

**Financial Statements of**

**WESTMOORINGS GARDENS LIMITED**

**December 31st, 2016**

**R. S. Baboolal & Co.**  
Chartered Certified Accountants

# WESTMOORINGS GARDENS LIMITED

December 31st, 2016

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## *Statement of Management Responsibilities*

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The audited financial statements of **Westmoorings Gardens Limited** (the 'Company') for the year ended **31<sup>st</sup> December 2016** were prepared by management who is responsible for the integrity and fairness of the information presented.

Management acknowledges its responsibility for:

- a) The preparation of the audited financial statements which comprise the statement of financial position, statement of income and expenditure, statement of changes in equity and statement of cash flows for the year ended **31<sup>st</sup> December 2016** together with the summary of significant accounting policies, notes and other explanations.
- b) Establishing and maintaining an adequate internal control structure, procedures, accounting records for financial reporting (which form the basis of the audited financial statements) and safeguarding the assets of the company.
- c) Applying the appropriate accounting policies in a consistent manner and calculating reasonable accounting estimates and prudent judgements.
- d) Ensuring that the audited financial statements presented are a true and fair presentation of the state of affairs of the company, which includes ensuring that the information from which the audited financial statements are derived is structured and adequately assessed to ensure that the system of internal controls operated effectively during the reporting period.
- e) On a continuous basis where applicable, implementing, monitoring and evaluating the system of internal controls that assures the security of the company's assets, detection and prevention of material misstatement, whether due to fraud or error and the achievement of the company's operational efficiencies.

These audited financial statements of **Westmoorings Gardens Limited** are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board (IASB – IFRS Foundation) and adopted by the Institute of Chartered Accountants of Trinidad and Tobago (ICATT) and the appropriate accounting policies have been established in a manner which gives a true and fair view of the company's affairs and operating results.

Where the IFRS for SMEs provided alternative accounting treatments, management selected those considered most appropriate in the circumstances. These audited financial statements complies in all material respects with local legislation enacted and in force.

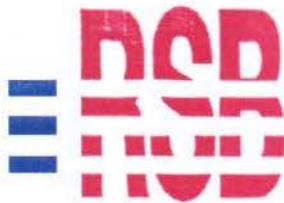
Further, no event, circumstance or information has been brought to the attention of management that compromises the company's status as a going concern for the next twelve (12) months from the date of this statement.

  
.....  
Director

04 - APRIL - 2017  
.....  
Date

  
.....  
Director

04 - APRIL - 2017  
.....  
Date



## **INDEPENDENT AUDITOR'S REPORT**

To the members of **WESTMOORINGS GARDENS LIMITED**

### **REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

We have audited the financial statements of **Westmoorings Gardens Limited** (the Company), which comprise the statement of financial position as at December 31<sup>st</sup> 2016, and the income and expenditure account, 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 December 31<sup>st</sup> 2016, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs).

### **BASIS FOR OPINION**

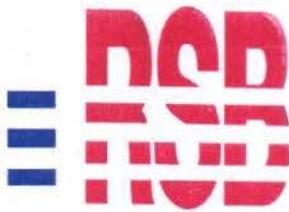
We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the IFRS for SMEs, 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.



**R.S. Baboolal & Co.**  
Chartered Certified Accountants

## AUDITORS RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA's 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 judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatements 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 doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

*R.S. Baboolal & Co.*

**R.S. Baboolal & Co.**

Lot 37 IDC Industrial Estate,  
Chaguanas, Trinidad & Tobago

4<sup>th</sup> April 2017

**REGISTERED AUDITORS AND ACCOUNTANTS**

**WESTMOORINGS GARDENS LIMITED**

**Statement Of Financial Position**

**December 31st, 2016**

**(Expressed In Trinidad And Tobago Dollars)**

	Notes	<u>December 31st</u>	
		<u>2016</u>	<u>2015</u>
		<u>\$</u>	<u>\$</u>
<b><u>ASSETS</u></b>			
<b><u>Non-Current Assets</u></b>			
Investment Property	3	1	1
Property, Plant And Equipment	2	340,985	279,093
		<u>340,986</u>	<u>279,094</u>
<b><u>Current Assets</u></b>			
Accounts Receivable	4, E	210,219	250,746
Other Current Assets		3,532	2,568
Cash Investment	5	71,017	92,247
Cash At Bank	6, K	64,111	52,893
		<u>348,879</u>	<u>398,454</u>
<b><u>Total Assets</u></b>		<b><u>689,865</u></b>	<b><u>677,548</u></b>
<b><u>EQUITY AND LIABILITIES</u></b>			
<b><u>Reserves</u></b>			
Special Reserve	12	108,314	108,314
General Reserve	14	508,645	461,002
Windsurf Park Development Fund	13	50,643	87,643
Accumulated Fund		-	-
		<u>667,602</u>	<u>656,959</u>
<b><u>Current Liabilities</u></b>			
Deferred Income	7	8,125	5,770
Other Payables And Accruals	8	14,138	14,819
		<u>22,263</u>	<u>20,589</u>
<b><u>Total Equity And Liabilities</u></b>		<b><u>689,865</u></b>	<b><u>677,548</u></b>

The Accounting Policies set out on pages 9 to 11 and the notes on pages 12 to 17 form an integral part of these Financial Statements. The Board of Directors authorised these Financial Statements for issue on the 04TH of APRIL, 2017 and were signed on their behalf by:

Nate - Director

Shela Bennett Director

**WESTMOORINGS GARDENS LIMITED**

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**Income And Expenditure Account**

**December 31st, 2016**

**(Expressed In Trinidad And Tobago Dollars)**

	Notes	<b>December 31st</b>	
		<b>2016</b>	<b>2015</b>
		<b>\$</b>	<b>\$</b>
<b><u>Revenues</u></b>			
Advertising Income	9, H	17,145	15,455
Lease Rental Income	9, H	1,680	1,680
Maintenance And Service Charges	9, H	260,490	225,333
Other Income	9, H	107,589	79,206
<b><u>Net Operating Income</u></b>		<b><u>386,903</u></b>	<b><u>321,674</u></b>
<b><u>General And Administrative Expenses</u></b>			
	Schedule 1		
General and Administrative Expenses		298,071	169,817
Financial Expenses		287	285
Professional And Legal Fees		77,901	85,593
<b><u>Total General And Administrative Expenses</u></b>		<b><u>376,259</u></b>	<b><u>255,695</u></b>
<b><u>Surplus For The Year</u></b>		<b><u>10,643</u></b>	<b><u>65,979</u></b>
<b><u>Represented By</u></b>			
Surplus For The Year - As Above		10,643	65,979
Capital Expenditure - Windsurf Park Development Fund		40,000	70,094
Addition To Windsurf Park Development Fund		(3,000)	-
Transfer From / (To) General Reserve		19,110	(17,313)
<b><u>Net Surplus Retained</u></b>		<b><u>66,753</u></b>	<b><u>118,760</u></b>
<b><u>Comprised Of</u></b>			
Surplus Retained - Capital Expenditure (Net)		61,541	115,112
Surplus Retained - Prepayments		3,532	1,968
Lease Rental Income		1,680	1,680
		<b><u>66,753</u></b>	<b><u>118,760</u></b>

The accounting policies on pages 9 to 11 and the notes on pages 12 to 17 form an integral part of these Financial Statements

**WESTMOORINGS GARDENS LIMITED**

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**Statement Of Changes In Equity**
**December 31st, 2016**
**(Expressed In Trinidad And Tobago Dollars)**

	<u>SPECIAL RESERVE</u>	<u>GENERAL RESERVE</u>	<u>WINDSURF PARK DEVELOPMENT FUND</u>	<u>ACCUMULATED FUND</u>	<u>TOTAL</u>
<u>Notes</u>	<u>\$</u>		<u>\$</u>	<u>\$</u>	<u>\$</u>
<b><u>Balance At January 1st, 2015</u></b>	108,314	174,582	157,737	15,348	455,981
Capital Gift Received	-	135,000	-	-	135,000
Surplus For The Year	-	-	-	65,979	65,979
Transfer To Accumulated Fund	-	-	(70,094)	70,094	-
Additions To General Reserve	-	151,420	-	(151,420)	-
	14				
<b><u>Balance At December 31st, 2015</u></b>	<b>108,314</b>	<b>461,002</b>	<b>87,643</b>	<b>-</b>	<b>656,959</b>
<b><u>Balance At January 1st, 2016</u></b>	<b>108,314</b>	<b>461,002</b>	<b>87,643</b>	<b>-</b>	<b>656,959</b>
Surplus For The Year	-	-	-	10,643	10,643
Transfer To Accumulated Fund	-	-	(40,000)	40,000	-
Additions To Windsurf Park Fund	-	-	3,000	(3,000)	-
Additions To General Reserve	-	47,643	-	(47,643)	-
	13				
	14				
<b><u>Balance At December 31st, 2016</u></b>	<b>108,314</b>	<b>508,645</b>	<b>50,643</b>	<b>-</b>	<b>667,602</b>

**WESTMOORINGS GARDENS LIMITED**

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**Schedule To The Income And Expenditure Account****December 31st, 2016****Schedule 1****(Expressed In Trinidad And Tobago Dollars)**

	Notes	<u>December 31st</u>	
		<u>2016</u>	<u>2015</u>
		<u>\$</u>	<u>\$</u>
<b><u>General And Administrative Expenses</u></b>			
Accounting Fees		13,800	13,450
Advertising And Promotions		120	305
Audit Fees	11	10,125	11,138
Depreciation	2	38,033	13,250
Electricity Charges		6,239	3,768
Insurances		3,708	3,992
Maintenance Services And Expenses - Common Areas		124,738	61,003
Maintenance Services And Expenses - Park		41,932	19,987
Maintenance Services And Expenses - Tennis Court		7,835	7,771
Meeting Expenses		2,405	4,346
Miscellaneous Expenses		500	3,307
Miscellaneous Taxes Due	10, F & P	1,161	370
National Insurance Payments		6,139	3,927
Office Expenses		18,161	4,999
Penalties And Interest		340	-
Repairs & Maintenance Of Equipment		14,359	9,452
Subscription And Dues		-	500
Telephone Expenses		5,084	5,871
Uniforms		511	-
Utilities		2,584	-
Website Costs		295	2,383
		<u>298,071</u>	<u>169,817</u>
<b><u>Financial Expenses</u></b>			
Bank Charges		<u>287</u>	<u>285</u>
<b><u>Professional And Legal Expenses</u></b>			
Property Management Fees	16	72,900	80,000
Professional Services		5,001	5,593
		<u>77,901</u>	<u>85,593</u>
<b><u>Total General And Administrative And Financial Expenses</u></b>		<u>376,259</u>	<u>255,695</u>

The accounting policies on pages 9 to 11 and the notes on pages 12 to 17 form an integral part of these Financial Statements

**WESTMOORINGS GARDENS LIMITED**

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**Statement Of Cash Flows**
**December 31st, 2016**
**(Expressed In Trinidad And Tobago Dollars)**

	Notes	<u>December 31st</u>	
		<u>2016</u>	<u>2015</u>
		<u>₹</u>	<u>₹</u>
<b><u>Cash Flows From Operating Activities</u></b>			
Surplus Before Taxation		10,643	65,979
<b><u>Adjustment For Non Cash Items:</u></b>			
Additions To General Reserve		-	-
Depreciation Charges		38,033	13,250
<b><u>Cash Surplus Arising From Operating Activities</u></b>		<u>48,676</u>	<u>79,229</u>
<b><u>Adjustments To Reconcile Surplus to Cash Used In Operating Activities</u></b>			
Decrease / (Increase) In Accounts Receivable	4, D	40,527	(10)
Increase In Other Current Assets		(964)	(360)
Increase In Other Payables And Accruals	8	1,674	3,464
		<u>89,913</u>	<u>82,323</u>
<b><u>Taxation Payments</u></b>	10, F & P	-	-
<b><u>Cash Surplus Generated From Operating Activities</u></b>		<u>89,913</u>	<u>82,323</u>
<b><u>Investing Activities</u></b>			
Acquisition of Property, Plant And Equipment	2	(99,924)	(128,362)
<b><u>Cash Used In Investing Activities</u></b>		<u>(99,924)</u>	<u>(128,362)</u>
<b><u>Financing Activities</u></b>			
Repayment To Related Company		-	-
Cash Grant Received From Windsurf Park Committee		-	-
<b><u>Cash Surplus Generated From Financing Activities</u></b>		<u>-</u>	<u>-</u>
<b><u>Decrease In Cash And Cash Equivalents</u></b>		(10,012)	(46,039)
<b><u>Cash And Cash Equivalents - Beginning Of Year</u></b>	5 & 6, K	145,140	191,179
<b><u>Cash And Cash Equivalents - End Of Year</u></b>		<u>135,128</u>	<u>145,140</u>
<b><u>Analysis Of Cash And Cash Equivalents</u></b>			
Cash Investment	5, K	71,017	92,247
Cash At Bank	6, K	64,111	52,893
		<u>135,128</u>	<u>145,140</u>

The accounting policies on pages 9 to 11 and the notes on pages 12 to 17 form an integral part of these Financial Statements

**Accounting Policies****December 31<sup>st</sup>, 2016****(Expressed In Trinidad And Tobago Dollars)**

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**A. Statement of Compliance**

These financial statements have in all material aspects been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SME's) issued by the International Accounting Standards Board and are presented in Trinidad and Tobago Dollars. These policies have been consistently applied to all the years presented unless otherwise stated.

**B. Basis of Preparation**

The financial statements have been prepared in conformity with the international financial reporting standard for Small and Medium-sized Entities (IFRS for SME's) requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to these Financial Statements have been stated in notes (N, O & P) of the policies.

**C. Depreciation**

Property, plant and equipment comprise mainly of leasehold improvements, office building and maintenance and office equipment and is carried at replacement cost less provision for accumulated depreciation and include expenditure directly attributable to the acquisition of the items.

Subsequent costs (if any) are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any replaced parts are derecognized. Repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

The maintenance equipment is depreciated on the reducing balance basis (R.B.B.) where depreciation is charged on the cost of the asset over its estimated residual useful life net of disposal costs. The rate charged for depreciation is 25% per annum. The leasehold improvements and office building is depreciated on the reducing balance basis (R.B.B.) and is charged at the rate of 10% per annum.

**D. Investment Property**

Investment Property represents leasehold lands carried at cost with no provision for amortization. Management considers that fairer presentation is achieved when the carrying value of the lease represents the full value of the nominal consideration paid. The Investment Property earns fixed long term rental yields for a limited term period and is further detailed in note 10 of the Financial Statements.

**E. Accounts Receivable**

Accounts receivable are recognised initially at invoice costs and are subsequently measured at net realisable cost using the initial invoice value less any provision for impairment. A provision for impairment of accounts receivable is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivable balance. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy or financial reorganisation and default or delinquency in payments are considered indicators that the accounts receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the amount deemed to be irrecoverable.

The carrying amount of the asset is reduced through the use of an allowance account with the amount of the loss recognised in the income statement within "administrative costs". Subsequent recoveries of amounts previously written off are credited against administrative costs in the income statement.

**F. Income And Corporation Taxes**

Income and Corporation Taxes (if any) are accounted for on the taxes payable basis where only taxes actually paid / payable for the period are charged to current operations. Accounting profits are adjusted for permanent and temporary timing differences in accordance with best practices and conventions adopted by the Board of Inland Revenue and reflect only that liability without reference to deferred taxation or potential taxation liability arising out of liquidation of assets of the

**Accounting Policies****December 31<sup>st</sup>, 2016****(Expressed In Trinidad And Tobago Dollars)**

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Company. The Directors are of the opinion that the taxation policy adopted by the Company reflects substantially the Company's position.

The Company being a property management company (in addition to being limited by guarantee) is exempt from corporation tax given that it incurs neither a profit nor loss with any surpluses or shortfalls being absorbed by the Shareholders. As a result therefore no taxable provisions are made except for Green Fund Levy Liabilities. At the end of each financial year this policy is reviewed to ensure compliance with applicable legislation and to review the basis of preparation of the Financial Statements.

**G. Currency**

Items included in the financial statements of the Company are measured using the currency of the primary economic environment which the entity operates (i.e. the functional currency) and the financial statements are presented in Trinidad and Tobago Dollars.

**H. 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 returns, rebates and discounts. Revenue is recognised when the amount of the revenue can be reliably measured and on the accrual basis. Revenue is derived primarily from lease rent charged to the townhouse and residential lot owners, optional security fee contributions by the residential lot owners and service charges levied on the lots for maintenance services.

**I. Financial Instruments**

The fair value of cash and bank balances, receivables, payables and the current portion of financing and other liabilities approximates their carrying amounts due to the short term nature of these instruments. The fair value approximates the carrying amounts for non-current investments (if any).

**J. Financial Risk Management**

The Company's activities expose it to two types of risk; credit risk and liquidity risk;

**a) Credit Risk**

Credit Risk is managed on a customer to customer basis. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions as well as credit exposures to customers including outstanding receivables and committed transactions.

The Company has no significant concentrations of credit risk.

**b) Liquidity Risk**

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying business, the Company aims to maintain flexibility in funding by keeping committed credit lines available.

**K. Cash And Cash Equivalents**

For the purpose of the Statement of Cash Flows, cash and cash equivalents comprise cash balances held directly by the Company in addition to bank and investment account balances held at local financial institutions.

**L. Provisions**

Provisions are recognised when the Company has a present legal and construction obligation as a result of past events and where 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.

**M. Comparative Figures**

Comparative figures are restated to conform to current years' presentation if required and are usually disclosed separately in the general notes to the financial statements. Details stating the prior period balance in addition to the impact of the restatement is also disclosed. There have been no restatement of comparative figures for the reporting period.

**Accounting Policies**December 31<sup>st</sup>, 2016

(Expressed In Trinidad And Tobago Dollars)

**N. Use Of Estimates**

The preparation of financial statements in conformity with IFRS for SME's requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from the estimates and any adjustments that may be necessary will be reflected in the year in which actual results are known.

**O. Impairment**

At each Statement of Financial Position date the Company reviews the carrying amounts of its tangible and intangible assets (if any) to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. The recoverable amount is the greater of the net selling price and the value in use. In assessing value in use, the estimated future cash flows are discounted to their present value being pre-tax discount rates that reflect current market assessments of the time value of money and risks specific to the assets

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than the carrying amount of the asset (or cash generating unit) it is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately.

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

**P. Critical Accounting Estimates And Judgements**

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

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates, by definition, seldom equal the related actual results.

**a) Income Taxes**

The Company is not subject to income taxes under the Income Tax Act in Trinidad and Tobago but is subject to levy and other statutory dues as guided by the Miscellaneous Taxes Act.

**b) Revenue Recognition**

The Company declares its income based on the arrangements for determination of certain amounts to be billed to the lot owners as certified by the External Auditor and the budget prepared by Management. In assessing the risks involved, Management views the trend history of the tenants' payment cycle and reviews the tenancy position but relies heavily on the ability to recover any jeopardised income out of levy actions.

## Notes To The Financial Statements

December 31st, 2016

(Expressed In Trinidad And Tobago Dollars)

<u>December 31st</u>	
<u>2016</u>	<u>2015</u>
\$	\$

**1. Incorporation And Principal Activity**

The Company was incorporated in the Republic of Trinidad and Tobago on 1st May, 1979 and has been continued under the New Companies Act of 1995 as amended by the Companies Amendment Act 1997 on 12<sup>th</sup> April, 1999 and is a Company limited by Guarantee. It's registered office is situate at No. 7 The Western Keys, Westmoorings by-the-sea, Carenage.

The Company's principal activities are to oversee the operation and maintenance of the common areas including certain other obligations particular to a gated community development known as Westmoorings by-the-sea. By Deed of assignment dated March 27th, 2001, Westmoorings Gardens Limited came into possession of the reversionary interest in the property as conveyed by Westmoorings Limited (the Developer and Lessor), for a nominal consideration of \$1.00.

The company's operations are to oversee the common areas of the larger property which comprises 160 residential land lots and 8 townhouse plots of varying sizes. The property consists of roads, road reserves, gardens and drainage infrastructure which Westmoorings Garden's Limited is covenanted to maintain by virtue of the aforementioned deed of Assignment. All of the obligations of the lessor have been assumed by Westmoorings Gardens Limited.

For the current reporting period, headings and references made to profit and loss has been changed to "Income and Expenditure" in properly addressing the true nature and intent of the company as a not for profit entity.

**2. Property, Plant And Equipment**

	<u>LEASEHOLD IMPROVEMENTS</u>	<u>OFFICE BUILDING</u>	<u>MAINTENANCE AND OFFICE EQUIPMENT</u>	<u>TOTAL</u>
	\$			
<b><u>Year Ended 31st December, 2016</u></b>				
Opening Net Book Value	135,632	131,625	11,837	279,093
Additions & Other Adjustments	80,181	-	19,743	99,924
Disposals	-	-	-	-
Depreciation	(19,921)	(13,500)	(4,612)	(38,033)
<b><u>Closing Net Book Value</u></b>	<b><u>195,892</u></b>	<b><u>118,125</u></b>	<b><u>26,969</u></b>	<b><u>340,985</u></b>
<b><u>Year Ended 31st December, 2015</u></b>				
Cost / Valuations	223,941	135,000	40,409	399,351
Accumulated Depreciation	(28,049)	(16,875)	(13,441)	(58,365)
<b><u>Closing Net Book Value</u></b>	<b><u>195,892</u></b>	<b><u>118,125</u></b>	<b><u>26,968</u></b>	<b><u>340,985</u></b>

The company benefitted from an office building measuring approximately 650 sq. ft. constructed on Windsurf Park and gifted with free and clear title by the Ministry of Works & Infrastructure in the last financial period. The amount capitalised represents the net market value of the asset gifted and which the Board of Director's have agreed to recognise as the value of the gift received. (See note 15). Capital improvements made to the leasehold property (common areas) have also been capitalized and depreciated accordingly.

	<u>December 31st</u>	
	<u>2016</u>	<u>2015</u>
	<u>\$</u>	<u>\$</u>
<b>3. <u>Investment Property</u></b>		
Standing to account at year end	<u>1</u>	<u>1</u>
<p>By deed of assignment dated 27<sup>th</sup> March 2001, Westmoorings Gardens Limited came into possession of the common areas in the leased property as conveyed by Westmoorings Limited (the Developer and Lessor) for a nominal consideration of \$1.00. The common areas in the property comprises approximately 12.68 Acres of roads, road reserves, drains, designated green areas etc and is reflected at cost. The leased property comprises several parcels with 99 year lease terms ranging from year 1981 – 1987 and expiring on year 2080 – 2086. No amortisation is provided on the lease as management considers that fairer presentation is achieved when the carrying value of the lease represents the full value of the nominal consideration paid.</p>		
<b>4. <u>Accounts Receivable</u></b>		
Gross receivables at year end - 100% Local	<u>210,219</u>	<u>250,746</u>
<p>The Receivables are stated at gross amounts and is representative of service charges and lease rental billings to the land owners / tenants (lessees). Service charges are billed to the residential lots as well as two thirds the number of townhouses on each townhouse plot. Lease rents are billed to both the residential lots as well as the Townhouse plots. There were no doubtful debt provision for the reporting year nor its comparative period.</p>		
<b>5. <u>Cash Investment</u></b>		
Standing to account at year end	<u>71,017</u>	<u>92,247</u>
<p>The amount represents the balance on a money market investment account held at the Trinidad and Tobago Unit Trust Corporation and carries an effective interest rate of 1%. Contributions to the account and redemptions are at the discretion of management and is usually made when surplus cash is available or short term cash funding is required.</p> <p>Funds granted by Windsurf Park Committee to the company for the upkeep and maintenance of Windsurf Park as it relates to items of capital expenditure has been deposited into this account.</p>		
<b>6. <u>Cash At Bank</u></b>		
Bank balance - commercial chequing and savings account	<u>64,111</u>	<u>52,893</u>
<p>This sum represents the bank balance held at a local bank and denominated in Trinidad and Tobago currency. It comprises a commercial chequing account used by the Company in its daily operations. The Company does not operate any financing or overdraft facility with the bank and the account balance remain unencumbered.</p>		

## Notes To The Financial Statements

December 31st, 2016

(Expressed In Trinidad And Tobago Dollars)

	<u>December 31st</u>	
	<u>2016</u>	<u>2015</u>
	<u>\$</u>	<u>\$</u>
<b>7. <u>Deferred Revenue</u></b>		
Balance standing to account at year end	<u>8,125</u>	<u>5,770</u>
<p>The company has commenced the letting of park benches for the placement of corporate advertisements in an effort to raise funds towards the offsetting of recurrent expenditure. The amount stated represents the deferred portion of the earnings in accordance with the respective advertising contracts.</p>		
<b>8. <u>Other Payables And Accruals</u></b>		
Standing to account at year end	<u>14,138</u>	<u>14,819</u>
<b>9. <u>Revenues</u></b>		
a) Lease Rental Income	1,680	1,680
b) Maintenance And Service Charges	260,490	225,333
c) Other Income And Interest Earned	107,589	79,206
d) Advertising Income	17,145	15,455
	<u>386,903</u>	<u>321,674</u>

- a) Lease Rental Income accrues at the rate of \$10 per residential lot (160) / townhouse plot (8) on the 1<sup>st</sup> January each year and is levied in accordance with clause F of the Deed of Sub-Lease.
- b) Maintenance And Service Charges are levied in advance on 160 residential lots as well as two thirds the number of townhouses on each townhouse plot at the rate of \$570.83 per annum and is billed to fund the operating activities of the Company. The fee has been instituted by an approved budget adopted by the Board and is levied in accordance with clause 5 of the Deed of Sub-Lease.
- c) The interest earned for the financial year in a Cash Investment held at the Trinidad & Tobago Unit Trust Corporation is reflected in this balance together with other income earned from donations received and other corporate fund raising activities.
- d) WGL continued the letting of park benches via the placement of signs to local businesses to facilitate the advertising of their products and services at an annual rental fee. The funds collected are intended to offset the costs incurred by the company with respect to the upkeep and maintenance of Westmoorings by-the-sea.

## Notes To The Financial Statements

December 31st, 2016

(Expressed In Trinidad And Tobago Dollars)

	<u>December 31st</u>	
	<u>2016</u>	<u>2015</u>
	\$	\$
<b>10. <u>Miscellaneous Taxes Due</u></b>		
Green Fund Levy Due	<u>1,161</u>	<u>370</u>

Westmoorings Gardens Limited being a company limited by guarantee, and whose activities do not revolve around commercial or similar trading undertakings that give rise to taxable profits, is deemed to be exempt from Corporation Tax. No account has been taken with respect to tax provisions save and except for Green Fund Levy liabilities which falls under the Miscellaneous Taxes Act.

Any activity undertaken by the Company is done on the basis of securing the interests of its members in accordance with their obligations under the deed of sub-lease and any surplus earned is refunded in the proportionate amount, and conversely with respect to shortfalls being collected in accordance with clause 5 of the Deed of sub-lease.

**11. Audit Fees Due**

Amounts due and paid for the reporting periods	<u>10,125</u>	<u>11,138</u>
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**12. Special Reserve**

Opening Balance Bfwd	108,314	108,314
Transfers to reserve for the period	-	-
Standing to account at year end	<u>108,314</u>	<u>108,314</u>

By resolution of the Board of Directors dated 7<sup>th</sup> August 2013 and based upon management committee's recommendations a Special Reserve was established in order to fund certain operations of the company that was not envisaged within the company's normal activities. The reserve is increased only when the company has earned a surplus after tax of 100% of the profits retained from **extra-ordinary activities** designated by management and which does not fall within the scope of general property management. These may be in the form of fundraisers other such extraordinary activities. There was no movement attributable to this account for the respective periods.

No distribution is to be made out of this fund as payments, transfers, dividends etc. to the members of the company.

**13. Windsurf Park Development Fund**

Standing to account at year end	<u>50,643</u>	<u>87,643</u>
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In May 2013, Westmoorings Gardens Limited (WGL) assumed the responsibilities for the maintenance and upkeep of Windsurf Park. An obligation that was previously held by Windsurf Park Committee. The Committee was initially established to oversee the operations for the maintenance and upkeep of Windsurf Park situate within the development and has since been disbanded. On assuming the responsibility by WGL, Windsurf Park Committee granted a sum of money on the condition that same be used specifically for the upkeep of Windsurf Park with respect to items of a capital nature. The balance on the account represents the residual funds after deduction of expenditures relating directly to Windsurf Park.

## Notes To The Financial Statements

December 31st, 2016

(Expressed In Trinidad And Tobago Dollars)

	<u>December 31st</u>	
	<u>2016</u>	<u>2015</u>
	<u>\$</u>	<u>\$</u>
<b>13. Windsurf Park Development Fund - Continued</b>		
No distribution is to be made out of this fund as payments, transfers, dividends etc. to the members of the company and is to be used specifically to fund items of capital expenditure relating to Windsurf Park. The fund is not to be used for routine general maintenance.		
Opening Balance bfwd	87,643	157,737
Cash grant received	-	-
Expenditure relating to Windsurf Park	(40,000)	(70,094)
Additions to Fund	3,000	-
Standing to account at year end	<u>50,643</u>	<u>87,643</u>
<b>14. General Reserve</b>		
Opening Balance bfwd	461,002	174,582
a) Capital gift received	-	135,000
b) Amounts appropriated out of surplus for the year	5,212	20,961
c) Amounts retained relating To Capital Expenditure	61,541	115,112
d) Transfer (To) / From Accumulated Fund	(19,110)	15,348
Standing to account at year end	<u>508,645</u>	<u>461,002</u>

By a resolution of the Board of Directors dated 9<sup>th</sup> June 2014 and based upon the management committee's recommendations, a General Reserve was established in order to fund certain operations of the company that was not envisaged within the company's normal activities and to make same available for utilization in the discharge of unplanned and unforeseen obligations that transcends its normal operations as the property management company.

- a) As described in note 2, The Company benefitted from an office building measuring approximately 650 sq. ft. constructed on Windsurf Park and gifted with free and clear title by the Ministry of Works & Infrastructure in September 2015. The amount capitalised represents the net market value of the asset gifted and which the Board of Directors have agreed to recognise as the value of the gift received. In doing so, the Board agreed to recognise the value of the gift in the General Reserve and to make same available for utilization in the discharge of its obligations as a property management company in the future.
- b) Management has appropriated a fixed sum in the amount stated from the surplus due to owners/tenants prior to distribution in order to fund future operations of the company relating to the general use of Windsurf Park.
- c) Amounts retained in respect of capital expenditure incurred have been appropriated from the tenants' account and included in the General Reserve.
- d) An accumulated sum in the amount stated above (in the comparative period) previously standing to the Accounts Receivable has been appropriated and transferred out of the Accounts Receivable into the General Reserve. This sum is representative of accumulated advance payments standing in credit and held in a suspense account said to comprise service charges paid by various owners/tenants in earlier years which remains unaffected after the true verification of account balances.

## Notes To The Financial Statements

December 31st, 2016

(Expressed In Trinidad And Tobago Dollars)

	<u>December 31st</u>	
	<u>2016</u>	<u>2015</u>
	<u>\$</u>	<u>\$</u>
<b>15. <u>Employment Disclosure</u></b>		
As at the Statement Of Financial Position Date the Company's employment structure was as follows :		
Part Time - Casual	1	1
Part Time - Directors	12	12
Disabled	-	-
	<u>13</u>	<u>13</u>
Total Value Of Vacation Leave Due	<u>Nil</u>	<u>Nil</u>
<b>16. <u>Key Management Compensation</u></b>		
Total remuneration paid at year end	<u>72,900</u>	<u>80,000</u>

An amount paid is to a property manager for her part time services rendered to the company via fixed monthly payments.

**17. Events After The Statement of Financial Position Date**

These financial statements were approved by the board of Directors' on the 04th April 2017 and from the closure of the company's financial period ended December 31<sup>st</sup>, 2016 to the date of signing these accounts, there were no post Statement of Financial Position events (adjusting or non-adjusting) which are required to be accounted for or disclosed in the financial statements that have come to our attention and based on Management's representations.