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# Introduction

Welcome to CANTO's 2018 Annual Report. This Report highlights the activities of the Association for the period Oct. 2017 to Sept. 2018.

On behalf of the Board of Directors, Management and Staff of CANTO, we thank the seven (7) working committees and stakeholders of CANTO for the support during the year. Without your active participation and support, CANTO would not be the entity it is today. We look forward to your continued patronage in 2018 and beyond.

# **Mission**

"Influence the innovation and development of ICT solutions for the benefit of members by developing, navigating and leveraging relationships with all stakeholders. Advocate for policies, legislation and rules which advance the creation of an environment which facilitates the deployment of services and technologies around the region."

To achieve this mission our key products are:-

- Annual Conference & Trade Exhibition
- 2. Publications Annual Directory, Quarterly Cancion Magazine, Briefs, Position Papers, Annual Caribbean Statistics & Rate Evolution, BN Americas & CANTO Connect Newsletter.
- CANTO has seven (7) working committees which support the board in assisting the Organization achieve
  its objectives. Corporate Social Responsibility (CSR) Committee, Disaster Risk Management Committee,
  Financial Advisory Committee, Marketing and Communications Committee, Regulations Committee,
  Technology Working Committee, Vendor/Supplier Working Committee.
- 4. WTISD Regional Video Competition
- Special Projects Secondary Schools ICT Expo, ECLAC Project on Disaster Risk Management in the Caribbean Telecommunications Sector.
- 6. ICT Forum:
  - Caribbean Women in ICT
  - Ministerial Round Table
  - Operators & Regulators Forum

# Vision

"To become the leading authority in shaping information and communication in the Caribbean" Region and the Americas.



# **Board of Directors**





Telegraph Co. Ltd



# Secretariat Staff



Teresa Wankin Secretary General



Jimmy Rodrigues
Finance & Administration
Manager



**Tricia Balthazar** Service Development Manager



Gloria Manzano Executive Assistant



Carmen Ramlal Admin. Assistant - Sales & Marketing



Lianne Dieffenthaller Operations Officer



Gail Edwards



Andrea Lewis
Admin. Assistant - Finance
& Administration





# CHAIRMAN'S Message



# Thank You

At the 35th AGM in Guyana, I will step down as Chairman of CANTO having served two consecutive terms (four years). Thank you to CANTO members for the honour of serving you as Chairman of this prestigious organisation. I am indeed most grateful for having had this opportunity and I sincerely wish the new Chairperson and all CANTO members every success in the future. Special thanks also to the Secretary General, Teresa and the CANTO Secretariat. It has been a pleasure working with the Team!

# **CANTO's Performance**

During the year CANTO continued its advocacy role by focusing on collaboration with Caribbean ICT stakeholders. As always, CANTO plays a significant role in focusing on key topics of the day.

The 34th Annual CANTO Conference and Exhibition was held in July 2018 in Panama City, Panama. The feature address was delivered by the FCC Chairman Mr.Ajit Pai. This was a first for us since we have not previously had the Commission's Chairman address the CANTO Conference. More than ten ICT Caribbean Ministers attended the Conference where they engaged delegates and participated in two Ministerial panels covering a wide range of key issues. Over forty Regulators were also in attendance including most network operators and suppliers in the region.





# Changes to the Board

In January 2018, at our 33rd AGM in Trinidad, Mike Antonius from Telesur, Suriname was elected to the Board. The Vice Chair, Rochelle Cameron resigned from C & W and hence stepped down from her position. The Board of Directors wishes Rochelle every success in her future endeavours and we sincerely thank Rochelle for her contribution to the CANTO organization.

We congratulate David Cox, representing Cable & Wireless Grenada, who was appointed as the new Vice Chair. It has been a pleasure to work with David and indeed all of my CANTO Board members throughout 2018. In addition, Desha Clifford replaced Corrine Philip who left Digicel in 2018. Desha represents Digicel Turks and Caicos Islands.

# **Corporate Governance**

In 2018, the Board of Directors held several meetings during which we discussed the business of the Organization, focusing on the overall performance of the Secretariat. Our focus throughout the year has been to bring more value to our membership and to strive for good corporate governance.

# **Future Prospects**

Following on from our successful conference in Panama, our goal is to continue to improve our AGM, Conference and Exhibition. We intend to maintain our number one position as the premier Telecoms Conference and Trade Exhibition in the Caribbean.

# Conclusion

In 2019, we will continue to Lead, Advocate and Educate the Caribbean ICT industry. With greater focus on deliverables from our working committees, we must seek new ways to maximise value to the membership in our ongoing service to you, our full and affiliate members.

I wish you God's blessings for the New Year 2019. Julian Wilkins







# SECRETARY GENERAL'S Message

As we begin 2019 with our 35th Annual General Meeting, milestones and achievements are top of mind. It is only appropriate that we start this year with CANTO's AGM being hosted by one of its founding members, GTT here in Guyana. GTT has been along with CANTO on its thirty-five-year journey and CANTO is now proud to stand beside GTT as it participates in, and indeed, contributes to Guyana's emerging economy that is full of potential, on its own journey to excellence.

CANTO has grown from eight members on formation to 138 today, including members from not only the Caribbean, Central and South America, but also as far as the UK, the USA and even Denmark. This continued growth in membership is a testament to the recognition of the important role we play in the region. CANTO exists because of its members and as we celebrate this anniversary we not only celebrate the organization; but its members - you make us as strong as we are.

CANTO continues to grow with the 2018 addition of five Cable and Wireless companies and seven associate members in the fourth quarter of 2018. I take this opportunity to recognize and welcome the following companies to the CANTO family. These new members are — Cable and Wireless Panama, Cable and Wireless BVI, Cable and Wireless Cayman Islands, Columbus Communications Trinidad and Tobago, Columbus Communications Curacao, NTCS, Web Internet Telecoms, Tempest Telecoms, AGrandTech, PrePay Nation, Ultimate Potentials and 21Q.







It is important to us that we add value to our members and over the years the Secretariat staff, along with our Board of Directors, have achieved several successes in the interest of our members. Much of this work is done through the Working Committees, made up of you our members. These committees are Disaster Risk Management, Technology Trends, Regulation, Corporate Social Responsibility, Communications & Marketing and Finance. They have over the years produced papers on policy and procedures and trends, that we have been able to make representation on behalf of our members covering disaster recovery, OTT, and Broadband to name a few. This work conducted by committees is important and in order for this to work to benefit members, we need your continued participation in these committees.

Nelson Mandela is credited with having said "Remember to celebrate milestones as you prepare for the road ahead." While we will celebrate our years of successes, we are certainly focused on preparing for the road ahead. Under the theme for this 35th AGM, "Transitioning to a Digital Region: Opportunities & Challenges", we will bring together multiple stakeholders to contribute to charting road for the region to make its mark in and benefit from participating in this digital world. On the first day of the agenda, we set the stage with a session focused on the theme, where we look forward to a discussion identifying the opportunities and threats of digitalization. The Agenda goes on to focus on the use of the technology to aid our countries in advancing their economies and development, with sessions such as Entrepreneurship in Emerging Economies, Payments and Fraud Management which is critical to have an understanding of a digital economy. One of the actions that could positively impact the digitalization of the region is the creation of a single ICT space in the region, and we look forward to the update on this activity from the CARICOM Secretariat. The importance of this is the potential to create a common platform from which countries can grow societal, commercial and consumer benefits.

In the coming year, we have some exciting initiatives we will be working on with partners. In recent years the region has been subjected to significant weather incidents that have left areas in need. In 2017 Tripwireless<sup>TM</sup> Inc. a CANTO member out of the US, collaborated with CANTO and started the C7 Initiative, a program that initially presented the children of Antigua and Barbuda with backpacks and school supplies after they were affected by a devastating hurricane. This will now be an annual program - the goal is to provide 3000 backpacks to children in St. Maarten, Dominica, British Virgin Islands, Trinidad & Tobago, Antigua & Barbuda and Guyana. CANTO is very pleased to be part of this joint demonstration of corporate social responsibility.

We have also partnered with the GSMA for capacity building training, titled "Unlocking Rural Mobile Coverage". This training will address the connectivity gap in rural areas by gaining insight into the challenges and opportunities that the public and private sector face in bringing coverage to the uncovered and providing access to greater social and economic opportunities. The signing of







a Memorandum of Understanding between CANTO and GSMA will further highlight real-world examples and case studies that showcase policy and regulatory best practices, designed specifically to help policymakers and regulators understand the implications of different approaches in designing regulatory frameworks that will facilitate a robust digital economy.

This AGM will see the end of the tenure of our Chairman Julian Wilkins and the installation of a new Chairman. The outgoing Chairman has brought a wealth of industry knowledge and enthusiasm to the role, which has allowed us to make significant progress in the four years under his Chairmanship. He did not skimp on his availability and guidance to the Secretariat. We have been privileged to have worked with him, and as we bid him adieu at the end of this AGM as Chairman, we know that he will continue to be a force within the industry and CANTO. Thank you, Chairman Wilkins, for your commitment.

Members make CANTO, we thank you for being members of this wonderful organization and we thank you for your support in the last year and encourage you to continue this through 2019.

I urge you to take some time and read through this Annual Report to gain better insights on how we can collaborate for the benefit of the region.





# **Secretariat Report**

Thirty-five years into our growth and development, CANTO continues to bring together the leadership of the ICT sector in the region to meet with suppliers and experts in the global arena sharing information knowledge and practical information. Now at the crossroads of bridging the digital transformation in the region, CANTO is focused on transitioning to a digital region and working with all stakeholders to build a robust ICT ecosystem.

# 1. Membership Growth

In 2018, CANTO welcomed five (5) Full members: Cable and Wireless Panama; Cable and Wireless BVI; Cable and Wireless Cayman Islands; Columbus Communications, Trinidad and Tobago; and Columbus Communications Curacao as well as seven (7) Affiliate members: NTCS, Web Internet Telecoms; Tempest Telecoms; A GrandTech; PrePay Nation, Ultimate Potentials and 21Q.With 49 full members and 89 affiliate members in 35 countries we are truly a Caribbean focused company with a global perspective. The target for 2019 is to surpass the 150-membership mark and it is hoped that this will be achieved by continuing our global expansion efforts.

# 2. Stakeholder Satisfaction

In 2018, our Stakeholder Satisfaction received an average score of 82.9 percent an increase from 72.8 percent in 2018 indicating that the Secretariat is meeting its objectives from the perspective of the stakeholders. This high score can be attributed to the implementation of several recommendations from stakeholders polled in the previous year. In 2019, the Secretariat will continue to implement the recommendations from delegates to further enhance membership, increase value added service and improve experience at all CANTO events.

In keeping with our mandate to improve employee satisfaction, the Secretary General has been conducting regular staff meetings and one on one meeting with employees on a regular basis. This has also resulted in increased employee satisfaction.

# 3. Service to Members

• Membership Visits

The following stakeholders were visited in 2018:- Setar Aruba, Guyana Telephone and Telegraph and the Public Utilities Commission, Guyana,



# • Engagement

In 2018, the Secretariat continued its drive to improve our value proposition and re-engage members to be more active in the work of the association through liaising and visits to members, conducting surveys, evaluating events and strengthening relationships. We continue to engage the youth through the regional competitions and social media activities.

# Leadership

CANTO continues to be the leading authority in shaping Information and Communication Technologies in the region.

- Our Annual Conference and Trade Exhibition continues to attract all stakeholders from technology experts, policy makers, regulators, academia, and service providers.
- Through our improved public relations and social media presence, the Secretariat enjoys better communications with all stakeholders.
- Our Media/press/information kits have been updated to include a Membership Benefits Document, Current Publications, an Overview and event information flyers. Position Papers and project proposals are also included.
- We have continued to engage the youths in developing our social media platform and have completed a series of short videos for uploading on our website and other social media platforms.
- The CANTO Connect e-newsletter was launched in February 2016 and continues to be issued every six weeks. The e-newsletter highlights the Secretariat's activities and promotes upcoming events by offering incentives to forward newsletters and highlights members companies and Directors.

# • Caribbean ICT Collaboration Committee

CANTO continues to play an active role in The Caribbean ICT Collaboration Committee under the ambit of the Caribbean Telecommunications Union. The working groups are in the final stages of their reports.

# • Girls in ICT Day 2018

The Secretariat in collaboration with the Telecommunication Authority of Trinidad & Tobago and other exhibiting organisations including TSTT and Columbus Communications, Trinidad & Tobago; hosted a two day Girls in ICT Day event titled "When I Grow Up!" The event gave sixty female students from Russell Latapy High School, Morvant Laventille Secondary School and the Success Laventille Composite School an excellent platform to interact with female professionals currently operating in Trinidad and Tobago's Information and Communications Technology (ICT)





sector. It also introduced these students to ICT career opportunities and involved them in hands-on ICT creation workshops, such as Scratch Animation, 2D and 3D Graphics facilitated by the University of Trinidad & Tobago, and delivered by past graduates of its Graphic programme.

# • Sonar Mobile Application

The success of the Sonar Mobile application highlights the benefits of collaboration and interdependence with all stakeholders. Talks are being held with CDEMA and the Caribbean Development Bank for work to commence on version two (2) of the application which will focus on integration.

# 4. Strategic Partnerships and Alliances

In 2018, CANTO continued to work closely with Internet Society, ICANN, LACNIC, ECLAC and CDEMA to promote and increase awareness on common projects and continued the educational partnership with LAUREATE to provide members with educational opportunities from more than 70 accredited universities at discounted rates.

Tripwireless<sup>TM</sup> Inc., a CANTO member organization out of the USA, collaborated with CANTO and started the C7 Initiative, a program that aims to supply children in the Caribbean region with backpacks and school supplies, in the event of a natural disaster or economic hardships. The first launch of the initiative was presented in 2017 to children of Antigua and Barbuda after they were affected by a devastating hurricane. In December 2018, students in Trinidad & Tobago who lost their school supplies due to widespread and unprecedented flooding were delighted to receive their backpacks and stationary supplies. It has been determined that this will now be an annual program.

# 5. 34th Annual General Meeting Co-hosted by TSTT, Trinidad and Tobago

CANTO and TSTT successfully co-hosted CANTO's 34th Annual General Meeting (AGM) & Mini Expo at the Hyatt Regency Hotel, Port of Spain, Trinidad and Tobago. The event was held under the theme "Guiding Digital Adoption to lead the Global Market", from the 2nd to 4th February 2018. The four-day event focused on the AGM proceedings of CANTO and included sessions such as:

- Technology Trends and its Impact on Caribbean Operators
- Caribbean Youth Forum
- A look into the Future of CANTO

One hundred and thirty-five delegates attended the Meeting and gave the event a rating of 84% sanctioning the Secretariat's efforts to increase stakeholder satisfaction and enhance the association's products and services.





The Mini Exhibition was well received by both the members and exhibitors who had the opportunity to engage the operators in an open and informal setting.

# 6. 34th Annual Conference & Trade Exhibition, Panama

CANTO held its 34th Annual Conference & Trade Exhibition (CANTO 2018) from the 22nd to the 25th July 2018 at the Megapolis Hotel & Convention Center, Panama. Delegates experienced and interacted with some of the region's leading thought drivers and policy makers where ICT is concerned. Of equal value were the high powered and influential global leaders who also weighed in on where ICT can take the region and some of the issues we will continue to grapple with in the present and immediate future.

## **Ministerial Panel**

This permanent feature of the Conference schedule attended by the Caribbean ICT Ministers provided important information for participants in respect of various activities related to broadband development in the Caribbean. In 2018, the Conference schedule will facilitate this engagement with the ICT Ministers dialoguing equally interesting issues. In addition, the Conference schedule in 2018 also facilitated dialogue with the FCC and Caribbean Regulators.

# **Ministerial Breakfast**

The Ministerial Breakfast sessions held on both the Monday and Tuesday morning of the Conference provided an opportunity for Ministers to be intimately apprised of the latest developments in Broadband within the region and CANTO's efforts in this regard. Issues discussed included Net Neutrality, the need for greater investments in network, as well as the need for the Caribbean to become producers of technology rather than consumers.

# **CANTO/Sonar Application Update**

Updates were provided on CANTO's winning application of the CANTO C.O.D.E. 3.0 Software Developer, Design and Entrepreneur Competition for Caribbean nationals.

# Caribbean Women in ICTs (CWIC) – Empowering Women through ICTs

This session comprised of mainly women involved in the entrepreneurial, political and socio-economic aspects of the ICT arena and examined how ICTs may be used as a tool for empowerment, the history of CWIC and progress CANTO has made thus far with initiatives under its framework.





# 7. 35th Annual General Meeting & Mini Exhibition - January 2019

The 35th Annual General Meeting and Mini Exhibition is being co-hosted by GTT Guyana from the 27th - 30th January 2019, at the Marriott Hotel, Georgetown, Guyana. The event will focus on the theme "Transitioning to a Digital Region – Opportunities & Challenges" and will address key issues including new and existing services to better serve the membership, identify training needs and strategic partnerships that support the goals of CANTO and create a working plan for the year 2019.

# 8. 35th Annual Conference and Trade Exhibition

The 35th Annual Conference and Trade Exhibition will be held from the 21st to the 24thJuly, 2019, at the Hyatt Hotel, Port of Spain, Trinidad and Tobago.

# 9. Office Improvement/Staff Motivation/Training

- Enhanced Communication System
   The Secretariat is currently in the process of upgrading our network and communications system. Once completed, the system will provide improved Internet access and telephone system.
- Enhanced Meeting System
   Zoom meeting platform has been purchased by the Secretariat for all meetings.
   Committee members are pleased with this platform as the conference bridge used previously was beset with complaints.
- c. A two-day sales and marketing training was completed in May 2018. The training provided the sales team with cutting edge tools and techniques to close a larger number of sales and innovative prospecting approaches.
- d. A review of the Employee Handbook/Policy Manual has begun. The Secretariat is using the services of Employee Consultative Association, Trinidad and Tobago to guide this process.

CANTO is honoured to provide a platform for the growth and development of the regional telecommunications sector through engagement, leadership and advocacy. The Secretariat team is encouraged by the dedication of our board of directors, members, sponsors and partners who have supported us throughout 2018 and we look forward to working with all stakeholders in 2019.

I urge you all to connect with the Secretariat with your ideas, projects and vision for the region. We are committed to working with all our stakeholders to shape a digital economy for our citizens and facilitate the transition to a digital region.





# Review of the Financial Statements for the Year Ended September 30, 2018

The year 2018 brought a significant deficit in the financial results of the Association. Continuous changes in the ICT sector and relatively tight economic conditions impacted our operations during the year. In spite of this, in 2018, there were successful meetings held in both Trinidad & Tobago (AGM) and Panama (Annual Conference and Exhibition). Our publications, the CANCION (quarterly magazine) and the Annual Directory continue to be a vital source to our members and others alike. Weekly news bulletins and the now established 'CANTO CONNECT' keep all abreast of the latest happenings in the region and our committees have been addressing key industry issues as needed.

# Statement of Financial Position

The Statement reflects total assets of \$1.36 million, a \$238k or 15% decrease from the previous year, reflecting mainly the impact of the current year operational deficit (\$270k).

Reflecting the impact of the deficit, Current Assets decreased (\$233k) while Current Liabilities grew by nearly \$45k.

Property, plant and equipment declined by \$5k due mainly to depreciation of existing assets. Additions during the year were insignificant.

The Investment Remeasurement Reserve showed a change (\$13k) to reflect temporary price changes in our holdings in the Clico Investment Fund (CIF). (See note 6.)

# Statement of Comprehensive Income

The year 2017/18 ended with a deficit after taxes of \$270k, as revenue from the Annual Conference dipped significantly due to various contributing factors.

Income decreased by \$277k (21%) in this period. All major lines of revenue fell in 2018. Membership fees (down \$ 21k) reflected some withdrawing members and Advertising by 22k also reflected reduced placements.

Zeroing in the 2018 Annual Conference, we saw falls in sponsorships, exhibition and registration from the previous event with a few major players showing reduced participation.

Expenditures excluding taxes increased by \$87k mostly due to an increase in Annual Conference costs by \$123k while Administration expenses decreased slightly by \$7k and operating expenses by \$30k as cost cutting efforts took effect.

# Summary

We will continue to make our contribution on the ICT landscape in the Caribbean and we look forward to your continued support that will make the difference as we pursue our objectives in 2019. Our Theme "Transitioning to a Digital Region - Opportunities and Challenges" says it all.

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# **CANTO 2018 Highlights**





# **CANTO 2018 Highlights**





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# CANTO FINANCIAL STATEMENTS 30 SEPTEMBER 2018



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# **Statement of Management Responsibilities**

Management is responsible for the following:

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

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

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

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

Julian Wilkins

Chairman

Date: November 15, 2018

Teresa Wankin

Secretary General

Date: November 15, 2018





#### INDEPENDENT AUDITORS' REPORT

The Members CANTO

#### **Opinion**

We have audited the financial statements of CANTO, which comprise the statement of financial position as at 30 September 2018, the statements of comprehensive income, statement of reserve and cash flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of CANTO as at 30 September 2018 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs").

## **Basis for Opinion**

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

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

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

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

The Board of Directors is responsible for overseeing the organisation's financial reporting process,

PKF Chartered Accountants and Business Advisors (Trinidad) is a member of the PKF International Limited family of legally independent firms and does not accept any responsibility or liability for the actions or inactions of any individual member or correspondent firm or firms.

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Partners: Renée-Lisa Philip Mark K. Superville





# INDEPENDENT AUDITORS' REPORT (Cont'd)

# Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Port-of-Spain TRINIDAD 15 November 2018



# STATEMENT OF FINANCIAL POSITION (Expressed in United States Dollars)

# **ASSETS**

		30 Sej	ptember
	Notes	<u>2018</u> (\$)	2017 (\$)
		(Ψ)	(Φ)
Current Assets:			
Cash and cash equivalents	5	7,036	97,397
Available-for-sale financial instruments	6	157,264	175,873
Trude and other receivables and prepayments	7	685.883	809,226
Total Current Assets		850,183	1,082,996
Non-Current Assets:			
Property, plant and equipment	8	510,947	516,348
			.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
Total Assets		1.361.130	1,599,344
Liabilities:			
Trade and other payables and accruals	9	192,533	147,923
Total Liabilities		192,533	147,923
Reserves:			
Revaluation Reserve	11	493,794	493,794
Contingency Reserve	12	564,516	564,516
General Reserve	13	250,523	250,523
Investment Remeasurement Reserve	14	(41,371)	(28,217)
Accumulated (Deficit)/Surplus		(98.865)	<u>170.805</u>
Total Reserves		1,168,597	1,451,421
Total Liabilities and Reserves		1,361,130	_1,599,344

These financial statements were approved by the Board of Directors and authorized for issue on 15 November 2018 and signed on their behalf by:

Julian Wilkins

Chairman

Teresa Wankin Secretary General



CANTO

# STATEMENT OF COMPREHENSIVE INCOME (Expressed in United States Dollars)

		For the year	ear ended tember
	<u>Notes</u>	<u>2018</u>	<u>2017</u>
Incomo		(\$)	(\$)
Income:			
Membership fees		374,340	395,020
Publication advertising		50,545	73,040
Annual conference and exhibition income	16	482,341	713,698
Other income	17	126,098	128,967
		1,033,324	1,310,725
Expenditure:			
Annual conference and exhibition expenses	16	465,067	342,430
Administrative expenses	18	591,814	599,102
Operating expenses	19	224,529	254,084
Finance costs		3,486	4,556
Depreciation		9,945	8,013
		1,294,841	1,208,185
(Deficit)/surplus before taxation		(261,517)	102,540
Taxation	20	(8,153)	(9,293)
(Deficit)/surplus for the year		(269,670)	93,247
Other Comprehensive Income:			
Items that may be reclassified subsequently to profit or loss:			
Unrealised surplus on the revaluation of property		-	78,707
Unrealised loss on available-for-sale financial assets		(13,154)	(8,665)
Total Comprehensive Income for the year		(282,824)	163,289

# STATEMENT OF RESERVES

FOR THE YEAR ENDED 30 SEPTEMBER 2018 (Expressed in United States Dollars)

	Revaluation Reserve	Contingency Reserve	General Reserve	Investment Remeasurement Reserve	Accumulated (Deficit)/ Surplus	Total
	<u>e</u>	<u>e</u>	<u>e</u>	<u>e</u>	<u>e</u>	<u>e</u>
Balance as at 1 October 2016	415,087	564,516	250,523	(19,552)	77,558	1,288,132
Total Comprehensive Income for the year	78,707		1	(8,665)	93,247	163,289
Balance as at 30 September 2017	493,794	564,516	250,523	(28,217)	170,805	1,451,421
Balance as at 1 October 2017	493,794	564,516	250,523	(28,217)	170,805	1,451,421
Total Comprehensive Income for the year		1		(13,154)	(269,670)	(282,824)
Balance as at 30 September 2018	493,794	564,516	250,523	(41,371)	(98,865)	1,168,597

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



CANTO

# **STATEMENT OF CASH FLOWS** (Expressed in United States Dollars)

	For the yea	
	<u>2018</u>	<u>2017</u>
Cook Flows from Oromatics Astinities	(\$)	(\$)
Cash Flows from Operating Activities:		
(Deficit)/surplus before taxation	(261,517)	102,540
Adjustment for:		
Depreciation	9,945	8,013
Bad debt expense	55,050	49,340
Unrealised loss on available-for-sale financial assets	(13,154)	(8,665)
	(209,676)	151,228
Net change in Trade and Other Receivables and Prepayments	68,293	(75,884)
Net change in Trade and Other Payables and Accruals	44,610	9,639
1 (a) and go in 1 and and 5 and 1 any acres and 1 a stand		
	(96,773)	84,983
Taxes paid	(8,153)	(9,293)
Net cash (used in)/provided by Operating Activities	(104,926)	75,690
Cash Flows from Investing Activities:		
Purchase of property, plant and equipment	(4,544)	(8,063)
Net cash used in Investing Activities	(4,544)	(8,063)
Net change in cash resources	(109,470)	67,627
Cash resources, beginning of year	273,770	206,143
Cash resources, end of year	164,300	273,770
Represented by:		
Cash and cash equivalents	7,036	97,897
Available-for-sale financial instruments	157,264	175,873
	<u>164,300</u>	<u>273,770</u>



# NOTES TO THE FINANCIAL STATEMENTS (Expressed in United States Dollars)

#### **30 SEPTEMBER 2018**

# 1. <u>Incorporation and Principal Activity</u>:

CANTO (formerly Caribbean Association of National Telecommunication Organizations) was formed in April 1985 as a professional trade association to promote the development of telecommunications throughout the region. On 9 October 1998, it was incorporated under The Companies Act, 1995 of Trinidad and Tobago as a non-profit company. The address of its registered office is 67 Picton Street, Newtown, Port-of-Spain.

Effective 1 January 2003, the Association commenced carrying out the promotional activities previously conducted by CANTO Trinidad and Tobago Limited.

# 2. Significant Accounting Policies:

# (a) Basis of financial statements preparation -

These financial statements, which are for the single entity CANTO, are prepared in accordance with International Financial Reporting Standards (IFRS), and are stated in United States dollars, rounded to the nearest whole dollar. The entity's functional currency is United States dollars. These financial statements have been prepared on the historical cost basis, except for the measurement at fair value of Available-for-Sale Financial Instruments.

# (b) Use of estimates -

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

# (c) New Accounting Standards and Interpretations -

The Company has not applied the following standards, revised standards and interpretations that have been issued but are not yet effective as they either do not apply to the activities of the Company or have no material impact on its financial statements, except for IFRS 9 Financial Instruments:

- IFRS 1 First-time Adoption of Financial Reporting Standards Amendments regarding the deletion of short-term exemptions for first-time adopters (effective for accounting periods beginning on or after 1 January 2018).
- IFRS 2 Share-based Payment Amendments regarding the classification and measurement of share-based payment transactions (effective for accounting periods beginning on or after 1 January 2018).



# NOTES TO THE FINANCIAL STATEMENTS (Expressed in United States Dollars)

#### **30 SEPTEMBER 2018**

# 2. Summary of Significant Accounting Policies (Cont'd):

- (c) New Accounting Standards and Interpretations (cont'd) -
  - IFRS 4 Insurance Contracts Amendments regarding the application of IFRS 9 'Financial Instruments' with IFRS 4 'Insurance Contracts' (effective for accounting periods beginning on or after 1 January 2018).
  - IFRS 9 Financial Instruments (effective for accounting periods beginning on or after 1 January 2018).
  - IFRS 9 Financial Instruments Amendments regarding the application of IFRS 9 'Financial Instruments' with IFRS 4 'Insurance Contracts' (effective for accounting periods beginning on or after 1 January 2018).
  - IFRS 9 Financial Instruments Amendments regarding prepayment features with negative compensation (effective for accounting periods beginning on or after 1 January 2019).
  - IFRS 12 Disclosure of Interest in Other Entities Amendments regarding the specification of the disclosure requirements for an entity's interest classified as held-for-sale, held for distribution or as a discontinued operation (effective for accounting periods beginning on or after 1 January 2017).
  - IFRS 15 Revenue from Contracts with Customers (effective for accounting periods beginning on or after 1 January 2018).
  - IFRS 16 Leases (effective for accounting periods beginning on or after 1 January 2019).
  - IFRS 17 Insurance Contracts (effective for accounting periods beginning on or after 1 January 2021).
  - IAS 7 Statement of Cash Flows Amendments resulting from disclosure initiative (effective for accounting periods beginning on or after 1 January 2017).
  - IAS 12 Income Taxes Amendments resulting from recognition of deferred tax assets for unrealised losses (effective for accounting periods beginning on or after 1 January 2017).
  - IAS 28 Investment in Associates Amendments regarding the long-term interests in associates and Joint Ventures (effective for accounting periods beginning on or after 1 January 2019).



# NOTES TO THE FINANCIAL STATEMENTS (Expressed in United States Dollars)

#### **30 SEPTEMBER 2018**

# 2. <u>Summary of Significant Accounting Policies (Cont'd):</u>

# (c) New Accounting Standards and Interpretations (cont'd) -

- IAS 40 Investment Property Amendments regarding the transfer of investment property (effective for accounting periods beginning on or after 1 July 2018).
- IFRIC 22 Foreign Currency Transactions and Advance Consideration (effective for accounting periods beginning on or after 1 January 2018).
- IFRIC 23 Uncertainty over Income Tax Treatments (effective for accounting periods beginning on or after 1 January 2019).

# (d) Property, Plant and Equipment -

Property, Plant and Equipment are stated at historical cost less accumulated depreciation. Depreciation is provided on a straight-line basis.

The following rates considered appropriate to write-off the assets over their estimated useful lives are applied:

Building - 2%
Office furniture and equipment - 15%
Computer equipment - 33 1/3%
Motor vehicles - 25%

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

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

On 29 October 2016, professional valuators Raymond and Pierre Ltd valued the property at 67 Picton Street Newtown at \$508,486 as at 30 September 2007. The valuation took cognisance of the characteristics of the property, the current prices paid for comparable properties in the open market, the existence of an unencumbered freehold interest and good title. Had the property not been revalued, the carrying amount would have been \$108,529 as at 30 September 2017.



# NOTES TO THE FINANCIAL STATEMENTS (Expressed in United States Dollars)

#### **30 SEPTEMBER 2018**

# 2. <u>Summary of Significant Accounting Policies (Cont'd)</u>:

# (e) Investments -

The Association has classified all investments into the following category:

#### Available-for-sale

These securities are intended to be held for an indefinite period of time but may be sold in response to the needs for liquidity or changes in interest rates, exchange rates or equity prices. After initial recognition, Available-for-Sale Financial Instruments are measured at fair value with unrealised gains or losses recognised in the Investment Reserve Account. Fair value is determined by reference to an active market.

## (f) Taxation -

The Association has applied to the Minister of Finance for an exemption from Corporation Tax on the basis of its non-profit/quasi-charitable status. Legal counsel has advised that the application ought to be granted. Counsel has further advised that a good case lies in judicial review of any adverse decision of the Minister.

Deferred tax assets arising from accumulated tax losses have not been taken into account since in the opinion of management, in the near term, future taxable profits will not be available against which unused tax losses can be utilized.

# (g) Financial instruments -

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

## Impairment of financial assets

CANTO assesses, at each reporting date, whether there is any objective evidence that a financial asset or group of financial assets is impaired. A financial asset or group of financial assets is impaired when the carrying value is greater than the recoverable amount and there is objective evidence of impairment. All non-performing and individually significant balances are individually reviewed and specific allowances made for the impaired portion based on the present value of estimated future cash flows, discounted using the effective interest rate.

Individually insignificant financial assets with similar characteristics are assessed for impairment on a group basis. When all efforts have been exhausted to recover a non-performing financial asset, it is deemed uncollectable and written off against the related allowance for loan losses.



# NOTES TO THE FINANCIAL STATEMENTS (Expressed in United States Dollars)

#### **30 SEPTEMBER 2018**

# 2. <u>Significant Accounting Policies (Cont'd)</u>:

# (g) Financial instruments (cont'd) -

## Cash and cash equivalents

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

# Trade and other receivables and prepayments

Trade and Other Receivables and Prepayments are recognised and carried at original invoice amount less an allowance for any uncollectable amounts. An allowance is made when there is objective evidence that the Association will not be able to collect the debts. Bad debts are written-off when identified.

# Trade and other payables and accruals

Trade and Other Payables and Accruals are recognised at original invoice amount.

# (h) Income and expenditure -

Income and expenditure, including subscriptions are recognised on the accruals basis.

# (i) Revenue recognition -

Revenue is accounted for on the accruals basis consistent with International Accounting Standard #18.

# (j) Fair value estimation -

The fair values of the Association's financial assets and liabilities approximates to their carrying amounts at the reporting date.

## (k) Foreign currency transactions -

These financial statements are expressed in United States currency. Foreign currency transactions during the year are translated at the exchange rates ruling at the date of the transactions and any gains or losses arising are taken into the Statement of Comprehensive Income. Monetary assets and liabilities denominated in foreign currencies are expressed in United States currency at rates of exchange ruling at the reporting date.

# (l) Comparative information -

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



# NOTES TO THE FINANCIAL STATEMENTS (Expressed in United States Dollars)

# **30 SEPTEMBER 2018**

# 3. <u>Financial Risk Management</u>:

# **Financial Instruments**

The following table summarizes the carrying amounts and fair values of Association's financial assets and liabilities:

	2018	}
	Carrying <u>Value</u> (\$)	Fair <u>Value</u> (\$)
Financial Assets	(4)	(4)
Cash and cash equivalents	7,036	7,036
Available-for-sale financial instruments	157,264	157,264
Trade and other receivables and prepayments	685,883	685,883
Financial Liabilities		
Trade and other payables and accruals	192,533	192,533
	2017	•
	Carrying	Fair
	<u>Value</u>	<u>Value</u>
	(\$)	(\$)
Financial Assets		
Cash and cash equivalents	97,897	97,897
Available-for-sale financial instruments	175,873	175,873
	175,075	
Trade and other receivables and prepayments	809,226	809,226
		809,226



# NOTES TO THE FINANCIAL STATEMENTS (Expressed in United States Dollars)

## **30 SEPTEMBER 2018**

# 3. Financial Risk Management (Cont'd):

# Financial risk factors

The Association is exposed to interest rate risk, credit risk, liquidity risk, currency risk, operational risk, compliance risk and reputation risk arising from the financial instruments that it holds. The risk management policies employed by the Association to manage these risks are discussed below:

# (a) Interest rate risk -

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Association is exposed to interest rate risk through the effect of fluctuations in the prevailing levels of interest rates on interest bearing financial assets and liabilities, including investments in money market deposits and other funding instruments.

# Interest rate sensitivity analysis

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

			20	18		
	Effective <u>Rate</u> (\$)	Up to 1 <u>Year</u> (\$)	1 to 5 <u>Years</u> (\$)	Over 5 <u>Years</u> (\$)	Non- Interest <u>Bearing</u> (\$)	Total (\$)
Financial Assets						
Cash and cash equivalents Available-for-sale financial instruments:	0.00%	-	-	-	7,036	7,036
- Trinidad and Tobago Unit						
Trust Corporation	0.80%	985	-	-	-	985
- Clico Investment Fund Trade and other receivables	4.00%	156,279	-	-	-	156,279
and prepayments	0.00%	-	-	-	685,883	685,883
Financial Liabilities Trade and other payables and						
accruals	0.00%	-	-	-	192,533	192,533



### NOTES TO THE FINANCIAL STATEMENTS (Expressed in United States Dollars)

### **30 SEPTEMBER 2018**

### 3. Financial Risk Management (Cont'd):

### (a) Interest rate risk (cont'd) -

			20	17		
	Effective Rate (\$)	Up to 1 <u>Year</u> (\$)	1 to 5 <u>Years</u> (\$)	Over 5 <u>Years</u> (\$)	Non- Interest <u>Bearing</u> (\$)	Total (\$)
Financial Assets						
Cash and cash equivalents Available-for-sale financial instruments:	0.00%	-	-	-	97,897	97,897
- Trinidad and Tobago Unit						
Trust Corporation	0.80%	6,440	-	-	-	6,440
- Clico Investment Fund Trade and other receivables	4.00%	169,433	-	-	-	169,433
and prepayments	0.00%	-	-	-	809,226	809,226
Financial Liabilities						
Trade and other payables and accruals	0.00%	-	-	-	147,923	147,923

### (b) Credit risk -

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

The Association's debtors' portfolio is managed and consistently monitored by management and is adequately secured by collateral and where necessary, allowances have been established for potential credit losses on delinquent accounts.

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

The Association also actively monitors global economic developments and government policies that may affect the growth rate of the local economy. This risk is not significant.



### NOTES TO THE FINANCIAL STATEMENTS (Expressed in United States Dollars)

### **30 SEPTEMBER 2018**

### 3. Financial Risk Management (Cont'd):

### (c) Liquidity risk -

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Association has procedures with the object of minimising such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities. The Association is exposed to daily calls on its available cash resources to settle financial and other liabilities.

### Liquidity gap

The Association's exposure to liquidity risk is summarized in the table below which analyses assets and liabilities based on the remaining period from the reporting date to the contractual maturity date.

2010

		201	o	
	Up to 1 Year (\$)	1 to 5 Years (\$)	Over 5 Years (\$)	<u>Total</u> (\$)
Financial Assets				
Cash and cash equivalents Available-for-sale financial	7,036	-	-	7,036
instruments Trade and other receivables and	157,264	-	-	157,264
prepayments	685,883	-	-	685,883
Financial Liabilities Trade and other payables and accruals	192,533	_	<u>-</u>	192,533
	,			,
		201	7	
	Up to 1 Year	1 to 5 Years	Over 5 Years	<u>Total</u>
	(\$)	(\$)	(\$)	(\$)
Financial Assets	(3)	(\$)	(\$)	(\$)
Financial Assets Cash and cash equivalents Available-for-sale financial	( <b>5)</b> 97,897	(\$)	(\$) -	<b>(\$)</b> 97,897
Cash and cash equivalents		(\$) - -	(\$) - -	
Cash and cash equivalents Available-for-sale financial instruments	97,897	(\$) - -	(\$) - -	97,897
Cash and cash equivalents Available-for-sale financial instruments Trade and other receivables and	97,897 175,873	(\$) - -	(\$) - -	97,897 175,873



### NOTES TO THE FINANCIAL STATEMENTS (Expressed in United States Dollars)

### **30 SEPTEMBER 2018**

### 3. Financial Risk Management (Cont'd):

### Risk management

The matching and controlled mismatching of the maturities and interest rates of assets and liabilities are fundamental to the management of the Association. The Association employs various asset/liability techniques to manage liquidity gaps. Liquidity gaps are mitigated by generating sufficient cash from new and existing customers to settle outstanding liabilities.

To manage and reduce liquidity risk the Association's management actively meets to match cash inflows with liability requirements.

### (d) Currency risk -

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

### (e) Operational risk -

Operational risk is the risk that derives from the deficiencies relating to the Association's information technology and control systems as well as the risk of human error and natural disasters. The Association's systems are evaluated, maintained and upgraded continuously. This risk is not significant.

### (f) Compliance risk -

Compliance risk is the risk of financial loss, including fines and other penalties, which arise from non-compliance with laws and regulations of the state. The risk is limited to a significant extent due to the supervision applied by the Association. This risk is not significant.

### (g) Reputation risk -

The risk of loss of reputation arising from the negative publicity relating to the Association's operations (whether true or false) may result in a reduction of its clientele, reduction in revenue and legal cases against the Association. The Association engages in public social endeavours to engender trust and minimize this risk. This risk is not significant.

### Fair value estimation

The fair values of the Association's financial assets and liabilities approximates to their carrying amounts at the reporting date.



### NOTES TO THE FINANCIAL STATEMENTS (Expressed in United States Dollars)

### **30 SEPTEMBER 2018**

### 4. <u>Critical Accounting Estimates and Judgments:</u>

The preparation of financial statements in accordance with International Financial Reporting Standards requires management to make judgements, estimates and assumptions in the process of applying the Association's accounting policies. See **Note 2 (b)**.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Association makes estimates and assumptions concerning the future, and actual results could differ from those estimates as 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 discussed below:

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

The critical judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements, are as follows:

- i) Whether investments are classified as held to maturity investments or loans and receivables.
- ii) Which depreciation method for plant and equipment is used.

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

### i) Impairment of assets

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

### ii) Property, Plant and Equipment

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



### NOTES TO THE FINANCIAL STATEMENTS (Expressed in United States Dollars)

### **30 SEPTEMBER 2018**

5.	Cash and Cash Equivalents:	20.5	
		30 Sept	
		<u>2018</u>	<u>2017</u>
		(\$)	(\$)
	Petty cash	154	154
	Scotiabank (T&T) Limited – TT\$ Current Account	2,953	1,559
	Scotiabank (T&T) Limited – US\$ Savings Account	1	1
	Scotiabank Trinidad and Tobago Limited – US\$ Current Account	3,928	96,183
		<u>7,036</u>	<u>97,897</u>
6.	Available-for-Sale Financial Instruments:		
		30 Sept	ember
		<u>2018</u>	<u>2017</u>
		(\$)	(\$)
	Unit Trust Corporation:		
	US\$ Income Fund	217	5,682
	TT\$ Income Fund	768	758
	CLICO Investment Fund (2018 – 51,200 units;		
2017 – 51,200 units)		156,278	169,433
		<u>157,264</u>	<u>175,873</u>
7.	Trade and Other Receivables and Prepayments:		
		30 Sept	ember
		<u>2018</u>	<u> 2017</u>
		(\$)	(\$)
	Accounts receivable –	, ,	` ,
	Members	337,704	491,816
	Other	334,294	379,304
		671,998	871,120
	Less: Allowance for bad debts	(85,125)	(263,522)
		586,873	607,598
	Prepayments	9,291	9,586
	Other receivables	89,719	192,042
		<u>685,883</u>	<u>809,226</u>
	Allowance for bad debts		
	Balance brought forward	263,522	214,182
	Charge for the year	55,050	49,340
	Write off	(233,447)	
	Balance carried forward	<u>85,125</u>	263,522



### NOTES TO THE FINANCIAL STATEMENTS (Expressed in United States Dollars)

### **30 SEPTEMBER 2018**

### 7. Trade and Other Receivables and Prepayments (Cont'd):

	30 September		
	<u>2018</u>	<u> 2017</u>	
The aged analysis of financial assets past due but not impaired is as follows:	(\$)	(\$)	
Up to 3 months	42,150	118,700	
More than 3 months but less than 6 months	11,000	21,320	
More than 6 months but less than 9 months	500	20,770	
Over 9 months	618,348	710,330	
	671,998	<u>871,120</u>	

# NOTES TO THE FINANCIAL STATEMENTS (Expressed in United States Dollars)

## 30 SEPTEMBER 2018

<b>∞</b>	Property, Plant and Equipment:				
	Cost	Land (\$)	Building (\$)	Office Furniture and Equipment (\$)	Computer Equipment (\$)
	Balance as at 1 October 2017 Additions	228,498	279,988	61,292	27,162
	Balance as at 30 September 2018	228,498	279,988	62,192	30,806
	Accumulated Depreciation				
	Balance as at 1 October 2017 Charge for the year		5,354	52,581	22,657 2,756
	Balance as at 30 September 2018	1	10,708	54,416	25,413
	Net Book Value				
	Balance as at 30 September 2018	228,498	269,280	7,776	5,393
	Balance as at 30 September 2017	228,498	274,634	8,711	4,505

596,940 4,544

Total (\$)

601,484

80,592 9,945 90,537

510,947

516,348

# NOTES TO THE FINANCIAL STATEMENTS

∞

	(Expressed	Expressed in United States Dollars)	NOTES TO THE FINANCIAL STATEMENTS (Expressed in United States Dollars)	•	
	30 SI	30 SEPTEMBER 2018	018		
Property, Plant and Equipment (Cont'd): Cost	Land (\$)	Building (\$)	Office Furniture and Equipment (\$)	Computer Equipment (\$)	$\frac{\underline{\Gammaotal}}{(\$)}$
Balance as at 1 October 2016 Additions Revaluation adjustment Disposals/Write Offs	143,548 - 84,950	340,323 - (60,335)	62,481 4,463 - (5,65 <u>2</u> )	24,408 3,600 -	570,760 8,063 24,615 (6,49 <u>8</u> )
Balance as at 30 September 2017 Accumulated Depreciation	228,498	279,988	61,292	27,162	596,940
Balance as at 1 October 2016 Charge for the year Revaluation adjustment Disposals/Write Offs	1 1 1	54,092 5,354 (54,092)	56,858 1,375 - (5,652)	22,219 1,284 - (846)	133,169 8,013 (54,092) (6,498)
Balance as at 30 September 2017  Net Book Value		5,354	52,581	22,657	80,592
Balance as at 30 September 2017	228,498	274,634	8,711	4,505	516,348
Balance as at 30 September 2016	143,548	286,231	5,623	2,189	437,591



### NOTES TO THE FINANCIAL STATEMENTS (Expressed in United States Dollars)

### **30 SEPTEMBER 2018**

### 9. Trade and Other Payables and Accruals:

	30 Septe	ember
	<u>2018</u>	<u>2017</u>
	(\$)	(\$)
General payables	130,786	65,258
Staff payables	51,363	72,280
Audit fees	10,384	10,385
	<u> 192,533</u>	147,923

### 10. Revaluation Reserve:

This reserve represents the appreciation in market value of the property located at #67 Picton Street, Newtown, Port of Spain.

### 11. <u>Contingency Reserve</u>:

This reserve is set up to provide the Secretariat with cash reserves should there be a significant decrease in Operating Income. The reserve must be supported by cash or near cash securities and is not available for normal current or capital expenditures unless specifically authorized by the Board of Directors.

### 12. <u>General Reserve</u>:

This reserve is established to provide enhanced value-added-services to the members and to facilitate capital expenditure as approved by the Board of Directors.

### 13. <u>Investment Re-measurement Reserve</u>:

In accordance with IAS #39, an investment re-measurement reserve has been created to capture unrealized gains/losses on available-for-sale investments.

### 14. The Quality of Financial Instruments:

The quality of financial instruments that are neither past due nor impaired is considered good. Full recovery is expected.



### NOTES TO THE FINANCIAL STATEMENTS (Expressed in United States Dollars)

### **30 SEPTEMBER 2018**

### 15. <u>Capital Management</u>:

The Association manages its reserves as capital. Its objectives are to ensure that its reserves are sufficient to guarantee the continuation of the Association's business processes.

### 16. <u>Annual Conference and Exhibition</u>:

	For the year ended 30 September	
	<u>2018</u>	<u>2017</u>
	(\$)	(\$)
Income:		
Sponsorships	245,500	401,500
Registration fees and extra sale of rooms	106,366	126,950
Exhibition booths	79,000	112,000
Advertising and miscellaneous income	51,475	73,248
<b>Total Income</b>	482,341	713,698
Expenses:		
Banners, plaques and gifts etc.	11,631	7,274
Booths and related expenses	17,685	11,328
Conference booklet	808	769
Contingencies	46	-
Contracted services	40,620	64,543
Events management fees	30,335	31,297
Finance charges	9,162	10,367
Ground transportation	1,164	1,330
Printing directory	10,837	13,355
Promotional material	27,244	25,489
Rental of auditorium/exhibition hall	31,654	6,415
Rental of equipment for conference	36,343	45,301
Shipping and customs expenses	7,776	9,863
Social events, dinners etc.	162,712	4,744
Stationery and printing	385	1,464
Staff uniform	1,027	972
Telephone and telefaxing	828	2
Travel staff and speakers	53,291	87,181
T-shirts and bags	21,519	20,736
<b>Total Expenses</b>	465,067	342,430
Net Surplus	<u>17,274</u>	371,268



### NOTES TO THE FINANCIAL STATEMENTS (Expressed in United States Dollars)

### **30 SEPTEMBER 2018**

17.	Other Income:

	<u>2018</u> (\$)	2017 (\$)
Interest on investments	7,938	7,866
Miscellaneous income	75	86
Sponsorship – AGM	92,287	98,000
Gain on foreign exchange	25,799	23,015

126,098 <u>128,967</u>

30 September

### 18. **Administrative Expenses:**

	30 September		
	<u>2018</u>	<u> 2017</u>	
	(\$)	(\$)	
Insurance	1,850	1,704	
Donations	1,831	386	
Miscellaneous	967	280	
Office expenses	25,451	23,885	
Repairs and maintenance	21,338	16,033	
Salaries and staff costs	529,404	544,865	
Security services	824	838	
Subscriptions	6,088	5,715	
Utilities	4,062	5,396	
	591.814	599,102	



### NOTES TO THE FINANCIAL STATEMENTS (Expressed in United States Dollars)

### **30 SEPTEMBER 2018**

19.	0	perating	Ex	penses:

	30 September	
	<u>2018</u>	<u> 2017</u>
	(\$)	<b>(\$)</b>
Advertising	10,343	21,393
Audit fees	10,384	9,967
Bad debt expense	55,050	49,340
Legal and professional fees	22,465	8,337
Liability insurance	3,000	3,000
Membership services and seminars	118,792	147,410
Software fees	350	1,989
Travelling costs and entertainment	14,529	12,648
	<u>224,529</u>	254,084

### 20. <u>Taxation</u>:

	30 Sept	30 September	
	<u>2018</u> (\$)	<u>2017</u> (\$)	
Business Levy Green Fund Levy	(5,052) (3,101)	(5,831) (3,462)	
·	(8,153)	(9,293)	



### NOTES TO THE FINANCIAL STATEMENTS (Expressed in United States Dollars)

### **30 SEPTEMBER 2018**

### 21. Related Party Transactions:

A related party:

- is a member of the key management personnel of the reporting entity or of a parent of the reporting entity;
- has sole or joint control or significant influence over the reporting entity;
- has significant voting power in the reporting entity; or
- is a close member of those listed above.

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the company directly or indirectly, including any director (whether executive or otherwise).

Balances and transactions with related parties during the year are as follows:

	30 September	
	<u>2018</u>	<u> 2017</u>
	(\$)	(\$)
Assets		
Amounts due from directors and key management personnel: Amounts due from key management personnel	<u>6,692</u>	1,000
Key management compensation Short-term benefits	<u>334,055</u>	<u>346,568</u>

The amounts due from directors and key management compensation will be repaid in cash or cash equivalents. These balances are unsecured.



### 2018 REPORT

### 35th AGM Exhibitors

The Board of Directors, Management and Staff of CANTO wish to thank the following companies for Exhibiting at the 35th Annual General Meeting.





























## 2018 **ANNU**

### 35th AGM Sponsors

The Board of Directors, Management and Staff of CANTO wish to thank the following companies for their support and sponsorship at the 35th Annual General Meeting.

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### 2018 ANNUAL REPORT



CANTO PROXY FORM

SECTION 12.8.3 OF BY-LAW 1

The undersigned members	ber of CANTO hereby appoints;		
	(Name)		
(Company)			
meeting of the member adjournments thereof i	undersigned to attend and act for the result of the said Company to be held on the same manner, to the same extending or such adjournment or	the 29th day of January, 2019 ent and with the same powers	and at any adjournment or
Dated this	day of	20	
Signature:			
Name/Title:			
Member Company:			
Seal/Stamp:			
Please return this form 28th January, 2019	to the Secretary General by hand o	or via email to jrodrigues@car	nto.org, before 12.00pm on

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### 2018 ANNUAL REPORT



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> - Eshwar Thakurdin, Business Solutions Director



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