BERGER PAINTS TRINIDAD LIMITED

Statement of Directors' Responsibilities

It is the responsibility of management to prepare financial statements for each financial year which present fairly, in all material respects, the state of affairs of the Company as at the end of the financial year and the operating results of the Company for the year. It is also management's responsibility to ensure that the Company keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company. They are also responsible for safeguarding the assets of the Company.

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Management accepts responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards. Management is of the opinion that the financial statements present fairly, in all material respects, the state of the financial affairs of the Company and its operating results. Management further accepts responsibility for the maintenance of accounting records which are relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of management to indicate that the Company will not remain a going concern for at least the next twelve months from the date of this statement.

Director	Director
23 April 2015	23 April 2015

Independent Auditors' Report

To the shareholders' of **Berger Paints Trinidad Limited**

Report on the financial statements

We have audited the accompanying financial statements of Berger Paints Trinidad Limited (the "Company") which comprise the statement of financial position as at March 31, 2015 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

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

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2015, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Deloitte & Touche
Port of Spain
Trinidad

28 April 2015

Statement of Financial Position

For the year ended 31st March, 2015

(Expressed in thousands of Trinidad and Tobago dollars)

	Notes	As at March 31,	
		2015	2014
		$	$
ASSETS			
Non-current assets			
Property, plant and equipment	5	5,533	4,944
Retirement benefit asset	6	356	1,459
Total non-current assets		**5,889**	**6,403**
Current assets			
Inventories	7	15,294	14,575
Trade and other receivables	8	16,052	16,001
Due from related parties	9.1	8	63
Cash on hand	18	7,493	6,001
Total current assets		38,847	36,640
Total assets		44,736	43,043
EQUITY AND LIABILITIES			
Capital and reserves			
Issued capital	10	5,905	5,905
Revaluation reserve	11	2,045	2,147
Retained earnings		22,050	20,661
Total equity		30,000	28,713
Non-current liabilities			
Finance lease obligations	12	-	48
Deferred tax liabilities	13	876	1,155
Deferred income	15	41	61
Total non-current liabilities		917	1,264
Current liabilities			
Trade and other payables	16	5,799	7,149
Due to related parties	9.2	1,135	672
Current portion of finance lease obligations	12	48	62
Current tax liabilities	17.2	618	1,146
Bank loans and overdraft	18	6,219	4,037
Total current liabilities		13,819	13,066
Total equity and liabilities		44,736	43,043

The notes on pages 7 to 50 form an integral part of these financial statements.

On 23 April, 2015, the Board of Directors of Berger Paints Trinidad Limited authorised these financial statements for issue.

Director

Director

Statement of profit or loss and other comprehensive income

For the year ended 31st March, 2015

(Expressed in thousands of Trinidad and Tobago dollars)

	Notes	Year ended March 31,	
		2015	2014
		$	$
Revenue		60,514	64,630
Cost of sales	19	(39,183)	(40,800)
Gross profit		21,331	23,830
Other income/(expenses)			
Administration	19	(9,412)	(9,674)
Warehouse and distribution	19	(2,027)	(2,817)
Selling	19	(2,388)	(2,517)
Advertising and promotion	19	(2,057)	(1,604)
Technical	19	(1,479)	(1,342)
Marketing and customer service	19	(793)	(1,280)
Finance costs	20	(257)	(253)
Other Income	14	46	20
Profit for the year before taxation		2,964	4,363
Taxation	17.1	(743)	(1,314)
Profit for the year after taxation		2,221	3,049
Other comprehensive income/(loss)			
Items that will not be reclassified subsequently to profit or loss:			
Surplus arising on revaluation of leasehold property		-	433
Deferred taxation credit/(charge) on revaluation of leasehold property		34	(120)
Re-measurement of defined benefit pension plans		(740)	370
Deferred taxation credit/(charge) on re-measurement of defined benefit pension plans		185	(93)
Other comprehensive(loss)/income for the year, net of tax		(521)	590
Total comprehensive income for the year		1,700	3,639
Earnings per share attributable to the equity holders of the company			
Basic and diluted earnings per share	22	0.43	0.59

The notes on pages 7 to 50 form an integral part of these financial statements.

On 23 April, 2015, the Board of Directors of Berger Paints Trinidad Limited authorised these financial statements for issue.

Director

Director

Statement of Changes in Equity

For the year ended 31st March, 2015

(Expressed in thousands of Trinidad and Tobago dollars)

	Share capital	Revaluation reserve (Note A)	Retained earnings	Total
	$	$	$	$
Balance at March 31, 2014	5,905	2,147	20,661	28,713
Net profit for the year	-	-	2,221	2,221
Other comprehensive income for the year:				
- revaluation surplus realised	-	(136)	136	-
- deferred taxation on revaluation surplus realised	-	34	-	34
- re-measurement - defined benefit pension plans	-	-	(740)	(740)
- deferred taxation on re-measurement of defined benefit pension plans	-	-	185	185
Total other comprehensive income	-	(102)	(419)	(521)
Total comprehensive income for the year		(102)	1,802	1,700
Dividend paid (Note 23)	-	-	(413)	(413)
Balance at March 31, 2015	5,905	2,045	22,050	30,000
Balance at March 31, 2013- restated	**5,905**	**1,834**	**17,593**	**25,332**
Net profit for the year	-	-	3,049	3,049
Other comprehensive income for the year:				
- revaluation surplus arising on leasehold property	-	433	-	433
- deferred taxation on revaluation surplus	-	(120)	-	(120)
- re-measurement - defined benefit pension plans	-	-	370	370
- deferred taxation on re-measurement of defined benefit pension plans	-	-	(93)	(93)
Total other comprehensive income	-	**313**	**277**	**590**
Total comprehensive income for the year		313	3,326	3,639
Dividend paid (Note 23)	-	-	(258)	(258)
Balance at March 31, 2014	**5,905**	**2,147**	**20,661**	**28,713**

Note:

(A) The revaluation reserve relates to unrealised revaluation gains on leasehold property, net of deferred tax

The notes on pages 7 to 50 form an integral part of these financial statements.

Statement of Cash Flows

(Expressed in thousands of Trinidad and Tobago dollars)

	Notes	Year ended March 31,	
		2015	2014
		$	$
Cash flows from operating activities:			
Profit for the year after taxation		2,221	3,049
Income tax expense recognised in profit or loss		743	1,314
Gain on disposal of property, plant and equipment		(26)	-
Amortisation of deferred income		(20)	(20)
Depreciation		879	1,030
Defined benefit pension plan expense		998	1,173
Finance costs recognised in profit or loss		254	253
		5,049	**6,799**
Movements in working capital:			
(Increase)/decrease in trade and other receivables		(51)	2,772
Increase in inventories		(719)	(2,327)
(Decrease)/increase in trade and other payables		(1,350)	592
Decrease in due from related parties		55	60
Increase in due to related parties		464	136
Post-employment benefit contributions		(635)	(222)
Net cash generated from operations		**2,813**	**7,810**
Interest paid		(254)	(253)
Tax paid		(1,288)	(1,207)
Net cash generated from operating activities		**1,271**	**6,350**
Cash flows from investing activities:			
Payment for property, plant and equipment		(1,485)	(264)
Net cash used in investing activities		**(1,485)**	**(264)**
Cash flows from financing activities:			
Repayment of borrowings		(63)	(54)
Dividend paid		(413)	(258)
Net cash used in financing activities		**(476)**	**(312)**
Net (decrease)/increase in cash and cash equivalents for the year		(690)	5,774
Cash and cash equivalents at beginning of year		1,964	(3,810)
Cash and cash equivalents at end of year 18	18	**1,274**	**1,964**
Represented by:			
Cash		7,493	6,001
Bank overdrafts and acceptances		(6,219)	(4,037)
		1,274	**1,964**

Notes to the Financial Statements

For the year ended 31st March, 2015

(Expressed in thousands of Trinidad and Tobago dollars)

1. **Incorporation and principal activity**

Berger Paints Trinidad Limited (the "Company") was incorporated in the Republic of Trinidad and Tobago and is engaged in the manufacture and distribution of paints and allied products. The Company has a primary listing on the Trinidad and Tobago Stock Exchange. It is a subsidiary of Lewis Berger (Overseas Holdings) Limited of the United Kingdom and the ultimate holding company is Asian Paints (India) Limited, incorporated in India.

The registered office of the Company is located at 11 Concessions Road, Sea Lots, Port of Spain, Trinidad and Tobago.

2. **Application of new and revised International Financial Reporting Standards**

2.1 Amendments to IFRSs and the new Interpretation that are mandatorily effective for the current year

In the current year, the Company has applied a number of amendments to IFRSs and a new Interpretation issued by the International Accounting Standards Board ("IASB") that are mandatorily effective for an accounting period that begins on or after January 1, 2014.

- **Amendments to IFRS 10, IFRS 12 and IAS 27 Investment Entities**

The Company has applied the amendments to IFRS 10, IFRS 12 and IAS 27 Investment Entities for the first time in the current year. The amendments to IFRS 10 define an investment entity and require a reporting entity that meets the definition of an investment entity not to consolidate its subsidiaries but instead to measure its subsidiaries at fair value through profit or loss in its consolidated and separate financial statements.

To qualify as an investment entity, a reporting entity is required to:

– obtain funds from one or more investors for the purpose of providing them with investment management services;
– commit to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
– measure and evaluate performance of substantially all of its investments on a fair value basis.

- **Amendments to IFRS 10, IFRS 12 and IAS 27 Investment Entities**

Consequential amendments have been made to IFRS 12 and IAS 27 to introduce new disclosure requirements for investment entities.

As the Company is not an investment entity (assessed based on the criteria set out in IFRS 10 as at January 1, 2014), the application of the amendments has had no impact on the disclosures or the amounts recognised in the Company's financial statements.

- **Amendments to IAS 32 Offsetting Financial Assets and Financial Liabilities**

The Company has applied the amendments to IAS 32 Offsetting Financial Assets and Financial Liabilities for the first time in the current year. The amendments to IAS 32 clarify the meaning of 'currently has a legally enforceable right to set-off' and 'simultaneous realisation and settlement'.

The amendments have been applied retrospectively. As the Company does not have any financial assets and financial liabilities that qualify for offset, the application of the amendments has had no impact on the disclosures or on the amounts recognised in the Company's financial statements. The Company has assessed whether certain of its financial assets and financial liabilities qualify for offset based on the criteria set out in the amendments and concluded that the application of the amendments has had no impact on the amounts recognised in the Company's financial statements.

- **Amendments to IAS 36 Recoverable Amount Disclosures for Non-Financial Assets**

The Company has applied the amendments to IAS 36 Recoverable Amount Disclosures for Non-Financial Assets for the first time in the current year. The amendments to IAS 36 remove the requirement to disclose the recoverable amount of a cash-generating unit ("CGU") to which goodwill or other intangible assets with indefinite useful lives had been allocated when there has been no impairment or reversal of impairment of the related CGU. Furthermore, the amendments introduce additional disclosure requirements applicable to when the recoverable amount of an asset or a CGU is measured at fair value less costs of disposal. These new disclosures include the fair value hierarchy, key assumptions and valuation techniques used which are in line with the disclosure requirements required by IFRS 13 Fair Value Measurements.

(Expressed in thousands of Trinidad and Tobago dollars)

The application of these amendments has had no material impact on the disclosures in the Company's financial statements.

The Company has applied the amendments to IAS 39 Novation of Derivatives and Continuation of Hedge Accounting for the first time in the current year. The amendments to IAS 39 provide relief from the requirement to discontinue hedge accounting when a derivative designated as a hedging instrument is novated under certain circumstances. The amendments also clarify that any change to the fair value of the derivative designated as a hedging instrument arising from the novation should be included in the assessment and measurement of hedge effectiveness.

The amendments have been applied retrospectively. As the Company does not have any derivatives that are subject to novation, the application of these amendments has no impact on the disclosures or on the amounts recognised in the Company's financial statements.

- **IFRIC 12 Levies**

The Company has applied the IFRIC 12 Levies for the first time in the current year. IFRIC 12 addresses the issue as to when to recognise a liability to pay a levy imposed by a government. The Interpretation defines a levy, as identified by legislation. The Interpretation provides guidance on how different levy arrangements should be accounted for, in particular, it clarifies that neither economic compulsion nor the going concern basis of financial statements preparation implies that an entity has a present obligation to pay a levy that will be triggered by operating in the future period.

IFRIC 12 has been applied retrospectively. The application of this Interpretation has had no material impact on the disclosures or on the amounts recognised in the Company's financial statements.

2.2 New and revised IFRSs in issue but not yet effective

The Company has not applied the following new and revised IFRSs that have been issued but are not yet effective:

• IFRS 9	Financial instruments[5]
• IFRS 15	Revenue from Contracts with Customers[4]
• Amendments to IFRS 11	Accounting for Acquisitions of Interest in Joint Operations[3]
• Amendments to IAS 16 and IAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation[3]
• Amendments to IAS 16 and IAS 41	Agriculture: Bearer Plants[3]
• Amendments to IAS 19	Defined Benefit Plans: Employee Contributions[1]
• Amendments to IFRSs	Annual Improvements to IFRSs 2010-2012 Cycle[2]
• Amendments to IFRSs	Annual Improvements to IFRSs 2011-2013 Cycle[1]
• Amendments to IFRS 10 and IAS 28	Sale of Contribution of Assets between an Investor and its Associate or Joint Venture3
• Amendments to IFRSs	Annual Improvements to IFRSs 2012-2014 Cycle[6]
• Amendments to IAS 1	Disclosure Initiative3
• Amendments to IAS 27	Equity Method in Separate Financial Statements[3]
• Amendments to IFRS 10, IFRS 12 and IAS 28	Investment Entities: Applying the Consolidation Exception Cycle[3]

[1] Effective for annual periods beginning on or after July 1, 2014, with earlier application permitted.

[2] Effective for annual periods beginning on or after July 1, 2014, with limited exceptions. Earlier application is permitted.

[3] Effective for annual periods beginning on or after January 1, 2016, with earlier application permitted.

[4] Effective for annual periods beginning on or after January 1, 2017, with earlier application permitted.

[5] Effective for annual periods beginning on or after January 1, 2018, with earlier application permitted.

[6] Effective for annual periods beginning on or after July 1, 2016, with earlier application permitted.

- **IFRS 9 Financial Instruments**

IFRS 9 issued in November 2009 introduced new requirements for the classification and measurement of financial assets. IFRS 9 was subsequently amended in October 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition, and in November 2013 to include the new requirements for general hedge accounting. Another revised version of IFRS was issued in July 2014 mainly to include a) impairment requirements for financial assets and b) limited amendments to the classification and measurement requirements by introducing 'fair value through other comprehensive income' ("FVTOCI") measurement category for certain simple debt instruments.

Key requirements of IFRS 9:

- all recognised financial assets that are within the scope of IAS 39 Financial Instruments: Recognition and Measurement are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held for within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at FVTOCI. All other debt investments and equity investments are measured at their fair value at the end of the subsequent accounting periods. In addition, under IFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

- with regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Under IAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss is presented in profit or loss.

- in relation to the impairment of financial assets, IFRS 9 requires an expected loss model, as opposed to an incurred loss model under IAS 39. The expected loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

- the new general hedge accounting requirements retain three types of hedge accounting mechanisms currently available in IAS 39. Under IFRS 9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that quality for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an 'economic relationship'. Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

Management anticipate that the application of IFRS 9 in the future may have a material impact on the amounts reported in respect of the Company's financial assets and liabilities. However it is not practicable to provide a reasonable estimate of the effect of IFRS 9 at the present time.

- **IFRS 15 Revenue from Contracts with Customers**

In May 2014, IFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue from contracts with customers. IFRS 15 will supersede the current revenue recognition guidance including IAS 18 Revenue, IAS 11 Construction Contracts and the related Interpretations when it becomes effective.

The core principal of IFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under IFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by IFRS 15.

Management of the Company anticipate that the application of IFRS 15 in the future may have a material impact on the amounts reported and disclosures made in the Company's financial statements. However, it is not practicable to provide a reasonable estimate of the effect of IFRS 15 at the present time.

- **Amendments to IFRS 11 Accounting for Acquisitions of Interest in Joint Operations**

The amendments to IFRS 11 provide guidance on how to account for the acquisition of a joint operation that constitutes a business as defined in IFRS 3 Business Combinations. Specifically, the amendments state that the relevant principles on accounting for business combinations in IFRS 3 and other standards (eg. IAS 36 Impairment of Assets regarding impairment testing of a cash-generating unit to which goodwill on acquisition of a joint operation has been allocated) should be applied. The same requirements should be applied to the formation of a joint operation if and only if an existing business is contributed to the joint operation by one of the parties that participate in the joint operation.

A joint operator is also required to disclose the relevant information required by IFRS 3 and other standards for business combinations.

The amendments to IFRS 11 apply prospectively for annual periods beginning on or after January 1, 2016. Management of the Company do not anticipate that the application of these amendments to IFRS 11 will have a material impact on the Company's financial statements.

- **Amendments to IAS 16 and IAS 38 Clarification of Acceptable Methods of Depreciation and Amortisation**

The amendments to IAS 16 prohibit entities from using a revenue-based depreciation method for items of property, plant and equipment. The amendments to IAS 38 introduce a rebuttable presumption that revenue is not an appropriate basis for amortisation of an intangible asset. This presumption can only be rebutted in the following two limited circumstances;

a) when the intangible asset is expensed as a measure of revenue; or

b) when it can be demonstrated that revenue and consumption of the economic benefits of the intangible asset are highly correlated.

The amendments apply prospectively for annual periods beginning on or after January 1, 2016.

Management of the Company do not anticipate that the application of these amendments to IAS 16 and IAS 38 will have a material impact on the Company's financial statements.

- **Amendments to IAS 16 and IAS 41 Agriculture: Bearer Plants**

The amendments to IAS 16 and IAS 41 define a bearer plan and require biological assets that meet the definition of a bearer plant to be accounted for as property, plant and equipment in accordance with IAS 16, instead of IAS 41. The produce growing on bearer plants continues to be accounted for in accordance with IAS 41.

Management do not anticipate that the application of these amendments to IAS 16 and IAS 41 will have a material impact on the Company's financial statements as the Company is not engaged in agricultural activities.

- **Amendments to IAS 19 Defined Benefit Plans: Employee Contributions**

  The amendments to IAS 19 clarify how an entity should account for contributions made by employees or third parties to define benefit plans, based on whether those contributions are dependent on the number of years of service provided by the employee.

  For contributions that are independent of the number of years of service, the entity may either recognise the contributions as a reduction in the service cost in the period in which the related service is rendered, or to attribute them to the employees' periods of service using the projected unit credit method; whereas for contributions that are dependent on the number of years of service, the entity is required to attribute them to the employees' periods of service

  Management do not anticipate that the application of these amendments to IAS 19 will have a significant impact on the Company's financial statements.

- **Annual Improvements to IFRSs 2010-2012 Cycle**

  The Annual Improvements to IFRSs 2010-2012 Cycle include a number of amendments to various IFRSs, which are summarised below.

  The amendments to IFRS 2 (i) change the definitions of 'vesting condition' and 'market condition'; and (ii) add definitions for 'performance condition' and 'service condition'. The amendments to IFRS 2 are effective for share-based payments transaction for which the grant date is on or after July 1, 2014.

  The amendments to IFRS 3 clarify that contingent consideration that is classified as an asset or a liability should be measured at fair value at each reporting date, irrespective of whether the contingent consideration is a financial instrument within the scope of IFRS 9 or IAS 39 or a non-financial asset or liability. Changes in fair value (other than measurement period adjustments) should be recognised in profit or loss. The amendments to IFRS 3 are effective for business combinations for which the acquisition date is on or after July 1, 2014.

  The amendments to IFRS 8 (i) require an entity to disclose the judgments made by management in applying the aggregation criteria to operating segments, including a description of the operating segments aggregated and the economic indicators assessed in determining whether the operating segments have 'similar economic characteristics'; and (ii) clarify that a reconciliation of the total of the reportable segments' assets to the entity's assets should only be provided if the segment assets are regularly provided to the chief operating decision-maker.

  The amendments to the basis for conclusions of IFRS 13 clarify that the issue of IFRS 13 and consequential amendments to IAS 39 and IFRS 9 did not remove the ability to measure short-term receivables and payables with no stated interest rate at their invoice amounts without discounting, if the effect of discounting is immaterial. As the amendments do not contain any effective date, they are considered to be immediately effective.

  The amendments to IAS 16 and IAS 38 remove perceived inconsistencies in the accounting for the accumulated depreciation/amortisation when an item of property, plant and equipment or an intangible asset is revalued. The amended standards clarify that the gross carrying amount is adjusted in a manner consistent with the revaluation of the carrying amount and the carrying amount after taking into account accumulated impairment losses.

  The amendments to IAS 24 clarify that a management entity providing key management personnel services to a reporting entity is a related party of the reporting entity. Consequently, the reporting entity should disclose as related party transactions the amounts incurred for the service paid or payable to the management entity for the provision of key management personnel services. However, disclosure of the components of such compensation is not required.

  Management do not anticipate that the application of these amendments will have a significant impact on the Company's financial statements.

- **Annual Improvements to IFRSs 2011-2013 Cycle**

  The Annual Improvements to IFRSs 2011-2013 Cycle include a number of amendments to various IFRSs, which are summarised below.

The amendments to IFRS 3 clarify that the standard does not apply to the accounting for the formation of all types of joint arrangement in the financial statements of the joint arrangement itself.

The amendments to IFRS 13 clarify that scope of the portfolio exception for measuring the fair value of a group of financial assets and financial liabilities on a net basis includes all contracts that are within the scope of, and accounted for in accordance with, IAS 39 or IFRS 9, even of those contracts do not meet the definitions of financial assets or financial liabilities within IAS 32.

The amendments to IAS 40 clarify that IAS 40 and IFRS 3 are not mutually exclusive and application of both standards may be required. Consequently, an entity acquiring investment property must determine whether:

a) the property meets the definition of investment property in terms of IAS 40; and

b) the transaction meets the definition of a business combination under IFRS 3.

Management do not anticipate that the application of these amendments will have a significant impact on the Company's financial statements.

- **Amendments to IFRS 10 and IAS 28 (Sale or Contribution of Assets between and Investor and its Associate or Joint Venture)**

Amendments were made to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures (2011) to clarify the treatment of the sale or contribution of assets from an investor to its associate or joint venture, as follows:

a) require full recognition in the investor's financial statements of gains and losses arising on the sale or contribution of assets that constitute a business (as defined in IFRS 3 Business Combinations)

b) require the partial recognition of gains and losses where the assets do not constitute a business, i.e. a gain or loss is recognised only to the extent of the unrelated investors' interests in that associate or joint venture.

These requirements apply regardless of the legal form of the transaction, e.g. whether the sale or contribution of assets occurs by an investor transferring shares in a subsidiary that holds the assets (resulting in loss of control of the subsidiary), or by the direct sale of the assets themselves.

Management do not anticipate that the application of these amendments will have a significant impact on the Company's financial statements.

- **Annual Improvements 2012 – 2014 Cycle**

The Annual Improvements to IFRSs 2012-2014 Cycle include a number of amendments to various IFRSs, which are summarised below.

IFRS 5 — Adds specific guidance in IFRS 5 for cases in which an entity reclassifies an asset from held for sale to held for distribution or vice versa and cases in which held-for-distribution accounting is discontinued.

IFRS 7 — Additional guidance to clarify whether a servicing contract is continuing involvement in a transferred asset, and clarification on offsetting disclosures in condensed interim financial statements.

IAS 19 — Clarify that the high quality corporate bonds used in estimating the discount rate for post-employment benefits should be denominated in the same currency as the benefits to be paid.

IAS 34 — Clarify the meaning of 'elsewhere in the interim report' and require a cross-reference.

Management do not anticipate that the application of these amendments will have a significant impact on the Company's financial statements.

- **Amendment to IAS 1 (Disclosure Initiative)**

Amendments were made to IAS 1 Presentation of Financial Statements to address perceived impediments to preparers exercising their judgment in presenting their financial reports by making the following changes:

a) clarification that information should not be obscured by aggregating or by providing immaterial information, materiality considerations apply to all parts of the financial statements, and even when a standard requires a specific disclosure, materiality considerations do apply;

b) clarification that the list of line items to be presented in these statements can be disaggregated and aggregated as relevant and additional guidance on subtotals in these statements and clarification that an entity's share of OCI of equity-accounted associates and joint ventures should be presented in aggregate as single line items based on whether or not it will subsequently be reclassified to profit or loss;

c) additional examples of possible ways of ordering the notes to clarify that understandability and comparability should be considered when determining the order of the notes and to demonstrate that the notes need not be presented in the order so far listed in paragraph 114 of IAS 1.

Management do not anticipate that the application of these amendments will have a significant impact on the Company's financial statements.

- **Amendments to IAS 27 (Equity Method in Separate Financial Statements)**

Amendments were made to IAS 27 Separate Financial Statements to permit investments in subsidiaries, joint ventures and associates to be optionally accounted for using the equity method in separate financial statements. Consequently, an entity is permitted to account for these investments either:

(i) at cost; or

(ii) in accordance with IFRS 9 (or IAS 39); or

(iii) using the equity method.

This is an accounting policy choice for each category of investment.

- **Amendments to IFRS 10, IFRS 12 and IAS 28 (Investment Entities: Applying the Consolidation Exception)**

Amendments were made to IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 28 Investments in Associates and Joint Ventures (2011) to address issues that have arisen in the context of applying the consolidation exception for investment entities by clarifying the following points:

a) The exemption from preparing consolidated financial statements for an intermediate parent entity is available to a parent entity that is a subsidiary of an investment entity, even if the investment entity measures all of its subsidiaries at fair value.

b) A subsidiary that provides services related to the parent's investment activities should not be consolidated if the subsidiary itself is an investment entity.

c) When applying the equity method to an associate or a joint venture, a non-investment entity investor in an investment entity may retain the fair value measurement applied by the associate or joint venture to its interests in subsidiaries.

d) An investment entity measuring all of its subsidiaries at fair value provides the disclosures relating to investment entities required by IFRS 12.

Management do not anticipate that the application of these amendments will have a significant impact on the Company's financial statements.

Management is assessing the potential impact of the adoption of the new standards and interpretations.

3. Summary of significant accounting policies

Basis of presentation

The Company's financial records are maintained in Trinidad and Tobago dollars, which is the functional currency of the Company and the local currency of the country in which it operates (Trinidad and Tobago).

Statement of compliance

The Company's statutory financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

Basis of measurement

The financial statements are prepared under the historical cost convention as modified by the revaluation of leasehold properties. The preparation of financial statements in conformity with International Financial Reporting Standards requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from these estimates. Details of critical judgments and estimates used in the preparation of these financial statements are set out in note 4.

a) Cash equivalents

Cash and cash equivalents include cash in hand, bank overdrafts and bankers acceptances that are repayable within three months of their advance and which are subject to an insignificant risk of changes in value.

b) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined using the weighted average cost method as follows:

i) Raw materials are valued at the lower of cost, on the average cost basis, and net realisable value.

ii) Work in progress is valued at the lower of raw material cost and net realisable value.

iii) Finished goods are valued at the lower of cost of production (which comprises raw materials, direct labour, other directs costs and related production overheads based on normal capacity) and net realisable value.

Goods in transit and other supplies are valued at invoice cost.

Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling, marketing and distribution expenses, necessary to make the sale.

c) Property, plant and equipment

Leasehold buildings are measured at fair value based on valuations carried out by professional independent valuators less subsequent depreciation for buildings and leasehold improvements. All other property, plant and equipment and leasehold land are stated at historical cost less depreciation.

Increases in the carrying amount arising on revaluation are credited to the revaluation reserve in the shareholders' equity. Decreases that offset previous increases of the same asset are charged against the revaluation reserve; all other decreases are charged to the statement of profit or loss and other comprehensive income. Each year the difference between depreciation based on the revalued carrying amount of the asset (the depreciation charged to the statement of profit or loss and other comprehensive income) and depreciation based on the asset's original cost is transferred from revaluation reserve to retained earnings.

Depreciation is calculated on the straight-line method to write off the cost of each asset, or its revalued amount to its estimated residual values over its estimated useful life as follows:

Leasehold properties	-	over the remaining life of the leases
Plant and machinery	-	4 - 12½ years
Office furniture and fixtures	-	8 - 10 years
Vehicles	-	4 - 5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate at each statement of financial position date or when changes in circumstances indicate that impairment may have occurred.

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

Property, plant and equipment under construction are recorded as construction-in-progress until ready for their intended use; thereafter they are transferred to the related category of property, plant and equipment and depreciated over their estimated useful lives.

Costs of borrowings, for acquisition of property, plant and equipment are capitalized to property, plant and equipment under construction until the assets are ready for their intended use. Repairs and renovations are normally expensed as they are incurred. Expenses are reported as assets only if the amounts involved are substantial and one or more of the following conditions is satisfied: the original useful life is prolonged, the production capacity is increased, the quality of the products is enhanced materially or production costs are reduced considerably.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit or loss and other comprehensive income.

The carrying amount of leasehold property is revalued whenever events or changes in circumstances indicate that impairment or appreciation may have occurred.

d) Intangible assets

Intangible assets acquired separately are reported at cost less accumulated amortisation and impairment losses. Amortisation is charged on a straight line basis utilising rates, which are sufficient to write off the assets over their estimated useful lives. The estimated useful life and amortisation method are reviewed annually, with the effect of any changes in estimate being accounted for on a prospective basis. The rate utilised is 33½%.

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in the statement of profit or loss and other comprehensive income in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

e) Income and expenditure

Income and expenditure transactions are accounted for on the accrual basis.

f) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of products in the ordinary course of the Company's activities. Revenue is shown net of rebates and discounts and after eliminating any sales within the Company.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity, the transfer of ownership, which generally coincides with the time of shipment to the customer and any other specific criteria have been met for each of the Company's activities.

All amounts invoiced to a customer in a sale transaction related to distribution and handling costs are classified as revenue, with the costs related thereto shown within the cost of sales.

g) Foreign currency transactions

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

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

h) Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits are determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the assets ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past services cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined liability or asset. Defined benefit costs are categorised as follows:

- Services cost (including current service cost, past service, as well as gains and losses on curtailments and settlements)
- Net interest expense or income
- Re-measurement

The Company presents the components of defined benefit costs in profit or loss in the line item selling, general and administrative expense. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the statement of financial position represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

For the defined benefit retirement benefit plans of the Company, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each reporting date and interim valuations being carried out annually. Actuarial gains and losses are recognize immediately through other comprehensive income in order for the net pension's asset or liability recognized in the statement of financial position to reflect the full value of the plan's deficit or surplus. Changes in defined benefit obligation and in fair value of plan assets are recognized when they occur.

The retirement benefit obligation recognised in the statement of financial position represents the present value of the defined benefit obligation reduced by the fair value of plan assets

i) Trade and other receivables

Trade receivables are carried at original invoice amount less allowance made for impairment of these receivables. An allowance for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the allowance is the difference between the carrying amount and the recoverable amount. Other receivables are measured at cost less any impairment.

j) Financial instruments: long and short-term borrowings

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction cost. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

k) Financial assets

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income, if applicable, is recognised by applying the effective interest rate.

l) Impairment of financial assets

The Company assesses at each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial assets or group of financial assets that can be reliably estimated.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the statement of profit or loss. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Company may measure impairment on the basis of an instrument's fair value using an observable market price.

When a financial asset is uncollectible, it is written off against the related impairment loss. Such financial assets are written off after all the necessary procedures have been completed and the amount of the loss has been determined.

If in the subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognised in the statement of profit or loss and other comprehensive income.

m) Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and return that are different from those of segments operating in other economic environments.

n) Impairment of tangible and intangible assets excluding goodwill

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

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit or loss and other comprehensive income, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

o) **Borrowings**

Borrowings are recognised initially at cost, being their issue proceeds, net of transaction costs incurred. Subsequently, borrowings costs are stated at amortised cost and any difference between net proceeds and the redemption value is recognised in the statement of profit or loss and other comprehensive income over the year of the borrowings using the effective interest method.

p) **Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

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 obligation may be small.

q) **Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

i) Current tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from profits as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The liability for current tax is calculated using tax rates that have enacted or substantively enacted by the end of the reporting period.

ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised as an expense or income in statement of profit or loss and other comprehensive income, except when they relate to items that are recognised outside profit or loss (whether in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss, or where they arise from the initial accounting for a business combination.

r) Leases

Leases of property, plant and equipment where the Company assumes substantially all the benefits and risks of ownership are classified as finance leases. Finance leases are capitalised at the estimated present value of the underlying lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in non-current and current liabilities.

The interest element of the finance charge is charged to the statement of profit or loss and other comprehensive income over the lease period. The property, plant and equipment acquired under finance leasing contracts are depreciated over the useful life of the asset.

Leases of assets under which all the risks and benefits of ownership are effectively retained by the lessors are classified as operating leases. Payments made under operating leases are charged to the statement of profit or loss and other comprehensive income on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

s) Dividends

Dividends that are proposed and declared during the period are accounted for as an appropriation of retained earnings in the statement of changes in equity.

Dividends that are proposed after the statement of financial position date are not shown as a liability on the statement of financial position but are disclosed as a note to the accounts.

t) Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

u) Comparatives

When necessary, comparative figures are adjusted to conform to changes in presentation in the current year.

4. Critical judgments and the use of estimates

The preparation of financial statements in conformity with IFRS requires management to make critical judgments and use estimates and assumptions that affect the amounts reported in the financial statements and related notes to the financial statements. Actual results may differ from the estimates and assumptions used. Key sources of uncertainty, which requires the use of estimates, include:

Useful lives and residual values of property, plant and equipment

The estimates of useful lives as translated into depreciation rates are detailed in the property, plant and equipment policy above. These rates and the residual lives of the assets are reviewed annually.

Contingent liabilities

Management applies its judgment to the fact patterns and advice it receives from its attorney, advocates and other advisors in assessing if an obligation is probable, more likely than not, or remote. Such judgment is used to determine if the obligation is recognised as a liability or disclosed as a contingent liability.

Deferred taxation assets

Deferred tax assets are recognised to the extent it is probable that the taxable income will be available in future against which they can be utilised. Future taxable profits are estimates based on business plans, which include estimates and assumptions regarding economic growth, interest, inflation, taxation rates and competitive forces.

(Expressed in thousands of Trinidad and Tobago dollars)

Employee benefits – defined benefit pension plans

The Company operates two defined benefit pension plans. The calculation of defined benefit expenses and obligations requires significant judgment as the recognition is dependent on discount rates, expected rates of return on assets, and various actuarial assumptions such as projected salary increases, retirement age, and mortality and termination rates. Due to the long-term nature of these plans, such estimates and assumptions are subject to inherent risks and uncertainties. For our pension and other post-employment plans, the discount rate is determined by reference to market yields on government securities. Since the discount rate is based on currently available yields, and involves management's assessment of market liquidity, it is only a proxy for future yields. The expected rate of return on assets is set equal to the discount rate.

Actuarial assumptions may differ from actual experience as specific statistics is only an estimate for future employee behaviour. These assumptions are determined by management and are reviewed by actuaries at least annually. Changes to any of the above assumptions may affect the amounts of benefits obligations and expenses that are recognised.

Valuation of Leasehold Buildings

The Company's leasehold properties are measured at fair value for financial reporting purposes. In estimating the fair value of the leasehold buildings, the Company engages third party qualified valuators to perform the valuation. The Company works closely with the qualified external valuators to establish the appropriate valuation techniques and inputs to the model. Information about the valuation technique and inputs used in determining the fair value of the leasehold building is disclosed in note 5.1

5. Property, plant and equipment

	Land & buildings	Plant & equipment	Office equipment furniture & vehicles	Capital work in progress	Total
	$	$	$	$	$
Year ended March 31, 2015					
Opening net book amount	2,800	1,403	490	251	4,944
Additions	118	682	96	589	1,485
Disposals	-	(127)	(17)	-	(144)
Depreciation charge	(182)	(487)	(210)	-	(879)
Depreciation on disposals	-	127	17	-	144
Transfers	-	(17)	-	-	(17)
Closing net book amount	**2,736**	**1,581**	**376**	**840**	**5,533**
At March 31, 2015					
Cost/valuation	3,848	11,982	3,559	840	20,229
Accumulated depreciation	(1,112)	(10,401)	(3,183)	-	(14,696)
Net book amount	**2,736**	**1,581**	**376**	**840**	**5,533**
Year ended March 31, 2014					
Opening net book amount	2,375	1,776	580	546	5,277
Additions	170	36	57	-	263
Revaluation	433	-	-	-	433
Depreciation charge	(178)	(635)	(218)	-	(1,031)
Transfers	-	226	71	(295)	2
Closing net book amount	**2,800**	**1,403**	**490**	**251**	**4,944**
At March 31, 2014					
Cost/valuation	3,730	11,443	3,481	251	18,905
Accumulated depreciation	(930)	(10,040)	(2,991)	-	(13,961)
Net book amount	**2,800**	**1,403**	**490**	**251**	**4,944**

(Expressed in thousands of Trinidad and Tobago dollars)

Included in the asset category of office equipment, furniture and vehicles are assets held under finance leases as follows:

	Cost	Accumulated depreciation	Net book value	
			2015	2014
	$	$	$	$
Vehicles	309	(237)	72	134

5.1 Fair value measurement of the Company's leasehold properties

The Company's leasehold properties are stated at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The leasehold properties were revalued by professional valuators Linden Scott & Associates Limited, on a market value basis as at March 31, 2014. Linden Scott & Associates Limited are independent valuators not related to the Company. They have appropriate qualifications and recent experience in the fair value measurement of properties.

The fair value was determined using the direct comparable method. The method is the analysis of prices being paid for comparable properties in the open market with reasonable practical adjustment to arrive at market value. There has been no change to the valuation technique during the year.

Details of the Company's leasehold properties and information about the fair value hierarchy are as follows:

March 31, 2015	Level 1	Level 2	Level 3	Total
	$	$	$	$
Leasehold properties	-	2,736	-	2,736
	-	**2,736**	-	**2,736**

March 31, 2014	Level 1	Level 2	Level 3	Total
	$	$	$	$
Leasehold properties	-	2,800	-	2,800
	-	**2,800**	-	**2,800**

There were no transfers between Levels 1, 2 and 3 during the year.

The historical cost and accumulated depreciation on the revalued assets were:

Leasehold buildings:

	2015	2014
	$	$
Historical cost	4,082	3,964
Accumulated depreciation	(3,927)	(3,880)
Net book value	**155**	**84**

6. Retirement benefit asset

The Company maintains two contributory defined benefit pension plans (the "Pension Plans") which offer its employees retirement benefits depending on length of service.

Benefits for the Pension Plans are calculated based on the number of years of service and by reference to an average of a member's last twelve months basic wage. The pension obligations are valued using the projected unit credit method. The assets of the Pension Plans are valued on the basis of market related values.

The Plans' assets are held in trust and invested on a long-term basis. Investment strategy is largely dictated by local investments restrictions (maximum of 50% in equities and 20% overseas) and asset availability since the local equity market is small and there is little secondary market activity in debt securities. The Pension Plans are not permitted to invest in assets of the Company.

Notes to the Financial Statements

For the year ended 31st March, 2015

(Expressed in thousands of Trinidad and Tobago dollars)

(i) The amounts recognised in the statement of financial position are as follows:

	2015 $	2014 $
Present value of funded obligations	(37,733)	(35,496)
Fair value of plan assets	38,089	36,955
Net asset	**356**	**1,459**

(ii) The amounts recognised in the statement of profit or loss are as follows:

	2015 $	2014 $
Current service cost	934	1,125
Administrative Expenses	160	156
Net interest cost	(96)	(108)
Net pension expense	**998**	**1,173**

(iii) Amounts recognised in other comprehensive income

	2015 $	2014 $
Experience losses	740	370

(iv) Reconciliation of opening and closing net defined benefit asset:

	2015 $	2014 $
At beginning of year	1,459	2,040
Net pension expense	(998)	(1,173)
Actuarial (losses)/gains recognised in other comprehensive income	(740)	370
Contributions paid	635	222
At end of year	**356**	**1,459**

(v) Changes in the present value of the defined benefit obligation:

	2015 $	2014 $
At beginning of year	35,496	34,098
Current service cost	934	1,281
Interest cost	1,741	1,667
Actuarial losses	492	(46)
Members contribution	436	191
Exchange differences	-	(156)
Benefits paid	(1,366)	(1,539)
At end of year	**37,733**	**35,496**

(Expressed in thousands of Trinidad and Tobago dollars)

(vi) Changes in the fair value of plan assets:

	2015 $	2014 $
At beginning of year	36,955	36,138
Actuarial losses	1,589	2,099
Exchange differences	(160)	(156)
Contributions paid	1,071	413
Benefits paid	(1,366)	(1,539)
At end of year	**38,089**	**36,955**

(vii) The principal actuarial assumptions used in determining net pension cost and the funded status of the plan are as follows:

	2015 %	2014 %
Discount rate:		
- pension plan active members and deferred pensioners	5	5
Expected return on non-annuity pension plan assets	5	5
Expected return on insured annuity assets	5	5.5
Future salary increases	4.5	4.5
Future wage increases	4	4
Life expectancy- male (years)	81	81
- female (years)	85	85

(viii) Sensitivity analysis

Benefit obligations would increase/(reduce)

	2015 $	2014 $
Reducing discount rate by 1%	6,275	5,906
Increasing discount rate by 1%	(4,975)	(4,685)
Reducing salary by 1% p.a.	(1,450)	(1,385)
Increasing salary by 1%p.a.	1,658	1,576
Decreasing life expectancy by 1 year	(1,013)	(950)

(ix) Other

a) **Expected contribution**

The Company expects to contribute $804,000 to the Pension Plans in the next financial year.

b) Maturity profile

	2015	2014
The weighted average duration of the defined benefit obligation at year end, (in years) is	15.5	15.5

Notes to the Financial Statements

For the year ended 31st March, 2015

(Expressed in thousands of Trinidad and Tobago dollars)

7. Inventories

	2015 $	2014 $
Raw materials	7,245	7,148
Finished goods	6,747	5,825
Work in progress	1,302	1,602
	15,294	**14,575**

The cost of inventories recognised as an expense and included in 'cost of sales' amounted to $33,132,828,00 (2014: $36,120,000).

8. Trade and other receivables

	2015 $	2014 $
Trade receivables	18,725	18,231
Less: allowance for impairment	(2,832)	(2,487)
Trade receivables - net	15,893	15,744
Other receivables	159	257
	16,052	16,001

As of March 31, 2015, trade receivables of $6,320,671 (2014: $5,785,037) were past due but not impaired.

Ageing analysis of trade receivables that are past due but not impaired:

	2015 $	2014 $
Up to 3 months past due	4,803	3,815
3 to 6 months past due	1,019	854
6 to 12 months past due	401	1,116
	6,223	**5,785**

As of March 31, 2015, trade receivables of $2,832,441 (2014: $2,487,399) were impaired and a full allowance was made. The ageing of these receivables is as follows:

	2015 $	2014 $
Over 1 year	2,832	2,487

The net carrying amounts of the non-impaired Company's trade receivables are denominated in the following currencies.

Currency

	2015 $	2014 $
TT dollar	12,575	11,963
US dollar	3,318	3,781
	15,893	**15,744**

Movement on the Company's allowance for impairment of trade receivables is as follows:

	2015 $	2014 $
At beginning of year	2,487	1,874
Increase in allowance for the year	345	613
At end of year	**2,832**	**2,487**

(Expressed in thousands of Trinidad and Tobago dollars)

The creation and release of the allowance for impaired receivables have been included in administration expenses in the statement of profit or loss. Amounts charged to the allowance account are generally written off, when there is no expectation of recovering additional cash. The other classes within trade and other receivables do not contain impaired assets.

9. Due from/to related parties

9.1 Due from related parties

	2015 $	2014 $
Berger Paints Jamaica Limited	8	63

9.2 Due to related parties

	2015 $	2014 $
Lewis Berger (Overseas Holdings) Limited	304	389
Berger Paints Barbados Limited	51	32
Berger Paints Jamaica Limited	135	-
Berger Paints Singapore PTE Limited	67	28
Asian Paints Limited	285	97
SCIB Limited	293	126
	1,135	**672**

9.3 Related party transactions

	2015 $	2014 $
Sales (i)	495	402
Purchases (ii)	**1,012**	**977**
Service fees (iii)	**1,680**	**1,780**
Key management compensation	**724**	**790**

i) Sales

	2015 $	2014 $
Berger Paints Barbados Limited	329	197
Berger Paints Jamaica Limited	166	205
	495	**402**

Berger Paints Barbados Limited and Berger Paints Jamaica Limited are fellow subsidiaries of Lewis Berger (Overseas Holdings) Limited.

ii) Purchases

	2015 $	2014 $
Berger Paints Barbados Limited	60	390
Berger Paints Jamaica Limited	112	-
SCIB Limited	840	587
	1,012	977

(Expressed in thousands of Trinidad and Tobago dollars)

Purchases were made from Berger Paints Barbados Limited, Berger Paints Jamaica Limited and SCIB Limited, all fellow subsidiaries of Lewis Berger (Overseas Holdings) Limited.

iii) Service fees

Service fees are due to Lewis Berger (Overseas Holdings) Limited, the parent company of Berger Paints Trinidad Limited.

10. Issued capital

Authorised:

Unlimited number of shares of no par value

Issued and fully paid

	2015 $	2014 $
5,161,444 ordinary shares of no par value	5,905	5,905

11. Revaluation reserve

This represents the surplus on revaluation of leasehold buildings located at 11 Concessions Road, Sea Lots, Port of Spain, Trinidad.

12. Finance lease obligations

Finance lease liabilities are effectively secured as the rights to these leased assets revert to the lessor in the event of default.

	2015 $	2014 $
The gross finance lease obligation is as follows:		
Not later than 1 year	51	69
Later than 1 year and not later than 5 years	-	51
	51	120
Future finance charges on finance leases	(3)	(10)
Present value of minimum lease payments	48	110
Included in the financial statements as follows:		
Not later than 1 year	48	62
Later than 1 year and not later than 5 years	-	48
	48	110

13. Deferred taxation

	2015 $	2014 $
At beginning of year	1,155	1,171
Deferred tax attributable to:		
- Current year credit to statement of profit or loss	(60)	(229)
- Current year (credit)/charge to other comprehensive income	(219)	213
At end of year	**876**	**1,155**

(Expressed in thousands of Trinidad and Tobago dollars)

	March 31, 2014	Charge to other comprehensive income	(Credit) / charge to statement of profit or loss	March 31, 2015
	$	$	$	$
Deferred tax liabilities:				
Retirement benefit asset	365	(185)	(87)	93
Accelerated tax depreciation	254	-	5	259
Asset revaluation movement	570	(34)	-	536
	1,189	(219)	(82)	888
Deferred tax assets:				
Finance lease obligations	(34)	-	22	(12)
Deferred tax liabilities (net)	**1,155**	**(219)**	**60**	**876**

	Restated March 31, 2013	Charge to other comprehensive income	(Credit) / charge to statement of profit or loss	March 31, 2014
	$	$	$	$
Deferred tax liabilities:				
Retirement benefit asset	510	93	(238)	365
Accelerated tax depreciation	260	-	(6)	254
Asset revaluation movement	450	120	-	570
	1,220	213	(244)	1,189
Deferred tax assets:				
Finance lease obligations	(49)	-	15	(34)
Deferred tax liabilities (net)	**1,171**	**213**	**(229)**	**1,155**

14. Other income

Other income in the statement of profit or loss comprises:

	2015	2014
	$	$
Gain on disposal of property, plant & equipment	26	-
Amortisation of deferred gain on sale and leaseback of Company property	20	20
	46	**20**

15. Deferred income

The sale and subsequent lease back of the Company's freehold property in San Fernando in 2007 resulted in a deferred gain of $204,000 which is being amortised over the ten year lease term. The unamortised balance at the end of the period is $40,800 (2014: $60,600).

16. Trade and other payables

	2015	2014
	$	$
Trade payables	4,004	4,949
Accrued liabilities and other payables	1,795	2,200
	5,799	7,149

Notes to the Financial Statements
For the year ended 31st March, 2015
(Expressed in thousands of Trinidad and Tobago dollars)

The carrying amounts of the Company's trade payables are denominated in the following currencies.

Currency

	2015 $	2014 $
TT dollar	572	850
US dollar	3,432	4,099
	4,004	**4,949**

Accrued liabilities and other payables consist of the following:

	2015 $	2014 $
Value Added Tax payable	38	-
Accruals	1,369	1,819
Advances received from customers	266	259
Dividends payable	122	122
	1,795	**2,200**

17. Taxation

17.1 Income tax recognised in the statement of profit or loss

	2015 $	2014 $
Tax expense comprises		
Deferred tax credit	(61)	(229)
Corporation tax	744	1,478
Green fund levy	60	65
	743	**1,314**

The reconciliation between the profit shown in these accounts and the tax charge is as follows:

	2015 $	2014 $
Accounting profit before tax	2,964	4,363
Corporation tax expense calculated at 25%	742	1,091
Expenses not deductible for tax purposes	700	570
Green fund levy	61	64
Other	(760)	(412)
	743	1,314

The current rate of corporation tax is 25% for the year to March 31, 2015 (2014 -25%). The Company is liable to a minimum non-refundable corporation tax, described as green fund levy, computed at the rate of 0.10% of gross sales for year ended to March 31, 2015 and 2014.

17.2 Current tax liabilities

	2015 $	2014 $
Corporation tax	618	1,146

Notes to the Financial Statements

For the year ended 31st March, 2015

(Expressed in thousands of Trinidad and Tobago dollars)

18. Cash and cash equivalents

The cash and cash equivalents are represented by:

	2015 $	2014 $
Cash at bank	7,493	6,001
Bank overdraft	(6,219)	(4,037)
Total	**1,274**	**1,964**

The bank overdraft is secured by a letter of undertaking dated June 16, 1978. The Company is not allowed to encumber any of its assets without the consent of the bank.

19. Cost of sales, administrative and other overhead expenses

	2015 $	2014 $
Changes in inventories of finished goods and work in progress	33,133	36,120
Employee benefit expense (Note 21)	13,280	11,940
Other expenses	1,488	3,000
Depreciation	879	1,031
Technical service fees	1,680	1,780
Advertisements	787	596
Freight and handling charges	1,303	1,479
Repairs and maintenance	2,472	1,792
Printing, stationery, postage and telephone	474	490
Rent, rates and insurance	653	645
Audit fee	351	360
Directors' fees	105	105
Security costs	735	645
Net foreign exchange transaction losses	-	51
Total cost of sales and expenses	**57,339**	**60,034**
Presented on the statement of profit or loss and other comprehensive income as follows:		
Cost of sales	39,183	40,800
Administration	9,412	9,674
Warehouse and distribution	2,027	2,816
Selling	2,388	2,517
Advertising and promotion	2,057	1,604
Technical	1,479	1,343
Marketing and customer service	793	1,280
	57,339	**60,034**

20. Finance costs

	2015 $	2014 $
Finance lease and bank overdraft Interest	257	253

21. Employee benefit expense

	2015 $	2014 $
Wages and salaries	11,618	10,164
National insurance	664	603
Net pension expense	998	1,173
	13,280	**11,940**

Notes to the Financial Statements

For the year ended 31st March, 2015

(Expressed in thousands of Trinidad and Tobago dollars)

22. Earnings per share ("EPS")

Basic and diluted EPS is calculated by dividing the profit attributable to equity holders by the weighted average number of ordinary shares in issue during the year.

	2015	2014
Profit attributable to equity holders	2,221	3,049
Weighted average number of ordinary shares in issue	5,161	5,161
Basic and diluted EPS	0.43	0.59

23. Dividends per share

	2015	2014
Dividend paid	413	258
Dividend paid per share	0.08	0.05

24. Events after the reporting date

No significant events occurred after the reporting date affecting the financial performance, position or changes therein for the reporting period presented in these annual financial statements.

25. Segment reporting

The segment results for the year ended March 31, 2015 were as follows:

	Export $	Local $	Total $
Total segment revenue	3,051	57,463	60,514
Operating profit segment results	336	2,839	3,175
Other income			46
Finance costs			(257)
Profit before taxation			2,964
Taxation			(743)
Profit for the year			**2,221**

The segment results for the year ended March 31, 2014 were as follows:

	Export $	Local $	Total $
Total segment revenue	2,961	61,668	64,629
Operating profit segment results	385	4,211	4,596
Other income			20
Finance costs			(253)
Profit before taxation			4,363
Taxation			(1,314)
Profit for the year			3,049

Notes to the Financial Statements

For the year ended 31st March, 2015
(Expressed in thousands of Trinidad and Tobago dollars)

26. Commitments and contingent liabilities

a) At the year-end there were contingent liabilities with respect to Immigration and Customs bonds amounting to $80,000 (2014: $155,000).

b) The Company and Berger International Limited are engaged in litigation initiated by a former Regional Managing Director. This matter is subject to High Court Action No 2241 of 2003. As at the date these financial statements were approved, it cannot be determined with any certainty the likely outcome of this matter. No provision has been made in these financial statements for this matter based on legal advice obtained.

c) The Company leases the land located at 11 Concessions Road, Sea Lots, Port of Spain, Trinidad under the terms of two operating leases. The unexpired portion of the leases at March 31, 2015 is 14 years, 4 months and 24 years 9 months. The Company has the option to renew the leases for a further 30 year period upon expiry. The Company does not have an option to purchase the land. The lease does not contain an escalation clause. Lease rentals payable under this lease are as follows:

	2015 $	2014 $
Not later than 1 year	16	16
Later than 1 year and no later than 5 years	64	64
Later than 5 years	128	144
	208	**224**

d) The Company also leases a warehouse at Princess Margaret Street, San Fernando, Trinidad under the terms of an operating lease for a period of five years. The Company has the option to renew the lease for a further period of five years.

The future lease rentals payable are as follows:

	2015 $	2014 $
Not later than 1 year	211	211
Later than 1 year and no later than 5 years	211	422
	422	**633**

27. Financial risk management

27.1 Categorization

	Financial assets or liabilities carried at fair value	Financial assets or liabilities carried at amortized cost	Non-financial assets or liabilities	Equity instruments	Total
	$	$	$	$	$
As at March 31, 2015					
ASSETS					
Non-current assets					
Property, plant and equipment	-	-	5,533	-	5,533
Retirement benefit asset	-	-	356	-	356
Current assets					
Inventories	-	-	15,294	-	15,294
Trade and other receivables	-	16,052	-	-	16,052
Due from related parties	-	8	-	-	8
Cash on hand	-	7,493	-	-	7,493
Total assets	-	**23,553**	**21,183**	-	**44,736**

Notes to the Financial Statements

For the year ended 31st March, 2015

(Expressed in thousands of Trinidad and Tobago dollars)

	Financial assets or liabilities carried at fair value	Financial assets or liabilities carried at amortized cost	Non-financial assets or liabilities	Equity instruments	Total
	$	$	$	$	$
EQUITY AND LIABILITIES					
Capital and reserves					
Issued capital	-	-	-	5,905	5,905
Revaluation reserves	-	-	-	2,045	2,045
Retained earnings	-	-	-	22,050	22,050
Non-current liabilities					
Deferred tax liabilities	-	-	876	-	876
Deferred income	-	-	41	-	41
Current liabilities					
Trade and other payables	-	5,799	-	-	5,799
Due to related parties	-	1,135	-	-	1,135
Finance lease obligation	-	48	-	-	48
Current tax liabilities	-	-	618	-	618
Bank overdraft	-	6,219	-	-	6,219
Total liabilities and equity	**-**	**13,201**	**1,535**	**30,000**	**44,736**

	Financial assets or liabilities carried at fair value	Financial assets or liabilities carried at amortized cost	Non-financial assets or liabilities	Equity instruments	Total
	$	$	$	$	$
As at March 31, 2014					
ASSETS					
Non-current assets					
Property, plant and equipment	-	-	4,944	-	4,944
Retirement benefit asset	-	-	1,459	-	1,459
Current assets					
Inventories	-	-	14,575	-	14,575
Trade and other receivables	-	16,001	-	-	16,001
Due from related parties	-	63	-	-	63
Cash on hand	-	6,001	-	-	6,001
Total assets	**-**	**22,065**	**20,978**	**-**	**43,043**

Notes to the Financial Statements

For the year ended 31st March, 2015

(Expressed in thousands of Trinidad and Tobago dollars)

	Financial assets or liabilities carried at fair value	Financial assets or liabilities carried at amortized cost	Non-financial assets or liabilities	Equity instruments	Total
	$	$	$	$	$
EQUITY AND LIABILITIES					
Capital and reserves					
Issued capital	-	-	-	5,905	5,905
Revaluation reserves	-	-	-	2,147	2,147
Retained earnings	-	-	-	20,661	20,661
Non-current liabilities					
Finance Lease obligations	-	48	-	-	48
Deferred tax liabilities	-	-	1,155	-	1,155
Deferred income	-	-	61	-	61
Current liabilities					
Trade and other payables	-	7,149	-	-	7,149
Due to related parties	-	672	-	-	672
Finance lease obligation	-	62	-	-	62
Current tax liabilities	-	-	1,146	-	1,146
Bank overdraft	-	4,037	-	-	4,037
Total liabilities and equity	-	**11,968**	**2,362**	**28,713**	**43,043**

27.2 Risk management

Risk is inherent in the Company's activities but it is managed by local management and the Company's Corporate Treasury function through a process of ongoing identification, measurement and monitoring subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability. The Company is exposed to market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk.

The Corporate Treasury function provides services to the business, by providing funding from Corporate Treasury at competitive prices, sets up Treasury policies, which ensures management of various risks to which local units need to adhere to.

The independent risk control process does not include business risks such as changes in the environment, technology and industry. These risks are monitored on a regular basis and reported to the board at its quarterly meetings.

Risk management structure

The Company's management is responsible for the overall risk management approach and for providing the risk strategies and principles to identify and control risks.

Risk measurement and reporting systems

The Company's risks are measured using methods which reflect the expected loss likely to arise in normal circumstances. The models make use of probabilities derived from historical experience, adjusted to reflect the current economic environment.

Monitoring and controlling risks is primarily performed based on limits established by its management. These limits reflect the business strategy and market environment of the Company as well as the level of risk that the Company is willing to accept.

The Board is provided with tailored, up-to-date, risk reports for periodic review.

27.3 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the management, which has established an appropriate liquidity risk management framework for the management of the company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves and facilities with its local bankers, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Notes to the Financial Statements

For the year ended 31st March, 2015

(Expressed in thousands of Trinidad and Tobago dollars)

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Current	1 – 3 months	3mths – 1 year	Over one year	Total
	$	$	$	$	$
As at March 31, 2015					
Assets					
Cash in hand	7,493	-	-	-	7,493
Due from related parties	-	8	-	-	8
Trade and other receivables	9,829	4,803	1,420	-	16,052
Total assets	**17,322**	**4,811**	**1,420**	**-**	**23,553**
Liabilities					
Finance lease obligation	48	-	-	-	48
Trade and other payables	-	5,799	-	-	5,799
Due to related parties	-	1,135	-	-	1,135
Bank loans and overdraft	6,219	-	-	-	6,219
Total liabilities	**(6,267)**	**(6,934)**	-	-	**(13,201)**
Net liquidity gap	**11,055**	**(2,123)**	**1,420**	**-**	**10,352**

	Current	1 – 3 months	3mths – 1 year	Over one year	Total
	$	$	$	$	$
As at March 31, 2014					
Assets					
Cash in hand	6,001	-	-	-	6,001
Due from related parties	-	63	-	-	63
Trade and other receivables	10,278	3,830	1,893	-	16,001
Total assets	**16,279**	**3,893**	**1,893**	**-**	**22,065**
Liabilities					
Finance lease obligation	62	-	-	48	110
Trade and other payables	-	7,149	-	-	7,149
Due to related parties	-	672	-	-	672
Bank overdraft	4,037	-	-	-	4,037
Total liabilities	**(4,099)**	**(7,821)**	-	**(48)**	**(11,968)**
Net liquidity gap	**12,180**	**(3,928)**	**1,893**	**(48)**	**10,097**

27.4 Market risk

The Company takes on exposure to market risks, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements and changes in the level of volatility of market rates or prices such as interest rates, credit spreads, foreign exchange rates and equity prices.

Notes to the Financial Statements

For the year ended 31st March, 2015

(Expressed in thousands of Trinidad and Tobago dollars)

27.4.1 Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments.

Interest sensitivity of assets and liabilities

The Company is exposed to various risks associated with the effect of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. Interest margins may increase as a result of such changes but may reduce or create losses in the event that unexpected movements arise. Management sets limits on the level of mismatch of interest rate re-pricing that may be undertaken. The table below summarises the Company's exposure to interest rate risks. Included in the table are the Company's assets and liabilities at carrying amounts, categorised by the earlier of contractual re-pricing or maturity dates.

	One to up to one year	Five years	Non- over five years	Interest bearing	Total
	$	$	$	$	$
As at March 31, 2015					
Assets					
Cash on hand	7,493	-	-	-	7,493
Trade and other receivables	-	-	-	16,052	16,052
Due from related parties	-	-	-	8	8
Total assets	**7,493**	-	-	**16,060**	**23,553**
Liabilities					
Finance lease obligation	48		-	-	48
Trade and other payables	-	-	-	5,799	5,799
Due to related parties	-	-	-	1,135	1,135
Bank loans and overdraft	6,219	-	-	-	6,219
Total liabilities	**(6,267)**	-	-	**(6,934)**	**(13,201)**
Interest sensitivity gap	**1,226**	-	-	**9,126**	**10,352**

	One to up to one year	Five years	Non- over five years	Interest bearing	Total
	$	$	$	$	$
As at March 31, 2014					
Assets					
Cash on hand	6,001	-	-	-	6,001
Trade and other receivables	-	-	-	16,001	16,001
Due from related parties	-	-	-	63	63
Total assets	**6,001**	-	-	**16,064**	**22,065**
Liabilities					
Finance lease obligation	62	48	-	-	110
Trade and other payables	-	-	-	7,149	7,149
Due to related parties	-	-	-	672	671
Bank loans and overdraft	4,037	-	-	-	4,037
Total liabilities	**(4,099)**	**(48)**	-	**(7,821)**	**(11,968)**
Interest sensitivity gap	**1,902**	**(48)**	-	**8,243**	**10,097**

The following table demonstrates the sensitivity of the Company's profit and loss account to reasonable possible changes in interest rates, with all other variables held constant:

(Expressed in thousands of Trinidad and Tobago dollars)

	Increase/ decrease in basis points 2015	Sensitivity of net interest income
		$
As at March 31, 2015	100	(12)

	Increase/ decrease in basis points 2014	Sensitivity of net interest income
		$
As at March 31, 2014	100	(19)

27.4.2 Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Positions are monitored on a daily basis to ensure that they are maintained within established limits.

Concentrations of assets and liabilities

Assets are primarily funded by like currency liabilities thus reducing the element of cross-currency risk. Foreign currency transactions do not require the use of interest rate swaps and foreign currency options and other derivative instruments which all carry inherent risks. Currency exposure resides mainly in trading activity.

The Company had the following significant currency positions:

As at March 31, 2015	USD (TT$ equivalent)
Assets	
Trade receivables	3,318
Liabilities	
Trade payables	(3,432)
Total liabilities	(3,432)
Net foreign currency liabilities	**(114)**

As at March 31, 2014	USD (TT$ equivalent)
Assets	
Trade receivables	3,781
Liabilities	
Trade payables	(4,099)
Total liabilities	**(4,099)**
Net foreign currency liabilities	**(318)**

27.4.3 Foreign currency sensitivity analysis

The following table details the sensitivity to a 5% increase and decrease in the Trinidad and Tobago dollar against the US dollar with all other variable held constant. 5% is the sensitivity rates used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items.

(Expressed in thousands of Trinidad and Tobago dollars)

If the Trinidad and Tobago dollar strengthens or weakens by 5% against the US dollar the effect on profit/(loss) for the year would be as follows:

	US dollar impact	
	2015	2014
	$	$
Profit / (loss)	34	16

27.5 Credit risk management

Credit risk is managed on a Company basis. Credit risk arises from cash and cash equivalents as well as credit exposures to customers for outstanding receivables. Credit limits are set and monitored for individual customers. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. Credit exposure is controlled by counterparty limits that are reviewed and approved b4y management annually.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas

The Company does not have significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The Company defines counterparties as having similar characteristics if they are related entities..

The credit risk on liquid funds and available for sale financial instruments is limited because the counterparties are with company's banks.

The Company categorises all cash on hand and at bank as high grade financial assets. Quoted equities, money market funds, related party balances and trade receivables are categorised as standard grade financial assets.

27.5.1 Impairment policies

The Company makes an allowance at the end of each month for the potential losses that could occur in the collection of past due accounts. The Company reviews all amounts owed on an annual basis and makes specific allowances for amounts that are deemed uncollectible as and when necessary.

27.5.2 Credit quality by class of financial assets

	Neither past due nor impaired					
	High grade	Standard grade	Substandard grade	Past due	Impaired	Total
	$	$	$	$	$	$
As at March 31, 2015						
Cash on hand	7,493	-	-	-	-	7,493
Trade and other receivables	-	12,563	-	6,321	(2,832)	16,052
Due from related parties	-	8	-	-	-	8
Total	**7,493**	**12,571**	-	**6,321**	**(2,832)**	**23,553**

	Neither past due nor impaired					
	High grade	Standard grade	Substandard grade	Past Due	Impaired	Total
	$	$	$	$	$	$
As at March 31, 2014						
Cash on hand	6,001	-	-	-	-	6,001
Trade and other receivables	-	12,703	-	5,785	(2,487)	16,001
Due from related parties	-	63	-	-	-	63
Total	**6,001**	**12,766**	-	**5,785**	**(2,487)**	**22,065**

(Expressed in thousands of Trinidad and Tobago dollars)

27.6 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 and benefits for other shareholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders.

The Company monitors capital using a gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (finance lease obligation and bank overdrafts) less cash. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt.

	2015 $	2014 $
Total borrowings	6,267	4,147
Less cash	(7,493)	(6,001)
Net debt	(1,226)	(1,854)
Total equity	30,000	28,713
Gearing ratio	Nil%	Nil%