



**Grant Thornton**

**EVOLVING TECHNOLOGIES AND ENTERPRISE  
DEVELOPMENT COMPANY LIMITED**

**CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**EVOLVING TECHNOLOGIES AND ENTERPRISE DEVELOPMENT COMPANY LIMITED  
CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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DEVELOPING SPACES  
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Enterprise Development  
Company Ltd (e Teck)**  
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Wallerfield, Trinidad and Tobago

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## STATEMENT OF MANAGEMENT'S RESPONSIBILITIES

Management is responsible for the following:

- Preparing and fairly presenting the accompanying separate financial statements of Evolving TecKnologies and Enterprise Development Company Limited (the Group), which comprise the consolidated statement of financial position as at 30 September 2023, the consolidated statements of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information;
- Ensuring that the Group keeps proper accounting records;
- Selecting appropriate accounting policies and applying them in a consistent manner;
- Implementing, monitoring and evaluating the system of internal control that assures security of the Group's assets, detection/prevention of fraud and the achievement of the Group'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, including the Companies Act; and
- Using reasonable and prudent judgement in the determination of estimates.

In preparing these financial statements, management utilised the International Financial Reporting Standards, 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 Group 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.

Name: Susilla Ramkissoon- Mark  
Title: Chairman  
Date: 11 December 2025

Name: Ashel Murray  
Title: Director  
Date: 11 December 2025

**Board of Directors:**  
Susilla Ramkissoon- Mark  
Judy Beepath-Ramjohn  
Antonella Narinesingh  
Ashel Murray  
Bill Ramrattan  
Imran Khan  
Jason Sandy  
Keon Saroopsingh  
Michael Scott  
Wendy Worrell  
Wazeer Aleem

**Independent Auditors' Report****The Shareholder of Evolving TecKnologies and Enterprise Development Company Limited****Report on the Audit of the Consolidated Financial Statements****Opinion**

We have audited the financial statements of Evolving TecKnologies and Enterprise Development Company Limited (the "Company"), which comprise the consolidated statement of financial position as at 30 September 2023, and the consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a Summary of significant accounting policies.

In our opinion the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at 30 September 2023, and its financial performance and its 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 Consolidated 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") together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Republic of Trinidad and Tobago, and we have fulfilled our 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 consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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 has no realistic alternative but to do so.

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

**Independent Auditors' Report (continued)****Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 separate 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 consolidated financial statements, including the disclosures, and whether the separate 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 entity 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.

**Independent Auditors' Report (continued)****Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)**

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 matters regarding independence.

The engagement partner on the audit resulting in this independent auditors' report is Giles Leung.



Grant Thornton  
ORBIT Solutions  
Port of Spain  
Trinidad and Tobago  
11 December 2025

**EVOLVING TECHNOLOGIES AND ENTERPRISE DEVELOPMENT COMPANY LIMITED**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2023**  
**(Expressed in Trinidad and Tobago Dollars)**

	Note	2023 \$'000	2022 \$'000
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Investment properties	5	2,482,349	2,669,632
Property, plant and equipment	6	95,559	96,619
Restricted cash	7	<u>24,879</u>	<u>38,326</u>
		<u>2,602,787</u>	<u>2,804,577</u>
<b>Current Assets</b>			
Inventory	8	2,951	2,734
Other receivables and prepayments	9	5,926	1,745
Trade receivables	10	13,255	4,265
Cash at bank and in hand	11	<u>23,016</u>	<u>28,335</u>
		<u>45,148</u>	<u>37,079</u>
<b>TOTAL ASSETS</b>		<b><u>2,647,935</u></b>	<b><u>2,841,656</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and Reserves</b>			
Stated capital	12	1	1
Capital contributions	13	676,000	611,600
Accumulated deficit		<u>(194,547)</u>	<u>10,535</u>
<b>TOTAL EQUITY</b>		<b><u>481,454</u></b>	<b><u>622,136</u></b>
<b>Non-Current Liabilities</b>			
Borrowings long term portion	16	123,831	247,860
Deferred income	14	134,390	134,640
Deferred government grant	22	<u>1,733,433</u>	<u>1,727,322</u>
		<u>1,991,654</u>	<u>2,109,822</u>
<b>Current Liabilities</b>			
Bank overdraft	11	3,713	3,069
Tax payable		12	-
Trade and other payables	15	87,270	82,229
Borrowings short term portion	16	<u>83,832</u>	<u>24,400</u>
		<u>174,827</u>	<u>109,698</u>
<b>TOTAL LIABILITIES</b>		<b><u>2,166,481</u></b>	<b><u>2,219,520</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>2,647,935</u></b>	<b><u>2,841,656</u></b>

The accompanying notes are an integral part of these financial statements.

On 11 December 2025, the Board of Directors authorised these financial statements for issue.

Director

Director

**EVOLVING TECHNOLOGIES AND ENTERPRISE DEVELOPMENT COMPANY LIMITED**  
**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND**  
**OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**  
(Expressed in Trinidad and Tobago Dollars)

	Note	2023 \$'000	2022 \$'000
<b>Revenue</b>	17	84,491	71,814
<b>Other operating income</b>		<u>89,835</u>	<u>51,639</u>
		<u>174,326</u>	<u>123,453</u>
<b>Expenses</b>			
Operating		(70,375)	(62,245)
Administrative		(34,225)	(40,109)
Marketing		<u>(108)</u>	<u>(163)</u>
	18	<u>(104,708)</u>	<u>(102,517)</u>
<b>Operating gain/loss)</b>		69,618	20,936
Net loss from fair value adjustment on investment properties	5	(262,686)	(38,500)
Finance costs	16	(11,288)	(13,057)
Interest income		<u>8</u>	<u>6</u>
<b>Loss before taxation</b>		(204,348)	(30,615)
Taxation charge	19	<u>(734)</u>	<u>(647)</u>
<b>Total comprehensive loss for the year</b>		<b><u>(205,082)</u></b>	<b><u>(31,262)</u></b>

The accompanying notes are an integral part of these financial statements.

**EVOLVING TECKNOLOGIES AND ENTERPRISE DEVELOPMENT COMPANY LIMITED**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**  
(Expressed in Trinidad and Tobago Dollars)

	Note	Stated capital \$'000	Capital contributions \$'000	Accumulated deficit \$'000	Total \$'000
<b>Year ended 30 September 2023</b>					
Balance as at 1 October 2022		1	611,600	10,535	622,136
Total comprehensive loss for the year		-	-	(205,082)	(205,082)
Capital contributions	<b>13</b>	<u>-</u>	<u>64,400</u>	<u>-</u>	<u>64,400</u>
<b>Balance as at 30 September 2023</b>		<u><b>1</b></u>	<u><b>676,000</b></u>	<u><b>(194,547)</b></u>	<u><b>481,454</b></u>
<b>Year ended 30 September 2022</b>					
Balance as at 1 October 2021		1	562,800	41,797	604,598
Total comprehensive loss for the year		-	-	(31,262)	(31,262)
Capital contributions	<b>13</b>	<u>-</u>	<u>48,800</u>	<u>-</u>	<u>48,800</u>
<b>Balance as at 30 September 2022</b>		<u><b>1</b></u>	<u><b>611,600</b></u>	<u><b>10,535</b></u>	<u><b>622,136</b></u>

The accompanying notes are an integral part of these financial statements.

**EVOLVING TECHNOLOGIES AND ENTERPRISE DEVELOPMENT COMPANY LIMITED**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**  
(Expressed in Trinidad and Tobago Dollars)

	Note	2023 \$'000	2022 \$'000
<b>Net cash generated by operating activities</b>	<b>20</b>	74,725	19,799
<b>Investing activities</b>			
Disposal of investment property		7,590	38,500
Purchase of property, plant and equipment		(9,235)	(3,591)
Expenditure on investment properties		(98,601)	(725,787)
Receipt of restricted cash		<u>13,447</u>	<u>11,992</u>
<b>Net cash used in investing activities</b>		<u>(86,799)</u>	<u>(678,886)</u>
<b>Financing activities</b>			
Capital contributions received		64,400	48,800
Government grant released		(96,533)	(51,420)
Government grants received		102,644	701,502
Repayment of borrowings		<u>(64,400)</u>	<u>(48,800)</u>
<b>Net cash generated from financing activities</b>		<u>6,111</u>	<u>650,082</u>
<b>(Decrease)/increase in cash and cash equivalents</b>		(5,963)	(9,005)
<b>Cash and cash equivalents at beginning of year</b>		<u>25,266</u>	<u>34,271</u>
<b>Cash and cash equivalents at end of year</b>		<u><b>19,303</b></u>	<u><b>25,266</b></u>
<b>Represented by</b>			
Cash at bank and in hand		23,016	28,335
Bank overdraft		<u>(3,713)</u>	<u>(3,069)</u>
	<b>11</b>	<u><b>19,303</b></u>	<u><b>25,266</b></u>

The accompanying notes are an integral part of these financial statements.

**EVOLVING TECKNOLOGIES AND ENTERPRISE DEVELOPMENT COMPANY LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**  
**(Expressed in Trinidad and Tobago Dollars)**

**1 Incorporation and principal business activities**

The Parent Company was incorporated in the Republic of Trinidad and Tobago on 30 January 1997 as Property and Industrial Development Company of Trinidad and Tobago Limited (PIDCOTT) and commenced operations in September 1997. The address of its registered office is # 9 - 15 eTecK Blvd. Tamana InTech Park, Wallerfield. At its inception the Parent Company was a wholly owned subsidiary of the Tourism and Industrial Development Company of Trinidad and Tobago Limited (TIDCO) until August 2003 when its issued shares were transferred to the Corporation Sole. PIDCOTT's name was subsequently changed to Evolving TecKnologies and Enterprise Development Company Limited (eTecK). Its principal activities are the provision of industrial estate properties to the business sector, the rental of its Trinidad Hilton Property located in Port of Spain, Trinidad (Note 5b), and development of new industrial estates. The Parent Company is also an investment holding company with Vanguard Hotel Limited (VHL), (trading as Magdalena Grand Beach and Golf Resort) being its main operating subsidiary. The Parent Company also receives mandates from the shareholder to project-manage other specific state sector projects.

**2 Summary of significant accounting policies**

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

**2.1 Basis of preparation**

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

The financial statements have been prepared under the historical cost convention except for investment properties which are measured at fair value.

These consolidated financial statements are presented in Trinidad & Tobago dollars, which is the Group's functional currency. All financial information presented in Trinidad and Tobago dollars has been rounded to the nearest thousands, except when otherwise indicated.

**2.1.1 Going Concern**

As at 30 September 2023, the Group had a Total Comprehensive Loss of \$363m. Additionally, Current Liabilities exceed Current Assets by \$130m. Current Liabilities which total \$175m include the current portion of Borrowings of \$84m. There is a guarantee by the Government of the Republic of Trinidad and Tobago (GORTT) for the Total Borrowings of \$208m and these are serviced in full by GORTT through the Ministry of Finance.

For fiscal 2023, GORTT's debt service, on behalf of the Group was \$64.4m. This debt service is accounted for as Capital Contributions (Refer to Note 2.13).

These financial statements are prepared on the going concern basis, in accordance with IAS 1, since the Board of Directors and Management are of the view that the Group can continue to rely on the support of the Shareholder, the Government of the Republic of Trinidad and Tobago (GORTT), as required, in meeting its obligations as they fall due.

**EVOLVING TECHNOLOGIES AND ENTERPRISE DEVELOPMENT COMPANY LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**  
**(Expressed in Trinidad and Tobago Dollars)**

**2 Summary of significant accounting policies (continued)**

**2.1 Basis of preparation (continued)**

**2.1.1 Going concern (continued)**

The GORTT's continued support to date has been evidenced by:

- eTecK's continued receipt of funds under the Public Sector Investment Programme (PSIP) in respect of ongoing initiatives and projects of \$102.6m in 2023 and a further budgeted allocation of \$103.2m in 2024.
- eTecK's continuing ability to consistently and adequately meet its liabilities as they fall due.

The ability of the Parent Company to continue to trade and to meet its obligations is dependent on the continued support of the shareholder in the form of direct financing and or the provision of appropriate guarantees to third parties. There are no indications that such support will not be forthcoming.

**2.2 Financial instruments**

Financial Instruments are recognized in the statement of financial position on the date at which they originate. The Group classifies its financial instruments using the business model assessment. The business model assessment determines whether financial assets are held to collect, for sale or for trading.

*I. Business model assessment*

A business model can be determined through the activities that an entity undertakes to achieve its business objective. The entity's business model does not depend on management's intentions for an individual instrument but rather all relevant evidence that is available as at the date of the assessment. It is a matter of fact and not merely an assertion.

The Group business model has been assessed to be held to collect and hence the financial assets included within this category should be initially recognized at fair value and subsequently measured at amortized cost.

*II. Held to collect business model*

If the entity's objective is to hold the asset to collect the contractual cash flows, the asset will be classified under the hold to collect business model. In this instance the contractual terms of the financial asset give rise on specified dates, to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

*III. Provision for expected credit loss*

The expected credit loss model applies to financial assets that are not measured at FVPL, including loans, lease and trade receivables and debt securities. The Group applicable assets are trade receivables and cash and cash equivalents.

**EVOLVING TECHNOLOGIES AND ENTERPRISE DEVELOPMENT COMPANY LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**  
**(Expressed in Trinidad and Tobago Dollars)**

**2 Summary of significant accounting policies (continued)**

**2.2 Financial instruments (continued)**

The default rate for trade receivables was determined by examination of historical data along with a forward looking projection based on economic factors.

eTecK assumes the credit risk on a financial asset has increased significantly if it has aged more than thirty (30) days past due. A financial asset is considered to be in default when it is unlikely that the debtor will settle its obligation in full based on circumstances that might have occurred or if the financial asset is more than ninety (90) days past due.

Lifetime Expected Credit Losses (ECL) are the expected credit losses that result from all possible default events over the expected life of the financial instrument. ECLs are the weighted average credit losses with the probability of default ('PD') as the weight.

At the end of each reporting period eTecK assess the credit risk of impairment of financial assets. The expected credit loss is then deducted from the gross carrying amount of the financial asset.

**Investment property**

Property that is held for long-term rental and that is not occupied by the Group, is classified as investment property. Investment Property also includes property that is being constructed or developed for future use as Investment Property.

Property held under operating leases that meet the qualification criteria as Investment Property is classified and accounted for as such by the Group. The operating lease is accounted for as if it were a finance lease.

Investment Property is measured initially at cost, including related transaction costs and where applicable, borrowing costs.

After initial recognition, Investment Property is carried at fair value. Investment Property under construction is measured at fair value if the fair value is considered to be reliably determined. Investment Properties under construction for which the fair value cannot be determined reliably, but for which the Group expects that the fair value of the property will be reliably determined when construction is completed, are measured at cost less impairment until the fair value becomes reliably determined or construction is completed – whichever is earlier.

Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods, such as recent prices on less active markets or discounted cash flow projections. Valuations are performed periodically by professional valuers who hold recognised and relevant professional qualifications. These valuations form the basis for the carrying amounts in the financial statements. Investment Property that is being redeveloped for continuing use as Investment Property or for which the market has become less active continues to be measured at fair value.

The fair value of Investment Property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in the light of current market conditions. The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the property.

**EVOLVING TECHNOLOGIES AND ENTERPRISE DEVELOPMENT COMPANY LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**  
**(Expressed in Trinidad and Tobago Dollars)**

**2 Summary of significant accounting policies (continued)**

**2.2 Financial instruments (continued)**

**Investment property (continued)**

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an Investment Property is replaced, the carrying amount of the replaced part is derecognised. Changes in fair values are recognised in profit or loss.

**2.3 Property, plant and equipment**

Apart from the Parent Company's administrative building and equipment and furniture, which are stated at historical cost less accumulated depreciation, all other property, plant and equipment which represents the property and chattel of Vanguard Hotel Limited, were stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. The current net book value was the result of a valuation performed by CBRE in June 2018.

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

Increases/decreases in the carrying amount arising on revaluations are credited/charged to other comprehensive income/loss and shown as revaluation reserve in shareholders' equity. Going forward from the initial directors' valuation, decreases that offset previous increases of the same asset are charged in other comprehensive income and debited against revaluation reserve directly in equity; all other decreases are charged to the statement of comprehensive income. When revalued assets are sold, the amounts included in other reserves are transferred to retained earnings/accumulated deficit.

Land which is held on a leasehold basis for 999 years that commenced in 1997 is not depreciated however was impaired as a result of the revaluation of the entire hotel asset done by CBRE. Depreciation on other assets held by the subsidiary is calculated using the straight line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives as follows:

Buildings (hotel)	10 years
Buildings (administrative)	10 years
Building improvements	7.5 years
Furniture and fittings	10 years
Machinery and equipment	10 years

**EVOLVING TECHNOLOGIES AND ENTERPRISE DEVELOPMENT COMPANY LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**  
**(Expressed in Trinidad and Tobago Dollars)**

**2 Summary of significant accounting policies (continued)**

**2.3 Property, plant and equipment (continued)**

Equipment and furniture held by the Parent Company as described above are depreciated as follows:

Buildings	10%	Reducing balance
Equipment and furniture	10% - 33 $\frac{1}{3}$ %	Reducing balance
Trinidad hilton property:		
Furniture, fixtures & fittings	25%	Straight line
Leasehold improvements	N/A	Depreciated over lease term

The assets' residual values and useful lives are reviewed, and adjusted prospectively if appropriate, if there is an indication of significant change since the last reporting date.

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

**2.4 Consolidation**

*a) Subsidiaries*

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. Consolidation ceases from the date that control ends.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the statement of comprehensive income.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated but considered an impairment indicator of the asset transferred.

**EVOLVING TECHNOLOGIES AND ENTERPRISE DEVELOPMENT COMPANY LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**  
**(Expressed in Trinidad and Tobago Dollars)**

**2 Summary of significant accounting policies (continued)**

**2.4 Consolidation (continued)**

*b) Associates*

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in Associates are accounted for using the equity method of accounting and are initially recognised at cost.

The Group's share of its Associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in reserves is recognised in reserves, if applicable. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an Associate equals or exceeds its interest in the Associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the Associate.

Unrealised gains on transactions between the Group and its Associate(s) are eliminated to the extent of the Group's interest in the Associate(s). Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

**2.5 Foreign currencies**

*(a) Functional and presentation currency*

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

*(b) Transactions and balances*

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

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**2 Summary of significant accounting policies (continued)**

**2.6 Employee benefits**

The Group's permanent monthly paid employees are required to participate in a registered deferred annuity scheme. This scheme is intended to provide a pension to those who participate and therefore constitutes the Group pension plan. The plan is a defined contribution plan. Employees contribute 5% of their basic salary and the Group contributes 10% of the employees' basic salary. The Group's contributions to the pension plan are charged to statement of comprehensive income in the year to which they relate.

**2.7 Trade receivables**

Trade Receivables are carried at amortized cost. A provision for impairment of trade receivables is established using the expected credit loss model.

The carrying amount of the asset is reduced through an allowance account and the amount of the loss is recognised in profit or loss. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited to profit or loss.

**2.8 Inventories**

Inventories are stated at the lower of cost and net realizable value. At each reporting date, inventories are assessed for impairment. If inventory is impaired, the carrying amount is reduced to its selling price less costs to sell; the impairment loss is recognized immediately in the statement of comprehensive income.

**2.9 Revenue recognition**

Revenue is derived from the following streams and is recognised as follows:

*Rental income*

The Company enters into lease agreements with tenants for the rental of Factory Shells or Land. Lease details include but are not limited to, the location of allocated factory shell unit/land site, total leasable area and the monthly/annual rent due. These lease agreements are negotiated and agreed upon prior to the tenant taking occupation. The performance obligation under tenant rental agreements is the provision of factory shell and/or land space.

Revenue is recognised when the performance obligation is met at a stipulated transaction price. That is, revenue earned as rental income is recognised on an accrual basis in accordance with the terms of the individual lease agreements with tenants for industrial parks and hotel property. Revenue in respect of long-term leases (premiums) are deferred and recognised as Revenue over the term of the lease.

*Service fees*

Service Fees are charged to tenants on the basis of their lease provisions. The lease stipulates what costs can be considered and how the TecK calculates these service fees. Designated costs for each Park is identified for inclusion in the service fee calculation, totaled and allocated on a pro rata basis (area occupied by tenant/ total leasable area) as service fees to the liable tenants. Service Fees are only recognised when the tenant is invoiced for maintenance services supplied in accordance with the terms of the individual lease agreements with tenants for industrial parks.

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**2 Summary of significant accounting policies (continued)**

**2.9 Revenue recognition (continued)**

*Interest income*

Interest income is recognised using the effective interest method and is only recognised when it is determined that it will accrue to the Company.

*Other income*

Other income general is derived from prequalification and tender fees and is recognised when the right to receive the payment is established.

*Income from VHL (trading as Magdalena Grand Beach & Golf Resort)*

Revenue is mainly derived from room rental, provision of food and beverage services and golfing facilities. Transaction prices for the products and services offered by the Hotel are predetermined based on business and economic factors.

Revenue is recognised when the performance obligation of actual night stay has been met at an amount that reflects the consideration due to VHL.

**2.10 Cash at bank and in hand**

Cash and cash equivalents include cash in hand, deposits held at call with bank and other bank balances with original maturities of three months or less.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash at bank and in hand, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

**2.11 Provisions**

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

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 recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

**2.12 Trade payables**

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised at fair value.

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**2 Summary of significant accounting policies (continued)**

**2.13 Capital contributions**

Capital Contributions comprise amounts received from the shareholder for the execution of projects stipulated by the shareholder. These amounts are specifically for projects financed by loans serviced by GORTT on behalf of the Company. Project expenditure is capitalised or expensed in accordance with company policy.

These amounts are unsecured, interest free and have no fixed repayment terms.

**2.14 Current and deferred income taxes**

The tax expense for the period comprises current tax. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date in the countries where the Parent Company and its Subsidiaries and Associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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

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

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

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**2 Summary of significant accounting policies (continued)**

**2.15 Borrowings**

Borrowings are recognised initially at the loan principal amount. Related transaction costs incurred are expensed.

Borrowings are recognised at the full face value of outstanding principal and interest repayments to maturity.

Borrowings are classified as current liabilities for amounts due within 12 months and non-current liabilities for amounts due after 12 months.

Any breach of loan covenants will result in total Borrowings being classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the Statement of Financial Position date.

**2.16 Leases**

(i) The Group is the Lessee

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

(ii) The Group is the Lessor

Assets leased out under operating leases are included in Property, Plant and Equipment in the Statement of Financial Position. They are depreciated over their expected useful lives on a basis consistent with similarly owned Property, Plant and Equipment. Rental income (net of any incentives given to the lessee) is recognised on a straight-line basis over the lease term.

**2.17 Share capital**

Ordinary shares are classified as equity and are all ranked equally. They entitle the holder to participate in dividends as declared by the Group from time to time in proportion to the amounts paid up or credited as paid up thereon respectively.

On a show of hands every member present at a meeting, in person or by proxy, is entitled to one vote for every share of which he is a holder.

**2.18 Impairment of assets**

The Group assesses its assets for impairment whenever events or changes in circumstances indicate that the carrying value of its assets may not be recoverable. If any such indication of impairment exists, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of fair value less costs to sell and value in use.

Where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and written down to its recoverable amount. An impairment loss is recognised immediately in the statement of comprehensive income.

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**2 Summary of significant accounting policies (continued)**

**2.18 Impairment of assets (continued)**

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of comprehensive income.

**2.19 Government grants**

Grants from the Government of the Republic of Trinidad and Tobago are recognised at their fair values, where there is a reasonable assurance that the grant will be received, and the company will comply with all conditions attached.

Grants relating to operating expenses are deferred and included in non-current liabilities. They are recognised in the Statement of Comprehensive Income over the period necessary to match them with net expenses they are intended to compensate.

Grants relating to development of investment property are included in non-current liabilities. They are credited to the Statement of Comprehensive Income in an amount equal to the period's gain or loss on investment property valuations.

Grants relating to the lending are included in non-current liabilities. They are credited to the Statement of Comprehensive Income in an amount equal to the period necessary to match them with net related costs they are intended to compensate.

**3 Financial risk management**

**3.1 Financial risk factors**

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk), credit risk and liquidity risk. The Group's overall risk management programme seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by Management. Management identifies and evaluates financial risks.

(a) *Market risk*

*Foreign exchange risk*

The Group has no significant foreign exchange risk.

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**3 Financial risk management**

**3.1 Financial risk factors**

(b) *Credit risk*

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions.

The Group has no significant concentration of credit risk.

Customers trading on credit terms are subject to credit verification procedures that include an analysis of each customer's credit worthiness prior to finalising the terms of customer contracts. Trade receivables are managed using the simplified approach as permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition. Loss rates are calculated based on historical payment profiles and forward-looking information then applied to the different aging buckets at the year end.

(c) *Liquidity risk*

Liquidity risk is the risk that the Group is unable to meet its payment obligations associated with its financial liabilities when they fall due.

Prudent liquidity risk management includes maintaining sufficient cash and marketable securities, the availability of funding from an adequate amount of committed credit facilities and the ability to close out market positions.

**Liquidity risk analysis**

The table below analyses the Group's financial liabilities based on the remaining period at the Consolidated Statement of Financial Position date to the contractual maturity date. The amounts disclosed below are the contractual undiscounted cash flows.

**Maturity analysis of financial liabilities**

<b>Financial liabilities</b>	<b>Contractual cashflows</b>			<b>Total \$'000</b>
	<b>Carrying amount \$'000</b>	<b>Less than one year \$'000</b>	<b>More than one year \$'000</b>	
<b>Year ended 30 September 2023</b>				
Bank overdraft	3,713	3,713	-	3,713
Trade and other payables	87,270	87,270	-	87,270
Borrowings	<u>207,663</u>	<u>83,832</u>	<u>123,831</u>	<u>207,663</u>
<b>Total</b>	<b><u>298,646</u></b>	<b><u>174,815</u></b>	<b><u>123,831</u></b>	<b><u>298,646</u></b>
<b>Year ended 30 September 2022</b>				
Bank overdraft	3,069	3,069	-	3,069
Trade and other payables	82,229	82,229	-	82,229
Borrowings	<u>272,260</u>	<u>24,400</u>	<u>247,860</u>	<u>272,260</u>
<b>Total</b>	<b><u>357,558</u></b>	<b><u>109,698</u></b>	<b><u>247,860</u></b>	<b><u>357,558</u></b>

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**3 Financial risk management (continued)**

**3.2 Capital risk management**

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

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings as shown in the consolidated statement of financial position) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the consolidated statement of financial position plus net debt.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Total borrowings	207,663	272,260
Less restricted cash	(24,879)	(38,326)
Less cash and cash equivalents (et of Overdraft)	<u>(19,303)</u>	<u>(25,266)</u>
Net debt	163,481	208,668
Total equity	<u>481,454</u>	<u>622,136</u>
Total capital	<b><u>644,935</u></b>	<b><u>830,804</u></b>
Gearing ratio	<u>25%</u>	<u>25%</u>

**4 Critical accounting estimates and judgments**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**4.1 Critical accounting estimates and assumptions**

The Group makes estimates and assumptions concerning the future. The accounting policies applied by the Group in which judgments, estimates and assumptions may significantly differ from actual results are discussed below:

**(a) Going concern**

The financial statements have been prepared on a going concern basis on the assumption that continued financial support will be forthcoming from the shareholder.

**(b) Income taxes**

Some judgment is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

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**4 Critical accounting estimates and judgments (continued)**

**4.1 Critical accounting estimates and assumptions (continued)**

**(c) Valuation of investment properties**

This is considered a key management estimate because the valuations are based on a variety of factors including assumptions about current and expected market conditions, earnings, etc., which are subject to change. Refer to Note 5.

**(d) Leasehold interests in Trinidad Hilton property and Tamana InTech Park**

Refer to Note 5.

**(e) Measurement of fair value**

The hotel property was carried at a Board of Directors' valuation which was based on the results of an external market position study conducted in 2009, less subsequent depreciation and impairment losses, as explained in note 5.1. The valuation was impacted by various markets, financial, operating and economic assumptions including occupancy rates, room rates, demand/supply expectations, the airlift to Tobago and the inclusion of amenities such as golf and spa facilities. Estimates of the assets useful lives are based on a combination of industry norms and the physical conditions present at the hotel premises.

An updated valuation was obtained in June 2018 from CBRE and the property is currently carried at fair value.

<i>Valuation techniques</i>	<i>Significant unobservable inputs</i>	<i>Inter-relationship between key unobservable inputs and fair value measurements</i>
<u>Resort property</u>  The income approach considered the Resort's current cash flows, potential cash flows and the property's present state of deferred maintenance.	The resort property has not produced positive cash flows since its re-opening in 2012.  Though there is the potential that if sold; the value of the resort property could improve, at the time of the valuation there was not enough evidence to determine an alternate value.	The estimated fair value would increase/(decrease) if:  Judgement about what the property can be sold, exchanged, let, mortgaged has been determined to be better or worse.
<u>Investment property</u>  The income approach considered the investment property's potential cash flows. An analysis of the present worth of the anticipated future benefits to the owner over an assumed holding period was also considered.	Net income and the potential rental value of the property in the current investment climate.  No rent reviews were enacted during the fiscal.	The estimated fair value would increase/(decrease) if:  Judgement about the potential rental value of the property increase/(decreased).

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**4. Critical accounting estimates and judgements (continued)**

**4.1 Critical accounting estimates and assumptions (continued)**

**(e) Measurement of fair value (continued)**

The fair value measurement for the resort property and investment properties have been classified as Level 3 in the fair value hierarchy as per IFRS fair value measurement as the inputs used to determine the property values at year end are not based on an observable market.

Income and expenses for investment properties are as follows:

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Rental income	39,920	35,725
Investment property expenses	5,740	11,647

The carrying value less expected credit loss of trade receivables is assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>5 Investment properties</b>		
Opening balance	2,669,632	1,982,345
Additions - subsequent expenditure on Investment Property	98,601	725,787
Disposals	(7,590)	(38,500)
(Decrease)/Increase in fair values	<u>(278,294)</u>	<u>-</u>
Closing balance	<b><u>2,482,349</u></b>	<b><u>2,669,632</u></b>

The Group has 3 major investment properties:

- Industrial estates
- Trinidad Hilton property
- Tamana Intech Park (TIP)

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**5 Investment properties (continued)**

The valuation and costs of the above properties are as follows:

<b>Year ended 30 September 2023</b>	<b>Total \$m</b>
Industrial estates	892
Pheonix Parks	1,016
Trinidad Hilton property	274
Tamana Intech park	<u>300</u>
Balance as at 30 September 2023	<u><b>2,482</b></u>
<b>Year ended September 30, 2022</b>	
Industrial estates	1,232
Pheonix Park	943
Trinidad Hilton property	259
Tamana Intech park	<u>236</u>
Balance as at 30 September 2022	<u><b>2,670</b></u>

Industrial Estates, the Trinidad Hilton Property and Tamana Intech Park (TIP) are stated at fair value. In 2003 all industrial park assets as well as the Trinidad Hilton Property) were transferred from Tourism and Industrial Development Company of Trinidad and Tobago Limited (TIDCO) for a consideration of \$1.

The following sets out the details of each investment property.

a) Industrial estates

The Parent Company entered into a contract with QES/DC Limited for the provision of valuation services of its Industrial Parks (exclusive of Tamana Intech Park and the Alutech Research and Development Facility). QES/DC Limited was instructed to provide an assessment of the fair value of these properties in accordance with IAS 40. This exercise was completed in financial year 2023.

The professional valuator used the following methodologies in determining the valuations:

i) Direct comparison method

This method was used to determine the valuator's opinion on the value for the properties which were of vacant possession (having no lessee). This method was used to estimate the value of all vacant land sites.

ii) The investment or income capitalisation method

This method was used to determine the valuator's opinion on value for the properties which were tenanted. It was used to estimate the value of factory shells, and land sites that were leased to tenants.

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**5 Investment properties (continued)**

The movement in the carrying amount of the Industrial Estates is as follows:

	<b>Total \$m</b>
<b>Year ended 30 September 2023</b>	
Balance at 1 October 2022	1,232
Additions	26
Disposals	(8)
Fair value adjustment	<u>(358)</u>
Balance as at 30 September 2023	<u><b>892</b></u>
<b>Year ended 30 September 2022</b>	
Balance as at 1 October 2021	547
Additions	726
Disposals	(39)
Fair Value Adjustment	<u>(2)</u>
Balance as at 30 September 2022	<u><b>1,232</b></u>

b) Trinidad Hilton property

This property, also known as the Trinidad Hilton and Conference Centre, comprises a four-star hotel occupying approximately 30 acres of land at Lady Young Road, St Ann's, Trinidad. As noted above the buildings were acquired from TIDCO for a nominal consideration. The land is leased from the State for a term of 30 years commencing 25 February 2003. This property is sublet to Hilton International Trinidad Limited. The land together with the buildings are being carried in the financial statements at fair value on the basis that the Parent Company is a wholly-owned state enterprise and the lease for the land is expected to be renewed for the foreseeable future when the lease expires.

In 2017, the Parent Company received a valuation of the Trinidad Hilton Property from the Commissioner of Valuations. This valuation stated a notional apportionment of the values attributable to land and buildings/site improvements, of approximately \$200m and \$50m respectively. Management used this assessment as the basis for the carrying value as at year end. This resulted in an increase in the fair value of \$25m. Subsequently, the Group expended a further \$8m during the year 2018 on capital works to the hotel.

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**5 Investment properties (continued)**

c) Tamana Intech park (TIP)

The movement in its carrying amount is as follows:

	<b>Total \$'000</b>
<b>Year ended 30 September 2023</b>	
Balance as at 1 October 2022	235,345
Fair Value Adjustment	157,968
Fair Value Adjustment	<u>(93,313)</u>
Balance as at 30 September 2023	<b><u>300,000</u></b>
<b>Year ended 30 September 2022</b>	
Balance at 1 October 2021	233,290
Additions	<u>2,055</u>
Balance as at 30 September 2022	<b><u>235,345</u></b>

Tamana Intech Park is a technology park under construction which is located at Wallerfield in Trinidad. Development works commenced in 2006. The land component of the park is stated at a valuation of \$100m.

The current status is that the flagship building and 21 fully serviced lots have been completed and there is a medium-term plan in place regarding the development of certain lots for occupation by potential tenants.

The Board of Directors commissioned a valuation by the Commissioner of Valuations, Ministry of Finance in December 2022. TIP was valued at \$300m, resulting in a fair value gain of \$93m.

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**5 Investment properties (continued)**

- d) Phoenix Park Industrial Estate (Special Economic Zone - SEZ)

The movement in carrying amount of Phoenix Park Industrial Estate is as follows:

	<b>Total</b>
	<b>\$m</b>
<b>Year ended 30 September 2023</b>	
Balance at 1 October 2022	943,584
Additions	<u>72,187</u>
<b>Balance at 30 September 2023</b>	<b><u>1,015,771</u></b>
<b>Year ended 30 September 2022</b>	
Balance at 1 October 2021	222,217
Additions	<u>721,367</u>
<b>Balance at 30 September 2022</b>	<b><u>943,584</u></b>

The Special Economic Zone Act of 2022 provides a robust framework for economic investment and diversification. The establishment of the regime would attract local and international investment and boost exports for Trinidad and Tobago. eTecK has been granted an Operator License for the Phoenix Park Industrial Estate designating it as a Special Economic Zone (SEZ).

The park is located on 144 acres of industrial land in Phoenix Park, Couva and development work are in the final stages of completion. Phoenix Park offers 78 leasable lots of approximately 0.5 to 2.1 acres in size. There are currently four (4) completed factory shells with a gross floor area of 5,312 sq. m each and one (1) factory shell at 3,984 sq. m.

The Phoenix Park Industrial Estate's net income for the year ended September 30, 2023 was \$708,938.

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6 Property, plant and equipment

	Land	Buildings	Furnishings and equipment	Machinery and equipment	Information systems	Work In progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Year ended 30 September 2023</b>							
Opening net book value	2,938	81,019	11,268	921	191	282	96,619
Additions	-	6,858	2,146	-	231	-	9,235
Depreciation	-	(8,701)	(1,464)	(91)	(39)	-	(10,295)
Closing net book value	<u>2,938</u>	<u>79,176</u>	<u>11,950</u>	<u>830</u>	<u>383</u>	<u>282</u>	<u>95,559</u>
<b>As at 30 September 2023</b>							
Cost	18,737	484,762	176,038	40,489	2,264	1,510	723,800
Accumulated depreciation and impairment	(15,799)	(405,586)	(164,088)	(39,659)	(1,881)	(1,228)	(628,241)
Net Book Value	<u>2,938</u>	<u>79,176</u>	<u>11,950</u>	<u>830</u>	<u>383</u>	<u>282</u>	<u>95,559</u>
<b>Year ended 30 September 2022</b>							
Opening net book value	2,938	90,055	10,915	757	154	282	105,101
Additions	-	789	2,220	432	150	-	3,591
Adjustments	-	(849)	-	-	-	-	(849)
Depreciation	-	(8,976)	(1,867)	(268)	(113)	-	(11,224)
Closing net book value	<u>2,938</u>	<u>81,019</u>	<u>11,268</u>	<u>921</u>	<u>191</u>	<u>282</u>	<u>96,619</u>
<b>As at 30 September 2022</b>							
Cost	18,737	477,904	173,894	40,489	2,032	1,510	714,566
Accumulated depreciation and impairment	(15,799)	(396,885)	(162,625)	(39,568)	(1,841)	(1,228)	(617,947)
Net book value	<u>2,938</u>	<u>81,019</u>	<u>11,268</u>	<u>921</u>	<u>191</u>	<u>282</u>	<u>96,619</u>

The amount included in Work in Progress (WIP) refers to consultancy services provided by Smith Warner International for development of the beach area at the Magdalena Grand Beach and Golf Resort, Tobago.

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<b>7 Restricted cash</b>	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Cash held for restricted use	<u>24,879</u>	<u>38,326</u>

Details of funds held for Restricted Use:

RBC Royal Bank (Trinidad & Tobago) Limited	5,339	7,795
RBC Royal Bank (Trinidad & Tobago) Limited (PSIP)	2,375	5,399
First Citizens Bank Limited	17,164	25,130
Scotia Bank (Trinidad & Tobago) Limited (Alutech Facility)	1	2

By correspondence dated 15 October 2014 from the Ministry of Trade and Industry, eTeck obtained the sum of \$90,867,307 from GORTT. The correspondence indicated that the amount is to be strictly used by eTeck to meet the funding requirements of an infrastructure development project for the Endeavour Business and Commercial Park. The amount represents fifteen percent (15%) funding for the project and is to be used strictly to meet the 15% payment to be met by GORTT once its loan application to the China Export-Import Bank for concessional financing for the project is approved. The funds are not to be co-mingled with any other sources of funding by eTeck.

In addition, prior approval from the Ministry's Permanent Secretary for utilisation of any portion of the funds must be obtained before incurring any expenditure. The correspondence does not indicate the terms of repayment of the amounts received and whether the balance attracts interest. Management's understanding is that the amount is non-interest-bearing. The funds are accounted for as a non-current asset with a corresponding increase in Deferred Government Grants and are held in a bank account at First Citizens Bank Limited. Included in the Company's operating account – RBC Royal Bank (Trinidad & Tobago) Limited is \$7.8m in restricted funds for the insurance proceeds for investment property claims and a balance that relates to a project under the Ministry of Local Government (Refer to Note 13).

<b>8 Inventories</b>	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Food and beverage	578	885
Linen	727	416
Golf supplies	346	443
Operating supplies	1,272	954
Guest supplies	<u>28</u>	<u>36</u>
	<u><b>2,951</b></u>	<u><b>2,734</b></u>

All inventories relate to the subsidiary, Vanguard Hotel Limited. A provision for obsolescence is not required because of the nature of inventory held by VHL. During the year, there were no write-downs of inventory.

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<b>9 Other receivables and prepayments</b>	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Value added tax (VAT) refundable	157,549	157,663
Less: impairment provision	<u>(157,549)</u>	<u>(157,663)</u>
Net value added tax (VAT)	-	-
Other receivables and prepayments	<u>5,926</u>	<u>1,745</u>
	<u><b>5,926</b></u>	<u><b>1,745</b></u>

The balance reflects the effect of a full provision against Value added tax (VAT) refunds of approximately \$158m (2022 - \$158m). Most of this VAT balance relates to the Parent Company \$154m (2022 - \$154m) and the remainder of \$4m (2022 - \$4m) relates to VHL.

For financial statement reporting purposes, The Board of Directors and Management consider it is prudent to establish and maintain a provision against these refunds.

<b>10 Trade receivables</b>	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Trade receivables	51,411	32,990
Less: provision for doubtful debts	<u>(37,349)</u>	<u>(28,725)</u>
Net trade receivables	<u><b>14,062</b></u>	<u><b>4,265</b></u>

**10.1 Ageing analysis**

The analysis of these balances is as follows:

0 - 90 Days	18,512	7,554
Over 90 Days	<u>32,899</u>	<u>25,436</u>
	<u><b>51,411</b></u>	<u><b>32,990</b></u>

**10.2 Movement in provision for doubtful debts**

Opening balance	(28,725)	24,993
Increase in provision	<u>(8,624)</u>	<u>3,732</u>
Closing balance	<u><b>(37,349)</b></u>	<u><b>28,725</b></u>

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	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>11 Cash and cash equivalents</b>		
Cash at bank and in hand	22,050	27,369
Fixed deposits and money market instruments	<u>966</u>	<u>966</u>
Subtotal	23,016	28,335
Bank overdraft	<u>(3,713)</u>	<u>(3,069)</u>
	<b><u>19,303</u></b>	<b><u>25,266</u></b>
Interest income on short-term bank deposits	<u>8</u>	<u>6</u>
<b>12 Stated capital</b>		
Authorised 20,000,000 ordinary shares of no par value		
Issued and fully paid 2 ordinary shares of no par value	<u>1</u>	<u>1</u>
<b>13 Capital contributions</b>	<b><u>676,000</u></b>	<b><u>611,600</u></b>

This balance comprises amounts received from the Government of the Republic of Trinidad and Tobago (GORTT) in connection with the Group's mandate regarding specific projects that were loan financed and serviced by GORTT. The amounts relate to infrastructural development for Investment Property.

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	2023	2022
	\$'000	\$'000
<b>14 Deferred income</b>		
Lease premiums from industrial estates (15a)	120,385	121,761
Deferred revenue pertaining to land rent (15b)	8,666	7,540
Deferred revenue pertaining to projects with government bodies (15c)	<u>5,339</u>	<u>5,339</u>
Deferred income as at year end	<b><u>134,390</u></b>	<b><u>134,640</u></b>

*a) Leases of industrial estates*

The Group offers leases for varying periods to its tenants. Long term leases (i.e. those in excess of 35 years) are generally subject to the payment of a contract sum at the beginning of the lease term (or over a short period, typically 1 to 5 years) with a nominal annual rent being due for the remainder of the term. The contract sum is recorded as Deferred Income and recognised over the term of the lease.

	2023	2022
	\$'000	\$'000
Total unamortised premiums received in prior years	121,761	123,137
Premium income recognised during the financial year	<u>(1,376)</u>	<u>(1,376)</u>
Deferred Income as at year end	<b><u>120,385</u></b>	<b><u>121,761</u></b>

*b) Deferred Revenue pertaining to land rent*

In some instances, the Parent Company charges an annual Land Rent to its tenants. This amount is initially recorded as Deferred Land Rent Income and subsequently recognised as revenue over the annual rental term.

*c) Deferred revenue pertaining to project with Government Bodies*

The brought forward balance of \$5.3m relates to amounts invoiced and received in connection with the development of a payroll system.

	2023	2022
	\$'000	\$'000
<b>15 Trade and other payables</b>		
Trade payables	59,276	52,651
Accruals and other payables	<u>27,994</u>	<u>29,578</u>
	<b><u>87,270</u></b>	<b><u>82,229</u></b>

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**16 Borrowings**

In 2023, eTeck maintained three (3) loan facilities that are guaranteed by the Government of the Republic of Trinidad and Tobago. However, one of these loan facilities, \$488m with ANSA Merchant Bank Limited, reached maturity and was repaid as at 30 September 2023.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Amount due within 12 Months</b>		
ANSA Merchant Bank Limited	-	24,400
Scotia Bank Limited	43,832	-
First Citizens Bank Limited	<u>40,000</u>	<u>-</u>
	<b><u>83,832</u></b>	<b><u>24,400</u></b>
<b>Amount due in over 1 Year</b>		
Scotia Bank Limited	43,831	87,860
First Citizens Bank Limited	<u>80,000</u>	<u>160,000</u>
	<b><u>123,831</u></b>	<b><u>247,860</u></b>
<b>Finance costs</b>		
Interest on bank borrowings	10,687	12,605
Other bank charges	<u>601</u>	<u>452</u>
	<b><u>11,288</u></b>	<b><u>13,057</u></b>

**a) First Citizens Bank Limited - \$160m**

In August 2011, the Group entered into a 10-year loan of TT\$ 160m from First Citizens Bank to finance the development and management plan for the refurbishment and operationalization of the Magdalena Grand Beach Resort (formerly VHL Hotel) in an effort to ensure that the hotel becomes operational by 1 November 2011.

The loan is secured by a Letter of Comfort from the Ministry of Finance which shall be substituted in due course by an unconditional guarantee and indemnity from the Government of the Republic of Trinidad and Tobago. It carries an interest rate of 5.25% and is a bullet-type loan facility with interest payable semi-annually with a principal payment due at maturity.

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**16 Borrowings (continued)**

**b) ANSA Merchant Bank Limited - \$488m**

The Group entered into a 10-year, fixed rate loan agreement with ANSA Merchant Bank Limited on 19 December 2012. The proceeds of this facility were used to settle an existing short term facility with First Caribbean International Bank (FCIB), the balance of which was approximately \$485m.

The indicative terms and conditions are as follows:

- Term: 10 years
- Security: Initially, Letter of Guarantee from GORTT and thereafter by a Guarantee by GORTT
- Interest Rate: 3%
- Principal Repayment: Amortized and repayable semi-annually in instalments
- Interest Repayment: Calculated on a reducing balance, 30/360-day basis and repayable semi-annually in arrears

Cabinet, by Minute dated 26 June 2014, agreed that GORTT through the Ministry of Finance and the Economy meet the outstanding payments under this loan, effective from the due date of the third loan instalment on 19 June 2014.

On 19 December 2022, the loan reached maturity and was fully repaid.

**c) Scotiabank Trinidad and Tobago Limited - \$87m**

The Parent Company entered into a five (5) year, fixed rate loan agreement with Scotia Bank Limited on 23 August 2018. The proceeds of this facility is intended for completion of the Alutech Research and Development Facility building at Tamana InTech Park.

The indicative terms and conditions are as follows:

- Term: 5 years
- Security: Letter of Guarantee from GORTT
- Interest Rate: 3.5%
- Principal Repayment: Bullet at Maturity
- Interest Repayment: Calculated on a reducing balance, 30/365-day basis and repayable semi-annually in arrears.

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**17 Revenue**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Income from Trinidad Hilton (Note 17a)	12,269	9,317
Income from industrial estates	27,651	26,493
Services and rental outlet income	7,160	7,234
Income from VHL (trading as Magdalena Grand Beach & Golf Resort)	<u>37,411</u>	<u>28,770</u>
	<b><u>84,491</u></b>	<b><u>71,814</u></b>

**17a.** The Group has sub-let the Trinidad Hilton Property (Note 5b) to Hilton International Trinidad Limited under the terms of a deed of lease for a period of 20 years from 1 October 2003.

**18 Expenses by nature**

**Parent company**

Staff cost	20,147	19,026
Depreciation	8,888	9,820
Other expenses	1,465	7,765
Asset operating cost	5,740	9,472
Trinidad Hilton - head lease rent	-	2,175
Insurance	3,508	2,977
Professional fees	1,739	1,196
Movement in provision for VAT refundable	-	(1,948)
Board of directors expenses	1,201	1,216
Movement in provision for bad debts	8,662	3,660
Investment promotions	108	163
Corporate events	<u>77</u>	<u>58</u>
	<b><u>51,535</u></b>	<b><u>55,580</u></b>

**Subsidiary - VHL**

Salaries and wages	19,629	22,705
Depreciation	1,407	16,812
Expenditure – hotel operations	25,905	1,403
Utilities	1,965	229
Marketing and promotions	561	598
Insurance	2,179	-
Management fees	-	1,885
Common service charge	1,298	1,808
Penalties	<u>229</u>	<u>1,497</u>
	<b><u>53,173</u></b>	<b><u>46,937</u></b>

**Total expenses** **104,708** **102,517**

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	2023	2022
	\$'000	\$'000
<b>18 Expenses by nature (continued)</b>		
<b>18.1 Staff costs</b>		
Parent	20,147	19,026
Subsidiary	<u>19,629</u>	<u>22,705</u>
	<u>39,776</u>	<u>41,731</u>
Salaries	35,818	38,195
Retirement benefit costs	1,524	1,375
National insurance	<u>2,434</u>	<u>2,161</u>
	<u><b>39,776</b></u>	<u><b>41,731</b></u>

**19 Taxation**

Current	<u>734</u>	<u>647</u>
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The Company's effective tax rate varies from the statutory rate as a result of the differences shown below:

Loss before taxation	(204,348)	(30,615)
Tax calculated at a rate of 30%	(61,304)	(9,185)
Expenses not allowed for Tax Purposes	84,101	15,520
Income not subject to Tax	(7,336)	(8,045)
Deferred tax not recognised	(15,461)	1,710
Business and Green Fund Levy	<u>734</u>	<u>647</u>
Tax charge	<u><b>734</b></u>	<u><b>647</b></u>

At the reporting date the Group had significant accumulated taxation losses. These losses have not yet been agreed with the Board of Inland Revenue.

The Group has no corporation tax liabilities due to significant accumulated tax losses in the individual group entities. In 2023, the Parent Company had taxation losses of approximately \$1,158m (2022 - \$799m). The operating subsidiary, Vanguard Hotel Limited also had significant accumulated tax losses of approximately \$200m (2022 - \$184m).

There were no deferred tax assets on the tax losses were recognised on account of uncertainty over the timing of their recovery.

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<b>20 Net cash used in operating activities</b>	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Operating activities</b>		
Loss before taxation	(204,348)	(30,615)
<b>Adjustments for:</b>		
Depreciation (Note 6)	10,295	11,224
Fair value loss on investment property (Note 5)	278,294	-
Adjustment to property, plant and equipment (Note 6)	-	849
Finance cost (Note 16)	<u>11,242</u>	<u>13,057</u>
	95,483	(5,484)
<b>Changes in Working Capital:</b>		
Inventory	(217)	(635)
Trade receivables	(8,991)	(2,552)
Other receivables and prepayments	(4,181)	1,724
Deferred income	(250)	(731)
Trade and other payables	<u>5,119</u>	<u>41,500</u>
	86,963	33,822
Taxation paid	(734)	(647)
Finance cost paid	<u>(11,504)</u>	<u>(13,376)</u>
<b>Net cash generated from operating activities</b>	<b><u>74,725</u></b>	<b><u>19,499</u></b>

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**21 Subsidiary and associate**

<b>Entity</b>	<b>Interest (%)</b>	<b>Country of Incorporation</b>
Vanguard Hotel Limited	98.28	Trinidad and Tobago

The 1.72% remaining interest is Class X Non-voting Redeemable shares held by F&K Holdings Limited.

- a) Effective 30 September 2008, the Group acquired a controlling interest in Vanguard Hotel Limited (VHL). VHL ceased its main activity, that of hotel operations, in late 2008. The purchase consideration for the acquisition was \$139m. The assets and liabilities of VHL were not fair valued at the date of acquisition, in accordance with IFRS 3 – Business Combinations. The book values of assets and liabilities at the date of acquisition are based on unaudited results to 30 September 2008 were as follows:

*Carrying amounts on acquisition:*

	<b>\$'000</b>
Property, plant and equipment	173,577
Inventories	1,157
Trade and other receivables	11,592
Cash and cash equivalents	10,758
Trade and other payables	<u>(20,019)</u>
<b>Total</b>	<b><u>177,065</u></b>

*Details of net assets acquired and goodwill are as follows:*

Purchase consideration	139,000
Carrying amount of net assets acquired	<u>(177,065)</u>
<b>Negative goodwill</b>	<b><u>(38,065)</u></b>

*The negative goodwill was immediately recognised in the statement of comprehensive income within the impairment provision as follows:*

Impairment of VHL assets (excluding cash)	186,326
Negative goodwill	<u>(38,065)</u>
<b>Impairment provision</b>	<b><u>148,261</u></b>

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**22 Government grant**

	<b>Income grants \$'000</b>	<b>Capital grants \$'000</b>	<b>Total \$'000</b>
<b>Balance as at 1 October 2022</b>	-	1,727,322	1,727,322
Received during the year	10,658	91,986	102,644
Released during the year	<u>(10,624)</u>	<u>(85,909)</u>	<u>(96,533)</u>
<b>Balance as at 30 September 2023</b>	<u><b>34</b></u>	<u><b>1,733,399</b></u>	<u><b>1,733,433</b></u>
<b>Balance as at October 1, 2021</b>	-	1,077,240	1,077,240
Received during the year	12,920	688,582	701,502
Released during the year	<u>(12,920)</u>	<u>(38,500)</u>	<u>(51,420)</u>
<b>Balance as at 30 September 2022</b>	<u><b>-</b></u>	<u><b>1,727,322</b></u>	<u><b>1,727,322</b></u>

**23 Financial instruments by category**

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

**Assets as per consolidated statement of financial position**

	<b>2023 \$'000</b>	<b>2022 \$'000</b>
Restricted cash	24,879	38,326
Trade receivables	13,254	4,265
Cash and cash equivalents	<u>23,016</u>	<u>28,335</u>
	<u><b>61,149</b></u>	<u><b>70,926</b></u>

The only category of financial assets held by the Group is cash and receivables. There are no assets held at fair value through profit or loss, derivatives used for hedging and available-for-sale financial instruments.

**Liabilities as per consolidated statement of financial position**

Bank overdraft	3,713	3,069
Trade and other payables	87,270	82,229
Borrowings	<u>207,663</u>	<u>272,260</u>
	<u><b>298,646</b></u>	<u><b>357,558</b></u>

The only category of financial liabilities held by the Group is liabilities at amortised cost. There are no liabilities held at fair value through profit or loss and derivatives used for hedging.

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**24 Credit quality of financial assets**

The credit quality of the financial assets can be assessed by reference to historical information about the counterparty default rates:

	2023	2022
	\$'000	\$'000
Counterparties without external credit rating:		
Group 1	<u>13,254</u>	<u>4,265</u>
Group 1 – Customers with no history of default		

**Cash and cash equivalents**

Group A	<u>19,200</u>	<u>27,773</u>
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The rest of the statement of financial position items “Cash at Bank and In Hand” and “Bank Overdraft” is cash in hand.

Group A – Trinidad and Tobago based banking institutions.

**25 Commitments**

- a) The Group has entered into significant contracts in the normal course of its business operations. The following are commitments for which contracts have been executed at the Statement of Financial Position date and subsequently:

	2023	2022
	\$'000	\$'000
Investment properties	<u>489,176</u>	<u>131,853</u>

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**25 Commitments (continued)**

- b) Cabinet, by Minutes dated 26 September 2013 and 12 December 2013, has agreed to the development of Seven Economic Zones (SEZ) through two projects. These SEZs will be developed through and managed by the Parent Company.
- Project 1 (estimated development cost of US\$151m) encompasses the development of infrastructural works for the Connector Road, Dow Village, Factory Road, Frederick Settlement, Preysal and Reform Parks.
  - Project 2 (estimated development cost of US\$94m) encompasses the development of infrastructural works for the Endeavour Business Park and the construction of one building (10,000 sq. meters) to be used for business process outsourcing.

Proposals, inclusive of preliminary designs and drawings were received from contractors for both Projects 1 and 2.

The Board of Directors accepted the proposals submitted for the development of the Seven Economic Zones (SEZ). Further developmental works were put on hold/suspended, due to funding availability.

As at 30 September 2018, there has been no further update in respect of this project.

- c) The Group is committed to the following minimum lease payments:

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Less than 1 year	<u>1,493</u>	<u>3,886</u>
	<b><u>1,493</u></b>	<b><u>3,886</u></b>

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**26 Forensic Investigation**

In 2010, the Attorney General of Trinidad and Tobago advised the Parent Company of a forensic investigation of certain aspects of its operations. Based on the reported findings of the forensic audit, the Attorney General recommended that legal action be taken against the then Board of Directors of the Parent Company regarding an investment of US\$5m in a foreign entity, which was subsequently impaired. Legal action was initiated by the Parent Company's Board of Directors in 2011 and the matter is currently before the High Court of Trinidad and Tobago. The effect of this matter, if any, on the operations and/or financial statements cannot be determined.

**27 Related Party Transactions**

- (i) The Group receives funding from the state for debt servicing which is accounted for as Capital Contributions as described in accounting policy Note 2.13 and Note 13.
- (ii) Key management compensation is made up of senior management at e TecK and VHL. The compensation paid or payable to key management for employee services amounted to approximately \$7.0m (2022 - \$6.4m).

**28 Contingent Assets and Liabilities**

a) Litigation and claims

At the Consolidated Statement of Financial Position date, the Group had contingent assets and contingent liabilities in respect of litigation and claims arising in the ordinary course of business. Some of these claims are for material amounts. Management has carefully considered these claims and have obtained external professional advice as considered necessary. Amounts in respect of some have been recognised and or disclosed in the financial statements where appropriate. The outcome of these matters is however uncertain.

b) VAT audits

- (i) The Parent Company received proposed adjustments from the VAT Administration Centre for material amounts in respect of several VAT return periods. The Parent Company has responded to the proposed adjustments and is awaiting a reply from the VAT Administration Centre. A provision was established in the current year for all VAT refunds due to the Parent Company. Refer to Note 9.
- (ii) The subsidiary received an assessment from the VAT Administration Centre for principal, penalties and interest in respect of several VAT return periods. A provision of \$6m was established in respect of the assessment. To date no amounts have been settled.

**29 Subsequent Events**

There were no subsequent events identified that required disclosure or adjustments to the financial statements.