



## **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 2011**

The accompanying Financial Statements of the Public Transport Service Corporation for the year ended 30th September 2011 have been audited. The Statements comprise a Statement of Financial Position as at 30th September 2011, a Statement of Comprehensive Income, a Statement of Changes in Equity and a Statement of Cash Flow for the year ended 30th September 2011 and Notes to the Financial Statements numbered 1 to 21.

### **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 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 which 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 my qualified audit opinion.

## **BASIS FOR QUALIFIED OPINION**

### **PROPERTY, PLANT AND EQUIPMENT \$201,214,109.00**

6. International Accounting Standard 16 requires that an entity use the cost model or revaluation model as its accounting policy which shall be applied to an entire class of property, plant and equipment. In addition the Standard states that after recognition as an asset, an item of property, plant and equipment whose fair value can be measured reliably shall be carried at a revalued amount. The carrying amount of Land and Buildings shown at Note 8 to the financial statements includes valuation and cost measurements. The valuations are dated back to the year 1973. Note 2 (d) to the financial statements is relevant.

### **DEPRECIATION \$3,200,356.00**

7. The depreciation charge reflected in the Financial Statements and the General Ledger exceed the figure in the Fixed Asset Register by \$971,791.00.

7.1 Depreciation charged on the acquisition of Revenue Vehicles during year ended 30<sup>th</sup> September, 2010 was not calculated in accordance with the Corporation's depreciation policy.

### **CREDITORS AND ACCRUALS \$102,050,628.00**

8. There was a difference of \$1,531,146.00 between the Loan schedule figure of \$41,300,000.00 and the General Ledger figure of \$42,831,146.00 for account #505-00-00-000P.

### **DOCUMENTS NOT PRODUCED**

9. General Journals and supporting documents with a value of \$5,472,925.00 were not provided for verification.

## **QUALIFIED OPINION**


10. In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraphs 6 to 9 above, the Financial Statements present fairly, in all material respects, the financial position of the Public Transport Service Corporation as at 30<sup>th</sup> September, 2011 and its financial performance and cash flows for the year ended 30<sup>th</sup> September, 2011 in accordance with International Financial Reporting Standards.

**SUBMISSION OF REPORT**

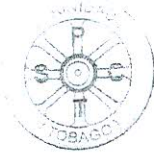
11. This Report is being submitted to the Speaker of the House of Representatives, the President of the Senate and the Minister of Finance in accordance with the provisions of sections 116 and 119 of the Constitution of the Republic of Trinidad and Tobago.

**29<sup>TH</sup> JANUARY, 2019  
PORT OF SPAIN**

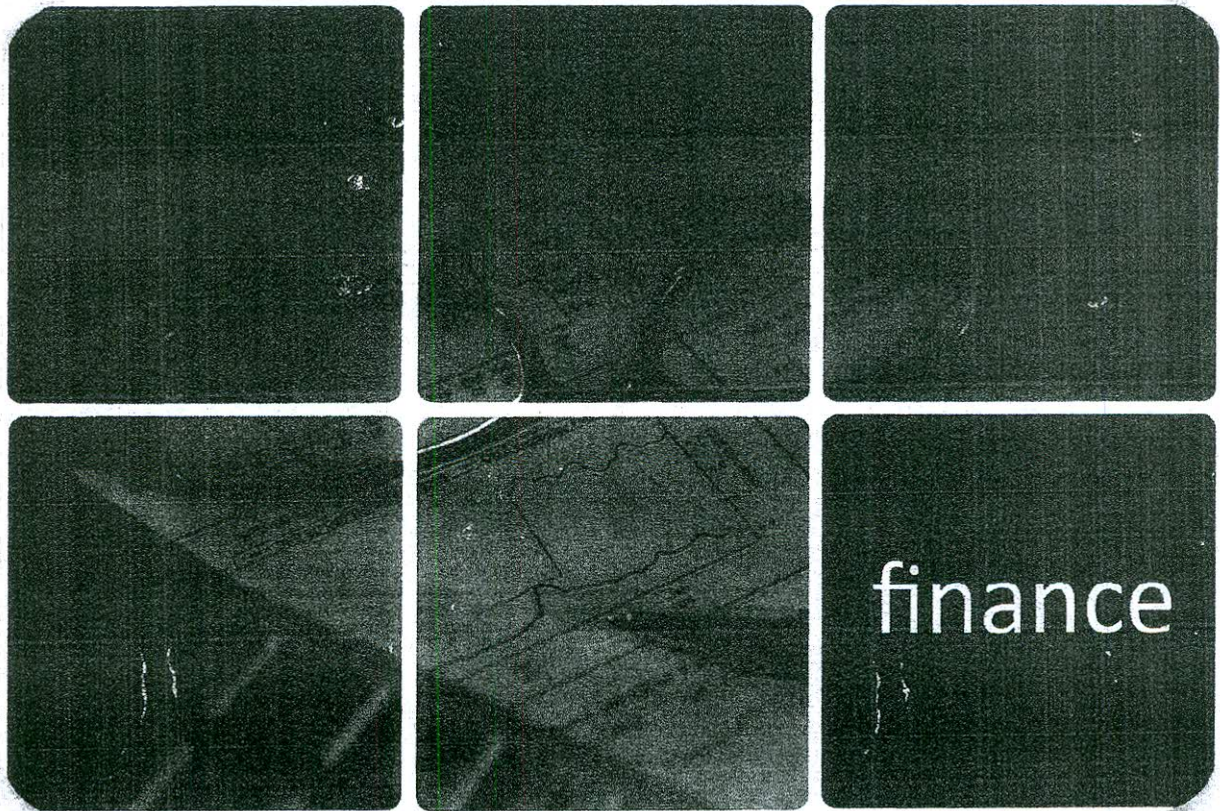


  
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## PUBLIC TRANSPORT SERVICE CORPORATION





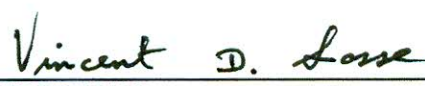
# FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30<sup>TH</sup> SEPTEMBER 2011

**PUBLIC TRANSPORT SERVICE CORPORATION**  
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**FOR THE YEAR ENDED 30TH SEPTEMBER , 2011**

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PUBLIC TRANSPORT SERVICE CORPORATION  
STATEMENT OF FINANCIAL POSITION  
AS AT 30 September 2011

ASSETS	NOTES	AS AT SEPTEMBER 2011	AS AT SEPTEMBER 2010
<b>NON-CURRENT ASSETS</b>		<b>\$</b>	<b>\$</b>
PROPERTY PLANT AND EQUIPMENT	8	201,214,109	229,044,830
<b>CURRENT ASSETS</b>			
INVENTORY	9	32,885,730	32,646,588
DEBTORS AND PREPAYMENTS	10	18,927,028	24,669,350
SHORT TERM INVESTMENT	11	8,352,713	10,663,283
CASH ON HAND AND BANK	12	19,447,441	2,280,104
		<u>79,612,911</u>	<u>70,259,325</u>
<b>TOTAL ASSETS</b>		<b><u>280,827,020</u></b>	<b><u>299,304,155</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>CAPITAL AND RESERVES</b>			
REVALUATION RESERVE	13	7,181,390	7,181,390
ACCUMULATED DEFICIT		<u>(424,357,470)</u>	<u>(420,565,463)</u>
		<b>(417,176,080)</b>	<b>(413,384,073)</b>
<b>NON-CURRENT LIABILITIES</b>			
LOANS & BONDS - LONG TERM	16	87,577,585	116,645,581
GOVERNMENT GRANTS	21	479,306,892	488,647,925
		<u>566,884,477</u>	<u>605,293,505</u>
<b>CURRENT LIABILITIES</b>			
BANK OVERDRAFT	14	-	-
CREDITORS AND ACCRUALS	15	102,050,628	78,326,727
LOANS AND BONDS - CURRENT	16	29,067,995	29,067,995
		<u>131,118,623</u>	<u>107,394,723</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>280,827,020</u></b>	<b><u>299,304,155</u></b>
			
VICE CHAIRMAN		GENERAL MANAGER	
			
CHAIRMAN			

**PUBLIC TRANSPORT SERVICE CORPORATION  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDING 30 SEPTEMBER 2011**

	Notes ( )	AS AT SEPTEMBER 2011 \$	AS AT SEPTEMBER 2010 \$
OPERATING INCOME	3	90,992,722	99,696,204
COST OF OPERATIONS	4	<u>(215,816,159)</u>	<u>(166,258,127)</u>
GROSS PROFIT/(LOSS) ON OPERATIONS		<u>(124,823,437)</u>	<u>(66,561,923)</u>
GOVERNMENT GRANTS	3	222,066,120	148,600,941
OTHER INCOME	3	3,806,041	6,441,587
DISTRIBUTION EXPENSES	5	(2,940,530)	(2,800,080)
ADMINISTRATIVE EXPENSES	6	(92,526,379)	(78,600,594)
FINANCIAL COSTS	7	(9,373,823)	(10,743,162)
<b>NET PROFIT/(LOSS)</b>		<b><u>(3,792,007)</u></b>	<b><u>(3,663,231)</u></b>

**PUBLIC TRANSPORT SERVICE CORPORATION  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30TH SEPTEMBER 2011**

	CAPITAL RESERVE	ACCUMULATED DEFICIT	SHAREHOLDERS' EQUITY
<b>FOR THE YEAR ENDED 30TH SEPTEMBER , 2011</b>			
BALANCE AS AT 1ST OCTOBER, 2010	\$ 7,181,390	\$ (420,565,463)	\$ (413,384,073)
LOSS FOR THE YEAR		\$ (3,792,007)	\$ (3,792,007)
<b>BALANCE AS AT 30TH SEPTEMBER , 2011</b>	<b>\$ 7,181,390</b>	<b>\$ (424,357,470)</b>	<b>\$ (417,176,080)</b>
<b>FOR THE YEAR ENDED 30TH SEPTEMBER , 2010</b>			
BALANCE AS AT 1ST OCTOBER, 2009	\$ 7,181,390	\$ (416,932,322)	\$ (409,750,932)
PROFIT FOR THE YEAR		\$ (3,663,231)	\$ (3,663,231)
PROFIT ADJUSTMENT		\$ 30,090	\$ 30,090
<b>BALANCE AS AT 30TH SEPTEMBER , 2010</b>	<b>\$ 7,181,390</b>	<b>\$ (420,565,463)</b>	<b>\$ (413,384,073)</b>



**PUBLIC TRANSPORT SERVICE CORPORATION**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30TH SEPTEMBER, 2011**

	2011	2010
<b>OPERATING ACTIVITIES</b>		
NET PROFIT FOR THE YEAR	\$ (3,792,007)	\$ (3,663,231)
ADJUSTMENTS FOR NON - CASH ITEMS:		
DEPRECIATION	\$ 38,719,327	\$ 30,695,071
PROFIT ON DISPOSAL OF VEHICLES	\$ -	\$ -
PRIOR YEAR ADJUSTMENTS	\$ -	\$ 30,090
	<hr/>	<hr/>
	\$ 34,927,320	\$ 27,061,930
<b>CHANGES IN WORKING CAPITAL</b>		
NET CHANGE IN INVENTORY	\$ (239,141)	\$ (516,074)
NET CHANGE IN SHORT TERM INVESTMENTS	\$ 2,310,570	\$ 11,410,045
NET CHANGE IN ACCOUNTS RECEIVABLE	\$ 5,742,322	\$ (7,606,483)
NET CHANGE IN ACCOUNTS PAYABLE	\$ 23,723,901	\$ 39,974,450
NET CHANGE IN GOVERNMENT GRANTS	\$ (9,341,033)	\$ 47,269,747
	<hr/>	<hr/>
NET CASH FROM OPERATING ACTIVITIES	\$ 57,123,938	\$ 117,593,615
<b>INVESTING ACTIVITIES</b>		
PURCHASE OF FIXED ASSETS	\$ (10,888,605)	\$ (75,230,151)
	<hr/>	<hr/>
NET CASH USED IN INVESTING ACTIVITIES	\$ (10,888,605)	\$ (75,230,151)
<b>FINANCING ACTIVITIES</b>		
LOANS AND BONDS	\$ (29,067,995)	\$ (44,069,351)
CASH RECEIVED ON SALE OF VEHICLES	<hr/>	<hr/>
NET CASH PROVIDED FROM FINANCING ACTIVITIES	\$ (29,067,995)	\$ (44,069,351)
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<b>NET ( INCREASE ) IN CASH AND CASH EQUIVALENTS</b>	\$ 17,167,338	\$ (1,705,887)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	\$ 2,280,104	\$ 3,985,991
	<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	\$ 19,447,441	\$ 2,280,104
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CASH IN HAND AND AT BANK	\$ 19,447,441	\$ 2,280,104
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	\$ 19,447,441	\$ 2,280,104
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**PUBLIC TRANSPORT SERVICE CORPORATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER ,2011**

**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 . 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.

**PUBLIC TRANSPORT SERVICE CORPORATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER ,2011**

**2 SIGNIFICANT ACCOUNTING POLICES ( CONTINUED )**

**(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.

**(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.

**PUBLIC TRANSPORT SERVICE CORPORATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR PERIOD ENDING 30 SEPTEMBER 2011**

**3. OPERATING REVENUE**

	AS AT SEPTEMBER 2011	AS AT SEPTEMBER 2010
	\$	\$
CITY SERVICE - POS	353,424	174,402
CITY SERVICE - SFDO	204,046	192,949
DISTRIB FEES (SCHOLAR)	-	-
KNOW YOUR COUNTRY TOURS - TRIN	443,674	122,363
MAXI FACILITY USER FEE	154,495	817,320
MAXI TAXI INSPECTION FEES - PO	38,730	40,354
MAXI TAXI INSPECTION FEES -TGO	4,960	340
MAXI TAXI FEES - TRINIDAD	37,254,287	38,748,233
MAXI TAXI FEES - TOBAGO	4,644,702	4,540,367
MIN OF SOC DEV- PENSIONERS	5,130,000	5,130,000
MIN OF ED- SCHOOL BUS SERVICE	3,999,816	14,058,642
MONTHLY/WEEKLY TRAVEL	310,290	250,155
RTS - CHAGUANAS	26,477	12,849
RTS - POINT FORTIN	12,540	46,306
RTS - SANGRE GRANDE	47,068	125,539
RTS - POS	8,663	48,700
RTS - SAN FERNANDO	420,730	1,318,290
SALE OF TICKETS - CHAGUANAS	388,451	1,958,733
SALE OF TICKETS - POINT FORTIN	631,064	469,857
SALE OF TICKETS - SANGRE GRAND	735,500	895,105
SALE OF TICKETS - POS	11,616,312	13,451,497
SALE OF TICKETS - SAN FERNANDO	3,560,411	5,096,236
SALE OF TICKETS - TOBAGO	1,339,804	1,399,161
SALE OF TICKETS - DELUXE COACH- PTF	-	270,121
SALE OF TICKETS - DELUXE COACH- GRANDE	252,600	22,100
SALE OF TICKETS - DELUXE COACH- POS	3,253,500	2,050,269
SALE OF TICKETS - DELUXE COACH- SAN SDO	2,821,670	475,410
SPEC EVENTS/TOURS - POS	4,534,477	7,816,815
SPEC EVENTS/TOURS/CHARTERS - T	47,500	164,092
TICKET SALE - IN HOUSE -CHG	197,223	-
TICKET SALE - IN HOUSE -GDE	685,162	-
TICKET SALE - IN HOUSE POS	5,828,130	-
TICKET SALE - IN HOUSE -SDO	2,047,017	-
	<hr/>	<hr/>
TOTAL OPERATING INCOME	<u>90,992,722</u>	<u>99,696,204</u>

PUBLIC TRANSPORT SERVICE CORPORATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR PERIOD ENDING 30 SEPTEMBER 2011

**4. Cost of operations**

	AS AT SEPTEMBER 2011	AS AT SEPTEMBER 2010
	\$	\$
DEPN REVENUE VEHICLES	35,518,970	28,053,901
FUEL AND OIL	11,539,843	9,379,690
INSURANCE - REVENUE VEHICLES	4,604,626	4,323,963
MAXI TAXI DIRECT	33,760,096	34,999,377
REP MAIN - REV VECHICLE	24,385,880	23,723,208
KNOW YOUR COUNTRY	41,590	1,605
WAGES	105,377,761	64,980,860
TICKETS - TRINIDAD	476,487	486,553
UNIFORMS	110,905	308,970
	215,816,159	166,258,127
	215,816,159	166,258,127

**5. Distribution Expenses**

	\$	\$
ADVERTISING	1,373,246	1,809,829
MOTOR VEHICLE	96,128	201,145
BAD DEBTS	307,270	-
DONATIONS	71,601	96,390
TRAVEL	1,092,285	692,716
	2,940,530	2,800,080
	2,940,530	2,800,080

**PUBLIC TRANSPORT SERVICE CORPORATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR PERIOD ENDING 30 SEPTEMBER 2011**

	AS AT SEPTEMBER 2011 \$	AS AT SEPTEMBER 2010 \$
<b><u>3. GOVERNMENT GRANT</u></b>	222,066,120	148,600,941
<b>TOTAL</b>	<u><u>222,066,120</u></u>	<u><u>148,600,941</u></u>
<b><u>3. OTHER INCOME</u></b>	\$	\$
BANK INTEREST	228,371	620,587
BILLBOARD AND WALL ADS	114,000	2,426,560
COMMERCIAL SERV POS	1,225,487	1,456,847
COMMERCIAL SERVICES TGO	320	-
COMMISSION	10,055	-
CONCESSIONAIRE BOOTHS	1,193,761	1,122,563
DIFFERENTLY ABLED	550	840
DISTRIBUTION FEES -SCHOLAR		6,919
INSURANCE CLAIMS	87,027	-
MOBILE ADVERTISING	335,865	-
OTHER MISC - POS	146,666	266,239
OTHER MISC INC -SFD	24,060	313
OTHER MISC INC - TGO	160	-
PUB SERV VEH LICENSE FEE	37,500	42,500
SALE OF ASSETS	3,065	16,110
SHORT TERM RENTAL	49,925	33,264
TENANCY CONTRACTS	79,460	29,049
TRAINING SERVICES	269,770	419,796
<b>TOTAL</b>	<u><u>3,806,041</u></u>	<u><u>6,441,587</u></u>

PUBLIC TRANSPORT SERVICE CORPORATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR PERIOD ENDING 30 SEPTEMBER 2011

<u>6. Administrative Expenses:</u>	AS AT SEPTEMBER 2011	AS AT SEPTEMBER 2010
	\$	\$
SALARIES	3,437,966	4,899,150
WAGES	1,211,453	188,389
CONTRACT SALARIES	21,600,751	17,252,223
CONTRACT WAGES	5,826,505	1,294,499
COLA	445,234	-
SHIFT BONUS	75,371	364
OVERTIME	735,217	15,703
NIS	1,958,809	9,516
PENSION	8,294,540	6,139,163
GRATURITY	3,708,720	7,962,863
EX GRATIA PAYMENTS	130,000	-
EXECUTIVE MEDICAL	50,373	-
MEDICAL PLAN	896	-
GOOD HEALTH BONUS	4,956	-
GROUP LIFE	1,147,516	-
OTHER ALLOWANCE	42,867	-
TRAINING	1,932,744	1,218,171
DIRECTORS EXPENSES	1,013,364	592,641
AUDIT FEES	-	90,550
LEGAL FEES	2,724,513	1,022,707
CONSULTING FEES	642,907	1,162,402
MEMBERSHIP FEES	9,062	-
CELLULAR CHARGES	223,495	-
ELECTRICITY	1,809,056	2,188,345
TELEPHONE	550,278	839,508
WATER RATES	122,611	83,717
INTERNET	247,418	-
CABLE	16,971	-
INSURANCE	1,152,201	1,196,909
TRAVEL -GM	-	175,779
RENT	813,597	868,884
REPAIRS & MAINTENANCE	7,444,433	8,647,682
SECURITY	17,600,714	17,335,529
BOOKS/NEWS/PERIODICALS	19,942	1,703
POSTAGE	8,999	-
STATIONERY	391,980	209,145
COURIER	1,633	3,000
COMPUTER PARTS & ACCESSORIES	408,808	-
SAFETY ATTIRE EQUIPMENT	34,081	-
OTHER OFFICE EXPENSES	846,298	1,312,369
DEPRECIATION	3,200,356	2,641,170
OBSOLESCENCE	687,773	-
ENTERTAINMENT	790,971	-
FREIGHT	1,126,072	1,031,349
USER FEE CONTRIBUTION	15,700	217,165
MISCELLANEOUS	19,230	-
TOTAL	<u>92,526,379</u>	<u>78,600,594</u>

PUBLIC TRANSPORT SERVICE CORPORATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR PERIOD ENDING 30 SEPTEMBER 2011

<u>7. FINANCE COST</u>	AS AT SEPTEMBER 2011	AS AT SEPTEMBER 2010
	\$	\$
LOAN INTEREST - BANK	1,973,246	38,620
CITICORP \$40M BOND INTEREST	5,750	5,040
FINCOR \$75.3M BOND INTEREST	642,303	1,248,106
CITICORP \$130.1M BOND INTEREST	1,721,538	2,832,294
FCB \$93.6M BOND INTEREST	3,479,116	3,850,575
FCB \$66M LOAN INTEREST	1,447,073	2,719,500
OVERDRAFT INTEREST - REPUBLIC	10,228	7,683
OVERDRAFT INTEREST - FCB	10,469	10,481
	<hr/>	<hr/>
LOAN & BOND INTEREST	9,289,723	10,712,300
	<hr/>	<hr/>
BANK CHARGES -F&A	84,099	26,194
BANK CHARGES -ADM OP	-	4,669
	<hr/>	<hr/>
BANK CHARGES	84,099	30,862
	<hr/>	<hr/>
TOTAL	<u>9,373,823</u>	<u>10,743,162</u>



PUBLIC TRANSPORT SERVICE CORPORATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 30TH SEPTEMBER, 2011  
 (continued)

8 PROPERTY, PLANT AND EQUIPMENT

	LAND	BUILDINGS	PLANT & EQUIPMENT	REVENUE VEHICLES	NON- REVENUE VEHICLES	FURNITURE & FITTINGS	CAPITAL WORK IN PROGRESS	TOTAL
<b>ORIGINAL COST</b>								
COST AT 30/09/2010	\$ 23,617,393	\$ 89,584,610	\$ 23,272,624	\$ 466,021,090	\$ 3,247,582	\$ 8,778,854	\$ 1,093,704	\$ 615,615,857
ADDITIONS		\$ 3,326,065	\$ 2,220,071	\$ -	\$ -	\$ 839,862	\$ 4,495,806	\$ 10,888,605
TRANSFERS								\$ -
COST AT 30/09/2011	\$ 23,617,393	\$ 92,910,675	\$ 25,499,495	\$ 466,021,090	\$ 3,247,582	\$ 9,618,716	\$ 5,589,510	\$ 626,504,461
<b>ACCUMULATED DEPRECIATION</b>								
BALANCE B/F 30/09/2010	\$ -	\$ (75,759,429)	\$ (19,670,800)	\$ (281,063,700)	\$ (3,061,543)	\$ (7,015,554)	\$ -	\$ (386,571,026)
CHARGE FOR THE PERIOD	\$ -	\$ (941,060)	\$ (1,641,782)	\$ (35,518,970)	\$ (109,919)	\$ (507,596)	\$ -	\$ (38,719,327)
DISPOSALS								\$ -
BALANCE C/F 30/09/2011	\$ -	\$ (76,700,489)	\$ (21,312,582)	\$ (316,582,670)	\$ (3,171,462)	\$ (7,523,150)	\$ -	\$ (425,290,353)
<b>NET BOOK VALUE</b>								
AS AT 30/09/2011	\$ 23,617,393	\$ 16,210,187	\$ 4,186,914	\$ 149,438,420	\$ 76,120	\$ 2,095,566	\$ 5,589,510	\$ 201,214,109
AS AT 30/09/2010	\$ 23,617,393	\$ 13,825,181	\$ 3,601,824	\$ 184,957,390	\$ 186,039	\$ 1,763,300	\$ 1,093,704	\$ 229,044,831

**PUBLIC TRANSPORT SERVICE CORPORATION**  
**NOTES TO THE STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2011**

	AS AT SEPTEMBER 2011 \$	AS AT SEPTEMBER 2010 \$
<b>9. INVENTORY</b>		
OIL STOCK	202,288	156,813
FUEL STOCK - POS	247,196	172,223
TRADERS TICKETS	253,832	163,816
TIRES NEW	716,623	1,707,753
SPARES - POS	30,217,990	29,525,043
STATIONERY	192,171	174,209
MATERIALS	878,874	746,730
UNIFORMS	864,527	-
PROV FOR DAMAGE/OBSOLESCE	(687,773)	-
	<u>32,885,730</u>	<u>32,646,588</u>
<b>10. DEBTORS &amp; PREPAYMENTS</b>		
DEBTORS	17,691,978	22,048,924
PROV FOR DOUBTFUL DEBTS	(8,135,825)	(8,135,825)
LOANS TO OFFICERS	29,056	117,813
SALARY ADVANCE	167,897	113,170
VACATION ADVANCE	165,015	111,815
INTEREST RECEIVABLE	27,260	-
VAT RECEIVED	(54,403,690)	(42,670,772)
VAT INPUT RECOVERABLE	62,990,077	51,948,062
VAT ON SALES	(3,148,695)	(2,904,313)
PREPAID INSURANCE	1,454,979	1,342,716
PREPAID EXPENSES	2,088,975	2,697,760
	<u>18,927,028</u>	<u>24,669,350</u>
<b>11. SHORT TERM INVESTMENTS</b>		
FIXED DEPOSIT- TRUSTEE POOL	4,076,304	4,497,771
UTC NO 1117126-1	326	304
UTC NO 1117204-1	9,510	13,589
UTC NO 2214864-2	4,266,574	6,151,619
	<u>8,352,713</u>	<u>10,663,283</u>

**PUBLIC TRANSPORT SERVICE CORPORATION**  
**NOTES TO THE STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2011**

	AS AT SEPTEMBER 2011	AS AT SEPTEMBER 2010
	\$	\$
<b>12. CASH ON HAND AND AT BANK</b>		
FACILITY ADMIN CASHIER	4,010	200
PETTY CASH ENGINEERING	2,500	-
PETTY CASH GRANDE	1,500	-
PETTY CASH HEAD OFFICE	15,000	15,000
PETTY CASH SAN FERNADO	10,500	7,500
PETTY CASH TOBAGO	9,500	8,000
REPUBLIC NO 150244235101	6,377,724	137,122
REPUBLIC NO 150244234301	11,507,715	1,170,792
REPUBLIC NO 150244241601	367	666
REPUBLIC NO 150244240801	197	98
FCB NO 1112882	1,518,427	940,726
	<u>19,447,441</u>	<u>2,280,104</u>
<b>13. REVALUATION RESERVE</b>	<u>7,181,390</u>	<u>7,181,390</u>
<b>14. BANK OVERDRAFT</b>	-	-
<b>15. CREDITORS / ACCRUALS</b>		
CREDITORS	18,877,037	5,053,105
ACCRUALS	51,878,361	58,927,951
SALARIES / WAGES PAYABLE	19,831,910	1,012,548
CONTRACT SALARIES / WAGES PAY	-	804,597
PENSIONS PAYABLE	156,728	107,699
SEVERANCE PAYABLE	818,788	1,845,653
GRATUTITY PAYABLE	243,734	208,547
OTHER DEDUCTIONS PAYABLE	30,354	21,751
MAXI TAXI T'DAD PAYABLE	3,184,181	1,357,140
MAXI TAXI TGO PAYABLE	410,910	390,724
PAYE PAYABLE	986,554	508,509
NIS PAYABLE	2,175,976	690,770
HEALTH SURCHARGE PAYABLE	55,459	47,512
UNION DUES PAYABLE	57,653	49,483
CREDIT UNION DEDUCTION - PAYAB	760,424	385,005
MORTGAGE DEDUCTION PAYABLE	16,236	20,045
TAX GARNISHEE	5,606	-
INSURANCE PAYABLE	32,009	19,385
COURT MAINTENANCE	5,190	680
ACCRUED INTEREST	2,444,242	3,475,806
STALEDATED CHEQUES PAYABLE	66,557	-
DEFERRED REVENUE	12,717	3,399,816
	<u>102,050,628</u>	<u>78,326,727</u>

PUBLIC TRANSPORT SERVICE CORPORATION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE PERIOD ENDED 30TH SEPTEMBER 2011  
 (continued)

	2011	2010
<b>16 LOANS AND BONDS</b>		
<b>BONDS</b>		
1 FINCOR TT \$75.3 MILLION BOND ISSUE	\$ 5,306,063	\$ 10,612,143
2 CITICORP TT \$130.1 MILLION BOND ISSUE	\$ 32,327,370	\$ 36,637,686
3 FCB LTD. TT \$93.6 MILLION BOND ISSUE	\$ 49,944,152	\$ 56,187,171
	<u>\$ 87,577,585</u>	<u>\$ 103,437,000</u>
<b>LOANS</b>		
4 FIRST CITIZEN'S BANK LIMITED - \$ 66.0 MILLION	\$ -	\$ 13,208,580
	<u>\$ -</u>	<u>\$ 13,208,580</u>
<b>TOTAL LOANS AND BONDS</b>	<u>\$ 87,577,585</u>	<u>\$ 116,645,580</u>
16 CURRENT - PORTION	\$ 29,067,995	\$ 29,067,995
LONG TERM PORTION	\$ 58,509,590	\$ 145,713,575

1 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 PERIOD ENDED 30TH SEPTEMBER 2011**

**16 LOANS AND BONDS**  
(continued)

- 2 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 REPAID. 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.
  
- 3 THE PTSC BORROWED TT \$93.6 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.
  
- 4 THIS LOAN OF TT\$ 66.0 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 REPAID BY SEMI-ANNUAL INSTALLMENTS OF \$6,604,290.00 EXCLUSIVE OF INTEREST. THIS LOAN WAS TAKEN TO PURCHASE FIFTY BUSES.

**17 CONTINGENT LIABILITIES AND COMMITMENTS**

AT THE YEAR END , THE CORPORATION HAD CONTINGENT LIABILITIES OF \$2.4MILLION 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 PERIOD ENDED 30TH SEPTEMBER 2011**

**19 GOVERNMENT GRANTS RECEIVED**

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
ACQUISITION OF BUSES		25,000,000
ADVERTISING AND PROMOTIONS		210,000
PSIP- CONSTRUCTION PROJECTS	7,986,064	9,060,140
ARREARS OF WAGES		2,200,000
CONTRACT EMPLOYMENT	33,546,000	11,287,401
FEES	1,700,000	800,000
FLEET MAINTENANCE	47,800,000	43,797,212
IT DEVELOPMENT PROJECT	2,244,960	778,599
LAND & BUILDING TAXES		375,000
LOANS AND BONDS - CITICORP 130.1M 06/21	6,288,661	7,557,417
LOANS AND BONDS - CITICORP 40M BOND 04/03		1,247,516
LOANS AND BONDS - 41.3M LOAN-DEFERRED	6,103,246	
LOANS AND BONDS - FINCOR 75.3M BOND 05/15	6,128,790	6,906,988
LOANS AND BONDS - FCB 93.645 M BOND	9,865,004	10,236,464
LOANS AND BONDS - FCB 66 M LOAN	15,087,134	16,157,028
LOANS AND BONDS - 14 M LOAN		15,463,022
MAXI TAXI SUPPORT	2,596,600	2,808,400
OSHA	2,913,680	
OTHER CONTRACTED SERVICES	389,000	1,325,000
PENSIONS	8,593,772	6,000,000
REFURBISHMENT OF BUILDING	620,000	1,250,500
SECURITY	16,800,000	15,600,000
SEVERANCE	7,500,500	6,800,000
UNIFORMS	1,927,000	
TTEC	1,240,000	982,000
INSURANCE	9,500,000	10,000,000
WAGES	23,894,676	
TRAINING		28,000
<b>TOTAL</b>	<b><u>212,725,087</u></b>	<b><u>195,870,688</u></b>

**PUBLIC TRANSPORT SERVICE CORPORATION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30TH SEPTEMBER 2011**

<b>20 GOVERNMENT GRANTS RECOGNIZED AS INCOME</b>	<b>2011</b>	<b>2010</b>
OPERATIONAL EXPENSES FUNDED BY GOVERNMENT GRANTS:		
	\$	\$
ADVERTISING AND PROMOTIONS		210,000
ARREARS OF WAGES		2,200,000
CONTRACT EMPLOYMENT	33,546,000	11,287,401
FEES	1,700,000	800,000
FLEET MAINTENANCE	47,800,000	43,797,212
MAXI TAXI SUPPORT	2,596,600	2,595,400
OTHER CONTRACTED SERVICES	389,000	1,325,000
PENSIONS	8,593,772	6,000,000
REFURBISHMENT OF BUILDING	620,000	1,250,500
SECURITY	16,800,000	15,600,000
SEVERANCE	7,500,500	6,800,000
UNIFORM	1,927,000	-
TTEC	1,240,000	982,000
INSURANCE	9,500,000	10,000,000
WAGES	23,894,676	-
TRAINING		28,000
TOTAL - RECURRENT AMOUNT	<u>156,107,548</u>	<u>102,875,513</u>
CAPITAL PORTION OF GRANTS EXPENSED IN THIS PERIOD :		
DEPRECIATION	39,824,317	31,932,819
LOAN AND BOND INTEREST	10,274,841	13,792,609
BONDS CAPITAL PORTION	15,859,414	
TOTAL - CAPITAL PORTION	<u>65,958,572</u>	<u>45,725,428</u>
TOTAL GOVERNMENT GRANTS RECOGNIZED AS INCOME	<u><u>222,066,120</u></u>	<u><u>148,600,941</u></u>
<b>21 GOVERNMENT GRANTS</b>		
BALANCE BROUGHT FORWARD	\$ 488,647,925	\$ 441,378,178
ADD AMOUNTS RECEIVED	\$ 212,725,087	\$ 195,870,688
LESS AMOUNTS TRANSFERRED TO INCOME	\$ (222,066,120)	\$ (148,600,941)
BALANCE CARRIED FORWARD	<u><u>\$ 479,306,892</u></u>	<u><u>\$ 488,647,925</u></u>