



THIRD 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 31ST DECEMBER, 2001

The First and Second Reports of the Auditor General of the Republic of Trinidad and Tobago on the non-receipt of Financial Statements of the Public Transport Service Corporation for the year ended 31st December, 2001 were signed by the Auditor General on 2003 April 29 and 2004 August 24 respectively and submitted to the Speaker and the President of the Senate for presentation to the House of Representatives and the Senate respectively and to the Minister of Finance.

2. The accompanying Financial Statements of the Public Transport Service Corporation for the year ended 31st December, 2001 have been audited. The Statements comprise a Balance Sheet as at 31st December, 2001, a Statement of Income, a Statement of Changes in Equity and a Cash Flow Statement for the year ended 31st December, 2001 and Notes to the Financial Statements numbered 1 to 18.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

3. The management of the Public Transport Service Corporation (the 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

4. 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 generally accepted auditing standards. Because of the matters described in the Basis for Disclaimer of Opinion paragraph, however, sufficient appropriate audit evidence was not obtained to provide a basis for an audit opinion.

BASIS FOR DISCLAIMER OF OPINION

5. The Corporation's underlying accounts in many instances were not properly maintained and preserved for audit examination. As a result, I was unable to verify the account balances listed below:

- (i) **ASSETS** – Property, Plant and Equipment \$49,808,260, Inventory \$3,346,487 and Debtors and Prepayment \$3,296,532.

- (ii) **EQUITY AND LIABILITIES** – Accumulated Deficit (\$1,423,213,421) and Creditors and Accruals \$29,722,797.
- (iii) **INCOME** – Other Income \$80,014,439.
- (iv) **EXPENDITURE** – Cost of Operations (\$43,020,759), Administrative Expenses (\$26,253,469) and Financial Costs (\$41,836,992).

DISCLAIMER OF OPINION


6. Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, I do not express an opinion on the Financial Statements.

SUBMISSION OF REPORT

7. 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.

14TH MARCH, 2016
PORT-OF-SPAIN




MAJEED ALI
AUDITOR GENERAL

SS
20160314

PUBLIC TRANSPORT SERVICE CORPORATION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER , 2001

2001

**PUBLIC TRANSPORT SERVICE CORPORATION
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FOR THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER , 2001**

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**PUBLIC TRANSPORT SERVICE CORPORATION
BALANCE SHEET
AS AT 31ST DECEMBER, 2001**

ASSETS	NOTES	2001	2000
NON - CURRENT ASSETS			
PROPERTY PLANT AND EQUIPMENT	8	\$ 49,808,260	\$ 61,092,195
		<u>\$ 49,808,260</u>	<u>\$ 61,092,195</u>
CURRENT ASSETS			
INVENTORY	9	\$ 3,346,487	\$ 1,558,367
DEBTORS AND PREPAYMENTS	10	\$ 3,296,532	\$ 5,970,540
SHORT - TERM INVESTMENTS	11	\$ 4,660,484	\$ 3,286,144
CASH ON HAND AND AT BANK	12	\$ 363,695	\$ 158,502
		<u>\$ 11,667,198</u>	<u>\$ 10,973,553</u>
TOTAL ASSETS		<u>\$ 61,475,458</u>	<u>\$ 72,065,749</u>
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
CAPITAL RESERVES	13	\$ 7,181,390	\$ 7,181,390
ACCUMULATED DEFICIT		\$ (1,423,213,421)	\$ (1,426,507,717)
		<u>\$ (1,416,032,031)</u>	<u>\$ (1,419,326,327)</u>
NON - CURRENT LIABILITIES			
LOANS AND BONDS - LONG TERM PORTION	16	\$ 1,423,508,729	\$ 1,429,096,737
CURRENT LIABILITIES			
BANK OVERDRAFT	14	\$ 12,650,454	\$ 12,400,656
CREDITORS AND ACCRUALS	15	\$ 29,722,797	\$ 22,746,110
LOANS AND BONDS - CURRENT PORTION	16	\$ 11,625,508	\$ 27,148,573
		<u>\$ 53,998,759</u>	<u>\$ 62,295,339</u>
TOTAL EQUITY AND LIABILITIES		<u>\$ 61,475,458</u>	<u>\$ 72,065,749</u>



Edmund White

CHIEF EXECUTIVE OFFICER

James

VICE CHAIRMAN

[Signature]

CHAIRMAN

PUBLIC TRANSPORT SERVICE CORPORATION
STATEMENT OF INCOME
FOR THE YEAR ENDED 31ST DECEMBER , 2001

	NOTES	2001	2000
OPERATING INCOME	3	\$ 34,856,036	\$ 33,398,290
COST OF OPERATIONS	4	\$ (43,020,759)	\$ (58,511,612)
GROSS PROFIT / (LOSS) ON OPERATIONS		\$ (8,164,723)	\$ (25,113,321)
OTHER INCOME	3	\$ 80,014,439	\$ 67,096,690
DISTRIBUTION EXPENSES	5	\$ (464,959)	\$ (841,095)
ADMINISTRATIVE EXPENSES	6	\$ (26,253,469)	\$ (27,058,382)
FINANCIAL COSTS	7	\$ (41,836,992)	\$ (41,534,044)
NET PROFIT / (LOSS) FOR THE YEAR		\$ 3,294,297	\$ (27,450,152)

PUBLIC TRANSPORT SERVICE CORPORATION
STATEMENT OF CHANGES IN EQUITY
AS AT 31ST DECEMBER , 2001

	CAPITAL RESERVE	ACCUMULATED DEFICIT	SHAREHOLDERS' EQUITY
YEAR ENDED 31ST DECEMBER , 2001			
BALANCE AS AT 1ST JANUARY , 2001	\$ 7,181,390.00	\$ (1,426,507,717.37)	\$ (1,419,326,327.37)
PROFIT / (LOSS) FOR THE YEAR		\$ 3,294,297	\$ 3,294,296.83
BALANCE AS AT 31ST DECEMBER , 2001	\$ 7,181,390.00	\$ (1,423,213,421)	\$ (1,416,032,030.54)
YEAR ENDED 31ST DECEMBER , 2000			
BALANCE AS AT 1ST JANUARY , 2000	\$ 7,181,390.00	\$ (1,399,057,566)	\$ (1,391,876,175.73)
(LOSS) FOR THE YEAR		\$ (27,450,152)	\$ (27,450,151.64)
BALANCE AS AT 31ST DECEMBER , 2000	\$ 7,181,390.00	\$ (1,426,507,717)	\$ (1,419,326,327.37)

PUBLIC TRANSPORT SERVICE CORPORATION
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER, 2001

	2001	2000
OPERATING ACTIVITIES		
NET LOSS FOR THE YEAR	\$ 3,294,297	\$ (27,450,152)
PRIOR YEAR ADJUSTMENT		
ADJUSTMENTS TO RECONCILE NET PROFIT AFTER TAX TO NET CASH PROVIDED :		
DEPRECIATION	\$ 13,900,132	\$ 13,553,815
	<hr/>	<hr/>
	\$ 17,194,429	\$ (13,896,336)
CHANGES IN WORKING CAPITAL		
NET CHANGE IN INVENTORY	\$ (1,788,120)	\$ 4,048,005
NET CHANGE IN SHORT TERM INVESTMENTS	\$ (1,374,340)	\$ 28,683,939
INCREASE IN ACCOUNTS RECEIVABLE	\$ 2,674,008	\$ (285,930)
INCREASE IN ACCOUNTS PAYABLE	\$ 6,976,687	\$ 17,152,782
	<hr/>	<hr/>
NET CASH FROM OPERATING ACTIVITIES	\$ 23,682,664	\$ 35,702,459
INVESTING ACTIVITIES		
PURCHASE OF FIXED ASSETS	\$ (2,616,196)	\$ (34,736,832)
PROCEEDS FROM SALE OF FIXED ASSETS		
	<hr/>	<hr/>
NET CASH USED IN INVESTING ACTIVITIES	\$ (2,616,196)	\$ (34,736,832)
FINANCING ACTIVITIES		
LOANS AND BONDS	\$ (21,111,073)	\$ 8,882,144
	<hr/>	<hr/>
NET CASH PROVIDED FROM FINANCING ACTIVITIES	\$ (21,111,073)	\$ 8,882,144
NET (DECREASE) IN CASH AND CASH EQUIVALENTS		
	\$ (44,605)	\$ 9,847,770
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	\$ (12,242,154)	\$ (22,089,924)
	<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	\$ (12,286,759)	\$ (12,242,154)
	<hr/> <hr/>	<hr/> <hr/>
CASH ON HAND AND AT BANK	\$ 363,695	\$ 158,502
BANK OVERDRAFT	\$ (12,650,454)	\$ (12,400,656)
	<hr/>	<hr/>
	\$ (12,286,759)	\$ (12,242,154)
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PUBLIC TRANSPORT SERVICE CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2001

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 TAKE INTO ACCOUNT THE EFFECTS OF INFLATION.

(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 AT AVERAGE COST.

**PUBLIC TRANSPORT SERVICE CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2001**

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 LOANS, ADVANCES AND BONDS :

THESE ARE STATED AT PRINCIPAL OUTSTANDING. INTEREST IS NOT ACCRUED ON THE OUTSTANDING BALANCE .

PUBLIC TRANSPORT SERVICE CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2001
(continued)

3 REVENUE	2001	2000
OPERATING REVENUE		
ECS SERVICE	\$ 10,275,129	\$ 9,304,629
MIN OF SOCIAL DEVELOPMENT - PENSIONERS	\$ 2,894,635	\$ 2,710,005
MOE - SCHOOL BUS SERVICE	\$ 11,735,560	\$ 9,494,908
RURAL TRANSPORT SERVICE	\$ 377,573	\$ 2,023,654
SALES DISCOUNTS	\$ (799,636)	\$ (822,345)
SHORT TERM RENTAL	\$ (44,884)	\$ -
SPECIAL EVENTS / TOURS / CHARTER	\$ 3,389,564	\$ 2,895,951
THA SCHOOL BUS SERVICE	\$ 799,440	\$ 638,504
THA TRANSIT BUS SERVICE	\$ 683,180	\$ 458,545
TRANSIT SERVICE	\$ 5,545,475	\$ 6,694,439
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	\$ 34,856,036	\$ 33,398,290
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OTHER INCOME		
BAD DEBTS RECOVERED	\$ 1,414,816	\$ -
BANK INTEREST	\$ 432,877	\$ 1,190,820
BILLBOARD / WALL ADVERTISEMENTS	\$ 403,491	\$ 101,405
CAR PARK	\$ 46,050	\$ 45,255
COMMERCIAL SERVICES	\$ 298,590	\$ 106,782
COMMISSION	\$ 4,000	\$ 81,669
CONCESSIONAIRE BOOTHS	\$ 1,183,915	\$ 1,046,749
DISTRIBUTION FEES (SCHOLAR)	\$ 20,756	\$ 27,674
GOVERNMENT GRANTS	\$ 72,711,535	\$ 62,117,718
INSURANCE CLAIMS	\$ (17,931)	\$ -
MAXI FACILITY USER FEE	\$ 567,999	\$ -
MAXI TAXI FEES	\$ 2,541,560	\$ 1,806,477
MOBILE ADVERTISING	\$ -	\$ 15,823
OTHER MISCELLANEOUS INCOME	\$ 80,143	\$ 383,293
PUBLIC SERVICE VEHICLE LICENSE FEE	\$ 163,500	\$ 18,000
PURCHASES DISCOUNTS	\$ 2,702	\$ 2,872
SALE OF ASSETS	\$ 156,298	\$ 109,267
TENANCY CONTRACTS	\$ 4,139	\$ 42,886
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	\$ 80,014,439	\$ 67,096,690
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TOTAL INCOME	<hr/> \$ 114,870,476 <hr/>	<hr/> \$ 100,494,981 <hr/>

PUBLIC TRANSPORT SERVICE CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2001
(continued)

	2001	2000
4 COST OF OPERATIONS		
DEPRECIATION	\$ 9,413,501	\$ 9,137,876
FUEL AND OIL	\$ 3,670,921	\$ 3,715,914
INSURANCE	\$ 2,153,843	\$ 914,530
MAXI TAXI DIRECT EXPENSES	\$ 95,520	\$ 47,933
REPAIRS AND MAINTENANCE	\$ 20,046,472	\$ 31,842,645
SALARIES AND WAGES	\$ 7,632,237	\$ 12,850,572
UNIFORMS	\$ 8,265	\$ 2,141
	<hr/>	<hr/>
	\$ 43,020,759	\$ 58,511,612
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5 DISTRIBUTION EXPENSES		
ADVERTISING AND PROMOTIONS	\$ 173,126	\$ 487,450
MOTOR VEHICLES EXPENSE	\$ 69,048	\$ 57,679
TRAVELING	\$ 222,785	\$ 295,966
	<hr/>	<hr/>
	\$ 464,959	\$ 841,095
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6 ADMINISTRATIVE EXPENSES		
ACCOUNTING FEES	\$ 55,000	\$ 55,000
AUDIT FEES	\$ 30,000	\$ 30,000
DEPRECIATION EXPENSE	\$ 4,486,631	\$ 4,415,939
DIRECTORS' FEES AND EXPENSES	\$ 52,758	\$ 142,800
ELECTRICITY	\$ 1,174,496	\$ 1,088,938
FREIGHT	\$ 434,639	\$ 275,199
INSURANCE	\$ 273,461	\$ 727,245
OFFICE EXPENSES	\$ 110,192	\$ 168,663
PENSIONS	\$ 5,132,975	\$ 5,107,301
PROFESSIONAL AND LEGAL FEES	\$ 162,626	\$ 598,830
RENT	\$ 394,054	\$ 404,473
REPAIRS	\$ 1,843,312	\$ 1,933,580
SALARIES AND WAGES	\$ 6,784,034	\$ 7,805,812
SECURITY	\$ 2,674,281	\$ 2,685,926
SEVERANCE	\$ 1,047,834	\$ 228,360
STATIONERY	\$ 159,391	\$ 239,630
TELEPHONE	\$ 440,692	\$ 402,242
TRAINING	\$ 265,747	\$ 204,318
WATER RATES AND LAND TAXES	\$ 731,345	\$ 544,127
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	\$ 26,253,469	\$ 27,058,382
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7 FINANCE COST		
BANK CHARGES	\$ 75,138	\$ 87,546
LOAN AND BOND INTEREST	\$ 40,566,534	\$ 36,721,466
OVERDRAFT INTEREST	\$ 1,195,320	\$ 4,725,032
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	\$ 41,836,992	\$ 41,534,044
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PUBLIC TRANSPORT SERVICE CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2001
(continued)

8 PROPERTY, PLANT AND EQUIPMENT

	LAND	BUILDINGS	PLANT & EQUIPMENT	REVENUE VEHICLES	NON-REVENUE VEHICLES	FURNITURE & FITTINGS	TOTAL
COST AT 31/12/00	\$ 23,617,393	\$ 74,089,485	\$ 10,949,966	\$ 160,941,791	\$ 1,870,871	\$ 6,026,024	\$ 277,495,530
ADDITIONS	\$ -	\$ -	\$ 334,230	\$ 2,205,000	\$ -	\$ 76,966	\$ 2,616,196
DISPOSALS			\$ (68,619)			\$ (43,559)	\$ (112,178)
COST AT 31/12/01	\$ 23,617,393	\$ 74,089,485	\$ 11,215,577	\$ 163,146,791	\$ 1,870,871	\$ 6,059,432	\$ 279,999,549
ACCUMULATED DEPRECIATION							
BALANCE B/F 31/12/00	\$ (2,179,262)	\$ (63,157,569)	\$ (9,601,658)	\$ (133,696,442)	\$ (1,870,871)	\$ (5,897,533)	\$ (216,403,335)
RATE CHARGE FOR THE PERIOD	0%	5%	15%	12.50%	25%	25%	
DISPOSALS	\$ -	\$ (3,704,474)	\$ (744,032)	\$ (9,413,501)	\$ -	\$ (38,125)	\$ (13,900,132)
		\$ -	\$ 68,619			\$ 43,559	\$ 112,178
BALANCE C/F 31/12/01	\$ (2,179,262)	\$ (66,862,043)	\$ (10,277,071)	\$ (143,109,943)	\$ (1,870,871)	\$ (5,892,099)	\$ (230,191,289)
W.D.V. AT 31/12/01	\$ 21,438,131	\$ 7,227,442	\$ 938,506	\$ 20,036,848	\$ -	\$ 167,333	\$ 49,808,260
W.D.V. AT 31/12/00	\$ 21,438,131	\$ 10,931,916	\$ 1,348,308	\$ 27,245,349	\$ -	\$ 128,492	\$ 61,092,196

PUBLIC TRANSPORT SERVICE CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2001
(continued)

	2001	2000
9 INVENTORY		
OIL STOCK	\$ 8,968	\$ 5,716
FUEL STOCK	\$ 87,268	\$ 41,019
TRADER TICKETS	\$ 48,461	\$ 19,636
TIRES AND LUBES	\$ 62,764	\$ 35,403
SPARES	\$ 3,070,738	\$ 1,426,412
STATIONERY	\$ 20,202	\$ 13,310
SMART CARDS	\$ 19,710	\$ -
OTHER MATERIALS	\$ 28,378	\$ 16,870
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	\$ 3,346,487	\$ 1,558,367
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10 DEBTORS AND PREPAYMENTS		
TRADE DEBTORS	\$ 2,037,187	\$ 5,406,028
EMPLOYEE LOANS	\$ 502,949	\$ 178,272
VAT	\$ 756,396	\$ 386,239
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	\$ 3,296,532	\$ 5,970,540
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11 SHORT-TERM INVESTMENTS		
REPUBLIC BANK LIMITED	\$ 3,640,634	\$ 3,286,144
UNIT TRUST CORPORATION	\$ 1,019,850	\$ -
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	\$ 4,660,484	\$ 3,286,144
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12 CASH ON HAND AND AT BANK		
PETTY CASH FLOATS	\$ 13,400	\$ 13,000
REPUBLIC BANK LIMITED	\$ 228,982	\$ 145,502
FIRST CITIZEN'S BANK LIMITED	\$ 121,313	\$ -
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	\$ 363,695	\$ 158,502
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PUBLIC TRANSPORT SERVICE CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2001
(continued)

	2001	2000
13 CAPITAL RESERVES		
CAPITAL RESERVE	\$ 7,181,390	\$ 7,181,390
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	\$ 7,181,390	\$ 7,181,390
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14 BANK OVERDRAFT		
REPUBLIC BANK LIMITED	\$ 2,666,322	\$ 5,214,895
FIRST CITIZEN'S BANK LIMITED	\$ 9,984,133	\$ 7,185,761
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	\$ 12,650,454	\$ 12,400,656
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15 CREDITORS		
TRADE CREDITORS	\$ 8,167,292	\$ 8,156,684
STATUTORY DEDUCTIONS	\$ 9,674,427	\$ 6,345,035
OTHER ACCRUALS	\$ 11,881,078	\$ 8,244,391
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	\$ 29,722,798	\$ 22,746,111
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PUBLIC TRANSPORT SERVICE CORPORATION
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31ST DECEMBER, 2001
 (continued)

16 LOANS AND BONDS

2001

2000

BONDS

1	CITICORP TT \$31 MILLION BOND ISSUE	\$ -	\$ 3,875,000
2	CITICORP TT \$40 MILLION BOND ISSUE	\$ 18,823,529	\$ 21,176,470
3	FINCOR TT \$75.3 MILLION BOND ISSUE	\$ 61,019,893	\$ 66,325,973
4	CITICORP TT \$130.1 MILLION BOND ISSUE	\$ 151,560,023	\$ 159,980,025
5	FINCOR TT \$42 MILLION BOND ISSUE	\$ 43,702,739	\$ 49,529,785

TOTAL BONDS	\$ 275,106,184	\$ 300,887,253
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LOANS

6	REPUBLIC BANK LIMITED - 4 MILLION	\$ 1,321,010	\$ 2,679,455
7	FIRST CITIZEN'S BANK LIMITED - 25 MILLION	\$ 25,000,000	\$ 25,000,000
8	FIRST CITIZEN'S BANK LIMITED - EXCUT BUS	\$ 1,837,500	\$ -
9	REPUBLIC BANK LIMITED - CAR LOAN	\$ -	\$ 9,059
10	VEMCOTT LOAN	\$ 4,200,000	\$ -
11	GOVERNMENT LOANS AND ADVANCES	\$ 1,127,669,543	\$ 1,127,669,543

TOTAL LOANS	\$ 1,160,028,053	\$ 1,155,358,057
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TOTAL LOANS AND BONDS	\$ 1,435,134,237	\$ 1,456,245,310
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CURRENT - PORTION	\$ 11,625,508	\$ 27,148,573
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LONG TERM PORTION	\$ 1,423,508,729	\$ 1,429,096,737
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1 THE PTSC BORROWED TT \$31 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 JANUARY AND JULY EACH YEAR. THE PRINCIPAL IS PAYABLE IN SIXTEEN SEMI-ANNUAL PAYMENTS OF \$1,937,500 FROM JANUARY 1994.

2 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.

PUBLIC TRANSPORT SERVICE CORPORATION
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- 3 THE PTSC BORROWED TT **\$75 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.
- 4 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 INTERESTED 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 \$4,210,001 FROM JUNE 1998.
- 5 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 INTERESTED WOULD BE REPAID. INTEREST PAYMENTS ARE SEMI-ANNUAL . THE PRINCIPAL IS PAYABLE FROM MAY 2001.
- 6 THIS LOAN WAS GRANTED TO PURCHASE 55 MINI BUSES . THE LOAN BEARS INTEREST AT 17% PER ANNUM . IT IS TO BE REPAID BY INSTALLMENTS OF \$142,611.00 PER MONTH INCLUSIVE OF INTEREST AND PRINCIPAL FOR 36 MONTHS. THE FIRST PAYMENT WAS MADE ON THE 30TH NOVEMBER, 1999. INTEREST FOR THE FIRST 12 MONTHS WAS ACCRUED AND ADDED TO THE PRINCIPAL.
- 7 THIS LOAN 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 REPAID BY SEMI-ANNUAL INSTALLMENTS OF \$1,785,714.29 EXCLUSIVE OF INTEREST.
- 8 THIS LOAN WAS GRANTED BY FIRST CITIZENS' BANK TRUST AND MERCHANT BANK LIMITED TO PURCHASE 5 MINI BUSES. IT IS REPAYABLE OVER 3 YEARS AND IT BEARS INTEREST AT 15% PER ANNUM. THIS LOAN IS TO BE REPAID BY SEMI-ANNUAL INSTALLMENTS OF \$367,500 EXCLUSIVE OF INTEREST.
- 9 THIS LOAN WAS GRANTED TO PURCHASED 2 VEHICLES . THE LOAN BEARS INTEREST AT 14% PER ANNUM . IT IS TO BE REPAID BY INSTALLMENTS OF \$4,605.24 PER MONTH INCLUSIVE OF INTEREST AND PRINCIPAL OVER 48 MONTHS.
- 10 THIS LOAN WAS GRANTED BY THE VEHICLE MAINTENANCE CORPORATION OF TRINIDAD AND TOBAGO TO REFURBISH 16 BUSES FOR THE UNDER 17 WORLD CUP . THE LOAN IS TO BE REPAID BY THE MINISTRY OF FINANCE IN JANUARY 2002.
- 11 THIS IS LOANS AND ADVANCES MADE BY THE GOVERNMENT TO THE CORPORATION. THESE AMOUNTS DOES NOT HAVE ANY FIXED TERMS OF REPAYMENT NOR IS INTEREST CHARGED ON THESE BALANCES .

**PUBLIC TRANSPORT SERVICE CORPORATION
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17 CONTINGENT LIABILITIES AND COMMITMENTS

AT THE YEAR END , THE CORPORATION HAD THE FOLLOWING CONTINGENT LIABILITIES ARISING IN THE ORDINARY COURSE OF BUSINESS.

- a) **IIA 13A OF 1983** - THIS IS A LONG OUTSTANDING INDUSTRIAL RELATIONS MATTER . THE POTENTIAL LIABILITY IS \$530,000.00.
- b) **ICA 16 OF 1999** - CLAIM FOR WAGES AND COST OF LIVING ALLOWANCE (COLA) FOR PART TIME DRIVERS AND CONDUCTORS. THE ESTIMATED LIABILITY IS EXPECTED TO BE IN THE VICINITY OF \$1.6 MILLION DOLLARS.
- c) **HAC NO. 2962 OF 2001** - THIS IS A MALICIOUS DAMAGE CASE AND THE POTENTIAL LIABILITY IS \$700,000.00.

18 TAXATION

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 SERVICE CORPORATION IS EXEMPTED FROM THE PAYMENT OF BUSINESS LEVY.