

Trinidad and Tobago Film Company Limited

**Financial Statements
September 30, 2013**

C O N T E N T S

Page

Statement of Management's Responsibilities

1

Independent Auditors' Report

2

Statement of Financial Position

3

Statement of Income and Retained Earnings

4

Statement of Cash Flows

5

Notes to Financial Statements

6 - 15

Trinidad and Tobago Film Company Limited

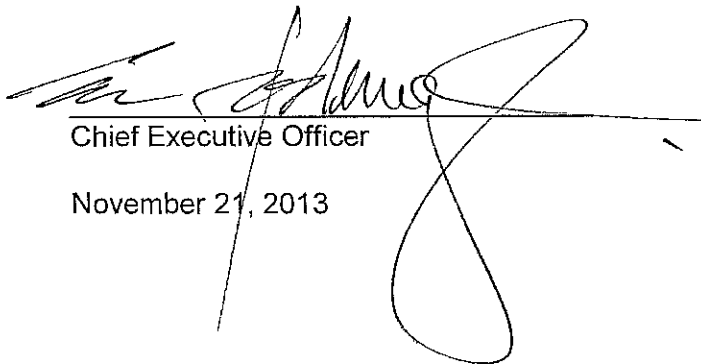
Statement of management's responsibilities

It is the responsibility of management to prepare financial statements for each financial year which present fairly, in all material respects, the state of affairs of the Company as at the end of the financial year and of the operating results of the Company for the year. It is also management's responsibility to ensure that the Company keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company. They are also responsible for safeguarding the assets of the Company.

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs). This responsibility includes designing, implementing and maintaining internal controls 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.


Management accepts responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with the IFRS for SMEs. Management are of the opinion that the financial statements present fairly, in all material respects, the state of the financial affairs of the Company and of its operating results. Management further accepts responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of Management to indicate that the Company will not remain a going concern for at least the next twelve months from the date of this statement.



Chief Executive Officer

November 21, 2013



Director

November 21, 2013

**Independent Auditors' Report
to the Shareholders of
Trinidad and Tobago Film Company Limited**

Report on the financial statements

We have audited the accompanying financial statements of Trinidad and Tobago Film Company Limited, which comprises the statement of financial position as of September 30, 2013, and the statement of income and retained earnings and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 for Small and Medium-Sized Entities (IFRS for SMEs) 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.

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 perform the audit to obtain reasonable assurance about 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 auditor's judgement, including the assessment of the risks of material misstatements 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 of 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 the company as of September 30, 2013, and financial performance and cash flows for the year then ended in accordance with the IFRS for SMEs.

Deloitte & Touche
Port of Spain
Trinidad

November 21, 2013



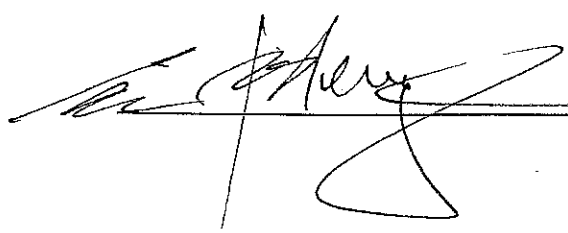
Trinidad and Tobago Film Company Limited

Statement of financial position

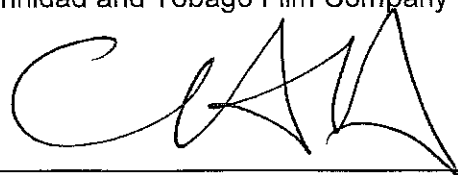
| | <u>Notes</u> | <u>as at September 30,</u> | |
|-------------------------------------|--------------|----------------------------|-------------------------|
| | | <u>2013</u> | <u>2012</u> |
| | | | <u>(Restated)</u> |
| ASSETS | | | |
| Non-current assets | | | |
| Office furniture and equipment | 4 | \$ 413,099 | 281,842 |
| Current assets | | | |
| Due from related party | 5(b) | - | 28,571 |
| Grant, trade and other receivables | 6 | 2,359,340 | 3,455,840 |
| Cash and cash equivalents | 7 | 3,425,751 | 2,719,345 |
| Total current assets | | <u>5,785,091</u> | <u>6,203,756</u> |
| Total assets | | <u>6,198,190</u> | <u>6,485,598</u> |
| LIABILITIES AND EQUITY | | | |
| Capital and reserves | | | |
| Share capital | 8 | 10 | 10 |
| Non-current liabilities | | | |
| Deferred grants | 9 | 5,919,342 | 6,200,478 |
| Current liabilities | | | |
| Trade and other payables | 10 | 278,838 | 285,110 |
| Total liabilities and equity | | <u>\$ 6,198,190</u> | <u>6,485,598</u> |

The notes on pages 6 to 15 form an integral part of these financial statements.

On November 20, 2013, the Board of Directors of Trinidad and Tobago Film Company Limited authorized these financial statements for issue.



Director



Director

Trinidad and Tobago Film Company Limited
 Statement of income and retained earnings

| | <u>Notes</u> | Year ended September 30, | |
|---|--------------|---------------------------------|-------------------|
| | | 2013 | 2012 |
| | | | (Restated) |
| Income from government grants | | \$ 11,506,768 | 8,282,129 |
| Other income | | 91,726 | 167,964 |
| Total income | | <u>11,598,494</u> | <u>8,450,093</u> |
| Administrative, operating and general expenses | | | |
| Operating | 11.a | 1,574,910 | 1,510,185 |
| Marketing and promotions | 11.b | 6,230,301 | 2,932,696 |
| General and administrative | 11.c | 3,749,307 | 3,967,515 |
| Finance cost | | 10,024 | 4,721 |
| Total expenses | | <u>11,564,542</u> | <u>8,415,117</u> |
| Net income for the year before taxes | | 33,952 | 34,976 |
| Taxation expense | 12 | (33,952) | (34,976) |
| Net income for the year | | - | - |
| Retained earnings at beginning of the year | | - | - |
| Retained earnings at end of the year | | <u>\$ -</u> | <u>-</u> |

The notes on pages 6 to 15 form an integral part of these financial statements.

Trinidad and Tobago Film Company Limited

Statement of cash flows

| | Year ended September 30, | |
|--|--------------------------|------------------|
| | 2013 | 2012 |
| | | (Restated) |
| Cash flows from operating activities: | | |
| Net income for the year | \$ - | - |
| Adjustments to reconcile net income to net cash generated from operating activities: | | |
| - Grants received from the government | 11,225,632 | 11,500,000 |
| - Grants utilized during the year on expenditure (excluding taxation expense) | (11,472,816) | (8,282,129) |
| - Cancellation of cheque relating to 2011 expenses | - | 25,000 |
| - Depreciation | 105,350 | 102,135 |
| | <u>(141,834)</u> | <u>3,345,006</u> |
| Changes in: | | |
| Decrease/ (increase) in trade and other receivables | 1,125,071 | (1,949,661) |
| Decrease in trade and other payables | (6,831) | (206,389) |
| Cash generated from operations | 976,406 | 1,188,956 |
| Taxes paid | (33,393) | (28,516) |
| Net cash generated from operating activities | <u>943,013</u> | <u>1,160,440</u> |
| Cash flows from investing activities: | | |
| Purchase of office furniture and equipment | (236,607) | (6,658) |
| Net cash used in investing activities | <u>(236,607)</u> | <u>(6,658)</u> |
| Net increase in cash and cash equivalents | 706,406 | 1,154,782 |
| Cash and cash equivalents - beginning of year | <u>2,719,345</u> | <u>1,565,563</u> |
| Cash and cash equivalents - end of year | <u>\$ 3,425,751</u> | <u>2,719,345</u> |

The notes on pages 6 to 15 form an integral part of these financial statements.

Trinidad and Tobago Film Company Limited

Notes to financial statements for the year ended September 30, 2013

1. Incorporation and principal activity

Trinidad and Tobago Film Company Limited ("the Company") was incorporated in the Republic of Trinidad and Tobago on May 4, 2005 to facilitate the development of the film industry in Trinidad and Tobago.

The Company provides logistical support and core services such as location scouting, research and acts as a liaison with industry partners, the community, production houses and Government agencies.

Trinidad and Tobago Film Company Limited's registered address is Suite 15 Bretton Hall, 16 Victoria Avenue, Port of Spain.

2. Summary of significant accounting policies

These financial statements are prepared in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board. The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The Company's financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with the IFRS for SMEs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Areas involving a higher degree of judgment or complexity, or areas where assumptions and estimations are significant to the financial statements are disclosed in note 3.

a) Foreign currency transactions

i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency that best reflects the economic substance of the underlying events and the circumstances relevant to the Company ("the functional currency"). These financial statements are presented in Trinidad and Tobago dollars.

ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of income and retained earnings.

b) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less at the time of purchase, which are subject to an insignificant risk of changes in value.

Trinidad and Tobago Film Company Limited

Notes to financial statements for the year ended September 30, 2013

2. Summary of significant accounting policies (Continued)

c) Office furniture and equipment

Office furniture and equipment is stated at cost less accumulated depreciation and accumulated impairment losses.

Repairs and renovations are normally expensed as they are incurred. Expenses are reported as assets only if the amounts involved are substantial and one or more of the following conditions is satisfied: the original useful life is prolonged, the production capacity is increased, the quality of the products is enhanced materially or production costs are reduced considerably.

Depreciation is calculated using the reducing balance basis over the estimated useful lives of the assets as follows:

| | |
|--------------------------------|------------------------------|
| Office furniture and equipment | 25% per annum |
| Computers | 33 $\frac{1}{3}$ % per annum |

At the end of each reporting period, the Company reviews the carrying amounts of its office furniture and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the statement of income and retained earnings.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (group of related assets) in prior years. A reversal of impairment loss is recognised immediately in the statement of income and retained earnings.

The gain or loss arising on the disposal or retirement of an item of office furniture and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of income and retained earnings.

d) Government Grants

Grants from the government are recognised at their fair value in the statement of income and retained earnings where there is reasonable assurance that the grant will be received and the Company has complied with all attached conditions. Grants received where the Company has yet to comply with all attached conditions are recognised as a liability (within deferred grant) and released to income when all attached conditions have been complied with.

e) Taxation

Income tax expense represents the sum of the tax currently payable in relation to business and green fund levy. The tax currently payable is based on the Company's receipts for the year.

Trinidad and Tobago Film Company Limited

Notes to financial statements for the year ended September 30, 2013

2. Summary of significant accounting policies (Continued)

f) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

g) Trade and other payables

Trade and other payables are obligations on the basis of normal credit terms and do not bear interest. Trade and other payables denominated in a foreign currency are translated into the functional currency using the exchange rate at the reporting date. Foreign exchange gains or losses are included in the statement of income and retained earnings.

h) Operating lease

Payments under operating leases are recognized in the statement of income and retained earnings on a straight-line basis over the term of the lease.

3. Critical judgments and the use of estimates

The preparation of financial statements in conformity with IFRS for SMEs requires management to make critical judgments and use estimates and assumptions that affect the amounts reported in the financial statements and related notes to the financial statements. Actual results may differ from the estimates and assumptions used.

There were no critical judgments, estimates and assumptions that affect the amounts reported in the financial statements and related notes.

Trinidad and Tobago Film Company Limited

Notes to financial statements for the year ended September 30, 2013

4. Office furniture and equipment

| | | <u>Office furniture</u> | <u>Office equipment</u> | <u>Computers</u> | <u>Total</u> |
|------------------------|----|-----------------------------|-----------------------------|------------------|--------------------|
| Cost | | | | | |
| At October 1, 2012 | \$ | 705,429 | 245,590 | 297,956 | 1,248,975 |
| Additions | | <u>10,486</u> | <u>167,894</u> | <u>58,227</u> | <u>236,607</u> |
| At September 30, 2013 | | <u>715,915</u> | <u>413,484</u> | <u>356,183</u> | <u>1,485,582</u> |
| Depreciation | | | | | |
| At October 1, 2012 | | (549,324) | (180,348) | (237,461) | (967,133) |
| Depreciation charge | | <u>(40,361)</u> | <u>(30,302)</u> | <u>(34,687)</u> | <u>(105,350)</u> |
| At September 30, 2013 | | <u>(589,685)</u> | <u>(210,650)</u> | <u>(272,148)</u> | <u>(1,072,483)</u> |
| Carrying amount | | | | | |
| At October 1, 2012 | \$ | <u>156,105</u> | <u>65,242</u> | <u>60,495</u> | <u>281,842</u> |
| At September 30, 2013 | \$ | <u>126,230</u> | <u>202,834</u> | <u>84,035</u> | <u>413,099</u> |

The company had no capital commitments at year end.

5. Related party transactions

The following represents transactions with related parties:

| | <u>2013</u> | <u>2012</u> |
|--|---------------------|----------------|
| a) Key management compensation | | |
| Remuneration of CEO and directors fees | \$ <u>1,006,526</u> | <u>799,000</u> |

b) Due from related party

The Company has provided a member of its key management personnel with a secured, interest free loan totalling \$50,000. The loan was repaid during the year.

6. Grant, trade and other receivables

| | <u>2013</u> | <u>2012 (Restated) (note 15)</u> |
|--|---------------------|--|
| Grant receivable from the Ministry of Trade, Industry & Investment | \$ 2,248,000 | 3,260,160 |
| Trade receivables | 40,000 | 79,144 |
| Other receivables | 56,312 | 56,312 |
| Prepayments | <u>15,028</u> | <u>60,224</u> |
| | <u>\$ 2,359,340</u> | <u>3,455,840</u> |

Trinidad and Tobago Film Company Limited

Notes to financial statements for the year ended September 30, 2013

7. Cash and cash equivalents

For the purposes of the statement of cash flows, the cash and cash equivalents comprise of the following:

| | <u>2013</u> | <u>2012</u> |
|--------------------------|---------------------|------------------|
| Cash at bank and on hand | \$ <u>3,425,751</u> | <u>2,719,345</u> |

8. Share capital

| | <u>2013</u> | <u>2012</u> |
|----------------------------------|--------------|-------------|
| 10 issued shares of no par value | \$ <u>10</u> | <u>10</u> |

The Company is authorised to issue an unlimited number of ordinary shares.

9. Deferred grants

| | <u>2013</u> | | |
|---|--|----------------------------------|---------------------|
| | PSIP | Recurrent Expenditure | Total |
| Balance at October 1 | \$ 5,569,491 | 630,987 | 6,200,478 |
| Grants received | 7,565,000 | 3,660,632 | 11,225,632 |
| Amounts released to the income statement - current net expenditure | <u>(7,805,213)</u> | <u>(3,701,555)</u> | <u>(11,506,768)</u> |
| Balance at September 30 | \$ <u>5,329,278</u> | <u>590,064</u> | <u>5,919,342</u> |
| | <u>2012 (Restated) (note 15)</u> | | |
| | PSIP | Recurrent Expenditure | Total |
| Balance at October 1 | \$ 3,487,372 | (529,764) | 2,957,608 |
| Grants received | 6,500,000 | 5,000,000 | 11,500,000 |
| Cancellation of cheque relating to 2011 expenses | 25,000 | - | 25,000 |
| Amounts released to the income statement - current net expenditure | <u>(4,442,881)</u> | <u>(3,793,248)</u> | <u>(8,236,129)</u> |
| Balance at September 30 previously reported | 5,569,491 | 676,987 | 6,246,478 |
| Prior year adjustment | - | (46,000) | (46,000) |
| Balance at September 30 - restated | \$ <u>5,569,491</u> | <u>630,987</u> | <u>6,200,478</u> |

Trinidad and Tobago Film Company Limited

Notes to financial statements for the year ended September 30, 2013

10. Trade and other payables

| | <u>2013</u> | <u>2012</u> |
|-----------------------------|-------------------|----------------|
| Trade payables and accruals | \$ 271,819 | 278,650 |
| Taxation | 7,019 | 6,460 |
| | <u>\$ 278,838</u> | <u>285,110</u> |

11. Administrative, operating and general expenses

11.a Operating expenses

| | <u>2013</u> | <u>2012</u> |
|--|---------------------|------------------|
| Co-production Agreements | \$ - | 3,493 |
| Feature Film Programme | 52,900 | 75,000 |
| Internship Programme | 6,000 | 13,350 |
| Literature Adaptations | 25,592 | 70,614 |
| Production Assistance and Script Development | 1,116,233 | 849,584 |
| Dubbing/ Sub-titling Support | 51,500 | - |
| Training | 262,685 | 64,221 |
| Short Drama Programme | - | 197,723 |
| UTT Bursaries | 60,000 | 67,200 |
| UWI Bursaries | - | 1,000 |
| Strategic Plan Development | - | 168,000 |
| | <u>\$ 1,574,910</u> | <u>1,510,185</u> |

Trinidad and Tobago Film Company Limited

Notes to financial statements for the year ended September 30, 2013

11. Administrative, operating and general expenses (Continued)

11.b Marketing and promotion expenses

| | <u>2013</u> | <u>2012</u> |
|--|---------------------|------------------|
| Advertising and Design | \$ 612,846 | 563,371 |
| Animae Caribe | 233,750 | 197,552 |
| Business Partnership Meetings | 468,477 | 152,132 |
| Diaspora Film Festival | 9,748 | 54,624 |
| Film Facilitations | 140,998 | 38,549 |
| Film Familiarization Tours | 40,978 | 42,980 |
| Film Incentives | 2,193,350 | - |
| Film Nights | 10,500 | 53,317 |
| Films for Resale | - | - |
| Marketing Fees | 358,570 | 109,748 |
| Media Campaign | 77,716 | 175,438 |
| Outreach Programme | 31,243 | - |
| Production Guide | - | 42,905 |
| Promotional Items | 289,924 | 117,670 |
| Secondary Schools' Short Film Festival | 842,438 | 779,842 |
| Trinidad and Tobago Film Festival | 396,200 | 360,725 |
| Trinidad and Tobago TV Film Festival | - | - |
| Trinidad and Tobago Best Village Film Festival | 173,813 | 1,600 |
| Trade Shows | 177,045 | 179,285 |
| Travelling Caribbean Film Showcase | 66,959 | 62,125 |
| TTFC Magazine | 33,005 | - |
| Website Costs | 72,741 | 833 |
| | <u>\$ 6,230,301</u> | <u>2,932,696</u> |

Trinidad and Tobago Film Company Limited

Notes to financial statements for the year ended September 30, 2013

11. Administrative, operating and general expenses (Continued)

11.c General and administrative expenses

| | <u>2013</u> | <u>2012</u> |
|-----------------------------------|---------------------|------------------|
| Audit and Accountancy Fees | \$ 56,800 | 46,000 |
| Copier Rental | 43,711 | 52,371 |
| Consultancy Fees | 51,429 | 240,000 |
| Depreciation | 105,350 | 102,135 |
| Directors' Fees | 423,000 | 445,200 |
| Dues and Subscriptions | 7,979 | 8,093 |
| Insurance | 46,409 | 42,280 |
| IT Consultant's Fees | 431 | 1,571 |
| Legal and Professional | 72,960 | 108,403 |
| Office Expenses | 48,806 | 54,869 |
| Office Rental | 439,102 | 439,102 |
| Provision for Doubtful Debts | - | - |
| Recruitment | 57,270 | 41,326 |
| Repairs and Maintenance | 49,345 | 48,185 |
| Salaries and Employee Benefits | 1,979,834 | 2,038,456 |
| Staff Training | 1,850 | - |
| Telecommunications | 93,039 | 86,921 |
| Security Expenses | 46,181 | - |
| Vehicle Rental and Other Expenses | 225,811 | 212,603 |
| | <u>\$ 3,749,307</u> | <u>3,967,515</u> |

12. Taxation expense

| | <u>2013</u> | <u>2012</u> |
|-----------------|------------------|---------------|
| Business Levy | \$ 22,635 | 23,317 |
| Green Fund Levy | 11,317 | 11,659 |
| | <u>\$ 33,952</u> | <u>34,976</u> |

Business and Green Fund Levy are calculated as 0.2% and 0.1% of total receipts for the year respectively.

13. Operating lease arrangements

Operating leases relate to leases of one vehicle and office premises with remaining lease terms of between 9 and 10 months. The company does not have an option to purchase the leased vehicle and office premises at the expiry of the lease periods.

| | <u>2013</u> | <u>2012</u> |
|--|-------------------|----------------|
| No later than 1 year | \$ 386,640 | 583,709 |
| Later than 1 year and no later than five years | - | 289,213 |
| | <u>\$ 386,640</u> | <u>872,922</u> |

Trinidad and Tobago Film Company Limited

Notes to financial statements for the year ended September 30, 2013

14. Events after the reporting date

The Ministry of Trade, Industry and Investment is currently considering the re-organisation of the creative industry entities. The proposed re-organisation involves the incorporation of a new entity which will be the parent company of Trinidad and Tobago Film Company Limited and other entities within the creative industry. This matter does not impact the financial position, financial performance and cash flows for the year then ended.

15. Restatements and reclassifications

The following restatements and reclassifications were made for the year ended September 30, 2012:

| | <u>Previously reported</u> | <u>(a)</u> | <u>(b)</u> | <u>Restated</u> |
|--|----------------------------|-----------------|------------|------------------|
| Grant, trade and other receivables | | | | |
| - Grant receivable from the Ministry of Trade, Industry and Investment | \$ 3,356,733 | (46,000) | (50,573) | 3,260,160 |
| - Trade receivables | - | - | 79,144 | 79,144 |
| - Other receivables | 84,883 | - | (28,571) | 56,312 |
| - Prepayments | 60,224 | - | - | 60,224 |
| | <u>\$ 3,501,840</u> | <u>(46,000)</u> | <u>-</u> | <u>3,455,840</u> |
| Deferred grant | | | | |
| - Balance at October 1 | \$ 2,957,607 | - | - | 2,957,607 |
| - Grants received | 11,500,000 | - | - | 11,500,000 |
| - Cancellation of cheque relating to 2011 | - | - | 25,000 | 25,000 |
| - Amounts released to the income statement – current net expenditure | (8,211,129) | (46,000) | (25,000) | (8,282,129) |
| - Balance at September 30 | <u>\$ 6,246,478</u> | <u>(46,000)</u> | <u>-</u> | <u>6,200,478</u> |
| Income from government grants | <u>\$ 8,236,129</u> | <u>46,000</u> | <u>-</u> | <u>8,282,129</u> |
| Other income | <u>\$ 213,964</u> | <u>(46,000)</u> | <u>-</u> | <u>167,964</u> |

a) Restatements

For the year ended September 30, 2012 a receivable was set up from the Ministry of Trade, Industry and Investment for audit fees of \$46,000 and the related income was recognised within other income. This amount should have been allocated from grants received during the year. As a result grant receivable from the Ministry of Trade, Industry and Investment, deferred grants and other income were overstated and income from government grants was understated.

Trinidad and Tobago Film Company Limited

Notes to financial statements for the year ended September 30, 2013

15. Restatements and reclassifications (Continued)

b) Reclassifications

i) Amounts due from related party - \$28,571

Amounts due from related party was reclassified from grant receivable from the Ministry of Trade, Industry and Investment. The amount should have been reclassified from other receivables. The reclassification does not impact the total trade and other receivables that were reported in the statement of financial position.

ii) Trade receivables - \$79,144

Trade receivables were classified together with grants receivable from the Ministry of Trade, Industry and Investments. The trade receivables are now being disclosed separately.

iii) Cancellation of cheque relating to 2011 - \$25,000

During the year ended September 30, 2012 a cheque relating to 2011 expenses was cancelled. The cancelled cheque was disclosed together with amounts released to the income statement – current net expenditure. The disclosure for the cancelled cheque is now being disclosed separately. The disclosure does not impact the total deferred grants that were reported in the statement of financial position.