ENDEAVOUR
HOLDINGS LTD.

ANNUAL REPORT 2020

ENDEAVOUR
HOLDINGS LTD.

ENDEAVOUR
HOLDINGS LTD.

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CORPORATE INFORMATION

Chairperson	Mr. John Aboud
Deputy Chairperson	Mr. Anthony Rahael
Chief Financial Officer/ Corporate Secretary	Mr. Razard Bazil Ali
Registered Office EHL	No. 1 El Socorro Road Extension, San Juan Tel: (868) 675-5052 Fax: (868) 638-7670 Email: info@ehl.tt website: www.ehl.tt
Board of Directors	Mr. Anthony Rahael Mr. John Aboud Ms. Melissa Inglefield Mr. W. Keith Daniel Mr. John Tang Nian
Attorneys-at-Law	M. Hamel-Smith & Co. Attorneys-at-Law Eleven Albion, Cor. Dere & Albion Streets Port of Spain Tel: (868) 299-0981 Fax: (868) 625-9177 Email: mhs@trinidadlaw.com
Auditors	PricewaterhouseCoopers Chartered Accountants 11-13 Victoria Avenue Port of Spain Tel: (868) 299-0700 Fax: (868) 623-6025 Website: www.pwc.com/tt
Banker	Republic Bank Limited Primary Bankers 72 Independence Square Port of Spain Tel: (868) 625-2711 Fax: (868) 627-4125 Website: www.republictt.com

CHAIRMAN'S STATEMENT

ENDEAVOUR HOLDINGS LIMITED

I am pleased to report on the financial performance of Endeavour Holdings Limited (EHL) for the year ended April 30, 2020.

The year ended April 30, 2020 saw significant steps and hurdles for EHL. In November 2019, the company successfully launched its Initial Public Offering (IPO) and became listed as a Small and Medium Enterprise (SME) on the Trinidad & Tobago Stock Exchange (TTSE) on December 12, 2019.

In December 2019, EHL retained its Cari A+ rating on its Bonds portfolio from Caribbean Information & Credit Rating Services Limited (CariCRIS).

The Board declared an interim dividend of $0.12 per Ordinary Share to all shareholders on record as of December 23, 2019 which was paid on January 22, 2020.

During the period May 1, 2019 to March 2020, the economic environment in Trinidad and Tobago remained challenging as macroeconomic improvement continued to be slow.

This worsened in mid-March 2020 when the global COVID-19 pandemic affected Trinidad and Tobago, and regulations were put in place by the Government to combat the spread of the virus, which included "stay at home" orders and the closure of many classes of business.

With this backdrop, EHL ended the financial year April 30, 2020 with a decrease in its profit after tax of $31.5M, from $37.9M in 2019 compared to $6.4M in 2020.

This decrease was primarily due to the negative adjustment of EHL's property valuations by the sum of $26.2M. The negative adjustment was made as a result of the impact on fair values from the discount on EHL's future cash flows anticipated to result from the COVID-19 pandemic, with the most significant adjustment being made to the Price Plaza Mall.

Additionally, rental revenue declined by the sum of $4.9M as rental concessions were given in April 2020 to those tenants in Price Plaza Mall whose businesses were affected as a result of the "stay at home" and lockdown measures imposed by the Government in response to the COVID-19 pandemic.

Current taxation decreased by $2.2M as a result of the company benefiting from the reduced corporation tax rate of 10% following the listing of EHL's shares on the SME exchange of the TTSE. This rate will be applicable for the ensuing five years and the full effect of this reduction will therefore be seen from EHL's next financial year ending April 2021.

EHL adopted IFRS 16 – Leases and IFRIC 23 –Accounting for uncertainties in income taxes. There was no impact to the results of the Company resulting from the adoption of such standards as at the year-end April 2020.

EHL's total asset base decreased by $13.0M from $900M at April 2019 to $887M at April 2020. As mentioned above, this decrease is primarily due to the negative adjustment of the property valuations in the sum of $26.2M.

Cash and cash equivalents increased by $15.3M, chiefly as a result of $11M received from the IPO proceeds.

EHL's borrowings decreased by $28M following the repayment of principal and the Company has met all its loan commitments as at April 30, 2020.

Share Capital increased by $11M from $32M in April 2019 as a result of the IPO subscriptions and issue of 884,419 new shares at $12.50.

The COVID-19 pandemic has significantly impacted the business environment in the country. While the effects of the pandemic on the economy continue to be felt, EHL hopes to minimize the impact of the pandemic on its performance through: the maintenance of its strong asset base; by continuing to monitor and respond quickly and dynamically to the constantly changing environment and by being flexible and available to its tenant base with a view to partnering and strengthening its relationships with its tenants during this challenging period.

We are confident about the long-term prospects of EHL as the country returns to normalcy over the coming months. As a real estate company, our confidence lies in the quality of our holdings and the mixture and strength of our tenants. This too shall pass.

John Aboud
Chairman
September 4, 2020

BOARD OF DIRECTORS AND SENIOR OFFICERS

JOHN ABOUD [CHAIRMAN]

John Aboud has been the Financial Director of Amalgamated Security Services Limited (ASSL) since its inception in 1983. ASSL, a multi-faceted security firm spread across five Caribbean islands and headquartered in Trinidad, has an annual turnover of almost $500 million. Mr. Aboud's involvement at ASSL extends to strategic leadership, management and operational activities ranging from financial responsibility to the business at large, with focus on sustainability, resilience, social responsibility and due diligence.

As a key stakeholder in the private security industry in Trinidad and Tobago, Mr. Aboud has held and maintained a level of leadership and influence at various levels. He is actively involved in government and private organizations where policies and decision-making have crucial consequences to both the private and public sectors. His present appointments include Chairman, Crime Stoppers Trinidad & Tobago (over 5 years); Chairman, Caribbean Bermuda & Latin America Crime Stoppers Inc. (2013); Chairman, Crime & Justice Committee – Trinidad and Tobago Chamber of Industry and Commerce; Member of the Cabinet–appointed National Drug Council (12 years); Member of the Association of Security Companies of Trinidad & Tobago and Member of the Private Security Network Commission.

In addition to the private security sector, over the course of his career since 1978, Mr. Aboud has been involved in several entrepreneurial undertakings, including garment and shoe manufacturing, printing, public warehousing, retail and distribution trade, freezone facility and project construction. His involvements in these sectors have included ownership, partnerships, investment, management, and advisor and consultant capacities. Mr. Aboud's present positions in business ventures include Chairman, Endeavour Holdings Ltd. – Real Estate Development; Chairman, Intercontinental Business Park – Public Freezone Operations; and Director, SuperPharm Limited – Member of the Agostini Group.

ANTHONY RAHAEL [DEPUTY CHAIRMAN & GROUP CHIEF EXECUTIVE OFFICER]

Anthony Rahael is the Group Chief Executive Officer for Broadway Properties, Amera Caribbean Development Limited, Trinity Housing Limited, Endeavour Holdings Limited, Rahael Holdings Limited and South Park Limited. For the subsidiaries of the RHL Group, Mr. Rahael directs all company operations and activities to maximize profitability, and he establishes objectives, plans, policies and standards. Mr. Rahael possesses over 30 years of professional experience in business, including manufacturing, wholesale and retail sales, finance, construction and business development.

He has sat on the Board of Directors of the National Entrepreneurship Development Company Limited, Premier Quality Services Limited and Trinidad & Tobago Bureau of Standards. He is a member of the Trinidad & Tobago Chamber of Commerce, Trinidad & Tobago Manufacturers' Association and the Downtown Owners & Merchants Association. Mr. Rahael is a past President of the Trinidad & Tobago Manufacturers' Association and has also served as Chairman of Fashion Week of Trinidad & Tobago (FWTT).

W. KEITH DANIEL

W. Keith Daniel was a partner for 21 years with Deloitte & Touche and Pricewaterhouse Coopers and has over 35 years' experience in the auditing and accounting fields. His experience also included two years in the Toronto office of Deloitte & Touche.

Mr. Daniel was also a member of Council of the Institute of Chartered Accountants of Trinidad and Tobago and Chairman of the Auditing and Accounting Committees.

While at PricewaterhouseCoopers, he was in charge of the Insurance group and also had responsibility for Human Resources and Learning and Education.

His experience includes working in the following industries: insurance and banking, manufacturing, retail, service, airline, quick service, and petrochemicals in both the private and public sectors. Mr. Daniel retired from PricewaterhouseCoopers in June 2013 and now practices as a financial consultant. He is also the Chairman of a manufacturing company in the construction sector.

MELISSA INGLEFIELD

Melissa Inglefield is a Partner at M. Hamel-Smith & Co. and is a member of the Firm's Transactional Department. As part of Hamel-Smith's Property and Estates group, Ms. Inglefield has an active portfolio of Conveyancing matters ranging from the negotiation and preparation of commercial leases; acquisitions and sales of real property, including residential developments, and secured financing transactions involving the grant of security over real property.

Ms. Inglefield is also an active member of the Firm's Banking and Finance group, where she has represented both financing parties and issuers or borrowers (including EHL) in secured lending and securities transactions, loan financing, capital market transactions and banking and securities regulation.

JOHN TANG NIAN

A career banker with over 42 years' experience at Republic Bank Ltd., John Tang Nian retired in 2010.

Over the course of his career, he held many senior management positions in various functions of the Bank. Prior to his retirement, he served as General Manager – Corporate Operations and Process Improvement, a key member of the Executive Management Team with responsibility for the Bank's operational risk management and other key operational/ administrative functions. This responsibility also included the Group's AML/CFT Compliance. John Tang Nian also served as General Manager – Corporate Business Division, with overall responsibility for the management of the Bank's Corporate Credit and Business Division.

As a member of the Group's Executive Management Team, he had gained valuable skills in Strategic Planning and Enterprise Risk Management. He is also a skilled practitioner in Financial and Credit Analysis and Management Accounting.

He holds a Diploma in Business Management from the University of the West Indies/Institute of Business, and over the years has solidified his expertise with significant overseas training, notably the Manchester Business School, UK and the International Banking Summer School in Dublin, Ireland.

Currently, Mr. Tang Nian serves as an independent director on the Boards of Massy Finance GFC Ltd., JMMB Bank (T&T) Ltd., JMMB Express Finance (T&T) Ltd. and Endeavour Holdings Ltd., as well as the Chairman of the Board of the Export Import Bank of Trinidad and Tobago Ltd. (EXIMBANK).

He is an avid golf enthusiast in his leisure time.

SENIOR OFFICERS

RAZARD BAZIL ALI – GROUP CHIEF OPERATIONS, FINANCIAL OFFICER & CORPORATE SECRETARY

Razard Bazil Ali performs the role of Chief Operating Officer and Chief Financial Officer for Endeavour Holdings Limited, pursuant to a services agreement. He establishes and implements operating procedures and plans and directs daily operations of the Company. Mr. Ali also manages the Company's financial plans, policies and practices. He plans and directs treasury, budgeting, reporting and accounting functions, directs auditing and tax planning, and maintains relationships with financing sources. He possesses over 40 years of professional experience in accounting, audit, finance, sales and marketing, procurement, production and operations. Prior to joining Rahael Holdings Limited Group of Companies, Mr. Ali was a Group Executive Director of Furness Trinidad Group of Companies. He is a member of the Society of Management Accountants of Canada (CMA) and the Institute of Chartered Accountants of Trinidad & Tobago (ICATT).

DIRECTORS' AND SENIOR OFFICERS' INTEREST AND MAJOR SHAREHOLDERS

ENDEAVOUR HOLDINGS LIMITED

The interests of the Directors and Senior Officers holding office as at April 30, 2020 in the ordinary shares in the Company were as follows:

NAME	POSITION	NO. OF SHARES HELD
JOHN ABOUD*	CHAIRMAN/DIRECTOR	NIL
ANTHONY RAHAEL*	CEO/DIRECTOR	NIL
MELISSA INGLEFIELD	DIRECTOR	NIL
WILLIAM KEITH DANIEL	DIRECTOR	NIL
JOHN TANG NIAN	DIRECTOR	NIL
RAZARD BAZIL ALI	CFO/CORPORATE SECRETARY	NIL

*As of April 30, 2020, John Aboud and Anthony Rahael owned indirectly 25% and 34% of Endeavour ABRA Holdings, which owns 97.32% of Endeavour Holdings Limited.

SUBSTANTIAL INTEREST / 10 LARGEST SHAREHOLDERS

As at April 30, 2020, the Substantial Interests in Endeavour Holdings Limited (EHL) were as follows:

NAME	BALANCE	PERCENTAGE
ENDEAVOUR ABRA HOLDINGS LIMITED	32,003,200	97.31%
T&T UNIT TRUST CORPORATION / FUS	80,000	0.24%
T&T UNIT TRUST CORPORATION – URF	60,000	0.18%
CHARLETT & GATCLIFFE LIMITED	30,000	0.09%
HENRY RAMBERAN	30,000	0.09%
ANTHONY JOHN ABOUD	30,000	0.09%
DEONANAN SEEPERSAD JAGDIP	28,000	0.09%
MOUTTET CAPITAL LIMITED	25,000	0.08%
CHRISTOPHER CHAMELY	25,000	0.08%
ANTHONY TOOLSIE & NALINI KOAT	24,000	0.07%

MANAGEMENT DISCUSSIONS AND ANALYSIS OF RESULTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

Overview

The following discussion aims to provide Management's perspective on the financial statements and the general operations for the year ended 30 April 2020.

The Company is involved in rental of prime real estate throughout Trinidad and includes shopping malls, commercial rental (including Class A office buildings) and light industrial properties.

The financial statements attached should be read in conjunction with this discussion. The information provided aims to assist readers in understanding the financial performance during the period specified and any trends which may have impacted performance and future performance.

All amounts are stated in Trinidad & Tobago dollars unless otherwise stated.

Critical Accounting Policies

The accounting and reporting policies of the company conform to International Financial Reporting Standards (IFRS). Developments to these standards are actively monitored and disclosure is provided in accordance with IFRS and local best practice.

The Company has adopted the following new standards and interpretations as of 1 May, 2019:

(1) IFRS 16 Leases - The Company has adopted IFRS 16, Leases, retrospectively from 1 May, 2019 using the simplified method permitted by the standard, but has not restated comparatives for the 2019 reporting period, as permitted under the specific transition provisions in the standard. Any reclassifications and adjustments arising from the new standard are therefore recognised in the opening statement of financial position on 1 May, 2019. However, the adoption of this new standard did not result in any impact on the opening retained earnings of the Company.

IFRS 16 allows adopters a lease accounting exemption for short-term leases as an accounting policy choice. The Company has utilised this exemption as the lease related to a month-to-month rental of office space and did not contain any purchase or renewal options.
The adoption of this standard has had no impact on the Company.

(2) IFRIC 23 - Clarifies the accounting for uncertainties in income taxes and is effective for annual reporting periods beginning on or after 1 January, 2019. The interpretation is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12. There were no such uncertain tax positions for the reporting period.

Summary

Profit before income tax for 2020 was $16.5M net of fair value adjustment write-down of $26.2M on investment properties as compared to $50.5M for 2019, inclusive of fair value adjustment increase of $2.8M.

Net profits for 2020 was $6.4M as compared to $37.9M for 2019.

Table 1: Net profits adjusted for fair value adjustments

	2020	2019
	$M	$M
Net Profit for the Year	6.4	37.9
Fair Value Adjustments on Investment Properties Decrease/(Increase)	26.2	[2.8]
Adjusted Profit	32.6	35.1
Revenue from Contracts with Customers	88.4	93
Adjusted Profit as a Percentage of Revenue from Contracts with Customers	36.9%	37.7%

In light of the COVID-19 pandemic, fair values have been negatively impacted as future cash flows have been discounted to account for the possibility of further declines in rental income.

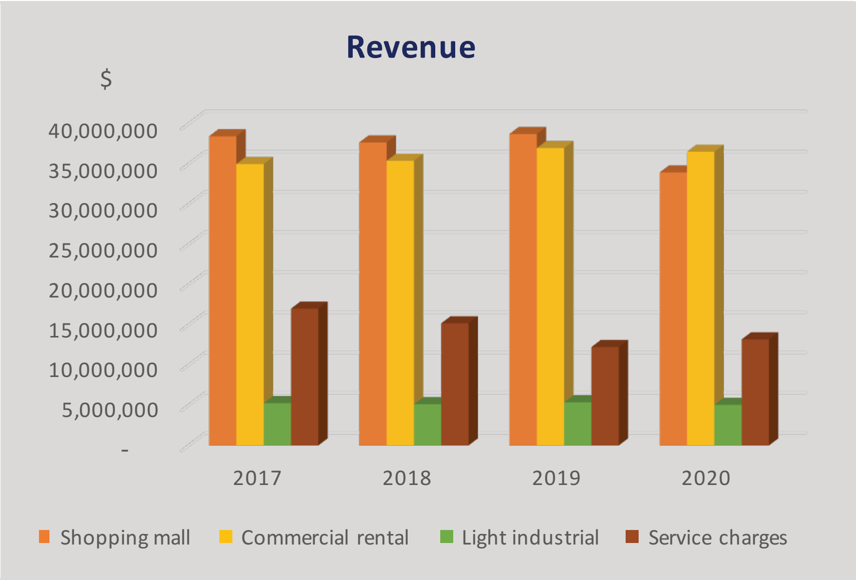
Changes in fair values are recognised in the statement of comprehensive income.

Revenue from contracts with customers

Revenue for the period suffered a decline over the prior year, falling from $93M to $88.4M due to rental concessions at our Price Plaza Mall as a direct result of restrictions imposed on business operations at the end of March 2020. Occupancy levels, however, have remained virtually unchanged, with most properties maintaining their occupancy levels.

Table 2: Revenue by segment

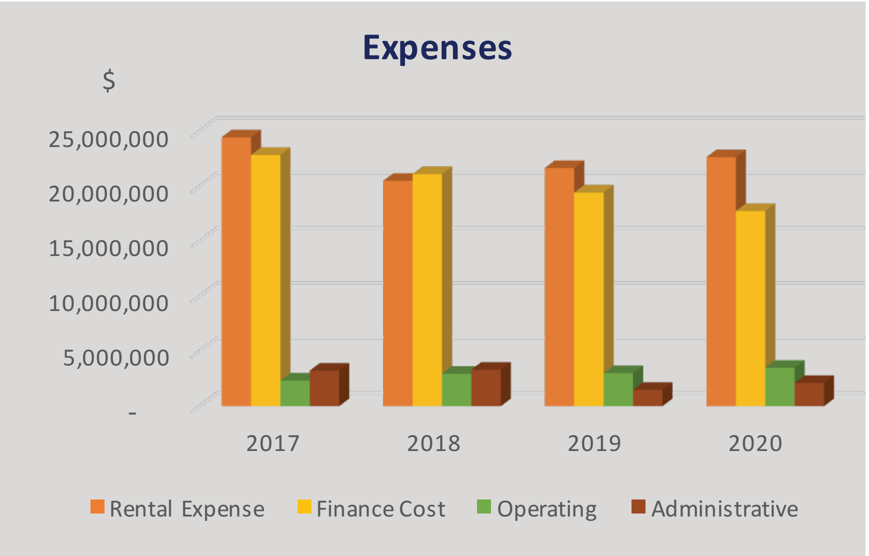
	Financial Year Ended 30 April			
Segment	**2017**	**2018**	**2019**	**2020**
Shopping Mall	38,440,673	37,676,206	38,730,558	33,948,115
Commercial Rental	35,000,517	35,397,652	38,980,031	36,522,855
Light Industrial	5,256,353	5,127,000	5,358,387	5,042,000
Service Charges	17,010,418	15,185,504	12,236,871	13,186,385
	95,707,961	**93,386,362**	**93,305,847**	**88,695,355**



The table above illustrates the consistent revenue earned in the various segments throughout financial years 2017 to 2020. The lower revenue for the financial year ended 30 April, 2020 resulted primarily from the reduced revenue from the shopping mall segment as a result of COVID-19 restrictions.

Expenditure

	Financial Year Ended 30 April			
Expense Type	2017	2018	2019	2020
Rental Expense	24,440,321	20,484,746	21,653,934	22,638,524
Financial Cost	22,840,033	21,104,609	19,424,376	17,742,786
Operating	2,331,051	2,939,950	3,004,293	3,486,147
Administrative	3,234,123	3,318,750	1,478,442	2,111,095
	52,845,528	47,848,055	45,561,045	45,978,552



Rental expenses increased marginally by $1.0M due to non-recurrent type expenses incurred during the period for repairs and maintenance and management fees. Administrative expenses increased by $0.6M primarily due to one-off legal fees and advertising for the Initial Public Offering (IPO).

Operating expenses increased marginally by $0.5M primarily because of an increased bad debt provision of $1.6M due to COVID-19, but offset by a reduction in depreciation for leasehold improvements of $1.3M.

Finance costs decreased by $1.7M due to the continued reduction in the principal of EHL's existing loan arrangements.

Also, current taxation deceased by $2.2M in January 2020. This was due to the Company using the corporation tax rate of 10% post listing date, which is applicable for new companies listed on the Trinidad & Tobago Stock Exchange (TTSE) Small and Medium Enterprises (SME) market. This rate is applicable for the ensuing five years, and thus the full effect of this reduction will be seen from our next financial year ending April 2021.

Statement of Financial Position

The Company's total assets fell from $900M to $887M primarily due to the investment property fair value negative adjustment of $26.2M. This was partially offset by the increase in cash and cash equivalents of $15.2M from $16.2 to $31.5M. This increased cash was generated from the proceeds of the IPO.

Current liabilities decreased by $1M from $51.8M in 2019 to $50.8M in 2020. The key element of this decrease was a reduction of $900K in taxation payable due to the lower taxation on profit as the Company has gained listed SME status.

Risk Assessment

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, credit risk and liquidity risk). Risk management is carried out by the finance department under policies approved by the Company's management. There is no exposure to fair value interest rate risk or price risk as there are no financial instruments carried at fair value. There is no exposure to cash flow interest rate risk as there are no financial instruments with variable rates. There have been no changes to policies and procedures compared to the prior year.

Foreign exchange risk - The Company does not operate internationally and is thus not exposed to foreign exchange risk arising from various currency exposures. The majority of the Company's financial assets, financial liabilities and rental income is determined and collected in Trinidad and Tobago dollars.

Credit risk - Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions. For banks and financial institutions, only reputable local institutions are recognised.

Customers consist of third parties who are involved in medium to long-term contracts and as such, risk of default is not considered significant or are long standing customers with no history of default. Credit limits were not exceeded during the reporting period, and management does not expect any losses from non-performance by these counterparts.

Liquidity risk - Prudent liquidity risk management implies maintaining sufficient cash and short-term funds and the availability of funding through an adequate amount of committed credit facilities. The expected collection and repayment dates of assets and liabilities are important factors in assessing the liquidity of this Company.

Capital risk management - The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and other stakeholders and to maintain an optimal capital structure.

The Company monitors capital on the basis of the gearing ratio. The ratio is calculated as net debt divided by total capital. The decrease in this ratio was due to repayment of loans during the fiscal year. There have been no changes to policies and procedures from the prior year.

Conclusion

Given the rapidly changing environment as the COVID-19 pandemic demands quick and decisive action by management, the Company continues to provide support to its tenants and has undertaken various plans to safeguard the financial performance of the Company in the future.

This situation is constantly changing and impacts to the business may arise that we are not aware of currently. The disruption is currently expected to be temporary, but there is uncertainty around the duration as it is dependent upon when a treatment or vaccine will be available.

The ultimate impact of the pandemic on the Company's future results of operations, financial position, liquidity or capital resources cannot be reasonably estimated at this time.


Healthy
On The Go!
NO
LOITERING
OPEN
I can drink
milk again!
Moo!

ENDEAVOUR
HOLDINGS LTD.

Financial Statements
30 April 2020

(Expressed in Trinidad and Tobago Dollars)

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STATEMENT OF MANAGEMENT'S RESPONSIBILITIES

Management is responsible for the following:

- Preparing and fairly presenting the accompanying financial statements of Endeavour Holdings Limited (the Company) which comprise the statement of financial position as at 30 April 2020, the statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information;

- Ensuring that the Company keeps proper accounting records;

- Selecting appropriate accounting policies and applying them in a consistent manner;

- Implementing, monitoring and evaluating the system of internal control that assures security of the Company's assets, detection/prevention of fraud, and the achievement of company operational efficiencies;

- Ensuring that the system of internal control operated effectively during the reporting period;

- Producing reliable financial reporting that comply with laws and regulations, including the Companies Act; and

- Using reasonable and prudent judgement in the determination of estimates.

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

Nothing has come to the attention of management to indicate that the Company will not remain a going concern for 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.

Chief Executive Officer	Chief Financial Officer
27 August 2020	27 August 2020

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INDEPENDENT AUDITOR'S REPORT

pwc

To the Shareholders of Endeavour Holdings Limited

Report on the audit of the financial statements

Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Endeavour Holdings Limited (the Company) as at April 30, 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

What we have audited

Endeavour Holdings Limited's financial statements comprise:

- the statement of financial position as at April 30, 2020;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies.

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 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.

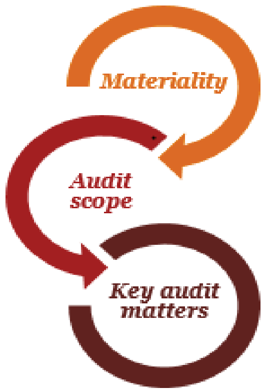
Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

PricewaterhouseCoopers, PO Box 550, 11-13 Victoria Avenue, Port of Spain, Trinidad, West Indies
T: (868) 299 0700, F: (868) 623 6025, www.pwc.com/tt

Our audit approach

Overview



- Overall materiality: TT$2,011,000 which represents 5% of average profit before tax for each of the last 3 years.

- In addition to determining materiality, we also assessed, amongst other factors, the following in designing our audit:
  - the risk of material misstatement in the financial statements
  - significant accounting estimates
  - the risk of management override of internal controls

- Valuation of investment properties

Audit scope

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including, among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which the Company operates.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Overall materiality	TT$2,011,000
How we determined it	5% of the average profit before tax for each of the last 3 years.
Rationale for the materiality benchmark applied	We chose profit before tax as the benchmark because, in our view, it is the benchmark against which the performance of the Company is most commonly measured by users, and is a generally accepted benchmark. We chose 5% which is within a range of acceptable benchmarks.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above TT$100,600, as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Valuation of investment properties *Refer to note 2(e) and 6 to the financial statements for disclosures of related accounting policies and balances.* As at 30 April 2020, the Company's fair value of investment properties totalled TT$837.6 million. A fair value loss adjustment of TT$26.2 million was recognised in the statement of comprehensive income as a result of the revaluation of these properties. Management accounts for the fair value of the investment properties using the Income Approach Valuation Method, which includes unobservable inputs. We focused on this area because of the significant level of judgment required in arriving at the key assumptions used in management's valuation method, which have been impacted by COVID-19 uncertainty and can have a material impact on the calculation of the fair value of the investment properties, including: • Future rental cash inflows - based on the location, type and quality of the properties and supported by the terms of any existing lease, other contracts or external evidence such as current market rents for similar properties. • Capitalisation rates - based on actual location, size, and quality and age of the properties and maintenance programs and taking into account market data at the valuation dates.	We obtained, understood and evaluated management's valuation method which remained consistent with the prior year. With the assistance of our experts, we performed the following procedures, amongst others, over management's valuation of investment properties as follows: • Future rental cash inflows - agreed the square footage and rent rates to the underlying signed lease contracts. Recalculated vacancy rates based on the underlying signed lease contracts. • Capitalisation rates - evaluated and tested management's capitalisation rate assumption, including sensitivity analysis, using knowledge of the industry, current market conditions and comparable commercial transactions. • Tested the mathematical accuracy of management's calculations The results of our procedures indicated that the assumptions used by management for determining the fair value of investment properties were not unreasonable.

Other information

Management is responsible for the other information. The other information comprises the Annual Report 2020 (but does not include the financial statements and our auditor's report thereon), which is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report 2020, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

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

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

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

Auditor's 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 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 financial statements.

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

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

We communicate with 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Kerry-Ann Chevalier.

PricewaterhouseCoopers

Port of Spain
Trinidad, West Indies
28 August 2020

STATEMENT OF FINANCIAL POSITION

(Expressed in Trinidad and Tobago Dollars)

	Notes	As at 30 April 2020 $	2019 $
Assets			
Non-current assets			
Investment properties	6	837,600,000	863,800,000
Property, plant and equipment	7	801,171	655,956
		838,401,171	864,455,956
Current assets			
Trade and other receivables	8	17,450,997	19,256,136
Due from related parties	9	--	9,685
Cash and cash equivalents	10	31,530,019	16,284,227
		48,981,016	35,550,048
Total assets		887,382,187	900,006,004
Equity and liabilities			
Equity attributable to equity holders of the company			
Share capital	13	43,058,438	32,003,200
Maintenance reserve fund	25	4,313,107	3,935,929
Retained earnings		497,313,823	494,823,316
Total equity		544,685,368	530,762,445
Non-current liabilities			
Deferred income tax liability	14	50,100,637	47,578,759
Borrowings	15	241,803,973	269,807,854
		291,904,610	317,386,613
Current liabilities			
Due to related parties	9	840,079	694,268
Borrowings	15	28,461,538	28,461,538
Trade and other payables	16	15,422,603	15,425,057
Taxation payable		6,067,989	6,968,655
Bank overdraft	10	--	307,428
		50,792,209	51,856,946
Total equity and liabilities		887,382,187	900,006,004

The notes on pages 11 to 46 are an integral part of these financial statements.

On 27 August 2020, the Board of Directors of Endeavour Holdings Limited authorised these financial statements for issue.

Director

Director

STATEMENT OF COMPREHENSIVE INCOME

(Expressed in Trinidad and Tobago Dollars)

	Notes	Year ended 30 April 2020 $	2019 $
Revenue from contracts with customers	18	88,417,695	93,033,736
Rental expenses	17	(22,638,524)	(21,653,934)
Net rental income		65,779,171	71,379,802
Other income			
Fair value adjustment on investment properties	6	(26,200,000)	2,800,000
Other income	18	281,660	272,111
		(25,918,340)	3,072,111
Expenses			
Administrative	19	(2,111,095)	(1,478,442)
Operating	20	(3,486,147)	(3,004,293)
		(5,597,242)	(4,482,735)
Operating profit		34,263,589	69,969,178
Finance costs	21	(17,742,786)	(19,424,376)
Profit before income tax		16,520,803	50,544,802
Taxation			
Current	22	(7,561,904)	(9,781,255)
Deferred taxation	22	(2,521,878)	(2,802,087)
		(10,083,782)	(12,583,342)
Profit for the year		6,437,021	37,961,460
Other comprehensive income		--	--
Total comprehensive income for the year		6,437,021	37,961,460
Earnings per share			
Basic earnings per share including fair value adjustment on investment properties	26	$0.20	$1.18
Basic earnings per share excluding fair value adjustment on investment properties	26	$0.99	$1.10

The notes on pages 11 to 46 are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

(Expressed in Trinidad and Tobago Dollars)

	Notes	Share capital $	Maintenance reserve fund $	Retained earnings $	Total equity $
Balance at 1 May 2019		32,003,200	3,935,929	494,823,316	530,762,445
Total comprehensive income for the year					
Profit for the year		--	--	6,437,021	6,437,021
Transfer to maintenance reserve	25	--	377,178	--	377,178
Transactions with owners in their capacity as owners					
Issue of shares	13	11,055,238	--	--	11,055,238
Dividends for the period	24	--	--	(3,946,514)	(3,946,514)
Balance at 30 April 2020		43,058,438	4,313,107	497,313,823	544,685,368
Balance at 1 May 2018		32,003,200	3,558,757	466,911,856	502,473,813
Total comprehensive income for the year					
Profit for the year		--	--	37,961,460	37,961,460
Transfer to maintenance reserve	25	--	377,172	--	377,172
Transactions with owners in their capacity as owners					
Dividends for the period	24	--	--	(10,050,000)	(10,050,000)
Balance at 30 April 2019		32,003,200	3,935,929	494,823,316	530,762,445

The notes on pages 11 to 46 are an integral part of these financial statements.

STATEMENT OF CASH FLOWS

(Expressed in Trinidad and Tobago Dollars)

	Notes	Year ended 30 April 2020 $	2019 $
Cash flows from operating activities			
Profit before income tax		16,520,803	50,544,802
Adjustments for:			
Fair value adjustment on investment properties	6	26,200,000	(2,800,000)
Finance costs	21	17,742,786	19,424,376
Loss on disposal of asset		--	286,463
Depreciation	7	508,925	1,838,324
Operating profit before working capital changes		60,972,514	69,293,965
Decrease/(increase) in trade and other receivables		1,805,139	(1,482,411)
Increase/(decrease) in trade and other payables		35,917	(705,096)
Decrease in due from related parties		9,685	662,855
Increase in due to related parties		145,811	110,789
Net cash generated from operations		62,696,066	67,880,102
Interest paid		(17,323,502)	(18,888,996)
Tax paid		(8,462,570)	(10,177,874)
Net cash flows generated from operating activities		37,182,994	38,813,232
Cashflows from investing activities			
Purchase of property, plant and equipment	7	(654,140)	(6,755)
Cashflows from financing activities			
Issue of shares	13	11,055,238	--
Repayments of borrowings		(28,461,536)	(28,461,538)
Transfer to maintenance reserve fund		377,178	377,172
Dividends paid	24	(3,946,514)	(10,050,000)
Net cash flows used in financing activities		(20,975,634)	(38,134,366)
Increase in cash and cash equivalents		15,553,220	672,111
Cash and cash equivalents at beginning of the year		15,976,799	15,304,688
Cash and cash equivalents at end of the year	10	31,530,019	15,976,799

The notes on pages 11 to 46 are an integral part of these financial statements.

1 **General information**

Endeavour Holdings Limited is incorporated in the Republic of Trinidad and Tobago and was re-registered under the Companies Act, 1995 on 1 March 2001. On 22 April 2015, articles of amalgamation were filed with the Company Registry. The principal activity of the Company is property rental and real estate holdings. Its registered address is Tradezone No.1 El Socorro Extension Road, San Juan.

The Company had an Initial Public Offering (IPO) that closed on 15 November 2019, and became listed on the Small and Medium Enterprises (SME) stock market of the Trinidad and Tobago Stock Exchange (TTSE) on 12 December 2019. 884,419 new ordinary shares were issued at the offer price of $12.50 to the subscribers of the IPO.

2 **Summary of significant accounting policies**

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

a. *Going concern*

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

b. *Basis of preparation*

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") and interpretations issued by the IFRS Interpretations Committee ("IFRIC").

The financial statements have been prepared under the historical cost convention, except for investment properties which have been measured at fair value.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

c. *Changes in accounting policies and disclosures*

(i) *New and amended standards adopted by the Company*

The Company has adopted the following new standards and interpretations as of 1 May 2019:

- IFRS 16 – Leases

  The Company changed its accounting policies upon adoption of IFRS 16. It elected to adopt the new rules retrospectively using the simplified method permitted by the standard but recognised as applicable, the cumulative effect of initially applying the new standard on 1 May 2019. See impact in Note 2c (iii).

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

c. *Changes in accounting policy and disclosures (continued)*

(i) *New and amended standards adopted by the Company (continued)*

- IFRIC 23 – Uncertain tax positions

  IFRIC 23 clarifies the accounting for uncertainties in income taxes and is effective for annual reporting periods beginning on or after 1 January 2019. The interpretation is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12.
  There were no such uncertain tax positions for the reporting period.

(ii) *New standards and interpretations not yet adopted*

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning on or after 1 May 2020 and have not been applied in preparing these financial statements. None of these standards are expected to have a significant effect on the financial statements of the Company.

(iii) *Changes in accounting policies*

This note explains the impact of the adoption of IFRS 16, Leases, on the Company's financial statements.

The Company has adopted IFRS 16, Leases, retrospectively from 1 May 2019 using the simplified method permitted by the standard but has not restated comparatives for the 2019 reporting period, as permitted under the specific transition provisions in the standard. Any reclassifications and adjustments arising from the new standard are therefore recognised in the opening statement of financial position on 1 May 2019. However, the adoption of this new standard did not result in any impact on the opening retained earnings of the Company.

IFRS 16 allows adopters a lease accounting exemption for short-term leases as an accounting policy choice. The Company has utilised this exemption as the lease related to a month-to-month rental of an office space and did not contain any purchase or renewal options. The adoption of this standard has had no impact on the Company.

d. *Foreign currency translation*

(i) *Functional and presentation currency*

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

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

d. *Foreign currency translation (continued)*

(ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates 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 statement of comprehensive income.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of comprehensive income within finance costs or income. All other foreign exchange gains and losses are presented separately on the statement of comprehensive income.

e. *Investment properties*

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs (Note l).

After initial recognition, investment property is carried at fair value. Investment property under construction is measured at fair value if the fair value is considered to be reliably determinable. Investment property under construction for which the fair value cannot be determined reliably, but for which the Company expects that the fair value of the property will be reliably determinable when construction is completed, are measured at cost less impairment until the fair value becomes reliably determinable or construction is completed - whichever is earlier. Fair value is based on active market prices, adjusted, if necessary, for differences in the nature, location or condition of the specific asset. If this information is not available, the Company uses alternative valuation methods, such as recent prices on less active markets or discounted cash flow projections. Valuations are periodically performed by professional valuers who hold recognised and relevant professional qualifications and have recent experience in the location and category of the investment property being valued. Annually, management reviews these valuations and make the necessary amendments to the valuations if key assumptions and inputs have changed.

These valuations form the basis for the carrying amounts in the financial statements. Investment property that is being redeveloped for continuing use as investment property or for which the market has become less active continues to be measured at fair value.

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

e. *Investment properties (continued)*

The fair value of investment property reflects, among other things, rental income from current leases and other assumptions market participants would make when pricing the property under current market conditions.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Changes in fair values are recognised in the statement of comprehensive income. Investment properties are derecognised when they have been disposed.

Where the Company disposes of a property at fair value in an arm's length transaction, the carrying value immediately prior to the sale is adjusted to the transaction price, and the adjustment is recorded in the statement of comprehensive income within net gain from fair value adjustment on investment property.

f. *Property, plant and equipment*

Property, plant and equipment comprise mainly fixtures and fittings and leasehold improvements and is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributed 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 Company and the cost of the item can be reliably measured. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Land and buildings are not depreciated. Depreciation on other assets is calculated using the reducing balance basis to allocate their cost to their residual values over their estimated useful lives, or in the case of leasehold improvements, the shorter lease term as follows:

Furniture, fixtures and equipment	-	20%
Motor vehicles	-	25%
Leasehold improvements	-	33 1/3%
Office improvements	-	10%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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

g. *Impairment of non-financial assets*

Assets that are subject to amortisation are reviewed for impairment at a minimum on an annual basis or 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 flows (cash-generating units).

Non-financial assets that suffer impairment are reviewed for possible reversal of the impairment at each reporting date.

h. *Financial assets*

Trade receivables are amounts due from customers for rental income earned during the ordinary course of business. If receipt of funds is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

(i) *Classification*

The Company classifies its financial assets at amortised cost.

Trade receivables are amounts due from tenants for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 to 90 days and therefore are all classified as current.

(ii) *Recognition and derecognition*

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

(iii) *Measurement*

The Company holds trade receivables with the objective to collect the contractual cash flows and therefore measures them initially at fair value and subsequently at amortised cost using the effective interest method, less impairment provision. The Company holds trade receivables with the objective to collect contractual cash flows.

(iv) *Impairment of financial assets*

The Company applies the simplified approach for trade receivables as permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company applies specific provisions for higher risk accounts using a risk-based methodology based on certain factors, including tenant profile and the nature of products sold or services rendered. All other non-specific accounts were grouped together and aged using a 'provisions matrix'. Scaled loss rates were then calculated based in historical payment profiles and applied to the different aging buckets as of the statement of financial position date. The loss rates were adjusted to incorporate forward-looking information.

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

i. *Offsetting financial instruments*

Financial assets and liabilities are offset and the net amount reported in the 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.

j. *Cash and cash equivalents*

Cash and cash equivalents include cash in hand and at bank and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

k. *Borrowings*

Borrowings are recognised initially at fair value net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facilities will be drawn down. In this case, the fee is deferred until the draw-down occurs.

To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as non-current liabilities in the statement of financial position when the first repayment begins twelve months after statement of financial position date.

l. *Borrowing costs*

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in the statement of comprehensive income in the financial year in which they occurred.

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

m. *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.

n. *Provisions*

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable than an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

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

Provisions are measured at the present value of the expenditure expected to be required to settle the 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 passage of time is recognised as an interest expense.

o. *Trade payables*

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less. 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.

p. *Maintenance reserve*

The purpose of the maintenance reserve fund is to ensure the availability of funds for the major capital expenditure for Briar Place as per tenants' lease terms.

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

q. *Revenue recognition*

Revenue includes rental income, service charges (common area maintenance) and reimbursable electricity income.

Rental income from operating leases is recognised on a straight-line basis over the lease term.

Revenue from service and electricity charges is recognised in the accounting period in which control of the services are passed to the customer, which is when the service is rendered. For certain service contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously.

Some property management contracts may include multiple elements of service, which are provided to tenants. The Company assesses whether individual elements of service in contract are separate performance obligations. Where the contracts include multiple performance obligations, and/or lease and non-lease components, the transaction price will be allocated to each performance obligation (lease and non-lease component) based on the stand-alone selling prices. Where these selling prices are not directly observable, they are estimated based on an expected cost. In the case of fixed price contracts, the customer pays the fixed amount based on a payment schedule.

Revenue is measured at the transaction price agreed under the contract. Amounts disclosed as revenue are net of variable consideration and payments to customers, which are not for distinct services, this consideration may include discounts and rebates.

A receivable is recognised when services are provided 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.

When the Company is acting as an agent, the reimbursable cost is recorded as revenue.

The Company pays sales commissions in order to secure certain contracts; these sales commissions are assessed to be an incremental cost of obtaining a contract. Sales commissions are recognised in the period in which the expense is incurred.

r. *Interest income*

Interest income is recognised on a time-proportion basis using the effective interest method. When a receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables is recognised using the original effective interest rate.

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

s. *Current and deferred income tax*

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the statement of comprehensive income except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case it is recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the date of the statement of financial position. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or a 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 date of the statement of financial position and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are due to tax losses and 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 Company's business model for investment properties is to hold for rental income until possible sale, although there are no specific plans for sale. The Company's business model is not to substantially consume all economic benefits of the investment properties over time through use. As such the presumption of recovery through sale is not rebutted. The deferred tax is then calculated based on the temporary differences and tax consequences arising from recovery through sale.

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 tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

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

t. *Leases*

Up to 30 April 2019

(a) *Company is the lessee*

(i) *Operating lease*

Leases in which a significant portion of the risks and rewards of ownership are retained by another party, the lessor, are classified as operating leases. Payments, including pre-payments, made under operating leases (net of any incentives received from the lessor) are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

Properties leased under operating leases are included in investment properties. See Note 2(e) for the accounting policy relating to land held on an operating lease and used as investment property.

(ii) *Finance lease*

Leases of assets where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are recognised at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in current and non- current borrowings. The interest element of the finance cost is treated as borrowing costs and expensed/capitalised over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Investment properties recognised under finance leases are carried at their fair value.

The lease liabilities are not significant as only peppercorn rents (less than $10.00 per annum) are paid for these leases.

(b) *Company is the lessor in an operating lease*

Properties leased out under operating leases are included in investment property in the statement of financial position.

(c) *Company is the lessor - fees paid in connection with arranging leases and lease incentives*

The Company makes payments to agents for services in connection with negotiating lease contracts with the Company's lessees. The letting fees are capitalised within the carrying amount of the related investment property and amortised over the lease term.

Lease incentives are recognised as a reduction of rental income on a straight-line basis over the lease term.

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

t. *Leases (continued)*

From 1 May 2019

At inception, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains a lease, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset

At inception or on assessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

Short-term leases and leases of low-value assets

The company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

u. *Dividend distribution*

Dividend distribution to the Company's shareholders is recognised as a liability in the financial statements in the period in which the dividends are approved.

v. *Operating segments*

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is the person or group that allocates resources to and assesses the performance of the operating segments of an entity. The Company has determined that its chief operating decision-maker is the chief executive officer (CEO) of the Company.

3 Financial risk management

a. *Financial risk factors*

The Company's activities expose it to a variety of financial risks: market risk (including currency risk), credit risk and liquidity risk. Risk management is carried out by the finance department under policies approved by the Company's shareholders. There is no exposure to fair value interest rate risk or price risk as there are no financial instruments carried at fair value. There is no exposure to cash flow interest rate risk as there are no financial instruments with variable rates. There have been no changes to policies and procedures compared to prior year.

(i) *Market risk*

Foreign exchange risk

The Company does not operate internationally and is thus not exposed to foreign exchange risk arising from various currency exposures. The majority of the Company's financial assets, financial liabilities and rental income is determined and collected in Trinidad and Tobago dollars (TTD). However, there is some rental income billed in United States Dollars (USD), for which there is exposure to foreign exchange risk.

At 30 April 2020 if the USD had weakened/strengthened by 0.6% (2019: 0.1%), against the TTD with all other variables held constant, post-tax profit for the year would have been $4,143 lower (2019: $1,201), mainly as a result of foreign exchange gains/losses on translation of USD denominated trade receivables.

(ii) *Credit risk*

Credit risk is the risk of default on financial assets that may arise from a counterparty failing to make payments or honour an obligation. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions.

For banks and financial institutions, only reputable local institutions are accepted. Customers consist of third parties who are involved in medium to long term contracts and as such risk of default is not considered significant or are long standing customers with no history of default. Credit limits were exceeded during the reporting period, but management does not expect any significant losses from non-performance by these counterparties.

The following is a summary of the Company's maximum exposure to credit risk.

	2020 $	2019 $
Cash and cash equivalents	31,530,019	16,284,227
Trade and other receivables	17,450,997	19,256,136
Total	48,981,016	35,540,363

The Company's trade and other receivables are subject to the Expected Credit Loss (ECL) model.

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

3 **Financial risk management (continued)**

(ii) *Credit risk (continued)*

Incorporation of forward-looking information

Historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified indicators such as trends in days outstanding, concentration risk and macroeconomic fundamentals specific to our industry to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

The simplified approach

The Company applies the IFRS 9 simplified approach to measuring ECL which uses a lifetime expected loss allowance for all trade and other receivables.

To measure the ECL, trade and other receivables have been grouped based on shared credit risk characteristics and the days past due. The Company has therefore concluded that the expected loss rates for trade receivables are reasonable.

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 one. To measure the lifetime loss allowance, the Company first considers whether any individual tenant accounts require specific provisions.

Loss rates are then assigned to these accounts based on qualitative and quantitative factors using a Loss Given Default matrix. All other non-specific trade receivables and work in progress are then grouped based on shared credit risk characteristics and the days past due.

The expected loss rates for non-specific accounts are based on the payment profiles of sales over a period of 12 months starting 1 May 2019 and ending on 30 April 2020 and the corresponding historical credit losses experienced within this period.

Assets written off

Trade and other receivables are written off when there is no reasonable expectation of recovery. The Company categorises a receivable for write off when a debtor fails to make contractual payments, even after several attempts at enforcement and/or recovery efforts.

Where receivables have been written off, the Company continues to engage in enforcement activity as necessary, to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

Over the term of the financial asset, the Company accounts for its credit risk by appropriately providing for ECL on a timely basis. In calculating the ECL rates, the Company considers historical loss rates for the financial assets and adjusts for forward looking macroeconomic data. The Company provides for credit losses on financial assets as follows:

3 **Financial risk management (continued)**

a. *Financial risk factors (continued)*

(ii) *Credit risk (continued)*

	Current $	30 to 90 days past due $	More than 90 days past due $	Total $
At 30 April 2020				
Trade receivable	10,632,179	3,150,782	3,124,650	16,907,611
Loss allowance	--	--	--	--
Expected loss rate	0%	0%	0%	0%

	Current $	30 to 90 days past due $	More than 90 days past due $	Total $
At 30 April 2019				
Trade receivable	10,695,915	4,830,404	3,192,668	18,718,987
Loss allowance	--	--	--	--
Expected loss rate	0%	0%	0%	0%

(iii) *Liquidity risk*

Prudent liquidity risk management implies maintaining sufficient cash and short-term funds and the availability of funding through an adequate amount of committed credit facilities.

The expected collection and repayment dates of assets and liabilities are important factors in assessing the liquidity of this Company.

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.

	Less than 1 year $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $
As at 30 April 2020				
Borrowings	47,650,192	60,740,598	148,576,351	80,051,395
Due to related parties	840,079	--	--	--
Trade and other payables, excluding non-financial liabilities	15,047,411	--	--	--
	63,537,682	60,740,598	148,576,351	80,051,395

3 **Financial risk management (continued)**

a. *Financial risk factors (continued)*

(iii) *Liquidity risk (continued)*

	Less than 1 year $	**Between 1 and 2 years** $	**Between 2 and 5 years** $	**Over 5 years** $
As at 30 April 2019				
Borrowings	49,488,646	43,932,444	194,691,742	94,676,602
Due to related parties	694,268	--	--	--
Trade and other payables, excluding non-financial liabilities	14,830,437	--	--	--
	65,013,351	43,932,444	194,691,742	94,676,602

b. *Capital risk management*

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and other stakeholders and to maintain an optimal capital structure.

The Company monitors capital on the basis of the gearing ratio. The ratio is calculated as net debt divided by total capital. The decrease in this ratio was due to repayment of loans during the fiscal year. There have been no changes to policies and procedures from prior year.

	2020 $	**2019** $
Total borrowings (Note 15)	270,265,511	298,269,392
Less: Cash and cash equivalents (Note 10)	(31,530,019)	(15,976,799)
Net debt	238,735,492	282,292,593
Total equity	544,685,368	530,762,445
Total capital	783,420,860	813,055,038
Gearing ratio	30%	35%

3 **Financial risk management (continued)**

b. *Capital risk management (continued)*

The following are the loan covenants arising from the borrowings (Note 15):

Covenant

(i)	Minimum debt service coverage ratio of 1.25:1	EBITDA / Total debt repayment	$60,972,514 / $43,932,444	1.39
(ii)	Minimum free cashflow to total debt repayment of 1.0:1	Free cash flow / Total debt repayment	$35,420,618 / $43,932,444	0.81
(iii)	Maximum total financial debt to tangible fixed assets of 50%	Total financial debt / Tangible fixed asset	$270,265,511 / $838,401,171	32%

c. *Fair value estimation*

The carrying value less impairment provision of trade receivables, cash and cash equivalents and payables are assumed to approximate their fair values.

There were no investments measured at fair value at year end.

4 **Critical accounting estimates and judgments**

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.

a. *Critical accounting estimates and assumptions*

The Company 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 addressed below.

(i) *Fair value measurement of investment properties*

Fair value of land and buildings

The fair value of investment properties is determined by using valuation techniques. Further details of the judgements and assumptions made are disclosed in Note 6.

(ii) *Property tax*

Property tax has been estimated and accrued for the calendar years 2018 and 2019 as the moratorium under the Property Tax Act 2009 ended at the end of 2017. There is uncertainty surrounding when the tax authorities will commence collection of the tax and as such, no further provision has been made.

(iii) *Impairment*

Impairment assessment of non-financial assets of the Company

Estimates are required in determining the recoverable amount of assets to assess whether an impairment exists. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. An asset is impaired when its carrying amount exceeds its recoverable amount. IAS 36 'Impairment of non-financial assets' describes some indicators that an impairment loss may have occurred. If any of those indicators are present, the Company will make a formal estimate of recoverable amount. At the statement of financial position date, the market capitalisation of the Company was significantly less than the net assets of the Company. As such, management determined that an impairment assessment was required to determine if the net assets of the Company were impaired. See note 28.

b. *Critical judgments in applying the entity's accounting policies*

Deferred tax on investment properties

The Company has not rebutted the presumption contained within IAS 12 Income Taxes that the carrying amount of the investment properties will be recovered through sale.

The Company's business model is based on possible sale, although it currently has no specific plans to sell the investment properties and there is no business model to substantially consume all the economic benefits of the investment property over time. Accordingly, the deferred income tax implications have been calculated based on the tax consequences of sale.

5 **Operating segment**

The chief operating decision-maker is the person or group that allocates resources to and assesses the performance of the operating segments of an entity. The Company has determined that its chief operating decision-maker is the chief executive officer (CEO) of the Company, Mr. Anthony Rahael.

(a) Management has determined there is one operating segment – Investment Property based on the reports reviewed by the CEO in making strategic decisions.

The operating segment derives its revenue primarily from rental income from lessees. The Company's main business activities is reported within the above segment. There is also a corporate office function which carries out support functions in the areas of accounting, information technology and human resources and is not considered an operating segment as its activities and expenses incurred are only incidental to the core business. Although not an operating segment, results for the corporate activities are also presented to show how the segmental information presented below reconciles to the statement of comprehensive income.

The segment information provided to the CEO for the operating segment for the year ended 30 April 2020 is as follows:

	Investment properties $	**Corporate office $**	**Total $**
Total segment revenue:			
Revenue and other income from external customers	88,572,246	127,109	88,615,051
Operating profit/(loss)	37,083,389	(2,819,800)	34,263,589
Included in operating profit:			
Depreciation	66,266	442,659	508,925
Fair value adjustment on investment properties	(26,200,000)	--	(26,200,000)
Not included in operating profit			
Interest expense	17,170,682	572,104	17,742,786
Income tax expense	10,083,782	--	10,083,782

The segment information provided to the CEO for the operating segment for the year ended 30 April 2019 is as follows:

	Investment properties $	**Corporate office $**	**Total $**
Total segment revenue:			
Revenue and other income from external customers	93,292,865	12,982	93,305,847
Operating profit/(loss)	74,144,221	(4,175,043)	69,969,178
Included in operating profit:			
Depreciation	1,800,288	38,036	1,838,324
Fair value adjustment on investment properties	2,800,000	--	2,800,000
Not included in operating profit			
Interest expense	19,424,376	--	19,424,376
Income tax expense	12,583,342	--	12,583,342

5 **Operating segment (continued)**

The CEO assesses the performance of the operating segment based on a measure of operating profit. The operating profit and profit or loss of the Company's operating segments reported to the CEO are measured in a manner consistent with that in profit or loss. A reconciliation of operating profit to profit before tax is therefore not presented separately.

The amounts provided to the CEO in respect of total assets and total liabilities are measured in a manner consistent with that of the financial statements. These assets and liabilities are allocated based on the operations of the segment and the physical location of the asset. As all assets and liabilities have been allocated to the one operating/reportable segment, reconciliation of the reportable segment's assets to total assets, and of the reportable segment's liabilities to total liabilities, are not presented.

The breakdown of revenue from all services is as follows:

Analysis of revenue by category	**2020**	**2019**
	$	**$**
Rental income		
- shopping mall	33,948,115	38,730,558
- commercial rental	36,522,855	36,980,031
- light industrial	5,042,000	5,358,387
Total rental income	75,512,970	81,068,976
Service and management charges	13,186,385	12,236,871
Total revenue	88,699,355	93,305,847

Revenues are derived from a large number of tenants and in 2020, there were 2 tenants who contributed more than 10% of the Company's revenue. Revenues from these tenants amounted to $17,066,529 (2019: $17,066,529) and are included within the commercial rental segment.

6 **Investment properties**

Year ended 30 April 2020

	1 May 2019	**Additions**	**Fair value adjustment**	**30 April 2020**
	$	**$**	**$**	**$**
Shopping mall	418,600,000	--	(27,800,000)	390,800,000
Commercial rental	402,800,000	--	1,700,000	404,500,000
Light industrial property	42,400,000	--	(100,000)	42,300,000
Total carrying value	863,800,000	--	(26,200,000)	837,600,000

6 **Investment properties (continued)**

Year ended 30 April 2019

	1 May 2018 $	Additions $	Fair value adjustment $	30 April 2019 $
Shopping mall	421,500,000	--	(2,900,000)	418,600,000
Commercial rental	396,300,000	--	6,500,000	402,800,000
Light industrial property	43,200,000	--	(800,000)	42,400,000
Total carrying value	861,000,000	--	2,800,000	863,800,000

All investment properties in the current and prior year are classified as Level 3 in the fair value hierarchy as per IFRS 13 Fair Value Measurement as the inputs for the valuations are not based on observable market data.

There were no investment properties measured at cost.

The Company's policy is to recognise transfers into and out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer. There were no transfers in fair value hierarchy levels in the current year.

At 30 April 2020, the Company had no unprovided contractual obligations for future repairs and maintenance (2019: Nil).

Bank borrowings are secured on investment properties valued at $837,600,000 (2019: $863,800,000), see Note 15.

Direct operating expenses recognised in the statement of comprehensive income of $22,638,524 (2019: $21,653,934) relate to investment properties that were let throughout the year (Note 17).

6 **Investment properties (continued)**

Sensitivity analysis of investment properties for 2020

Future rental cash inflow

The properties were sensitised using future cash flows in respect of rent and vacancy assumptions.

Segment	Current valuation $	5% Rent reduction impact $	5% Increased vacancy impact $
Shopping mall	390,800,000	370,300,000	374,000,000
Commercial rental	404,500,000	383,700,000	395,800,000
Light industrial property	42,300,000	39,800,000	42,300,000
	837,600,000	793,800,000	812,100,000

6 **Investment properties (continued)**

Sensitivity analysis of investment properties for 2020 (continued)

Capitalisation rates

Property	Cap rate %	Current valuation $	Impact $	Cap rate (.5% higher) %	Impact $	Cap rate (.5% lower) %
Lot 17 D to H Garden Road	9.25	92,400,000	87,600,000	9.75	97,600,000	8.75
Briar Place, Sweet Briar Road, St Clair	8.00	164,200,000	154,600,000	8.50	175,200,000	7.50
Lot 1# Price Plaza Mall	8.00	200,500,000	188,700,000	8.50	213,800,000	7.50
Price Plaza North Car Park Area	8.00	72,200,000	67,900,000	8.50	77,000,000	7.50
Price Plaza South	8.50	118,100,000	111,600,000	9.00	125,500,000	8.00
Lot H Price Plaza - Superpharm Chaguanas	8.00	29,200,000	27,500,000	8.50	31,200,000	7.50
#2 Kairi Road, Valsayn - Superpharm Valsayn	8.25	17,900,000	16,900,000	8.75	19,100,000	7.75
Lot #2 South Trunk, - Superpharm Gulf View	8.25	74,200,000	69,900,000	8.75	78,900,000	7.75
Lot L1A Columbus Boulevard Westmoorings - Superpharm	8.25	26,600,000	25,100,000	8.75	28,300,000	7.75
Tumpuna Park Limited	8.50	42,300,000	39,900,000	9.00	44,900,000	8.00
		837,600,000	789,700,000		891,500,000	

6 **Investment properties (continued)**

Sensitivity analysis of investment properties for 2019

The properties were sensitised using the capitalisation rates.

Property	Cap rate %	Current valuation $	Impact $	Cap rate (.5% higher) %	Impact $	Cap rate (.5% lower) %
Lot 17 D to H Garden Road	9.50	89,900,000	85,400,000	10.00	94,900,000	9.00
Briar Place, Sweet Briar Road, St Clair	8.00	169,400,000	159,600,000	8.50	180,700,000	7.50
Lot 1# Price Plaza Mall	8.25	196,200,000	185,000,000	8.75	208,900,000	7.75
Price Plaza North Car Park Area	8.25	86,900,000	81,900,000	8.75	92,500,000	7.75
Price Plaza South	8.25	135,500,000	127,800,000	8.75	144,300,000	7.75
Lot H Price Plaza - Superpharm Chaguanas	8.25	28,600,000	27,000,000	8.75	30,500,000	7.75
#2 Kairi Road, Valsayn - Superpharm Valsayn	8.50	17,400,000	16,400,000	9.00	18,500,000	8.00
Lot #2 South Trunk, - Superpharm Gulf View	8.50	71,400,000	67,400,000	9.00	75,800,000	8.00
Lot L1A Columbus Boulevard Westmoorings - Superpharm	8.50	26,100,000	24,700,000	9.00	27,700,000	8.00
Tumpuna Park Limited	8.50	42,400,000	40,100,000	9.00	45,100,000	8.00
		863,800,000	815,300,000		918,900,000	

6 **Investment properties (continued)**

Valuation processes of the Company

The Company's management performed the valuation of the investment properties in the current year and prior year using the Income Approach Valuation method. The last external valuation was performed in 2014. The management team comprises of individuals with over 120 years of combined experience in property conceptualisation development, construction and management of a diverse portfolio of premier properties in Trinidad and Tobago. This method is used to estimate the value of properties which are regarded as investments and moreover, where the basis of arriving at the market price is directly related to the income which the property is producing or capable of producing.

Annual Rental Value is determined either from the actual rent income or calculated through the use of comparable rates and relevant expenses, outgoings and estimated vacancies are deducted from the rental income to arrive at a net income position. This figure is then capitalised using rates of return or yields from analysis of similar type transactions or against benchmarked interest parameters in addition to considering current market conditions and outlook.

Investment type properties are more heterogeneous than others and accordingly it is usually difficult to obtain useful comparable information, except for rental values.

For all properties, their current use equates to the highest and best use.

At each financial year end, Management:
- verifies all major inputs to calculate outgoings;
- assesses property income potential via rent rolls; and
- identifies appropriate capitalisation rates to apply to the cash flows.

As part of the assessment, the finance department reviews the reasons for the fair value movements.

a. *Future rental cash inflow*

Based on the location, type and quality of the properties and supported by the terms of any existing lease, other contracts or external evidence such as current market rents for similar properties.

b. *Maintenance costs*

Including necessary investments to maintain functionality of the property for its expected useful life.

c. *Capitalisation rates*

Based on actual location, size, quality and age of the properties and maintenance programs and taking into account market data at the valuation date.

d. *Covid-19 Pandemic*

Management has carried out an extensive review and taken into account the impact of Covid -19 to date on the fair value of Investment Properties. With the continued uncertainty and challenges presented by Covid -19 management will continue to monitor further developments and determine what further impact these will have on the portfolio.

7 Property, plant and equipment

	Furniture, fixtures and equipment $	Leasehold improvements $	Motor vehicles $	Total $
At 30 April 2018				
Cost	856,763	5,154,921	1,481,536	7,493,220
Accumulated depreciation	(600,003)	(2,963,611)	(1,155,618)	(4,719,232)
Net book amount	256,760	2,191,310	325,918	2,773,988
Year ended 30 April 2019				
Opening net book amount	256,760	2,191,310	325,918	2,773,988
Additions	6,755	--	--	6,755
Disposal	--	--	(286,463)	(286,463)
Depreciation charge	(45,822)	(1,753,047)	(39,455)	(1,838,324)
Closing net book amount	217,693	438,263	--	655,956
At 30 April 2019				
Cost	863,518	5,154,921	--	6,018,439
Accumulated depreciation	(645,825)	(4,716,658)	--	(5,362,483)
Net book amount	217,693	438,263	--	655,956
Year ended 30 April 2020				
Opening net book amount	217,693	438,263	--	655,956
Additions	654,140	--	--	654,140
Depreciation charge	(70,662)	(438,263)	--	(508,925)
Closing net book amount	801,171	--	--	801,171
At 30 April 2020				
Cost	1,517,658	5,154,921	--	6,672,579
Accumulated depreciation	(716,487)	(5,154,921)	--	(5,871,408)
Net book amount	801,171	--	--	801,171

8 Trade and other receivables

	2020 $	2019 $
Gross rent and CAM receivable	23,612,726	22,575,565
Less provision for impairment	(6,705,115)	(3,856,578)
Rent and CAM receivable, net of provision for impairment	16,907,611	18,718,987
Insurance prepaid	543,386	537,149
	17,450,997	19,256,136

The estimated fair values of receivables are the discounted amount of the estimated future cash flows expected to be received and approximate their carrying amounts. Expected cash flows are discounted at current market rates to determine fair values. Details about the Company's impairment policies and calculation of the loss allowance are provided in note 3a(ii).

The company is faced with increased concentration risk in the current year with respect to trade receivables, as there are a number of tenants within the Shopping Mall segment that have been negatively impacted by COVID-19. A provision is recognised for amounts not expected to be recovered. Movements in the accumulated impairment losses on trade receivables were as follows:

	2020	2019
Accumulated impairment losses at 1 May	3,856,578	3,032,291
Additional impairment losses recognised during the year	2,848,527	923,490
Amounts written off during the year as uncollectible	--	(99,203)
Accumulated impairment losses at 30 April	6,705,115	3,856,578

The carrying value of trade and other receivables approximates the fair value. The Company does not hold any collateral as security. Trade receivables denominated in USD amount to $729,993 (2019: $1,358,846).

The other classes within trade and other receivables do not contain impaired assets.

9 **Related party transactions**

a. *Identity of related parties*

The ownership of the Company is as follows:

Company	**2020**	**2019**
Pelican Investment Limited	--	50.00%
Rahael Holdings Limited	--	50.00%
Endeavour ABRA Holdings Limited	97.31%	--
Public Shareholders	2.69%	--

(Refer to Note 23 also)

b. *Related party transactions and balances*

The following transactions were carried out with related parties:

The balances below are interest free and there are no fixed repayment terms.

	1 May 2019 $	**Purchases $**	**Payments $**	**30 April 2020 $**
Due to related parties				
Amalgamated Security Services Limited	323,819	1,736,984	(1,627,625)	433,178
Amera Caribbean Development Limited	293,006	3,723,330	(3,730,390)	285,946
Albertwood Limited	1,651	545,172	(500,628)	46,195
Wazifa Services Limited	75,792	883,280	(884,312)	74,760
Endeavour ABRA Holdings Limited	--	3,840,384	(3,840,384)	--
	694,268	6,888,766	(10,583,339)	840,079

	1 May 2018 $	**Purchases $**	**Payments $**	**30 April 2019 $**
Due to related parties				
Amalgamated Security Services Limited	325,290	1,044,764	(1,046,235)	323,819
Amera Caribbean Development Limited	256,907	3,316,940	(3,280,841)	293,006
Albertwood Limited	1,282	544,881	(544,512)	1,651
Wazifa Services Limited	--	158,562	(82,770)	75,792
Pelican Investment Limited	--	5,025,000	(5,025,000)	--
Rahael Holdings Limited	--	5,025,000	(5,025,000)	--
	583,479	15,115,147	(15,004,358)	694,268

9 **Related party transactions (continued)**

b. *Related party transactions and balances (continued)*

The balance payable to Amalgamated Security Services Limited represents security services provided to Endeavour Holdings Limited during the period.

Amera Caribbean Development Limited represents property management services as well as asset management services provided.

Endeavour Holdings Limited also has a rental agreement with Albertwood Limited for rental of premises of $467,823 (2019: $467,648) (Note 17).

	1 May 2019 $	Purchases/ advances/transfers $	Payments $	30 April 2020 $
Due from related parties				
Intercompany	9,685	9,060	(18,745)	--
	9,685	9,060	(18,745)	--

	1 May 2018 $	Purchases/ advances/transfers $	Payments $	30 April 2019 $
Due from related parties				
Intercompany	--	510,785	(501,100)	9,685
Pelican Investments Limited	336,270	--	(336,270)	--
Rahael Holdings Limited	336,270	--	(336,270)	--
	672,540	510,785	(1,173,640)	9,685

c. *Transactions with key management personnel*

The employee services of the Company are outsourced to Amera Caribbean Development Limited, who retains staff. The management fees paid amounted to $2,695,735 (2019: $1,998,048).

	2020 $	2019 $
Key management compensation		
Directors' fees	288,000	102,000

There were no guarantees or collateral given to or received from any related party.

10 Cash and cash equivalents

	2020 $	2019 $
Cash and cash equivalents, including bank overdraft	31,530,019	15,976,799

Cash and cash equivalents include the following for the purposes of the statement of cash flows:

	2020 $	2019 $
Cash and cash equivalents, excluding bank overdraft	31,530,019	16,284,227
Less: bank overdraft	--	(307,428)
	31,530,019	15,976,799

11 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

	2020 $	2019 $
Trade and other receivables, excluding prepayments	16,907,611	18,718,987
Cash and cash equivalents, excluding bank overdraft	31,530,019	16,284,227
Due from related parties	--	9,685
Total	48,437,630	35,012,899

Liabilities as per statement of financial position

Other financial liabilities measured at amortised cost

	2020 $	2019 $
Borrowings	270,265,511	298,269,396
Trade and other payables, excluding non-financial liabilities	15,047,411	14,830,437
Due to related parties	840,079	694,268
Bank overdraft	--	307,428
Total	286,153,001	314,101,529

Prepayments and non-financial liabilities are excluded from the receivables and payables figures above, as this analysis is only required for financial instruments.

12 **Credit quality of financial assets**

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

Trade receivables	**2020** **$**	**2019** **$**
Counterparties without external credit rating:		
Existing customers (more than 6 months) with some defaults in the past	10,632,179	10,695,915
Cash at bank and short-term bank deposits		
Local banks/cash in hand:		
Cash in bank	31,525,019	16,279,227
Cash in hand	5,000	5,000
	31,530,019	16,284,227

Cash at bank is held with reputable local financial institutions.

13 **Share capital**

Issued and fully paid		
Beginning of the year		
32,003,200 ordinary shares of no par value	32,003,200	32,003,200
Issued 884,419 ordinary shares of no par value	11,055,238	--
End of year	43,058,438	32,003,200

The Company had an Initial Public Offering (IPO) that closed on 15 November 2019 and became listed on the Small and Medium Enterprises (SME) stock market of the Trinidad and Tobago Stock Exchange (TTSE) on 12 December 2019.

884,419 new ordinary shares were issued at the offer price of $12.50 to the subscribers of the IPO.

The total authorised number of no par value shares is unlimited. All issued shares are fully paid.

14 Deferred income tax liability

Deferred income taxes are calculated in full on temporary differences under the liability method. Deferred income tax is computed using a rate of 30% (2019: 30%).

The movement in the deferred income tax account is as follows:

Deferred tax liability – investment properties	2020 $	2019 $
Beginning of the year	47,578,759	44,776,672
Charge for the year (Note 22)	2,521,878	2,802,087
End of year	50,100,637	47,578,759

15 Borrowings

2020			2019		
Current $	Non-current $	Total $	Current $	Non-current $	Total $
28,461,538	241,803,973	270,265,511	28,461,538	269,807,854	298,269,392

The borrowings include amounts secured on investment properties to the market value of $837,600,000 (2019: $863,000,000) (Note 6). The fair value of current borrowings equals their carrying amount, as the impact of discounting is not significant.

This bond was granted by First Citizens Trustee Services Limited on 30 September 2015. It is repayable in three tranches.

The security held over this facility is a first demand debenture over the fixed and floating assets of the company: the properties located at Price Plaza Chaguanas Lot#1 Price Plaza, Superpharm, Lot H Price Plaza, Chaguanas, Superpharm, #2 Kariri Road Valsayn, Superpharm Lot1 A Columbus Boulevard Westmoorings, Superpharm-Gulf View, Briar Place, #10 Sweet Briar Road St Clair, Ministry of National Security, Lot 17D to H Garden Road, Aranguez and Tumpuna Park LP# 155 Tumpuna Road Guanapo. It is stamped to cover $400 million, as well as the assignment of all risk insurance.

Tranche A is over seven (7) years, rate of interest is fixed at 5.50% per annum, total value $240 million. Tranche A - Equal semi-annual payments of principal payable in arrears commencing six months after issue date with a 50% balloon payment due at maturity. The maturity date of this facility is 30 September 2022. The effective interest rate is 2.87%.

Tranche B is over fifteen (15) years, rate of interest is fixed at 6.25% per annum, total value $120 million. Tranche B - Equal semi-annual payments of principal payable in arrears commencing six months after issue date. The maturity date of this facility is 30 September 2030. The effective interest rate is 3.22%.

Tranche C is over twenty (20) years, rate of interest is fixed at 6.90% per annum, total value$40 million. Tranche C - Equal semi-annual payments of principal payable in arrears commencing six months after issue date. The maturity date of this facility is 30 September 2035. The effective interest rate is 3.53%.

16	Trade and other payables	2020 $	2019 $
	Accruals	10,145,391	9,932,869
	Tenant deposits	3,541,101	3,609,517
	Accounts payable	1,360,919	1,288,051
	Value - added tax	375,192	594,620
		15,422,603	15,425,057

The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

17	Rental expenses		
	Electricity	5,720,587	5,685,344
	Security	4,451,744	4,597,062
	Repairs and maintenance	3,560,669	3,407,196
	Management fees	3,400,219	2,702,532
	Janitorial and landscaping	2,072,238	1,783,603
	Insurance	1,451,404	1,365,734
	Rental - premises	469,323	467,648
	Rates and taxes	316,789	392,287
	Maintenance reserve expense	333,564	342,859
	Commissions	322,447	287,922
	Loss on disposal of asset	--	286,463
	Advertising and promotion	372,530	223,078
	Depreciation	70,662	45,822
	Audit fees	33,000	33,000
	Telephone, cable and internet	50,371	29,900
	General expenses	12,977	3,484
		22,638,524	21,653,934

18	Revenue from contracts with customers		
	Rental income	72,309,933	78,049,827
	Common area maintenance (CAM)	10,892,660	9,585,704
	Electricity income	5,215,102	5,398,205
		88,417,695	93,033,736

Other income

Other income	134,303	55,601
Reimbursable income	131,203	201,742
Water income	13,349	10,659
Bank interest	2,805	4,109
	281,660	272,111

18 Revenue from contracts with customers (continued)

The period of leases whereby the Company leases out its investment properties under operating leases is three years or more.

Contingent rents in 2020 and 2019 recognised as income were nil. The Company's revenue is primarily generated from property assets, which are held in Trinidad and Tobago. The breakdown of the major components of revenue from external customers by rental type is disclosed in Note 5, Segment information.

Revenues are derived from a large number of tenants and no single tenant or group under common control contributes more than 15% of the Company's revenues.

Revenue recognised in relation to services to tenants and third-party property management charges is recognised over time.

Assets and liabilities related to contracts with customers

There were no Contract assets and liabilities relating to service contracts with customers during the year.

Significant changes in contract assets and liabilities

There were no significant changes in contract assets and liabilities.

Revenue recognised in relation to contract liabilities

There was no revenue recognised in the current reporting period that relates to performance obligations satisfied in a prior year in respect of both financial years.

Unsatisfied contracts

There were no unsatisfied performance obligations resulting from fixed price service and property management contracts.

Assets recognised from costs to obtain a contract

The Company has not incurred costs to obtain specific contracts that did not meet the practical expedient available under IFRS 15 for the 2019 and 2020 financial years.

19 Administrative expenses

	2020 $	2019 $
Management fees	784,186	435,522
Audit fees	403,711	420,500
Legal and professional	923,198	622,420
	2,111,095	1,478,442

20 Operating expenses

Depreciation	438,263	1,792,502
Bad debts	2,477,424	875,115
Advertising and public relations	480,442	227,134
Printing, postage and stationery	53,685	75,863
Telephone	30,331	28,467
Rental - cable and internet	5,212	5,212
Travel	190	--
Transport	600	--
	3,486,147	3,004,293

21 Finance costs

	2020 $	2019 $
Interest on borrowings	17,628,103	19,313,060
Finance charges	100,541	100,266
Bank charges and interest	14,142	11,050
	17,742,786	19,424,376

22 Income tax expense

	2020	2019
Current taxation		
Green fund levy	265,845	279,903
Corporation tax	7,296,059	9,501,352
Total current tax	7,561,904	9,781,255
Deferred tax (Note 14)		
Origination and reversal of temporary differences	2,521,878	2,802,087
Tax charge in statement of comprehensive income	10,083,782	12,583,242

The tax on profit before tax differs from the theoretical amount that would arise using the tax rate applicable to profits as follows:

	2020	2019
Profit before tax	16,520,803	50,544,802
Tax calculated at statutory rate 30%	4,956,241	15,163,441
Loss effect at reduced rate	2,954,345	--
	7,910,586	15,163,441
Tax effects of:		
- Income not subject to tax	(1,313,718)	(2,416,162)
- fair value adjustment	2,620,000	(840,000)
- Other permanent differences	601,069	396,160
Green fund levy	265,845	279,903
Tax charge in statement of comprehensive income	10,083,782	12,583,342

The Company having obtained listing on the Trinidad and Tobago Stock Exchange Small and Medium Enterprise Market (SME) on 12 December 2019 is entitled to tax rate of 10% from that date for five years. Corporation tax has been calculated at 30% up to December 2019 and at 10% from January 2020.

Deferred tax liability is calculated at the corporation tax rate of 30% (2019: 30%).

23 **Subsequent events**

In March 2020, the World Health Organization recognized the novel strain of coronavirus, COVID-19, as a pandemic. This coronavirus outbreak has severely restricted the level of economic activity around the world and in Trinidad & Tobago.

In response to this coronavirus outbreak, the government of Trinidad & Tobago has taken preventative or protective actions, such as imposing restrictions on travel and business operations, limited opening hours and advising or requiring individuals to limit or forego their time outside of their homes.

During June 2020, businesses and government offices were allowed to re-open subject to Public Health and Safety Regulations and protocols of wearing masks, social distancing, sanitization and crowd limits.

This situation is constantly changing and the impact to the business may arise that we are not aware of currently. The disruption is currently expected to be temporary but there is uncertainty around the duration as it is dependent when a treatment or vaccine will be available.

The ultimate impact of the pandemic on the Company's future results of operations, financial position, liquidity, or capital resources cannot be reasonably estimated at this time.

24 **Dividends**

Total dividends declared for the year amounted to $3,946,514 ($0.12 per share) (2019: $10,050,000 ($0.31 per share).

There were no dividends payable in respect of financial years ended 30 April 2019 and 30 April 2020.

25 **Maintenance reserve fund**

The maintenance reserve fund was recognised directly into equity. The purpose of his reserve is for the replacement of fixed assets at Briar Place.

26 Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to shareholders by the weighted number of ordinary shares in issue during the year.

	2020 $	2019 $
Profit attributable to shareholders	6,437,021	37,961,460
Number of common shares in issue during the year	32,887,619	32,003,200
Basic earnings per share including fair value adjustment on investment properties	$0.20	$1.18
Basic earnings per share excluding fair value adjustment on investment properties	$0.99	$1.10

The Company has no dilutive potential ordinary shares. The diluted earnings per share are the same as the basic earnings per share.

27 Commitments and contingencies

There were no capital commitments or contingent liabilities in respect of financial year ends 2019 and 2020.

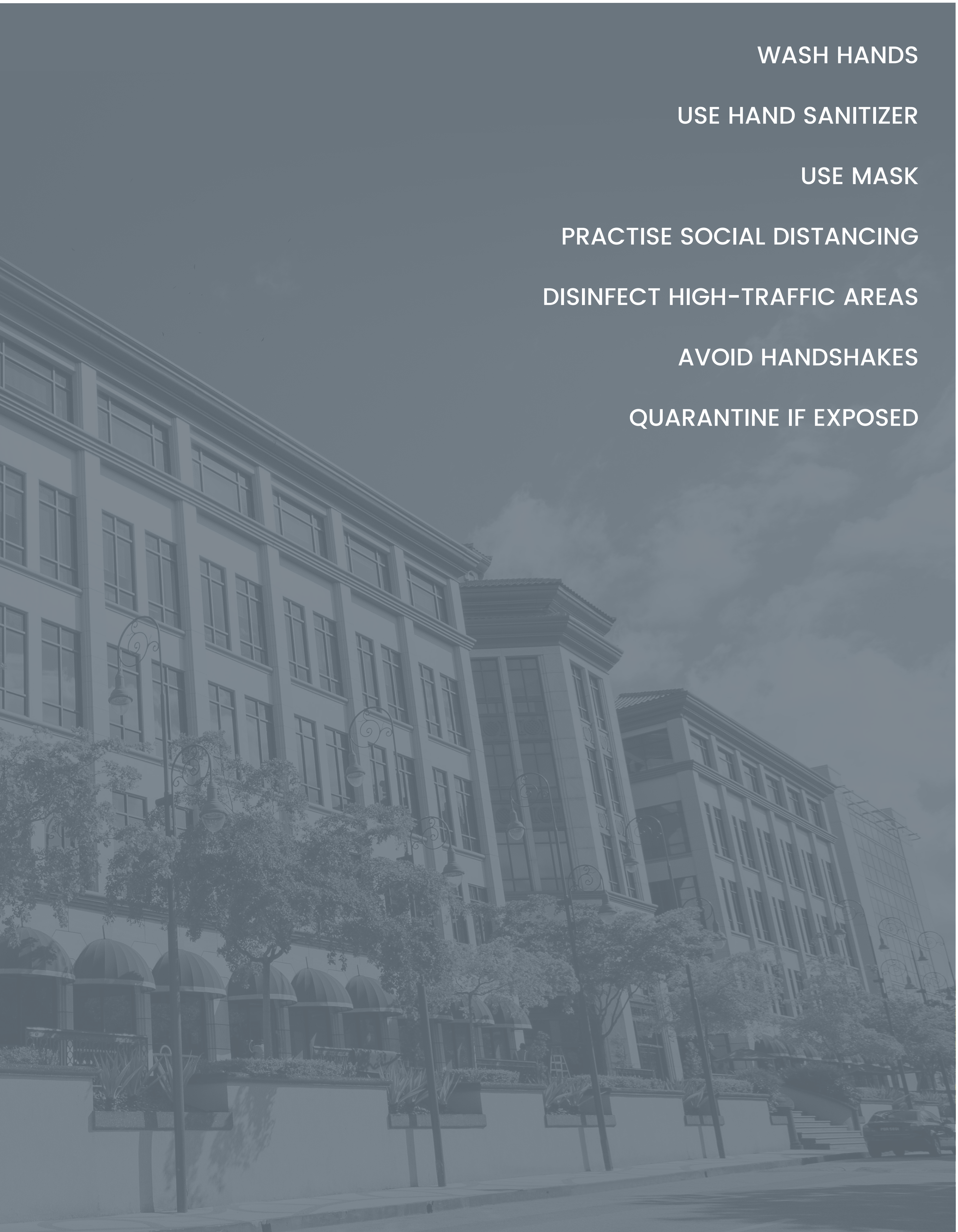
28 Impairment assessment of non- financial assets of the Company

At the statement of financial position date, the market capitalisation of the Company was significantly less than the net assets of the Company. Given this indicator of impairment, management performed an impairment assessment to determine if the net assets of the Company were impaired. The most significant asset group included on the statement of financial position is investment properties of $837,600,000. Investment properties are carried at fair value see Note 6.

NOTES

NOTES

CORONAVIRUS COVID-19 PREVENTION



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