

# CaricRIS

**Building Sustainability  
and Resilience**



**Annual Report 2023**

## 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 Vision

To be the leading credit rating agency in the Caribbean, providing debt issuers, investors, regulators, fund managers and the investing public with independent credit ratings, expert financial risk assessment solutions and credible research and opinion.

## Our Core Values

- Integrity
- Independence
- Analytical Rigour
- Teamwork

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**Head Office:**

3<sup>rd</sup> Floor, Furness House  
90 Independence Square  
Port of Spain  
Trinidad and Tobago, W.I.

**Jamaica Office:**

9<sup>th</sup> Floor, PanJam Building  
60 Knutsford Boulevard  
Kingston 5  
Jamaica, W.I.

**Contact:**

Tel: (868) 627-8879  
Fax: (868) 625-8871  
E-mail: [info@caricris.com](mailto:info@caricris.com)  
Website: [www.caricris.com](http://www.caricris.com)

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## Chairman's Statement



**Gregory Thomson**  
Chairman

The Company continues to play a key role in the region's financial and capital market infrastructure.

Dear Shareholders,

Caribbean Information and Credit Rating Services Limited (CariCRIS) delivered another year of profitable performance, with a net profit before tax of USD277,699. The Company continues to play a key role in the region's financial and capital market infrastructure through the provision of independent credit ratings, tailored credit risk training programmes and bond valuation services.

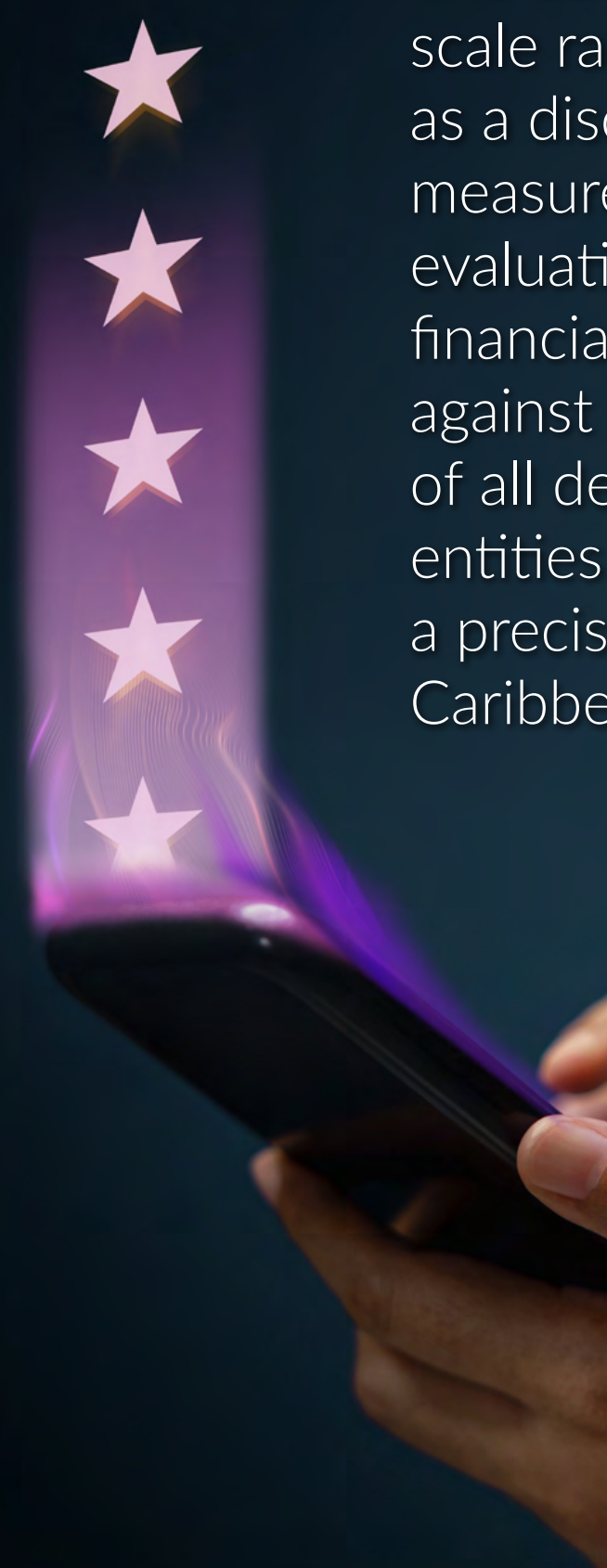
The impact of the Russia/Ukraine war that started in March 2022 was felt through most of 2022, reflected in supply chain disruptions, high inflation, and a largely uncertain economic environment. Economic output rose 3.4% across the globe in 2022 and 5.8% for the Caribbean (excluding Guyana's 62.3% increase). Although inflationary pressures have lessened, monetary policy rates are expected to remain high in the main developed economies in 2023. The moderate economic recovery from the pandemic is expected to continue in 2023 and the overall growth expectation for the Caribbean is of the order of 3.5% (excluding Guyana). Guyana itself is expected to grow by just over 37%. These growth expectations are, however, subject to downside risks associated with stress to the banking system in the United States, and uncertainty on the path of interest rates. There is also the possibility of increased geopolitical tensions associated with the war in Ukraine over the coming year. Notwithstanding these uncertainties, the Board remains cautiously optimistic about the Company's prospects over the next year.

During the year Pawan Agrawal retired from the Board after 13 years of service. I thank Pawan for his sterling contribution to the organisation over the years and wish him well in his future endeavours. The Chair of our Credit Rating Committee, Mr. Ben Arrindell, sadly passed during the year. Ben brought tremendous knowledge and experience to the Committee and we will miss him dearly. Dr. Justin Robinson was appointed as the new Chair and I look forward to Justin's leadership of the Committee over the coming years. Our CEO, Wayne Dass, will retire in 2023. On behalf of my fellow Directors, I thank Wayne for his outstanding leadership of CariCRIS over the past 16 years and wish him good health in his retirement.

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, institutional investors and other stakeholders for the confidence placed in our organisation, and our management and staff for their continued hard work and dedication.



Gregory Thomson  
Chairman  
09 June 2023



The CariCRIS regional scale rating stands as a discerning measure, meticulously evaluating an entity's financial strength against the backdrop of all debt-issuing entities situated within a precisely defined Caribbean region.

# Chief Executive Officer's Report



**Wayne Dass**  
Chief Executive Officer

A key strategic objective is to build sustainability and resilience by driving top line growth, smartly managing expenses and leveraging technology

Caribbean Information and Credit Rating Services Limited (CariCRIS) performed creditably over the past year, notwithstanding the strained economic and business environment. We completed 8 new ratings in the year, bringing the total number of entities rated since inception to 224, and ratings subject to annual reviews to 64. Total rated debt since inception increased to USD4.0 billion. Our ratings portfolio remains highly diversified, both by geography and sector.

## Financial Performance

For the year ended 31 March 2023, non-rating income increased by 40.9%, effectively offsetting a 5.2% decline in rating income, resulting in a 2.7% overall increase in total income to USD2,033,371. The decrease in rating income during the year was largely due to reduced capital market activity in our core markets, consequent to a combination of increasing policy interest rates and a general uncertainty in the economic environment. The rise in non-rating income was led by heightened demand for our credit risk training programmes by banks and other financial institutions in the region.

During the year we conducted a comprehensive compensation review exercise and implemented a material increase in staff compensation levels across the organisation. We also expanded our Accounting and Finance team by hiring a Senior Accountant and widened our Management Team with the addition of a Manager, People and Culture. These together drove an increase in our total expenses of 14.3% to USD1,787,535. Net finance income increased to USD31,863. As a result, the Company recorded a profit before tax of USD277,699, down 37.6% from the prior year. Profit after tax was USD175,568 compared to an outturn of USD288,049 in the prior year. Net shareholders' equity consequently grew by 5.8% to USD3,178,868 as at 31 March 2023 (Charts 1 to 3). The Company remains strongly capitalised with a net shareholders' equity to total assets ratio of 86%.

## Market Development

During the year we continued our offering of live online training programmes to the market and successfully hosted 7 webinars as follows: 'Credit Risk Analyst Certificate Programme', 'ESG in Credit and Investment Analysis', 'Problem Loan Identification and Workouts', 'Assessing Country Risk in the Caribbean', 'Advanced Corporate Credit Risk Analysis', 'Core Credit Skills', and 'Advanced Cash Flow Analysis and Loan Structuring'. We also conducted 4 customised in-house workshops for the credit risk staff of regional commercial banks. Our training line of business is a growing contributor to our total revenue, and importantly facilitates our risk and investment professionals in the Caribbean with high-level, cutting-edge training from global experts. We also continued our bond valuation service during the year, providing independent fair value prices for illiquid fixed-income securities issued in the Caribbean.

Chief Executive Officer's Report (continued)

### Operations

Our work mode shifted to a hybrid format during the year (work from home and office) and this is working well for us with high productivity levels achieved. 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). During the year we continued our implementation of key measures identified in the IOSCO expanded Code of Conduct Fundamentals for Credit Rating Agencies. Also during the year, we started incorporating Environmental, Social and Governance (ESG) considerations in our credit rating methodologies. Further, we developed a Mutual Funds Grading Methodology aimed at providing fund managers, investors and regulators with an independent risk/return assessment and ranking of mutual funds and collective investment schemes across the Caribbean, and plan to roll out this new product in the coming year.

Our key strategic objectives continue to be (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.

### The year ahead

We expect some level of improvement in our operating environment over the next year and this should support continued revenue growth and profitability for CariCRIS. We are of the view that ongoing financial sector modernisation in the region with risk-based capital standards should promote a higher demand for independent credit ratings and related services.

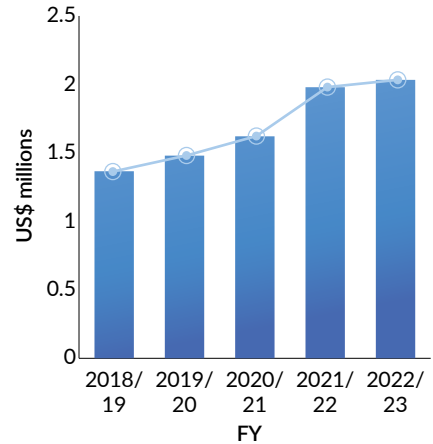
### Acknowledgements

I will be retiring in 2023 after 16 years at the helm at CariCRIS. I thank the members of the Board and the Rating Committee, past and present, for their tremendous support to me over the years. I also thank our clients, institutional investors across the region, and all other stakeholders for their ongoing support of the organisation. Finally, I extend my heartfelt appreciation to our valuable team members for their continued commitment to excellence and the development of CariCRIS.

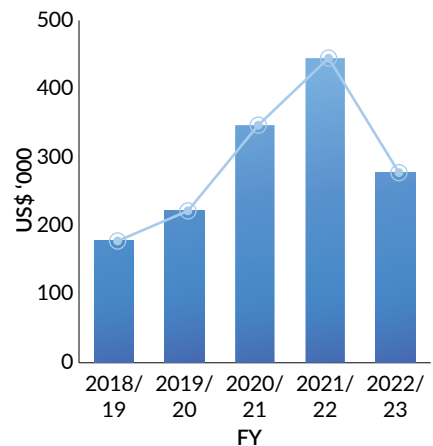


Wayne Dass, CFA  
Chief Executive Officer  
09 June 2023

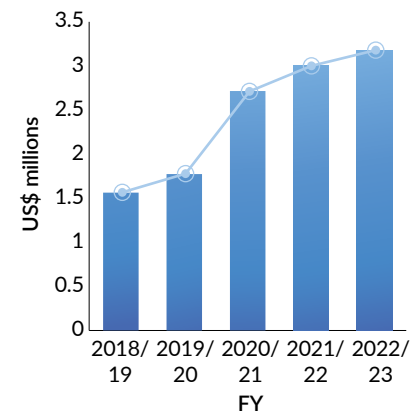
**Chart 1 - Total Revenue**



**Chart 2 - Profit before Tax**



**Chart 3 - Net Shareholders' Equity**



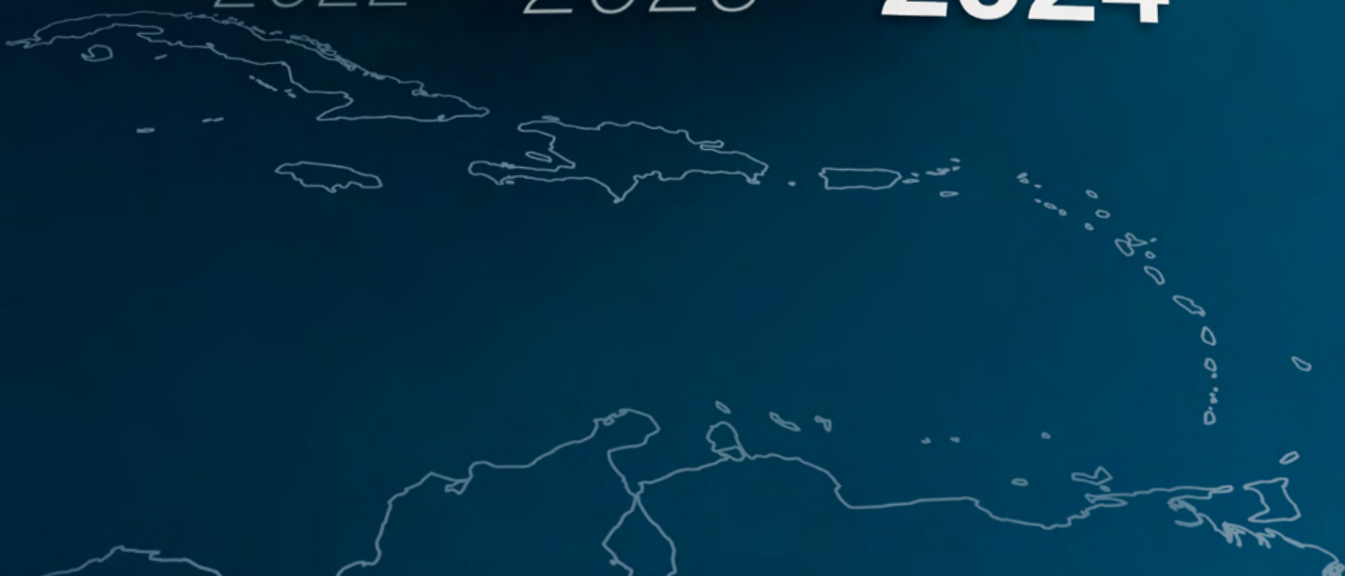
By delving deep into the nuances of financial performance and risk management, the CariCRIS regional scale rating empowers stakeholders with a profound understanding of an entity's position, enabling well-informed decisions in the realm of financial engagements.



2022

2023

**2024**





## 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. He became the Managing Director of the Development Bank of Jamaica in 2007, which he 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. He retired from the Bank in 2022. 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.



**Prof. (Dr.) Venkataraman Sankaranarayanan**  
- Director

**Prof. (Dr.) Venkataraman Sankaranarayanan** is currently part of the faculty in the Strategic Management 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.

## Board of Directors (continued)



**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.



**Ms. Lisa M. Harding**  
- Director

**Ms. Lisa Harding** holds a Master's in Business Administration (MBA), with a specialisation in Entrepreneurship and Innovation Management, from Imperial College in the United Kingdom, and is a firm believer that Small and Medium Sized Enterprises (SME's) are the main drivers of economic growth.

Lisa is the current Head (Ag.) of the Private Sector Development Division at the Caribbean Development Bank, where she is responsible for facilitating lending and investments, identifying relevant interventions that would improve the enabling environment, promoting regional trade and providing capacity building to MSMEs. Lisa also leads the Bank's Cultural and Creative Industries Innovation Fund (CIIF). Her private sector portfolio is diverse and includes projects which are focused on private equities, lending for student loans, mortgage financing and to the productive sectors. Lisa has also conceptualised a regional women's economic empowerment programme to support increased resilience of women owned and women led businesses in the region. Lisa also represents CDB on the Technical Program Advisory Group of the Compete Caribbean facility, the region's largest private sector technical assistance programme.

A First-Class Honors graduate of the Cave Hill Campus of the University of the West Indies, Lisa has pursued ongoing training in Leadership and Management from Cornell University, and business development in international markets including Japan, Scotland and Switzerland. She also holds a certificate in "Gender and Organisational Change" from the ILO International Training Centre, Turin, Italy.

Lisa is passionate about private sector development and serves as a guest lecturer for UWI's Student Entrepreneurial Education Development programme and the Caribbean Institute in Gender and Development.

Board of Directors (continued)



**Mr. Subodh Rai**  
- Director

**Mr. Subodh Rai** is President - Risk and Compliance for CRISIL. In this role, Subodh leads the risk management, compliance and audit functions, focusing on mitigating risks and strengthening resilience, in the context of an evolving economic, technology, and regulatory environment.

Previously, Subodh headed the analytical function at CRISIL Ratings. He chaired the Rating Committee and was responsible for its functioning. Subodh also led the franchise initiatives for CRISIL Ratings and had authored several incisive opinion pieces on topics germane to credit rating.

Subodh has more than 25 years of experience in the ratings business and held various leadership positions across analytical and business functions. He has also headed the Ratings - mid-corporate group. Subodh was instrumental in turning around the division and strengthening CRISIL's leadership position in this segment.

Before joining CRISIL, he worked with Shree Renuka Sugars Ltd and Garware Wall Ropes Ltd.

Subodh holds a PGDM from the Indian Institute of Management, Ahmedabad and an engineering degree from the College of Technology, GBPUAT, Pantnagar, Uttarakhand.



**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.

## Rating Committee



**Dr. C. Justin Robinson**  
- Chairman

**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. 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. Specialising 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.



**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)



**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.



**Mrs Minna Israel**  
- Member

**Mrs Minna Israel** is a former banker with over thirty years of corporate, commercial and retail banking experience. Mrs. Israel was the President & Country Head of RBC Royal Bank Jamaica for 4 years, 2008-2012. In January 2005, she was appointed the first female Country Head in Scotiabank International and spent 3 years as Managing Director of Scotiabank (Bahamas) Limited. She previously held the position of Executive Vice President and Deputy CEO of The Bank of Nova Scotia Jamaica Limited. Mrs Israel presently serves as a Special Advisor to the Vice-Chancellor on Resource Development, with focus on philanthropy. Prior to that, she held the position of Distinguished Business Fellow at The University of the West Indies, Mona School of Business & Management. Mrs. Israel holds an MBA from the Richard Ivey School of Business at the Western University, Canada; a BSc Degree in Management Studies from The UWI; and a Diploma in Business Administration specialising in Banking from the University of Technology. She was the first female to be elected President of the Jamaica Bankers' Association and served for the period 2009 to 2011.



**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 16 years in credit risk assessment, financial risk management and investment management. Prior to joining CariCRIS, Mr. Dass held senior leadership positions in prominent regional financial institutions. Over the past 16 years, Wayne has successfully led the expansion and development of CariCRIS, and under his leadership, CariCRIS is 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, DBA  
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



**Kimberly Chan-Boodram**  
MBA, AMABE, Dip., Cert., PMQ  
Manager, People & Culture

## Finance & Administration Team



**Sita Sonnyram**



**Keisha Antoine**



**Prudence Charles**



**Kerryn De Landro**



**Nicolette Alleyne**



**Nicole Budd**



**Nalini Narine**

## Ratings Team



**Shabanna  
Seetaram**



**Jeffrey  
James**



**Keith  
Hamlet**



**Andre  
Joseph**



**Anelia  
Oudit**



**Kathryn  
Budhooram**



**Megan  
Dass**



**Stefan  
Fortuné**



**Kyla  
Balwant**



**Maxwell  
Gooding**



**Keevan  
Roopan**



**Gemma  
Baliram**



**Sharlene  
Gordon**



**Brandon  
Singh**



**Sultan  
Mohammed**



**Rudra  
Bhimsingh**



**Melvyn  
Baptiste**



**Christopher  
George-Jerry**



**Zwade  
Thompson**

## Research Team



**Melissa Geoffroy  
- Mc Kain**



**Candace Williams**



**Stefan Fortuné**



**Carla Ash**



## Our Staff – Our Family



## Long Service Awards



Back Row (left - right): Jeffrey James (5 yrs), Keith Hamlet (5 yrs) and Wayne Dass (15 yrs)

Front Row (left - right): Megan Dass (5 yrs), Stefan Fortuné (15 yrs), Nicole Budd (15 yrs) and Keisha Antoine (10 yrs)

# CariCRIS



*In Memoriam  
of Mr. Andre Joseph,  
B.Sc., MBA*

The Board of Directors, Rating Committee, Management and Staff of Caribbean Information and Credit Rating Services Limited (CariCRIS) extend our deepest condolences to the wife and family of Mr Andre Joseph, who sadly passed on 2<sup>nd</sup> September 2023.

Andre was a Senior Manager, Ratings for over 10 years and was employed with CariCRIS from 2006. He provided strong leadership and guidance to the rating team, particularly in the early years of our operations, and held overall responsibility for the quality and accuracy of all credit ratings in CariCRIS. He conducted numerous credit risk training workshops throughout the Caribbean and specialized in sovereign and corporate credit risk analysis.

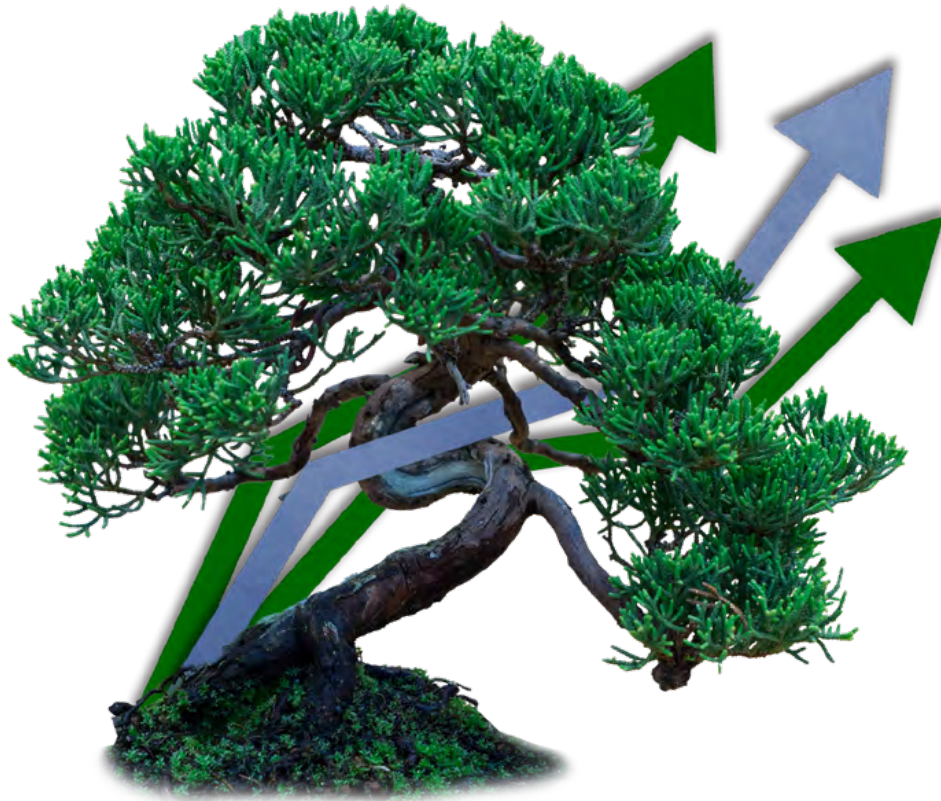
We will miss Andre dearly. May his soul rest in eternal peace.

**CariCRIS**

# Audited Financial Statements

For the Year ended March 31, 2023

(Expressed in United States Dollars)



# 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, 2023, the statements of comprehensive income, changes in equity 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 6, 2023



Nicole Budd, FCCA, MBA, CA  
Senior Manager,  
Finance & Administration  
June 6, 2023

# Independent Auditor's 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, 2023, 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, 2023, 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 Company's 2023 Annual Report. The Company's 2023 Annual Report is expected to be made available to us after the date of this auditors' report.

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.

## 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.

## 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  
ORBIT Solutions  
Port of Spain  
Trinidad and Tobago  
June 6, 2023

# Statement of Financial Position

As at March 31, 2023 (Expressed in United States Dollars)

	Notes	2023 \$	2022 \$
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment	4	320,418	107,649
Deferred tax asset	6	374,461	464,119
Trade and other receivables	7	13,935	13,935
Investments	8	1,427,116	1,045,272
Tax recoverable		516	203
		<u>2,136,446</u>	<u>1,631,178</u>
<b>Current assets</b>			
Trade and other receivables	7	341,329	208,090
Cash and cash equivalents	9	1,236,953	1,485,071
		<u>1,578,282</u>	<u>1,693,161</u>
<b>TOTAL ASSETS</b>		<u>3,714,728</u>	<u>3,324,339</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Stated capital	11	4,561,688	4,561,688
Accumulated losses		<u>(1,382,820)</u>	<u>(1,558,388)</u>
		<u>3,178,868</u>	<u>3,003,300</u>
<b>Non-current liabilities</b>			
Lease liability	5	<u>180,325</u>	<u>-</u>
<b>Current liabilities</b>			
Deferred revenue		89,572	79,489
Lease liability	5	109,318	74,011
Trade and other payables	10	156,645	167,539
		<u>355,535</u>	<u>321,039</u>
<b>TOTAL LIABILITIES</b>		<u>535,860</u>	<u>321,039</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>3,714,728</u>	<u>3,324,339</u>

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

On June 6, 2023 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, 2023 (Expressed in United States Dollars)

	Notes	2023 \$	2022 \$
<b>Revenue</b>	12	2,033,371	1,979,676
Direct operating expenses	13 (a)	<u>(865,793)</u>	<u>(748,962)</u>
<b>Gross profit</b>		1,167,578	1,230,714
Other operating and administrative expenses	13 (b)	<u>(921,742)</u>	<u>(814,597)</u>
<b>Profit from operations before net finance income</b>		245,836	416,117
Finance income		45,433	39,096
Finance cost	13 (c)	<u>(13,570)</u>	<u>(10,271)</u>
<b>Net finance income</b>		<u>31,863</u>	<u>28,825</u>
<b>Profit before taxation</b>		277,699	444,942
Taxation	14	<u>(102,131)</u>	<u>(156,893)</u>
<b>Net profit being total comprehensive profit for the year</b>		<u><u>175,568</u></u>	<u><u>288,049</u></u>

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



# Statement of Changes in Equity

For the Year ended March 31, 2023 (Expressed in United States Dollars)

	Stated capital \$	Accumulated losses \$	Total equity \$
Balance at April 1, 2022	4,561,688	(1,558,388)	3,003,300
Total comprehensive profit for the year	-	<u>175,568</u>	<u>175,568</u>
<b>Balance at March 31, 2023</b>	<u>4,561,688</u>	<u>(1,382,820)</u>	<u>3,178,868</u>
Balance at April 1, 2021	4,561,688	(1,846,437)	2,715,251
Total comprehensive profit for the year	-	<u>288,049</u>	<u>288,049</u>
<b>Balance at March 31, 2022</b>	<u>4,561,688</u>	<u>(1,558,388)</u>	<u>3,003,300</u>

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

# Statement of Cash Flows

For the Year ended March 31, 2023 (Expressed in United States Dollars)

	Notes	2023 \$	2022 \$
<b>Cash flow from operating activities</b>			
Net profit before taxation		277,699	444,942
Adjustments to reconcile profit to net cash generated from operating activities:			
Depreciation	13 (b)	19,216	19,509
Depreciation – right-of-use asset	13 (b)	100,882	93,300
Finance cost - lease expense		6,120	4,926
Change in expected credit loss - receivables		5,027	(1,192)
		408,944	561,485
<b>Working capital changes in:</b>			
Change in trade and other receivables		(133,239)	36,783
Loss in receivables		(5,000)	-
Change in trade and other payables		(10,894)	37,186
Change in deferred revenue		10,083	(39,781)
		269,894	595,673
<b>Cash generated from operations</b>		269,894	595,673
Tax paid		(12,812)	(10,838)
		257,082	584,835
<b>Cash flow from investing activities</b>			
Purchase of property and equipment	4	(332,867)	(12,788)
Bond purchases		(533,504)	-
Change in investments		151,660	(300,018)
		(714,711)	(312,806)
<b>Net cash used in investing activities</b>			
<b>Cash flow from financing activities</b>			
Lease financing		310,475	-
Repayment of lease liability		(94,844)	(95,370)
Interest paid – leasing liabilities		(6,120)	(4,926)
		209,511	(100,296)
<b>Net cash used in financing activities</b>		209,511	(100,296)
<b>Net (decrease)/increase in cash and cash equivalents</b>		(248,118)	171,733
<b>Cash and cash equivalents</b>			
- at beginning of year		1,485,071	1,313,338
- at end of year	9	1,236,953	1,485,071

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

# Notes to the Financial Statements

For the Year ended March 31, 2023 (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 nine years, buttressed by its strong capitalisation reflected in a Net Shareholders’ Equity to Total Assets ratio of 85% as at March 31, 2023. CariCRIS’ liquidity is highly favorable and the Company remains debt free. Further, we expect recent financial sector regulatory reforms in the Company’s two main markets (Trinidad & Tobago and Jamaica) to continue to drive a strong 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.

### (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

## Notes to the Financial Statements (continued)

For the Year ended March 31, 2023 (Expressed in United States Dollars)

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

#### (c) Property and equipment (continued)

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.

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 recognising 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 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.

## Notes to the Financial Statements (continued)

For the Year ended March 31, 2023 (Expressed in United States Dollars)

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

**(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.

**(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, 2022.

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.

## Notes to the Financial Statements (continued)

For the Year ended March 31, 2023 (Expressed in United States Dollars)

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

#### (i) Financial instruments (continued)

##### Classification and measurement of financial assets and financial liabilities (continued)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised 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.

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.

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.

## Notes to the Financial Statements (continued)

For the Year ended March 31, 2023 (Expressed in United States Dollars)

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

#### (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.

#### (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.

## Notes to the Financial Statements (continued)

For the Year ended March 31, 2023 (Expressed in United States Dollars)

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

#### (o) Revenue recognition (continued)

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.

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 recognises 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.

#### 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, 2023, 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, 2023 as all rights to payments are unconditional and presented in trade receivables.



## Notes to the Financial Statements (continued)

For the Year ended March 31, 2023 (Expressed in United States Dollars)

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

#### (o) 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.

#### (p) 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.

#### (q) 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;
- (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.

## Notes to the Financial Statements (continued)

For the Year ended March 31, 2023 (Expressed in United States Dollars)

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

#### (q) Related parties (continued)

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

#### (r) Standards, interpretations and amendments adopted as at April 1, 2022

- **Annual improvements to IFRS standards 2018 – 2020 cycle, resulting in amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41 – Effective for annual periods beginning on or after January 1, 2022**

##### **Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards**

###### *Subsidiary as a first-time adopter*

The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported in the parent's consolidated financial statements, based on the parent's date of transition to IFRS if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1.

The amendments had no impact on the financial statements of the Company.

##### **Amendments to IFRS 9 Financial Instruments**

###### *Fees in the '10 per cent' test for derecognition of financial liabilities*

The amendment clarifies the fees that an entity included when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. There is no similar amendment proposed for IAS 39.

An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

The amendments had no impact on the financial statements of the Company.

##### **Amendments to IFRS 16 Leases**

###### *Lease incentives*

The amendment removes the illustration of payments from the lessor relating to leasehold improvements in Illustrative Example 13 accompanying IFRS 16. This removes potential confusion regarding the treatment of lease incentives when applying IFRS 16.

The amendment had no impact on the financial statements of the Company.

##### **Amendments to IAS 41 Agriculture**

###### *Taxation in fair value measurements*

The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique. This will ensure consistency with the requirements in IFRS 13.

The amendment had no impact on the financial statements of the Company.

#### (s) Standards, interpretations and amendments not yet effective

At the date of authorisation of these financial statements, several new, but not yet effective, standards and amendments to existing standards, and interpretations have been published by the International Accounting Standards Board (IASB). None of these standards or amendments to existing standards have been adopted early by the Company. Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement.

## Notes to the Financial Statements (continued)

For the Year ended March 31, 2023 (Expressed in United States Dollars)

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

(s) **Standards, interpretations and amendments not yet effective (continued)**

New standards, amendments and interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact on the Company's 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.

**Concentrations of assets and liabilities**

	TT \$	US \$	Total \$
<b>As at March 31, 2023</b>			
<b>Financial assets</b>			
Trade and other receivables	27,021	267,100	294,121
Repurchase agreements	-	893,612	893,612
Bonds	343,268	190,236	533,504
Cash and cash equivalents	<u>364,467</u>	<u>872,845</u>	<u>1,237,312</u>
<b>Total financial assets</b>	<u>734,756</u>	<u>2,223,793</u>	<u>2,958,549</u>
<b>Financial liabilities</b>			
Trade and other payables	<u>189,132</u>	<u>76,831</u>	<u>265,963</u>
<b>Total financial liabilities</b>	<u>189,132</u>	<u>76,831</u>	<u>265,963</u>
<b>Net foreign exchange risk position</b>	<u>545,624</u>	<u>2,146,962</u>	<u>2,692,586</u>

## Notes to the Financial Statements (continued)

For the Year ended March 31, 2023 (Expressed in United States Dollars)

### 3. Financial risk management (continued)

#### Financial risk factors (continued)

##### (a) Market risk (continued)

##### Foreign exchange risk (continued)

##### Concentrations of assets and liabilities (continued)

	TT \$	US \$	Total \$
<u>As at March 31, 2022</u>			
<b>Financial assets</b>			
Trade and other receivables	15,998	174,851	190,849
Investments	189,194	856,078	1,045,272
Cash and cash equivalents	<u>341,124</u>	<u>1,144,306</u>	<u>1,485,430</u>
<b>Total financial assets</b>	<u>546,316</u>	<u>2,175,235</u>	<u>2,721,551</u>
<b>Financial liabilities</b>			
Trade and other payables	193,604	47,990	241,594
<b>Total financial liabilities</b>	<u>193,604</u>	<u>47,990</u>	<u>241,594</u>
<b>Net foreign exchange risk position</b>	<u>352,712</u>	<u>2,127,245</u>	<u>2,479,957</u>

At March 31, 2023 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\$ 5,231 lower (post-tax profit 2022: US\$3,511 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.

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.

## Notes to the Financial Statements (continued)

For the Year ended March 31, 2023 (Expressed in United States Dollars)

### 3. Financial risk management (continued)

#### Financial risk factors (continued)

##### (a) Market risk (continued)

##### Cash flow interest rate risk and fair value interest rate risk (continued)

	1 to 3 months \$	3 to 12 months \$	Non-interest bearing \$	Total \$
<b>As at March 31, 2023</b>				
<b>Financial assets</b>				
Trade and other receivables	-	19,416	274,705	294,121
Repurchase agreements	-	893,612	-	893,612
Bonds	-	533,504	-	533,504
Cash and cash equivalents	-	-	1,237,312	1,237,312
<b>Total financial assets</b>	-	1,446,532	1,512,017	2,958,549
<b>Financial liabilities</b>				
Trade and other payables	-	-	265,963	265,963
<b>Total financial liabilities</b>	-	-	265,963	265,963
<b>Interest sensitivity gap</b>	-	1,446,532	1,246,054	2,692,586
<b>As at March 31, 2022</b>				
<b>Financial assets</b>				
Trade and other receivables	-	-	190,849	190,849
Investments	-	1,045,272	-	1,045,272
Cash and cash equivalents	1,269,930	59,707	155,793	1,485,430
<b>Total financial assets</b>	1,269,930	1,104,979	346,642	2,721,551
<b>Financial liabilities</b>				
Trade and other payables	-	-	241,594	241,594
<b>Total financial liabilities</b>	-	-	241,594	241,594
<b>Interest sensitivity gap</b>	1,269,930	1,104,979	105,048	2,479,957

##### 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, 2023 nor as at March 31, 2022.

##### (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.

## Notes to the Financial Statements (continued)

For the Year ended March 31, 2023 (Expressed in United States Dollars)

### 3. Financial risk management (continued)

#### Financial risk factors (continued)

##### (b) Credit risk (continued)

Below is an analysis of assets bearing credit risk:

	2023 \$	2022 \$
Trade and other receivables (Note 7)	294,121	190,849
Repurchase agreements	893,612	1,045,272
Bonds	533,504	-
Cash and cash equivalents	<u>1,237,312</u>	<u>1,485,430</u>
	<u>2,958,549</u>	<u>2,721,551</u>

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:

	2023 \$	2022 \$
1 - 30 days	272,417	141,997
31- 90 days	-	-
90- 270 days	<u>-</u>	<u>7,750</u>
	<u>272,417</u>	<u>149,747</u>

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.

	2023 \$	2022 \$
Impairment (reversal) on receivables arising from contracts with customers	5,028	(1,196)
Impairment loss on cash equivalents	<u>(1)</u>	<u>4</u>
Impairment of financial assets	<u>5,027</u>	<u>(1,192)</u>

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, 2023.

## Notes to the Financial Statements (continued)

For the Year ended March 31, 2023 (Expressed in United States Dollars)

### 3. Financial risk management (continued)

#### Financial risk factors (continued)

#### (b) Credit risk (continued)

	Default rate	Gross carrying amount \$	Loss allowance \$	Credit impaired
1 - 30 days	0.44%	272,417	1,205	N/A
31-60 days	1.43%	-	-	N/A
61 - 90 days	3.59%	-	-	N/A
90 - 270 days	6.25%	-	-	N/A
> 270 days	100.00%	-	-	N/A
		<u>272,417</u>	<u>1,205</u>	

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

	2023 \$	2022 \$
<b>Balance as at April 1</b>	1,177	2,373
Loss in receivable	(5,000)	-
Net re-measurement of loss allowance	<u>5,028</u>	<u>(1,196)</u>
<b>Balance as at March 31</b>	<u>1,205</u>	<u>1,177</u>

#### (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 \$265,963 (2022: \$241,594) 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 \$
<b>Cost</b>					
As at April 1, 2022	480,960	134,115	50,517	24,590	690,182
Additions	321,100	11,767	-	-	332,867
As at March 31, 2023	<u>802,060</u>	<u>145,882</u>	<u>50,517</u>	<u>24,590</u>	<u>1,023,049</u>

## Notes to the Financial Statements (continued)

For the Year ended March 31, 2023 (Expressed in United States Dollars)

### 4. Property and equipment (continued)

	Leasehold improvements \$	Computer equipment \$	Office equipment \$	Motor vehicles \$	Total \$
<b>Accumulated depreciation</b>					
As at April 1, 2022	396,367	115,454	47,136	23,576	582,533
Charge for the year	<u>105,111</u>	<u>12,692</u>	<u>1,783</u>	<u>512</u>	<u>120,098</u>
As at March 31, 2023	<u>501,478</u>	<u>128,146</u>	<u>48,919</u>	<u>24,088</u>	<u>702,631</u>
<b>Net book value</b>					
As at March 31, 2023	<u>300,582</u>	<u>17,736</u>	<u>1,598</u>	<u>502</u>	<u>320,418</u>
As at March 31, 2022	<u>84,593</u>	<u>18,661</u>	<u>3,381</u>	<u>1,014</u>	<u>107,649</u>

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

	2023 \$	2022 \$
Leasehold improvements	<u>297,979</u>	<u>77,761</u>
Total right-of-use assets	<u>297,979</u>	<u>77,761</u>

### 5. Leases

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

	2023 \$	2022 \$
Current	109,318	74,011
Non-current	<u>180,325</u>	<u>-</u>
Total lease liability	<u>289,643</u>	<u>74,011</u>

The Company has two tenancy arrangements for the rental of office space that are determined to contain leases. 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	Within 2 years	-
Leasehold improvements	1	Within 3 years	-



## Notes to the Financial Statements (continued)

For the Year ended March 31, 2023 (Expressed in United States Dollars)

### 5. Leases (continued)

Future minimum lease payments as at March 31, 2023 were as follows:

	Minimum lease payments due			Total \$
	Within 1 year \$	Within 1-2 years \$	Within 2-3 years \$	
<b>March 31, 2023</b>				
Lease payments	127,500	116,164	75,274	318,938
Finance charges	18,182	9,040	2,073	29,295
<b>Net present values</b>	<b>109,318</b>	<b>107,124</b>	<b>73,201</b>	<b>289,643</b>

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

	2023 \$	2022 \$
Short-term leases	22,065	17,557
Leases of low value assets	4,040	4,040
	<u>26,105</u>	<u>21,597</u>

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

	Carrying amount \$	Depreciation expense \$	Impairment \$
Leasehold improvements	297,979	100,882	-

### 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%.

	2023 \$	2022 \$
Balance at beginning of year	464,119	608,900
(Charge)/credit to statement of comprehensive income	464	(2,829)
Tax losses recognised	(90,122)	(141,952)
Balance at end of year	<u>374,461</u>	<u>464,119</u>

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, 2022 \$	Charge to statement of comprehensive income \$	Balance at March 31, 2023 \$
<b>As at March 31, 2023</b>			
Property and equipment	(792)	464	(328)
Tax losses recognised in FY23	464,911	(90,122)	374,789
Deferred tax asset	464,119	(89,658)	374,461

## Notes to the Financial Statements (continued)

For the Year ended March 31, 2023 (Expressed in United States Dollars)

### 6. Deferred tax asset (continued)

	Balance as April 1, 2021 \$	Charge to statement of comprehensive income \$	Balance at March 31, 2022 \$
<b>As at March 31, 2022</b>			
Property and equipment	2,037	(2,829)	(792)
Tax losses recognised in FY22	606,863	(141,952)	464,911
Deferred tax asset	608,900	(144,781)	464,119

### 7. Trade and other receivables

	2023 \$	2022 \$
Trade receivables	272,417	149,747
Other receivables	21,704	41,102
Prepayments	62,348	32,353
	356,469	223,202
Provision for expected credit loss	(1,205)	(1,177)
	355,264	222,025
Current	341,329	208,090
Non-current	13,935	13,935
	355,264	222,025

### 8. Investments

	2023 \$	2022 \$
<b>Repurchase agreements</b>	893,612	1,045,272
The balance comprises of three repurchase agreements: US\$300,000 maturing February 3, 2025 at 2.05% per annum, US\$293,594 maturing February 3, 2025 at 2.05% per annum and US\$300,018 maturing August 14, 2023 at 2.05%		
<b>Bonds</b>		
Sagicor Financial Co Eurobond	190,236	-
Home Mortgage Bank CMO	194,021	-
Development Finance Limited	149,247	-
	533,504	-
	1,427,116	1,045,272

Sagicor Financial Co. Eurobond US\$190,236 maturing May 13, 2028 at a coupon rate 5.30% and investor yield of 6.39598% per annum.

Home Mortgage Bank CMO 2022-01 Tranche B TT\$800,000 maturing July 2024 – April 2026 at an initial coupon rate 2.63% and investor yield of 3.30% per annum.

Home Mortgage Bank CMO 2022-01 Tranche C TT\$500,000 maturing April 2026 – May 2027 at an initial coupon rate 1.93% and investor yield of 4.00% per annum.

Development Finance Limited Series A TT\$1,000,000 maturing June 1, 2027 at a coupon rate 2.75% per annum.

## Notes to the Financial Statements (continued)

For the Year ended March 31, 2023 (Expressed in United States Dollars)

### 9. Cash and cash equivalents

	2023 \$	2022 \$
Cash at bank and on hand	392,918	971,274
Treasury bills	104,010	59,707
Fixed deposits	212,058	-
Money market securities	528,326	454,449
	<u>1,237,312</u>	<u>1,485,430</u>
Expected credit loss (IFRS 9)	(359)	(359)
	<u>1,236,953</u>	<u>1,485,071</u>

### 10. Trade and other payables

	2023 \$	2022 \$
Trade payables	58,770	24,013
Statutory payables	35,958	42,588
Credit card accounts	5,160	10,944
Accrued expenses	56,757	89,994
	<u>156,645</u>	<u>167,539</u>

### 11. Stated capital

	2023 \$	2022 \$
<b>Authorised</b>		
Unlimited number of ordinary shares of no par value		
<b>Issued and fully paid</b>		
4,561,688 ordinary shares at US\$1.00	<u>4,561,688</u>	<u>4,561,688</u>

### 12. Revenue from contracts with customers

	2023 \$	2022 \$
Rating income	278,000	566,575
Surveillance income	1,278,284	1,074,394
Training income	341,247	211,541
Technical services	135,840	127,166
	<u>2,033,371</u>	<u>1,979,676</u>

## Notes to the Financial Statements (continued)

For the Year ended March 31, 2023 (Expressed in United States Dollars)

### 12. Revenue from contracts with customer (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.

	2023 \$	2022 \$
<i>Primary geographical markets</i>		
Trinidad and Tobago	775,235	700,151
Jamaica	639,900	775,980
Barbados	171,661	131,035
St. Lucia	153,875	177,500
Guyana	87,800	26,360
Dominica	66,900	66,300
British Virgin Islands	25,000	25,000
Anguilla	25,000	25,000
Grenada	20,250	1,500
Cayman Islands	15,000	15,000
St. Kitts	15,000	15,000
Belize	15,000	15,000
Suriname	10,500	4,050
St. Vincent	4,750	-
Curacao	4,167	-
Aruba	3,333	-
Antigua	-	1,800
	<u>2,033,371</u>	<u>1,979,676</u>
<i>Timing of revenue recognition</i>		
Products and services transferred at a point in time	755,087	905,282
Products and services transferred over time	<u>1,278,284</u>	<u>1,074,394</u>
	<u>2,033,371</u>	<u>1,979,676</u>

### 13. Expenses analysis by nature

	2023 \$	2022 \$
(a) <b>Direct operating expenses</b>		
Staff cost - ratings (Note 15)	701,232	589,352
Rating committee fees (retainer and sitting)	73,000	76,500
Professional fees	2,395	8,669
External training to clients	<u>89,166</u>	<u>74,441</u>
	<u>865,793</u>	<u>748,962</u>

## Notes to the Financial Statements (continued)

For the Year ended March 31, 2023 (Expressed in United States Dollars)

### 13. Expenses analysis by nature (continued)

	2023 \$	2022 \$
<b>(b) Other operating and administrative expenses</b>		
Staff cost - other (Note 15)	620,289	543,385
Directors' expenses (travelling) and fees	9,250	5,000
Lease rentals	21,153	15,406
Depreciation	19,216	19,509
Depreciation - right-of-use asset	100,882	93,300
Impairment of financial assets (Note 3 (b))	5,027	(1,192)
Communication	10,574	10,704
Foreign travel	3,266	-
Business promotion	2,207	2,381
Legal and professional fees	29,183	24,067
Transport	7,533	6,222
Green fund levy	6,489	6,014
Miscellaneous	92,777	102,187
Net foreign exchange gains	(8,920)	(13,542)
Repairs and maintenance	2,816	1,156
	<u>921,742</u>	<u>814,597</u>
<b>(c) Finance cost</b>		
Lease interest - right-of-use asset	6,120	4,926
Bank charges	7,450	5,345
	<u>13,570</u>	<u>10,271</u>

### 14. Taxation

	2023 \$	2022 \$
Business levy	12,473	12,112
Deferred tax (Note 6)	89,658	144,781
	<u>102,131</u>	<u>156,893</u>
Reconciliation of applicable tax charge to effective tax charge:		
Profit before taxation	277,699	444,942
Tax calculated at a rate of 30%	83,310	133,483
Expenses not allowable	7,504	10,552
Expenses allowable	(2,558)	(882)
Business levy	12,473	12,112
Other	1,402	1,628
	<u>102,131</u>	<u>156,893</u>

## Notes to the Financial Statements (continued)

For the Year ended March 31, 2023 (Expressed in United States Dollars)

### 15. Staff costs

	2023 \$	2022 \$
Wages and salaries	1,182,974	1,035,876
National insurance	53,810	48,916
Meal allowance	84,737	47,945
	<u>1,321,521</u>	<u>1,132,737</u>
Staff cost - ratings and training commission (Note 13 (a))	701,232	589,352
Staff cost - other (Note 13 (b))	620,289	543,385
	<u>1,321,521</u>	<u>1,132,737</u>

### 16. Related party transactions

	2023 \$	2022 \$
<b>Key management compensation:</b>		
Salaries and other short-term benefits	202,381	217,694
Remuneration to directors	9,250	5,000

### 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. The Company has successfully adopted a hybrid work model that resulted in another year of financial success.

At this time, any adverse impact of the pandemic is minimal as evidenced by the continued profitability of the Company over the past year. Management has assessed that the Company will continue as a going concern taking into consideration current and expected profitability, and the ability to continue providing services. Three-year projections indicate rising profitability. In this regard, the deferred tax asset is recognised in accordance with IAS 12 as it is expected that future taxable profits will be available to recover the asset. With the establishment of an office in Jamaica, the Company has increased exposure to the Jamaican Dollar and such risks are being assessed. No rent concessions were sought and thus, the Company did not meet the criteria to adopt the practical expedient under IFRS 16. The Company maintains a positive outlook as receivables collections effort remain robust.

Management will maintain its cost-saving initiatives and expects the impact on financial performance from the pandemic to continue to be minimal over the next year. However, this projection comes with some uncertainty, given the risk of continued high inflation and costs associated with climate change.

### 19. Events after the reporting date

There has been no occurrence of any adjusting or significant non-adjusting events between the March 31, 2023 reporting date and the date of authorisation.



# CariCRIS

**CariCRIS**

Caribbean Information &  
Credit Rating Services Limited

**Head Office:**

3<sup>rd</sup> Floor, Furness House  
90 Independence Square  
Port of Spain  
Trinidad and Tobago, W.I.

**Jamaica Office:**

9<sup>th</sup> Floor, PanJam Building  
60 Knutsford Boulevard  
Kingston 5  
Jamaica, W.I.

**Contact:**

Tel: (868) 627-8879  
Fax: (868) 625-8871  
E-mail: [info@caricris.com](mailto:info@caricris.com)  
Website: [www.caricris.com](http://www.caricris.com)