



REPORT OF THE AUDITOR GENERAL OF THE REPUBLIC OF TRINIDAD AND TOBAGO ON THE FINANCIAL STATEMENTS OF THE PUBLIC TRANSPORT SERVICE CORPORATION FOR THE YEAR ENDED 30th SEPTEMBER 2012

The accompanying Financial Statements of the Public Transport Service Corporation for the year ended 30th September 2012 have been audited. The Statements comprise a Statement of Financial Position as at 30th September 2012, a Statement of Comprehensive Income, a Statement of Changes in Equity and a Statement of Cash Flow for the year ended 30th September 2012 and Notes to the Financial Statements numbered 1 to 22.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

2. The management of the Public Transport Service Corporation is responsible for the preparation and fair presentation of these Financial Statements in accordance with International Financial Reporting Standards, 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 which was carried out in accordance with section 116 of the Constitution of the Republic of Trinidad and Tobago and section 28 (2) of the Public Transport Service Act, Chapter 48:02, 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 audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the 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 my qualified audit opinion.

BASIS FOR QUALIFIED OPINION

PRIOR YEARS BALANCES

6. The prior year balances in respect of Fixed Assets could not be verified for reasons identified in prior years ending 30th September 2005 to 2011:

- i) There was a limitation of scope in terms of acquisitions and depreciation charged on Fixed Assets;
- ii) Depreciation charged on the acquisition of Revenue Vehicles during the year ended 30th September, 2010 was not calculated in accordance with the Corporation's depreciation policy; and
- iii) General Journals and supporting documents totalling \$5,472,925.00 were not provided for verification in prior year 2011.

PROPERTY, PLANT AND EQUIPMENT \$181,117,367.00

7. International Accounting Standard 16 requires that an entity use the cost model or revaluation model as its accounting policy which shall be applied to an entire class of property, plant and equipment. In addition the Standard states that after recognition as an asset, an item of property, plant and equipment whose fair value can be measured reliably shall be carried at a revalued amount. The carrying amount of Land and Buildings shown at Note 8 to the financial statements includes valuation and cost measurements. The valuations are dated back to the year 1973. Note 2 (d) to the financial statements is relevant.

QUALIFIED OPINION

8. In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraphs 6 and 7, the Financial Statements present fairly, in all material respects, the financial position of the Public Transport Service Corporation as at 30th September, 2012 and its financial performance and cash flows for the year ended 30th September, 2012 in accordance with International Financial Reporting Standards.

SUBMISSION OF REPORT

9. 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 provisions of sections 116 and 119 of the Constitution of the Republic of Trinidad and Tobago.

29TH JANUARY, 2019
PORT OF SPAIN

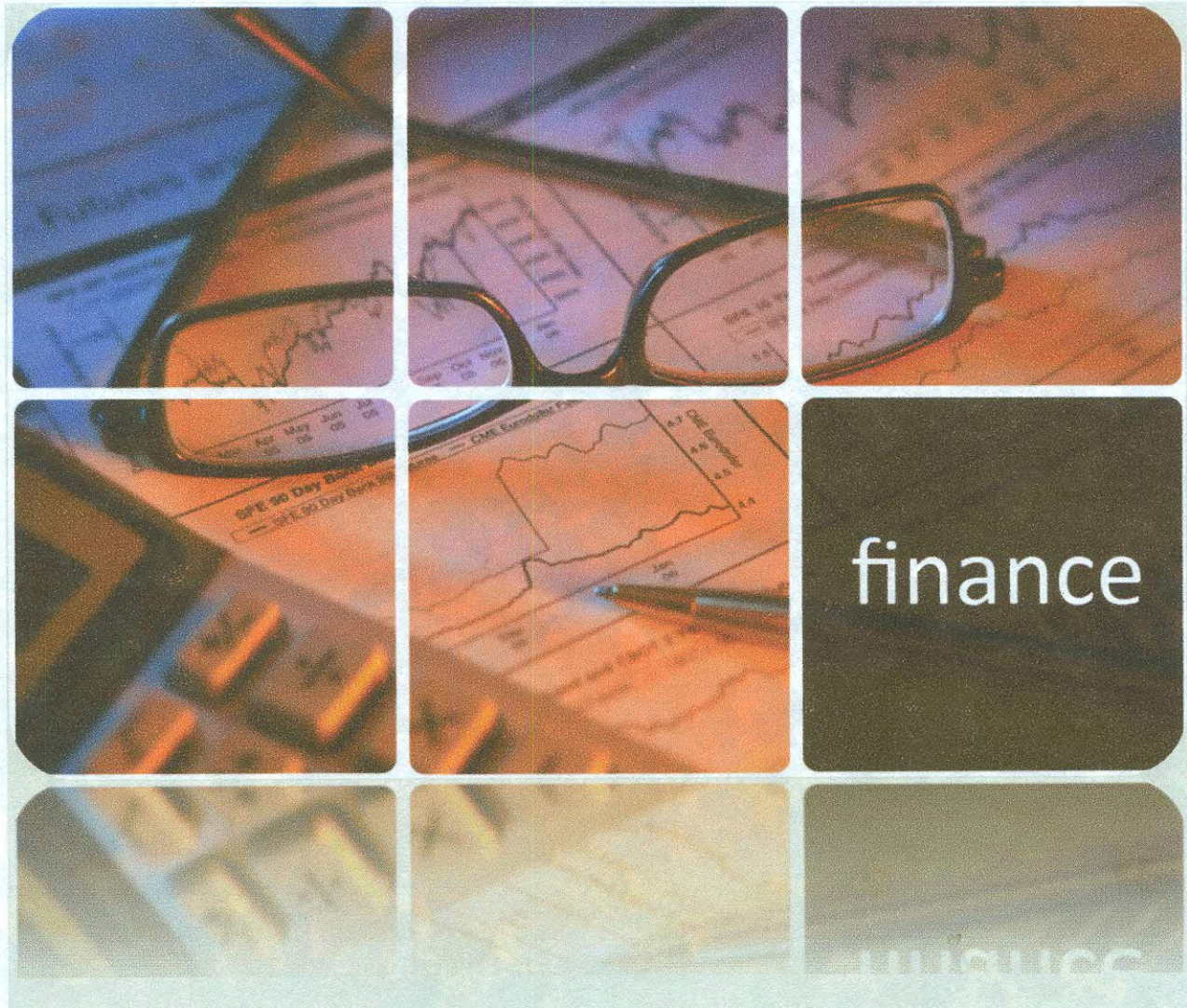


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AUDITOR GENERAL

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PUBLIC TRANSPORT SERVICE CORPORATION



FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER 2012

PUBLIC TRANSPORT SERVICE CORPORATION
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FOR THE YEAR ENDED 30TH SEPTEMBER , 2012

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**PUBLIC TRANSPORT SERVICE CORPORATION
STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2012**

		AS AT SEPTEMBER 2012	AS AT SEPTEMBER 2011
ASSETS	NOTES		
NON-CURRENT ASSETS		\$	\$
PROPERTY PLANT AND EQUIPMENT	8	181,117,367	201,214,109
CURRENT ASSETS			
INVENTORY	9	37,376,004	32,885,730
DEBTORS AND PREPAYMENTS	10	13,092,822	18,927,028
SHORT TERM INVESTMENT	11	8,491,448	8,352,713
CASH ON HAND AND BANK	12	4,715,815	19,447,441
		<u>63,676,089</u>	<u>79,612,911</u>
TOTAL ASSETS		<u>244,793,456</u>	<u>280,827,020</u>
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
REVALUATION RESERVE	13	7,181,390	7,181,390
ACCUMULATED DEFICIT		<u>(494,564,696)</u>	<u>(424,357,470)</u>
		(487,383,306)	(417,176,080)
NON-CURRENT LIABILITIES			
LOANS & BONDS - LONG TERM	17	71,718,187	87,577,585
GOVERNMENT GRANTS	22	<u>482,800,539</u>	<u>479,306,892</u>
		554,518,726	566,884,477
CURRENT LIABILITIES			
CREDITORS AND ACCRUALS	15	161,798,638	102,050,628
LOANS AND BONDS - CURRENT	17	<u>15,859,398</u>	<u>29,067,995</u>
		<u>177,658,036</u>	<u>131,118,623</u>
TOTAL EQUITY AND LIABILITIES		<u>244,793,456</u>	<u>280,827,020</u>


VICE CHAIRMAN


CHAIRMAN




GENERAL MANAGER

PUBLIC TRANSPORT SERVICE CORPORATION
STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDING 30 SEPTEMBER 2012

	Notes ()	AS AT SEPTEMBER 2012 \$	AS AT SEPTEMBER 2011 \$
OPERATING INCOME	3	80,222,770	90,992,722
COST OF OPERATIONS	4	(237,618,392)	(215,816,159)
GROSS PROFIT/(LOSS) ON OPERATIONS		<u>(157,395,622)</u>	<u>(124,823,437)</u>
GOVERNMENT GRANTS	3	278,927,709	222,066,120
OTHER INCOME	3	2,470,158	3,806,041
DISTRIBUTION EXPENSES	5	(7,596,484)	(2,940,530)
ADMINISTRATIVE EXPENSES	6	(121,957,659)	(92,526,379)
FINANCIAL COSTS	7	(7,844,430)	(9,373,823)
NET PROFIT/(LOSS)		<u><u>(13,396,329)</u></u>	<u><u>(3,792,007)</u></u>

**PUBLIC TRANSPORT SERVICE CORPORATION
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH SEPTEMBER 2012**

	CAPITAL RESERVE	ACCUMULATED DEFICIT	SHAREHOLDERS' EQUITY
	\$	\$	\$
FOR THE YEAR ENDED 30TH SEPTEMBER, 2012			
BALANCE AS AT 1ST OCTOBER, 2011	7,181,390	(424,357,470)	(417,176,080)
LOSS FOR THE YEAR		(13,396,329)	(13,396,329)
PRIOR PERIOD ADJUSTMENTS - See note 16		(56,810,897)	(56,810,897)
BALANCE AS AT 30TH SEPTEMBER, 2012	<u>7,181,390</u>	<u>(494,564,696)</u>	<u>(487,383,306)</u>

FOR THE YEAR ENDED 30TH SEPTEMBER, 2011

BALANCE AS AT 1ST OCTOBER, 2010	7,181,390	(420,565,463)	(413,384,073)
LOSS FOR THE YEAR		(3,792,007)	(3,792,007)
BALANCE AS AT 30TH SEPTEMBER, 2011	<u>7,181,390</u>	<u>(424,357,470)</u>	<u>(417,176,080)</u>

PUBLIC TRANSPORT SERVICE CORPORATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH SEPTEMBER, 2012

	2012 \$	2011 \$
OPERATING ACTIVITIES		
NET PROFIT FOR THE YEAR	(13,396,329)	(3,792,007)
ADJUSTMENTS FOR NON - CASH ITEMS:		
DEPRECIATION	40,263,546	38,719,327
LOSS ON DISPOSAL OF VEHICLES	208,683	-
PRIOR YEAR ADJUSTMENTS - NOTE 16	(56,810,897)	-
	<u>(29,734,997)</u>	<u>34,927,320</u>
CHANGES IN WORKING CAPITAL		
NET CHANGE IN INVENTORY	(4,490,274)	(239,141)
NET CHANGE IN SHORT TERM INVESTMENTS	(138,735)	2,310,570
NET CHANGE IN ACCOUNTS RECEIVABLE	5,834,205	5,742,322
NET CHANGE IN ACCOUNTS PAYABLE	59,748,010	23,723,901
NET CHANGE IN GOVERNMENT GRANTS	3,493,647	(9,341,033)
	<u>34,711,856</u>	<u>57,123,938</u>
INVESTING ACTIVITIES		
PURCHASE OF FIXED ASSETS	(20,889,400)	(10,888,605)
PROCEEDS FROM WRITTEN OFF ASSETS	513,913	-
NET CASH USED IN INVESTING ACTIVITIES	<u>(20,375,487)</u>	<u>(10,888,605)</u>
FINANCING ACTIVITIES		
LOANS AND BONDS	(29,067,995)	(29,067,995)
NET CASH PROVIDED FROM FINANCING ACTIVITIES	<u>(29,067,995)</u>	<u>(29,067,995)</u>
NET (INCREASE) IN CASH AND CASH EQUIVALENTS	<u>(14,731,626)</u>	<u>17,167,337</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	19,447,441	2,280,104
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	<u>4,715,815</u>	<u>19,447,441</u>
CASH IN HAND AND AT BANK	4,715,815	19,447,441
	<u>4,715,815</u>	<u>19,447,441</u>

PUBLIC TRANSPORT SERVICE CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER ,2012

1 INCORPORATION AND PRINCIPAL ACTIVITY

THE PUBLIC TRANSPORT SERVICE CORPORATION (PTSC) WAS INCORPORATED BY AN ACT OF PARLIAMENT NO. 11 OF 1965 TO OPERATE PUBLIC SERVICE VEHICLES SO AS TO ENSURE THE PROVISION OF A SAFE, ADEQUATE, ECONOMIC AND EFFICIENT PUBLIC TRANSPORT SYSTEM.

2 SIGNIFICANT ACCOUNTING POLICES

(a) BASIS OF ACCOUNTING :

THESE FINANCIAL STATEMENTS HAVE BEEN PREPARED UNDER THE HISTORICAL COST CONVENTION USING THE ACCRUALS BASIS AND NO ADJUSTMENT HAS BEEN TAKEN INTO ACCOUNT FOR THE EFFECTS OF INFLATION. THE FINANCIAL STATEMENTS HAVE BEEN PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS).

(b) FOREIGN CURRENCY TRANSACTIONS :

FOREIGN CURRENCY TRANSACTIONS ARE TRANSLATED INTO THE MEASUREMENT CURRENCY USING THE EXCHANGE RATE PREVAILING AT THE DATES OF THE TRANSACTIONS. FOREIGN EXCHANGE GAINS AND LOSSES RESULTING FROM THE SETTLEMENT OF SUCH TRANSACTIONS ARE RECOGNIZED IN THE STATEMENT OF INCOME.

(c) CASH AND CASH EQUIVALENTS :

CASH AND CASH EQUIVALENTS ARE CARRIED IN THE BALANCE SHEET AT COST. FOR THE PURPOSE OF THE CASH FLOW STATEMENT, CASH AND CASH EQUIVALENTS COMPRISE BALANCES HELD AS CASH ON HAND AND AT BANK.

(d) FIXED ASSETS AND DEPRECIATION :

LANDS AND BUILDINGS OWNED BY THE CORPORATION ON THE 31ST DECEMBER, 1973 ARE SHOWN AT THEIR VALUATION AS AT THAT DATE. SUBSEQUENT ADDITIONS TO LANDS AND BUILDING AND OTHER FIXED ASSETS ARE VALUED AT COST.

RENEWALS, IMPROVEMENTS AND MAJOR REPAIRS THAT MATERIALLY EXTEND THE LIFE OF PROPERTY, PLANT AND EQUIPMENT ARE CAPITALIZED, WHILE MAJOR MAINTENANCE, REPAIRS AND IMPROVEMENTS ARE CHARGED TO INCOME AS INCURRED.

DEPRECIATION IS PROVIDED FOR ON A STRAIGHT LINE BASIS DESIGNED TO WRITE - OFF THE ASSETS' COSTS OVER THEIR ESTIMATED USEFUL ECONOMIC LIVES AS FOLLOWS :

BUILDINGS	5%	FURNITURE AND FITTINGS	15%
PLANT, MACHINERY AND EQUIPMENT	15%	AIR CONDITION EQUIPMENT	15%
REVENUE VEHICLES	12.50%	COMPUTER EQUIPMENT	33.33%
NON-REVENUE VEHICLES	25%	COMPUTER SOFTWARE	33.33%

(e) INVENTORIES :

INVENTORIES ARE VALUED AT THE LOWER OF COST AND NET REALIZABLE VALUE . THE INVENTORY ITEMS ARE VALUED USING FIRST IN FIRST OUT BASIS.

PUBLIC TRANSPORT SERVICE CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER ,2012

2 SIGNIFICANT ACCOUNTING POLICES (CONTINUED)

(f) FINANCIAL INSTRUMENTS :

FINANCIAL INSTRUMENTS CARRIED ON THE BALANCE SHEET INCLUDE CASH AND BANK BALANCES, RECEIVABLES AND PAYABLES. THE PARTICULAR RECOGNITION METHODS ADOPTED ARE DISCLOSED IN THE INDIVIDUAL POLICY STATEMENTS ASSOCIATED WITH EACH ITEM.

(g) BORROWING COSTS :

BORROWING COSTS DIRECTLY ATTRIBUTABLE TO THE ACQUISITION, CONSTRUCTION OR PRODUCTION OF QUALIFYING ASSETS, WHICH ARE ASSETS THAT NECESSARILY TAKE A SUBSTANTIAL PERIOD OF TIME TO GET READY FOR THEIR INTENDED USE OR SALE, ARE ADDED TO THE COST OF THOSE ASSETS, UNTIL SUCH TIME AS THE ASSETS ARE SUBSTANTIALLY READY FOR THEIR INTENDED USE.

INVESTMENT INCOME EARNED ON THE TEMPORARY INVESTMENT OF SPECIFIC BORROWINGS PENDING THEIR EXPENDITURE ON QUALIFYING ASSETS IS DEDUCTED FROM THE BORROWING COSTS ELIGIBLE FOR CAPITALIZATION.

ALL OTHER BORROWING COSTS ARE RECOGNIZED IN THE STATEMENT OF INCOME IN THE PERIOD IN WHICH THEY ARE INCURRED.

(h) GOVERNMENT GRANTS :

GOVERNMENT GRANTS ARE RECOGNIZED AS INCOME OVER THE PERIODS NECESSARY TO MATCH THEM WITH RELATED COSTS WHICH THEY ARE INTENDED TO COMPENSATE, ON A SYSTEMATIC BASIS.

GOVERNMENT GRANTS RELATED TO ASSETS AND CAPITAL EXPENDITURE ARE PRESENTED AS DEFERRED INCOME ON THE BALANCE SHEET AND THEN TRANSFERRED TO THE INCOME STATEMENT WHEN THE RELATED EXPENDITURE IS RECOGNIZED.

GOVERNMENT GRANTS RELATED TO RECURRENT EXPENDITURE ARE PRESENTED AS GOVERNMENT GRANTS ON THE INCOME STATEMENT WHEN THE RELATED EXPENDITURE IS RECOGNIZED.

(i) BONDS :

THESE ARE STATED AT PRINCIPAL OUTSTANDING. INTEREST IS ACCRUED ON THE OUTSTANDING BALANCE .

(j) REVENUE RECOGNITION :

REVENUE FROM THE PROVISION OF SERVICES, GOODS AND DISPOSAL OF OTHER ASSETS, IS RECOGNIZED WHEN PTSC HAS PROVIDED THE SERVICES, GOODS OR OTHER ASSETS TO THE CUSTOMER . SUCH REVENUE IS RECOGNIZED AND REPORTED IN THE PERIOD TO WHICH IT RELATES. INCOME IS RECOGNIZED AT THE POINT OF TICKET SALE.

**PUBLIC TRANSPORT SERVICE CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR PERIOD ENDING 30 SEPTEMBER 2012**

3. OPERATING REVENUE

	AS AT SEPTEMBER 2012 \$	AS AT SEPTEMBER 2011 \$
CITY SERVICE - POS	-	353,424
CITY SERVICE - S'FDO	280	204,046
KNOW YOUR COUNTRY TOURS - TRIN	633,380	443,674
MAXI FACILITY USER FEE	-	154,495
MAXI TAXI INSPECTION FEES - PO	39,940	38,730
MAXI TAXI INSPECTION FEES -TGO	4,280	4,960
MAXI TAXI FEES - TRINIDAD	38,028,835	37,254,287
MAXI TAXI FEES - TOBAGO	4,517,909	4,644,702
MIN OF SOC DEV- PENSIONERS	5,130,000	5,130,000
MIN OF ED- SCHOOL BUS SERVICE	-	3,999,816
MONTHLY/WEEKLY TRAVEL	202,034	310,290
RTS - CHAGUANAS	-	26,477
RTS - POINT FORTIN	126	12,540
RTS - SANGRE GRANDE	16,352	47,068
RTS - POS	2,235	8,663
RTS - SAN FERNANDO	12,584	420,730
SALE OF TICKETS - CHAGUANAS	4,967	388,451
SALE OF TICKETS - POINT FORTIN	452,606	631,064
SALE OF TICKETS - SANGRE GRAND	-	735,500
SALE OF TICKETS - POS	5,986,498	11,616,312
SALE OF TICKETS - SAN FERNANDO	1,528,649	3,560,411
SALE OF TICKETS - TOBAGO	1,374,987	1,339,804
SALE OF TICKETS - DELUXE COACH- GRANDE	176,560	252,600
SALE OF TICKETS - DELUXE COACH- POS	2,657,330	3,253,500
SALE OF TICKETS - DELUXE COACH- SAN SDO	2,424,330	2,821,670
SPEC EVENTS/TOURS - POS	5,000,770	4,534,477
SPEC EVENTS/TOURS/CHARTERS - T	132,300	47,500
SPEC EVENTS/TOURS/CHARTERS - D	3,500	-
TICKET SALE - IN HOUSE -CHG	234,806	197,223
TICKET SALE - IN HOUSE -GDE	711,295	685,162
TICKET SALE - IN HOUSE POS	8,090,969	5,828,130
TICKET SALE - IN HOUSE CUREPE	116,405	-
TICKET SALE - IN HOUSE -SDO	2,738,844	2,047,017
TOTAL OPERATING INCOME	<u>80,222,770</u>	<u>90,992,722</u>

PUBLIC TRANSPORT SERVICE CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDING 30 SEPTEMBER 2012

4. Cost of operations

	AS AT SEPTEMBER 2012	AS AT SEPTEMBER 2011
	\$	\$
DEP'N REVENUE VEHICLES	36,054,632	35,518,970
FUEL AND OIL	10,839,178	11,539,843
INSURANCE - REVENUE VEHICLES	4,443,744	4,604,626
MAXI TAXI DIRECT	34,506,866	33,760,096
REP MAIN - REV VEHICLE	19,821,372	24,385,880
KNOW YOUR COUNTRY	79,955	41,590
WAGES	128,964,575	105,377,761
TICKETS	360,734	476,487
UNIFORMS	2,547,336	110,905
	<u>237,618,393</u>	<u>215,816,159</u>

5. Distribution Expenses

	\$	\$
ADVERTISING	2,225,535	1,373,246
MOTOR VEHICLE	230,342	96,128
BAD DEBTS	3,394,553	307,270
DONATIONS	115,808	71,601
TRAVEL	1,630,246	1,092,285
	<u>7,596,484</u>	<u>2,940,530</u>

PUBLIC TRANSPORT SERVICE CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR PERIOD ENDING 30 SEPTEMBER 2012

	AS AT SEPTEMBER 2012 \$	AS AT SEPTEMBER 2011 \$
3. GOVERNMENT GRANT	278,927,709	222,066,120
TOTAL	278,927,709	222,066,120
3. OTHER INCOME	\$	\$
BANK INTEREST	127,395	228,371
BAD DEBT RECOVERED	1,050	
BILLBOARD AND WALL ADS	170,385	114,000
COMMERCIAL SERV POS	566,250	1,225,487
COMMERCIAL SERVICES TGO	-	320
COMMISSION	-	10,055
CONCESSIONAIRE BOOTHS	1,356,082	1,193,761
DIFFERENTLY ABLED	64,535	550
INSURANCE CLAIMS	-	87,027
MOBILE ADVERTISING	45,000	335,865
OTHER MISC - POS	2,912	146,666
OTHER MISC INC -SFD	1,003	24,060
OTHER MISC INC - TGO	965	160
PUB SERV VEH LICENSE FEE	78,000	37,500
GAIN OR LOSS ON DISPOSAL	(208,683)	
SALE OF ASSETS	4,120	3,065
SHORT TERM RENTAL	141,811	49,925
TENANCY CONTRACTS	11,157	79,460
RENT TRANSIT MALL- S/JUAN	13,909	
RENT TRANSIT MALL- CUREPE	13,257	-
RENT TRANSIT MALL- ARIMA	12,522	-
RENT TRANSIT MALL- TPUNA	4,188	-
TRAINING SERVICES	64,300	269,770
TOTAL	2,470,158	3,806,041

PUBLIC TRANSPORT SERVICE CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR PERIOD ENDING 30 SEPTEMBER 2012

6. Administrative Expenses:

	AS AT SEPTEMBER 2012	AS AT SEPTEMBER 2011
	\$	\$
SALARIES	10,561,648	3,437,966
WAGES	2,024,536	1,211,453
CONTRACT SALARIES	28,230,791	21,600,751
CONTRACT WAGES	8,284,524	5,826,505
COLA	678,150	445,234
SHIFT BONUS	152,757	75,371
OVERTIME	1,816,095	735,217
NIS	3,033,681	1,958,809
PENSION	8,041,742	8,294,540
GRATURITY	4,856,609	3,708,720
EX GRATIA PAYMENTS	-	130,000
EXECUTIVE MEDICAL	-	50,373
MEDICAL PLAN	-	896
GOOD HEALTH BONUS	3,576	4,956
GROUP LIFE	1,626,491	1,147,516
OTHER ALLOWANCE	68,673	42,867
TRAINING	1,129,290	1,932,744
DIRECTORS EXPENSES	1,089,898	1,013,364
LEGAL FEES	486,227	2,724,513
CONSULTING FEES	898,241	642,907
MEMBERSHIP FEES	4,724	9,062
CELLULAR CHARGES	536,980	223,495
ELECTRICITY	2,015,250	1,809,056
TELEPHONE	576,421	550,278
WATER RATES	118,653	122,611
INTERNET	570,932	247,418
CABLE	27,709	16,971
INSURANCE	1,300,505	1,152,201
RENT	1,615,229	813,597
REPAIRS & MAINTENANCE	6,787,088	7,444,433
SECURITY	25,440,363	17,600,714
BOOKS/NEWS/PERIODICALS	22,983	19,942
POSTAGE	4,669	8,999
STATIONERY	528,459	391,980
COURIER	3,399	1,633
COMPUTER PARTS & ACCESSORIES	775,008	408,808
SAFETY ATTIRE EQUIPMENT	133,875	34,081
OTHER OFFICE EXPENSES	1,180,245	846,298
DEPRECIATION	4,208,914	3,200,356
OBSOLESCENCE	-	687,773
ENTERTAINMENT	769,645	790,971
FREIGHT	1,962,966	1,126,072
USER FEE CONTRIBUTION	-	15,700
COMMERCIAL REPAIRS	369,914	-
DISPOSAL OF TYRES	14,700	-
MISCELLANEOUS	6,100	19,230
TOTAL	<u>121,957,659</u>	<u>92,526,379</u>

PUBLIC TRANSPORT SERVICE CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR PERIOD ENDING 30 SEPTEMBER 2012

<u>7. FINANCE COST</u>	AS AT SEPTEMBER 2012	AS AT SEPTEMBER 2011
	\$	\$
LOAN INTEREST - BANK	2,587,287	1,973,246
CITICORP \$40M BOND INTEREST		5,750
FINCOR \$75.3M BOND INTEREST	324,189	642,303
CITICORP \$130.1M BOND INTEREST	1,317,828	1,721,538
FCB \$93.6M BOND INTEREST	3,133,806	3,479,116
FCB \$66M LOAN INTEREST	343,423	1,447,073
OVERDRAFT INTEREST - REPUBLIC	30,432	10,228
OVERDRAFT INTEREST - FCB	9,872	10,469
	<hr/>	<hr/>
LOAN & BOND INTEREST	7,746,836	9,289,723
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BANK CHARGES -F&A	97,594	84,099
	<hr/>	<hr/>
BANK CHARGES	97,594	84,099
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TOTAL	<u>7,844,430</u>	<u>9,373,823</u>

PUBLIC TRANSPORT SERVICE CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER, 2012
(continued)

8. PROPERTY, PLANT AND EQUIPMENT

	LAND	BUILDINGS	PLANT & EQUIPMENT	REVENUE VEHICLES	NON- REVENUE VEHICLES	FURNITURE & FITTINGS	CAPITAL WORK IN PROGRESS	TOTAL
ORIGINAL COST								
COST AT 30/09/2011	\$ 23,617,393	\$ 92,910,675	\$ 25,499,495	\$ 466,021,090	\$ 3,247,582	\$ 9,618,716	\$ 5,589,510	\$ 626,504,461
ADDITIONS	\$ -	\$ 5,477,069	\$ 5,161,320	\$ 11,868,480	\$ -	\$ 1,036,885	\$ (2,654,355)	\$ 20,889,400
DISPOSALS				\$ (25,044,709)				\$ (25,044,709)
COST AT 30/09/2012	\$ 23,617,393	\$ 98,387,745	\$ 30,660,815	\$ 452,844,861	\$ 3,247,582	\$ 10,655,601	\$ 2,935,155	\$ 622,349,152
ACCUMULATED DEPRECIATION								
		5%	15%	12.5%	25%	15%		
BALANCE B/F 30/09/2011	\$ -	\$ (76,700,489)	\$ (21,312,582)	\$ (316,582,670)	\$ (3,171,462)	\$ (7,523,150)	\$ -	\$ (425,290,353)
CHARGE FOR THE PERIOD	\$ -	\$ (1,214,913)	\$ (2,313,688)	\$ (36,054,632)	\$ (41,125)	\$ (639,188)		\$ (40,263,546)
DISPOSALS				\$ 24,322,114				\$ 24,322,114
BALANCE C/F 30/09/2012	\$ -	\$ (77,915,402)	\$ (23,626,270)	\$ (328,315,189)	\$ (3,212,587)	\$ (8,162,338)	\$ -	\$ (441,231,785)
NET BOOK VALUE								
AS AT 30/09/2012	\$ 23,617,393	\$ 20,472,343	\$ 7,034,546	\$ 124,529,672	\$ 34,995	\$ 2,493,263	\$ 2,935,155	\$ 181,117,367
AS AT 30/09/2011	\$ 23,617,393	\$ 16,210,187	\$ 4,186,914	\$ 149,438,420	\$ 76,120	\$ 2,095,566	\$ 5,589,510	\$ 201,214,109

PUBLIC TRANSPORT SERVICE CORPORATION
NOTES TO THE STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2012

	AS AT SEPTEMBER 2012 \$	AS AT SEPTEMBER 2011 \$
9. INVENTORY		
OIL STOCK	237,530	202,288
FUEL STOCK	129,257	247,196
TRADERS TICKETS	241,161	253,832
TIRES	882,123	716,623
SPARES	35,322,343	30,217,990
STATIONERY	219,954	192,171
MATERIALS	884,300	878,874
UNIFORMS	147,108	864,527
PROV FOR DAMAGE/OBSCOLESC	(687,773)	(687,773)
	<u>37,376,004</u>	<u>32,885,730</u>
10. DEBTORS & PREPAYMENTS		
DEBTORS	16,540,505	17,691,978
PROV FOR DOUBTFUL DEBTS	(11,588,590)	(8,135,825)
LOANS TO OFFICERS	12,044	29,056
SALARY ADVANCE	279,540	167,897
VACATION ADVANCE	201,702	165,015
INTEREST RECEIVABLE	4,676	27,260
VAT RECEIVED	(67,287,195)	(54,403,690)
VAT INPUT RECOVERABLE	75,985,534	62,990,077
VAT ON SALES	(3,335,371)	(3,148,695)
PREPAID INSURANCE	1,470,761	1,454,979
INSURANCE CLAIMS RECEIVABLE	513,913	-
PREPAID EXPENSES	295,303	2,088,975
	<u>13,092,822</u>	<u>18,927,028</u>
11. SHORT TERM INVESTMENTS		
FIXED DEPOSIT- TRUSTEE POOL	4,166,612	4,076,304
UTC NO 1117126-1	-	326
UTC NO 1117204-1	-	9,510
UTC NO 2214864-2	4,324,836	4,266,574
	<u>8,491,448</u>	<u>8,352,713</u>

PUBLIC TRANSPORT SERVICE CORPORATION
NOTES TO THE STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2012

	AS AT SEPTEMBER 2012	AS AT SEPTEMBER 2011
12. CASH ON HAND & BANK		
FACILITY ADMIN CASHIER	5,630	4,010
PETTY CASH ENGINEERING	10,000	2,500
PETTY CASH POINT FORTIN	2,500	-
PETTY CASH GRANDE	4,000	1,500
PETTY CASH HEAD OFFICE	10,000	15,000
PETTY CASH SAN FERNADO	13,000	10,500
PETTY CASH TOBAGO	13,000	9,500
REPUBLIC NO 150244235101	46,507	6,377,724
REPUBLIC NO 150244234301	820,408	11,507,715
REPUBLIC NO 150244241601	(50)	367
REPUBLIC NO 150244240801	95	197
FCB LINX 2008733	83,920	-
FCB NO 1112882	3,706,805	1,518,427
	<u>4,715,815</u>	<u>19,447,441</u>
13. REVALUATION RESERVE		
REVALUATION RESERVE	<u>7,181,390</u>	<u>7,181,390</u>
14. BANK OVERDRAFT	-	-
15. CREDITORS / ACCRUALS		
CREDITORS	15,701,360	18,877,037
CREDITORS PREPAYMENT	(3,825,097)	-
ACCRUALS	46,189,069	51,878,361
SALARIES / WAGES PAYABLE	93,613,616	19,831,910
PENSIONS PAYABLE	105,000	156,728
SEVERANCE PAYABLE	3,778,763	818,788
GRATUTITY PAYABLE	132,793	243,734
OTHER DEDUCTIONS PAYABLE	8,437	30,354
MAXI TAXI TDAD PAYABLE	1,508,259	3,184,181
MAXI TAXI TGO PAYABLE	347,582	410,910
PAYE PAYABLE	973,500	986,554
NIS PAYABLE	1,202,452	2,175,976
HEALTH SURCHARGE PAYABLE	64,523	55,459
UNION DUES PAYABLE	64,915	57,653
CREDIT UNION DEDUCTION - PAYAB	37,319	760,424
MORTGAGE DEDUCTION PAYABLE	-	16,236
TAX GARNISHEE	-	5,606
INSURANCE PAYABLE	42,769	32,009
COURT MAINTENANCE	-	5,190
ACCRUED INTEREST	1,680,184	2,444,242
STALEDATED CHEQUES PAYABLE	95,488	66,557
DEFERRED REVENUE	77,707	12,717
	<u>161,798,638</u>	<u>102,050,628</u>

PUBLIC TRANSPORT SERVICE CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2012
(continued)

16 PRIOR YEAR ADJUSTMENT

THIS BALANCE OF \$56.8M REPRESENTS WAGE ARREARS ARISING FROM THE TIWU AGREEMENT FOR THE PERIOD 2009-2011 SETTLED IN SEPTEMBER 2012. AN AMOUNT OF \$15M WAS ACCURED IN THE YEAR ENDED 30 SEPTEMBER 2011.

17 LOANS AND BONDS

	2012	2011
	\$	\$
BONDS		
1 FINCOR TT \$75.3 MILLION BOND ISSUE	5,306,063	10,612,143
2 CITICORP TT \$130.1 MILLION BOND ISSUE	32,327,370	36,637,686
3 FCB LTD. TT \$93.6 MILLION BOND ISSUE	49,944,152	56,187,171
 TOTAL BONDS	<u>87,577,585</u>	<u>103,437,000</u>
 LOANS		
4 FIRST CITIZEN'S BANK LIMITED - \$ 66.0 MILLION	-	13,208,580
 TOTAL LOANS AND BONDS	<u>87,577,585</u>	<u>116,645,580</u>
 CURRENT - PORTION	15,859,398	29,067,995
LONG TERM PORTION	71,718,187	87,577,585

- 1 THE PTSC BORROWED TT **\$75.3 MILLION** UNDER GOVERNMENT GUARANTEE FROM REPUBLIC FINANCE AND MERCHANT LIMITED. THE ARRANGEMENT INVOLVED THE ISSUE AND SALE OF FLOATING AND FIXED RATE BONDS 1993 - 2013. THE FULL AMOUNT OF THIS LOAN HAS BEEN DRAWN DOWN AND THE ISSUE DATE WAS MAY 18TH 1993. DURING THE FIRST TWO YEARS OF ISSUE, INTEREST WAS ACCRUED AND ADDED TO THE PRINCIPAL IN MAY 1995. INTEREST PAYMENTS ARE SEMI-ANNUAL , DUE IN MAY AND NOVEMBER EACH YEAR. THE PRINCIPAL IS PAYABLE IN THIRTY-SIX SEMI-ANNUAL PAYMENTS OF \$2,653,040 FROM NOVEMBER 1995. THIS BOND WAS TAKEN TO FINANCE THE VESP PACKAGE OFFERED TO STAFF IN 1993.

PUBLIC TRANSPORT SERVICE CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2012
(continued)

17 LOANS AND BONDS
(continued)

- 2 THE PTSC BORROWED TT **\$130.1 MILLION** UNDER GOVERNMENT GUARANTEE FROM REPUBLIC FINANCE AND MERCHANT LIMITED. THE ARRANGEMENT INVOLVED THE ISSUE AND SALE OF FLOATING AND FIXED RATE BONDS 1994 - 2019. THE FULL AMOUNT OF THIS LOAN HAS BEEN DRAWN DOWN AND THE ISSUE DATE WAS DECEMBER 21ST 1994. DURING THE FIRST THREE YEARS OF ISSUE, INTEREST WAS ACCRUED AND ADDED TO THE PRINCIPAL IN JUNE 1998. THE PRINCIPAL AND CAPITALIZED INTEREST WOULD BE REPAID. INTEREST PAYMENTS ARE SEMI-ANNUAL, DUE IN JUNE AND DECEMBER EACH YEAR. THE PRINCIPAL IS PAYABLE IN FORTY-FOUR SEMI-ANNUAL PAYMENTS OF \$2,155,158 FROM JUNE 1998. THIS BOND WAS TAKEN TO FINANCE THE VESP PACKAGE OFFERED TO STAFF IN 1994.
- 3 THE PTSC BORROWED TT **\$93.6 MILLION** UNDER GOVERNMENT GUARANTEE FROM FIRST CITIZENS BANK LIMITED. THE ARRANGEMENT INVOLVED THE ISSUE AND SALE OF FIXED RATE BONDS 2005 - 2020. THE FULL AMOUNT OF THIS BOND HAS BEEN DRAWN DOWN AND THE ISSUE DATE WAS APRIL 29TH 2005. INTEREST PAYMENTS ARE SEMI-ANNUAL, DUE IN APRIL AND OCTOBER EACH YEAR. THE PRINCIPAL IS PAYABLE IN THIRTY SEMI-ANNUAL PAYMENTS OF \$3,121,509 FROM OCTOBER 2005. THE ANNUAL INTEREST RATE IS 5.95%. THIS BOND WAS TAKEN TO REFINANCE THE FIXED PORTION OF THE 130 MILLION DOLLAR BOND AND TO PAY OUTSTANDING CREDITORS.
- 4 THIS LOAN OF TT\$ **66.0 MILLION** WAS GRANTED BY FIRST CITIZENS BANKS' LIMITED. IT IS REPAYABLE OVER 5 YEARS AND IT BEARS INTEREST AT 8% PER ANNUM. THIS LOAN IS TO BE REPAID BY SEMI-ANNUAL INSTALLMENTS \$6,604,290.00 EXCLUSIVE OF INTEREST. THIS LOAN WAS TAKEN TO PURCHASE FIFTY BUSES.

18 CONTINGENT LIABILITIES AND COMMITMENTS

AT THE YEAR END, THE CORPORATION HAD CONTINGENT LIABILITIES OF \$2.0 MILLION ARISING IN THE ORDINARY COURSE OF BUSINESS.

19 TAXATION

TAXATION HAS NOT BEEN PROVIDED FOR IN THE FINANCIAL STATEMENTS. SECTION 45 OF THE PUBLIC TRANSPORT SERVICE ACT STATES THAT "THE PRESIDENT MAY BY ORDER EXEMPT THE CORPORATION IN WHOLE OR IN PART FROM PAYMENT OF ANY TAX IMPOSED BY OR UNDER ANY WRITTEN LAW".

SECTION 3A SUB SECTION (2) D OF THE FINANCE ACT OF 1998 STATES THAT THE PUBLIC TRANSPORT SERVICE CORPORATION IS EXEMPTED FROM THE PAYMENT OF BUSINESS LEVY.

PUBLIC TRANSPORT SERVICE CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2012
(continued)

20 GOVERNMENT GRANTS RECEIVED	2012	2011
	\$	\$
ACQUISITION OF BUSES	11,868,480	-
PSIP- CONSTRUCTION PROJECTS	9,396,016	7,986,064
CONTRACT EMPLOYMENT	40,422,000	33,546,000
FEES	1,600,000	1,700,000
FLEET MAINTENANCE	52,262,000	47,800,000
GPS TRACKING SYSTEM	2,255,538	-
IT DEVELOPMENT PROJECT	867,172	2,244,960
LOANS AND BONDS - CITICORP 130.1M 06/21	5,667,497	6,288,661
LOANS AND BONDS - 41.3M LOAN	8,746,237	6,103,246
LOANS AND BONDS - FINCOR 75.3M BOND 05/15	5,715,488	6,128,790
LOANS AND BONDS - FCB 93.645 M BOND	9,077,187	9,865,004
LOANS AND BONDS - FCB 66 M LOAN	14,018,727	15,087,134
MAXI TAXI SUPPORT	3,000,000	2,596,600
MINOR EQUIPMENT	800,000	-
OSHA	768,614	2,913,680
OTHER CONTRACTED SERVICES	900,000	389,000
PENSIONS	7,617,400	8,593,772
REFURBISHMENT OF BUILDING	600,000	620,000
SALARIES & COLA	20,620,000	-
SECURITY	22,800,000	16,800,000
SEVERANCE	7,800,000	7,500,500
UNIFORMS	700,000	1,927,000
TTEC	-	1,240,000
INSURANCE	7,700,000	9,500,000
WAGES	47,219,000	23,894,676
TOTAL	<u>282,421,356</u>	<u>212,725,087</u>

PUBLIC TRANSPORT SERVICE CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2012
(continued)

21 GOVERNMENT GRANTS RECOGNIZED AS INCOME

	2012	2011
OPERATIONAL EXPENSES FUNDED BY GOVERNMENT GRANTS:		
	\$	\$
PSIP- CONSTRUCTION PROJECTS	383,835	
CONTRACT EMPLOYMENT	40,422,000	33,546,000
FEEs	1,600,000	1,700,000
FLEET MAINTENANCE	52,262,000	47,800,000
GPS TRACKING	89,663	
MAXI TAXI SUPPORT	3,000,000	2,596,600
OTHER CONTRACTED SERVICES	900,000	389,000
PENSIONS	7,617,400	8,593,772
REFURBISHMENT OF BUILDING	600,000	620,000
SALARIES & COLA	20,620,000	
SECURITY	22,800,000	16,800,000
SEVERANCE	7,800,000	7,500,500
UNIFORM	700,000	1,927,000
TTEC	-	1,240,000
INSURANCE	7,700,000	9,500,000
WAGES	47,219,000	23,894,676
 TOTAL - RECURRENT AMOUNT	 <u>213,713,898</u>	 <u>156,107,548</u>
 CAPITAL PORTION OF GRANTS EXPENSED IN THIS PERIOD :		
DEPRECIATION	41,392,275	39,824,317
LOAN AND BOND INTEREST	7,962,125	10,274,841
BONDS CAPITAL PORTION	15,859,411	15,859,414
TOTAL - CAPITAL PORTION	<u>65,213,811</u>	<u>65,958,572</u>
 TOTAL GOVERNMENT GRANTS RECOGNIZED AS INCOME	 <u>278,927,709</u>	 <u>222,066,120</u>

22 GOVERNMENT GRANTS

BALANCE BROUGHT FORWARD	\$ 479,306,892	\$ 488,647,925
ADD AMOUNTS RECEIVED	\$ 282,421,356	\$ 212,725,087
LESS AMOUNTS TRANSFERRED TO INCOME	\$ (278,927,709)	\$ (222,066,120)
 BALANCE CARRIED FORWARD	 <u>\$ 482,800,539</u>	 <u>\$ 479,306,892</u>