KPMG

Financial Statements of

GOVERNMENT INFORMATION SERVICES LIMITED

September 30, 2011

Financial Statements of

GOVERNMENT INFORMATION SERVICES LIMITED

September 30, 2011

KPMG
Chartered Accountants
Trinre Building
69-71 Edward Street
P.O. Box 1328
Port of Spain
Trinidad and Tobago, W.I.

Telephone (868) 623 1081
Fax (868) 623 1084
e-Mail kpmg@kpmg.co.tt

Independent Auditor's Report to the Shareholders of Government Information Services Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Government Information Services Limited (the Company), which comprise the statement of financial position as at September 30, 2011, the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

KPMG

Independent Auditor's Report to the Shareholders of Government Information Services Limited

Report on the Financial Statements (continued)

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2011, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

KPMG

Chartered Accountants

January 13, 2014
Port of Spain
Trinidad and Tobago

GOVERNMENT INFORMATION SERVICES LIMITED

Statement of Financial Position

September 30, 2011

	Notes		2011	2010
Assets				
Non-current assets				
Property, plant and equipment	1	$	6,196,884	7,644,858
Current assets				
Inventories			-	78,313
Accounts receivable	2		4,410,983	10,663,167
Cash and cash equivalents	3		7,001,721	9,074,590
Total current assets			11,412,704	19,816,070
Total assets		$	17,609,588	27,460,928
Shareholder's Equity and Liabilities				
Shareholder's equity				
Stated capital	4	$	10	10
Retained earnings			1,151,791	870,724
			1,151,801	870,734
Non-current liabilities				
Deferred tax	5		20,053	173,550
Current liabilities				
Deferred income	6		10,507,587	21,158,904
Taxation payable			509,895	239,349
Accounts payable	7		5,420,252	5,018,391
			16,437,734	26,416,644
Total shareholders' equity and liabilities		$	17,609,588	27,460,928

The notes on pages 7 to 21 are an integral part of these financial statements.

On behalf of the Board

______________ **Director** ______________ **Director**

GOVERNMENT INFORMATION SERVICES LIMITED

Statement of Comprehensive Income

For the year ended September 30, 2011

	Notes		2011	2010
Revenue				
Amortisation of deferred income	6	$	39,611,317	32,143,453
Project income			13,874,771	21,485,932
Fee income			58,109	15,141
			53,544,197	53,644,526
Project related costs				
Advertising and promotions			(6,904,025)	(18,793,047)
Broadcast royalties			(842,703)	(130,639)
Project costs			(19,229,947)	(11,090,963)
			(26,976,675)	(30,014,649)
Operating surplus			26,567,522	23,629,877
Other (expenses) income				
Administrative expenses – (Schedule 1)			(9,201,638)	(7,624,073)
Salaries and wages			(9,478,943)	(9,505,332)
Impairment of value added tax recoverable	8		(4,659,831)	-
Bad debt expense			(3,172,631)	(6,691,007)
Loss on foreign exchange translation			(4,184)	(5,220)
Gain on disposal of property, plant and equipment			3,228	-
Other income			280,604	495,123
Interest income			122,066	199,958
Total other (expenses) income			(26,111,329)	(23,130,551)
Surplus for the year before provision for taxation			456,193	499,326
Provision for taxation	5		(175,126)	(182,972)
Net surplus over expenditure being the total comprehensive surplus over expenditure for the year		$	281,067	316,354

The notes on pages 7 to 21 are an integral part of these financial statements.

GOVERNMENT INFORMATION SERVICES LIMITED

Statement of Changes in Equity

For the year ended September 30, 2011

		Stated Capital	Retained Earnings	Shareholder's Equity
Year ended September 30, 2010				
Balance at September 30, 2009	$	10	554,370	554,380
Net surplus of revenue over expenditure being the total comprehensive surplus over expenditure for the year		-	316,354	316,354
Balance at September 30, 2010	$	10	870,724	870,734
Year ended September 30, 2011				
Balance at September 30, 2010	$	10	870,724	870,734
Net surplus of revenue over expenditure being the total comprehensive surplus over expenditure for the year		-	281,067	281,067
Balance at September 30, 2011	$	10	1,151,761	1,151,801

The notes on pages 7 to 21 are an integral part of these financial statements.

GOVERNMENT INFORMATION SERVICES LIMITED

Statement of Cash Flows

For the year ended September 30, 2011

		2011	2010
Cash Flows from Operating Activities			
Net surplus of revenue over expenditure for the year before provision for taxation	$	456,193	499,326
Adjustments to reconcile net surplus of revenue over expenditure for the year before provision for taxation to net cash used in operating activities:			
Depreciation		2,193,936	1,769,877
Gain on disposal of property, plant and equipment		(3,228)	-
Impairment of property, plant and equipment		184,949	-
Adjustments to property, plant and equipment		278,832	12,451
Amortisation of deferred income		(39,611,317)	(32,055,117)
Interest income		(122,066)	(199,958)
Changes in inventories		78,313	17,666
Changes in accounts receivable		6,252,184	(4,627,151)
Changes in accounts payable		401,861	1,632,150
Taxes paid		(58,077)	(58,472)
Net cash used in operating activities		(29,948,420)	(33,009,228)
Cash Flows from Investing Activities			
Acquisition of property, plant and equipment		(1,214,136)	(3,467,952)
Proceeds from disposal of property, plant and equipment		7,621	-
Net cash used in investing activities		(1,206,515)	(3,467,952)
Cash Flows from Financing Activities			
Proceeds from government grants		28,960,000	27,100,073
Interest received		122,066	199,958
Net cash from financing activities		29,082,066	27,300,031
Decrease in cash and cash equivalents for the year		(2,072,869)	(9,177,149)
Cash and cash equivalents at October 1		9,074,590	18,251,739
Cash and cash equivalents at September 30	$	7,001,721	9,074,590
Analysis of cash and cash equivalents			
Cash and cash equivalents	$	7,001,721	9,074,590

The notes on pages 7 to 21 are an integral part of these financial statements.

Reporting entity

Government Information Services Limited (the Company) was incorporated in the Republic of Trinidad and Tobago on July 21, 2006 and the Board of Directors was appointed on January 30, 2007.

The principal activity of the organisation involves pro-actively informing the public about Government policy, citizens' rights and responsibility and to develop a country of national pride, utilising new media technology.

The Ministry of Public Administration and Information by cabinet note received approval to engage The National Broadcasting Network (NBN) to undertake projects towards the establishment of Government Information Services Ltd. The initial engagement catered for the following activities:

- Recruiting inclusive of advertising, recruitment services, salaries and allowances for new hires.
- Paying for all start-up cost relating to recurrent expenditure.
- Refurbishing the Information Channel Building, Lady Young Road, Morvant.

NBN was responsible for the refurbishment of the TIC Building located at Lady Young Road Morvant which was the assigned building for the Company's operations. The cost associated with the project amounted to approximately $14.4 million. The transfer of legal title of the building to the Company is in progress.

These financial statements were approved for issue by the directors on January 13, 2014.

Significant accounting policies

(a) Statement of compliance

These financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS).

(b) Basis of measurement

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

(c) Functional and reporting currency

The financial statements are presented in Trinidad and Tobago dollars, which is the Company's functional currency.

Significant accounting policies

(d) ***Use of estimates and judgements***

The preparation of these financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

Note e - Property, plant and equipment and depreciation
Note g - Receivables

(e) ***Property, plant and equipment and depreciation***

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalized borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalized as part of the equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

The gain or loss on disposal of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment, and is recognized net within other income/other expenses in profit or loss. When revalued assets are sold, any related amount included in the revaluation reserve is transferred to retained earnings.

Significant accounting policies (continued)

(e) ***Property, plant and equipment and depreciation (continued)***

The cost of replacing a component of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced component is derecognized. The costs of the day-to-day servicing property, plant and equipment are recognized in profit or loss as incurred.

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is charged using the straight line basis at the following rates which are designed to write off the cost of the assets over their estimated useful lives:

Leasehold improvements	10%
Computer software	33.3%
Furniture and fittings	10%
Office and computer equipment	20%
Motor vehicles	20%

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(f) ***Inventories***

Inventories are valued at the lower of cost and net realizable value. Cost is determined using the first in first out method, and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business.

(g) ***Accounts receivable***

Accounts receivable is stated net of any specific provision established to recognise anticipated losses for bad and doubtful debts. Bad debts are written off during the period in which they are identified.

(h) ***Cash and cash equivalents***

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash at hand and in bank.

Significant accounting policies (continued)

(i) ***Accounts payable***

Accounts payable are stated at amortised cost.

(j) ***Provisions***

A provision is recognised in the balance sheet when the company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments at the time value of money and, where appropriate, the risks specific to the liability.

(k) ***Revenue recognition***

Revenue is recognized to the extent that it is probable that economic benefits will flow to the Company and the revenue can be reliably measured. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, associated costs, or the possible return of goods.

Unconditional grants related to the ongoing operations of the Company are recognised in the statement of revenue and expenditure as revenue when the grant becomes receivable.

Subventions that compensate the Company for expenses incurred are recognised as revenue in the statement of revenue and expenditure on a systematic basis in the same periods in which the expenses are incurred.

Grants that compensate the Company for the cost of an asset are recognised in the statement of revenue and expenditure as revenue on a systematic basis over the life of the asset.

All other revenue is recorded on an accruals basis.

(l) ***Lease payments***

Payments under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives are recognised in the income statement as an integral part of the total lease expense.

Significant accounting policies (continued)

(m) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currency of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the period. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of available-for-sale equity instruments or a financial liability designated as a hedge of the net investment in a foreign operation.

(n) Impairment

The carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement.

The recoverable amount of other assets is the greater of their net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Significant accounting policies (continued)

(o) ***Taxation***

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

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or subsequently enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Current tax payable also includes any tax liability arising from the declaration of dividends.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or subsequently enacted at the reporting date.

Deferred tax asset and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(p) ***IFRS Not Yet Effective***

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after January 1, 2010, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the Company, except for IFRS 9, which becomes mandatory in 2015 for the Company's financial statements and could change the classification and measurement of financial assets. The Company does not plan to adopt this standard early and the extent of the impact is likely to be insignificant.

1. Property, Plant and Equipment

		Leasehold Improvement	Computer Software	Furniture and fittings	Office and Computer Equipment	Motor Vehicles	Capital Work-in-Progress	Total
Year ended September 30, 2011								
Cost								
Balance at September 30, 2010	$	1,894,021	3,027,626	671,379	2,471,807	411,500	2,145,999	10,622,332
Additions for the year		27,287	184,331	41,285	644,943	-	316,290	1,214,136
Disposals		-	-	-	(27,028)	-	-	(27,028)
Impairment		-	-	-	(184,949)	-	-	(184,949)
Write-off to repairs and maintenance		-	-	-	-	-	(278,832)	(278,832)
Transfer from work in progress		344,561	-	-	1,838,896	-	(2,183,457)	-
Balance at September 30, 2011	$	2,265,869	3,211,957	712,664	4,743,669	411,500	-	11,345,659
Accumulated depreciation								
Balance at September 30, 2010	$	102,274	1,362,879	170,516	1,211,322	130,483	-	2,977,474
Disposals		-	-	-	(22,635)	-	-	(22,635)
Charge for the year		226,501	883,951	68,884	932,300	82,300	-	2,193,936
Balance at September 30, 2011	$	328,775	2,246,830	239,400	2,120,987	212,783	-	5,148,775
Net book value								
Balance at September 30, 2011	$	1,937,094	965,127	473,264	2,622,682	198,717	-	6,196,884
Balance at September 30, 2010	$	1,791,747	1,664,747	500,863	1,260,485	281,017	2,145,999	7,644,858

1. Property, Plant and Equipment (continued)

		Leasehold Improvement	Computer Software	Furniture and fittings	Office and Computer Equipment	Motor Vehicles	Capital Work-in-Progress	Total
Year ended September 30, 2010								
Cost								
Balance at September 30, 2009	$	358,211	2,975,368	630,688	2,048,386	411,500	735,564	7,159,717
Additions for the year		600,764	52,258	40,691	428,758	-	2,345,481	3,467,952
Adjustments		-	-	-	(5,337)	-	-	(5,337)
Transfer from work in progress		935,046	-	-	-	-	(935,046)	-
Balance at September 30, 2010	$	1,894,021	3,027,626	671,379	2,471,807	411,500	2,145,999	10,622,332
Accumulated depreciation								
Balance at September 30, 2009	$	30,884	365,030	105,652	650,734	48,183	-	1,200,483
Adjustments		-	9,995	-	(2,881)	-	-	7,114
Charge for the year		71,390	987,854	64,864	563,469	82,300	-	1,769,877
Balance at September 30, 2010	$	102,274	1,362,879	170,516	1,211,322	130,483		2,977,474
Net book value								
Balance at September 30, 2010	$	1,791,747	1,664,747	500,863	1,260,485	281,017	2,145,999	7,644,858
Balance at September 30, 2009	$	327,327	2,610,338	525,036	1,397,652	363,317	735,564	5,959,234

2. Accounts Receivable

		2011	2010
Trade accounts receivable	$	14,063,411	9,749,020
Less provision for doubtful debts		(9,863,718)	(6,691,007)
		4,199,693	3,058,013
Prepayments		211,290	4,519,155
Value added tax recoverable		-	3,085,999
	$	4,410,983	10,663,167

3. Cash and cash equivalents

		2011	2010
Money market account	$	4,953,910	8,416,952
Chequing account		2,042,811	644,449
Petty cash		5,000	13,189
	$	7,001,721	9,074,590

4. Stated Capital

Authorised capital
Unlimited number of common shares on no par value

Issued and fully paid capital 10 common shares of no par value	$	10	10

5. Provision for Taxation

Income tax recognised in profit and loss

Corporation tax	$	285,327	193,094
Deferred taxation		(153,497)	(59,418)
Green fund levy – current year		43,296	49,296
	$	175,126	182,972

Reconciliation of effective tax rate

Net surplus of revenue over expenditure profit for the year	$	456,193	499,326
Tax calculation at the statutory rate of 25%	$	114,048	124,832
Tax effect of non-deductible cost and tax allowances		17,782	8,844
Green fund levy – prior year		43,296	49,296
	$	175,126	182,972

5. Provision for Taxation (continued)

		2011	2010
Movement in the deferred tax liability (asset)			
Balance at the beginning of the year	$	173,550	232,968
Charge to the statement of comprehensive income		(153,467)	(59,418)
Balance at the end of the year	$	20,053	173,550
Composition of deferred tax liability (asset)			
Property, plant and equipment	$	20,053	173,550
	$	20,053	173,550

6. Deferred Income

		Other Grants	Capital Grants	Total
Year ended September 30, 2010				
Balance at September 30, 2009	$	25,894,290	307,994	26,202,284
Grants received for the year		27,100,073	-	27,100,073
Amortization for the year		(32,060,870)	(82,583)	(32,143,453)
Balance at September 30, 2010	$	20,933,493	225,411	21,158,904
Year ended September 30, 2011				
Balance at September 30, 2010	$	20,933,493	225,411	21,158,904
Grants received for the year		28,960,000	-	28,960,000
Amortization for the year		(39,556,838)	(54,479)	(39,611,317)
Balance at September 30, 2011	$	10,336,655	170,932	10,507,587

Funding for the operations of the Company is provided via subvention from the Government of the Republic of Trinidad and Tobago (GORTT). The deferred income of $10,507,587 relates to the funding of committed or deferred projects for the year ended September 30, 2011.

The Company received subventions for expenditure in the sum of $28,960,000 (2010: $27,100,073) for the year ended September 30, 2011.

7. Accounts Payable

		2011	2010
Trade accounts	$	3,712,799	3,752,740
Accrued liabilities		1,701,728	1,265,651
	$	5,420,252	5,018,391

8. Impairment of Value Added Tax Recoverable

The Value added tax recoverable was impaired based on the results of an assessment conducted by the Board of Inland Revenue (BIR). The BIR determined that there were no amounts recoverable or payable for the related period.

9. Operating leases

Non cancellable operating lease rentals are payable as follows:

Less than one year	$	353,344	353,344
Between one and five years		1,413,376	1,413,376
	$	1,766,720	1,766,720

During the year, $472,882 (2010: $363,845) was recognised as an expense in the statement of comprehensive income in respect of operating leases.

10. Related parties

Key management personnel

Key management personnel receive compensation in the form of short-term, employee benefits and post-employment benefits.

Key management personnel received compensation of $1,881,908 (2010: $2,977,117) for the year. Total remuneration is included in salaries and wages.

11. Capital management

The Company has no formal policy in regards to capital management, as the Company is currently financed through Government subventions.

12. Financial instruments

A financial instrument is any contract that gives rise to both a financial asset and a financial liability or equity instrument of another enterprise. For the purpose of these financial statements, financial assets have been determined to include accounts receivable, prepayments and cash. Financial liabilities have been determined to include long-term debt, accounts payable and interest payable.

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

Derivative financial instruments are not presently used to reduce exposure to fluctuations in these risks.

Credit risk

Management monitors exposure to credit risk on an on-going basis. The maximum exposure to credit risk is represented by the carrying amount of the financial asset in the balance sheet. The maximum exposure to credit risk at year end was:

		2011	2010
Accounts receivable	$	4,199,693	3,058,013
Cash		6,996,721	9,061,401
	$	11,196,414	12,119,414

Impairment losses:

The aging of trade receivables at year end was:

		2011		2010	
		Gross	Impairment	Gross	Impairment
Current	$	2,687,574		(727,194)	-
31- 60 days		238,708		605,026	-
Over 61 days		11,137,129	9,863,718	9,871,188	6,691,007
	$	14,063,411	9,863,718	9,749,020	6,691,007

During the year $3,172,631 (2010: $6,691,007) was charged to the statement of income as a bad debt expense.

12. Financial instruments (continued)

Liquidity risk

The Company manages its liquidity risk by maintaining cash to meet its cash obligations as they fall due. Further, the Company also maintains flexibility through established credit facilities with its Bankers.

The following are the contractual maturities of financial liabilities, including interest payments:

		Carrying Amount	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
September 30, 2011								
Accounts payable	$	5,420,252	5,420,252	5,420,252	-	-	-	-
	$	5,420,252	5,420,252	5,420,252	-	-	-	-
September 30, 2010								
Accrued liabilities	$	5,018,391	5,018,391	5,018,391	-	-	-	-
	$	5,018,391	5,018,391	5,018,391	-	-	-	-

Market risk

Market risk arises in the normal course of business and encompasses the risk to earnings that arises from changes in foreign exchange rates, interest rates and equity prices.

(a) *Foreign currency risk*

The Company does not incur significant foreign currency risk on purchases that are denominated in a currency other than the Trinidad and Tobago dollar. The currency giving rise to any risk is primarily the United States dollar. The Company was not exposed at the year end.

The exchange rate of the United States dollar to the Trinidad and Tobago dollar at the year end was as follows:

At September 30, 2011: TT$6.30
At September 30, 2010: TT$6.30

Sensitivity analysis:

The Company has not performed a sensitivity analysis on the effect of a strengthening of the Trinidad and Tobago dollar against the United States dollar at year end, because there was not a significant exposure.

12. Financial instruments (continued)

Market risk (continued)

(b) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

At year end, the interest rate profile of the Company's interest bearing instruments was:

		2011	2010
Fixed rate instruments			
Financial assets	$	6,996,721	9,061,401
Exposure	$	6,996,721	9,061,401

Estimation of Fair values

Fair value amounts represent estimates of the arm's length consideration that would be currently agreed upon between knowledgeable and willing parties who are under no compulsion to act and is best evidenced by a quoted market price if one exists. The estimated fair value of the Company's financial instruments is based on the market prices and valuation methodologies.

GOVERNMENT INFORMATION SERVICES LIMITED

Schedule of Administrative Expenses

Schedule 1

For the year ended September 30, 2011

	Note		2011	2010
Audit fees		$	48,902	43,556
Bank charges			10,070	8,529
Cleaning			222,672	258,266
Courier expenses			15,568	44,544
Depreciation			2,193,937	1,769,877
Donations			16,650	37,777
Impairment of property, plant and equipment			184,949	-
Insurance			181,325	179,648
Internet costs			120,124	136,072
Library costs			317	5,152
Management fees			387,619	492,892
Membership and subscriptions			63,806	21,549
Meeting expenses			30,890	24,425
Miscellaneous expenses			119,379	175,326
Motor vehicle expenses			43,989	9,922
National insurance			369,240	318,687
Office expenses			175,629	16,639
Operating lease - rentals	9		472,882	363,845
Postage			26,789	10,596
Printing and stationery			167,462	180,177
Professional costs			586,198	456,978
Repairs and maintenance			921,434	469,155
Security			1,083,294	1,239,642
Software			211,189	257,905
Staff welfare			159,965	121,331
Telephone			418,772	331,718
Training			325,058	122,068
Travel – foreign			237,483	106,154
Travel - local			2,097	17,099
Utilities			403,949	404,544
		$	9,201,638	7,624,073