

ANNUAL REPORT 2017 FORTUNE **FAVOURS** **THE BOLD**



www.chamber.org.tt



MISSION

To be the champion of business towards the development of a strong and sustainable national economy.

VISION

We are the Voice of Business.

CORE VALUES

MEMBERSHIP SATISFACTION - We are committed to understanding our members' needs and satisfying them through value-added services.

PROFESSIONALISM - We are committed to being professional in all that we do, grounded in the belief in high standards of performance.

TRANSPARENCY - We are committed to being open and equitable in all our dealings with all our stakeholders as we work towards the development of a strong and sustainable national economy.

PRODUCTIVITY - We are committed to constantly improving our work ethic/output for the benefit of our members and other stakeholders.

INDEPENDENCE - We are committed to being independent in our views so that objective and transparent representation of our members' interest comes first.

PERSONAL DEVELOPMENT - We are committed to the personal development of our staff through learning, feedback, coaching and mentoring.

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MESSAGE FROM THE PRESIDENT

The Trinidad and Tobago Chamber of Industry and Commerce considers 2017 to have been a year of both challenges and opportunity. Since the declaration of a recessionary mode, we have been witnessing an increasingly slow economy with consequent effects upon business and national life.

The challenges are well-known – an economy that is still suffering from the impact of the drastic fall in energy prices, together with lower output. Recent improvements in oil prices and gas production were only able to make the third quarter of 2017 show the slowest quarterly decline (1.9%) since the fourth quarter of 2015. This had a predictable effect on spending power and on employment. By the end of 2017, we had unfortunately seen no reversal in the slow process of job losses and closures of businesses.

While many see it as a negative, the collapse of oil and natural gas prices have nevertheless provided us with a test of our creativity and resilience. The repercussions have also certainly forced us into a rethinking of the sustainability – or rather unsustainability – of a near-total dependence on non-renewable resources.

In our last annual report, my predecessor addressed the strategic alliances we have developed and the initiatives we are undertaking to increase business sustainability and competitiveness within the local private sector. In my current report to members, I wish to record the continuation of that journey.

The changing economic circumstances have given rise to what we call a “new normal” for our country. As such, we stand on the cusp of either adversity or opportunity. The choice is, and will remain, ours to make. The T&T Chamber recognised the need to rise to the challenge of meeting our members’ changing needs. It is said that “fortune favours the bold” and this seemed particularly apt for the theme of our 2017 report, as we sought to fulfil our mission “to be the champion of business towards the development of a strong and sustainable national economy”.

Last year, we heralded a shift in focus and strategy. One major achievement was the Business Insights (BI) initiative, which was launched in June 2017. BI is part of the T&T Chamber’s wider capacity-building thrust. The BI series offers “training for business by business” with sessions which are available live and on-demand.

A key thrust has been to strengthen the long-term export potential of our non-energy sectors. The T&T Chamber’s Trade and Business Development Unit continued its research

and trade facilitation activities, disseminating Government Performance analytics each quarter via the National Scorecard, and conducting ongoing surveys on foreign exchange. Taking a cue from the results of a member survey, we also facilitated a well-subscribed trade mission to Guyana, which took place in June, 2017. We remain committed to assisting our members with trade facilitation, and market penetration will continue. The T&T Chamber is represented on the Ministry of Trade’s Trade Facilitation Committee and also attends meetings of the CARICOM Council for Trade and Economic Development (COTED) as an advocate for T&T’s business sector.

These efforts will work hand in hand with a new Membership Value Added Programme which was in the planning stages during 2017. Members will be able to begin reaping benefits of this Programme during 2018.



The Tobago economy has been under siege, particularly after the departure of the Superfast Galicia in April 2017. Under the leadership of Chairman Demi John Cruickshank, who was elected for a second term on March 13, 2017, the Tobago Division's Management Committee continued to focus its efforts on pressing for improvements to the sea bridge, while working to mitigate the effects to the tourism-based economy. One major achievement was working towards the relaunch of the Tobago Tourism Development Fund in December 2017.

The Dispute Resolution Centre (DRC) remains a strong affiliate of the T&T Chamber, though operating as an independent institution. This year, the DRC bid farewell to its former Executive Director Beverly Britain and subsequently welcomed Elizabeth Solomon to take up the post. I wish to use this opportunity to once again thank Beverly for her committed leadership and dedicated service since joining the Centre in 2007. At the same time, I welcome Elizabeth, whose impeccable credentials make her a worthy replacement.

The DRC's training programmes are certified by the Mediation Board of Trinidad and Tobago, which also boasts a history of successful mediations. In 2017, the DRC undertook an expansion of its training programmes to include more public and specialised training. It also expanded its professional resources to meet requirements along the Alternative Dispute Resolution (ADR) spectrum, forming an ADR Committee to promote wider acceptance of arbitration.

Committees are integral to the T&T Chamber's strategic direction. As part of the overall goal to be more responsive to members' needs, the ICT committee was rebranded to Information and Communication Technology Professionals of Trinidad and Tobago (ICT Pro TT). Several committees opted to present programmes via the BI series, and the well subscribed Facilities

Management Conference attracted significant interest. The longstanding JumpStart Programme was also re-aligned with our new Responsible Business Committee (formerly the Corporate Social Responsibility Committee), and will resume in 2019.

All of these speak to a stronger focus on proactive solutions as we enter a bold new phase for our 139-year old institution. That we could have come this far and have been so successful is due to the hard work of many, past and present. For the successes and learnings in the year past, I must warmly thank my board, Chief Executive Officer, managers, and staff – but most of all, I offer my heartfelt thanks to our members. You have continued to see value in the T&T Chamber, to volunteer and invest. I am satisfied that we do indeed share a common vision. I thank you for the opportunity to serve.



Ronald Hinds
President

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

When I first assumed the position of Chief Executive Officer, my immediate focus was to add greater value to you, our members. To accomplish this, we engaged you in discussions and surveys, which enabled us to address the areas you identified. We were able to introduce a number of new member services, strengthen our lobbying and widen business development initiatives.

Like many of our members, the Trinidad and Tobago Chamber of Industry and Commerce and its divisions experienced contraction during 2017, which is reflected in the decreased income in some areas of activity and in the financials presented in this report. However, the core operations actually showed improved performance in 2017, whilst the Tobago Division and the Dispute Resolution Centre experienced a reduction in their income.

Our business development efforts for 2017 included two main aspects – development of the Business Insight (BI) series and a trade mission to Guyana. BI was introduced at last year's AGM, and officially launched on June 7, 2017. It consists of two platforms – business consultancy and live or on-demand sessions. The BI series is tagged “Training for Business by Business”, and is made up of both physical and webinar sessions. Most of them are also streamed live online, and all are available on-demand from our free and paid library of over 40 sessions.

We also organised our third trade mission in as many years – a highly successful visit to Guyana in June, for which participation exceeded projections. Subsequently, several businesses said they were successful in getting orders from contacts they made. The T&T Chamber was very pleased with these missions and will continue to provide you with the opportunities to explore new markets in 2018.

Our Tobago Division remains a vital arm of the T&T Chamber, representing the needs of Tobago's business community. I would especially like to recognise the significant efforts that the division made in engaging government and other stakeholders towards providing effective inter-island transport solutions.

Once again, the T&T Chamber successfully hosted its signature events, including our Annual Business Luncheon, Post-Budget Panel Discussion and Champions of Business Awards. These events play a significant part in addressing matters of importance to the business sector. They have evolved into “must-attend” events on the national business calendar.

Our Standing Committees continued to focus on their core constituents by hosting events and training sessions. Notably, in

the current economic environment, our Employee and Labour Relations Committee was the most active as it responded to requests for support in this area.

The T&T Chamber continues to advocate for the business community through representation of the sector on diverse national boards and committees, including the National Tripartite Advisory Council, the Food Advisory Committee of the Ministry of Health and the Central Bank's Payments Systems Council.

In 2017, the T&T Chamber continued to collaborate with business representative organisations, civil society groups, academia, the diplomatic corps and visiting business delegates. Thirty such meetings took place, with a view to creating greater business linkages. We also continued the dialogue with government as we sought to further encourage a facilitative approach to business development in both Trinidad and Tobago. In this regard, recommendations for the national budget are submitted each year to the Minister of Finance, and we were pleased to see that more incentives were put in place for business development.



We engaged tertiary level institutions in order to create a nexus between business and academia, as they represent the leadership of the future. In addition, we focused on reaching out to business start-ups through the various business incubator programmes.

With regard to Corporate Social Responsibility, we were pleased to partner with Habitat for Humanity Trinidad and Tobago for its annual Leaders Build, which showcases the impact of corporate involvement in community development. The JumpStart Programme initiated by the Nova Committee entered its 20th year in 2017 and to date, has placed over 1,500 young people in internship programmes.

we are called upon to do more with less. Most of all, I thank you, our members – our raison d'être. We look forward to creating further value for you in 2018.



Gabriel Faria
Chief Executive Officer

FINANCIAL REVIEW

Total revenue from the T&T Chamber was up by 1%, with the largest increases coming primarily from our signature and Business Insights events. Rental income also increased as our building became fully tenanted. The major decline came from our International Trade Negotiation Unit, since the government did not make any subvention as it had done in the past. The next largest decline was in investment income, as returns tapered off from the highs in 2016. Facility rentals were also down, due to the fact that people have been reducing expenditure on external events. However, we managed our expense line and were able to reduce this by 4% on the prior year, which resulted in the Chamber's core operations showing improvement over prior year.

However, our Tobago Division and Dispute Resolution Centre (DRC) encountered some challenges. The Tobago Division sustained a much higher operating deficit, as activity was significantly curtailed due to the challenges they faced in 2017. Similarly, the DRC, which has always contributed positively, also generated a significant deficit as they experienced significant reduction in their core mediation and training business.

The combined impact of these factors resulted in an increased loss of 11% on the prior year. We are, however, optimistic that the corrective actions taken in 2017 – and those planned for 2018 – will positively impact our performance in the year ahead.

In closing, I extend thanks to my President and Board for their selfless, voluntary service to the business community; I also wish to offer my personal thanks for their counsel since I joined the T&T Chamber. I must specially thank my staff for their outstanding support and commitment, especially now, when

BOARD OF DIRECTORS



RONALD HINDS
President



ROBERT TRESTAIL
Immediate Past President



REYAZ AHAMAD
Senior Vice President



RAKESH GOSWAMI
Vice President



JEAN-PIERRE DU COUDRAY
Director



JACQUELINE FRANCOIS
Director



DAVID HADEED
Director



JASON JULIEN
Director



MARK LAQUIS
Director



KIRAN MAHARAJ
Director



CHARLES PASHLEY
Director



JOSEPH RAHAEL
Director



PAULA RAJKUMARSINGH
Director



KAREN YIP CHUCK
Director



DEMI JOHN CRUICKSHANK
Chairman, Tobago Division



GABRIEL FARIA
Chief Executive Officer

BUSINESS INSIGHTS



BUSINESS INSIGHTS

The Trinidad and Tobago Chamber of Industry and Commerce introduced “Business Insights” (BI) in March 2017. We developed it with stakeholders in mind, to add value to the business community by creating a forum for sharing the knowledge and insights of successful businesses and the people who run them. Tagged as “Training for Business by Business”, BI was designed to bridge the gaps of time and geography so that people can access the capability and competency-building sessions at their convenience, wherever in the world they are. We are fully e-commerce compliant, so viewers can pay for on-demand videos on the website.

All BI sessions go through a rigorous planning process and are reviewed by our Business Insights Content Committee, which comprises representatives from business, academia and multilateral institutions. Online accessibility also allows incubators and tertiary institutions the option of participating in the sessions.

The BI series encompasses rich content, delivered live and on-demand by expert practitioners with real-world business experience. It provides guidance, tangible solutions and innovative insights. Since its inception, we have added over 25 webinars to the online library, covering topics such as:

INDUSTRY

- Insights Into the Agricultural and Agro-Processing Industry
- Firing Up the Food Industry
- Export Toolkits
- Optimising Your Business in the “New Normal”

ECONOMY

- Restructuring Options in the Current Economic Environment
- Financing Innovation: Accessing Private Capital
- Entrepreneurship: A Female Perspective
- Economic Transformation Series

TECHNOLOGY

- Leveraging Technology in a Changing Landscape
- Insights and Impacts of Digital Currency on Your Business

The on-demand library is easily accessible by visiting our website:

<https://chamber.org.tt/e-services/e-learning-series/webinar-workshops/on-demand/>

A point to note is that members can view a fixed number of videos for free, based on their membership category. For details, be sure to check out our Member Value Added Benefits.

We take this opportunity to thank our partners in the BI series: The JMMB Group, Guardian Group, C&W Business, One Caribbean Media, Lonsdale Saatchi & Saatchi, and Standard Distributors Limited.

The BI Consultancy Portal

Consultancy

The T&T Chamber’s database forms a repository of highly experienced and competent professionals with tremendous business acumen. Our members often need access to independent, expert advice and support in a range of areas – from strategic planning and management, to sales, human resources, accounting and supply chain management. To satisfy this need, we launched an online portal that allows consultants to register and showcase their profile on a searchable database.

For partnering with us to make the BI Consultancy portal possible, we thank JobsTT.

SIGNATURE EVENTS 2017



SIGNATURE EVENTS 2017

ANNUAL BUSINESS LUNCHEON – MARCH 22

Held at the Trinidad Hilton and Conference Centre, the annual Business Networking Luncheon followed the Trinidad and Tobago Chamber of Industry and Commerce's Annual General Meeting. New T&T Chamber President Ronald Hinds delivered his inaugural address, in which he emphasised the importance of changing the status quo for doing business in Trinidad and Tobago. Keynote Speaker Mario Simán, Chairman of Unicomer Group, gave attendees valuable insight into how this company manages to thrive in spite of prevailing economic conditions



POST-BUDGET ANALYSIS MEETING – OCTOBER 3

The Annual Post-Budget Analysis Meeting, always held on the morning following the delivery of the National Budget, traditionally begins with the Honourable Minister of Finance delivering the keynote address to start the panel discussion. This is one of the most anticipated events on the corporate calendar and is well attended by a broad cross-section of business leaders from both Trinidad and Tobago. The 2017 panel included Marla Dukharan and Wade George, and was moderated by Jason Julien. The Honourable Minister responded to questions from the live audience.



CHAMPIONS OF BUSINESS – NOVEMBER 11

The “who’s who” of Trinidad and Tobago’s business sector came out in their numbers for the Champions of Business Award Ceremony and Gala Cocktail Reception – a black-tie ceremony held at the National Academy for the Performing Arts. Champions of Business recognises and awards outstanding achievement in several business categories. The 2017 winners were:

- Business Hall of Fame: Lall Paladee (posthumously) and Dr. Rupert Indar
- Internationally Known...T&T Owned: (sponsored by First Citizens): Bermudez Biscuit Company Limited
- Entrepreneur of the Year (sponsored by EY)
 - Start Up Business: Nigel Jordan and Cheryl Baptiste of Twigs Natural Limited
 - Emerging Entrepreneur: Jules Sobion of Caesar’s Army Limited

The Award Ceremony was followed by an elegant cocktail evening, where guests had the opportunity to meet the awardees and network with other business professionals.



DIVISIONS



TOBAGO DIVISION

CHAIRMAN'S REPORT

The first term of my Chairmanship of the Tobago Division was an interesting and challenging one. The last year has, in fact, been one of the most trying in terms of economic prospects for us as business operators. The causes of this may be viewed from two perspectives.

The first is the reduction in recurrent allocation to the Tobago House of Assembly (THA) in the 2017 national budget. Although this was disappointing, there is an opportunity to foster more entrepreneurial activity on the island and leverage our natural creativity as Tobagonians.

The second was – and remains – of immediate and dire importance: the inter-island transport service. This longstanding issue assumed crisis proportions during 2017 and continued beyond. The Tourism and Airlift Committee has been one of the most active in the division, engaging with stakeholders to try to bring about a successful resolution to the issue of the inter-island sea bridge. Members have been involved in ongoing dialogue and remain hopeful that the situation will be corrected, especially following a virtual collapse in the latter part of the year. We would be remiss if we did not commend Caribbean Airlines for rising to the challenge – despite a few hiccups – and picking up much of the slack.

Special thanks are due to all of the Division's committees, which continue to work diligently on their mandates. I must, however, particularly applaud the Security Committee for coordinating preparedness and recovery efforts with the Tobago Emergency Management Agency (TEMA) in the midst of Tropical Storm Brett and the other instances of inclement weather throughout 2017. This committee also had several meetings with the Divisional Head and other senior officials of the Trinidad and Tobago Police Service (TTPS) in order to address an uptick in burglaries and robberies. While this may have had some positive impact, detection and successful prosecution of crime remain a concern, as is the case for the country as a whole.

Foreign direct investment and limited foreign exchange remain matters of concern for Tobago's businesses, even as the existing Land License Bill continues to act as an impediment to attracting investments.

Overall, plans to revamp Tobago's attractiveness as a main tourism destination have been limited, due in large part to infrastructural issues. However, the T&T Chamber's Tobago Division recognises the many opportunities and possibilities through which the island could contribute to the national economy. The newly established Tobago Tourism Agency (TTA), which was set up in July 2017, has not yet been fully activated, but it will have several significant matters to address.



The possible introduction of the Sandals Hotel chain to Tobago – or other attempts at plant development and establishment at this level – must be considered. The benefits to be realised from this partnership are evident regionally and globally, and must be given some serious consideration within a tourism development plan.

Destination marketing is key to both sustaining and growing international visitor arrivals, as it will position the island as a premier Caribbean destination, and attract more direct flights to the island from international sources. Currently, it is unclear what kind of presence we have in source markets.

There is also the opportunity to reduce dependence on foreign exchange earnings by increasing the attractiveness of Tobago as a “staycation” option for holiday travel, as well as a destination of choice for regional tourists. Increased consumption on the island is a benefit to our suppliers, most of whom are manufacturers and distributors in Trinidad.

The Tobago Division is currently run by a single employee, supported by a Management Committee. The members of this committee volunteer their time, which of course takes them away from their own business operations. For this, I must thank both the committee members and the general membership of the Division.

As I near the completion of my second term as Chairman, I see clearly that the ideas and recommendations for the future development of Tobago – which we claim to be the “Capital of Paradise” – reside within all of us. It is time to join hands and hearts in a collaborative effort to restore our economy and stimulate hope and positive change in our society. Let the Tobago Division begin this change process.

Thank you for the opportunity to serve.

Demi John Cruickshank
Chairman

DISPUTE RESOLUTION CENTRE

CHAIRMAN'S REPORT

MISSION

To deliver creative, out-of-court dispute resolution approaches in an independent, ethical, timely, confidential, and cost-effective manner.

To provide a trusted cadre of dedicated, experienced dispute resolution professionals, facilitators and support resources, committed to delivering high-quality, innovative approaches to mediation, arbitration and other modes of dispute resolution, complemented by advanced training and outreach programmes.

VISION

To be the provider of choice for out-of-court dispute resolution services, based on the highest standards of integrity, trust and service excellence.

The Dispute Resolution Centre (DRC) continues to be at the forefront of providing the highest standard of Alternative Dispute Resolution (ADR) services and training in the Caribbean. Since its launch by the then Chief Justice, Michael de la Bastide, on August 24 1996, the Dispute Resolution Centre (DRC) has grown into its ambitious mandate, which has even more resonance in the current economic and social climate of our republic.

In short, what the DRC does is problem-solving. We help disputing parties resolve their differences in the most cost-



Dennis Gurley S.C., Chairman

effective and timely way, while keeping in mind the goal of preserving important business relationships. At the same time, the DRC offers a range of specialised and targeted training in dispute resolution techniques, including mediation and arbitration certification programmes.

In aspiring to the highest standard of professionalism, the DRC



Members of the Board from left to right: Toni Sirju-Ramnarine, Balliram Sawh, Gabriel Faria, Elizabeth Solomon, Dennis Gurley, S.C., Stephanie Daly, S.C., Robin Otway, Geoffrey Abdulah



Staff of the Dispute Resolution Centre from left to right: (back row) Candy Le Platte, Michelle Pierre, Elizabeth Solomon, Aurelia William, (front row) Christiane Hope, Jeneiva Rampersad, Cadence Benjamin

has been deliberate and careful in our selection of mediators, arbitrators and other “neutrals” – adjudicators who comprise our roster of Alternative Dispute Resolution professionals. We also place a great deal of importance on creating the most conducive environment for successful dispute resolution. As a result, in addition to the well-appointed physical space of our offices, the DRC has established a Memorandum of Understanding with the Law Association of Trinidad and Tobago for the dedicated use of Arbitration Court. In addition, the DRC is extremely proud of a culture of excellence in customer service. It is why our clients keep coming back!

2017 was a year of many changes for the DRC. Like many organisations, we had to adjust to changes in the economic climate. We underwent a leadership change with our Executive Director of ten years, Beverly Britain, moving on to other challenges. It is a tribute to the solid and reputable organisation that Beverly helped build, that we were able to attract a new Executive Director with significant international experience in Alternative Dispute Resolution. Elizabeth Solomon, who has recently returned to Trinidad and Tobago after almost two decades working with the United Nations, took up the position of Executive Director of the DRC in July 2017. Elizabeth brings a wealth of experience in dispute resolution and prevention at a time when the DRC is being called upon to seek out new partnerships and to develop fresh, creative approaches to helping our clients solve problems, while ensuring that our admirable standards of professionalism, neutrality and integrity remain uncompromised.

PARTNERSHIPS

The DRC has strong partnerships with key stakeholders in promoting the use of out of court settlement of disputes, and the inclusion of dispute resolution mechanisms within contracts. One such partnership has been with the Association of Trinidad and Tobago Insurance Companies, with whom we continue to work, recognising that the insurance industry is among the

most significant users of alternative dispute resolution. The DRC has also begun to foster a relationship with the Shipping Association of Trinidad and Tobago, and continues to build expertise to support the construction industry.

NEW INITIATIVES

Among the new initiatives undertaken in 2017 was the introduction of more public training opportunities to respond to specialised needs. The DRC Master Class Series was one such



Elizabeth Solomon, Executive Director

undertaking. This series of three-day courses for experienced mediators provided participants with an opportunity to learn how to apply their ADR skills in highly specialised contexts, such as construction and medical negligence, or to refresh their skills with an international expert in the field. The first round of Master Classes was highly sought after and well-received. We plan to continue the series in 2018.

We have also begun to expand our roster of ADR professionals through a carefully developed methodology of assessment. The DRC's roster of mediators, arbitrators and adjudicators are called upon to work with disputing parties to resolve conflicts on a wide range of issues, with varying degrees of complexity. Our neutrals are all certified by the Mediation Board of Trinidad and Tobago. They must be experienced and, in some cases, highly specialised. At the same time, the DRC is service-driven and able to respond quickly and effectively to all types of disputes.

The DRC continues to take the lead in setting the standard in Alternative Dispute Resolution. Among our recent initiatives is the establishment of an Arbitration Committee, which will, among other things, help to promote the use of arbitration as a more commonly used dispute resolution mechanism. The DRC has begun to explore areas of conflict best suited to dedicated ADR mechanisms, such as Dispute Adjudication Boards for the construction industry. We are driven by a desire to find

mechanisms for dispute resolution that will not cause work stoppages or budget overruns, while still providing for a fair and unbiased mediation process.

NOTE OF THANKS

The DRC has earned enormous goodwill over the years and I would like to express my gratitude to our mediators, arbitrators, trainers and coaches, and in particular, those experts who helped us launch our Master Class Series. I pay tribute to the loyalty and commitment to professionalism demonstrated by all our neutrals and trainers.

I am also grateful to the dedicated staff of the DRC, without whom the Centre would simply not function at the high standard of which we are so proud. I wish also to recognise and sincerely thank our Board of Directors – Stephanie Daly S.C., Baliram Sawh, Geoffrey Abdullah, Toni Sirju-Ramnarine, Robin Otway and Gabriel Faria, who serves as an ex officio member. I would also like to thank the President of the Trinidad and Tobago Chamber of Industry and Commerce, Mr. Ronald Hinds, who has become a welcome advocate for ADR and the DRC.

Dennis Gurley
Chairman



COMMITTEES



REPORT ON COMMITTEES

Committees provide an avenue for members to effect positive change to their sectors and businesses. Committee members often provide valuable insight and expertise regarding sector issues. The eight existing Standing Committees include Corporate Social Responsibility (now rebranded as the Responsible Business Committee), Crime and Justice, Environment, Health and Safety, Employment and Labour Relations, Facilities Management and Maintenance, Information Communication Technology Professionals of Trinidad and Tobago, Nova, and Trade and Business Development. In 2017, these committees worked consistently to engage, inform and provide added value to the business community via training sessions, consultation meetings and legislative reviews.

Informational events form an integral part of the engagement process for committees, and during 2017, committees hosted events that helped companies position themselves competitively and knowledgeably. The Facilities Management and Maintenance Committee hosted its 6th Biennial Conference, “In Praise of FM”. This regional forum locked on to the latest trends and developments that impact the productivity, safety, and sustainability of work facilities.



6th Biennial FM Conference - a group of Conference presenters and committee members

Several committees hosted workshops and seminars on a diverse array of topics: Corporate Social Responsibility Committee (“How Social is Your Media?”); Employment and Labour Relations Committee (“The Secret to Successful Negotiations in Collective Bargaining”, “Mastering Employment Contracts” and “Developing Key Performance Indicators and Performance Objectives for Human Resources Professionals”); Environment, Health and Safety Committee (“Improving Productivity Through Health and Safety”); and Crime and Justice Committee (“Optimising the Use of CCTV in Your Business”). The ICT Pro TT Committee will host a conference in 2018, entitled “Ignite Your Digital Transformation”.



Participants at an ELR Committee training session

Meanwhile, the Nova Committee continued to deliver its “Network 4 Net Worth” series and launched a new “Lunch ‘N’ Learn” series, comprising intimate sessions between entrepreneurs and successful business owners who have mastered their craft in ways that have gained national – and even international – recognition. It also marked the twentieth anniversary of its flagship JumpStart Programme, an internship programme for secondary school students who might not otherwise have access to such opportunities. JumpStart also bid farewell to its long-standing and hardworking coordinator, Rima Mohammed. The Trinidad and Tobago Chamber of Industry and Commerce thanks Ms. Mohammed for her dedicated service, which played a major role in building the programme to where it is today.



Rima Mohammed addresses the JumpStart graduation

Committees also help to carry out the T&T Chamber’s advocacy agenda by providing representation at stakeholder consultations, state-appointed committees and civil society dialogue. Professionals in the energy and pharmaceutical sectors met on an ad-hoc basis to address industry issues, while the board-appointed Communications Committee continued to drive communications policy. This committee issued a total of 24 media releases, in addition to submitting weekly columns to the business supplements of all three daily newspapers. Vital collaborations are also constructed through engagements like the Employment and Labour Relations Committee’s presence on the Joint Chambers’ Industrial Relations Committee and the governmental Industrial Relations Act Committee.

CSR ACTIVITIES



CORPORATE SOCIAL RESPONSIBILITY

ACTIVITIES



Ms. Gail Ann Brathwaite, Manager of Courts (St. James Branch) makes a presentation of a refrigerator to Mr. Anthony Xavier, Vice Chairman of the Crime and Justice Committee. The refrigerator was donated to a Safe House for female victims of abuse which the Crime and Justice Committee maintains for the Police Service.



Habitat for Humanity Trinidad and Tobago partnered with the T&T Chamber for its annual Leaders Build 2017. Here, the finishing touches are put on the home of a beneficiary.



Graduates of the Jumpstart Programme listen intently to feature speaker Asiya Mohammed, CEO of Conflict Women Limited, at the Graduation Ceremony held on September 6, 2018. The JumpStart Programme celebrated its 20th Anniversary last year.

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FINANCIAL STATEMENTS



STATEMENT OF MANAGEMENT RESPONSIBILITIES

Management is responsible for the following:

- Preparing and fairly presenting the accompanying financial statements of Trinidad and Tobago Chamber of Industry and Commerce which comprise the statement of financial position as at 31st December 2017, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information;
- Ensuring that the Chamber 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 Chamber's assets, detection/prevention of fraud, and the achievement of Chamber 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 utilized 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 Chamber will not remain a going concern for the next twelve months from the reporting date, or up to the date the accompanying financial statements have been authorized for issue, if later.

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



President
22nd February, 2018



Chief Executive Officer
22nd February, 2018

Independent Auditor's Report to the Members of **TRINIDAD AND TOBAGO CHAMBER OF INDUSTRY AND COMMERCE**

OPINION

We have audited the financial statements of Trinidad and Tobago Chamber of Industry and Commerce, which comprise the statement of financial position as at 31st December 2017, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flow 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 Chamber as at 31st December 2017, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

BASIS FOR OUR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Chamber in accordance with the ethical requirements that are relevant to our audit of the financial statements in Trinidad and Tobago, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 these financial statements in accordance with International Financial Reporting Standards 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 Chamber's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the Chamber or to cease operations, or has no realistic alternative but to do so.

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

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism 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 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 Chamber'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 account and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt

on the Chamber'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 audit's report. However, future events or conditions may cause the Chamber to cease to continue as a going concern.

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.



MICHAEL LEE KIM & CO.

Chartered Accountants:

Port of Spain

TRINIDAD

26th February, 2018

STATEMENT OF FINANCIAL POSITION

AS AT 31ST DECEMBER, 2017

| | Notes | 2017 \$ | 2016 \$ |
|-------------------------------------|-------|-------------------|-------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 3 | 5,169,374 | 5,435,449 |
| Current assets | | | |
| Accounts receivable and prepayments | | 889,585 | 1,013,086 |
| Cash in hand and at bank | 4 | 4,934,021 | 5,507,111 |
| Taxation refund due | | 20,128 | 19,868 |
| | | 5,843,734 | 6,540,065 |
| Total assets | | 11,013,108 | 11,975,514 |
| EQUITY AND LIABILITIES | | | |
| Capital and reserves | | | |
| Capital reserve | 5 | 4,776,563 | 4,776,563 |
| Retained earnings | | 2,974,542 | 3,796,825 |
| Members' funds | | 7,751,105 | 8,573,388 |
| Non-current liabilities | | | |
| Deferred tax | 6 | 625,399 | 619,176 |
| Current liabilities | | | |
| Accounts payable and accruals | | 1,086,867 | 1,001,082 |
| Payments received in advance | | 678,530 | 1,022,294 |
| Project funds | 7 | 871,156 | 758,936 |
| Taxation payable | | 51 | 638 |
| | | 2,636,604 | 2,782,950 |
| Total equity and liabilities | | 11,013,108 | 11,975,514 |

The attached notes set out on pages 30 to 35 form an integral part of these financial statements.

On 22nd February 2018, the Board of Directors authorised these financial statements for issue



:President



:Chief Executive Officer

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED AS AT 31ST DECEMBER, 2017

| | Schedules | 2017 \$ | 2016 \$ |
|--|-----------|-------------------------|-------------------------|
| Revenue | | | |
| ITNU revenue/subvention received | | 115,957 | 465,000 |
| Entrance fees and annual subscriptions | | 2,366,291 | 2,444,260 |
| Property rental income | | 2,209,926 | 1,945,164 |
| Functions, seminars, workshops etc. | | 1,386,081 | 1,096,415 |
| Secretariat rentals | | 412,338 | 620,416 |
| Other income – Certification fees | 1 | 128,698 | 95,195 |
| Interest income | | 107,222 | 107,356 |
| Increase in value of investment | | 77,737 | 232,375 |
| Business Insights | | 257,021 | - |
| | | <u>7,061,271</u> | <u>7,006,181</u> |
| Expenses | | | |
| Administrative expenses | 2 | 1,406,456 | 1,379,277 |
| Property costs | 3 | 720,298 | 809,711 |
| Staff costs | 4 | 4,837,132 | 5,082,131 |
| Finance costs | | 39,302 | 31,000 |
| Depreciation | 5 | 379,345 | 425,409 |
| | | <u>7,382,533</u> | <u>7,727,528</u> |
| Net loss from operations | | (321,262) | (721,347) |
| Net (deficit)/surplus on DRC division | | <u>(411,023)</u> | <u>59,873</u> |
| Net loss before taxation | 6 | (732,285) | (661,474) |
| Taxation for the year (Note 8) | | <u>(89,998)</u> | <u>(76,246)</u> |
| Net loss after taxation | | (822,283) | (737,720) |
| Balance brought forward | | <u>3,796,825</u> | <u>4,534,545</u> |
| Balance carried forward | | <u><u>2,974,542</u></u> | <u><u>3,796,825</u></u> |

The attached notes set out on pages 30 to 35 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST DECEMBER, 2017

| | Capital Reserves \$ | Retained Earnings \$ | Total \$ |
|---|---------------------------|----------------------------|------------------|
| Year Ended 31st December, 2017 | | | |
| Balance as at 1 st January 2017 | 4,776,563 | 3,796,825 | 8,573,388 |
| Net loss after taxation | – | (822,283) | (822,283) |
| Balance as at 31st December, 2017 | 4,776,563 | 2,974,542 | 7,751,105 |
| Year Ended 31st December, 2016 | | | |
| Balance as at 1 st January 2016 | 4,776,563 | 4,534,545 | 9,311,108 |
| Net loss after taxation | – | (737,720) | (737,720) |
| Balance as at 31st December, 2016 | 4,776,563 | 3,796,825 | 8,573,388 |

The attached notes set out on pages 30 to 35 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST DECEMBER, 2017

| | 2017 \$ | 2016 \$ |
|--|------------|------------|
| Cash flows from operating activities | | |
| Net (loss)/profit before taxation | (732,285) | (661,474) |
| Adjustments for: | | |
| Depreciation | 379,345 | 425,409 |
| Operating loss before working capital changes | (352,940) | (236,065) |
| Decrease in accounts receivable and prepayments | 123,501 | 426,214 |
| Increase/(decrease) in accounts payable and accruals | 85,785 | (104,911) |
| (Decrease)/increase in payments received in advance | (343,764) | 689,799 |
| Increase/(decrease) in project funds | 112,220 | (84,368) |
| Cash (used in)/generated from operations | (375,198) | 690,669 |
| Taxation paid | (84,662) | (90,803) |
| Taxation refunded | – | 158 |
| Net cash flow (used in)/generated from operating activities | (459,820) | 600,024 |
| Cash flows used in investing activities | | |
| Additions to property, plant and equipment | (113,270) | (65,454) |
| Net cash flows used in investing activities | (113,270) | (65,454) |
| Net (decrease)/increase in cash and cash equivalents | (573,090) | 534,570 |
| Cash and cash equivalents | | |
| - At beginning of year | 5,507,111 | 4,972,541 |
| - At end of year | 4,934,021 | 5,507,111 |
| Represented by: | | |
| Cash in hand and at bank | 4,934,021 | 5,507,111 |

The attached notes set out on pages 30 to 35 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31ST DECEMBER, 2017

1. INCORPORATION AND PRINCIPAL ACTIVITIES

The Chamber is an association limited by guarantee and was incorporated on 12th January 1891 and continued on 16th October 1998 under the Companies Act 1995 in the Republic of Trinidad and Tobago. The registered office of the Chamber is located at Site T, Columbus Circle, Westmoorings. Its principal activities are the promotion and protection of the trading interests of its members and the general trade of the company.

The Dispute Resolution Centre was launched in 1996 by the Chamber. Its principal activities are the provision of professional facilitation and mediation services and training for the business and private sectors.

At 31st December 2017, the Chamber employed 35 employees (2016: 36 employees).

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below:

a) Basis of preparation

The financial statements are prepared in accordance with and comply with International Financial Reporting Standards. The financial statements are prepared under the historical cost convention and are expressed in Trinidad and Tobago dollars.

b) Standards in issue not yet effective

The following is a list of standards and interpretations issued that are not effective up to the date of issuance of the company's financial statements. The Chamber reasonably expects these standards and interpretations to be applicable at a future date and intends to adopt those standards and interpretations when they become effective.

The Chamber is currently assessing the impact of adopting these standards and interpretations since the impact of adoption depends on the assets held by the Chamber at the date of adoption, it is not practical to quantify the effect at this time.

IFRS 9 – Financial Instruments: Classification and Measurement (effective January 1, 2018)

IFRS 9 is a replacement for IAS 39 'Financial Instruments' and covers three distinct phases. Phase 1 contains new requirements for the classification and measurement of financial assets and liabilities. Phase 2 relates to the impairment of financial assets and requires the calculation of impairment on an expected loss basis rather than the current incurred loss basis. Phase 3 relates to less stringent requirements for general hedge accounting.

The application of IFRS 9 may change the measurement and presentation of many financial instruments, depending on their contractual cash flows and business model under which they are held. The impairment requirements will generally result in earlier recognition of credit losses.

IFRS 15 – Revenue from Contracts with Customers (effective January 1, 2018)

IFRS 15 replaces all existing revenue requirements in IFRS (IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfers of Assets from Customers and SIC 31 Revenue- Barter Transactions Involving Advertising Services) and applies to all revenue arising from contracts with customers. It also provides a model for the recognition and measurement of disposal of certain non-financial assets including property, equipment and intangible assets.

The standard outlines the principles an entity must apply to measure and recognize revenue. The core principle is that an entity will recognize revenue at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer.

The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies how to account for the incremental costs of obtaining a contract and the cost directly related to fulfilling the contract.

The standard will affect entities across all industries. Adoption will be a significant undertaking for most entities with potential changes to an entity's current accounting, systems and processes.

c) Critical accounting estimates and judgements

The preparation of financial statements in conformity with IFRS requires the use of certain accounting estimates. Estimates and judgements 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 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 are addressed in note 2(d).

d) Property, plant and equipment

i) All property and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

Depreciation on assets is estimated at rates calculated to write-off the cost of each asset to their residual values over their estimated useful lives as follows:

| | | |
|------------------------|---|----------------------------|
| Computer equipment | - | 33% reducing balance basis |
| Air condition units | - | 25% reducing balance basis |
| Furniture and fixtures | - | 25% reducing balance basis |
| Elevator | - | 25% reducing balance basis |
| Building | - | 2% straight line basis |

Profits or losses on disposal of property, plant and equipment are determined by comparing the proceeds with the carrying amount and are included in the statement of profit or loss and other comprehensive income.

ii) The leasehold property is subject to a lease of ninety-nine (99) years from 10th April 1979. Amortisation is provided by equal annual instalments over the unexpired portion of the lease.

e) Taxation

Income and expenditure arising from mutual trading activities are exempt from tax. Taxation is payable on other trading activities.

Deferred taxes are provided for the expected future tax consequences of temporary differences between the

carrying amounts and the tax bases of assets and liabilities using current corporation tax rates.

f) Common area costs

Common area costs paid by the Chamber which include expenses such as security and building maintenance costs are shared between the Chamber and the tenants based on the floor area rented. The Chamber charges the tenants a service rent per month in order to recover the tenants' share of cost paid. The rate is determined by certifying the previous year's expenses.

g) Pension fund

The Chamber has a new insured pension scheme with Guardian Life of the Caribbean Limited to cover all of its eligible employees. The plan is a defined contribution plan with the object of the scheme being to provide a pension for each member at the normal retirement date. Contributions paid and payable to the plan for the year have been accounted for, as an expense and included in staff costs in the statement of profit or loss and other comprehensive income. The amount expensed for the year is \$233,013 (2016 \$264,226).

h) Income

Revenue comprises the fair value of the consideration received or receivable for the sale of services in the ordinary course of the Chamber's activities.

i) Provisions

Provisions are recognised when the Chamber has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

j) Financial instruments

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

i) Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost and comprise cash in hand and cash at bank and funds held in Money Market Funds.

ii) Trade receivables

Trade and other receivables are stated at fair value based on the original invoice amount less an allowance for any uncollectible amounts. Provision is made when there is objective evidence that the Chamber will not be able to collect certain debts. Bad debts are written off when identified.

iii) Trade and other payables

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

k) Foreign currency translation

a) Functional and presentation currency

Items included in the financial statements of the Chamber are measured using the currency of the primary economic environment in which the Chamber operates ('the functional currency'). These financial statements are presented in Trinidad and Tobago Dollars, which is the

Chamber's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated in the measurement currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss and other comprehensive income.

3. PROPERTY, PLANT AND EQUIPMENT

| | Building (\$) | Elevator (\$) | Leasehold Land (\$) | Office Furniture Fittings and Equipment (\$) | Total (\$) |
|---|------------------|------------------|---------------------------|--|---------------|
| Year Ended 31st December 2017 | | | | | |
| Opening net book amount | 2,763,461 | 15,749 | 1,738,240 | 917,999 | 5,435,449 |
| Additions | – | – | – | 113,270 | 113,270 |
| Depreciation charge | (98,634) | (3,937) | (28,965) | (247,809) | (379,345) |
| Closing net book amount | 2,664,827 | 11,812 | 1,709,275 | 783,460 | 5,169,374 |
| At 31st December 2017 | | | | | |
| Cost | 4,931,700 | 542,647 | 2,404,090 | 4,323,206 | 12,201,643 |
| Accumulated depreciation | (2,266,873) | (530,835) | (694,815) | (3,539,746) | (7,032,269) |
| Closing net book amount | 2,664,827 | 11,812 | 1,709,275 | 783,460 | 5,169,374 |
| Year Ended 31st December 2016 | | | | | |
| Opening net book amount | 2,862,095 | 20,999 | 1,767,205 | 1,145,105 | 5,795,404 |
| Additions | – | – | – | 65,454 | 65,454 |
| Depreciation charge | (98,634) | (5,250) | (28,965) | (292,560) | (425,409) |
| Closing net book amount | 2,763,461 | 15,749 | 1,738,240 | 917,999 | 5,435,449 |
| At 31st December 2016 | | | | | |
| Cost | 4,931,700 | 542,647 | 2,404,090 | 4,209,936 | 12,088,373 |
| Accumulated depreciation | (2,168,239) | (526,898) | (665,850) | (3,291,937) | (6,652,924) |
| Closing net book amount | 2,763,461 | 15,749 | 1,738,240 | 917,999 | 5,435,449 |

4. CASH IN HAND AND AT BANK

| | 2017 \$ | 2016 \$ |
|--|------------------|------------------|
| RBC Royal Bank (Trinidad and Tobago) Limited – US\$ Account | 246,007 | 677,061 |
| RBC Royal Bank (Trinidad and Tobago) Limited – TT\$ Account | (527,143) | (188,514) |
| Trinidad and Tobago Unit Trust Corporation – Money Market Fund | 702,065 | 693,852 |
| *RBC Royal Bank (Trinidad and Tobago) Limited – Roytrin Mutual Fund | 4,031,499 | 3,855,794 |
| Republic Bank Limited (Tobago Branch) | 18,888 | 5,913 |
| Republic Bank Limited (THA Fund) | 451,705 | 452,005 |
| Cash in hand | 11,000 | 11,000 |
| | <u>4,934,021</u> | <u>5,507,111</u> |

*Surplus funds are invested in Roytrin Mutual Fund. The rate of return for the year ended 31st December, 2017 was approximately (2.6%).

5. CAPITAL RESERVE

| | | |
|---|------------------|------------------|
| Surplus realised on disposal of leasehold property (Hart Street) | <u>4,776,563</u> | <u>4,776,563</u> |
|---|------------------|------------------|

6. DEFERRED TAX LIABILITY

| | | |
|--|----------------|----------------|
| | <u>625,399</u> | <u>619,176</u> |
|--|----------------|----------------|

a) The liability arising from accelerated tax depreciation.

b) Deferred tax assets arising from accumulated tax losses have not been taken into account since in the opinion of management, in the near term, future taxable profit will not be available against which unused tax losses can be utilised.

7. PROJECT FUNDS

| | | |
|--|----------------|----------------|
| | <u>871,156</u> | <u>758,936</u> |
|--|----------------|----------------|

Project funds include monies obtained through fund raising activities and donations for specific projects and are to be used for the purpose of aiding and funding these projects.

8. TAXATION

| | 2017 \$ | 2016 \$ |
|---------------------------------|--------------------|--------------------|
| Business levy | 50,844 | 42,420 |
| Green fund levy | 32,931 | 29,153 |
| Deferred tax | 6,223 | 4,831 |
| Prior year tax refund | – | (158) |
| | <u>89,998</u> | <u>76,246</u> |
| Reconciliation: | | |
| Operating loss before taxation | (732,285) | (661,474) |
| Operating loss before taxation | (732,285) | (661,474) |
| Exempt income | (2,876,709) | (2,995,387) |
| Expenses not deductible for tax | 3,000,215 | 3,209,497 |
| Adjusted loss | (608,779) | (447,364) |
| Losses brought forward | (2,455,194) | (2,007,830) |
| Losses carried forward | <u>(3,063,973)</u> | <u>(2,455,194)</u> |

The Chamber has accumulated tax losses amounting to \$3,063,973 (2016: \$2,455,194) which are to be taken forward and set against future taxable profits from non-mutual activities. This amount has not yet been agreed by the Board of Inland Revenue.

9. FINANCIAL INSTRUMENTS

i) Credit risk

The Chamber has no significant concentration of credit risk.

ii) Fair values

At 31st December 2017, the carrying amounts of the following assets and liabilities approximate to their fair values: Cash in hand and at bank, accounts receivable and prepayments, accounts payable and accruals.

10. COMPARATIVES

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year. In particular, the comparatives have been adjusted or extended to take into account the requirements of International Accounting Standards No. 1 – Presentation of Financial Statements.

SCHEDULES TO THE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31ST DECEMBER, 2017

| | 2017 \$ | 2016 \$ |
|----------------------------------|------------------|------------------|
| 1 Other income | | |
| Certification fees | 128,698 | 95,195 |
| 2 Administrative expenses | | |
| Audit fees | 40,000 | 40,000 |
| Bad debts | 18,218 | 26,886 |
| Chamber advertising | 12,468 | 7,916 |
| Electricity | 135,465 | 128,641 |
| Equipment rental | 48,430 | 67,800 |
| Gain on exchange | (9,320) | (39,009) |
| General expenses | 70,638 | 110,453 |
| Insurance | 5,703 | 5,703 |
| Legal and professional fees | 65,510 | 94,778 |
| Meeting expenses | 25,293 | 28,999 |
| Publications | 3,632 | 7,835 |
| Repairs and maintenance | 130,968 | 153,788 |
| Software | 100,443 | 64,349 |
| Staff Chamber events | 6,859 | 4,450 |
| Stationery and printing | 113,821 | 114,128 |
| Subscriptions | 159,687 | 160,713 |
| Telephone, postage and Internet | 215,451 | 238,029 |
| Tobago expenses | 228,531 | 107,988 |
| Training | 3,925 | 1,241 |
| Travel and entertainment | 30,734 | 54,589 |
| | <u>1,406,456</u> | <u>1,379,277</u> |
| 3 Property costs | | |
| Building maintenance | 228,066 | 302,279 |
| Electricity | 26,513 | 37,549 |
| Insurance | 89,576 | 93,247 |
| Lease rent | 13,173 | 13,713 |
| Rates and taxes | 4,906 | 1,009 |
| Security | 358,064 | 361,914 |
| | <u>720,298</u> | <u>809,711</u> |

| | 2017 \$ | 2016 \$ |
|--|------------------|------------------|
| 4. Salaries and benefits | | |
| Salaries, wages and allowances | 4,122,536 | 4,448,561 |
| NIS and medical plan | 396,583 | 369,344 |
| Pension expenses | 233,013 | 264,226 |
| Severance | 85,000 | – |
| | <u>4,837,132</u> | <u>5,082,131</u> |
| 5. Depreciation (Divisional) | | |
| Secretariat | 306,714 | 330,341 |
| Tobago | 10,199 | 13,501 |
| DRC | 62,172 | 81,201 |
| ITNU | 260 | 366 |
| | <u>379,345</u> | <u>425,409</u> |
| 6. Dispute Resolution Centre Division (DRC) | | |
| Net (deficit)/surplus on DRC Division | <u>(411,023)</u> | <u>59,873</u> |

Income is derived from mediation, arbitration services and training workshops. Net (deficit)/surplus represent income less direct expenses. Depreciation charges have not been included in this amount.

NOTES



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ANNUAL REPORT **2017**
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