REPUBLIC OF TRINIDAD AND TOBAGO
AUDITOR GENERAL'S DEPARTMENT

REPORT
OF THE
AUDITOR GENERAL

ON THE FINANCIAL STATEMENTS
OF THE
TELECOMMUNICATIONS AUTHORITY OF
TRINIDAD AND TOBAGO

FOR THE YEAR ENDED

30 September, 2013

REPORT OF THE AUDITOR GENERAL OF THE REPUBLIC OF TRINIDAD AND TOBAGO ON THE FINANCIAL STATEMENTS OF THE TELECOMMUNICATIONS AUTHORITY OF TRINIDAD AND TOBAGO FOR THE YEAR ENDED SEPTEMBER 30, 2013

The accompanying financial statements of the Telecommunications Authority of Trinidad and Tobago (the Authority) for the year ended September 30, 2013 have been audited. The statements as set out on pages 1 to 17 comprise a Statement of Financial Position as at September 30, 2013, and a Statement of Comprehensive Income, a Statement of Changes in Reserves and a Statement of Cash Flows for the year then ended, and Notes to the Financial Statements numbered 1 to 20, including a summary of significant accounting policies.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

2. The management of the Authority is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

3. The Auditor General's responsibility is to express an opinion on these financial statements based on the audit. The audit was carried out in accordance with section 116 of the Constitution of the Republic of Trinidad and Tobago and Section 57 (2) of the Telecommunications Act, Chapter 47:31. The audit was conducted in accordance with accepted auditing standards which require that ethical requirements be complied with and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

5. It is my view that the audit evidence obtained is sufficient and appropriate to provide a basis for the audit opinion.

OPINION

6. In my opinion, the financial statements, as outlined at paragraph one above, present fairly, in all material respects, the financial position of the Telecommunications Authority of Trinidad and Tobago as at September 30, 2013 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

SUBMISSION OF REPORT

7. This report is being submitted to the Speaker of the House of Representatives, the President of the Senate and the Minister of Finance in accordance with the requirements of sections 116 and 119 of the Constitution of the Republic of Trinidad and Tobago.

REPUBLIC OF TRINIDAD & TOBAGO
AUDITOR GENERAL

7TH JUNE, 2021
PORT OF SPAIN

LORELLY PUJADAS
AUDITOR GENERAL

CONTENTS

Telecommunications Authority of Trinidad and Tobago

Statement of management's responsibilities

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (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 judgments 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 Company and of its operating results. Management further accepts responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

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

Telecommunications Authority of Trinidad and Tobago

Statement of financial position
(Expressed in Trinidad and Tobago Dollars)

	Notes	As at September 30, 2013	2012
		$	$
ASSETS			
Non-current assets			
Plant and equipment	5	10,233,525	10,067,969
Current assets			
Receivables	6	17,904,768	42,007,560
Cash and cash equivalents	7	202,216,392	175,991,759
		220,121,160	217,999,319
Total assets		**230,354,685**	**228,067,288**
LIABILITIES & RESERVES			
Reserves			
Reserves: Universal Service Fund		120,539,085	120,539,445
Non-current liabilities			
Deferred income	9	7,970,456	11,489,264
Current Liabilities			
Accounts payable and accruals	10	3,311,203	4,346,232
Amount due to Consolidated Fund	8	98,533,941	91,692,347
		101,845,144	96,038,579
Total liabilities & reserves		**230,354,685**	**228,067,288**

The notes on pages 6 to 17 form an integral part of these financial statements

On April 25, 2018 these financial statements were authorised for issue

7/6/2021

Gilbert Peterson S.C
Chairman

John Prince
Chief Executive Officer

Telecommunications Authority of Trinidad and Tobago

Statement of comprehensive income

(Expressed in Trinidad and Tobago Dollars)

	Notes	Year ended September 30, 2013	2012
		$	$
Income			
Fees		25,790,000	25,750,000
Licenses		65,588,975	75,307,358
Bank interest		64,375	69,400
Other income		1,315,611	1,152,444
Amortization of deferred income		1,029,359	1,522,617
Total income		93,788,320	103,801,819
Expenses			
Communications, marketing and policy expenses	11	4,229,708	3,250,733
Fees	12	1,800,341	2,280,687
Training	13	2,080,235	2,048,593
Utilities		808,367	625,025
Rent and lease expenses	14	3,101,688	3,017,340
Staff costs	15	19,733,154	13,801,316
Repairs and maintenance		216,085	385,081
Other administrative costs	16	4,788,474	3,093,500
Depreciation		2,479,282	2,725,952
Total expenses		39,237,334	31,228,227
Net surplus for the year		**54,550,986**	**72,573,592**

The notes on pages 6 to 17 form an integral part of these financial statements

Telecommunications Authority of Trinidad and Tobago

Statement of changes in reserves
(Expressed in Trinidad and Tobago Dollars)

	2013	2012
	$	$
Due to Universal Service Fund		
Balance at October 1	120,539,445	94,158,940
Bank Charges	(360)	(330)
Transfer to Universal Service Fund	-	430,380
Transfer from Reserves	-	25,950,455
Balance at September 30	**120,539,085**	**120,539,445**

The notes on pages 6 to 17 form an integral part of these financial statements

Telecommunications Authority of Trinidad and Tobago

Statement of Cash Flows
(Expressed in Trinidad and Tobago Dollars)

	Year ended September 30, 2013	2012
	$	**$**
Cash flow from operating activities		
Net surplus for the year	54,550,986	72,573,592
Adjustment for non-cash items:		
Amortization of deferred income	(1,029,359)	(1,522,617)
Amortization of deferred income-license fees	(2,489,449)	(2,489,449)
Depreciation	2,479,282	2,725,952
Gain on sale of asset	-	(20,959)
Adjustment to consolidated fund	360	(149,054)
	53,511,100	71,117,465
Changes in:		
Decrease in receivables	24,102,792	15,343,893
(Decrease)/increase in accounts payable and accruals	(1,035,028)	1,812,286
Net cash generated from operating activities	76,578,864	88,273,644
Cash flow from investing activities		
Acquisition of plant and equipment	(2,644,838)	(2,155,701)
Proceeds from sale of asset	-	79,634
Net cash used in investing activities	(2,644,838)	(2,076,067)
Cash flow from financing activities		-
Amount paid to Consolidated Fund	(47,709,392)	(37,249,140)
Net cash used in financing activities	(47,709,392)	(37,249,140)
Net increase in cash and cash equivalents	26,224,633	48,948,437
Cash and cash equivalents at start of year	175,991,759	127,043,322
Cash and cash equivalents at end of year	**202,216,392**	**175,991,759**

The notes on pages 6 to 17 form an integral part of these financial statements

1. **Incorporation and principal activities**

The Telecommunications Authority of Trinidad and Tobago is an independent regulatory body, established by the Telecommunications Act No. 4 of 2001. The Authority is charged with the responsibility for the liberalization and regulation of the telecommunications and broadcasting sectors. These functions were previously performed by the Telecommunications Division of the Ministry of Public Administration and Information. 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 Science and Technology.

2. **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 judgment in the process of applying the Company's policies.

a) **Application of new and revised International Financial Reporting Standards (IFRSs)**

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

- IAS 24, Related party disclosures. Revised definition of related parties (annual periods beginning on or after January 1, 2012).
- IFRS 7, Financial Instruments: Disclosures. Amendments resulting from May 2010 annual improvements to IFRSs (annual periods beginning on or after January 1, 2012).
- IFRS 7, Financial Instruments: Disclosures. Amendments enhancing disclosure about transfers of financial assets (annual periods beginning on or after July 1, 2012).
- IAS 1, Presentation of Financial Statements. Amendments resulting from April 2010 annual improvements to IFRSs (annual periods beginning on or after January 1, 2012).

- IFRS 9, Financial Instruments. Classification and Measurement (annual periods beginning on or after January 1, 2015).
- IFRS 10, Consolidated Financial Statements (annual periods beginning on or after January 1, 2013).
- IFRS 11, Joint Arrangements (annual periods beginning on or after January 1, 2013).
- IFRS 12, Disclosure in Interests in Other Entities (annual periods beginning on or after January 1, 2013).

2. **Summary of significant accounting policies (Continued)**

a) **Foreign currency translation**

(i) Functional and presentation currency

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

2. **Summary of significant accounting policies (Continued)**

b) **Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable.

i) Fees charged by the Company are recognised as income when services are provided.
ii) Income from licenses is recognised on a straight-line basis over the license period.
iii) Interest income is recognised as it accrues, unless collectability is in doubt.
iv) Income is also recognised from receipt of government grants. See note 2(e) for government grants.

c) **Plant and equipment**

All plant and equipment are 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 Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of income 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 income.

d) **Government grants**

Government grant 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) **Accounts receivable**

Trade receivables are carried at original invoice amount less provision made for impairment of these receivables. A provision 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.

2. **Summary of significant accounting policies (Continued)**

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. Accounts 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 yield method.

h) **Provisions**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the 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**

In accordance with the Telecommunications Act (2001) Section 28 (3), the Board approves the appropriation of reserves to the Universal Service 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.

The Company assesses at each statement of financial position date whether there is objective evidence of impairment of its financial assets.

k) **Impairment of financial assets**

The carrying amounts of the Company'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 income.

2. **Summary of significant accounting policies (Continued)**

l) **Impairment of financial assets**

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.

m) **Taxation**

As per section 54 of the Telecommunications Act, the Company is exempt from income tax.

n) **Related parties**

A number of transactions are entered into with related parties in the normal course of business. These transactions were carried out on commercial terms and conditions at market rates, except loans to officers.

o) **Leases**

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income and expenditure account over the period of the lease.

p) **Comparatives**

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

3. **Critical accounting estimates and judgments**

In the application of the Commission's accounting policies, which are described in note 2, management of the Commission are required to make judgments, 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 to be relevant. Actual results may differ from these estimates. Key sources of uncertainty, which requires the use of estimates, include:

Useful lives and residual values of leasehold improvements and equipment

The estimates of useful lives as translated into depreciation rates are detailed in the leasehold improvements 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.

3. **Critical accounting estimates and judgments (Continued)**

Contingent liabilities

Management applies its judgment 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 judgment is used to determine if the obligation is recognised as a liability or disclosed as a contingent liability.

4. **Financial risk management**

a) *Market risk*

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

i) Cash flow and fair value interest rate risk

As the Company has no significant interest bearing assets, the Company's income and operating cash flows are substantially independent of changes in market interest rates. The company 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. All financial instruments are denominated in Trinidad and Tobago dollars, thus, the Company is not exposed to currency risk.

b) *Credit risk*

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

The credit risk on liquid funds is limited because counterparties are with company's banks. The Company categorises all cash on hand and at bank as high grade financial assets. Related party and trade receivables are categorised as standard grade financial assets.

c) *Liquidity risk*

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying business, the Company aims to maintain flexibility in funding by keeping committed credit lines available.

The table below analyses the Company'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.

	Less than 1 year ($)
At September 30, 2013	
Accounts payables and accruals	3,311,203
At September 30, 2012	
Accounts payables and accruals	4,346,232

5. Plant and equipment

	Fixtures & Fittings	Computer Equipment & Software	Office Furniture & Equipment	Motor Vehicles	Telecom. Equipment and Related Software	Total
	$	$	$	$	$	$
2013						
Cost						
At October 1, 2012	219,555	8,803,579	2,784,917	917,358	17,707,575	30,432,985
Additions for the year	-	1,096,930	546,131	-	1,001,778	2,644,839
Disposals for the year	-	-	-	-	-	-
At September 30, 2013	219,555	9,900,511	3,331,048	917,358	18,709,354	33,077,826
Depreciation						
At October 1, 2012	(127,477)	(5,360,918)	(1,512,999)	(473,012)	(12,890,609)	(20,365,015)
Disposals	-	-	-	-	-	-
Charge for the year	(18,415)	(824,145)	(315,905)	(111,087)	(1,209,730)	(2,479,282)
At September 30, 2013	(145,892)	(6,185,064)	(1,828,906)	(584,097)	(14,100,340)	(22,844,301)
Carrying value						
At September 30, 2012	**92,078**	**3,442,661**	**1,271,918**	**444,346**	**4,816,966**	**10,067,969**
At September 30, 2013	**73,662**	**3,715,447**	**1,502,142**	**333,261**	**4,609,014**	**10,233,525**
2012						
Cost						
At October 1, 2011	215,357	7,496,262	2,561,038	809,534	17,425,586	28,507,777
Additions for the year	4,198	1,307,317	223,879	338,318	281,989	2,155,701
Disposals for the year	-	-	-	(230,494)	-	(230,494)
At September 30, 2012	219,555	8,803,579	2,784,917	917,358	17,707,575	30,432,984
Depreciation						
At October 1, 2011	(104,770)	(4,614,748)	(1,230,146)	(564,148)	(11,297,070)	(17,810,882)
Disposals	-	-	-	171,819	-	171,819
Charge for the year	(22,707)	(746,170)	(282,853)	(80,683)	(1,593,539)	(2,725,952)
At September 30, 2012	(127,477)	(5,360,918)	(1,512,999)	(473,012)	(12,890,609)	(20,365,015)
Carrying value						
At September 30, 2011	**110,587**	**2,881,514**	**1,330,892**	**245,386**	**6,128,516**	**10,696,895**
At September 30, 2012	**92,078**	**3,442,661**	**1,271,918**	**444,346**	**4,816,966**	**10,067,969**

6. Trade and other receivables

	2013	2012
	$	$
Trade receivables	16,448,654	37,272,994
Less provision for impairment	(1,187,568)	(1,354,669)
Trade receivables-net	15,261,086	35,918,325
Staff loan	134,913	69,340
Staff loan (vehicle)	810,693	851,516
Staff loan (Corporate cell phones)	-	11,983
VAT receivable	1,059,148	3,019,156
Other receivables/prepayments	331,974	476,838
Goods in transit	306,954	1,660,402
	17,904,768	**42,007,560**

7. Cash and cash equivalents

	2013	2012
	$	$
Cash at bank (TT$ account)	62,771,186	59,315,330
Cash at bank (US$ account)	18,903,121	22,084,439
Universal fund (TT$ account)	120,539,085	94,588,990
Cash on hand (TT$ account)	3,000	3,000
	202,216,392	**175,991,759**

8. Amount due to consolidated fund

	2013	2012
	$	$
Net amount due to consolidated fund at start of year	**91,692,347**	**82,897,453**
Transfer to universal service fund	-	(430,380)
Payment to deposit trust fund	(15,000,000)	(15,000,000)
Payment to consolidated fund	(32,709,392)	(22,249,140)
Balance	**43,982,955**	**45,069,210**
Net surplus for the year	54,550,986	72,573,592
Transfer to universal service fund	-	(25,950,455)
Net amount for the year due to consolidated fund	**54,550,986**	**46,623,137**
Net amount due to consolidated fund at end of year	**98,533,941**	**91,692,347**

8. Amount due to consolidated fund (Continued)

The following have been charged in arriving at the amount due to the Consolidated Fund:

	2013	2012
	$	$
Staff costs (Note 15)	19,733,154	13,801,316
Directors fees and expenses (Note 18)	517,904	825,000
Depreciation (Note 5)	2,479,282	2,725,952

9. Deferred income

	2013	2012
	$	$
Government grant relating to fixed asset	4,020,918	5,543,535
Amortization	(1,029,359)	(1,522,617)
	2,991,559	4,020,918
Deferred income-cellular mobile fees	4,978,897	7,468,346
	7,970,456	**11,489,264**

10. Accounts payable and accruals

	2013	2012
	$	$
Deferred revenue	54,465	81,057
Outstanding commitments	2,428,100	3,318,056
Other current liabilities	828,638	947,119
	3,311,203	**4,346,232**

11. Communications, marketing and policy expenses

	2013	2012
	$	$
Promotions, publicity and printing	2,407,650	1,342,412
Official overseas travel	496,474	346,324
Directors fees and expenses	517,904	825,000
Hosting conferences/ seminars	807,680	736,997
	4,229,708	**3,250,733**

12. 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.

13. Training

In accordance with Section 18(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.

14. Rent/lease expenses

Operating Lease arrangements

Leasing arrangements

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

There were no material finance leases.

	2013	2012
	$	$
No later than 1 year	3,101,688	3,017,340
Later than 1 year	-	-
	3,101,688	**3,017,340**

15. Staff costs

	2013	2012
	$	$
Salaries	18,228,029	13,581,374
Pension Contributions	1,352,067	-
Short term employment	96,000	96,000
Other personnel expense	57,058	123,942
	19,733,154	**13,801,316**

16. Other administrative costs

	2013	2012
	$	$
Security	516,202	518,930
Janitorial services	253,103	244,822
Supplies	531,378	543,937
Other contracted services	3,274,638	2,447,277
Bad debt expenses / (recoveries)	-	(767,275)
Other administrative costs	213,153	105,809
	4,788,474	**3,093,500**

17. Contingent liabilities and assets, commitments

a) Legal proceedings

i) In September 2006, Dr John Prince, Executive Director filed a suit against the Authority for alleged breach of contract of employment and restraining the Authority from terminating his employment. Judgment was rendered in favor of the Authority in this matter in August 2009. In September 2009, Dr John Prince, filed a subsequent suit against the Authority seeking injunctive relief.

ii) Proceedings commenced by the Authority under Section 65 of the Act alleging broadcasting without a license by Radio Vision Limited. The matter is still before the courts.

iii) The company commenced proceeding against Sidewalk for breach of concession. As part of the proceedings TATT confiscated a transmitter from Sidewalk which was being used illegally. Judgment was rendered in favor of Sidewalk in this matter. The company subsequently appealed against the decision rendered in this matter. The parties are awaiting listing of this matter before the court of appeal.

a) Legal proceedings (continued)

iv) In November 2009, the Authority commenced proceedings in the magistrates' court against Life Radio, 21st Century Arts and Entertainment and Hansley Ajodha for inter alia the transfer of ownership or control of a broadcasting concession without the required approval of the Authority.

v) In July 2009, the Authority initiated proceedings against five (5) persons for the operation of a public telecommunications service without a concession granted by the Minister.

The Authority is a party to the above 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.

18. Related party transactions

a) Identity of related party

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

A number of transactions are entered into with related parties in the normal course of business. Those transactions were carried out on commercial terms at market rates, except for certain loans made available to officers. Loans deemed to be below market rates, in accordance with personal income tax legislation are taxed as required in law. .

18. Related party transactions (Continued)

b) Related party transactions and balances

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

Personnel costs

	2013	2012
	$	**$**
Directors fees and expenses	**517,904**	**825,000**

19. Financial instruments by category

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

	2013	2012
	$	**$**
Loans and receivables		
Cash and cash equivalents	202,216,392	175,991,759
Receivables	16,845,620	38,988,404
	219,062,012	**214,980,163**
Other financial liabilities		
Accounts payable and accruals	3,311,203	4,346,232
Amount due to Consolidated Fund	98,533,941	91,692,347
	101,845,144	**96,038,579**

20. 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.