

# **CARIBBEAN CORPORATE GOVERNANCE INSTITUTE**

## **Financial Statements**

(Expressed in Trinidad and Tobago Dollars)

**31 DECEMBER 2019**

# **CARIBBEAN CORPORATE GOVERNANCE INSTITUTE**

<b>Contents</b>	<b>Page</b>
Statement of Management's Responsibilities	1
Audit Report	2 - 3
Statement of Financial Position	4
Statement of Comprehensive Income	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Notes to the Financial Statements	8 - 15

**CARIBBEAN CORPORATE GOVERNANCE INSTITUTE**  
**Statement Of Financial Position**  
(Expressed in Trinidad and Tobago Dollars)

	Notes	2019 \$	Year ended 31 December 2018 \$
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Plant and equipment	3	12,059	26,794
Deferred taxation	4	3,977	14,028
		<u>16,036</u>	<u>40,822</u>
<b>Current Assets</b>			
Cash in hand and at bank	5	141,954	54,310
Accounts receivable		118,224	10,194
Tax refund		-	825
		<u>260,178</u>	<u>65,329</u>
<b>Total Assets</b>		<u><b>276,214</b></u>	<u><b>106,151</b></u>
<b>EQUITY AND LIABILITIES</b>			
Fund balance			
Accumulated deficit		(23,391)	(30,523)
		<u>(23,391)</u>	<u>(30,523)</u>
<b>Current Liabilities</b>			
Accounts payable		98,475	17,801
Accruals and other payables		94,115	82,689
Due to directors	6	95,400	35,400
Taxation payable		11,615	784
		<u>299,605</u>	<u>136,674</u>
<b>Total Equity and liabilities</b>		<u><b>276,214</b></u>	<u><b>106,151</b></u>

These Financial Statements were approved on January 20, 2021.



Director .....

The accompanying notes on pages 7 to 15 form an integral part of these financial statements.

# CARIBBEAN CORPORATE GOVERNANCE INSTITUTE

## Statement Of Comprehensive Income

(Expressed in Trinidad and Tobago Dollars)

	Notes	2019 \$	2018 \$
<b>Income</b>			
Sponsorship grants	7	18,577	11,000
Membership fees	8	162,700	183,205
Seminars and other income	9	640,340	886,893
		<u>821,617</u>	<u>1,081,098</u>
<b>Events costs</b>	10	<u>(401,112)</u>	<u>(498,740)</u>
<b>Gross Surplus</b>		<b>420,505</b>	<b>582,358</b>
<b>Expenses</b>			
Administrative and general expenses	11	(353,460)	(593,054)
Bank charges		(19,377)	(30,948)
Depreciation	3	(14,735)	(15,347)
		<u>(387,572)</u>	<u>(639,349)</u>
<b>Other (Expense) / Income</b>		<b>(1,419)</b>	<b>3,576</b>
<b>Operating (Loss) / Profit before taxation</b>		<b>31,514</b>	<b>(53,415)</b>
Other Tax Expense		(6,936)	-
Taxation (charge) / credit	13	(17,446)	5,614
<b>Net Surplus / (Loss)</b>		<u><b>7,132</b></u>	<u><b>(47,801)</b></u>

The accompanying notes on pages 7 to 15 form an integral part of these financial statements

**CARIBBEAN CORPORATE GOVERNANCE INSTITUTE**  
**Statement Of Changes In Equity**  
(Expressed in Trinidad and Tobago Dollars)

---

	<b>Accumulated (Deficit)/Surplus \$</b>
<b>Year ended December 31, 2019</b>	
Balance at beginning of year	(30,523)
Net Profit	7,132
<b>Balance at 31 December, 2019</b>	<b>(23,319)</b>
<b>Year ended December 31, 2018</b>	
Balance at beginning of year	67,084
Net surplus	(97,607)
<b>Balance at 31 December, 2018</b>	<b>(30,523)</b>

The accompanying notes on pages 7 to 15 form an integral part of these financial statements.

# CARIBBEAN CORPORATE GOVERNANCE INSTITUTE

## Statement Of Cash Flows

(Expressed in Trinidad and Tobago Dollars)

	NOTE	2019 \$	2018 \$
<b>Cash flows from Operating activities</b>			
Net surplus/(loss) before taxation		31,514	(53,415)
Prior year adjustment		-	(49,806)
Adjustments for non-cash items:			
Depreciation of plant and equipment	3	<u>14,735</u>	<u>15,347</u>
		46,249	(87,874)
<b>Changes in operating assets and liabilities</b>			
<b>Increase/decrease in operating assets:</b>			
Accounts receivable		(108,030)	32,576
Accounts payable		80,674	11,220
Due to directors		60,000	(1,200)
Accruals and other payables		11,426	45,026
Taxation Paid		<u>2,675</u>	<u>(20,064)</u>
<b>Net cash inflow from/(outflow used in) operating activities</b>		<b>87,644</b>	<b>(20,316)</b>
<b>Cashflows from Investing activities</b>			
Purchase of plant and equipment		<u>-</u>	<u>(650)</u>
<b>Net cash outflow used in investing activities</b>		<u>-</u>	<u>(650)</u>
<b>Increase/(Decrease) in cash and cash equivalents</b>		<b>87,644</b>	<b>(20,966)</b>
Cash and cash equivalents at start of the year		<u>54,310</u>	<u>75,276</u>
Cash and cash equivalents at end of the year		<u><b>141,954</b></u>	<u><b>54,310</b></u>
<b>Represented by:</b>			
Cash in hand and in bank		<u>141,954</u>	<u>54,310</u>
		<u><b>141,954</b></u>	<u><b>54,310</b></u>

The accompanying notes on pages 7 to 15 form an integral part of these financial statements.

## Notes To The Financial Statements (Continued)

31 DECEMBER 2019

(Expressed in Trinidad and Tobago Dollars)

---

### 1 General Information

Caribbean Corporate Governance Institute is a limited liability company incorporated as a non-profit organization on July 26, 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 applied 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

These financial statements have been prepared in accordance with the International Financial Reporting Standards for Small and Medium-Sized Entities issued by the International Accounting Standards Board. They are prepared on the historical cost basis and presented in Trinidad and Tobago dollars.

The preparation of financial statements in conformity with International Financial Reporting Standards for Small and Medium-Sized Entities requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the company's accounting policies.

#### 2.2 Plant and Equipment

It is the Company's policy to account for plant and equipment 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 Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance costs are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation is provided on the straight line basis using the following annual rates, which are considered appropriate to write off the assets over their estimated useful lives. The rates are as follows:

Computer Equipment	33.3%
Furniture & Fixture	25%

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

**Notes To The Financial Statements (Continued)**  
**31 DECEMBER 2019**  
(Expressed in Trinidad and Tobago Dollars)

---

**2. Summary of Significant Accounting Policies (Continued)**

**2.3 Accounts receivable**

Accounts receivable include membership fees and amounts due from sponsors. At the end of each reporting period the carrying amounts of accounts and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised in the income statement.

**2.4 Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less.

**2.5 Financial assets and liabilities**

The Company classifies its financial assets and liabilities as cash in hand and at bank, accounts receivable, other receivable and prepayments, accounts payable and accruals and other payables. These financial instruments include fixed or determinable payments that are not quoted in an active market. They are included in current assets and liabilities, except for maturities greater than 12 months after the balance sheet date which are classified as non current assets.

**2.6 Impairment of financial assets**

The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset is impaired. A financial asset is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset.

A provision for impairment of accounts receivable is established where there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. 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 Accounts receivable are impaired. The amount of the provision is recognised in the statement of comprehensive income.

**2.7 Accounts payable**

Accounts payable are obligations on the basis of normal credit terms and do not bear interest. Accounts payable denominated in a foreign currency are translated into Trinidad and Tobago dollars using the exchange rate at the reporting date. Foreign exchange gains or losses are included in other income or other expenses.



**Notes To The Financial Statements (Continued)**  
**31 DECEMBER 2019**  
(Expressed in Trinidad and Tobago Dollars)

---

**2.8 Provisions**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, where it is probable that an outflow of resources will be required to settle the obligation, and the amount of the obligation has been reliably estimated.

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.

**2.9 Current and deferred tax**

The tax expense for the period comprises current and deferred tax. All components of the tax expense are recognised in profit or loss. Current and deferred income tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

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

**2.10 Revenue recognition**

Membership fees are recognised when the application for Membership has been approved by the CCGI Membership Committee. All other revenue is recognised when delivery is made or service is provided. Sponsorship and event income is recognised on a cash receipt and receivable basis.

- 2.11 Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transactions: gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Such balances are translated at year-end exchange rates.

## Notes To The Financial Statements (Continued)

**31 DECEMBER 2019**

(Expressed in Trinidad and Tobago Dollars)

<b>3 Plant and equipment</b>	<b>COMPUTER EQUIPMENT</b>	<b>FURNITURE &amp; FIXTURES</b>	<b>TOTAL</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Year ended</b>			
<b>31 December 2019</b>			
Net book value b/f	11,055	15,739	26,794
Depreciation	(7,191)	(7,544)	(14,735)
<b>Closing book value</b>	<b>3,864</b>	<b>8,195</b>	<b>12,059</b>
<b>Year ended</b>			
<b>31 December 2019</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Cost	26,109	32,328	58,437
Accumulated Depreciation	(22,244)	(24,134)	(46,378)
<b>Closing book value</b>	<b>3,865</b>	<b>8,194</b>	<b>12,059</b>
<b>Year ended</b>			
<b>31 December 2018</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Net book value b/f	18,320	23,171	41,491
Additions	-	650	650
Depreciation	(7,265)	(8,082)	(15,347)
<b>Closing book value</b>	<b>11,055</b>	<b>15,739</b>	<b>26,794</b>
<b>Year ended</b>			
<b>31 December 2018</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Cost	26,109	32,328	58,437
Accumulated Depreciation	(15,054)	(16,589)	(31,643)
<b>Closing book value</b>	<b>11,055</b>	<b>15,739</b>	<b>26,794</b>

<b>4 Deferred Taxation</b>	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Deferred Tax Asset	<b>3,977</b>	<b>14,028</b>

Deferred taxes are calculated in full on temporary differences under the liability method using a principal tax rate of 30%.

## Notes To The Financial Statements (Continued)

31 DECEMBER 2019

(Expressed in Trinidad and Tobago Dollars)

---

5	Cash in hand and at bank	2019	2018
		\$	\$
	Restricted Funds	33,575	33,875
	Unrestricted funds	108,379	20,435
		<u>141,954</u>	<u>54,310</u>

As at December 31, 2019, the Caribbean Corporate Governance Institute held restricted funds of \$33,575 (2018 - \$33,875) 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 7<sup>th</sup> November 2014 among the three partners of the Code: the Trinidad & Tobago Chamber of Industry & Commerce, the Trinidad & Tobago Stock Exchange and the Caribbean Corporate Governance Institute.

6	Due to Directors	2019	2018
		\$	\$
	Leslie Clarke	11,800	11,800
	Nigel Romano	40,600	10,600
	Ronnie Bissessar	43,000	13,000
		<u>95,400</u>	<u>35,400</u>

At the Board of Directors' meeting held on October 3, 2012, it was resolved that each Director would contribute \$8,000 towards the start-up expenses of the Caribbean Corporate Governance Institute.

In 2013, an additional sum of \$5,000 was introduced by each director for cash flow purposes.

In 2018, renewal membership fees due for Leslie Clarke in the sum of \$1,200 was deducted from the balance owed to him.

In 2019, Mr Nigel Romano and Mr Ronnie Bissessar both injected TT\$30,000.00 each for cash flow purposes.

As of December 31, 2019, total amount owing to directors is \$ 94,400.00

**CARIBBEAN CORPORATE GOVERNANCE INSTITUTE**

**Notes To The Financial Statements (Continued)**  
**31 DECEMBER 2019**  
(Expressed in Trinidad and Tobago Dollars)

	<b>2019</b>	<b>2018</b>
<b>7 Sponsorship Grants</b>	<b>\$</b>	<b>\$</b>
Sponsorship grants were received as follows		
First Citizens Bank	5,000	-
Caribbean Medicals	3,577	-
Sagikor	-	5,000
Guardian Group Ltd.	5,000	-
Ernst and Young	-	6,000
National Flour Mills	5,000	-
	<u>18,577</u>	<u>11,000</u>
<b>8 Membership Fees</b>		
The Caribbean Corporate Governance Institute began accepting members starting January 2013. As of December 31, 2019 the Institute had a total of 169 (2018-169) approved members from five different Caribbean States. Gross revenue related to Membership fees in 2019 was \$162,700 (2018 - \$183,205).		
<b>9 Seminar and Other Income</b>	<b>\$</b>	<b>\$</b>
Family Owned Governance	31,630	30,997
In House training	-	91,800
Other Breakfast Seminars	195,260	123,689
Programs and seminars	408,650	634,315
Sourcing Fees	-	6,092
Christmas Networking Event	4,800	-
	<u>640,340</u>	<u>886,893</u>
<b>10 Event Costs</b>	<b>\$</b>	<b>\$</b>
Accommodation	59,880	52,062
Event management	-	3,084
Events	155,185	157,096
Facilitator fees	59,005	80,965
Family owned governance	16,100	6,954
Foreign travel	29,506	74,010
Marketing and promotion	10,184	16,461
Materials	-	-
Non educational event	-	-
Printing	-	12,694
Venue cost	71,252	95,414
	<u>401,112</u>	<u>498,740</u>

**Notes To The Financial Statements (Continued)**  
**31 DECEMBER 2019**  
(Expressed in Trinidad and Tobago Dollars)

---

<b>11 Administrative and General Expenses</b>	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Audit and accounting fees	48,125	49,255
Entertainment	-	180
General expenses	-	29,602
Legal and professional fees	199,200	2,700
Office expenses	23,303	45,341
Penalty and interest	572	1,715
Recruiting	-	-
Rent	78,975	72,394
Staff costs (see note 12)	-	378,776
Telephone	3,285	13,091
	<u><b>353,460</b></u>	<u><b>593,054</b></u>

<b>12 Staff Costs</b>	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Salaries	-	360,000
National Insurance	-	18,776
	<u><b>-</b></u>	<u><b>378,776</b></u>
No. of persons employed	0	1

**Notes To The Financial Statements (Continued)**  
**31 DECEMBER 2019**  
(Expressed in Trinidad and Tobago Dollars)

<b>13 Taxation</b>	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Business levy/Corporation tax expense	4,930	6,487
Green Fund levy expense	2,465	3,243
Deferred tax charge	10,051	(14,028)
Prioy year adjustment	-	(1,316)
	<u><b>17,446</b></u>	<u><b>(5,614)</b></u>

Reconciliation of applicable tax charge to effective tax charge:

(Loss)/profit before taxation	<u>31,514</u>	<u>(53,415)</u>
Tax calculated at 30%	9,453	(16,025)
Expenses not allowable	598	528
Temporary differences	-	1,469
Business and Green fund levy	7,395	9,730
Prior year adjustment	-	(1,316)
	<u><b>17,446</b></u>	<u><b>(5,614)</b></u>

**14 Contingencies**

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

**15 Subsequent Events**

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