



Chartered Accountants
& Business Advisors

**TRINIDAD & TOBAGO
ENTERTAINMENT COMPANY LIMITED**

FINANCIAL STATEMENTS

30 SEPTEMBER 2009



Chartered Accountants
& Business Advisors

TRINIDAD & TOBAGO ENTERTAINMENT COMPANY LIMITED

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Chartered Accountants
& Business Advisors

INDEPENDENT AUDITORS' REPORT

The Shareholder Trinidad and Tobago Entertainment Company Limited

We have audited the accompanying financial statements of Trinidad and Tobago Entertainment Company Limited, which comprise the balance sheet as at 30 September 2009, the statements of income, changes in shareholder's equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

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. This responsibility includes: designing, implementing and maintaining internal control, relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' 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 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 the auditors' 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 auditors consider 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.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Trinidad and Tobago Entertainment Company Limited as of 30 September 2009, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

PKF

**Port of Spain
19 December 2011**

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TRINIDAD & TOBAGO ENTERTAINMENT COMPANY LIMITED

BALANCE SHEET

ASSETS

		30 September	
	<u>Notes</u>	<u>2009</u>	<u>2008</u>
Current Assets:			
Cash in hand and at bank	5	\$ 931,963	\$ 1,179,662
Short-term investments	6	335,640	318,365
Subvention receivable	7	<u>616,092</u>	<u>-</u>
Total Current Assets		1,883,695	1,498,027
Non-Current Assets:			
Fixed assets	8	<u>805,322</u>	<u>1,009,112</u>
Total Assets		<u>\$ 2,689,017</u>	<u>\$ 2,507,139</u>

LIABILITIES AND SHAREHOLDER'S EQUITY

Liabilities:			
Accounts payable and accruals	9	\$ 498,092	\$ 765,364
Deferred income	10	<u>2,190,915</u>	<u>1,741,765</u>
Total Liabilities		<u>2,689,007</u>	<u>2,507,129</u>
Shareholder's Equity:			
Stated Capital	11	<u>10</u>	<u>10</u>
Total Shareholder's Equity		<u>10</u>	<u>10</u>
Total Liabilities and Shareholder's Equity		<u>\$ 2,689,017</u>	<u>\$ 2,507,139</u>

On behalf of the Board:


 Director


 Director

(The accompanying notes form part of these financial statements)

TRINIDAD & TOBAGO ENTERTAINMENT COMPANY LIMITED

STATEMENT OF INCOME

		For the year ended 30 September	
	<u>Schedules</u>	<u>2009</u>	<u>2008</u>
Income:			
Project expenditure - subvention		\$ 1,261,976	\$ 2,200,390
- other income		157,906	402,665
Recurrent expenditure subvention		3,544,947	2,284,602
Interest income		17,275	18,365
Other income		<u>2,906</u>	<u>25</u>
Total Income		<u>4,985,010</u>	<u>4,906,047</u>
General and Administrative Expenses:			
Administrative expenses	1	3,565,128	2,302,992
Project expenditure	2	<u>1,419,882</u>	<u>2,603,055</u>
Total General and Administrative Expenses		<u>4,985,010</u>	<u>4,906,047</u>
Net surplus for the year		<u>\$ -</u>	<u>\$ -</u>

(The accompanying notes form part of these financial statements)

TRINIDAD & TOBAGO ENTERTAINMENT COMPANY LIMITED
STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2009

	<u>Stated Capital</u>
Balance as at 1 October 2008	\$ <u>10</u>
Balance as at 30 September 2009	<u>\$ 10</u>

(The accompanying notes form part of these financial statements)

TRINIDAD & TOBAGO ENTERTAINMENT COMPANY LIMITED

STATEMENT OF CASH FLOWS

	For the year ended 30 September	
	<u>2009</u>	<u>2008</u>
Operating Activities:		
Net surplus for the year	\$ -	\$ -
Adjustment:		
Depreciation	<u>270,714</u>	<u>79,769</u>
	270,714	79,769
Net change in subvention receivable	(616,092)	99,878
Net change in accounts payable and accruals	(267,272)	626,254
Net change in deferred income	<u>449,150</u>	<u>1,497,299</u>
Funds provided by Operating Activities	<u>(163,500)</u>	<u>2,303,200</u>
Investing Activities:		
Fixed asset purchases	<u>(66,924)</u>	<u>(649,853)</u>
Funds used in Investing Activities	<u>(66,924)</u>	<u>(649,853)</u>
Net change in cash balances	(230,424)	1,653,347
Cash balances, beginning of year	<u>1,498,027</u>	<u>(155,320)</u>
Cash balances, end of year	<u>\$ 1,267,603</u>	<u>\$ 1,498,027</u>
Represented by:		
Cash at bank	\$ 931,963	\$ 1,179,662
Short-term investment	<u>335,640</u>	<u>318,365</u>
	<u>\$ 1,267,603</u>	<u>\$ 1,498,027</u>

(The accompanying notes form part of these financial statements)

TRINIDAD & TOBAGO ENTERTAINMENT COMPANY LIMITED**NOTES TO THE FINANCIAL STATEMENTS****30 SEPTEMBER 2009****1. Incorporation and Principal Business Activity:**

Trinidad and Tobago Entertainment Company Limited was incorporated in the Republic of Trinidad and Tobago on the 30 November 2006. The principal business activity of the company is to act as an agent on behalf of the Ministry of Trade and Industry (MTI), responsible for facilitating the development of a globally competitive entertainment industry.

2. Significant Accounting Policies:**(a) Basis of financial statements preparation -**

These financial statements are prepared in accordance with International Financial Reporting Standards (IFRS), and are stated in Trinidad and Tobago dollars. These financial statements are stated on the historical cost basis, except for the measurement at fair value of certain financial instruments.

(b) Use of estimates -

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires management to exercise its judgment in the process of applying the Company's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenditure during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

(c) Adoption of new and revised IFRSs and IFRICs -

During the current year the Company adopted all the new and revised International Financial Reporting Standards (IFRSs) and International Financial Reporting Interpretations (IFRICs) which are relevant to its operations and are effective. The adoption of these Standards did not have a material effect on the financial statements. At the date of authorisation of these financial statements, some Standards were in issue but not yet effective. The Board of Directors expects that the adoption of these Standards in future periods will not have a material effect on the financial statements of the Company.

TRINIDAD & TOBAGO ENTERTAINMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2009

2. Significant Accounting Policies (Cont'd):

(d) Fixed assets -

Plant and equipment are stated at cost. Depreciation is provided on a reducing balance basis at varying rates sufficient to write off the cost of the assets over their estimated useful economic lives as follows:

Office equipment	-	25%
Computer software and equipment	-	33 1/3%
Furniture, fixtures and fittings	-	25%

The assets' residual values and useful lives are reviewed at each Balance Sheet date, and adjusted as appropriate. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals of fixed assets are determined by reference to their carrying amounts and are taken into account in determining the net surplus for the year.

(e) Investments -

The Company's investments are classified as available-for-sale.

Investments intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, are classified as "available-for-sale" in accordance with International Accounting Standard (IAS) #39.

These investments are carried at their fair values. Realised and unrealised gains and losses arising from changes in the fair value of available-for-sale investments are included in the Investment Re-measurement Reserve and would be transferred to the Statement of Income on the disposal of these investments. All short-term investments of the Company are considered available-for-sale.

(f) Financial instruments -

Financial instruments are contracts that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are recognised on the Company's Balance Sheet when the Company becomes a party to the contractual provisions of the instrument.

TRINIDAD & TOBAGO ENTERTAINMENT COMPANY LIMITED**NOTES TO THE FINANCIAL STATEMENTS****30 SEPTEMBER 2009****2. Significant Accounting Policies (Cont'd):****(f) Financial instruments (Cont'd) -****Financial assets**

All regular way purchases and sales of financial assets are recognised or derecognised on the trade date that is the date on which the Company commits itself to purchase or sell an asset. A regular way purchase and sale of financial assets is a purchase or sale of an asset under a contract whose terms require delivery of the asset within the timeframe established generally by regulation or convention in the marketplace concerned.

When financial assets are recognised initially, they are measured at fair value of the consideration given plus transaction costs directly attributable to the acquisition of the asset.

Financial assets are derecognised when the contractual rights to receive the cash flows expire or where the risks and rewards of ownership of the assets have been transferred.

Impairment of financial assets

The Company assesses at each Balance Sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired.

A financial asset or group of financial assets is impaired and impairment losses are incurred if and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Objective evidence that a financial asset or group of financial assets is impaired includes observable data that comes to the attention of the Company about the following loss events:

- i) Significant financial difficulty of the issuer or obligor.
- ii) A breach of contract, such as default or delinquency in interest or principal payments.
- iii) It becoming probable that the borrower will enter in bankruptcy or other financial reorganization.
- iv) The disappearance of an active market for that financial asset because of financial difficulties.

TRINIDAD & TOBAGO ENTERTAINMENT COMPANY LIMITED**NOTES TO THE FINANCIAL STATEMENTS****30 SEPTEMBER 2009****2. Significant Accounting Policies (Cont'd):****(f) Financial instruments (Cont'd) -****Impairment of financial assets**

- v) Observable data indicating that there is a measurable decrease in the estimated cash-flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with individual financial assets in the group, including adverse changes in the payment status of borrowers in the Company or national or economic conditions that correlate with defaults on assets in the Company.

The Company first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant. If the Company determines that no objective evidence of impairment exists for an individually assessed financial asset, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

Impairment of financial assets

Impairment losses are recorded in an allowance account and are measured and recognised as follows:

i) Financial assets measured at amortised cost

The difference between the assets' carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate is recognised in the Statement of Income.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as improvement in the debtor's credit rating), the previously recognised loss is reversed to the extent that the carrying amount of the financial asset does not exceed what the amortised cost would have been had the impairment not been recognised at the date that the impairment is reversed. The amount of the reversal is recognised in the Statement of Income.

ii) Financial assets measured at cost

The difference between the assets' carrying amount and the present value of the estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the current market's rate of return for similar financial assets is recognised in the Statement of Income. These losses are not reversed.

TRINIDAD & TOBAGO ENTERTAINMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2009

2. Significant Accounting Policies (Cont'd):**(f) Financial instruments (cont'd) -****Financial liabilities**

When financial liabilities are recognised initially, they are measured at fair value of the consideration given plus transaction costs directly attributable to the acquisition of the liability. Financial liabilities are re-measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when they are extinguished that is when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability extinguished and the consideration paid is recognised in the Statement of Income.

Cash resources

Cash resources consist of cash, bank balances, and highly liquid investments that are carried at cost, which approximates market value.

Subvention receivable

Subvention receivable is measured at cost.

Accounts payable and accruals

Accounts payable and accruals are initially measured at fair value, and are subsequently measured at amortised cost.

Leasing commitments

Leases in which a significant proportion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals paid under operating leases are charged to the Statement of Income.

(g) Provisions -

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

TRINIDAD & TOBAGO ENTERTAINMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2009

2. Significant Accounting Policies (Cont'd):**(h) Foreign currencies -**

Foreign currency transactions during the year are recorded in Trinidad and Tobago Dollars at the exchange rates ruling at the dates of the transactions. Monetary assets and liabilities in foreign currencies at the balance sheet date are translated into Trinidad and Tobago dollars at the exchange rate ruling at that date. Gains or losses thus arising are dealt with in the current year's statement of income.

(i) Government grant -

Grants from the Government of the Republic of Trinidad and Tobago are recognised at their fair values, where there is a reasonable assurance that the grant will be received, and the Company will comply with all conditions attached.

Grants relating to operating expenses and project expenditure are deferred and included in non-current liabilities. They are recognised in the Statement of Income over the year necessary to match them with net expenses they are intended to compensate.

Grants relating to the purchase and construction of property and plant and equipment are credited to the Statement of Income in an amount equal to the year's depreciation of acquired assets, over the expected useful lives of these assets.

(j) Comparative figures -

Certain changes in the presentation have been made during the year and comparative figures have been restated accordingly. These changes have no impact on the surplus reported for the previous year.

TRINIDAD & TOBAGO ENTERTAINMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2009

2. **Significant Accounting Policies (Cont'd):**(k) **Taxation -**Current tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the Balance Sheet date.

Deferred tax

Deferred income tax is provided in full, using the liability method, on all temporary differences at the Balance Sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the rate that is expected to apply to the period when the asset is realised or the liability is settled, based on the enacted tax rate at the Balance Sheet date. Deferred tax assets relating to the carry-forward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilized. In the opinion of management, the effect of temporary differences at 30 September 2009 is not considered material.

3. **Financial Risk Management:****Financial risk factors**

The Company is exposed to interest rate risk, credit risk, liquidity risk, currency risk, operational risk, compliance risk and reputation risk arising from the financial instruments that it holds. The risk management policies employed by the Company to manage these risks are discussed below:

(a) **Interest rate risk -**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company is exposed to interest rate risk through the effect of fluctuations in the prevailing levels of interest rates on interest bearing financial assets.

TRINIDAD & TOBAGO ENTERTAINMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2009

3. **Financial Risk Management (Cont'd):****Financial risk factors (Cont'd)****(b) Credit risk -**

Credit risk arises when a failure by counter parties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the Balance Sheet date. The Company does not have approved, written financial controls and procedures manuals and thus relies on guidelines from the Board of Directors to communicate the Company's credit philosophy; provide policy guidelines to team members involve in the granting of credit; establish minimum standards for credit analysis, documentation, decision making and post-disbursement administration; as well as create the foundation for a sound credit portfolio.

Cash resources are held with high credit quality financial institutions and the Company also actively monitors global economic developments and government policies that may affect the growth rate of the local economy.

(c) Liquidity risk -

Liquidity risk is the risk that arises when the maturity dates of assets and liabilities do not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Company has procedures with the object of minimising such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

The Company is able to make daily calls on its available cash resources to settle financial and other liabilities.

d) Currency risk -

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Company's measurement currency. The Company is exposed to foreign exchange risk arising from various currency exposures. The Company's management monitors the exchange rate fluctuations on a continuous basis and acts accordingly.

e) Operational risk -

Operational risk is the risk derived from deficiencies relating to the Company's cash resources, information technology and control systems, as well as the risk of human error and natural disasters. The Company's systems are evaluated, maintained and upgraded continuously. In an effort to improve the quality of the information used in financial reporting, the Company upgraded from its manual accounting system to the fully computerised Peachtree accounting software in April 2008.

TRINIDAD & TOBAGO ENTERTAINMENT COMPANY LIMITED**NOTES TO THE FINANCIAL STATEMENTS****30 SEPTEMBER 2009****3. Financial Risk Management (Cont'd):****Financial risk factors (Cont'd)****(f) Compliance risk -**

Compliance risk is the risk of financial loss, including fines and other penalties, which arise from non-compliance with laws and regulations of the state. The risk is limited to a significant extent due to the supervision applied by the Company's line ministry, the Ministry of Trade and Industry, as well as by the monitoring controls applied by the Company.

(g) Reputation risk -

The risk of loss of reputation arising from the negative publicity relating to the Company's operations (whether true or false) may result in a reduction of its clientele, reduction in revenue and legal cases against the Company. The Company engages in public social endeavours to engender trust and minimize this risk.

4. Critical Accounting Estimates and Judgments:

The preparation of financial statements in accordance with International Financial Reporting Standards requires management to make judgements, estimates and assumptions in the process of applying the Company's accounting policies. See Note 2 (b).

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events, that are believed to be reasonable under the circumstances. The Company makes estimates and assumptions concerning the future. However, actual results could differ from those estimates as the resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Changes in accounting estimates are recognised in the Statement of Income in the period in which the estimate is changed, if the change affects that period only, or in the period of the change and future periods if the change affects both current and future periods.

The critical judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements, are as follows:

- i) Whether investments are classified as held to maturity investments, available for sale or loans and receivables.
- ii) Whether leases are classified as operating leases or finance leases.
- iii) Which depreciation method for plant and equipment is used.

TRINIDAD & TOBAGO ENTERTAINMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2009

4. Critical Accounting Estimates and Judgments (Cont'd):

The key assumptions concerning the future and other key sources of estimation uncertainty at the Balance Sheet date (requiring management's most difficult, subjective or complex judgements) that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

i) Impairment of assets

Management assesses at each Balance Sheet date whether assets are impaired. An asset is impaired when the carrying value is greater than its recoverable amount and there is objective evidence of impairment. Recoverable amount is the present value of the future cash flows. Provisions are made for the excess of the carrying value over its recoverable amount.

ii) Plant and equipment

Management exercises judgement in determining whether future economic benefits can be derived from expenditures to be capitalised and in estimating the useful lives and residual values of these assets.

5. Cash in Hand and at Bank:

	30 September	
	<u>2009</u>	<u>2008</u>
Petty Cash	\$ 2,000	\$ 3,000
First Citizens Bank Limited	1,319	-
Republic Bank Limited	<u>928,644</u>	<u>1,176,662</u>
	<u>\$ 931,963</u>	<u>\$ 1,179,662</u>

6. Short-term Investments:

	30 September	
	<u>2009</u>	<u>2008</u>
Republic Bank Limited – Money Market Fund	<u>\$ 335,640</u>	<u>\$ 318,365</u>

7. Subvention Receivable:

This represents the shortfall of Government Subvention for recurrent and project expenditure for the fiscal year 2008/2009. These amounts were received in early October 2009.

TRINIDAD & TOBAGO ENTERTAINMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2009

8. <u>Fixed Assets:</u>	<u>Furniture, Fixtures and Fittings</u>	<u>Computer Software and Equipment</u>	<u>Office Equipment</u>	<u>Total</u>
Cost				
Balance as at 1 October 2008	\$ 910,979	\$ 133,436	\$ 44,596	\$ 1,089,011
Additions	<u>10,291</u>	<u>41,538</u>	<u>15,095</u>	<u>66,924</u>
Balance as at 30 September 2009	<u>921,270</u>	<u>174,974</u>	<u>59,691</u>	<u>1,155,935</u>
Accumulated Depreciation				
Balance as at 1 October 2008	47,538	26,121	6,240	79,899
Charge for the year	<u>216,943</u>	<u>40,893</u>	<u>12,878</u>	<u>270,714</u>
Balance as at 30 September 2009	<u>264,481</u>	<u>67,014</u>	<u>19,118</u>	<u>350,613</u>
Net Book Value				
Balance as at 30 September 2009	<u>\$ 656,789</u>	<u>\$ 107,960</u>	<u>\$ 40,573</u>	<u>\$ 805,322</u>
Balance as at 30 September 2008	<u>\$ 863,441</u>	<u>\$ 107,315</u>	<u>\$ 38,356</u>	<u>\$ 1,009,112</u>

TRINIDAD & TOBAGO ENTERTAINMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2009

8. Fixed Assets Cont'd:

Cost	Furniture, Fixtures and Fittings	Computer Software and Equipment	Office Equipment	Work-in- Progress	<u>Total</u>
Balance as at 1 October 2007	\$ -	\$ 15,858	\$ -	\$ 423,300	\$ 439,158
Additions	392,304	117,578	44,596	95,375	649,853
Transfers	<u>518,675</u>	<u>-</u>	<u>-</u>	<u>(518,675)</u>	<u>-</u>
Balance as at 30 September 2008	<u>910,979</u>	<u>133,436</u>	<u>44,596</u>	<u>-</u>	<u>1,089,011</u>
Accumulated Depreciation					
Balance as at 1 October 2007	-	130	-	-	130
Charge for the year	<u>47,538</u>	<u>25,991</u>	<u>6,240</u>	<u>-</u>	<u>79,769</u>
Balance as at 30 September 2008	<u>47,538</u>	<u>26,121</u>	<u>6,240</u>	<u>-</u>	<u>79,899</u>
Net Book Value					
Balance as at 30 September 2008	<u>\$ 863,441</u>	<u>\$ 107,315</u>	<u>\$ 38,356</u>	<u>\$ -</u>	<u>\$ 1,009,112</u>
Balance as at 30 September 2007	<u>\$ -</u>	<u>\$ 15,728</u>	<u>\$ -</u>	<u>\$ 423,300</u>	<u>\$ 439,028</u>

TRINIDAD & TOBAGO ENTERTAINMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2009

9. Accounts Payable and Accruals:

	30 September	
	2009	2008
Audit fees payable	\$ 109,250	\$ 51,750
Accounts payable	170,815	110,371
Green Fund Levy payable	757	-
Project payable	188,013	559,311
Statutory deductions payable	20,622	38,097
Stale-dated cheques payable	8,635	5,835
	<u>\$ 498,092</u>	<u>\$ 765,364</u>

10. Deferred Income:

	30 September	
	2009	2008
Excess Government Subvention over net expenditure		
- Recurrent expenditure	\$ 1,436,501	\$ 1,043,288
- Project expenditure	754,414	698,477
	<u>\$ 2,190,915</u>	<u>\$ 1,741,765</u>

11. Stated Capital:

	30 September	
	2009	2008
Authorised:		
An unlimited number of ordinary shares of no par value		
Issued and fully paid:		
10 ordinary shares of no par value	\$ 10	\$ 10

12. Fair Values:

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable, willing parties in an arm's length transaction. The existence of published price quotation in an active market is the best evidence of fair value. Where market prices are not available, fair values are estimated using various valuation techniques, including using recent arm's length market transactions between knowledgeable, willing parties, if available, current fair value of another financial instrument that is substantially the same and discounted cash flow analysis.

The carrying amount of short term financial assets and liabilities comprising cash resources, accounts receivables and prepayments, and accounts payable and accruals are a reasonable estimate of their fair values because of the short maturity of these instruments.

TRINIDAD & TOBAGO ENTERTAINMENT COMPANY LIMITED

SCHEDULES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2009

13. Related Party Transactions:

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial decisions.

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Company.

A number of transactions are entered into with related parties in the normal course of business. These transactions were carried out on commercial terms at market rates.

Balances and transaction with related parties and key management personnel during the year were as follows:

	30 September	
	<u>2009</u>	<u>2008</u>
Assets		
Subvention receivable from MTI	<u>\$ 616,092</u>	<u>\$ -</u>
Liabilities		
Deferred income – subventions from MTI	<u>\$2,190,915</u>	<u>\$1,741,765</u>
Income		
Project expenditure subvention from MTI	\$1,261,976	\$2,200,390
Recurrent expenditure subvention from MTI	<u>3,544,947</u>	<u>2,284,602</u>
	<u>\$4,806,923</u>	<u>\$4,484,992</u>
Expenses		
Directors' fees	<u>\$ 456,300</u>	<u>\$ 302,600</u>
Key management compensation		
Short-term benefits	\$ 418,000	\$ 669,500
Post-employment benefits	<u>60,000</u>	<u>-</u>
	<u>\$ 478,000</u>	<u>\$ 669,500</u>

TRINIDAD & TOBAGO ENTERTAINMENT COMPANY LIMITED

SCHEDULES TO THE FINANCIAL STATEMENTS

30 SEPTEMBER 2009

1. Administrative Expenses:

	30 September	
	<u>2009</u>	<u>2008</u>
Advertising	\$ 458,459	\$ 22,169
Audit fees	57,500	77,050
Bank charges	2,530	899
Depreciation	270,714	79,769
Directors fees	456,300	302,600
Donations and sponsorship	16,300	-
Green Fund Levy	757	-
Insurance	14,977	12,351
Legal and professional fees	311,483	134,487
Licenses	2,196	-
Motor vehicle expenses	9,598	7,465
NIS employers' contribution	33,176	24,938
Office expenses	62,586	66,246
Office rental	432,000	434,499
Repairs and maintenance	65,464	22,706
Salaries	1,009,376	857,222
Staff travel	-	3,411
Stationery and office supplies	40,195	56,285
Staff training	28,982	-
Subscriptions	1,485	1,407
Telephone	113,490	61,253
Vehicle rental	177,560	138,235
	<u>\$ 3,565,128</u>	<u>\$ 2,302,992</u>

2. Project Expenditure:

	30 September	
	<u>2009</u>	<u>2008</u>
Revolving investment arrangement	\$ 888,848	\$ 1,372,035
Familiarization tours	-	70,089
Trade fairs, festivals and events	193,950	394,573
Capacity development	337,084	766,358
	<u>\$ 1,419,882</u>	<u>\$ 2,603,055</u>