

CARIBBEAN CORPORATE GOVERNANCE INSTITUTE

Financial Statements

(Expressed in Trinidad and Tobago Dollars)

31 DECEMBER 2020

CARIBBEAN CORPORATE GOVERNANCE INSTITUTE

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**ACCOUNTANT'S REPORT
ON THE FINANCIAL STATEMENTS OF
CARIBBEAN CORPORATE GOVERNANCE INSTITUTE
FOR THE YEAR ENDED
DECEMBER 31ST 2020**

On the basis of information provided by the company's management, we have compiled the financial statements of Caribbean Corporate Governance Institute for the year ended December 31st, 2020. The accuracy and completeness of the information provided and the financial statements base thereon are the responsibility of the company's management. Our responsibility is to issue a compilation report on these financial statements.

Scope

We have compiled the financial statements in accordance with standard 'Engagements to compile financial statements'. Our procedures were limited primarily to gathering, processing, classifying and summarizing financial information. These procedures do not provide the same level of assurance about whether the financial statements are free of material misstatement as that provided by an audit or a review.

Confirmation

Based on the information provided to us, we have compiled the financial statements in accordance with Generally Accepted Accounting Principles and International Financial Reporting Standards for SME's (IFRSs for SME's).

D. Shah & Associates
Chartered Accountants

DONNIE N SHAH FCCA, CA
February 24th, 2021

CARIBBEAN CORPORATE GOVERNANCE INSTITUTE
Statement Of Financial Position
31 DECEMBER 2020
(Expressed in Trinidad and Tobago Dollars)

	NOTES	2020 \$	2019 \$
ASSETS			
Non Current Assets			
Plant and Equipment	3	991	12,059
Deferred Taxation	4	-	3,977
		991	16,036
Current Assets			
Cash in hand and at bank	5	255,300	141,954
Accounts Receivable		16,989	118,224
		272,289	260,178
TOTAL ASSETS		273,280	276,214
EQUITY AND LIABILITIES			
Fund Balance			
Accumulated Deficit		12,813	(23,391)
		12,813	(23,391)
Current Liabilities			
Accounts Payable		25,690	98,475
Accruals and other payables		128,678	94,115
Due to Directors	6	85,400	95,400
Taxation payable		20,699	11,615
		260,467	299,605
TOTAL EQUITY AND LIABILITIES		273,280	276,214

These financials were authorized for issue on: _____.

DIRECTOR _____

The accompanying notes on pages 7 to 14 form an integral part of these financial statements.

CARIBBEAN CORPORATE GOVERNANCE INSTITUTE

Statement Of Comprehensive Income

31 DECEMBER 2020

(Expressed in Trinidad and Tobago Dollars)

	NOTE	2020	2019
		\$	\$
Income			
Sponsorship Grants	7	98,426	18,577
Membership Fees	8	136,400	162,700
Seminars and other Income	9	644,590	640,340
		<u>879,416</u>	<u>821,617</u>
Event Costs	10		
Direct Costs		(104,709)	(342,107)
Facilitator Fees		(141,418)	(59,005)
		<u>(246,127)</u>	<u>(401,112)</u>
Gross Surplus		<u>633,289</u>	<u>420,505</u>
Expenses			
Administration and General Expenses	11	(542,063)	(353,460)
Bank Charges		(17,178)	(19,377)
Depreciation	3	(11,068)	(14,735)
		<u>(570,309)</u>	<u>(387,572)</u>
Other (Expense) / Income		(298)	(1,419)
Operating (Loss) / Profit before taxation		62,682	31,514
Other Tax Expense		(9,880)	(6,936)
Taxation (Charge) / Credit		(16,598)	(17,446)
Net Suplus / (Loss)		<u>36,204</u>	<u>7,132</u>

The accompanying notes on pages 7 to 14 form an integral part of these financial statements

CARIBBEAN CORPORATE GOVERNANCE INSTITUTE
Statement Of Changes In Equity
31 DECEMBER 2020
(Expressed in Trinidad and Tobago Dollars)

YEAR ENDED 31ST DECEMBER 2020	Accumulated (Deficit) / Surplus \$
Balance at 1st January 2020	(23,391)
Total Comprehensive Income	36,204
	<hr/>
Year Ended 31st December 2020	12,813
	<hr/> <hr/>
YEAR ENDED 31ST DECEMBER 2019	
Balance at 1st January 2019	(30,523)
Total Comprehensive Income	7,132
	<hr/>
Year Ended 31st December 2019	(23,391)
	<hr/>

The accompanying notes on pages 7 to 14 form an integral part of these financial statements.

CARIBBEAN CORPORATE GOVERNANCE INSTITUTE
Statement Of Cash Flows
31 DECEMBER 2020
(Expressed in Trinidad and Tobago Dollars)

	2020	2019
	\$	\$
Cash flows from operating activities		
Net surplus/ (loss) before taxation	62,682	31,514
Adjustment to Reconcile Income Before Taxation to Net Cash Provided by Operating Activities:		
Non-Cash Items :		
Depreciation/Amortisation	11,068	14,735
Net Change in Operating Assets and Liabilities:		
Increase/Decrease in Accounts Receivable	101,235	(108,030)
Increase/Decrease in Accounts Payable	(72,785)	80,674
Due to Directors	(10,000)	60,000
Accruals and other payables	34,563	11,426
Taxes Paid (Net of Refunds)	(13,417)	(2,675)
Net Cash Used in Operating Activities	113,346	87,644
Net Change in Cash Resources	113,346	87,644
Cash Resources, Beginning of Year	141,954	54,310
Cash Resources, End of Year	255,300	141,954
REPRESENTED BY		
Cash and Cash Equivalents	255,300	141,954
	255,300	141,954

The accompanying notes on pages 7 to 14 form an integral part of these financial statements.

CARIBBEAN CORPORATE GOVERNANCE INSTITUTE
Notes To The Financial Statements (Continued)
31 DECEMBER 2020
(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 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.

CARIBBEAN CORPORATE GOVERNANCE INSTITUTE
Notes To The Financial Statements (Continued)
31 DECEMBER 2020
(Expressed in Trinidad and Tobago Dollars)

2. Summary Of Significant Accounting Policies (Continued)

2.3 Accounts receivable

Accounts receivable includes 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.

CARIBBEAN CORPORATE GOVERNANCE INSTITUTE
Notes To The Financial Statements (Continued)
31 DECEMBER 2020
(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.

CARIBBEAN CORPORATE GOVERNANCE INSTITUTE
Notes To The Financial Statements (Continued)
31 DECEMBER 2020
(Expressed in Trinidad and Tobago Dollars)

3 Plant and Equipment

	Computer Equipment \$	Furniture & Fittings \$	TOTAL \$
Cost/Valuation			
At 1 January 2020	26,109	32,328	58,437
Additions			0
Disposals			
At 31 December 2020	<u>26,109</u>	<u>32,328</u>	<u>58,437</u>
Accumulated Depreciation			
At 1 January 2020	22,245	24,133	46,378
Charge for the year	3,864	7,204	11,068
Disposals			
At 31 December 2020	<u>26,109</u>	<u>31,337</u>	<u>57,446</u>
Net Book Value			
At 31 December 2019	<u>3,864</u>	<u>8,195</u>	<u>12,059</u>
At 31 December 2020	<u>-</u>	<u>991</u>	<u>991</u>

4 Deferred Taxation

	2020 \$	2019 \$
Deferred tax asset relates to:		
Unutilised tax losses	<u>-</u>	<u>3,977</u>

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

CARIBBEAN CORPORATE GOVERNANCE INSTITUTE
Notes To The Financial Statements (Continued)
31 DECEMBER 2020
(Expressed in Trinidad and Tobago Dollars)

5 Cash in hand and at bank	2020	2019
	\$	\$
Restricted Funds	33,924	33,575
Unrestricted funds	221,376	108,379
	<u>255,300</u>	<u>141,954</u>

As at December 31, 2020, the Caribbean Corporate Governance Institute held restricted funds of \$33,924 (2019 - \$33,575) 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 & Tobago Chamber of Industry & Commerce, the Trinidad & Tobago Stock Exchange and the Caribbean Corporate Governance Institute.

6 Due to Directors	2020	2019
	\$	\$
Leslie Clarke	11,800	11,800
Nigel Romano	40,600	40,600
Ronnie Bissessar	33,000	43,000
	<u>85,400</u>	<u>95,400</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 each for cash flow purposes.

In 2020, Mr Ronnie Bissessar was reimbursed with TT\$10,000 from what was owed to him.

As of December 31, 2020, total amount owing to directors is \$ 85,400

CARIBBEAN CORPORATE GOVERNANCE INSTITUTE**Notes To The Financial Statements (Continued)****31 DECEMBER 2020**

(Expressed in Trinidad and Tobago Dollars)

7 Sponsorship Grants	2020	2019
	\$	\$
First Citizens Bank	66,926	5,000
Republic Bank Ltd	31,500	-
Caribbean Medicals	-	3,577
Guardian Group Ltd	-	5,000
National Flour Mills	-	5,000
	<u>98,426</u>	<u>18,577</u>

- 8** The Caribbean Corporate Governance Institute began accepting members starting January 2013. As at 31st December 2020, the institute had a total of 169 (2019 – 169) approved members from Five different Caribbean States. Gross revenue related to membership fees in 2020 was TT\$136,400 (2019 – TT\$162,700).

9 Seminar and Other Income	2020	2019
	\$	\$
Family Owned Governance	-	31,630
In House Training	75,000	-
Other Breakfast Seminars	4,650	195,260
Online Seminars	281,401	-
Programs and Seminars	283,539	408,650
Christmas Networking Event	-	4,800
	<u>644,590</u>	<u>640,340</u>

CARIBBEAN CORPORATE GOVERNANCE INSTITUTE
Notes To The Financial Statements (Continued)
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(Expressed in Trinidad and Tobago Dollars)

10 Event Costs	2020	2019
	\$	\$
Accommodation / Meals	32,357	59,880
Event Management	39,900	-
Events	-	155,185
Facilitator fees	141,418	59,005
Family owned governance	-	16,100
Foreign Travel	1,890	29,506
Marketing and promotion	30,562	10,184
Venue Costs	-	71,252
	<u>246,127</u>	<u>401,112</u>

11 Administrative and General Expenses	2020	2019
	\$	\$
Audit and Accounting Fees	29,450	48,125
Legal and Professional Fees	395,000	199,200
Office Expenses	41,302	23,303
Penalty and Interest	101	572
Rent	72,338	78,975
Staff Costs	-	-
Telephone	3,872	3,285
	<u>542,063</u>	<u>353,460</u>

12 Staff Costs	2020	2019
	\$	\$
Salaries	-	-
National Insurance	-	-
	<u>-</u>	<u>-</u>
No of persons employed	0	0

CARIBBEAN CORPORATE GOVERNANCE INSTITUTE
Notes To The Financial Statements (Continued)
31 DECEMBER 2020
(Expressed in Trinidad and Tobago Dollars)

13 Contingencies

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

14 Subsequent Events

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