CariCRIS

Annual Report 2021

Mastering our Virtual Learning Curve

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About Us

Caribbean Information and Credit Rating Services Limited (CariCRIS) is the Caribbean's leading credit rating agency, with shareholding by regional Central Banks, several major regional commercial and development banks, and CRISIL, an associate company of the globally-recognised rating agency Standard & Poor's.

Our credit ratings represent an objective assessment of the rated entity's creditworthiness relative to other rated entities in the region and reflect our intimate understanding of the risks that are unique to the Caribbean. Our Board, Rating Committee and Management team consist of highly respected professionals from across the Caribbean and underpin our regional way of thinking. A CariCRIS regional scale rating compares an entity's creditworthiness to all debt-issuers in a defined Caribbean region. We also offer a national scale credit rating where the comparison set is all debt-issuing entities in a single nation.

Our ratings aim to provide a regionally relevant risk assessment of entities and the debt that they issue within a wider context of an analysis of economic trends and financial developments. This will significantly improve investors' access to information and their ability to compare sovereign and corporate credits across the Caribbean. For borrowers, our ratings will enhance credibility and expand access to funding sources.

Our Mission

To contribute to the development of a vibrant, integrated Caribbean capital market by setting the highest standards of credible independent analysis and opinion to enable informed financial decisions.

Our Core Values

Integrity

Independence

Analytical Rigour

Teamwork

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Gregory Thomson
Chairman

Chairman's Statement

Dear Shareholders,

Notwithstanding the difficult operating environment caused by the COVID-19 pandemic, Caribbean Information and Credit Rating Services Limited (CariCRIS) had a successful year, recording increases in both revenue and profits. For the year ended 31 March 2021, total revenue grew by 9.5% to USD1,621,130 and profit before tax increased by 56.4% to USD347,040. A tax credit arising from the recognition of a deferred tax asset at year end, in compliance with the requirements of IAS 12, led to a significant 347% increase in profit after tax to USD941,612.

During the year, the Company added several new ratings to its portfolio and continued its important capital market development work of increasing information availability to bond investors in the Caribbean. CariCRIS also successfully executed several new risk management training programmes across the region and continued its role as an independent provider of fair value prices for regional fixed income securities.

The pandemic, which began in March 2020, negatively impacted global demand as well as supply chains and led to a contraction in the world economy of the order of 3.3%. Regional economies fared worse, shrinking by an average of 13.0%. Recovery is expected in 2021, with global growth of the order of 5.5% projected and average expansion of around 5.0% forecasted for Caribbean countries. There remains significant uncertainty and risks, exacerbated by the slow rate of vaccination in the region. The Board remains cautiously optimistic about the Company's prospects over the next year, particularly from our newly established office in Jamaica given the active capital market in that jurisdiction.

During the year Mrs. Angela Henry-Small and Mr. Miguel Almeyda joined the Board, replacing Dr. Sandra Sookram and Mr. Peter Blackman respectively. I welcome Mrs. Henry-Small and Mr. Almeyda to the Board and extend sincere thanks to Dr. Sookram and Mr. Blackman for their several years of service. I thank the members of the Board and the Rating Committee of CariCRIS for their significant contribution to the organisation. I also thank our shareholders for their continued support, our valuable clients and institutional investors for the confidence placed in our organisation, and our management and staff for their continued hard work and dedication.

Gregory Thomson
Chairman
21 June 2021

Wayne Dass, CFA
Chief Executive Officer

Chief Executive Officer’s Report

Caribbean Information and Credit Rating Services Limited (CariCRIS) performed creditably over the past year, despite the severe impact of the COVID-19 pandemic on our operating environment. We completed 8 new ratings in the year, with 5 of these originating in Jamaica, 2 in Trinidad and Tobago, and 1 in Saint Lucia.

Chief Executive Officer's Report (continued)

As at 31 March 2021, the total number of entities rated since inception increased to 204, and ratings subject to annual reviews grew to 54. Total rated debt since inception increased to USD3.5 billion. Our ratings portfolio span diverse sectors, including banking, insurance, mutual funds and other financial services, oil and gas, manufacturing, technology, retail and distribution, tourism, port operations and property development. Our rated entities are in 18 countries across the Caribbean, reflecting our expanding presence as a regional rating agency.

Financial Performance

For the year ended 31 March 2021, total revenue increased by 9.5% to USD1,621,130. Rating and surveillance income remained in line with last year's outturn at USD1,294,125, while non-rating income increased significantly to USD327,005, up 76.7% from last year. The increase in non-rating income was due to material increases in both training income and income from valuation services, which grew by 65.5% and 94.8% respectively. Total expenses increased marginally by 1.8% to USD1,287,529. Net finance income for the year doubled to USD13,439, due to both an increase in finance income and a reduction in finance cost. As a result, the Company recorded a profit before tax of USD347,040, up 56.4% from the prior year. The Company benefitted from a tax credit in the amount of USD594,572, following its recognition of a deferred tax asset at year end, in compliance with the requirements of IAS 12. This led to a profit after tax of USD941,612, an increase of 347% from that achieved in FY 2019/20. The Company's net shareholders' equity consequently grew by 53.1% to USD2,715,251 as at 31 March 2021 (Charts 1 to 3).

Chart 1: Total Revenue in USD

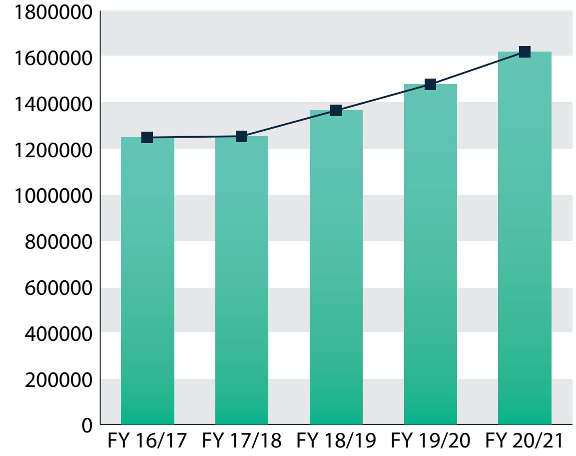


Chart 2: Profit after Tax in USD

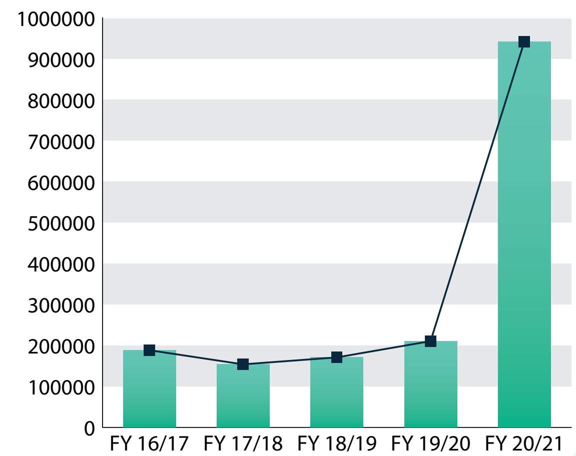
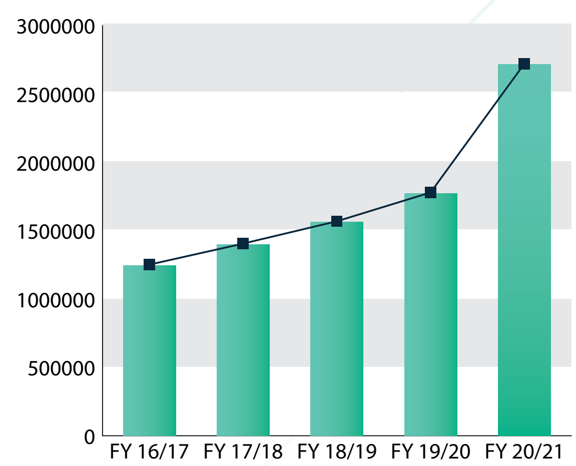


Chart 3: Net Shareholders' Equity in USD



Chief Executive Officer's Report (continued)

Market Development

Following the lockdown and travel restrictions imposed early in the year due to the pandemic, CariCRIS was agile in its transition to virtual learning instead of the physical in-person workshops that we hosted in the past. In partnership with the global credit risk training firm Eensight, we successfully hosted 5 live online training webinars during the year as follows: 'Problem Loan Identification and Workouts', 'Financial Statement Analysis', 'Cash Flow Analysis', 'Loan Structuring in Uncertain Times' and 'Asset-Based Lending'. Our training line of business is not only an important contributor to our total revenue, but it also facilitates our risk and investment professionals in the Caribbean with high-level, cutting-edge training from global experts. We also expanded our clientele accessing our bond valuation service during the year, as we continue to be the leading expert source of independent fair value prices for illiquid fixed-income securities issued in the Caribbean.

Operations

With the onset of the pandemic, we quickly moved to secure the protection of our staff by implementing a company-wide work-from-home policy. This work style transition was easy for us as we had been practicing work-from-home on a limited basis for several years before as a productivity measure, and so the infrastructure was already in place to accommodate it. Our efforts during the year have been focused on not only securing the physical well-being of our staff but also their mental well-being. To this end we facilitated through our EAP service provider several webinars for our staff including 'Navigating the new normal – techniques for managing and supporting our teams' and 'The impact of stress – strategies to positively manage our stress'.

As a formally recognised credit rating agency and external credit assessment institution in the Caribbean, CariCRIS' rating operations are conducted in accordance with global best practices as prescribed by the International Organisation of Securities Commissions (IOSCO). IOSCO issued an expanded Code of Conduct Fundamentals for Credit Rating Agencies in 2015. Having completed a gap analysis to identify the additional policies and procedures required by the expanded Code, we made good progress during the year in implementing the new measures. Our rating governance policies and practices continue to be guided by the fundamental tenets of: (i) Protecting the quality and integrity of the rating process; (ii) Maintaining our independence and avoiding conflicts of interest; and (iii) Upkeeping our responsibilities to the investing public and issuers by way of transparency and timeliness of ratings disclosure, as well as protection of confidential information.

During the year we also completed our 3-year Strategic Plan 2020 – 2023, entitled 'Building a Platform for Resilience and Growth'. Our 3 key strategic objectives for the next 3 years are to: (i) Build sustainability and resilience by driving top line growth, smartly managing expenses and leveraging technology; (ii) Build our brand through a commitment to quality, strategic positioning and active engagement with stakeholders; and (iii) Ensure operational excellence through adoption of global standards and best practices.

Chief Executive Officer's Report (continued)

The Year Ahead

While we are hopeful that the worst of the pandemic is behind us and look forward to recovery of economies and businesses in 2021 and beyond, we remain mindful that significant risks still abound that can derail growth expectations. We cautiously predict continued improvement in our business performance over the next year. We expect the recent establishment of a branch office in Jamaica, this being our first office outside of our home country Trinidad & Tobago, to serve as a launchpad for a higher level of business in that country and indeed in the northern Caribbean. Further, as regional banks continue to roll out Basel 2 & 3 capital standards, and now that the new Insurance Bill in Trinidad and Tobago has come into effect with its risk-based capital requirements, we expect an increase in the demand for our rating services in the year ahead.

Acknowledgements

I sincerely thank the members of the Board and the Rating Committee members for their outstanding service to CariCRIS over the past year. I also thank our clients and the institutional investors for their ongoing support and most importantly I extend my sincere appreciation to our valuable team members for their continued commitment to excellence.

Wayne Dass, CFA
Chief Executive Officer
21 June 2021

Board of Directors

Mr. Gregory Thomson - Chairman

Mr. Gregory Thomson is a retired banker with over 40 years' experience in Banking, Investments and Finance. Mr. Thomson's considerable experience in regional financial and capital markets include stints as General Manager of Republic Bank Limited (1993–2002) and Executive Director (2002–2005). As General Manager, he reported to the Managing Director with responsibilities for the Trust and Asset Management, Financial Planning and Control, Treasury Management and implementation of the company's key strategic objectives. As Executive Director, his responsibilities incorporated vision setting and ensuring the effective operation of Financial Accounting and Reporting, Strategic Planning, Treasury Management and Credit Risk Management.

Mr. Thomson was the Deputy Managing Director of Republic Bank Limited prior to his retirement in 2012. Subsequent to his retirement he has served in a consulting role to the Central Bank of Trinidad and Tobago, providing Credit Risk Specialist support to the Financial Institutions Supervision Unit, and to the Trinidad and Tobago Unit Trust Corporation, where he was involved in the review, development and implementation of investment strategies.

Mr. Thomson holds a BSc in Mathematics and Physics from The University of the West Indies and an MBA from The University of Western Ontario, Canada. He is presently on the Boards of Republic Financial Holdings Limited, Republic Bank Limited and One Caribbean Media Limited.

Mr. Milverton Reynolds - Director

Mr. Milverton Reynolds' professional life spans the banking and insurance industries in both the private and public sectors where he has held senior management positions in both international and local organisations that include Peat Marwick & Partners, the Jamaica Citizens Bank, Workers Savings and Loan Bank, National Housing Trust, Life of Jamaica, and the Jamaica Mortgage Bank. Since 2007, he has been the Managing Director of the Development Bank of Jamaica which he has piloted into a vibrant entity that has evolved with the rapid growth and development of communication and technology, while honing his vision of how public-private partnerships can catapult Jamaica into financial prosperity. Mr. Reynolds holds positions on several boards in the private and public sectors including Allied Insurance Brokers, NCB Insurance Company, Harmonisation Limited, and Harmony Cove Limited and is involved in several charities, including the St. Andrew Care Centre that assists street boys to become productive members of society. In October 2015, he received a national award, the Order of Distinction (Commander Class) for outstanding leadership in housing development.

In August 2018, Mr. Reynolds was conferred an Honorary Doctorate by the Northern Caribbean University, Jamaica, for his contribution to nation-building in both the private and public sectors, and for his sterling work done in the field of public-private partnerships and privatisation. Mr. Reynolds holds a BSc Degree in Management Studies from the University of the West Indies (UWI) and an MBA from McGill University in Montreal, Canada, as well as additional post-graduate qualifications in housing development and finance from the University of London, England.

Board of Directors (continued)

Ms. Julia A. Weekes - Director

Ms. Julia A. Weekes, CFA is Director of Banking, Currency and Investments at the Central Bank of Barbados, a position she has held since January 1, 2006. Ms Weekes is Chairperson of the Central Bank's Investment Committee, a member of the Committee of Management, Central Bank of Barbados Staff Pension Scheme and sits on the Bank's Payments, Tenders and Budget Committees. In her current role, she manages the Bank's investment portfolios, holds responsibility for payments and banking operations and for the administration of the domestic debt of the Government of Barbados. She serves as a member of the Investment Committee of the Board of Directors of the National Insurance Scheme (NIS) of Barbados, and sits on the Investment/Pension Committees of several government agencies.

Ms. Weekes, a CFA charterholder, is a member of the CFA Institute and CFA Barbados where she served as president for a number of years. Ms. Weekes holds a BSc in Economics & Accounting (Honours) from the University of the West Indies.

Mrs. Angela Henry-Small - Director

Mrs. Angela Henry-Small is currently the Manager, Statistics Department at the Central Bank of Trinidad & Tobago, where she leads a team of 34 persons in the intake, processing and dissemination of financial data for banks, non-bank financial institutions, insurance companies and pensions plans, along with data on the balance of payments, monetary aggregates, the foreign exchange market, government debt and fiscal accounts.

Mrs Henry-Small has a B.A. in Economics and Mathematics (U.W.I), a M.Sc. in Economics (U.W.I), a M.A. in Economics (Indiana University) and is currently a Ph.D. Candidate in Economics (Indiana University) and is also currently pursuing an MBA in Business Intelligence and Data Analytics at the Arthur Lok Jack Graduate School of Business.

Board of Directors (continued)

Prof. (Dr.) Venkataraman Sankaranarayanan - Director

Prof. (Dr.) Venkataraman Sankaranarayanan is currently part of the faculty in the Strategic Management group of the Indian Institute of Management Kozhikode, one of the premier management schools in India. His specialisation includes Corporate Sustainability and International Business. An alumnus of the Indian Institute of Management Calcutta, Dr. Sankaranarayanan has also been a visiting scholar at Cornell University, USA. Dr. Sankaranarayanan was formerly a Senior Director at CRISIL Ltd, the largest rating agency in India and a subsidiary of the globally-recognised rating agency Standard & Poor's. He was part of the core management team which decides and oversees implementation of all group-wide strategies covering business and key stakeholder relations and a member of CRISIL's Rating/Grading Committee. Over a span of 20 years, Dr. Sankaranarayanan led various businesses within CRISIL and garnered extensive experience in credit ratings, advisory services, equity gradings, risk management, credit risk models, business restructuring, valuation, infrastructure privatisation, securitisation and corporate governance evaluation. He has been closely involved with CariCRIS, having served as its founding Chief Executive Officer and Chief Rating Officer of CariCRIS from 2004-2007.

Ms. Vashtie Dookiesingh - Director

Ms Vashtie Dookiesingh is the Senior Specialist at the Multilateral Investment Fund, a member of the Inter-American Development Bank Group. Ms Dookiesingh's career experience spans over 26 years in professional service delivery to a range of organisations in Trinidad and Tobago and the wider Caribbean, comprised of 13 years in the private sector and 13 with the Inter-American Development Bank. In her role at the IDB, she is responsible for the design and supervision/oversight of investments, loans and technical co-operation (grants) financed by the Multilateral Investment Fund to support private sector development in Trinidad and Tobago and Barbados, and she also supports identification and design of projects in Guyana and Suriname. Ms Dookiesingh has a BA in Economics (Distinction) from McGill University, Canada and an Executive Masters in Business Administration (Distinction) from UWI, IOB.

Board of Directors (continued)

Mr. Pawan Agrawal - Director

Mr. Pawan Agrawal is the Chief Risk Officer for CRISIL. In this role, Pawan leads the risk management function, focusing on mitigating risks and strengthening resilience, in the context of an evolving economic, technology and regulatory environment.

Previously, Pawan was the Chief Analytical Officer for CRISIL Ratings, where he was responsible for maintaining analytical excellence in the ratings business, and for enhancing CRISIL's franchise through outreach and thought leadership.

As a part of CRISIL Ratings, Pawan has, earlier, led analytical teams engaged in ratings of large and global Indian companies across the manufacturing, infrastructure, financial, and structured finance domains.

Pawan also set-up the operations at CRISIL's Global Analytical Center (GAC), which provides high-end analytical, data, and modelling support to Standard & Poor's global analysts. Pawan worked closely with S&P to grow the scale and diversity of services offered by GAC.

Pawan has worked with Standard & Poor's Singapore office, where he has led the analytical team responsible for corporate and infrastructure ratings for S&P in the South and Southeast Asia region.

Pawan is a board member of the Caribbean Information and Credit Rating Services Ltd (CariCRIS), a regional rating agency based in Port of Spain.

Pawan holds a post graduate diploma in management from Xavier Institute of Management, Bhubaneshwar and an engineering degree from the Malaviya National Institute of Technology, Jaipur.

Mr. Maurice L. Roemer - Director

Mr. Maurice L. Roemer was appointed Governor of the Central Bank of Suriname by the Government of the Republic of Suriname in February 2020. Mr. Roemer had numerous years of managerial experience in the insurance industry. Prior to his appointment to the Central Bank, he held the position of CEO of one of the largest local insurance companies.

For many years, Mr. Roemer served on the Supervisory Board of the second largest commercial bank in Suriname, also serving as its Chair. Furthermore, he has extensive experience at the higher education level, in both management capacities as well as a lecturer.

In his early career as a consultant in the Netherlands, Mr. Roemer coached numerous starting entrepreneurs and developed training programs for this target group.

Mr. Roemer holds a Master Degree in Economics with specialisation in Business Economics from Tilburg University in the Netherlands.

Board of Directors (continued)

Mr. Miguel Almeyda – Director

Mr. Miguel Almeyda is the Head of the Private Sector Division of the Caribbean Development Bank, where he is responsible for the Bank's Micro, Small and Medium-sized Enterprise Development and the Regional Cooperation and Integration programmes, intermediary and direct lending, and Public-Private Partnerships (PPPs).

Mr. Almeyda holds a Master's degree in Finance from the George Washington University in Washington, D.C. and a Bachelor's degree in International Relations, with a specialisation in International Economics, from Universidad Iberoamericana in Mexico City. Mr. Almeyda has extensive experience in private sector development, business environment assessment, PPP design and implementation, and financial modelling.

Prior to joining the Bank, he worked as a Senior Advisor in Public-Private Partnerships and Infrastructure Finance – United Nations Office for Project Services. He also spent over twelve years at the Inter-American Development Bank (IDB) as a Senior Specialist of the Multilateral Investment Fund (FOMIN), where he supervised the design and implementation of a portfolio of multiple technical cooperation grants aimed at strengthening the role of the private sector in economic development in a variety of industries. He also coordinated the design and implementation of FOMIN's flagship programmes related to PPP knowledge and advisory services in Latin America and the Caribbean, which facilitated the structuring of several PPP infrastructure projects sponsored by subnational governments.

Rating Committee

Mr. Ben Arrindell CBE, SCM – Chairman

Mr. Ben Arrindell CBE, SCM is a retired partner from Ernst & Young. From 1994 to 2009, he was the International Tax Partner and Country Leader for Barbados (2000 to 2009) as well as a member of the Board of Directors of the Ernst & Young integrated Caribbean firm encompassing Barbados, BVI, Jamaica, Trinidad & Tobago, the OECS and the Netherland Antilles. His experience includes development of the Ernst & Young tax practice in the Caribbean and management of the Ernst & Young operations in Barbados and the BVI. Mr. Arrindell attended the London Metropolitan University in London, England and holds a Diploma in English Law. He has been a consultant to the Government of Barbados for the past 20 years as technical advisor participating in tax treaty negotiations with several countries including Canada, Cuba, USA, Italy and Spain.

Mr. Marius St. Rose - Member

Mr. Marius St. Rose is a citizen of Saint Lucia. He currently serves as a Director of Emera Barbados Holdings Limited and is a Member of the UWI Vice Chancellors Selection Committee for Distinguished Awards. Specializing in Economics and Management, Mr. St. Rose is a former Group Managing Director of East Caribbean Financial Holdings Limited and a former Senior Vice President (Operations) of the Caribbean Development Bank, with responsibility for the Departments of Economics and Programming, Projects, and Corporate Policy and Planning. Mr. St. Rose also served as Chairman of the following bodies: Saint Lucia Electricity Services Limited, Bank of Saint Lucia International Limited, ECCB Resolution Trust Corporation, the OECS Pension Reform Commission, the OECS Public Expenditure Review Commission, the Grenada Agency for Reconstruction and Development and Saint Lucia's High-Level Public-Sector Salary Review Commission and Tribunal of Income Tax Appeal Commissioners.

Rating Committee (continued)

Mr. Dwight Richardson - Member

Mr. Dwight Richardson has extensive experience in banking, finance and management. He is a former Alternate Director, General Manager Finance and Member of the Executive Committee of The Bank of Nova Scotia Jamaica Limited. He was also a member of the Board of several banking and insurance subsidiaries of that bank as well as Chairman of the Jamaica Bankers Association Technical Committee. Mr Richardson is currently a member of the board of Signia Financial Group Inc., and Grace Kennedy General Insurance Company Limited.

Ms. Lorraine Kam - Member

Ms. Lorraine Kam is a financial services professional with more than 20 years of progressive experience within the financial services sector. This experience incorporates roles in strategic and enterprise risk management, corporate and investment banking and global relationship banking spanning a wide range of industries, including Governments and the public sector. Currently, Ms. Kam serves as an Independent Director for companies in the financial sector as well as a registered NGO. She is the Chairman of the Risk Committees of the financial sector companies where she serves as an Independent Director.

Prior to this, the majority of Ms. Kam's career was spent in banking and finance at Citibank, at the group's Trinidad, Barbados and New York offices. In her role as the Corporate and Commercial Bank Head, she also served as an executive director on the board of Citibank (Trinidad & Tobago) Limited and as a director on the board of the American Chamber of Trinidad and Tobago.

Ms. Kam holds a Bachelor of Science degree in Accounting from The University of the West Indies (St. Augustine) and a Master of Science degree in Finance from Cass Business School (London, U.K.). Her training included certification by the Society of Management Accountants of Ontario, as well as being an affiliate of the Association of Chartered Certified Accountants, United Kingdom.

Rating Committee (continued)

Dr. C. Justin Robinson - Member

Dr. C. Justin Robinson is a national of St. Vincent and the Grenadines and currently serves as Dean, Faculty of Social Sciences, University of the West Indies, Cave Hill Campus, Barbados. Dr. Robinson's research interests are Capital Markets in Developing Countries, Public Finance, Financial Risk Management and Corporate Finance. He has published extensively on these subjects in a number of regional and international journals. Dr. Robinson currently serves as Chairman of the National Insurance Scheme Barbados, Member of the Board of Directors of the Central Bank of Barbados, and Vice President of the Barbados Museum and Historical Society.

Dr. Robinson obtained his PhD in Finance from the University of Manchester, UK. He also holds an MSc in Finance and Econometrics from Florida International University and a BSc in Management Studies (First Class Honours) from the University of the West Indies, Cave Hill Campus, Barbados.

Mr. Wayne Dass - Member

Mr. Wayne Dass is the Chief Executive Officer of Caribbean Information and Credit Rating Services Limited (CariCRIS). Wayne has garnered over twenty-five years' combined experience in engineering and financial markets, and built specific expertise over the past 15 years in credit risk assessment, financial risk management and investment management. Prior to joining CariCRIS, Wayne held senior leadership positions in prominent regional financial institutions. Over the past 14 years, Wayne has successfully led the expansion and development of CariCRIS, and under his leadership, CariCRIS is now well established throughout the region with a solid track record for independence and integrity in its ratings. Wayne holds BSc. and MSc. Degrees in Engineering and is a Chartered Financial Analyst (CFA) charter-holder.

Management Team

Kathryn Budhooram
B.Sc, MBA, PMP
Senior Manager,
Rating Operations,
Strategic Planning &
Brand Development

Andre Joseph
B.Sc, MBA
Senior Manager,
Ratings

Wayne Dass
B.Sc, M.Sc, CFA
Chief Executive
Officer

Stefan Fortuné
B.Sc, M.Sc. Ph.D
Senior Manager,
Ratings, Research &
Training

Nicole Budd
MBA, FCCA, CA
Senior Manager,
Finance &
Administration

Anelia Oudit
BBA, MBA
Manager, Ratings

Keith Hamlet
B.Sc., M.Sc.
Manager, Ratings

Finance & Administration Team

Sita
Sonnyram

Keisha
Antoine

Prudence
Charles

Kerryn De
Landro

Nicolette
Alleyne

Nicole
Budd

Ratings Team


Nadia Renee


Samuel Raphael


Jeffrey James


Keith Hamlet


Nikkel Collymore


Andre Joseph


Anelia Oudit


Kathryn Budhooram


Megan Dass


Khadine Tavares


Stefan Fortuné

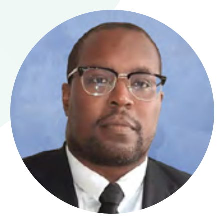

Kyla Balwant


Maxwell Gooding


Shiva Bissessar


Keevan Roopan


Marc Dwarika


Musa Abdullah

Research Team


Melissa Geoffrey–Mc Kain


Candace Williams


Stefan Fortuné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CariCRIS

Audited Financial Statements

For the Year ended March 31, 2021

Caribbean Information &
Credit Rating Services Limited

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STATEMENT OF MANAGEMENT'S RESPONSIBILITIES

Management is responsible for the following:

- Preparing and fairly presenting the accompanying financial statements of Caribbean Information and Credit Rating Services Limited (the Company), which comprise the statement of financial position as at March 31, 2021, the statements of comprehensive income, changes in net assets attributable to members and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information;

- 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 achievement of operational efficiencies;

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

- Producing reliable financial reporting that complies with laws and regulations, including the Companies Act; and

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

In preparing these 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 from the date the financial statements have been authorised for issue, if later.

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

Wayne Dass, CFA
Chief Executive Officer
June 18, 2021

Nicole Budd, FCCA, MBA, CA
Senior Manager, Finance & Administration
June 18, 2021

Independent Auditors' Report
To the Shareholders of Caribbean Information and Credit Rating Services Limited

Opinion

We have audited the financial statements of Caribbean Information and Credit Rating Services Limited ("the Company"), which comprise the statement of financial position as at March 31, 2021, and the statement of comprehensive income, statement of changes in equity and statement of 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 March 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis of 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 of Professional Accountants ("IESBA Code") together with the ethical requirements that are relevant to our audit of the financial statements in the Republic of Trinidad and Tobago, and we have fulfilled our ethical responsibilities in accordance with these requirements and with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Chairman's Statement, the Chief Executive Officer's Report and the Company's 2021 Annual Report but does not include the financial statements and our auditors' report thereof.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Grant Thornton
ORBIT Solutions

Independent Auditors' Report (continued)

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 misstatements, whether due to fraud or error, and to issue the 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 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 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 auditors' 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 entity or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company's audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical matters regarding independence.

Grant Thornton

Grant Thornton
ORBIT Solutions
Port of Spain
Trinidad and Tobago
June 18, 2021

Statement of Financial Position

As At March 31, 2021 (Expressed in United States Dollars)

	Notes	2021 $	2020 $
ASSETS			
Non-current assets			
Property and equipment	4	207,670	310,397
Deferred tax asset	6	608,900	4,440
Trade and other receivables	7	13,935	13,935
Investments	8	745,254	742,076
Tax recoverable		288	129
		1,576,047	1,070,977
Current assets			
Trade and other receivables	7	244,873	279,325
Cash and cash equivalents	9	1,313,338	810,732
		1,558,211	1,090,057
TOTAL ASSETS		**3,134,258**	**2,161,034**
EQUITY AND LIABILITIES			
Equity			
Stated capital	11	4,561,688	4,561,688
Accumulated losses		(1,846,437)	(2,788,049)
		2,715,251	1,773,639
Non-current liabilities			
Lease liability	5	74,011	169,381
Current liabilities			
Deferred revenue		119,270	22,487
Lease liability	5	95,373	91,719
Trade and other payables	10	130,353	103,808
		344,996	218,014
TOTAL LIABILITIES		419,007	387,395
TOTAL EQUITY AND LIABILITIES		**3,134,258**	**2,161,034**

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

On June 18, 2021 the Board of Directors of Caribbean Information and Credit Rating Services Limited authorised these financial statements for issue.

Director Director

Statement of Comprehensive Income

For the Year ended March 31, 2021 (Expressed in United States Dollars)

	Notes	2021 $	2020 $
Revenue	12	1,621,130	1,480,104
Direct operating expenses	13 (a)	(581,275)	(573,756)
Gross profit		1,039,855	906,348
Other operating and administrative expenses	13 (b)	(706,254)	(691,016)
Profit from operations before net finance income		333,601	215,332
Finance income		26,868	22,744
Finance cost	13 (c)	(13,429)	(16,250)
Net finance income		13,439	6,494
Profit before taxation		347,040	221,826
Taxation	14	594,572	(11,280)
Net profit being total comprehensive profit for the year		**941,612**	**210,546**

Statement of Changes in Equity

For the Year ended March 31, 2021 (Expressed in United States Dollars)

	Stated capital $	Accumulated losses $	Total equity $
Balance at April 1, 2020	4,561,688	(2,788,049)	1,773,639
Total comprehensive profit for the year	-	941,612	941,612
Balance at March 31, 2021	**4,561,688**	**(1,846,437)**	**2,715,251**
Balance at April 1, 2019	4,561,688	(2,998,595)	1,563,093
Total comprehensive profit for the year	-	210,546	210,546
Balance at March 31, 2020	**4,561,688**	**(2,788,049)**	**1,773,639**

Statement of Cash Flows

For the Year ended March 31, 2021 (Expressed in United States Dollars)

	Notes	2021 $	2020 $
Cash flow from operating activities			
Net profit before taxation		347,040	221,826
Adjustments to reconcile profit to net cash generated from operating activities:			
Depreciation	13 (b)	21,491	18,923
Depreciation - right-of-use asset	13 (b)	93,300	93,304
Finance cost - lease expense		8,578	-
Change in expected credit loss - receivables		496	-
		470,905	334,053
Working capital changes in:			
Change in trade and other receivables		36,592	(41,586)
Loss in receivables		(2,630)	-
Change in trade and other payables		26,545	(17,638)
Change in deferred revenue		96,783	2,487
Cash generated from operations		628,195	277,316
Tax paid		(10,053)	(8,881)
Net cash generated from operating activities		618,142	268,435
Cash flow from investing activities			
Purchase of property and equipment	4	(12,064)	(33,705)
Change in investments		(3,178)	(71,062)
Net cash used in investing activities		(15,242)	(104,767)
Cash flow from financing activities			
Repayment of lease liability		(100,294)	(96,566)
Net cash used in financing activities		(100,294)	(96,566)
Increase in cash and cash equivalents		502,606	67,102
Cash and cash equivalents			
- at beginning of year		810,732	743,630
- at end of year	9	**1,313,338**	**810,732**

Notes to the Financial Statements

For the Year ended March 31, 2021 (Expressed in United States Dollars)

1. Incorporation and principal activity

Caribbean Information and Credit Rating Services Limited ("the Company") was incorporated in the Republic of Trinidad and Tobago and its principal business includes performing the function of an independent credit rating agency for the region. The Company's registered office is 3rd Floor, Furness House, 90 Independence Square, Port of Spain, Trinidad and Tobago.

2. Summary of significant accounting policies

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

(a) Basis of preparation

These financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"). The financial statements are prepared under the historical cost convention except for certain financial instruments at fair value.

Management has considered the going concern assumption to be appropriate in light of the Company's solid track record of growing revenue and profits over the past seven years and its strong capitalization reflected in a Net Shareholders' Equity to Total Assets ratio of 84%. Further, recent financial sector regulatory reforms in the Company's two main markets (Trinidad & Tobago and Jamaica) will drive a further increase in the demand for independent credit ratings in these jurisdictions and serve to further boost the Company's revenues and profits in the years ahead.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies.

(b) Foreign currency

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in United States dollars, which is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in the foreign currency are translated into the functional currency at the exchange rate at the reporting date. Non-monetary items that are measured based on historical cost in the foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in the statement of comprehensive income.

Notes to the Financial Statements (continued)

For the Year ended March 31, 2021 (Expressed in United States Dollars)

2. Summary of significant accounting policies (continued)

(c) Property and equipment

All property and equipment is stated at historical cost less accumulated depreciation.

Depreciation is calculated on the straight-line method at rates estimated to write down the cost of such assets, to their residual values over their useful lives as follows:

Improvements to leasehold property	-	4 years
Computer equipment	-	3 years
Office equipment	-	4 years
Furniture and fixture	-	4 years
Motor vehicles	-	4 years

The assets' residual value and useful lives are reviewed and adjusted if appropriate at each statement of financial position date.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposal of equipment are determined by reference to their carrying amounts and are taken into account in determining operating profit.

Repairs and maintenance are charged to the statement of comprehensive income when the expenditure is incurred.

(d) Leased assets

The Company has applied IFRS 16 using the modified retrospective approach.

The Company assessed whether an existing tenancy contract meets three key evaluations. These are whether:

- The contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company.
- The Company has the right to obtain substantially all the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract.
- The Company has the right to direct the use of the identified asset throughout the period of use. The Company assessed whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

At the initial date of application of the Standard, the Company recognised a right-of-use asset and a lease liability on the statement of financial position. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, and any lease payments made in advance of the application date.

Notes to the Financial Statements (continued)

For the Year ended March 31, 2021 (Expressed in United States Dollars)

2. Summary of significant accounting policies (continued)

(d) Leased assets (continued)

The Company depreciates the right-of-use assets on a straight-line basis from the date of initial application to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assessed the right-of-use asset for impairment when such indicators exist.

At the date of initial application, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted at the Company's incremental borrowing rate.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in- substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

On the statement of financial position, right-of-use assets have been included in Property and Equipment and lease liabilities included in current and non-current liabilities.

(e) Investments

Investments are securities backed by debt instruments issued by a borrower such as a private Corporation or the Government. Interest is accrued at a fixed rate over the period the instrument is held. These are classified at amortised cost. The Company intends to hold the assets to maturity to collect contractual cash flows and these cash flows consist solely of payments of principal and interest on the principal outstanding.

(f) Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. These are now classified at amortised cost.

(g) Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at amortised cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash at bank and on hand, and investment in money market securities with original maturities of three months or less.

(h) Fair values of financial assets and liabilities

Financial assets and liabilities are presented on the statement of financial position at amortised cost with disclosures regarding their fair value.

Notes to the Financial Statements (continued)

For the Year ended March 31, 2021 (Expressed in United States Dollars)

2. Summary of significant accounting policies (continued)

(i) Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled, or expires.

Classification and measurement of financial assets and financial liabilities

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IRFS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets are classified into the following categories:

- Amortised cost
- Fair value through profit or loss ("FVTPL")
- Fair value through other comprehensive income ("FVOCI")

In the periods presented the Company does not have any financial assets categorised as FVOCI.

The classification is determined by both:

- The entity's business model for managing the financial asset.
- The contractual cash flow characteristics of the financial asset.

All income and expenses related to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables. There was no impairment of trade receivables as of March 31, 2021.

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- They are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows.
- The contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorized at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at fair value through profit or loss.

The Company's financial liabilities consist of trade and other payables.

Notes to the Financial Statements (continued)

For the Year ended March 31, 2021 (Expressed in United States Dollars)

2. Summary of significant accounting policies (continued)

(i) Financial instruments (continued)

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Company designated a financial liability at FVTPL.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method. All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

Impairment of financial assets

IFRS 9's impairment requirements use more forward-looking information to recognise expected credit losses – the 'expected credit loss ("ECL") model'. Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under IFRS 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at FVTPL.

Recognition of credit losses is no longer dependent on the Company first identifying a credit loss event. Instead the Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- Financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- Financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is now low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

The Company makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Company uses its historical experience, external indicators, and forward-looking information to calculate the expected credit losses using a provision matrix.

Notes to the Financial Statements (continued)

For the Year ended March 31, 2021 (Expressed in United States Dollars)

2. Summary of significant accounting policies (continued)

(i) Financial instruments (continued)

The Company assesses impairment of trade receivables on a collective basis as they possess shared credit risk characteristics they have been grouped based on the days past due. Refer to Note 3 (b) for a detailed analysis of how the impairment requirements of IFRS 9 are applied.

(j) Stated capital

Shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds.

(k) Trade and other payables

Trade and other payables are recognised initially at fair value and subsequently remeasured at amortised cost. The Company derecognises a financial liability when its contractual obligations are discharged or cancelled.

(l) Current and deferred taxes

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

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the year end. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax is determined using tax rates that have been enacted or substantially enacted by the year end and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

The temporary difference arises from the difference between the accounting and tax treatment of depreciation on equipment, deferred revenue and tax losses carried forward.

Deferred tax assets are recognised for carried forward tax losses where it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Notes to the Financial Statements (continued)

For the Year ended March 31, 2021 (Expressed in United States Dollars)

2. Summary of significant accounting policies (continued)

(m) Employee benefits

Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. However, there are no benefits falling due as at the year end.

Employee bonus

The Company recognises a liability and an expense for bonuses on the accruals basis.

(n) Provisions

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

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

(o) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the Company's activities. Revenue is shown net of value-added tax, refunds and discounts.

The Company has adopted IFRS 15 *Revenue from Contracts with Customers* which replaces IAS 18 *Revenue, IAS 11 Construction Contracts* IFRIC 13 *Customer Loyalty Programmes*, IFRIC 15 *Agreements for the Construction of Real Estate,* IFRIC 18 *Transfer of Assets from Customers and SIC-31 Revenue.*

Revenue is recognised when:

i. A customer obtains control of the goods or services.
ii. The amount of revenue can be reliably measured (the amount of revenue is not considered to be reliably measurable until all contingencies relating to the service have been resolved).
iii. It is probable that future economic benefits will flow to the entity, and,
iv. Specific criteria have been met for each of the Company's activities as described below.

Revenue is recognised either at a point in time or over time, when (or as) the Company satisfies performance obligations by transferring the promised services to its clients.

Notes to the Financial Statements (continued)

For the Year ended March 31, 2021 (Expressed in United States Dollars)

2. Summary of significant accounting policies (continued)

(o) Revenue recognition (continued)

The Company recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Company satisfies a performance obligation before it receives the consideration, the Company recognizes either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

(p) Revenue recognition

Contract liabilities

A contract liability arises under IFRS 15 if a customer pays consideration, or if the entity has a right to consideration that is unconditional (i.e. a receivable), before the good or service is transferred to the customer. The liability should be recognised either when the payment is made or when the payment is due (whichever is earlier). The contract liability represents the obligation to transfer goods or services to a customer for which consideration has been received (or an amount of consideration is due) from the customer.

A contract liability is therefore recognised when a payment for a customer is due (or already received, whichever is earlier) before a related performance obligation is satisfied.

As of March 31, 2021, contract liabilities are presented in deferred revenue.

Contract asset

A contract asset arises under IFRS 15 if an entity performs by transferring goods or services to a customer before the consideration is paid or before payment is due. The balance excludes any amounts presented as a receivable. The contract asset represents the right to consideration in exchange for goods or services that have been transferred to a customer and should be assessed for impairment in accordance with IFRS 9 Financial Instruments.

A receivable is a right to consideration that is unconditional, i.e. only the passage of time is required before payment of that consideration is due.

A contract asset is therefore recognised when a performance obligation is satisfied (and revenue recognised), but the payment is conditional not only on the passage of time. Contract assets are different from receivables because trade receivables represent an unconditional right to receive payment. The significance of the distinction between contract asset and receivable is that the contract asset carries not only the credit risk, but other risks as well such as performance risk.

There are no contract assets as of March 31, 2021 as all rights to payments are unconditional and presented in trade receivables.

Notes to the Financial Statements (continued)

For the Year ended March 31, 2021 (Expressed in United States Dollars)

2. Summary of significant accounting policies (continued)

(p) Revenue recognition (continued)

Initial rating income

Initial rating income is recognised when the performance obligation is satisfied: the initial rating is completed, duly approved by the rating committee, and communicated to the client. Thus, revenue recognition occurs at a point in time, i.e. upon communication of the approved rating to the client. Thereafter the client obtains control of the rating which can be used as desired in accordance with the terms of the rating agreement (the contract).

Surveillance income

Surveillance income is prudently recognised in arrears one year following acceptance of the initial rating and annually thereafter whether or not there is a change to the rating during each surveillance period. The performance obligation is that of keeping the rating current at all times and is therefore satisfied over time.

Training income

Training income is recognised at a point in time when the performance obligation of hosting the training program is satisfied.

Bond valuation and other technical services

Income from bond valuation service and other technical services is recognised at a point in time when the performance obligation of delivering the service is satisfied.

Finance income

Finance income is recognised on a time-proportion basis using the effective interest method.

(q) Deferred revenue

Deferred revenue relates to amounts paid in advance by customers for work to be performed by the Company. These amounts are recognised in income when the relevant service is provided to the customer.

(r) Related parties

A party is related to the Company, if:

(i) Directly, or indirectly through one or more intermediaries, the party:

a) is controlled by, or is under common control with, the Company (this includes parents, subsidiaries and fellow subsidiaries);

b) has a direct or indirect interest in the Company that gives it significant influence; or

c) has joint control over the Company;

(ii) the party is an associate of the Company;

(iii) the party is a joint venture in which the Company is a venturer;

Notes to the Financial Statements (continued)

For the Year ended March 31, 2021 (Expressed in United States Dollars)

2. Summary of significant accounting policies (continued)

(r) Related parties (continued)

(iv) the party is a member of the key management personnel of the Company or its parent;

(v) the party is a close member of the family of any individual referred to in (i) or (iv);

(vi) the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or

(vii) the party is a post-employment benefit plan for the benefit of employees of the Company, or of any entity that is a related party of the Company.

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

The Company has a related party relationship with its Directors and key management personnel, representing certain senior officers of the Company.

(s) New standards, interpretations and amendments adopted as at April 1, 2020

- Conceptual Framework for Financial Reporting

The International Accounting Standards Board issued the revised Conceptual Framework for Financial Reporting (Conceptual Framework), a comprehensive set of concepts for financial reporting in March 2018. It sets out:

- The objective of financial reporting
- The qualitative characteristics of useful financial information
- A description of the reporting entity and its boundary
- Definitions of an asset, a liability, equity, income and expenses
- Criteria for including assets and liabilities in financial statements (recognition) and guidance on when to remove them (derecognition)
- Measurement bases and guidance on when to use them
- Concepts and guidance on presentation and disclosure

The amendment is effective for annual periods beginning on or after January 1, 2020 for preparers who develop an accounting policy based on the Conceptual Framework.

Management has determined that the amendment does not have a significant impact on the Company's financial statements.

Certain new, revised and amended standards and interpretations have been issued which are not yet effective for the current year and which the Company has not early adopted. The Company has assessed the relevance of all such new standards, amendments and interpretations with respect to the Company's operations and has determined that the following are likely to have an effect on the financial statements.

Notes to the Financial Statements (continued)

For the Year ended March 31, 2021 (Expressed in United States Dollars)

2. Summary of significant accounting policies (continued)

(s) New standards, interpretations and amendments adopted as at April 1, 2020 (continued)

- Definition of a Business (Amendments to IFRS 3)

The IASB issued a narrow-scope amendment to IFRS 3 to help entities determine whether an acquired set of activities and assets is a business or not. The amendments clarify the minimum requirements to be a business, remove the assessment of a market participant's ability to replace missing elements, and narrow the definition of outputs.

The amendments are effective for annual reporting periods beginning on or after January 1, 2021 and apply prospectively. Earlier application is permitted.

The Company is assessing the impact that this amendment will have on its 2022 financial statements.

- Definition of Material (Amendments to IAS 1 and IAS 8)

The amendment relates to a revised definition of 'material' and stated as follows:

Information is material if omitting, misstating or obscuring it would reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.

The amendments are effective for annual reporting periods beginning on or after January 1, 2021. Earlier application is permitted.

The Company is assessing the impact that this amendment will have on its 2022 financial statements.

- COVID-19 Rent Related Concessions (Amendment to IFRS 16)

In May 2020, the IASB issued the pronouncement to provide lessees with an exemption from assessing whether a COVID-19 related rent concession is a lease modification. On issuance, the practical expedient was limited to rent concessions for which any reduction in lease payments affects only payments originally due on or before June 30, 2021.

Since lessors continue to grant COVID-19-related rent concessions to lessees and since the effects of the COVID-19 pandemic are ongoing and significant, the IASB decided to extend the time period over which the practical expedient is available for use.

The changes in Covid-19-Related Rent Concessions beyond June 30, 2021 (Amendment to IFRS 16) amend IFRS 16 to:

a. Permit a lessee to apply the practical expedient regarding COVID-19-related rent concessions to rent concessions for which any reduction in lease payments affects only payments originally due on or before June 30, 2022 (rather than only payments originally due on or before June 30, 2021);

b. Require a lessee applying the amendment to do so retrospectively, recognising the cumulative effect of initially applying the amendment as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of the annual reporting period in which the lessee first applies the amendment; and

Notes to the Financial Statements (continued)

For the Year ended March 31, 2021 (Expressed in United States Dollars)

2. Summary of significant accounting policies (continued)

(s) New standards, interpretations and amendments adopted as at April 1, 2020 (continued)

c. Specify that, in the reporting period in which a lessee first applies the amendment, a lessee is not required to disclose the information required by paragraph 28 (f) of IAS 8.

The amendment is effective for annual reporting periods beginning on or after April 1, 2021 (earlier application permitted, including in financial statements not yet authorised for issue at the date the amendment is issued).

The Company is assessing the impact that this amendment will have on its 2022 financial statements.

(t) Comparative figures

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

3. Financial risk management

Financial risk factors

The Company's activities expose it to a variety of financial risks: foreign exchange risk, cash flow interest rate risk, credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. There were no changes to the Company's risk management policies.

(a) Market risk

Foreign exchange risk

The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the TT dollar. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.

The Company has set up a policy to manage its foreign exchange risk against its functional currency. To manage its foreign exchange risk arising from future commercial transactions and recognised assets and liabilities, the Company monitors the foreign exchange rates daily effecting transfers from functional currency bank accounts to foreign currency denominated bank accounts at a negotiated exchange rate so as to match assets with commitments and liabilities as they fall due. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the Company's functional currency.

Notes to the Financial Statements (continued)

For the Year ended March 31, 2021 (Expressed in United States Dollars)

3. Financial risk management (continued)

(a) Market risk (continued)

Concentrations of assets and liabilities

	TT $	US $	Total $
As at March 31, 2021			
Financial assets			
Trade and other receivables	54,770	172,526	227,296
Investments	189,194	556,060	745,254
Cash and cash equivalents	319,787	993,906	1,313,693
Total financial assets	563,751	1,722,492	2,286,243
Financial liabilities			
Trade and other payables	188,315	37,411	225,726
Total financial liabilities	188,315	37,411	225,726
Net foreign exchange risk position	375,436	1,685,081	2,060,517
As at March 31, 2020			
Financial assets			
Trade and other receivables	40,203	232,037	272,240
Investments	186,016	556,060	742,076
Cash and cash equivalents	331,189	479,892	811,081
Total financial assets	557,408	1,267,989	1,825,397
Financial liabilities			
Trade and other payables	167,169	28,358	195,527
Total financial liabilities	167,169	28,358	195,527
Net foreign exchange risk position	390,239	1,239,631	1,626,870

At March 31, 2021 if the functional currency had strengthened by 1% against the TT dollar with all other variables held constant, post-tax profit for the year would have been US$ 3,724 lower (post-tax profit 2020: US$3,902 lower), mainly as a result of foreign exchange losses on translation of TT dollar- denominated trade payables, trade receivables and cash and cash equivalents.

Cash flow interest rate risk and fair value interest rate risk

The Company has significant interest-bearing assets carrying rates that are subject to changes in market interest rates. The Company's investment in repurchase agreements for defined periods mitigates this risk somewhat as rates are fixed for the tenor of the agreements. Other operating cash flows are independent of changes in market interest rates.

Notes to the Financial Statements (continued)

For the Year ended March 31, 2021 (Expressed in United States Dollars)

3. Financial risk management (continued)

(a) Market risk (continued)

The table below summarises the Company's exposure to interest rate risk. The financial assets and liabilities are categorised by the contractual date.

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The Company carries all of its financial assets and liabilities at amortised cost and as such is not exposed to fair value interest rate risk.

Cash flow interest rate risk is the risk that the future cash flows of an instrument will fluctuate because of changes in the market interest rates. The Company's financial assets have fixed interest rates and as such are not exposed to cash flow interest rate risk.

	1 to 3 months $	3 to 12 months $	Non- interest bearing $	Total $
As at March 31, 2021				
Financial assets				
Trade and other receivables	-	-	227,296	227,296
Investments	-	745,254	-	745,254
Cash and cash equivalents	1,113,748	89,223	110,722	1,313,693
Total financial assets	1,113,748	834,477	338,018	2,286,243
Financial liabilities				
Trade and other payables	-	-	225,726	225,726
Total financial liabilities	-	-	225,726	225,726
Interest sensitivity gap	1,113,748	834,477	112,292	2,060,517
As at March 31, 2020				
Financial assets				
Trade and other receivables	-	-	272,240	272,240
Investments	-	742,076	-	742,076
Cash and cash equivalents	598,115	59,232	153,734	811,081
Total financial assets	598,115	801,308	425,974	1,825,397
Financial liabilities				
Trade and other payables	-	-	195,527	195,527
Total financial liabilities	-	-	195,527	195,527
Interest sensitivity gap	598,115	801,308	230,447	1,629,870

Notes to the Financial Statements (continued)

For the Year ended March 31, 2021 (Expressed in United States Dollars)

3. Financial risk management (continued)

(a) Market risk (continued)

Other price risk

Other price risk arises due to the possibility that the fair value of future cash flows of a financial asset or liability will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is not affected by changing prices of equity instruments as there were no investments in equity instruments as at March 31, 2021 nor as at March 31, 2020.

(b) Credit risk

Credit risk is the risk that one party to a financial instrument or financial arrangement will fail to discharge an obligation and cause the other party to incur a financial loss. The Company manages its credit risk by ensuring initial rating fees from first-time rated clients are paid in full up-front, ahead of the rating exercise. The Company also invests its surplus funds in independently rated banks and financial institutions with an investment grade rating.

Below is an analysis of assets bearing credit risk:

	2021 $	2020 $
Trade and other receivables (Note 7)	227,296	272,240
Investments	745,254	742,076
Cash and cash equivalents	1,313,693	811,081
	2,286,243	1,825,397

The Company's receivables consist of contractual obligations from sovereigns and established corporate entities. None of the above financial assets are impaired. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate. Details of the geographical spread of revenue are included in Note 12.

The aging of trade receivables is as follows:

	2021 $	2020 $
1 - 30 days	179,600	205,712
31- 90 days	-	54,034
90- 270 days	26,319	-
	205,919	259,746

Notes to the Financial Statements (continued)

For the Year ended March 31, 2021 (Expressed in United States Dollars)

3. Financial risk management (continued)

(b) Credit risk (continued)

These financial assets are not rated.

The carrying amounts of financial assets and contract assets represent the maximum credit exposure. Impairment losses on financial assets and contract assets including cash equivalents recognised in profit or loss were as follows.

	2021 $	2020 $
Impairment (reversal) on receivables arising from contracts with customers	490	(1,604)
Impairment loss on cash equivalents	6	2
Impairment of financial assets	496	(1,602)

The Company uses a provision matrix to measure the ECLs of trade receivables from individual customers. Loss rates are calculated using default rates based on the probability of a receivable progressing through successive stages of delinquency to write-off.

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets from individual customers as at March 31, 2021.

	Default rate	Gross carrying amount $	Loss allowance $	Credit impaired
1 - 30 days	0.54%	179,600	965	N/A
31-60 days	1.30%	-	-	N/A
61 - 90 days	3.24%	-	-	N/A
90 - 270 days	5.35%	26,319	1,408	N/A
> 270 days	100.00%	-	-	N/A
		205,919	2,373	

The movement in the allowance in respect of trade receivables and contract assets during the year is presented below.

	2021 $	2020 $
Balance at April 1	4,513	6,117
Loss in receivable	(2,630)	-
Net re-measurement of loss allowance	490	(1,604)
Balance at March 31	2,373	4,513

Notes to the Financial Statements (continued)

For the Year ended March 31, 2021 (Expressed in United States Dollars)

3. Financial risk management (continued)

(c) Liquidity risk

Liquidity risk is the risk that cash may not be available to pay obligations when due. Prudent liquidity risk management implies maintaining an adequate amount of cash and cash equivalents. The Company manages its liquidity risk by way of rolling forecasts of its contracted cash inflows and outflows, and ensuring the availability of adequate cash to meet upcoming commitments.

The financial liabilities of the Company of $225,726 (2020: $195,527) are short-term in nature and due within 12 months.

Capital risk management

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

4. Property and equipment

	Leasehold improvements $	Computer equipment $	Office equipment $	Motor vehicles $	Total $
Cost					
As at April 1, 2020	479,689	110,534	50,517	24,590	665,330
Additions	1,271	10,793	-	-	12,064
As at March 31, 2021	480,960	121,327	50,517	24,590	677,394
Accumulated depreciation					
As at April 1, 2020	200,404	91,565	44,537	18,427	354,933
Charge for the year	98,055	11,320	805	4,611	114,791
As at March 31, 2021	298,459	102,885	45,342	23,038	469,724
Net book value					
As at March 31, 2021	182,501	18,442	5,175	1,552	207,670
As at March 31, 2020	279,285	18,969	5,980	6,163	310,397

Included in the net carrying amount of property and equipment are right-of-use assets as follows:

	2021 $	2020 $
Leasehold improvements	171,062	264,362
Total right-of-use assets	171,062	264,362

Notes to the Financial Statements (continued)

For the Year ended March 31, 2021 (Expressed in United States Dollars)

5. Leases

Lease liabilities are presented in the statement of financial position as follows:

	2021	2020
	$	$
Current	95,373	91,719
Non-current	74,011	169,381
Total lease liability	169,384	261,100

The Company has one tenancy arrangement for the rental of office space that is determined to contain a lease. The Company has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis.

The table below describes the nature of the Company's leasing activities by type of right-of-use asset recognised on the statement of financial position:

Right-of-use asset	No of right-of-use assets leased $	Range of remaining term $	No of leases with extension options $
Leasehold improvements	1	1 - 2 years	1

Future minimum lease payments as at March 31, 2021 were as follows:

	Minimum lease payments due			
	Within 1 year	Within 1-2 years	Within 2-3 years	Total
	$	$	$	$
March 31, 2021				
Lease payments	100,299	75,222	-	175,521
Finance charges	(4,926)	(1,211)	-	(6,137)
Net present values	95,373	74,011	-	169,384

The expense relating to payments not included in the measurement of the lease liability is as follows:

	2021	2020
	$	$
Short-term leases	3,044	6,004
Leases of low value assets	1,569	2,066
	4,613	8,070

Notes to the Financial Statements (continued)

For the Year ended March 31, 2021 (Expressed in United States Dollars)

5. Leases (continued)

Additional information on the right-of-use assets by class of assets is as follows:

	Carrying amount	Depreciation expense	Impairment
	$	$	$
Leasehold improvements	171,062	93,300	-

6. Deferred tax asset

Deferred tax is calculated on all temporary differences and unused tax losses under the liability method using a principal tax rate of 30%.

	2021	2020
	$	$
Balance at beginning of year	4,440	6,703
(Charge)/credit to statement of comprehensive income	(2,403)	(2,263)
Tax losses recognised	606,863	-
Balance at end of year	608,900	4,440

Deferred tax assets and liabilities and the deferred tax charge in the statement of comprehensive income are attributable to the following items:

	Balance as April 1, 2020	Charge to statement of comprehensive income	Balance at March 31, 2021
	$	$	$
As at March 31, 2021			
Property and equipment	4,440	(2,403)	2,037
Tax losses recognised in FY21	-	606,863	606,863
Property and equipment	4,440	604,460	608,900

	Balance as April 1, 2019	Charge to statement of comprehensive income	Balance at March 31, 2020
	$	$	$
As at March 31, 2020			
Property and equipment	6,703	(2,263)	4,440

Notes to the Financial Statements (continued)

For the Year ended March 31, 2021 (Expressed in United States Dollars)

6. Deferred tax asset (continued)

Deferred tax assets arising from unused tax losses have been recognised at March 31, 2021 as follows:

	2021	2020
	$	$
Unused tax losses	606,863	724,327
Valuation allowance	-	(724,327)
Net deferred tax asset recognised	606,863	-

A deferred tax asset is recognised for tax losses carried forward to the extent that the realisation of the related tax benefit through future taxable profits is probable. The Company has tax losses of approximately $2,022,877 (2020: $2,414,423). The tax effect of the 2020 tax losses were not recognised due to the uncertain timing of their recovery.

7. Trade and other receivables

	2021	2020
	$	$
Trade receivables	205,919	259,746
Other receivables	21,377	13,034
Prepayments	33,885	24,993
	261,181	297,773
Provision for expected credit loss	(2,373)	(4,513)
	258,808	293,260
Current	244,873	279,325
Non-current	13,935	13,935
	258,808	293,260

8. Investments

	2021	2020
	$	$
Fixed income paper	745,254	742,076

The balance comprises of two repurchase agreements:

US$189,194 (TT$1,230,828) maturing June 13, 2022 for 1 year at 1.75% per annum and US$556,060 maturing January 26, 2023 at 2.25% per annum.

Notes to the Financial Statements (continued)

For the Year ended March 31, 2021 (Expressed in United States Dollars)

9. Cash and cash equivalents

	2021 $	2020 $
Cash at bank and on hand	778,882	310,806
Treasury bills	89,223	59,232
Money market securities	445,588	441,043
	1,313,693	811,081
Expected credit loss (IFRS 9)	(355)	(349)
	1,313,338	810,732

10. Trade and other payables

	2021 $	2020 $
Trade payables	26,754	15,081
Statutory payables	30,671	31,479
Credit card accounts	1,634	2,360
Accrued expenses	71,294	54,888
	130,353	103,808

11. Stated capital

	2021 $	2020 $
Authorised		
Unlimited number of ordinary shares of no par value		
Issued and fully paid		
4,561,688 ordinary shares at US$1.00	4,561,688	4,561,688

12. Revenue from contracts with customers

	2021 $	2020 $
Rating income	350,000	444,670
Surveillance income	944,125	850,335
Training income	189,595	114,550
Technical services	137,410	70,549
	1,621,130	1,480,104

Notes to the Financial Statements (continued)

For the Year ended March 31, 2021 (Expressed in United States Dollars)

12. Revenue from contracts with customers (continued)

Disaggregation of revenue from contracts with customers

In the tables below, revenue from contracts with customers is disaggregated by primary geographical market and by timing of revenue recognition.

	2021 $	2020 $
Primary geographical markets		
Trinidad and Tobago	747,516	613,332
Jamaica	395,440	347,450
St. Lucia	160,900	169,722
Barbados	138,149	157,700
Cayman Islands	15,000	15,000
Dominica	43,160	66,000
Anguilla	25,000	25,000
Guyana	7,365	25,900
St. Kitts	16,400	15,000
British Virgin Islands	25,000	25,000
Belize	15,000	20,000
Suriname	5,200	-
Antigua	13,500	-
Grenada	13,500	-
	1,621,130	1,480,104
Timing of revenue recognition		
Products and services transferred at a point in time	677,005	629,769
Products and services transferred over time	944,125	850,335
	1,621,130	1,480,104

13. Expenses analysis by nature

	2021 $	2020 $
(a) Direct operating expenses		
Staff cost - ratings (Note 15)	468,969	435,689
Rating committee fees (retainer and sitting)	60,000	63,000
Professional fees	2,500	5,250
External training to clients	49,806	69,817
	581,275	573,756

Notes to the Financial Statements (continued)

For the Year ended March 31, 2021 (Expressed in United States Dollars)

13. Expenses analysis by nature (continued)

	2021 $	2020 $
(b) Other operating and administrative expenses		
Staff cost - other (Note 15)	467,011	461,202
Directors' expenses (travelling) and fees	429	13,289
Lease rentals	344	2,066
Rating committee expenses	-	8,304
Depreciation	21,491	18,923
Depreciation – right-of-use asset	93,300	93,304
Impairment of financial assets (Note 3 (b))	496	(1,602)
Communication	18,607	12,358
Foreign travel	-	4,365
Business promotion	5,187	3,273
Legal and professional fees	10,297	9,644
Transport	7,524	10,295
Green fund levy	5,244	4,568
Miscellaneous	86,922	67,855
Net foreign exchange gains	(12,088)	(18,392)
Repairs and maintenance	1,490	1,564
	706,254	691,016
(c) Finance cost		
Lease interest – right-of-use asset	8,578	12,088
Bank charges	4,851	4,162
	13,429	16,250

14. Taxation

	2021 $	2020 $
Business levy	9,888	9,017
Deferred tax (Note 6)	(604,460)	2,263
	(594,572)	11,280

Notes to the Financial Statements (continued)

For the Year ended March 31, 2021 (Expressed in United States Dollars)

14. Taxation (continued)

	2021 $	2020 $
Reconciliation of applicable tax charge to effective tax charge:		
Profit before taxation	347,040	221,826
Tax calculated at a rate of 30%	104,112	66,548
Expenses not allowable	(25,299)	34,079
Accelerated tax depreciation not recognised	30,716	(32,183)
Business levy	9,888	9,017
Benefit from previously unrecognised tax loss	(713,989)	(66,181)
	(594,572)	11,280

15. Staff costs

	2021 $	2020 $
Wages and salaries	883,494	827,771
National insurance	40,192	38,328
Meal allowance	12,294	30,792
	935,980	896,891
Staff cost - ratings and training commission (Note 13 (a))	468,969	435,689
Staff cost - other (Note 13 (b))	467,011	461,202
	935,980	896,891

16. Related party transactions

	2021 $	2020 $
Key management compensation:		
Salaries and other short-term benefits	224,863	216,774
Remuneration to directors	-	9,250

Notes to the Financial Statements (continued)

For the Year ended March 31, 2021 (Expressed in United States Dollars)

17. Contingent liabilities and commitments

    There are no contingent liabilities or capital commitments as at the year end.

18. Coronavirus (COVID-19) impact

    In March 2020, the World Health Organization declared the outbreak of a novel coronavirus ("COVID-19") as a global pandemic, which continues to affect Trinidad and Tobago, the region and the world.

    At this time, aided by several cost-saving measures implemented, management expects the impact on its financial performance from the pandemic to be moderate over the next year. However, this projection comes with a high level of uncertainty, given the risk of a prolonged crisis.

19. Events after the reporting date

    There has been no occurrence of any adjusting or significant non-adjusting events between the March 31, 2021 reporting date and the date of authorisation.

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