ONE CARIBBEAN MEDIA LIMITED

CONSOLIDATED FINANCIAL STATEMENTS 2015

Independent Auditor's Report

To the shareholders of One Caribbean Media Limited

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of One Caribbean Media Limited and its subsidiaries, which comprise the consolidated balance sheet as at 31 December 2015, and the consolidated income statement, consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's responsibility for the consolidated financial statements

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

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of One Caribbean Media Limited and its subsidiaries as at 31 December 2015, and their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

PricewaterhouseCoopers

27 April 2016
Port of Spain
Trinidad, West Indies

CONSOLIDATED BALANCE SHEET

(These financial statements are expressed in Trinidad and Tobago dollars)

	Notes	As at 31 December 2015 $'000	Restated 2014 $'000	Restated 2013 $'000
ASSETS				
Non-current Assets				
Investment properties	6	68,000	68,000	-
Property, plant and equipment	7	302,970	268,342	263,145
Intangible assets	8	93,389	94,194	69,709
Investments in associates and joint venture	10	57,225	4,047	3,831
Financial assets	11	18,766	19,123	22,885
Trade receivables	12	11,279	9,129	-
Sundry debtors and prepayments	13	12	25	31
Deferred programming	14	715	28,497	31,099
Defererd income tax asset	15	13,205	10,941	7,649
		565,561	502,298	398,349
Current Assets				
Inventories	16	43,176	54,387	48,260
Trade receivables	12	140,462	139,728	146,101
Sundry debtors and prepayments	13	13,372	12,861	8,885
Deferred programming	14	8,024	4,213	5,013
Taxation recoverable		6,562	5,417	1,357
Due from related parties	17	1,011	1,426	1,158
Financial assets	11	33,413	34,938	62,866
Cash and cash equivalents (excluding bank overdrafts)	18	76,601	85,354	99,631
		322,621	338,324	373,271
TOTAL ASSETS		**888,182**	**840,622**	**771,620**
EQUITY AND LIABILITIES				
Capital and Reserves				
Share capital	19	387,623	386,738	385,759
Other reserves	20	22,044	21,023	23,104
Retained earnings		324,332	287,694	243,141
		733,999	695,455	652,004
Non-controlling interests	21	4,849	4,486	1,557
Unallocated shares held by ESOP	22	(33,783)	(31,587)	(31,109)
TOTAL EQUITY		705,065	668,354	622,452
Non-current Liabilities				
Retirement benefit obligation	23	20,455	14,209	13,504
Trade payables		-	7,095	7,095
Bank borrowings	24	17,515	10,614	-
Deferred income tax liabilities	15	28,203	28,673	18,773
		66,173	60,591	39,372
Current Liabilities				
Trade payables		27,608	39,603	35,013
Sundry creditors and accruals		25,933	18,856	17,872
Provisions for liabilities and other charges	25	39,671	44,951	46,181
Bank borrowings	24	19,682	5,361	1,606
Taxation payable		4,050	2,906	9,124
		116,944	111,677	109,796
TOTAL LIABILITIES		183,117	172,268	149,168
TOTAL EQUITY AND LIABILITIES		**888,182**	**840,622**	**771,620**

The notes on pages 40 to 92 are an integral part of these consolidated financial statements

On 25 April 2016, the Board of Directors of One Caribbean Media Limited authorised these consolidated financial statements for issue and were signed on its behalf.

Director:

Director:

ONE CARIBBEAN MEDIA LIMITED

CONSOLIDATED INCOME STATEMENT

(These financial statements are expressed in Trinidad and Tobago dollars)

	Notes	Year ended 31 December 2015 $'000	2014 $'000
Continuing operations			
Revenue	5	526,380	547,713
Cost of sales	27	(332,662)	(338,971)
Gross profit		**193,718**	**208,742**
Administrative expenses	27	(86,358)	(97,485)
Marketing expenses	27	(4,232)	(10,926)
		103,128	100,331
Dividend income		2,155	676
Interest income		4,607	4,017
Finance costs		(3,189)	(1,405)
Share of profit of associates and joint venture	10	4,226	455
Profit before tax		**110,927**	**104,074**
Taxation	29	(27,954)	(19,345)
Profit for the year from continuing operations		**82,973**	**84,729**
Profit attributable to:			
- Non-controlling interests		514	930
- Owners of the parent		82,459	83,799
		82,973	**84,729**
EARNINGS PER SHARE BASIC	30	**$1.31**	**$1.33**
EARNINGS PER SHARE FULLY DILUTED	30	**$1.26**	**$1.29**
EARNINGS PER SHARE INCLUSIVE OF ESOP SHARES	30	**$1.20**	**$1.23**

The notes on pages 40 to 92 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(These financial statements are expressed in Trinidad and Tobago dollars)

	Notes	Year ended 31 December 2015 $'000	2014 $'000
Profit for the year		82,973	84,729
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Remeasurement of retirement benefit obligation / asset	23	(978)	5,070
Deferred taxation	15	245	(1,272)
		(733)	3,798
Items that may be subsequently reclassified to profit or loss			
Currency translation differences		987	(1,856)
Revaluation of financial assets	11	88	(171)
		1,075	(2,027)
Total comprehensive income from continuing operations		**83,315**	**86,500**
Attributable to:			
- Non-controlling interests	21	513	927
- Owners of the parent		82,802	85,573
Total comprehensive income from continuing operations		**83,315**	**86,500**

The notes on pages 40 to 92 are an integral part of these consolidated financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(These financial statements are expressed in Trinidad and Tobago dollars)

		Attributable to owners of the parent						
	Notes	Share Capital $'000	Other Reserves $'000	Retained Earnings $'000	Total $'000	Non-controlling Interests $'000	Unallocated shares held by ESOP $'000	Total Equity $'000
Balance at 1 January 2014		**385,759**	**23,104**	**243,141**	**652,004**	**1,557**	**(31,109)**	**622,452**
Profit for the year		-	-	83,799	83,799	930	-	84,729
Other comprehensive income / (loss) for the year		-	(2,027)	3,801	1,774	(3)	-	1,771
Total comprehensive income for the year		-	(2,027)	87,600	85,573	927	-	86,500
Depreciation transfer	20	-	(54)	54	-	-	-	-
Transactions with owners								
Business combination	21	-	-	-	-	2,091	-	2,091
Fair value of net assets disposed	21	-	-	-	-	(67)	-	(67)
Sale / allocation of treasury shares	22	-	-	3,238	3,238	-	3,440	6,678
Repurchase of treasury shares	22	-	-	-	-	-	(3,918)	(3,918)
Share options granted	19	979	-	-	979	-	-	979
Dividends to equity holders		-	-	(46,339)	(46,339)	(22)	-	(46,361)
Total transactions with owners		979	-	(43,101)	(42,122)	2,002	(478)	(40,598)
Balance at 1 January 2015		**386,738**	**21,023**	**287,694**	**695,455**	**4,486**	**(31,587)**	**668,354**
Profit for the year		-	-	82,459	82,459	514	-	82,973
Other comprehensive (loss) / income for the year		-	1,075	(732)	343	(1)	-	342
Total comprehensive income for the year		-	1,075	81,727	82,802	513	-	83,315
Depreciation transfer	20	-	(54)	54	-	-	-	-
Transactions with owners								
Non-controlling interest on acquisition of subsidiary	21	-	-	-	-	(139)	-	(139)
Sale / allocation of treasury shares	22	-	-	2,753	2,753	-	2,038	4,791
Repurchase of treasury shares	22	-	-	-	-	-	(4,234)	(4,234)
Share options granted	19	885	-	-	885	-	-	885
Dividends to equity holders		-	-	(47,896)	(47,896)	(11)	-	(47,907)
Total transactions with owners		885	-	(45,143)	(44,258)	(150)	(2,196)	(46,604)
Balance at 31 December 2015		**387,623**	**22,044**	**324,332**	**733,999**	**4,849**	**(33,783)**	**705,065**

The notes on pages 40 to 92 are an integral part of these consolidated financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

(These financial statements are expressed in Trinidad and Tobago dollars)

	Notes	31 December 2015 $'000	Restated 2014 $'000
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax		110,927	104,074
Adjustments to reconcile profit to net cash generated from operating activities :			
Depreciation	7	17,714	18,085
Amortisation	8	805	2,652
Interest income		(4,607)	(4,017)
Finance costs		3,189	1,405
Dividend income		(2,155)	(676)
Profit on disposal of property, plant and equipment		(17)	(44)
Share of profit in associates and joint venture	10	(4,226)	(455)
Allocation of ESOP shares		4,662	6,678
Share option scheme - value of services provided	19	268	268
Decrease in retirement benefit obligation		5,268	5,776
Net change in operating assets and liabilities	31	16,304	22,792
		148,132	156,538
Interest paid		(1,767)	(615)
Taxation refund		204	778
Taxation payments		(29,600)	(35,506)
Net cash generated from operating activities		116,969	121,195
INVESTING ACTIVITIES			
Net cash outflow arising on business combinations	34	-	(70,629)
Purchase of property, plant and equipment	7	(52,369)	(23,400)
Proceeds from disposal of available-for-sale financial assets		445	686
Repurchase of treasury shares	22	(4,234)	(3,918)
Dividends from associate	10	-	124
Purchase of investment in associate	10	(50,000)	-
Purchase of non-controlling interest		(139)	-
Interest received		4,315	4,519
Dividends received		2,155	676
Proceeds from disposal of property, plant and equipment		44	189
Net cash used in investing activities		(99,783)	(91,753)
FINANCING ACTIVITIES			
Proceeds from borrowings		48,100	335
Repayment of borrowings		(24,277)	(314)
Fair value of assets disposed by minority shareholders		-	(67)
Sale of shares held by ESOP		129	-
Share options	19	617	711
Dividends paid		(47,907)	(46,361)
Net cash used in financing activities		(23,338)	(45,696)
NET CASH OUTFLOW FOR THE YEAR		(6,152)	(16,254)
CASH AND CASH EQUIVALENTS			
at beginning of year		81,771	98,025
at end of year		**75,619**	**81,771**
REPRESENTED BY:			
Cash and cash equivalents	18	76,601	85,354
Bank overdrafts	24	(982)	(3,583)
		75,619	**81,771**

The notes on pages 40 to 92 are an integral part of these consolidated financial statements

Notes to the consolidated financial statements

(These financial statements are expressed in Trinidad and Tobago dollars)

1 Incorporation and principal activities

One Caribbean Media Limited (the Company) and its subsidiaries (together the Group) are engaged primarily in media services, wholesale distribution and the sale of other goods and services throughout the Caribbean region. The Group has locations in Trinidad and Tobago, Barbados and the Eastern Caribbean. The Company is incorporated in the Republic of Trinidad and Tobago and its registered office is Express House, 35-37 Independence Square, Port of Spain.

The Company has listings on the Trinidad and Tobago Stock Exchange and the Barbados Stock Exchange.

2 Summary of significant accounting policies

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

2.1 Basis of preparation

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to Companies reporting under IFRS. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB).

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- the revaluation of land and buildings– measured at fair value,
- financial assets – measured at fair value, and
- defined benefit pension plans – plan assets measured at fair value.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement and complexity or where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

Changes in accounting policies and disclosures

(a) *New and amended standards adopted by the Group:*

There are no new standards, amendments and interpretations effective for the first time for the financial year beginning on or after 1 January 2015 which had a material impact on the Group's consolidated financial statements.

2.1 Basis of preparation (continued)
Changes in accounting policies and disclosures (continued)
(b) New standards and interpretations not yet adopted by the Group:
Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2015 reporting periods and have not been early adopted by the Group. The Group is yet to assess the impact of these new standards.

Financial reporting standard and effective date	***Nature of change***
IFRS 1 **IAS 27** Effective for years beginning on or after 1 January 2016	**Equity method in separate financial statements** Amends IAS 27 to restore the option to use the equity method to account for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements. Amends IFRS 1 to permit use of the business combinations exemption for investments in subsidiaries accounted for using the equity method in the separate financial statements of the first-time adopter.
IFRS 9 Effective for years beginning on or after 1 January 2018	**Financial instruments** The final version of IFRS 9 was issued in July 2014 and includes (i) a third measurement category for financial assets - fair value through other comprehensive income; (ii) a single, forward-looking 'expected loss' impairment model; and (iii) a mandatory effective date for IFRS 9 of annual periods beginning on or after 1 January 2018.
IFRS 15 Effective for first interim periods within years beginning on or after 1 January 2018	**Revenue from contracts with customers** New standard on revenue recognition, superceeding IAS 18, IAS 11, and related interpretations. The objective of IFRS 15 is to provide a single, comprehensive revenue recognition model for all contracts with customers to improve comparability within industries, across industries and across capital markets. It contains principles that an entity will apply to determine the measurement of revenue and timing of when it is recognised. The underlying principle is that an entity will recognise revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. Almost all entities will be affected to some extent by the significant increase in required disclosures. But the changes extend beyond disclosures and the effect on entities will vary depending on industry and current accounting practices. Entities will need to consider changes that might be necessary to information technology systems, processes and internal controls to capture new data and address changes in financial reporting.

2.1 Basis of preparation (continued)
Changes in accounting policies and disclosures (continued)
(b) New standards and interpretations not yet adopted by the Group (continued)

IFRS 16 **Effective for years beginning on or after 1 January 2019**	**Leases** The standard eliminates the classification of leases as either operating leases or finance leases for a lessee. Instead all leases are treated in a similar way to finance leases applying IAS 17. Leases are 'capitalised' by recognizing the present value of the lease payments and showing them either as lease assets or together with property, plant and equipment. If lease payments are made over time, a financial liability is also recognized representing the obligation to make future lease payments. The most significant effect of the new requirements will be an increase in lease assets and financial liabilities.
Annual improvements project 2013 The improvements are generally effective for 2015 calendar years. Refer to the effective date of each amendment in the IFRS affected.	**Improves and amends existing standards, basis of conclusions and guidance** **IFRS 3** Business combinations **IFRS 13** Fair value measurements **IAS 40** Investment property
Annual improvements project 2012-2014 The improvements are generally effective for 2016 calendar years. Refer to the effective date of each amendment in the IFRS affected.	**Improves and amends existing standards, basis of conclusions and guidance** **IFRS 5** Non-current assets held for sale and discontinued operations **IFRS 7** Financial instruments: Disclosures **IAS 19** Employee Benefits **IAS 34** Interim financial reporting

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group.

2.2 Consolidation
(a) Subsidiaries
Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

2.2 Consolidation (continued)

(a) Subsidiaries (continued)

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred by the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition by acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date.

Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the consolidated income statement (note 2.9).

Intercompany transactions, balances, income and expenses and unrealised gains on transactions between Group companies are eliminated. Profits and losses resulting from intercompany transactions that are recognised in assets are also eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(b) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(c) Disposal of subsidiaries

When the Group ceases to have control any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

2.3 Investment in associates and joint venture

(a) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. The Group's interest in jointly controlled entities and associates is accounted for using the equity method of accounting and are initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of profit or loss on the investee after the acquisition. The Group's investment in associates includes goodwill identified at acquisition.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of post-acquisition profit or loss is recognised in the consolidated income statement, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses equals or exceeds its interest including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate or joint venture is impaired. If this is the case, the Group calculates the amount of the impairment as the difference between the recoverable amount and its carrying value.

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates and joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

Dilution gains and losses arising in investments in associates and joint ventures are recognised in the consolidated income statement.

(b) Joint arrangements

The Group has applied IFRS 11 to all joint arrangements. Under IFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

2.4 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

2.5 Employee Share Ownership Plan (ESOP)

The parent company operates an Employee Share Ownership Plan (ESOP) which enables employees to acquire interests in shares of the parent company. Employees eligible to participate in the Plan may acquire additional company shares to be held in trust by the Trustees within the terms of Section 35 of the Income Tax Act. Independent Trustees are engaged to hold in trust all shares in the Plan as well as to carry out the necessary administrative functions. The cost of the shares so acquired and which remain unallocated to employees have been recognised in Shareholders' Equity under 'Unallocated shares held by ESOP'. Any further dealings in the shares will be credited against the same account at fair value. The fair value of shares was derived from the closing market price prevailing on the Trinidad and Tobago Stock Exchange at the year-end.

2.6 Foreign currency translation

(a) Functional and presentation currency

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

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated income statement, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges.

Foreign exchange losses and gains that relate to borrowings and cash and cash equivalents are presented in the consolidated income statement within 'Finance cost' or 'Interest income'. All other foreign exchange gains and losses are presented in the consolidated income statement within 'Administrative expenses'.

Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as available-for-sale, are included in other comprehensive income.

2.6 Foreign currency translation (continued)

(c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet.

(ii) Income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions).

(iii) All resulting exchange differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

2.7 Investment properties

Investment properties refer to land or buildings held, whether by the owner or under a finance lease, to earn rentals or for capital appreciation or both. Investment properties are initially measured at cost, including transaction costs.

Investment properties are treated as long-term and are stated at amortised cost, less impairment. The fair values of investment properties are disclosed in note 3.3(v). These are assessed using internationally accepted valuation methods, such as taking comparable properties as a guide to current market prices or by applying the discounted cash flow method.
Like property, plant and equipment, investment properties are depreciated at 2% per annum using the straight line method.

Investment properties cease recognition as investment property either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. Gains or losses arising from retirement or disposal are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the consolidated income statement in the period of the retirement or disposal.

Any impairment charges are also accounted for in the consolidated income statement. See note 2.10 for policy on impairment of non-financial assets.

2.8 Property, plant and equipment

Land and buildings comprise mainly offices, production facilities and warehouses. All property, plant and equipment are initially recorded at cost. Land and buildings are carried at fair value, based on valuations done by independent valuators every five years less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the consolidated income statement during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluations are credited to other comprehensive income and shown as 'other reserves' in shareholders' equity. Decreases that offset previous increases of the same asset are charged in other comprehensive income and debited against the revaluation reserve directly in equity. All other decreases are charged to the consolidated income statement.

Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the consolidated income statement and depreciation based on the asset's original cost is transferred from 'other reserves' to 'retained earnings'.

Assets are depreciated on the following bases at rates estimated to allocate their cost or revalued amount to their residual values or the depreciable amounts of the assets' estimated useful lives as follows:

Assets	**Basis**	**Rate**
Freehold property	straight line	2%
Machinery and equipment include:		
- Studio and transmitter equipment	straight line / reducing balance	10-20%
- Plant, equipment and fixtures and fittings	straight line / reducing balance	10-20%
- Computers and peripherals	straight line	10-20%
- Motor vehicles	straight line	20-25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Land is not depreciated.

Property, plant and equipment are reviewed periodically for impairment. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposal of property, plant and equipment are determined by reference to its carrying amount and are taken into account in determining profit before tax. On disposal of revalued assets, amounts in the revaluation reserve relating to that asset are transferred to retained earnings.

2.9 Intangible assets

(a) Goodwill

Goodwill arises on business combinations and represents the excess of the consideration transferred over the Group's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the CGUs, or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating division level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

(b) Brands, licences and software and intellectual property

Brands, licences and software and intellectual property are shown at fair value if acquired as part of a business combination. Subsequently they are shown at historical cost less accumulated amortization and impairment losses. These intangible assets are amortised on an individual basis over the estimated useful life of the intangible asset which is estimated between five and twenty years. See note 2.10 for impairment.

2.10 Impairment of non-financial assets

Intangible assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.11 Financial assets

2.11.1 Classification

The Group classifies its financial assets in the following categories: 'available-for-sale' and 'loans and receivables'. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(a) Available-for-sale

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Loans and receivables comprise other financial assets, 'trade receivables', 'sundry debtors', 'cash and cash equivalents' and term deposits in the balance sheet.

2.11 Financial assets (continued)

2.11.2 Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Changes in the fair value of monetary and non-monetary securities classified as available-for-sale are recognised in other comprehensive income.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the consolidated income statement as 'gains and losses from investment securities'. Interest on available-for-sale securities calculated using the effective interest method is recognised in the consolidated income statement as part of 'Interest income'. Dividends on available-for-sale equity instruments are recognised in the consolidated income statement when the Group's right to receive payments is established as 'Dividend income'.

Interest on available-for-sale securities calculated using the effective interest method is recognised in the consolidated income statement as part of finance income.

2.12 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right is not contingent on future events but is enforceable in the normal course of business and in the event of default, insolvency and bankruptcy of the company or the counterparty.

2.13 Impairment of financial assets

(a) Assets carried at amortised cost

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated income statement.

If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated income statement.

(b) Assets classified as available-for-sale

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. For debt securities, the Group uses the criteria referred to in (a) above. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from other comprehensive income and recognised in profit or loss. Impairment losses recognised in the consolidated income statement on equity instruments are not reversed through the consolidated income statement. If, in a subsequent period, the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through the consolidated income statement.

2.14 Employee benefits

(a) Pension obligations

The Group operates various post-employment schemes all of which are defined benefit pension plans. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity and the Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan.

Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The asset or liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in income.

The Group does not have any defined contribution plans.

(b) Profit-sharing and bonus plans

The Group recognises a liability and an expense for bonuses and profit-sharing based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2.15 Deferred programming

Deferred programming is measured at cost less usage. It represents programming contracted but not yet broadcasted. The cost of programmes is expensed as they are broadcasted.

2.16 Inventories

Inventories are stated at lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less applicable variable selling expense. Cost is determined by the first-in, first-out (FIFO) method except for spare parts and consumables which are determined using the weighted average cost.

Work in progress (of incomplete appliances) comprises assembly, direct labour costs and raw material costs.

2.17 Trade receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost less provision for impairment.

2.18 Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand, deposits held at call with banks, investments in money market instruments and bank overdrafts. In the balance sheet, bank overdrafts are included in borrowings in current liabilities.

2.19 Share capital

Ordinary shares with discretionary dividends are classified as equity. Incremental external costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any Group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

2.20 Borrowings and borrowing costs

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated income statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

General and specific 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 or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the consolidated income statement in the period in which they are incurred.

2.21 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the consolidated income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of goodwill or an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable income. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, associates and joint arrangements, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Generally the Group is unable to control the reversal of the temporary difference for associates. Only where there is an agreement in place that gives the Group the ability to control the reversal, the temporary difference is not recognised.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries, associates and joint arrangements only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

The principal temporary differences arise from depreciation on property, plant and equipment, retirement benefit obligations, intangibles, investment properties and unused tax losses. Deferred tax assets relating to the carry forward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

2.22 Trade payables

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

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

2.23 Provisions

Provisions for legal claims, service warranties and make good obligations are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are not recognised for future operating losses.

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

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.24 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, credits, rebates and discounts and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue can be measured reliably, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The amount of revenue is not considered to be reliably measured until all contingencies relating to the sale have been resolved.

Sale of services

The Group sells advertising services utilising television, print, radio and digital media to advertising agents, government, corporate entities and individuals. For sales of these services, revenue is recognised in the accounting period in which the services are rendered, by reference to fulfilment of the required advertisement at the rates agreed with the customer.

Sale of goods - wholesale distribution

The Group sells a range of large electrical household appliances. Sales of goods are recognised when the Group has delivered products to the customer, the risks and rewards of ownership have been transferred by delivery and the customer has accepted the goods according to the terms of sale.

Sale of goods - retail contract services

The Group sells, assembles and installs photovoltaic systems and renewable energy products; carries out energy audits and implements energy efficiency strategies. Sales are recognized when products are delivered to the customer and there is no unfulfilled obligation that could affect the customer's acceptance of the product.

2.25 Operating leases

Leases in which a significant portion of the risks and benefits of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the consolidated income statement as incurred on a straight line basis over the period of the lease. The Group leases certain property, plant and equipment.

Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased asset and the present value of the minimum lease payments. The Group does not have any finance leases.

2.26 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's Board of Directors.

2.27 Dividend income

Dividend income is recognised when the right to receive payment is established.

2.28 Interest income

Interest income is recognised using the effective interest method. When a loan and receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flows discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans and receivables is recognised using the original effective interest rate.

2.29 Comparative financial information

Comparative financial information is restated where the correction of an error requires retroactive restatement in accordance with IAS 8 (see note 35).

3 Financial risk management

3.1 The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, fair value interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by management. Management evaluates and hedges financial risks in close co-operation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of financial instruments and investment of excess liquidity.

(a) Market risk

(i) Foreign exchange risk

The Group operates regionally and is exposed to foreign exchange risk arising from currency exposures, primarily with respect to the US dollar. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities. This is managed by ensuring that net exposure in foreign assets and liabilities is kept to an acceptable level by monitoring currency positions as well as timely settlement of foreign payables.

At 31 December 2015, 1% movement in the exchange rate would impact the Group's consolidated income statement by $220,673 (2014 - $291,623).

There have been no changes to the way the Group manages this exposure compared to the prior year.

(ii) Price risk

The Group is minimally exposed to equity securities price risk because of investments held by the Group and classified as available-for-sale. Securities prices are monitored by management on a regular basis for any unusual fluctuations and the Group diversifies its portfolio to manage this risk. The Group is not exposed to commodity price risk.

The Group's listed securities are included on the Barbados Stock Exchange (BSE). If the prices on the BSE had increased or decreased by 5% with all other variables held constant, the fair value reserve within other reserves in equity would increase or decrease by $107,363 (2014 - $103,146).

There have been no changes to the way the Group manages this exposure compared to the prior year.

(iii) Cash flow and fair value interest rate risk

As the Group has significant fixed-rate interest-bearing assets, it is subject to independent changes in market interest rates resulting in fair value interest rate risk. This fair value interest rate risk is managed through diversification in short term financial instruments. The impact of a 1% change in market rates on the fair value of fixed rate instruments is minimal.

The Group's main cash flow interest rate risk arises from long-term borrowings with variable rates. The Group has negotiated that accelerated repayments of long-term borrowings can be made without incurring penalties and additional interest.

At 31 December 2015, 1% movement in the interest rate would impact the Group's consolidated income statement by $362,152 (2014 - $123,924). There have been no changes to the way the Group manages this exposure compared to the prior year.

3 Financial risk management (continued)

(b) Credit risk

Credit risk is the risk of default on financial assets that may arise from a counterparty failing to make payments or honour an obligation. Credit risk is managed on a Group basis. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions. The Group has no significant concentration of credit risk and trades mainly with recognised credit worthy third parties.

Business is conducted with only reputable financial institutions. Customers trading on credit terms are subject to credit verification procedures and credit limits are defined for each customer. The approval process is undertaken on an individual basis before management provides credit to customers.

There have been no changes to the way the Group manages this exposure compared to the prior year.

The maximum credit risk exposure is as follows:

	2015		2014	
	$'000	**%**	**$'000**	**%**
Trade receivables (current and non-current)	151,741	54%	148,857	52%
Cash and cash equivalents	76,601	27%	85,354	29%
Financial assets - (current and non-current)	52,179	19%	54,061	19%
Due from related parties	1,011	0%	1,426	0%
	281,532	100%	289,698	100%

All assets are fully performing with the exception of trade receivables. Term deposits and cash are held with reputable financial institutions. There is no formal credit rating policy for the quality of assets held as at the balance sheet date. See note 12 for the credit quality of trade receivables.

Collateral is not held for any balances exposed to credit risk, with the exception of long term receivables that are backed by the product provided to the customer that was financed.

(c) Liquidity risk

The Group's liquidity risk management process is measured and monitored by senior management. The process includes monitoring current cash flows on a frequent basis, assessing the expected cash inflows as well as ensuring that the Group has adequate committed credit to meet its obligations. Cash flow forecasting is performed in the operating entities of the Group. Surplus cash held by the operating entities over and above balance required for working capital management is invested in interest bearing current accounts, term deposits and money market securities choosing instruments with appropriate maturities or sufficient liquidity to provide adequate headroom as determined by forecasts.

There have been no changes to the way the Group manages this exposure compared to the prior year.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the consolidated balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

3 Financial risk management (continued)

(c) Liquidity risk (continued)

	Less than 1 year $'000	More than 1 year $'000
At 31 December 2015		
Bank borrowings	20,614	19,639
Trade payables	27,608	-
Sundry creditors and accruals	15,554	-
At 31 December 2014		
Bank borrowings	5,412	10,916
Trade payables	39,603	7,095
Sundry creditors and accruals	10,138	-

3.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. The ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the consolidated balance sheet) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the consolidated balance sheet plus net debt.

The Group is highly liquid and did not change its capital management strategy.

There have been no changes to the way the Group manages this exposure compared to the prior year.

	2015 $'000	2014 $'000
Bank overdrafts	982	3,583
Short term borrowings	18,700	1,778
Long term borrowings	17,515	10,614
	37,197	15,975
Less: cash and cash equivalents	(76,601)	(85,354)
Net cash and cash equivalents	(39,404)	(69,379)
Total equity	705,065	668,354
Gearing ratio	NIL	NIL

3.3 Fair value measurements and disclosures for financial and non-financial assets

(i) Fair value hierarchy

This note explains the judgements and estimates made in determining the fair values of the non-financial assets that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial assets and liabilities into the three levels prescribed under the accounting standards. An explanation of each level is provided as follows:

- **Level 1:** The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

- **Level 2:** The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

- **Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

The table below summarizes available-for-sale financial assets carried at fair value by valuation method.

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
2015				
Assets				
Available-for-sale financial assets - quoted securities	2,121	-	-	2,121
Available-for-sale financial assets - unquoted securities	-	-	3,146	3,146
	2,121	-	3,146	5,267
2014				
Assets				
Available-for-sale financial assets - quoted securities	2,041	-	-	2,041
Available-for-sale financial assets - unquoted securities	-	-	3,138	3,138
	2,041	-	3,138	5,179

There were no transfers between levels 1, 2 and 3 during the year.

3.3 Fair value measurements and disclosures for financial and non-financial assets (continued)

(ii) Valuation techniques used to determine level 2 and level 3 fair values

The Group obtains independent valuations for its investment properties at least annually and for its freehold land and buildings, classified as property, plant and equipment, every five years. At the end of each reporting period, the directors update their assessment of the fair value of each property, taking into account the most recent independent valuations. The directors determine a property's value within a range of reasonable fair value estimates. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available the directors consider information from a variety of sources including:

1) current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences

2) discounted cash flow projections based on reliable estimates of future cash flows

3) capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.

All resulting fair value estimates for properties are included in level 3.

(iii) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the periods ended 31 December 2014 and 31 December 2015 for recurring fair value measurements:

	Land and buildings $'000
Balance at 1 January 2015	164,938
Additions	4,693
Amounts recognised in profit and loss	
- Depreciation	(1,807)
Balance at 31 December 2015	167,824

	Land and buildings $'000
Balance at 1 January 2014	149,586
Acquisitions	-
Additions	17,088
Amounts recognised in profit and loss	
- Depreciation	(1,736)
Balance at 31 December 2014	164,938

(iv) Transfers between level 2 and 3 and changes in valuation techniques

There were no transfers between level 2 and 3 and no changes in valuation techniques from the prior year.

3.3 Fair value measurements and disclosures for financial and non-financial assets (continued)

(v) Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in recurring level 3 fair value measurements. See (ii) above for the valuation techniques adopted.

Description	Fair value at 31-Dec-15 $'000	Fair value at 31-Dec-14 $'000	Unobservable inputs	Range of inputs 2015	Range of inputs 2014	Relationship of unobservable inputs to fair value
Investment properties	68,000	68,000	Discount rate	8%	8%	The higher the discount rate and terminal yield, the lower the fair value
			Terminal yield	8%	8%	

(vi) Valuation processes

The Group engages external, independent and qualified valuers to determine the fair value of the Group's investment properties at the end of every financial year and for other land and buildings at least every five years.

As at 31 December 2015, the fair values of the investment properties have been determined by Brent Augustus & Associates Limited.

A directors' valuation has been performed for the land and buildings classified as property, plant and equipment as at 31 December 2015. The last independent valuation of these land and buildings was performed as at 31 December 2011 using the following valuation techniques:

- Level 3 fair values of land has been derived using the Sales Comparison Approach. Sales prices of comparable land in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot.

- Level 3 fair value of buildings have been derived using the Investment Method. Under this method the annual rental of the property or comparable rentals with reasonable practical adjustments, less annual expenses then capitalised with comparable yield to arrive at market value. The most significant input into this valuation approach is the comparable rentals.

The main level 3 inputs used by the Group are derived and evaluated and disclosed in (v) above.
Changes in level 2 and 3 fair values are analysed at each reporting date.

4 Critical accounting estimates and judgements

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

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

(a) Impairment assessment - goodwill

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 2.10.

Goodwill is allocated to the Group's cash-generating units (CGUs) identified according to country of operation. The recoverable amount of the CGU is determined based on the projections of a 5-year period. Management determines budgets based on historical performance and its assessment of the market. The weighted average growth rates used are consistent with the forecasts included in industry reports. The discount rate used is pre-tax and reflect risks relating to the relevant territory.

The recoverable amounts of cash generating units have been determined based on a value-in-use calculation. The calculation requires the use of estimates as described in Note 8.

(b) Pension benefits

The present value of the pension asset depends on certain factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations.

Key assumptions along with the respective sensitivities for pension obligations are disclosed in Note 23.

(c) Impairment of available-for-sale financial assets

The Group follows the guidance of IAS 39 to determine when an available-for-sale financial asset is impaired. This determination requires significant judgement. In making this judgement, the Group evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost; and the financial health of and short-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow. There are no declines in fair value which could be considered significant or prolonged and result in a fair value loss.

5 Segment information

The Board of Directors considers the business from both a business and geographic sector perspective. Geographically, management considers the performance in the Trinidad and Barbados markets. From a business sector perspective, management separately considers the media and non-media activities in these geographies.

The Board of Directors assesses the performance of the operating segments based on profit before taxation. This basis excludes discontinued operations and the effects of non-recurring expenditure from the operating segments such as restructuring costs, legal expenses and goodwill impairments when the impairment is the result of an isolated, non-recurring event. The measure also excludes the effects of equity-settled share-based payments and unrealised gains / losses on financial instruments. There is no revenue between segments to be eliminated.

The media segment derives its revenue mainly from advertising services utilising television, print and radio media. The non-media segment earns revenue from wholesale distribution, property management and other services.

The segment information provided for the reportable business segments is as follows:

	31 December 2015			31 December 2014		
	Media $'000	**Non Media $'000**	**Group $'000**	**Media $'000**	**Non Media $'000**	**Group $'000**
Revenue	472,152	54,228	526,380	492,989	54,724	547,713
Operating profit	97,927	5,201	103,128	93,008	7,323	100,331
Dividend income	2,155	-	2,155	676	-	676
Interest income	4,607	-	4,607	4,015	2	4,017
Finance costs	(2,723)	(466)	(3,189)	(1,237)	(168)	(1,405)
Share of profit of associates and joint venture	4,226	-	4,226	455	-	455
Profit before tax	**106,192**	**4,735**	**110,927**	**96,917**	**7,157**	**104,074**
Taxation	(25,881)	(2,073)	(27,954)	(17,869)	(1,476)	(19,345)
Profit after tax	**80,311**	**2,662**	**82,973**	**79,048**	**5,681**	**84,729**
Group profit / (loss) attributable to:						
- Non-controlling interests	(20)	534	514	(65)	995	930
- Owners of the parent	80,331	2,128	82,459	79,113	4,686	83,799
	80,311	**2,662**	**82,973**	**79,048**	**5,681**	**84,729**

	31 December 2015			31 December 2014		
	Media $'000	**Non Media $'000**	**Group $'000**	**Media $'000**	**Non Media $'000**	**Group $'000**
Depreciation	17,285	429	17,714	17,970	115	18,085
Amortisation	(319)	1,124	805	1,974	678	2,652
Capital expenditure	51,977	392	52,369	22,948	452	23,400
Assets	801,679	86,503	888,182	741,151	99,471	840,622
Liabilities	142,098	41,019	183,117	118,898	53,370	172,268

5 Segment information (continued)

The Trinidad operations are segmented into Media and Non-media as follows:

	31 December 2015			31 December 2014		
	Media $'000	**Non-media $'000**	**Trinidad $'000**	**Media $'000**	**Non-media $'000**	**Trinidad $'000**
Revenue	326,434	39,430	365,864	335,522	36,968	372,490
Operating profit	75,738	4,971	80,709	71,517	5,790	77,307
Dividend income	185	-	185	101	-	101
Interest income	790	-	790	175	1	176
Finance costs	(2,471)	(287)	(2,758)	(828)	(37)	(865)
Share of profit of associates and joint venture	4,226	-	4,226	455	-	455
Profit before tax	**78,468**	**4,684**	**83,152**	**71,420**	**5,754**	**77,174**
Taxation	(18,949)	(2,073)	(21,022)	(11,225)	(1,476)	(12,701)
Profit after tax	**59,519**	**2,611**	**62,130**	**60,195**	**4,278**	**64,473**
Group profit / (loss) attributable to:						
- Non-controlling interests	(23)	509	486	(77)	361	284
- Owners of the parent	59,542	2,102	61,644	60,272	3,917	64,189
	59,519	**2,611**	**62,130**	**60,195**	**4,278**	**64,473**

	31 December 2015			31 December 2014		
	Media $'000	**Non-media $'000**	**Trinidad $'000**	**Media $'000**	**Non-media $'000**	**Trinidad $'000**
Depreciation	10,863	282	11,145	10,626	86	10,712
Amortisation	(650)	1,064	414	1,602	659	2,261
Capital expenditure	41,154	392	41,546	16,462	10	16,472
Assets	530,884	76,770	607,654	465,728	90,199	555,927
Liabilities	117,553	36,102	153,655	93,890	48,818	142,708

5 Segment information (continued)

The Barbados operations are segmented into Media and Non-media as follows:

	31 December 2015			31 December 2014		
	Media $'000	Non-media $'000	Barbados $'000	Media $'000	Non-media $'000	Barbados $'000
Revenue	145,718	14,798	160,516	157,467	17,756	175,223
Operating profit	22,189	230	22,419	21,491	1,533	23,024
Dividend income	1,970	-	1,970	575	-	575
Interest income	3,817	-	3,817	3,840	1	3,841
Finance costs	(252)	(179)	(431)	(409)	(131)	(540)
Profit before tax	**27,724**	**51**	**27,775**	**25,497**	**1,403**	**26,900**
Taxation	(6,932)	-	(6,932)	(6,644)	-	(6,644)
Profit after tax	**20,792**	**51**	**20,843**	**18,853**	**1,403**	**20,256**
Group profit attributable to:						
- Non-controlling interest	3	25	28	12	634	646
- Owners of the parent	20,789	26	20,815	18,841	769	19,610
	20,792	**51**	**20,843**	**18,853**	**1,403**	**20,256**

	31 December 2015			31 December 2014		
	Media $'000	Non-media $'000	Barbados $'000	Media $'000	Non-media $'000	Barbados $'000
Depreciation	6,422	147	6,569	7,344	29	7,373
Amortisation	331	60	391	372	19	391
Capital expenditure	10,823	-	10,823	6,486	442	6,928
Assets	270,795	9,733	280,528	275,423	9,272	284,695
Liabilities	24,545	4,917	29,462	25,008	4,552	29,560

5 Segment information (continued)

The segment information provided for the reportable geographic segments is as follows:

	31 December 2015			31 December 2014		
	Trinidad $'000	**Barbados $'000**	**Group $'000**	**Trinidad $'000**	**Barbados $'000**	**Group $'000**
Revenue	365,864	160,516	526,380	372,490	175,223	547,713
Operating profit	80,709	22,419	103,128	77,307	23,024	100,331
Dividend income	185	1,970	2,155	101	575	676
Interest income	790	3,817	4,607	176	3,841	4,017
Finance costs	(2,758)	(431)	(3,189)	(865)	(540)	(1,405)
Share of profit of associates and joint venture	4,226	-	4,226	455	-	455
Profit before tax	**83,152**	**27,775**	**110,927**	**77,174**	**26,900**	**104,074**
Taxation	(21,022)	(6,932)	(27,954)	(12,701)	(6,644)	(19,345)
Profit after tax	**62,130**	**20,843**	**82,973**	**64,473**	**20,256**	**84,729**
Group profit / (loss) attributable to:						
- Non-controlling interests	486	28	514	284	646	930
- Owners of the parent	61,644	20,815	82,459	64,189	19,610	83,799
	62,130	**20,843**	**82,973**	**64,473**	**20,256**	**84,729**

	31 December 2015			31 December 2014		
	Trinidad $'000	**Barbados $'000**	**Group $'000**	**Trinidad $'000**	**Barbados $'000**	**Group $'000**
Depreciation	11,145	6,569	17,714	10,712	7,373	18,085
Amortisation	414	391	805	2,261	391	2,652
Capital expenditure	41,546	10,823	52,369	16,472	6,928	23,400
Assets	607,654	280,528	888,182	555,927	284,695	840,622
Liabilities	153,655	29,462	183,117	142,708	29,560	172,268

6. Investment properties

The Group's investment properties are measured at cost. The Group holds commercial property in Trinidad.

The investment properties consist of the following:

	2015 $'000	2014 $'000
Commercial Freehold Properties		
40 - 42 Henry Street, Port of Spain	30,000	30,000
39 Dundonald Street, Port of Spain	38,000	38,000
	68,000	68,000

The Group's investment properties were acquired on acquisition (see Note 34) and valued at $68,000,000 in 2014 by Brent Augustus and Associates Limited, independent professionally qualified valuers who hold a recognised relevant professional qualification and have recent experience in the locations and segments of the investment properties valued. There were no changes in assumptions (unobservable inputs) and the fair value of investment properties remained at $68,000,000 as at 31 December 2015. See note 3.3 (v) for fair value disclosures.

7. Property, plant and equipment

	Work in Progress $'000	Land and Buildings $'000	Machinery and Equipment $'000	Total $'000
At 1 January 2014				
Cost or valuation	19,980	165,054	319,417	504,451
Accumulated depreciation	-	(15,468)	(225,838)	(241,306)
Net book amount	19,980	149,586	93,579	263,145
Year ended 31 December 2014				
Opening net book amount	19,980	149,586	93,579	263,145
Business combinations	-	-	27	27
Additions	6,045	2,081	15,274	23,400
Transfers and reclassifications	(2,780)	15,007	(12,227)	-
Disposals	-	-	(145)	(145)
Depreciation charge	-	(1,736)	(16,349)	(18,085)
Closing net book amount	23,245	164,938	80,159	268,342
At 31 December 2014				
Cost or valuation	23,245	183,068	320,644	526,957
Accumulated depreciation	-	(18,130)	(240,485)	(258,615)
Net book amount	23,245	164,938	80,159	268,342
Year ended 31 December 2015				
Opening net book amount	23,245	164,938	80,159	268,342
Additions	28,353	2,380	21,636	52,369
Transfers and reclassifications	(7,929)	2,313	5,616	-
Disposals	-	-	(27)	(27)
Depreciation charge	-	(1,807)	(15,907)	(17,714)
Closing net book amount	43,669	167,824	91,477	302,970
At 31 December 2015				
Cost or valuation	43,669	187,761	347,154	578,584
Accumulated depreciation	-	(19,937)	(255,677)	(275,614)
Net book amount	43,669	167,824	91,477	302,970

7 Property, plant and equipment (continued)

The land and buildings were last revalued on 31 December 2011 by independent professional qualified valuers, Raymond & Pierre Chartered Valuation Surveyors.

The Directors' annually assess whether major inputs to the last independent valuation report has materially changed and hold discussions with the independent valuator to ensure no impairment indicators exist.

In the current year, the classification was changed to level 3 as there is no observable market data for the assumptions used by the external valuator. The different levels of fair value measurements have been defined in Note 3.3(iii).

The Group leases certain motor vehicles and equipment under operating lease arrangements. Lease rental of $734,638 (2014: $697,275) was expensed in cost of sales.

If land and buildings were stated on the historical cost basis, the amounts would be as follows:

	2015 $'000	**2014 $'000**
Cost	153,493	147,333
Accumulated depreciation	(28,344)	(26,280)
Net book value	125,149	121,053

8. Intangible assets

	Goodwill $'000	Brands $'000	Licences and software $'000	Intellectual property $'000	Customer related intangibles $'000	Total $'000
Year ended 31 December 2014						
At beginning of the year as previously reported	17,867	9,763	20,137	1,967	11,966	61,700
Reclassification	11,966	-	-	-	(11,966)	-
Adjustment (Note 35)	8,009	-	-	-	-	8,009
At beginning of the year as restated	37,842	9,763	20,137	1,967	-	69,709
Business combinations (Note 34 restated)	22,113	-	5,024	-	-	27,137
Amortisation	(659)	(523)	(1,079)	(391)	-	(2,652)
At end of the year	59,296	9,240	24,082	1,576	-	94,194
At 31 December 2014						
Cost or valuation	60,889	10,810	26,600	1,980	-	100,279
Accumulated amortisation	(1,593)	(1,570)	(2,518)	(404)	-	(6,085)
Net book amount	59,296	9,240	24,082	1,576	-	94,194
Year ended 31 December 2015						
At beginning of the year as restated	59,296	9,240	24,082	1,576	-	94,194
Amortisation	1,593	(523)	(1,484)	(391)	-	(805)
At end of the year	60,889	8,717	22,598	1,185	-	93,389
At 31 December 2015						
Cost or valuation	60,889	10,810	26,600	1,980	-	100,279
Accumulated amortisation	-	(2,093)	(4,002)	(795)	-	(6,890)
Net book amount	60,889	8,717	22,598	1,185	-	93,389

The goodwill has been allocated to each cash generating unit is as follows:

	2015 $'000	2014 $'000 Restated
Basic Space Limited (Note 34)	3,875	3,875
Caribbean Communications Company Limited	25,876	25,876
Donald Dunne Holdings Limited (Note 34)	6,375	6,375
Novo Media Limited (Note 34)	11,863	11,863
VL Limited	12,900	11,307
	60,889	59,296

The recoverable amount of cash generating units is determined based on a value-in-use calculations. These calculation uses pre-tax cash flow projections based on financial budgets and forecasts approved by management covering a five year period. The assumptions for budgeted gross margin, growth rates and pre-tax weighted average cost of capital are based upon past performance, economic conditions and expectations for market development. The weighted average growth rates used are consistent with the forecasts included in industry reports. The discount rates used reflect specific risk relating to the relevant segment of business. The key assumptions used for value-in-use calculations are as follows:

8 Intangible assets (continued)

	Growth rate	Pre-tax discount rate
2015		
Media	5%- 10%	17%
Distribution	5%	14%
Other	10% - 25%	14% - 17%
2014		
Media	5%- 10%	17%
Distribution	5%	14%
Other	10%	14%

Brands, licences and software and intellectual property are fair valued based on the open market basis, royalty method or multi-period excess earnings method as appropriate and subsequently measured at cost less amortisation. The amortisation expense is recorded in administrative expenses.

9. Subsidiaries

Entity	Country of incorporation	Ownership interest held by the Group		Ownership interest held by non-controlling interests		Principal activities
		2015	2014	2015	2014	
Basic Space Limited	Trinidad and Tobago	100%	100%	0%	0%	Investment property
Caribbean Communications Company Limited	Montserrat	100%	100%	0%	0%	Media Services
Caribbean Communications Network Limited	Trinidad and Tobago	100%	100%	0%	0%	Media Services
Donald Dunne Holdings Limited	Trinidad and Tobago	100%	100%	0%	0%	Investment property
Grenada Broadcasting Network Limited	Grenada	84%	84%	16%	16%	Media Services
Independent Publishing Company Limited	Trinidad and Tobago	100%	100%	0%	0%	Dormant
Novo Media Limited	Trinidad and Tobago	76%	60%	24%	40%	Software development
The Nation Corporation	Barbados	100%	100%	0%	0%	Media Services
V.L. Limited	Trinidad and Tobago	100%	100%	0%	0%	Wholesale distribution

Only direct and active subsidiaries are listed.

10 Investments in associates and joint venture

	2015				2014		
	Cumberland Communications Limited	Tobago Newspapers Limited	Novo Technologies Inc	Total	Cumberland Communications Limited	Tobago Newspapers Limited	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Beginning of the year	912	3,135	-	4,047	890	2,941	3,831
Acquisition	-	-	50,000	50,000	-	-	-
Share of profit	64	-	4,162	4,226	29	426	455
Share of tax	(7)	-	(1,041)	(1,048)	(7)	(108)	(115)
Dividend income	-	-	-	-	-	(124)	(124)
End of the year	**969**	**3,135**	**53,121**	**57,225**	**912**	**3,135**	**4,047**

The Group purchased a 40% interest in Novo Technology Incorporated Limited on 1 April 2015.

The Group's interest in the associates and joint venture are accounted for using the equity method. The 50% shareholding in Cumberland Communications Limited does not constitute control as this is a joint venture arrangement.

The Group's share of the results of its associate and joint venture, which are unlisted, and its share of the assets and liabilities are as follows:

	Country of incorporation	Assets	Liabilities	Revenue	Profit before tax	% interest held
2015		$'000	$'000	$'000	$'000	
Tobago Newspapers Limited	Trinidad and Tobago	3,667	252	-	-	27%
Cumberland Communications Limited	Trinidad and Tobago	1,337	401	182	64	50%
Novo Technology Incorporated Limited	Trinidad and Tobago	19,914	2,478	9,533	4,162	40%
		24,918	3,131	9,715	4,226	
2014		$'000	$'000	$'000	$'000	
Tobago Newspapers Limited	Trinidad and Tobago	3,667	252	1,197	426	27%
Cumberland Communications Limited	Trinidad and Tobago	1,567	673	182	29	50%
		5,234	925	1,379	455	

No financial information was available for Tobago Newspaper Limited.

There are no contingent liabilities or capital commitments for the associates and joint venture.

11. Financial assets

	2015 $'000	2014 $'000
Available-for-sale		
Quoted securities	2,121	2,041
Unquoted securities	3,146	3,138
	5,267	5,179
Loans and receivables		
Debt securities	11,420	11,865
Term deposits - Non-current portion	1,224	1,224
Loans to corporate entities	855	855
	18,766	19,123
Loans and receivables		
Term deposits - Current portion	33,413	34,938

The non-current portion of the term deposits attract interest between 6% and 7.25% (2014 - 3% and 7.25%) and will mature between December 2016 and December 2026 (2014 - December 2021 and December 2026).

The current portion of the term deposits attract interest between 3% and 4.25% (2014 - 3% and 5%). These deposits with maturities in excess of 90 days but less than one year are placed with leading local and regional financial institutions.

The movement in available-for-sale financial assets is as follows:

	2015 $'000	2014 $'000
At beginning of year	5,179	5,350
Fair value changes	88	(171)
At end of year	5,267	5,179

Included in unquoted securities is a 20% holding in Guyana Publications Limited. The Group has not equity accounted for this investment because management has no significant influence over the operations. The Group also does not have the ability to have representation on the Board of Guyana Publications Limited.

Financial assets are denominated in the following currencies:

	2015 $'000	2014 $'000
Currency		
TT$	999	999
BDS$	51,180	53,062
	52,179	54,061

12 Trade receivables

	2015			2014		
	Current $'000	Non-current $'000	Total $'000	Current $'000	Non-current $'000	Total $'000
Trade receivables	154,980	11,279	166,259	152,938	9,129	162,067
Provision for impairment	(14,518)	-	(14,518)	(13,210)	-	(13,210)
	140,462	11,279	151,741	139,728	9,129	148,857

The fair value of trade receivables (current and non-current) is a close approximation to the carrying amounts.

There is no concentration of credit risk with respect to trade receivables as the Group has a large number of customers.

Movement on the Group's provision for impairment of trade receivables is as follows:

	2015 $'000	2014 $'000
At beginning of the year	13,210	14,738
Increase in provision for impairment	3,536	3,482
Bad debts written off	(2,228)	(5,010)
At end of the year	14,518	13,210

The Group's terms of payment are 30-60 days and the following shows the receivables profile:

	2015 $'000	2014 $'000
Up to 30 days	48,515	52,159
31 - 60 days	26,462	26,046
Past due	80,003	74,733
	154,980	152,938

As of 31 December 2015, trade receivables of $65,485,640 (2014 - $61,523,089) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default and as such are of a good credit quality.

The carrying amounts of the Group's trade receivables are denominated in the following currencies:

	2015 $'000	2014 $'000
TT$	108,085	107,015
BDS$	43,656	41,842
	151,741	148,857

The non-current portion of trade receivables relates to products sold to customers of Innogen Technologies Inc with a repayment plan for over one year. Interest is charged at a rate of 7.75% per annum. The Group holds a registered bill of sale over the sold product as collateral security and obtains an assignment of the homeowner's insurance over the sold product.

13 Sundry debtors and prepayments

	2015 $'000	2014 $'000
Sundry debtors	12,412	13,329
Provision for impairment	(2,585)	(2,533)
	9,827	10,796
Prepayments	3,557	2,090
	13,384	12,886
Less: non-current portion	(12)	(25)
	13,372	12,861

Movement on the Group's provision for impairment of sundry debtors is as follows:

At beginning of the year	2,533	1,829
Increase in provision for impairment	1,078	868
Bad debts written off	(1,026)	(164)
At end of the year	2,585	2,533

There is no concentration with respect to credit risk. As at 31 December 2015 sundry debtors of $9,827,470 (2014 - $ 10,796,398) were fully performing.

14 Deferred programming

	2015 $'000	2014 $'000
Opening balance	32,710	36,112
Cancelled contracts	(18,705)	-
New contracts	3,445	2,155
	17,450	38,267
Usage	(8,711)	(5,557)
	8,739	32,710
Current portion	(8,024)	(4,213)
Non-current portion	715	28,497

15 Deferred income tax

Deferred taxes are calculated in full on all temporary differences under the liability method using a principal tax rate of 25%.

	2015 $'000	2014 $'000 Restated
Deferred tax assets	(13,205)	(10,941)
Deferred tax liabilities	28,203	28,673
Deferred tax (assets) / liabilities - net	14,998	17,732

The movement on the deferred income tax account is as follows:

	2015	2014
At beginning of the year as previously reported	17,732	3,115
Deferred tax on intangibles (Note 35)	-	8,009
At beginning of year as restated	17,732	11,124
Deferred tax on acquisition of investment properties (Note 35)	-	10,250
Credit to consolidated income statement (Note 29)	(2,489)	(4,914)
Credit / (charge) to other comprehensive income	(245)	1,272
At end of the year	14,998	17,732

The gross movement on the deferred income tax account is as follows:

	Accelerated tax depreciation $'000	Retirement benefit obligation $'000	Intangibles $'000	Investment properties $'000	Other $'000	Total $'000
Deferred tax (assets) / liabilities						
At 1 January 2015	10,414	(3,425)	8,009	10,250	(7,516)	17,732
Credit to consolidated income statement	(470)	(1,318)	-	-	(701)	(2,489)
Credit to other comprehensive income	-	(245)	-	-	-	(245)
At 31 December 2015	9,944	(4,988)	8,009	10,250	(8,217)	14,998
Deferred tax (assets) / liabilities						
At 1 January 2014 as previously reported	10,764	(3,256)	-	-	(4,393)	3,115
Deferred tax on intangibles (Note 35)	-	-	8,009	-	-	8,009
At 1 January 2014 as restated	10,764	(3,256)	8,009	-	(4,393)	11,124
Deferred tax on acquisition of investment properties (Note 35)	-	-	-	10,250	-	10,250
Credit to consolidated income statement	(350)	(1,441)	-	-	(3,123)	(4,914)
Charge to other comprehensive income	-	1,272	-	-	-	1,272
At 31 December 2014	10,414	(3,425)	8,009	10,250	(7,516)	17,732

16 Inventories

	2015 $'000	2014 $'000
Goods held for sale	16,830	11,034
Newsprint and other raw materials	15,163	32,494
Spare parts and consumables	7,066	6,234
Goods in transit	4,117	4,625
	43,176	54,387

The cost of raw materials and consumables used and included in 'cost of sales' amounted to $81,139,603 (2014 - $90,179,262).

17 Related party transactions and balances

(i) Transactions carried out with related parties:

	2015 $'000	2014 $'000
Colonial Life Insurance Company Limited		
Advertising	1,183	1,091
Purchase of services	1,863	1,810
Juris Chambers		
Legal fees	346	146
Employee benefit obligation		
Pension contributions	4,676	4,665

(ii) Key management compensation

	2015 $'000	2014 $'000
Directors' fees	1,097	1,248
Other management salaries and short-term employee benefits	11,913	11,168
Share options granted and exercised (note 19)	885	979

(iii) Balances with related parties shown in the balance sheet:

	2015 $'000	2014 $'000
Due from related parties		
Cumberland Communications Limited	586	1,206
Novo Technologies Inc.	425	220
	1,011	1,426

These receivables are unsecured, free of interest and payable on demand.

(iv) Substantial interests
A substantial interest means one-tenth or more of the issued share capital of the Company.

Colonial Life Insurance Company Limited owns 15,289,917 shares (2014 - 15,289,917 shares).

18 Cash and cash equivalents

	2015 $'000	2014 $'000
Cash at bank and in hand	57,525	53,360
Short-term bank deposits	19,076	31,994
	76,601	85,354

The effective interest rate on short-term bank deposits was between 0.01% and 3.37% (2014 – 0.01% and 3.37%). These deposits have a maturity of 90 days.

19 Share capital

	2015 $'000	2014 $'000
Authorised		
Unlimited number of ordinary shares of no par value		
Issued and fully paid		
66,320,424 (2014 - 66,282,353) shares of no par value	387,623	386,738

	Number of shares	Share Capital $'000
As at 1 January 2015	66,282,353	386,738
Value of share options granted	-	268
Share options exercised	38,071	617
As at 31 December 2015	66,320,424	387,623
As at 1 January 2014	66,239,018	385,759
Value of share options granted	-	268
Share options exercised	43,335	711
As at 31 December 2014	66,282,353	386,738

The Company has a shareholders' rights plan in operation which allows shareholders to acquire additional shares under certain conditions. Details of this plan can be obtained from the Company's registered office. There was no transaction during the year in relation to this plan that had a financial statement impact on the financial statements.

The shareholders approved a share incentive plan on 1 January 2006, under which the Board can grant options to management to subscribe for a maximum of 3,500,000 shares. Share options vest three years from the date of the grant. Options had to be issued on or before 31 December 2015. Share options granted for the year 31 December 2015 were 907,218 (2014 – 814,552).

The fair value of the options granted during the period of $1.05 (2014 - $1.02) was determined using the Black Scholes model.

19 Share capital (continued)

Share options outstanding at the end of the year have the following expiry dates and exercise prices:

Grant - vest	Expiry date	Exercise price	Share options 2015 '000	Share options 2014 '000
2009 - 2012	04-May-19	17.50	615	626
2009 - 2012	30-Sep-19	17.50	154	154
2012 - 2015	18-Oct-22	15.06	883	944
2014 - 2017	05-Jun-24	22.60	779	814
2015 - 2018	24-Apr-25	22.30	442	-
2015 - 2018	20-Nov-25	22.00	465	-
			3,338	2,538

	2015 '000	2014 '000
Reconciliation of movement		
At the beginning of the year	2,538	1,767
Granted during the year	907	814
Lapsed during the year	(69)	-
Exercised during the year	(38)	(43)
At the end of the year	3,338	2,538

The weighted average price of share options exercised during the year was $16.18 (2014: $16.37).

The model inputs for share options granted during the year are as follows:

	2015	2014
Maturity	10 years	10 years
Expected price volatility of the Company's shares	78%	78%
Interest rate	8.00%	7.75%

The expected price volatility is based on the historic volatility of the parent company shares (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

20 Other reserves

Other reserves comprise the following:

	Foreign currency translation $'000	Revaluation of land and buildings $'000	Other-AFS $'000	Total $'000
Balance at 1 January 2014	3,486	26,383	(6,765)	23,104
Currency translation differences	(1,856)	-	-	(1,856)
Depreciation transfer	-	(54)	-	(54)
Unrealised losses on revaluation of financial investments	-	-	(171)	(171)
Balance at 31 December 2014	1,630	26,329	(6,936)	21,023
Currency translation differences	987	-	-	987
Depreciation transfer	-	(54)	-	(54)
Unrealised gains on revaluation of financial investments	-	-	88	88
Balance at 31 December 2015	2,617	26,275	(6,848)	22,044

21 Non-controlling interests

	2015 $'000	2014 $'000
At beginning of the year	4,486	1,557
Share of total comprehensive income of subsidiaries	513	927
Acquisition of non-controlling interest in subsidiary	(139)	-
Fair value of net assets disposed	-	(67)
Dividends	(11)	(22)
Business combination (Note 34)	-	2,091
At end of the year	4,849	4,486

22 Unallocated shares in ESOP

The Group operates an Employee Share Ownership Plan (ESOP) that covers its present and future permanent employees which enables them to acquire interests in shares of the Company on the terms and in the manner appearing in the Trust Deed and Rules dated 21 December 2000 and within the terms of Section 35 of the Income Tax Act. As at 31 December 2015 the ESOP held 3,298,766 (2014 – 3,319,896) shares with a market value of $72,572,852 (2014 - $82,997,400).

The movements in unallocated shares held by the ESOP are as follows:

	2015 $'000	2014 $'000	2015 No. of shares	2014 No. of shares
At beginning of the year	31,587	31,109	3,319,896	3,504,528
Sale of shares	(49)	-	(5,152)	-
Allocation to employees	(1,989)	(3,440)	(208,999)	(387,498)
Re-purchase from ex-employees	4,234	3,918	193,021	202,866
At end of the year	33,783	31,587	3,298,766	3,319,896

Employees are required to sell any allocated ESOP shares back to the plan at market value on exiting the Company's employ.

As at 31 December 2015 the amount of shares held in trust by the ESOP for employees was 2,421,706 (2014 – 2,405,728).

23 Retirement benefit obligation

The Group operates defined benefit pension plans in Trinidad and Barbados under broadly similar regulatory frameworks. All of the plans are final salary pension plans, which provide benefits to members in the form of a guaranteed level of pension payable for life. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement. The benefit payments are from trustee administered funds. Plan assets held in trusts are governed by local regulations and practice in each country, as is the nature of the relationship between the Group and the trustees (or equivalent) and their composition. Responsibility for governance of the plans – including investment decisions and contribution schedules – lies jointly with the Company and the Board of Trustees. The Board of Trustees must be composed of representatives of the Companies and plan participants in accordance with the plan's regulations.

The amounts recognised in the consolidated balance sheet are as follows:

	2015 $'000	2014 $'000
Fair value of plan assets	243,029	244,570
Present value of defined benefit obligation	(263,484)	(258,779)
Obligation recognised in the balance sheet	(20,455)	(14,209)

The amounts recognised in the consolidated income statement are as follows:

	2015 $'000	2014 $'000
Current service cost	9,101	9,631
Net interest cost on net defined benefit asset / (liability)	748	712
Plan administration expenses	95	99
Total included in staff costs (Note 28)	9,944	10,442

The actual return on the plans' assets is $196,590 (2014 – $5,895,566).
Movement in the fair value of the fund assets:

	2015 $'000	2014 $'000
At beginning of the year	244,570	235,408
Expected return on plan assets	14,553	14,389
Other plan expenses	(95)	(97)
Remeasurement recognised in other comprehensive income	(14,356)	(8,494)
Contributions	7,889	7,885
Benefit payments	(9,532)	(4,521)
At end of the year	243,029	244,570

Movement in the present value of the fund obligations:

	2015 $'000	2014 $'000
At beginning of the year	258,779	248,912
Interest cost	15,301	15,101
Current service cost	11,201	11,566
Benefit payments	(9,531)	(4,521)
Contributions	1,112	1,285
Remeasurement recognised in other comprehensive income:		
- Experience	(13,378)	(13,564)
At end of the year	263,484	258,779

23 Retirement benefit obligation (continued)

The principal actuarial assumptions used are as follows:

	Per Annum			
	2015		2014	
	Trinidad	Barbados	Trinidad	Barbados
Discount rate	5.00%	7.75%	4.25%	7.75%
Expected rate of salary increases	3.75%	6.75%	3.00%	6.75%
Expected rate of pension increases	0.00%	3.75%	0.00%	3.75%

Plan assets comprise the following:

	2015					
	Trinidad $'000	Barbados $'000	Total $'000	Trinidad %	Barbados %	Total %
Bonds	74,890	51,195	126,085	65%	40%	52%
Equity instruments	28,824	47,275	76,099	25%	37%	31%
Other	12,055	7,635	19,690	10%	7%	8%
Mortgages	-	14,562	14,562	0%	11%	6%
Property	-	6,593	6,593	0%	5%	3%
	115,769	127,260	243,029	100%	100%	100%

	2014					
	Trinidad $'000	Barbados $'000	Total $'000	Trinidad %	Barbados %	Total %
Bonds	75,980	46,688	122,668	66%	36%	50%
Equity instruments	29,678	46,829	76,507	26%	36%	31%
Other	10,154	12,502	22,656	8%	10%	9%
Mortgages	-	14,086	14,086	0%	11%	6%
Property	-	8,653	8,653	0%	7%	4%
	115,812	128,758	244,570	100%	100%	100%

	2015			2014		
	Trinidad $'000	Barbados $'000	Total $'000	Trinidad $'000	Barbados $'000	Total $'000
Local	111,979	127,260	239,239	111,673	128,758	240,431
International	3,790	-	3,790	4,139	-	4,139
	115,769	127,260	243,029	115,812	128,758	244,570

23 Retirement benefit obligation (continued)

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Trinidad							
	Change in assumption			**Increase in assumption**			**Decrease in assumption**	
	2015	**2014**		**2015**	**2014**		**2015**	**2014**
Discount rate	0.50%	0.50%	Decrease by	9.70%	9.90%	Increase by	11.20%	11.50%
Salary growth rate	0.50%	0.50%	Increase by	5.80%	7.00%	Decrease by	6.20%	6.30%
Pension growth rate	0.25%	0.25%		N/A	N/A		N/A	N/A
Life expectancy	+ / - 1 year		Increase by	2.30%	2.50%	Decrease by	2.40%	2.60%

	Barbados							
	Change in assumption			**Increase in assumption**			**Decrease in assumption**	
	2015	**2014**		**2015**	**2014**		**2015**	**2014**
Discount rate	1.00%	1.00%	Decrease by	13.90%	13.96%	Increase by	18.00%	18.23%
Salary growth rate	0.50%	0.50%	Increase by	4.40%	4.56%	Decrease by	4.10%	4.20%
Pension growth rate		0.25%	Increase by	2.50%	1.66%	Decrease by	2.40%	2.38%
Life expectancy	+ / - 1 year		Increase by	0.20%	0.18%	Decrease by	0.20%	0.23%

These sensitivities were calculated by recalculating the defined benefit obligations using the revised assumptions. There were no changes in the methods in preparing the sensitivity analysis compared to the prior year.

Investments are well diversified, such that the failure of any single investment would not have a material impact on the portfolio of the assets. The largest proportion of assets is invested in equities and bonds.

The expected return on the plan assets is determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields are based on gross redemption yields as at the balance sheet date. Expected returns on equity and property investments reflect long-term real rates of return experienced in the respective markets.

The Group ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the pension schemes. Within this framework, the Trustee's ALM objective is to match assets to the pension obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due and in the appropriate currency. The Group actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the pension obligations. The Group has not changed the processes used to manage its risks from previous periods. The Group does not use derivatives to manage its risk. In 2015, 52% (2014 – 50%) of the plan assets comprised of bonds and 31% (2014 – 31%) equities. The Group believes that equities offer the best returns over the long term with an acceptable level of risk. Equity investments must satisfy the requirements of the Insurance Act Chap. 84:01.

Funding

The Group meets the balance of the cost of funding the defined benefit pension plan and the Group must pay contributions at least equal to those paid by members which are fixed. The funding requirements are based on triennial actuarial valuations of the plans and the assumptions used to determine the funding required may differ from those set out above. The Group expects to pay $7,449,555 to the funds for the year ending 31 December 2016. The Group has no legal obligation to immediately settle any deficits arising on the plans with immediate contributions but will continue to contribute at rates recommended by the actuary.

23 Retirement benefit obligation (continued)

Risk exposure

Through its defined benefit pension plans, the Group is exposed to a number of risks, the most of which are detailed below:

Asset volatility

The Plans' liabilities are calculated using a discount rate set with reference to Government bond yields in the respective markets. If assets underperform this yield, a deficit will result, all other things being equal. The Plans hold a significant proportion of equities, which are expected to outperform government bonds in the long-term while providing volatility and risk in the short-term.

However, given the long-term nature of the liabilities and the strength of the supporting sponsor, a level of continuing equity investment would be an appropriate element of a long-term investment strategy to manage the Plans efficiently.

Change in bond yields

A decrease in Government bond yields will increase the Plans' liabilities. This will be partially offset by an increase in the value of the Plans' bond holdings.

Inflation

The majority of the Plans' liabilities are linked to inflation in the form of salary inflation. This is expected to be impacted by the general level of price increases and other inflationary factors in the economy. Higher inflation will lead to higher liabilities although there is a cap on the level of inflationary increases.

The majority of the Plans' assets are either unaffected (fixed interest bonds) or loosely correlated (equities) with inflation. Therefore, an increase in inflation is likely to increase the Plans' deficit.

Life expectancy

The majority of the Plans' obligations are to provide benefits for the life of its members. Therefore, increases in life expectancy will result in an increase in the Plans' liabilities.

As at the last valuation date, the present value of the defined benefit obligation comprised the following:

	Trinidad		**Barbados**	
	2015	**2014**	**2015**	**2014**
Relating to:	**$M**	**$M**	**$M**	**$M**
Active employees	129.7	123.7	21.8	23.5
Deferred members	11.8	15.7	1.1	1.0
Members in retirement	5.0	0.8	13.8	12.7

The weighted average duration of the defined benefit plans is as follows:
- Trinidad - 22.8 years (2014 – 24.7 years) and
- Barbados - 14.59 years (2014 – 15.64 years).

The expected maturity analysis of undiscounted pension benefits is as follows:

	Less than a year	**Between 1 - 2 years**	**Between 2 - 5 years**	**Over 5 years**	**Total**
2015	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Trinidad	807	947	9,234	38,164	49,152
Barbados	3,800	4,076	13,794	32,315	53,985
2014					
Trinidad	607	793	6,873	31,544	39,817
Barbados	3,597	4,163	13,798	31,937	53,495

24 Borrowings

	2015 $'000	2014 $'000
Current		
Bank overdrafts	982	3,583
Bank borrowings	18,700	1,778
	19,682	5,361
Non-current		
Bank borrowings	17,515	10,614
Total borrowings	37,197	15,975

The bank overdrafts bear interest at the rate of 8.5%. The bank borrowings attract interest at varying rates of 4.5% - 11% (2014 – 2.85%) per annum and are being repaid by monthly installments of $1,610,995 inclusive of interest.

The fair value of borrowings at 31 December 2015 is $37,193,028.

The bank overdrafts and borrowings are secured by:

i) A first demand registered debenture giving the bank a first fixed charge over the fixed and floating assets of One Caribbean Media Limited, stamped to cover $68,100,000. A collateral deed of mortgage over two parcels of land situated at 35 - 37 Independence Square, Port of Spain and singular parcel of land situated at 4 Charlotte Street, Port of Spain, stamped collateral to the debenture.

ii) Property all risk insurance on buildings, contents and stocks for $412,865,990.

iii) Joint and Several Corporate Guarantee in the amount limited to $30,000,000.

iv) Hire purchase agreement and assignment of insurance coverage over the vehicle.

25 Provisions for liabilities and other charges

	2015 $'000	2014 $'000
At 1 January	44,951	46,181
New provisions	22,222	25,602
Utilised	(27,502)	(26,832)
At 31 December	39,671	44,951

	Employee benefits $'000	Commissions and fees $'000	Libel $'000	Other $'000	Total $'000
At 1 January 2015	31,350	5,765	7,513	323	44,951
New provisions	13,199	7,558	328	1,137	22,222
Utilised	(20,217)	(6,371)	(154)	(760)	(27,502)
At 31 December 2015	24,332	6,952	7,687	700	39,671
At 1 January 2014	29,063	7,893	8,867	358	46,181
New provisions	18,624	6,324	128	526	25,602
Utilised	(16,337)	(8,452)	(1,482)	(561)	(26,832)
At 31 December 2014	31,350	5,765	7,513	323	44,951

26 Dividend per share

A final dividend in respect of 2015 of 49 cents per share was approved on 24 March 2016 by the Board of Directors. This brings the total declared dividends for 2015 to 76 cents (2014 – 76 cents). These financial statements do not reflect the final dividend payable which will be accounted for in shareholders' equity as an appropriation of retained earnings in the year ending 31 December 2016.

27 Expenses by nature

Profit before tax is arrived at after charging / (crediting):

As disclosed in the consolidated income statement:

	2015 $'000	2014 $'000
Staff costs (Note 28)	168,205	168,409
Raw materials and consumables used	81,140	90,179
Other expenses	73,006	71,588
Agency commissions	32,068	33,278
Depreciation (Note 7)	17,714	18,085
Programming usage	12,183	14,819
Utilities	10,325	12,913
Professional fees	4,152	8,896
Property expenses	9,184	7,473
Advertising and promotion	6,583	10,926
Impairment charge for bad debts	3,270	3,482
Licence fees and royalties	3,537	3,478
Amortisation (Note 8)	805	2,652
Directors' remuneration	1,097	1,248
Profit on disposal of property, plant and equipment	(17)	(44)
	423,252	447,382

As disclosed in the consolidated income statement:

	2015 $'000	2014 $'000
Cost of sales	332,662	338,971
Administrative expenses	86,358	97,485
Marketing expenses	4,232	10,926
	423,252	447,382

28 Staff costs

	2015 $'000	2014 $'000
Salaries and wages	158,261	157,967
Pension cost (Note 23)	9,944	10,442
	168,205	168,409
Number of employees	801	816

29 Taxation

	2015 $'000	2014 $'000
Current tax	28,917	25,407
Prior year under / (overprovision)	478	(1,263)
Deferred tax (Note 15)	(2,489)	(4,914)
Share of tax in associate and joint venture (Note 10)	1,048	115
	27,954	19,345

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the basic rate of tax as follows:

	2015 $'000	2014 $'000
Profit before tax	110,927	104,074
Tax calculated at 25%	27,732	26,019
Effect of different tax rates in other countries	7	(2,848)
Expenses not deductible for tax purposes	611	511
Income not subject to tax	275	(277)
Tax losses not utilised	727	590
Tax losses not previously recognised	-	(3,045)
Effect of income tax holiday	(13)	(324)
Tax allowances	(168)	(171)
Other permanent differences	(1,995)	(216)
Business levy	(2)	7
Green fund levy	302	362
Prior year under / (overprovision)	478	(1,263)
	27,954	19,345

30 Earnings per share

The calculation of basic earnings per share is based on the Group's profit attributable to shareholders (owners of the parent) of $82,459,224 (2014 - $83,798,789) and on the weighted average number of ordinary shares in issue of 62,841,978 (2014 – 62,824,865) exclusive of ESOP shares, during the year.

The calculation of the fully diluted earnings per share is based on the Group's profit attributable to the shareholders (owners of the parent) as above and on the weighted average number of ordinary shares outstanding of 65,193,262 (2014 – 64,890,525) assuming conversion of all dilutive potential ordinary shares and exercise of share options granted.

The calculation of earnings per share inclusive of ESOP shares is based on the Group's profit attributable to the shareholders (owners of the parent) as above and on the weighted average total number of ordinary shares in issue.

The weighted average number of shares used in the calculation of earnings per share is as follows:

	2015	2014
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	62,841,978	62,824,685
Share options	2,351,284	2,065,840
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	**65,193,262**	**64,890,525**

31 Net change in operating assets and liabilities

	2015 $'000	2014 $'000
Decrease / (increase) in inventories	11,211	(6,127)
(Increase) / decrease in trade receivables, sundry debtors and prepayments	(1,585)	24,321
Decrease in deferred programming - current portion	23,971	3,402
(Decrease) / increase in trade payables	(19,090)	4,591
Increase / (decrease) in sundry creditors and accruals and provisions for liabilities and other charges	1,797	(3,395)
	16,304	22,792

32 Contingencies and commitments

(a) Commitments

The Group has approved capital expenditure of $25,534,722 (2014 - $2,048,760). This expenditure is in relation to the digital upgrade of the television station, upgrade of the publishing system and building renovations.

(b) Guarantees and bonds

Guarantees and bonds are obtained to facilitate the immediate clearance of equipment pending the subsequent payment of the applicable duties. As at 31 December 2015 guarantees and bonds totaled $3,775,000 (2014 - $3,254,000).

(c) Operating lease commitments

The future minimum lease payments under non-cancellable operating leases are as follows:

	2015 $'000	2014 $'000
Not later than 1 year	1,005	1,206
Later than 1 year and not later than 5 years	1,402	1,587
	2,407	2,793

33 Financial instruments by category

	At amortised cost	At fair value	Total	At amortised cost	At fair value	Total
		2015			2014	
	$'000	$'000	$'000	$'000	$'000	$'000
Assets as per balance sheet						
Available-for-sale financial assets	-	5,267	5,267	-	5,179	5,179
Trade and other receivables excluding prepayments	161,568	-	161,568	159,653	-	159,653
Due from related parties	1,011	-	1,011	1,426	-	1,426
Term deposits	34,637	-	34,637	36,162	-	36,162
Cash and cash equivalents	76,601	-	76,601	85,354	-	85,354
	273,817	**5,267**	**279,084**	**282,595**	**5,179**	**287,774**

	At amortised cost	At fair value	Total	At amortised cost	At fair value	Total
		2015			2014	
	$'000	$'000	$'000	$'000	$'000	$'000
Liabilities as per balance sheet						
Borrowings	37,197	-	37,197	15,975	-	15,975
Trade and other payables	43,162	-	43,162	56,836	-	56,836
	80,359	**-**	**80,359**	**72,811**	**-**	**72,811**

34 Business combinations

Novo Media Limited

The Group purchased 60% interest in Novo Media Limited on 1 June 2014. Novo Media Limited is engaged in software development that allows for interactive use of telecommunication platforms.

The following summarises the consideration paid for Novo Media Limited, the fair value of assets acquired, liabilities assumed, and the non-controlling interest at the acquisition date:

	$'000
Purchase price	15,000
Recognised amounts of identifiable assets acquired and liabilities assumed	
Licences and application software	5,024
Accounts receivables and prepayments	482
Property, plant and equipment	27
Taxation payable	(305)
Total identifiable net assets	**5,228**
Share of total identifiable net assets	3,137
Non-controlling interests	2,091
	5,228
Share of total identifiable net assets	3,137
Goodwill	11,863
	15,000

See Notes 8 and 21 for details on intangibles acquired and breakdown of non-controlling interest.

34 Business combinations (continued)

Basic Space Limited

The Group purchased 100% interest in Basic Space Limited on 15 August 2014.

The following summarises the consideration paid for Basic Space Limited and the fair value of assets acquired. See Note 8 for details on intangibles acquired.

	As previously reported $'000	Adjustment (Note 35) $'000	As restated $'000
Purchase Price	30,000	-	30,000
Recognised amounts of identifiable assets acquired and liabilities assumed			
Land and buildings	30,000	-	30,000
Deferred tax liability	-	(3,875)	(3,875)
Total identifiable net assets	30,000	(3,875)	26,125
Goodwill	**-**	**3,875**	**3,875**

Donald Dunne Holdings Limited

The Group purchased 100% interest in Donald Dunne Holdings Limited on 19 November 2014.

The following summarises the consideration paid for Donald Dunne Holdings Limited, the fair value of net assets acquired and liabilities assumed.

	As previously reported $'000	Adjustment (Note 35) $'000	As restated $'000
Purchase Price	25,629	-	25,629
Recognised amounts of identifiable assets acquired and liabilities assumed			
Land and buildings	38,000	-	38,000
Borrowings	(12,371)	-	(12,371)
Deferred tax liability	-	(6,375)	(6,375)
Total identifiable net assets	25,629	(6,375)	19,254
Goodwill	**-**	**6,375**	**6,375**

See Note 8 for details on intangibles acquired.

35 Correction of prior period errors

a) Cash and cash equivalents and term deposits

In the prior years, deposits with maturity dates greater than three months but less than one year were included in cash and cash equivalents. IFRS 7 'Statement of cash flows' requires that these deposits be disclosed separately.

The adjustment had no impact on the consolidated income statement of the Group.

b) Deferred tax on investment properties

In 2014, the Parent acquired two companies, each owning one investment property. These two properties were fair valued in order to arrive at a purchase price for the new subsidiaries. The parent company paid the previous owners the fair value of the properties as consideration for the acquisition. There was no deferred tax liability set up for these properties in the books of the subsidiaries nor was any recognized upon acquisition. At the time of acquisition, no goodwill was recognized on these transactions.

The recognition of these assets with zero tax base upon business combination results in a temporary difference. The rates applied to this difference are 25% for the building and 0% for land (current corporation tax rate and capital gains rate). The entity did not book any deferred tax liability in relation to these assets. The amount of the deferred tax liabilities omitted is material to the financial statements.

Since the asset was recognised and fair valued as part of a business combination, in accordance with paragraph 66 of IAS 12 Income taxes, the corresponding entry to correct the error is to goodwill. The standard specifically requires that any deferred tax liabilities arising on combinations be included in the net assets acquired when performing the purchase price allocation, effectively reducing the net assets and increasing the amount of goodwill recognised. The exemption from recognising deferred tax upon recognition of an asset does not apply to business combinations in accordance with paragraph 22c of IAS 12.

35 Correction of prior period errors (continued)
c) Deferred tax on intangible assets

In 2011, OCM acquired four radio stations. Intangibles of $32M in relation to brands and radio licenses were recognised upon acquisition as part of accounting for fair value uplifts in the business combination. No deferred tax liability was recognised for these assets.

IAS 12 Income taxes paragraph 19 requires that deferred taxes be calculated on fair value uplifts on acquisition. The amount of the deferred tax liabilities omitted is material to the financial statements. Since the deferred tax would have arisen from a business combination, in accordance with paragraph 66 of IAS 12 Income taxes, the corresponding correcting entry to account for the deferred tax liabilities will be to the goodwill arising on the acquisition.

As such, the 2014 and 2013 financial statements have to be restated to reflect the deferred tax liabilities and the impact on the goodwill recognised.

The impact of these restatements on the consolidated balance sheet are as follows:

Consolidated balance sheet

	As at 31 December 2014			As at 31 December 2013		
	As previously reported $'000	Adjustment $'000	As restated $'000	As previously reported $'000	Adjustment $'000	As restated $'000
ASSETS						
Non-current assets						
Intangible assets (b & c)	75,935	18,259	94,194	61,700	8,009	69,709
Current assets						
Term deposits (a)	-	34,938	34,938	-	62,866	62,866
Cash and cash equivalents (a)	120,292	(34,938)	85,354	162,497	(62,866)	99,631
Non-current liabilities						
Deferred tax liabilities (b&c)	10,414	18,259	28,673	10,764	8,009	18,773

There has been no impact on the consolidated income statement nor on the earnings per share in respect of the year ended 31 December 2014.

Notice of Meeting

To All Shareholders:

NOTICE IS HEREBY given that the 48th, Annual Meeting of One Caribbean Media Limited will be held at Express House, 35-37 Independence Square, Port of Spain, on Friday June 10th, 2016 at 10:00 a.m.

Agenda

1. To adopt the Auditors' Report, Financial Statements and Directors' Report for the year ended December 31st, 2015.
2. Special Business. (See note 1)
3. To elect Directors. (See notes 2, 3, 4, 5 and 6)
4. To re-appoint Auditors for the ensuing year and to authorize the Directors to fix their remuneration. (See note 7)
5. To discuss any other business of the Company which may properly be considered at the Annual Meeting.

Special Business

Resolution
Be it resolved that a further amount of 3,500,000 unissued shares be allocated to the existing Share Incentive Plan which had been approved by the shareholders at the Special Meeting of the Company held on December 19th, 2005. Options will have to be granted before June 10th, 2026.

By Order of the Board

....

John Lum Young
Company Secretary
May 19th, 2016

One Caribbean Media Limited, Express House, 35-37 Independence Square, Port of Spain.

Notes:

1. The Board of Directors consider it desirable and in the best interest of the Company to allocate a further amount of 3,500,000 unissued shares to the existing Share Incentive Plan following the last allocation effective January 1st, 2006 which expired on December 31st, 2015. The Board believes that this further amount will enhance the Company's ability to attract, retain and reward talented executives by providing an incentive to contribute to and to participate in the Company's future growth and value creation. Options will have to be granted before June 10th, 2026.

2. In accordance with the By Laws Mrs. Dawn Thomas retires by rotation and being eligible offers herself for re-election for a term not later than the close of the third Annual Meeting of the shareholders following this re-election.

3. In accordance with the By Laws Mr. Harold Hoyte retires by rotation and being eligible offers himself for re-election for a term not later than the close of the first Annual Meeting of the shareholders following this re-election.

4. In accordance with the By Laws Dr. Grenville Phillips retires and being over seventy-five (75) years of age, offers himself for re-election for a term not later than the close of the first Annual Meeting of shareholders following this re-election.

5. In accordance with the By Laws Mr. Anthony Shaw who was appointed during the year to fill a casual vacancy, retires and being eligible, offers himself for election for a term not later than the close of the third Annual Meeting of shareholders following this election.

6. In accordance with the By Laws Mr. Gregory Thomson being eligible, offers himself for election for a term not later than the close of the second Annual Meeting of shareholders following this election.

7. The Auditors, PricewaterhouseCoopers, retire by rotation and being eligible offer themselves for re-election.

8. At no time during the current financial year has any Director or Officer been a party to a material contract with the company or was materially interested in a contract or in a party to a material contract which was significant in relation to the company's business.

9. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his or her stead. Such Proxy need not also be a member of the Company.

   A Proxy Form is provided.

Proxy Form

Republic of Trinidad and Tobago
The Companies Act, CH. 81:01
(Section 143 (1))

1. **Name of Company:** **Company No: O -701 (C)**
ONE CARIBBEAN MEDIA LIMITED

2. The 48th, Annual Meeting of One Caribbean Media Limited to be held at Express House, 35-37 Independence Square, Port of Spain, on Friday June 10th, 2016 commencing at 10:00 a.m.

3. I/We ____

(BLOCK CAPITALS PLEASE)

of ____

shareholder/s in the above Company, appoint the Chairman of the Meeting or failing him,

____

of ____

to be my/our proxy to vote for me/us on my/our behalf at the above meeting and any adjournment thereof, in the same manner, to the same extent and with the same powers as if I/we was/were present at the said meeting as such adjournment or adjournments thereof and in respect of the resolutions listed below to vote in accordance with my/our instructions.

Signature/s ____

____

Dated this ____________________ day of ____________________ 2016

Please indicate with an "X" in the spaces below and overleaf your instructions on how you wish your votes to be cast. Unless otherwise instructed, the proxy will exercise his/her discretion as to how he/she votes or whether he/she abstains from voting.

Please consider Notes 1 to 3 below and overleaf for assistance to complete and deposit this Proxy Form.

SPECIAL BUSINESS

	FOR	AGAINST
Special Resolution: Be it resolved that a further amount of 3,500,000 unissued shares be allocated to the existing Share Incentive Plan which had been approved by the shareholders at the Special Meeting of the Company held on December 19th, 2005. Options will have to be granted before June 10th, 2026.		

Proxy Form (continued)

ORDINARY BUSINESS

RESOLUTIONS		FOR	AGAINST
1.	To adopt the Audited Financial Statements of the Company for the financial year ended December 31st, 2015		
2.	In accordance with the By Laws Mrs. Dawn Thomas retires by rotation and being eligible offers herself for re-election for a term not later than the close of the third Annual Meeting of the shareholders following this re-election.		
3.	In accordance with the By Laws Mr. Harold Hoyte retires by rotation and being eligible offers himself for re-election for a term not later than the close of the first Annual Meeting of the shareholders following this re-election.		
4.	In accordance with the By Laws Dr. Grenville Phillips retires and being over seventy-five (75) years of age, offers himself for re-election for a term not later than the close of the first Annual Meeting of shareholders following this re-election.		
5.	In accordance with the By Laws Mr. Anthony Shaw who was appointed during the year to fill a casual vacancy, retires and being eligible, offers himself for election for a term not later than the close of the third Annual Meeting of shareholders following this election.		
6.	In accordance with the By Laws Mr. Gregory Thomson being eligible, offers himself for election for a term not later than the close of the second Annual Meeting of shareholders following this election.		
7.	The Auditors, PricewaterhouseCoopers, retire by rotation and being eligible offer themselves for re-election.		

Notes:

1. A shareholder may appoint a proxy of his/her own choice. If such an appointment is made, delete the words "the Chairman of the Meeting" from the Proxy Form and insert the name and address of the person-appointed proxy in the space provided and initial the alteration.

2. If the appointer is a corporation, the Proxy Form must be under its common seal or under the hand of an officer of the corporation or attorney duly authorized in that behalf.

3. A shareholder who is a body corporate may, in lieu of appointing a proxy, authorize an individual by resolution of its directors or governing body to represent it at this Annual Meeting.

4. In the case of joint shareholders, the names of all joint shareholders must be stated on the Proxy Form and all joint shareholders must sign the Proxy Form.

5. If the Proxy Form is returned without any indication as to how the person-appointed proxy shall vote, the proxy will exercise his/her discretion as to how he/she votes or whether he/she abstains from voting.

6. To be valid, this Proxy Form must be completed and deposited with the Secretary of the Company at the Registered Office of the Company at the address below at least 48 hours before the time appointed for the Annual Meeting.

Return to: The Company Secretary
One Caribbean Media Limited
Express House
#35 Independence Square
Port-of-Spain