REPORT OF THE AUDITOR GENERAL OF THE REPUBLIC OF TRINIDAD AND TOBAGO ON THE FINANCIAL STATEMENTS OF THE NATIONAL INSTITUTE OF HIGHER EDUCATION (RESEARCH, SCIENCE AND TECHNOLOGY) FOR THE YEAR ENDED DECEMBER 31, 2014

The accompanying Financial Statements of the National Institute of Higher Education (Research, Science and Technology) for the year ended December 31, 2014 have been audited. The Statements as set out on pages 2 to 10 comprise a Statement of Financial Position as at December 31, 2014 , a Statement of Comprehensive Income, a Statement of Cash Flows for the year ended December 31, 2014 and Notes to the Financial Statements numbered 1 to 7 including a summary of significant accounting policies.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

2. The management of the National Institute of Higher Education (Research, Science and Technology) is responsible for the preparation and fair presentation of these Financial Statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

3. The Auditor General's responsibility is to express an opinion on these Financial Statements based on conducting the audit in accordance with the principles and concepts of International Standards of Supreme Audit Institutions. Because of the matters described in the Basis for Disclaimer of Opinion paragraph, I am unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

BASIS FOR DISCLAIMER OF OPINION

4.1 The Financial Statements do not comply with International Accounting Standard (IAS) 8 Accounting Policies, Changes in Accounting Estimates and Errors. Prior-period figures were revised however, adequate supporting evidence for these revisions were not presented for audit. In addition, disclosure requirements in accordance with IAS 8 were not seen in the Notes to the Financial Statements.

4.2 This combination of unsupported prior period adjustments and current-year non-compliance with IAS 8 has undermined the reliability and the comparability of the Financial Statements.

Disclaimer Of Opinion

5. Because of the significance of the matters described in the Basis for Disclaimer of Opinion at paragraph four (4) above, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, I do not express an opinion on the Financial Statements.

Submission Of Report

6. This Report is being submitted to the Speaker of the House of Representatives, the President of the Senate and the Minister of Finance in accordance with the requirements of section 116 of the Constitution of the Republic of Trinidad and Tobago.

19TH DECEMBER 2025
PORT-OF-SPAIN

JAIWANTIE RAMDASS
AUDITOR GENERAL

NATIONAL INSTITUTE OF HIGHER EDUCATION
RESEARCH, SCIENCE & TECHNOLOGY

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2014

NATIONAL INSTITUTE OF HIGHER EDUCATION
RESEARCH, SCIENCE & TECHNOLOGY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31 2014

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NATIONAL INSTITUTE OF HIGHER EDUCATION RESEARCH, SCIENCE AND TECHNOLOGY
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2014

	Notes	2014	2013
		$	$
NON CURRENT ASSETS	3	**5376,876**	**4045,568**
CURRENT ASSETS			
Cash at Bank/on Hand		48196,109	31206,277
Investments		2465,639	2450,913
Receivables and Prepayments		3020,070	9144,739
Pension Plan Asset	7	3546,000	3347,000
		57227,817	**46148,929**
TOTAL ASSETS		**62604,693**	**50194,496**
CURRENT LIABILITIES			
Creditors and accruals		11603,613	3921,084
Deferred Income	4	25221,551	32383,440
		36825,163	**36304,525**
EQUITY			
Accumulated Fund		25779,530	13889,972
		25779,530	**13889,972**
TOTAL LIABILITIES AND EQUITY		**62604,693**	**50194,496**

REPUBLIC OF TRINIDAD AND TOBAGO
2025 12 19
AUDITOR GENERAL

Senior Accountant: Governor :

The accompanying notes on pages 5 to 10 form an integral part of these Financial Statements.

NATIONAL INSTITUTE OF HIGHER EDUCATION RESEARCH, SCIENCE AND TECHNOLOGY
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2014

		2014	2013
		$	$
INCOME			
Government Grants		34863,613	33013,870
Other Income	5	1331,936	1370,846
		36195,549	**34384,716**
EXPENDITURE			
Personnel Expenditure		6263,710	6083,867
Goods and Services	6	24974,815	24040,175
Pension & Gratuities		1897,973	1797,654
Health Plan Contributions		181,132	190,459
Board Fees		335,355	469,480
Depreciation		5578,345	1860,849
Loss on Disposal		94,137	0
Bad Debts		4006,613	(4006,612)
		43332,080	**30435,873**
Deficit for the year		**(7136,531)**	**3948,844**
Accumulated Funds as at January 01 2014		13889,972	12655,649
Prior Year Adjustments		19026,090	(2714,521)
Accumulated Funds as at December 31 2014		**25779,530**	**13889,972**

The accompanying notes on pages 5 to 10 form an integral part of these Financial Statements.

NATIONAL INSTITUTE OF HIGHER EDUCATION RESEARCH, SCIENCE AND TECHNOLOGY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2014

	2014	2013
	$	$
OPERATING ACTIVITIES		
(Deficit)/Surplus	(7136,531)	3948,844
Adjustments:		
Prior period Adjustments	15292,296	(4111,132)
Depreciation	5578,345	1860,849
	13734,111	1698,561
Deferred income	(7161,890)	16475,483
Receivables and Prepayments	6124,669	2248,532
Creditors and Accruals	7682,528	(889,629)
CASH PROVIDED BY OPERATING ACTIVITIES	**20379,418**	**19532,947**
INVESTING ACTIVITIES		
Fixed Deposits	(14,726)	(14,597)
Fixed Assets	(3374,860)	(1089,067)
CASH USED IN INVESTING ACTIVITIES	**(3389,586)**	**(1103,664)**
Net Increase in Cash/Cash Equivalents	16989,832	18429,283
Cash and Cash Equivalents at the beginning of the year	31206,277	12776,994
CASH AND CASH EQUIVALENTS AT END OF YEAR	**48196,109**	**31206,277**
REPRESENTED BY		
Cash at Bank and in Hand	48196,109	31206,277
	48196,109	**31206,277**

**NATIONAL INSTITUTE OF HIGHER EDUCATION
RESEARCH, SCIENCE AND TECHNOLOGY
NOTES TO THE FINANCIAL STATEMENTS
THE YEAR ENDED DECEMBER 31 2014**

1. PRINCIPAL BUSINESS ACTIVITIES

The National Institute of Higher Education (Research, Science and Technology) (NIHERST) is a Statutory Authority incorporated by Act of Parliament No. 20 which was assented to on June 28, 1984. The principal objectives of the Institute are as follows:

a. To provide and promote scientific and technological services in society;
b. To promote and develop an indigenous capability in science and technology relevant to the developmental needs of the society;
c. To assist national bodies and/or organisations in securing technology appropriate to their needs.

2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these financial statements are stated below:

a. Basis of Preparation

These financial statements are prepared in accordance with International Financial Reporting Standards (IFRSs), and are stated in Trinidad and Tobago Dollars. These financial statements have been prepared on a historical basis.

b. Adoption of new and revised IFRSs and (IFRICs)

During the current year, the institute adopted new, amended and revised International Financial Reporting Interpretations (IFRICs) which are relevant to its operations and are effective for accounting periods commencing on or before January 1, 2014. The adoption of these Standards did not have a material effect on the financial statements, however additional disclosures were required.

c. Property, Plant and Equipment

It is the Institute's policy to account for property, plant and equipment at cost. Depreciation is provided on the straight-line basis at the rates estimated to write-off the assets over their expected useful lives.

Current rates of depreciation are:

Equipment	-33.3%
Furniture and Fittings	-10%
Motor Vehicle	-25%
Exhibits	-25%

d. Cash and Cash Equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise of bank and cash balances.

e. Investments

Held-to-Maturity investments are carried at amortised cost.

f. Grants Funding

Grants are recognised at their fair value where there is a reasonable assurance that the grants will be received and the Institute will comply with all attached conditions.

Grants relating to revenue are recognised in the Statement of Comprehensive Income over the period necessary to match them with the expenditure for the year, which they are intended to compensate.

Grants relating to the purchase of property, plant and equipment are deferred in liabilities and are credited to the Statement of Comprehensive Income on a straightline basis over the expected lives of the related assets.

g. Receivables

Receivables are carried at original invoice amount less provision for impairment of these receivables. A provision for impairment of receivables is established when there is objective evidence that the Institute will not be able to collect all amounts due according to the original terms of the recivables. The amount of the provision is the difference betweeen the carrying amount and the recoverable amount.

h. Payables

Payables are carried at cost which is the fair value of the consideration to be paid in the future for services rendered.

i. Use of Estimates

The preparation of financial statements in conformity with International Financial Reporting Standards require management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from these estimates.

j. Financial Instruments

Financial instruments carried on the Statement of Financial Position include cash and bank balances, receivables, investments and are stated at their approximate fair values determined in accordance with the individual policy statements associated with each item.

k. Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Institute and the revenue can be reliably measured. Revenue is recognised upon performance of services and customer acceptance. Interest and investment income are recognised as they accrue unless collectability is in doubt.

l. Impairment of Assets

Non-financial assets

The Institute assesses at each reporting date whetther there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Institute makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs to sell and value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.
In assessing value in use, the estimated future cash flows are discounted to their present value.

m. Employee Benefits

The Institute's full time employees are covered by The National Institute of Higher Education, Research, Science and Technology (NIHERST) Pension Plan, a Defined Benefit Plan. The pension accounting costs for the plan is assessed using the projected unit acturial method. Under this method the cost of providing pensions is charged to the Statement of Comprehensive Income so as to spread the regular cost over thr service lives of members in accordance with the advice of an independent actuary who carries out a full valuation on the plan every three years.

n. Provisions

Provisions are recorded when the Institute has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

NATIONAL INSTITUTE OF HIGHER EDUCATION RESEARCH, SCIENCE AND TECHNOLOGY
NOTES TO THE FINANCIAL STATEMENTS
THE YEAR ENDED DECEMBER 31 2014

3. PLANT AND EQUIPMENT

	Equipment	Furniture & Fittings	Motor Vehicles	Exhibits	Intangibles	TOTAL
Cost	$	$	$	$	$	$
January 01 2014	12853,688	1724,748	1068,471	13384,331	56,510	**29087,748**
Adjustments	(2182,619)	26,235	12,500	179,893	7,089	**(1956,903)**
Disposals	(220,461)	(28,200)	0	(88,527)	0	**(337,188)**
Additions	1712,965	307,028	460,373	894,495	0	**3374,860**
December 31 2014	**12163,573**	**2029,811**	**1541,343**	**14370,191**	**63,599**	**30168,517**
Accumulated Depreciation:						
January 01 2014	10437,653	925,053	509,806	13166,085	3,583	**25042,179**
Adjustments	(1193,625)	(13,801)	10,310	(4409,215)		**(5606,330)**
Disposals	(220,362)	10,249		(12,440)		**(222,553)**
Depreciation	984,898	171,634	206,772	4197,014	18,028	**5578,345**
December 31 2014	**10008,564**	**1093,135**	**726,888**	**12941,444**	**21,610**	**24791,641**
Net Book Value December 31 2014	**2155,010**	**936,675**	**814,455**	**1428,747**	**41,989**	**5376,876**
'2013						
Cost						
January 01 2013	10942,723	1339,078	408,471	12536,500	56,510	25283,282
Adjustments	1394,740	44,829	428,000	847,831	0	2715,399
Additions	516,226	340,841	232,000	0	0	1089,067
December 31 2013	**12853,688**	**1724,748**	**1068,471**	13384,331	**56,510**	**29087,748**
Accumulated Depreciation:						
January 01 2013	10018,567	834,475	406,608	11921,680	0	23181,330
Depreciation	419,086	90,578	103,198	1244,405	3,583	1860,849
December 31 2013	**10437,653**	**925,053**	**509,806**	**13166,085**	**3,583**	**25042,179**
Net Book Value December 31 2013	**2416,035**	**799,695**	**558,665**	**218,245**	**52,928**	**4045,568**

NATIONAL INSTITUTE OF HIGHER EDUCATION
RESEARCH, SCIENCE AND TECHNOLOGY
NOTES TO THE FINANCIAL STATEMENTS
THE YEAR ENDED DECEMBER 31 2014

4. DEFERRED INCOME

	2014 $	2013 $
I) Cash Donations		
Balance as at January 1, 2014	32349,624	15874,141
Increases for the year 2014	26848,153	31650,320
Decreases for the year 2014	(33976,226)	(15174,837)
Sub-Total	25221,551	32349,624
II) Non Cash Donations		
Balance as at January 1, 2014	33,816	33,816
Increases for the year 2014	0	0
Decreases for the year 2014	(33,816)	0
Less Depreciation for the year 2014	0	0
Sub-Total	0	33,816
Total Deferred Income	**25221,551**	**32383,440**

5. OTHER INCOME

Interest Income	29,262	21,297
Donations	300,000	300,000
Projects and programmes	1002,674	1049,549
	1331,936	**1370,846**

6. GOODS AND SERVICES

	2014 $	2013 $
Employee Assistant Programme	38,602	29,783
Books and Periodicals	159,156	122,410
Fees	419,415	148,992
Maintenance of Vehicles	167,091	193,494
Materials and Supplies	613,972	250,717
Office Stationery and Supplies	330,560	231,275
Consultancy	429,306	1363,237
Overseas Travel	167,303	182,960
Rent/Lease-Office Accomodation	4219,775	4164,848
Rent/Lease-Vehicles & Equipment	238,142	353,727
Repairs & Maintenance-Buildings	482,945	729,525
Repairs and Maintainance-Equipment	95,755	135,387
Short Term Employment	2159,048	2663,123
Contract Employment	7008,101	6378,888
Training	333,694	371,637
Electricity	670,415	589,036
Hosting of Conferences & Seminars	2281,923	1703,818
Promotions,Publicity & Printing	926,382	793,631
Telephone	691,773	664,662
Travelling	1180,625	929,078
Uniforms	45,453	71,212
Water and Sewerage	9,079	12,011
Insurance	378,267	285,065
Janitorial Services	379,776	288,620
Other Contracted Services	574,340	382,971
Security Services	973,917	1000,069
Total Goods and Services	**24974,815**	**24040,175**

NATIONAL INSTITUTE OF HIGHER EDUCATION
RESEARCH, SCIENCE AND TECHNOLOGY
NOTES TO THE FINANCIAL STATEMENTS
THE YEAR ENDED DECEMBER 31 2014

	2014	2013
7. PENSION PLAN	**$**	**$**
(a) Pension Plan Asset		
Present Value of Defined Benefit Obligation	(27868,000)	(25339,000)
Fair Value of Assets	31414,000	29805,000
Net Defined Benefit Asset	**3546,000**	**4466,000**
(b) Movement in Present Value of Defined Benefit Obligation		
Defined Benefit Obligations at Start of Year	25339,000	23160,000
Current Service Cost	918,000	880,000
Interest Cost	1257,000	1151,000
Members Contributions	247,000	263,000
Remeasurements		
Experience Adjustments	522,000	167,000
Benefits Paid	(415,000)	(282,000)
Defined Benefit Obligation at the end of the year	**27868,000**	**25339,000**
(c) Movement in Fair Value of Plan Assets		
Pension Plan Assets at Start of Year	29805,000	25850,000
Interest Income	1502,000	1309,000
Return on Pension plan assets excluding interest income	(368,000)	1964,000
Employer Contributions	719,000	776,000
Members Contributions	247,000	263,000
Benefits Paid	(415,000)	(282,000)
Administration Expense Allowance	(76,000)	(75,000)
Fair Value of Plan Assets at the end of the year	**31414,000**	**29805,000**
Actual Return on Plan Assets	1.13%	3.27%
(d) Amounts recognised in the Income Statement		
Current Service Costs	918,000	880,000
Net Interest on Defined Benefit Asset	(245,000)	(158,000)
Administration Expense Allowance	76,000	75,000
Net Pension Cost	**749,000**	**797,000**
(e) Re-measurements recognised in Other Comprehensive Income		
Experience gains/(losses)	890,000	(1797,000)
Total Amount recognised in Other Comprehensive Income	**890,000**	**(1797,000)**
(f) Reconciliation of opening and closing Statement of Financial Position Balances		
Opening Defined Benefit Asset at Start of Year	(4466,000)	(2690,000)
Net Pension Cost	749,000	797,000
Remeasurement recognised in other Comprehensive Income	890,000	(1797,000)
Employer Contributions Paid	(719,000)	(776,000)
Closing Defined Benefit Asset	**(3546,000)**	**(4466,000)**
(g) The principal acturial assumptions used are as follows		
Discount Rate	5%	5%
Future Salary Increases	4.5%	4.5%
Future Pension Increases	0.5%	0.5%