

CARIBBEAN CORPORATE GOVERNANCE INSTITUTE

Financial Statements

For the year ended December 31, 2022

CARIBBEAN CORPORATE GOVERNANCE INSTITUTE

Financial Statements

For the year ended December 31, 2022

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**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
CARIBBEAN CORPORATE GOVERNANCE INSTITUTE**

Opinion

We have audited the financial statements of **Caribbean Corporate Governance Institute** which comprises the statement of financial position as at 31st December 2022, statement of comprehensive income and statement of cash flows account for the year then ended and incorporating summary of significant accounting policies and other explanatory notes, as stated on pages 5 to 14. The prior year's financial statements were audited by auditors other than ourselves who expressed an unqualified opinion.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **Caribbean Corporate Governance Institute** as at 31st December 2022 and the results of its operations and cash flows for the year then ended, in accordance with International Financial Reporting Standards (IFRS) for small and medium sized entities (SMEs).

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 Organisation 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 IFRSs for SME's, 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 Organisation'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 Organisation or to cease operations, or have no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Organisation's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organisation'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 Organisation'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 Organisation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the 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.

Ravi Maharaj & Associates
Chartered Accountants
Trinidad & Tobago
26th May 2023

STATEMENT OF MANAGEMENT'S RESPONSIBILITIES

Management is responsible for the following:

- Preparing and fairly presenting the accompanying financial statements of the Caribbean Corporate Governance Institute, which comprise the statement of financial position as at 31st December 2022, the statements of comprehensive income and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information;
- Ensuring that the Organisation 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 Centre assets, detection/prevention of fraud, and the achievement of Organization 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, including the Organisation and
- Using reasonable and prudent judgment in the determination of estimates.

In preparing these audited financial statements, Management utilized the International Financial Reporting Standards (IFRS) for small and medium-sized entities (SMEs) Standard, 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 Organisation 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 authorized for issue, if later.

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

Chairperson
26th May 2023

Treasurer
26th May 2023

CARIBBEAN CORPORATE GOVERNANCE INSTITUTE

Statement of Financial Position

As at the year ended December 31, 2022

(Expressed in Trinidad and Tobago Dollars)

	Notes	2022 \$	2021 \$
<u>Assets</u>			
<u>Non-current Assets</u>			
Property, plant and equipment	7	<u>13,581</u>	<u>15,996</u>
Total Non-current Assets		<u>13,581</u>	<u>15,996</u>
<u>Current Assets</u>			
Cash and cash equivalents	3	273,142	306,332
Accounts receivable	6	<u>84,973</u>	<u>98,804</u>
Total Current Assets		<u>358,115</u>	<u>405,136</u>
Total Assets		<u>371,696</u>	<u>421,132</u>
<u>Accumulated Fund and Liabilities</u>			
<u>Accumulated Fund</u>			
Accumulated Fund		<u>171,784</u>	<u>291,850</u>
Total Accumulated Fund		<u>171,784</u>	<u>291,850</u>
<u>Current Liabilities</u>			
Accounts payables, accruals and other liabilities	4	193,529	83,355
Due to directors	5	-	10,600
Taxation payable		<u>6,383</u>	<u>35,327</u>
Total Current Liabilities		<u>199,912</u>	<u>129,282</u>
Total Equity and Liabilities		<u>371,696</u>	<u>421,132</u>

These financial statements were approved for issue by the Board of Directors on 26th May 2023.

Director:

Director:

The accompanying notes on pages 9 to 14 form an integral part of these financial statements

CARIBBEAN CORPORATE GOVERNANCE INSTITUTE

Statement of Comprehensive Income

For the year ended December 31, 2022

(Expressed in Trinidad and Tobago Dollars)

	Notes	2022 \$	2021 \$
Income	8	1,292,301	1,592,303
Direct Costs	9	<u>(384,943)</u>	<u>(434,622)</u>
Gross Surplus		907,358	1,157,681
Other Income/ (Expense)	8 b.	9,186	(5,223)
<u>Expenses:</u>			
Administrative and Operating Expenses	10	(992,396)	(799,545)
Bank Charges		(25,899)	(33,240)
Depreciation	7	<u>(5,581)</u>	<u>(1,157)</u>
Total Expenses		(1,023,876)	(833,942)
(Loss)/ Surplus Before Taxation		(107,332)	318,516
Taxation	11	<u>(12,900)</u>	<u>(39,479)</u>
Net (Loss)/ Surplus		<u>(120,232)</u>	<u>279,037</u>

The accompanying notes on pages 9 to 14 form an integral part of these financial statements

CARIBBEAN CORPORATE GOVERNANCE INSTITUTE

Statement of Accumulated Funds

For the year ended December 31, 2022

(Expressed in Trinidad and Tobago Dollars)

	Accumulated Funds \$	Total \$
Balance as at January 1, 2022	291,850	291,850
Prior year adjustment: depreciation overprovision	166	166
Net Loss for the period	<u>(120,232)</u>	<u>(120,232)</u>
Balance as at December 31, 2022	<u>171,784</u>	<u>171,784</u>

	Accumulated Funds \$	Total \$
Balance as at January 1, 2021	12,813	12,813
Net Surplus for the period	<u>279,037</u>	<u>279,037</u>
Balance as at December 31, 2021	<u>291,850</u>	<u>291,850</u>

The accompanying notes on pages 9 to 14 form an integral part of these financial statements

CARIBBEAN CORPORATE GOVERNANCE INSTITUTE

Statement of Cash Flows

For the year ended December 31, 2022

(Expressed in Trinidad and Tobago Dollars)

	2022 \$	2021 \$
<u>Operating Activities</u>		
(Loss)/ Surplus Before Taxation	(107,332)	318,516
Adjustment for:		
-Depreciation	<u>5,581</u>	<u>1,157</u>
Operating (loss)/ profit before working capital changes	(101,751)	319,673
Changes in operating assets/liabilities		
Decrease / (Increase) in Accounts Receivable	13,831	(81,815)
Increase/ (Decrease) In Accounts Payable, Accruals and Other Liabilities	110,175	(71,014)
(Decrease) In Due to Directors	<u>(10,600)</u>	<u>(74,800)</u>
	11,656	92,044
Tax Paid	<u>(41,846)</u>	<u>(24,850)</u>
Net Cash from/ (used in) Operating Activities	(30,190)	67,194
<u>Investing Activities</u>		
Purchase of Fixed Assets	<u>(3,000)</u>	<u>(16,162)</u>
Net Cash used in Investing Activities	(3,000)	(16,162)
<u>Financing Activities</u>		
Net Cash from Financing Activities	=	=
Net cash (used in) the period	<u>(33,190)</u>	<u>(51,032)</u>
<u>Represented by:</u>		
Cash and cash equivalents at beginning of year	306,332	255,300
Cash and cash equivalents at end of year	<u>273,142</u>	<u>306,332</u>
	<u>(33,190)</u>	<u>(51,032)</u>

The accompanying notes on pages 9 to 14 form an integral part of these financial statements

CARIBBEAN CORPORATE GOVERNANCE INSTITUTE

Notes to the Financial Statements

For the year ended December 31, 2022

(Expressed in Trinidad and Tobago Dollars)

1. Incorporation and principal activity

The Caribbean Corporate Governance Institute is a limited liability company incorporated as a non-profit organization on 26th July, 2012 and domiciled in the Republic of Trinidad and Tobago. The address of its registered office is First Floor, Chamber Building, Columbus Circle, West Moorings. The principal activity of the company is advancing corporate governance practice across the Caribbean.

2. Summary of significant accounting policies

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

2.1 Basis of preparation and functional currency

These financial statements are expressed in Trinidad and Tobago dollars (the “functional currency”).and have been prepared under the historical cost convention, in accordance with International Financial Reporting Standards (IFRS) for small and medium-sized entities (SMEs).

The preparation of financial statements in accordance with IFRS for SMEs requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the period. Such estimates and assumptions are based on the information available to the Organisation’s management as of the date of the financial statements. Therefore, actual results could differ from those estimates and assumptions.

2.2 Use of estimates

The preparation of financial statements in conformity with IFRS for SMEs require management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2.3 Foreign currencies

Foreign Currency transactions during the year are converted at the rates ruling at the date of the transaction or at a rate which approximates the actual rate. Monetary assets and liabilities in foreign currencies at the balance sheet date are translated at the rates ruling at that date. Profit or losses thus arising are dealt with in the statement of income.

2.4 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation. Depreciation is provided on a straight-line basis which is considered appropriate to write off the assets over their estimated useful lives.

CARIBBEAN CORPORATE GOVERNANCE INSTITUTE

Notes to the Financial Statements

For the year ended December 31, 2022

(Expressed in Trinidad and Tobago Dollars)

2. Summary of significant accounting policies (continued)

2.4 Fixed Assets (continued)

Depreciation rates are applied as follows:

Computer Equipment	33.3%
Furniture & Fixtures	25%

The assets' residual values and useful lives are reviewed at each reporting date, and adjusted as appropriate. 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 the proceeds with the carrying amount and are recognized in the statement of comprehensive income.

2.5 Income recognition

Membership fees are recognized when the application for membership has been approved by the Caribbean Corporate Governance Institute Membership Committee. All other revenue is recognized as and when delivery is made or service provided. Sponsorship and event income are recognized on a cash receipt basis.

2.6 Financial instruments

Financial instruments carried on the statement of financial position include cash and cash equivalents and receivables. The recognition methods adopted are disclosed in the individual policy statements associated with each item.

2.7 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost and comprise cash in hand and cash at bank.

2.8 Accounts payables and accruals

Payables and accruals are obligations on the basis of normal credit terms and do not bear interest. They are recognized initially at the transaction price.

2.9 Taxation

The Organisation is subject to corporation tax, currently 30%, and is also subject to Green Fund Levy at 0.3% of gross sales or receipts.

CARIBBEAN CORPORATE GOVERNANCE INSTITUTE

Notes to the Financial Statements

For the year ended December 31, 2022

(Expressed in Trinidad and Tobago Dollars)

3. CASH AND CASH EQUIVALENTS

Cash and Cash equivalents represent funds held at financial institutions and all have short term maturities.

	2022	2021
	\$	\$
Restricted Funds	33,299	33,599
Unrestricted Funds	<u>239,843</u>	<u>272,733</u>
	<u>273,142</u>	<u>306,332</u>

As at 31st December, 2022, the Caribbean Corporate Governance Institute held restricted funds of \$33,299 (2021 - \$33,599) designated for use against expenses related to the Trinidad and Tobago Corporate Governance Code. The source of these restricted funds came from Code sponsorship sales of the Code booklets and Code seminars.

Use of these restricted funds is guided by a Memorandum of Understanding, which was signed on 7th November, 2014, among the three partners of the Code: The Trinidad and Tobago Chamber of Industry & Commerce, the Trinidad and Tobago Stock Exchange, and the Caribbean Corporate Governance Institute.

4. ACCOUNTS PAYABLE AND ACCRUALS

	2022	2021
	\$	\$
Accounts payable	1,559	8,181
Accruals and other payables	<u>191,971</u>	<u>75,174</u>
	<u>193,530</u>	<u>83,355</u>

Accruals represent legal and accounting fees payable and accrual for salaries owing as at year end.

5. DUE TO DIRECTORS

Parties are related if one party can control the other party or exercise significant influence over the other party in making financial decisions. Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the company. Many transactions are entered with the related parties in the normal course of business. These transactions were carried out on normal commercial terms at market rates.

Balances with related parties and key management personnel during the year were as follows:

	2022	2021
	\$	\$
Due to Director	-	<u>10,600</u>

Amounts due from/ to director are unsecured, interest free and have no fixed terms of repayment.

CARIBBEAN CORPORATE GOVERNANCE INSTITUTE

Notes to the Financial Statements

For the year ended December 31, 2022

(Expressed in Trinidad and Tobago Dollars)

6. ACCOUNTS RECEIVABLE

	2022	2021
	\$	\$
Trade Receivables	84,973	98,804

Trade receivables are all current and collectible within one year of the financial year end.

7. PROPERTY, PLANT AND EQUIPMENT

	Computer Equipment \$	Furniture & Fittings \$	TOTAL \$
<u>Cost</u>			
At January 1 st 2022	42,271	32,328	74,599
Additions	3,000	-	3,000
Disposals	-	-	-
At December 31st 2022	45,271	32,328	77,599
<u>Accumulated Depreciation</u>			
At January 1 st 2022	26,109	32,494	58,603
Adjustment		(166)	(166)
Depreciation charge	5,581	-	5,581
At December 31st 2022	31,690	32,328	64,018
Net Book Value 2021	16,162	(166)	15,996
Net Book Value 2022	13,581	-	13,581

CARIBBEAN CORPORATE GOVERNANCE INSTITUTE

Notes to the Financial Statements

For the year ended December 31, 2022

(Expressed in Trinidad and Tobago Dollars)

8. INCOME

	2022 \$	2021 \$
<u>Sponsorship Grants</u>		
First Citizens Bank Limited	33,896	-
Republic Bank Ltd	20,400	34,000
PriceWaterhouseCoopers	13,600	13,600
Angostura Ltd	13,500	13,600
JMMB Bank	<u>13,500</u>	<u>11,800</u>
	<u>94,896</u>	<u>73,000</u>
<u>Seminar and Other Income</u>		
Governance Week	39,100	95,167
In-House Training	117,400	60,100
Online Seminars	445,773	386,796
Programs and Master Class	340,119	778,002
10 th Anniversary Gala	<u>14,825</u>	-
	<u>957,217</u>	<u>1,320,065</u>
<u>Membership Income</u>	<u>238,668</u>	<u>199,238</u>

The Caribbean Corporate Governance Institute began accepting members starting January 2013. As at 31st December 2022, the institute had a total of 187 members from five different Caribbean states.

Total Income	<u>1,292,301</u>	<u>1,592,303</u>
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8 b. OTHER INCOME

	2022 \$	2021 \$
Foreign exchange gain/ (loss)	<u>9,186</u>	<u>(5,223)</u>

CARIBBEAN CORPORATE GOVERNANCE INSTITUTE

Notes to the Financial Statements

For the year ended December 31, 2022

(Expressed in Trinidad and Tobago Dollars)

9. DIRECT COSTS

	2022 \$	2021 \$
<u>Event Costs</u>		
Event Management	52,800	-
Private Sector Memberships	16,496	9,249
Facilitator Fees	260,117	278,450
Marketing and Promotion	<u>55,530</u>	<u>146,923</u>
Total	<u>384,943</u>	<u>434,622</u>

10. ADMINISTRATIVE AND GENERAL EXPENSES

	2022 \$	2021 \$
Audit and Accounting Fees	31,450	42,100
Legal and Professional Fees	107,260	354,383
Office Expenses	59,818	115,687
Rent	50,220	70,835
Employee Costs	707,054	213,516
Internet and Telephone	<u>3,593</u>	<u>3,024</u>
Total	<u>959,395</u>	<u>799,545</u>

11. TAXATION

	2022 \$	2021 \$
Prior year charge	1,269	-
Corporation Tax / Business Levy	7,754	34,702
Green Fund Levy	<u>3,877</u>	<u>4,777</u>
	<u>12,900</u>	<u>39,479</u>

12. CONTINGENCIES

The company has no contingent liabilities in respect of legal claims arising in the ordinary course of business.

13. SUBSEQUENT EVENTS

There were no events arising after the reporting date that require disclosure or adjustments in the financial statements.