PKF
Chartered Accountants
& Business Advisors
PKF LIMITED

NATIONAL INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

FINANCIAL STATEMENTS
(Expressed in Trinidad and Tobago dollars)

30 SEPTEMBER 2020

PKF
Chartered Accountants
& Business Advisors
PKF LIMITED

NATIONAL INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

INDEX

NIDCO
National Infrastructure Development Company Limited

The Atrium
6B Don Miguel Road Extension
El Socorro Extension
EL SOCORRO 280603
Tel: (868) 674-5593
Fax: (868) 638-2715

5th November, 2024

RE: Statement of Management Responsibilities:

Management is responsible for the following:

- preparing and fairly presenting the accompanying financial statements of National Infrastructure Development Company Limited, which comprise the statement of financial position as at 30 September 2020, the statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies;

- ensuring that the Company keeps proper accounting records;

- selecting appropriate accounting policies and applying them in a consistent manner;

- implementing, monitoring and evaluating the system of internal control that assures security of the Company's assets, detection/prevention of fraud, and the achievement of the Company's operational efficiencies;

- ensuring that the system of internal control operated effectively during the reporting period;

- producing reliable financial reporting that comply with laws and regulations, including the Companies Act; and

- using reasonable and prudent judgement in the determination of estimates.

In preparing these audited 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 Company will not remain a going concern for the next twelve months from the reporting date; or up to the date the accompanying financial statements have been authorised for issue, if later.

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

Esther Farmer	Ravi Seereeram
President	Manager Finance Corporate Planning & Risk
Date 5th November, 2024	Date 5th November, 2024

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& Business Advisors
PKF LIMITED

INDEPENDENT AUDITORS' REPORT

The Shareholder
National Infrastructure Development Company Limited

Opinion

We have audited the financial statements of National Infrastructure Development Company Limited, which comprise the statement of financial position as at 30 September 2020, the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the company as at 30 September 2020 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs").

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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and the Board of Directors for the Financial Statements

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

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

The Board of Directors is responsible for overseeing the company's financial reporting process.

Telephone:	(868) 235-5063
Address:	111 Eleventh Street, Barataria 250623, Trinidad, West Indies
Mailing Address:	PO Box 10205, Eastern Main Road, San Juan

Directors: Renée-Lisa Philip Mark K. Superville JenineFelician-Romain Darcel Corbin

INDEPENDENT AUDITORS' REPORT (CONT'D)

Responsibilities for the Audit of the Financial Statements

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

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

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

We communicate with the Board of Directors 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.

PKF

Barataria
TRINIDAD
5 November 2024

NATIONAL INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

		30 September	
ASSETS	**Notes**	**2020**	**2019**
		$	**$**
Non-Current Assets			
Property, plant and equipment	5	273,314,286	314,308,972
Intangible assets	6	9,825	79,914
Capital work in progress	7	16,902,870	-
Right-of-use assets	8	36,191,742	-
Security deposits	9	219,160	219,160
Due from Government of Trinidad and Tobago	10	2,095,116,585	1,845,474,641
Deferred taxation	11a	1,442,313	1,489,911
Total Non-Current Assets		2,423,196,781	2,161,572,598
Current Assets			
Trade and other receivables	12	5,597,105	4,631,649
Due from Government of Trinidad and Tobago	10	536,375,482	668,056,976
Tax refundable	13	1,974,186	1,982,802
Cash and cash equivalents	14	774,834,325	481,939,372
Total Current Assets		1,318,781,098	1,156,610,799
Total Assets		3,741,977,879	3,318,183,397
EQUITY AND LIABILITIES			
Equity			
Stated capital	15	10	10
Accumulated deficit		(60,424,141)	(69,671,805)
Total Equity		(60,424,131)	(69,671,795)
Non-Current Liabilities			
Government capital grant deferred – vessels		154,549,393	141,223,906
Borrowings	16	2,067,268,979	1,721,752,044
Lease liability	8	4,337,865	-
Due to Government of Trinidad and Tobago	17	568,961,971	668,149,642
Deferred government capital grant - Water Taxi	18	139,780,668	138,818,404
Government capital grant deferred -projects	19	-	136,708
Security deposit		10,000	10,000
Total Non-Current Liabilities		2,934,908,876	2,670,090,704
Current liabilities			
Trade payables	20	294,091,025	266,205,191
Accrued expenses and other liabilities	21	251,711,508	176,192,835
Borrowings	16	221,259,524	221,259,524
Lease liability	8	32,798,505	-
Due to Government of Trinidad and Tobago	17	38,304,000	38,304,000
Deferred government capital grant –Water Taxi	18	3,645,538	8,262,440
Taxation payables		99,812	99,957
Deferred government operating grant – Water Taxi		25,583,222	7,303,833
Government capital grant deferred – projects		-	136,708
Total Current Liabilities		867,493,134	717,764,488
Total Liabilities		3,802,402,010	3,387,855,192
Total Equity and Liabilities		3,741,977,879	3,318,183,397

These financial statements were approved by the Board of Directors and authorised for issue on 5 November 2024 and signed on their behalf by

President **Chairman**

(The accompanying notes are an integral part of these financial statements)

NATIONAL INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

STATEMENT OF COMPREHENSIVE INCOME

	Notes	For the year ended 30 September 2020 $	2019 $
Projects			
Revenue			
Management fees	22	46,636,096	47,851,524
Construction supervision fees	22	3,573,333	3,573,333
Tender fees		252,396	1,259,719
Interest income on deposits		505,990	2,606,299
Grant income	22	108,083,097	70,204,332
		159,050,912	125,495,207
Operating expenses			
General and administrative expenses	25	29,177,803	30,216,725
Depreciation and amortisation		2,411,233	1,001,330
Other expenses	26	5,872,277	(5,459,543)
Foreign exchange (gain)/loss		(1,486,434)	5,636,516
Loan interest	22	108,083,097	70,204,332
Impairment of financial assets – IFRS 9		4,279,112	2,456,824
		148,337,088	104,056,184
Net profit from projects before taxation		10,713,824	21,439,023
Taxation	11b	(511,261)	(519,589)
Net profit from projects after taxation		10,202,563	20,919,434
Vessels			
Grant income (Jean de la Valette ("JDLV") and Galleons Passage)		183,946,213	105,451,519
Vessels expenses (JDLV and Galleons Passage)		(183,946,213)	(105,451,519)
Profit from vessel operations		-	-
Water Taxi			
Revenue			
Ticketing income		4,116,993	5,549,853
Charter income		73,450	206,190
Other income		2,003	26,193
		4,192,446	5,782,236
Operating expenses			
Administrative and other expenses	27	37,823,859	51,167,552
Foreign exchange loss/(gain)		27,151	(25,987)
		37,851,010	51,141,565
Loss from Water Taxi operations		(33,658,564)	(45,359,329)
Government grants – operations	22	33,658,564	45,359,329
Profit from water taxi operations		-	-
Amortisation of government capital grants	22	16,563,649	16,182,589
Depreciation and amortisation		(16,563,649)	(15,955,191)
Loan interest		-	(227,398)
		-	-
Total comprehensive income for the year		10,202,563	20,919,434

(The accompanying notes are an integral part of these financial statements)

NATIONAL INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY

30 SEPTEMBER 2020

	Stated Capital ($)	Accumulated Deficit ($)	Total ($)
Balance, 30 September 2019			
Balance, beginning of year	10	(91,084,546)	(91,084,536)
Total comprehensive income for the year	-	20,919,434	20,919,434
Prior period adjustment	-	493,307	493,307
Balance, end of year	10	(69,671,805)	(69,671,795)
Balance, 30 September 2020			
Balance, beginning of year	10	(69,671,805)	(69,671,795)
Total comprehensive income for the year	-	10,202,563	10,202,563
Prior period adjustment (**Note 2(o)**)	-	(954,899)	(954,899)
Balance, end of year	10	(60,424,141)	(60,424,131)

NATIONAL INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

	For the year ended 30 September 2020 $	2019 $
Cash Flows from Operating Activities		
Net profit from projects before taxation	10,713,824	21,439,023
Loss on Water Taxi Operations	(33,658,564)	(45,359,329)
Adjustments for non-cash items:		
Foreign exchange (gain)/loss	(1,459,283)	5,662,503
Interest income	(505,990)	(2,607,692)
Interest expense	108,083,097	70,431,730
Grant income	(108,083,097)	(70,431,730)
Amortisation of deferred capital grant	(16,563,649)	(15,955,191)
Prior period adjustment	(954,899)	493,307
Financing from Government of Trinidad and Tobago - Water Taxi	64,549,000	43,463,990
Gain on sale of property, plant and equipment	(3,202)	(765)
Depreciation – property, plant and equipment	38,961,475	26,784,810
Depreciation – RoUAs	92,114,029	-
Allowance for IFRS 9 impairment – Due from Government of Trinidad and Tobago	4,279,112	2,456,824
Amortisation – intangible	70,089	126,904
Interest portion of finance lease payment	285,168	-
	157,827,110	36,504,384
Change in Due from Government of Trinidad and Tobago net of loans	(252,529,840)	(742,615,261)
Change in trade receivables and other receivables	(965,456)	8,155,076
Change in Due to Government of Trinidad and Tobago	(85,837,634)	140,045,835
Change in trade payables and other liabilities	103,404,509	(104,530,984)
	(78,101,311)	(662,440,950)
Taxation paid	(455,191)	(650,104)
Net cash used in Operating Activities	(78,556,502)	(663,091,054)
Cash Flows from Investing Activities:		
Sale proceeds from disposal of property plant and equipment	13,600	1,014
Acquisition – property, plant and equipment	(5,678,108)	(160,178,331)
Acquisition – capital work in progress	(16,902,870)	-
Transfer – property, plant and equipment	7,700,921	-
Interest received	505,990	2,607,692
Net cash used in Investing Activities	(14,360,467)	(157,569,625)
Cash Flows Financing Activities:		
Funding from new loans	676,720,670	713,661,568
Loans principal repayments	(331,203,735)	(191,614,089)
Loan interest paid	(107,613,331)	(69,490,183)
Loan financing from Government of Trinidad and Tobago	237,903,604	261,104,272
Interest portion of finance lease payment	(285,168)	-
Finance lease payments – principal element	(91,169,401)	-
Release of restricted cash	-	38,190,000
Net cash generated from Financing Activities	384,352,639	751,851,568
Net change in cash and cash equivalents	291,435,670	(68,809,111)
Effects of exchange rate difference on cash and cash equivalents	1,459,283	(5,662,503)
Cash and Cash Equivalents, beginning of year	481,939,372	556,410,986
Cash and Cash Equivalents, end of year	774,834,325	481,939,372

(The accompanying notes are an integral part of these financial statements)

NATIONAL INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2020

1. Incorporation and Principal Activity

National Infrastructure Development Company Limited ("NIDCO") was incorporated in Trinidad and Tobago on 11 January 2005. Its principal activity is the execution of infrastructure and transportation projects. NIDCO earns a management fee from The Government of the Republic of Trinidad and Tobago ("GORTT") for its services. Its registered office is at The Atrium, Don Miguel Road Extension, San Juan and is wholly owned by GORTT.

NIDCO enters into various contracts with third parties for the execution of Governmental infrastructural projects. All contract costs incurred in relation to these contracts are recoverable from GORTT, together with the management fees.

2. Summary of Significant Accounting Policies:

(a) Basis of financial statement preparation -

These financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and its interpretations issued and adopted by the International Accounting Standards Board. These financial statements are stated on the historical cost basis except for certain elements which are stated at fair value.

Fair value is the price that would be received from sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, NIDCO takes into account the characteristics of the asset or liability, if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes is determined on this basis.

Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety. These levels are described below:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

No account has been taken for the effects of inflation.

(b) Functional and reporting currency -

The financial statements are presented in Trinidad and Tobago dollars which is the company's functional currency.

In preparing the financial statements, transactions in currencies other than NIDCO's functional currency are recognised at the rates prevailing at the dates of the transactions.

2. Summary of Significant Accounting Policies (Cont'd):

(b) Functional and Reporting Currency (cont'd) -

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting date. Non-monetary items at fair value, which are denominated in foreign currencies, are retranslated at the rates prevailing at the date when fair value was determined. Non-monetary items at historical cost, which are denominated in foreign currencies, are not retranslated.

(c) Use of estimates and judgements -

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires management to exercise its judgement in the process of applying the company's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenditure during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(d) New accounting standards and interpretations -

i) During the current year the company adopted all the new and revised IFRSs and International Financial Reporting Interpretation Committee Standards (IFRICs) which are relevant to its operations and are effective for accounting periods commencing on 1 January 2019. A number of other new standards are also effective from 1 January 2019, but they do not have a material effect on the Company's financial statements, only the following:

IFRS 16 'Leases'

IFRS 16 replaces IAS 17 effective 1 January 2019 and sets out the principles for the recognition, measurement, presentation and disclosure of leases.

The objective is to ensure that lessees and lessors provide relevant information that gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of the entity.

NATIONAL INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2020

2. **Summary of Significant Accounting Policies (Cont'd):**

(d) New Accounting Standards and Interpretations (cont'd) -

ii) The company did not apply the following standards, revised standards and interpretations that have been issued as they are either not yet effective, do not apply to its activities or have no material impact on its financial statements:

IFRS 1 First-time Adoption of Financial Reporting Standards - Amendments regarding subsidiary as first-time adopter (effective for accounting periods beginning on or after 1 January 2022).

IFRS 3 Business Combinations - Amendments to clarify the definition of a business (effective for accounting periods beginning on or after 1 January 2020).

IFRS 3 Business Combinations - Amendments regarding the reference to the conceptual framework (effective for accounting periods beginning on or after 1 January 2022).

IFRS 4 Insurance Contracts - Amendments regarding the interest rate benchmark reform (effective for accounting periods beginning on or after 1 January 2021).

IFRS 4 Insurance Contracts - Amendments regarding IFRS 17 and the extension of the temporary exemption from applying IFRS 9 (effective for accounting periods beginning on or after 1 January 2023).

IFRS 7 Financial Instruments: Disclosure – Amendments regarding pre-replacement issues in the context of the IBOR reform (effective for accounting periods beginning on or after 1 January 2020).

IFRS 7 Financial Instruments: Disclosures - Amendments regarding additional disclosures arising from interest rate benchmark reform (effective for accounting periods beginning on or after 1 January 2021).

IFRS 9 Financial Instruments - Amendments regarding pre-replacement issues in the context of the IBOR reform (effective for accounting periods beginning on or after 1 January 2020).

IFRS 9 Financial Instruments - Amendments regarding replacement issues in the context of the interest rate benchmark reform (effective for accounting periods beginning on or after 1 January 2021).

IFRS 9 Financial Instruments - Amendments regarding fees in the 'ten percent' test for derecognition of financial liabilities (effective for accounting periods beginning on or after 1 January 2022).

NATIONAL INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2020

2. **Summary of Significant Accounting Policies (Cont'd):**

(d) New Accounting Standards and Interpretations (cont'd) -

ii) The company did not apply the following standards, revised standards and interpretations that have been issued as they are either not yet effective, do not apply to its activities or have no material impact on its financial statements (cont'd):

IFRS 16	Leases - Amendments regarding the interest rate benchmark reform (effective for accounting periods beginning on or after 1 January 2021).
IFRS 16	Leases – Amendment to extend the exemption from assessing whether a COVID -19 related rent concession is a lease modification (effective for accounting periods beginning on or after 1 April 2021).
IFRS 16	Leases - Amendments regarding the accounting treatment of lease incentives (effective for accounting periods beginning on or after 1 January 2022).
IFRS 16	Leases - Amendments regarding a lease liability in sale and leaseback transactions (effective for accounting periods beginning on or after 1 January 2024).
IFRS 17	Insurance Contracts (effective for accounting periods beginning on or after 1 January 2023).
IAS 1	Presentation of Financial Statements - Amendments regarding the definition of material (effective for accounting periods beginning on or after 1 January 2020).
IAS 1	Presentation of Financial Statements - Amendments regarding the classification of liabilities as current and non-current (effective for accounting periods beginning on or after 1 January 2023).
IAS 1	Presentation of Financial Statements - Amendments regarding non- current liabilities with covenants (effective for accounting periods beginning on or after 1 January 2024).
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors - Amendments regarding the definition of accounting estimates (effective for accounting periods beginning on or after 1 January 2023).
IAS 12	Income Taxes - Amendments regarding deferred tax on leases and decommissioning obligations (effective for accounting periods beginning on or after 1 January 2023).

NATIONAL INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2020

2. **Summary of Significant Accounting Policies (Cont'd):**

(d) New Accounting Standards and Interpretations (cont'd) -

ii) The company did not apply the following standards, revised standards and interpretations that have been issued as they are either not yet effective, do not apply to its activities or have no material impact on its financial statements (cont'd):

IAS 16	Property, Plant and Equipment - Amendments regarding proceeds before intended use (effective for accounting periods beginning on or after 1 January 2022).
IAS 21	Effects of Changes in Foreign Exchange Rates – Amendments to lack of exchangeability (effective for accounting periods beginning on or after 1 January 2025).
IAS 37	Provisions, Contingent Liabilities and Contingent Assets - Amendments regarding onerous contracts and cost of fulfilling a contract (effective for accounting periods beginning on or after 1 January 2022).
IAS 39	Financial Instruments: Recognition and Measurement - Amendments regarding replacement issues in the context of the IBOR reform (effective for accounting periods beginning on or after 1 January 2021).
IAS 41	Agriculture - Amendments regarding taxation in fair value measurements (effective for accounting periods beginning on or after 1 January 2022).

IAS – International Accounting Standards
IFRS – International Financial Reporting Standards
IFRIC – International Financial Reporting Interpretation Committee Interpretations.

The company is currently assessing the impact of adopting these standards and interpretations.

NATIONAL INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2020

2. **Summary of Significant Accounting Policies (Cont'd):**

(e) **Property, plant and equipment -**

Property, plant and equipment are recorded at cost less accumulated depreciation and impairment.

Cost includes the purchase price of the assets, in addition to any further cost incurred to bring the asset to its present condition and location. Any improvements to assets during that the year that significantly add to the value or extend the life of the asset will be capitalised as part of the asset cost.

Depreciation is recognised on the straight-line basis over the estimated useful lives of the assets as follows:

Equipment	-	25%
Furniture and fixtures	-	10%
Motor Vehicles	-	25%
Intangible Asset	-	25%
Vessels	-	5%

Water taxi assets:

Vessels	-	10%
Pontoons	-	10%
Building	-	2%
Leasehold improvements	-	2%

Assets under finance leases are depreciated over their expected useful lives on the same basis as company-owned assets. However, when there is no reasonable certainty that ownership will be obtained at the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

Repairs and renovations are normally expensed when incurred. Expenses are added to assets only if the amounts involved are substantial and one or more of the following conditions are satisfied:

1. the original useful life of the relevant asset is prolonged;
2. its production capacity is increased;
3. the quality of its output is enhanced materially; or
4. production costs are reduced considerably.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2. Summary of Significant Accounting Policies (Cont'd):

(f) Intangible assets -

NIDCO's intangible assets comprise separately identifiable items arising from computer software licenses. Intangible assets are initially recognised at cost. Intangible assets which have finite useful lives and are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. The rate utilised is 25%.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

(g) Leases -

With the introduction of IFRS 16, leases that were previously recorded as operating leases were evaluated to establish if they were right-of-use assets (RoUAs). Leases of property, plant and equipment where the company assumes substantially all the benefits and risks of ownership are classified as finance leases. All other leases are classified as operating leases. Opting for the modified retrospective approach for finance leases, these RoUAs were measured at the amount equal to their equivalent lease liabilities as shown in **Note 8**. The lease liabilities were measured as the present value of the remaining lease payments – discounted using an average borrowing rate of the loans held at several financial institutions by the Company.

The company is a lessee.

Lease payments are apportioned between finance expenses and reduction in the lease obligation, so as to achieve a constant rate on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the company's general policy on borrowing costs.

Contingent rentals are recognised as expenses in the periods in which they are incurred.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are initially recognised as a liability and credited to the rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

2. Summary of Significant Accounting Policies (Cont'd):

(h) Financial instruments -

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial Recognition and Measurement

Financial assets are classified at initial recognition as either (i) financial assets subsequently measured at amortised cost, (ii) fair value through other comprehensive income ("FVTOCI"), or (iii) fair value through profit or loss ("FVTPL").

The classification of the financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the company's business model for managing them.

In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

NIDCO's business model for managing financial assets details how it manages its financial assets in order to generate cash flows., as well as the nature of cash flows, whether from the collecting contractual cash flows, the selling of financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the company commits to purchase or sell the asset.

Subsequent Measurement

The company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and

- The contractual terms of the financial asset give rise on a specific date to cash flows that are SPPI on the principal amount outstanding.

2. Summary of Significant Accounting Policies (Cont'd):

(h) Financial instruments (cont'd) -

Effective interest rate method

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognised, modified or impaired.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or whether appropriate, a short period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for financial instruments other than those classified as FVTPL.

The company's financial assets at amortised cost include cash and cash equivalents, trade and other receivables and due from GORTT.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less at the time of purchase, which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are measured at initial recognition at the undiscounted invoice price, and are subsequently measured at amortised cost. Appropriate allowances for estimated irrecoverable amounts are recognised in the Statement of Comprehensive Income when there is objective evidence that the asset is impaired. The allowance is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

Interest income is recognised by applying the effective interest rate, except for short-term receivables when the effect of discount is immaterial.

2. Summary of Significant Accounting Policies (Cont'd):

(h) Financial instruments (cont'd) -

Impairment

Financial assets are assessed for impairment indicators at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that as a result of one or more events that has occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial asset have been affected.

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty;
- breach of contract, such as a default or delinquency in interest or principal payments;
- it becomes probable that the debtor will enter bankruptcy or financial reorganization;
- the disappearance of an active market for the financial asset because of financial difficulties.

In accordance with the accounting policy for impairment of financial assets, the company recognises an allowance for ECLs for customer and other receivables. IFRS 9 requires an impairment provision to be recognised on origination of a customer advance, based on its ECL. The company has taken the simplification available under IFRS 9 paragraph 5.5.15, which allows the loss amount in relation to a trade receivable to be measured at initial recognition and throughout its life at an amount equal to its lifetime ECL. This simplification is permitted where there is either no significant financing component or where there is a significant financing component but the directors make an accounting policy choice to adopt the simplification. Adoption of this approach means that Significant Increase in Credit Risk (SICR) and Date of Initial Recognition (DOIR) concepts are not applicable to the company's ECL calculations. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. Impairment charges in respect of trade receivables are recognised a separate line item called 'impairment'.

Delinquency is defined as being in arrears, and credit impairment is defined as a receivable in default i.e., the point at which the debt is passed to the Credit Department. Delinquency and default are relevant for the estimation of ECL, which segments the customers' indebtedness into bands rated 'very low risk', 'low risk', 'medium risk' and 'high risk'.

Financial assets are written off when there is no reasonable expectation of recovery, such as when a customer fails to engage in a repayment plan. If recoveries are subsequently made after receivables have been written off, they are recognised in the Statement of Comprehensive Income.

2. Summary of Significant Accounting Policies (Cont'd):

(h) Financial instruments (cont'd) -

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the company's separate statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or

- The company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay, to a third party under a 'pass-through' arrangement; and either:

  (a) the company has transferred substantially all the risks and rewards of the asset; or
  (b) the company has neither transferred nor retained substantially all the risks and reward of the asset but has transferred control of the asset.

When the company has transferred its right to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the company also recognises an associate liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to pay.

Impairment of Financial Assets

The Company recognises an allowance for expected credit losses ("ECLs") for all financial instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months ("a 12-month ECL"). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default ("a lifetime ECL").

NATIONAL INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2020

2. Summary of Significant Accounting Policies (Cont'd):

(h) Financial instruments (cont'd)-

Financial assets

Initial recognition and measurement

All financial liabilities are recognized initially at fair value, net of directly attributable transaction costs. The company's financial liabilities include trade payables, accrued expenses and other liabilities, borrowings and amounts due to GORTT.

Subsequent measurement of other financial liabilities

Other financial liabilities (including borrowings, trade payables and accrued expenses and other liabilities) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or where appropriate, a short period, to the net carrying amount on initial recognition.

The company does not have any financial guarantee contracts.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. When an existing liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification, this is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Comprehensive Income.

(i) Revenue recognition -

Revenue comprises the fair value of the consideration received or receivable for the services carried out in the ordinary course of the company's activities. Revenue is shown net of rebates and discounts.

The company recognises revenue when (i) the amount can be reliably measured, (ii) it is probable that future economic benefits will flow to the entity and (iii) any other specific criteria have been met for each of the company's activities.

NATIONAL INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2020

2. **Summary of Significant l Accounting Policies (Cont'd):**

(i) **Revenue recognition (cont'd) -**

Management fees
Revenue is recognized at the time that work performed is certified and this is done on an accrual basis. The management fees are based on a set percentage agreed between the company and the respective client (Ministry of Works and Transport). The percentage varies by project and is communicated by Cabinet Note.

Interest income
Interest income is recognised using the effective interest method.

Construction supervision fees
The Construction supervision fees are based on a set percentage agreed between the company and the respective client (Ministry of Works and Transport). The percentage varies by project and is communicated by Cabinet Note. The fees are recognised in accordance with the project progress schedule.

Government grants
Government grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and that the grants will be received. These are recognised in the Statement of Comprehensive Income on a systematic basis over the periods in which the company recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants, which has as its primary condition, that the company should purchase, construct or otherwise acquire non-current assets, are recognised as deferred revenue in the Statement of Financial Position, and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the company with no future related costs are recognised in profit or loss in the period in which they become receivable.

The company receives government grants as follows:

i) As an operational grant to meet any shortfall created by the excess of operating expenditure over ticketing income for the water taxi;

ii) As a capital grant to meet the total capital costs incurred in the acquisition of capital items for the water taxi, including the cost of borrowing where a loan is secured for their financing; and

iii) As an income grant to offset the interest on loans undertaken to finance infrastructural projects.

Tender Fees
Revenue is recognised upon sale of tender package.

Water taxi income
Charter income is recognised at the time the service is rendered and funds are received from the customer.

2. **Summary of Significant Accounting Policies (Cont'd):**

(j) Borrowing cost -

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

The company's borrowings are wholly for services executed on behalf of, or provided to GORTT, and therefore do not have temporary investments of specific borrowings. All borrowing costs are recognised in profit or loss in the period in which they occurred.

(k) Taxation -

Income tax expense represents the sum of the tax charge and deferred taxes.

i) Current tax

The tax receivable (or currently payable) is based on taxable profit for the year. Taxable profit differs from 'profits before tax' as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years, and it further excludes items that are not taxable or deductible. Current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

ii) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

NATIONAL INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

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2. **Summary of Significant Accounting Policies (Cont'd):**

(l) **Derivative financial instruments -**

The company purchased a derivative financial instrument to manage its exposure to interest rate fluctuations, where the floating interest rate for loan taken out with Australia & New Zealand (ANZ) Banking Group was swapped for a fixed rate.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently revalued to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately, unless the derivative is designated and effective as a hedging instrument, in which event, the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

(m) **Employee benefits -**

The company provides short-term benefits such as salaries and related allowances, as well as a medical plan with a life insurance element that is non-transferable. A liability is recognised for benefits accruing to employees in respect of wages and salaries and annual leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

(n) **Comparative information -**

Where necessary comparative data has been adjusted to conform with changes in presentation in the current year.

(o) **Prior period adjustment -**

This prior period adjustment related to the reversal accruals for vessels claims and expenses relating to period 2016 to 2019.

3. Financial Risk Management:

Financial risk factors

The company's activities expose it to currency risk, interest rate risk, liquidity risk, credit risk, operational risk, compliance risk and reputation risk.

The risk management process is an integral part of management and it is vital to the health and safety of employees and members of the public.

Role of the Finance and Risk Committee

This Committee is appointed by the Board to act in an advisory capacity. The Committee's primary duties and responsibilities are to formulate and to recommend policies and procedures to the Board for approval; review policies and procedures on an ongoing basis, in light of economic and business conditions and, where needed, make recommendations for Board approval.

Categories of financial instruments the company currently holds are as follows:

	30 September 2020 ($)	30 September 2019 ($)
Financial assets at amortised cost:		
Loans and Receivables:		
Other receivables (**Note 12**)	1,524,594	1,524,694
Due from GORTT (**Note 10**)	2,631,492,067	2,513,531,617
Cash and Cash Equivalents (**Note 14**)	774,834,325	481,939,372
	3,407,850,986	**2,996,995,683**
Financial liabilities at amortised cost:		
Trade Payables (**Note 20**)	294,091,025	266,205,191
Accrued Expenses and Other Liabilities (**Note 21**)	251,711,508	176,192,835
Due to GORTT (**Note 17**)	607,265,971	706,453,642
Borrowings (**Note 16**)	2,288,528,503	1,943,011,568
	3,441,597,007	**3,091,863,236**

The company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Foreign currency risk
- Interest risk

NATIONAL INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2020

3. Financial Risk Management (Cont'd):

Financial risk factors (cont'd) -

(a) Credit risk -

Financial instruments that potentially subject the company to credit risk include trade debtors. These are due primarily from GORTT. No provisions have been set up against the receivable balances for potential credit losses, as the likelihood of this occurring is remote.

Management monitors exposure to credit risk on an on-going basis. The maximum exposure to credit risk is represented by the carrying amount of the financial asset in the Statement of Financial Position. The exposure to credit risk at year end is:

	30 September 2020 ($)	30 September 2019 ($)
Other Receivables (**Note 12**)	1,524,594	1,524,694
Due from GORTT (**Note 10**)	2,631,492,067	2,513,531,617
Cash and Cash Equivalents (**Note 14**)	774,834,325	481,939,372
	3,407,850,986	**2,996,995,683**

(i) The aging of other receivables at year end is:

	Total	Neither past due nor impaired 31-90 days	Past due but not impaired Over 90 days
2020	1,524,594	-	1,524,594
2019	1,524,694	10,467	1,514,227

No impairment losses were recorded with respect to other receivables in 2020 (2019: NIL).

The recoverable amount over 90 days of **$1.5m** (2019: **$1.5m**) is recoverable from the Port Authority. It was settled in 2022.

NATIONAL INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2020

3. Financial Risk Management (Cont'd):

Financial risk factors (cont'd)

(a) Credit Risk (cont'd) -

(ii) The aging of Due from GORTT at the year is:

	Total	Neither past due nor impaired	Past due but not Impaired
2020	2,631,492,067	2,312,992,909	318,499,158
2019	2,513,531,617	1,964,146,846	549,384,771

(b) Liquidity risk

The company manages its liquidity risk by maintaining precise levels of cash to meet its cash obligations as they fall due, utilising cash flow forecasts and other internal monitoring reports.

The following are the undiscounted contractual maturities of financial liabilities, including interest payments:

Non-derivative financial liabilities

	Less than One year $	More than One year $
30 September 2020		
Borrowings	221,259,524	2,067,268,979
Trade Payables	294,091,025	-
Accrued Expenses and Other Liabilities	251,711,508	-
Due to GORTT	38,304,000	568,961,971
	805,366,057	**2,636,230,950**
30 September 2019		
Borrowings	221,259,524	1,721,752,044
Trade Payables	266,205,191	-
Accrued Expenses and Other Liabilities	176,192,835	-
Due to GORTT	38,304,000	668,149,642
	701,961,550	**2,389,901,686**

NATIONAL INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2020

3. **Financial Risk Management (Cont'd):**

Financial risk factors (cont'd)

(c) **Market risk -**
Market risk arises in the normal course of business and encompasses the risk to earnings that arises from changes in foreign exchange rates, interest rates and equity prices. The company does not currently invest in equities.

(d) **Foreign currency risk -**
The company has significant foreign currency risk on transactions that are denominated in a currency other than the Trinidad and Tobago dollar. The currency giving rise to any risk is primarily the United States dollar. The First Citizen Bank exchange rate of the United States dollar to the Trinidad and Tobago dollar at year end was 6.7993 (2019: 6.6900). The foreign exchange risk is managed through funding from GORTT based on the timing when foreign liabilities fall due.

Foreign currency exposure

	TTD ($)	USD ($)	Other Currencies ($)	Total ($)
2020				
Financial Assets				
Cash and cash equivalents	689,454,443	84,780,551	599,331	774,834,325
Other receivables	1,524,594	-	-	1,524,594
Due from GORTT	2,629,459,113	2,032,954	-	2,631,492,067
Total Financial Assets	3,320,438,150	86,813,505	599,331	3,407,850,986
Financial Liabilities				
Borrowings	1,942,833,333	345,695,170	-	2,288,528,503
Trade payables	260,189,247	33,372,173	529,605	294,091,025
Accrued expenses and other liabilities	235,303,110	16,408,398	-	251,711,508
Due to GORTT	-	607,265,971	-	607,265,971
Total Financial Liabilities	2,438,325,690	1,002,741,712	529,605	3,441,597,007
Exposure	882,112,460	(915,928,207)	69,726	(33,746,021)

NATIONAL INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2020

3. Financial Risk Management (Cont'd):

Financial risk factors (cont'd) -

(d) Foreign currency exposure (cont'd)

	TTD ($)	USD ($)	Other Currencies ($)	Total ($)
2019				
Financial Assets				
Cash and cash equivalents	426,160,515	55,207,097	571,760	481,939,372
Other receivables	1,524,694	-	-	1,524,694
Due from GORTT	2,513,531,617	-	-	2,513,531,617
Total Financial Assets	2,941,216,826	55,207,097	571,760	2,996,995,683
Financial Liabilities				
Borrowings	1,729,350,000	213,661,568	-	1,943,011,568
Trade payables	230,350,674	11,238,930	24,615,587	266,205,191
Accrued expenses and other liabilities	166,890,400	9,164,313	138,122	176,192,835
Due to GORTT	-	706,453,642	-	706,453,642
Total Financial Liabilities	2,126,591,074	940,518,453	24,753,709	3,091,863,236
Exposure	814,625,752	(885,311,356)	(24,181,949)	(94,867,553)

(e) Interest rate risk

The company has exposure to interest rate risk on its borrowings. There is one loan facility which is based on a floating rate arrangement and there is an interest rate swap in place to mitigate against this risk. See **Note 16 v**. The exposure to fluctuating cash flows as a result the floating interest rate is not material.

Estimation of fair values

Fair value amounts represent estimates of the arm's length consideration that would be currently agreed upon between knowledgeable and willing parties who are under no compulsion to act and is best evidenced by a quoted market price if one exists. The estimated fair value of the company's financial instruments is based on the market prices and valuation methodologies.

3. Financial Risk Management (Cont'd):

Financial risk factors (cont'd) -

(e) Interest rate risk (cont'd)

Estimation of fair values (cont'd) -

	Carry Value	
	2020	**2019**
	$	**$**
Financial Liabilities		
Borrowings	2,288,528,503	1,943,011,568

	Fair Value	
	2020	**2019**
	($)	**($)**
Financial Liabilities		
Borrowings	2,288,528,503	1,943,011,568

4. Critical Accounting Estimates and Judgements:

The preparation of financial statements in accordance with International Financial Reporting Standards requires management to make judgements, estimates and assumptions in the process of applying the company's accounting policies.

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. The company makes estimates and assumptions concerning the future and actual results could differ from those estimates as the resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Changes in accounting estimates are recognised in the Statement of Comprehensive Income in the period in which the estimate is changed, if the change affects that period only, or in the period of the change and future periods if the change affects both current and future periods.

The critical judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements, are as follows:

i. Which depreciation method is used for fixed assets.
ii. Business model assessment.

4. Critical Accounting Estimates and Judgements (Cont'd):

The company reassess its business models each reporting period to determine whether they continue to be appropriate and if there needs to be a prospective change to the classification of financial assets. This assessment includes judgement regarding:

- how the performance of the assets is evaluated and measured; and
- the risks that affect the performance of the assets and how these risks are managed.

Significant increase of credit risk:

The company computes twelve-month ECL for Stage 1 assets and lifetime ECL for Stage 2 and Stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. Assessing whether there has been a significant increase in credit risk requires judgement, taking into account reasonable and supportable forward-looking information.

Establishing groups of assets with similar credit risk characteristics:

When ECL is measured on a collective basis, the financial instruments are grouped on the basis of shared risk characteristics. The company monitors the appropriateness of the credit risk characteristics on an ongoing basis. Judgement is required in determining whether and when to move assets between portfolios.

Valuation models and assumptions used:

The company uses various valuation models and assumptions in measuring the fair value of financial assets, as well as in estimating ECL. Judgement is applied in identifying the most appropriate valuation model for each type of asset, as well as in determining the assumptions to be used for each model.

NATIONAL INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2020

4. **Critical Accounting Estimates and Judgements (Cont'd):**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date (requiring management's most difficult, subjective or complex judgements) that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

i) Impairment of assets

Management assesses at each reporting date, whether assets are impaired. An asset is impaired when the carrying value is greater than its recoverable amount, and there is objective evidence of impairment. Recoverable amount is the present value of future cash flows. Allowances are made for the excess of the carrying value over its recoverable amount.

ii) Probability of default (PD)

PD is an estimate of the likelihood of default over a given period of time, the calculation of which includes historical data, assumption and expectations of future conditions. PD constitutes a key input in measuring ECL.

iii) Loss Given Default (LGD)

LGD is an estimate of the percentage loss arising on default, and is based on the difference between the contractual cash flows due and those that the company would reasonably expect to receive, taking into account cash flows from collateral. It requires forecasting the future valuation of collateral taking into account sale discounts, the time and cost associated with realising collateral and seniority of claim. LGD is a key input in measuring ECL.

iv) Fair value measurement and valuation process

In estimating the fair value of a financial asset or a liability, the company uses market-observable data to the extent that it is available. Where Level 1 inputs are not available, the company uses valuation models to determine the fair value of its financial instruments.

v) Exposure at Default (EAD)

EAD is an estimate of the total loss incurred upon default, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest. EAD is a key input in measuring ECL.

vi) Property, plant and equipment

Management exercises judgement in determining whether future economic benefits can be derived from expenditures to be capitalised and in estimating the useful lives and residual values of these assets.

NATIONAL INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2020

5. Property, Plant and Equipment:

	Water Taxi $	Equipment $	Furniture & Fixtures $	Motor Vehicles $	Leasehold Improvement $	JDLV Ramps $	Galleons Passage $	Total $
Cost/Valuation								
Balance, 1 October 2019	241,487,229	8,999,191	4,688,623	951,421	2,032,758	16,405,268	134,568,579	409,133,069
Additions	234,581	207,421	242,286	-	88,000	4,905,820	-	5,678,108
Transfers	(7,581,899)	-	-	-	-	-	(119,022)	(7,700,921)
Disposals	-	(16,100)	-	-	-	-	-	(16,100)
Balance, 30 September 2020	234,139,911	9,190,512	4,930,909	951,421	2,120,758	21,311,088	134,449,557	407,094,156
Accumulated Depreciation								
Balance, 1 October 2019	71,450,703	7,664,419	3,935,152	811,995	1,211,886	2,734,211	7,015,731	94,824,097
Depreciation Charge	16,338,252	445,447	320,724	139,426	113,144	14,600,654	7,003,828	38,961,475
Disposals	-	(5,702)	-	-	-	-	-	(5,702)
Balance, 30 September 2020	87,788,955	8,104,164	4,255,876	951,421	1,325,030	17,334,865	14,019,559	133,779,870
Net Book Value								
Balance, 30 September 2020	146,350,956	1,086,348	675,033	-	795,728	3,976,223	120,429,998	273,314,286
Balance, 30 September 2019	170,036,526	1,334,772	753,471	139,426	820,872	13,671,057	127,552,848	314,308,972

NATIONAL INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

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5. Property, Plant and Equipment (Cont'd):

	Water Taxi $	Equipment $	Furniture & Fixtures $	Motor Vehicles $	Leasehold Improvement $	JDLV Ramps $	Galleons Passage $	Total $
Cost/Valuation								
Balance, 1 October 2018	233,794,478	7,542,249	4,685,373	951,421	2,007,006	-	-	248,980,527
Additions	7,692,751	1,477,231	3,250	-	25,752	16,405,268	134,568,579	160,172,831
Disposals	-	(20,289)	-	-	-	-	-	(20,289)
Balance, 30 September 2019	241,487,229	8,999,191	4,688,623	951,421	2,032,758	16,405,268	134,568,579	409,133,069
Accumulated Depreciation								
Balance, 1 October 2018	55,495,511	7,284,522	3,599,080	574,140	1,106,074	-	-	68,059,327
Depreciation Charge	15,955,192	399,937	336,072	237,855	105,812	2,734,211	7,015,731	26,784,810
Disposals	-	(20,040)	-	-	-	-	-	(20,040)
Balance, 30 September 2019	71,450,703	7,664,419	3,935,152	811,995	1,211,886	2,734,211	7,015,731	94,824,097
Net Book Value								
Balance, 30 September 2019	170,036,526	1,334,772	753,471	139,426	820,872	13,671,057	127,552,848	314,308,972
Balance, 30 September 2018	178,298,967	257,727	1,086,293	377,281	900,932	-	-	180,921,200

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6. Intangible Assets:

	Water Taxi Computer Software $	Computer Software $	Total $
Cost			
Balance, 1 October 2019	18,625,917	5,875,445	24,501,362
Additions	-	-	-
Balance, 30 September 2020	18,625,917	5,875,445	24,501,362
Accumulated amortisation			
Balance, 1 October 2019	18,625,917	5,795,531	24,421,448
Amortisation	-	70,089	70,089
Balance, 30 September 2020	18,625,917	5,865,620	24,491,537
Net book Value			
Balance, 30 September 2020	-	**9,825**	**9,825**
Balance, 30 September 2019	-	**79,914**	**79,914**

	Water Taxi Computer Software $	Computer Software $	Total $
Cost			
Balance, 1 October 2018	18,625,917	5,869,945	24,495,862
Additions	-	5,500	5,500
Balance, 30 September 2019	18,625,917	5,875,445	24,501,362
Accumulated amortisation			
Balance, 1 October 2018	18,625,917	5,668,627	24,294,544
Amortisation	-	126,904	126,904
Balance, 30 September 2019	18,625,917	5,795,531	24,421,448
Net book Value			
Balance, 30 September 2019	-	**79,914**	**79,914**
Balance, 30 September 2018	-	**201,318**	**201,318**

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7. Capital Work in Progress:

This amount represents assets purchase for the Water Taxi Vessels that were not received and put into use in the current fiscal.

	30 September 2020 ($)	2019 ($)
Capital Work in Progress	16,902,870	-
	16,902,870	-

8. Finance Lease:

The company leases land, a passenger vessel, office space and printers. The land is situated in San Fernando and Port of Spain where the Water Taxi terminals operate. The office space situated at Don Miguel Extension, El Socorro and is the main office. The printers are in all locations and will not be renewed with the current vendor. The vessel lease for the JDLV was for a period of 1 year initially then extended for an additional 6 months.

Right of use asset	**Land** ($)	**Office Space** ($)	**Office Equipment** ($)	**Vessel** $	**Total** ($)
Balance at 1 October 2019	-	-	-	-	-
Effect of IFRS 16	3,420,397	3,953,876	358,808	120,572,690	128,305,771
Balance at 30 September 2020	3,420,397	3,953,876	358,808	120,572,690	128,305,771
Accumulated Depreciation					
Balance at 1 October 2019	-	-	-	-	-
Charge for the period	176,731	1,317,959	189,821	90,429,518	92,114,029
Balance at 30 September 2020	176,731	1,317,959	189,821	90,429,518	92,114,029
Net Book Value 30 September 2020	**3,243,666**	**2,635,917**	**168,987**	**30,143,172**	**36,191,742**
Lease Liability					
Balance at 1 October 2019	-	-	-	-	-
Effect of IFRS 16	3,420,397	3,953,876	358,808	120,572,690	128,305,771
Payments	(105,991)	(1,274,186)	(185,552)	(89,603,672)	(91,169,401)
Balance at 30 September 2020	**3,314,406**	**2,679,690**	**173,256**	**30,969,018**	**37,136,370**
Current portion					32,798,505
Non-current portion					4,337,865
					37,136,370

9. Security Deposits:

	30 September 2020 ($)	30 September 2019 ($)
The Atrium (Don Miguel Ext.)	172,800	172,800
GAL Holdings Limited (Diego Martin)	1,260	1,260
Massy Motors Limited	35,100	35,100
Samury Limited/Caribbean Medical Solutions Limited (Tobago)	10,000	10,000
	219,160	219,160

These represent deposits paid for commercial property leases and vehicles, which are refundable at the end of the lease term.

10. Due from Government of Trinidad and Tobago:

This amount represents outstanding request for funds and drawdown approvals from GORTT for payment of project costs, project related expenses, management fees and outstanding loan balances on external financing obtained to fund projects, becoming payable to lending institutions.

	30 September 2020 ($)	30 September 2019 ($)
Project funding, outstanding loan balances and management fees due		
Due from GORTT - Non-current	**2,095,116,585**	**1,845,474,641**
Due from GORTT - Current	**536,375,482**	**668,056,976**
	2,631,492,067	2,513,531,617

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11. Taxation

a) Deferred taxation

Deferred tax asset of **$1,442,313** arises from the tax written down value of assets and their corresponding accounting book values at the year end. The applicable tax rate in 2020 is 30%. In 2019 corporation tax was 25% on the first **$1 million** and 30% thereafter. The company is entitled to set-off its brought forward tax losses against taxable profits in any year where profits are achieved. The company has not accounted for deferred tax or losses brought forward, as an estimate of future profit cannot be reasonably made at this time. The estimated tax losses carried forward is **$47 million** (2019: **$55 million**).

	30 September 2020 ($)	30 September 2019 ($)
Written down value per accounting records	2,566,934	2,991,744
Tax value of plant and machinery	(7,374,642)	(8,124,779)
Temporary difference	(4,807,708)	(5,133,035)
Deferred tax asset	**1,442,313**	**1,489,911**

b) Taxation

	30 September 2020 ($)	30 September 2019 ($)
Current tax	463,662	508,864
Deferred tax	47,599	10,725
	511,261	**519,589**
Net profit from projects before taxation	10,713,824	23,895,847
Tax calculated @30%/25%	3,214,147	7,118,754
Non-deductible expenses	11,697	3,236,184
Other timing differences	388,695	(121,370)
Exempt income	(1,586)	(884)
Deductible expenses	(1,135)	(229)
Green fund and business levy	463,662	508,864
Taxable losses utilised	(3,564,219)	(10,221,730)
Current Tax	**511,261**	**519,589**

NATIONAL INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

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12. Trade and Other Receivables:

	30 September 2020 ($)	30 September 2019 ($)
Projects		
Prepayments	451,475	108,822
Other receivables	24,219	24,319
Value Added Tax refundable	3,214,170	2,605,739
	3,689,864	2,738,880
Water Taxi		
Prepayments	181,597	392,394
Other receivables	1,500,375	1,500,375
Goods in transit	225,269	-
	5,597,105	4,631,649

13. Tax Refundable:

	30 September 2020 ($)	30 September 2019 ($)
Business levy	85,287	91,030
Green fund levy	14,991	17,862
Corporation tax	1,873,908	1,873,910
	1,974,186	1,982,802

14. Cash and Cash Equivalents:

Cash and cash equivalents consist of cash in hand and cash balances with banks. Cash and cash equivalents included in the Statement of Cash Flows comprise the following:

	30 September 2020 ($)	30 September 2019 ($)
Short term deposits	95,679,086	64,957,247
Cash at bank	679,060,955	416,897,630
Mutual funds	52,284	51,495
Cash in hand	42,000	33,000
	774,834,325	481,939,372

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15. Stated Capital:

	2020 $	2019 $
Authorised:		
Unlimited number of ordinary shares of no-par value		
Issued and fully paid:		
10 Ordinary shares of no-par value	10	10

16. Borrowings:

Institution	Project	30 September 2020 ($)	2019 ($)
i) Citibank – TTD $344.75M	Aranguez overpass	91,933,333	114,916,667
ii) RBC – TTD$53M	National Traffic Management System	15,900,000	19,433,333
iii) RBC – TTD$1,500M 15 Year Fixed Rate Bond	Sir Solomon Hochoy Highway Extension to Point Fortin Project	960,000,000	1,095,000,000
iv) ANSA Merchant Bank – TT$500M	Sir Solomon Hochoy Highway Extension to Point Fortin Project	500,000,000	500,000,000
v) FCB US$61.5m	Purchase of Two Catamaran Ferries to service inter island sea bridge	345,695,170	213,661,568
vi) Scotia TTD$75M	San Fernando Court Project	75,000,000	-
vii) Scotia TTD$300M	ANR Robinson International Airport	300,000,000	-
Total borrowings		2,288,528,503	1,943,011,568
Current portion		**221,259,524**	**221,259,524**
Non-current portion		**2,067,268,979**	**1,721,752,044**

Reconciliation of liabilities arising from financing activities:

	30 September 2020 ($)	2019 ($)
Balance, beginning of year	1,943,011,568	1,420,964,089
New Loans	676,720,670	713,661,568
Principal repayments	(331,203,735)	(191,614,089)
Balance, end of year	2,288,528,503	1,943,011,568

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16. Borrowings (Cont'd):

Summary of borrowing arrangements

Borrowings comprise of several loans from various lending institutions to fund government projects. Borrowings are fully guaranteed by the Government of Trinidad and Tobago.

i) TT$344,750,000 Fixed Rate Bonds 2009-2024

The bond was underwritten by Citicorp Merchant Bank Limited, who is the arranger. The Trustee for the bond is RBTT Trust Limited and First Citizens Trustee Services Limited (FCIS) is the Paying Agent. The Bond was taken to finance the Aranguez / El Socorro overpass. The loan is secured by a letter of comfort from the Government of Trinidad and Tobago. It carries a fixed rate of interest 6.7% per annum and is repayable semi-annually over 15 years from the date of issue. The loan was issued on 27 August 2009.

ii) RBC Merchant Bank (Caribbean) Limited

The company obtain a loan from RBC Merchant Bank (Caribbean) Limited on 10 December 2009 to finance the National Traffic Management System (NTMS). The loan amount of **TT$53M** is for a period of 15 years, with a fixed interest rate of 7.9% per annum and is repayable via semi-annual payments. The loan is secured by a letter of comfort from the Ministry of Finance.

iii) Syndicate Loan RBC Royal Bank (Trinidad and Tobago) Limited

In December 2014, the company obtained a **TT$1.5B** loan from RBC Royal Bank (Trinidad and Tobago) Limited and Scotiabank of Trinidad and Tobago Limited to finance outstanding obligations on the Sir Solomon Hochoy Highway Extension to Point Fortin Project. The amount was originally negotiated as a Bridging facility and subsequently converted to a **TT$1.5B** fixed rate bond effective June 2016. It carries an interest rate of 4.9% per annum and is repayable semi-annually over 15 years. This facility is backed by GORTT via a letter of guarantee.

iv) TT$500,000,000 ANSA Merchant Bank Limited

On 4th September 2019, the company obtained a **TT$500M** loan from ANSA Merchant Bank Limited to finance the Sir Solomon Hochoy Highway Extension to Point Fortin Project. It carries a fixed rate of interest of 4.78% per annum and is repayable over 9 years from the date of issue. The full principal is payable with the last instalment.

v) US$61,500,000 First Citizens Bank Limited

On 9 July 2019, the company obtained a **USD$61.5M** loan from First Citizens Bank Limited to partially finance the purchase of two (2) Catamaran Ferries for the Inter-Island Sea Bridge. It carries a variable rate of interest of LIBOR plus 2.5%, subject to six (6) month resets. It is repayable over 7 years from the date of issue.

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16. Borrowings (Cont'd):

*vi) **TT$75,000,000** Scotiabank Trinidad and Tobago Limited*

The Company entered into a 5-year loan of TTD$75M from Scotiabank Trinidad and Tobago Limited to finance the Construction of the San Fernando Magistrates Court. 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 a fixed rate of interest of 3.65% per annum and is repayable over 5 years from the date of issue. The loan was issued on 31 January 2020.

*vii) **TT$300,000,000** Scotiabank Trinidad and Tobago Limited*

The Company entered into a 5-year loan of TTD$300M from Scotiabank Trinidad and Tobago Limited to finance the Construction of a new Terminal Building and Associated works at ANR Robinson International Airport (ANRRIA). 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 a fixed rate of interest of 3.80% per annum and is repayable over 5 years from the date of issue. The loan was issued on 20 January 2020.

17. Due to Government of Trinidad and Tobago:

	30 September 2020 ($)	30 September 2019 ($)
i) Funds received from termination of contract	**568,961,971**	**668,149,642**
ii) Funds received for security deposit	**38,304,000**	**38,304,000**
	607,265,971	706,453,642
Not later than one year	**38,304,000**	**38,304,000**
More than one year	**568,961,971**	**668,149,642**
	607,265,971	706,453,642

17. Due to Government of Trinidad and Tobago (Cont'd):

i) Funds from settlement of standby letter for credit:

	30 September	
	2020	**2019**
	($)	**($)**
Balance, beginning of year	668,149,642	728,989,074
Offset against due from GORTT	(98,424,210)	(61,399,797)
Foreign exchange translation	(763,461)	560,365
Balance, end of year	**568,961,971**	**668,149,642**

In July 2011, NIDCO entered into a contract with Construtora OAS Ltd, now Construtora OAS S.A. ("Construtora") to carry out the design and construction works for the National Network of Highways Project (the Sir Solomon Hochoy Highway Extension to Point Fortin Project) Package 3 for the sum of **TTD$4,999,993,000** (vat inclusive) together with certain provisional sums.

On 6 July 2016, NIDCO terminated the contract pursuant to Clause 15.2(b), citing that Construtora abandoned the works, having plainly demonstrated the intention not to continue performance of its obligations under the contract.

Pursuant to NIDCO's issuance of its termination notice and in accordance with the International Federation of Consulting Engineers (FIDIC) rules, the company exercised its right to call in the securities. During fiscal 2016 and 2017, a total value of **US$140.2M** (2016: **US$47.7M**, 2017: **US$92.5M**), which was due to GORTT, was received.

ii) Funds received for security deposit

Funds provided by GORTT were placed on security deposit (**Note 9**) for the loan taken with ANZ Banking Group. The loan was repaid on 21 December 2018 and the security deposit was released to NIDCO on 23 January 2019. The funds were not repaid to GORTT and NIDCO received permission in April 2021 to utilise the funds for the provision of ship management services for the interisland sea bridge vessels.

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18. Deferred Government Capital Grant – Water Taxi:

In 2009, the company obtained a loan to acquire four (4) sea vessels. In accordance with IAS 20 (Accounting for Government Grants and Disclosure of Government Assistance), the loan proceeds were accounted for as Capital Grant receipts to be matched against the cost of the assets in the form of depreciation, and the cost of acquiring the assets in the form of loan interest over the estimated useful life of the vessels.

	30 September	
	2020	**2019**
	($)	**($)**
Balance, beginning of year	147,080,844	155,343,284
Claims for capital expenditure	9,431,724	7,692,752
Amortisation of capital grant income	(13,086,362)	(16,182,589)
Loan interest and other entries	-	227,397
Balance, end of year	143,426,206	147,080,844
Current	**3,645,538**	**8,262,440**
Non-current	**139,780,668**	**138,818,404**
	143,426,206	147,080,844

19. Government Capital Grant Deferred – Projects:

This represents GORTT's interest in the provision of four (4) vehicles transferred to NIDCO by the Organisation of American States (OAS), pursuant to the contractual arrangement and related conditions of the contract, with the principal contractor engaged for construction of the Sir Solomon Hochoy Highway Extension to Point Fortin Project. The amounts were fully transferred to the statement of Comprehensive Income as at the year-end date.

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20. Trade Payables:

	30 September 2020 ($)	30 September 2019 ($)
Projects		
Payable to contractors	211,956,188	187,553,028
Retention due to contractors	75,123,007	65,627,707
	287,079,195	253,180,735
Water Taxi		
Payable to contractors	6,950,798	12,963,424
Retention due to contractors	61,032	61,032
	294,091,025	**266,205,191**

21. Accrued Expenses and Other Liabilities:

	30 September 2020 ($)	30 September 2019 ($)
Projects		
Accrued liabilities	222,286,663	146,617,461
Accrued Interest	21,631,512	21,135,278
Other payables	200,000	444,867
	244,118,175	168,197,606
Water Taxi		
Accrued liabilities	7,593,333	7,995,229
Accrued Interest	-	-
	251,711,508	**176,192,835**

NATIONAL INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

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22. Related Party Transactions and Balances:

The company is wholly owned by GORTT.

The following data constitutes the total amount of material transactions and balances with related parties under the categorisation of essential services and operations continue at a reduced capacity.

	30 September	
	2020 ($)	2019 ($)
(a) GORTT		
Projects Transactions:		
Management fees	46,636,096	47,851,524
Construction supervisor fees	3,573,333	3,573,333
Grant Income (to facilitate payment of loan interest)	108,083,097	70,204,332
Water Taxi Transactions:		
Government grants – operations	33,658,564	45,359,329
Amortisation of Government Capital Grants	16,563,649	16,182,589
Balances:		
Due from GORTT (**Note 10**)	2,631,492,067	2,513,531,617
Due to GORTT (**Note 17**)	607,265,971	706,453,642
Deferred Government Capital Grant - Water Taxi (**Note 18**)	143,426,206	147,080,844
Deferred Government Capital Grant - Projects	-	273,416
Deferred Government Operating Grant - Water Taxi	25,583,222	7,303,833
(b) Related Government own entities		
Other receivables – Port Authority of Trinidad and Tobago	1,500,375	1,500,375

(c) Compensation of key management personnel

Key management personnel are those persons who have authority and responsibility for planning, directing and controlling the activities of the company.

	30 September	
	2020 ($)	2019 ($)
Directors' fee	644,919	567,667
Short term benefits	1,365,000	2,169,476
Employment benefits	240,000	240,000
	2,249,919	2,977,143

23. Commitments and Contingencies:

a) ***Capital commitments***

There were no capital commitments relating to property, plant and equipment at the end of the year.

b) ***Contingencies***

The company was engaged in several legal proceedings arising from the normal course of business. Based on the facts currently available to the company, the outcome of these matters would not have a material, adverse effect on the position of the company.

Partial Final Award dated April 2022 from the LCIA Tribunal assessed payment due to OAS by NIDCO in the sum of **US$126,365,899**, with damages on the Advance Payment Bond, costs and interests to be assessed. This decision was challenged in the local Courts and in December 2022, the High Court ruled that the Tribunal's Partial Award be set aside and the issues identified in the judgment be remitted to the Tribunal for reconsideration. Construtora OAS S.A. is currently appealing this decision and the parties are awaiting Notice of a Case Management Conference at the local Court of Appeal for further filing directions.
Based on the advice of the legal counsel, NIDCO's management is expecting a favourable outcome in this matter.

In case of a judgement against NIDCO it will be unlikely that the GoRTT will not provide the requisite funding.

Management has appropriately accrued for costs associated with judgements against it for all other legal matters.

24. Lease Commitments:

Lease commitments for premises and vessel totalled **$95,592,130** for the year ended 30 September 2020 (2019 - **$2,604,770)** for combined operations. Future minimum rentals payable under non-cancellable leases are as follows:

	30 September	
	2020 ($)	2019 ($)
Not later than one year	95,592,130	2,343,502
Later than one year, not later than five years	40,373,027	9,643,910
Later than 5 years	3,347,089	3,605,928
	139,312,246	15,593,340

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25. General and Administrative Expenses – Projects:

	30 September 2020 ($)	30 September 2019 ($)
Staff costs	27,085,609	25,819,677
Rental	752,962	2,273,484
Legal, professional and consultancy fees	694,313	1,362,726
Directors' fee	644,919	612,217
Bad debts – write offs	-	148,621
	29,177,803	30,216,725

26. Other Expenses - Projects:

	30 September 2020 ($)	30 September 2019 ($)
Management fee reversals	-	9,320
Bank charges	66,806	72,577
Utilities	1,009,777	1,228,981
Repairs & maintenance	443,062	352,676
Public relations	243,080	139,680
Print reproduction and stationery	458,305	461,898
Office and other expenses	677,376	(10,774,949)
Gain on disposal	(3,202)	(765)
Finance cost – IFRS 16	118,705	-
Project expenses	2,858,368	3,051,041
	5,872,277	(5,459,541)

27. Administrative and Other Expenses – Water Taxi:

	30 September 2020 ($)	2019 ($)
Staff costs	16,628,497	15,676,632
Rental	435,008	1,246,195
Legal, professional and consultancy fees	3,731,020	1,822,482
	20,794,525	18,745,309
Utilities	430,132	1,513,906
Repairs & maintenance	1,319,362	240,582
Repairs & maintenance vessels	8,858,435	17,330,071
Public relations	57,510	(5,749)
Print, reproduction and stationery	190,863	159,364
Office and other expenses	722,755	7,357,874
Fuel expenses	5,283,814	5,826,195
Finance cost – IFRS 16	166,463	-
	37,823,859	51,167,552

28. Capital Risk Management:

The company has no formal documented policy regarding capital management, as the company's projects are funded via direct funding from the Infrastructure Development Fund and open market loans backed by GORTT. The company earns a management fee from GORTT for its services. Notwithstanding these receipts, every effort is made to ensure there is value for money for all services rendered and, effective management of assets and liabilities.

29. Events After the Reporting Date:

Loans entered into after fiscal year end 2020

NCB Merchant Bank (Trinidad and Tobago) Limited
The Company entered into an 8 year loan of **$230.9M** from NCB Merchant Bank (Trinidad and Tobago) Limited to finance Sir Solomon Hochoy Highway Extension to Point Fortin Project (SSHHEPF. It carries a rate of interest of 4.49% per annum and is repayable over 8 years for the date of issue. The loan was issued on 20 December 2022.

Major Assets Purchased after fiscal year end 2020

APT James
The APT was brought into use and capitalised in January 2021 at a value of **$495M**. The current value to date is **$496M.**

Buccoo Reef
The Buccoo Reef was brought into use and capitalised in May 2021 at a value of **$515M**. The current value to date is **$517M.**

The purchase of the vessels was financed by a **US$61.5M** loan and the balance of **US$598M** from the allocations from the Infrastructure Development Fund.

All loan facilities are fully guaranteed by the Government of Trinidad and Tobago Limited.

Covid-19 has impacted the operations of the Water Taxi and the Sea-bridge, as the number of passengers and sailings had been reduced. These services, however, remain under the categorisation of essential services and operations continue at a reduced capacity.

The restrictions placed by GORTT impacted the construction, sector as operations on the respective sites were halted in order to comply with the Public Health Ordinance. Despite the restrictions and some temporarily delayed operations, the company anticipates that as restrictions ease, the planned works will resume at the respective sites. Due to the timing of contractor billings, delays will be experienced in the receipt of contractor invoices for works completed. The billings to client Ministries will also be affected, thereby impacting the management fee income earned.