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Auditors' Report to the Members of The Trinidad and Tobago Football Federation

We have audited the financial statements of the Trinidad and Tobago Football Federation (the Federation), set out on pages 3 to 17, which comprise the balance sheet as at December 31, 2006, and the statements of income and expenditure, changes in accumulated fund and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

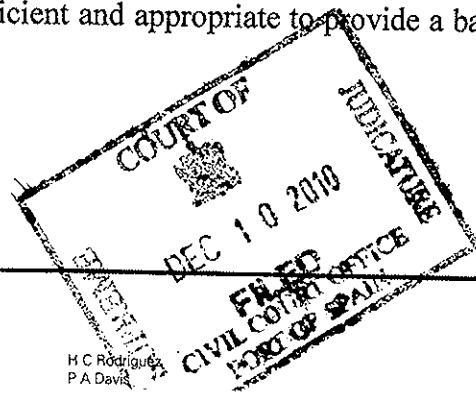
Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and consistently applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on the 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 financial statements are free from material misstatement.

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

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





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**Auditors' Report to the Members of
The Trinidad and Tobago Football Federation (continued)**

In common with many not-for-profit organizations, the Federation derives revenue from donations and grants, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of those amounts was limited to amounts recorded in the accounts of the Federation.

Opinion

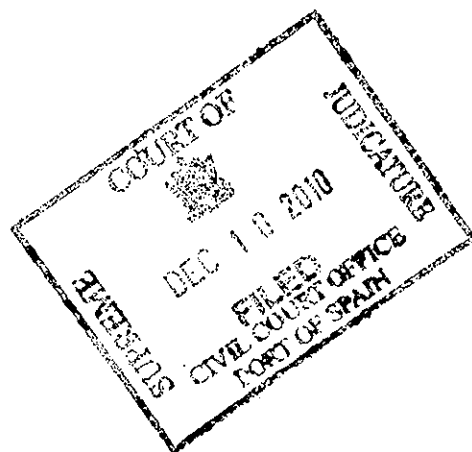
In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of donations and grants referred to in the preceding paragraph, the financial statements, present fairly, in all material respects, the financial position of the Federation as at December 31, 2006, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Without qualifying our opinion we draw attention to Note 4 in the financial statements, which more fully describes the going concern issue. These financial statements have been drawn up on a going concern basis on the expectation that the Federation will succeed in obtaining on-going financial support.

KPMG

Chartered Accountants

Port of Spain
Trinidad and Tobago, W.I.
November 18, 2008



THE TRINIDAD AND TOBAGO FOOTBALL FEDERATION

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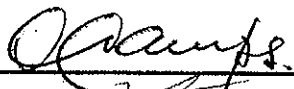

Balance Sheet

December 31, 2006

	Note	2006	2005
Assets			
Net fixed assets	1	\$ 155,672	151,039
Current assets			
Vat receivable		130,311	264,413
Accounts receivable and prepayments		100,950	199,900
Cash		526,955	134,871
Total current assets		758,216	599,184
		\$ 913,888	750,223
Accumulated Fund and Liabilities			
Accumulated fund			
Capital reserve		\$ 109,600	109,600
Accumulated deficit		(21,240,003)	(19,769,664)
		(21,130,403)	(19,660,064)
Long-term debt	2	15,518,775	15,087,724
Current liabilities			
Current portion of long-term debt	2	-	1,200,915
Accounts payable		6,404,476	3,739,972
Interest payable		121,040	381,676
Total current liabilities		7,525,516	5,322,563
		\$ 913,888	750,223

See accompanying notes to financial statements.

Approved on behalf of the Federation

 President
 Vice-President



THE TRINIDAD AND TOBAGO FOOTBALL FEDERATION

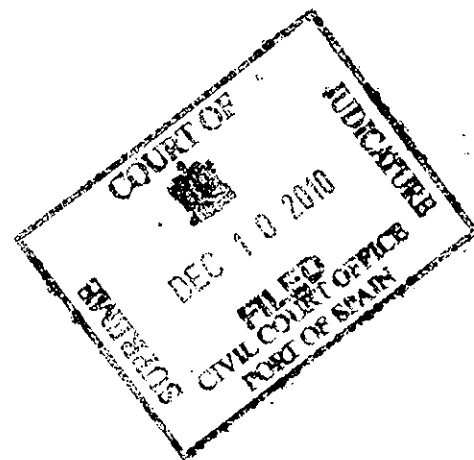
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Statement of Income and Expenditure

For the year ended December 31, 2006

	Note	2006	2005
Income			
Donations		\$ 57,584	2,775
Grants		6,078,198	3,880,547
Subscriptions and fees		459,593	918,164
Miscellaneous		127,997	83,454
Sales merchandise		650	2,030
Total income		<u>6,724,022</u>	<u>4,886,970</u>
Expenditure			
Technical expenses (Schedule 1)		6,321,025	974,068
Administrative expenses (Schedule 2)		1,786,248	1,234,076
Foreign exchange loss		-	-
Interest expense		87,088	979,765
Total expenditure		<u>8,194,361</u>	<u>3,187,909</u>
(Deficit) surplus of revenue over expenditure for the year		\$ <u>(1,470,339)</u>	<u>1,699,061</u>

See accompanying notes to financial statements.



THE TRINIDAD AND TOBAGO FOOTBALL FEDERATION

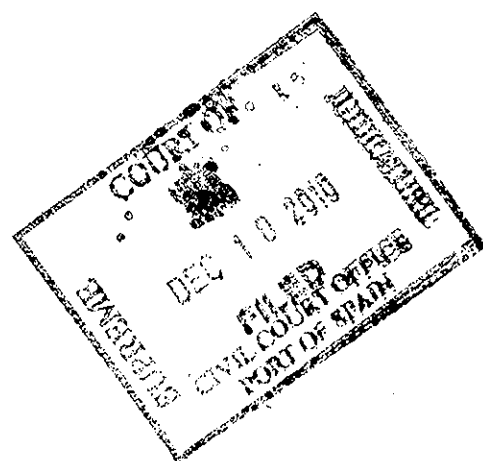
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Statement of Accumulated Deficit

For the year ended December 31, 2006

	2006	2005
Accumulated deficit at the beginning of the year	\$ (19,769,664)	(21,468,725)
(Deficit) surplus of revenue over expenditure for the year	<u>(1,470,339)</u>	<u>1,699,061</u>
Accumulated deficit at the end of the year	\$ <u>(21,240,003)</u>	<u>(19,769,664)</u>

See accompanying notes to financial statements.



THE TRINIDAD AND TOBAGO FOOTBALL FEDERATION

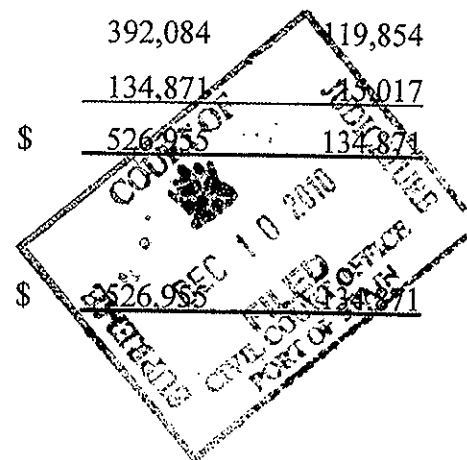
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Statement of Cash Flows

December 31, 2006

	2006	2005
Cash flows from operating activities		
Net (deficit) surplus of revenue over expenditure for the year	\$ (1,470,339)	1,699,061
Adjustments to reconcile net (deficit) surplus of revenue over expenditure for the year to net cash provided by operating activities:		
Depreciation	15,357	13,813
Adjustments	(113,497)	-
Account receivables and prepayments	98,950	(185,825)
Vat receivable	134,102	(87,014)
Accounts payable	2,664,504	63,958
Interest payable	(260,636)	318,802
Net cash provided by operating activities	1,068,441	1,822,795
Cash flows from investing activities		
Purchase of fixed assets	(19,990)	(4,844)
Net cash used in by investing activities	(19,990)	(4,844)
Cash flows from financing activities		
Proceeds of long-term debt	1,569,411	1,723,736
Repayment of long-term debt	(2,225,778)	(3,421,833)
Net cash used in financing activities	(656,367)	(1,698,097)
Increase in cash and cash equivalents	392,084	119,854
Cash and cash equivalents at the beginning of the year	134,871	15,017
Cash and cash equivalents at the end of the year	\$ 526,955	134,871
Cash and cash equivalents represented by:		
Cash	\$ 526,955	134,871

See accompanying notes to financial statements.



Notes of Financial Statements

December 31, 2006

Incorporation and principal activity

The Trinidad and Tobago Football Federation (the Federation) was created a body corporate by an Act of Parliament on August 11, 1982. The main activities of the Federation are to regulate and control the conduct of football in Trinidad and Tobago under the Federation International de Football Association (FIFA) system.

These financial statements were authorised for issue by the Executive Committee on November 18, 2008.

Significant accounting policies

(a) Statement of compliance

These financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and its interpretations issued and adopted by the International Accounting Standards Board, except for income from grants and donations, as described in Note F below.

(b) Basis of preparation

These financial statements have been prepared on the historical cost basis

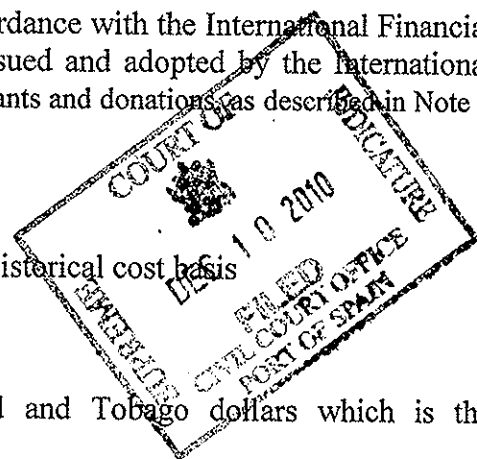
(c) Functional and reporting currency

The financial statements are presented in Trinidad and Tobago dollars which is the Federation's functional currency.

(d) Use of estimates and judgements

The preparation of these financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.



Notes of Financial Statements

December 31, 2006

Significant accounting policies (continued)**(e) Fixed assets and depreciation**

Trophies, which are not depreciated, are stated at professional valuation. All other fixed assets are stated at cost less accumulated depreciation and impairment losses. The Federation recognizes in the carrying amount of an item of fixed assets, the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the Federation and the cost of the item can be measured reliably.

When parts of an item of fixed assets have different useful lives, those components are accounted for as separate items of fixed assets.

Depreciation is calculated on furniture and fixtures using the declining balance basis at the rate of 25%.

(f) Accounts receivable

Accounts receivable is stated net of any specific provision established to recognise anticipated losses for bad and doubtful debts. Bad debts are written off during the year in which they are identified.

(g) Cash and cash equivalents

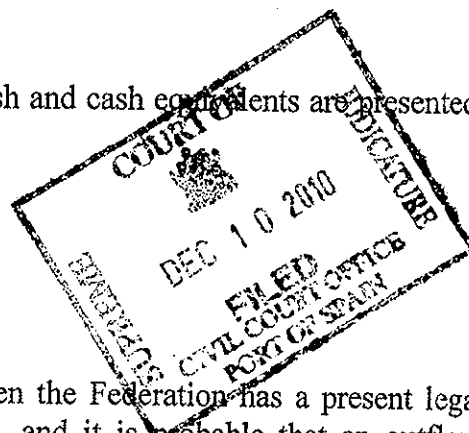
For the purposes of the statement of cash flows, cash and cash equivalents are presented net of bank overdraft.

(h) Trade and other payables

Trade and other payables are stated at cost.

(i) Provisions

A provision is recognised in the balance sheet when the Federation has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments at the time value of money and, where appropriate, the risks specific to the liability.



Notes of Financial Statements

December 31, 2006

Significant accounting policies (continued)

(j) Revenue recognition

Revenue arising from subscriptions and transfer fees are recognised on an accrual basis in accordance with the substance of the relevant agreement and when the right to receive payment has been established.

Income from grants and donations are accounted for on a cash basis, as and when received.

(k) Lease payments

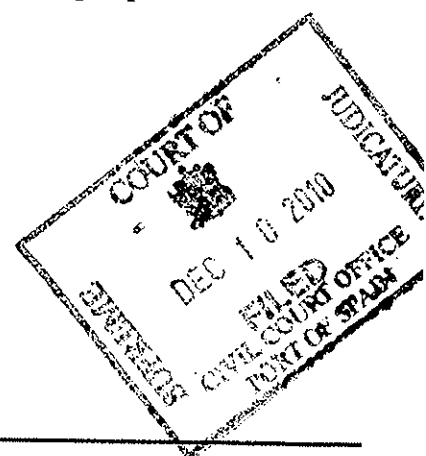
Operating lease payments

Payments under operating leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives are recognised in the income statement as an integral part of the total lease expense.

(l) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currency of the Federation at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the period. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of available-for-sale equity instruments or a financial liability designated as a hedge of the net investment in a foreign operation.



Notes of Financial Statements

December 31, 2006

Significant accounting policies (continued)**(m) Impairment**

The carrying amounts of the Federation's assets, other than fixed assets, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated.

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

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

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.



Notes of Financial Statements

December 31, 2006

1. Fixed assets

		Trophies	Furniture and Fixtures	Totals
Cost or valuation				
At December 31, 2005	\$	109,600	224,077	333,677
Additions		-	19,990	19,990
At December 31, 2006	\$	109,600	244,067	353,667
Accumulated Depreciation				
At December 31, 2005	\$	-	182,638	182,638
Charge for the year		-	15,357	15,357
At December 31, 2006	\$	-	197,995	197,995
Net Book Value				
At December 31, 2006	\$	109,600	46,072	155,672
At December 31, 2005	\$	109,600	41,439	151,039

2. Long term debt

	2006	2005
Austin Jack Warner	\$ 13,413,590	11,359,788
First Citizens Bank Limited	-	2,516,652
Republic Bank Limited	1,143,658	2,024,623
Government of the Republic of Trinidad and Tobago	65,415	65,415
Harold Taylor	27,869	27,869
Oliver Camps	-	(4,540)
PFL	39,000	39,000
LOC Germany 2006 Ltd.	716,339	146,927
CONCACAF	112,904	112,904
	15,518,775	16,288,638
Current portion	-	(1,200,915)
	\$ 15,518,775	15,087,723

Notes of Financial Statements

December 31, 2006

2. Long term debt (continued)

Interest is charged at the rate of 4.5% per annum on the debt to the Government of the Republic of Trinidad and Tobago.

\$200,000 of the debt to Republic Bank Limited is interest free and has no fixed terms of repayment. Interest is charged on the remaining amount at a rate of 17.75% per annum. Interest is repayable in quarterly lump sum payments over 21 months. There are no fixed terms of repayment for the principal balance.

This debt is secured by:

- a guarantee dated February 20, 2002 by Austin Jack Warner and Sportel Limited for \$3.2m. This is supported by equity in property situated at #11 Eastern Main Road, St. Augustine.
- a guarantee dated May 7, 2001 by Kantac Limited for \$2.5m. This is supported by equity in properties situated at #131A Eastern Main Road, Arouca and Munroe Streets, Tunapuna.
- a guarantee August 20, 2002 by Austin Jack and Maureen Warner for \$265,000. This is supported by equity in property situated at #131B Eastern Main Road, Arouca.
- a personal guarantee dated July 21, 2000 in the name of Austin Jack Warner for \$2,200,000.

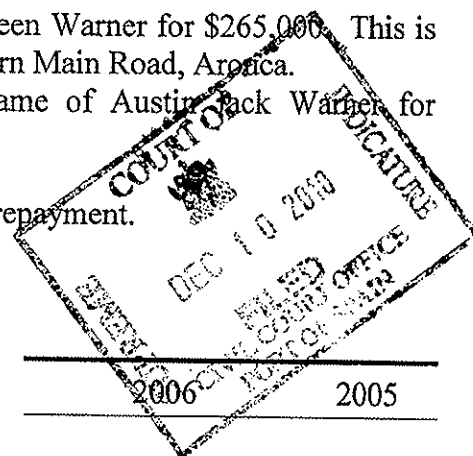
All other debts are interest free and have no fixed terms of repayment.

3. Operating leases

Non cancellable operating lease rentals are payable as follows:

Less than one year	\$ 457,080	384,000
Between one and five years	1,741,800	1,536,000
	<u>\$ 2,198,880</u>	<u>1,920,000</u>

During the period, \$361,699 was recognised as an expense in the income statement in respect of operating leases.



Notes of Financial Statements

December 31, 2006

4. Going concern

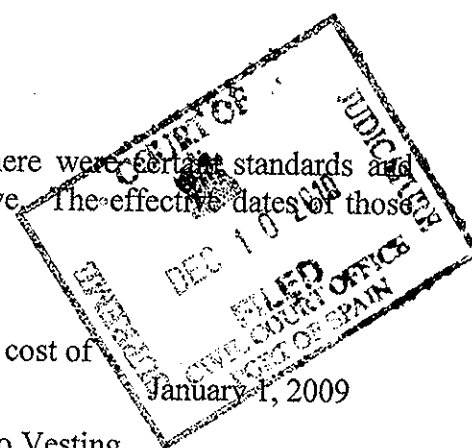
The Federation's current liabilities exceeded its current assets by \$5,767,300 and its total liabilities exceeded its total assets by \$21,240,003.

The Federation owes \$13,413,590 to one of its major creditors as at December 31, 2006. This creditor has indicated an intention to continue to support the Federation by not calling the debt in the short-term and by making additional cash advances to support the Federation in the future.

5. IFRS Not Yet Effective

At the date of authorisation of the financial statements, there were certain standards and interpretations which were in issue but were not yet effective. The effective dates of those standards and interpretations are as follows:

IFRS 1	First-time Adoption of International Financial Reporting Standards - Amendment relating to cost of an investment on first-time adoption	January 1, 2009
IFRS 2	Share-Based Payment – Amendment relating to Vesting Conditions and Cancellations	January 1, 2009
IFRS 3	Business Combinations – Comprehensive revision on applying the Acquisition Method	July 1, 2009
IFRS 5	Non-current Assets Held for Sale and Discontinued Operations – Amendments resulting from May 2008 Annual Improvements to IFRSs	July 1, 2009
IFRS 7	Financial Instruments – Disclosures	January 1, 2007
IFRS 7	Financial Instruments – Disclosures	July 1, 2008
IFRS 8	Operating Segments	January 1, 2009
IFRIC 11	Group and Treasury Share Transactions	March 1, 2007
IFRIC 12	Service Concession Arrangement	January 1, 2008
IFRIC 13	Customer Loyalty Programmes	July 1, 2008
IFRIC 14	IAS 19 – The Limit of a Deferred Benefit Asset, Minimum Funding Requirements and their Interaction	January 1, 2008

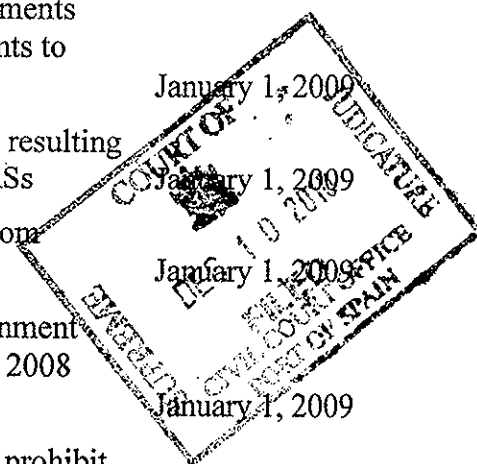


Notes of Financial Statements

December 31, 2006

5. IFRS Not Yet Effective (continued)

IAS 1	Amendment: Presentation of Financial Statements - Amendment to add disclosures about an entity's capital	January 1, 2007
IAS 1	Amendment: Presentation of Financial Statements - Comprehensive revision including requiring a Statement of Comprehensive Income	January 1, 2009
IAS 1	Amendment: Presentation of Financial Statements - Amendments relating to disclosure of puttable instruments and obligations arising on liquidation	January 1, 2009
IAS 1	Presentation of Financial Statements - Amendments resulting from May 2008 Annual Improvements to IFRSs	January 1, 2009
IAS 16	Property, Plant and Equipment - Amendments resulting from May 2008 Annual Improvements to IFRSs	January 1, 2009
IAS 19	Employee Benefits - Amendments resulting from May 2008 Annual Improvements to IFRSs	January 1, 2009
IAS 20	Government Grants and Disclosure of Government Assistance - Amendments resulting from May 2008 Annual Improvements to IFRSs	January 1, 2009
IAS 23	Borrowing Costs - Comprehensive revision to prohibit immediate expensing	January 1, 2009
IAS 23	Borrowing Costs - Amendments resulting from May 2008 Annual Improvements to IFRSs	January 1, 2009
IAS 27	Consolidated and Separate Financial Statements - Consequential Amendments arising from Amendments to IFRS 3	July 1, 2009
IAS 27	Consolidated and Separate Financial Statements - Amendment relating to cost of an investment on first-time adoption	January 1, 2009
IAS 27	Consolidated and Separate Financial Statements - Amendments resulting from May 2008 Annual Improvements to IFRSs	January 1, 2009



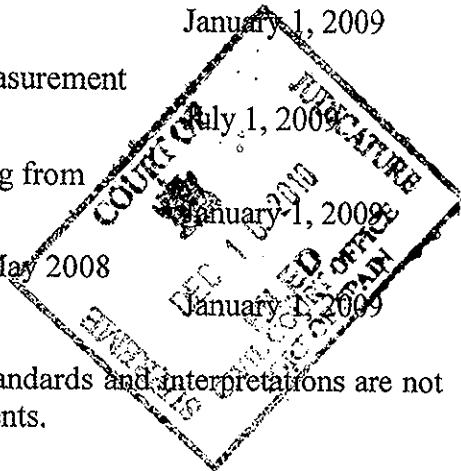
Notes of Financial Statements

December 31, 2006

5. IFRS Not Yet Effective (continued)

IAS 28	Investments in Associates – Consequential Amendments arising from Amendments to IFRS 3	July 1, 2009
IAS 28	Investments in Associates - Amendments resulting from May 2008 Annual Improvements to IFRSs	January 1, 2009
IAS 29	Financial Reporting in Hyperinflationary Economies - Amendments resulting from May 2008 Annual Improvements to IFRSs	January 1, 2009
IAS 31	Interest in Joint Ventures - Consequential Amendments arising from Amendments to IFRS 3	July 1, 2009
IAS 31	Interests in Joint Ventures - Amendments resulting from May 2008 Annual Improvements to IFRSs	January 1, 2009
IAS 32	Financial Instruments : Presentation - Disclosure requirements replaced by IFRS 7s	January 1, 2007
IAS 32	Financial Instruments : Presentation - Amendments relating to puttable instruments and obligations arising on liquidation	January 1, 2009
IAS 36	Impairment of Assets - Amendments resulting from May 2008 Annual Improvements to IFRSs	January 1, 2009
IAS 38	Intangible Assets - Amendments resulting from May 2008 Annual Improvements to IFRSs	January 1, 2009
IAS 39	Financial Instruments: Recognition and Measurement - Amendments for eligible hedged items	July 1, 2009
IAS 40	Investment Property - Amendments resulting from May 2008 Annual Improvements to IFRSs	January 1, 2009
IAS 41	Agriculture - Amendments resulting from May 2008 Annual Improvements to IFRSs	January 1, 2009

Except for additional disclosures, the adoption of these standards and interpretations are not expected to have a material impact on the financial statements.



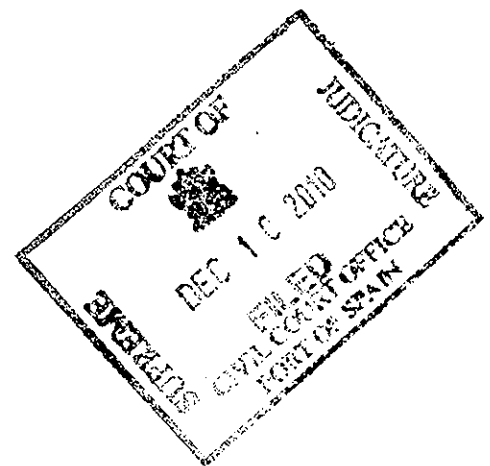
THE TRINIDAD AND TOBAGO FOOTBALL FEDERATION

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Schedule 1

Technical Expenses

December 31, 2006

	2006	2005
Uniforms	\$ 58,643	30,279
Medical expenses	66,934	22,079
Local travel	161,620	29,250
Overseas travel	427,886	65,100
Professional fees	4,282,842	575,850
Subsistence	412,857	137,151
Match fees	84,557	54,488
Rental of facilities	6,610	-
Hotel accommodation	215,473	50,739
Sponsorship	603,603	9,132
	<u>\$ 6,321,025</u>	<u>974,068</u>



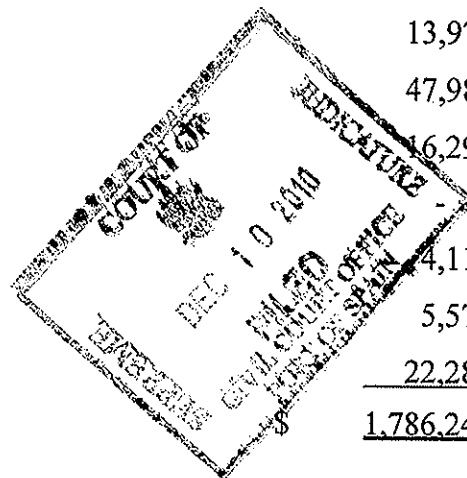
THE TRINIDAD AND TOBAGO FOOTBALL FEDERATION

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Schedule 2

Administrative Expenses

December 31, 2006

	2006	2005
Dues	\$ 12,117	44,114
Wages	718,403	545,560
Rent	361,699	280,261
Utilities	116,122	84,203
Professional and legal fees	98,868	131,600
Audit fees	68,916	20,000
Office expenses	71,042	43,792
Advertising	26,753	4,363
Depreciation	15,357	13,813
Bank charges	1,424	861
Bad debts	168,950	-
Training	3,060	3,476
Repairs	13,262	10,371
Fines and penalties	48	65
Sundry expenses	13,972	824
Special events	47,983	-
Motor vehicle expenses	16,295	22,948
Insurance		14,828
Cleaning	4,116	930
Security	5,575	1,459
Conference and meetings	22,286	10,608
	<u>1,786,248</u>	<u>1,234,076</u>





Financial Statements of

**THE TRINIDAD AND TOBAGO
FOOTBALL FEDERATION**

December 31, 2005

