



Telecommunications Authority of Trinidad and Tobago

Annual Report 2021



DRIVING DIGITAL TRANSFORMATION

The image features a hand pointing upwards, set against a background of a dotted sunburst pattern at the top and a network diagram at the bottom. The text 'DRIVING DIGITAL TRANSFORMATION' is prominently displayed in the center.

DRIVING DIGITAL TRANSFORMATION

Corporate Information



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VISION

Global exemplar, empowering people through ICT sector development

MISSION

Foster a competitive ICT environment using competent, fair, transparent, forward-thinking and responsive approaches for the benefit of all.

Core Values



Commitment

- We are loyal to the organisation.
- We are ambassadors of the organisation.
- We are dedicated to the interests of the organisation

Integrity

- We are honest, objective and fair in all matters.
- We are accountable for our actions.
- We respect the value and confidentiality of our customers' information.

Innovativeness

- We are data driven and open to new ideas.
- We seek creative solutions to meet the challenges of our work.
- We effectively implement innovative ideas.
- We utilise a proactive approach to our changing environment.

Professionalism

- We respect and value the contributions of all persons.
- We are committed to achieving excellence.
- We recognise the importance of teamwork.
- We are productive, efficient and timely in our work.
- We continually seek to acquire expert knowledge.

Service Excellence

- We promote and protect the interests of our consumers.
- We recognise the different interests of our customers and are responsive to their needs.
- We effectively engage all our stakeholders.

Message from the Chairman

As we look ahead to a new financial year, and hopefully to the winding down of the restrictions of the pandemic, I have no doubt that the momentum needed for the country to recover and move in new directions will be generated.



Gilbert Peterson, S.C.
Chairman of the Board of Directors

During the financial year 2020/2021 we remained focused on our goal of a connected nation. We continued facilitating digital innovation through innovative policies and frameworks, collaborating on an assessment of the Digital innovation profile of the country and working with the new Ministry of Digital Transformation on the achievement of the National ICT Plan 2018-2022, the ICT Blueprint.

When combined, this was a year of significant action towards digital transformation in Trinidad and Tobago.

The digital push which was galvanised with the advent of the COVID-19 pandemic in the previous year continued into 2021. This coupled with the global imperative to advance digital transformation worldwide saw all sectors continuing to ramp up their online capacity, visibility and offerings, to try to keep afloat and ensure social and economic continuity and security.

Throughout the country, the range of services from education, public and private sector businesses, healthcare providers or small farmers, felt the impact as the public continued online on an unprecedented scale. Every effort to study or get information, to buy and sell, and to entertain and be entertained continued under prolonged lockdowns, remote work and stringent social distancing requirements.

The Authority is committed to the development of an advanced information and communications technology (ICT) landscape that will distinguish Trinidad and Tobago in the region. As the sectors mature, the role of the Telecommunications Authority of Trinidad and Tobago (the Authority) has evolved in the telecoms/ICT space.

The GORTT's thrust towards digital transformation is one of our major influences buoyed by the requirements of the pandemic and the need to strengthen the digital economy in order to be competitive in the global environment.

Digital transformation, or the harnessing and integration of emerging information and communications technologies (ICTs) into all areas of a

Message from the Chairman (continued)

business or service, fundamentally changes – and potentially improves – operations and how value is delivered to stakeholders or customers. It also requires a cultural change, with organisations having to continually challenge the status quo, and adapt, experiment or innovate to improve efficiency and take advantage of the many benefits that the digital platform can bring.

The Authority, whilst continuing to supply additional spectrum to the two mobile operators, at no cost, in order to meet the higher demand from consumers generally, businesses, online schooling and others, also sought to improve its policies and frameworks to meet the changing demands of the telecommunications and broadcasting industries.

The Authority collaborated with the International Telecommunications Union (ITU) to implement a GORTT commissioned, ITU led project to determine the Digital Innovation Profile of Trinidad and Tobago. This project is expected to define the digital innovation profile of the country in order to provide an accurate assessment of our ICT innovation capacity and maturity level. The project included activities which brought stakeholders together to co-create appropriate recommendations for the country. When completed this assessment will identify flagship projects/initiatives for the country and explore policies designed to close the digital innovation gap.

This annual report for 2020/2021 presents an overview of the activities and achievements of the Authority, particularly with respect to our key deliverables for 2021-2022 as set out in our strategic plan 2019 to 2022.

The Board and Management of the Authority are very pleased to report that there was no compromising on the delivery of services during the lockdown period and remote working arrangements. Work continued apace to meet deadlines, and provide services to the public, concessionaires and other stakeholders. I would like to personally commend all employees, for their strong show of commitment in what has been a very difficult year for everyone.

In July of this financial year, a new Ministry was created dedicated solely to digital transformation, signalling the increased importance the Government of Trinidad and Tobago now places on the growth of the digital economy as a major driver of national development and diversification.

The Ministry of Digital Transformation (MDT), led by Senator the Honourable Hassel Bacchus, is now the Authority's line ministry. The Ministry through its inclusive and collaborative approach has recognised that the continued success of the Authority is a critical factor in advancing the government's agenda for digital transformation.

The Authority plays a central role in assisting with building and maintaining the enabling environment including the infrastructure necessary for digital transformation to take place. This includes its leadership in digital inclusion by driving the provision of affordable broadband to all of Trinidad and Tobago

As we look ahead to a new financial year, and hopefully to the winding down of the restrictions of the pandemic, I have no doubt that the momentum needed for the country to recover and move in new directions will be generated. The Authority will be shaping its new three-year strategic plan in 2022 and we will certainly factor aiding that recovery into our goals and objectives.

In closing, I take this opportunity to thank my Deputy Chairman of the Board of Directors, Dr Kim Mallalieu, who stood resolutely with me through a critical period when we did not have a fully constituted Board of Directors. Our successes could not have been achieved without you.

My appreciation also for our two line Ministries during this period of transition and to the Ministers and permanent secretaries at the helm for providing support during the year. I also recognise that, without the support of our stakeholders, the Authority's performance in the 2020/2021 financial year would not have been attainable. I, therefore, express my heartfelt appreciation to you all, for supporting the Authority's responsibility to deliver service excellence.

To the staff of the Authority for their ongoing support and enthusiasm over the past year, never faltering during the vagaries of working at the office, remotely then back to the office. You ensured that we achieved 90 percent of the key deliverables we set ourselves for this year. I thank you.



Gilbert Peterson, S.C.
Chairman of the Board of Directors

Chief Executive Officer's Report

Our 3-year strategic plan 2019-2022 focuses soundly on ensuring efficient, available and affordable ICT infrastructure and services to allow the nationals of Trinidad and Tobago to participate in the digital economy and to increase the overall economic well-being and competitiveness of our local sectors



Cynthia Reddock-Downes
Chief Executive Officer

The year 2020-2021, was an epic journey of improving connectivity and increasing digital transformation. The Telecommunications Authority of Trinidad and Tobago (the Authority) continued with its mandate even as the county continued to reel under the burden of the pandemic and our operations volleyed between the vagaries of periodic shutdowns and work between the office and our homes.

We held firm to our belief that as the regulator we should keep focused on achieving our strategic objectives that aimed not only to strengthen our position as a leading ICT regulator, supporting the transformation of Trinidad and Tobago into a “tech-ready” nation, but also to ensure that the ICT environment facilitated the connectivity requirements of a pandemic.

If the pandemic has taught us anything as a country, it is the importance of improving the standard of our network infrastructure, increasing connectivity and roll-out in order to support the need for digital government especially in the areas of health and education, and the fostering of economic development through accessibility to ICTs and achieving equitable communications for everyone.

We are particularly pleased with our Information and Communications Technology (ICT) Outreach Initiative a universal service project to bridge the digital divide for 10,000 students in need of these technologies for online school following the outbreak of the COVID-19 pandemic. This, based on a memorandum of understanding signed with the Ministry of Education (MOE) on 23rd October 2020, and which included the supply of 10,000 ICT-enabled devices with sims and connectivity for distribution to students of public schools.

This project included the development and execution of an IT skills training programme for students who received the devices and their parents covering topics such as conducting Internet searches,

Chief Executive Officer's Report (continued)

using the Microsoft Office suite to prepare documents, and guarding against online threats. The Authority thanks the National Library and Information System Authority (NALIS) and CyberSafeTT who worked with us and the MOE to develop the training material and to train the students.

We also worked assiduously on expanding connectivity by providing access via Universal Services initiatives, key of which was the rollout of TTWiFi in public spaces throughout the year and implementing Phase 2 of the GORTT's National Free Wi-Fi Initiative (TTWiFi) – in schools, libraries, COVID-19 hospitals and transport hubs. We also continued the provision of subsidised mobile devices with assistive technologies for the visually and/or hearing impaired.

On a larger scale, the Authority also initiated work on its fourth USF project, which involves the provision of broadband Internet access to Brasso Venado and Los Atajos in Trinidad and the parish of St. John in Tobago. These we expect to be completed in the next financial year.

We also worked on a number of discussion papers, policies and frameworks that would modernise the industry and improve our stakeholder relationships. These included the update of the intellectual property rights framework to include regulation of hoarding and siphoning; an authorisation framework for internet - broadcasting services, as well as the frameworks for spectrum management, amateur radio operations, and 5G. Consultations with the public on several of these frameworks will commence in 2021-2022.

In our quest to promote fair competition in the telecommunications and broadcasting sectors we are in the final stages of preparation of documents for public consultation on over the top (OTT) services and Net Neutrality. A discussion paper on Net Neutrality and OTT's was published during the year. The Authority is also consulting the public on a National Emergency Communications Plan and also completed consultations and published a revised Amateur Framework. During 2021-2022 consultation will commence on a revised Spectrum Management Framework.

As the telecommunications and broadcasting regulator for Trinidad and Tobago, the Authority has consistently worked towards the development of a strong telecommunications network on which the country can build a thriving digital innovation ecosystem with entrepreneurial communities and competitive ICT industries.

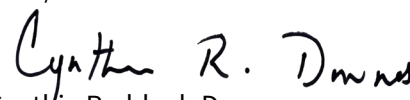
Our 3-year strategic plan 2019-2022 focuses soundly on ensuring efficient, available and affordable ICT infrastructure and services to allow the nationals of Trinidad and Tobago to participate in the digital economy and to increase the overall economic well-being and competitiveness of our local sectors, whilst fostering more technologically driven innovative and inclusive societies. It also supports the National Development Strategy of Trinidad and Tobago (2016 – 2030) — Vision 2030, which recognises the importance of ICT governance and the role of regulation in determining economic performance and the growth of gross domestic product (GDP).

This Annual Report 2020/2021 reports on not just what we have achieved but also looks ahead at the projects we must complete to achieve all of our objectives of our 2019 to 2022 strategic goals. We hope that all of our stakeholders will continue to work with us in attaining our strategic objectives and in charting our new strategic plan from 2022 to 2025.

In closing, I thank, our chairman and deputy chairman for their unstinting support during the 2020/2021 financial year. We could not have done it without you.

To our stakeholders, the Government, our operators, academia, the business sector and the consumers all of whose interests we serve, thank you for working with us.

To the management and staff of the Authority, thank you for standing with me through this very difficult pandemic to achieve our goals. Here's looking forward to greater achievements in 2021/2022. Let's continue to work together!



Cynthia Reddock-Downes

Chief Executive Officer

Management Team



Cynthia Reddock-Downes
Chief Executive Officer



Kirk Sookram
Deputy Chief Executive Officer



Annie Baldeo
Executive Officer Policy Planning and Economics



Karel Douglas
Executive Officer Legal and Enforcement



Sherry Mc Millan
Executive Officer Corporate Communications

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1 Review of Key Accomplishments and Ongoing Activities

In April 2020, a strategic plan for the period 2019–2022 was approved by the Authority’s Board of Directors. The plan identified four strategic themes as follows:

- Stakeholder Relationship Management
- Sustainability of Industry
- Universal Service, Connectivity and Digital Inclusion
- Organisational Effectiveness (People, Process, Systems, Facilities)

An operational plan for the three-year strategic planning period was developed and key deliverables for each year were laid down. Annually, the key deliverables (for the year under review) are monitored and managed through a quarterly corporate performance management system to ensure that the goals of the plan are being realised.

Some of the key deliverables for the financial year 2020–2021, under each strategic theme and specific objective(s), are reported below.

1.1 Strategic Theme 1: Stakeholder Relationship Management

1.1.1 Strategic Objective: Improve Consumer Advocacy

1.1.1.1 Information and Communications Technology (ICT) Outreach Initiative:
The IT Skills Outreach Programme

This project centered on the Authority’s statutory mandate and universal service obligations for bridging the digital divide and filling ICT access gaps in Trinidad and Tobago. On 23rd October 2020, the Authority signed a memorandum of understanding with the Ministry of Education (MOE), which included the supply of 10,000 ICT-enabled devices with sims for distribution to students in need of these technologies for online school following the outbreak of the COVID-19 pandemic.

In addition to supplying the devices, the Authority developed an IT skills training programme for students who received the devices and their

parents. Central to the training are two videos, one for students and one for parents, covering topics such as conducting Internet searches, using the Microsoft Office suite to prepare documents, and guarding against online threats. The Authority partnered with the National Library and Information System Authority (NALIS) and CyberSafeTT to develop the material for the training videos and collaborated with the MOE to train the students. The videos were posted online to be accessed by additional students and parents.

The programme kicked off on 18th April 2021 with a live one-hour discussion on TTT titled “Protecting Children Online”. The panelists were Mr. Angus Smith, Manager of Trinidad and Tobago’s Cyber Security Incident Response Team; Inspector Daniel Hernandez, Head of the Cyber and Social Media Unit, Trinidad and Tobago Police Service; and Mr. Charles Bobb-Semple, Chief Executive Officer (Ag.) of iGovTT.

1.2 Strategic Theme 2: Sustainability of Industry

1.2.1 Strategic Objective: Improve Stakeholder Understanding of the Sector’s Contribution to National Development

1.2.1.1 Publication of the 15th Annual Market Report: Telecommunications and Broadcasting Sectors

This report, prepared annually by the Authority, presents information on the domestic markets within the telecommunications and broadcasting sectors, which includes data on the subscriptions, gross revenues, and traffic of the relevant markets. The data collected are used by the Authority to determine the market share of the relevant service operators and to monitor and inform policy decisions that will facilitate the orderly development of markets within these sectors.

The 15th Annual Market Report covered the period 1st January 2020 to 31st December 2020 and is published on the Authority’s website.

1.2.2 Strategic Objective: Facilitate ICT Innovation, Legislative Development and Research and Development

1.2.2.1 Update of the Intellectual Property Rights Framework to include Anti-Siphoning and Anti- Hoarding Measures

The Intellectual Property Rights (IPR) Framework embodies the Authority's compliance and enforcement of IPR in the broadcasting sector. This framework is revised from time to time to address various matters affecting the broadcasting industry. One area of concern is the purchasing of content, such as entire series repertoires, and using that content in ways that are detrimental to the consumer's viewing experience (i.e., hoarding), and the purchase of exclusive rights to events of national importance and the restriction of same to pay-TV format only (i.e., siphoning).

In 2020/21, the Authority updated the framework, prescribing measures to ensure the regulation of these hoarding and siphoning practices, including "must carry" provisions in the Concession agreement as well as transmission and retransmission rights.

1.2.2.2 Authorisation Framework on Internet Radio Broadcasting Services

In the period under review, the Authority developed a policy framework on Internet radio, which addresses issues relating to radio broadcasting utilising the Internet platform as both a content provider and a content distributor. The framework explores the level of authorisation needed for the provision of this service in Trinidad and Tobago and will be published for stakeholder consultation in the 2021/22 financial year.

1.2.2.3 #Inspire D'Next Support for CSEC and CAPE ICT Curriculum

The Authority commenced an initiative with the MOE to determine how, as the regulator of the telecommunications and broadcasting sectors, it could contribute to the development of the ICT curriculum for secondary schools and tertiary institutions.

The Authority worked with the Curriculum Planning and Development Division to explore

opportunities for strengthening and enhancing the teaching of ICT. The objectives of the initiative were to assess the curriculum and its delivery, to identify and address any gaps in digital resources, and to also provide additional support for the teaching-learning process. The overarching intent is to encourage students' pursuit of careers within the expanding telecommunications and broadcasting sectors.

In this financial year, initial discussions took place with the MOE to assess the current curriculum and its delivery and identify the gaps needing to be addressed.

1.2.3 Strategic Objective: Improve Fair Competition

1.2.3.1 Net Neutrality Consultation: Discussion Paper and Policy

In June 2015, the Authority issued a consultative document, *Towards the Treatment of Over-the-Top (OTT) Services*. In this document, the Authority introduced the issue of OTT services, which are content, applications or services provided to the end user over the public Internet. It also examined the interaction between the markets in which OTT service providers and authorised providers operate in Trinidad and Tobago.

In reviewing the comments received following stakeholder consultations on the document, it was evident that the treatment of OTT services could be addressed within the larger context of net neutrality, a network design principle that calls for the equal treatment of traffic over the Internet.

In July 2018, the document was revised as a *Discussion Paper on Net Neutrality and OTT Services in Trinidad and Tobago* (the Discussion Paper) and published for consultation. This version examined both sides of the net neutrality debate within a local context and proposed guiding principles and recommendations for net neutrality. The Discussion Paper also considered policy approaches to the regulation of OTT services in Trinidad and Tobago.

In 2020/21, the Discussion Paper was finalised and published on the Authority's website. Additionally, policy frameworks for both net neutrality and OTTs were drafted and will be issued for a single round of consultation during the 2021/22 financial year.

1.2.4 Strategic Objective: Strengthen Enforcement – Concession Obligations

1.2.4.1 Concessionaires' Compliance with Rollout Obligations

In accordance with section 18 of the Telecommunications Act, Chap. 47:31 (the Act), the Authority is required, inter alia, to monitor, audit and enforce compliance with concession conditions.

A compliance report was prepared at the end of 2020/21 showing concessionaires' level of compliance with their respective coverage rollout obligations and the enforcement steps taken by the Authority.

1.2.5 Strategic Objective: Reform Spectrum Management

1.2.5.1 Revision of the Spectrum Management Framework

Radiofrequency (RF) spectrum is a scarce national resource that is essential to the provision of a wide range of services and is also utilised in areas such as national security, public safety, disaster warning and weather forecasting. Over the past few years, developments in telecommunications technology and the emergence of new telecommunications services have generated even greater demand for the use of the RF spectrum. A modern and systematic approach to the management of the RF spectrum is, therefore, imperative to ensuring that the unique social and economic benefits that it provides are fully realised.

The careful management of the spectrum involves the consideration of both the technical and economic efficiencies of the use of it within the context of a broad telecommunications policy. The revision of the Authority's Spectrum Management Framework benefitted from inputs by the International Telecommunication Union (ITU), which was engaged for technical assistance through consultancy services in 2020/21.

The revision of the framework was completed in preparation for issuance for the first round of public consultation in the next financial year.

1.2.5.2 Revision of the Amateur Framework

Amateur radio plays an important and internationally recognised role in disaster communications. It has a unique ability to provide radiocommunications independent from the telephone network or other radio services. Internationally, amateur radio and amateur satellites are fully recognised radiocommunications services defined in the Radio Regulations of the ITU. Amateur service retains relatively narrow bands within the radio spectrum from 1.8 MHz through 250 GHz.

The first Amateur Framework was approved in 2008 and is currently in force. To date, several new matters in the management of amateur radio service have surfaced, such as the licensing of amateur beacons and repeaters, as well as the assignment of special event call signs (for contests where amateur skills are tested). A further revision of the framework is required to codify the approaches employed to address these new matters.

In the 2020/21 financial year, the framework was completed and approval was granted for its publication.

1.2.5.3 5G Framework

Fifth generation (5G) public mobile telecommunications networks are considered a next generation mobile technology and are expected to transform the role of mobile communications in society. 5G will impact law and policy at all levels of government and among a diverse array of agencies around the world. 5G is the subject of international standardisation activities led by the ITU and the 3rd Generation Partnership Project (3GPP). In 2015, ITU published the International Mobile Telecommunication 2020 (IMT-2020) standard, which lays out the requirements for 5G.

IMT-2020:

- sets the stage for 5G research activities that are emerging around the world.
- defines the framework and overall objectives of the 5G standardisation process.
- lays out the roadmap to guide this process to its conclusion.

5G is an opportunity for policymakers to empower citizens and businesses. It will play a key role, for example, in the transformation of cities into smart cities, allowing citizens and communities to realise the socio-economic benefits delivered by an advanced, data-intensive, digital economy.

Moreover, 5G will enable new applications and will ultimately facilitate future technological development across many sectors such as manufacturing and health care. To reap the benefits of 5G and the networks of the future, regulators must have a forward-looking strategic policy to make spectrum use more efficient and make more spectrum available.

In this financial year, the Framework for Fifth Generation (5G) Public Mobile Telecommunications Networks was completed in preparation for targeted stakeholder consultation in 2021/22.

1.3 Strategic Theme 3: Universal Service, Connectivity and Digital Inclusion

1.3.1 Strategic Objective: Close Access Gap through Universal Service Initiatives

1.3.1.1 Digital Inclusion Survey

Over the last decade, there has been considerable growth in consumer access to, and use of, telecommunications and broadcasting services in Trinidad and Tobago. However, this growth has been uneven and has contributed to the existing digital divide between some population groups and geographic areas in the country.

Given the time that has elapsed since the Authority's last digital divide survey, in 2013, it is necessary to conduct another such exercise. The key outcomes of the new survey will identify the gaps between those persons or groups of persons who have access to telecommunications and broadcasting services and those who do not, and the population groups and geographic areas most at risk of being digitally excluded. The national survey is representative of all persons and households in Trinidad and Tobago.

During the financial year 2020/21, the Authority worked with the consultant for this project – Kairi Consultants Ltd – and the Central Statistical Office to finalise the project methodology and develop the survey instrument. Although there were some initial delays in the fieldwork activity in April

2021 due to the COVID-19 restrictions, the activity recommenced in September 2021 and the project is on track for completion during the 2021/22 financial year.

1.3.2 Strategic Objective: Ensure Affordable Services

1.3.2.1 Interconnection Benchmarking Study

According to ITU, interconnection can be defined as the set of legal rules, and technical and operational arrangements between network operators that enable customers connected to one network to communicate with customers of other networks. Thus, interconnection rates can be defined as the rates charged for facilitating communication (i.e., legal, technical and operational arrangements) between customers connected on different networks.

In addressing interconnection rates in accordance with section 15(2) of the Telecommunications (Interconnection) Regulations 2006, the Authority wanted to better inform its policy position through a formal and detailed benchmarking exercise. The data inputs used for this project came from submissions from service providers, secondary data (international/regional proxies and estimates), and recommendations and comments from the Authority's core team, senior management and stakeholders. Phases 1 and 2 of this project, undertaken in 2016 and 2019, respectively, involved conducting the interconnection benchmarking study (IBS) and publishing the results for public consultation.

During the 2020/21 financial year, the Authority reviewed the decisions on recommendations (DORs) from the second round of consultation and updated the IBS report to reflect proposed rates for 2021–2023. The report and a determination for international wholesale termination rates were published in March 2021.

1.3.3 Strategic Objective: Enhance Network Resilience (Wireless Networks)

1.3.3.1 Facilitate the Establishment of a Sub-Sea Cable-System Landing Station

During the period 2010 to 2013, the World Bank Group completed work to produce a study for the establishment of a second subsea cable system landing point for Trinidad and Tobago. The

Authority was informed of a proposed sub-sea cable system, with a new landing point in Trinidad and a new cable landing point and station in Tobago.

During the 2020/21 financial year, the Authority held discussions with the international sub-sea cable system operators in Trinidad and Tobago to assess the options for the deployment of a second sub-sea cable system landing point and station in Trinidad and Tobago. A new cable landing station and a Trinidad to Tobago undersea fibre-optic transmission system are expected to be established in the first quarter of 2024.

1.3.4 Strategic Objective: Ensure Digital Literacy

1.3.4.1 Digital Literacy in At-Risk Youth (Phase 1 of 2)

The Authority continuously seeks to target and meet the needs of all stakeholders, including persons in vulnerable circumstances and the underserved. Over the next two years, the Authority will collaborate with training and educational institutions to provide at-risk youth with ICT skills that could help them become more employable and/or develop the capacity to be more entrepreneurial.

This year, the focus was on identifying training institutions. Attention was also placed on identifying educational institutions that work with at-risk youth but are unable to provide ICT skills training on their own. The training institutions are required to be accredited and be able to provide participants with certificates.

1.4 Strategic Theme 4:

Organisational Effectiveness (People, Process, Systems, Facilities)

1.4.1 Strategic Objective:

Improve Organisational Efficiency and Effectiveness through Business Process Improvement (Policy, Process and Procedures)

1.4.1.1 Revision of the Equipment Certification Process and Procedures

The Authority's current *Equipment Certification Framework* was published in 2008. However, over the last five years, there has been a significant increase in the number of applications for equipment certification from both international and local parties.

Additionally, new types of radiocommunications equipment and services and the increased local use of unmanned aerial systems (UAS) including drones require that the existing procedures be updated to be relevant to the industry demand today.

For the 2020/21 financial year, a comprehensive review of the procedures, including application forms and certificates, was conducted by the Authority.

2 Looking Ahead 2021–2022

Over the next financial year, the Authority will continue to focus on the four strategic themes in its strategic plan, namely, Stakeholder Relationship Management; Sustainability of Industry; Universal Service, Connectivity and Digital Inclusion; and Organisational Effectiveness (People, Process, Systems, Facilities). Through the implementation of the deliverables under each of these themes, some of which are listed below, the Authority is confident its goals will be realised.

2.1 Stakeholder Relationship Management

2.1.1 Strengthen Organisational Brand Image

- Development and implementation of the Authority's new website

2.2 Sustainability of the Industry

2.2.1 Improve Stakeholder Understanding of the Sector's Contribution to National Development

- Publication of the 16th Annual Market Report: Telecommunications and Broadcasting Sectors 2021

2.2.2 Facilitate ICT Innovation, Legislative Development and Research and Development

- Finalisation of the framework for monitoring, compliance and enforcement of IPR in the broadcasting sector

- Development of a framework on Internet radio

2.2.3 Enable a Modernised and Dynamic Broadcasting Sector

- Collaborating with broadcasters to implement self-regulation

2.2.4 Improve Fair Competition

- Development of a framework on net neutrality

2.2.5 Strengthen Enforcement — Concession Obligations

- Performing annual monitoring of coverage and auditing of concessionaire rollout obligations
- Implementation of fixed number portability

2.2.6 Reform Spectrum Management

- Modernisation of the Authority's spectrum management framework
- Development of a 5G framework
- Conducting spectrum audits to verify the authorised use of spectrum
- Development of an authorisation framework for maritime services

2.2.7 Control Existing Recurrent Expenditure

- Meeting statutory requirements such as the preparation of the annual report, annual budget and financial statements
- Development of the annual procurement plan 2022/23

2.3 Universal Service, Connectivity and Digital Inclusion

2.3.1 Ensure Affordable Services

- Assessment of dominance in the mobile and fixed markets

2.3.2 Close Access Gap through Universal Service Initiatives

- Completion of the digital inclusion survey

2.4 Organisational Effectiveness (People, Process, Systems, Facilities)

2.4.1 Improve Organisational Efficiency and Effectiveness through Business Process Improvement (Policy, Process and Procedures)

- Development of the Authority's strategic plan for the period 2022–2025
- Conducting an enterprise risk assessment
- Inspecting and repairing the Authority's spectrum monitoring system (SMS) towers
- Upgrading the Authority's disaster recovery site

3 Overview of the Telecommunications and Broadcasting Sectors

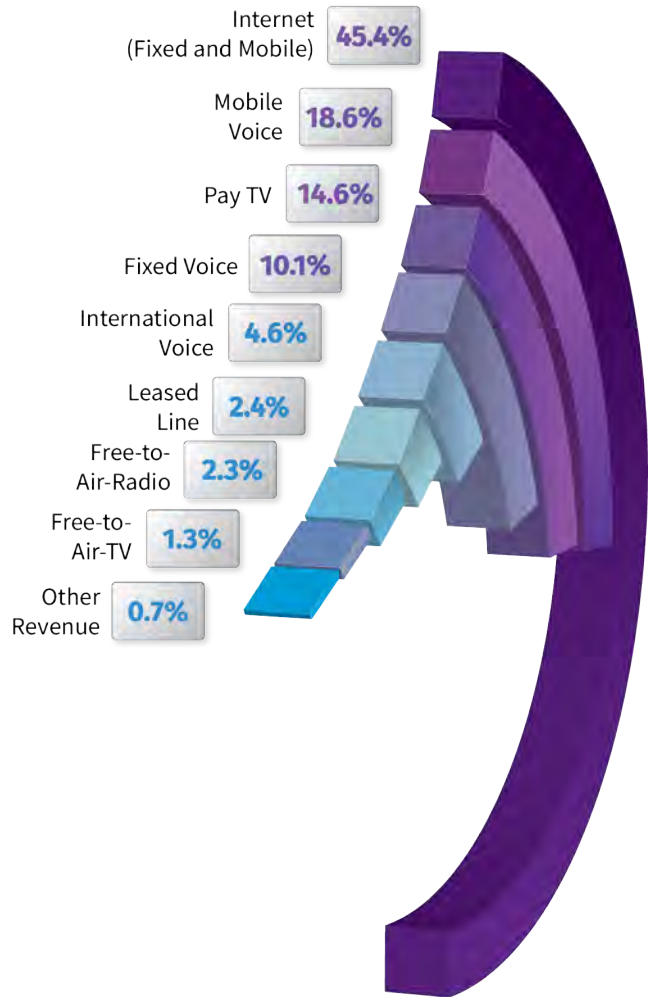
3.1 Trends in Market Revenues for January to December 2020

The Authority’s 15th Annual Market Report: Telecommunications and Broadcasting Sectors 2020 (Annual Market Report 2020)¹ indicates that the telecommunications and broadcasting sectors generated gross revenues of TT\$4.73 billion², or US\$697.1 million³ in 2020 which, as a proportion of gross domestic product (GDP)⁴, equals 3.2%. This represents a 5.8% decrease in total revenues generated by these sectors when compared to 2019.

The telecommunications sector contributed TT\$3.86 billion (81.6%) of total industry revenues, while the broadcasting sector contributed TT\$0.87 billion (18.4%). The Internet market accounted for the largest proportion of revenues, earning TT\$2,147.5 million (45.4%) of the total industry revenues. This was followed by the mobile voice market, which accrued TT\$877.3 million (18.6%) of total revenues. The next highest earners were pay TV and fixed voice services,⁵ which generated TT\$690.4 million (14.6%) and TT\$477 million (10.1%), respectively. The international market was next, with TT\$216.9 million (4.6%), followed by the leased line⁶ and FTA radio markets, which accounted for TT\$114.4 million (2.4%) and TT\$107.7 million (2.3%), respectively. The FTA TV market contributed TT\$61.8 million (1.3%). Other revenues recorded TT\$34.9 million, which is a 0.7% share of total industry revenues. Other revenues consisted of TT\$29.8 million in additional income from the telecommunications sector, as well TT\$5.1 million from the broadcasting sector.

Figure 1 gives a breakdown of revenue contributions by each market towards total industry revenues.

Figure 1. Percentage Revenue Contribution by each Market towards Overall Gross Revenues of the Industry



1 The Annual Market Report 2020 is available at: <https://tatt.org.tt>
 2 This figure includes revenues from telecommunications and broadcasting services offered to members of the general public and private leased line services.
 3 Central Bank of Trinidad and Tobago exchange rate: US\$1 = TT\$6.78
 4 Forecasted GDP at current prices for 2020: TT\$147,757.2 million (Source: Ministry of Finance, Review of the Economy 2020)
 5 Fixed voice market revenues include those earned from fixed voice services and access (excluding international services).
 6 Leased lines include both international and domestic circuits.

3.2 Domestic Telecommunications and Broadcasting Statistics

The statistics for the telecommunications and broadcasting markets over the period 2012–2020, sourced from the Annual Market Report 2020, are shown in table 1.

These data – on subscriptions, average revenue per user (ARPU) and traffic from the relevant markets – are used by the Authority to monitor and inform policy decisions which facilitate the orderly development of the markets within the two sectors.

Table 1. Domestic Telecommunications and Broadcasting Statistics for the Period 2012 to 2020

	2012	2013	2014	2015	2016	2017	2018	2019	2020
General									
Population (millions)	1.3	1.3	1.3	1.3	1.4	1.4	1.4	1.4	1.4
Telecom revenue (US\$ million)	834.0	864.4	881.5	876.7	836.0	758.1	832.1	740.7	697.1
Total telephone subscriptions ('000s)	2,169.8	2,235.2	2,270.4	2,393.2	2,471.6	2,349.3	2,290.3	2,496.0	2,311.9
Total telephone penetration	164.7	168.3	171.4	180.7	186.6	177.3	172.9	183.0	169.2
Average revenue per user ⁷ (ARPU) US\$	384.4	386.7	388.3	366.3	338.2	322.7	363.3	296.7	301.5
Fixed Voice									
Fixed voice subscriptions ('000s)	286.1	291.3	289.8	269.8	305.7	318.7	317.7	332.3	323.9
Fixed voice penetration	21.6	21.9	21.9	20.0	22.6	23.5	23.4	24.4	23.7
Fixed voice household penetration	55.3	56.2	56.6	52.5	62.1	66.3	66.7	71.0	69.7
Average revenue per user (ARPU) US\$	430.5	413.1	410.7	424.2	402.4	359.0	272.4	235.6	214.1
Fixed voice subscription growth (%)	-1.9	1.6	-0.7	-6.3	13.3	4.2	-0.3	4.6	-2.5
Mobile									
Mobile subscriptions ('000s)	1,880.6	1,943.9	1,980.6	2,123.4	2,165.8	2,031.6	1,972.6	2,163.7	1,988.0
Mobile penetration	142.2	146.4	149.1	157.3	160.0	150.0	145.1	158.6	145.5
Average revenue per user (ARPU) US\$	188.0	189.0	174.5	147.1	136.8	113.0	89.0	70.7	65.1
Mobile subscription growth (%)	3.1	3.2	1.9	7.2	2.0	-6.2	-2.9	9.7	-7.9

⁷ Average revenue per user is calculated as the total revenues generated from the service divided by the total number of subscriptions to the service.

Table 1. Domestic Telecommunications and Broadcasting Statistics for the Period 2012 to 2020 (continued)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	
Internet	Total Internet subscriptions ⁸ ('000s)	646.7	682.3	820.1	925.2	1,001.7	1,031.6	1,017.9	992.7	1,147.0
	Fixed Internet subscriptions ⁹ ('000s)	224.2	231.7	249.6	279.8	294.4	327.0	341.3	339.4	376.8
	Mobile Internet subscriptions ¹⁰ ('000s)	422.5	450.6	570.5	645.4	707.3	704.6	678.6	653.3	770.2
	Fixed broadband subscriptions ¹¹ ('000s)	221.3	229.6	248.1	278.5	294.3	326.8	341.1	339.3	376.8
	Fixed Internet users ¹² ('000s)	726.0	751.0	757.8	851.1	900.7	1,001.4	1,051.4	1,059.1	1,174.2
	Fixed Internet penetration	16.9	17.4	18.8	21.1	21.7	24.2	25.1	24.9	27.6
	Mobile Internet penetration	31.9	33.9	43.0	47.8	52.2	52.0	49.9	47.9	56.3
	Fixed Internet users penetration	51.8	53.0	57.1	63.1	57.2	74.0	77.4	77.6	85.9
	Fixed Internet household penetration	52.1	54.2	58.3	65.4	69.3	76.9	80.8	79.9	88.6
	Average revenue per user (ARPU) US\$ for fixed Internet	422.8	440.0	448.6	430.3	470.5	417.9	492.7	510.8	475.0
	Fixed Internet subscription growth (%)	10.7	6.0	7.8	12.1	5.2	11.1	4.4	-0.5	11.0
International voice Traffic	International -outgoing min. (million)	263.5	277.9	268.3	247.2	170.9	125.2	125.9	79.7	58.5
	International -incoming min. (million)	245.7	234.8	234.1	199.2	202.7	192.9	127.1	91.9	95.5
	Inbound/outbound int'l traffic ratio	0.9	0.8	0.9	0.8	1.2	1.5	0.99	1.2	1.6
Pay TV	Pay TV subscriptions ('000s)	198.7	209.3	228.8	232.8	248.4	246.7	234.7	249.8	242.4
	Pay TV penetration	14.8	15.8	17.2	17.2	18.3	18.2	17.3	18.3	17.7
	Pay TV household penetration	48.2	52.1	57.0	58.0	61.9	61.5	58.5	62.2	60.4
	Average revenue per user (ARPU) US\$	505.5	520.8	493.2	497.7	486.8	425.2	427.5	435.4	418.9
	Pay TV subscription growth (%)	5.8	5.3	9.3	1.7	6.7	-0.6	-4.9	6.4	-3.0

8 Total Internet subscriptions refer to the sum of fixed Internet subscriptions and mobile postpaid Internet subscriptions.

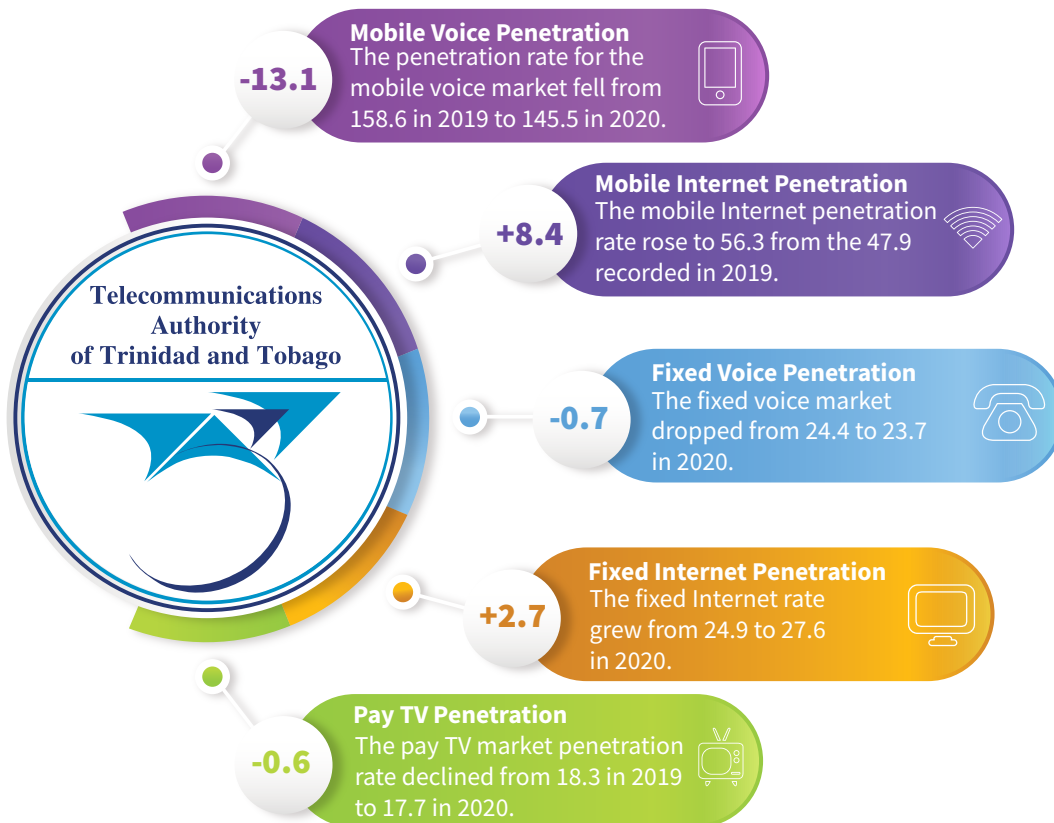
9 Fixed Internet subscriptions refer to the total number of subscriptions with fixed wired or fixed wireless Internet access.

10 Mobile Internet subscriptions from 2012 to 2016 include prepaid and postpaid mobile Internet users.

11 Fixed broadband subscriptions refer to the number of Internet subscribers with access to download speeds of 256 kbps or above.

12 Fixed Internet users is the number of persons who regularly use fixed Internet services.

2020 Subscription Penetration Rate



3.3 Trends in Subscription Penetration as at December 2020

The subscription penetration rate is defined as the number of subscriptions per 100 of the population.

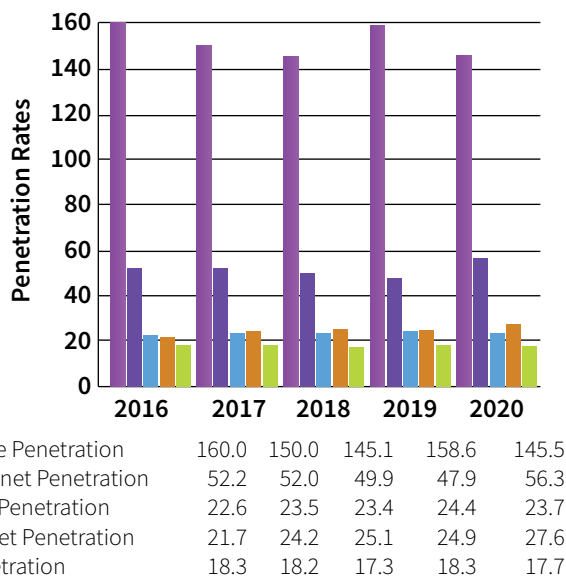
Figure 2 shows the penetration rates for all subscription-based markets from 2016 to 2020.

In 2020, only the fixed and mobile Internet markets recorded growth in penetration rates, while the mobile voice, fixed voice and pay TV markets all experienced reductions.

The mobile Internet penetration rate rose to 56.3 from the 47.9 recorded in 2019, while the fixed Internet rate grew from 24.9 to 27.6.

The penetration rate for the mobile voice market fell from 158.6 in 2019 to 145.5, while the fixed voice market dropped from 24.4 to 23.7. Similarly, the pay TV market penetration rate declined from 18.3 in 2019 to 17.7 in 2020.

Figure 2. Penetration Rates of Subscription-Based Markets from 2016 to 2020



3.4 Broadcasting and Telecommunications Concessions as at September 2021

Tables 2 and 3 list the number of broadcasting and telecommunications concessions, respectively, that were authorised and operating within these markets as at 30th September 2021.

Table 2. Broadcasting Market Concessions for the Period September 2018 to September 2021

Types of Broadcasting Concessions	September 2018	September 2019	September 2020	September 2021
Free-to-Air Television	5	5	5	5
National	4	4	4	4
Major Territorial	1	1	1	1
Subscription (Pay) Television	13	13	13	13
National	7	7	7	8
Major Territorial	1	1	1	1
Niche	4	4	4	3
Minor Territorial	1	1	1	1
TV Broadcasting via Cable	14	14	14	15
National	14	14	14	15
Major Territorial	-	-	-	-
Free-to-Air Radio	37	37	37	36
National	29	30	30	29
Major Territorial	6	5	5	5
Minor Territorial/Niche	2	2	2	2
Total	69	69	69	69

Table 3. Telecommunications Market Concessions as at 30th September 2021

Type of Telecommunications Concessions	Authorised Providers September 2021	Operational Providers September 2021
Fixed Telecommunications:	17	
Fixed Telephony		6
Fixed Internet		11
International Telecommunications	9	8
Mobile Telecommunications	2	2

With reference to the fixed telephony and fixed Internet markets in table 3, a single concession is granted for the provision of fixed telephony and/or fixed Internet services and networks. During the period under review, of the 17 operators authorised to provide fixed domestic telecommunications

services, only six concessionaires opted to provide fixed telephony services and 11 concessionaires opted to provide fixed Internet services. Of the nine authorised providers of public international telecommunications services, eight opted to provide such services.

4 Stakeholder Engagement Statistics

The statistics in the following sections give details of the work of the Authority for the financial year under review.

4.1 Consumer Complaints Handling

During the reporting period, a total of 623 valid consumer complaints were received. Of this total, approximately 589 complaints (94.5%) were resolved. There are 34 complaints still being investigated, most of which were submitted during the last quarter of the financial year, and these are expected to be resolved early in the next financial year. The largest proportion of complaints received – approximately 24.2% – related to billing issues. Figure 3 depicts the complaints by type and status.

Of the total complaints received, fixed line accounted for the majority, with 353 complaints (56.6%). This was followed by mobile, with 163 complaints (26.1%). Complaints related to Internet and pay TV services were next, accounting for 119 complaints (19.1%) and 30 complaints (4.8%), respectively.

4.2 Consumer Complaints Committee

The Consumer Complaints Committee (CCC) was established in May 2008 in accordance with section 18(q) of the Act, and is responsible for addressing complaints that have not been resolved at the operational level.

The CCC did not meet during the financial year under review as the Authority’s Board of Directors was not fully constituted.

4.3 Broadcast Content Complaints

The Authority receives complaints regarding both FTA radio and television broadcast content. As shown in table 4 and figure 4, during the financial year under review, 34 broadcast content complaints were submitted, of which 28 were resolved. Of the other six complaints, four are currently being investigated by the Authority and are expected to be resolved in the new financial year. The final two complaints were unresolved because the requisite information was not submitted for a proper review to be conducted.

Figure 3. Consumer Complaints Handled from 1st October 2020 to 30th September 2021

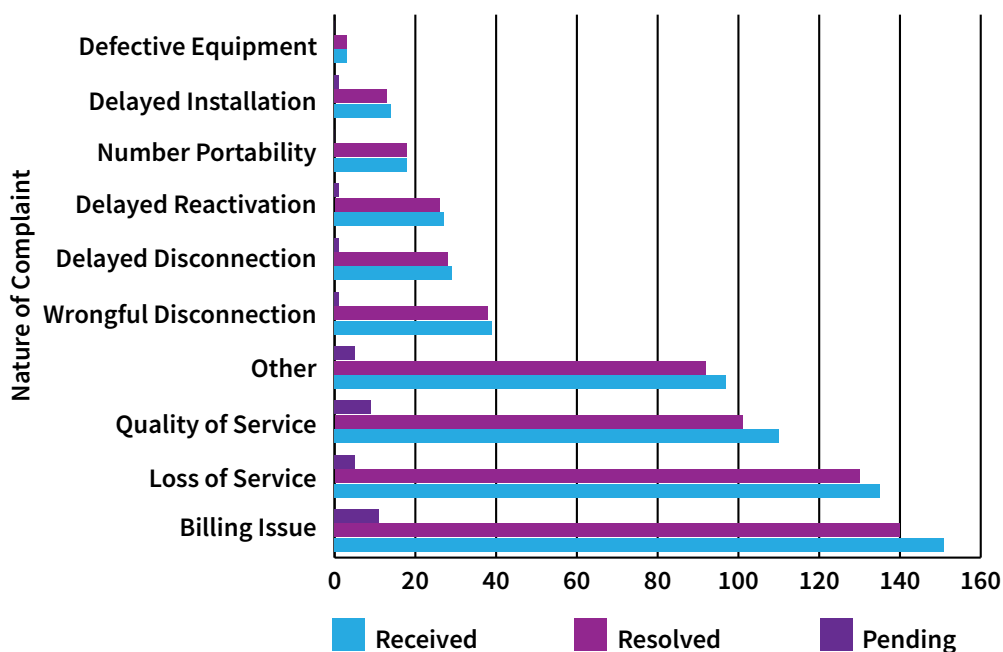
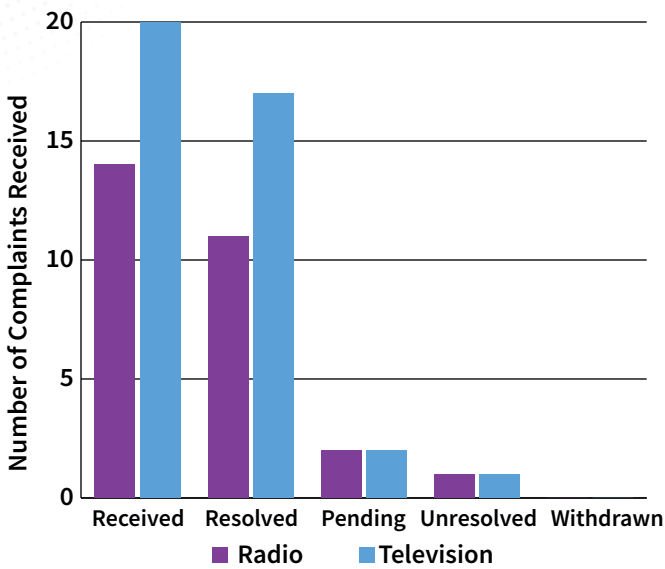


Table 4. Broadcast Complaints as at 30th September 2021

Type of Complaint	Received	Resolved	Pending	Unresolved	Withdrawn
Radio	14	11	2	1	0
Television	20	17	2	1	0
Total	34	28	4	2	0

Figure 4. Broadcast Content Complaints from 1st October 2020 to 30th September 2021



4.4 Interference Complaints

Under section 18(l) of the Act, the Authority is mandated to investigate and resolve all allegations of harmful interference and to issue “cease or modify” orders to those causing the interference. In all instances, the Authority evaluates such complaints, in accordance with its complaints

process. First, the existence of the harmful interference is verified. Once the interference has been confirmed, the Authority proceeds to investigate the external source, looking at the nature of the service, the severity of the interference, the impact on the authorised user(s), and any action taken by the licensee to resolve the problem. On the basis of the Authority’s findings, the necessary action is then taken to resolve the complaint.

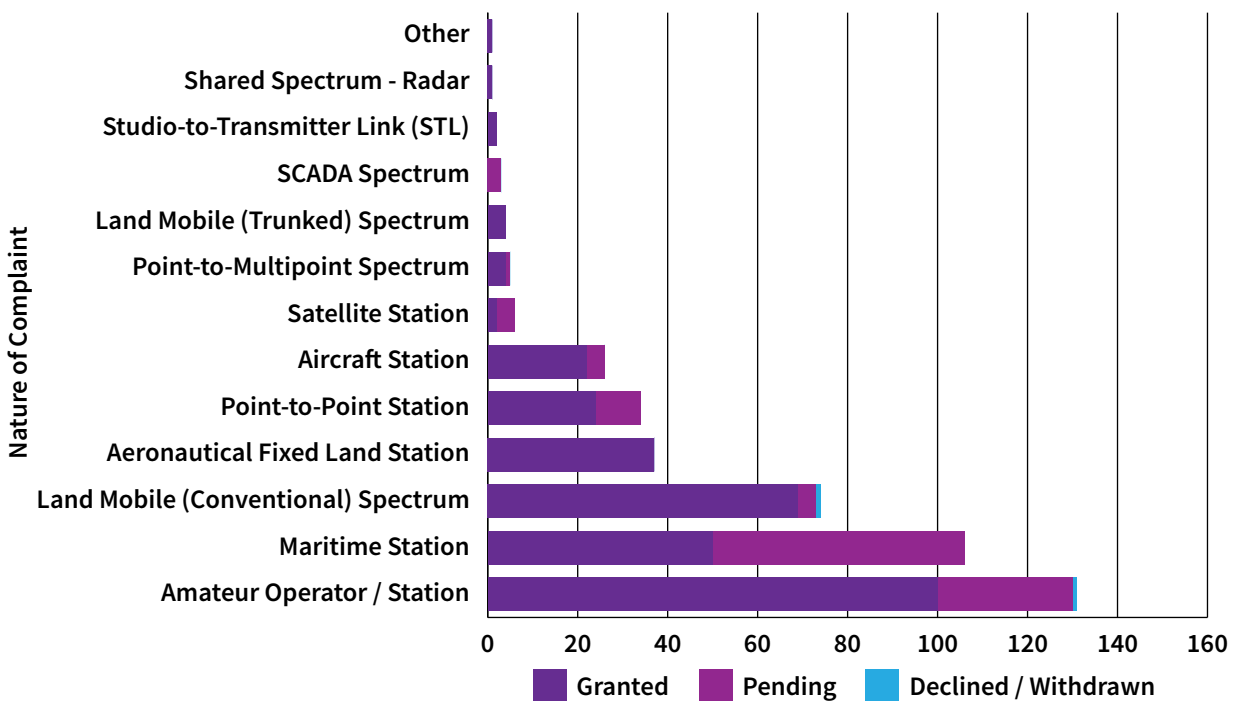
For the financial year 2020–2021, the Authority received nine complaints regarding harmful interference, eight of which were telecommunications related and one which was television related. During the period under review, eight complaints were resolved and one complaint was pending the outcome of an investigation.

4.5 Licence Applications

During the financial year, 316 licence applications were granted and two were either declined or withdrawn. At the end of the financial period, 112 applications were pending approval.

Figure 5 illustrates the number and types of licence applications that were either granted, declined/withdrawn or pending approval during the period.

Figure 5. Status of Licence Applications as at 30th September 2021



4.6 Concession Applications

The granting of concessions to existing and potential service providers is done in accordance with the Authority's Authorisation Framework for the Telecommunications and Broadcasting Sectors of Trinidad and Tobago.

Table 5 shows the status of concession applications as at the end of the financial year, i.e., applications brought forward from the previous financial year, those received in the current year, applications which were approved and those which were pending.

Table 5. Concession Applications as at 30th September 2021

Application Type	Applications Brought Forward		Applications Received 2020–2021		Applications Approved	Applications Pending	Applications Rejected
	New	Renewal	New	Renewal			
International Telecommunications	-	1	-	-	-	1	-
FTA Radio	-	-	-	-	-	-	-
FTA Television	-	1	-	-	1	-	-
Mobile Telecommunications	-	-	-	-	-	-	-
Subscription Television Broadcasting	-	1	-	-	-	1	-
Television Broadcasting Service via Cable	1	-	1	-	1	1	-
Fixed Telecommunications	-	1	1	-	1	1	-
SUB-TOTAL	1	4	2	-	3	4	-
TOTAL	5		2		7		

Five concession applications were brought forward from the previous financial year. Two new applications were received during the period under review. As at the end of the financial year, three applications were approved and four were pending approval.

4.7 Tower Administration

Tower administration is the process by which the Authority approves the location of new towers or recommends co-location on existing towers between service providers, usually to provide mobile telecommunications services. Service providers are required to apply to the Authority for tower non-objection, and their applications are assessed to ensure they meet the criteria for co-

location of sites, i.e., the distance between towers and the feasibility of co-location.

No non-objection applications were received by the Authority over the period 2020–2021.

4.8 Radio frequency Radiation (RFR) Measurements of Cellular and Wi-Fi Sites

A total of 166 RFR measurements were conducted at the following cellular sites, all of which were found to be within acceptable limits:

- TSTT – 127 sites
- Digicel (Trinidad & Tobago) Limited – 38 sites
- Green Dot Limited – 1 site

4.9 Numbering Assignment

Central Office (CO) codes are assigned by the Authority to operators of both fixed and mobile telephone networks. The CO codes are three digits in length and usually identify the operator and the switching office providing the service to the customer.

For the period 2020–2021, the Authority issued 20 mobile CO codes to Digicel (Trinidad & Tobago) Limited.

4.10 Mobile Number Portability

Mobile number portability commenced in Trinidad and Tobago on 31st October 2016. During the period under review, a total of 44,174 mobile numbers were ported between the two mobile operators, namely, Digicel (Trinidad & Tobago) Limited and TSTT.

4.11 Freedom of Information Act (FOIA)

The Freedom of Information Act (FOIA) gives members of the public a general right (with exceptions) to access the official documents of public authorities. During the financial year, the Authority received eight requests, all of which were fulfilled.



5 Financial Performance

The Authority generates its own revenues, sourced primarily from concession and licence fees levied on all service providers within the telecommunications and broadcasting sectors. These funds are used to finance the operations of the Authority as it delivers on its mandate. Surpluses are paid into the Consolidated Fund in accordance with section 53(7) of the Act.

Pursuant to sections 56 and 57 of the Act, the Authority prepares financial statements in accordance with International Financial Reporting Standards, which are Generally Accepted Accounting Principles (GAAPs) adopted in Trinidad and Tobago and subject to an annual audit.

The Authority achieved gross revenues of TT\$96,566,262 during the financial year 2020/21 – an increase of approximately 14.5% from the previous year. Of this amount, concession and licence fees generated revenues of TT\$30,083,036 and TT\$65,741,000, respectively.

The Authority's operating expenditure for the year totalled TT\$51,961,290. This represents an increase of approximately 1.4% over the previous year's expenditure of TT\$51,240,764. Capital expenditure for the year totalled TT\$1,795,575.

The surplus for the year 2020/21 is TT\$44,604,972.

The Authority's receivables of TT\$17,226,769 represent a decrease of approximately 13.5% over

the previous year. Accounts payables and accruals increased by approximately 8.7% over the financial year, to TT\$4,486,284.

As at 30th September 2021, the balance in the Universal Service Fund (USF) was TT\$117,942,656. With the coming into force of the Telecommunications (Universal Service) Regulations, USF contributions are being used to fund several key initiatives geared towards bridging the digital divide – the gap between those who have access to telecommunications services in Trinidad and Tobago and those who do not.

During the period under review, the Authority implemented the following three mandatory universal service initiatives:

1. Phase 2 of the GORTT's National Free Wi-Fi Initiative (TTWIFI) – schools, libraries and transport hubs
2. The provision of subsidised mobile devices with assistive technologies for the visually and/or hearing impaired
3. The provision of 10,000 ICT-enabled devices with Internet connectivity for public schools in Trinidad and Tobago

The Authority also initiated work on its fourth USF project, which involves the provision of broadband Internet access to Brasso Venado and Los Atajos in Trinidad and the parish of St. John in Tobago.

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Financial Statements

30th September 2021

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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 Telecommunications Authority of Trinidad and Tobago (the Authority) as at the end of the financial year and the operating results of the Authority for the year. It also requires management to ensure that the Authority keeps proper accounting records, which disclose, with reasonable accuracy at any time, the financial position of the Authority, and also to safeguard the assets of the Authority.

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS). 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.

Management accepts responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with IFRS. Management is of the opinion that the financial statements present fairly, in all material respects, the state of the financial affairs of the Authority and 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 Authority will not remain a going concern for at least the next 12 months from the date of this statement.



Gilbert Peterson, S.C.
Chairman
15th December 2021

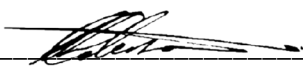


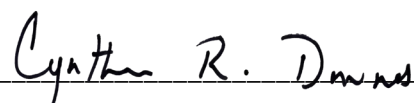
Cynthia Reddock-Downes
Chief Executive Officer
15th December 2021

Statement of Financial Position

As at September 30, 2021 (Expressed in Trinidad and Tobago dollars)

	Notes	Unaudited Sep 30, 2021 \$	Unaudited Sep 30, 2020 \$
ASSETS			
Non-current Assets			
Plant and Equipment	6	11,021,100	11,895,714
Right of Use Assets	7	9,618,467	2,822,488
Total Non-current Assets		<u>20,639,567</u>	<u>14,718,203</u>
Current Assets			
Receivables	8	17,226,769	19,926,039
Universal Service Fund Contribution Receivable	8	30,446,009	46,025,758
Cash and Bank Balance	9a	22,515,125	18,319,641
Cash and Bank Balance - restricted	9b	117,942,656	111,237,209
Total Current Assets		<u>188,130,558</u>	<u>195,508,646</u>
Total Assets		<u>208,770,125</u>	<u>210,226,849</u>
LIABILITIES & RESERVES			
Reserves			
Reserves: Universal Service Fund	10	148,344,601	157,241,947
Total Reserves		<u>148,344,601</u>	<u>157,241,947</u>
Non-current Liabilities			
Deferred Income	11	72,863	95,220
Net Defined Benefit Obligation	21	1,323,588	666,669
Lease Liability - Right of Use Asset	12	6,021,667	0
Total Non-current Liabilities		<u>7,418,118</u>	<u>761,889</u>
Current Liabilities			
Accounts Payable and Accruals	13	4,486,284	4,126,905
Lease Liability - Right of Use Asset	12	3,596,451	2,911,978
Net Defined Benefit Obligation	21	275,635	0
Universal Service Fund Contribution Payable	13	44,063	21,019
Due to Consolidated Fund		44,604,972	45,163,110
Total Current Liabilities		<u>53,007,405</u>	<u>52,223,013</u>
Total Liabilities and Reserves		<u>208,770,125</u>	<u>210,226,849</u>


 Gilbert Peterson, S.C.
 Chairman
 15th December 2021


 Cynthia Reddock-Downes
 Chief Executive Officer
 15th December 2021

The Notes on pages 35 to 52 form an integral part of these Financial Statements.

Statement of Profit or Loss and Other Comprehensive Income

For the Year ended September 30, 2021 (Expressed in Trinidad and Tobago dollars)

	Notes	Unaudited Sep 30, 2021 \$	Unaudited Sep 30, 2020 \$
Income			
Concession Fees		30,083,036	29,349,594
Licence Fees		65,741,000	54,440,221
Bank Interest		86	184
Other Income		719,783	492,830
Amortisation of Deferred Income	11	22,357	36,545
Total Income		<u>96,566,262</u>	<u>84,319,374</u>
Expenses			
Communications, Marketing & Policy Expenses	14	1,526,945	2,609,991
Fees-Legal & Professional	15	1,778,424	1,812,154
Training	16	239,845	935,479
Utilities		1,203,166	1,138,468
Rent/Lease Expenses		265,360	248,320
Staff Costs	17	33,781,710	32,195,361
Repairs and Maintenance		779,730	543,577
Other Administrative Costs	18	6,308,164	5,104,483
Interest Expense		67,064	150,406
Depreciation	19	6,010,881	6,502,524
Total Expenses		<u>51,961,290</u>	<u>51,240,764</u>
Surplus for the Year		<u>44,604,972</u>	<u>33,078,609</u>

The Notes on pages 35 to 52 form an integral part of these Financial Statements.

Statement of changes in amount due to consolidated fund for the year

(Expressed in Trinidad and Tobago dollars)

	Unaudited Sep 30, 2021 \$	Unaudited Sep 30, 2020 \$
Amount due to Consolidated Fund brought forward from the previous period	45,163,110	51,682,839
Effect of change in Accounting Policy for initial application of IFRS 16	-	(97,282)
Payment to Consolidated Fund during the year	<u>(45,163,109)</u>	<u>(39,501,057)</u>
Outstanding amount brought forward	1	12,084,500
Net surplus for the current year	<u>44,604,972</u>	<u>33,078,609</u>
Net amount due to Consolidated Fund at the end of the year	<u><u>44,604,972</u></u>	<u><u>45,163,110</u></u>

The Notes on pages 35 to 52 form an integral part of these Financial Statements.

Statement of Cash Flows

For the Year ended September 30, 2021 (Expressed in Trinidad and Tobago dollars)

	Unaudited Sep 30, 2021 \$	Unaudited Sep 30, 2020 \$
Cash flow from operating activities		
Net surplus for the year	44,604,972	33,078,609
Adjustment for non-cash Items:		
Amortisation of deferred income	(22,357)	(36,545)
Interest expense	67,064	150,406
Depreciation	6,010,881	6,502,524
Gain on disposal of asset	47,590	35,010
	<u>50,708,149</u>	<u>39,730,004</u>
Changes in		
Decrease/(Increase) in receivables	2,699,270	(7,162,489)
(Decrease)/Increase in accounts payable and accruals	1,291,934	(371,030)
Reserves - Universal Service Fund	6,705,447	(9,649,465)
	<u>61,404,800</u>	<u>22,547,020</u>
Net cash generated from operating activities		
Cash flow from investing activities		
Acquisition of plant and equipment	(1,795,575)	(1,039,188)
Acquisition of right of use assets	(10,184,259)	0
	<u>(11,979,835)</u>	<u>(1,039,188)</u>
Net cash used in investing activities		
Cash flow from financing activities		
Amount paid to Consolidated Fund	(45,163,109)	(39,501,057)
Interest paid	(67,064)	(150,406)
Proceeds from lease for right of use asset	10,184,259	0
Repayment of lease liabilities	(3,478,120)	(3,394,778)
	<u>(38,524,034)</u>	<u>(43,046,241)</u>
Net cash used in financing activities		
Net increase/(decrease) in cash and cash equivalents	10,900,931	(21,538,410)
Cash and cash equivalents at start of period	129,556,849	151,095,259
Cash and cash equivalents at end of period	<u>140,457,781</u>	<u>129,556,849</u>

The Notes on pages 35 to 52 form an integral part of these Financial Statements.

Notes to the Financial Statements

For the Year ended September 30, 2021 (Expressed in Trinidad and Tobago dollars)

1. Principal activities

The Telecommunications Authority of Trinidad and Tobago (the 'Authority') is an independent regulatory body, established by the Telecommunications Act (the 'Act') Chapter 47:31. The Authority is charged with the responsibility for the regulation of the telecommunications and broadcasting sectors of Trinidad and Tobago.

The Authority's mandate includes recommendations to the Minister for the granting of Concessions, the granting of Spectrum Licences and the collection of related fees, the determination of Universal Service obligations throughout Trinidad and Tobago, the establishment of National Telecommunications Industry Standards and Technical Standards, Price Regulation and Consumer Protection.

The Authority became operational on July 1, 2004.

The Authority is located at # 5 Eighth Avenue Extension, off Twelfth Street, Barataria, Trinidad.

The Authority reports to the Ministry of Digital Transformation.

2. Adoption of new and revised International Financial Reporting Standards

(a) Standards and Interpretations adopted with no effect on financial statements

The Authority has adopted the following new standards and interpretations which had no effect on the financial statements and which were effective for annual periods beginning or after October 1, 2020.

- Amendments to IFRS 3 – definition of a business
- Amendments to IAS 1 and IAS 8 on the definition of material
- Amendments to IFRS9, IAS 39 and IFRS 7 – Interest rate benchmark reform – Phase 1

(b) Standards and Interpretations in issue, which will not have an impact on the Authority's financial statements

The following new and revised IFRS that have been issued but are not yet effective and will not have any impact of the financial statements of the Authority:

- COVID-19 Related Rent Concessions beyond 30 June 2021 – Amendment to IFRS 16
- Definition of a Business – Amendment to IFRS 3¹³
- Interest Rate Benchmark Reform – Amendments to IFRS 9, IAS 39, IFRS 7 IFRS 4 and IFRS 16 – Phase 2¹³
- Reference to the Conceptual Framework – Amendments to IFRS 3¹⁴
- Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16¹⁴
- Onerous Contracts – Cost of Fulfilling a Contract – Amendments to IAS 37¹⁴
- AIP IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter¹⁴
- AIP IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities¹⁴
- AIP IAS 41 – Agriculture – Taxation in fair value managements¹⁴

13 Effective for annual periods beginning on or after January 1, 2021, with earlier application permitted.

14 Effective for annual periods beginning on or after January 1, 2022, with earlier application permitted.

Notes to the Financial Statements

For the Year ended September 30, 2021 (Expressed in Trinidad and Tobago dollars)

2. Adoption of new and revised International Financial Reporting Standards (continued)

(b) Standards and Interpretations in issue, which will not have an impact on the Authority's financial statements (continued)

- IFRS 17 Insurance Contracts¹⁵
 - Classification of Liabilities as Current or Non-current – Amendments to IAS 1¹⁵
 - Definition of Accounting Estimates – Amendments to IAS 8³
 - Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 23
 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12¹⁵
 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28¹⁶
- AIP – Annual IFRS Improvement Process

3. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below:

Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS'). The financial statements have been prepared under the historical cost convention.

The preparation of these financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Authority's policies.

a) Foreign currency translation

i. Functional and presentation currency

Items included in the financial statements of the Authority are measured using the currency of the primary economic environment in which the Authority operates ('the functional currency'). The financial statements are presented in Trinidad and Tobago dollars, which is the Authority's functional and presentation currency.

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 at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss.

¹⁵ Effective for annual periods beginning on or after January 1, 2023, with earlier application permitted.

¹⁶ In December 2015, the IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting.

Notes to the Financial Statements

For the Year ended September 30, 2021 (Expressed in Trinidad and Tobago dollars)

3. Summary of significant accounting policies (continued)

b) Revenue recognition

The following table indicates how the Authority has applied IFRS 15's five step process to recognise revenue in its Financial Statement.

IFRS 15 – Recognition Steps	Authority's Approach
1. Identify the contract with the customer	The majority of the Authority Revenue is derived from fees for - Concessions - Licenses
2. Identify the performance obligations in the contract	The Authority allows the Concessionaire / Licensee to operate and utilise Spectrum under the terms and conditions specified in its relevant Concession / License.
3. Determine the transaction price	Fees are established under the Telecommunication (Fees) Regulations, 2006
4. Allocate the transaction price to the performance obligations in the contracts	Allocation of Fees are also specified under the Telecommunication (Fees) Regulation, 2006.
5. Recognise revenue when (or as) the entity satisfies a performance obligation	Application Fees are recognised when the Concession / License has been processed. Due to invoicing guidelines set forth in the Telecommunication (Fees) Regulation 2006 Sections 3 (2), 7 (1), 11 (2) and 12 (1) Concession / License Fees are recognised when invoiced. Interest income is recognised as it accrues, unless collectability is in doubt. Income is also recognised from receipt of Government grants. See note 3(d) for Government grants. In the event that a material invoice is not prepared at the Authority's year end and accrual for the revenue is made.

Notes to the Financial Statements

For the Year ended September 30, 2021 (Expressed in Trinidad and Tobago dollars)

3. Summary of significant accounting policies (continued)

c) Plant and equipment

All plant and equipment is stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items of plant and equipment. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Authority and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of profit or loss during the financial period in which they are incurred.

Plant and equipment are depreciated on the reducing balance basis at rates estimated to write off the cost of fixed assets over their useful lives. Current rates of depreciation are as follows:

Fixtures and fittings	20%
Computer equipment and software	25%
Office furniture and equipment	20%
Motor vehicles	25%
Telecommunication equipment and related software	25%

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 are determined by comparing the proceeds with the carrying amount and are recognised in the statement of profit or loss.

d) Government grants

Government grants related to fixed assets are deferred in the statement of financial position and amortised over the estimated useful lives of the assets to which it relates.

e) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits held at call with banks.

f) Receivables

Trade receivables are carried at original invoice amount less an allowance made for impairment of these receivables. The allowance for impairment of trade receivables is established based on a review of all outstanding amounts at the year-end. Bad debts are written off during the year in which they are identified.

g) Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Notes to the Financial Statements

For the Year ended September 30, 2021 (Expressed in Trinidad and Tobago dollars)

3. Summary of significant accounting policies (continued)

h) Provisions

Provisions are recognised when the Authority 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 obligations and a reliable estimate of the amount of the obligation can be made.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

i) Reserves

Universal Service Fund

In accordance with the Telecommunications Act (2001) Section 28 (3), the Board approves the appropriation of reserves to the Universal Service Fund. Section 53(3) of the Act restricts the use of these funds to the provision of Universal Service.

Consolidated Fund

In accordance with the Telecommunications Act (2001) Section 53 (7), "At the end of each financial year, any surplus of funds remaining in the account opened in accordance with subsection (5), after defraying the expenditure referred to in subsection (2), shall be paid into the Consolidated Fund".

j) Financial assets

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the statement of financial position date, which are classified as non-current assets.

k) Impairment of financial assets

The carrying amounts of the Authority's assets are reviewed at each statement of financial position date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the statement of profit or loss.

Notes to the Financial Statements

For the Year ended September 30, 2021 (Expressed in Trinidad and Tobago dollars)

3. Summary of significant accounting policies (continued)

k) Impairment of financial assets (continued)

i. Calculation of recoverable amount

The recoverable amount of other assets is the greater of their net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

ii. Reversals of impairment

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

l) Leases

The Authority assesses whether a contract is or contains a lease, at inception of the contract. The Authority recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Authority recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Authority uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and

Notes to the Financial Statements

For the Year ended September 30, 2021 (Expressed in Trinidad and Tobago dollars)

3. Summary of significant accounting policies (continued)

l) Leases (continued)

- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Authority remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Authority did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Authority expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

The Authority applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy. Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset.

Notes to the Financial Statements

For the Year ended September 30, 2021 (Expressed in Trinidad and Tobago dollars)

3. Summary of significant accounting policies (continued)

m) Taxation

Pursuant to section 54 of the Telecommunications Act, the Authority is exempt from income tax.

n) Employee benefits

- i. Short Term Employee Benefits – The cost of short term employee benefits (those payable) within 12 months after the service is rendered are recognised in the period in which the service is rendered and not discounted.
- ii. Defined Contribution Plans – Payments to defined contribution plans are expensed as they fall due
- iii. Defined Benefit Obligations – The Authority has an obligation to provide pension benefits to officers transferred to the Authority under Section 62 of the Telecommunications Act 47:31. The Authority estimates this liability under the guidelines of Section 63 based on the most recent information available. Changes to the estimates are expensed in the year determined.

o) Comparatives

Where necessary comparative figures have been adjusted to conform to changes in presentation in the current year.

p) Rounding

Amounts have been rounded to the nearest dollar which may cause apparent variances in detailed schedules.

Notes to the Financial Statements

For the Year ended September 30, 2021 (Expressed in Trinidad and Tobago dollars)

4. Critical accounting estimates and judgements

In the application of the Authority's accounting policies, which are described in note 3, management of the Authority are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates. Key sources of uncertainty, which require the use of estimates, include:

Useful lives and residual values of plant and equipment

The estimates of useful lives as translated into depreciation rates are detailed in the plant and equipment policy above. These rates and the residual lives of the assets are reviewed annually taking cognizance of the forecasted commercial and economic realities and through benchmarking of accounting treatments within the industry.

Provision for expected credit losses of trade receivables

The Authority uses a provision matrix to calculate ECLS for trade receivables. The provision rates are based on days past due for groupings of various customers segments that have similar loss patterns (customer type, age of receivable, coverage by payment agreements, status of recovery actions).

Contingent liabilities

Management applies its judgement to the facts and advice it receives from its attorneys, advocates and other advisors in assessing if an obligation is probable, more likely than not, or remote. Such judgement is used to determine if the obligation is recognised as a liability or disclosed as a contingent liability.

Defined Benefit Obligations

In determining the liability for defined benefit obligations the (explained in note 21), management must make an estimate of life expectancy of relevant officers and the discount rate to use in the present value calculation. The table belows shows the assumptions made.

	Sep 30, 2021	Sep 30, 2020
Discount Rate	4%	4%
Life Expectancy Female	84	84
Life Expectancy Male	81	81

Leases – estimating the incremental borrowing rate

The Authority cannot readily determine the interest rate implicit in the lease. It uses the incremental borrowing rate. The IBR is the rate of interest that the Authority would have to pay to borrow over a similar term with similar security in a similar economic environment. The Authority has applied the rate available to government for a bond of similar tenure to the lease.

Notes to the Financial Statements

For the Year ended September 30, 2021 (Expressed in Trinidad and Tobago dollars)

5. Financial risk management

a) Market risk

The Authority's activities do not expose it to any significant market risks (including currency risk, fair value interest rate and price risk).

i) Cash flow and fair value interest rate risk

As the Authority has no significant interest-bearing assets, the Authority's income and operating cash flows are substantially independent of changes in market interest rates. The Authority does not own any investments.

ii) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The majority of the financial instruments of the Authority are denominated in Trinidad and Tobago dollars, thus, the risk to the Authority is considered minimal.

b) Credit risk

Credit risk arises from cash and cash equivalents as well as credit exposures to customers for outstanding receivables. The Authority does not have significant credit risk exposure to any single third-party counterparty or any group of counterparties having similar characteristics. The Authority defines counterparties as having similar characteristics if they are related entities.

Credit risk also arises from cash and deposits with banks and financial institutions. For banks and financial institutions, only those with good standing and with a sound reputation are used.

c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash to meet all financial obligations as they become due.

The table below analyses the Authority's financial liabilities based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows. Balances due within 1 year equal their carrying balances, as the impact of discounting is not significant.

	Sep 30, 2021	Sep 30, 2020
	\$	\$
Accounts Payables and Accruals		
Less than 1 Year	4,486,284	4,126,905

Notes to the Financial Statements

For the Year ended September 30, 2021 (Expressed in Trinidad and Tobago dollars)

6. Plant and equipment

	Telecommunication Equipment and Related Software	Computer Equipment & Software	Office Furniture & Equipment	Motor Vehicle	Fixture & Fittings	Work in Progress	Total Plant & Equipment
Cost	\$	\$	\$	\$	\$	\$	\$
At October 1, 2020	24,862,806	15,268,118	4,581,537	1,716,566	276,883	1,880,583	48,586,492
Additions for the period	0	4,752	62,283	289,759	13,225	1,425,557	1,795,575
Adjustment for the period	0	0	0	0	0	0	0
Transferred Assets	0	660,218	67,650	0	0	(727,868)	(0)
Disposal of Assets	0	(608,355)	0	0	0	0	(608,355)
At September 30, 2021	24,862,806	15,324,734	4,711,469	2,006,324	290,108	2,578,272	49,773,713

Depreciation

At October 1, 2020	20,067,776	11,742,742	3,547,088	1,105,624	227,546	0	36,690,777
Adjustment for the period	0	0	0	0	0	0	0
Disposal of Assets	0	(560,764)	0	0	0	0	(560,764)
Charge for the period	1,198,757	992,479	226,451	193,421	11,492	0	2,622,600
At September 30, 2021	21,266,534	12,174,457	3,773,539	1,299,045	239,038	0	38,752,613

Net Book Value

at October 1, 2020 4,795,029 3,525,376 1,034,449 610,941 49,3361,880,583 11,895,715

Net Book Value at

September 30, 2021 3,596,272 3,150,276 937,931 707,279 51,0692,578,272 11,021,100

At October 1, 2019	24,864,246	15,521,807	4,492,746	1,716,566	257,434	1,422,363	48,275,162
Additions for the period	0	51,245	70,290	0	19,448	898,205	1,039,188
Adjustment for the period	0	0	0	0	0	0	0
Transferred Assets	0	355,485	84,500	0	0	(439,985)	0
Disposals	(1,441)	(660,418)	(66,000)	0	0	0	(727,858)
At Sep 30, 2020	24,862,806	15,268,118	4,581,537	1,716,566	276,883	1,880,583	48,586,492

Depreciation

At October 1, 2019	18,470,850	11,306,857	3,370,172	901,977	218,231	0	34,268,088
Adjustment for the period	0	0	0	0	0	0	0
Disposal of Assets	(1,421)	(632,496)	(58,932)	0	0	0	(692,849)
Expense for the year	1,598,347	1,068,381	235,848	203,647	9,316	0	3,115,538
At Sep 30, 2020	20,067,776	11,742,742	3,547,088	1,105,624	227,546	0	36,690,777

Net Book Value

at October 1, 2019 6,393,396 4,214,949 1,122,574 814,588 39,2041,422,363 14,007,074

Net Book Value

at September 30, 2020 4,795,029 3,525,376 1,034,449 610,941 49,3361,880,583 11,895,715

Notes to the Financial Statements

For the Year ended September 30, 2021 (Expressed in Trinidad and Tobago dollars)

7. Right of Use Assets

The Authority has deemed the lease for the Barataria Head Office to fall under IFRS 16 as a Right of Use Asset and has been accounted for as such from the start of the financial year 2019/20.

	Right of Use Assets - Building
	\$
Cost	
At October 1, 2020	10,160,958
Additions for the period	10,184,259
Disposals	<u>(10,160,958)</u>
Adjustment for the period at September 30, 2021	<u>10,184,259</u>
Depreciation	
At October 1, 2020	7,338,470
Adjustment for the period	
Charge for the period	3,388,281
Disposals	<u>(10,160,958)</u>
At September 30, 2021	<u>565,792</u>
Carrying Amount at October 1, 2020	2,822,488
Carrying Amount at September 30, 2021	9,618,467

	Right of Use Assets - Building
	\$
Cost	
At October 1, 2019	0
Additions for the period	0
Adjustment for the period	10,160,958
At September 30, 2020	<u>10,160,958</u>
Depreciation	
At October 1, 2019	0
Adjustment for the period	3,951,484
Charge for the period	<u>3,386,986</u>
At September 30, 2020	<u>7,338,470</u>
Carrying Amount at October 1, 2019	0
Carrying Amount at September 30, 2020	2,822,488

Notes to the Financial Statements

For the Year ended September 30, 2021 (Expressed in Trinidad and Tobago dollars)

8. Trade and Other Receivables

	Sep 30, 2021 \$	Sep 30, 2020 \$
Trade Receivables	11,735,608	14,687,099
Less Provision for Bad Debts	(2,875,968)	(2,721,085)
Trade Receivables-Net	<u>8,859,640</u>	<u>11,966,015</u>
Staff Loan	120,885	127,465
Staff Loan (M. Vehicle)	1,096,930	1,045,350
Staff Loan (Corp Mobile)	(2,841)	(2,802)
VAT Receivable	3,720,942	5,737,384
Other Receivables/Prepayments	3,431,213	1,052,627
Goods In Transit	<u>0</u>	<u>0</u>
	17,226,769	19,926,039
Universal Services Fund Contribution	<u>30,446,009</u>	<u>46,025,758</u>
	<u><u>47,672,777</u></u>	<u><u>65,951,797</u></u>

Included within staff loans are loans to management amounting to \$ nil (Sep 20: \$nil).

	Sep 30, 2021 \$	Sep 30, 2020 \$
9a. Cash and Cash Equivalents		
Cash at Bank (TT\$ Account)	22,237,929	18,389,970
Cash at Bank (US\$ Account)	274,196	(73,329)
Cash on Hand (TT\$ Account)	<u>3,000</u>	<u>3,000</u>
	<u>22,515,125</u>	<u>18,319,641</u>
9b. Cash and Cash Equivalents - restricted		
Universal Services Fund (TT\$ Account)	<u>117,942,656</u>	<u>111,237,209</u>
	<u><u>140,457,781</u></u>	<u><u>129,556,849</u></u>

10. Reserves: Universal Service Fund

In accordance with Section 28, 53. (1) (d) and 53. (6) of the Telecommunications Act (2001), the Authority is required to set aside funds for Universal Service obligations. Such funds are to be used exclusively for Universal Service obligations.

	Sep 30, 2021 \$	Sep 30, 2020 \$
Due to Universal Service Fund		
Balance at October 1	111,237,209	120,886,674
Cash Inflows	17,515,710	2,686,629
Cash Outflows	<u>(10,810,263)</u>	<u>(12,336,094)</u>
Universal Service Fund - Cash and Cash Equivalents	<u>117,942,656</u>	<u>111,237,209</u>
Universal Service Fund - Receivables	30,446,009	46,025,758
Universal Serviced Fund - Payables	<u>(44,063)</u>	<u>(21,019)</u>
Reserves - Universal Service Fund	<u><u>148,344,601</u></u>	<u><u>157,241,947</u></u>

Notes to the Financial Statements

For the Year ended September 30, 2021 (Expressed in Trinidad and Tobago dollars)

11. Deferred income

	Sep 30, 2021	Sep 30, 2020
	\$	\$
Government Grant relating to fixed asset at start of year	95,220	131,766
Amortization	<u>(22,357)</u>	<u>(36,545)</u>
	<u>72,863</u>	<u>95,220</u>

12. Lease Liability

Leasing arrangements

The Authority leases its facilities, which include executive and administrative offices which are renewed periodically. Substantially the lease provides that the lessee shall pay maintenance, insurance and certain other operating expenses applicable to the leased property.

The Authority renewed the lease on its Head Office in August 2021 for a further 3 years.

	Sep 30, 2021	Sep 30, 2020
	\$	\$
Current	3,596,451	2,911,978
Non Current	<u>6,021,667</u>	<u>0</u>
	<u>9,618,117</u>	<u>2,911,978</u>

13. Accounts Payable and Accruals

Accounts Payable	463,532	574,044
Deferred Revenue	94,435	128,707
Outstanding Commitments	3,809,358	2,580,904
Other Current Liabilities	118,959	794,505
Customer Deposit	<u>0</u>	<u>48,745</u>
	4,486,284	4,126,905
Universal Services Fund Contribution - Payables	<u>44,063</u>	<u>21,019</u>
	<u>4,530,347</u>	<u>4,147,925</u>

14. Communications, Marketing & Policy Expenses

Promotions, publicity and printing	1,236,390	1,532,121
Official overseas travel	0	92,509
Hosting conferences / seminars	<u>290,556</u>	<u>985,361</u>
	<u>1,526,945</u>	<u>2,609,991</u>

Notes to the Financial Statements

For the Year ended September 30, 2021 (Expressed in Trinidad and Tobago dollars)

15. Fees

These fees comprise mainly of legal fees incurred in compliance and enforcement, opinions from senior counsel and judicial review from the Authority's providers.

	Sep 30, 2021	Sep 30, 2020
	\$	\$
Legal and professional fees	1,178,809	1,031,495
Subscriptions and other charges	599,615	780,659
	<u>1,778,424</u>	<u>1,812,154</u>

16. Training

In accordance with Section 18. (1) (n) of the Act, the Authority is committed to continuous training of its personnel to ensure that the industry standards are in compliance with:

- i) International standards of the Telecommunications Union Convention
- ii) Testing and certifying of telecommunications equipment
- iii) Other relevant training necessary to achieve the objectives of the Act as outlined in Section 3 of the Act.

	Sep 30, 2021	Sep 30, 2020
	\$	\$
Training, registration fees	239,845	146,090
Foreign travel, per diems, airfare	0	789,389
	<u>239,845</u>	<u>935,479</u>

17. Staff Costs

Salaries	30,015,247	29,330,913
Directors' fees and expenses	515,765	681,134
Pension contributions	3,008,492	1,916,534
Short term employment	142,979	173,761
Other personnel expense	99,226	93,019
	<u>33,781,710</u>	<u>32,195,361</u>

The number of employees at **Sep 30, 2021** was 101 (Restated Sep 2020: 96).

Notes to the Financial Statements

For the Year ended September 30, 2021 (Expressed in Trinidad and Tobago dollars)

18. Other Administrative Costs

	Sep 30, 2021	Sep 30, 2020
	\$	\$
Security	642,508	589,883
Janitorial services	355,323	330,829
Supplies	523,740	591,809
Other contracted services	4,480,387	2,642,629
Bad debt expenses	156,487	780,287
Other administrative costs	149,719	169,047
	<u>6,308,164</u>	<u>5,104,483</u>

19. Depreciation

	Sep 30, 2021	Sep 30, 2020
	\$	\$
Depreciation - Plant and Equipment	2,622,600	3,115,538
Depreciation - Right of Use Assets	3,388,281	3,386,986
	<u>6,010,881</u>	<u>6,502,524</u>

20. Related party transactions

A number of transactions are entered into with related parties in the normal course of business.

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 Authority.

These transactions were carried out on commercial terms and conditions at market rates, except loans to officers.

Related party transactions and balances

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

	Sep 30, 2021	Sep 30, 2020
	\$	\$
Key Management Personnel Compensation		
Director fees and expenses	515,765	681,134
Salaries, NIS and Group Health	3,447,544	3,707,066
Pension Contribution	239,047	154,889
	<u>4,202,356</u>	<u>4,543,089</u>

Notes to the Financial Statements

For the Year ended September 30, 2021 (Expressed in Trinidad and Tobago dollars)

21. Defined Benefit Obligation

The Authority has an obligation to provide defined pension benefits to officers transferred under Section 62 and 63 of the Telecommunications Act 47:31. This obligation is to provide for any difference in pensions payments that would be due under the Pensions Act as calculated by the Ministry of Finance.

The Authority reviews the liability established to cover this obligation at the end of every year and recognizing any change to the obligation through the income statement in that financial year.

	Sep 30, 2021	Sep 30, 2020
	\$	\$
Net Defined Benefit Obligation		
Estimated at Start of Year	666,669	544,747
Expensed in Year	969,615	121,921
Paid in Year	(37,060)	0
Estimated as at End of Year	<u>1,599,224</u>	<u>666,669</u>
Net Defined Benefit Obligation		
Current	275,635	0
Non Current	<u>1,323,588</u>	<u>666,669</u>
	<u>1,599,224</u>	<u>666,669</u>

Sensitivity Analysis

The defined benefit obligation is sensitive to the assumptions used. The following summarises the change in defined benefit obligation would result from a change in the assumptions

1% increase in discount rate	(\$166,838)
1% decrease in discount rate	\$195,094
1 year increase in life expectancy	\$36,153
1 year decrease in life expectancy	(\$37,626)

Notes to the Financial Statements

For the Year ended September 30, 2021 (Expressed in Trinidad and Tobago dollars)

22. Financial instruments by category

The accounting policies for financial instruments have been applied to the line items below:

	Sep 30, 2021	Sep 30, 2020
	\$	\$
Financial assets		
Cash and cash equivalents	140,457,781	129,556,849
Receivables (Note 8)	<u>11,735,608</u>	<u>14,687,099</u>
	<u>152,193,389</u>	<u>144,243,949</u>
Other financial liabilities		
Payables held at amortised cost	<u>4,486,284</u>	<u>4,126,905</u>
	<u>4,486,284</u>	<u>4,126,905</u>

23. Contingent liabilities and assets, commitments

Legal proceedings

The Authority is both plaintiff and defendant to several legal suits and proceedings. However, the disposition of these matters is not likely to have a materially adverse effect on its financial condition or results of operation.

24. Events after the reporting date

No significant events occurred after the reporting date affecting the financial performance, position or changes therein for the reporting year presented in these annual financial statements.





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of Trinidad and Tobago**

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