



TRINIDAD AND TOBAGO FILM
COMPANY
(TTFC)



THE ANNUAL
ADMINISTRATIVE
REPORT
2008/2009

The Annual Administrative Report

1. Mission Statement

To establish T&T as the premier Caribbean film location and production center within the international film and television marketplace.

2. Vision Statement

To establish Trinidad and Tobago as a dynamic film and television production location/centre resulting in the generation of employment and investment, the provision of training opportunities and the creation of national wealth, thereby ensuring a sustained competitive presence in the global film marketplace.

3. Strategic Plan (provide summary only)

The Strategic Plan for the Film Industry of Trinidad and Tobago, January 2005 was prepared by the Film Industry Team of the Prime Minister's Standing Committee on Business Development (SCBD). The Plan provides insights into the global film industry referencing initiatives developed in traditional and emerging film markets and provides guidelines and strategies to exploit the potential of the sector and grow the Trinidad and Tobago film industry. Specific focus is placed on the introduction of fiscal and other incentives and recommendations outlined for the introduction of education and training opportunities, public awareness programmes. The Plan outlines the economic and social benefits to be derived from the industry's development and places emphasis on the provision of fiscal and other supports for the sector's growth. The economic and cultural impact from the production and distribution of local content in local, regional, and international markets is outlined. (The "Executive Summary" of the 2005 Plan is attached as Appendix 1).

The 2005 Strategic Plan is due for revision in 2010 by the Trinidad and Tobago Film Company.

4. Financial Operations:

• Budget formulation

The work programmes and operational costs of the Trinidad and Tobago Film Company Ltd (TTFC) wholly funded by the Government of Trinidad and Tobago (GOTT). Annual Budgets are submitted to the Ministry of Trade and Industry, the Company's line Ministry. The budgets are tied to specific and measurable work programmes in keeping with the Company's key performance indicators and limited to those areas which the Government has the responsibility for funding.

• Expenditure versus Budget

The TTFC expenditure 2006-2009 is detailed below;

PSIP

Year	Budget	Expenditure
2006-2007	\$4,742,823	\$3,333,115
2007-2008	\$5,950,000	\$6,071,129
2008-2009	\$3,000,000	\$2,991,139.56

Recurrent

Year	Budget	Expenditure
2006-2007	\$2,209,494	\$3,423,167
2007-2008	\$3,524,008	\$3,249,000
2008-2009	\$3,524,300	\$3,346,764.95

- Debt Policy

The TTFC's "Debt Policy" is outlined within the Company's "Accounting Manual" approved by the Board of Directors in July 2008. The Policy notes that "specific amounts, which are considered uncollectible, shall be wholly provided for. Annually, a general provision for Doubtful Debts of three percent (3%) on the residual balance shall also be provided after deducting the specific amounts". TTFC has not had any "bad and/or doubtful" debts since the inception of the Company's operations in 2006.

- Investment Policy

The TTFC's "Investment Policy" is outlined within the Company's "Accounting Manual" approved by the Board of Directors in July 2008. The policy states that "Investments should be made in the following; Treasury Bills, Call Deposits, Fixed Deposits, Bankers' Acceptances and Other Asset-backed Securities and other types of Investments such as Repurchase Agreements offered by the financial institutions". The TTFC has not made investments with any Bank and/or financial institution since the inception of the Company in 2005.

5. Human Resources:

- Career path systems

The Trinidad and Tobago Film Company Ltd (TTFC) has developed Human Resource (HR) systems directed at career path development. The specific policies and procedures are outlined in the Company's document approved by the Board of Directors on 14 October 2008.

The Company places emphasis on the career development of its employees who are given first preference when new employment opportunities become available once the requirements of the new post can be satisfied by the employee.

- Performance Measurement Tools

The Trinidad and Tobago Film Company Ltd (TTFC) has developed two (2) instruments for the annual measurement of performance of the Company's employees – one for Managerial, Professional and Technical Staff and the other for Junior Staff. The tools measure knowledge and technical skills, behavioural competencies.

- Promotion- performance based? If not, what are the criteria used?

Promotion is based strictly on performance evaluations. Evaluations are conducted annually with staff.

- Recruitment & Selection procedures

TTFC Recruitment and Selection procedures are designed to ensure transparency within the HR processes. Employment opportunities are advertised within the public domain and an Interview Panel established. Score sheets are developed for use at Interviews and one (1) or more external adjudicators invited to sit on the Panel.

6. Organizational Structure:

- Corporate structure

The TTFC Corporate Structure consists of a Board of Directors, management and staff. The organizational chart is outlined in the Strategic Plan of 2005 and a revised copy is attached as Appendix 3. The Board of Directors was appointed in 2006 and hosts monthly meetings. The minutes of the monthly meetings are forwarded to the

Company's Line Ministry, the Ministry of Trade and Industry. The day to day operations of the Company are managed by the Company's Chief Executive Officer. (The Organizational Plan is attached as Appendix 2).

- Services/ Products provided

The TTFC provides a range of services to both local and international stakeholders. The Company facilitates requests for film permits; responds to requests for the clearance of props, film stock and equipment through Customs and Excise; manages applications for rebates and grant/ equity funding; provides bursaries to students enrolled in film-specific training programmes; provides sponsorship to Film Festival organizers and attendees and offers a free Outreach programme to schools and communities. The TTFC extends marketing and promotional support to stakeholders and works with the T&T Missions and Consulates in international markets to provide information and co-host screenings of locally-produced content to the diaspora communities.

- Levels of Authority

All approvals for expenditure are channeled through the Company's Board of Directors. The CEO has the authority to recommend expenditure up to fifty thousand once the Chairman is informed and in agreement with the expenditure.

- Conditions of Employment (daily, monthly, contracted)

All TTFC Employees are monthly-paid employees on two (2) year contracts.

- Employment practices (if applicable)

N/A

- Training programs

The TTFC staff is exposed to training programmes designed to increase employee competency and efficiency. Training is offered in administrative, corporate, protocol and film-related subjects.

7. Procurement of Resources:

- Material Control

N/A

- Inventory Control

The TTFC's "Internal Control" is outlined within the Company's "Accounting Manual" approved by the Board of Directors in July 2008. The Policy notes that "all purchases of land, building, office and other equipment, motor vehicles, building renovations, leasehold improvements and construction of buildings whose useful life will exceed one (1) year will be capitalized and depreciated over its estimated useful life".

- Tendering Procedures – (Open, Selected or sole)

The TTFC has not engaged in a tender since the Company's inception. None of the Company's purchases have been in excess of TT\$1M-n. The Board of Directors has approved a tenders Policy and the Company uses a three quote system when ordering products and/or services from vendors.

- Contractual Procedures

The Company has a range of legal contracts for suppliers of goods and services. All recipients of grants and equity funds are legally contracted to the TTFC.

8. Reporting Functions

- Departmental Reports

A monthly CEO report is compiled from Departmental Reports which include the Facilitation, Marketing and Administrative portfolios. The CEO Report is tabled at the monthly Board of Directors meeting.

- Reports to Ministries, President/ Parliament

The minutes of the monthly meeting of the Board of Directors is submitted to the Ministry of Trade and Industry.

A monthly Status Report on programme and operational matters and expenditure is compiled and submitted to the Project Manager, Ministry of Trade and Industry.

The Company's Audited Financial Statement is submitted annually to the Ministry of Finance and the Ministry of Trade and Industry and reviewed at the Annual General Meeting (AGM).

9. Industrial Relations

The Company's industrial relations policy is outlined in the "Policies and Procedures Manual" approved by the Board of Directors and signed off on 14 October 2008.

10. Environment Policy

The Company's Environment policy is outlined in "Policies and Procedures Manual" approved by the Board of Directors and signed off on 14 October 2008. The Company commits to providing all staff with a clean and safe work environment.

11. Community Service Program or Policies

The TTFC extends service to the disadvantaged groups within the community through its Outreach programme implemented in 2006. The Outreach is a free programme for nationals that screens film and informs of career opportunities in the T&T films industry. The Outreach is a monthly exercise that specifically targets the marginalized school-age communities through a Summer Programme.

12. Audit Committees or Internal Audit Procedures

The TTFC Board of Directors has an Audit Committee comprising the CEO and a member of the Board.

13. Special plans and or Project for the year and statistics:

- Level of Success

The TTFC has revised its Key Performance Indicators for Fiscal 2010 and allocated programme budget to ensure the level of success.

- Problems encountered

The problems experienced by the TTFC are outlined within the monthly "Status Report" submitted to the Ministry of Trade and Industry. In the main the problems refer to the passage through Cabinet of measures designed to improve the TTFC's performance and effectiveness in executing its mandate. The need for increased funding to fast-track the start-up operations of this new and emerging industry was identified as a challenge.

- Possible solutions

The TTFC continues to execute its work programme and work around the problems, where legislation is required there is little that the TTFC can achieve without Cabinet support.

14. Performance accomplishments versus goals:

- The Achievements made by the Trinidad and Tobago Film Company within the period are highlighted at Appendix 4.
- Remedial plans, if any

The issue of funding has constrained the development of TTFC's annual operations. The TTFC has adopted a proactive approach and applied to the Public Sector Negotiating Committee (PSNC) for the addition of a Business Development Manager who will be retained in fiscal 2010 to examine and explore new sources of funding for TTFC's work programmes specifically the Production Assistance and Script Development Programme that provides real support to film-makers.

15. Recommendations

The TTFC recommends a higher level of autonomy for the Company to increase output and minimize bureaucracy and red-tape which constrain and limit the Company's operations.

EXECUTIVE SUMMARY

Introduction

Motion picture and television might be entertainment to the developed world but to Trinidad and Tobago and other developing nations they are a sector of the creative industries whose potential must be harnessed and used for national growth and development. If Trinidad and Tobago is to achieve its stated goal of developed nation status by 2020, the Government must reorient its thinking and use the power of this sector to assist in changing attitudes, altering thinking, developing the mind as well as contributing to employment and economic growth.

This industry is unlike any other. The development of the industry and the creating of its products do not only generate employment and foster economic activity but also assist in highlighting and preserving the nation's culture, act as a conduit for the transfer of morals and values and contribute to the evolution of our social and democratic processes. The products of this industry are a major influence on what citizens know, believe, think and feel.

In its effort to increase the contributions of the non-petroleum sector to the Gross National Product and to employment, the Government has identified the film industry as one that has the potential to make meaningful contributions to this initiative. The identification has been made so the challenge therefore is to devise the strategies necessary to make this development a reality.

The creative industries are contributing significantly to economic growth worldwide. In June 2004 the United Nations Conference on Trade and Development (UNCTAD) said, "Globally, the creative industries are estimated to account for more than 7% of the world's Gross Domestic Product and are forecasted to grow at a rate of 10% yearly.... In the United Kingdom, for example, creative industries already generate revenues of over one hundred and ten (110) billion pounds and employ over 1.3 million people."

Jamaica has already introduced measures aimed at claiming its share of these industries, which are expected to continue their rampant growth. In 2003 Jamaica was able to generate revenue to the sum of approximately ninety million TT dollars through on-location motion picture production alone. Trinidad and Tobago can claim a significant share of this thriving industry if it takes the necessary action now.

Hollywood and Bollywood are the two major film production capitals. To create an international motion picture production center located in Trinidad and Tobago, it would be necessary to:

- Stimulate the local motion picture production sector;
- Persuade investors to buy into international and local movie production;
- Convince local financial institutions to make capital available to the industry;
- Create a pool of qualified motion picture production and distribution personnel;
- Promote Trinidad and Tobago as a location for filming;
- Persuade local free-to-air television stations to commit to airing locally produced programs; and

- Develop a national consciousness, which will be supportive of the motion picture production industry.

The countries that have succeeded in developing vibrant film production industries have all put plans in place to develop their local industry and to make themselves attractive to the run-a-way film productions – international producers who are willing to take their productions out of Hollywood, Europe and the United Kingdom and into a foreign location.

In order for Trinidad and Tobago to become a significant player and develop a major motion picture production industry with the rich employment, economic, social and cultural rewards that it brings, the Film Industry Team makes the following recommendations:

National Film Agency (NFA)

The National Film Agency of Trinidad and Tobago (NFA) shall be established with the responsibility for the development of the film production industry. The Film Desk at TIDCO shall cease to exist and shall form the nucleus of this new Agency. This should be done with some urgency. The importance of the National Film Agency demands that it be adequately funded and staffed and that it reports to the Prime Minister.

The major responsibility of the NFA shall be:

- To facilitate the development of the local film industry;
- To generate revenue and employment within the sector; and
- To promote of Trinidad and Tobago as a premier location for international motion picture productions.

Marketing and Promotion

The NFA shall be responsible for marketing the film sector and its products. Marketing should be directed at the North American, European and Indian markets to attract international film producers to Trinidad and Tobago.

A Trinidad and Tobago presence should be established at international film conferences, trade fairs and festivals including Cannes, to stimulate destination awareness and provide an international forum for forging professional networks.

The NFA should:

- Seek membership and actively participate in international film-related associations;
- Facilitate familiarization tours to convince international producers of the value of filming on location in Trinidad and Tobago.

The appointment of an internationally recognized personality such as Ato Boldon, to be the film sector champion will stimulate international awareness of Trinidad and Tobago and its attractiveness as a film location.

An annual Trinidad and Tobago Film Festival should be established. Local and regional filmmakers should be honoured at this event. Support should also be given to other local film festivals in Trinidad and Tobago.

Fiscal and other incentives

The NFA will be responsible for the administration of a series of fiscal and other incentives that are critical to the acceptance of Trinidad and Tobago as a favoured film location and to the development of a viable and successful film industry. One of the most urgent measures is to make operational the 150% tax rebate for expenditure that local companies make on film production.

A major incentive, for local and foreign productions, is a production expenditure incentive program. It is recommended that grants be made to a maximum of fifteen percent of the money spent in Trinidad and Tobago on projects that receive an eligibility certification from the NFA. Grants for foreign productions will range from 5% for an expenditure of between US\$200,000 – US\$500,000, to 15% for expenditure over US\$1,000,000. Nationals, permanent residents and CARICOM citizens as well as the international film producers will be able to access this rebate.

The local cinemas must also be encouraged to show local films. A fund should be established to assist local film producers in the promotion and marketing of their product to make them more attractive to the local cinemas.

Broadcasting and other incentives

An incentive package should be put in place to encourage the broadcasters to meet specific local content targets. It is recommended that a minimum broadcast target of 50% local programming should be maintained by state owned and 40% by private sector television broadcasters.

License fees and/ or concessions for television stations should be increased to 5% from 2005 and 15% in 2010. Stations that meet the local broadcast targets will be exempted from these fees while those that partially meet the targets will have their fees reduced incrementally. In addition, once the targets are exceeded, additional fiscal incentives will be awarded. It is expected that local content targets would be achieved by the year 2010.

The concept of “local program” shall be extended to include programs from all the countries in the Caribbean, and to those programs that are produced as part of co- production agreements with Trinidad and Tobago. Programs from “preferred nations” that have cultural and historic ties with this country and programs and films shot in Trinidad and Tobago by foreign crews will receive a 50% rating.

Fees for Cable companies shall be 10% of gross revenue. This figure may be reduced incrementally once the company agrees to fund a community access television channel, carry all Trinidad and Tobago channels without charge and maintain an agreed amount of local channels/stations. Local stations would include those originating in CARICOM countries, Cuba, Martinique and Guadeloupe, Surinam, Bahamas, Dominican Republic, India, Pakistan and nations of continental Africa.

Fees for Direct TV companies shall be 10% of gross revenue. This figure may be reduced by the companies' participation in local film production activities and initiatives.

A Production Assistance and Script Development Program shall be administered by the NFA. These programs are a key strategy for the ongoing production of quality local programs. The objective of these programs is to create a body of work that is representative of Trinidad and Tobago and reflective of the culture, history and aspirations of its people. These are existing programs, which should be supported and expanded for both emerging and experienced producers, writers and directors.

The industry can benefit from this country signing co-production agreements with Canada, the United Kingdom and other countries as producers will be able to access funds and incentives from the countries involved.

Education and Training

The Government should offer a minimum of four (4) national scholarships per year in the area of film and television production and animation as part of the existing national scholarship program. Provision should also be made to provide opportunity for practicing film production personnel to receive university education.

International fellowships should be offered to practicing film personnel for intense professional and on-the-job training for periods up to a year.

The NFA should administer a program for the placement of interns/ apprentices in the local film industry for periods from three to six months.

The Government should financially support the establishment of film schools and media programs at the University of Trinidad and Tobago (UTT) and the University of the West Indies (UWI), to assist in the creation of the skills base and to upgrade the competitiveness of the local film industry.

The Ministry of Education should introduce a secondary school motion picture production, film education and training program. The Ministry should first conduct pilot programs in a few selected schools. The assistance of professionals skilled in all aspects of motion picture production should be employed to provide training to both teachers and students. The Ministry of Education should seek to integrate media and film studies into the CXC and CAPE curricula.

Tobago must be included in all education and training programs.

Public Awareness

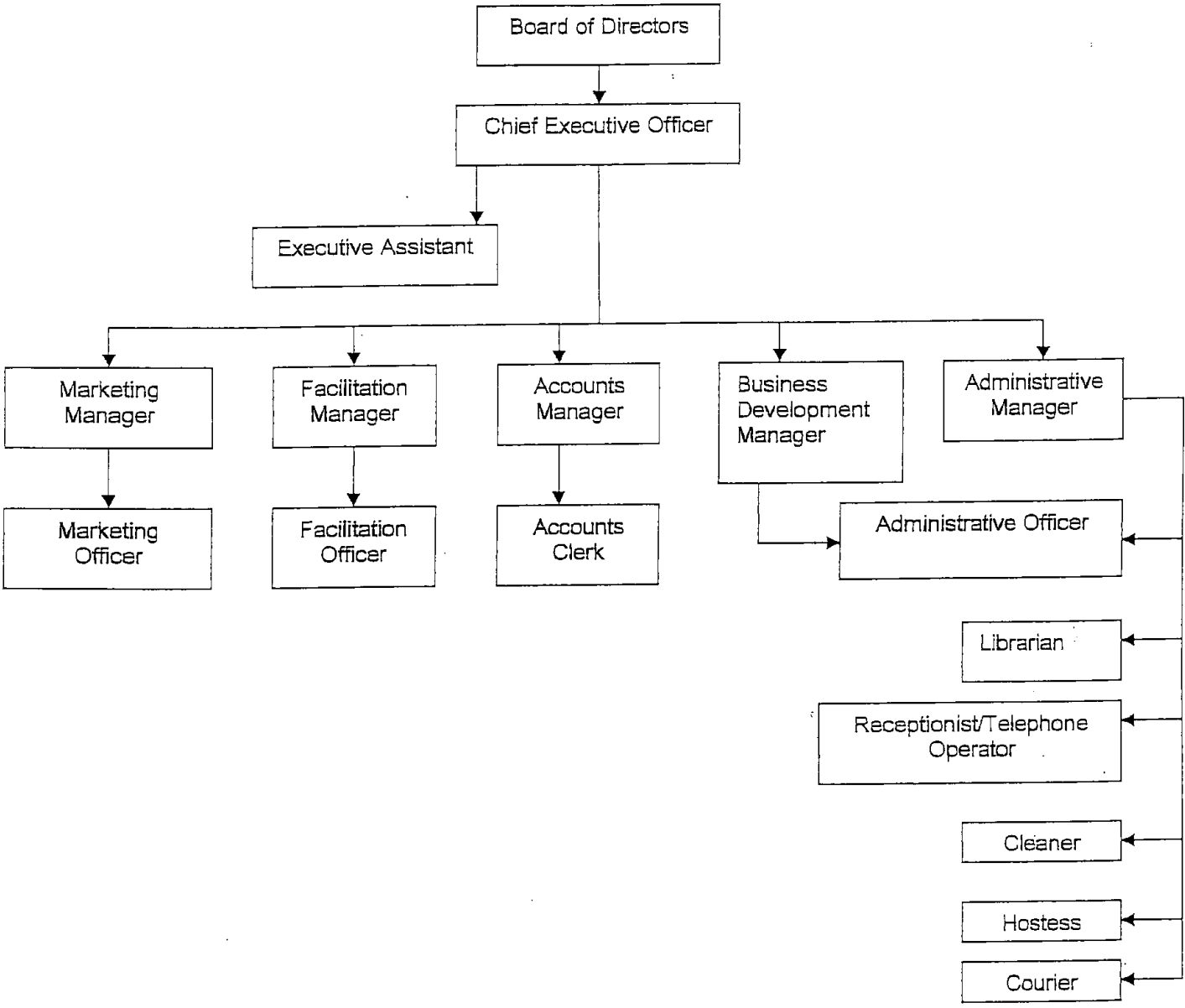
A series of projects and activities should be undertaken to foster a partnership between the film industry and the wider community in order to combat public misgivings, exploitation and ignorance surrounding the industry and to make Trinidad and Tobago receptive to hosting motion picture production crews.

Conclusion

Petroleum is a diminishing resource. Trinidad and Tobago must take the necessary action to develop the motion picture industry as part of its effort towards diversification. This would allow the non-petroleum sector to make a greater contribution to job creation and to the Gross National Product and allow the nation to reduce the rate at which it is exploiting its petroleum reserves.



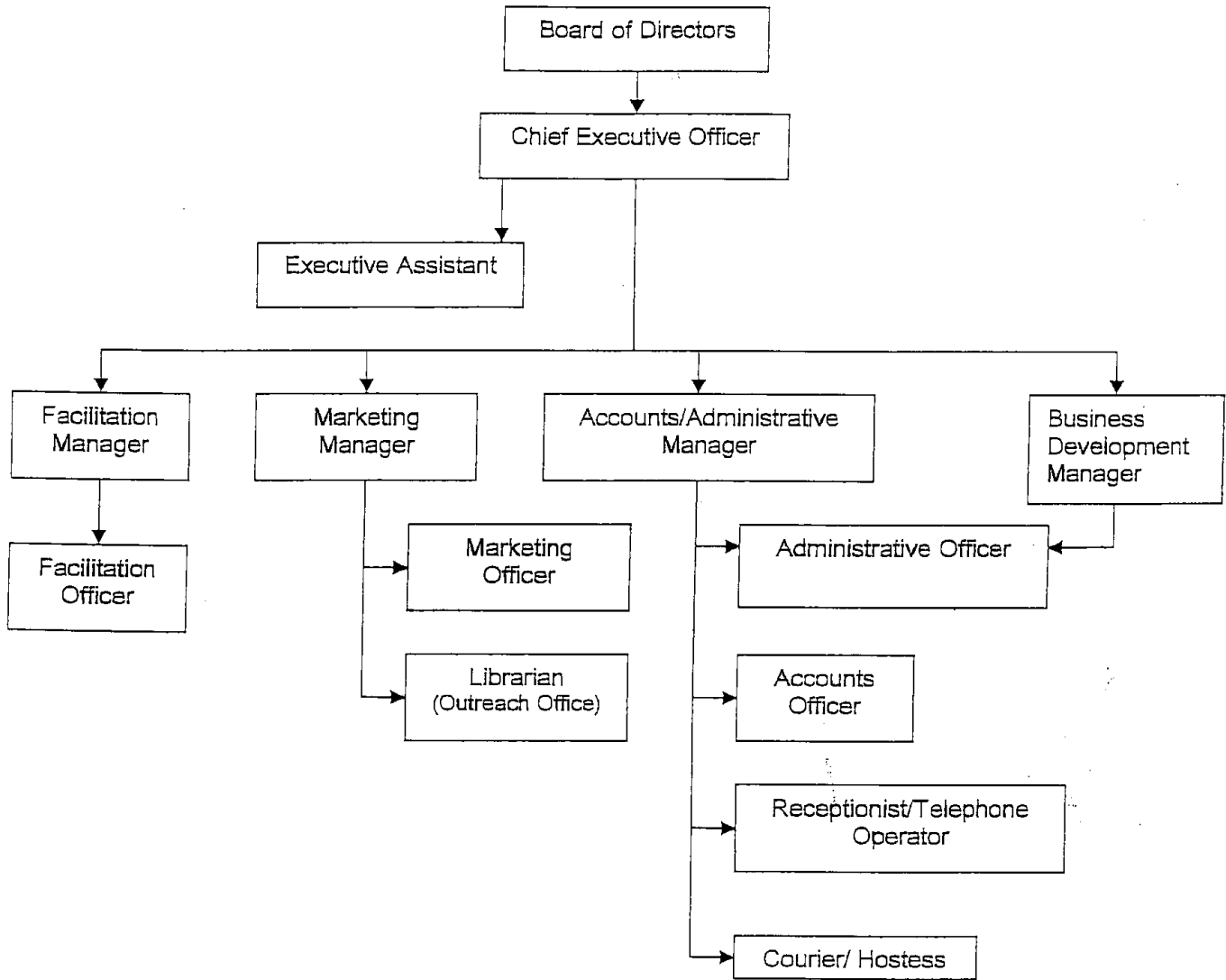
APPENDIX II
CURRENT ORGANIZATIONAL CHART





APPENDIX III

PROPOSED ORGANIZATIONAL CHART



APPENDIX IV

ACHIEVEMENTS 2008-2009

1. **Indicator:**

5% increase in private sector investment in the national film industry through equity financing, infrastructural development and sponsorships of film events and Festivals per annum from 2008.

1.1 Achievements 2008-2009:

Private sector investment of TT\$4,249,737.00 was realized in 2008-2009. This represented a 212% increase over the previous year through the following:

- Investment of TT\$63,000.00 by the National Gas Company of Trinidad and Tobago to the 2009 Trinidad and Tobago Film Festival.
- Investment of TT\$120,000.00 by BMobile and Toon Boon to the 2009 Animaes Caribee Festival.
- Private sector investment into the 2008- 2009 Production Assistance and Script Development Programme (PASD) of TT\$1,546,737.00
- Equity in the film "Rose, Calypso Diva" of TT\$2,520,000.00

2. **Indicator:**

Three (3) T&T feature films per annum from 2008

2.1 Achievements 2008-2009:

One feature film, "Rose, Calypso Diva" commenced production in 2008-2009. The target of three (3) T&T features per annum was not met due to limited PSIP funding of TT\$3m-n and the non-operational 150% tax incentive. The Ministry of Trade and Industry will address the 150% implementation by Cabinet Note.

3. **Indicator:**

3% increase per annum in the number of persons trained in areas including feature film, sound, script writing, commencing 2008.

3.1 Achievements 2008-2009:

A total of nine hundred and fifty (965) persons were exposed to training in Workshops offered through the 2009 Trinidad and Tobago Film Festival and the Animaes Caribee Festival of which TTFC is a sponsor. This represents a 316% increase over the previous.

The training courses included "Animation"; "The Art of Cinematography"; "Alternative Marketing in the Digital Era"; "The Documentary in Theory and Practice"; "The Use and Misuse of Archive Film Footage".



4. Indicator

3% increase per annum in expenditure from all international productions including feature films, filming on location in Trinidad and Tobago commencing 2006.

4.1 Achievements 2008-2009:

TT\$1,897,328.88 was generated in expenditure by thirty (30) international crews on location in Trinidad and Tobago in 2008-2009. The figures indicate that only 74.04% of the established target of TT\$2,562,454.60 was achieved.

The global economic downturn coupled with the Company's inability to have the rebate amendments approved by Cabinet accounted for the short-fall. The rebate amendment will allow for a 30% rebate to be applied on an initial spend of US\$100,000.00 in filming on location in Trinidad and Tobago.

5. Indicator:

3% increase per annum in employment in the film industry commencing 2006.

5.1 Achievement 2008-2009

Two hundred and twenty (222) persons were employed within the period on TTFC-sponsored projects registering a 3% increase over the 2006 of two hundred (200) employees.

The figure of two hundred and twenty two (222) persons is not an accurate reflection of the overall employment in T&T's national film industry within the period. The TTFC is awaiting results of an Economic Impact Assessment (EIA) commissioned to Bloom Consulting to establish the employment data for the local film industry. The Report will be made available end October 2009.

6. Other Significant 2008-2009 TTFC Programme Achievements not captured by the Performance Indicators:

6.1 Production Expenditure Rebate Programme:

- Nine (9) scripts and twelve (12) productions were completed in fiscal 2008-2009.
- One feature film production "Happy Sad" benefitted from the rebate programme in 2008-2009. A request was forwarded to the Ministry of Trade and Industry in the second quarter for review of the existing rebate programme. Cabinet approval will be required to amend the existing rebate.
 - "Happy Sad" which generated expenditure of \$825,796.40 in Trinidad and Tobago.
 - The production expenditure rebate check, in the sum of \$100,619.46 was handed over to "Happy Sad" producer Horace Wilson on August 6th 2009.

6.1.2 PASD Successes:

Four (4) PASD productions won awards at the closing ceremony of the Trinidad and Tobago Film Festival on September 29th 2009 as follows:

- People's Choice - Best Short Film- "Coolie Pink and Green" by Patricia Mohammed.

- o People's Choice - Best Documentary- "Mas Man" by Dalton Narine.
- o Best Feature Film- "The Ghost of Hing King Estate" by Francis Escayg.
- o Best Locally Made Film- "The Solitary Alchemist" by Mariel Brown.

7. Screening of Local Content:

Several local films were screened at local and international Festivals within the period.

7.1 Several of TTFC's PASD projects along with other independent material were broadcast on television through an initiative of CNMG to air local content at primetime on Friday nights from November 2008 to March 2009. Some of the stakeholders were paid \$1,000 for their content to be aired twice.

7.2 The PASD documentary "Insatiable Season" screened at the Harbourfront (August) and Caribbean Tales in Toronto, Canada (July 10th), "Dancing Deities", another PASD documentary screened at the San Diego Black Film Festival (January), the E. Desmond Lee African World Documentary Film Festival in St. Louis (February 2009), and in Bridgetown, Barbados (March). Andre Johnson's "Caged Bird" and Elspeth Duncan's "Invisible: Children living with HIV/AIDS" were screened at the Caribbean Tales Film Festival in Toronto, Canada (July 10th).

7.3 Eight (8) PASD productions were screened in the Trinidad and Tobago Film Festival 2009.

8. International Marketing:

The TTFC continued to market and promote Trinidad and Tobago as a premier location for filming throughout the period through the placement of advertising within trade publications - the Locations Guide and Creative Handbook and attendance at the US Trade Show "the American Film Market".

8.1 T&T was featured three times within the P3 Update US film industry magazine where information on T&T's film locations and the production expenditure rebate programme was disseminated. In the September 2009 issue, Trinidad and Tobago was featured as one of the top ten countries offering attractive production incentives.

9. Media & PR:

The TTFC exploited all PR and publicity avenues at its disposal through its developmental and sponsorship activities. These included the following:

9.1 A quarterly online newsletter started within the period with the objective of highlighting events, developments and achievements of stakeholders within the local film industry. A total of four issues were uploaded to the TTFC's website during the period.



9.2 Publication of eleven (11) "Focus on Film" editorials in the Trinidad Guardian newspaper and the publication of seventeen (17) press releases on various TTFC programmes.

9.3 The film website recorded a total of 47,846 visits in the 2008-2009 period.

10. Outreach Programme:

1,205 students were exposed to the TTFC's Outreach initiatives which included screening of the films at schools, communities and through the hosting of schools at the TTFC offices. Forty nine (49) primary and secondary schools participated.

11. Screening of Local Films in International Markets/Festivals:

The TTFC provided assistance to seven (7) stakeholders to attend international film festivals including the Caribbean Tales and Hot Docs Festivals in Toronto Canada, the Pan African Film Festival in Los Angeles California and the Portobello Film Festival in London.

12. Training Workshops:

A documentary film-maker Workshop was held in May 2009 with producer Jean Michel Gibert. The success of the pitch made by "Rose Calypso Diva" producers at the Toronto Documentary Forum of the Hot Docs in Toronto, Canada was outlined.