



**FIDELITY FINANCE AND LEASING COMPANY LIMITED
ABRIDGED FINANCIAL STATEMENTS FOR THE YEAR
ENDED DECEMBER 31, 2022**

STATEMENT OF MANAGEMENT RESPONSIBILITIES

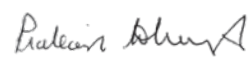
Management is responsible for the following:

- Preparing and fairly presenting the accompanying abridged financial statements of Fidelity Finance and Leasing Company Limited, which comprise the abridged statement of financial position as at December 31, 2022, the abridged statement of income, abridged statement of changes in equity, abridged statement of cash flows for the year then ended, and an abridged 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 the Company's operational efficiencies;
- Ensuring that the system of internal control operated effectively during the reporting period;
- Producing reliable financial reporting that comply with laws and regulations including the Companies Act; and
- Using reasonable and prudent judgement in the determination of estimates.

In preparing these audited abridged 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 abridged financial statements have been authorised for issue, if later.

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



Prakash Dhanrajh, BSC
Director
Date: March 27, 2023



Salahudeen Ali, FCCA, CA, CPA, CGA
Director, Chief Financial Officer
Date: March 27, 2023

**FIDELITY FINANCE AND LEASING COMPANY LIMITED
ABRIDGED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Fidelity Finance and Leasing Company Limited

Opinion

The abridged financial statements of Fidelity Finance and Leasing Company Limited, which comprise the abridged statement of financial position as at 31 December 2022, the abridged statement of income, the abridged statement of changes in equity and the abridged statement of cash flows for the year then ended, and related notes are derived from the audited financial statements of Fidelity Finance and Leasing Company Limited for the year ended 31 December 2022.

In our opinion, the accompanying abridged financial statements are consistent, in all material respects, with the audited financial statements, in the basis described in Note 2.

Abridged Financial Statements

The abridged financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the abridged financial statements and the auditors' report thereon, therefore, is not a substitute for reading the audited financial statements and the auditors' report thereon. The abridged financial statements and the financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the financial statements.

The Audited Financial Statements and our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 27 March 2023. The auditors' report on the audited financial statements included an Emphasis of Matter. The State laid several charges on the company together with other companies and individuals. The ultimate outcome of these matters could not be determined, and no provision for any liability that may result had been made in the audited financial statements. The Emphasis of Matter paragraph in the auditors' report on the audited financial statements has had no effect on the abridged financial statements and our auditors' report thereon.

Management's Responsibility for the Abridged Financial Statements

Management is responsible for the preparation of the abridged financial statements on the basis described in the Basis of Preparation note to the financial statements.

Auditors' Responsibility

Our responsibility is to express an opinion on whether the abridged financial statements are consistent, in all material respects, with the financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing 810 (Revised) – Engagements to Report on Summary Financial Statements.

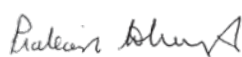


PKF Trinidad
Barataria,
TRINIDAD
March 27, 2023

**FIDELITY FINANCE AND LEASING COMPANY LIMITED
ABRIDGED STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED DECEMBER 31, 2022**

	2022 \$'000	2021 \$'000
Assets		
Cash and short term investments	13,258	8,435
Deposits with Central Bank	20,126	18,318
Sundry debtors and prepayments	3,457	2,964
Taxation recoverable	887	1,025
Investments	79,809	63,611
Loans	170,336	165,919
Plant and equipment	6,121	6,455
Total Assets	293,994	266,727
Liabilities		
Customers' deposits	234,866	208,455
Other funding instruments	32	70
Deferred Tax Liability	582	501
Other creditors and liabilities	7,804	8,581
Total Liabilities	243,284	217,607
Equity		
Stated capital	15,000	15,000
Statutory reserve fund	5,627	5,318
General reserve	795	795
Retained earnings	29,288	28,007
Total Equity	50,710	49,120
Total Liabilities and Equity	293,994	266,727

These abridged financial statements were approved by the Board of Directors and authorised for issue on March 27, 2023 and signed on their behalf by



Director



Director

The accompanying notes form part of these abridged financial statements

**FIDELITY FINANCE AND LEASING COMPANY LIMITED
ABRIDGED STATEMENT OF INCOME
FOR THE YEAR ENDED DECEMBER 31, 2022**

	2022 \$'000	2021 \$'000
Total Revenue	19,220	17,444
Interest income		
Loans	13,083	13,148
Investments	4,563	2,863
	17,646	16,011
Interest expense	5,986	5,424
Net interest income	11,660	10,587
Fee and other income	609	469
Income from leases	965	964
Operating income	13,234	12,020
General administrative expenses	8,909	8,569
Credit loss on financial assets	(24)	989
Deposit insurance corporation	384	342
Operating expenses	9,269	9,900
Net operating income before taxation	3,965	2,120
Taxation	875	527
Net operating income after taxation	3,090	1,593

The accompanying notes form part of these abridged financial statements

**FIDELITY FINANCE AND LEASING COMPANY LIMITED
ABRIDGED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Statutory				Total
	Stated Capital \$'000	Reserve Fund \$'000	General Reserve \$'000	Retained Earnings \$'000	
Balance at January 01, 2021	15,000	5,159	795	28,073	49,027
Net operating income after taxation	-	-	-	1,593	1,593
Transfer from retained earnings	-	159	-	(159)	-
Dividends paid 2021 (10c)	-	-	-	(1,500)	(1,500)
Balance at December 31, 2021	15,000	5,318	795	28,007	49,120
Balance at January 01, 2022	15,000	5,318	795	28,007	49,120
Net operating income after taxation	-	-	-	3,090	3,090
Transfer from retained earnings	-	309	-	(309)	-
Dividends paid 2022 (10c)	-	-	-	(1,500)	(1,500)
Balance at December 31, 2022	15,000	5,627	795	29,288	50,710

The accompanying notes form part of these abridged financial statements

FIDELITY FINANCE AND LEASING COMPANY LIMITED
ABRIDGED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022

	2022 \$'000	2021 \$'000
Cash Flows from Operating Activities		
Net operating income before taxation	3,965	2,120
Adjustment for items not involving the movement of cash:		
Depreciation	1,178	1,192
Profit on disposal of plant and equipment	(22)	-
Credit loss on financial assets	(24)	989
Operating profit before working capital changes	5,097	4,301
Change in deposits with Central Bank	(1,808)	(2,331)
Change in loans	(4,364)	(2,120)
Change in sundry debtors and prepayments	(493)	(130)
Change in other creditors and accruals	(777)	875
Change in customers' deposits	26,411	23,466
Change in other funding instruments	(38)	2
Cash provided by operations	24,028	24,063
Taxation paid (net)	(656)	(458)
Cash provided by operating activities	23,372	23,605
Cash Flows from Investing Activities		
Proceeds from sale of plant and equipment	193	205
Additions/redemptions of investments (net)	(16,227)	(20,142)
Additions to plant and equipment	(1,015)	(982)
Cash used in investing activities	(17,049)	(20,919)
Cash Flows from Financing Activities		
Dividends paid	(1,500)	(1,500)
Cash used in financing activities	(1,500)	(1,500)
Net change in cash and cash equivalents	4,823	1,186
Cash and short term investments at the beginning of the year	8,435	7,249
Cash and short term investments at the end of the year	13,258	8,435

The accompanying notes form part of these abridged financial statements

FIDELITY FINANCE AND LEASING COMPANY LIMITED
NOTES TO THE ABRIDGED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

1. Incorporation and Principal Activity

The Company was incorporated in the Republic of Trinidad and Tobago on May 21, 1987 and licensed to carry on business from January 3, 1989. The Company is licensed under the provisions of the Financial Institutions Act, 2008 to operate as a non-bank financial institution and to carry on the business of a finance house or finance company, trust company and leasing corporation. The Company is a wholly owned subsidiary of Maritime Life (Caribbean) Limited for which consolidated financial statements are prepared annually. Its registered office is located at 29 Tenth Avenue, Barataria.

2. Basis of Preparation

The abridged financial statements are prepared in accordance with the Guideline on the Publication of Abridged Financial Statements issued by The Central Bank of Trinidad and Tobago on October 17, 2022. It comprises the abridged statement of financial position, abridged statement of income, abridged statement of changes in equity and abridged statement of cash flows.

These abridged financial statements are derived from the audited financial statements of Fidelity Finance and Leasing Company Ltd for the year ended December 31, 2022, which are prepared in accordance with International Financial Reporting Standards (IFRS). They do not contain all of the notes to the full audited financial statements required by IFRS. The disclosures are limited to those matters that were considered material and necessary to present a true and fair view of the performance of the Company.

FIDELITY FINANCE AND LEASING COMPANY LIMITED
NOTES TO THE ABRIDGED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

3. Summary of Significant Accounting Policies

These abridged financial statements are prepared in accordance with the accounting policies set out in "Note 2" of the December 31, 2022 Company's audited financial statements, consistently applied from period to period. The Company has adopted all new and revised accounting standards and interpretations that are mandatory for annual accounting periods beginning on or after January 01, 2022 and which are relevant to the Company's operations.

4. Functional Currency

The currency of the primary economic environment in which the Company operates is the Trinidad and Tobago Dollar.

The abridged financial statements are prepared in thousands of Trinidad and Tobago Dollars (\$'000).

5. Related Party Transactions

Related party transactions are transfer of resources, services or obligations between the Company and a related party, regardless of whether a price is charged.

Related parties include: persons, or a close member of that person's family, who has control, joint control, or significant influence over the Company, including members of the key management personnel; the parent company; all fellow subsidiaries; any associated companies and joint venture partners; and the parent company's post employment benefit plan for the employees of the company.

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

A number of transactions are entered into with related parties in the normal course of business. These transactions were carried out on commercial terms and conditions at market rates.

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

	2022 \$'000	2021 \$'000
(a) Parent Company		
Balance due to	39	14
Customers' deposits	2,300	1,300
Interest expense	27	10
Dividends paid	1,500	1,500
(b) Fellow subsidiaries		
Balance due from (net)	992	2,040
Customers' deposits	618	528
Interest expense	15	6
Other expenses	11	8
(c) Post employment benefit plan		
Pension fund contributions	133	123
(d) Key management personnel		
Customers' loans	177	277
Interest income	13	20
Customers' deposits	31	22
Interest expense	1	-
(e) Key management compensation		
Short-term benefits	834	1,102
Post employment benefits	25	24
	859	1,126

6. Contingent Liabilities

(a) During the period March to June 2002 a number of charges were preferred against the Company and others. These charges refer to offences, which are alleged to have taken place between 1st July 1996 and 21st December 2000. On 7th January 2008 the presiding Magistrate, Chief Magistrate Sherman McNichols committed all the defendants to stand trial after he had initially discharged them some six months earlier. This decision was appealed, and it was eventually heard by the judicial Committee of the

FIDELITY FINANCE AND LEASING COMPANY LIMITED
NOTES TO THE ABRIDGED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

6. Contingent Liabilities (continued)

Privy Council on 16th March 2022. On 27th June 2022, the Judicial Committee of the Privy Council delivered its judgment in the matter and in doing so they quashed the decision of the Chief Magistrate to commit the defendants to trial on the grounds of apparent bias. The Court in doing so found that the Chief Magistrate had been hopelessly compromised by the Attorney General, John Jeremie.

(b) On 20th May 2004 the Company along with others were charged with the offence of conspiring with other persons to obtain contracts and payments contrary section 34 of the Larceny Act, Chapter 11:12. The Company's attorneys have always advised that this is not an offence known in law. On 23rd February 2005, four additional charges were preferred against the Company and others. Those charges each alleged a conspiracy to defraud contrary to common law. In April 2011, approximately seven years after the initial charge was preferred against the Company, the Prosecution informed the Court that they would not be proceeding with this and other charges. On 14th July 2017, after hearing all of the Prosecution's evidence, the Magistrate discharged the Company in respect of all the remaining charges on the basis that there was no evidence to disclose a prima facie case against the Company. It is important to emphasize that the Prosecution did not seek to challenge the Magistrate's decision to discharge the Company.

(c) No provision has been made in these financial statements in respect to any of the alleged charges. Legal fees in connection with these matters are expensed as incurred.

7. Events after the Reporting Date

The Company has determined that there are no subsequent events that require disclosure in these abridged financial statements.

8. Audited Financial Statements

The full audited financial statements will be available at the Company's registered office during normal business hours.

