Trinidad & Tobago National Petroleum Marketing Company Limited and Its Subsidiaries

Consolidated Financial Statements

31 March 2023

(Presented in Thousands of Trinidad and Tobago Dollars)

Trinidad & Tobago National Petroleum Marketing Company Limited and its Subsidiaries

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Trinidad & Tobago National Petroleum Marketing Company Limited and its Subsidiaries

Statement of Management's Responsibilities

Management is responsible for the following:

- Preparing and fairly presenting the accompanying consolidated financial statements of the Trinidad & Tobago National Petroleum Marketing Company Limited (the Company) and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 March 2023, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information;

- Ensuring that the Group 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 Group's assets, detection/prevention of fraud, and the achievement of Group's 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 consolidated 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 Group will not remain a going concern for the next twelve months from the reporting date; or up to the date the accompanying consolidated financial statements have been authorised for issue, if later.

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

Director	Director
4 September 2025	4 September 2025

pwc

Independent auditor's report

To the shareholders of Trinidad & Tobago National Petroleum Marketing Company Limited and its subsidiaries

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects the consolidated financial position of Trinidad & Tobago National Petroleum Marketing Company Limited (the Company) and its subsidiaries (together 'the Group') as at 31 March 2023, and their consolidated financial performance and their consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards.

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 March 2023;
- the consolidated statement of profit or loss and other comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

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

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have also fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Responsibilities of management and those charged with governance for the consolidated financial statements

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

Responsibilities of management and those charged with governance for the consolidated financial statements (continued)

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 Group'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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated 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 auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

PricewaterhouseCoopers

Port of Spain
Trinidad, West Indies
3 October 2025

Trinidad & Tobago National Petroleum Marketing Company Limited and its Subsidiaries

Consolidated Statement of Financial Position

(Presented in Thousands of Trinidad and Tobago Dollars Unless Otherwise Stated)

	Notes	As at 31 March 2023 $	2022 $
Assets			
Non-current assets			
Property, plant, and equipment	5	535,447	548,412
Right of use assets	6	25,813	13,470
Deferred income tax assets	16	27,514	29,116
Retirement benefit asset	7	73,235	79,779
Financial asset at amortised cost	8	201	--
		662,210	670,777
Current assets			
Inventories	9	186,663	181,170
Trade and other receivables	12	1,207,382	1,599,775
Taxation recoverable		47,753	60,074
Financial asset at fair value through profit or loss	13	5,476	5,989
Cash and cash equivalents	14	128,110	269,815
		1,575,384	2,116,823
Total assets		2,237,594	2,787,600

The notes on pages 9 to 58 are an integral part of these consolidated financial statements.

Trinidad & Tobago National Petroleum Marketing Company Limited and its Subsidiaries

Consolidated Statement of Financial Position (continued)
(Presented in Thousands of Trinidad and Tobago Dollars Unless Otherwise Stated)

	Notes	As at 31 March 2023 $	2022 $
Equity and liabilities			
Capital and reserves attributable to equity holders of the parent company			
Share capital	15	47,100	47,100
Translation reserve		4,446	4,431
Retained earnings		334,983	280,310
Total equity		386,529	331,841
Liabilities			
Non-current liabilities			
Post-employment medical plan obligation	7	58,943	58,892
Deferred tax liabilities	16	75,581	78,839
Provision for environmental clean-up costs	17	12,803	15,605
Provision for dismantlement cost	18	20,675	13,007
Deferred government grant	19	101,120	116,988
Deferred franchise fee income	20	727	836
Finance lease		14	147
Lease liabilities	6	2,446	7,192
		272,309	291,506
Current liabilities			
Trade and other payables	21	1,522,704	2,123,040
Deferred franchise fee income	20	465	498
Provision for environmental clean-up costs	17	693	1,179
Lease liabilities	6	25,217	8,882
Taxation payable		29,677	30,654
		1,578,756	2,164,253
Total liabilities		1,851,065	2,455,759
Total equity and liabilities		2,237,594	2,787,600

The notes on pages 9 to 58 are an integral part of these consolidated financial statements.

On 4 September 2025, the Board of Directors of Trinidad & Tobago National Petroleum Marketing Company Limited authorised these consolidated financial statements for issue.

Arnold Ra Director

Director

Trinidad & Tobago National Petroleum Marketing Company Limited and its Subsidiaries

Consolidated Statement of Profit or Loss and Other Comprehensive Income

(Presented in Thousands of Trinidad and Tobago Dollars Unless Otherwise Stated)

	Notes	Year ended 31 March 2023 $	2022 $
Gross sales		5,215,026	3,316,711
Customs and excise duties		(285)	(259)
Net sales		5,214,741	3,316,452
Cost of sales	22	(4,757,334)	(2,925,423)
Gross profit		457,407	391,029
Other income	23	37,842	33,643
		495,249	424,672
Distribution costs	24	(39,308)	(33,696)
Administration costs	24	(105,356)	(113,288)
Other expenses	24	(240,728)	(212,255)
Finance cost	25	(6,109)	(3,972)
Profit before taxation		103,748	61,461
Taxation charge	26	(34,418)	(32,678)
Profit for the year		69,330	28,783
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Re-measurement of retirement benefit obligation	7	(24,021)	81,190
Re-measurement of medical obligation	7	2,947	(921)
Tax associated with other comprehensive income	16	6,322	(24,081)
		(14,752)	56,188
Items that may be subsequently reclassified to profit or loss			
Change in value of financial asset at fair value through profit or loss	13	95	935
Other comprehensive (loss)/income for the year, net of tax		(14,657)	57,123
Translation exchange gain		15	181
Total comprehensive income for the year		54,688	86,087

The notes on pages 9 to 58 are an integral part of these consolidated financial statements.

Trinidad & Tobago National Petroleum Marketing Company Limited and its Subsidiaries

Consolidated Statement of Changes in Equity

(Presented in Thousands of Trinidad and Tobago Dollars Unless Otherwise Stated)

	Share capital $	Retained earnings $	Translation reserve $	Total $
Year ended 31 March 2023				
Balance as at 1 April 2022	47,100	280,310	4,431	331,841
Total comprehensive income for the year	--	54,673	--	54,673
Translation exchange gain	--	--	15	15
Balance as at 31 March 2023	47,100	334,983	4,446	386,529
Year ended 31 March 2022				
Balance as at 1 April 2021	47,100	194,404	4,250	245,754
Total comprehensive income for the year	--	85,906	--	85,906
Translation exchange gain	--	--	181	181
Balance as at 31 March 2022	47,100	280,310	4,431	331,841

The notes on pages 9 to 58 are an integral part of these consolidated financial statements.

Trinidad & Tobago National Petroleum Marketing Company Limited and its Subsidiaries

Consolidated Statement of Cash Flows

(Presented in Thousands of Trinidad and Tobago Dollars Unless Otherwise Stated)

	Notes	Year ended 31 March 2023 $	2022 $
Cash flows from operating activities			
Profit before taxation		103,748	61,461
Adjustment for non-cash items:			
Retirement pension plan expense	7	24,508	18,346
Post-employment medical plan expense	7	4,840	4,947
Depreciation charge	5	46,960	48,797
Depreciation right of use asset	6	91,052	85,128
Government grant amortisation	19	(15,868)	(15,524)
(Gain)/loss on disposal of property, plant, and equipment	23	(408)	472
Foreign exchange (gain)/loss	27	(1,585)	565
Unwinding of dismantlement provision	18	669	570
Unwinding of environmental clean-up provision	17	712	570
(Decrease)/increase in environmental clean-up cost	17	(3,680)	2,302
Increase in dismantlement provision	18	6,998	1,062
Translation difference		46	95
Interest paid on lease liability and bank charges		4,728	2,832
Non-cash movements		(213)	(37)
Fixed asset adjustment		--	3,435
Deferred franchise fee income	20	(142)	(196)
		262,365	214,825
Changes in working capital			
Increase in inventories		(5,493)	(63,442)
Decrease/(increase) in trade and other receivables		392,393	(822,312)
(Decrease)/increase in trade and other payables		(600,336)	689,535
Cash generated from operating activities		48,929	18,606
Environmental clean-up costs paid during the year	17	(320)	(232)
Retirement benefits paid		(43,827)	(25,071)
Change in finance lease		(132)	(140)
Interest paid on lease liability and bank charges		(4,728)	(2,832)
Taxation refund received		12,249	--
Taxation paid		(30,666)	(20,496)
Net cash used in operating activities		(18,495)	(30,165)
Cash flows from investing activities			
Purchase of property, plant, and equipment	5	(34,324)	(40,009)
Proceeds from financial assets at fair value	13	608	--
Proceeds from financial asset at amortised cost	8	--	530
Proceeds from disposal of property, plant, and equipment		715	251
Net cash used in investing activities		(33,001)	(39,228)
Cash flows from financing activities			
Principal elements of lease payments	6	(91,794)	(86,783)
Net cash used in financing activities		(91,794)	(86,783)
Net decrease in cash and cash equivalents		(143,290)	(156,176)
Cash and cash equivalents at beginning of year		269,815	426,557
Foreign exchange adjustment		1,585	(566)
Cash and cash equivalents at end of year		128,110	269,815

The notes on pages 9 to 58 are an integral part of these consolidated financial statements.

1 General information

The Trinidad & Tobago National Petroleum Marketing Company Limited, the parent company, is incorporated in the Republic of Trinidad and Tobago and is primarily engaged in the marketing and manufacturing of petroleum and petroleum related products. It is wholly owned by the Government of the Republic of Trinidad and Tobago and thus is ultimately controlled by the Government of the Republic of Trinidad and Tobago. The registered office is NP House, National Drive, Sea Lots, Port of Spain. The Group comprises the parent company and subsidiaries listed below:

Natpet Investments Company Limited is a wholly-owned subsidiary and is incorporated in the Republic of Trinidad and Tobago. Its primary business activity is the filling of Liquefied Petroleum Gas (LPG) cylinders. The address of its registered office is NP House, Sea Lots, Port of Spain.

National Agro Chemicals Limited (NACL) is a wholly-owned subsidiary and is incorporated in the Republic of Trinidad and Tobago. It was primarily engaged in the manufacture and sale of agricultural and industrial chemicals. The address of its registered office is NP House, National Drive, Sea Lots, Port of Spain.

Natstar Manufacturing Company Limited (Natstar) is a wholly-owned subsidiary and is incorporated in the Republic of Trinidad and Tobago. It was primarily engaged in the manufacture of steel drums and refurbishing of LPG cylinders. The address of its registered office is NP House, National Drive, Sea Lots, Port of Spain.

The Board of Directors approved the liquidation of NACL and Natstar on 21 July 2007. Natstar's voluntary liquidation was completed during the 2016 financial year while the liquidation of NACL is ongoing.

Natpetrol (Saint Maarten) N.V is a wholly-owned dormant subsidiary of the parent company and is incorporated in Saint Maarten.

Natpet (Saint Maarten) N.V is a wholly owned dormant subsidiary of the parent company and is incorporated in Saint Maarten.

Liquid Fuels Company of Trinidad and Tobago Limited is a wholly owned subsidiary of the parent company and is incorporated in the Republic of Trinidad and Tobago.

Natpet Corporation Inc. was incorporated in Guyana on 16 July 2021 and is a wholly owned subsidiary. The Company currently does not have any trading activities.

2 Summary of significant accounting policies

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

a. *Basis of preparation*

(i) *Compliance with IFRS*

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") applicable to companies reporting under IFRS. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB).

2 Summary of significant accounting policies (continued)

a. *Basis of preparation (continued)*

(ii) *Historical cost convention*

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- Financial assets at fair value through profit or loss
- Defined benefit pension plans – plan assets measured at fair value

(iii) *New standards, amendments and interpretations adopted by the Group*

The Company has applied the following standards and amendments for the first time for their annual reporting period commencing 1 April 2022:

- Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16
- Onerous Contracts – Cost of Fulfilling a Contract – Amendments to IAS 37
- Annual Improvements to IFRS Standards 2018-2020, and
- Reference to the Conceptual Framework – Amendments to IFRS 3.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(vi) *New standards, amendments and interpretations not yet adopted by the Group*

Certain new accounting standards and interpretations have been published that are not mandatory for 31 March 2023 reporting periods and have not been early adopted by the Group. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions

(iv) *Going concern*

The directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. There are no plans to cease trading and the Group believes that it can maintain sufficient liquidity and a positive cash balance, and remain in operational existence, for at least the next twelve months from the date of approval of the financial statements. The Group therefore continues to adopt the going concern basis in preparing its financial statements.

b. *Consolidation*

(i) *Subsidiaries*

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and could affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

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

b. *Consolidation (continued)*

(ii) *Subsidiaries (continued)*

The Group applies the acquisition method to account for business combinations by the Group (refer to note 2(u)).

Intercompany transactions, balances, and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(iii) *Disposal of subsidiaries*

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture, or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

c. *Foreign currency translation*

(i) *Functional and presentation currency*

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

(ii) *Transactions and balances*

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

Changes in the fair value of monetary securities denominated in foreign currency classified as financial assets at fair value through profit or loss are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in carrying amount are recognised in other comprehensive income.

Translation differences on non-monetary financials asset and liabilities such as equities held at fair value through profit or loss are recognised in statement of profit or loss and other comprehensive income as part of the fair value gain or loss.

2 Summary of significant accounting policies (continued)

c. *Foreign currency translation (continued)*

(ii) *Transactions and balances (continued)*

Translation differences on non-monetary financial assets, such as equities classified as financial assets at fair value, are included in other comprehensive income.

(iii) *Group companies*

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(a) assets and liabilities for each consolidated statement of financial position presented are translated at the closing rate at the date of that consolidated statement of financial position.

(b) income and expenses for each consolidated statement of profit or loss and other comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and

(c) all resulting exchange differences are recognised in other comprehensive income.

d. *Property, plant, and equipment*

Land is shown at cost and is not depreciated.

Dismantlement costs are shown at net present value less depreciation.

All property, plant, and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the consolidated statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

Depreciation is calculated on the straight-line basis at rates set out below to allocate the cost of assets to their residual values, over their estimated useful lives as follows:

Buildings	-	3% - 5%
Plant and machinery	-	5% - 20%
Cylinders and other equipment	-	5% - 20%
Motor vehicles	-	20% - 25%

The assets' residual values and useful lives are reviewed, and adjusted appropriately, at each reporting period end. Adjustments to the residual value and useful lives of assets may result in the depreciation rate of the asset varying from the rates stated above.

2 Summary of significant accounting policies (continued)

d. *Property, plant, and equipment (continued)*

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 (Note 2 e).

Gains and losses on disposal are determined by comparing proceeds with the carrying amount. These are included in the consolidated statement of profit or loss and other comprehensive income.

e. *Impairment of non-financial assets*

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

f. *Financial assets*

(i) *Classification*

The Group classifies its financial assets in the following measurement categories:

- those measured subsequently at fair value (either through OCI or through profit or loss), and
- as those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cashflows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) *Recognition and derecognition*

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(iii) *Measurement*

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

2 Summary of significant accounting policies (continued)

f. *Financial assets (continued)*

(iii) *Measurement (continued)*

Debt instruments

Subsequent measurement of debt instruments depends on the group's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Group classifies its debt instruments:

Amortised costs: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in statement of comprehensive income. Impairment losses are presented as a separate line item in the statement of profit or loss and other comprehensive income.

FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in the statement of profit or loss and other comprehensive income and presented net within other gains/(losses) in the period in which it arises.

(iv) *Impairment*

The Group assesses on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortised cost including amounts due from related parties.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Financial assets recognition of impairment provisions under IFRS 9 is based on the expected credit losses ("ECL") model. The ECL model is applicable to financial assets classified at amortised cost and contract assets under IFRS 15: Revenue from Contracts with Customers. The measurement of ECL reflects an unbiased and probability weighted amount that is available without undue cost or effort at the reporting date, about past events, current conditions, and forecasts of future economic conditions. The Group applied the simplified approach to determine impairment of its trade and other receivables. The simplified approach requires expected lifetime losses to be recognised from initial recognition of the receivables. This involves determining the expected loss rates using a provision matrix that is based on the Group's historical default rates observed over the expected life of the receivables and adjusted for forward looking estimates. This is then applied to the gross carrying amount of the receivables to arrive at the loss allowance for the period.

g. *Offsetting financial instruments*

Financial assets and liabilities are offset, and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

2 Summary of significant accounting policies (continued)

h. *Inventories*

All inventories are stated at the lower of cost and net realisable value.

Cost is determined using the first-in, first-out (FIFO) method for main products (fuels), goods for resale, raw and packaging materials, and manufactured goods. Weighted average cost is used for maintenance spares. Actual cost is used for all inventories. Net realisable value is the estimated selling price in the ordinary course of business, the estimated costs of completion and the estimated costs necessary to make the sale.

Provision for obsolescence

All inventories are reviewed on an annual basis to determine the age and condition of the items. A suitable provision is then determined and approved by Management.

i. *Trade and other receivables*

(i) *Classification of trade receivables*

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance. Details about the Group's impairment policies and the calculation of the loss allowance are provided in note 3 (a) (ii) (d).

(ii) *Fair values of trade receivables*

Due to the short-term nature of the current receivables, their carrying amounts are considered to be the same as their fair value.

(iii) *Impairment and risk exposure*

Information about the impairment of trade receivables and the Group's exposure to credit risk and foreign currency risk can be found in note 3 (a) (ii) (d).

j. *Cash and cash equivalents*

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

k. *Share capital*

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

2 Summary of significant accounting policies (continued)

l. *Employee benefits*

(i) *Retirement benefit asset/liability*

The Group operates a defined benefit plan. Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The asset recognised in the consolidated statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service costs.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the consolidated statement of comprehensive income.

(ii) *Post-employment medical plan*

The Group provides post-retirement healthcare benefits to their retirees. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit pension plans. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. These obligations are valued annually by independent qualified actuaries.

2 Summary of significant accounting policies (continued)

l. *Employee benefits (continued)*

(iii) *Termination benefits*

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the Group recognises cost for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

(iv) *Bonus scheme*

The Group recognises a liability and an expense for bonuses based on a formula that takes into consideration the profit after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

m. *Trade payables*

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables is classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. These amounts are unsecured and are usually paid within 30 days of recognition.

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

n. *Provisions*

Provisions for environmental restoration, restructuring costs, dismantlement costs, legal claims and all other provisions are recognised when the Group 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 the amount has been reliably estimated. Restructuring provisions comprise employee termination payments. Provisions are not recognised for future operating losses.

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

Provisions are measured at the present value of management's best estimate of the expenditures expected to be required to settle the present obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

2 Summary of significant accounting policies (continued)

o. *Government grants*

Grants in respect of the service station upgrade

Government grants, (provided in the capacity of the Government and not as a shareholder), are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Group will comply with all attached conditions.

Government grants relating to expenses are deferred and recognised in the consolidated statement of comprehensive income over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to property, plant and equipment are included in non-current liabilities as deferred government grants and are credited to the consolidated statement of profit or loss and other comprehensive income on a straight-line basis over the expected lives of the related assets.

Other government grants

The Group also recognises grants in respect of expenses already incurred. This grant is recognised in the statement of profit or loss and other comprehensive income in the period in which it becomes receivable. See Note 19.

Subsidy/treasury surplus

The subsidy/treasury surplus is calculated on local volumes sold and is the difference between the market value of the fuel (which is determined by the Government of the Republic of Trinidad and Tobago) and the amount the government mandates it be sold for. The Group receives a subsidy when the selling prices of the specified types of fuel fall below purchase price of fuel and pay a treasury surplus when its selling prices exceed the purchase price. The subsidy/treasury surplus is recognised in the statement of profit or loss and other comprehensive income in the period in which it is receivable. See Note 19
The Group recognises the subsidy as a government grant.

p. *Current and deferred income tax*

The tax expense for the period comprises current and deferred tax. Tax is recognised in the consolidated statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or in equity, respectively.

The current income tax charge is calculated based on the tax laws enacted or substantively enacted in Trinidad and Tobago at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. Taxation recoverable relates primarily to corporation tax refunds based on returns filed with the tax authorities. Management is satisfied that all amounts are recoverable.

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

p. *Current and deferred income tax (continued)*

Deferred income tax is provided in full, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. The principal temporary differences arise from depreciation on property, plant and equipment, retirement benefit liability, provision for post medical retirement plan obligation, dismantlement provision, right of use asset, lease liabilities and provision for environmental clean-up costs, lease assets and tax losses.

Deferred income tax liabilities are provided on taxable temporary differences, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Generally, the Group is unable to control the reversal of the temporary difference for subsidiaries.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries, associates, and joint arrangements only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis. The deferred income tax asset and deferred tax liability for leases are disclosed in gross amounts.

q. *Revenue recognition*

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts.

Revenue is recognised when control of a good or service transfers to a customer. A five-step process is applied before revenue can be recognised; they are as follows: identify contracts with customers, identify the separate performance obligation, determine the transaction price of the contract, allocate the transaction price to each of the separate performance obligations, and recognise the revenue as each performance obligation is satisfied. Revenue from the Group's main revenue streams are fuel sales to exploration, aviation marine, retail, and industrial customers; sale of lubricants; LPG sales and convenience store sales.

The Group bases its estimates, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

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

q. *Revenue recognition (continued)*

Revenue is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Revenue from the sales of exploration, aviation and marine, retail and fuel, lubricants, industrial sales, LPG and LPG accessories and convenience goods are recognised when control is transferred for the ownership of the product.

- Fuel sales to Exploration, Aviation and Marine customers:
  - Exploration
    - For sales via road tank wagon – title passes at the inlet point of the road tank wagon.
    - For sales via barges/berths - Title passes when the oil passes the vessels inlet manifold flange at the loading port.
    - For fuel sales via pipelines - when loading is completed and product is transferred to the customer's storage area.
  - Aviation – title passes over when fuel has been loaded on tanks on the airplane
  - Marine - title passes over when the fuel has been loaded on the ship via the ship's inlet manifold.
- Retail and Fuel – title passes at the inlet point of the road tank wagon.
- Lubricants:
  - Local distributors, title passes to the customer upon the transfer of product from the Group's warehouse to the customer's transport vehicle.
  - Regional distributors, title passes to the customer based on the shipping terms.
- Industrial sales:
  - For peddler sales, title passes when purchase price has been paid in full. All sales to peddlers are on a cash basis.
  - For state enterprises sales, title passes over when the fuel has been loaded into the customer's storage area.
  - For private sales, title passes over when the fuel has been loaded into the customer's storage area.
- LPG and LPG accessories sales - title passes either at:
  - at the inlet point of the Bridger
  - at the discharge flange at the bulk installation
  - LPG cylinder is filled and loaded in the customer's vehicle

  LPG accessories - Title passes over to customer upon transfer of the product to the customer
- Convenience goods – title passes to the customer upon the transfer of product from the convenience store to the customer

2 Summary of significant accounting policies (continued)

q. *Revenue recognition (continued)*

Sales are recognised when control of the products or services has transferred, being when the products or services are delivered to the customer, the customer has full discretion over the channel and price to sell the products or services, and there is no unfulfilled obligation that could affect the customer's acceptance of the products or services.

No element of financing is deemed present as typically, payment for the sale of the product or service is received by the end of the month following the month in which the sale is recognised, which is consistent with market practice.

Rental income

Rental income relates to royalty income earned from franchisees and other arrangements and is based on the rate per unit of fuel sold. This is recognised on the accrual basis in accordance with the substance of the relevant agreements.

Interest income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes. Any other interest income is included in other income.

r. *Leases*

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

2 Summary of significant accounting policies (continued)

r. *Leases (continued)*

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives received or receivable.
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date.
- The amount expected to be payable by the lessee under residual value guarantees.
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

2 Summary of significant accounting policies (continued)

r. *Leases (continued)*

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position. The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "Other expenses" in profit or loss (see note 24).

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease component based on their relative stand-alone price. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease component and instead account for these as a single lease component.

s. *Dividend distribution*

Provision is made for the value of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

t. *Rounding of amounts*

All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousand currency units unless otherwise stated.

3 Financial risk management

a. *Financial risk factors*

The Group's activities expose it to financial risks: market risk (including currency risk, cash flow and fair value interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of the financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The risk management is carried out by the Group's treasury department.

Risk management is carried out by management under policies approved by the Board of Directors. Management identifies and evaluates financial risks in co-operation with the Group's operating units and provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and invest of excess liquidity.

(i) *Market risk*

(a) *Foreign exchange risk*

The Group operates regionally and is exposed to foreign exchange risk primarily with respect to the US dollar. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency. Most of the foreign exchange risk resides with the parent and the Group manages this risk by holding amounts in US dollars within its cash balances.

As at 31 March 2023, if the functional currency of the parent had weakened/strengthened by 1% against the US dollar with all other variables held constant, post-tax profit for the year would have been $292 lower/higher, mainly as a result of foreign exchange gains/loss on translation of US dollar denominated trade receivables, cash and payable balances.

As at 31 March 2022, if the functional currency of the parent had weakened/strengthened by 1% against the US dollar with all other variables held constant, post-tax loss for the year would have been $373 lower/higher, mainly as a result of foreign exchange gains/loss on translation of US dollar denominated trade receivables, cash and payable balances.

There were no changes in the policies and procedures for managing foreign currency risk compared with prior year.

(b) *Price risk*

The Group is exposed to bond securities price risk because of investments held by the Group and classified in the consolidated statement of financial position as financial assets at fair value through profit or loss. Management manages its price risk by reviewing the movement trend of prices on the stock exchange. This information is used to determine whether its investment should be retained or disposed. Due to the nature of the Group's operations, there is no significant exposure to price risk.

As at 31 March 2023, if the financial asset at fair value through profit or loss quoted prices increased/decreased by 5%, total comprehensive profit would have been higher/lower by $274.

3 Financial risk management (continued)

a. *Financial risk factors (continued)*

(i) *Market risk (continued)*

(b) *Price risk (continued)*

As at 31 March 2022, if the financial asset at fair value through profit or loss quoted prices increased/ decreased by 5%, total comprehensive loss would have been higher/lower by $300.

There were no changes in the policies and procedures for managing price risk compared with prior year.

(c) *Cash flow and fair value interest rate risk*

As the Group has no significant interest-bearing assets, the Group's income and core operating cash flows are substantially independent of changes in market interest rates. The Group has no long-term loans and its investments are short-term. As such, the Group's exposure to cash flow and fair value interest rate risk is minimal.

(ii) *Credit risk*

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk arises from cash and cash equivalents, contractual cash flows of debt investments carried at amortised cost and at fair value through profit or loss (FVPL), and deposits with banks and financial institutions, as well as credit exposures to outstanding trade and other receivables. Financial instruments which potentially subject the Group to significant credit risk consist principally of cash and trade and other receivables. The Group's maximum amount of credit risk exposure is limited to the carrying amount of these financial instruments.

The Group's cash is held with or issued by leading financial institutions. Therefore, the Group considers the risk of non-performance on these instruments to be minimal.

The Group's credit risk is principally attributable to its trade receivables. The amounts disclosed in the statements of financial position are net of an allowance for doubtful accounts, estimated by the Group's management and based, in part, on the age of the specific receivable balance and the current and expected collection trends.

The Group considers its credit risk with trade debtors to be limited due to the large number of customers comprising the Group's customer base. Individual credit limits are approved by the Credit Committee and are monitored on an ongoing basis. These are determined based on evaluations of customers' financial situation, past experience and other factors. The exposure of potential losses from granting credit is also monitored on an ongoing basis. The Group's other receivable balances comprises of amounts receivable from the Government of the Republic of Trinidad and Tobago (GORTT). These balances have a low credit risk. Refer to Notes 11 and 12 for additional information.

(Presented in Thousands of Trinidad and Tobago Dollars Unless Otherwise Stated)

3 Financial risk management (continued)

a. *Financial risk factors (continued)*

(ii) *Credit risk (continued)*

There were no changes in the policies and procedures for managing credit risk compared with prior year.

(a) *Risk Management*

The Group's cash is held with or issued by leading financial institutions in amounts varying between TT$3 to TT$43,058; US$1 to US$1,239 and XC$16 to XC$1,605 (2022: TT$5 to TT$127,584; US$1 to US$6,453 and XC$19 to XC$488). Therefore, the Group considers the risk of non-performance on these instruments to be minimal.

(b) *Security*

There are no trade receivables for which the Group has obtained any form of guarantee, deeds of undertaking or letters of credit.

(c) *Credit quality*

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to historical information about counterparty default rates:

Cash at bank and short-term bank deposits	**2023 $**	**2022 $**
National Bank of Dominica Limited	11,470	5,790
First Citizens Bank Limited	82,051	200,953
Trinidad and Tobago Unit Trust Corporation	22,575	17,286
Citibank (Trinidad & Tobago) Limited	1,426	671
Scotiabank Trinidad and Tobago Limited	951	958
Republic Bank Limited	9,337	43,912
	127,810	269,570

The rest of the statement of financial position item cash and cash equivalents comprises cash in hand

(Presented in Thousands of Trinidad and Tobago Dollars Unless Otherwise Stated)

3 **Financial risk management (continued)**

a. *Financial risk factors (continued)*

(ii) *Credit risk (continued)*

(d) *Impairment of financial assets*

The following is a summary of the Group's maximum exposure to credit risk:

	Fully performing $	Past due $	Impaired $	Provision for impairment $	Total $
31 March 2023					
Cash at bank	127,810	--	--	--	127,810
Trade receivables and other receivables (excluding prepayments)	237,902	960,694	23,098	(23,098)	1,198,596
Financial assets at amortised cost	201	--	--	--	201
Financial asset at fair value through profit or loss	5,476	--	--	--	5,476
Total	371,389	960,694	23,098	(23,098)	1,332,083

	Fully performing $	Past due $	Impaired $	Provision for impairment $	Total $
31 March 2022					
Cash at bank	269,570	--	--	--	269,570
Trade receivables and other receivables (excluding prepayments)	371,113	974,210	25,137	(25,137)	1,345,323
Financial asset at fair value through profit or loss	5,989	--	--	--	5,989
Total	646,672	974,210	25,137	(25,137)	1,620,882

The Group does not hold any collateral in relation to these assets.

The Group has one type of financial asset that are subject to the expected credit loss model:

- Trade and other receivables

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

(Presented in Thousands of Trinidad and Tobago Dollars Unless Otherwise Stated)

3 Financial risk management (continued)

a. *Financial risk factors (continued)*

(ii) *Credit risk (continued)*

(d) *Impairment of financial assets (continued)*

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade and other receivables. The simplified approach eliminates the need to calculate 12-month ECL and to assess when a significant increase in credit risk has occurred. Accordingly, a lifetime expected loss allowance is used from day 1. To measure the lifetime loss allowance, the Group first considers whether any individual customer accounts require specific provisions. Loss rates are then assigned to these accounts based on an internal risk rating system considering various qualitative and quantitative factors. All other non-specific trade receivables are then grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of sales over a period of 12 months before 31 March 2023 or 1 April 2022 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as GDP and unemployment affecting the ability of the customers to settle the receivables.

The following is a summary of the ECL on trade and other receivables. The estimated EAD excludes specific provisions made.

As at 31 March 2023

Aging Bucket	Average ECL rate %	Estimated EAD $	Expected credit loss $
Current (0-30 days)	0.01%	148,357	18
31 to 60 days	0.01%	29,307	2
61 to 90 days	0.17%	2,020	3
91 to 120 days	2.40%	6,094	137
Over 120 days	1.09%	18,990	208
		204,768	368

As at 31 March 2022

Aging Bucket	Average ECL rate %	Estimated EAD $	Expected credit loss $
Current (0-30 days)	0.03%	137,857	47
31 to 60 days	0.12%	23,289	28
61 to 90 days	1.01%	2,280	23
91 to 120 days	1.34%	1,868	25
Over 120 days	1.80%	23,924	431
		189,218	554

(Presented in Thousands of Trinidad and Tobago Dollars Unless Otherwise Stated)

3 Financial risk management (continued)

a. *Financial risk factors (continued)*

(ii) *Credit risk (continued)*

(d) *Impairment of financial assets (continued)*

The closing loss allowances for trade and other receivables as at 31 March reconcile to the opening loss allowances as follows:

	Trade and other receivables 2023 $	2022 $
Balance at beginning of the year	25,137	27,302
Increase/(decrease) in loss allowance recognised in profit or loss during the year – general	73	(2,312)
Increase in loss allowance recognised in profit or loss during the year – specific	35	107
Receivables written back	(248)	--
Receivables written off during the year as uncollectible	(1,916)	--
Translation adjustment	17	40
As at 31 March	23,098	25,137

The following is an analysis of the net impairment expense on financial assets recognised in profit and loss:

	2023 $	2022 $
Increase/(decrease) in loss allowance recognised in profit or loss during the year – general	73	(2,312)
Unused amounts reversed	(248)	--
Bad debt written off directly to profit and loss	351	--
Increase in loss allowance recognised in profit or loss during the year – specific	35	107
Net expenses for the year	211	(2,205)

Trade and receivables are written off when there is no reasonable expectation of recovery, indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 90 days past due.

Impairment losses on trade and other receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

(iii) *Liquidity risk*

Liquidity risk is the risk that the Group will encounter difficulties in meeting its obligations as they fall due.

(Presented in Thousands of Trinidad and Tobago Dollars Unless Otherwise Stated)

3 **Financial risk management (continued)**

a. *Financial risk factors (continued)*

(iv) *Liquidity risk (continued)*

The Group treasury function ensures that the Group maintains funding flexibility by assessing future cash flow expectations. Management monitors the liquidity requirements to ensure it has sufficient cash to meet operational needs.

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

31 March 2023	Less than 1 year $	2-5 years $	More than 5 years $	Total contractual cash flows $	Carrying value $
Trade and other payables excluding statutory liabilities	1,493,654	--	--	1,493,654	1,493,654
Lease liabilities	25,111	902	1,530	27,543	27,663
Total	1,518,765	902	1,530	1,521,197	1,521,317

31 March 2022	Less than 1 year $	2-5 years $	More than 5 years $	Total contractual cash flows $	Carrying value $
Trade and other payables excluding statutory liabilities	2,093,599	--	--	2,093,599	2,093,599
Lease liabilities	8,883	5,216	1,687	15,786	16,074
Total	2,102,482	5,216	1,687	2,109,385	2,109,673

b. *Capital risk management*

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group does not monitor gearing ratio as it presently has no borrowings.

Net debt is calculated as lease liabilities as shown in the statement of financial position less cash and cash equivalent. Total capital is calculated as 'equity' as shown in the statement of financial position.

The Group's cash and cash equivalents exceed lease liabilities therefore the net debt to equity ratio is nil.

(Presented in Thousands of Trinidad and Tobago Dollars Unless Otherwise Stated)

3 Financial risk management (continued)

c. *Fair value estimation*

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is derived from prices) (Level 2)
- Inputs for the asset or liability that are not based on observable market data (that is unobservable inputs) (Level 3)

The following table presents the Group's financial assets and liabilities that are measured at fair value.

31 March 2023

Asset	**Level 1** **$**	**Level 2** **$**	**Level 3** **$**	**Total** **$**
Financial asset at fair value through profit or loss	5,476	--	--	5,476
Financial asset at amortised cost	--	201	--	201

31 March 2022

Asset	**Level 1** **$**	**Level 2** **$**	**Level 3** **$**	**Total** **$**
Financial asset at fair value through profit or loss	--	5,989	--	5,989

Financial instruments in level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the consolidated statement of financial position date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transaction on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

Financial instruments in level 2

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Financial instruments in level 3

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

4 Critical accounting estimates and judgements

Estimates and judgements 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.

a. *Critical accounting estimates and assumptions*

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

(i) *Income taxes*

There are some transactions and calculations for which the ultimate tax determination may be uncertain during the ordinary course of business. When the final tax outcome is determined, the amounts payable may be different from the amounts that were initially recorded. Such differences will impact the current and deferred tax provisions in the consolidated financial statements.

(ii) *Retirement benefit asset/Post-employment medical plan*

The present value of the pension obligations depends on several factors that are determined on the actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of the estimated future cash outflows, expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Group considers the interest rates of government issued bonds that are denominated in the currency in which the benefits will be paid, and that have the terms to maturity approximating the terms of the related pension liability.

The fair value of the plans' assets are based on models developed by the Trustees to value both quoted and unquoted investments. Significant judgement and assumptions are utilized because of the limited external evidence available to support the valuations of unquoted investments.

Other key assumptions for pension obligations are based in part on current market conditions. Additional information and sensitivity analysis is disclosed in Note 7.

Notes to the Consolidated Financial Statements (continued)
31 March 2023
(Presented in Thousands of Trinidad and Tobago Dollars Unless Otherwise Stated)

5 **Property, plant, and equipment**

	Land and buildings $	Plant and machinery $	Cylinders and other equipment $	Motor vehicles $	Work in progress $	Total $
Year ended 31 March 2022						
Opening net book amount	221,724	131,702	103,910	17,011	86,932	561,279
Additions	--	369	306	--	39,334	40,009
Transfers	16,491	2,956	9,691	--	(29,138)	--
Disposals	--	(417)	(307)	--	--	(724)
Re-classification	(8,656)	(3,827)	22,800	(11,875)	(1,877)	(3,435)
Translation difference	48	--	2	(2)	32	80
Depreciation charge	(12,228)	(12,932)	(22,179)	(1,458)	--	(48,797)
Closing net book amount	217,379	117,851	114,223	3,676	95,283	548,412
At 31 March 2022						
Cost	380,024	302,516	336,333	25,705	95,163	1,139,741
Accumulated depreciation	(164,432)	(184,788)	(222,105)	(21,876)	--	(593,201)
Translation difference	1,787	123	(5)	(153)	120	1,872
Net book amount	217,379	117,851	114,223	3,676	95,283	548,412

(Presented in Thousands of Trinidad and Tobago Dollars Unless Otherwise Stated)

5 Property, plant, and equipment (continued)

	Land and buildings $	Plant and machinery $	Cylinders and other equipment $	Motor vehicles $	Work in progress $	Total $
Year ended 31 March 2023						
Opening net book amount	217,379	117,851	114,223	3,676	95,283	548,412
Additions	--	434	149	--	33,741	34,324
Transfers	5,418	76	742	--	(6,236)	--
Disposals	--	--	(307)	--	--	(307)
Dismantlement	2	--	--	--	--	2
Translation difference	(9)	(5)	(5)	(1)	(4)	(24)
Depreciation charge	(12,945)	(12,674)	(20,345)	(996)	--	(46,960)
Closing net book amount	209,845	105,682	94,457	2,679	122,784	535,447
At 31 March 2023						
Cost	385,443	303,027	336,917	23,920	122,665	1,171,972
Accumulated depreciation	(177,377)	(197,464)	(242,449)	(21,087)	--	(638,377)
Translation difference	1,779	119	(11)	(154)	119	1,852
Net book amount	209,845	105,682	94,457	2,679	122,784	535,447

Depreciation expense of $46,960 (2022: $48,797) has been charged to operating expenses in the statement of profit or loss and other comprehensive income.

Work in progress comprises of costs associated with projects which are capital in nature, but which are incomplete as at the end of the respective years.

(Presented in Thousands of Trinidad and Tobago Dollars Unless Otherwise Stated)

6 Leases

This note provides information for leases where the Group is the lessee.

Amounts recognised in the Statement of Financial Position.

Right of Use Assets

	Vessels $	Land and buildings $	Motor vehicles $	Other $	Total $
Year ended 31 March 2022					
Opening net book value	22,805	2,016	18,783	573	44,177
Additions	54,538	1,174	--	--	55,712
Effects of modification of lease terms	(929)	(35)	(327)	--	(1,291)
Depreciation charge	(76,414)	(608)	(7,860)	(246)	(85,128)
Closing net book value	--	2,547	10,596	327	13,470
At 31 March 2022					
Cost	157,774	3,379	33,917	970	196,040
Additions	54,538	1,174	--	--	55,712
Effects of modification of lease terms	(929)	(35)	(327)	--	(1,291)
Accumulated depreciation	(211,383)	(1,971)	(22,994)	(643)	(236,991)
Net book value	--	2,547	10,596	327	13,470

(Presented in Thousands of Trinidad and Tobago Dollars Unless Otherwise Stated)

6 **Leases (continued)**

Right of Use Assets

	Vessels $	Land and buildings $	Motor vehicles $	Other $	Total $
Year ended 31 March 2023					
Opening net book value	--	2,547	10,596	327	13,470
Additions	103,085	--	707	--	103,792
Effects of modification of lease terms	--	(55)	(342)	--	(397)
Depreciation charge	(82,468)	(549)	(7,789)	(246)	(91,052)
Closing net book value	20,617	1,943	3,172	81	25,813
At 31 March 2023					
Cost	--	2,547	10,596	327	13,470
Additions	103,085	--	707	--	103,792
Effects of modification of lease terms	--	(35)	(118)	--	(153)
Accumulated depreciation	(82,468)	(569)	(8,013)	(246)	(91,296)
Net book value	20,617	1,943	3,172	81	25,813

The Group has lease contracts for vessels, land and buildings, motor vehicles and office equipment used in its operations. Leases for land and building rental generally have lease terms between 3 and 25 years, vessels 2 years and motor vehicles 3 to 5 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

(Presented in Thousands of Trinidad and Tobago Dollars Unless Otherwise Stated)

6 Leases (continued)

Amounts recognised in the Statement of Financial Position

Lease liabilities

	Vessels $	Land and building $	Motor vehicles $	Other $	Total $
Year ended 31 March 2022					
Opening net book value	23,774	3,067	21,045	583	48,469
Additions	54,538	1,174	--	--	55,712
Effect of modification on lease term	(929)	(61)	(333)	--	(1,323)
Principal payments	(77,383)	(667)	(8,490)	(243)	(86,783)
Closing net book value	--	3,513	12,222	340	16,075
At 31 March 2022					
Current	--	569	8,061	253	8,883
Non-current	--	2,944	4,161	87	7,192
Net book value	--	3,513	12,222	340	16,075
Year ended 31 March 2023					
Opening net book value	--	3,513	12,222	340	16,075
Additions	103,085	--	707	--	103,792
Effect of modification on lease term	--	(62)	(348)	--	(410)
Principal payments	(82,195)	(519)	(8,827)	(253)	(91,794)
Closing net book value	20,890	2,932	3,754	87	27,663
At 31 March 2023					
Current	20,890	486	3,754	87	25,217
Non-current	--	2,446	--	--	2,446
Net book value	20,890	2,932	3,754	87	27,663

(Presented in Thousands of Trinidad and Tobago Dollars Unless Otherwise Stated)

6 Leases (continued)

Amounts recognised in the Statement of Comprehensive Income

The statement of profit or loss and other comprehensive income includes the following amounts relating to leases:

	2023 $	2022 $
Interest expense (included in finance cost note 25)	3,540	1,976
Depreciation charge on ROU assets	91,052	85,128

The total cash outflow excluding interest for leases in 2023 was $ 91,794 (2022: $86,783)

(Presented in Thousands of Trinidad and Tobago Dollars Unless Otherwise Stated)

7 Retirement benefit asset and post-employment medical plan obligation

Defined benefit pension plans

The Group operates two defined benefit pension plans. Plan I (established May 1971) covers employees other than senior staff whilst Plan II (established May 1984) covers senior staff employees. Membership in these plans comprises all permanent employees (active members), deferred pensioners and pensioners. All the plans are final salary pension plans, which provide benefits to members for life. The level of benefits depends on the members' length of service and their salary in the final years leading to retirement. Plan assets held in trust are governed by local regulations.

Responsibility for governance of the plans including investment decisions and contribution schedules lies jointly with the Management Committees and Trustees. The Management Committees comprise of representatives of the Group and members of the plans in accordance with the plans' rules.

The trustee of Plan I is Republic Bank Limited - Trust and Asset Management Division, whilst the trustee of Plan II is First Citizens Trustee Services Limited. The pension plans are funded by contributions determined by periodic actuarial calculations. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method, and a full valuation is done every three years. The last full valuation was done for the year ended 31 March 2023 on 13 December 2023. Roll forward valuations, which are less detailed than full valuations are performed annually.

Post-employment medical plan

This plan covers medical benefits and is self-insured and administered by the Group. Employees who retire directly from either one of the Group's pension plans and are in receipt of a pension are eligible for the medical benefit. Employees who leave the Group and do not retire immediately are not eligible for post-retirement medical coverage. The plan also covers the pensioner's spouse for the duration of the member's lifetime only.

	2023 $	2022 $
Statement of financial position obligation for:		
Retirement benefit asset - Pension benefits	73,235	79,779
Post-employment medical plan obligation - Medical benefits	58,943	58,892
Statement of comprehensive income:		
Net retirement pension cost – Pension benefits	24,508	18,346
Net post-employment medical cost – Medical benefits	4,840	4,947
	29,348	23,293

(Presented in Thousands of Trinidad and Tobago Dollars Unless Otherwise Stated)

7 Retirement benefit asset and post-employment medical plan obligation (continued)

Retirement benefit asset

The amounts recognised in the statement of financial position for Plans I and II combined are as follows:

	2023 $	2022 $
Present value of funded obligations	628,794	629,330
Fair value of plan assets	(702,029)	(709,109)
Retirement benefit asset - Pension benefits	(73,235)	(79,779)

Movement in the present value of funded obligations:

	2023	2022
Present value of funded obligations at start of year	629,330	666,259
Current service cost	16,853	18,364
Interest cost	36,191	37,145
Members contributions	4,912	5,527
Past service cost	13,403	–
Re-measurement:		
Experience adjustment	(18,823)	(38,684)
Actuarial gains for changes in financial assumptions	--	(18,207)
Benefits paid	(53,072)	(41,074)
Present value of funded obligations at end of year	628,794	629,330

The defined benefit obligation is allocated between the two Plans' members as follows:

	2023	2022
- Active	57%	57%
- Deferred members	2%	2%
- Pensioners	41%	41%

The weighted average duration of the defined benefit obligation at the year-end is 12.4 years (2022:12.4%).
96.6% (2022:96.6%) of the benefits for active members were vested.
25.2% (2022: 25.2%) of the defined benefit obligation for active members is conditional on future pay increases.

Movement in the fair value of plan assets:

	2023	2022
Fair value of plan assets at start of year	709,109	660,394
Interest income	42,352	37,599
Return on plan assets, excluding interest income	(42,844)	24,299
Company contributions	41,985	22,800
Members' contributions	4,912	5,527
Benefits paid	(53,072)	(41,074)
Administrative expenses	(413)	(436)
Fair value of plan assets at end of year	702,029	709,109
The actual return on plan assets	(492)	61,898

Expenses recognised in consolidated statement of comprehensive income:

	2023	2022
Current service cost	16,853	18,364
Net interest cost	(6,161)	(454)
Past service cost	13,403	--
Administrative expenses	413	436
Net pension cost	24,508	18,346

(Presented in Thousands of Trinidad and Tobago Dollars Unless Otherwise Stated)

7 Retirement benefit asset and post-employment medical plan obligation (continued)

Retirement benefit asset (continued)	2023 $	2022 $
Reconciliation of opening and closing statement of financial position entries:		
Opening retirement benefit (asset)/liability - Pension benefits	(79,779)	5,865
Net pension cost	24,508	18,346
Re-measurement recognised in other comprehensive income	24,021	(81,190)
Company contribution paid	(41,985)	(22,800)
Closing retirement benefit asset - Pension benefits	(73,235)	(79,779)
Re-measurements recognised in other comprehensive income:		
Experience (gains)/loss	24,021	(81,190)

Expected Group contribution in 2023/2024 is $17,500 (2022/2023 is $34,000).

The plans' assets are fully invested in diversified general portfolio funds managed by the respective Trustees. Asset allocation is as follows:

Asset allocations	2023 $	2022 $
Local and regional equity securities	166,644	175,269
Overseas equities (outside CARICOM)	146,397	150,524
TT$ denominated bonds	309,812	309,257
US$ denominated bonds	34,387	46,220
Cash and cash equivalents	32,368	24,834
Other (annuities, mortgages)	12,421	3,005
Fair value of plan assets at end of year	702,029	709,109

Summary of principal assumptions	2023	2022
Discount rate assumption	6.00%	6.00%
Average individual salary increases	5.00%	5.00%

Assumptions regarding future mortality are based on published mortality tables. The life expectancy underlying the value of the retirement benefit obligation - pension benefits as at 31 March 2023 is as follows:

Life expectancy at age 60 for current pensioner in years		
Male	21.9	21.9
Female	26.2	26.1

(Presented in Thousands of Trinidad and Tobago Dollars Unless Otherwise Stated)

7 Retirement benefit asset and post-employment medical plan obligation (continued)

Retirement benefit asset (continued)	**2023**	**2022**
Life expectancy at age 60 for current members aged 40 in years		
Male	22.8	22.7
Female	27.1	27.0

Retirement benefit sensitivity analysis

The calculation of the defined benefit obligations is sensitive to the assumptions used. The following summarises how the defined benefit obligations at 31 March 2023 would have changed as a result of the change in these assumptions.

	1%pa higher	**1% pa lower**
Discount rate	(66,781)	82,108
Future salary increases	25,088	(22,276)

An increase of 1 year in the assumed life expectancies shown above would increase the defined benefit obligation at 31 March 2023 by $8,600.

Post-employment medical plan obligation	**2023 $**	**2022 $**
Retirement benefit obligation - Medical benefits	58,943	58,892

Movement in present value of post-employment medical plan obligation		
Post-employment medical obligation at start of year	58,892	55,295
Current service cost	1,361	1,832
Interest cost	3,479	3,115
Re-measurement:		
Experience adjustments	(2,947)	3,594
Actuarial gains for changes in demographic assumptions	--	(670)
Actuarial gains for changes in financial assumptions	--	(2,003)
Benefits paid	(1,842)	(2,271)
Post-employment medical obligation at end of year	58,943	58,892

Amounts recognised in the consolidated statement of comprehensive income.		
Current service cost	1,361	1,832
Net interest on net defined benefit liability	3,479	3,115
Net medical cost	4,840	4,947

The defined benefit obligation is allocated between the Plan's Members as follows:		
- Active	43%	53%
- Deferred members	0%	0%
- Pensioners	54%	47%

The weighted average duration of the defined benefit obligation at the year-end is 14.3 years. 79% of the benefits for active members are vested.

(Presented in Thousands of Trinidad and Tobago Dollars Unless Otherwise Stated)

7 Retirement benefit asset and post-employment medical plan obligation (continued)

Post-employment medical plan obligation (continued)	2023 $	2022 $
Re-measurements recognised in other comprehensive income:		
Experience (gains)/loss	(2,947)	921
Reconciliation of opening and closing consolidated statement of financial position entries		
Post-employment medical obligation at start of year	58,892	55,295
Net medical cost	4,840	4,947
Re-measurement recognised in other comprehensive income	(2,947)	921
Benefits paid	(1,842)	(2,271)
Post-employment medical obligation at end of year	58,943	58,892

Summary of principal assumptions	2023	2022
Discount rate assumption	6.00%	6.00%
Future medical cost increases	5.00%	5.00%

Assumptions regarding future mortality are based on published mortality tables. The life expectancy underlying the value of the post-employment medical obligation at year-end is as follows:

Life expectancy at age 60 for current pensioner in years	
Male	21.9
Female	26.1
Life expectancy at age 60 for current members aged 40 in years.	
Male	22.8
Female	27.1

Sensitivity analysis

The calculation of the post-employment medical obligations is sensitive to the assumptions used. The following summarises how the defined benefit obligations would change as a result of the changes in these assumptions.

	1% pa higher	1% pa lower
Discount rate	(7,155)	8,860
Medical cost increase	8,859	(7,279)

An increase of 1 year in the assumed life expectancies shown above would increase the defined benefit obligation at 31 March 2023 by $2,197. Expected Company contribution in 2024 is $2.3million.

(Presented in Thousands of Trinidad and Tobago Dollars Unless Otherwise Stated)

8 Financial assets at amortised cost

In January 2023, the Clico Investment Fund (CIF) held by the Group which was classified as Financial asset at fair value, matured, and was partially redeemed for GORTT Series 2 bonds due in 2037.

	2023 $	2022 $
Balance as at 1 April	--	530
Proceeds from financial assets at amortised cost	--	(530)
Acquisition of financial asset at amortised cost	608	--
Discounting of the financial asset at amortised cost	(407)	--
Balance as at 31 March	201	--

9 Inventories

Goods for resale	81,944	116,520
Raw and packaging materials	58,999	31,192
Maintenance spares	16,006	14,720
Manufactured goods	24,282	17,163
Goods in transit	8,138	4,231
Provision for obsolete and slow-moving goods	(2,706)	(2,656)
	186,663	181,170

Movement on the Group's provision for obsolete and slow-moving goods is as follows:

Balance as at 1 April	(2,656)	(2,656)
Provision for obsolete and slow-moving goods	(50)	--
	(2,706)	(2,656)

The cost of inventory recognised in the consolidated statement of profit or loss and other comprehensive income is $6,228,648 (2022: $7,576,904).

10 Financial instruments by category

The accounting policies for financial instruments have been applied to the line items below:

Assets as per statement of financial position	Loans and receivables	
Trade and other receivables excluding statutory receivables and prepayments	1,075,994	1,345,324
Cash and cash equivalents	128,110	269,814
Total	1,204,104	1,615,138

(Presented in Thousands of Trinidad and Tobago Dollars Unless Otherwise Stated)

10 Financial instruments by category (continued)

	2023 $	2022 $
	Financial asset at amortised cost	
Financial asset at amortised cost	201	--
	Financial asset at fair value through profit or loss	
Financial asset at fair value through profit or loss	5,476	5,899
	Financial liabilities at amortised cost	
Liabilities as per statement of financial position		
Lease liabilities	27,663	16,074
Trade and other payables excluding statutory liabilities	1,495,353	2,094,864
	1,523,016	2,110,938

The Group has no liabilities at fair value through profit or loss.

11 Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to historical information about counterparty default rates.

Trade receivables

	2023 $	2022 $
Counterparties without external credit ratings		
Group 1	135,810	140,046
Group 2	46,181	24,354
Total unimpaired trade receivables (current and non-current)	181,991	164,400

Group 1 – Existing customers (more than 6 months) with no defaults in the past
Group 2 – Existing customers (more than 6 months) with some defaults in the past

All defaults were fully recoverable.

None of the financial assets that are fully performing has been renegotiated in the last year.

(Presented in Thousands of Trinidad and Tobago Dollars Unless Otherwise Stated)

11 Credit quality of financial assets (continued)

Cash at bank and short-term deposits (exclusive of held-to-maturity investment)

All cash at bank and short-term bank deposits are deposited with reputable banking institutions. The credit ratings of the financial institution were obtained by Standard and Poor's.

Cash and cash equivalents (Note 14)	Rating
Citibank (Trinidad & Tobago) Limited	A-1
Republic Bank Limited	BBB+
Scotiabank Trinidad & Tobago Limited	A-1
First Citizens Bank Limited	BBB+
Trinidad & Tobago Unit Trust Corporation	BBB-
National Bank of Dominica Limited	BB-
Financial asset at FVTPL (Note 13)	
First Citizen's Investment Bank Limited	A-3

12 Trade and other receivables

	2023 $	2022 $
Trade receivables - current	204,768	189,218
Less: provision for impairment of receivables	(22,777)	(24,818)
Trade receivables - net	181,991	164,400
Sundry debtors and prepayments	16,239	10,336
Less: provision for impairment of debtors	(321)	(319)
Value Added Tax receivable	123,202	247,059
Rebate receivable from the Government of the Republic of Trinidad and Tobago (Note 29)	262,972	467,545
Subsidy claims due from the Government of the Republic of Trinidad and Tobago (Note 29)	623,268	710,749
Interest receivable	31	5
	1,207,382	1,599,775

The rebate and subsidy receivables relate to purchases of fuels and LPG at market prices. These products are then sold locally at regulated prices set by the Government of the Republic of Trinidad and Tobago. The difference between the purchase price and the regulated selling price is called a subsidy/rebate which is receivable from the Government of the Republic of Trinidad and Tobago in accordance with the Petroleum Production Levy and Subsidy Act Chapter 62~02.

Included in trade receivables are the following related party receivables:

	2023 $	2022 $
Trade and other receivables - related parties		
Receivables from related parties	52,278	54,097
Less: provision for impairment of receivables	(6,581)	(5,812)
Net amounts due from related parties	45,697	48,285

(Presented in Thousands of Trinidad and Tobago Dollars Unless Otherwise Stated)

12 Trade and other receivables (continued)

The carrying amounts of the Group's trade and other receivables are denominated in the following currencies:

Currency	2023 $	2022 $
TT dollar	1,164,973	1,559,520
US dollar	33,274	32,446
EC dollar	9,135	7,809
Total current and non-current	1,207,382	1,599,775

The creation and release of provision for impaired receivables have been included in other expenses in the consolidated statement of comprehensive income. Amounts charged to the allowance account are generally written-off when there is not an expectation of recovering additional cash.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. The Group does not hold any collateral as security.

Impairment and risk exposure

	Current $	More than 30 days Past due $	More than 60 days Past due $	More than 90 days Past due $	More than 120 days Past due $	Total $
31-Mar-23						
Expected loss rate	0.01%	0.01%	0.17%	8.28%	1.09%	
Gross carrying amount –Trade receivables	148,357	29,307	2,020	6,094	18,990	204,768
Less: loss allowance	(17)	(2)	(3)	(505)	(208)	(735)
	148,340	29,305	2,017	5,589	18,782	204,033
Trade receivables Less: specific provision	--	--	--	(367)	(21,675)	(22,042)
Trade receivables, net	148,340	29,305	2,017	5,222	(2,893)	181,991
Total loss allowance	(17)	(2)	(3)	(872)	(21,883)	(22,777)

(Presented in Thousands of Trinidad and Tobago Dollars Unless Otherwise Stated)

12 Trade and other receivables (continued)

	Current $	More than 30 days Past due $	More than 60 days Past due $	More than 90 days Past due $	More than 120 days Past due $	Total $
31-Mar-22						
Expected loss rate	0.03%	0.12%	1.01%	1.34%	1.80%	
Gross carrying amount – Trade receivables	137,857	23,289	2,280	1,868	23,924	189,218
Less: loss allowance	(47)	(28)	(23)	(25)	(431)	(554)
	137,810	23,261	2,257	1,843	23,493	188,664
Trade receivables						
Less: specific provision	--	--	--	(367)	(23,897)	(24,264)
Trade receivables, net	137,810	23,261	2,257	1,476	(404)	164,400
Total loss allowance	(47)	(28)	(23)	(392)	(24,328)	(24,818)

Sensitivity analysis

The calculation of the ECL for trade and other receivables is not sensitive to the assumptions used, specifically the forward-looking rate. The following table summarises how the ECL as at 31 March 2023 and 31 March 2022 would have changed as a result of an increase/(decrease) in the forward-looking rate used of 5%.

	2023 $ Increase 5%	2022 $ Increase 5%
Increase in ECL	18	28

	2023 $ Decrease 5%	2022 $ Decrease 5%
Decrease in ECL	(18)	(28)

(Presented in Thousands of Trinidad and Tobago Dollars Unless Otherwise Stated)

	2023 $	2022 $
13 Financial assets at fair value		

In January 2023, the Clico Investment Fund (CIF) held by the Group matured. The units were redeemed for a combination of shares in Republic Financial Holding Limited (RFHL), GORTT Series 2 fixed rate bonds due 2037 and cash. The GORTT Series 2 bonds are classified as financial assets at amortised cost.

	2023 $	2022 $
Opening balance	5,989	5,054
Redemption of Financial asset	(5,547)	--
Acquisition of Financial assets	5,482	--
Net (loss)/gain included within other comprehensive income	(448)	935
Closing balance	5,476	5,989

Financial asset at fair value through profit or loss include the following.

	2023 $	2022 $
Listed securities:		
Bonds	--	5,989
Shares	5,476	--

This security is denominated in Trinidad and Tobago dollars and is not impaired (Note 10).

14 Cash and cash equivalents

	2023 $	2022 $
Cash at bank and in hand	117,810	264,683
Short-term bank deposits	10,300	5,132
	128,110	269,815

15 Share capital

	2023 $	2022 $
Issued and fully paid.		
9,420,000 ordinary shares of no-par value	47,100	47,100

There are 10,000,000 authorised ordinary shares for issue. All issued shares are fully paid.

16 Deferred tax assets and liabilities

Deferred taxes are calculated in full on temporary differences under the liability method to the extent that they are scheduled to reverse using a principal tax rate of 30%. The gross movement in the deferred income tax account is as follows:

	2023 $	2022 $
At beginning of the year	49,723	9,469
Statement of profit or loss and other comprehensive income		
-Other comprehensive income - OCI	(6,322)	24,081
-Comprehensive income charge (Note 26)	4,666	16,173
At end of year	48,067	49,723

The net deferred tax asset arises out of the temporary differences on the retirement and post-employment benefit liabilities, accelerated tax allowances on property, plant and equipment, taxation losses, unwinding of dismantlement provision and the provision for environmental clean-up costs.

(Presented in Thousands of Trinidad and Tobago Dollars Unless Otherwise Stated)

16 Deferred tax assets and liabilities (continued)

The movement in the deferred tax assets and liabilities during the year without taking into consideration the offsetting of balances within the same tax jurisdiction is as follows:

	31.03.21 $	Charged/ (credited) to income statement $	Net charge to OCI $	31.03.22 $
Deferred tax assets				
Accelerated depreciation	(10)	(1)	--	(11)
Retirement benefit liability	(1,758)	1,758	--	--
Post-employment medical plan	(16,589)	(804)	(276)	(17,669)
Lease asset	(2,779)	973	--	(1,806)
Unwinding dismantlement provision	(3,247)	(171)	--	(3,418)
Tax losses	(19,992)	18,816	--	(1,176)
Provision for environmental clean-up costs	(4,244)	(792)	--	(5,036)
Total deferred tax asset	(48,619)	19,779	(276)	(29,116)
Deferred tax liability				
Accelerated depreciation	57,616	(2,706)	--	54,910
Retirement benefit asset	--	(423)	24,357	23,934
Lease asset	472	(477)	--	(5)
Total deferred tax liability	58,088	(3,606)	24,357	78,839
Net deferred tax liability	9,469	16,173	24,081	49,723

(Presented in Thousands of Trinidad and Tobago Dollars Unless Otherwise Stated)

16 Deferred tax assets and liabilities (continued)

	31.03.22 $	Charged/ (credited) to income statement $	Net charge to OCI $	31.03.23 $
Deferred tax assets				
Accelerated depreciation	(11)	8	--	(3)
Post-employment medical plan	(17,669)	(899)	884	(17,684)
Lease asset	(1,806)	209	--	(1,597)
Unwinding dismantlement provision	(3,418)	(202)	--	(3,620)
Tax losses	(1,176)	615	--	(561)
Provision for environmental clean-up costs	(5,036)	987	--	(4,049)
Total deferred tax asset	(29,116)	718	884	(27,514)
Deferred tax liability				
Accelerated depreciation	54,910	(1,308)	--	53,602
Retirement benefit asset	23,934	5,243	(7,206)	21,971
Lease asset	(5)	13	--	8
Total deferred tax liability	78,839	3,948	(7,206)	75,581
Net deferred tax liability	49,723	4,666	(6,322)	48,067

17 Provision for environmental clean-up costs

	2023 $	2022 $
At beginning of year	16,784	14,144
(Decrease)/increase in cost estimates	(3,680)	2,302
Unwinding of provision (Note 25)	712	570
Utilised during the year	(320)	(232)
At end of year	13,496	16,784

In accordance with IAS 37 – Provisions, Contingent Liabilities and Contingent Assets, a provision of has been made for environmental remediation works throughout the service station network (Refer to Note 4a(iii)).

The amount is expected to be settled as follows:

	2023 $	2022 $
Within 1 year (included within current liabilities)	693	1,179
Over 1 year (included within non-current liabilities)	12,803	15,605
	13,496	16,784

(Presented in Thousands of Trinidad and Tobago Dollars Unless Otherwise Stated)

18 Provision for dismantlement cost

	2023 $	2022 $
At beginning of year	13,007	11,370
Exchange adjustment	(1)	4
Increase in cost estimate	6,998	1,062
Adjustment to property, plant, and equipment	2	1
Unwinding of dismantlement provision (Note 25)	669	570
At end of year	20,675	13,007

In accordance with IAS 37 - Provisions, Contingent Liabilities and Contingent Assets, an average provision of $157 (2022: $156) per service station has been made for dismantlement cost throughout the service station network. The approved Network Retail Plan 2020-2030 resulted in the extension of the useful lives the service stations as it revised the timelines for the dismantlement and reconstruction of identified service stations (refer to Note 4a(iv)).

The amount is expected to be settled as follows:

	2023	2022
Over 5 years	20,675	13,007

19 Government grants

	2023	2022
Grants in respect of the service station upgrades.		
At beginning of year	103,106	109,885
Amortised to statement of profit or loss and other comprehensive income (Note 24)	(7,149)	(6,779)
	95,957	103,106
Grants in respect of the liquid fuels pipeline project		
At beginning of year	13,882	22,627
Amortised to statement of profit or loss and other comprehensive income (Note 24)	(8,719)	(8,745)
	5,163	13,882
Total grants	101,120	116,988

The Group received grants from the Government of the Republic of Trinidad and Tobago for expenditure incurred in the upgrade of the service station network and environmental remediation.

One of the Group's subsidiaries received a government grant for the design, construction, and commissioning of the liquid fuels pipeline and ancillary facilities (LFPP).

(Presented in Thousands of Trinidad and Tobago Dollars Unless Otherwise Stated)

20 Deferred franchise fee income

	2023 $	2022 $
Franchisee fees relate to fees received under the franchise arrangements between the Group and Independent Contractors.		
At beginning of year	1,334	1,530
Amortised to statement of profit or loss and other comprehensive income	(142)	(196)
	1,192	1,334
The amount will be settled as follows:		
Within 1 year (included within current liabilities)	465	498
Over 1 year (included within non-current liabilities)	727	836
	1,192	1,334

21 Trade and other payables

	2023	2022
Trade payables	1,220,690	1,299,078
Sundry payables and accruals	277,751	795,119
Deposits on cylinders	24,263	28,843
	1,522,704	2,123,040

Included within trade payables is $1,219,330 (2022: $1,235,774) which is due to the Paria Fuel Trading Company Limited for the purchase of fuel (Note 29).

22 Cost of sales

	2023	2022
Purchases of raw materials, goods for resale and other direct costs	6,373,406	3,813,215
Change in inventories	(3,628)	(58,916)
Subsidy (Note 29 ii)	(1,612,445)	(828,876)
	4,757,333	2,925,423

Subsidy is received from the Government of the Republic of Trinidad and Tobago in respect of the purchase of fuel from Paria Fuel Trading Company Limited for resale in the domestic market at controlled prices in accordance with the Petroleum Production Levy and Subsidy Act Chapter 62~02. Refer to note 29 (ii).

23 Other income

	2023	2022
Gain/(loss) on disposal of plant and equipment	408	(472)
Gain on exchange	-	3
Interest income	676	1,344
Rental income	21,694	19,696
Retail outlets	744	117
Miscellaneous income	14,320	12,955
	37,842	33,643

(Presented in Thousands of Trinidad and Tobago Dollars Unless Otherwise Stated)

24 Expenses

	2023 $	2022 $
Amortisation of government grants (Note 19)	(15,868)	(15,524)
Directors' fees	953	690
Green fund levy	15,448	9,959
Loss on exchange	141	--
Pension plan expense (Note 7)	24,508	18,346
Retail outlet expenses	898	1,424
Medical plan expense (Note 7)	4,840	4,947
Depreciation (Note 5)	46,960	48,797
Depreciation- ROU asset (Note 6)	91,052	85,128
Operating overheads	71,796	58,488
	240,728	212,255
Distribution costs	39,308	33,696
Administration costs	105,356	113,288
	385,392	359,239

Employee remuneration is 90% of administrative costs. Employee remuneration of $20,670 (2022: $18,798) is included within distribution costs.

25 Finance costs

	2023 $	2022 $
Bank charges	1,188	856
Unwinding of provision for environmental clean-up costs (Note 17)	712	570
Unwinding of dismantlement provision (Note 18)	669	570
Interest charges on lease liability (Note 6)	3,540	1,976
	6,109	3,972

26 Taxation

	2023 $	2022 $
Corporation tax		
- Current year	901	1,108
- Prior year	(1,343)	(4,208)
Deferred taxation (Note 16)		
- Current year	4,666	16,173
Business levy	30,194	19,605
	34,418	32,678

(Presented in Thousands of Trinidad and Tobago Dollars Unless Otherwise Stated)

26 Taxation (continued)

The tax on profit differs from the theoretical amount that would arise using the basic rate of tax as follows:

	2023 $	2022 $
Profit before taxation	103,748	64,043
Tax calculated at 30%	31,868	18,901
Expenses not deductible for tax purposes	4,933	3,288
Income not subject to tax	(3,293)	(3,052)
Prior years under provision	(1,333)	(4,213)
Business levy	30,194	19,605
Reversal of tax computation on chargeable profits	(29,182)	--
Taxable losses not recognised	1,220	(1,851)
Other	11	--
Charge to statement of comprehensive income	34,418	32,678

Taxation losses as at 31 March 2023 available for set off against future taxable profits of the various entities where the losses arose amount to approximately $2m (2022: $4m). Taxation recoverable relates to corporation tax refunds outstanding for several years of income which is based on tax returns filed with the relevant tax authorities.

27 Net foreign exchange (gain)/loss

	2023 $	2022 $
The net foreign exchange (gain)/loss	(1,585)	565

28 Employee benefit expense

	2023 $	2022 $
Wages and salaries	131,588	127,671
Net pension cost – post-employment medical plan (Note 7)	4,840	4,947
Net pension cost – retirement benefit plan (Note 7)	24,508	18,346
National insurance	7,060	7,182
Other	11,579	17,333
	179,575	175,479
Number of employees	516	542

Employee benefit expenses are included within cost of sales and expenses.

(Presented in Thousands of Trinidad and Tobago Dollars Unless Otherwise Stated)

29 Related party transactions

In the ordinary course of its business, the Group enters into transactions at arm's length concerning the exchange of goods and provision of services with affiliated companies as well as with entities directly and indirectly owned or controlled by the Government of the Republic of Trinidad and Tobago.

Related party transactions relate to the:

- Purchase of product from Paria Fuel Trading Company Limited and the related subsidy associated with the sale of products
- Sale of fuels to government bodies
- Bank balances held with First Citizens Bank Limited and Trinidad and Tobago Unit Trust Corporation
- Rebates related to purchases of liquefied petroleum gas (LPG) at market prices
- Government grants relate to grants received in respect of the service station upgrade, environmental remediation, and construction of LFCTT pipeline

Transactions with related parties comprise the following:

		2023 $	2022 $
(i)	*Sales*		
	Government ministries and state-owned enterprises	581,192	305,697
(ii)	*Purchases*		
	State-owned enterprise:		
	- Purchases	5,985,675	3,566,623
	- Subsidy (Note 22)	(1,612,445)	(828,876)
		4,373,230	2,737,747
(iii)	*Amortisation of government grant*		
	Government of the Republic of Trinidad and Tobago (Notes 19 and 24)	15,868	15,524
(ii)	*Key management compensation*		
	Salaries and other benefits	7,664	7,561
	Directors' remuneration	953	690
	Group contributions - Savings plan	118	128
	Group contributions - Pension plan	1,003	632
		9,738	9,011

(Presented in Thousands of Trinidad and Tobago Dollars Unless Otherwise Stated)

29 Related party transactions (continued)

Transactions with related parties comprise the following:

	2023 $	2022 $
(v) *Year-end balances arising from sales/ purchases of goods/services*		
Due from related parties.		
Subsidy claims due from the Government of the Republic of Trinidad and Tobago* (Note 12)	623,268	710,749
Government ministries and state-owned enterprises – trade receivables	46,581	48,717
Rebate receivable from the Government of the Republic of Trinidad and Tobago (Note 12)	262,972	467,545
	932,821	1,227,011
Cash and cash equivalents held by related party.		
First Citizens Bank Limited - Amounts included within cash balances (Note 14)	82,051	185,521
Trinidad and Tobago Unit Trust Corporation	22,575	22,476
	104,626	207,997
Due to related parties		
State-owned enterprises (Note 21)	1,219,330	1,299,078
*Treasury surplus due to the Government of the Republic of Trinidad and Tobago	110,119	632,318
	1,329,449	1,931,396

* By virtue of legislative provisions, NPMC obtains a subsidy from GORTT when its selling prices of specified types of fuel fall below certain threshold levels (Ex Terminal Prices) and must pay a Treasury Surplus when its selling prices exceed the thresholds. These arrangements are administered by the Ministry of Energy on behalf of GORTT. It is accounted for in NP's financial statements through cost of sales with corresponding entries to Subsidy Receivable and Treasury Surplus Payable respectively. Refer to note 22.

	2023 $	2022 $
Administrative charges/service fees		
Paid to related party		
Paria Trading Company Limited	1,611	1,484
(vii) *Deferred government grant*		
Government of the Republic of Trinidad and Tobago (Note 19)	101,120	116,988

(Presented in Thousands of Trinidad and Tobago Dollars Unless Otherwise Stated)

30 Contingencies and commitments

Contingencies

a. The Group is a defendant in various legal actions. In the opinion of management, after taking appropriate legal advice, the outcome of all actions not provided for will either not give rise to any significant loss or the outcome and amounts are uncertain.

b. The Group has a contingent liability arising from custom bonds held with First Citizens Bank Limited for $5,225 (2022 $5,225). It is not anticipated that any material liabilities will arise from the contingent liabilities other than those provided for in Note 21.

c. The Property Tax Act of 2009 (PTA) was enacted into law by the Government of the Republic of Trinidad and Tobago (GORTT), effective from January 1, 2010. There were challenges with its implementation and GORTT implemented waivers of the tax. The PTA has not yet been enforced for industrial and commercial properties primarily due to non-completion of property valuations by the statutory authority and assessments not being sent to taxpayers. While a present obligation exists, taxpayers are unable to reliably estimate the liability as the basis for fair value at this time has not been clarified.

Commitments

Capital commitments.

Capital expenditure contracted for at the end of the reporting period but not yet incurred is as follows:

	2023 $	2022 $
Property, plant, and equipment	10,148	10,895

31 Subsequent events

(a) The COVID-19 pandemic's impact on demand for oil, the subsequent fall in oil prices, and the operating disruption to oil and gas companies was an extremely challenging situation, however, the Group was able to maintain sufficient liquidity and a positive cash balance to remain operational during that difficult period. On 05 May 2023, the WHO declared an end to COVID-19 as a global health emergency.

(b) By letter dated 17 October 2023, the GORTT informed Liquid Fuels Company of Trinidad and Tobago Limited that Cabinet approved the injection of $15,900 to meet operational expenditure from September 2023 to March 2024. Amounts of $1,800 and $12,500 were received from the GORTT by cheques dated 29 September 2023 and 04 July 2024 respectively.

(c) On 06 October 2023, the Board of Inland Revenue issued a notice to the Company netting the Company's tax payable against outstanding tax refunds of $19,361 for the tax years 1992 to 1997. Consequently, both the tax payable and tax receivable balance will be reduced by $19,361.