



NATIONAL INFORMATION AND COMMUNICATION TECHNOLOGY COMPANY LIMITED



2017-2018

ANNUAL REPORT

www.igovtt.tt



who is iGovTT ?

The National Information and Communication Technology Company Limited, branded iGovTT, was incorporated in July 2009. It is a State Enterprise responsible for the provision of ICT consulting and support services to government ministries, divisions and agencies in order to ensure effective alignment, co-ordination, security, interoperability and cost effectiveness across Government for ICT related projects and initiatives.



What do we offer?

iGovTT provides a number of umbrella specialist consultative services to the Government of the Republic of Trinidad and Tobago.

These services include:

- **Government Data Centre Services**
- **ICT Technical Solutions and ICT Outsourcing**
- **End Point Security Management**
- **Software Licensing and Management**
- **Technical Advisory Services**
- **Policy Research and Measurement**
- **ICT Project Management Services**
- **ICT Contract Management Services**
- **ICT Procurement Services**
- **Security and Assurance Advisory Services**



What do we stand for?

Operational Excellence

iGovTT will strive to deliver cutting-edge, ICT solutions that meet or exceed industry standards.

Collaboration/Teamwork

We actively engage in cross-functional teamwork to leverage knowledge, skills and diversity for greater impact.

Enabling

We will continuously explore and exploit new technologies in delivering value.

Service Excellence

We listen attentively and provide proactive, high quality, cost effective and timely services that exceed expectations.





NATIONAL INFORMATION AND COMMUNICATION TECHNOLOGY COMPANY LIMITED

2017-2018

ANNUAL REPORT

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**THE COMPANIES ACT 1995, Chap: 81:01
NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS OF
NATIONAL INFORMATION AND COMMUNICATION TECHNOLOGY COMPANY LIMITED**

TO: Minister of Finance
Corporation Sole
Ministry of Finance
Level 8, Eric Williams Financial Complex
Independence Square
Port-of-Spain

NOTICE IS HEREBY GIVEN that the Annual General Meeting of shareholders of the **NATIONAL INFORMATION AND COMMUNICATION TECHNOLOGY COMPANY LIMITED (the "Company")** will be held at Level 1 Conference Room #52 Lord Harris Court, Pembroke Street, Port of Spain on **25th day of January, 2019 at 10:00 a.m.** for the following purposes:

1. **To confirm the Minutes of the Annual General Meeting held on 25 January, 2018**
2. **To confirm the Minutes of the Special Meeting of the Shareholders held on 25 January, 2018**
3. **To receive and consider the financial statements of the Company for the fiscal year ended September 30, 2018, together with the report of the auditors thereon;**

To consider and if thought fit to pass the following as an ordinary resolution:

"THAT the financial statements of the Company for the fiscal year ended 30 September, 2018 and the auditors' report thereon be received."

4. **To reappoint the incumbent auditors for the ensuing year, at a remuneration to be fixed by the Directors of the Company**
5. **To receive the Annual Report of the Company;**
6. **To receive the Directors' report;**
7. **To re-elect the Directors;**

The following persons were appointed as members of the Board of Directors of the Company on July 18, 2016 and hold office in accordance with the By-Laws of the Company:

- | | | |
|---|----------------------------|-----------------|
| - | Ms. Esther Le Gendre | Chairman |
| - | Dr. Sean Rocke | Deputy Chairman |
| - | Ms. Jacqueline Morris | Director |
| - | Ms. Anastacia Samuel-James | Director |
| - | Ms. Vashti Maharaj | Director |
| - | Mr. Deepak Maharaj | Director |

Mr. Howard Dottin was subsequently appointed as a member of the Board of Directors of the Company on 17 August, 2017 to hold office for period of two (2) years in accordance with the By-Laws of the Company.

The By-Laws provide inter-alia that "A director's term of office (subject to the provisions, if any, of the Company's articles and subject to his election for an expressly stated term) shall be from the date of the meeting at which he is elected or appointed until (close of the annual meeting of shareholders next following) his election or appointment or until his successor is elected or appointed".

To consider and if thought fit to pass the following as an ordinary resolution:

"THAT the following persons be re-elected as members of the Board of Directors of the Company and to hold office in accordance with the By-Laws of the Company:

- Ms. Esther Le Gendre	Chairman
- Dr. Sean Rocke	Deputy Chairman
- Ms. Jacqueline Morris	Director
- Ms. Anastacia Samuel-James	Director
- Ms. Vashti Maharaj	Director
- Mr. Deepak Maharaj	Director

8. **To transact such further or other business as may properly come before the meeting and any adjournments thereof.**

DATED at Lord Harris Court, No. 52 Pembroke Street, Port of Spain, this 18th day of December 2018.

By Order of the Board,



 JANET PETERS
 Corporate Secretary

ABBREVIATIONS

- **EA** Enterprise Agreement
- **EAP** Employee Assistance Programm
- **GoRTT** Government of the Republic of Trinidad and Tobago
- **HRIS** Human Resource Information System
- **ICT** Information, Communication and Technology
- **MEA** Microsoft Enterprise Agreement
- **RFI** Request for Information
- **SEP** Symantec Endpoint Protection





Minister's Foreword

THE HONOURABLE MARLENE MC DONALD
Minister of Public Administration and Communications

As Minister with responsibility for Information and Communications Technology (ICT), it is my pleasure to present the Annual Report of the National Information and Communication Technology Company Limited (iGovTT) for the period 2017-2018.

The Government of the Republic of Trinidad and Tobago's Vision for Trinidad and Tobago is:

“By 2030, Trinidad and Tobago will be able to sustain its own development and provide a high quality of life for all its citizens, for generations to come”.

To make this vision a reality, Government has identified ICT as a critical success factor and enabler in securing the country's social and economic development objectives. To follow through on this, Cabinet, in 2018, approved the National ICT Plan 2018-2022 which provides the impetus for ICTs to serve as the digital enabler of Government's National Development Strategy, Vision 2030.

This move has solidified the potential of ICTs in the realisation of the Government of the Republic of Trinidad and Tobago's (GoRTT) national development objectives, including economic diversification, increased economic competitiveness, and improved living standards for all citizens.

The National ICT Plan, dubbed the ICT Blueprint 2018-2022, is a roadmap for meeting the country's anticipated social and economic needs and will focus on improving connectivity, enhancing ICT infrastructure and strengthening ICT legislation. In essence, it is vital to the growth and development of the National ICT landscape.

The Plan is laid out, through five (5) Strategic Thrusts, namely:

- Improving Connectivity,
- Increasing Human Capacity,
- Digital Government,
- Fostering Economic Development; and
- Advancing the Environment for Societal Benefit.

Each of the five is also specifically applied to Tobago, and reflects issues generated out of several stakeholder consultations from the sister isle.

iGovTT therefore has a particularly important role to play given its primary responsibility for the implementation and execution of the Government's enterprise-wide ICT programmes, and the provision of support for the streamlining of ICT processes and activities. Its role is all the more important given the many potential benefits that the country can reap through greater integration of ICT processes, lower costs and enhanced efficiencies.

Permit me to acknowledge the tremendous work that the iGovTT team has been able to accomplish during this reporting period, from research on an environmentally conscious approach to ICT, to the support and delivery of high quality, integrated and standardised ICT infrastructure across the GoRTT, to the delivery of new e-government services namely TTGovChat and the MusicTT online platform. Each one of these solutions has provided greater efficiencies to end-users, the citizens of Trinidad and Tobago.

I look forward to the other pioneering initiatives to come from iGovTT, such as GovPayTT, which will make it easy for Ministries, Departments and Agencies across government to accept payments. The platform will be able to connect government services to different payment service providers (PSPs).

I am confident that with the continued commitment and industriousness of the National Information and Communication Technology Company Limited we can attain that which we are all working towards - a high quality of life for all of us in this twin-island nation.



**THE HONOURABLE
MARLENE MC DONALD M.P.**
Minister of Public Administration
Trinidad and Tobago



Message from the Chairman

ESTHER LE GENDRE

Chairman of the Board of Directors

ICT is a key enabler of economic progress and a driving force for product, process and service innovation. Organisations that have mastered the application of next-generation technologies have been making strides in market disruption across the globe. The Government of Trinidad and Tobago also recognises the importance of ICT and in August 2018, Cabinet approved the National ICT Plan 2017-2021. The plan goes to the heart of Trinidad and Tobago's social and economic development with direct implications for the operations of the public sector and the welfare of the citizens of our country.

In spite of a challenging economic climate, the company largely delivered on its mandate in the face of a 26.83% reduction in its subvention for fiscal 2018 over 2017: 2018 \$29Mn vs 2017 \$39.635Mn. Additionally, recognising the need for fiscal prudence, administrative expenditure for the period was reduced by \$2.89Mn (6.9%) with salaries and wages and security services being the major contributors. Salary expense was reduced by 11.8% (2018 \$25.77Mn vs 2017 \$29.22Mn), while the expenditure associated with security services was reduced after negotiation by \$1.05Mn. During the year, the company also conducted remedial works to its Lord Harris Court Head Office at a cost of \$2.167Mn. Capital expenditure for the fiscal year was \$1.0Mn, which included improvements to the ttconnect Curepe office of \$416K.

The National Information and Communication Technology Company Limited (iGovTT), as an important contributor in the implementation of the National ICT Plan, continued to drive the uptake of

ICTs in Government and, by extension, the wider population. The company maintained a strong strategic product focus, the goal of which was to impact the country's strategic objectives directly as these relate to improving Trinidad and Tobago's global competitiveness by enhancing the ease of doing business with Government. Over the last fiscal year, the company has delivered on its strategic objectives and mandate, ensuring the right level of engagement, collaboration and networking with clients and other key stakeholders. While our greatest challenge was managing the infrastructure that underpins the portal, we continued to work with all stakeholders involved to manage these challenges. In the near future, we expect to implement certain improvements that will extend the life and availability of the service even as GoRTT moves to realise a replacement to the aged facilities.

In our quest to add value to the national landscape, we delivered three new e-government services – an IPO acknowledgment system and payment gateway, an online music technology platform for MusicTT and a live chat system ttGovChat – all of which are directly aligned with the Government's thrust to increase ICT uptake and utilisation within the public and private sector and to generate value for citizens. We also implemented an Enterprise Risk Management system, to effectively identify and manage risk inherent in our business.

We continued to provide enhancements to the delivery of government information and services through ttconnect, the arm of iGovTT that most directly impacts the lives of citizens both locally and abroad.

In the area of corporate governance, the company achieved full compliance with all statutory, regulatory and financial reporting requirements. Collaborative ventures such as the signing of a Memorandum of Understanding (MOU) with TSTT to market e-Tender Software as a Service will reform procurement and yield tremendous benefits for all. An MOU was also signed with the Judiciary for the development and expansion of the Court Pay platform currently accessed via tconnect.

Having charted a revised strategic direction to maintain alignment with the National ICT Plan in January 2018, in the upcoming fiscal year, we will continue to look closely at areas such as ICT infrastructure, e-government services and performance management within the company as a driver of service delivery. This direction entails full exploitation of our place in the ICT market place, continuous upgrading of the skills base of our people and leveraging our expertise to deliver an enhanced suite of secure, customer-focused, cutting-edge e-government services to ministries, departments and agencies. All of this, we expect, will translate into greater levels of service quality and higher utilisation rates of our products within the government arena.

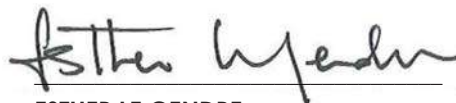
While much has been accomplished, there is still a lot to be done with respect to ensuring that our people are fit for purpose, managing portal downtimes and ensuring that we have a robust business continuity plan in place for the organisation. In the coming year the company will implement an HRIS aimed at strengthening the human resource capital management function.

iGovTT anticipates an exciting year ahead, with a dynamic start to the new fiscal year, as it hosted its fifth ICT Symposium. Policy makers, industry decision makers and ICT professionals from across the world were engaged to exchange ideas, debate the latest trends and developments and devise solutions for advancing national ICT development.

Such a dynamic start has created the impetus for sustained momentum in the delivery of five e-government services in the new fiscal year. The company will further add to the ICT ecosystem by hosting a Hackathon in 2018/2019. The aim is to create an enabling environment for ICT driven development to thrive, to drive innovation and incubate young talent within Trinidad and Tobago.

In an environment of renewed interest in the diversification agenda, government funding is of paramount importance to progress the company's strategic objectives. The company is well poised to deliver on its strategic agenda within the ambit of a strong governance framework. With the engagement of dynamic, new leadership, the company is working consistently towards ensuring that we have the right balance of ICT leadership and a high performing team in support.

The Board of Directors remain committed to supporting the mandate and strategic goals of the company. We applaud the leadership and employees as we all labour to shape an organisation that ultimately wants to be known for its performance, innovation, integrity and value added to our valued clients the citizens of Trinidad and Tobago.



ESTHER LE GENDRE

Chairman of the Board of Directors

Message from the CEO

KIRK HENRY

Chief Executive Officer, iGovTT



As global energy prices and capital investments continue to lower and governments feel the impact of decreased revenues from the country's backbone sector, the significance of information and communication technology as a pillar for economic diversification becomes more relevant and topical. Therefore, it is against this backdrop that the National Information and Communication Technology Company (iGovTT) must focus on demonstrating the potential for ICT to transform the way we do business - as we seek to modernize the public sector in keeping with the country's national developmental strategy.

Our 2017-2018 Annual Report showcases the collaborative effort, determination and delivery of a collective group (Board of Directors, Management and staff of iGovTT), who worked tirelessly over the past months to deliver on the company's strategic objectives and mandate and ensured the right level of engagement, collaboration and networking with clients and other key stakeholders to drive organisational success.

I joined the company at the start of the third quarter of fiscal 2017-2018 with an approved Strategic Plan in place and several key organisational objectives and activities identified for delivery. Here the company had set forth a commitment to deliver

improved uptime and availability of its infrastructure (GovNeTT and Portal); improve its reputation, image and brand; three new e-government services and strengthen internal capability to support the execution of our plan and improve service to our customers. I am happy to report that we have "made good on our promises" and not only delivered, but in many respects exceeded expectation for year one of our strategic plan.

Our successes have contributed towards the ease of access to government services by our citizens; significantly improved GovNeTT availability and performance; resulted in the delivery of circa \$5M in market value of works and improved the number of e-government services now available to our various stakeholders. This enhanced and brought tremendous benefit and value to the public service sector and by extension the citizens of Trinidad and Tobago. This was achieved in spite of the reality of challenging economic times.

Allow me to highlight a few of these achievements: The Operations Unit worked tirelessly to optimise performance and availability of our legacy GovNeTT infrastructure and delivered an impressive 99.45% reliability over the reporting period - exceeding our full year target of 98%. Our ttconnect channel saw a 54% increase in the number of ttconnect IDs by circa 5,000. With regards to reputation, the company achieved 92% positive media mentions - an almost 100% increase from the prior year. Additionally, representatives of the company (executives and management alike) attended various conferences, seminars and interviews and led discussions as subject

matter experts on ICT and the transformative impact of a digitally ready society. This helped to position the company as a respected voice within the Trinidad and Tobago ICT landscape. This was especially important as our ICT Symposium was upcoming in the next fiscal and attracted ICT thought leaders from all around the world to our shores. Under the strategic objective of "strengthening iGovTT's internal capability for enhanced service delivery and customer satisfaction", the company identified core competencies for 100% of its employees and delivered on target with respect to employee satisfaction and improved the average ranking and performance of all employees by 10% - a 100% increase on prior year.

On the project progression front, noteworthy, was the development of three new e-government services - online music technology platform for MUSICTT; Intellectual Property Office acknowledgement system and payment gateway and TTGovChaTT, a live chat function on the ttconnect portal - with an additional two in the pipeline utilising the GovPayTT solution, a payment platform designed to facilitate online payment to government agencies. The company also delivered 100% on-time compliance reporting to the various statutory and regulatory bodies. We also implemented an Enterprise Risk Management System which allows us as an organisation, to proactively manage risk to business delivery - a critical factor in the overall process maturity of the organisation. Thanks to prudent and sound fiscal management, the company was able to reduce its administrative expenditure for the period by 6.9% which resulted in a savings of \$2.89Mn.

Though 2017-2018 saw several wins for the organisation by way of efficiency, project delivery and compliance, we did experience some challenges with our portal which underperformed over the period due to outages in December 2017 following a firewall failure. As such, we are working to ensure that we prioritize our focus and resources to those channels with the highest impact and value for money as well as ensuring that we work with our line Ministry to implement a viable solution for improving portal uptime. Additionally, we intend to implement a robust Business Continuity Plan which will

allow us to plan for and manage all risk associated with any disruption to our operations. This will form part of our deliverables for fiscal 2018-2019 as we seek to build on the momentum of our 2017-2018 delivery.

Overall the past year represented a point of inflection for the company as the organisation moved from being only an ICT procurement company to that of a full stack ICT services provider to GoRTT. We have been proactively pursuing business that can add value to the internal processes within ministries, departments and agencies as well as improvements to government's customer-centric focused services. This represents a paradigm shift for our organisation. Our push towards greater use of shared services will create efficiency and result in cost savings within government.

Much has been accomplished over the past year and the organisation has been laser focused on delivering with pride, resilience and purpose. However, we do recognise that this is just the tip of the iceberg. As we continue to operate in this digital space and witness the transformative impact of ICT within our public, social and business sectors we recognise the value of our role as the implementers of government's ICT and the unique opportunity that comes with this in revolutionising and exposing the benefits and value of a digital society to our valued stakeholders.

We have over the past year gained the confidence and buy-in of key decision makers in progressing our ICT agenda on behalf of Trinidad and Tobago and can boldly and proudly say that we are well on the way to becoming more than the "trusted advisor to government on ICT matters". Rest assured, we've only just begun to see the potential for ICT growth and development in Trinidad and Tobago – the best is yet to come!



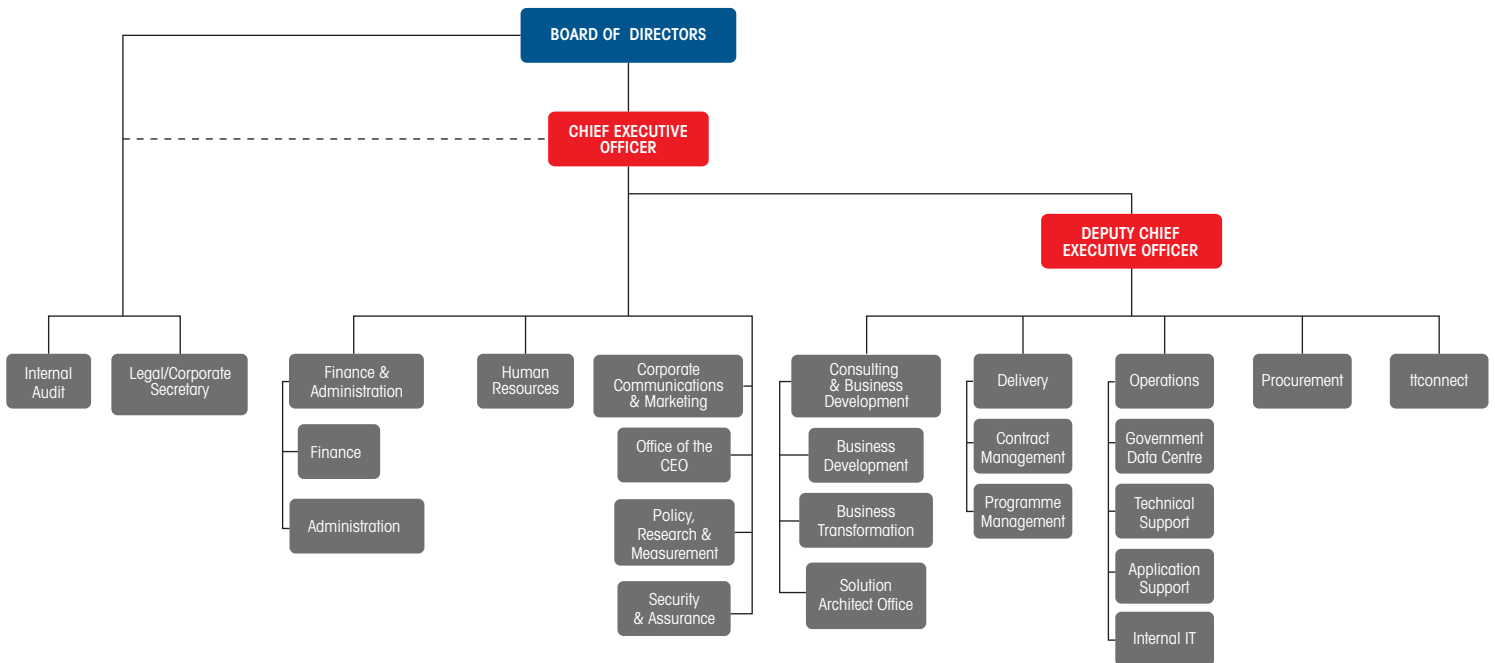
KIRK HENRY
Chief Executive Officer, iGovTT



Corporate Governance



Organisational Chart



Board of Directors

DR SEAN ROCKE
Deputy Chairman

JACQUELINE MORRIS
Director

DEEPAK MAHARAJ
Director

HOWARD DOTTIN
Director



VASHTI MAHARAJ
Director

ESTHER LE GENDRE
Chairman

ANASTACIA SAMUEL-JAMES
Director

Management Team



KIRK HENRY
CEO



CHARLES BOBB-SEMPL
Deputy CEO



SHERWYN CAMBRIDGE
Head, Delivery



EDSON EASTMOND
Head, Itconnect



CHRISTINE FERREIRA
Head, Finance & Administration



JOHN OUTRIDGE
Head, Consulting



JANET PETERS
Corporate Secretary / Head, Legal



SHERWIN RAGOONANAN
Head, Operations



TYRONE RODULFO
Head, Human Resources



Management

Discussion and Analysis

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Our Vision, Mission and Strategy

Our Vision is to be the premier ICT solution provider to GoRTT, enabling efficiency, increasing productivity and transforming the delivery of government services to the citizens of Trinidad and Tobago.



Our Mission is to implement superior ICT infrastructure, projects and programmes in alignment with the National ICT Plan.



Our Strategy focuses on strengthening internal capability and transforming the way we deliver ICT solutions to Ministries, Departments and Agencies across government.

Our strategic objectives for the period 2017-2020 are designed to:

- 1. Support the delivery of high quality, integrated and standardised ICT infrastructure across GoRTT**
- 2. Strengthen iGovTT's internal capability in its core competencies for enhanced service delivery and customer satisfaction**
- 3. Facilitate the delivery of citizen-centric e-government services**
- 4. Improve iGovTT's reputation and performance - Become the trusted advisor on ICT to GoRTT**

Analysis of Financial Operations

Income

The company's operations are financed primarily through the system of Parliamentary appropriations, where approved funds are identified under various sub-heads and are disbursed through our line Ministry, the Ministry of Public Administration.

Income earned for the financial year ending September 30, 2018 inclusive of interest and other income amounted to \$42,119,063. There was a reduction in the company's subvention of 26.83% from fiscal 2017. The composition of income for the period is shown in Figure 1 below.

FIGURE 1
Composition of Income for Fiscal Year 2018

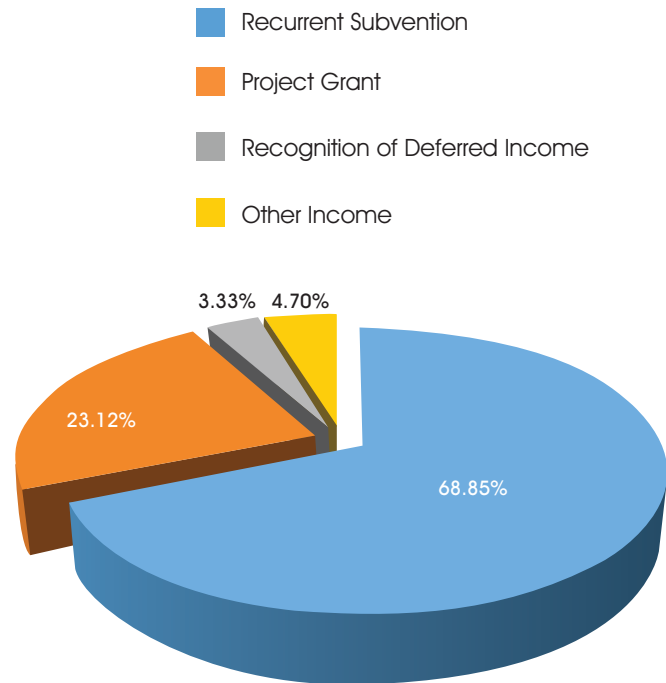


Table 1 below, summarizes the four types of income against budgetary allocation for the year under review.

TABLE 1
Income and Subvention for Fiscal Year 2018

INCOME CATEGORY	BUDGETED ALLOCATION	ACTUAL INCOME	VARIANCE
Recurrent Subvention	37,700,000	29,000,000	(8,700,000)
Recognition of Deferred Income	-	1,402,417	1,402,417
Project Grant **	-	9,739,047	9,739,047
Other Income	963,513	1,977,599	1,014,086
TOTAL INCOME & SUBVENTION	\$38,663,513	\$42,119,063	\$3,455,550

**** This relates to non-budgeted income received from the Ministry of Public Administration for the Microsoft 0365 subscription licenses of \$4.69Mn and \$5.04Mn from the Ministry of Trade and Industry for the SEW BOM I & II Projects.**

Analysis of Financial Operations

Expenditure

Total expenditure inclusive of projects, operating costs, taxes and capital expenditure for the financial year was \$51,088,343 representing an increase of 12.63% over the prior period of 2017. This increase is attributable to project expenditure as shown in Table 2. There was an overall 11.4% reduction on administrative expenditure from \$42.29Mn in fiscal 2017 to \$37.46Mn in fiscal 2018.

FIGURE 2
Analysis of Expenses for Fiscal Year 2017

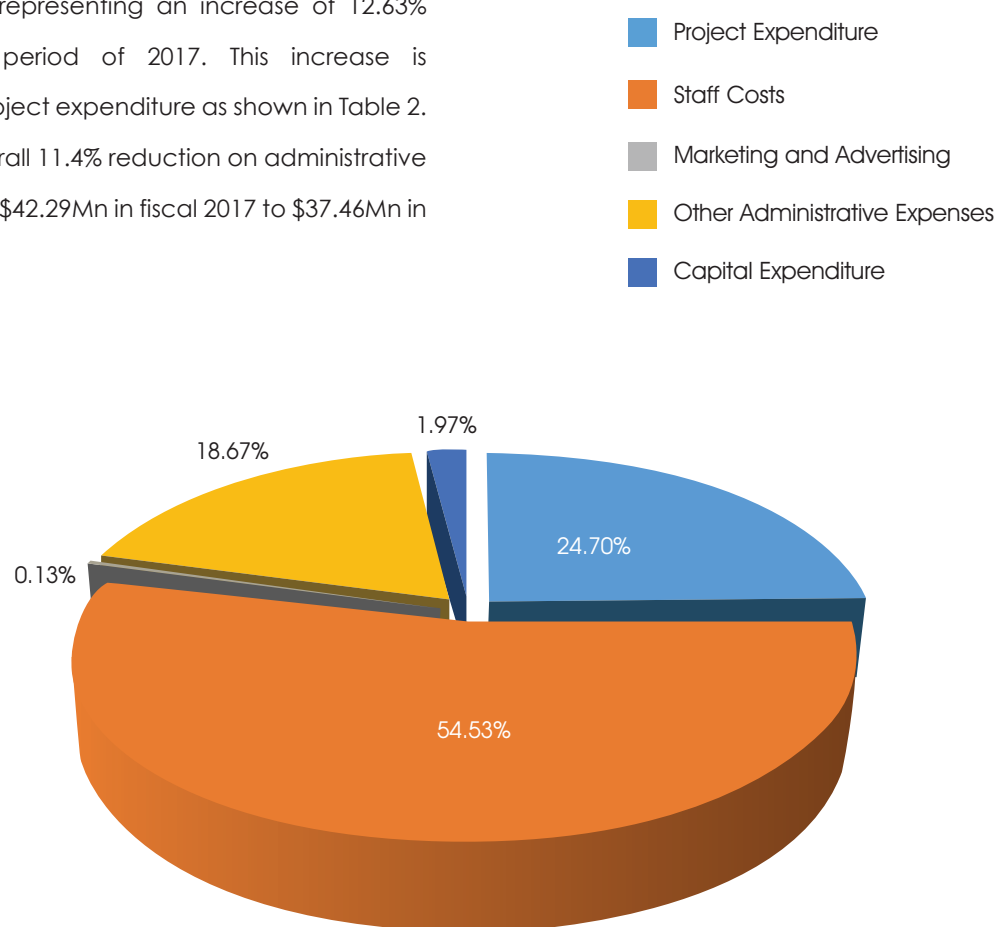


Figure 2 shows an analysis of expenses for the period.

Management

Discussion and Analysis

Analysis of Financial Operations

Table 2 summarizes the expenditure items compared with the budgetary allocations for the period.

TABLE 2
Expenditure for Fiscal Year 2018

INCOME CATEGORY	BUDGETED ALLOCATION	ACTUAL EXPENDITURE	VARIANCE
Project Expenditure**	-	12,619,086	(12,619,086)
Staff Costs	30,742,572	27,856,141	2,886,431
Marketing and Advertising	602,000	68,410	533,591
Other Administrative Expenses	10,799,518	9,536,645	1,262,873
Total Administrative Expenses	42,144,090	37,461,196	4,682,894
Capital Expenditure	650,000	1,008,061	(358,061)
TOTAL EXPENDITURE	\$42,794,090	\$51,088,343	\$(8,294,253)

**** These include pass throughs for the Microsoft 0365 subscription licenses of \$4.69Mn and \$5.04Mn from the Ministry of Trade and Industry for the SEW BOM I & II Projects.**

Capital Expenditure

A total of \$1,008,061 was expended on the purchase of fixed assets for the period. An analysis of the capital items purchased is set out in Table 3 below.

TABLE 3
Analysis of Capital Expenditure for Fiscal Year 2018

CAPITAL CLASSIFICATION	ACTUAL EXPENDITURE
Motor Vehicles	340,000
Furniture and Fixtures	35,399
Computer Equipment	41,598
Office Equipment	154,754
Leasehold Improvements	416,150
Work in Progress	20,160
TOTAL CAPITAL EXPENDITURE	\$1,008,061

The Audited Financial Statements for the year ended September 30, 2018 are provided on pages 46 to 82.





Business Review 2017-2018

iGovTT has been identified as an important contributor in the implementation of the National ICT Plan 2017-2021. The company continues to support its line Ministry, the Ministry of Public Administration in the delivery of e-government services to GoRTT. During the fiscal year 2017-2018, improving governance and the overall delivery of core services and programmes to ministries, departments and agencies across GoRTT, has been the focus of the company.

Several notable accomplishments for this period include:

ICT TRANSFORMATION PROJECTS

- The implementation of state of the art alert monitoring tools for both GovNetT and ttconnect environments to allow for quicker response times for outages.
- An online chat facility for ttconnect customers to be able to interact with a customer agent from any PC or smartphone device. The Live Chat service, ttGovChat, provides users with instant communication via the instant messaging feature on www.ttconnect.gov.tt. Live chat allows ttconnect client service specialists to respond quicker to questions about services and to solve problems faster.
- The piloting of an ePayment platform, GovPayTT, which will allow ministries, departments and agencies to receive online payments from citizens and companies both locally and internationally. Work has progressed on the implementation of this online payment platform for both the Ministry of the Attorney General (The Registrar General Department – Civil Registry and



Business Review 2017-2018

the Intellectual Property Office) as well as the Ministry of Works and Transport Licensing Division in relation to providing an online payment facility for the renewal of driver's permits.

- Technical advisory and project management services for an Enterprise Content Management system to enhance personnel records management for the Service Commission Department.
- Technical advisory and project management services for the Ministry of Trade's project with the Treasury on the implementation of an electronic funds transfer framework for Government. The project details how Government can utilise various electronic funds transfer methods to modernise the financial ecosystem within Government.



Creative TT - Creation of an online Music Technology Platform for MusicTT

iGovTT has successfully completed a procurement exercise for the Trinidad and Tobago Music Company Limited (MusicTT) in terms of selecting a suitable partner for the development of a Music Tech Platform. The project is a vehicle for the development of a national music ecosystem and the Music Tech Platform will act a **“one-stop shop”** for all things music locally. It is envisioned that local stakeholders will be able to leverage their ttconnect ID as an authentication method to the service, allowing for a more convenient onboarding process.



Ministry of National Security - Skype for Business

The Ministry of National Security requested the services of iGovTT to upgrade its internal telephone system to Skype for Business for Unified Communication. iGovTT provided project management to oversee the successful completion of the upgrade on behalf of the Ministry. This upgrade provided the Ministry with facilities such as Skype across devices, Skype's Complete Meeting Solution as well as Skype's Security Control and Compliance. The project was successfully completed on 03 November 2017.



Ministry of National Security - Electronic Monitoring Solution

iGovTT completed a technical procurement exercise for the Ministry of National Security, to obtain a suitable vendor to provide an electronic monitoring solution. This solution is a part of wide-ranging reforms that will among other things, promote public safety through the active control and supervising of offenders and provide opportunities for offender rehabilitation. The implementation of this electronic monitoring solution will be a major initiative that will deal with the challenges plaguing the criminal justice system whilst transforming and modernising the criminal justice landscape within Trinidad and Tobago.



iGovTT Lord Harris Court Office, Remedial Works

The company undertook remedial works to its Lord Harris Court office on 52 Pembroke Street, Port of Spain. The work was undertaken in March 2018 and successfully completed in July 2018. These works were necessary to ensure a safe place to work for employees.

Strategic Partnerships

- The company partnered with TSTT to reform Government procurement through the deployment of an eProcurement solution, e-Tender Software as a Service, that will allow for persons to both view, submit and pay for RFP packages online.
- iGovTT in its efforts to develop the local ICT sector partnered with the University of the West Indies and COSTAATT, to provide graduating students with an internship opportunity at the company. The students worked on various ICT development projects throughout the Public Sector, gaining first-hand experience in the ICT sector and leveraging their critical thinking to transform service delivery.
- iGovTT and the Judiciary signed an MOU for the development and expansion of the Court Pay platform. The project looks at using the platform for additional services such as the payment of fees and fines.

Corporate Social Responsibility and Brand Building

- ftconnect conducted an outreach in the Greenvale community which was affected by severe flooding. The unit provided its services to persons in need of retrieving documentation.

Operational Performance 2017-2018

41 individual Requests for Approval of Information Systems/Information Technology hardware and software

19 individual Requests for Approval of hardware specifications

1491 Symantec installations on client computers

23 Symantec Endpoint (SEP) Managers*

3,206 client software installations inclusive of software new licenses, replacements, re-installations and upgrades*

357 Server software installations*



**Completed in direct association to the Microsoft Enterprise Agreement (EA), a volume licensing agreement between the Government of Trinidad and Tobago (GoRTT) and the American multinational technology company, Microsoft Corporation.*

The Operations Unit facilitated specialised IT training for 95 government participants from 19 different ministries, departments, agencies and statutory bodies over the course of five Microsoft Premier Workshops. This training served to foster proactive maintenance of Microsoft server solution deployments within their respective institutions.

Additionally, iGovTT administered and managed support for the opening and closing of 87 Reactive Support cases via Microsoft Premier Hours on behalf of GoRTT stakeholders. The following charts provide the breakdown of cases and the associated severity.

Premier Reactive Case
Utilization Summary:
i. Case Utilization By Severity:

CASE SEVERITY	Case Count
Problem Resolution Hourly	62
A - Critical	16
Azure	1
Exchange	8
ISA Server	1
O365	1
Windows NT	2
Windows Server	3
B - Urgent	34
Azure	3
Business Solutions	3
Exchange	10
Internet Server	1
O365	1
Outlook	1
SharePoint Portal Server	5
Skype	1
SQL Server	1
Windows NT	1
Windows Server	7
C - Important	12
Azure	1
Exchange	3
SharePoint Portal Server	1
SQL Server	2
Windows Server	5
Support Assistance Hours	13
B - Urgent	2
SQL Server	2
C - Important	11
Azure	1
Exchange	1
Non Products	1
O365	2
SharePoint Portal Server	1
Windows Server	2
Microsoft Online	12
A - Critical	2
O365	1
Online Systems	1
B - Urgent	10
Online Systems	10
GRAND TOTAL	87



Application Support

3,029,714 visits made to the ttconnect portal

513,736,462 hits

90.98% availability of the ttconnect portal over the reporting period

14,074 ttconnect IDs created

78 Tender Notices Online published

Government Data Centre

99.45% availability of GovNeTT

64% ticket closure rate, GovNeTT



GovNeTT is the Wide Area Communications network commissioned for the government of Trinidad and Tobago, to seamlessly connect government ministries and state agencies.

GovNeTT Service Desk

- Successfully closed approximately 6175 tickets to the GovNeTT Service Desk.

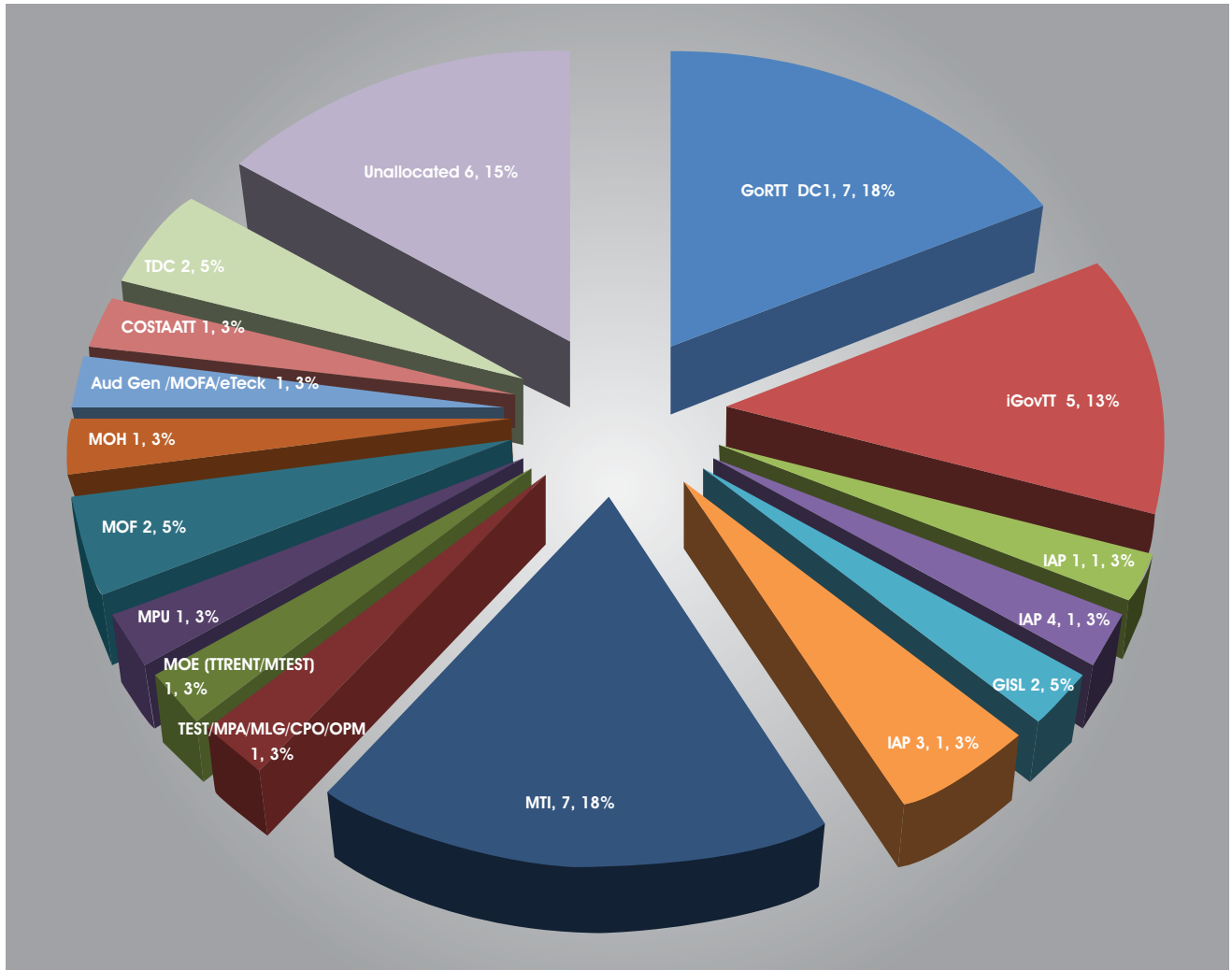
Gov.TT DNS

- Registration and administration of an additional 55 GOV.TT DNS records.

GovNeTT Data Centre Co-locations

- Data centre co-location services are utilised by 14 government ministries and agencies.
 - Ministry of Trade and Industry
 - The Ministry of Education
 - Ministry of Finance
 - Auditor General
 - Ministry of Public Administration
 - iGovTT
 - Ministry of Health
 - Ministry of Public Utilities
 - Ministry of Foreign and CARICOM Affairs
 - Ministry of Rural Development and Local Government
 - Chief Personnel Officer
 - Trinidad and Tobago National Research & Education Network (TTRENT)
 - College of Science, Technology and Applied Arts of Trinidad and Tobago (COSTATT)
 - Tourism Development Company (TDC)

RACK DISTRIBUTION BY MINISTRY (40 Available)



GovNeTT Usage

With the increased utilisation of GovNeTT services over the period, several bandwidth redistribution exercises have taken place, to ensure that the services provided meet the needs of the users. To this end, more than 30 bandwidth redistribution requests were completed over the course of the year.

GovNeTT Relocations

- 25 GovNeTT Kit relocations were completed.

Gov.tt e-mail

One of our mainstay service offerings continues to be that of Enterprise Exchange Mail via our Exchange 2007 platform. Over the period, there has been over 1500 requests for User Account Administration, which includes, password resets, account creation and migrations.



ttconnect, a division of iGovTT, provides public access to Government information, services and programmes offered by the Government and state agencies. This is done through various channels which includes the ttconnect Service Centres, ttconnect Online, ttconnect Express buses, ttconnect Self-Service Kiosks, ttconnect mobile, ttconnect Hotline through its Toll Free Contact number (800-8826), email addresses and its latest channel, ttGovChat.



ttconnect Channels and Utilisation

1. ttconnect Service Centres

With seven convenient locations nationwide - Arima, Bon Accord, Chaguanas, Curepe, Princes Town, Sangre Grande and St. James, ttconnect Service Centres offer an alternative to traveling to Ministries in order to access and submit application forms for government services. The satellite office at the Ministry of Trade and Industry in Port-of-Spain, only facilitates ttconnect ID and TTBizLink services.

During the period, the Service Centres facilitated:

34,725 applications for GoRTT services

11,785 general enquiries from citizens

48,385 service interactions

5,549 client feedback responses received

99.7% of clients reporting that they were satisfied with the service

95.3% of clients advised that they were attended to within ten minutes of entering the Service Centre

76.9% of clients completing their transaction within ten minutes





2. ttconnect Portal/Online

ttconnect Online is an e-portal that provides 24/7 access to government information and services. The e-portal is accessible via www.ttconnect.gov.tt and persons can search the website as a citizen, business or non-resident user. During 2017-2018 fiscal year, 2,782,065 visits were made to the portal.

The portal provides the authentication engine for the ttconnect ID for all GoRTT eServices. Single sign-on or SSO authentication has been implemented and is being used for e-Tax, a portal provided by the Inland Revenue Division for taxpayers to manage their tax accounts online. Over the period 14,074 ttconnect IDs were created and associated with this authentication service.



3. ttconnect Express

The ttconnect Express is our internet-enabled fleet of buses. These buses offer all the services of a ttconnect service centre, but are mobile, allowing ttconnect staff to reach citizens directly in their communities. During 2017-2018 fiscal year, the fleet made 69 trips to communities throughout Trinidad, facilitating 2,220 GoRTT service applications, distributing 307 government service forms and 1,954 general enquires were received. 4,481 service interactions were made. Table 4 provides a sample of communities visited by the ttconnect Express.

March 2018 heralded the onset of e-Tax application initiatives via the Express buses. The fleet visited commercial organisations to assist with the adoption of the e-Tax online service and more than 600 employees benefitted from this initiative.

TABLE 4
Sample of Communities visited by ttconnect Express fleet in 2017 - 2018

Barataria	California	Chaguanas	Couva	El Socorro
Five Rivers	Fyzabad	La Romain	Macoya	Marabella
Maracas, St. Joseph	Palo Seco	Penal	Point Lisas	Port of Spain
Rio Claro	Sangre Grande	San Fernando	San Juan	St. Augustine

4. ttconnect Self-Serve Kiosks

ttconnect Self-Serve Kiosks provide convenient access to Government information and services through a self-service user experience similar to that of an automated teller machine. The kiosks are located at the Piarco International Airport, PTSC's Deluxe Coach Lounge, San Fernando, ttconnect Service Centre Chaguanas, and Gulf City Mall, Lowlands, Tobago. Users can connect to ttconnect Online on the kiosks and view and print application forms. During 2017-2018 fiscal year, the kiosks facilitated 3,086 user sessions.



5. ttconnect Mobile

ttconnect Mobile allows users to access a mobile-enabled version of ttconnect Online by entering 'ttconnect.gov.tt' into their phone's browser. During 2017-2018 fiscal year, ttconnect Mobile experienced 247,649 visits.



6. ttconnect Toll Free Contact Number

The toll free contact number 800-TTCN (800-8826) allows the public to gain immediate telephone access to ttconnect Service Centres nationwide at no cost. The ttconnect Hotline also provides an avenue for citizens to send their requests for information on GoRTT related services to the ttconnect email accounts: info.ttconnect@gov.tt and feedback@gov.tt. During 2017-2018 fiscal year, 12,143 email requests were received and addressed.





#GovChat

LIVE CHAT



7. #GovChat

Launched in July 2018, #GovChat is a live chat platform where customers' queries on government information and services are answered almost immediately. Operational hours for #GovChat are Monday to Friday 8:00am to 6:00pm, and Saturdays 8:00am to 12:00pm, except public holidays. During the period July to September 2018, 12,215 #GovChat interactions were completed with an average of 74% for chat satisfaction and 78% for ticket satisfaction.

ttconnect Partnerships

ttconnect has partnered with various Ministries and Agencies to offer their services via the various ttconnect channels.

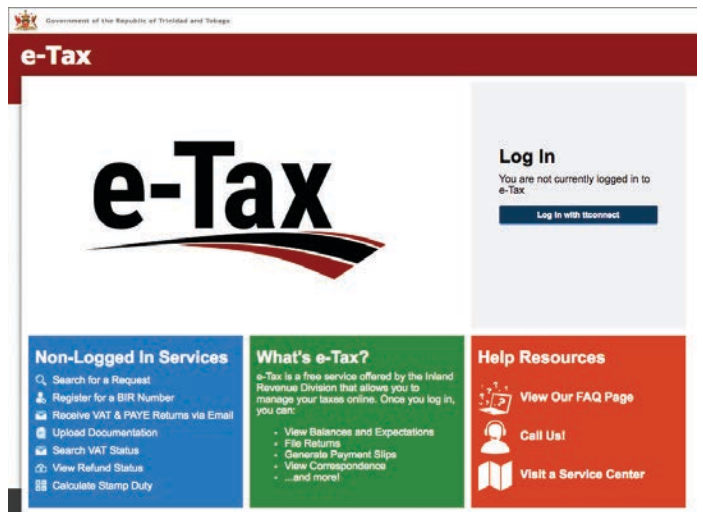
Pension Services Life Certificate Attestation

Through its visiting officers' model and in collaboration with the Treasury Division of the Ministry of Finance, ttconnect facilitated the Life Certificate Attestation service. The initiative took place over the course of four days in October 2017. A total of 1,127 pensioners were served within the Chaguanas community thus resulting in time and cost savings.



Filing Your Taxes Online

The Ministry of Finance's Division of Inland Revenue electronic tax filing system, e-Tax, was piloted through ttconnect in August 2015. During the period October 1, 2017 to September 30, 2018, 14,074 individuals were given access to the e-Tax service with their ttconnect IDs.





Contracts

Enterprise Agreement

The Enterprise Agreement (EA) is the most strategic direct relationship a government can have with Microsoft. In addition to the benefits inherent in a strategic partnership, the EA provides cash flow, cost savings and leverages economies of scale. Under the agreement, GoRTT receives Microsoft product upgrades, technical support and resolution to issues, training and access to consultancy hours for Microsoft projects. During the fiscal period, GoRTT continued to manage the Microsoft Enterprise Agreement (MEA). The MEA, which expires June 2019, has resulted in cost reductions through preferred Government pricing and negotiated terms.

Endpoint Security for GoRTT

GoRTT's enterprise-wide contract for the provision of an information security "products and services" solution provides a comprehensive solution to protect endpoints deployed across GoRTT. The management of this ensures that GoRTT continues to operate effectively and efficiently within a safe environment, that will assist in mitigating the risk of security breaches. Endpoint security protects against:

- Virus and malware events which may potentially result in a complete halt to GoRTT's electronic processing activities. GoRTT users may find themselves unable to send and receive emails for an indeterminate period.
- Ransom ware events that could potentially disable access to computing services and make unavailable associated GoRTT business processing activities.
- Data breaches resulting from malware that gain access to unprotected systems and leak data to malicious actors.



TTBizLink

iGovTT continues to provide support to the TTBizLink platform, through the management of the Service Level Agreements, on behalf of the Ministry of Trade and Industry.



Training & Development

In fiscal 2017-2018, training funds were allocated in line with the strategic objective of “Strengthening iGovTT’s internal capability in its core competencies for enhanced service delivery and customer satisfaction”. During the period, 25% of persons (22 employees) were identified for training and participated in training initiatives.

These initiatives included training of the Solution Architect Office in Building World Class Dashboards, Security and Assurance staff in Certified ISO Internal Controls Architecture and a further 17 employees participated in developmental training initiatives. 14 Client Service Specialists benefitted from training in Customer Service offered by the Ministry of Public Administration’s Government Training Centre at no cost to the organisation. Further, due to the imminent procurement requirements, members of the Procurement Unit were nominated to attend a seminar on the New Procurement Regulatory Framework hosted by the Coalition of Service Industries.

As the company moves forward in achieving its strategic objectives, increased training opportunities are expected to ensure that the staff are well equipped to deliver excellent service to iGovTT stakeholders.

Employee Relations

Employee Engagement Events

Several events were held during this fiscal period aimed at engendering esprit-de-corps. These were:

- iGovTT Christmas Celebrations
- iGovTT Town Hall Meeting
- Carnival Soiree and Extempo competition
- Strategic Plan Roll Out and Launch
- World Down Syndrome Day
- Administrative Professional Day
- Indian Arrival Day celebrations
- Emancipation Day celebrations
- ICT People Who Can Cook Cookout and Fun Events
- Independence Day celebrations
- Republic Day celebrations

iGovTT's After School Care Facility

The Company launched an after school care facility in January 2018. Its aim is to promote workplace productivity via satisfying the personal commitments of employees.



Student Vacation Internship Programme

Nine tertiary-level undergraduate students embarked on an intensive eight-week internship at iGovTT. During the eight-week programme, the interns were integrated into various areas in the company including IT project management, systems architecting, solution development, and production shared services operations. The programme equipped the students with skills, knowledge and capabilities to ensure that they evolve into well-rounded individuals and future leaders. The programme enabled the interns to gain first-hand experience in the ICT sector that complements their academic course of study and assisted in developing life skills.



Employee Assistance Programme (EAP)

The Company engaged the services of an EAP service provider and the contract was signed in June 2018. Petortrin Employee Assistance Programme (PEAPSL) an agency that provides professional consultancy to individuals in areas that may affect productivity such as stress, substance abuse, conflicts within departments, as well as personal issues have been retained as the company's provider of EAP services.

These services are available to iGovTT employees and their dependents and include counselling services and a 24 hour hotline available in cases of emergency and after working hours. They also provide assistance to help employees to regain a functional level of operating after situations of crisis.

Employee Opinion Survey

Employee Opinion Survey was conducted during the period. After experiencing a steep decline in 2017 where employee satisfaction was 33%, overall satisfaction working at the company increased by almost half with approximately 64% responding positively. The average for 2018 was 3.76, up from 2.98 in 2017.

Employees were pleased with the leadership and governance aspects of the company. For example, the indicator, 'The company's mission, vision, values and strategic direction are clearly defined', there was a marked increase of **69%** in 2018 who 'Agreed' and 'Strongly Agreed' as compared to only 16% in 2017. This may have been as a result of the communication of the strategic plan to all employees, via an internal launch in January 2018.



Year in Photos

Year in Photos



iGovTT's Strategic Plan launch



Emancipation Day celebrations



Employees at the company's ICT People Who Can Cook Cookout and Fun Events

Year in Photos



iGovTT's Chairman Esther Le Gendre and CEO Kirk Henry with Dr Permanand Mohan, Head, Computer and IT Department UWI, alongside participants of the 2017/2018 internship programme



ffconnect Client Service Representatives at the Trinidad and Tobago Regiment's Mortgage Fair 2018



L-R: PS Joan Mendez - MPA, Senator the Hon. Robert Le Hunte, Gery Brooks, Chairman of TSTT's Tender Committee and Esther Le Gendre, iGovTT Chairman at the eTender MOU Signing

Year in Photos



iGovTT's ICT Symposium entitled "Transforming Government ICT in a Changing Landscape"



CEO, Kirk Henry speaks to students at UWI's Department of Computing and IT, Boot Camp



iGovTT's representative at CANTO's Girls in ICT Day event

Audited

Financial Statements



NATIONAL INFORMATION AND COMMUNICATION TECHNOLOGY COMPANY LIMITED

FINANCIAL STATEMENTS

YEAR ENDING 30 SEPTEMBER 2018

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Statement of Changes in Shareholder's Equity	49
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FINANCIAL STATEMENTS

STATEMENT OF MANAGEMENT'S RESPONSIBILITIES

Management is responsible for the following:

- Preparing and fairly presenting the accompanying financial statements of National Information and Communication Technology Company Limited, which comprise the statement of financial position as at 30 September 2018, the statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information;
- Ensuring that the company keeps proper accounting records;
- Selecting appropriate accounting policies and applying them in a consistent manner;
- Implementing, monitoring and evaluating the system of internal control that assures security of the company's assets, detection/prevention of fraud, and the achievement of company operational efficiencies;
- Ensuring that the system of internal control operated effectively during the reporting period;
- Producing reliable financial reporting that comply with laws and regulations, including the Companies Act; and
- Using reasonable and prudent judgement in the determination of estimates.

In preparing these audited financial statements, management utilised the International Financial Reporting Standards, as issued by the International Accounting Standards Board and adopted by the Institute of Chartered Accountants of Trinidad and Tobago. Where International Financial Reporting Standards presented alternative accounting treatments, management chose those considered most appropriate in the circumstances.

Nothing has come to the attention of management to indicate that the Company will not remain a going concern for next twelve months from the reporting date; or up to the date the accompanying financial statements have been authorised for issue, if later.

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



Chief Executive Officer

18 December 2018



Chief Financial Officer

18 December 2018

FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF National Information and Communication Technology Company Limited

The Members

National Information and Communication Technology Company Limited

Opinion

We have audited the financial statements of National Information and Communication Technology Company Limited, which comprise the statement of financial position as at 30 September 2018, the statement of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of National Information and Communication Technology Company Limited as at 30 September 2018 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ('IFRSs').

Basis for Opinion

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

Responsibilities of Management and the Board of Directors for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the company's financial reporting process.

FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
National Information and Communication Technology Company Limited**Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

The previous year's accounts were audited by another firm of Chartered Accountants.

PKF

PKF

Chartered Accountants & Business Advisors

Barataria

Trinidad

18 December 2018

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

	<u>Notes</u>	<u>30 September</u>	
		<u>2018</u> <u>(\$)</u>	<u>2017</u> <u>(\$)</u>
ASSETS			
Current Assets:			
Cash and cash equivalents	5	114,903,172	124,249,114
Accounts receivable and prepayments	6	21,559,770	21,036,122
Taxation recoverable		<u>324,912</u>	<u>66,538</u>
Total Current Assets		136,787,854	145,351,774
Non-Current Assets			
Property, plant and equipment	7	<u>8,071,220</u>	<u>9,010,050</u>
Total Assets		<u>144,859,074</u>	<u>154,361,824</u>
LIABILITIES AND SHAREHOLDER'S EQUITY			
Current Liabilities:			
Accounts payable and accruals	8	12,667,057	10,124,170
Taxation payable		-	1,878,092
Deferred income	9	<u>2,560,227</u>	<u>4,823,683</u>
Total Current Liabilities		15,227,284	16,825,945
Non-Current Liabilities:			
Deferred taxation	10	<u>958,152</u>	<u>901,023</u>
Total Liabilities		<u>16,185,436</u>	<u>17,726,968</u>
Shareholders' Equity:			
Contributed capital	11	5,393,923	5,393,923
Accumulated surplus		<u>123,279,715</u>	<u>131,240,933</u>
Total Shareholder's Equity		<u>128,673,638</u>	<u>136,634,856</u>
Total Liabilities and Shareholder's Equity		<u>144,859,074</u>	<u>154,361,824</u>

These financial statements were approved by the Board of Directors and authorised for issue on 18 December 2018 and signed on their behalf by:


Director


Director

(The accompanying notes form an integral part of these financial statements)

FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE INCOME

		For the year ended 30 September	
	Notes	2018 (\$)	2017 (\$)
Income:			
<u>Operating Income:</u>			
Subvention	16	29,000,000	39,635,500
Project management fees		(161,005)	416,228
Tender fees		122,727	26,929
Project income	17	<u>13,128,209</u>	<u>1,823,419</u>
		42,089,931	41,902,076
Less: Operating costs	18	<u>(12,619,086)</u>	<u>(2,184,910)</u>
Operating surplus		29,470,845	39,717,166
<u>Other income:</u>			
Interest income		28	51
Other income		<u>29,104</u>	<u>157,238</u>
Total Income		<u>29,499,977</u>	<u>39,874,455</u>
Expenditure:			
Administrative expenses	19	39,332,684	42,229,099
(Gain)/loss on foreign exchange translation		<u>(6,954)</u>	<u>6,421</u>
Total Expenditure		<u>39,325,730</u>	<u>42,235,520</u>
Net loss before taxation		(9,825,753)	(2,361,065)
Taxation	22	<u>1,864,535</u>	<u>(60,568)</u>
Net loss for the year		(7,961,218)	(2,421,633)
Other comprehensive loss:			
<u>Items that may not be reclassified subsequently to profit or loss:</u>			
Prior year adjustment		-	(1,521,786)
Depreciation on Vested Assets		-	<u>169,000</u>
Total Comprehensive Loss for the year		<u>(7,961,218)</u>	<u>(3,774,419)</u>

(The accompanying notes form an integral part of these financial statements)

FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN EQUITY

	Stated Capital (\$)	Accumulated Surplus (\$)	Total Equity (\$)
Balance as at 1 October 2016	22,293,923	135,015,352	157,309,275
Share application – vested assets rescinded	(16,900,000)	169,000	(16,731,000)
Prior year adjustment	-	(1,521,786)	(1,521,786)
Total Comprehensive Loss for the year	<u>-</u>	<u>(2,421,633)</u>	<u>(2,421,633)</u>
Balance as at 30 September 2017	<u>5,393,923</u>	<u>131,240,933</u>	<u>136,634,856</u>
Balance as at 1 October 2017	5,393,923	131,240,933	136,634,856
Total Comprehensive Loss for the year	<u>-</u>	<u>(7,961,218)</u>	<u>(7,961,218)</u>
Balance as at 30 September 2018	<u>5,393,923</u>	<u>123,279,715</u>	<u>128,673,638</u>

(The accompanying notes form an integral part of these financial statements)

FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS

	For the year ended 30 September	
	<u>2018</u> (\$)	<u>2017</u> (\$)
Operating Activities:		
Net loss before taxation	(9,825,753)	(2,361,065)
Adjustment for:		
Depreciation	1,666,621	1,719,891
(Gain)/loss on disposal of property, plant and equipment	(63,449)	3,716
Prior year adjustment	<u>-</u>	<u>(1,521,786)</u>
	(8,222,581)	(2,159,244)
Changes in non-cash working capital changes:		
Net change in accounts receivables and prepayments	(523,648)	48,370,463
Net change in accounts payable and accruals	2,542,887	(33,561,007)
Net change in deferred income	(2,263,456)	(19,907,512)
Taxation paid (net)	<u>(214,802)</u>	<u>(982,901)</u>
Cash used in operating activities	<u>(8,681,600)</u>	<u>(8,240,201)</u>
Financing Activities:		
Proceeds from disposal of property, plant and equipment	343,719	1,624
Purchase of property, plant and equipment	<u>(1,008,061)</u>	<u>(971,724)</u>
Cash used in financing activities	<u>(664,342)</u>	<u>(970,100)</u>
Net change in cash resources	(9,345,942)	(9,210,301)
Cash resources, beginning of year	<u>124,249,114</u>	<u>133,459,415</u>
Cash resources, end of year	<u>114,903,172</u>	<u>124,249,114</u>
Represented by:		
Cash and cash equivalents	<u>114,903,172</u>	<u>124,249,114</u>

(The accompanying notes form an integral part of these financial statements)

FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2018

1. **Incorporation and Principal Business Activity:**

The National Information and Communication Technology Company Limited ("the company" or iGovTT) was incorporated in the Republic of Trinidad and Tobago on the 20 July 2009 and is wholly owned by the Government of the Republic of Trinidad and Tobago. The registered office is situated at Lord Harris Court, #52 Pembroke Street, Port-of-Spain.

The principal activity of the organisation is the execution and administration of enterprise-wide Information and Communication Technology (ICT) Strategies and Programmes for Ministry Departments, Divisions and Agencies. The objective is to ensure more effective alignment, coordination, integration, consistency, security, inter-operability and cost effectiveness of ICT-related projects and initiatives. It also managed ttConnect – a Government portal that allows the public to access a myriad of Government services.

2. **Summary of Significant Accounting Policies:**

a) **Basis of Financial Statements Preparation -**

These financial statements are prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB). They are stated in Trinidad and Tobago dollars, expressed in whole dollars and prepared on the historical cost basis.

b) **Fair Value**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

For financial reporting purposes, fair value measurements are categorised into Levels 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable:

- Level 1 inputs are considered the most reliable evidence of fair value and consist of quoted prices in active markets for identical assets or liabilities;
- Level 2 inputs are inputs (other than quoted prices within Level 1) that are either directly or indirectly observable. They are used when quoted prices for the identical asset or liability are not available; and
- Level 3 inputs are unobservable inputs and are used if little or no market activity occurs for the asset or liability.

FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2018

2. Summary of Significant Accounting Policies (Cont'd):**c) New Accounting Standards and Interpretations -**

The company has not applied the following standards, revised standards and interpretations that have been issued but are not yet effective as they either do not apply to the activities of the company or have no material impact on its financial statements.

IFRS 1	First-time Adoption of Financial Reporting Standards - Amendments regarding the deletion of short-term exemptions for first-time adopters (effective for accounting periods beginning on or after 1 January 2018).
IFRS 2	Share-based Payment - Amendments regarding the classification and measurement of share-based payment transactions (effective for accounting periods beginning on or after 1 January 2018).
IFRS 4	Insurance Contracts - Amendments regarding the application of IFRS 9 'Financial Instruments' with IFRS 4 'Insurance Contracts' (effective for accounting periods beginning on or after 1 January 2018).
IFRS 9	Financial Instruments (effective for accounting periods beginning on or after 1 January 2018).
IFRS 9	Financial Instruments - Amendments regarding the application of IFRS 9 'Financial Instruments' with IFRS 4 'Insurance Contracts' (effective for accounting periods beginning on or after 1 January 2018).
IFRS 9	Financial Instruments - Amendments regarding prepayment features with negative compensation (effective for accounting periods beginning on or after 1 January 2019).
IFRS 15	Revenue from Contracts with Customers (effective for accounting periods beginning on or after 1 January 2018).
IFRS 16	Leases (effective for accounting periods beginning on or after 1 January 2019).
IFRS 17	Insurance Contracts (effective for accounting periods beginning on or after 1 January 2021).
IAS 28	Investment in Associates - Amendments regarding the long-term interests in associates and Joint Ventures (effective for accounting periods beginning on or after 1 January 2019).
IAS 40	Investment Property - Amendments regarding the transfer of investment property (effective for accounting periods beginning on or after 1 July 2018).

FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2018

2. Significant Accounting Policies (Cont'd):**c) New Accounting Standards and Interpretations (cont'd) -**

IFRIC 22	Foreign Currency Transactions and Advance Consideration (effective for accounting periods beginning on or after 1 January 2018).
IFRIC 23	Uncertainty over Income Tax Treatments (effective for accounting periods beginning on or after 1 January 2019).

The company has not applied IFRS 9 which has been issued but is not yet effective. Although its effect is likely to be significant, the impact cannot be determined with any degree of certainty, particularly with regard to twelve-month and life-time expected credit loss.

d) Property, plant and equipment -

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of the equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separated items of property, plant and equipment.

The assets' residual values and useful lives are reviewed and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2018

2. Significant Accounting Policies (Cont'd):**d) Property, plant and equipment (cont'd) -**

Depreciation is provided using the reducing balance method (buildings straight-line method). The following rates considered appropriate to write-off the assets over their estimated useful lives are applied:

Buildings	-	2%	Furniture and Fittings	-	12.5%
Office Equipment	-	12.5%	Computers Equipment	-	25%
Motor Vehicles	-	25%	Leasehold Improvements	-	12.5%

No depreciation is provided on Work-in-Progress.

e) Financial Instruments -

Financial assets and financial liabilities are recognised on the company's Statement of Financial Position when the company becomes a party to the contractual provisions of the instrument.

Financial assets*Classification*

The company classified its financial assets in the following categories:

- **Loans and receivables:**
These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.
- **Held-to-maturity:**
These are non-derivative financial assets fixed or determinable payments and fixed maturity dates where management has the positive intention and the ability to hold to maturity.
- **At fair value through profit and loss:**
These are irrevocable designated upon initial recognition and changes in fair value are recognised in profit and loss.
- **Available for sale:**
These are those not classified as loans and receivables, held-to-maturity investments or at fair value through profit or loss.

FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2018

2. Significant Accounting Policies (Cont'd):**e) Financial Instruments (cont'd) -***Recognition and Measurement*

Financial assets are initially recognised at fair value plus transactions costs except for financial assets at fair value through profit and loss, which are recognised at fair value. Transaction costs for financial assets at fair value through profit and loss are recognised immediately as expenses. Regular purchases and sales of financial assets are recognised on the trade date – date on which the company commits to purchase or sell the asset.

Derecognition

Financial assets are derecognised when the contractual right to receive the cash flows from these assets have ceased to exist or the assets have been transferred and substantially all the risks and rewards of ownership of the assets are also transferred.

Cash and Cash Equivalents

Cash and cash equivalents consist of highly liquid investments with original maturities of three months or less and are carried at cost, which approximates market value.

Accounts Receivable and Prepayments

Accounts receivable are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in the Statement of Comprehensive Income when there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

Accounts Payable and Accruals

Accounts payable and accruals are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2018

2. Significant Accounting Policies (Cont'd):**f) Taxation -**Current Tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the date of the Statement of Financial Position.

Deferred Tax

Deferred income tax is provided, using the liability method on all temporary differences at the date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

g) Government subvention -

Grants from the Government of the Republic of Trinidad and Tobago are recognised at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all the attached conditions.

Unconditional grants related to the on-going operations of the company are recognised when the amount can be reliably measured and it is probable that future economic benefits will flow to the company.

Grants that relate to recurrent costs are deferred as liabilities and recognised in the Statement of Comprehensive Income over the period necessary to match them with the costs they are intended to compensate. Grants in excess of recurrent costs are deferred.

Grants that relate to capital costs are recognised in the Statement of Comprehensive Income as revenue on a systematic basis over the life of the asset.

FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2018

2. Significant Accounting Policies (Cont'd):**h) Stated capital -**

The stated capital consists of a **\$5,000,010** capital investment by the Government of the Republic of Trinidad and Tobago.

During the fiscal year 2016 and 2017, there was a transfer of capital investment in accordance with Cabinet decision dated 23 April 2009 of vested assets, which instructed the company to treat said assets as stated capital. The company has recognised as a capital injection, the transfer of two motor vehicles for use in the operations of the company. The value of the capital injection is the fair value of the assets at the date of transfer. The value was determined by an external independent valuator. Although the initial transfer was for two motor vehicles and a building, the decision to transfer the building was rescinded on 13 July 2017 through Cabinet Minute Note 127.

i) Operating leases -

The leases entered into by the company which do not transfer substantially all the risk and benefits of ownership are classified as operating leases. The total payments made under operating leases are charged to other operating expenses in 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.

j) Provisions -

A provision is recognised if, as a result of a past event, the company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

k) Borrowings -

Borrowings are initially measured at transaction price (that is the present value of cash payable to the lender, including transaction costs). Borrowings are subsequently stated at amortised cost. Interest expense is recognised on the basis of the effective interest rate method and is included in finance costs.

Borrowings costs are recognised in profit and loss in the period in which they are incurred.

FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2018

2. Significant Accounting Policies (Cont'd):**l) Impairment -**

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

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the Statement of Comprehensive Income.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

m) Revenue Recognition -*Subvention*

This pertains to grants from the Government of the Republic of Trinidad and Tobago ("GORTT") to fund the operations of the company and GORTT ICT-wide projects.

Project Management Fees

This pertains to fees for managing projects and consultation on ICT procurement performed for GORTT and state entities.

Other Income

This pertains to income from various sources including interest income and tender fees.

n) Foreign Currency Transactions -

Foreign currency transactions are translated at the exchange rates ruling at the date of the transactions and any gains or losses arising are taken into the Statement of Comprehensive Income. Assets and liabilities denominated in foreign currencies are expressed in Trinidad and Tobago currency at rates of exchange ruling at the reporting date.

o) Comparative Information -

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

FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2018

3. Financial Risk Management:**Risk Management**

The risk management process is an integral part of management and it is vital in the health and safety of employees and members of the public.

Risk management structure

The company's risk management structure assigns responsibilities to the following as outlined in the State Enterprises Performance Monitoring Manual.

Role of the Board

The Board of Directors, under the Companies Act 1995, directs the management of the business and affairs for the company. The Board performs a set of specific functions aimed at meeting the mission of the company. Its main responsibility lies in planning, monitoring and controlling the activities of the company so as to ensure optimal utilisation of its resources and the achievement of its corporate objectives. It ensures that policies and business decisions taken at the Board level are implemented. The Board also ensures that the policies and objectives of the company reflect the policies of the Government of the Republic of Trinidad and Tobago (GORTT). It is the Board's responsibility to ensure the company is staffed by competent senior management personnel, to set standards and to review managerial performance in the context of the company's objectives.

Role of Internal Audit

Internal audit is an independent, objective, assurance and consulting activity designed to add value and improve the company's operations. It helps the company to achieve its objectives by evaluating the effectiveness of risk management, control and governance processes.

Role of the Finance Committee

This Committee is appointed by the Board to act in an advisory capacity. The Committee's primary duties and responsibilities are to formulate and recommend policies and procedures to the Board for approval. The Committee also continually reviews policies and procedures in light of economic and business conditions, to ensure relevance to the company and where needed, make recommendations for Board approval.

FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2018

3. **Financial Risk Management (Cont'd):**a) **Interest Rate Risk (cont'd) -**Interest Rate Sensitivity Analysis

The company's exposure to interest rate risk is summarised in the table below, which analyses assets and liabilities at their carrying amounts categorised according to their maturity dates.

		2018					
	Interest Rate (\$)	Up to 1 year (\$)	1 to 5 years (\$)	Over 5 years (\$)	Non-Interest Bearing (\$)	Total (\$)	
Financial Assets							
Cash and cash equivalents	0.08%	114,895,172	-	-	8,000	114,903,172	
Accounts receivable and prepayments	0.00%	-	-	-	21,559,770	21,559,770	
		<u>114,895,172</u>	<u>-</u>	<u>-</u>	<u>21,567,770</u>	<u>136,462,942</u>	
Financial Liabilities							
Accounts payable and accruals	0.00%	-	-	-	12,667,057	12,667,057	
		<u>-</u>	<u>-</u>	<u>-</u>	<u>12,667,057</u>	<u>12,667,057</u>	
		2017					
	Interest Rate (\$)	Up to 1 year (\$)	1 to 5 years (\$)	Over 5 years (\$)	Non-Interest Bearing (\$)	Total (\$)	
Financial Assets							
Cash and cash equivalents	0.08%	124,241,144	-	-	8,000	124,249,144	
Accounts receivable and prepayments	0.00%	-	-	-	21,036,122	21,036,122	
		<u>124,241,144</u>	<u>-</u>	<u>-</u>	<u>21,044,122</u>	<u>145,285,236</u>	
Financial Liabilities							
Accounts payable and accruals	0.00%	-	-	-	10,124,170	10,124,170	
		<u>-</u>	<u>-</u>	<u>-</u>	<u>10,124,170</u>	<u>10,124,170</u>	

FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2018

3. **Financial Risk Management (Cont'd):**b) **Credit Risk -**

Credit risk arises when a failure by counter parties to discharge their obligations could reduce the future cash inflows from financial assets on hand at the reporting date. The company relies on its policies and guidelines on trade debtor management, which establishes the policies governing the granting of credit to customers and provides a comprehensive framework for prudent risk management of the credit function. These guidelines communicate the company's credit philosophy; provide policy guidelines to team members involved in granting credit; establish minimum standards for credit analysis, documentation, decision making and post-disbursement administration; and create the foundation for a sound credit portfolio.

The company's debtor' portfolio is managed and consistently monitored by management and where necessary, provisions have been established for potential credit losses on delinquent accounts.

Cash balances are held with high credit quality financial institutions and the company has policies to limit the amount of exposure to any single financial institution.

The company also actively monitors global economic developments and government policies.

The maximum exposure to credit risk at year end was:

	30 September	
	2018	2017
	(\$)	(\$)
Trade receivables, net	14,728,951	8,848,890
Cash	<u>114,903,172</u>	<u>124,249,114</u>
	<u>129,632,123</u>	<u>133,098,004</u>
<i>Credit risk</i>		
The aging of trade receivables at year-end was:		
	1,384,208	786,566
Current	178,275	344,284
1-30 days due	5,481,698	(91,995)
31-90 days due	<u>8,199,600</u>	<u>9,199,099</u>
Over 90 days due	<u>15,243,781</u>	<u>10,237,954</u>

No impairment losses were recognised for trade receivables in 2018 (2017: Nil).

FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2018

3. **Financial Risk Management (Cont'd):**c) **Liquidity Risk -**

Liquidity risk is the risk that arises when there is a mismatch in the maturity of assets and liabilities. Although an unmatched position can enhance profitability, it also increases the risk of losses. To minimise such losses, the company maintaining sufficient cash and other highly liquid current assets and has credit facilities available.

Liquidity Gap

The table below, which analyses assets and liabilities based on the remaining period from the reporting date to the contractual maturity date, summarises the company's exposure to liquidity risk:

2018				
	Up to 1 year (\$)	1 to 5 years (\$)	Over 5 Years (\$)	Total (\$)
Financial Assets				
Cash and cash equivalents	114,903,172	-	-	114,903,172
Accounts receivable and prepayments	<u>21,559,770</u>	<u>-</u>	<u>-</u>	<u>21,559,770</u>
	<u>136,462,942</u>	<u>-</u>	<u>-</u>	<u>136,462,942</u>
Financial Liabilities				
Accounts payable and accruals	<u>12,667,057</u>	<u>-</u>	<u>-</u>	<u>12,667,057</u>
	<u>12,667,057</u>	<u>-</u>	<u>=</u>	<u>12,667,057</u>
2017				
	Up to 1 year (\$)	1 to 5 years (\$)	Over 5 Years (\$)	Total (\$)
Financial Assets				
Cash and cash equivalents	124,249,114	-	-	124,249,114
Accounts receivable and prepayments	<u>21,036,122</u>	<u>-</u>	<u>-</u>	<u>21,036,122</u>
	<u>145,285,236</u>	<u>-</u>	<u>=</u>	<u>145,285,236</u>
Financial Liabilities				
Accounts payable and accruals	<u>10,124,170</u>	<u>-</u>	<u>-</u>	<u>10,124,170</u>
	<u>10,124,170</u>	<u>-</u>	<u>=</u>	<u>10,124,170</u>

FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2018

3. Financial Risk Management (Cont'd):**d) Currency Risk -**

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the company's measurement currency. The company is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the United States Dollar. The company's management monitors the exchange rate fluctuations on a continuous basis and acts accordingly.

e) Operational Risk -

Operational risk is the risk that derives from deficiencies relating to the company's information technology and control systems, as well as the risk of human error and natural disasters. The company's systems are evaluated, maintained and upgraded continuously.

f) Compliance Risk -

Compliance risk is the risk of financial loss, including fines and other penalties, which arise from non-compliance with laws and regulations of the state. The risk is limited to the extent of monitoring controls applied by the company.

g) Reputation Risk -

The risk of loss of reputation arising from the negative publicity relating to the company's operations (whether true or false) may result in a reduction of its clientele, reduction in revenue and legal cases against the company. The company applies a strategy of public relations exercises to minimise this risk.

4. Critical Accounting Estimates and Judgments:

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires management to exercise its judgment in the process of applying the company's accounting policies. It also requires the use of 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 revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2018

4. Critical Accounting Estimates and Judgments (Cont'd):

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from those estimates and assumptions concerning the future.

Changes in accounting estimates are recognised in the Statement of Comprehensive Income in the period in which the estimate is changed, if the change affects that period only, or in the period of the change and future periods if the change affects both current and future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date (requiring management's most difficult, subjective or complex judgements) that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

i) Impairment of assets

Management assesses at each reporting date whether assets are impaired. An asset is impaired when the carrying value is greater than its recoverable amount and there is objective evidence of impairment. Recoverable amount is the present value of the future cash flows. Provisions are made for the excess of the carrying value over its recoverable amount.

ii) Property, plant and equipment

Management exercises judgement in determining (i) whether future economic benefits can be derived from expenditures to be capitalised; and (ii) the useful lives and residual values of these assets.

iii) Provisions

The recognition of provisions involves assumptions about the probability, amount and timing of an outflow of resources embodying economic benefits. A provision is recognised to the extent that an outflow of resources embodying economic benefits is probable and a reliable estimate can be made.

iv) Contingent liabilities

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

FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2018

4. Critical Accounting Estimates and Judgments (Cont'd):**v) Revenue**

The organisation recognises revenue when the value can be reliably measured and when it is probable that future economic benefit will flow to the organisation.

vi) Income taxes

Estimates are required in determining the charge for income taxes. There are some transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The company recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due.

Where the final outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax liabilities in the period in which such determination is made

5. Cash and Cash Equivalents:

	30 September	
	<u>2018</u> (\$)	<u>2017</u> (\$)
Cash in hand	8,000	8,000
Cash at bank – iGovTT	109,466,863	119,894,528
Cash at bank – ttConnect	<u>5,428,309</u>	<u>4,346,586</u>
	<u>114,903,172</u>	<u>124,249,114</u>

FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2018

6. Accounts Receivable and Prepayments:

	30 September	
	<u>2018</u>	<u>2017</u>
	(\$)	(\$)
Trade receivables	15,243,781	10,237,954
Provision for doubtful debts	<u>(514,830)</u>	<u>(1,389,064)</u>
	14,728,951	8,848,890
Deferred expenses	1,869,972	4,716,655
VAT recoverable	4,823,958	4,061,074
Other receivable	<u>136,889</u>	<u>3,409,503</u>
	<u>21,559,770</u>	<u>21,036,122</u>
<u>Provision for Doubtful Debts</u>		
Balance at beginning of year	1,389,064	1,437,552
Bad debts recovered	<u>(874,234)</u>	<u>(48,488)</u>
Balance at end of year	<u><u>514,830</u></u>	<u><u>1,389,064</u></u>

FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2018

7. Property, Plant and Equipment

	Furniture and Fittings (\$)	Office Equipment (\$)	Computer Equipment (\$)	Motor Vehicles (\$)	Leasehold Improvements (\$)	Work in Progress (\$)	Total (\$)
Cost							
Balance as at 1 October 2017	5,834,726	3,404,126	6,732,302	2,653,825	-	150,796	18,775,775
Additions	35,399	154,754	41,598	340,000	416,150	20,160	1,008,061
Reclassifications	(5,584,785)	-	-	-	5,584,785	-	-
Disposals	-	-	(5,954)	(563,251)	-	-	(569,205)
Balance as at 30 September 2018	<u>285,340</u>	<u>3,558,880</u>	<u>6,767,946</u>	<u>2,430,574</u>	<u>6,000,935</u>	<u>170,956</u>	<u>19,214,631</u>
Accumulated Depreciation							
Balance as at 1 October 2017	1,740,868	1,816,470	4,301,349	1,907,038	-	-	9,765,725
Charge for the year	21,891	235,947	750,117	149,550	509,116	-	1,666,621
Reclassifications	(1,650,574)	-	-	-	1,650,574	-	-
Disposals	-	-	(1,477)	(287,458)	-	-	(288,935)
Balance as at 30 September 2018	<u>112,185</u>	<u>2,052,417</u>	<u>5,049,989</u>	<u>1,769,130</u>	<u>2,159,690</u>	<u>-</u>	<u>11,143,411</u>
Net Book Value							
Balance as at 30 September 2018	<u><u>173,155</u></u>	<u><u>1,506,463</u></u>	<u><u>1,717,957</u></u>	<u><u>661,444</u></u>	<u><u>3,841,245</u></u>	<u><u>170,956</u></u>	<u><u>8,071,220</u></u>
Balance as at 30 September 2017	<u><u>4,093,858</u></u>	<u><u>1,587,656</u></u>	<u><u>2,430,953</u></u>	<u><u>746,787</u></u>	<u><u>-</u></u>	<u><u>150,796</u></u>	<u><u>9,010,050</u></u>

FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2018

7. Property, Plant and Equipment (Cont'd):

	Building (\$)	Furniture and Fittings (\$)	Office Equipment (\$)	Computer Equipment (\$)	Motor Vehicles (\$)	Work in Progress (\$)	Total (\$)
Cost							
Balance as at 1 October 2016	16,900,000	5,830,722	3,292,052	6,293,016	2,410,250	-	34,726,040
Additions	-	4,004	112,074	461,276	243,575	150,796	971,725
Disposals	<u>(16,900,000)</u>	<u>-</u>	<u>-</u>	<u>(21,990)</u>	<u>-</u>	<u>-</u>	<u>(16,921,990)</u>
Balance as at 30 September 2017	<u>-</u>	<u>5,834,726</u>	<u>3,404,126</u>	<u>6,732,302</u>	<u>2,653,825</u>	<u>150,796</u>	<u>18,775,775</u>
Accumulated Depreciation							
Balance as at 1 October 2016	169,000	1,156,424	1,596,790	3,637,628	1,671,641	-	8,231,483
Charge for the year	-	584,444	219,680	680,370	235,397	-	1,719,891
Disposals	<u>(169,000)</u>	<u>-</u>	<u>-</u>	<u>(16,649)</u>	<u>-</u>	<u>-</u>	<u>(185,649)</u>
Balance as at 30 September 2017	<u>-</u>	<u>1,740,868</u>	<u>1,816,470</u>	<u>4,301,349</u>	<u>1,907,038</u>	<u>-</u>	<u>9,765,725</u>
Net Book Value							
Balance as at 30 September 2017	<u>-</u>	<u>4,093,858</u>	<u>1,587,656</u>	<u>2,430,953</u>	<u>746,787</u>	<u>150,796</u>	<u>9,010,050</u>
Balance as at 30 September 2016	<u>16,731,000</u>	<u>4,674,298</u>	<u>1,695,262</u>	<u>2,655,388</u>	<u>738,609</u>	<u>-</u>	<u>26,494,557</u>

FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2018

8. **Accounts Payable and Accruals:**

	30 September	
	2018 (\$)	2017 (\$)
Trade payables	8,583,980	3,981,011
Accruals	2,979,558	3,947,237
Other	1,103,519	2,195,922
	<u>12,667,057</u>	<u>10,124,170</u>

9. **Deferred Income:**

	30 September	
	2018 (\$)	2017 (\$)
<i>Advance Payments -</i>		
Balance at beginning of the year	4,823,683	3,526,106
Advanced billings	-	15,761,219
Transfer to Statement of Comprehensive Income	(2,263,456)	(14,463,642)
Balance as at end of the year	<u>2,560,227</u>	<u>4,823,683</u>
<i>Microsoft Agreement -</i>		
Balance at beginning of the year	-	-
Increases	-	21,205,089
Reversals during the year	-	(21,205,089)
Balance as at end of the year	<u>-</u>	<u>-</u>
	<u>2,560,227</u>	<u>4,823,683</u>

FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2018

10. **Deferred Taxation:**

	30 September	
	<u>2018</u>	<u>2017</u>
	(\$)	(\$)
Balance at beginning of year	901,023	1,196,772
Effect on Statement of Comprehensive Income	<u>57,129</u>	<u>(295,749)</u>
Balance at end of year	<u>958,152</u>	<u>901,023</u>
Deferred taxation is attributable to the following item:		
Excess of net-book-value over written-down value	<u>958,152</u>	<u>901,023</u>

11. **Stated Capital:**

	30 September	
	<u>2018</u>	<u>2017</u>
	(\$)	(\$)
Authorised		
Unlimited number of shares at no par value		
Issued and outstanding		
10 shares at no par value	10	10
Issued and fully paid		
5,000,000 shares at no par value	5,000,000	5,000,000
Share application *	<u>393,913</u>	<u>393,913</u>
	<u>5,393,923</u>	<u>5,393,923</u>

* This relates to assets vested to the company by the Government of the Republic of Trinidad and Tobago (GORTT), which forms part of the company's stated capital as instructed by Cabinet decision dated 23 April 2009.

FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2018

12. Related Party Transactions:

As the company is wholly owned by the Government of the Republic of Trinidad and Tobago (GORTT) and given its mandate, these are the significant transactions entered into with other government controlled entities (Ministries and State Agencies):

- Contracts for Procurement
- Contract Management for enterprise wide government agreements for government ministries.

Key management personnel

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

	30 September	
	<u>2018</u>	<u>2017</u>
	(\$)	(\$)
Short-term benefits:		
Directors	561,000	474,777
Executive Management	6,089,181	6,780,860
Post employment benefits:		
Executive Management	<u>1,325,258</u>	<u>1,212,019</u>
	<u>7,975,439</u>	<u>8,467,656</u>

13. Fair Values:

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable, willing parties in an arm's length transaction. The existence of published price quotation in an active market is the best evidence of fair value. Where market prices are not available, fair values are estimated using various valuation techniques, including using recent arm's length market transactions between knowledgeable, willing parties, if available, current fair value of another financial instrument that is substantially the same and discounted cash flow analysis.

The following methods have been used to estimate the fair values of various classes of financial assets and liabilities:

Current Assets and Liabilities

The carrying amounts of current assets and liabilities are a reasonable approximation of the fair values because of their short-term nature.

FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2018

14. Capital Risk Management:

The company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to its shareholder, whilst providing value to the clients. The company's overall strategy remains unchanged from previous years.

The capital structure of the company consists of equity attributable to its shareholder, and comprises stated capital and accumulated surplus.

15. Operating Leases:

	30 September	
	<u>2018</u>	<u>2017</u>
	(\$)	(\$)
Non-cancellable operating lease rentals are payable as follows:		
Less than one year	1,952,400	2,143,029
Between one and five years	<u>7,809,600</u>	<u>8,572,118</u>
	<u>9,762,000</u>	<u>10,715,147</u>

During the year, **\$1,920,969** (2017: \$2,202,163) was recognized as an expense in the Statement of Comprehensive Income in respect of operating leases.

16. Subvention:

	30 September	
	<u>2018</u>	<u>2017</u>
	(\$)	(\$)
Balance, beginning of the year	-	-
Subventions received during the year – iGovTT	21,000,000	31,100,000
Subventions received during the year – ttConnect	8,000,000	8,535,500
Recognised in Statement of Comprehensive Income	<u>(29,000,000)</u>	<u>(39,635,000)</u>
Balance, end of the year	<u>-</u>	<u>-</u>

Funding for the operations of the company is provided through Government subvention. During the year the company received subventions for recurrent expenditure in the sum of **\$29,000,000** for the year ended 30 September 2018 (2017: **\$39,635,500**).

FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2018

17. **Project Income:**

	30 September	
	2018 (\$)	2017 (\$)
Advance Payments	8,431,097	8,891,783
Microsoft Agreement	<u>4,697,112</u>	<u>(7,068,364)</u>
	<u>13,128,209</u>	<u>1,823,419</u>
iGovTT	12,870,209	1,565,419
ttConnect	<u>258,000</u>	<u>258,000</u>
	<u>13,128,209</u>	<u>1,823,419</u>

18. **Operating Costs:**

	30 September	
	2018 (\$)	2017 (\$)
Contracted Services - Local	3,934,556	1,560,011
Contracted Services - Foreign	<u>8,684,530</u>	<u>624,899</u>
	<u>12,619,086</u>	<u>2,184,910</u>
iGovTT	<u>12,619,086</u>	<u>2,184,910</u>

Operating costs comprise expenses incurred by the company in engaging service providers with respect to the physical infrastructure, software and maintenance services associated with the provision of ICT services to the GORTT for projects such as Government Wide Area Network (GovNetT), Single Electronic Window (SEW), Portal, Microsoft and others.

19. **Administrative Expenses:**

	30 September	
	2018 (\$)	2017 (\$)
iGovTT (Note 20)	32,927,830	34,336,982
ttConnect (Note 21)	<u>6,404,854</u>	<u>7,892,117</u>
	<u>39,332,684</u>	<u>42,229,099</u>

FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2018

20. Administrative Expenses - iGovTT:

	30 September	
	<u>2018</u>	<u>2017</u>
	(\$)	(\$)
Advertising	21,061	49,526
Audit fees	210,000	212,450
Bad debt expense	(874,234)	(48,488)
Bank charges	14,058	11,529
Board expenses	59,595	62,526
Building maintenance	2,467,500	302,377
Depreciation	1,666,621	1,719,891
Director expenses	561,000	473,446
Donations	-	(1,000)
Electricity	245,567	327,935
Equipment repairs and maintenance	44,866	17,871
Functions	-	(534)
(Gain)/loss on disposal of property, plant and equipment	(63,449)	3,716
Insurance	127,910	143,315
Janitorial	458,513	466,168
Laundry	-	4,896
Legal fees	241,402	197,557
Meeting expenses	8,872	5,964
Motor vehicle expenses	30,754	38,777
NIS – Employer’s contributions	1,129,206	1,317,608
Office expenses	136,717	176,589
Postage	1,439	6,220
Printing and stationery	47,597	46,096
Professional fees	1,480,189	875,372
Publications	41,439	34,149
Publicity and promotion	16,415	(7,950)
Recruitment expense	171,808	180,893
Rental – equipment	112,446	192,311
Rental – property	780,000	845,000
Rental – vehicles	-	18,330
Salaries and wages	22,063,996	24,779,726
Short-term employment	112,623	36,523
Security	421,682	832,472
Specialised ICT equipment	37,824	9,875
Staff and organisational development	62,636	65,574
Software licences	192,955	374,871
Subscriptions	10,427	11,937
Telephone	543,999	529,340
Training	84,282	(143,850)
Travel and accommodation – Local	5,231	(465)
Travel and accommodation – Foreign	9,021	20,051
Transportation and storage	136,329	129,422
Utilities	12,933	18,966
Workshops and seminars	96,600	-
	<u>32,927,830</u>	<u>34,336,982</u>

FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2018

21. Administrative Expenses - ItConnect:

	30 September	
	<u>2018</u>	<u>2017</u>
	(\$)	(\$)
Building maintenance	96,467	44,678
Electricity	123,388	117,949
Equipment repairs and maintenance	2,030	9,513
Insurance	25,937	27,874
Janitorial	303,024	311,783
Meeting expenses	(1,045)	2,225
Motor vehicle expenses	23,326	(6,168)
NIS – Employer's contributions	282,796	308,892
Office expenses	71,148	122,447
Postage	225	26,320
Printing and stationery	72,821	18,836
Professional fees	(600)	-
Publications	-	(972)
Publicity and promotion	30,934	(18,000)
Rental – equipment	112,294	97,892
Rental – property	916,229	1,048,630
Salaries and wages	3,706,520	4,436,999
Security	524,853	1,165,385
Staff and organisational development	-	6,589
Software licences	58,102	31,085
Telephone	51,501	140,850
Training	-	390
Travel and accommodation – Local	4,904	(1,440)
Transportation and storage	-	360
	<u>6,404,854</u>	<u>7,892,117</u>

FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2018

22. Taxation:

	30 September	
	<u>2018</u> (<u>\$</u>)	<u>2017</u> (<u>\$</u>)
Business Levy	(912)	(245,837)
Green Fund Levy	(456)	(110,480)
Deferred taxation	(57,129)	295,749
Adjustment for prior year tax payable	<u>1,923,032</u>	<u>-</u>
	<u>1,864,535</u>	<u>(60,568)</u>
Net loss before taxation	<u>(9,825,753)</u>	<u>(2,361,065)</u>
Theoretical tax calculated at 30%	2,947,726	-
Expenses not deductible for tax purposes	14,728	-
Business Levy	(912)	(245,837)
Green Fund Levy	(456)	(110,480)
Change in Corporation tax rate from 25% to 30%	(180,205)	-
Tax losses impaired	(2,839,378)	-
Adjustment to deferred tax	-	295,749
Other	<u>1,923,032</u>	<u>-</u>
	<u>1,864,535</u>	<u>(60,568)</u>

23. Contingencies:

Contingent liabilities:

Details and estimates of maximum amounts of contingent liabilities are as follows:

- a)** Gratuities are payable to eligible employees pursuant to fulfilment of the following two criteria:
- i) The employee must be in the employed with the company to the end of employment contract; and
 - ii) The employee's performance assessments during the contract period must have been deemed satisfactory.

At the close of the financial year, the estimated gratuity payable equates to **\$4,196,389** for its existing staff complement of 109 staff members.

FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS - 30 SEPTEMBER 2018

23. Contingencies (Cont'd):**b) Legal Claims -**

- A former employee who was assigned to the Corporate Communication Unit, contract was terminated on the grounds of negligently dealing with company funds submitted a claim on 24 May 2016. The company submitted witness statements to the Industrial Court on 21 June 2018. The matter was adjourned to 29 March 2019. Legal advice obtained indicates that it is unlikely any significant liability will arise and the company is not mindful to settle given the nature of the termination.
- A former employee who was assigned to the Operations Unit, whose contract of employment was not renewed, submitted a claim on 15 September 2017. A conciliation meeting was held on 4 October 2017, which was unsuccessful. The matter remained unresolved and is to be referred to the Industrial Court.
- Nineteen (19) ttConnect employees submitted a claim on 15 March 2018 on the ground of outstanding gratuity, vacations and sick leave during the period in which the Unit was not assigned to the company. The company attended a conciliation meeting on 26 March 2018, which was unresolved and an extension of time for conclusion of the matter was granted to 30 April 2018. The company has since retained legal counsel in this matter. The company awaits the extended date for the conciliation meeting from the Ministry of Labour and Small Enterprise Development (MOLSED).



NATIONAL INFORMATION AND COMMUNICATION TECHNOLOGY COMPANY LIMITED

2017-2018

ANNUAL REPORT



NATIONAL INFORMATION AND COMMUNICATION
TECHNOLOGY COMPANY LIMITED

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