



**NATIONAL TELECOMMUNICATIONS
REGULATORY COMMISSION**

SAINT LUCIA

ANNUAL REPORT



FOR THE PERIOD

OCTOBER
2008
TO SEPTEMBER
2009

OCTOBER
2009
TO SEPTEMBER
2010

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ABBREVIATIONS AND ACRONYMS

Act	Telecommunications Act, Saint Lucia, No. 27 of 2000
Commission	Saint Lucia National Telecommunications Regulatory Commission
Contracting States	St. Kitts & Nevis, Dominica, Saint Lucia, St. Vincent & the Grenadines, Grenada
CTU	Caribbean Telecommunications Union
ECTEL	Eastern Caribbean Telecommunications Authority
ECTEL Member States	Dominica, , Saint Lucia, St. Vincent & the Grenadines, Grenada St. Kitts & Nevis,
ECTEL Treaty	Treaty Establishing the Eastern Caribbean Telecommunications Authority
GDP	Gross Domestic Product
ITU	International Telecommunications Union
Minister	Minister with responsibility for Telecommunications
MMS	Mobile Monitoring Station
NTRCs	National Telecommunications Regulatory Commissions in the ECTEL Member States
OECS	Organisation of Eastern Caribbean States
OOCUR	Organisation of Caribbean Utility Regulators
SMMS	Spectrum Monitoring and Management System
Treaty	Treaty Establishing the Eastern Caribbean Telecommunications Authority

EXECUTIVE SUMMARY

Throughout the reporting period October 1, 2008 to September 30, 2010, the Commission endeavored to fulfill the mandate vested in it under its parent legislation. A concerted effort was made to foster further liberalization of the telecommunications market, which it is envisaged will result in greater effectiveness and efficiency of that sector and be beneficial to all stakeholders.

During the reporting period, the Commission lost the services of one of its technical Commissioners through resignation; efforts are presently under the way to acquire the services of a suitable replacement candidate.

Internally, the Commission finalized many of its technical frameworks and standards which is available upon request at the Commission's office.

The period under consideration realized a growth in both mobile and internet penetration, however, telecommunications revenue contribution remained flat at EC\$238 million or 9% of St. Lucia's GDP. This is due in part to the continued downward slide and decline in fixed line penetration. Two (2) new licences, three for Fixed Public Telecommunications and Two (2) for Internet Networks and Services were issued in Saint Lucia during the review period. Of these, two providers launched their Internet Networks and Services operations, providing an alternative to the incumbent for the first time since the telecommunications sector was liberalized. Therefore, at March 2010, there were two active mobile operator and three internet service providers; leaving a monopoly market for only the fixed voice services in Saint Lucia.

There was also a renewed interest registered in the number of new applicants and persons regularizing their status as it relates to Amateur Radio Licenses and Family Radio Licenses.

Review of the telecommunications legislation is currently ongoing, and during the reporting period, the Commission dealt with a number of public consultations initiated on behalf of other agencies such as: the Eastern Caribbean Telecommunications Authority and the Caribbean Telecommunication Union.

1 NATIONAL TELECOMMUNICATIONS REGULATORY COMMISSION

1.1 Composition of the Commission for 2008/2009

The Composition of the Commission has changed from the last reporting period. In early September 2009, the Commission received and accepted the resignation of one of its Technical Commissioners. The Minister was subsequently informed, and the Commission awaits a new appointment before the end of the tenure of its present set of Commissioners. The present Commissioners are:

Ms. Elina Gene Isaac (Chairperson)

Ms. Tracy Polius

Mr. Nigel George

Mr. Micha Landers

Restructuring of the Secretariat 2008/2009

THE SECRETARIAT

During the reporting period, the structure of the Secretariat was revised and the posts of Coordinator and Legal officer/Secretary to the Commission were made redundant and replaced with the post of Director/Secretary to the Commission, as is reflected in the new structure for the Secretariat shown in figure X below. The post of Technical Officer held by Mr. Alvin Augustin during the previous reporting period was replaced by Manager of Technical Services in the new organizational structure.

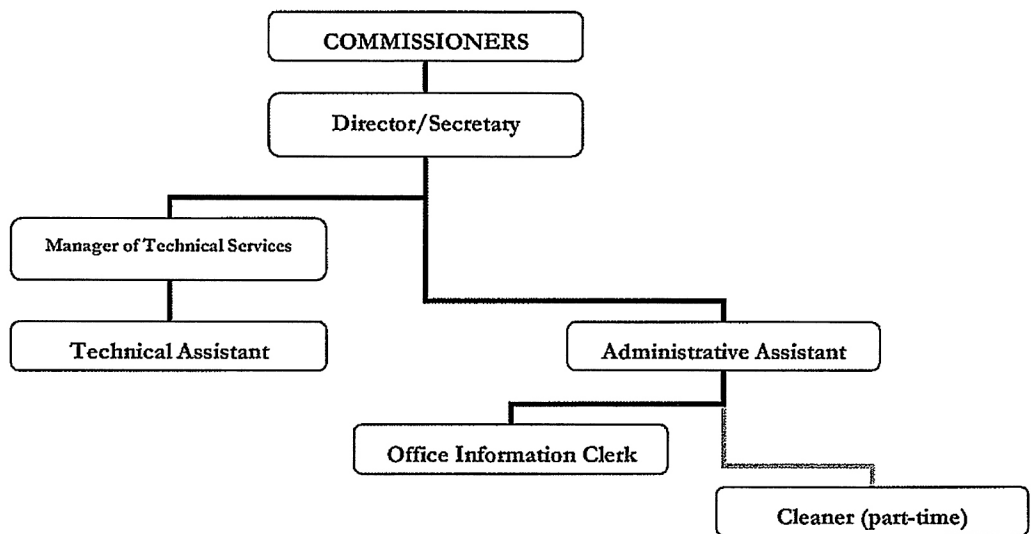


Figure 2.1 (a) : depicting the organizational structure of the National Telecommunications Regulatory Commission

APPOINTMENTS

Position of Legal Management Consultant

Mrs. Shana Willie-Matoorah, held the position of Legal Management Consultant to the Commission from December 1, 2008 up to July 31, 2009. Her appointment was effected after Mr. Blasse separated from the Commission.

Position of Manager of Technical Services

Mr. Alvin Augustin who holds the position of Manager of Technical Services, renewed his contract with the Commission effective January 22, 2009.

Position of Administrative Assistant

In light of the resignation of Ms. Christine Dujon-Polius, as the Commission's Administrative Assistant effective January 26, 2009; the vacant post was advertised in the local newspapers and other media, and subsequently interviews were held and candidates were short listed. Ms. Joanita Alexander was selected as the Commission's preferred candidate for the Post of Administrative Assistant, and accepted the offer of employment with the Commission effective March 16, 2009.

Position of Director/Secretary

After the separation of Mr. Anthony Blasse from the Commission, and following through with the restructuring exercise, Mr. Elicious Cyril was selected as the Commission preferred candidate for the post of Director/Secretary, and accepted the offer of employment with the Commission effective April 20th 2009.

Temporary Staff

Ms. Melesia Charles was employed on a temporary basis to assist the administrative staff in the verification exercise of the Commission's records. Her employment covered the period June 2009 to mid-August 2009.

NATIONAL TELECOMMUNICATIONS REGULATORY COMMISSION

1.1 Constitution of the Commission for 2009/2010

The National Telecommunications Regulatory Commission saw the appointment of the following Commissioners for the three (3) year term October 22, 2007 to October 21, 2010:

Ms. Elma Gene Isaac

Ms. Tracy Polius

Mr. Nigel George

Mr. Lionel Ellis

Mr. Micha Landers

However, Commissioner Ellis resigned on the 4th day of September, 2010.

THE SECRETARIAT

For this reporting period, the organisational structure of the Secretariat remained unchanged, save and except the appointment of a Universal Service Fund Administrator.

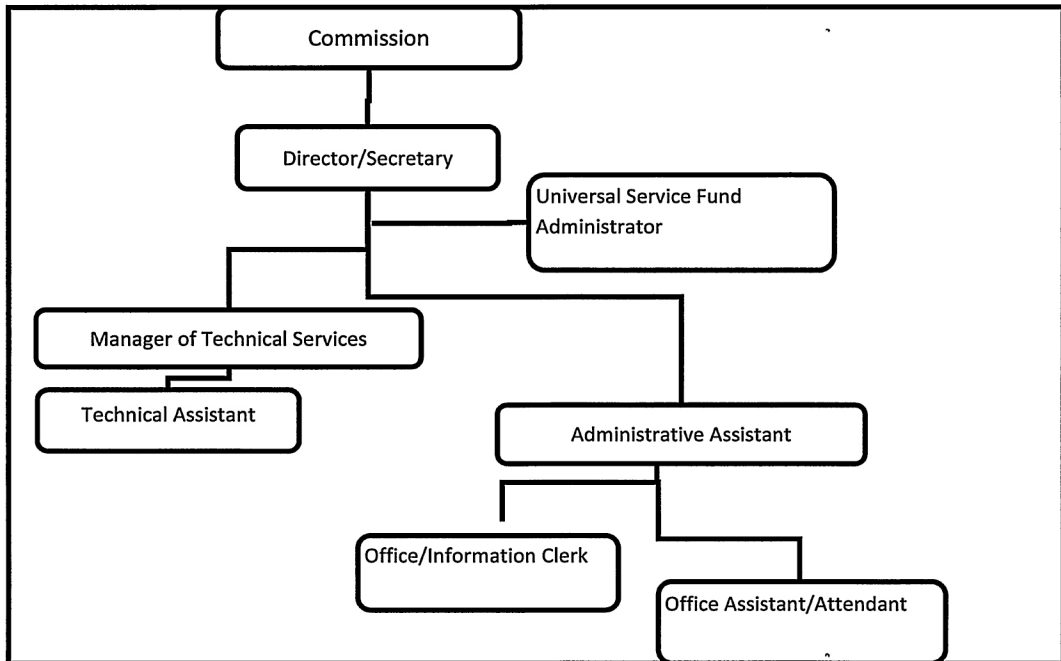


Figure 2.1 (b): Organisational Structure for the National Telecommunications Regulatory Commission

2.1 Appointments

Position of Universal Service Fund Administrator

The Commission appointed Ms. Tracy Healy to the post of Universal Service Fund (USF) Administrator; however at the end of this reporting period Ms. Healy tendered her resignation. Up to the end of this reporting period the post of USF Administrator remained vacant.

Position of Director/Secretary to the Commission

The post of Director/Secretary to the Commission became vacant at the end of the third quarter of this reporting period, when the Commission and the then Director/Secretary, Mr. Elicious Cyril separated. In light of the vacancy in the post of Director/Secretary, the Manager of Technical Services, Mr. Alvin Augustin was made Officer in Charge until the appointment of a Director/Secretary. The Commission also requested that Mrs. Shana Willie Matoorah provide assistance to the secretariat, until the appointment of someone to the post of Director/Secretary. Up to the end of this reporting period the post of Director/Secretary remained vacant.

Position of Technical Assistant

The Commission renewed the contract of Mr. Fabian Lewis, as Technical Assistant to the Commission.

Position of Office Information Clerk

Miss Wilma Burton, who held the post of Office/Information Clerk to the Commission, ended her tenure of employment with the Commission.

Position of Part-Time Cleaner

The Commission renewed the contract for Miss Juliana Henry as the part-time Cleaner.

The Commission renewed the contract for Miss Julina Henry as the part-time Cleaner.

Temporary Staff

Ms. Melesia Charles was employed on a temporary basis to assist the administrative staff in the verification exercise of the Commission's records.

Retainer Contract-Legal Services

The Commission acquired the legal services of its former Legal Officer, Mrs. Shana Willie Matorah on a retainer basis.

2

Diary of Key Events for 2008 through to 2010

A diary of key events for the reporting period is attached as appendix Z; however the most significant events are highlighted below.

- The Commission received notification from the Ministry of Communications Works Transport and Public Utilities, of the appointment of Ms. Elma Gene Isaac as the new chairperson effective November 17, 2008.
- Mr. Anthony Blasse separated from the Commission as its Coordinator effective November 14, 2008.
- Mrs. Shana Willie-Matorah served the Commission in the capacity as a Legal/Management Consultant effective December 1, 2008.
- The following regulations were promulgated: telecommunications (spectrum management) regulations, telecommunications (universal Service) regulations,

telecommunications (licensing & authorization) regulations and telecommunications (dispute resolution) regulation.

- Mrs. Christine Dujon-Polius resigned from her position of Administrative assistant with the Commission effective January 26, 2009.
- Ms. Joanita Alexander commenced employment with the Commission as its Administrative Assistant effective March 16, 2009.
- Mr. Elicious Cyril joined the Commission as its Director/Secretary effective April 20, 2009.
- ECTEL held workshops on licensing procedures, draft communications bill and PCP & Retail Tariff Regime.
- Commissioner Ellis tendered his resignation to the Minister through the chairperson effective September 04, 2009.
- NTRC-St. Lucia organized a one week workshop on DNS training with a Canadian consultant Mr. Ron Aitchison. Present were representatives of other NTRCs including stakeholders from the ICT Sector in St. Lucia.

A Diary of Key Events during the period October 2009 to September 2010 has been presented as Appendix A, however below is a summary of the most significant events.

- In May 2010 ECTEL's 51st Board of Directors meeting was held at the Bay Gardens Hotels.
- In June 2010 Ministry of Communications, Works, Transport & Public Utilities forum on Internet Governance and Network Operators
- In July 2010 National ICT Workshop
- In August 2010 the Commission hosted a workshop on Offences under the Telecommunications Act.
- The resignation of the Commissioners in September 2010.

3

TRAINING AND PROFESSIONAL DEVELOPMENT

For the period of 2008 through to 2010

NTRC (St. Vincent) and ECTEL Spectrum Monitoring Workshop

Mr. Fabian Lewis, the Technical Assistant to the Commission attended a training course in Spectrum Monitoring Workshop hosted by NTRC (St. Vincent) and ECTEL. The workshop was held from February 23, 2009 to February 24, 2009 in Kingstown, St. Vincent.

CTU's 7th Caribbean Spectrum Management Policy Meeting

Mr. Alvin Augustin, the Manager of Technical Services participated in the Caribbean Telecommunications Union's 7th Caribbean Spectrum Management Policy Meeting which was held in Port of Spain, Trinidad from April 6, 2009 – April 9, 2009.

NTRC (St. Lucia) Domain Name System (DNS) Training

Mr. Micha Landers-Commissioner, Mr. Alvin Augustin- Manager of Technical Services and Mr. Fabian Lewis- Technical Assistant, helped organize and participated in Domain Name System (DNS) Training hosted by NTRC (Saint Lucia) at the National ICT Centre, Castries from September 28, 2009 to October 2, 2009.

USTTI course in Competition Policy for Telecommunications and Regulatory & Privatization Policies

Mr. Elicious Cyril, the Director/Secretary won an OAS scholarship to pursue a USTTI course in Competition policy for telecommunications and regulatory & privatization policies in Washington D. C from July 17 -24 2009.

In-House Workshops

The Secretariat conducted in house workshop for staff from June 19 to July 03 2009 from 10 a.m. to 12 p.m. The aim of the workshops which were held every Friday is to familiarize new staff members with the internal procedures, staff rules, the modus operandi regarding the everyday running of the Commission and the roles, responsibilities and expectations of each unit.

Administrative Professional Training Programme

Ms. Joanita Alexander the Commission's Administrative Assistant, participated in a two day training course for all administrative personnel in the ECTEL member states. The workshop which was held in Grenada from September 17 to 18 2009, sought to harmonize administrative procedures and methodologies in the member states.

Red Cross Training

Three officers of the Secretariat completed adult CPR and standard first aid courses on September 21, 2009 at the Red Cross headquarters in St. Lucia. The training was part of the disaster preparedness plan of the Secretariat. Two other officers are expected to complete the course shortly.

ECTEL's Licensing & Procedures Workshop

The Commission's Director/Secretary, the Technical Unit and Commissioner Ellis attended ECTEL's Licensing & Procedures Workshop held at the Coco Palm Resort in St. Lucia from June 29-30 2009. The objectives of the workshop were to:

- Instruct NTRC staff on the licensing process
- Identify remedies for existing anomalies within the licensing process, and
- Produce a standardize modular training template on the licensing system in ECTEL

OOCUR

Mr. Alvin Augustin Manager of Technical Service attended the PURC programme in Trinidad and Tobago at the 7th Annual OOCUR on November 6, 2009.

TRAINING IN DNS

The Commission hosted DNS Training facilitated by Mr. Ron Aitchison by Zytrax Inc. From September 29 – October 2, 2009, which took place at the .

PURC/WB

Mr. Elicious Cyril attended the 27th PURC.WB International Training Program on Utility Regulations which was held in Gainsville Florida on January 11 -22, 2010.

WiMAX Forum

Mr. Alvin Augustin attended a WiMAX forum RF Network Engineer Certified Boot Camp which was held in Fort Lauderdale, Florida USA from November 30 to December 3, 2009.

4

FINANCIAL REVIEW 2008 through to 2010

This chapter captures the financial accounts for the National Telecommunications Regulatory Commission, for the period October 1, 2008 to September 30, 2009. An analysis of the income inflows and usage of the funds allocated to the Commission will be presented and discussed. The discussion is supported by the Auditor's Financial Report, which is attached.

4.1 Summary of income inflow and usage

For the period October 1, 2008 to September 30, 2009, ECTEL disbursed EC\$ 748,358.00 to meet the Commission's proposed budget of EC\$ 778,357.55.

There was a variance between the operating budget and the disbursed funds from ECTEL, which resulted in reductions totalling EC\$ 30,000.00. Consequently, adjustments had to be made in the following areas to more closely align the proposed expenditure with the expected receipts:

In this chapter, the accounts for the National Telecommunications Regulatory Commission, for the period October 1st, 2009 to September 30th, 2010, are presented and discussed. The discussion is supported by the Auditor's Financial Report, which has been included.

Summary of Income Inflows and Usage

For the period October 1st, 2009 to September 30th, 2010, ECTEL disbursed EC\$ 738,345.00 to meet the Commission's operating budget.

4.2 Financial Reports

Financial Statements were prepared by Mr. Nickus Smith and PKF Professional Services. Audit of the Commission's financial operations was conducted by Mr. Mario Lendor and is annexed as Appendix A & B.

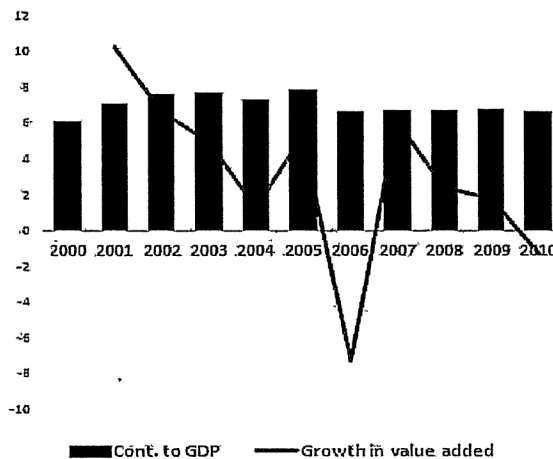
4.3 Domestic Economic and Industry Context 2009-2010

Against the backdrop of the global financial meltdown and ensuing recession, economic activity in Saint Lucia was relatively anaemic over the period 2009-2010. Driven by declines in the main construction and tourism sectors, the Saint Lucia economy posted marginal growth of 0.30 percent in 2009. Activity in the hotel and restaurant sector decelerated by just under one percent (0.92%), as stay over arrivals declined in the face of reduced airlift capacity and deteriorating economic conditions in the major source markets during 2009. Activity in the construction sector also contracted registering growth of 0.48 percent in 2009, compared to strong growth of 26.8 percent recorded in 2009. A number of foreign direct investment projects stalled due to liquidity and financing issues emanating from the credit market freeze in the global financial meltdown.

Despite the occurrence of hurricane Tomas in late 2010 aggregate economic activity increased by 0.59 percent. During 2010 activity in the construction sector continued to decline, registering a decline of 9.4 percent for the entire year. Spurred by higher visitor arrivals, the hotel and restaurant posted a 7.2 percent increase in value added for that sector. Activity in the manufacturing, distributive trades and the agricultural sectors also declined in 2010.

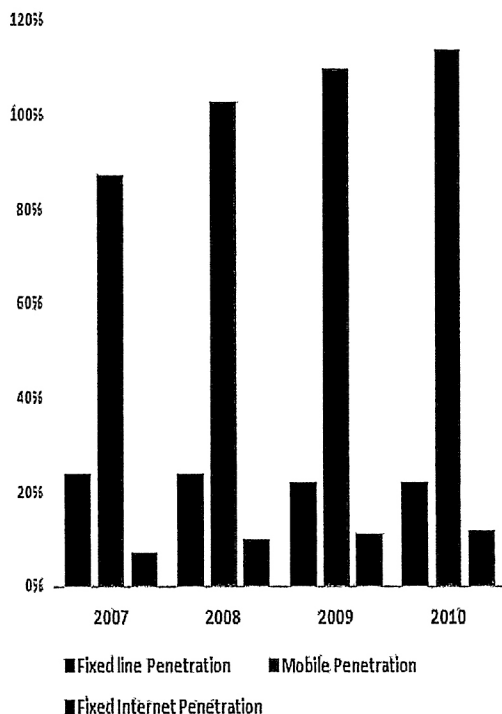
The ECTEL member states initiated liberalization of the telecommunications sector in 2000. In 2002 Saint Lucia witnessed the entrance of two new mobile providers into the market; DIGICEL and Wireless Ventures Limited. In 2000, the telecommunications sector accounted for 6.1 percent of real GDP for Saint Lucia. That contribution moved to 7.6 percent of GDP in 2002; the first year for new mobile entrants into Saint Lucia. Since, 2002, the share of value added of the telecommunications sector in total GDP increased until 2006 when the

Telecommunications Sector: Contribution to GDP 2000-2010



contribution of the sector to GDP declined due to withdrawal of Wireless Ventures from the market. The contribution of the Telecommunications sector increased since 2006, but has not reached the levels obtained in 2001 – the early stages of the liberalization process.

Telecommunications Indicators 2007-2010



In 2009, value added in the telecommunications sector increased by 1.8 percent relative to growth of 2.4 percent obtained in 2008. Following the 2009 performance, value added in the telecommunications sector declined by 1.3 percent in 2010. The slower growth can perhaps be attributed to some consolidation in the fixed line market as the number of fixed line subscribers decreased by 5.8 percent in 2009 and 2.9 percent in 2010. The mobile market witnessed some expansion as the number of subscribers increased by 8.4 percent in 2009 and 4.5 percent in 2010. The performance of the mobile market together with significant growth in the number of internet subscribers of 17.9 percent and 8.9 percent respectively compensated for

softening of the fixed line segment within the telecommunications sector.

Despite the fact that a significant number of licenses have been issued to prospective providers, there have been no new mobile operators since 2002, and only one new cable/internet and fixed line operator since 2002. Consequently, investment in the telecommunications sector declined from EC\$66 million in 2008 to EC\$54 million in 2009 and EC\$37 million in 2010. Gross provider revenues have remained steady when compared to modest mobile and internet subscriber growth moving from EC\$239 million in 2008 to EC\$238 million in 2009, and EC\$243 million in 2010. These indicators together suggest that the telecommunications market may have reached a plateau following strong growth in the immediate post liberalization period.

5

SECTOR ISSUES

5.1 Spectrum Monitoring

In the previous Annual Report it was reported that one of the radio frequency receivers embedded in the *Mobile Monitoring Station* (MMS) was not functioning and therefore the spectrum monitoring activities could not be conducted. The Commission informed ECTEL of the aforementioned problem and ECTEL's technical personnel with the assistance of the Commission's Technical Unit, sought to address the problem, however the functionality of the MMS could not be restored. In light of the fact that the full functionality of the MMS could not be restored, the decision was taken to use auxiliary equipment to offset any issues with the receiver in question, these included the use of the following equipment AR-One wide band scanner and an Agilent spectrum analyzer, in tandem with the MMS when conducting investigation and monitoring exercises.

It was reported in previous annual reports that the Commission initiated the process of identifying equipment to augment the capability of the MMS with one of the main objectives, being to monitor the modern digital radio communications technologies. In dialogue with the other Commissions of the Member States, it appeared that most were facing some kind of difficulties with the existing spectrum monitoring equipment. ECTEL being aware of the apparent difficulties encountered by its Member States with regards to their spectrum equipment, developed and published a Request for Proposal from licensed suppliers of spectrum equipment to supply portable/mobile spectrum monitoring equipment. Two of the main objectives of the request for proposals were:

- a) ensure a smooth transition from the current system to the new one;
- b) facilitate the execution of effective radio spectrum monitoring using the experience of the use of the present equipment to mitigate down time.

ECTEL published its RFP document and received several submissions from interested companies. Subsequently, ECTEL identified a successful supplier [Anritsu] and acquired

portable spectrum monitoring equipment along with software. The spectrum monitoring equipment and related software were distributed to each Commission.

5.2 New Price Cap Plan

A new *Price Cap Plan* (PCP) established for regulating the fixed line services of Cable & Wireless (West Indies) Limited was finalized and submitted to the Commission by ECTEL. The PCP was received by the Commission on April 6, 2010 and ECTEL proposed that that new PCP be approved by April 15, 2010. However, pursuant to regulations 28 of the Telecommunications (Retail Tariff) Regulations [S.I., 2005, No. 69] the Commission subjected the new PCP to a public consultation. The public consultation began on May 4, 2010 and ended on June 4, 2010 and the Commission received several comments from key stakeholders. After considerations of the comments submitted from stakeholders, the Commission approved and adopted the new PCP on June 28, 2010. It is important to note that although the PCP was approved on June 28, 2010 some of the provisions of the PCP took effect prior, namely the removal and termination of payment of *Access Deficit Charges* (ADCs) and rate reduction for Fixed Line to Mobile calls.

The main elements of the new PCP are as follows:

- (a) A complete removal and termination of all ADC payments on any and all services in all agreements of all kind;
- (b) A phased reduction in Fixed Line to Mobile rates in accordance with the following table

Effective Date for Price Reduction	Fixed Line to Mobile Maximum Price
April 15, 2010 – 1 st Reduction	\$0.57
October 1, 2010- 2 nd Reduction	\$0.54
April 1, 2011 – 3 rd Reduction	\$0.49
October 1, 2011- 4 th Reduction	\$0.40

- (c) Extensive and transparent rules on bundling that will permit LIME to offer combinations of different services that nevertheless should always be above long-incremental costs and that limit opportunities for unfair competition;
- (d) New and extensive financial reporting requirements that should enable the Commission and ECTEL to more effectively monitor economic performance and pricing levels.

The new PCP is effective from April 15, 2010 to March 31, 2010 and there is provision in the plan which makes allowance for an extension of one (1) year.

5.3 ECTEL's 10th Anniversary Celebration

The *Eastern Caribbean Telecommunications Authority* (ECTEL) celebrated its tenth anniversary of operation and it recognized persons who have made an indelible contribution to the telecommunications liberalisation process in its Member States.

6

Telecommunications Licences, Certification & Registration

During this reporting period, applications for Certificate of Type Approval increased slightly, as the awareness of the requirement to receive type approval pursuant to regulations 4 and 17 of the Telecommunications (Terminal Equipment and Public Network) Regulations 2002.

6.1 Telecommunications Licence Update

Pursuant to s. 14(7) of the Act, the Commission prepared for publication in the Saint Lucia Government Gazette a list of the Telecommunications Licences that have been Issued, Modified, Renewed or Revoked in Saint Lucia, as of September 30th, 2009 and September 30th, 2010. Copies of the lists submitted for publication are provided below.

Telecommunications Licences that have been Issued, Modified, Renewed or Revoked in Saint Lucia *as at September 30, 2008*

Telecommunications Licences Issued

- (i) For the Establishment and Operation of a Fixed Public Telecommunications Network and the Provision of Certain Fixed Public Telecommunications Services in Saint Lucia

Licensee	Date Issued
Cable & Wireless (West Indies) Limited	October 11 th , 2001
Digicel (St. Lucia) Limited	April 17 th , 2008
Kelcom International	April 17 th , 2008
Tele (St. Lucia) Limited	June 24 th , 2008

- (ii) For the Establishment and Operation of a Public Cellular Mobile Telecommunications Network and the Provision of Public Cellular Mobile Telecommunications Services in Saint Lucia

Licensee	Date Issued
Cable & Wireless Caribbean Cellular (St. Lucia) Limited	October 11 th , 2001
Digicel (St. Lucia) Limited	September 6 th , 2002
Wireless Ventures (St. Lucia) Limited, transferred	September 10 th , 2006

from AWS Caribbean Holdings Limited ¹	
21 st Century Telecoms Network (Caribbean) Ltd.	December 18 th , 2007

- (iii) For the Installation and Operation of an Internet Network and the Provision of Internet Services in Saint Lucia

Licensee	Date Issued
Cable & Wireless (West Indies) Limited	October 11 th , 2001
Antilles Crossing (St. Lucia) Limited	April 22 nd , 2006
Link Technologies Limited	February 15 th , 2007
21 st Century Telecoms Network (Caribbean) Ltd.	December 17 th , 2007
Link Technologies Limited	February 15 th , 2008
Kelcom International	April 17 th , 2008
Digicel (St. Lucia) Limited	April 17 th , 2008
Tele (St. Lucia) Limited	June 19 th , 2008

- (iv) For the Landing of a Submarine Cable and the Establishment and Operation of a Submarine Cable Telecommunications Network and the Provision of Certain Telecommunications Services in Saint Lucia

Licensee	Date Issued
Antilles Crossing (St. Lucia) Limited	February 2 nd , 2005
Southern Caribbean Fibre Limited	August 2, 2007

- (v) For the Provision of Full Internet Services in Saint Lucia

Licensee	Date Issued
Almus McDowall (NETEL)	February 12 th , 2003
Advanced Network Associates	February 18 th , 2003

¹ Minister approved that transfer of the licence on February 6th, 2003.

- (vi) For the Provision of Restricted Internet Services in Saint Lucia

Licensee	Date Issued
Flo Internet Services	January 8 th , 2003

- (vii) For the Resale of International Switched Minutes in Saint Lucia

Licensee	Date Issued
NCIC (Saint Lucia) Inc.	October 28 th , 2003
Global Link (St. Lucia) Limited	November 21 st , 2003
NETEL	December 5 th , 2003
CARINET Incorporated	January 10 th , 2006

- (viii) For the Establishment and Operation of a Private Telecommunications Network and Services in Saint Lucia

Licensee	Date Issued
Helen IT Systems	July 27 th , 2004
FINMAN Information Technology Unit	September 22 nd , 2004

- (ix) For the Use of Radio Frequencies in Connection with the Operation of Certain Telecommunications Networks and the Provision of Certain Telecommunications Services in Saint Lucia

Licensee	Date Issued
Cable & Wireless (West Indies) Limited	October 11 th , 2001
Cable & Wireless Caribbean Cellular (St. Lucia) Limited	October 11 th , 2001
Link Technologies Limited	February 15 th , 2007
Helen Television Systems Limited	February 2 nd , 2007
Hit Radio Limited	June 4 th , 2007

Hot FM Communications	September 11 th , 2008
Rhythm FM	September 11 th , 2008
Southern Broadcasting Services	September 11 th , 2008
Antilles Crossing (St. Lucia) Limited	September 11 th , 2008

- (x) Special Licence for the Establishment and Operation of Telecommunications Networks and the Provision of Telecommunications Services in Saint Lucia

Licensee	Date Issued
Cable & Wireless (West Indies) Limited	October 1 st , 2001

- (xi) Special Licence for Land Mobile Radio and Frequency Authorisation for Operation in Saint Lucia

Licensee	Date Issued
Discovery at Marigot Bay Limited	December 1 st , 2006

Telecommunications Licences Modified

As of September 30th, 2008, no licences have been modified.

Telecommunications Licences Renewed

As of September 30th, 2008, no licences have been renewed.

Telecommunications Licences Revoked

As of September 30th, 2008, no licences have been revoked.

ELMA GENE ISAAC

Chairperson

Telecommunications Licences that have been Issued, Modified, Renewed or Revoked in Saint Lucia

as at September 30, 2009 as amended and as at September 30, 2010

Telecommunications Licences Issued

- (i) For the Establishment and Operation of a Fixed Public Telecommunications Network and the Provision of Certain Fixed Public Telecommunications Services in Saint Lucia

Licensee	Date Issued
Cable & Wireless (West Indies) Limited	October 10 th , 2001
Digicel (St. Lucia) Limited	April 17 th , 2008
Kelcom International	April 17 th , 2008
Tele (St. Lucia) Limited	June 24 th , 2008

- (ii) For the Establishment and Operation of a Public Cellular Mobile Telecommunications Network and the Provision of Public Cellular Mobile Telecommunications Services in Saint Lucia

Licensee	Date Issued
Cable & Wireless Caribbean Cellular (St. Lucia) Limited	October 10 th , 2001
Digicel (St. Lucia) Limited	September 6 th , 2002
AWS Caribbean Holdings Limited ²	September 10 th , 2002
Wireless Ventures (St. Lucia) Limited, transferred from AWS Caribbean Holdings Limited ³	September 10 th , 2006
21 st Century Telecoms Network (Caribbean) Ltd.	December 19 th , 2007

² Minister approved that transfer of the licence on February 6th, 2003.

³ Minister approved that transfer of the licence on February 6th, 2003.

PATWA (St. Lucia) Inc.	April 29 th 2010
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(iii) For the Installation and Operation of an Internet Network and the Provision of Internet Services in Saint Lucia

Licensee	Date Issued
Cable & Wireless (West Indies) Limited	October 10 th , 2001
Antilles Crossing (St. Lucia) Limited	April 22 nd , 2006
Link Technologies Limited	February 15 th , 2007
21 st Century Telecoms Network (Caribbean) Ltd.	December 19 th , 2007
Link Technologies Limited	February 15 th , 2008
Kelcom International Limited	April 17 th , 2008
Digicel (St. Lucia) Limited	April 17 th , 2008
Tele (St. Lucia) Limited	June 19 th , 2008
PATWA (St. Lucia) Inc.	April 29 th 2010

(iv) For the Landing of a Submarine Cable and the Establishment and Operation of a Submarine Cable Telecommunications Network and the Provision of Certain Telecommunications Services in Saint Lucia

Licensee	Date Issued
Antilles Crossing (St. Lucia) Limited	February 2 nd , 2005
Southern Caribbean Fibre Limited	August 2, 2007

(v) For the Provision of Full Internet Services in Saint Lucia

Licensee	Date Issued
Almus McDowall (NETEL)	February 12 th , 2003
Advanced Network Associates	February 18 th , 2003

(vi) For the Provision of Restricted Internet Services in Saint Lucia

Licensee	Date Issued
Flo Internet Services	January 8 th , 2003

(vii) For the Resale of International Switched Minutes in Saint Lucia

Licensee	Date Issued
NCIC (Saint Lucia) Inc.	October 28 th , 2003
Global Link (St. Lucia) Limited	November 21 st , 2003
NETEL	December 5 th , 2003
CARINET Incorporation	January 10 th , 2006

(viii) For the Establishment and Operation of a Private Telecommunications Network and Services in Saint Lucia

Licensee	Date Issued
Helen IT Systems	July 27 th , 2004
FINMAN Information Technology Unit	September 22 nd , 2004
PBL Sat	July 02 nd 2009
Globecast UK	

(ix) For the Use of Radio Frequencies in Connection with the Operation of Certain Telecommunications Networks and the Provision of Certain Telecommunications Services in Saint Lucia

Licensee	Date Issued
Cable & Wireless (West Indies) Limited	October 10 th , 2001
Cable & Wireless Caribbean Cellular (St. Lucia) Limited	October 10 th , 2001
Helen Television Systems Limited	February 2 nd , 2007
Link Technologies Limited	February 15 th 2007
Hit Radio Limited	June 4 th , 2007
Hot FM Communications	September 11 th , 2008
Rhythm FM Inc.	September 11 th , 2008
Southern Broadcasting Services	September 11 th , 2008

Antilles Crossing (St. Lucia) Limited	September 11 th , 2008
Valerie Octave (RFI Group)	December 12 th 2008
Pentecostal Assemblies of the West Indies	December 12 th 2008
Link Technologies	November 03 rd , 2008
Digicel (St.Lucia) Ltd	November 03 rd , 2008
C & W (St.Lucia) Ltd	November 03 rd , 2008
Almus McDowall	November 03 rd , 2008
John Poleon	November 03 rd , 2008
World on Wireless Communications	November 03 rd , 2008
21 CTN Telecoms Network (Caribbean) Ltd	November 03 rd , 2008
BBC World Service	March 02 nd 2009
All Biz Limited	March 02 nd 2009
Soufriere Regional Development Foundation	March 02 nd 2009
Arqiva	March 30 th 2009
Gem Radio (The Wave)	July 06 th 2009
Link Technologies	June 02 nd 2009
PBL SAT	July 02 nd 2009
L.A Broadcasting Company Limited	November 13 th 2009
Mix Broadcasting Company Limited	November 13 th 2009
Cable & Wireless (Trading as LIME)	April 06 th 2010
Uno Broadcasting	April 06 th 2010

Royal St. Lucia Police Force	March 08 th 2010
Globecast Africa Limited	April 29 th 2010
SES Americom Incorporated	March 2009
PATWA (St. Lucia) Inc.	June 01 st 2010

(x) Special Licence for the Establishment and Operation of Telecommunications Networks and the Provision of Telecommunications Services in Saint Lucia

Licensee	Date Issued
Cable & Wireless (West Indies) Limited	October 1 st , 2001

(xi) Special Licence for Land Mobile Radio and Frequency Authorisation for Operation in Saint Lucia

Licensee	Date Issued
Discovery at Marigot Bay Limited	December 01 st 2006

(xii) For the operation of a Maritime Mobile Service in Saint Lucia

Licensee	Date Issued
Hess Oil St. Lucia Limited	June 16 th 2009
Whitaker Augier	December 17 th 2009
Rendezvous (Malabar Beach Limited)	June 4 th 2010
Peter Philip Rowland	April 29 th 2010

(xiii) For the use of Amateur Radio Service in Saint Lucia

Thomas Grove	October 03 rd 2008
Dudley Du Boulay	October 03 rd 2008
William Schmidt	October 03 rd 2008
John V. Abbruscato	October 03 rd 2008
Frans Van Santbrink	October 03 rd 2008
Peter Cross	October 03 rd 2008
Baerbel Linge	October 03 rd 2008
Lothar Linge	October 03 rd 2008
John Fricot	October 03 rd 2008
Albert Henry	February 20 th 2009
Bernard Thomas	March 02 nd 2009
Tony Du Boulay	March 02 nd 2009
Arthur Charles (Novice)	April 02 nd 2009
Andrew Lewis (Novice)	June 16 th 2009
Frederick H. Kleber	June 16 th 2009
Clem Bobb	June 16 th 2009
Annette Du Boulay	June 16 th 2009
Ermelia George	June 16 th 2009
Peter James	June 16 th 2009
Givan George	June 16 th 2009
John V. Abbruscato	June 16 th 2009
Lionel Ellis	August 10 th 2009

Matthew Nelson	August 25 th 2009
Martin Daniel	August 25 th 2009
Howard Andrew Sine	September 07 th 2010
Robert Michael Greenwood	December 17 th 2009
Paul Wesley Van Dyke	December 17 th 2009
Howard Andrew Sine	December 01 st 2009
Budd Lee Drummond	December 17 th 2009
Weymouth Dove Walker Jr.	December 17 th 2009
Christopher David Drummond	December 17 th 2009
Guy A Hamblen	December 17 th 2009
Stephen Martin Galchutt	December 17 th 2009
Daniel Thomas Gagnon	December 17 th 2009
Bryon Scott Anderson	December 17 th 2009
Derek Noel Kirkham	December 17 th 2009
William J. Schmidt	December 04 th 2009
Stephen Pinill	April 06 th 2010
William A Richards II	April 26 th 2010
John V. Abbruscato	April 26 th 2010

(xiv) For the operation of a Broadcast Licence in Saint Lucia

Licensee	Date Issued
Hit Radio Limited	June 04 th 2007

Daher Broadcasting Service Limited	December 17 th 2002
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(xv) For the Use of Radio Frequencies in Connection with the Operation of Citizen's Band Operation

Licensee	Date Issued
Preston Huntley	August 10 th 2009

(xvi) Land Mobile and Frequency Authorisation

IMG Media	June 02 nd 2009
Eastern Caribbean Financial Company Holdings Limited	May 19 th 2009
J Q Charles Ltd	May 19 th 2009
IMG Media	June 02 nd 2009
Sir Arthur Lewis Community College	May 19 th 2009
St. Lucia Electricity Services Limited	May 19 th 2009
Rain Forest Sky Rides	May 19 th 2009
Discovery at Marigot Bay Limited	May 19 th 2009
Anse Chastanet	June 16 th 2009
The Landings Saint Lucia	May 19 th 2009
Broadcast Solutions (UK) Limited	April 29 th 2010
Martin Daniel	August 28 th 2009
Estelle Blanchard	August 28 th 2009

Monroe College	November 17 th 2009
High Court of Saint Lucia	November 13 th 2009
Windjammer Landing Company Limited	November 13 th 2009
Ladera Resort	November 13 th 2009
Cecile Wiltshire	December 17 th 2009
Edmund Junior Magres	December 1 st 2009
Cecile Wiltshire	December 17 th 2009
Cox & Company LTD	September 10 th 2010
St. Lu Metal & Plastics MFR LTD.	September 10 th 2010
Desmond Destang	September 10 th 2010
Kennedy J. Burke	April 29 th 2010
Rain Forest Sky Rides	May 19 th 2009
Sir Arthur Lewis Community College	May 19 th 2009
Eastern Caribbean Financial Company Holding Limited	May 19 th 2009
J Q Charles Ltd	May 19 th 2009
St. Lucia Electricity Services Limited	May 19 th 2009
IMG Media	June 02 nd 2009
Anse Chasnet	June 16 th 2009
The Landings Saint Lucia	May 19 th 2009
Broadcast Solutions (UK) Limited	April 29 th 2010
PATWA (St.Lucia) Inc	June 1 st 2010

Telecommunications Licences Modified

Rhythm FM	September 11 th 2009
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Telecommunications Licences Renewed

As of September 30th, 2010, no licences have been renewed.

Telecommunications Licences Revoked

SES Americom Inc	September 25 th 2009
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ELMA GENE ISAAC

Chairperson

Also, in keeping with the exercise that was presented in the last report to illustrate the Commission's concern with regard to the number of licences that have been issued since the enactment of the Telecommunications Act 2000, Table 5.1 provides an update on

- the number of licence applications that the Commission received, for the period under review,
- the number of those applications (by date of receipt) for which positive recommendations were submitted to the Minister, and
- the number of licences that the Commission has on record as having been issued by the Minister, within a stated year.

	October 2008 to September 2010
No. of Licence Applications Received by the Commission	53
No. of Application Closed with Positive Recommendations	36
No. of Licences Granted by the Minister	36

Table 6.1: Status of Telecommunications Licence Applications Received and Processed through the Commission for the period October 2008 to September 2010

6.2 Closure of Longstanding Opened Telecommunications Applications

Further communication was received from ECTEL on the matter of the status of applications forwarded to them for review and recommendation. The exercise is still ongoing.

7

TELECOMMUNICATIONS FEES

For the period October 2008 through to September 2010, the following amounts in telecommunications fees were collected by the Government of Saint Lucia and by ECTEL in Saint Lucia.

Licence Fees (GoSL)	EC\$ 7,581,525.90
Spectrum Fees (ECTEL)	EC\$ 2,728,750.00
TOTAL	EC\$ 10,310,275.90

7.1 Telecommunications Licence Fees

The telecommunications licence fees collected by the Inland Revenue Department (IRD) for 2009/2010 increased from the last period by (EC\$ 30,811.46).

7.2 Frequency Authorisation (Spectrum) Fees

The Commission relies on spectrum Fees as the main revenue for its day to day operation. It is our administrative role to discharge our duties by sending letters to the providers in making the effort to regain outstanding fees as per the invoices sent to the Commission by ECTEL. Those efforts have not been prolific.

Currently, the total amount due and owing in Spectrum Fees is \$1,325, 500.00 is comprehensive table which speaks to the providers names, service allocated to them and Spectrum Fees which are outstanding along with the period and Table 5.1 speaks to the invoices which were honoured.

Spectrum Fees Collection

NAME OF PROVIDER	TYPE OF SERVICE	PERIOD	PAYMENT
Valerie Octave	Broadcast –FM Stations	Dec 12/08	\$ 2000.00
	Radio STL Microwave	to Dec 11/09	\$ 250.00
Soufriere Development Foundation	Broadcast –FM Stations	Mar 2/09	\$ 2000.00
	Radio STL Microwave	to Mar 1/10	\$ 250.00
John Poleon	Broadcast –FM Stations	Nov 3/08	\$ 6000.00
	Radio STL Microwave	to Nov 2/09	\$ 250.00
Almus McDowall	Broadcast –FM Stations	Nov 3/08	\$ 4000.00
	Radio STL Microwave	to Nov 2/09	\$ 500.00
BBC World Service	Broadcast –FM Stations	Mar 2/09 to Mar 1/10	\$ 2000.00
Link Technologies	Fixed Wireless Access	Nov 2/08 to Nov 1/09	\$ 25000.00
21 st Century Telecom Network	Public Mobile Telecommunications	Nov 3/08 to Nov 2/09	\$ 300000.00
World Wireless Communications	MMDS	Nov 3/08 to Nov	\$ 10000.00

		2/09	
	Microwave Cellular Links	-	\$ 108000.00
C&W C'bean Cellular (SLU) Ltd.	Fixed Wireless Access	Nov 3/08 to Nov 2/09	\$ 11000.00
Rhythm FM Inc.	Broadcast –FM Stations	Sept 11/08	\$ 4000.00
“	TV Microwave Link	to Sept 10/09	\$ 750.00
Helen Television System Ltd.	MMDS	Feb 2/08 to Feb 1/09	\$ 12500.00
Helen Television System Ltd.	Fixed Wireless Access	Feb 2/08 to Feb 1/09	\$ 3500.00
“	Microwave Broadband Link	“	\$ 60000.00
Helen Television System Ltd.	Fixed Wireless Access	Feb 2/07 to Feb 1/08	\$ 3500.00
“	Microwave Broadband Link	“	\$ 60000.00
Antilles Crossing	Microwave Broadband Link	Apr 22/09 to Apr 21/10	\$ 170000.00
“	Fixed Wireless Access	“	\$ 4500.00
Antilles Crossing	Microwave Broadband Link	Apr 22/08 to Sept 21/09	\$ 370000.00
“	Fixed Wireless Access	“	\$ 4500.00

NAME OF PROVIDER	TYPE OF SERVICE	PERIOD	PAYMENT
Antilles Crossing	Microwave Broadband Link	Apr 22/06 to Apr 21/08	\$ 170000.00
“	Microwave Broadband Link	“	\$ 170000.00
“	Fixed Wireless Access	“	\$ 4500.00
“	Fixed Wireless Access	“	\$ 4500.00
Globecast UK Ltd.	VSAT	May15/08 to May 14/09	\$ 12000.00
		TOTAL	\$1,325,500.00

Table 7.1: Spectrum Fees Collection

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2008/2010 WORK PROGRAMME

A review of the Commission's Work Programme for 2008/2010 shows continuing progress in most of the projects outlined for the year. The projects undertaken were in addition to the day-to-day and substantive work of the organisation.

8.1 Public Education

The Commission's is currently in the process of organising Town Hall meetings throughout the island. The Commission has engaged Mr. Bernard Fanis with prepared a full fledged infomercial which forms part of our Public Education drive. The Commission has been working on refurbishing its website to ensure that its content remains current, to provide preminent and updated information to the public. The education campaign also focuses on enlightening the St. Lucian public on the other requirements and provisions of the Telecommunications Act which was entitled "Offences under the Telecommunications Act". The workshop was held at the Coco Palm Resort on August 27, 2010. The second phase of the workshop will continue next financial year.

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FINAL REMARKS

During the reporting periods development of the telecommunications Sector was not recognised as the main indicators of investments and subscribers suggest that the market may have reached a plateau. The global economic meltdown may be the primary reason for the recognised status of the telecommunications industry in Saint Lucia.

Notwithstanding, the Commission continued to work and execute its duties in accordance with its legal mandate. Many of deficiencies highlighted in previous reports continued to persist; however, the Commission firmly believes that it is imperative that various agencies associated with Sector recognise their roles and co-ordinate efforts to traverse the uncertain economic terrain and to return to the sector to its prosperous status.

APPENDIX: A

Financial Audit Report for 2008 / 2009

MARIO LENDOR

P.O. Box 1131
Providence Villa
Cedars Road
Castries, St. Lucia

Tel: 768-453-2366
Fax: 768-453-2270
pjpbst@candw.lc OR
mo_lendor@hotmail.com

AUDITORS' REPORT TO THE MEMBERS OF: National Telecommunications Regulatory Commission

Report on the Financial Statements

I have audited the accompanying Balance Sheet of NATIONAL TELECOMMUNICATIONS REGULATORY COMMISSION as at 30th September, 2009 and the related statements of Changes in Accumulated surplus, Support and Expenditure and Changes in Financial Position for the year then ended. Also included is a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

The financial statements are the responsibility of the Commission's management, which includes the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. 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; selected and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those Standards require that I conform to ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit includes examining, on a test basis, evidence supporting 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 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 the assessment of the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Opinion

In my opinion, the accompanying financial statements referred to above, present fairly, in all material respects, the financial position of the Commission as at 30th September, 2009 and the results of its operations for the year then ended in accordance with International Financial Reporting Standards.

Mario Lendor
CHARTERED ACCOUNTANT

3rd December, 2010

NATIONAL TELECOMMUNICATIONS REGULATORY COMMISSION

Index to Financial Statements 30th September, 2009.

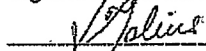
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NATIONAL TELECOMMUNICATIONS REGULATORY COMMISSION

Balance Sheet
As at 30th September, 2009
With comparative figures as at 30th September, 2008

	Notes	<u>2009</u> \$	<u>2008</u> \$
<u>Current Assets</u>			
Cash & Cash Equivalents	6	496,401	586,627
Accounts Receivable & Prepaid Expenses	7	14,738	62,293
Total current assets		<u>511,139</u>	<u>648,920</u>
<u>Non-Current Asset</u>			
Property, Plant and Equipment-Net	11	125,406	168,639
Total non-current asset		<u>125,406</u>	<u>168,639</u>
Total Assets		<u>636,545</u>	<u>807,559</u>
<u>Current Liabilities</u>			
Due to ECTEL	8	-	55,000
Accounts Payable	9	8,717	20,244
Gratuity Payable		51,271	71,262
Total Liabilities		<u>59,988</u>	<u>146,506</u>
Net Assets		<u>576,557</u>	<u>661,053</u>
<u>Represented By</u>			
Equity			
Accumulated Surplus		<u>576,557</u>	<u>661,053</u>
Net Shareholders' Equity		<u>576,557</u>	<u>661,053</u>

Signed on behalf of the Commission:

 _____ Commissioner.

 _____ Commissioner.

The annexed notes form an integral part of these financial statements.

NATIONAL TELECOMMUNICATIONS REGULATORY COMMISSION

Statement of Changes in Accumulated Surplus For the Year ended 30th September, 2009

	Accumulated Surplus	Total
Balance – Beginning of Year	661,053	661,053
Excess support over expenditure	131,429	131,429
Refunded Contribution (ECTEL)	<u>(215,925)</u>	<u>(215,925)</u>
Balance –End of Year	<u>576,557</u>	<u>576,557</u>

The annexed notes form an integral part of these financial statements

NATIONAL TELECOMMUNICATIONS REGULATORY COMMISSION

Statement of Support and Expenditure
For the period ended 30th September, 2009
With comparative figures as at 30th September, 2008

	2009	2008
	\$	\$
<u>Support</u>		
Contributions from ECTEL	795,094	757,233
Application fees	22,969	45,751
Other Income	<u>3,008</u>	<u>9,751</u>
	821,071	812,735
<u>Expenditure</u>		
Advertising and Promotion	16,278	13,464
Audit Fees	5,000	5,000
Cash Loss	-	22,971
Bank charges and Interest	1,219	3,413
Commissioner's Fees	88,600	80,200
Depreciation Expense	36,838	29,417
Gratuity	46,423	66,652
Insurance	7,897	7,736
Legal and Professional fees	52,500	5,332
Membership and Subscriptions	705	1,123
Motor Vehicle Expenses	2,380	2,948
Office Expenses	7,487	16,644
Rent	70,800	82,800
Repairs and Maintenance	10,512	20,642
Salaries and Wages	264,285	337,398
Security Expense	1,800	-
Staff Training & Welfare	10,730	1,200
Staff Uniforms	7,472	7,102
Supplies	8,684	9,148
Travelling and Entertainment	5,199	-
Utilities	<u>44,833</u>	<u>55,369</u>
	689,642	768,559
 Excess of support over expenditure for the year	 <u>131,429</u>	 <u>44,176</u>

The annexed notes form an integral part of these financial statements

NATIONAL TELECOMMUNICATIONS REGULATORY COMMISSION

Statement of Changes in Financial Position
 For the Twelve (12) months period ended 30th September, 2009
 With comparative figures for the twelve (12) months period ended 30th September, 2008

	<u>2009</u>	<u>2008</u>
<u>Cash Flow from Operating Activities</u>	\$	\$
Excess of support over expenditure for the year	131,429	44,176
Adjustments for:		
Depreciation	<u>36,838</u>	<u>29,417</u>
Net change in non-cash working capital Balances related to operations*	<u>168,267</u>	<u>73,593</u>
	<u>(38,963)</u>	<u>24,067</u>
Net Cash provided by operating activities	<u>129,304</u>	<u>97,660</u>
<u>Cash Flows from Investing Activities</u>		
Additions to Capital	(3,605)	(109,001)
Refunded Contributions-(ECTEL)	(215,926)	-
Proceeds from disposal of assets	-	45,799
Net Cash provided by / (used in) Investing Activities	<u>(219,530)</u>	<u>(63,202)</u>
Increase/(Decrease) in Net Cash and Cash Equivalents	(90,226)	34,458
Cash and Cash equivalents – Beginning of Year	<u>586,627</u>	<u>552,169</u>
Cash and Cash equivalents – End of Year	<u>496,401</u>	<u>586,627</u>
*Consisting of Changes in:		
Due to ECTEL	(55,000)	55,000
Prepaid expenses	47,555	(48,471)
Accounts payable	(11,527)	(3,002)
Gratuity payable	<u>(19,991)</u>	<u>20,540</u>
	<u>(38,963)</u>	<u>24,067</u>

The annexed notes form an integral part of these financial statements.

NATIONAL TELECOMMUNICATIONS REGULATORY COMMISSION

Notes to Financial Statements

30th September, 2009

1. Activities and Incorporation

The National Telecommunications Regulatory Commission established by the Telecommunications Act Cap. 8:11 on the 2001 Revised Edition Law of Saint Lucia on 22nd November 2000. The Commission commenced operations on March 18th, 2002.

The principal activity of the Commission is to execute the functions defined in Section 11 of the Telecommunications Act Cap. 8:11 in the regulation of Telecommunications in St. Lucia.

2. Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a. *Basis of Preparation*

These statements are prepared in accordance with International Financial Reporting Standards which comprise standards issued or adopted by the International Accounting Standards Board and interpretations issued by its Standing Interpretations Committee. They have been no changes in accounting policy from the previous year. Receipts and expenditure are accounted for on the accrual basis of accounting.

b. *Cash and Cash Equivalents*

Cash and Cash Equivalents comprise cash on hand and demand and short term deposits with original maturities of less than one year. For the purpose of the cash flow statement, cash and cash equivalents comprise balances of cash on hand and current accounts.

c. *Property, Plant and Equipment*

Property, Plant and Equipment, are stated at historical cost less accumulated depreciation. Additions to Property, Plant and Equipment are recorded at cost. Depreciation is calculated on the straight line basis, so as to write off the cost of each asset over their estimated useful lives as follows:-

Furniture & Equipment -15% - 25%

Leasehold Improvements- 2.5%

d. *Accounts Payable*

Trade accounts, other payables and accrued liabilities represent the principal amounts outstanding at the balance sheet date plus, where applicable, any accrued interest.

The annexed notes form an integral part of these financial statements.

NATIONAL TELECOMMUNICATIONS REGULATORY COMMISSION

Notes to Financial Statements

30th September, 2009

2. Significant Accounting Policies (cont'd)

e. *Accounts Receivable & Prepaid expense*

Trade accounts receivable and amounts due from related parties and other receivables represent the principal amounts due at the balance sheet date plus accrued interest, where applicable, any impairment.

f. *Revenue Recognition*

Revenue is recognised when the agreed Contributions become due and on the completion Of other service transactions when the related fees can be reliably estimated.

g. *Income Tax*

The Commission is exempted from Income Tax under the provisions of the Telecommunications Act.

h. *Income and Expense*

Income is recognised on the accruals basis as has been used for recording of income and expenses. Interest income and expense are recognised in the statement of income for all instruments measured at amortised cost using the accrual method.

The annexed notes form an integral part of these financial statements.

NATIONAL TELECOMMUNICATIONS REGULATORY COMMISSION

Notes to Financial Statements

30th September, 2009

3. In accordance with provisions of International Accounting Standards No. 32, disclosure is required regarding credit risk, interest rate, fair value of financial assets and liabilities.
 - a. **Credit Risk**

Credit Risk arises from the possibility that counterparties may default on their obligations to the Commission. The Commission is not exposed to any significant credit risks.
 - b. **Interest Rate Risk**

Differences in contractual re-pricing or maturity dates and changes in interest rates may expose the Commission to interest rate risk. The Commission's exposure and interest rates are restricted to the interest paid on its savings and operating accounts.
 - c. **Liquidity Risk**

The Commission is exposed to the risk that it may encounter difficulties in raising funds to meet its commitments. Management seeks to maintain levels of cash sufficient to meet reasonable expectations of its short term obligations.
 - d. **Fair Value of Financial Instruments**

Fair value amounts represent estimates of the consideration that would currently be agreed upon between knowledgeable, willing parties who are under no compulsion to act and are best evidenced by a quoted market value, if one exists. None of the Commission's financial assets and liabilities are traded in a formal market. Estimated fair values are assumed to approximate their carrying values.
4. **Contributed Funds**

These funds have been provided by the government of Saint Lucia as a contribution towards the purchase of assets for the commission. The funds were amortized over a period of five years on a straight line basis commencing 2003.
5. **Comparative Figures**

Where changes have been made in the presentation of the current year's figures, comparative amounts have been restated.

The annexed notes form an integral part of these financial statements.

NATIONAL TELECOMMUNICATIONS REGULATORY COMMISSION

Notes to Financial Statements

30th September, 2009

6. Cash and Cash Equivalents

For the purpose of statement of cash flow and balance sheet, cash and cash equivalents comprise the following:

	<u>2009</u>	<u>2008</u>
Petty Cash	500	317
Bank of St. Lucia Limited - Credit Card	(3,768)	-
Bank of St. Lucia Limited (Operating)	142,697	274,629
Bank of St. Lucia Limited (Supersaver)	276,427	247,560
RBTT Bank Caribbean Limited	80,545	64,121
	<u>496,401</u>	<u>586,627</u>

7. Accounts Receivable & Prepaid Expenses

	<u>2009</u>	<u>2008</u>
Rental Deposit	11,800	11,800
Prepaid Expenses	2,938	50,493
	<u>14,738</u>	<u>62,293</u>

8. Related Party Balances and Transactions

Due to Parent Company

	<u>2009</u>	<u>2008</u>
ECTEL	<u>-</u>	<u>55,000</u>

The amounts due to related company are non-interest bearing, unsecured and have no fixed terms of repayment.

The annexed notes form an integral part of these financial statements.

NATIONAL TELECOMMUNICATIONS REGULATORY COMMISSION

Notes to Financial Statements
30th September, 2009

9. Accounts Payable

	<u>2009</u>	<u>2008</u>
Accounts Payable	8,717	20,244
Gratuity Payable	<u>51,271</u>	<u>71,262</u>
	<u>59,988</u>	<u>91,506</u>

10. Employee and Management Costs

Included in general and administrative expenses are the following:-

	<u>2009</u>	<u>2008</u>
Salaries and Wages	264,285	337,398
Other staff expenses	26,886	102,240
Gratuity	<u>46,423</u>	<u>38,750</u>
	<u>337,594</u>	<u>478,388</u>
Commissioners' fees	<u>88,600</u>	<u>80,200</u>
	<u>426,194</u>	<u>558,588</u>

The average number of employees during the period was 6 (September 2009), 7 (2008).

The annexed notes form an integral part of these financial statements.

NATIONAL TELECOMMUNICATIONS REGULATORY COMMISSION

Notes to Financial Statements
30th September, 2009

11. Property Plant and Equipment – Net:

A category breakdown of fixed Assets is as follows:

	<u>Furniture & Equipment</u>	<u>Leasehold Improvements</u>	<u>Total 2009</u>
COST			
Balance at beginning of year	169,863	85,766	255,629
Additions	3,605	-	3,605
Balance at end of year	<u>173,468</u>	<u>85,766</u>	<u>259,234</u>
DEPRECIATION			
Balance at beginning of year	91,272	5,718	96,990
Depreciation for the year	34,694	2,144	36,838
Balance at end of year	<u>125,966</u>	<u>7,862</u>	<u>133,828</u>
Net Book Value end of year	<u>47,502</u>	<u>77,904</u>	<u>125,406</u>
Net Book Value beginning of year	<u>78,591</u>	<u>80,048</u>	<u>158,639</u>

The annexed notes form an integral part of these financial statements.

APPENDIX: B

Financial Audit Report for 2009 / 2010

MARIO LENDOR

P.O. Box 1131, Providence Villa, Cedars Road, Castries, St. Lucia

Tel: 768-453-2355

Fax: 768-453-2270

E-mail: mio_lendor@hotmail.com

Auditor's Report to the Directors of:

NATIONAL TELECOMMUNICATION REGULATORY COMMISSION

Report on the Financial Statements

I have audited the financial statements of the National Telecommunication Regulatory Commission which comprise of the Statement of Financial Position as at 30th September, 2010 as well as the Statement of Changes in Members' Surplus, the Statement of Support and Expenditure and the Statement of Cash Flows for the year then ended. Also included is a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

The financial statements are the responsibility of the commission's management, which includes the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the 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.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those Standards require that I conform to ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material 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 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the accompanying financial statements referred to above, presents fairly, in all material respects, the financial position of the commission as at 30th September, 2010 and the results of its operations and cash flow for the year then ended in accordance with International Financial Reporting Standards.

19th JULY, 2013

MARIO LENDOR
CHARTERED ACCOUNTANT

NATIONAL TELECOMMUNICATIONS REGULATORY COMMISSION

Index to Financial Statements

30th September, 2010

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Statement of Changes in Members' Surplus	2
Statement of Support and Expenditure	3
Statement of Cash Flows	4
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NATIONAL TELECOMMUNICATIONS REGULATORY COMMISSION

Statement of Financial Position

As at 30th September, 2010
 With comparative figures as at 30th September, 2009
 (Expressed in Eastern Caribbean Dollars)

	<u>Notes</u>	<u>2010</u>	<u>2009</u>
<u>Current Assets</u>			
Cash and cash equivalents	5	\$ 1,787,980	496,401
Accounts receivable and prepayments	6	<u>14,687</u>	<u>14,738</u>
Total current assets		<u>1,802,667</u>	<u>511,139</u>
<u>Non-Current Asset</u>			
Property, plant and equipment - net	7	<u>89,321</u>	<u>125,406</u>
Total non-current asset		<u>89,321</u>	<u>125,406</u>
Total assets		<u>1,891,988</u>	<u>636,545</u>
<u>Current Liabilities</u>			
Accounts payable and accruals	8	98,576	59,988
Due to related party - net		<u>1,113,727</u>	-
Total current liabilities		<u>1,212,303</u>	<u>59,988</u>
Total liabilities		<u>1,212,303</u>	<u>59,988</u>
<u>Members' Surplus</u>			
Surplus/retained earnings		<u>679,685</u>	<u>576,557</u>
		<u>\$ 1,891,988</u>	<u>636,545</u>

Approved by:

 Commissioner.
 Commissioner.

The accompanying notes form an integral part of these financial statements.

NATIONAL TELECOMMUNICATIONS REGULATORY COMMISSION

Statement of Changes in Members' Surplus

For the year ended 30th September, 2010
With comparative figures for the year ended 30th September, 2009
(Expressed in Eastern Caribbean Dollars)

	<u>2010</u>	<u>2009</u>
Balance - beginning of year	\$ 576,557	661,053
Excess support over expenditure	103,128	131,429
Refund contributions	<u>-</u>	<u>(215,925)</u>
At end of year	\$ <u>679,685</u>	<u>576,557</u>

The accompanying notes form an integral part of these financial statements.

NATIONAL TELECOMMUNICATIONS REGULATORY COMMISSION

Statement of Support and Expenditure

For the year ended 30th September, 2010
 With comparative figures for the year ended 30th September, 2009
 (Expressed in Eastern Caribbean Dollars)

	<u>2010</u>	<u>2009</u>
Support		
Contributions from ECTEL	\$ 738,345	795,094
Application fees	31,723	22,969
Other income	<u>36,605</u>	<u>3,008</u>
	<u>806,673</u>	<u>821,071</u>
Expenditure		
Advertising and promotion	17,648	16,278
Audit fees	12,400	5,000
Bank charges and interest	3,215	1,219
Commissioner's fees	66,960	88,600
Depreciation expenses	37,025	36,838
Gratuity	52,188	46,423
Insurance	8,244	7,897
Legal and professional fees	27,734	52,500
Membership and subscriptions	2,782	705
Motor vehicle expenses	2,807	2,380
Office expenses	13,987	7,487
Rent	70,800	70,800
Repairs and maintenance	14,008	10,512
Salaries and wages	259,022	264,285
Security expenses	1,800	1,800
Staff training and welfare	15,881	10,730
Staff uniforms	4,076	7,472
Supplies	28,124	8,684
Travel and entertainment	19,987	5,199
Utilities	<u>44,857</u>	<u>44,833</u>
	<u>703,545</u>	<u>689,642</u>
	\$ <u>103,128</u>	<u>131,429</u>

The accompanying notes form an integral part of these financial statements.

NATIONAL TELECOMMUNICATIONS REGULATORY COMMISSION

Statement of Changes in Members' Surplus

For the year ended 30th September, 2010
With comparative figures for the year ended 30th September, 2009
(Expressed in Eastern Caribbean Dollars)

	<u>2010</u>	<u>2009</u>
Balance - beginning of year	\$ 576,557	661,053
Excess support over expenditure	103,128	131,429
Refund contributions	..	<u>(215,925)</u>
At end of year	<u>\$ 679,685</u>	<u>576,557</u>

The accompanying notes form an integral part of these financial statements.

NATIONAL TELECOMMUNICATIONS REGULATORY COMMISSION

Statement of Support and Expenditure

For the year ended 30th September, 2010
 With comparative figures for the year ended 30th September, 2009
 (Expressed in Eastern Caribbean Dollars)

	<u>2010</u>	<u>2009</u>
Support		
Contributions from ECTEL	\$ 738,345	795,094
Application fees	31,723	22,969
Other income	<u>36,605</u>	<u>3,008</u>
	<u>806,673</u>	<u>821,071</u>
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Advertising and promotion	17,648	16,278
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Commissioner's fees	66,960	88,600
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Insurance	8,244	7,897
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Motor vehicle expenses	2,807	2,380
Office expenses	13,987	7,487
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Staff training and welfare	15,881	10,730
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Supplies	28,124	8,684
Travel and entertainment	19,987	5,199
Utilities	<u>44,857</u>	<u>44,833</u>
	<u>703,545</u>	<u>689,642</u>
	\$ <u>103,128</u>	<u>131,429</u>

The accompanying notes form an integral part of these financial statements.

NATIONAL TELECOMMUNICATIONS REGULATORY COMMISSION

Statement of Cash Flows

For the year ended 30th September, 2010
 With comparative figures for the year ended 30th September, 2009
 (Expressed in Eastern Caribbean Dollars)

	<u>2010</u>	<u>2009</u>
<u>Cash Flows from Operating Activities</u>		
Excess of support over expenditure for the year	\$ 103,128	131,429
Adjustments for:		
Depreciation	<u>37,025</u>	<u>36,838</u>
Cash flows before changes in operating assets and liabilities	140,153	168,267
Increase/(decrease) in accounts receivable and prepayments	51	47,555
Increase in due from related party	-	(86,518)
Increase in accounts payable	38,588	-
(Increase)/decrease in due to related party	<u>1,113,727</u>	<u>-</u>
Cash generated from operations	<u>1,292,519</u>	<u>129,304</u>
<u>Net Cash Flows from Investing Activities</u>		
Purchase of property, plant and equipment	(940)	(3,605)
Refunds contributions	<u>-</u>	<u>(215,925)</u>
Net cash used in Investing Activities	<u>(940)</u>	<u>(219,530)</u>
(Increase)/decrease in cash and cash equivalents	1,291,579	(90,226)
Cash and cash equivalents - beginning of year	<u>496,401</u>	<u>586,627</u>
Cash and cash equivalents - end of year	\$ <u>1,787,980</u>	<u>496,401</u>

The accompanying notes form an integral part of these financial statements.

NATIONAL TELECOMMUNICATIONS REGULATORY COMMISSION

Notes to Financial Statements

30th September, 2010
(Expressed in Eastern Caribbean Dollars)

1. Background and Principal Activity

The National Telecommunications Regulatory Commission ("the Commission") was established by the Telecommunications Act Cap 8.11 of the Revised Edition Law of Saint Lucia on November 22, 2000. The Commission commenced operations on March 18, 2002.

The principal activity of Commission is to oversee the development of the telecommunications sector in Saint Lucia.

The Commission's principal place of business is situated at Bois D'Orange, Gros Islet.

The financial statements were approved by the Board of Directors and authorized for issue on 2nd August, 2013.

2. Summary of significant financial reporting policies

a. Overall policy

The principal financial reporting policies adopted are stated in order to assist in the general understanding of the financial statements.

Statement of compliance

The financial statements of National Telecommunications Regulatory Commission have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standard Board (IASB) and under the historical cost convention.

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

b. Adoption of new and revised IFRS

During the current year the Commission adopted all the new and revised International Financial Reporting Standards (IFRS) which are relevant to its operations and are effective for accounting periods commencing on January 1, 2009. The adoption of these standards did not have a material effect on the financial statements. At the date of authorization of these financial statements, some standards were issued but not yet effective. The Board of Directors expects that the adoption of these standards in future periods will not have a material effect on the financial statements of the Commission.

The accompanying notes form an integral part of these financial statements.

NATIONAL TELECOMMUNICATIONS REGULATORY COMMISSION

Notes to Financial Statements... (Cont'd)

30th September, 2010

(Expressed in Eastern Caribbean Dollars)

2. Summary of significant financial reporting policies... (Cont'd)

c. *Foreign currency translation*

Functional and presentation currency

Items in the financial statement are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements are presented in Eastern Caribbean dollars, which is the Commission's functional and presentation currency.

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 recognized in the statement of support and expenditure.

d. *Cash and cash equivalents*

Cash and cash equivalents are carried on the statement of financial position at cost. For the purpose of the statement of cash flows, cash and cash equivalents comprise balances with a maturity of three months or less from the date of acquisition including: cash on hand, deposits held on call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

e. *Trade receivables*

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Commission will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial delinquency in payments are considered good indicators that the trade receivable is impaired. The amount of the provision is the difference between the carrying amount and the present value of the estimated future cash flows, discounted at the effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in the statement of support and expenditure.

When a trade receivable is uncollectible, it is written-off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited in the statement of support and expenditure.

The accompanying notes form an integral part of these financial statements.

NATIONAL TELECOMMUNICATIONS REGULATORY COMMISSION

Notes to Financial Statements... (Cont'd)

30th September, 2010

(Expressed in Eastern Caribbean Dollars)

3. Critical accounting estimates and judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors including expectation of future events that are believed to be reasonable under the circumstances.

The Commission makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Management does not consider that there are estimates and assumptions that will have a significant risk, causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. Financial instruments

In accordance with the provisions of International Financial Reporting Standard No. 7, disclosure is required regarding credit risks, liquidity risk, interest rates and fair values of financial assets and liabilities.

a. *Credit risk*

Credit risk arises from the possibility that counterparties may default on their obligations to the Commission. The amount of the Commission's maximum exposure to credit risk is indicated by the carrying amount of its financial assets.

The Commission operates within the telecommunication regulatory environment, and financial assets which may potentially expose the Commission to concentrations of credit risk consist primarily of contributions and receivables. Management does not believe that significant credit risk exists at 30th September, 2010.

b. *Liquidity risk*

Liquidity risk management implies maintaining sufficient cash and cash equivalents and the availability of funding through adequate amounts of committed credit facilities. Management does not believe that significant liquidity risk exists at 30th September, 2010.

c. *Interest rate risk*

Differences in contractual repricing or maturity dates and changes in interest rates may expose the Commission to interest rate risk. The Commission was not exposed to interest rate risk at 30th September, 2010.

d. *Fair value of financial instruments*

Fair value amounts represent estimates of the consideration that would currently be agreed upon between knowledgeable, willing parties who are under no compulsion to act and is best evidenced by a quoted market value, if one exists. None of the Commission's financial assets and liabilities are traded in a formal market. Estimated fair values are assumed to approximate their carrying values

The accompanying notes form an integral part of these financial statements.

NATIONAL TELECOMMUNICATIONS REGULATORY COMMISSION

Notes to Financial Statements... (Cont'd)

30th September, 2010
(Expressed in Eastern Caribbean Dollars).

	<u>2010</u>	<u>2009</u>
5. <u>Cash and Cash Equivalents</u>		
Cash on hand	\$ 500	500
Bank of St. Lucia Limited - credit card	-	(3,768)
Bank of St. Lucia Limited - operating	217,526	142,697
Bank of St. Lucia Limited - supersaver	1,463,752	276,427
RBTT Bank Caribbean Limited	<u>106,202</u>	<u>80,545</u>
	<u>1,787,980</u>	<u>496,401</u>
6. <u>Accounts Receivable and Prepayments</u>		
Rental deposit	11,800	11,800
Prepaid expenses	<u>2,887</u>	<u>2,938</u>
	\$ <u>14,687</u>	<u>14,738</u>

The accompanying notes form an integral part of these financial statements.

NATIONAL TELECOMMUNICATIONS REGULATORY COMMISSION

Notes to Financial Statements... (Cont'd)

30th September, 2010
(Expressed in Eastern Caribbean Dollars)

7. Property, Plant and Equipment

	Furniture and Fittings	Leasehold Improvements	Total
As at 30th September, 2008			
Cost	\$ 169,863	85,766	255,629
Accumulated depreciation	<u>(91,272)</u>	<u>(5,718)</u>	<u>(96,990)</u>
Net book value	<u>78,591</u>	<u>80,048</u>	<u>158,639</u>
For the year ended 30th September, 2009			
Opening net book value	78,591	80,048	158,639
Additions in the year	3,605	-	3,605
Depreciation charge for the year	<u>(34,694)</u>	<u>(2,144)</u>	<u>(36,838)</u>
Closing net book value	<u>47,502</u>	<u>77,904</u>	<u>125,406</u>
As at 30th September, 2009			
Cost	173,468	85,766	259,234
Accumulated depreciation	<u>(125,966)</u>	<u>(7,862)</u>	<u>(133,828)</u>
Net book value	<u>47,502</u>	<u>77,904</u>	<u>125,406</u>
For the year ended 30th September, 2010			
Opening net book value	47,502	77,904	125,406
Additions in the year	940	-	940
Depreciation charge for the year	<u>(34,881)</u>	<u>(2,144)</u>	<u>(37,025)</u>
	<u>13,561</u>	<u>75,760</u>	<u>89,321</u>
As at 30th September, 2010			
Cost	174,408	85,766	260,174
Accumulated depreciation	<u>(160,847)</u>	<u>(10,006)</u>	<u>(170,853)</u>
Net book value	\$ <u>13,561</u>	<u>75,760</u>	<u>89,321</u>

The accompanying notes form an integral part of these financial statements.

NATIONAL TELECOMMUNICATIONS REGULATORY COMMISSION

Notes to Financial Statements... (Cont'd)

30th September, 2010
(Expressed in Eastern Caribbean Dollars)

	<u>2010</u>	<u>2009</u>
8. <u>Accounts Payable and Accruals</u>		
Accounts payable	\$ 23,617	8,717
Gratuity payable	<u>74,959</u>	<u>51,271</u>
	<u>98,576</u>	<u>59,988</u>
9. <u>Employee Benefit Expenses</u>		
Salaries and wages	248,972	264,285
Other staff expenses	48,081	26,886
Gratuity	49,938	46,423
Commissioners' fees	<u>66,960</u>	<u>88,600</u>
	<u>413,951</u>	<u>426,194</u>
Key Management Compensation		
Salaries and other short-term benefits	<u>76,980</u>	<u>41,250</u>
The average number of employees during the year was 6 (2009 - 6)		
10. <u>Universal Service Fund</u>		
Expenses		-
Salaries and wages	10,050	-
Utilities	446	-
Gratuity	2,250	-
Rent	590	-
Travelling and entertainment	2,000	-
Office expenses	-	-
Bank charges and interest	-	-
Supplies	<u>358</u>	-
	\$ <u>15,694</u>	-

The accompanying notes form an integral part of these financial statements.

APPENDIX: C

**Register of Type-Approved Equipment
for 2008 / 2009 & 2009 / 2010**

Certificate No.	Manufacturer	Equipment Identifier	Equipment Type	Model Identifier	Date granted
LCT/OCT08.0073	Continental Temic Microelectronic GmbH	Car Access System	Veicular Access System for Keyless	CAS 4	October 28th 2008
LCT/OCT08.0074	Elektrobit Wireless Communications Ltd.	Wireless LAN Access Point	Wireless Communications Device	Integrated Service Access Point (ISAP)	November 17th 2008
LCT/OCT08.0075	Sony Corporation	Wireless Audio Transceiver	Wireless Transceiver	EZW-RT10	November 17th 2008
LCT/OCT08.0076	Sony Corporation	Wireless Audio Transmitter	Wireless Transmitter	EZW-T100	November 17th 2008
LCT/OCT08.0077	Aruba Networks Inc	Wireless Access Point	Digital Transmission System	AP125	December 17th 2008
LCT/OCT08.0078	Aruba Networks Inc	Wireless Access Point	Digital Transmission System	AP124	December 17th 2008
LCT/OCT08.0079	Aruba Networks Inc	Wireless Access Point	Digital Transmission System	AP121	December 17th 2008
LCT/NOV08.007A	Aruba Networks Inc	Wireless Access Point	Digital Transmission System	AP120	December 17th 2008
LCT/DEC08.007B	Hauman Becker Automotive Systems GmbH	GSM Module	Veicular GSM Cellular Phone Module	PPIS	December 17th 2008
LCT/DEC08.007C	Symbol Technologies Inc	Biometric Smartcard Reader	Wireless Security Device	MC7XFPSCR-01R	December 17th 2008
LCT/DEC08.007D	Mitsubishi Electric Corporation, Himeji Works	Vehicle Immobilizer System	Transceiver for Immobilizer System	IMB111-03	December 17th 2008
LCT/FEB08.007E	Continental Automotive GmbH	PASSIVE ENTRY PASSIVE START SYSTEM	Low Frequency Transmitter	5WY8604	December 10th 2010

LCT/FEB08.007F	I+ME ACTIA GmbH	Vehicle Diagnostic Interface	Telemetry Apparatus	ICOM	February 2nd 2009
LCT/MAR09.0080	Flextronis International GmbH, Sinn GmbH & Co. KG	Sync Automotive hands-free Bluetooth Device Controller	Bluetooth Device	H71191-00024-8	March 3rd 2009
LCT/MAR09.0081	Temic Automotive North America Inc	SPDJB Remote Keyless Entry and Tyre Pressure Monitoring System Receiver	Telemetry Apparatus	LEJ017	March 3rd 2009
LCT/MAR09.0082	Mitsubishi Electric Corporation Himeji Works	Vehicle Keyless System	Transmitter for Keyless System	SKE125-01	March 3rd 2009
LCT/MAR09.0083	Mitsubishi Electric Corporation Himeji Works	Vehicle Keyless System	Security/Convenience Receiver	SKE125-01	March 3rd 2009
LCT/MAR09.0084	Mitsubishi Electric Corporation Himeji Works	Vehicle Keyless System	Security/Convenience Receiver	SKE125-01 (X1T854 Variant)	March 3rd 2009
LCT/MAR09.0085	Continental Automotive GmbH	Radio Frequency Transmitter	Security/Remote Control Transmitter	5WK4 9672B	April 7th 2009
LCT/MAR09.0086	Nintendo of America Inc.	Radio Frequency Transmitter	Digital Transmission System	TWL-001	April 7th 2009
LCT/MAR09.0087	Delphi Deutschland GmbH	Vehicle Immobilizer System	Vehicle Security System	VO1-125kHz	April 7th 2009
LCT/MAY09.0088	Valeo Schalter Und Sensoren GmbH	Vehicle Blind Spot Detection Radar	Blind Spot Detection Radar	MBR-Gen2 Typ C	May 6th 2009
LCT/JUL09.0089	Harman Becker Automotive GmbH (for Daimler)	Harman Becker Automotive Systems	Bluetooth Handsfree Car Kit	HEADUNIT W221/C216MOPF	July 9th 2009
LCT/JUL09.008A	Delphi Automotive Systems	Wireless Approval Consultants	Vehicular Radar	L2C0038TR	July 9th 2009
LCT/JUL09.008B	Delphi Automotive Systems	Wireless Approval Consultants	Vehicular Radar	L2C0030TR	July 9th 2009

Certificate No.	Manufacturer	Equipment Identifier	Equipment Type	Model Identifier	Date granted
LCT/MAR09.0080	Flextronics International GmbH, Sinn GmbH & Co. KG	Syac Automotive hands-free Bluetooth Device Controller	Bluetooth Device	H71191-00024-8	March 3 rd 2009
LCT/MAR09.0081	Temic Automotive North America Inc	SPDJB Remote Keyless Entry and Tyre Pressure Monitoring System Receiver	Telemetry Apparatus	LHJ017	March 3 rd 2009
LCT/MAR09.0082	Mitsubishi Electric Corporation Himeji Works	Vehicle Keyless System	Transmitter for Keyless System	SKE125-01	March 3 rd 2009
LCT/MAR09.0083	Mitsubishi Electric Corporation Himeji Works	Vehicle Keyless System	Security/Convenience Receiver	SKE125-01	March 3 rd 2009
LCT/MAR09.0084	Mitsubishi Electric Corporation Himeji Works	Vehicle Keyless System	Security/Convenience Receiver	SKE125-01 (X1T854 Variant)	March 3 rd 2009
LCT/MAR09.0085	Continental Automotive GmbH	Radio Frequency Transmitter	Security/Remote Control Transmitter	5WK4 9672B	April 7 th 2009
LCT/MAR09.0086	Nintendo of America Inc.	Radio Frequency Transmitter	Digital Transmission System	TWL-001	April 7 th 2009
LCT/MAR09.0087	Delphi Deutschland GmbH	Vehicle Immobilizer System	Vehicle Security System	VO1-125kHz	April 7 th 2009
LCT/MAY09.0088	Valeo Schalter Und Sensoren GmbH	Vehicle Blind Spot Detection Radar	Blind Spot Detection Radar	MBR-Gen2 Typ C	May 6 th 2009
LCT/JUL09.0089	Harman Becker Automotive GmbH (for Daimler)	Harman Becker Automotive Systems	Bluetooth Handsfree Car Kit	HEADUNIT W221/C216MOPF	July 9 th 2009
LCT/JUL09.008A	Delphi Automotive Systems	Wireless Approval Consultants	Vehicular Radar	L2C0038TR	July 9 th 2009
LCT/JUL09.008B	Delphi Automotive Systems	Wireless Approval Consultants	Vehicular Radar	L2C0030TR	July 9 th 2009
LCT/SEP09.008C	Interneer Technologies Corporation	Interneer Technologies Corporation	Digital Transmission System	SF51	October 8 th 2009
LCT/OCT09.008D	Siemens AG	Integrated Measurement Interface Box (IMIB)	Measurement Units for Vehicles	IMIB	October 8 th 2009

LCT/JUN10.009D	Mitsumi Electric Co. Ltd	Wireless Peripheral for Nintendo Wii	Digital Transmission System	DWA1-W016	June 28th 2010
LCT/JUN10.009E	Alps Electric Co., Ltd	Nissan Keyless Transmitter	Keyless Transmitter	TWB1U761	June 28th 2010
LCT/JUN10.009F	Alps Electric Co., Ltd	ALPS TPMS/Keyless Tuner	Keyless Receiver	TWC1G124	June 28th 2010
LCT/JUN10.0100	Continental Automotive System US Inc	Innovative Receiver (IRX) Module	Radio Frequency Receiver	5WK49097	June 28th 2010
LCT/JUN10.0101	Continental Automotive System US Inc	Electronic Control Unit (ECU) Module	Automotive Passive Start & Entry System	M3N5WY7909	June 28th 2010
LCT/JUN10.0102	Continental Automotive System US Inc	Passive Key (PK) Transmitter	Vehicular Security/Entry Transmitter	M3N5WY8406	June 28th 2010
LCT/JUN10.0103	Continental Automotive System US Inc	Easy Key Active Antenna Transmitter	Automotive Passive Start & Entry System	M3N-65981421	June 28th 2010
LCT/JUN10.0104	Panasonic Corporation	Personal Computer	Personal Computer with WWAN, WLAN & Bluetooth	CF-52	June 28th 2010
LCT/AUG10.0105	Alpine Electronics, Inc	Bluetooth Module	Bluetooth Transceiver	LAM2.1 BT PWB EU	August 20th 2010
LCT/AUG10.0106	Schneider Electronics Limited	Tire Pressure Monitoring (TPM) Transmitter	Telemetry Apparatus	F55MA1F4	August 20th 2010

APPENDIX: D

Register of Dealers and Suppliers of Terminal Equipment and Related Services for 2008 / 2009 & 2009 / 2010

Register of Suppliers of Terminal Equipment and Related Services

(sorted by registration date)

Registration Date	Registrant Name	Registration No.
November 10, 2005	Kent's Hi Tech Electronics	LSTE/NO05.0001
December 15, 2005	CLICKCOM	LSTE/NO05.0002
December 15, 2005	Cox Radio Limited	LSTE/NO05.0003
August 31, 2006	CALIDAD Services	LSTE/AU06.0004
August 31, 2006	Communications Systems & Services Ltd.	LSTE/AU06.0005
September 27, 2006	N. V. Commercial Services Limited	LSTE/SP06.0006
September 27, 2006	Icon Security & Private Investigation Services Limited	LSTE/SP06.0007
October 16, 2006	Johnsons Hardware Limited	LSTE/OC06.0008
January 26, 2007	Island Water World (St. Lucia) Limited	LSTE/JA07.0009
March 30, 2007	Phone Links	LSTE/MR07.0010
April 24, 2007	G & G Ltd.	LSTE/AP07.0011

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RAJANA GROUP OF COMPANIES BLDG.

Bois D' Orange
Gros Islet
P.O. Box GM 690
Castries
Saint Lucia, West Indies

Tel: (758) 458 2035 | 458 0585
Fax: (758) 453 2558
Email: ntrc_slucandw@ntrc.lc
Website: www.ntrc.lc