



**AUDITOR GENERAL OF THE REPUBLIC OF TRINIDAD AND TOBAGO**  
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*Please address your response to the Auditor General and quote the reference particulars below.*

**Ref No: XI 156/4/2013/39**

16<sup>th</sup> April, 2024

The Executive Director  
Accreditation Council of Trinidad and Tobago  
Level 1, Maritime Centre  
29 Tenth Avenue  
**BARATARIA**



Dear Sir


**REPORT OF THE AUDITOR GENERAL OF THE REPUBLIC OF TRINIDAD AND TOBAGO ON THE FINANCIAL STATEMENTS OF THE ACCREDITATION COUNCIL OF TRINIDAD AND TOBAGO FOR THE YEAR ENDED 30 SEPTEMBER 2013**

Forwarded herewith is a copy of my Report on the Financial Statements of the Accreditation Council of Trinidad and Tobago for the year ended 30 September 2013.

In accordance with section 116 (4) of the Constitution of the Republic of Trinidad and Tobago, the Report has been forwarded to the Speaker and the President of the Senate for presentation to the House of Representatives and the Senate respectively and to the Minister of Finance.

A copy of the Report has been forwarded also to the Minister of Education and the Chairman of the Accreditation Council of Trinidad and Tobago.

Yours faithfully,

  
**JAIWANTIE RAMDASS**  
**AUDITOR GENERAL**

*“Championing good governance”*



**REPORT OF THE AUDITOR GENERAL OF THE  
REPUBLIC OF TRINIDAD AND TOBAGO**

on the

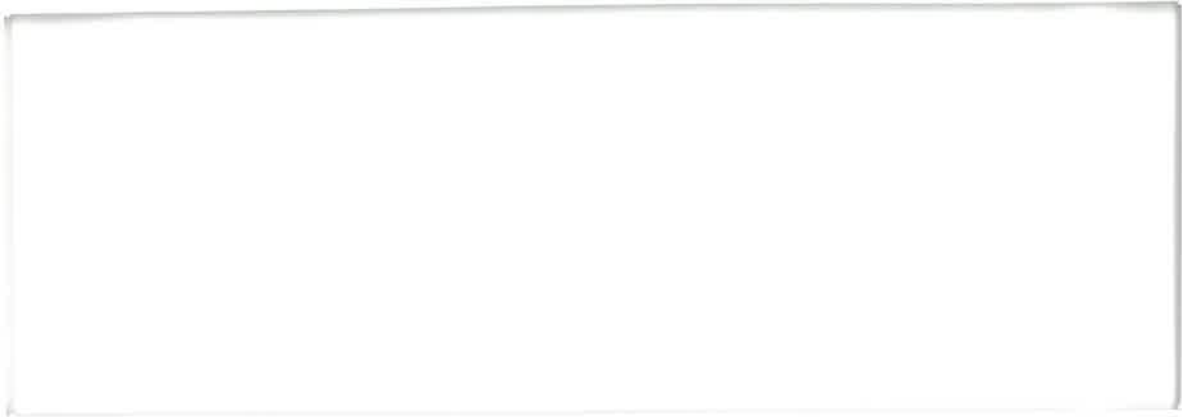
**FINANCIAL STATEMENTS**

of the

**ACCREDITATION COUNCIL OF  
TRINIDAD AND TOBAGO**

for the year ended

**30 September, 2013**





**REPORT OF THE AUDITOR GENERAL OF THE REPUBLIC OF TRINIDAD AND TOBAGO ON THE FINANCIAL STATEMENTS OF THE ACCREDITATION COUNCIL OF TRINIDAD AND TOBAGO FOR THE YEAR ENDED 30 SEPTEMBER 2013**

The accompanying Financial Statements of the Accreditation Council of Trinidad and Tobago for the year ended 30 September 2013 have been audited. The Statements comprise a Statement of Financial Position as at 30 September 2013, a Statement of Comprehensive Income, a Statement of Changes in Accumulated Fund, a Statement of Cash Flows for the year ended 30 September 2013 and Notes to the Financial Statements numbered 1 to 18.

2. The audit was conducted by a firm of Accountants authorised by the Auditor General in accordance with section 22 (1) of the Accreditation Council of Trinidad and Tobago Act, Chapter 30:06. Their Report dated 23 February 2024 is attached, refers.

**SUBMISSION OF REPORT**

3. This Report is being submitted to the Speaker of the House of Representatives, the President of the Senate and the Minister of Finance in accordance with the provisions of sections 116 and 119 of the Constitution of the Republic of Trinidad and Tobago.



16<sup>TH</sup> APRIL, 2024  
PORT OF SPAIN

*Jaiwantie Ramdass*  
JAIWANTIE RAMDASS  
AUDITOR GENERAL

**The Accreditation Council of Trinidad and Tobago**

Financial Statements

30 September 2013

*(Expressed in Trinidad and Tobago Dollars)*

# **The Accreditation Council of Trinidad and Tobago**

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# The Accreditation Council of Trinidad and Tobago

## Statement of Management's Responsibilities

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Management is responsible for the following:


- Preparing and fairly presenting the accompanying financial statements of The Accreditation Council of Trinidad and Tobago (the Council), which comprise the statement of financial position as at 30 September 2013, the statements of comprehensive income, changes in accumulated fund and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information;
- Ensuring that the Council 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 Council's assets, detection/prevention of fraud, and the achievement of Council operational efficiencies;
- Ensuring that the system of internal control operated effectively during the reporting period;
- Producing reliable financial reporting that comply with laws and regulations, including the Exchequer and Audit Act Chapter 69:01; 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 Council will not remain a going concern for the next twelve months from the reporting date; or up to the date the accompanying financial statements have been authorised for issue, if later.

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

  
Executive Director  
23 February 2024

  
Director, Finance and Administration  
23 February 2024



## **Independent Auditor's Report**

To the members of the Council of The Accreditation Council of Trinidad and Tobago

### **Report on the Financial Statements**

We have audited the accompanying financial statements of The Accreditation Council of Trinidad and Tobago (the Council), which comprise the statement of financial position as at 30 September 2013 and the statements of comprehensive income, changes in accumulated fund and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Accreditation Council of Trinidad and Tobago as at 30 September 2013, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

*PricewaterhouseCoopers*

Port of Spain  
Trinidad, West Indies  
23 February 2024



# The Accreditation Council of Trinidad and Tobago

## Statement of Financial Position

(Expressed in Trinidad and Tobago Dollars)

	Notes	As at 30 September	
		2013 \$	2012 \$
<b>Assets</b>			
<i>Non-current assets</i>			
Plant and equipment	4	2,189,235	1,901,315
Intangible assets	5	<u>21,884</u>	<u>8,785</u>
		<u>2,211,119</u>	<u>1,910,100</u>
<i>Current assets</i>			
Accounts receivables	6	431,764	216,397
Value added tax recoverable		561,843	403,902
Prepayments		290,503	409,241
Other receivables		1,408,705	2,486,230
Cash and cash equivalents	7	<u>6,302,172</u>	<u>4,864,308</u>
		<u>8,994,987</u>	<u>8,380,078</u>
<b>Total assets</b>		<u><u>11,206,106</u></u>	<u><u>10,290,178</u></u>
<b>Accumulated fund</b>		<u>7,308,583</u>	<u>6,513,178</u>
<i>Non-current liability</i>			
Deferred income	8	<u>1,348,837</u>	<u>992,404</u>
<i>Current liabilities</i>			
Accounts payable and accrued liabilities	9	463,489	1,156,240
Provision for gratuity	10	<u>2,085,197</u>	<u>1,628,356</u>
		<u>2,548,686</u>	<u>2,784,596</u>
<b>Total liabilities</b>		<u>3,897,523</u>	<u>3,777,000</u>
<b>Total accumulated fund and liabilities</b>		<u><u>11,206,106</u></u>	<u><u>10,290,178</u></u>

The notes on pages 7 to 18 are an integral part of these financial statements.



Director



Director

# The Accreditation Council of Trinidad and Tobago

## Statement of Comprehensive Income

(Expressed in Trinidad and Tobago Dollars)

		Year ended 30 September	
	Notes	2013 \$	2012 \$
<b>Income</b>			
Revenue	11	1,224,433	1,598,766
Cost of services	13	<u>(703,172)</u>	<u>(1,003,282)</u>
Gross surplus		521,261	595,484
<u>Other non-operating income</u>			
Government subventions		16,599,950	14,699,700
Interest income		74,980	83,712
Other income	12	<u>4,878,288</u>	<u>1,602,801</u>
		22,074,479	16,981,697
<b>Expenses</b>			
Administrative expenses	14	20,333,284	15,085,441
Depreciation	4	935,813	807,969
Amortisation of intangible assets	5	<u>9,977</u>	<u>17,767</u>
		<u>21,279,074</u>	<u>15,911,177</u>
<b>Surplus of income over expenditure</b>		<u>795,405</u>	<u>1,070,520</u>
<b>Total comprehensive income for the year</b>		<u>795,405</u>	<u>1,070,520</u>

The notes on pages 7 to 18 are an integral part of these financial statements.

# The Accreditation Council of Trinidad and Tobago

## Statement of Changes in Accumulated Fund

*(Expressed in Trinidad and Tobago Dollars)*

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	<b>Accumulated fund \$</b>
<b>Year ended 30 September 2013</b>	
Balance at 1 October 2012	6,513,178
Surplus of income over expenditure	<u>795,405</u>
Balance at 30 September 2013	<u><u>7,308,583</u></u>
<b>Year ended 30 September 2012</b>	
Balance at 1 October 2011	5,442,658
Surplus of income over expenditure	<u>1,070,520</u>
Balance at 30 September 2012	<u><u>6,513,178</u></u>

The notes on pages 7 to 18 are an integral part of these financial statements.

# The Accreditation Council of Trinidad and Tobago

## Statement of Cash Flows

(Expressed in Trinidad and Tobago Dollars)

	Notes	Year ended 30 September	
		2013 \$	2012 \$
<b>Cash flows from operating activities</b>			
Surplus of income over expenditure		795,405	1,070,520
Adjustments for:			
Depreciation	4	935,813	807,969
Amortisation of intangible assets	5	9,977	17,767
Amortisation of deferred income	8	(382,418)	(211,537)
Gain on disposal of plant and equipment	12	<u>(203,037)</u>	<u>(226,429)</u>
<b>Operating surplus before changes in operating asset and liabilities</b>		1,155,740	1,458,290
Increase in accounts receivables		(215,367)	(6,005)
(Increase)/decrease in value added tax recoverable		(157,941)	482,211
Decrease/(increase) in prepayments		118,738	(129,188)
Decrease/(increase) in other receivables		1,077,525	(2,456,903)
(Decrease)/increase in accounts payable and accrued liabilities		(692,751)	821,279
Increase in provision for gratuity		<u>456,841</u>	<u>246,588</u>
<b>Net cash generated from operating activities</b>		<u>1,742,785</u>	<u>416,272</u>
<b>Cash flows from investing activities</b>			
Purchase of plant and equipment	4	(1,236,191)	(1,238,734)
Purchase of intangible assets		(23,076)	—
Proceeds from disposal of plant and equipment		<u>215,495</u>	<u>229,911</u>
<b>Net cash used in investing activities</b>		<u>(1,043,772)</u>	<u>(1,008,823)</u>
<b>Cash flows from financing activities</b>			
Proceeds from government grants (PSIP)	8	738,851	72,000
Proceeds from European Development Fund (EDF) grants	8	<u>--</u>	<u>400,000</u>
<b>Net cash generated from financing activities</b>		<u>738,851</u>	<u>472,000</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		1,437,864	(120,551)
<b>Cash and cash equivalents, beginning of year</b>		<u>4,864,308</u>	<u>4,984,859</u>
<b>Cash and cash equivalents, end of year</b>		<u><u>6,302,172</u></u>	<u><u>4,864,308</u></u>
<b>Represented by:</b>			
Cash and Cash equivalents	7	<u>6,302,172</u>	<u>4,864,308</u>

The notes on pages 7 to 18 are an integral part of these financial statements.

# The Accreditation Council of Trinidad and Tobago

## Notes to the Financial Statements 30 September 2013

*(Expressed in Trinidad and Tobago Dollars)*

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### 1 General information

The Accreditation Council of Trinidad and Tobago (ACTT) is a statutory body established by Chapter 39:06 as the principal body in Trinidad and Tobago responsible for the quality assurance of post-secondary and tertiary level institutions, programmes and awards. The Act creating the Council was proclaimed in June 2004, by an Act of Parliament #16 of 2004, and the organisation commenced operations in November 2004. Its place of operations is located at Level 1, Maritime Centre, 29 Tenth Avenue, Barataria, San Juan 250606 Trinidad Tobago.

The principal activity of the organisation is to ensure quality in higher education in Trinidad and Tobago through the following seven major activities:

- a) registration of Tertiary Level Institutions;
- b) accreditation of Tertiary Level Institutions;
- c) accreditation of Specialised Programmes;
- d) programme approval of locally developed programmes;
- e) recognition of Foreign Tertiary Level Institutions and their programmes and awards;
- f) conferment of title on Tertiary Level Institutions;
- g) statement on recognition on local and international programmes and institutions.

These financial statements were authorised for issue by the Directors on 22 February 2024.

### 2 Summary of significant accounting policies

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

#### a. *Basis of preparation*

- (i) The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) under the historical cost convention and interpretations issued by the IFRS Interpretations Committee (IFRS IC). The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB).

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Council's accounting policies. There were no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

# The Accreditation Council of Trinidad and Tobago

## Notes to the Financial Statements (continued)

30 September 2013

(Expressed in Trinidad and Tobago Dollars)

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

#### a. Basis of preparation (continued)

- (ii) *New and amended standards, and interpretations mandatory for the first time for the financial year beginning 1 January 2013 but not currently relevant to the entity (continued)*

Topic	Key requirements	Effective Date
IFRS 9, 'Financial instruments'	IFRS 9 is the first standard issued as part of a wider project to replace IAS 39. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortised cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. The guidance in IAS 39 on impairment of financial assets and hedge accounting continues to apply. Prior periods need not be restated if an entity adopts the standard for reporting periods beginning before 1 January 2012.	1 January 2018

#### b. Foreign currency translation

- (i) *Functional and presentation currency*

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

- (ii) *Transactions and balances*

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

Foreign exchange gains and losses that relate to cash and cash equivalents are presented in the statement of comprehensive income within "Administrative expenses". All other foreign exchange gains and losses are presented in the statement of comprehensive income within "Administrative expenses."

# The Accreditation Council of Trinidad and Tobago

## Notes to the Financial Statements (continued)

30 September 2013

(Expressed in Trinidad and Tobago Dollars)

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

#### c. *Plant and equipment*

Plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Historical cost includes expenditure that is directly attributable to the acquisition of the items.

The Council recognises in the carrying amount of an item of plant and equipment, the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the Council and the cost of the item can be measured reliably. All other expenditure is recognised in the statement of comprehensive income during the financial period as an expense as incurred.

Depreciation is charged to the statement of comprehensive income using the straight line basis at the following rates which are designed to write off the assets over their estimated useful lives:

Motor vehicles	-	25%
Computer equipment	-	33%
Furniture and fittings	-	25%
Equipment	-	25%
Cellular phones	-	50%

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal of plant and equipment are determined by comparing proceeds with the carrying amount and are included in the statement of comprehensive income within 'other income'.

#### d. *Intangible assets*

Computer software license are accounted for as intangible assets when they are not an integral part to the related hardware. Computer software that is an integral part to the related hardware shall be accounted for as plant and equipment.

Computer software licenses that are recognised as assets are amortised over their estimated useful lives, which does not exceed three years.

# The Accreditation Council of Trinidad and Tobago

## Notes to the Financial Statements (continued)

30 September 2013

(Expressed in Trinidad and Tobago Dollars)

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

#### e. *Impairment*

The carrying amounts of the Council's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the statement of comprehensive income.

#### *Calculation of recoverable amount*

The recoverable amount of the Council's assets is the greater of their net selling price and value in use.

#### *Reversals of impairment*

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

#### f. *Accounts receivable*

Accounts receivable are amounts due from customers for services performed in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost less provision for impairment. A provision for impairment is established when there is objective evidence that the Council will not be able to collect all amounts due according to the original terms. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered as indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows. The amount of the provision is recognised in the statement of comprehensive income. Bad debts are written off to the statement of comprehensive income when identified.

#### g. *Cash and cash equivalents*

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash in hand and at bank.

#### h. *Government Subventions*

Government subventions related to the ongoing operations of the Council are recognised in the Income Statement as revenue when the subvention becomes receivable. Subventions that compensate the Council for the cost of an asset are recognised in the Income Statement on a systematic basis over the life of the asset.



# The Accreditation Council of Trinidad and Tobago

## Notes to the Financial Statements (continued)

30 September 2013

(Expressed in Trinidad and Tobago Dollars)

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

#### i. *PSIP Funding*

All projects that fall under the Ministry's Public Sector Investment Programme (PSIP) allocation are funded by distributions from this account.

These expenses include institutional and staff development and infrastructure expansion. Funds that are received under this type of funding are not included with Government Subventions, and are shown separately in the Statement of Comprehensive Income.

#### j. *Amortisation of assets purchased under PSIP Funding*

In accordance with IAS 20: Accounting for Government Grants and Amortisation of deferred income, grants used to purchase assets are recognised as deferred income and systematically amortised over a period matching the useful life of the acquired asset.

#### k. *Accounts payable and accrued liabilities*

Accounts payable and accrued liabilities are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Liabilities for accounts payable and accrued liabilities which are normally settled on thirty to ninety day terms are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not invoiced to the Council.

Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

#### l. *Provisions*

Provisions are recognised when:-

- the Council 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.

Provisions are not recognised for future operating losses.

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

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

#### m. *Revenue recognition*

Revenue related to the Council includes revenue earned from the Council's core services as itemised at Note 1 above, plus income generated from the hosting of workshops and conferences, from advertisements in ACTT's publications and from sale of publications. This revenue is recorded when the service is provided and accepted by the client.

# The Accreditation Council of Trinidad and Tobago

## Notes to the Financial Statements (continued)

30 September 2013

(Expressed in Trinidad and Tobago Dollars)

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

#### n. Leases

*The Council is the lessee*

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of comprehensive income on a straight-line basis over the period of the lease. Lease incentives received are recognised in the income statement as an integral part of the total lease expense.

#### o. Taxation

Section 20 of the Act indicates that the Council is exempt from stamp duties, corporation taxes and custom duties.

### 3 Financial risk management

*Risk and foreign currency risk*

#### a. Market risk

Market risk is the risk that the fair value of future cash flows of the financial instrument will fluctuate because of changes in market prices. The Council takes on exposure to market risks from changes in foreign exchange rates.

##### (i) Foreign exchange risk

The entity is exposed to foreign exchange risk arising from currency exposures, primarily with respect to the US dollar. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.

#### b. Credit risk

The Council has no significant concentration of credit risk.

#### c. Liquidity risk

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

The Council's liquidity risk management process is measured and monitored by senior management within the Council. This process includes:

- Monitoring cash flows and the availability incoming subventions
- Maintaining statement of financial position liquidity ratios.

The Council's financial liabilities equate to the balances as shown on the statement of financial position. The contractual undiscounted cash flows equate to the carrying value.

# The Accreditation Council of Trinidad and Tobago

## Notes to the Financial Statements (continued)

30 September 2013

(Expressed in Trinidad and Tobago Dollars)

4 Plant and equipment	Motor vehicle	Computer equipment	Furniture and fittings	Equipment	Total
	\$	\$	\$	\$	\$
<b>Year ended 30 September 2013</b>					
Opening net book amount	1,132,579	367,270	263,937	137,528	1,901,314
Additions	335,066	386,874	255,482	258,769	1,236,191
Disposals	(12,457)	--	--	--	(12,457)
Depreciation charge	(390,337)	(307,019)	(141,611)	(96,846)	(935,813)
Closing net book amount	<u>1,064,851</u>	<u>447,125</u>	<u>377,808</u>	<u>299,451</u>	<u>2,189,235</u>
<b>At 30 September 2013</b>					
Cost	1,902,558	2,754,540	1,445,059	625,020	6,727,177
Accumulated depreciation	(837,707)	(2,307,415)	(1,067,251)	(325,569)	(4,537,942)
Net book amount	<u>1,064,851</u>	<u>447,125</u>	<u>377,808</u>	<u>299,451</u>	<u>2,189,235</u>
<b>Year ended 30 September 2012</b>					
Opening net book amount	579,774	640,231	166,321	87,705	1,474,031
Additions	809,035	126,825	190,935	111,939	1,238,734
Disposals	--	--	--	(3,481)	(3,481)
Depreciation charge	(256,230)	(399,785)	(93,319)	(58,635)	(807,969)
Closing net book amount	<u>1,132,579</u>	<u>367,271</u>	<u>263,937</u>	<u>137,528</u>	<u>1,901,315</u>
<b>At 30 September 2012</b>					
Cost	1,933,532	2,413,477	1,189,577	443,461	5,980,047
Accumulated depreciation	(800,953)	(2,046,206)	(925,640)	(305,933)	(4,078,732)
Net book amount	<u>1,132,579</u>	<u>367,271</u>	<u>263,937</u>	<u>137,528</u>	<u>1,901,315</u>
<b>At 1 October 2011</b>					
Cost	1,374,625	2,296,452	998,642	347,922	5,017,641
Accumulated depreciation	(794,851)	(1,656,221)	(832,321)	(260,217)	(3,543,610)
Net book amount	<u>579,774</u>	<u>640,231</u>	<u>166,321</u>	<u>87,705</u>	<u>1,474,031</u>
<b>5 Intangible assets</b>					
		<b>2013</b>	<b>2012</b>		
		\$	\$		
Software		21,874	8,775		
Document management system		<u>10</u>	<u>10</u>		
		<u>21,884</u>	<u>8,785</u>		
At beginning of year		8,785	26,552		
Additions		23,076	--		
Amortisation charge for the year		<u>(9,977)</u>	<u>(17,767)</u>		
At end of year		<u>21,884</u>	<u>8,785</u>		

# The Accreditation Council of Trinidad and Tobago

## Notes to the Financial Statements (continued)

30 September 2013

(Expressed in Trinidad and Tobago Dollars)

6	Accounts receivables	2013 \$	2012 \$
	Accounts receivables	482,754	264,387
	Less: provision for bad and doubtful debt	<u>(50,990)</u>	<u>(47,990)</u>
		<u>431,764</u>	<u>216,397</u>

The aging of accounts receivables at the reporting date was:

0-30 days	275,974	108,282
31-60 days	43,000	50,000
61-90 days	1,200	--
Over 90 days	<u>162,580</u>	<u>106,105</u>
	<u>482,754</u>	<u>264,387</u>

As at 30 September 2013, accounts receivables of \$320,174 (2012 - \$158,282) were fully performing. As at 30 September 2013, accounts receivables of \$162,580 (2012 - \$106,105) were past due. As at 30 September 2013, \$50,990 (2012 - \$47,990) of accounts receivables are estimated as being impaired. The balance of accounts receivable relate to a number of customers of whom there is no recent history of default and management expects the amount to be fully recovered.

a. The carrying amounts of the Council's invoiced receivables are denominated in Trinidad and Tobago dollars

b. Fair value of accounts receivables

Due to the short-term nature of the current accounts receivables, their carrying amount is assumed to be the same as their fair value.

c. Movement in the Council's provision for impairment is as follows:

Beginning of year	47,990	47,990
Provision for receivables impairment	<u>3,000</u>	<u>--</u>
End of year	<u>50,990</u>	<u>47,990</u>

Further information relating to trade receivables is set out in Note 16.

## 7 Cash and cash equivalents

Cash at bank – Abercrombie Fund (0.9%)	5,196,550	4,980,819
Cash at bank – Checking Account	1,005,441	(190,972)
Cash in hand	92,380	68,021
Petty cash	<u>7,801</u>	<u>6,440</u>
	<u>6,302,172</u>	<u>4,864,308</u>

*Bank overdraft*

The Council does not have an overdraft facility. The above bank overdraft balance represented the balance in the accounting records. The amount in the bank statement was not in an overdraft position.

# The Accreditation Council of Trinidad and Tobago

## Notes to the Financial Statements (continued)

30 September 2013

(Expressed in Trinidad and Tobago Dollars)

8	<b>Deferred income</b>	<b>2013</b> \$	<b>2012</b> \$
	Grant balance at beginning of year	992,404	731,941
	Grant received – Public Sector Investment Programme (PSIP)	738,851	72,000
	Grant received – European Development Fund (EDF)	--	400,000
	Amortisation of deferred income (Note 12)	<u>(382,418)</u>	<u>(211,537)</u>
		<u>1,348,837</u>	<u>992,404</u>
9	<b>Accounts payable and accrued liabilities</b>		
	Audit fees	269,000	237,000
	Hosting of conferences, seminars, workshops, etc	90,000	45,901
	Fees	39,265	18,368
	Equipment	26,749	179,225
	Office expenses	21,257	82,657
	Advertising and promotions	16,837	2,378
	Security and janitorial	381	12,493
	Rent	--	577,878
	Contracted services	--	340
		<u>463,489</u>	<u>1,156,240</u>
10	<b>Provision for gratuity</b>		
	At beginning of year	1,628,356	1,381,768
	Provision for the year	<u>456,841</u>	<u>246,588</u>
		<u>2,085,197</u>	<u>1,628,356</u>
	<p>All staff at ACTT are employed on contract and a 20% gratuity becomes payable upon successful completion of the contract of employment. The provision for gratuity is calculated based on each employee's basic salary and is charged to the accounts annually in proportion to the period that the employee was employed over the financial year.</p>		
11	<b>Revenue</b>	<b>2013</b> \$	<b>2012</b> \$
	Registration	421,313	373,356
	Recognition of foreign programmes and awards	358,149	718,093
	Accreditation	210,289	378,219
	Programme approval and conferment of title	<u>234,682</u>	<u>129,098</u>
		<u>1,224,433</u>	<u>1,598,766</u>

ACTT applies a 20% administrative fee on the cost of conducting evaluations on institutions for accreditation, registration, foreign and local programmes and awards.

# The Accreditation Council of Trinidad and Tobago

## Notes to the Financial Statements (continued)

30 September 2013

(Expressed in Trinidad and Tobago Dollars)

12 Other income	2013 \$	2012 \$
Public Sector Investment Programme (PSIP) grant funding	3,000,000	700,000
European Development Fund (EDF) grant funding	--	155,000
Hosting of conferences, seminars, functions	895,169	308,785
Other income	397,664	1,050
Amortisation of deferred income (Note 8)	382,418	211,537
Gain on disposal of plant and equipment	203,037	226,429
	<u>4,878,288</u>	<u>1,602,801</u>

13 Cost of services		
Registration and Accreditation	475,350	564,602
Recognition of foreign programmes and awards	190,470	423,308
Programme approval and conferment of title	37,352	15,372
	<u>703,172</u>	<u>1,003,282</u>

Cost of ACTT's services are funded by fees charged to institutions for the provision of these services. (Note 11 refers)

14 Administrative expenses		
Salaries and wages	10,557,958	9,073,380
Rent	2,262,835	1,817,552
Hosting of conferences, seminars	2,085,496	734,258
Repairs and maintenance	973,567	730,391
Advertising and promotion	855,191	700,615
Office expenses	853,032	666,784
Other contracted services	794,007	282,945
Training	549,137	299,816
Security and janitorial	510,877	350,644
Utilities	479,336	330,109
Insurance	206,970	164,168
Travel	201,878	237,234
Bad and doubtful debt	3,000	(302,454)
	<u>20,333,284</u>	<u>15,085,442</u>

## 15 Related parties

### *Key management personnel*

Key management personnel receive compensation in the form of short-term employee benefits and post-employment benefits.

Key management personnel received compensation of \$2,816,192 (2012: \$3,097,441) for the period. Total remuneration is included in 'salaries and wages' in the 'administrative expenses' note.

# The Accreditation Council of Trinidad and Tobago

## Notes to the Financial Statements (continued)

30 September 2013

(Expressed in Trinidad and Tobago Dollars)

16 a. Financial instruments by category	2013 \$	2012 \$
<p>The accounting policies for financial instruments have been applied to the line items below:</p> <p><i>Assets as per statement of financial position</i></p> <p><i>Loans and receivables</i></p>		
Accounts receivables	431,764	216,397
Other receivables	1,408,705	2,486,230
Cash and cash equivalents	<u>6,302,172</u>	<u>4,864,308</u>
	<u>8,142,641</u>	<u>7,566,935</u>
<p><i>Liabilities as per statement of financial position</i></p> <p><i>Amortised cost</i></p>		
Accounts payable and accrued liabilities	463,489	1,156,241
Deferred Income	1,348,837	992,404
Provision for gratuity	<u>2,085,197</u>	<u>1,628,357</u>
	<u>3,897,523</u>	<u>3,777,002</u>

As at 30 September 2012, \$2,470,550 was included in other receivables which represented subventions for both August and September 2012, which were received 01 October 2013. Similarly, at 30 September 2013, \$1,375,450 was included which represented subventions for September 2013 received 02 October 2013.

### 16 b. Credit quality of financial assets

The credit quality of the financial assets that are neither past due nor impaired can be assessed by reference to historical information about the counterparty default rates and/or by management's evaluation based on historical recovery.

<i>Accounts receivables</i>	2013 \$	2012 \$
Counterparties without external credit rating:		
Group 1	<u>431,764</u>	<u>216,397</u>

Almost all trade receivables represent amounts due from government entities operating in Trinidad and Tobago. The balance comprises both invoiced amounts and accrued amounts recognised in annual fees earned in 2013 but billed/collected after 30 September 2013. There is no past history of default.

#### *Cash at bank*

Group A	<u>6,201,991</u>	<u>4,789,847</u>
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All cash balances are held at a locally based bank with no history of default. The remainder of the statement of financial position item "cash and cash equivalents" is cash in hand.

Group A – Trinidad and Tobago based banking institutions.

# The Accreditation Council of Trinidad and Tobago

## Notes to the Financial Statements (continued)

30 September 2013

(Expressed in Trinidad and Tobago Dollars)

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### 17 Contingencies and commitments

#### *Operating leases*

Operating lease rentals are payable as follows:

	2013	2012
	\$	\$
No later than 1 year	1,786,404	2,307,749
Later than 1 year, no later than 5 years	<u>671,799</u>	<u>2,458,203</u>
	<u>2,458,203</u>	<u>4,765,952</u>

The lease rentals represent future payments under operating leases for office accommodation in Port of Spain and San Fernando, plus leases for three copiers.

During the year ended 30 September 2013 \$2,100,644 (2012: \$1,694,234) was recognised as an expense in the statement of comprehensive income in respect of office accommodation leases.

### 18 Subsequent events

There are no other events, situations or circumstances which might significantly affect the Councils' equity or financial position, which have not been adequately contemplated or mentioned in these financial statements.