongoing dispute between the Company and a former employee. The Company's potential liability in relation to this matter is **\$200,000**.

In addition, there are ongoing negotiations between the Company and a contractor in relation to construction and technical maintenance contracts. The total sum of the Contractor's claim is approximately **\$62,611,509** VAT exclusive.

22. Subsequent events

Management evaluated all events that occurred from 01 October 2023 through 15 December 2023, the date the financial statements were available to be issued. During the period, the Company did not have any subsequent events requiring recognition or disclosure in the financial statements.