



REPORT OF THE AUDITOR GENERAL OF THE REPUBLIC OF TRINIDAD AND TOBAGO ON THE FINANCIAL STATEMENTS OF THE PUBLIC TRANSPORT SERVICE CORPORATION FOR THE YEAR ENDED 30TH SEPTEMBER 2009

The accompanying Financial Statements of the Public Transport Service Corporation for the year ended 30th September, 2009 have been audited. The Statements comprise a Statement of Financial Position as at 30th September 2009, and the Statement of Comprehensive Income, a Statement of Changes in Equity and a Statement of Cash Flows for the year ended 30th September 2009 and Notes to the Financial Statements numbered 1 to 21 including a summary of significant accounting policies.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

2. The management of the Public Transport Service Corporation 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

3. The Auditor General's responsibility is to express an opinion on these financial statements based on the audit. The audit which was carried out in accordance with section 116 of the Constitution of the Republic of Trinidad and Tobago and section 28 (2) of the Public Transport Service Act, Chapter 48:02 was conducted in accordance with accepted auditing standards. Those standards require that ethical requirements be complied with and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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, the auditor considers internal control 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 control. 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.

5. It is my view that the audit evidence obtained is sufficient and appropriate to provide a basis for the qualified audit opinion.

BASIS FOR QUALIFIED OPINION

PROPERTY, PLANT AND EQUIPMENT \$184,509,751.00

6. The Fixed Asset Register presented for audit was not properly maintained in that, it did not include assets in the categories of Land, Buildings, Computer Equipment, Computer Software, Plant and Equipment, Revenue Vehicles and Non-Revenue Vehicles.

QUALIFIED OPINION

7. In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects the financial position of the Public Transport Service Corporation as at 30th September 2009 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

SUBMISSION OF REPORT

8. This Report is being submitted to the Speaker of the House of Representatives, the President of the Senate and the Minister of Finance in accordance with the requirements of sections 116 and 119 of the Constitution of the Republic of Trinidad and Tobago.

**5th October, 2018
PORT OF SPAIN**

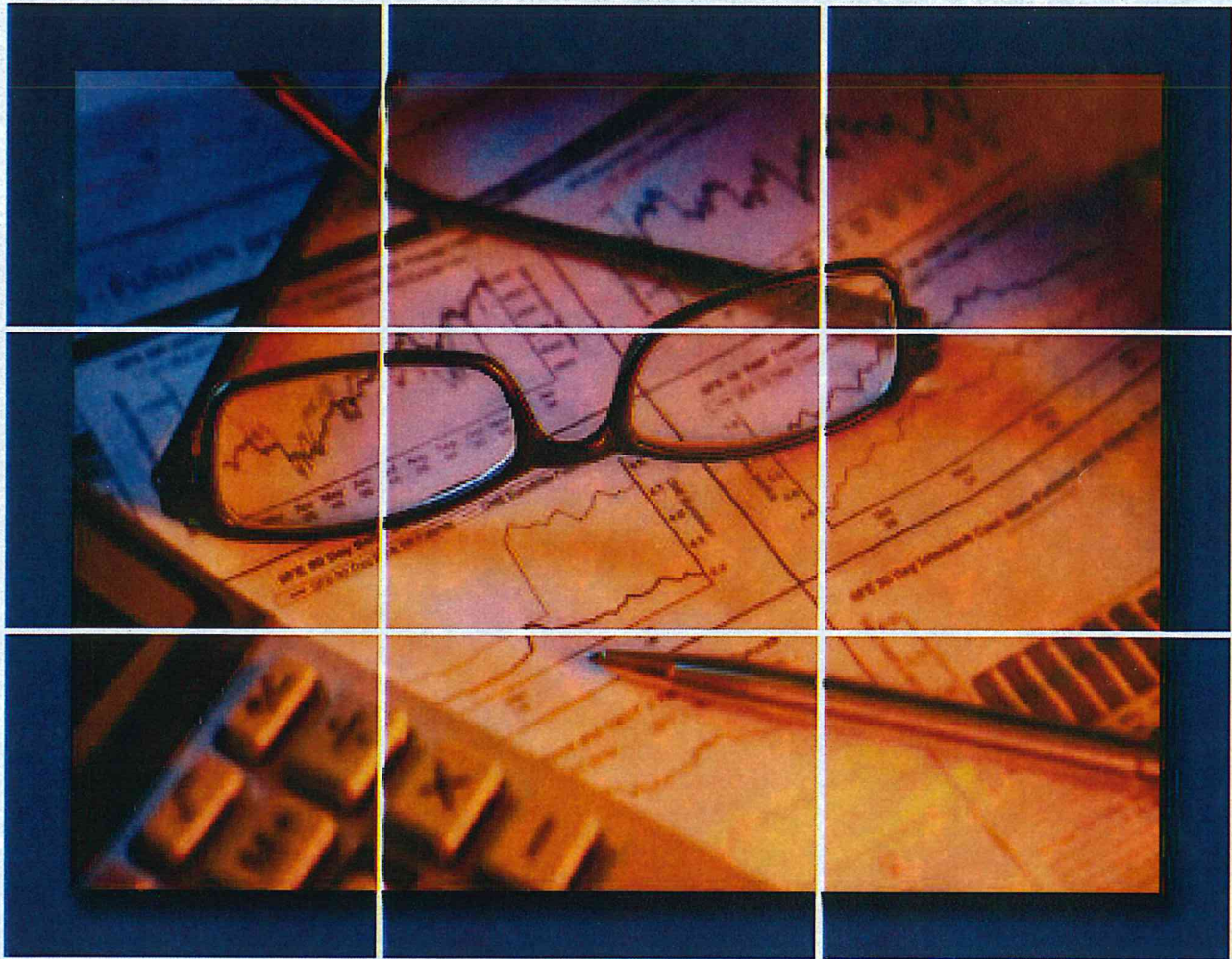


MAJ
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AUDITOR GENERAL**

CA
2018.10.05



PUBLIC TRANSPORT SERVICE CORPORATION



FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER 2009

**PUBLIC TRANSPORT SERVICE CORPORATION
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FOR THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER , 2009**

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**PUBLIC TRANSPORT SERVICE CORPORATION
STATEMENT OF FINANCIAL POSITION
AS AT 30TH SEPTEMBER, 2009**

ASSETS	NOTES	2009	2008
NON - CURRENT ASSETS			
PROPERTY PLANT AND EQUIPMENT	8	\$ 184,509,751	\$ 171,642,606
		<u>\$ 184,509,751</u>	<u>\$ 171,642,606</u>
CURRENT ASSETS			
INVENTORY	9	\$ 32,130,514	\$ 21,798,925
DEBTORS AND PREPAYMENTS	10	\$ 17,062,867	\$ 11,896,511
SHORT - TERM INVESTMENTS	11	\$ 22,073,328	\$ 17,824,031
CASH ON HAND AND AT BANK	12	\$ 3,985,991	\$ 1,444,590
		<u>\$ 75,252,699</u>	<u>\$ 52,964,057</u>
TOTAL ASSETS		<u>\$ 259,762,450</u>	<u>\$ 224,606,663</u>
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
REVALUATION RESERVE	13	\$ 7,181,390	\$ 7,181,390
ACCUMULATED DEFICIT		\$ (416,932,322)	\$ (417,651,488)
		<u>\$ (409,750,932)</u>	<u>\$ (410,470,098)</u>
NON - CURRENT LIABILITIES			
LOANS AND BONDS - LONG TERM PORTION	16	\$ 139,885,455	\$ 183,345,458
GOVERNMENT GRANTS	21	\$ 441,378,178	\$ 383,519,685
		<u>\$ 581,263,633</u>	<u>\$ 566,865,143</u>
CURRENT LIABILITIES			
BANK OVERDRAFT	14	\$ -	\$ -
CREDITORS AND ACCRUALS	15	\$ 38,352,277	\$ 22,740,559
LOANS AND BONDS - CURRENT PORTION	16	\$ 49,897,472	\$ 45,471,060
		<u>\$ 88,249,749</u>	<u>\$ 68,211,619</u>
TOTAL EQUITY AND LIABILITIES		<u>\$ 259,762,450</u>	<u>\$ 224,606,663</u>



[Signature]
VICE CHAIRMAN

[Signature]
GENERAL MANAGER - ADMINISTRATION

CHAIRMAN

The accompanying notes form an integral part of the financial statements.

**PUBLIC TRANSPORT SERVICE CORPORATION
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30TH SEPTEMBER , 2009**

	NOTES	2009	2008
OPERATING INCOME	3	\$ 99,261,632	\$ 92,150,700
COST OF OPERATIONS	4	\$ (155,247,448)	\$ (129,763,073)
GROSS PROFIT / (LOSS) ON OPERATIONS		\$ (55,985,816)	\$ (37,612,373)
GOVERNMENT GRANTS	20	\$ 133,065,613	\$ 113,817,677
OTHER INCOME	3	\$ 4,052,165	\$ 5,791,909
DISTRIBUTION EXPENSES	5	\$ (2,106,840)	\$ (3,177,448)
ADMINISTRATIVE EXPENSES	6	\$ (62,419,412)	\$ (64,656,041)
FINANCIAL COSTS	7	\$ (15,886,544)	\$ (17,352,026)
NET PROFIT / (LOSS) FOR THE YEAR		\$ 719,166	\$ (3,188,302)
OTHER COMPREHENSIVE INCOME :			
OTHER COMPREHENSIVE INCOME FOR THE YEAR		\$ -	\$ -
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		\$ 719,166	\$ (3,188,302)

The accompanying notes form an integral part of the financial statements.

**PUBLIC TRANSPORT SERVICE CORPORATION
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH SEPTEMBER , 2009**

	CAPITAL RESERVE	ACCUMULATED DEFICIT	SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 30TH SEPTEMBER , 2009			
BALANCE AS AT 1ST OCTOBER, 2008	\$ 7,181,390	\$ (417,651,488)	\$ (410,470,098)
PROFIT FOR THE YEAR		\$ 719,166	\$ 719,166
BALANCE AS AT 30TH SEPTEMBER , 2009	\$ 7,181,390	\$ (416,932,322)	\$ (409,750,932)
FOR THE YEAR ENDED 30TH SEPTEMBER , 2008			
BALANCE AS AT 1ST OCTOBER, 2007	\$ 7,181,390	\$ (414,463,186)	\$ (407,281,796)
PROFIT FOR THE YEAR		\$ (3,188,302)	\$ (3,188,302)
BALANCE AS AT 30TH SEPTEMBER , 2008	\$ 7,181,390	\$ (417,651,488)	\$ (410,470,098)

The accompanying notes form an integral part of the financial statements.

**PUBLIC TRANSPORT SERVICE CORPORATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH SEPTEMBER , 2009**

	2009	2008
OPERATING ACTIVITIES		
NET PROFIT FOR THE YEAR	\$ 719,166	\$ (3,188,302)
ADJUSTMENTS TO RECONCILE NET PROFIT AFTER TAX TO NET CASH PROVIDED :		
DEPRECIATION	\$ 29,297,982	\$ 25,268,754
PROFIT ON DISPOSAL OF VEHICLES	\$ -	\$ -
	<hr/>	<hr/>
	\$ 30,017,149	\$ 22,080,451
CHANGES IN WORKING CAPITAL		
NET CHANGE IN INVENTORY	\$ (10,331,589)	\$ (7,823,616)
NET CHANGE IN SHORT TERM INVESTMENTS	\$ (4,249,298)	\$ 12,885,093
NET CHANGE IN ACCOUNTS RECEIVABLE	\$ (5,166,356)	\$ (1,338,157)
NET CHANGE IN ACCOUNTS PAYABLE	\$ 15,611,718	\$ (5,986,630)
NET CHANGE IN GOVERNMENT GRANTS	\$ 57,858,493	\$ 63,717,259
	<hr/>	<hr/>
NET CASH FROM OPERATING ACTIVITIES	\$ 83,740,118	\$ 83,534,400
INVESTING ACTIVITIES		
PURCHASE OF FIXED ASSETS	\$ (42,165,127)	\$ (55,685,786)
	<hr/>	<hr/>
NET CASH USED IN INVESTING ACTIVITIES	\$ (42,165,127)	\$ (55,685,786)
FINANCING ACTIVITIES		
LOANS AND BONDS	\$ (39,033,591)	\$ (23,793,911)
CASH RECEIVED ON SALE OF VEHICLES	<hr/>	<hr/>
NET CASH PROVIDED FROM FINANCING ACTIVITIES	\$ (39,033,591)	\$ (23,793,911)
	<hr/>	<hr/>
NET (DECREASE) IN CASH AND CASH EQUIVALENTS	\$ 2,541,400	\$ 4,054,704
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	\$ 1,444,590	\$ (2,610,114)
	<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	\$ 3,985,991	\$ 1,444,590
	<hr/>	<hr/>
CASH ON HAND AND AT BANK	\$ 3,985,991	\$ 1,444,590
BANK OVERDRAFT	\$ -	\$ -
	<hr/>	<hr/>
	\$ 3,985,991	\$ 1,444,590
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The accompanying notes form an integral part of the financial statements.

**PUBLIC TRANSPORT SERVICE CORPORATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30TH SEPTEMBER , 2009**

1 INCORPORATION AND PRINCIPAL ACTIVITY

THE PUBLIC TRANSPORT SERVICE CORPORATION (PTSC) WAS INCORPORATED BY AN ACT OF PARLIAMENT NO. 11 OF 1965 TO OPERATE PUBLIC SERVICE VEHICLES SO AS TO ENSURE THE PROVISION OF A SAFE, ADEQUATE, ECONOMIC AND EFFICIENT PUBLIC TRANSPORT SYSTEM.

2 SIGNIFICANT ACCOUNTING POLICES

(a) BASIS OF ACCOUNTING :

THESE FINANCIAL STATEMENTS HAVE BEEN PREPARED UNDER THE HISTORICAL COST CONVENTION USING THE ACCRUALS BASIS AND NO ADJUSTMENT HAS BEEN TAKEN INTO ACCOUNT FOR THE EFFECTS OF INFLATION. THE FINANCIAL STATEMENTS HAVE BEEN PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS.

(b) FOREIGN CURRENCY TRANSACTIONS :

FOREIGN CURRENCY TRANSACTIONS ARE TRANSLATED INTO THE MEASUREMENT CURRENCY USING THE EXCHANGE RATE PREVAILING AT THE DATES OF THE TRANSACTIONS. FOREIGN EXCHANGE GAINS AND LOSSES RESULTING FROM THE SETTLEMENT OF SUCH TRANSACTIONS ARE RECOGNIZED IN THE STATEMENT OF INCOME.

(c) CASH AND CASH EQUIVALENTS :

CASH AND CASH EQUIVALENTS ARE CARRIED IN THE BALANCE SHEET AT COST. FOR THE PURPOSE OF THE CASH FLOW STATEMENT, CASH AND CASH EQUIVALENTS COMPRISE BALANCES HELD AS CASH ON HAND AND AT BANK.

(d) FIXED ASSETS AND DEPRECIATION :

LANDS AND BUILDINGS OWNED BY THE CORPORATION ON THE 31ST DECEMBER, 1973 ARE SHOWN AT THEIR VALUATION AS AT THAT DATE. SUBSEQUENT ADDITIONS TO LANDS AND BUILDING AND OTHER FIXED ASSETS ARE VALUED AT COST.

RENEWALS, IMPROVEMENTS AND MAJOR REPAIRS THAT MATERIALLY EXTEND THE LIFE OF PROPERTY, PLANT AND EQUIPMENT ARE CAPITALIZED, WHILE MAJOR MAINTENANCE, REPAIRS AND IMPROVEMENTS ARE CHARGED TO INCOME AS INCURRED.

DEPRECIATION IS PROVIDED FOR ON A STRAIGHT LINE BASIS DESIGNED TO WRITE - OFF THE ASSETS' COSTS OVER THEIR ESTIMATED USEFUL ECONOMIC LIVES AS FOLLOWS :

BUILDINGS	5%	FURNITURE AND FITTINGS	15%
PLANT, MACHINERY AND EQUIPMENT	15%	AIR CONDITION EQUIPMENT	15%
REVENUE VEHICLES	12.50%	COMPUTER EQUIPMENT	33.33%
NON-REVENUE VEHICLES	25%	COMPUTER SOFTWARE	33.33%

(e) INVENTORIES :

INVENTORIES ARE VALUED AT THE LOWER OF COST AND NET REALIZABLE VALUE . THE INVENTORY ITEMS ARE VALUED USING FIRST IN FIRST OUT BASIS.

(f) FINANCIAL INSTRUMENTS :

FINANCIAL INSTRUMENTS CARRIED ON THE BALANCE SHEET INCLUDE CASH AND BANK BALANCES, RECEIVABLES AND PAYABLES. THE PARTICULAR RECOGNITION METHODS ADOPTED ARE DISCLOSED IN THE INDIVIDUAL POLICY STATEMENTS ASSOCIATED WITH EACH ITEM.

**PUBLIC TRANSPORT SERVICE CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER , 2009**

2 SIGNIFICANT ACCOUNTING POLICES (CONTINUED)

(g) BORROWING COSTS :

BORROWING COSTS DIRECTLY ATTRIBUTABLE TO THE ACQUISITION, CONSTRUCTION OR PRODUCTION OF QUALIFYING ASSETS, WHICH ARE ASSETS THAT NECESSARILY TAKE A SUBSTANTIAL PERIOD OF TIME TO GET READY FOR THEIR INTENDED USE OR SALE, ARE ADDED TO THE COST OF THOSE ASSETS, UNTIL SUCH TIME AS THE ASSETS ARE SUBSTANTIALLY READY FOR THEIR INTENDED USE.

INVESTMENT INCOME EARNED ON THE TEMPORARY INVESTMENT OF SPECIFIC BORROWINGS PENDING THEIR EXPENDITURE ON QUALIFYING ASSETS IS DEDUCTED FROM THE BORROWING COSTS ELIGIBLE FOR CAPITALIZATION.

ALL OTHER BORROWING COSTS ARE RECOGNIZED IN THE STATEMENT OF INCOME IN THE PERIOD IN WHICH THEY ARE INCURRED.

(h) GOVERNMENT GRANTS :

GOVERNMENT GRANTS ARE RECOGNIZED AS INCOME OVER THE PERIODS NECESSARY TO MATCH THEM WITH RELATED COSTS WHICH THEY ARE INTENDED TO COMPENSATE, ON A SYSTEMATIC BASIS.

GOVERNMENT GRANTS RELATED TO ASSETS AND CAPITAL EXPENDITURE ARE PRESENTED AS DEFERRED INCOME ON THE BALANCE SHEET AND THEN TRANSFERRED TO THE INCOME STATEMENT WHEN THE RELATED EXPENDITURE IS RECOGNIZED.

GOVERNMENT GRANTS RELATED TO RECURRENT EXPENDITURE ARE PRESENTED AS GOVERNMENT GRANTS ON THE INCOME STATEMENT WHEN THE RELATED EXPENDITURE IS RECOGNIZED.

(i) BONDS :

THESE ARE STATED AT PRINCIPAL OUTSTANDING. INTEREST IS ACCRUED ON THE OUTSTANDING BALANCE .

(j) REVENUE RECOGNITION :

REVENUE FROM THE PROVISION OF SERVICES, GOODS AND DISPOSAL OF OTHER ASSETS, IS RECOGNIZED WHEN PTSC HAS PROVIDED THE SERVICES, GOODS OR OTHER ASSETS TO THE CUSTOMER . SUCH REVENUE IS RECOGNIZED AND REPORTED IN THE PERIOD TO WHICH IT RELATES. INCOME IS RECOGNIZED AT THE POINT OF TICKET SALE.

(k) TAXATION :

TAXATION HAS NOT BEEN PROVIDED FOR IN THE FINANCIAL STATEMENTS . SECTION 45 OF THE PUBLIC TRANSPORT SERVICE ACT STATES THAT "THE PRESIDENT MAY BY ORDER EXEMPT THE CORPORATION IN WHOLE OR IN PART FROM PAYMENT OF ANY TAX IMPOSED BY OR UNDER ANY WRITTEN LAW". SECTION 3A SUB SECTION (2) D OF THE FINANCE ACT OF 1998 STATES THAT THE PUBLIC TRANSPORT SERVICE CORPORATION IS EXEMPTED FROM THE PAYMENT OF BUSINESS LEVY. THE CORPORATION IS REGISTERED FOR VALUE ADDED TAX AND GENERALLY RECEIVES VAT REFUNDS AS BUS TRAVEL IS TREATED AS A ZERO RATED SERVICE.

PUBLIC TRANSPORT SERVICE CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER, 2009
(continued)

3 REVENUE	2009	2008
OPERATING REVENUE		
CITY SERVICE - PORT OF SPAIN	\$ 103,559	\$ 276,849
CITY SERVICE - SAN FERNANDO	\$ 393,585	\$ 416,339
KNOW YOUR COUNTRY TOURS	\$ 28,575	\$ 98,991
MAXI FACILITY USER FEE	\$ 640,559	\$ 279,554
MAXI TAXI INSPECTION FEES	\$ 43,970	\$ 48,250
MAXI TAXI FEES - TRINIDAD	\$ 34,086,621	\$ 36,256,387
MAXI TAXI FEES - TOBAGO	\$ 3,974,055	\$ 3,966,384
MINISTRY OF EDUCATION- SCHOOL BUS SERVICE	\$ 14,887,701	\$ 12,973,236
MINISTRY OF SOCIAL DEVELOPMENT- PENSIONERS	\$ 5,130,000	\$ 5,130,000
MONTHLY TRAVEL	\$ 233,375	\$ 217,290
RURAL TRANSPORT SERVICE	\$ 3,615,073	\$ 4,229,334
SALE OF TICKETS	\$ 23,397,291	\$ 20,447,824
SPECIAL EVENTS, TOURS & CHARTERS - TRINIDAD	\$ 12,684,209	\$ 7,734,790
SPECIAL EVENTS, TOURS & CHARTERS - TOBAGO	\$ 43,060	\$ 75,472
	<hr/>	<hr/>
	\$ 99,261,632	\$ 92,150,700
	<hr/>	<hr/>
OTHER INCOME		
BANK INTEREST	\$ 1,462,203	\$ 2,018,015
BILLBOARD AND WALL ADVERTISEMENTS	\$ 765,874	\$ 942,017
CAR PARK	\$ -	\$ 27,381
COMMERCIAL SERVICES	\$ -	\$ 6,406
CONCESSIONAIRE BOOTHS	\$ 1,454,208	\$ 2,238,217
DIFFERENTLY ABLED	\$ 2,307	\$ 4,020
DISTRIBUTION FEES	\$ 20,756	\$ 20,756
INSURANCE CLAIMS	\$ 16,405	\$ 25,094
MOBILE ADVERTISING	\$ -	\$ 156,000
MISCELLANEOUS - TOBAGO	\$ -	\$ -
MISCELLANEOUS - TRINIDAD	\$ 12,857	\$ 26,128
PUBLIC SERVICE VEHICLE LICENSE FEE	\$ 39,000	\$ 39,000
SALE OF ASSETS	\$ 40,596	\$ (91,552)
PROFIT ON DISPOSAL OF VEHICLES	\$ -	\$ 92,502
SALE OF ASSETS - TOBAGO	\$ -	\$ 2,000.00
SHORT TERM RENTAL	\$ 15,490	\$ 13,838
TENANCY CONTRACTS	\$ 18,137	\$ 22,302
TRAINING SERVICES	\$ 204,334	\$ 249,786
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	\$ 4,052,165	\$ 5,791,909
	<hr/>	<hr/>
TOTAL INCOME	<hr/> \$ 103,313,797 <hr/>	<hr/> \$ 97,942,609 <hr/>

PUBLIC TRANSPORT SERVICE CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER, 2009
(continued)

	2009	2008
4 COST OF OPERATIONS		
DEPRECIATION	\$ 27,305,960	\$ 23,271,741
FUEL AND OIL	\$ 8,987,164	\$ 6,953,957
INSURANCE	\$ 4,961,409	\$ 3,810,495
MAXI TAXI DIRECT EXPENSES	\$ 29,513,397	\$ 30,143,640
REPAIRS AND MAINTENANCE	\$ 20,807,756	\$ 18,365,785
SALARIES AND WAGES	\$ 62,581,748	\$ 46,675,843
TICKETS	\$ 428,263	\$ 528,011
UNIFORMS	\$ 661,751	\$ 13,603
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	\$ 155,247,448	\$ 129,763,073
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5 DISTRIBUTION EXPENSES		
ADVERTISING AND PROMOTIONS	\$ 364,964	\$ 547,760
BAD DEBTS	\$ 375,000	\$ 1,164,823
DONATIONS	\$ 114,290	\$ 145,840
MOTOR VEHICLES EXPENSE	\$ 157,935	\$ 94,579
TRAVELING	\$ 1,094,650	\$ 1,224,446
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	\$ 2,106,840	\$ 3,177,448
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6 ADMINISTRATIVE EXPENSES		
AUDIT FEES	\$ 120,000	\$ 120,000
DEPRECIATION EXPENSE	\$ 1,992,022	\$ 1,997,013
DIRECTORS' FEES AND EXPENSES	\$ 833,400	\$ 851,471
ELECTRICITY	\$ 1,528,786	\$ 1,329,196
FREIGHT	\$ 1,107,160	\$ 1,461,247
INSURANCE	\$ 1,210,106	\$ 1,112,076
LAND AND BUILDING TAXES	\$ 324,063	\$ 313,543
MAXI TAXI USER FEE	\$ 138,256	\$ 69,627
OFFICE EXPENSES	\$ 957,995	\$ 916,697
PENSIONS	\$ 6,203,082	\$ 6,428,406
PROFESSIONAL AND LEGAL FEES	\$ 6,223,224	\$ 7,014,822
RENT	\$ 949,349	\$ 599,199
REPAIRS	\$ 3,719,298	\$ 6,566,155
SALARIES AND WAGES	\$ 20,630,446	\$ 22,721,351
SECURITY	\$ 11,996,700	\$ 9,148,345
SEVERANCE	\$ 3,041,465	\$ 2,186,128
STATIONERY	\$ 206,065	\$ 351,161
TELEPHONE	\$ 792,087	\$ 721,242
TRAINING	\$ 359,035	\$ 627,923
WATER RATES	\$ 86,873	\$ 120,438
	<hr/>	<hr/>
	\$ 62,419,412	\$ 64,656,041
	<hr/>	<hr/>
7 FINANCE COST		
BANK CHARGES	\$ 31,275	\$ 37,020
LOAN AND BOND INTEREST	\$ 15,845,206	\$ 17,281,035
OVERDRAFT INTEREST	\$ 10,063	\$ 33,971
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	\$ 15,886,544	\$ 17,352,026
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PUBLIC TRANSPORT SERVICE CORPORATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30TH SEPTEMBER, 2009
 (continued)

8 PROPERTY, PLANT AND EQUIPMENT

	LAND	BUILDINGS	PLANT & EQUIPMENT	REVENUE VEHICLES	NON-REVENUE VEHICLES	FURNITURE & FITTINGS	TOTAL
ORIGINAL COST							
COST AT 30/09/2007	\$ 23,617,393	\$ 79,061,984	\$ 20,394,463	\$ 364,841,767	\$ 3,247,582	\$ 7,057,391	\$ 498,220,581
ADDITIONS	\$ -	\$ 5,321,721	\$ 1,697,571	\$ 34,923,994	\$ -	\$ 221,840	\$ 42,165,127
DISPOSALS							\$ -
COST AT 30/09/2008	\$ 23,617,393	\$ 84,383,705	\$ 22,092,034	\$ 399,765,761	\$ 3,247,582	\$ 7,279,232	\$ 540,385,707
ACCUMULATED DEPRECIATION							
BALANCE B/F 30/09/2007	\$ -	\$ (74,709,965)	\$ (16,880,070)	\$ (225,703,839)	\$ (2,841,705)	\$ (6,442,396)	\$ (326,577,974)
CHARGE FOR THE PERIOD	\$ -	\$ (274,708)	\$ (1,428,779)	\$ (27,305,960)	\$ (109,919)	\$ (178,617)	\$ (29,297,982)
DISPOSALS							\$ -
BALANCE C/F 30/09/2008	\$ -	\$ (74,984,673)	\$ (18,308,849)	\$ (253,009,799)	\$ (2,951,624)	\$ (6,621,012)	\$ (355,875,957)
NET BOOK VALUE							
AS AT 30/09/2008	\$ 23,617,393	\$ 9,399,032	\$ 3,783,186	\$ 146,755,962	\$ 295,959	\$ 658,220	\$ 184,509,751
AS AT 30/09/2007	\$ 23,617,393	\$ 4,352,019	\$ 3,514,393	\$ 139,137,928	\$ 405,878	\$ 614,996	\$ 171,642,606

PUBLIC TRANSPORT SERVICE CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER, 2009
(continued)

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	2009	2008
9 INVENTORY		
OIL STOCK	\$ 345,031	\$ 124,209
FUEL STOCK	\$ 146,444	\$ 204,529
TRADER TICKETS	\$ 266,317	\$ 63,567
TIRES	\$ 1,587,253	\$ 1,344,830
SPARES	\$ 29,240,437	\$ 20,038,591
MATERIALS	\$ 545,031	\$ 23,199
	<hr/>	<hr/>
	\$ 32,130,514	\$ 21,798,925
	<hr/> <hr/>	<hr/> <hr/>
10 DEBTORS AND PREPAYMENTS		
TRADE DEBTORS	\$ 19,232,040	\$ 14,208,120
PROVISION FOR BAD DEBTS	\$ (9,638,201)	\$ (9,206,951)
PREPAYMENTS	\$ 1,580,910	\$ 572,053
EMPLOYEE LOANS	\$ 385,465	\$ 409,631
VAT	\$ 5,502,652	\$ 5,913,657
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	\$ 17,062,867	\$ 11,896,511
	<hr/>	<hr/>
11 SHORT-TERM INVESTMENTS		
REPUBLIC BANK LIMITED	\$ 4,316,191	\$ 4,000,905
UNIT TRUST CORPORATION	\$ 17,757,137	\$ 13,823,126
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	\$ 22,073,328	\$ 17,824,031
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12 CASH ON HAND AND AT BANK		
PETTY CASH FLOATS	\$ 21,200	\$ 21,200
REPUBLIC BANK LIMITED	\$ 988,639	\$ 1,280,147
FIRST CITIZEN'S BANK LIMITED	\$ 2,976,152	\$ 143,243
	<hr/>	<hr/>
	\$ 3,985,991	\$ 1,444,590
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PUBLIC TRANSPORT SERVICE CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER, 2009
(continued)

	2009	2008
13 REVALUATION RESERVE		
REVALUATION RESERVE	\$ 7,181,390	\$ 7,181,390
	<u>7,181,390</u>	<u>7,181,390</u>
	<u>\$ 7,181,390</u>	<u>\$ 7,181,390</u>

THIS REPRESENTS THE CAPITALISATION OF THE GAIN ARISING FROM THE REVALUATION OF THE CORPORATION'S LAND AND BUILDINGS AS AT 31ST DECEMBER, 1973.

14 BANK OVERDRAFT		
REPUBLIC BANK LIMITED	\$ -	\$ -
FIRST CITIZEN'S BANK LIMITED	\$ -	\$ -
	<u>-</u>	<u>-</u>
	<u>\$ -</u>	<u>\$ -</u>

15 CREDITORS		
TRADE CREDITORS	\$ 4,636,095	\$ 3,033,604
STATUTORY DEDUCTIONS	\$ 1,103,254	\$ 946,104
ACCRUALS	\$ 32,612,928	\$ 18,760,851
	<u>38,352,277</u>	<u>22,740,559</u>
	<u>\$ 38,352,277</u>	<u>\$ 22,740,559</u>

PUBLIC TRANSPORT SERVICE CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER, 2009
(continued)

		2009	2008
16 LOANS AND BONDS			
BONDS			
1	CITICORP TT \$40 MILLION BOND ISSUE	\$ 1,176,471	\$ 3,529,412
2	FINCOR TT \$75.3 MILLION BOND ISSUE	\$ 21,224,303	\$ 26,530,383
3	CITICORP TT \$130.1 MILLION BOND ISSUE	\$ 45,258,318	\$ 49,568,634
4	FINCOR TT \$42 MILLION BOND ISSUE	\$ -	\$ 5,826,940
5	FCB LTD. TT \$20 MILLION BOND ISSUE	\$ -	\$ -
6	FCB LTD. TT \$93.6 MILLION BOND ISSUE	\$ 68,673,210	\$ 74,916,229
TOTAL BONDS		\$ 136,332,301	\$ 160,371,598
LOANS			
7	FIRST CITIZEN'S BANK LIMITED - 25 MILLION	\$ (0)	\$ 1,785,714
8	FIRST CITIZEN'S BANK LIMITED - 66 MILLION	\$ 39,625,740	\$ 52,834,320
9	REPUBLIC BANK LIMITED - 14 MILLION	\$ 13,824,886	\$ 13,824,886
TOTAL LOANS		\$ 53,450,626	\$ 68,444,920
TOTAL LOANS AND BONDS		\$ 189,782,927	\$ 228,816,518
CURRENT - PORTION		\$ 49,897,472	\$ 45,471,060
LONG TERM PORTION		\$ 139,885,455	\$ 183,345,458

1 THE PTSC BORROWED TT **\$40 MILLION** UNDER GOVERNMENT GUARANTEE FROM CITIBANK TRINIDAD AND TOBAGO LIMITED. THE ARRANGEMENT INVOLVED THE ISSUE AND SALE OF FLOATING AND FIXED RATE BONDS 1989 - 2009. THE FULL AMOUNT OF THIS LOAN HAS BEEN DRAWN DOWN. INTEREST PAYMENTS ARE SEMI-ANNUAL, DUE IN APRIL 5 AND OCTOBER 5 EACH YEAR. THE PRINCIPAL IS PAYABLE IN THIRTY-FOUR SEMI-ANNUAL PAYMENTS OF \$1,176,470 FROM APRIL 1993. THIS BOND WAS TAKEN TO FINANCE THE RETRENCHMENT OF STAFF IN 1990.

2 THE PTSC BORROWED TT **\$75.3 MILLION** UNDER GOVERNMENT GUARANTEE FROM REPUBLIC FINANCE AND MERCHANT LIMITED. THE ARRANGEMENT INVOLVED THE ISSUE AND SALE OF FLOATING AND FIXED RATE BONDS 1993 - 2013. THE FULL AMOUNT OF THIS LOAN HAS BEEN DRAWN DOWN AND THE ISSUE DATE WAS MAY 18TH 1993. DURING THE FIRST TWO YEARS OF ISSUE, INTEREST WAS ACCRUED AND ADDED TO THE PRINCIPAL IN MAY 1995. INTEREST PAYMENTS ARE SEMI-ANNUAL, DUE IN MAY AND NOVEMBER EACH YEAR. THE PRINCIPAL IS PAYABLE IN THIRTY-SIX SEMI-ANNUAL PAYMENTS OF \$2,653,040 FROM NOVEMBER 1995. THIS BOND WAS TAKEN TO FINANCE THE VESP PACKAGE OFFERED TO STAFF IN 1993.

PUBLIC TRANSPORT SERVICE CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER , 2009
(continued)

16 LOANS AND BONDS
(continued)

- 3 THE PTSC BORROWED TT **\$130.1 MILLION** UNDER GOVERNMENT GUARANTEE FROM REPUBLIC FINANCE AND MERCHANT LIMITED. THE ARRANGEMENT INVOLVED THE ISSUE AND SALE OF FLOATING AND FIXED RATE BONDS 1994 - 2019. THE FULL AMOUNT OF THIS LOAN HAS BEEN DRAWN DOWN AND THE ISSUE DATE WAS DECEMBER 21ST 1994. DURING THE FIRST THREE YEARS OF ISSUE, INTEREST WAS ACCRUED AND ADDED TO THE PRINCIPAL IN JUNE 1998 THE PRINCIPAL AND CAPITALIZED INTEREST WOULD BE REPAYED. INTEREST PAYMENTS ARE SEMI-ANNUAL , DUE IN JUNE AND DECEMBER EACH YEAR. THE PRINCIPAL IS PAYABLE IN FORTY-FOUR SEMI-ANNUAL PAYMENTS OF \$2,155,158 FROM JUNE 1998. THIS BOND WAS TAKEN TO FINANCE THE VESP PACKAGE OFFERED TO STAFF IN 1994.

- 4 THE PTSC BORROWED TT **\$42 MILLION** UNDER GOVERNMENT GUARANTEE FROM REPUBLIC FINANCE AND MERCHANT LIMITED. THE ARRANGEMENT INVOLVED THE ISSUE AND SALE OF FLOATING AND FIXED RATE BONDS 1999 - 2009. THE FULL AMOUNT OF THIS LOAN HAS BEEN DRAWN DOWN . DURING THE FIRST TWO YEARS OF ISSUE, INTEREST WAS ACCRUED AND ADDED TO THE PRINCIPAL IN NOVEMBER 1999 THE PRINCIPAL AND CAPITALIZED INTEREST WOULD BE REPAYED. INTEREST PAYMENTS ARE SEMI-ANNUAL . THE PRINCIPAL IS PAYABLE FROM MAY 2001. THIS BOND WAS TAKEN TO PURCHASE BUSES.

- 5 THE PTSC BORROWED TT **\$20 MILLION** UNDER GOVERNMENT GUARANTEE FROM FIRST CITIZENS BANK LIMITED. THE ARRANGEMENT INVOLVED THE ISSUE AND SALE OF FLOATING RATE BONDS 2002 - 2007. THE FULL AMOUNT OF THIS LOAN HAS BEEN DRAWN DOWN AND THE ISSUE DATE WAS OCTOBER 9TH 2002. DURING THE FIRST YEAR OF ISSUE, INTEREST WAS ACCRUED AND ADDED TO THE PRINCIPAL IN APRIL 2003 THE PRINCIPAL AND CAPITALIZED INTEREST WOULD BE REPAYED. INTEREST PAYMENTS ARE SEMI-ANNUAL , DUE IN APRIL AND OCTOBER EACH YEAR. THE PRINCIPAL IS PAYABLE IN NINE SEMI-ANNUAL PAYMENTS OF \$2,325,826 FROM OCTOBER 2003. THIS BOND WAS TAKEN TO FINANCE THE OVERDRAFT.

- 6 THE PTSC BORROWED TT **\$93 MILLION** UNDER GOVERNMENT GUARANTEE FROM FIRST CITIZENS BANK LIMITED. THE ARRANGEMENT INVOLVED THE ISSUE AND SALE OF FIXED RATE BONDS 2005 - 2020. THE FULL AMOUNT OF THIS BOND HAS BEEN DRAWN DOWN AND THE ISSUE DATE WAS APRIL 29TH 2005. INTEREST PAYMENTS ARE SEMI-ANNUAL , DUE IN APRIL AND OCTOBER EACH YEAR. THE PRINCIPAL IS PAYABLE IN THIRTY SEMI-ANNUAL PAYMENTS OF \$3,121,509 FROM OCTOBER 2005. THE ANNUAL INTEREST RATE IS 5.95%. THIS BOND WAS TAKEN TO REFINANCE THE FIXED PORTION OF THE 130 MILLION DOLLAR BOND AND TO PAY OUTSTANDING CREDITORS.

PUBLIC TRANSPORT SERVICE CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER , 2009
(continued)

16 LOANS AND BONDS
(continued)

- 7 THIS LOAN OF TT **25 MILLION** WAS GRANTED BY FIRST CITIZENS' BANK TRUST AND MERCHANT BANK LIMITED . IT IS REPAYABLE OVER 8 YEARS AND IT BEARS INTEREST AT 12.75% PER ANNUM. THIS LOAN IS TO BE REPAYED BY SEMI-ANNUAL INSTALLMENTS OF \$1,785,714.29 EXCLUSIVE OF INTEREST. THIS LOAN WAS TAKEN TO REFINANCE THE OUTSTANDING OVERDRAFT.
- 8 THIS LOAN OF TT **66.6 MILLION** WAS GRANTED BY FIRST CITIZENS' BANK LIMITED . IT IS REPAYABLE OVER 5 YEARS AND IT BEARS INTEREST AT 8% PER ANNUM. THIS LOAN IS TO BE REPAYED BY SEMI-ANNUAL INSTALLMENTS OF \$6,604,290.00 EXCLUSIVE OF INTEREST. THIS LOAN WAS TAKEN TO PURCHASE FIFTY BUSES.
- 9 THIS LOAN OF TT **14 MILLION** WAS GRANTED BY REPUBLIC BANK LIMITED . IT IS REPAYABLE AFTER 1 YEAR AND IT BEARS INTEREST AT 8.75% PER ANNUM. THIS INTEREST IS PAID SEMI-ANNUALLY . THIS LOAN WAS TAKEN TO PURCHASE TWENTY - FIVE BUSES.

17 CONTINGENT LIABILITIES AND COMMITMENTS

AT THE YEAR END , THE CORPORATION HAD CONTINGENT LIABILITIES OF \$5.14 MILLION (\$6.08M 2008) ARISING IN THE ORDINARY COURSE OF BUSINESS.

18 TAXATION

TAXATION HAS NOT BEEN PROVIDED FOR IN THE FINANCIAL STATEMENTS . SECTION 45 OF THE PUBLIC TRANSPORT SERVICE ACT STATES THAT "THE PRESIDENT MAY BY ORDER EXEMPT THE CORPORATION IN WHOLE OR IN PART FROM PAYMENT OF ANY TAX IMPOSED BY OR UNDER ANY WRITTEN LAW".

SECTION 3A SUB SECTION (2) D OF THE FINANCE ACT OF 1998 STATES THAT THE PUBLIC TRANSPORT SERVICE CORPORATION IS EXEMPTED FROM THE PAYMENT OF BUSINESS LEVY.

PUBLIC TRANSPORT SERVICE CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER , 2009
(continued)

19 GOVERNMENT GRANTS RECEIVED	2009	2008
ACQUISITION OF BUSES	\$ 45,000,000	\$ 30,000,000
ADVERTISING AND PROMOTIONS	\$ 300,000	\$ -
PSIP- CONSTRUCTION PROJECTS	\$ 4,090,106	\$ 8,900,000
ARREARS OF WAGES	\$ 3,497,210	\$ 3,000,000
CONTRACT EMPLOYMENT FEES	\$ -	\$ 14,490,000
FLEET MAINTENANCE	\$ 2,525,000	\$ 600,000
IT DEVELOPMENT PROJECT	\$ 32,150,000	\$ 23,900,000
LAND & BUILDING TAXES	\$ 1,000,000	\$ 1,100,000
LOANS AND BONDS - 20M BOND	\$ -	\$ 375,000
LOANS AND BONDS - CITICORP 130.1M 06/21	\$ -	\$ 2,434,856
LOANS AND BONDS - CITICORP 40M BOND 04/03	\$ 7,857,100	\$ 8,470,624
LOANS AND BONDS - FCB 25M LOAN 05/15	\$ 2,702,665	\$ 2,970,867
LOANS AND BONDS - FINCOR 42M BOND 05/15	\$ 1,899,865	\$ 4,140,937
LOANS AND BONDS - FINCOR 75.3M BOND 05/15	\$ 6,319,932	\$ 6,978,275
LOANS AND BONDS - FCB 93.645 M BOND	\$ 7,470,080	\$ 7,830,646
LOANS AND BONDS - FCB 66 M LOAN	\$ 10,607,924	\$ 10,992,106
MAXI TAXI SUPPORT	\$ 17,228,392	\$ 17,923,613
MINOR EQUIPMENT-P-12/13	\$ 2,711,832	\$ 3,190,017
OSHA	\$ -	\$ 5,400,000
OTHER CONTRACTED SERVICES	\$ -	\$ -
PENSIONS	\$ 19,590,000	\$ 2,450,000
REFURBISHMENT OF BUILDING	\$ 5,900,000	\$ 6,100,000
SECURITY	\$ -	\$ -
SEVERANCE	\$ 7,234,000	\$ 8,150,000
TTEC	\$ 1,800,000	\$ 2,385,000
INSURANCE	\$ 1,240,000	\$ 352,996
TRAINING	\$ 9,300,000	\$ 5,000,000
	\$ 500,000	\$ 400,000
TOTAL	\$ 190,924,106	\$ 177,534,937

PUBLIC TRANSPORT SERVICE CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER , 2009
(continued)

20 GOVERNMENT GRANTS RECOGNIZED AS INCOME

2009

2008

OPERATIONAL EXPENSES FUNDED BY GOVERNMENT GRANTS:

ADVERTISING AND PROMOTIONS	\$ 300,000	\$ -
PSIP- CONSTRUCTION PROJECTS	\$ -	\$ -
ARREARS OF WAGES	\$ 3,497,210	\$ 3,000,000
CONTRACT EMPLOYMENT	\$ -	\$ 14,490,000
FEES	\$ 2,525,000	\$ 600,000
FLEET MAINTENANCE	\$ 32,150,000	\$ 23,900,000
LAND & BUILDING TAXES	\$ -	\$ 375,000
MAXI TAXI SUPPORT	\$ 2,711,832	\$ 3,190,017
OSHA	\$ -	\$ -
OTHER CONTRACTED SERVICES	\$ 19,590,000	\$ 2,450,000
PAYE	\$ -	\$ -
PENSIONS	\$ 5,900,000	\$ 6,100,000
PREPARATION OF ACCOUNTS	\$ -	\$ -
REFURBISHMENT OF BUILDING	\$ -	\$ -
SECURITY	\$ 7,234,000	\$ 8,150,000
SEVERANCE	\$ 1,800,000	\$ 2,385,000
STRATEGIC PLAN	\$ -	\$ -
TTEC	\$ 1,240,000	\$ 352,996
INSURANCE	\$ 9,300,000	\$ 5,000,000
TRANSFORMATION	\$ -	\$ -
TRAINING	\$ 500,000	\$ 400,000

TOTAL - RECURRENT AMOUNT	<u>\$ 86,748,042</u>	<u>\$ 70,393,013</u>
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CAPITAL PORTION OF GRANTS EXPENSED IN THIS PERIOD :

DEPRECIATION	\$ 30,472,364	\$ 26,143,630
LOAN AND BOND INTEREST	\$ 15,845,206	\$ 17,281,035
TOTAL - CAPITAL PORTION	<u>\$ 46,317,571</u>	<u>\$ 43,424,665</u>

TOTAL GOVERNMENT GRANTS RECOGNIZED AS INCOME	<u><u>\$ 133,065,613</u></u>	<u><u>\$ 113,817,678</u></u>
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21 GOVERNMENT GRANTS

BALANCE BROUGHT FORWARD	\$ 383,519,685	\$ 319,802,426
ADD AMOUNTS RECEIVED	\$ 190,924,106	\$ 177,534,937
LESS AMOUNTS TRANSFERRED TO INCOME	\$ (133,065,613)	\$ (113,817,678)
BALANCE CARRIED FORWARD	<u><u>\$ 441,378,178</u></u>	<u><u>\$ 383,519,685</u></u>