

Trinidad and Tobago Creative Industries Company Limited



Administrative Report 2017

TABLE OF CONTENTS

<i>Item</i>	<i>Page #</i>
1. Organizational Profile	3
(a) Corporate structure- Departments, Divisions, Units	
(b) Services/products provided and “Special Projects’ embarked upon	
(c) Levels of Authority	
(d) Reporting Functions: - Departmental reports; Reports to Ministries, President/Parliament	
2. Policies and development initiatives	13
a) Achievements for 2017	
b) Special Projects for 2018 to be undertaken	
3. Financial Operations	16
(a) Budget formulation	
(b) Financial Statements	
i) Expenditure versus Income	
ii) Extract from Audited Financial Statements	
(c) Debt policy	
(d) Investment policy	
(e) Internal Audit function	
4. Human Resource Development Plan	29
(a) Organizational establishment	
(b) Category of employee (Public Officers, daily paid, contract staff etc)	
(c) Career path systems	
(d) Performance assessment/management strategies	
(e) Promotion – selection procedures	
(f) Employment support services	

5. Procurement Procedures

36

(a) Open tender

(b) Selected tender

(c) Sole tender- and the criteria used in selecting each system

6. Public and Community relations

39

a) Client and public access to services/service delivery systems

b) Community and stakeholder relations/outreach

c) Strategic partnerships (Local, regional and international)

1. Organisational Profile

The Creative Industries have the potential to make a significant contribution to the growth of the non-energy sector and to the diversification of the economy. In that regard, the Trinidad and Tobago Creative Industries Company Ltd (CreativeTT) is mandated to stimulate and facilitate the business development and export activities of the creative industries in Trinidad and Tobago to generate national wealth.

CreativeTT is a wholly owned state enterprise, which was incorporated on 29th July 2013 and commenced operations in 2014. CreativeTT has three (3) wholly owned subsidiaries the Trinidad and Tobago Film Company Ltd (FilmTT) which was incorporated on 04th May 2005 and commenced operations in 2006; Trinidad and Tobago Fashion Company Ltd (FashionTT) which was incorporated on 23rd December 2013 and commenced operations in 2014 and Trinidad and Tobago Music Company Ltd (MusicTT) which was incorporated on 23rd December 2013 and commenced operations in 2014.

(a) Corporate Structure (Departments, Divisions, Units)

CreativeTT is the parent company of three (3) subsidiaries; MusicTT, FashionTT and FilmTT. The parent company and each subsidiary is governed by a Board of Directors (BoD).

The organizational structure for the parent company makes provisions for a Chief Executive Officer/General Manager, Auditor, Legal Unit, Corporate Services Unit (including Human Resources, Information Technology and Administrative Services), Marketing and Communications Unit, Finance and Accounting Unit, and Facilitation Unit. These units provide support to the subsidiaries. Whereas, each subsidiary has a General Manager, an Executive Secretary, a Business Development Unit and a Project Unit

The functional departments of the current structure for the parent company and its subsidiaries are outlined below in Fig. 1, Fig. 2, Fig. 3 and Fig. 4 respectively.

The Board of Directors for CreativeTT comprised the following:

Calvin Bijou (Chairman)
Dionne Mc Nicol Stephenson
Roy Gomez
Rajkavir Singh
John E. Arnold
Laura Narayansingh
Heeralal Rampartap
Ayanna Leeba Lewis (resigned 13th March 2017)
Christopher Nathan (resigned 31st August 2017)
Sheldon Bovell

The Board of Directors of the subsidiary companies are listed below:

MusicTT

John Arnold (Chairman)
Martin Raymond
Francis Escayg

FilmTT

Ms. Dionne Mc Nicol Stephenson (Chairperson)
Richard Chin Fatt
Lorraine O'Connor

FashionTT

Jason Lindsay (Chairman)
Lisa Sinanan
Ayanna Leeba Lewis (resigned 13th March 2017)

Additionally, CreativeTT's sub-committees of the Board of Directors are composed as follows:

HR Sub-Committee

Mr. Roy Gomez - *Chairman*
Ms. Dionne Mc Nicol Stephenson
Mr. Rajkavir Singh

Audit Sub-Committee

Mr. John Arnold - *Chairman*
Ms. Dionne Mc Nicol Stephenson
Mr. Sheldon Bovell
Mr. Christopher Nathan (resigned 31st August 2017)

Finance and Investments Sub-Committee

Mr. Christopher Nathan (resigned 31st August 2017) - *Chairman*
Mr. Sheldon Bovell
Laura Narayansingh

Tenders Sub-Committee

Ms. Laura Narayansingh - *Chairperson*
Mr. Christopher Nathan (resigned 31st August 2017)
Ayanna Leeba Lewis (resigned 13th March 2017)
Mr. Heeralal Rampartap
Chief Executive Officer
Finance Manager
Legal Officer

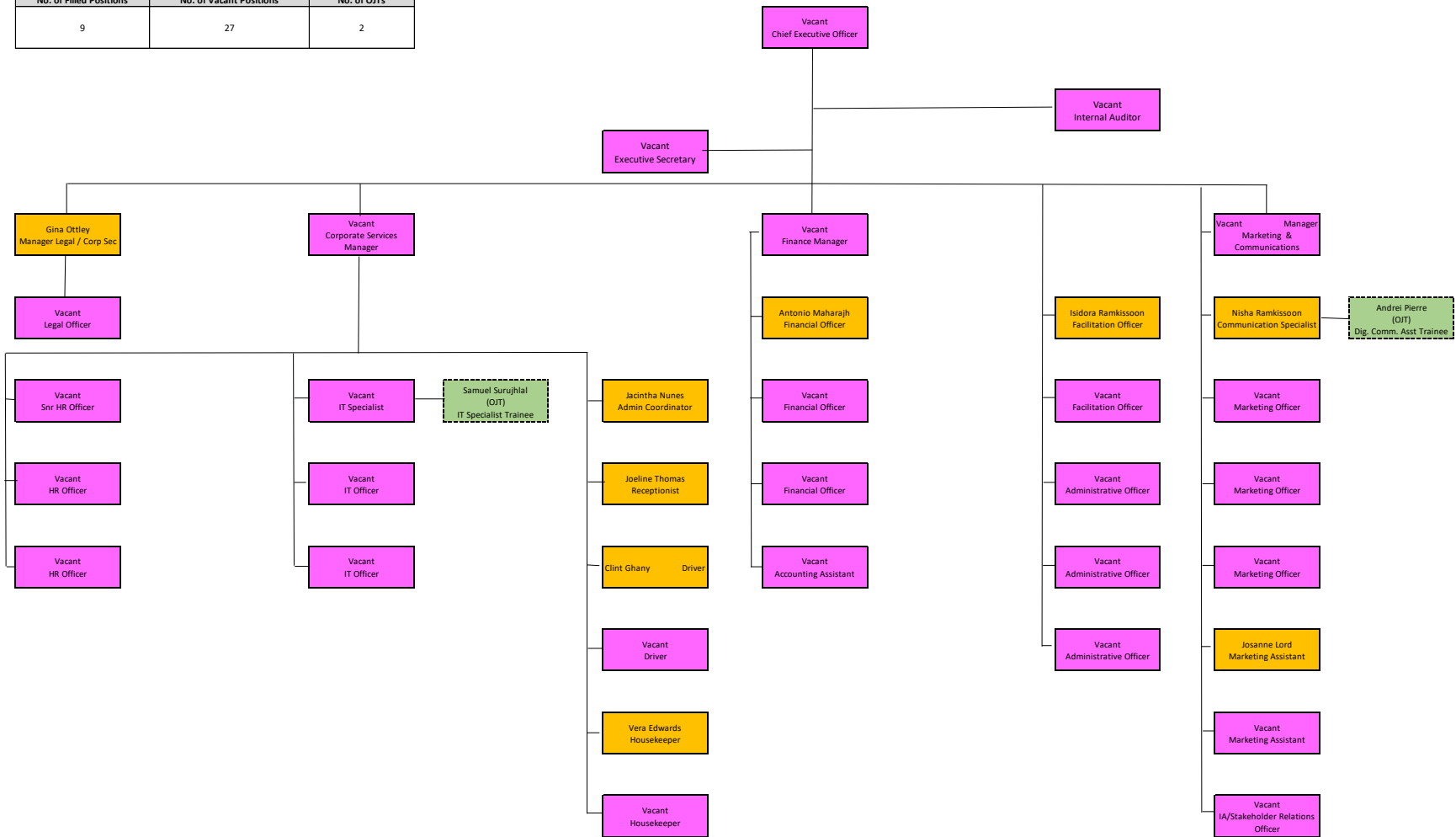
CREATIVETT ORGANZATIONAL STRUCTURE AS AT SEPTEMBER 30, 2017

INCLUSIVE OF ALL APPROVED POSITIONS, FILLED POSITIONS, VACANT POSITIONS AND OJTS

KEY:
 Filled Positions
 Vacant Positions
 OJT Positions

SUMMARY

No. of Filled Positions	No. of Vacant Positions	No. of OJTs
9	27	2



MUSICTT ORGANZATIONAL STRUCTURE AS AT SEPTEMBER 30, 2017

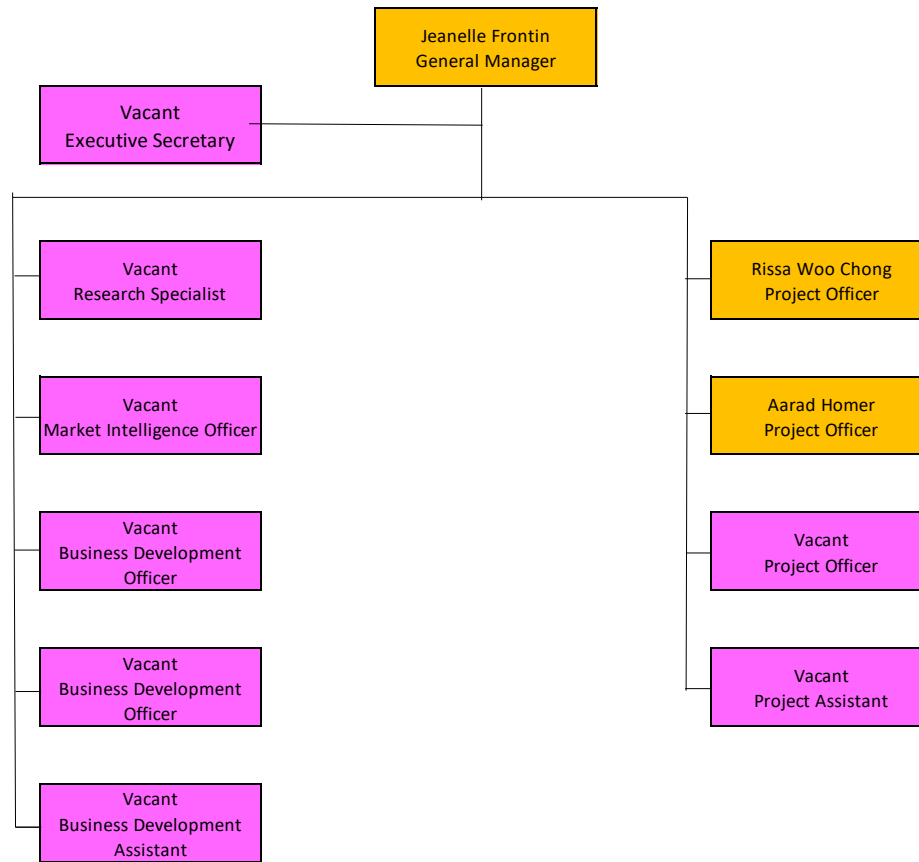
INCLUSIVE OF ALL APPROVED POSITIONS, FILLED POSITIONS AND VACANT POSITIONS

KEY:

- Filled Positions
- Vacant Positions

SUMMARY

No. of Filled Positions	No. of Vacant Positions
3	8



FILMTT ORGANZATIONAL STRUCTURE AS AT SEPTEMBER 30, 2017

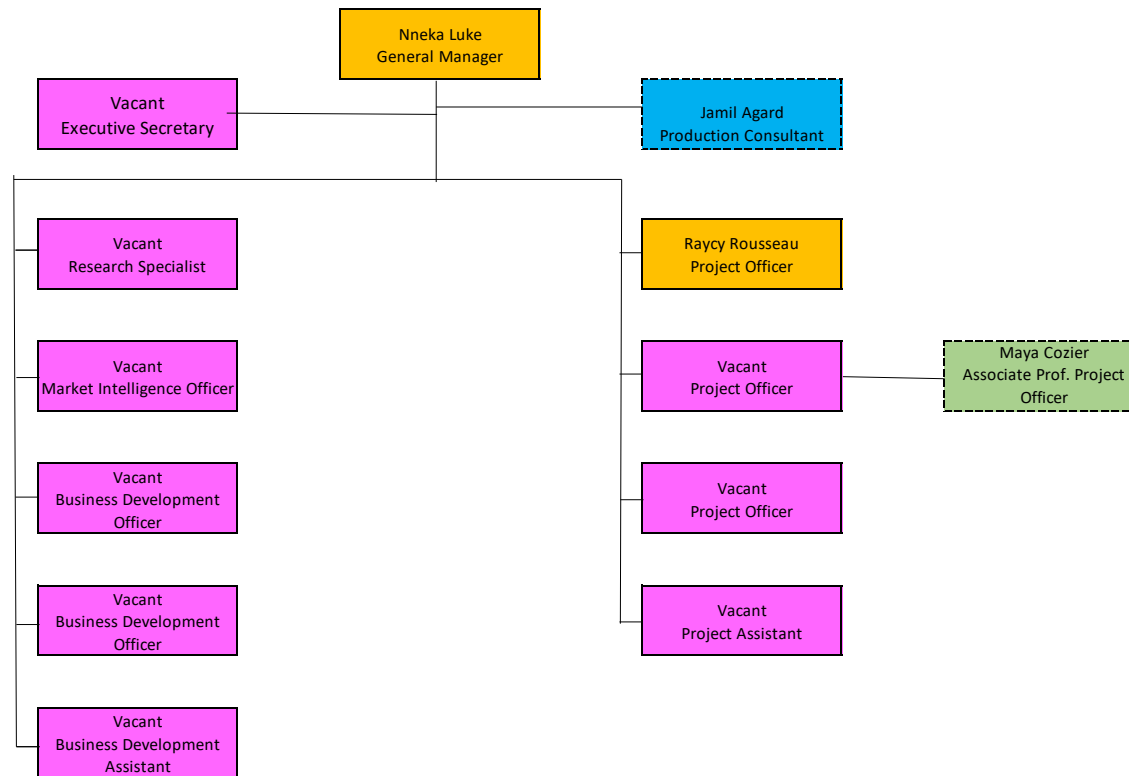
INCLUSIVE OF ALL APPROVED POSITIONS, FILLED POSITIONS, VACANT POSITIONS AND UNAPPROVED POSITION

KEY:

- Filled Positions
- Vacant Positions
- Filled Position but not in the approved Org Structure
- Associate Professional Position

SUMMARY

No. of Filled Positions	No. of Vacant Positions	No. of Unapproved Position Filled	No. of Associate Prof.
2	9	1	1



FASHIONTT ORGANZATIONAL STRUCTURE AS AT SEPTEMBER 30, 2017

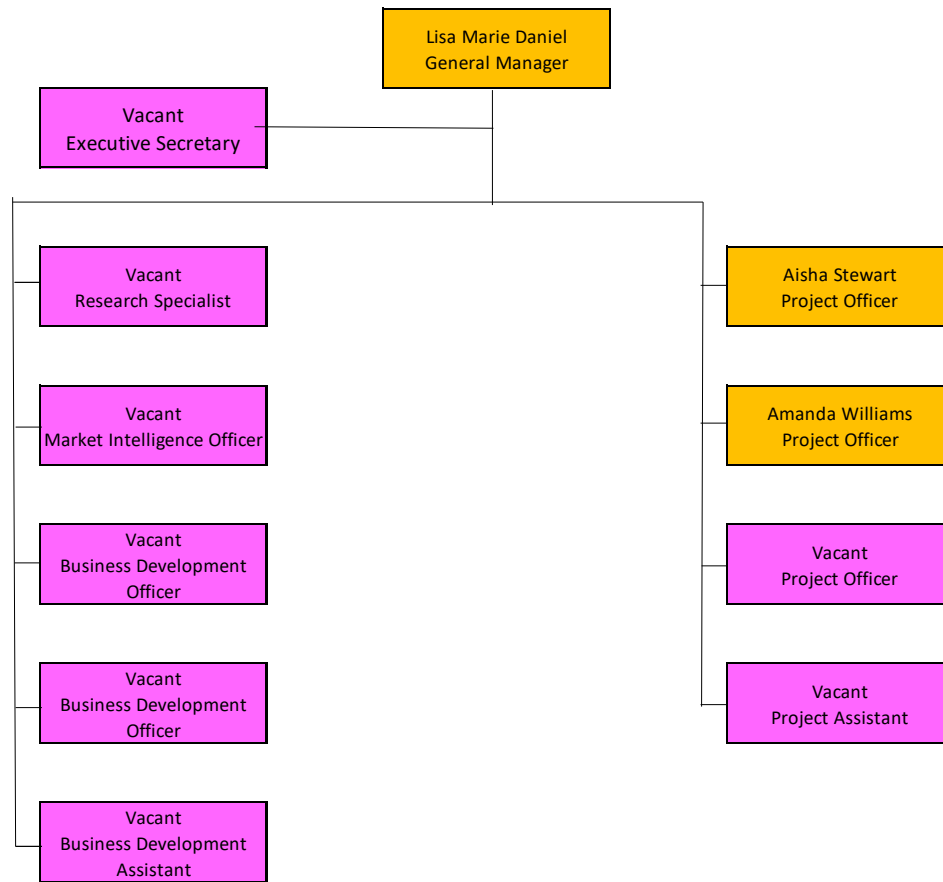
INCLUSIVE OF ALL APPROVED POSITIONS, FILLED POSITIONS AND VACANT POSITIONS

KEY:

- Filled Positions
- Vacant Positions

SUMMARY

No. of Filled Positions	No. of Vacant Positions
3	8



(b) Service/Products Provided

The main functions of CreativeTT are to:

- ensure the harmonization of policy among the sub-sectors;
- promote the growth, development and global branding of the Creative Industry in Trinidad and Tobago;
- assist in the marketing and export of the creative product;
- harmonize an incentive programme for the creative industries;
- undertake research and monitor and evaluate the development of the Creative Industry in Trinidad and Tobago;
- assist in the marketing and export of the creative product; and
- provide the subsidiary companies with all the support functions such as Finance, Human Resources, Marketing, Corporate and Legal which will enable them to deliver their services effectively.

The responsibilities of the subsidiaries include:

- Providing technical and sector specific advice;
- Advising on market opportunities;
- Identify distribution networks;
- Undertaking research and monitoring and evaluating the development of the creative industries in T & T;
- Coordinating stakeholders to obtain relevant feedback;
- Assisting in the implementation of strategic initiatives;
- Identifying the training needs of the various sectors;
- Developing the creative product to compete internationally;
- Developing and administering an incentive programme for the specific sectors;
- Identifying creative capital (talent);
- Developing and implementing programmes to support the industry;
- Implementing co-production agreements;
- Enhancing the skills capacity in the fashion industry;
- Encouraging the development of artistes, artisans and artistic products; and
- Liaising with the educational institutions to develop the necessary curricula for training for the sectors.

(c) Levels of Authority.

The CreativeTT Management reports to its Chief Executive Officer (Lower level Authority), the Chief Executive Officer reports to the Board of Directors (Middle Level Authority) and the Board of Directors reports to the Company's Line Ministry Permanent Secretary/Minister (Top Level Authority).

Procurement - Delegated Levels of Authority

The delegated levels of authority for procurement have been appointed by the Board of Directors. Based on the value of the procurement, the relevant authorities will approve as follows:

Amounts	Delegated Authority
Not exceeding TTD \$50,000.00 VAT Exclusive	Chief Executive Officer
Not exceeding TTD \$250,000.00 VAT Exclusive	Tenders Committee
Exceeding TTD \$250,000.00 VAT Exclusive	Board of Directors

The signing authorities are as follows:

Represented by: A – Directors

B – Corporate Secretary/Legal Manager and Finance Manager (Ag)

Amounts	Delegated Signing Authority
Any Amount	A + A
Not exceeding \$ 500,000.00	A + B
Not exceeding \$100,000.00	B + B

(d) Reporting Functions

Departmental reports

Departmental reports for the preceding month are prepared by the various Managers during the first week of the subsequent month, which are consolidated and submitted as a CEO's Report to the Board of Directors.

Reports to the Ministries

CreativeTT and its Subsidiaries are guided by the State Enterprises Performance Monitoring Manual on reporting to the Ministries as follows:

Report/Document	Submission date	Ministry
Strategic Plan	Six (6) months prior to start of period of the Plan	Ministry of Finance, Investments Division and Line Ministry
Annual Budget	Six (6) months prior to start of Financial Year	Ministry of Finance, Investments Division and Line Ministry
Annual Financial Statements/ Annual Reports	Four (4) months after end of Financial Year	Ministry of Finance, Investments Division and Line Ministry
Annual Performance Appraisal Report	Four (4) months after end of Financial Year	Line Ministry
Administrative Reports	End of June	Line Ministry
Board Minutes	One (1) week following Confirmation	Ministry of Finance, Investments

		Division and Line Ministry
Monthly Cash Statements of	Within three (3) weeks after	Ministry of Finance, Investments Division
Quarterly Returns Report	End of first month after Quarter	Ministry of Finance, Investments Division
Quarterly Returns Report	End of first month after Quarter	Ministry of Finance, Investments Division
Quarterly Status of Loan/ Securities Portfolios and Litigation Proceedings	End of first month after Quarter	Ministry of Finance, Investments Division
Return of Award of Contracts	14 days after month end	Ministry of Finance, Investments Division
Internal Audit Reports	14 days after end of the Quarter	Ministry of Finance, Investments Division

2. Policies and development initiatives

(a) Achievements for financial year ended September 30, 2017.

MusicTT

Project/Activity	Achievement
Business of Calypso Workshop	MusicTT hosted The Business of Calypso Workshop featuring Calypso Rose. Through MusicTT's Open Call for Proposal, Calypso Rose's album "Far from Home" received sponsorship for its promotion which resulted in the album becoming the first Gold Album in France (out of Trinidad and Tobago) it also won 'World Music Album' of the year at the 32nd annual French Music Awards Ceremony. The workshop achieved full attendance with approximately 200 attendees. In addition to honouring Calypso Rose, the Workshop raised awareness of the genre of Calypso and its penetration of the global music market.
How to Make a Living from Music	Hosted the workshop "How to Make a Living from Music," in collaboration with the Ministry of Attorney and Legal Affairs, Intellectual Property Office and the World Intellectual Property Organisation at Cascadia Hotel on April 6th and 7th 2017. Over two hundred and eighty (280) attendees were facilitated by nine (9) speakers such as Konata Alleyne, Cherine Anderson, Simon Baptiste, Dr. Vanus James, Erica Smith, Leonardo De Terlizzy, Dimiter Gantchez, Shiveta Sooknanan and David Stopps.
Strategic Plan	MusicTT completed the Development of the National Strategic Action Plan for the Music Sector of Trinidad and Tobago from which key projects will be launched implemented.

FilmTT

Project/Activity	Achievement
Production Facilitation	FilmTT arranged equipment waivers and visas for more than 60 film crews that came to Trinidad and Tobago to shoot one-off episodes as, such the BBC, CNN, Al Jazeera, HBO/Sesame Street and others. In 2016-2017, of the 39 film crews that shot in T&T, approximately 46% came from North America, about 23% from Europe (including several from the UK), and the rest from Japan, Brazil, Mexico, Barbados.
Call for Marketing and Development Grants	FilmTT invested \$9,000 in 9 projects each, intended to move projects in development forward. One awardee the producers of a script called <i>Scattered</i> won the Best Script in Development at the 2017 Trinidad and Tobago Film Festival.
International Marketing	<p>Re-established FilmTT's international network, promoted T&T as a location, and sought opportunities for T&T filmmakers through attendance at 4 strategically selected international film festivals / markets:</p> <ul style="list-style-type: none"> • Ventana Sur Latin American Film Market (Dec. 2016) • Association of Film Commissioners (AFCI) International Trade Show (April 2017) • Cannes Film Festival and Market (May 2017) • Toronto International Film Festival (September 2017)

FashionTT

<p>Launch of the Value Chain Investment Programme (VCIP) Non- Global Value Chain</p>	<p>Launched the 1st cohort of the Non-Global Value Chain Tier of the VCIP comprising of 5 designers: Charu Lochan Dass, Ecliff Elie, J. Angelique, Millhouse – Trinidad and Ted Arthur Leather Collections – Tobago. This co-hort was successfully completed with FIT Professor Quan. Designers experienced exponential increases in revenues as a result of the recommendations and the work committed to in this programme.</p>
<p>Launch of the Business Advisory Tier of the VCIP</p>	<p>The first cohort comprising of 6 designers of the Business Advisory Tier commenced in partnership with the National Entrepreneurial Development Company (Nedco).</p>
<p>Local Production Facility (LPF) Business Model</p>	<p>The Local Production Facility 3-year Business Model was developed by New York and China based Consultant Raymond Wong and approved by both the FashionTT and CreativeTT Boards. This model is the precursor to support the impending implementation of the LPF.</p>
<p>Capacity Development Seminars</p>	<p>Capacity Development Seminars (5-day series) were held covering topics ranging from Business Planning, Financial Management, Fashion Branding & Marketing, Conducting Business with a Production Facility and Merchandising. These seminars were facilitated by locally talented and skilled presenters inclusive of Dr. Susan Burke.</p>

b) Special Projects for 2018 to be undertaken by:

MusicTT

- Development of the Live Music District (LMD).
- Development of an LMD app and booking site.
- Analysis of all radio broadcasters with a determination of the current percentage of local content being played across over thirty radio stations.
- Matriculate cohort 1 of the Artiste Portfolio Development Programme.
- Take in cohort 2 of the Artiste Portfolio Development Programme.
- Conduct at least three major export sessions, training sessions and online webinars with export-ready participants alongside the dissemination of the workshop content with a reach of at least 2000 persons.
- Targeted connections/ consultations made for at least twenty export-ready artists.

FilmTT

- Procuring consultant for the Development of the Strategic Plan for the Film Industry of Trinidad and Tobago.

FashionTT

- The launch of the 2018 Value Chain Investment Programme – Cohort 2.
- The start of cohort 2 of the Non-GVC Tier with Professor Vincent Quan.
- The start of cohort 2 of the Nedco Business Advisory Tier.
- Trend & Product Development and E-Commerce Seminars with Fashion Institute of Technology Professors and a Macy's Digital Merchandising Specialist.
- The commencement of the development of a new standard for the Fashion Industry “The selection of fabrics.”

3. Financial Operations

(a) Budget Formulation

The budget is formulated based on the Call Circular issued by the Ministry of Finance. The subsidiary budgets are first approved by their respective Boards with the rolled-up budget being approved by the parent Company Board in a consolidated format. The CreativeTT Board approved budget is then forwarded to its line Ministry, the Ministry of Trade and Industry for consideration and approval.

The subsidiaries – FilmTT, FashionTT and MusicTT shall prepare their PSIP budgets in accordance with their mandate/directives of CreativeTT and submit their budgets for consolidation with CreativeTT’s Budget.

(b) Expenditure versus Budgets

For Fiscal year 2017 – October 1, 2016 to September 30, 2017

FINANCIAL OPERATIONS						
2017	Expenditure Vs Budget					
Details	Budget Allocatio	Actual Receipt	Other Income	Spent	Surplus/Deficit	
Recurrent	8,750,000	7,643,000		8,220,170	(577,170)	
PSIP	4,250,000	4,111,000	8,000	3,021,016	1,097,984	
	13,000,000	11,754,000	8,000	11,241,186	520,814	

It should be noted that the FY 2017 surplus of receipts over expenditures of \$520,814 arose due to unspent subvention – PSIP, which was utilised during Fiscal 2018.

Audited Financial Statements 2017

The Audited Consolidated Financial Statements for the year ended September 30, 2017 are at ***Attachment I*** of this Report.

The following are extracts from our Audited Consolidated Financial Statements for the year ended September 30, 2017.

TRINIDAD AND TOBAGO CREATIVE INDUSTRIES COMPANY LIMITED

Consolidated Statement of Financial Position

For the year ended September 30, 2017

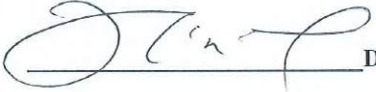
	Notes	2017 \$	2016 \$
Assets			
Non-current assets			
Property, plant and equipment	3	<u>230,071</u>	<u>326,399</u>
Current assets			
Grant and other receivables	4	379,192	694,227
Cash and cash equivalents		<u>2,006,578</u>	<u>672,876</u>
		<u>2,385,770</u>	<u>1,367,103</u>
Total assets		<u>2,615,841</u>	<u>1,693,502</u>
Shareholder's Equity and Liabilities			
Shareholder's equity			
Stated capital	5	<u>10</u>	<u>10</u>
Current liabilities			
Deferred revenue	6	1,044,453	523,639
Accrued expenses		<u>1,571,378</u>	<u>1,169,853</u>
		<u>2,615,831</u>	<u>1,693,492</u>
Total shareholder's equity and liabilities		<u>2,615,841</u>	<u>1,693,502</u>

The accompanying notes form an integral part of these consolidated financial statements.

On behalf of the Board



Director



Director

TRINIDAD AND TOBAGO CREATIVE INDUSTRIES COMPANY LIMITED

Consolidated Statement of Comprehensive Income and Accumulated Fund

For the year ended September 30, 2017

	Notes	2017 \$	2016 \$
Revenue			
Government subventions		11,233,186	14,583,362
Other income		8,000	80,000
		<u>11,241,186</u>	<u>14,663,362</u>
Public Sector Investment Programme (PSIP)	8	<u>(3,021,016)</u>	<u>(5,404,462)</u>
Operating surplus		<u>8,220,170</u>	<u>9,258,900</u>
Other expenses			
Administrative expenses – (Schedule 1)		(8,111,378)	(9,212,139)
Finance cost		-	-
		<u>(8,111,378)</u>	<u>(9,212,139)</u>
Surplus for the year before taxation		108,792	46,761
Taxation	7	<u>(108,792)</u>	<u>(46,761)</u>
Net surplus for the year being the total comprehensive income and accumulated fund		<u>-</u>	<u>-</u>

The accompanying notes form an integral part of these consolidated financial statements.

TRINIDAD AND TOBAGO CREATIVE INDUSTRIES COMPANY LIMITED

Consolidated Statement of Cash Flows

For the year ended September 30, 2017

	2017	2016
	\$	\$
Cash Flows from Operating Activities		
Net surplus for year before taxation	108,792	46,761
Adjustments to reconcile net surplus for the year before taxation to net cash used in operating activities:		
Grants utilized	(11,233,186)	(14,583,362)
Depreciation	96,328	141,959
Loss on disposal of property, plant and equipment	-	-
Changes in accounts receivables	315,035	27,549
Changes in accounts payables	401,525	201,734
Taxes paid	<u>(108,792)</u>	<u>(46,761)</u>
Net cash used in operating activities	(10,420,298)	(14,212,120)
Cash Flows from Investing Activities		
Acquisition of property, plant and equipment	<u>-</u>	<u>-</u>
Cash Flows from Financing Activities		
Proceeds from government grants	<u>11,754,000</u>	<u>13,147,821</u>
Net decrease in cash and cash equivalents for the year	1,333,702	(1,064,299)
Cash and cash equivalents at beginning of the year	<u>672,876</u>	<u>1,737,175</u>
Cash and cash equivalents at the end of the year	<u><u>2,006,578</u></u>	<u><u>672,876</u></u>
Analysis of cash and cash equivalents		
Cash and cash equivalents	<u>2,006,578</u>	<u>672,876</u>

The accompanying notes form an integral part of these consolidated financial statements.

TRINIDAD AND TOBAGO CREATIVE INDUSTRIES COMPANY LIMITED

Notes to Consolidated financial statements

For the year ended September 30, 2017

1. Reporting entity

Trinidad and Tobago Creative Industries Company Limited (the Company) was incorporated in the Republic of Trinidad and Tobago on July 29, 2013 and commenced operations in January 2014. The registered office of the Company is situated at 47 Long Circular Road, St James.

The principal activity of the Company is to stimulate and facilitate the business development and export activities of the creative industries in Trinidad and Tobago to generate national wealth.

In accordance with Cabinet by Minute No. 1565 of June 6, 2013 agreed:

- (a) that Creative TT be responsible for the strategic and business development of the three (3) niche areas and sub-sectors under its purview (namely, Film, Music and Fashion).
- (b) that the undermentioned three (3) companies operate as subsidiary companies under Creative TT:

Trinidad and Tobago Film Company Limited to be branded as Film TT
Trinidad and Tobago Music Company Limited to be branded as Music TT
Trinidad and Tobago Fashion Company Limited to be branded as Fashion TT
- (c) that Creative TT, as the holding company, provide the administration and support services in the areas of Human Resource, Information and Communication Technology, Finance, Marketing, Legal, etcetera, for its subsidiaries as indicated in the organizational structure.

Within the framework above, the Administrative Expense category is significantly higher than the PSIP expenses.

During the period, seven film production crews expended \$2,264,544 into the economy of Trinidad and Tobago.

These consolidated financial statements were approved for issue by the directors on October 23, 2019.

2. Significant accounting policies

(a) *Statement of compliance*

These consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and its interpretations adopted by the International Accounting Standards Board.

(b) *Basis of preparation*

These consolidated financial statements have been prepared on the historical cost basis.

TRINIDAD AND TOBAGO CREATIVE INDUSTRIES COMPANY LIMITED

Notes to Financial Statements

For the year ended September 30, 2017

8. Public Sector Investment Programme (PSIP)

These are the projects for which PSIP funds were expended

by Trinidad and Tobago Creative Industries Company Limited

	<u>2017</u>	<u>2016</u>
	\$	\$
Music		
'2+2 = A better TT' musical	-	-
Decibel 2014	-	97,500
Mission to Midem 2014	-	-
Mission to Rotterdam Carnival 2014	-	-
Music Video Workshop	-	8,405
	<u>-</u>	<u>105,905</u>
 Multi		
Marketing and Promotional Support	-	63,437
Web Portal	-	219,665
	<u>-</u>	<u>283,102</u>
	<u>-</u>	<u>389,007</u>

TRINIDAD AND TOBAGO CREATIVE INDUSTRIES COMPANY LIMITED

Notes to Consolidated financial statements

For the year ended September 30, 2017

8. Public Sector Investment Programme (PSIP) (continued)

These are the projects for which PSIP funds were expended (continued)

By Trinidad and Tobago Music Company Limited

	<u>2017</u>	<u>2016</u>
	\$	\$
Advanced Song Writing Workshop	-	35,000
Artist Management and Branding	189,838	-
Artist Portfolio Development Programme	22,559	40,760
Music Content Creation	-	7,500
Music IP Valuation Workshop	-	182,484
Music Publishing Camp	-	78,736
Merchandising	-	10,114
Open Call for Proposals	373,529	224,000
Stakeholders' Engagement	44,669	139,275
Strategic Plan	481,103	120,000
Writing and Production Workshop	-	243,882
Jointpop	-	12,000
	<u>1,111,698</u>	<u>1,093,751</u>

TRINIDAD AND TOBAGO CREATIVE INDUSTRIES COMPANY LIMITED

Notes to Consolidated financial statements

For the year ended September 30, 2017

8. Public Sector Investment Programme (PSIP) (continued)

These are the projects for which PSIP funds were expended (continued)

By Trinidad and Tobago Fashion Company Limited

	<u>2017</u>	<u>2016</u>
	\$	\$
Capacity Building Workshop	128,587	247,472
Caribbean Style Week 2015	-	2,600
Coco Velvet Workshop	-	3,000
Co-ordinate Sector Members	-	10,000
Fashion Fundamentals Technical Camp	-	5,300
Fashion Industry Development Programme	63,979	158,900
French Caribbean Inward Buyers Mission	-	102,163
Local Production Facility	209,297	140,586
Local Retail Channel	-	9,200
Value Chain Investment Programme	<u>392,921</u>	<u>278,327</u>
	<u>794,784</u>	<u>957,548</u>

TRINIDAD AND TOBAGO CREATIVE INDUSTRIES COMPANY LIMITED

Notes to Consolidated financial statements

For the year ended September 30, 2017

8. Public Sector Investment Programme (PSIP) (continued)

These are the projects for which PSIP funds were expended (continued)

By Trinidad and Tobago Film Company Limited

	2017	2016
	\$	\$
Animae Caribe	-	200,000
Feature Film Programme 'Play the Devil'	-	78,000
Feature Film Programme 'The Cutlass'	-	577,507
Feature Film Programme 'Moving parts of Love'	60,000	517,507
Film Commission Re-engineering	-	33,168
Film Production Facilitation	107,391	-
Green Screen Environmental Film Festival	-	60,000
Market Growth and Development	129,253	-
Marketing and Distribution	215,187	189,980
Production Assistance and Script Development (PASD)	-	252,881
Production Rebate	-	499,278
Promotional Items	-	-
Secondary Schools' Short Film Festival	179,560	109,796
Stakeholders' Engagement	81,577	-
Strategic Plan	341,566	13,736
Trinidad and Tobago Film Festival	-	360,000
Trinidad and Tobago Smart Phone Film Festival	-	68,803
Website Costs	-	3,500
	<u>1,114,534</u>	<u>2,964,156</u>
Total expended by the Company and its subsidiaries	<u>3,021,016</u>	<u>5,404,462</u>

TRINIDAD AND TOBAGO CREATIVE INDUSTRIES COMPANY LIMITED

Schedule 1

Schedule of Administrative Expenses

For the year ended September 30, 2017

	2017	2016
	\$	\$
Advertising	34,709	21,969
Audit fee	57,158	56,250
Bank charges	9,015	6,966
Depreciation	53,568	79,888
Directors' fees	684,285	528,000
Information technology expenses	60,534	260,702
Insurance	80,040	87,631
Legal Fees	63,914	-
Meals	18,529	15,149
Motor vehicle expense	71,655	322,405
Office supplies	54,335	59,241
Penalty and interest	4,501	45
Production Expenditure Rebate	359,973	-
Professional fees	13,736	82,404
Rent	549,008	544,000
Repairs and maintenance	51,357	60,549
Salaries	2,315,350	2,878,516
Security	28,537	62,912
Travel	5,430	409
Utilities	137,551	174,353
Expended by Trinidad and Tobago Creative Industries Company Limited	<u>4,653,185</u>	<u>5,241,389</u>
Audit fees	50,804	50,625
Director fees	190,925	223,200
Penalties and interest	-	25
Professional fees	-	7,201
Salaries	844,236	839,097
Expended by Trinidad and Tobago Music Company Limited	<u>1,085,965</u>	<u>1,120,148</u>

21

TRINIDAD AND TOBAGO CREATIVE INDUSTRIES COMPANY LIMITED

Schedule 1

Schedule of Administrative Expenses

For the year ended September 30, 2017

	2017	2016
	\$	\$
Advertising	2,000	-
Audit fee	50,871	50,625
Consultants	-	525,015
Depreciation	42,760	62,071
Director's fees	215,635	312,000
IT expenses	9,760	13,806
Office rent	-	35,860
Penalty and interest	174	1,000
Professional fees	-	8,970
Rent Facilities	27,024	-
Salaries	908,393	579,291
Utilities	4,403	26,836
Expended by Trinidad and Tobago Film Company Limited	<u>1,261,020</u>	<u>1,615,474</u>
Audit fees	50,788	50,625
Director fees	178,914	267,600
Penalties and interest	-	128
Professional fees	-	24,738
Salaries	<u>881,506</u>	<u>892,037</u>
Expended by Trinidad and Tobago Fashion Company Limited	<u>1,111,208</u>	<u>1,235,128</u>
Total expended by the Company and its subsidiaries	<u>8,111,378</u>	<u>9,212,139</u>

(c) Debt policy and (d) Investment policy

Prior approval of the Minister of Finance would be sought for the acquisition of significant assets, new investments in non-government securities and the incurrence of new/additional long-term debt.

c) Internal Audit function

This function was not carried out as it remained vacant for the year 2017.

4. Human Resources Development Plan

Organizational Establishment

Trinidad and Tobago Creative Industries Company Limited (CreativeTT) was established in 2013 as a wholly owned State Enterprise under the then Ministry of Trade, Industry and Investment (MTII) and comprises three (3) companies that operate as subsidiary companies under CreativeTT to provide specific sector advice in the areas of film, fashion and music namely, FilmTT, MusicTT and FashionTT.

In keeping with best practice, we aim to recruit and retain the best staff to enable us to deliver our Corporate Plan. Our policy is to ensure that recruitment and selection decisions are based on the ability of the applicant to meet the requirements of the job description, person specification and any other relevant criteria. All applicants and employees will be treated fairly and according to this policy and procedure, and our relevant equality policies. We are committed to valuing diversity and promoting equality.

The Human Resources Unit utilizes the following general guidelines in its operation.

Category of Employees

The categories that specifies and/or defines an employee relationship with CreativeTT are as follows:

i. **Permanent**

A permanent employee is one who is employed on a full-time basis and whose employment is expected to continue for a term or an indefinite period. A

permanent employee may be required to work for a probationary period of either three or six months, which may be extended by another three months as CreativeTT deems necessary. This probationary period allows both employer and employee to determine whether they wish the employment relationship to continue a long- term basis.

ii. Temporary

A temporary employee may be employed on a full or part time basis and is expected to perform duties for a period not exceeding twelve (12) months.

iii. Full Time

A full-time employee is employed for at least thirty (30) hours per week.

iv. Part Time

A part time employee is employed for less than thirty (30) hours per week.

v. Contract

A contract employee is one whose services has been contracted by the company for a specified period.

a) Career Path Systems

In order to meet the operational demands of the organization, CreativeTT is focused on maintaining a highly motivated, capable and competent work force. As such, it is important for the human resources strategies to be in line with the organization's goals. The HR strategies places emphasis on:

- Compensation, benefits, compliance, etc. which aims to provide fair salaries, leave, insurance coverage and a safe and comfortable working environment.
- Recruiting, selection, performance management, training and development, career path development and succession planning.

All strategies identified, are designed to aid CreativeTT and its subsidiaries to be a desirable employer and become more effective by protecting and enhancing its human resource capabilities.

As a result, HR's objectives are:

- To deliver HR strategies that are appropriate and relevant to the needs of CreativeTT and its subsidiary companies, in a timely manner with the ultimate aim of achieving the company's objective.
- To continuously add value to the future employment and business environment of the companies and its employees.
- To provide interesting and challenging work and appropriate personal development for HR professionals and other employees, such that their ultimate ambition is achieved.
- To encourage and promote staff engagement activities and, rewards and recognition programme to build team spirit and keep staff motivated.

b) Performance measurement tools

CreativeTT is committed to provide effective on-going performance management to all staff members within the parent company and its subsidiaries. In this regard, its aim will be to periodically measure employee performance as a basis for determining employee's training needs, to establish individual accountability and deal with poor performance. This will also act as a development plan to improve the employee's performance and determine their suitability for the position. The focus is mainly to ensure continuous communication between the manager/supervisor and the employee to help the employee achieve their best results in an efficient and effective manner.

Performance Appraisal

CreativeTT will aim to conduct performance reviews bi-annually with all employees, with the intended purpose of developing activities that will assist and motivate employees to accomplish their maximum potential.

The objectives of the performance appraisal are:

- To establish mutually acceptable performance goals and objectives.

- To motivate and guide employees toward greater self-development and improve performance by encouraging the discussion of significant strengths and areas needing improvement in a positive and constructive manner.
- To provide an objective and uniform means for managers/supervisors to make recommendations for merit salary determinations based on an assessment of employee performance.
- To identify training needs and succession planning activities.
- To determine whether the employee is suitable to continue in the job.
- To provide the employee with an opportunity to indicate preferences for future work assignments.
- To provide a record of employee's progress.

The written appraisal will be conducted by the employee's immediate supervisor/manager on the specified appraisal form and subsequently reviewed by the Human Resource Department. The first appraisal will be completed at the end of the employee's probationary period and thereafter, appraisals will be conducted mid-year and end of year.

The reviews will measure employee's performance on a scale.

Succession Planning

CreativeTT will aim to develop a system for succession planning to ensure that the required staffing is identified and that staff with the high levels of competencies are recruited, retained and developed to deliver the Company's objectives.

Additionally, the company will seek out avenues to expose their staff to the necessary training to allow for growth and development which will prepare them to assume higher positions along the career path within the organisation.

c) Promotion

CreativeTT will strive to encourage promotion from within by providing training opportunities, advertising vacancies and considering capable, qualified and experienced employees. In the instance where an employee has been selected

for a higher position, which is representative of a promotion, he/she will be offered the position with an expected response in a timeframe. He/she may choose to decline the promotion without prejudice. If development opportunities (by reason of work content, supervisory responsibility, etc) are inherent in the offer, the employee will be notified. If the employee accepts, the manager will ensure the employee understands their duties and responsibilities for the new position and their performance expectation.

d) Recruitment and Selection procedures

Vacancies will normally be filled in accordance with the approved manpower forecast. However, where for business reasons there is a need to deviate from this policy, the Board must authorise the recruitment.

Before a vacancy can be filled, the Chief Executive Officer must agree that a vacancy exists and must approve the filling of such a vacancy. CreativeTT will consider employees whenever a vacancy is to be filled. This is to give employees opportunities for growth and development. CreativeTT may fill a vacancy without advertising for applications. However, where it is agreed by the Chief Executive Officer that the vacancy needs to be advertised, such vacancy shall first be advertised in-house, then externally, or simultaneously if so determined.

The Company will treat each applicant for employment with equal consideration. Hiring will be conducted based upon individual merit and in keeping with equal opportunity employment practices. Employment opportunities to non-nationals will be in accordance with the provisions of national policy and current immigration and other legislation. The Chief Executive Officer or his/her delegated authority will be responsible for developing job descriptions for all positions, outlining reporting relationships, job purpose, key responsibilities, performance standards, skill, knowledge and ability requirements and the on-the-job training that must be undertaken within the first six (6) months of appointment. Appointments will be made in a written communication, highlighting compensation and terms and conditions of employment. All appointment letters are to be signed by the Chief Executive Officer. You are required to sign your appointment letter and an acknowledgement form for having received a copy of CreativeTT Policies & Procedures Manual. A copy of this acknowledgement is given to you and the other copy is maintained on your personal file.

Selection Process

CreativeTT employee selection process follows the following procedures

- During the interview process, each panellist must complete the Scorecard for each interviewee detailing his/her comments and the scores awarded. This Scorecard must be signed.
- Upon completion of the interview process, the Senior HR Officer or designate will collate and summarize the interview scores on the Summary Score Sheet.
- The Summary Score Sheet will be distributed among the panel members and CEO to agree on the successful candidate(s).
- Once the successful candidate(s) is/are determined, the Senior HR Officer will conduct reference checks in the approved format.
- Senior HR Officer will convey an offer of employment, terms and conditions to the successful candidate(s).
- The CEO, Line Manager and Senior HR Officer will (if needed) discuss and agree on any special details related to the terms and conditions of employment.

Commencement

Once the candidate is chosen, Senior HR Officer will communicate: -

- A starting date is agreed upon with the successful candidate(s) will commence work.
- The Senior HR Officer will ensure practical arrangements are put in place for the new member(s) of staff before their arrival.
- Employment commences, with introduction to other staff members
- The new staff member(s) will provide their payroll data
- IT will make available any IT equipment, communication and computer software access.

Employment Support Services

CreativeTT will initiate a system to encourage and assist employees who seek help to resolve any personal or professional problems that may affect their work performance. An independent organisation will be contacted to provide the Employee Assistance Programme (EAP). The employee will be reminded that the company is committed to maintaining confidentiality unless there are circumstances involving probable risk to the safety of any person/s, or where

maintaining confidentiality would be unlawful, or when this would compromise principles of natural justice.

5. Procurement Procedures

CreativeTT has develop and implemented its Procurement Manual, which governs its procurement of goods and services of its Subsidiaries and CreativeTT.

The Chief Executive Officer shall evaluate and recommend to the Tenders Committee for approval amounts not exceeding TTD 250,000.00 VAT exclusive or its equivalent in a foreign currency by a minimum of three (3) quotes selective tendering.

For amounts exceeding TTD 250,000.00 VAT exclusive or its equivalent in a foreign currency the Tenders Committee shall determine whether a selective tender of a minimum of five (5) quotes if available or open tender be used in the procurement process.

(a) Open Tender

Open tendering is a process where invitations are issued through advertisements or other forms of public notice. Open tendering shall be used in the following instances:

- i. When CreativeTT's list of approved vendors does not cater or adequately cater for particular types of materials, works and/or services.
- ii. Where it is competitively more advantageous.
- iii. Where the terms and conditions of CreativeTT's borrowings so require.

When open tendering is used the Chief Executive Officer shall approve the advertisement or public notice, the method of procurement and the evaluation criteria and award.

(b) Selected Tender

Selective tendering is a process where tenders are invited from CreativeTT's list of approved vendors and/or where justified, vendors specifically approved by the committee responsible for the pre-qualification of vendors.

A minimum number of invitees shall be set to allow adequate competition in the procurement process. The invitees selected shall be the top ten (10) ranked vendors registered to provide the materials, works and/or services. In cases where there are less than ten (10) registered vendors, all the vendors registered to provide the materials, works and/or services shall be invited.

Vendors shall be continually evaluated on their performance, inclusive of responsiveness to tender invitations and overall compliance with contract terms and conditions.

(c) Sole tender – and the criteria used in selecting each system

Merit awards (or sole tender awards) for purchases of materials, works and/or services including consultancy services shall be issued without inviting competitive bids in any of the following circumstances:

- i. Where the materials are non-interchangeable spares or replacement parts for materials already in use.
- ii. When the works and/or services are to be carried out on a site where the employment of another vendor may hinder the progress of work already being performed by an existing vendor, taking due account of cost effectiveness of the approach adopted.
- iii. When the material, works and/or services represent a natural or direct continuation of an agreement previously awarded competitively and completed, taking due account of the incumbent vendor's/consultant's performance and cost effectiveness of the approach adopted.
- iv. Where only one (1) vendor/consultant is capable or available or identified as having the qualifications or special proficiency, experience

and skill of exceptional worth, expertise and/or equipment to supply the required materials, works and/or services or is the agent/representative for the materials, works and/or services.

- v. Where the materials, works and/or services are of an urgent and critical nature, that is, there is some measure of risk to people, property, plant, equipment or the environment or the community and the profitability of CreativeTT's operation demand.
- vi. When significant cost savings can be achieved by using a consultant who is familiar with the Company having worked on a similar project.
- vii. Where a vendor was selected out of a competitive bidding process and, within thirty (30) days, additional items are required. Vendor prices must be valid and repeat purchases shall not exceed \$10,000.

Prior approval shall be required for all merit awards in accordance with CreativeTT's Levels of Authority. A detailed description of the materials to be purchased or works or services to be performed must be presented along with a certification of at least one of the merit circumstances listed above. Executing Units shall prepare a Company estimate as well as relevant documentation, which may include the scope of work, specifications, form of bid, conditions of contract or form of agreement and any other relevant information. The vendor shall be required to submit a bid or written proposal, which must be evaluated for reasonableness against CreativeTT's estimate.

6. Public and Community Relations

(a) Client and public access to services/service delivery system

(b) Community and stakeholder relations/outreach

(c) Strategic partnerships (local, regional and international)

Public and community relation's activities fall under the purview of the Marketing and Communication Department, which is responsible for implementing the marketing and promotional aspects of the company's strategic plan. The Marketing and Communications Department holds responsibility for branding and brand policy for CreativeTT and its subsidiaries, promotional activities and promotional material, and corporate reputation and media relations.

a) Client and Public access to services/ service delivery systems

To ensure effective public access to CreativeTT's service delivery systems, given the January 2015 initiation of the Marketing and Communications Department, the organisation has embarked on the rollout of the following activities that lay the foundation for community relations:

- Integrated online social presence (Facebook, Twitter) that provides:
 - Mailing and Contact Information for CreativeTT;
 - Regular Updates on creative industry happenings; and
 - 2-way communication channel with stakeholders.

Our online social presence facilitated the growth of a stakeholder database, currently grown to over 5000 people interested in maintaining a relationship with the brand and industry.

- CreativeTT's website, currently scoped and at the final leg of the tendering process intends to provide access not only to the local community on the creative industries, but also the foreign stakeholders about the brand of TT's creative sector. It will be highly engaging and fully socially integrated to allow maximum stakeholder engagement.

b) Community and Stakeholder Relations/Outreach

Stakeholders have been engaged through:

- Online Social Media with well over 100,000 engagements with the CreativeTT brand and its subsidiaries, and 500,000 impressions:
 - ✓ Through scores of private and public conversations through Facebook messenger and the Facebook walls of MusicTT, FilmTT and CreativeTT
 - ✓ Boosted notes and posts
 - ✓ Online/ Offline juxtaposition at events and brand activations

- Stakeholder Engagement Events
 - One FilmTT public stakeholder consultation - Port of Spain
One FashionTT public stakeholder engagement
 - “The Launch of the Strategic Plan for the Fashion Industry” at Hyatt Regency, Port of Spain
 - The Value Chain Investment Programme (VCIP) 2016 Designer Assessments.
 - Four (4) MusicTT stakeholder consultations
 - Port of Spain
 - San Fernando
 - Tobago
 - Arima

c) Strategic Partnerships (Local, regional and international)

Industry specific strategic partnerships are a priority for CreativeTT. As such, the organisation saw the opportunity to connect with the global creative industries by attending the South by South West Music, Film and Interactive Festival with a view to network and build modern capacity in the area of creative business. The results were terrific, forming strong connections with US media and multiple international creative export offices. Still at the beginning of a powerful trajectory, we have begun to lay the foundation for cost effective global business.

CreativeTT, through FashionTT has forged relationships with:

- ExporTT in the development of a regional Fashion Export Business Workshop and Showcase, targeted at the French Caribbean Outermost Regions,
- has worked with the Intellectual Property Office, Ministry of Legal Affairs to roll out the Intellectual Property Awards.
- The Trinidad and Tobago Bureau of Standards to facilitate the first workshop of its kind in “Garment Production Standards.”
- Professors from the Fashion Institute of Technology, New York in the development of the Value Chain Investment Programme (VCIP) Framework. These Professors were on the International Expert Panel.
- The Tobago House of Assembly (THA) to host the VCIP 2016 interviews in the THA’s Victor E. Bruce Complex for the Tobagonian Designers. The THA also supported FashionTT with the promotion of the VCIP in Tobago.

- The National Entrepreneurship Development Company (NEDCO). NEDCO has collaborated with FashionTT with the roll out and facilitation of the VCIP Business Advisory Tier.
- Professors from the Fashion Institute of Technology in conducting the 2017 VCIP Designer Assessments.

***** end *****