



OFFICE OF THE AUDITOR GENERAL

REPORT OF THE AUDITOR GENERAL

on the

PUBLIC ACCOUNTS

of the

REPUBLIC of TRINIDAD AND TOBAGO

for the Financial Year 2020

(1ST OCTOBER, 2019 to 30TH SEPTEMBER, 2020)

29TH APRIL, 2021



"Championing Good Governance"

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(1st October, 2019 to 30th September, 2020)

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Report of the Auditor General



REPORT OF THE AUDITOR GENERAL OF THE REPUBLIC OF TRINIDAD AND TOBAGO ON THE PUBLIC ACCOUNTS OF TRINIDAD AND TOBAGO FOR THE FINANCIAL YEAR ENDED 30TH SEPTEMBER, 2020

OPINION

1. The Public Accounts of the Republic of Trinidad and Tobago for the financial year ended 30th September, 2020 as defined by section 24 (1) (a) and 24 (2) (a) and (b) of the Exchequer and Audit Act, Chapter 69:01 (the Act) as amended by Act No 23 of 1998 have been audited. These financial statements comprise:

- (i) Statements of the Treasury showing the financial position of the country as at 30th September, 2020 which includes the following:
 - The Exchequer Account;
 - The Statements of Public Debt;
 - The Statement of Loans from General Revenue;
 - The Statement of Revenue showing sums estimated to be received into the Exchequer Account and the sums actually so received in the period of account;
 - The Statement of Expenditure showing the sums to be issued out of the Exchequer Account and the sums actually so issued in the period of account;
 - The Statement of Loans or Credits Guaranteed by the State;
 - The Cash Basis Consolidated Statement of Assets and Liabilities; and
 - Such other Statements as Parliament may from time to time require:
 - a) The Statement of Loans from the Funds for Long-Term Development.
- (ii) Appropriation Accounts of individual Accounting Officers for the year ended 30th September, 2020;
- (iii) Statements of Receipts and Disbursements of individual Receivers of Revenue for the year ended 30th September, 2020;
- (iv) Financial Statements of individual Administering Officers of Funds established under the provisions of section 43 of the Act for the year ended 30th September, 2020; and
- (v) Financial Statements of Administering Officers of any trust or other fund or account not provided for in section 24 of the Act, if so directed by the Treasury.

2. The above accounts and statements are bounded into three (3) volumes namely, Volume I – Accounts of the Treasury and Accounts of Receivers of Revenue of Ministries and Departments; Volume II – Accounts of Accounting Officers; and Volume III – Accounts of Administering Officers (Funds Financial Statements) of Ministries and Departments. Summary Extracts of certain key accounts and statements have been included in the Auditor General’s Report for ease of reference.

3. In my opinion, the accompanying financial statements referred at paragraph one (1) above and the supporting Notes to the Accounts present fairly, in all material respects, the financial assets and liabilities of the Central Government as at 30th September, 2020 and the expenditure and revenue of Government Ministries and Departments for the financial year ended 30th September, 2020 in accordance with the cash basis of accounting.

BASIS FOR OPINION

4. The audit was conducted in accordance with principles and guidance of International Standards of Supreme Audit Institutions (ISSAIs). The Auditor General’s responsibilities under those standards are further described in the Auditor General’s Responsibilities for the Audit of the Financial Statements section of this report. The Auditor General is independent of the Central Government in accordance with the ethical requirements that are relevant to the audit of the financial statements and other ethical responsibilities have been fulfilled in accordance with these requirements. It is my view that the audit evidence obtained is sufficient and appropriate to provide a basis for the above audit opinion.

EMPHASIS OF MATTER

5. Without modifying the above opinion, attention is drawn to the following:

CASH BASIS CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

i. Note 2(ii) (a) to the Accounts of the Cash Basis Consolidated Statement of Assets and Liabilities as at September 30, 2020 states that the Consolidated Statement of Assets and Liabilities is now being restated in the cash basis International Public Sector Accounting Standard (IPSAS) format. The Note also states that the presentation uses the concepts and accounting standards of the Cash Basis of Accounting. As a result, of the presentation in this cash basis accounting framework, the balance on the Exchequer Account which was previously reported under Assets is now being reported as a Current Liability since it is an overdraft.

ii. Note 2 (iii) to the Accounts of the Cash Basis Consolidated Statement of Assets and Liabilities as at September 30, 2020 states that for the financial year the Public Debts (Local and External Loans and Loans serviced under Head 18) totalled \$90,499,830,136.22. The amount of \$90,499,830,136.22 is not included in the Cash Basis Consolidated Statement of Assets and Liabilities. The Statement however, presents under the heading Current Liabilities amounts totalling \$4,838,563,992.24 in respect of Special Funds. Included in this amount are Sinking Funds for the Public Debt in the sum of \$4,753,429,755.39. Detailed analysis of the Public Debt of \$90,499,830,136.22 is presented in the Statement of the Public Debt 2020.

HERITAGE AND STABILISATION FUND

iii. Notes 17 to 19 of the Notes to the Accounts of the Cash Basis Consolidated Statement of Assets and Liabilities as at September 30, 2020 states that the Heritage and Stabilisation Fund Act was amended by Act No. 9 of 2020 to allow withdrawals in exceptional circumstances. Withdrawals made under this amendment may be made from the Fund not exceeding one and one half billion dollars at any time during the financial year. Withdrawals amounted to US \$979,853,157.69 (approximately TT\$6,849,173,572.26) for the financial year 2020.

EXCHEQUER ACCOUNT – (\$42,088,489,765.07)

iv. The ‘Exchequer Account as at 30th September, 2020 Receipts and Payments for the financial year 2019-2020’ shows a balance as at 30th September, 2020 of (\$42,088,489,765.07). This is an increase of \$708,428,376.97 or 1.71% when compared with the previous year’s balance of (\$41,380,061,388.10). This Account has been consistently in overdraft since the year 2003.

RESPONSIBILITIES OF THE COMPTROLLER OF ACCOUNTS, ACCOUNTING OFFICERS, RECEIVERS OF REVENUE AND ADMINISTERING OFFICERS FOR THE FINANCIAL STATEMENTS

6. The Comptroller of Accounts, Accounting Officers, Receivers of Revenue and Administering Officers are responsible for the preparation and fair presentation of these accounts and other financial statements in accordance with the accounting framework as prescribed by the Treasury, and for such internal control as management determines is necessary to enable the preparation of accounts and other financial statements that are free from material misstatement, whether due to fraud or error.

7. The Comptroller of Accounts, Accounting Officers, Receivers of Revenue and Administering Officers are responsible for overseeing the financial reporting process of Ministries and Departments.

AUDITOR GENERAL’S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

8. The Auditor General’s responsibility is to express an opinion on the Public Accounts based on the audit and to report thereon in accordance with section 116 (2) and (4) of the Constitution of the Republic of Trinidad and Tobago and section 25 (1) of the Exchequer and Audit Act, Chapter 69:01.

9. The Auditor General’s objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes his opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with principle and concepts of ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

10. As part of an audit in accordance with principles and concepts of ISSAIs, the Auditor General exercises professional judgement and maintains professional skepticism throughout the audit. The Auditor General also:

- i. Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence that is sufficient and appropriate to provide a basis for an opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- ii. Obtains an understanding of internal controls relevant to the audit 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 Ministries and Departments internal control.
- iii. Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv. Evaluates the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

11. The Auditor General communicates with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that were identified during the audit.

SUBMISSION OF REPORT

12. This Report is being submitted to the Speaker of the House of Representatives, the President of the Senate and the Minister of Finance in accordance with the requirements of section 116 (4) of the Constitution of the Republic of Trinidad and Tobago.

**29TH APRIL, 2021
PORT OF SPAIN**



Lorelly Pujadas
**LORELLY PUJADAS
AUDITOR GENERAL**

SECTION 1

STATEMENT OF DECLARATION

&

CERTIFICATION

STATEMENT OF DECLARATION AND CERTIFICATION

The following Statements for the Financial Year 2020 which are statutorily due by January 31, 2021 in accordance with Section 24 (1) (a) and (b) and 24 (2) (a) and (b) of the Exchequer and Audit Act, Chapter 69:01 as amended by Act No. 23 of 1998 are submitted:

Volume 1 (Part 1):

Section 24 (1) (a):

- (i) the Exchequer Account;
- (ii) the Statements of Public Debt;
- (iii) the Statement of Loans from Revenue;
- (iv) the Statement of Revenue showing the sums estimated to be received into the Exchequer Account and the sums actually so received in the period of account;
- (v) the Statement of Expenditure, showing the sums to be issued out of the Exchequer Account and the sums actually so issued in the period of account;
- (vi) the Statement of the Loans or Credits guaranteed by the State
- (vii) the Statement Assets and Liabilities;
- (viii) such other Statements as Parliament may from time to time require:
 - (a) the Statement of Loans from the Funds for Long – Term Development.

Section 24 (1) (b):

- Appropriation Accounts
- (i) Head: 18 - Ministry of Finance;
 - (ii) Head: 19 - Charges on Account of the Public Debt, and
 - (iii) Head: 20 - Pensions and Gratuities.

Section 24 (2) (a): Section 43 (2)

- (i) Funds.

Section 24 (2) (b):

- (i) Other Funds.

Volume 1 (Part 2):

Financial Instructions 1965 Part XIII No. 212

- (i) Deposit Accounts Financial Statements.

2. The Treasury Division's internal control procedures provide reasonable assurance as to the integrity and reliability of the Financial Statements.

3. As Accounting Officer, I certify that the Financial Statements for the financial year ended September 30, 2020 have been reconciled with the records of the Treasury and in my opinion, these Financial Statements fairly reflect the financial position of the Government of the Republic of Trinidad and Tobago for the year ended September 30, 2020.



Treasury Director (Ag.)
Treasury Management
January 29 2021

**Treasury Director
Treasury Management**


Comptroller of Accounts
COMPTROLLER OF ACCOUNTS
January 29 2021



Accounting Officer
Permanent Secretary
Ministry of Finance
January 29 2021

**PERMANENT SECRETARY
MINISTRY OF FINANCE**

4. **Section 24 (1) (c):**
Statements of Receipts and Disbursements

In accordance with Section 24 (1) (c) of the Exchequer and Audit Act, Chapter 69:01, as amended by Act No. 23 of 1998, the following Statements of Receipts and Disbursements in respect of moneys collected under the particular items of Revenue are submitted by the respective Receivers of Revenue of the Ministry of Finance:-

- (i) Permanent Secretary, Ministry of Finance;
- (ii) Permanent Secretary, Ministry of Finance (Investment Division);
- (iii) Comptroller of Accounts;
- (iv) Comptroller of Customs and Excise, and
- (v) Chairman Board of Inland Revenue.
- (vi) Office of the Supervisor of Insolvency

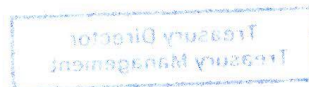
5. **Divisional Appropriation Accounts**

The following Divisional Appropriation Accounts are submitted by the respective Divisional Heads of the Ministry of Finance:-

- (i) Head: 18 (AU 12) Comptroller of Accounts;
- (ii) Head: 18 (AU 13) Chairman Board of Inland Revenue;
- (iii) Head: 18 (AU 14) Comptroller of Customs and Excise, and
- (iv) Head: 20 (AU 28) Pensions and Gratuities.

6. **Provident Fund Act, Chapter 23:57 as amended by Section 2 (b) (ii) of the Finance (Miscellaneous Provisions) Act No. 39 of 2000**

The Report on the working of the Government Employees' Provident Fund for the financial year ended September 30, 2020 is submitted.



**EXCHEQUER ACCOUNT
RECEIPTS AND PAYMENTS
AND
BANK RECONCILIATION
STATEMENTS
AS AT
SEPTEMBER 30, 2020**

EXCHEQUER ACCOUNT AS AT 30TH SEPTEMBER, 2020

RECEIPTS AND PAYMENTS FOR THE FINANCIAL YEAR 2019-2020

Treasury Card balance as at 1st October, 2019 **(41,380,061,388.10)**

Add: Receipts into Exchequer Account for 01.10.19 to 30.09.20

October 2019	1,715,119,408.36
November 2019	2,379,459,162.75
December 2019	7,768,527,686.18
January 2020	3,721,371,751.70
February 2020	2,191,707,022.74
March 2020	3,748,475,704.62
April 2020	5,059,849,882.24
May 2020	6,867,827,178.16
June 2020	2,799,146,545.89
July 2020	10,016,017,331.65
August 2020	1,892,802,172.99
September 2020	8,519,276,260.05
	<hr/>
	56,679,580,107.33

Less: Payments from Exchequer Account for 01.10.19 to 30.09.20

October 2019	2,504,971,806.13
November 2019	3,804,065,087.33
December 2019	3,876,939,730.66
January 2020	4,074,722,158.93
February 2020	4,029,036,919.48
March 2020	3,805,359,228.73
April 2020	4,947,628,496.72
May 2020	4,651,904,594.91
June 2020	8,484,689,175.30
July 2020	4,237,952,586.07
August 2020	3,380,693,575.89
September 2020	9,593,045,124.15
	<hr/>
	57,388,008,484.30

Treasury Card balance as at 30th September, 2020 **(42,088,489,765.07)**

Source: Page 8-Public Accounts of the Republic of Trinidad and Tobago for the Financial Year 2020 Volume I –Accounts of the Treasury and Accounts of the Receivers of Revenue of Ministries Departments

**EXTRACTS OF
STATEMENTS OF
PUBLIC DEBT
AS AT
SEPTEMBER 30, 2020**

SUMMARY

Central Government as at September 30, 2020

	\$	¢
Domestic Loans	58,309,860,362.25	
External Loans	28,671,312,417.17	
Loans serviced under Head 18	<u>3,518,657,356.80</u>	
	90,499,830,136.22	

Other

Balances on BOLT Projects	<u>78,651,068.48</u>	
	90,578,481,204.70	

Contingent Liabilities as at September 30, 2020

Balances on Loans assumed by the GORTT	<u>1,392,842.85</u>	
Loans and Credits Guaranteed by the State	<u>11,624,500,936.84</u>	
Letters of Comfort	<u>16,739,677,839.52</u>	
Promissory Notes	<u>5,390,613,273.46</u>	
Open Market Operations re: Treasury Bill	<u>8,479,000,000.00</u>	
	<u>132,813,666,097.37</u>	

Source: Page 37- Public Accounts of the Republic of Trinidad and Tobago for the Financial Year 2020 Volume I –Accounts of the Treasury and Accounts of the Receivers of Revenue of Ministries and Departments

STATEMENT OF THE PUBLIC DEBT OF TRINIDAD AND TOBAGO				
AS AT SEPTEMBER 30, 2020				
(A) LOCAL LOANS				
LEGAL AUTHORITY	AMOUNT AUTHORISED TO BE RAISED		PRESENT DEBT	
	\$	€		\$
(i) Local Loan Ordinance 15 of 1920 (Chapter 222)		£1,000,000.00 converted at \$4.80 4,800,000.00	480.00	
(ii) War Loan Ordinance 3 of 1941 Amendment 2 of 1943 Amendment 4 of 1944		7,000,000.00	18,992.00	
(iii) Trinidad Electricity Board (Loan) Ordinances 27 of 1941 and 23 of 1942		2,100,000.00	1,056.00	
(iv) Slum Clearance and Housing (Loan) Ordinance 30 of 1944		5,000,000.00	30,144.00	
(v) Economic Programme (Loan) 36 of 1956 and 18 of 1959		63,500,000.00	67,500.00	
(vi) Government Savings Bonds Act Chapter 71:41 Legal Notice #33/87		500,000,000.00	3,001,768,098.35	
(vii) Treasury Bills Act Chapter 71:40 Legal Notice #35/87 Legal Notice #26/03 Legal Notice #182/06		15,000,000,000.00	6,140,000,000.00	
(viii) Treasury Bond Act 2008 Chapter 71:43		3,000,000,000.00	1,459,271,000.00	
(ix) Development Loans (Amendment) Act Chapter 71:04 Act # 29/94 Legal Notice #15/00 Legal Notice #27/03 Legal Notice #148/08 Legal Notice #212/2015		45,000,000,000.00	45,546,580,353.90	
(x) Public Sector Arrears of Emoluments Act No.7 of 1995		2,000,000,000.00	8,604,738.00	
(xi) Treasury Notes Act. No.14 of 1995 Legal Notice #25/03 Legal Notice #182A/06		5,000,000,000.00	0.00	
(xii) Act. No.17 of 2011		11,100,000,000.00	2,153,518,000.00	
		TOTAL	58,309,860,362.25	

Source: Page 44- Public Accounts of the Republic of Trinidad and Tobago for the Financial Year 2020 Volume I – Accounts of the Treasury and Accounts of the Receivers of Revenue of Ministries and Departments

**STATEMENT OF THE PUBLIC DEBT OF TRINIDAD AND TOBAGO AS AT
SEPTEMBER 30, 2020**

(B) EXTERNAL LOANS

LEGAL AUTHORITY	AMOUNT AUTHORISED TO BE RAISED	PRESENT DEBT
	\$ c	\$ c
(i) Independence Development Loans Act ACT 6 of 1964 Amended 21 of 1981 Chapter 71:03	Amount not specified	1,794,936.00
(ii) External Loans Act ACT 31 of 1967 Chapter 71:05 Legal Notice #111/93	15,000,000,000.00	24,051,273,156.67
(iii) National Development (International Bank for Reconstruction and Development) Loans Act ACT 2 of 1967 Chapter 71:06	Amount not specified	0.00
(iv) National Development (Inter-American Development Bank) Loans Act ACT 32 of 1967 Chapter 71:07	Amount not specified	4,618,244,324.50
	TOTAL	28,671,312,417.17

Source: Page 45- Public Accounts of the Republic of Trinidad and Tobago for the Financial Year 2020 Volume I –
Accounts of the Treasury and Accounts of the Receivers of Revenue of Ministries and Departments

LETTERS OF COMFORT				
ISSUED BY THE GOVERNMENT OF THE REPUBLIC OF TRINIDAD AND TOBAGO AS AT SEPTEMBER 30, 2020				
STATE ENTERPRISE / STATUTORY BOARD	LENDING AGENCY	LOAN AMOUNT	BALANCE AS AT SEPTEMBER 30 2019	BALANCE AS AT SEPTEMBER 30, 2020
<u>Economic Management Division</u>				
Housing Development Corporation (HDC)	First Citizens Bank Ltd. TT\$ 150,000,000.00	150,000,000.00	49,269,557.42	0.00
	Republic Bank Ltd. TT \$120,000,000.00	120,000,000.00	120,000,000.00	120,000,000.00
	ANSA Merchant Bank TT \$1,206,120,000.00 TT \$300,000,000.00 TT \$1,506,120,000.00	1,506,120,000.00	697,955,142.86	413,629,714.26
	Republic Bank Ltd	650,000,000.00	0.00	650,000,000.00
	Note 2	2,426,120,000.00	867,224,700.28	1,183,629,714.26
Airports Authority of Trinidad and Tobago (AATT)	Scotia Trust & Merchant Bank Ltd. TT \$320Mn	320,000,000.00	320,000,000.00	0.00
		320,000,000.00	320,000,000.00	0.00
Water and Sewerage Authority (WASA)				
Note 1	RBC Merchant Bank Overdraft Facility TT \$420Mn	420,000,000.00	373,572,340.10	460,000,000.00
	Republic Bank Ltd. US \$60Mn			
	Increase of US \$30Mn to US \$60Mn TT \$508,666,666.67	383,571,000.00	399,242,278.87	376,216,945.00
		508,666,666.67	508,666,666.67	508,666,666.67
Note 1 & Note 3	Republic Bank Ltd USD 100Mn 5.6%	100,000,000.00	0.00	679,900,000.00
Note 4	NCB Global Finance Limited TTD 125Mn	125,000,000.00	0.00	125,000,000.00
Note 5	NCB Global Finance Limited 192.2Mn 6.25%	192,200,000.00	0.00	192,200,000.00
Note 1 & Note 6	Republic Bank Ltd USD 5Mn 5.38%	5,000,000.00	0.00	0.00
		1,734,437,666.67	1,281,481,285.64	2,341,983,611.67

**LETTERS OF COMFORT
ISSUED BY THE GOVERNMENT OF THE REPUBLIC OF TRINIDAD AND TOBAGO
AS AT SEPTEMBER 30, 2020**

STATE ENTERPRISE / STATUTORY BOARD	LENDING AGENCY	LOAN AMOUNT	BALANCE AS AT SEPTEMBER 30 2019	BALANCE AS AT SEPTEMBER 30, 2020
Regional Health Authorities				
South-West Regional Health Authority (SWRHA)	Scotiabank Ltd	500,067,893.75	500,067,893.75	500,067,894.00
Eastern Regional Health Authority (ERHA)	Ansa Merchant Bank TT \$500Mn upsized to TT750Mn	750,000,000.00	500,000,000.00	750,000,000.00
		1,250,067,893.75	1,000,067,893.75	1,250,067,894.00
National Carnival Commission	First Citizen Bank Ltd	100,000,000.00		100,000,000.00
Note 7				
Total EMD		5,830,625,560.42	3,468,773,879.67	4,875,681,219.93

LETTERS OF COMFORT				
ISSUED BY THE GOVERNMENT OF THE REPUBLIC OF TRINIDAD AND TOBAGO AS AT SEPTEMBER 30, 2020				
STATE ENTERPRISE / STATUTORY BOARD	LENDING AGENCY	LOAN AMOUNT	BALANCE AS AT SEPTEMBER 30 2019	BALANCE AS AT SEPTEMBER 30, 2020
<u>Investments Division</u>				
Vehicle Maintenance Corporation of Trinidad and Tobago (VMCOTT)	Unit Trust Corporation TT \$41.3Mn	41,300,000.00	2,065,000.00	0.00
		41,300,000.00	2,065,000.00	0.00
Urban Development Corporation of Trinidad and Tobago (UDeCOTT)	Note 1 Barclay's Capital Inc. US \$375Mn	2,385,637,500.00	891,026,287.95	94,274,294.20
	CBTT FRB 3.35% TT \$213Mn	213,000,000.00	213,000,000.00	213,000,000.00
	Note 24 First Citizens Bank Ltd. TT \$230.1M	230,100,000.00	230,100,000.00	0.00
	First Citizens Bank Ltd- TT \$47,286,716.23	47,286,716.23	47,286,716.23	47,286,716.23
	Note 1 US \$35,681,763.25	241,080,265.22	241,101,674.28	242,600,308.68
	Note 8 First Citizens Bank Ltd- TT\$500Mn 4.5%	500,000,000.00	0.00	21,977,805.70
	Note 1 ANSA Merchant Bank US \$99.6Mn	670,583,659.40	673,003,957.00	677,187,199.00
	ANSA Merchant Bank TT \$496Mn	496,000,000.00	496,000,000.00	496,000,000.00
	TT \$233,191,981.93	233,191,981.93	163,234,387.40	139,915,189.20
	TT \$399.019Mn	399,019,000.00	124,693,437.50	74,816,062.50
	TT \$223.097Mn	223,097,000.00	86,759,944.40	61,971,388.90
	TT \$90Mn	90,000,000.00	90,000,000.00	90,000,000.00
	TT\$127.5Mn	127,500,000.00	127,500,000.00	127,500,000.00
	First Citizens Trustee Services - TT \$101.9Mn	101,993,930.90	101,993,930.90	101,993,930.90
	Note 1 RBC Royal Bank USD16.4 Mn	114,063,389.60	0.00	115,186,624.42

**LETTERS OF COMFORT
ISSUED BY THE GOVERNMENT OF THE REPUBLIC OF TRINIDAD AND TOBAGO
AS AT SEPTEMBER 30, 2020**

STATE ENTERPRISE / STATUTORY BOARD	LENDING AGENCY	LOAN AMOUNT	BALANCE AS AT SEPTEMBER 30 2019	BALANCE AS AT SEPTEMBER 30, 2020
(UDeCOTT) Continued... Note 10 Note 1 & Note 11	Republic Bank Ltd. TT \$227,140,000.00	227,140,000.00	156,158,750.00	127,766,250.00
	TT \$199,641,382.00	199,641,382.00	199,641,382.00	199,641,382.00
	RBC Royal Bank Ltd. TT \$500Mn	512,815,580.80	293,037,474.30	219,778,105.70
	NCB Global Finance Ltd- TT \$180.3Mn	180,300,000.00	180,300,000.00	180,300,000.00
	Scotiabank Ltd. TT \$87,778,246.12	87,778,246.12	87,778,246.12	87,778,246.12
	Scotiabank Ltd. TT\$37.69Mn	37,690,537.00	0.00	37,690,537.00
	First Carib. Inter. Bank TT\$70.375Mn	70,375,812.33	0.00	70,375,812.33
	SD\$12.4Mn USD	12,421,453.02	0.00	84,453,459.08
		7,388,295,001.53	4,402,616,188.08	3,511,493,311.96
	Evolving TecKnologies and Enterprise Development Company Limited Note	First Citizens Bank Ltd. TT \$160Mn	160,000,000.00	160,000,000.00
Scotiabank Ltd. TT \$87,664,786.72		87,664,786.73	87,664,786.73	87,664,786.73
Scotiabank Ltd-TT\$148Mn		148,000,000.00	29,600,000.00	0.00
		395,664,786.73	277,264,786.73	87,664,786.73

LETTERS OF COMFORT

ISSUED BY THE GOVERNMENT OF THE REPUBLIC OF TRINIDAD AND TOBAGO AS AT SEPTEMBER 30, 2020

STATE ENTERPRISE / STATUTORY BOARD	LENDING AGENCY	LOAN AMOUNT	BALANCE AS AT SEPTEMBER 30 2019	BALANCE AS AT SEPTEMBER 30, 2020
National Infrastructure Development Company Limited (NIDCO)	Note 1 First Citizens Bank Ltd – US \$61.5Mn	414,061,050.00	415,555,500.00	362,206,913.36
	Ansa Merchant Bank TT \$500Mn	500,000,000.00	500,000,000.00	500,000,000.00
	RBC Royal Bank Ltd. TT \$1.5Bn	1,500,000,000.00	1,095,000,000.00	960,000,000.00
	Scotia Bank			
	Note 12 TT\$300Mn	300,000,000.00	0.00	300,000,000.00
	Note 13 TT\$75Mn	75,000,000.00	0.00	75,000,000.00
		2,789,061,050.00	2,010,555,500.00	2,197,206,913.36
Education Facilities Company Limited (EFCL)	RBC Royal Bank Ltd. New Syndicated Fixed Rate Loan TT \$286,565,896.00	286,565,896.00	221,437,283.30	195,385,838.20
		286,565,896.00	221,437,283.30	195,385,838.20
Export Import Bank of Trinidad and Tobago Limited (EXIMBANK)	Note 1 & Note 14 Banco Latinoamericano De Exportaciones, SA USDS 10Mn -3yr	66,032,000.00	0.00	36,034,700.00
	USDS 10Mn -1yr	66,032,000.00		33,995,000.00
	Note 1 Scotiabank Ltd. US \$8Mn	50,000,000.00	49,488,890.00	49,488,890.00
	Note 15 First Carib. Inter. Bank	66,032,000.00	0.00	58,471,400.00
	Note 1 US \$10Mn			
		248,096,000.00	49,488,890.00	177,989,990.00
Estate Management and Business Development	Note 16 Republic Bank Ltd 90Mn @ 4.75%	90,000,000.00		90,000,000.00
	Note 17 NCB Global TT 124.7@6.45%	124,749,300.00		124,749,300.00
		214,749,300.00	0.00	214,749,300.00

LETTERS OF COMFORT				
ISSUED BY THE GOVERNMENT OF THE REPUBLIC OF TRINIDAD AND TOBAGO				
AS AT SEPTEMBER 30, 2020				
STATE ENTERPRISE / STATUTORY BOARD	LENDING AGENCY	LOAN AMOUNT	BALANCE AS AT SEPTEMBER 30 2019	BALANCE AS AT SEPTEMBER 30, 2020
National Insurance Property Development Company Limited (NIPDEC)	National Insurance Board TT\$ 250Mn	250,000,000.00	250,000,000.00	250,000,000.00
	CBTT FRB 16-Year 4% TT\$1Bn	1,000,000,000.00	1,000,000.00	1,000,000,000.00
	First Citizens Bank Ltd. TT\$56,039,826.00	56,039,826.00	28,924,808.50	14,722,540.06
	ANSA Merchant Bank TT\$405Mn	405,000,000.00	405,000,000.00	380,700,000.00
	Note 18 TT\$500Mn	500,000,000.00	0.00	500,000,000.00
	RBC Merchant Bank TT\$671.3Mn	671,320,827.00	0.00	453,275,000.00
	Note 19			
		2,882,360,653.00	684,924,808.50	2,598,697,540.06
National Maintenance Training and Security Co. Ltd	First Citizens Bank TT\$400Mn	400,000,000.00	400,000,000.00	400,000,000.00
	Note 20 TT\$200Mn	200,000,000.00	0.00	200,000,000.00
	Republic Bank Limited TT\$300Mn	300,000,000.00	0.00	300,000,000.00
	Note 21			
	NCB Global TT\$400Mn	400,000,000.00	0.00	0.00
	Note 22			
	1,300,000,000.00	400,000,000.00	900,000,000.00	
The Sports Company of Trinidad and Tobago Limited (SPORTT)	ANSA Merchant Bank TT \$495,937,500.00	495,937,500.00	335,487,132.40	306,314,338.20
		495,937,500.00	335,487,132.40	306,314,338.20
Caribbean Airlines Limited (CAL)	NOTE 25			
	ANSA Merchant Bank Ltd- US \$64.2Mn	432,239,340.00	433,799,400.00	0.00
		432,239,340.00	433,799,400.00	0.00
Rural Development Corporation	First Citizen Bank			
	Note 23 TT\$100Mn	100,000,000.00	0.00	100,000,000.00
		100,000,000.00	0.00	100,000,000.00
Telecommunications Services of Trinidad and Tobago	Sagicor Investments Jamaica Ltd- US \$30Mn	177,743,280.00	178,384,800.00	0.00
		177,743,280.00	178,384,800.00	0.00

LETTERS OF COMFORT
ISSUED BY THE GOVERNMENT OF THE REPUBLIC OF TRINIDAD AND TOBAGO
AS AT SEPTEMBER 30, 2020

STATE ENTERPRISE / STATUTORY BOARD	LENDING AGENCY	LOAN AMOUNT	BALANCE AS AT SEPTEMBER 30 2019	BALANCE AS AT SEPTEMBER 30, 2020
Petroleum Company of Trinidad and Tobago PETROTRIN	First Carib. Inter. Bank US\$50Mn	337,820,000.00	338,311,048.83	339,950,000.00
	Note 1 Republic Bank Ltd. US\$22,266,409.19	149,913,053.20	150,454,126.90	151,389,316.08
	Note 1 First Citizens Bank Ltd. US\$55Mn	371,602,000.00	371,635,000.00	373,945,000.00
	Note 1 First Citizens Bank Ltd. US\$100Mn	673,270,000.00	675,700,000.00	679,900,000.00
	Note 1 Republic Bank Ltd US\$50Mn	337,820,000.00	337,850,000.00	0.00
	Note 1 First Citizens Bank Ltd US \$25Mn	168,910,000.00	168,925,000.00	0.00
	Note 1 Scotia Bank Ltd US \$50Mn	337,820,000.00	337,850,000.00	0.00
		2,377,155,053.20	2,380,725,175.73	1,545,184,316.08
Palo Seco Agricultural Enterprises Limited (PSAEL)	First Citizens Bank Ltd. TT\$29,310,285.00	29,310,285.00	29,310,285.00	29,310,285.00
		29,310,285.00	29,310,285.00	29,310,285.00
Total Investments Division		19,158,478,145.46	11,406,059,249.74	11,863,996,619.59
Total EMD		5,830,625,560.42	3,468,773,879.67	4,875,681,219.93
Total Investments Division		19,158,478,145.46	11,406,059,249.74	11,863,996,619.59
Grand Total		24,989,103,705.88	14,874,833,129.41	16,739,677,839.52
Note 1. Foreign exchange rate TT \$6.7990 to US \$1.00				
NEW LOANS	STATUTORY BODY/ STATE ENTERPRISE	TTD	USD	
Note 2: Housing Dev Corp	Republic Bank Ltd	650,000,000.00		
Note 3: WASA	Republic Bank Ltd		100,000,000.00	
Note 4: WASA	NCB Global	125,000,000.00		
Note 5: WASA	NCB Global	192,000,000.00		
Note 6: WASA	Republic Bank Ltd		5,000,000.00	
Note 7: N.C.C	First Citizen Bank	100,000,000.00		
Note 8: N.C.C	First Citizen Bank	500,000,000.00		
Note 9: UDECOTT	Scotia Bank Ltd	37,690,537.00		
Note 10: UDECOTT	First Citizen Bank	70,375,812.33		
Note 11: UDECOTT	First Citizen Bank		12,421,453.02	
Note 12: NIDCO	Scotia Bank Ltd	300,000,000.00		
Note 13: NIDCO	Scotia Bank Ltd	75,000,000.00		

**LETTERS OF COMFORT
ISSUED BY THE GOVERNMENT OF THE REPUBLIC OF TRINIDAD AND TOBAGO
AS AT SEPTEMBER 30, 2020**

STATE ENTERPRISE / STATUTORY BOARD	LENDING AGENCY	LOAN AMOUNT	BALANCE AS AT SEPTEMBER 30 2019	BALANCE AS AT SEPTEMBER 30, 2020
Note 14: EXIMBANK	Bladex		10,000,000.00	
Note 15: EXIMBANK	FCIB		10,000,000.00	
Note 16: EMBD	Republic Bank Ltd	90,000,000.00		
Note 17: EMBD	NCB Global	124,749,300.00		
Note 18: NIPDEC	Ansa Merchant Bank	405,000,000.00		
Note 19: NIPDEC	RBC Merchant	671,320,827.00		
Note 20: NMTS	First Citizen Bank	200,000,000.00		
Note 21: NMTS	Republic Bank Ltd	300,000,000.00		
Note 22: NMTS	NCB Global	400,000,000.00		
Note 23: Rural Development	First Citizen Bank	100,000,000.00		
Note 24: UDECOTT	First Citizen Bank	TT \$500Mn	Transferred to Head 18	
Note 25: CAL	Ansa Merchant Bank	USD \$64.2Mn	Transferred to Head 18	

Source: Letters of Comfort Pages 72-79- Public Accounts of the Republic of Trinidad and Tobago for the Financial Year 2020
Volume I –Accounts of the Treasury and Accounts of the Receivers of Revenue of Ministries and Departments

**STATEMENT OF LOANS FROM GENERAL
REVENUE**

AS AT

SEPTEMBER 30, 2020

SUMMARY OF LOANS FROM GENERAL REVENUE REPAYABLE TO

THE GOVERNMENT OF TRINIDAD AND TOBAGO AS AT SEPTEMBER 30, 2020

TO WHOM MADE	LOANS ISSUED	AMOUNT REPAYED / WRITTEN OFF	BALANCE OUTSTANDING AS AT SEPTEMBER 30, 2020
1. OTHER GOVERNMENTS	389,985,789.24	42,510,457.76	371,216,356.15
2. OTHERS	114,556,974.27	0.00	129,113,010.00
3. STATUTORY BODIES	1,507,797,057.75	1,103,505,314.58	404,291,743.17
TOTAL	2,012,339,821.26	1,146,015,772.34	904,621,109.32

Source: Loans from General Revenue Page 107 – Public Accounts of the Republic of Trinidad and Tobago for the Financial Year 2020 Volume 1

**SUMMARY OF TRANSACTIONS IN RESPECT
OF LOANS FROM GENERAL REVENUE
FOR THE FINANCIAL YEAR 2020**

	\$	¢
Balance brought forward as at October 01, 2019	2,010,440,287.09	
LESS: Capital repayments/write-offs for the Financial Year 2020- Government of St. Lucia	-6,771,100.00	
LESS: Port Authority of Trinidad and Tobago (Loans written off)	-1,101,726,932.62	
ADD: Revalued TTD balances on Loans granted in Foreign Currency using CBTT Exchange Rates (USD 6.7990 / E.C. 2.5815) as at September 30, 2020	2,286,754.85	
LESS/ADD: Amount due to currency translation as at September 30, 2020-Government of St. Lucia	392,100.00	
Balance as at September 30, 2020	904,621,109.32	

** Central Bank of Trinidad and Tobago - CBTT

Source: Loans from General Revenue Pages 104-107 Public Accounts of the Republic of Trinidad and Tobago for the Financial Year 2020 Volume I –Accounts of the Treasury and Accounts of the Receivers of Revenue of Ministries and Departments.

**STATEMENT OF REVENUE
FOR THE
FINANCIAL YEAR 2020**

STATEMENT OF REVENUE FOR THE FINANCIAL YEAR 2020

HEADS OF REVENUE	APPROVED ESTIMATES FINANCIAL YEAR 2020		REVISED ESTIMATES FINANCIAL YEAR 2020		ACTUAL REVENUE FINANCIAL YEAR 2020		ACTUAL (LESS) / MORE THAN ORIGINAL ESTIMATES		ACTUAL (LESS) / MORE THAN REVISED ESTIMATES	
	\$	€	\$	€	\$	€	\$	€	\$	€
<u>TAX REVENUE</u>										
01. TAXES ON INCOME AND PROFITS	20,790,500,000.00		14,915,200,000.00		15,089,422,657.08		-5,701,077,342.92		174,222,657.08	
02. TAXES ON PROPERTY	52,023,000.00		1,573,000.00		1,820,711.22		-50,202,288.78		247,711.22	
03. TAXES ON GOODS AND SERVICES	8,604,733,425.00		8,012,319,965.00		8,022,575,374.31		-582,158,050.69		10,255,409.31	
04. TAXES ON INTERNATIONAL TRADE	2,723,290,000.00		2,280,200,800.00		2,301,164,339.17		-422,125,660.83		20,963,539.17	
05. OTHER TAXES	320,000,000.00		270,000,000.00		257,859,695.44		-62,140,304.56		-12,140,304.56	
TOTAL TAX REVENUE	32,490,546,425.00		25,479,293,765.00		25,672,842,777.22		-6,817,703,647.78		193,549,012.22	
<u>NON-TAX REVENUE</u>										
06. PROPERTY INCOME	11,652,748,500.00		5,508,003,320.00		5,559,671,417.83		-6,093,077,082.17		51,668,097.83	
07. OTHER NON-TAX REVENUE	1,302,713,150.00		1,497,652,750.00		1,691,066,490.30		388,353,340.30		193,413,740.30	
08. REPAYMENT OF PAST LENDING	27,014,900.00		7,633,980.00		11,125,358.00		-15,889,542.00		3,491,378.00	
TOTAL NON-TAX REVENUE	12,982,476,550.00		7,013,290,050.00		7,261,863,266.13		-5,720,613,283.87		248,573,216.13	
SUB-TOTAL	45,473,022,975.00		32,492,583,815.00		32,934,706,043.35		-12,538,316,931.65		442,122,228.35	
<u>CAPITAL RECEIPTS</u>										
09. CAPITAL REVENUE	950,535,000.00		713,422,697.00		526,612,574.72		-423,922,425.28		-186,810,122.28	
TOTAL CAPITAL RECEIPTS	950,535,000.00		713,422,697.00		526,612,574.72		-423,922,425.28		-186,810,122.28	
SUB-TOTAL	46,423,557,975.00		33,206,006,512.00		33,461,318,618.07		-12,962,239,356.93		255,312,106.07	
<u>FINANCING</u>										
10. BORROWING	3,831,800,000.00		16,485,612,100.00		16,554,669,156.26		12,722,869,156.26		69,057,056.26	
11. EXTRAORDINARY RECEIPTS	0.00		6,635,000,000.00		6,635,393,904.00		0.00		393,904.00	
TOTAL FINANCING	3,831,800,000.00		23,120,612,100.00		23,190,063,060.26		12,722,869,156.26		69,450,960.26	
GRAND TOTAL	50,255,357,975.00		56,326,618,612.00		56,651,381,678.33		-239,370,200.67		324,763,066.33	

Source: Statement of revenue Page 115 Accounts of the Republic of Trinidad and Tobago for the Financial Year 2020 Volume I – Accounts of the Treasury and Accounts of the Receivers of Revenue of Ministries and Departments.

STATEMENT OF EXPENDITURE

FOR THE

FINANCIAL YEAR 2020

STATEMENT OF EXPENDITURE FOR THE FINANCIAL YEAR 2020

HEAD OF EXPENDITURE	ORIGINAL ESTIMATES FINANCIAL YEAR 2020	SUPPLEMENTARY ESTIMATES AND TRANSFERS	TOTAL APPROVED ESTIMATES FINANCIAL YEAR 2020	ACTUAL EXPENDITURE FINANCIAL YEAR 2020	VARIANCE	
					LESS THAN ESTIMATES	MORE THAN ESTIMATES
	\$ €	\$ €	\$ €	\$ €	\$ €	\$ €
01 - President	20,000,000.00	0.00	20,000,000.00	15,410,554.58	4,589,445.42	0.00
02 - Auditor General	40,030,735.00	0.00	40,030,735.00	33,504,667.96	6,526,067.04	0.00
03 - Judiciary	504,831,700.00	108,167,000.00	612,998,700.00	571,398,578.14	41,600,121.86	0.00
04 - Industrial Court	41,779,280.00	300,000.00	42,079,280.00	39,703,300.04	2,375,979.96	0.00
05 - Parliament	151,340,560.00	184,100.00	151,524,660.00	147,511,801.59	4,012,858.41	0.00
06 - Service Commissions	86,478,900.00	3,299,090.00	89,777,990.00	79,517,165.94	10,260,824.06	0.00
07 - Statutory Authorities' Service Commission	12,590,960.00	0.00	12,590,960.00	9,011,904.65	3,579,055.35	0.00
08 - Elections and Boundaries Commission	109,656,600.00	43,000,000.00	152,656,600.00	148,783,187.33	3,873,412.67	0.00
09 - Tax Appeal Board	8,709,480.00	0.00	8,709,480.00	8,221,888.15	487,591.85	0.00
11 - Registration, Recognition and Certification Board	4,553,060.00	0.00	4,553,060.00	3,906,224.01	646,835.99	0.00
12 - Public Service Appeal Board	3,380,260.00	0.00	3,380,260.00	2,868,235.86	512,024.14	0.00
13 - Office of The Prime Minister	277,713,670.00	47,220,000.00	324,933,670.00	301,792,850.48	23,140,819.52	0.00
15 - Tobago House of Assembly	2,264,630,000.00	105,000,000.00	2,369,630,000.00	2,344,430,384.34	25,199,615.66	0.00
16 - Central Administrative Services, Tobago	35,175,950.00	0.00	35,175,950.00	31,059,711.30	4,116,238.70	0.00
17 - Personnel Department	68,832,630.00	0.00	68,832,630.00	50,777,840.60	18,054,789.40	0.00
18 - Ministry of Finance	6,361,953,418.00	880,000,000.00	7,241,953,418.00	6,605,822,806.72	636,130,611.28	0.00
19 - Charges on Account of the Public Debt	8,608,800,750.00	1,466,084,000.00	10,074,884,750.00	10,066,151,848.26	8,732,901.74	0.00
20 - Pensions and Gratuities	3,295,000,000.00	0.00	3,295,000,000.00	2,945,095,517.28	349,904,482.72	0.00
22 - Ministry of National Security	3,737,016,954.00	260,588,335.00	3,997,605,289.00	3,673,243,018.04	324,362,270.96	0.00
23 - Ministry of the Attorney General and Legal Affairs	393,585,200.00	78,550,000.00	472,135,200.00	439,516,084.77	32,619,115.23	0.00
26 - Ministry of Education	5,819,352,105.00	0.00	5,819,352,105.00	5,280,470,397.28	538,881,707.72	0.00
28 - Ministry of Health	5,235,201,862.00	224,582,640.00	5,459,784,502.00	4,721,297,036.53	738,487,465.47	0.00
30 - Ministry of Labour and Small Enterprise Development	454,648,883.00	21,405,000.00	476,053,883.00	439,873,519.21	36,180,363.79	0.00
31 - Ministry of Public Administration	1,207,203,293.00	0.00	1,207,203,293.00	1,099,810,442.42	107,392,850.58	0.00
35 - Ministry of Tourism	97,208,469.00	0.00	97,208,469.00	43,146,732.34	54,061,736.66	0.00
CARRIED FORWARD	38,839,674,719.00	3,238,380,165.00	42,078,054,884.00	39,102,325,697.82	2,975,729,186.18	0.00

HEAD OF EXPENDITURE	ORIGINAL ESTIMATES FINANCIAL YEAR 2020	SUPPLEMENTARY ESTIMATES AND TRANSFERS	TOTAL APPROVED ESTIMATES FINANCIAL YEAR 2020	ACTUAL EXPENDITURE FINANCIAL YEAR 2020	VARIANCE	
					LESS THAN ESTIMATES	MORE THAN ESTIMATES
	\$ €	\$ €	\$ €	\$ €	\$ €	\$ €
BROUGHT FORWARD	38,839,674,719.00	3,238,380,165.00	42,078,054,884.00	39,102,325,697.82	2,975,729,186.18	0.00
37 - Integrity Commission	13,522,550.00	0.00	13,522,550.00	8,925,038.17	4,597,511.83	0.00
38 - Environmental Commission	9,634,010.00	550,640.00	10,184,650.00	7,708,163.90	2,476,486.10	0.00
39 - Ministry of Public Utilities	2,791,253,400.00	0.00	2,791,253,400.00	2,493,956,586.95	297,296,813.05	0.00
40 - Ministry of Energy and Energy Industries	649,850,790.00	0.00	649,850,790.00	583,907,428.06	65,943,361.94	0.00
42 - Ministry of Rural Development and Local Government	2,442,496,811.00	116,700,000.00	2,559,196,811.00	2,207,020,576.77	352,176,234.23	0.00
43 - Ministry of Works and Transport	2,548,280,000.00	244,484,504.00	2,792,764,504.00	2,395,647,513.38	397,116,990.62	0.00
48 - Ministry of Trade and Industry	155,133,474.00	4,120.00	155,137,594.00	121,133,925.68	34,003,668.32	0.00
61 - Ministry of Housing and Urban Development	803,290,381.00	0.00	803,290,381.00	769,761,652.51	33,528,728.49	0.00
62 - Ministry of Community Development, Culture and the Arts	415,512,249.00	0.00	415,512,249.00	334,259,223.10	81,253,025.90	0.00
64 - Trinidad and Tobago Police Service	2,552,615,350.00	0.00	2,552,615,350.00	2,374,165,652.48	178,449,697.52	0.00
65 - Ministry of Foreign and CARICOM Affairs	273,047,930.00	35,374,200.00	308,422,130.00	282,439,865.85	25,982,264.15	0.00
67 - Ministry of Planning and Development	303,222,000.00	0.00	303,222,000.00	252,903,650.31	50,318,349.69	0.00
68 - Ministry of Sport and Youth Affairs	301,504,178.00	0.00	301,504,178.00	220,589,327.08	80,914,850.92	0.00
70 - Ministry of Communications	227,165,000.00	30,276,000.00	257,441,000.00	220,934,571.03	36,506,428.97	0.00
75 - Equal Opportunity Tribunal	4,718,710.00	399,000.00	5,117,710.00	4,496,213.08	621,496.92	0.00
77 - Ministry of Agriculture, Land and Fisheries	758,916,840.00	0.00	758,916,840.00	570,452,137.15	188,464,702.85	0.00
78 - Ministry of Social Development and Family Services	4,968,500,000.00	581,794,321.00	5,550,294,321.00	5,437,381,260.98	112,913,060.02	0.00
TOTAL	58,058,338,392.00	4,247,962,950.00	62,306,301,342.00	57,388,008,484.30	4,918,292,857.70	0.00

Source: Statement of Expenditure pages 147-148 Public Accounts of the Republic of Trinidad and Tobago for the Financial Year 2020 Volume I –Accounts of the Treasury and Accounts of the Receivers of Revenue of Ministries and Departments

**STATEMENT OF LOANS OR CREDITS
GUARANTEED
BY THE STATE
AS AT
SEPTEMBER 30, 2020**

**LOANS OR CREDITS GUARANTEED BY THE GOVERNMENT
OF THE REPUBLIC OF TRINIDAD AND TOBAGO AS AT SEPTEMBER 30, 2020**

STATE ENTERPRISE / STATUTORY BOARD	LENDING AGENCY	AMOUNT GUARANTEED	BALANCE AT SEPTEMBER 30, 2019	BALANCE AT SEPTEMBER 30, 2020
Economic Management Division				
Airports Authority of Trinidad and Tobago (AATT)	Merchant Bank (Paying agent - First TT \$300Mn	300,000,000.00	0.00	0.00
	Republic Finance and Merchant Bank (Paying agent - First Citizens Bank Ltd.) TT \$379.3Mn	426,669,792.00	8,891,460.24	2,963,820.00
	Trinidad and Tobago Unit Trust Corporation TT \$129,121,531	129,121,531.50	16,554,042.50	9,932,425.00
	First Citizens Bank Ltd. TT \$193Mn	193,000,000.00	6,433,333.43	0.00
		1,048,791,323.50	31,878,836.17	12,896,245.00
Public Transport Service Corporation (PTSC)	Citicorp Merchant Bank- TT \$130.1Mn. Bond	185,240,039.06	2,155,157.74	2,155,157.74
	First Citizens Bank Ltd. TT \$93,645,285.79	93,645,285.79	6,243,019.05	0.00
		278,885,324.85	8,398,176.79	2,155,157.74
The University of the West Indies (UWI)	EEC Loan # 80370 EDF €1,640,246	15,056,474.13	6,313,447.10	5,309,929.00
		15,056,474.13	6,313,447.10	5,309,929.00
Water and Sewerage Authority (WASA)	Republic Finance and Merchant Bank (Paying agent - Trinidad and Tobago Central Depository) TT \$343Mn	403,364,940.00	20,168,346.80	0.00
	Republic Finance and Merchant Bank TT \$330Mn	461,663,500.00	76,942,737.37	46,166,332.00
	Republic Finance and Merchant Bank TT \$500Mn	500,000,000.00	137,500,000.00	112,500,000.00
	Central Bank of Trinidad and Tobago Capitalized Interest	432,220,000.00	432,220,000.00	115,000,000.00
	RBC Trust (T&T) Ltd. TT \$1,335,900,000	1,335,900,000.00	1,335,900,000.00	1,335,900,000.00
		3,133,148,440.00	2,002,731,084.17	1,609,566,332.00

LOANS OR CREDITS GUARANTEED BY THE GOVERNMENT OF THE REPUBLIC OF TRINIDAD AND TOBAGO AS AT SEPTEMBER 30, 2020				
STATE ENTERPRISE / STATUTORY BOARD	LENDING AGENCY	AMOUNT GUARANTEED	BALANCE AT SEPTEMBER 30, 2019	BALANCE AT SEPTEMBER 30, 2020
Trinidad and Tobago Electricity Commission (T&TEC) Note 1	Royal Merchant Bank and Finance Co. Ltd.			
	TT \$500Mn	714,292,720.00	63,025,828.23	21,008,609.45
	US \$76Mn - 478.8 Mn	478,800,000.00	110,573,218.33	66,398,915.00
	Republic Bank Ltd.			
	TT \$1,612,590,000	1,612,590,000.00	1,485,388,354.83	1,352,506,555.00
		2,805,682,720.00	1,658,987,401.39	1,439,914,079.45
Housing Development Corporation (HDC)	Central Bank of Trinidad and Tobago Bond TT \$306Mn	306,000,000.00	306,000,000.00	306,000,000.00
	TT \$600Mn	600,000,000.00	600,000,000.00	600,000,000.00
	TT \$475Mn	475,000,000.00	475,000,000.00	475,000,000.00
	TT \$700Mn	700,000,000.00	700,000,000.00	700,000,000.00
	TT \$500Mn	500,000,000.00	500,000,000.00	500,000,000.00
		2,581,000,000.00	2,581,000,000.00	2,581,000,000.00
Total EMD		9,862,564,282.48	6,289,308,945.62	5,650,841,743.19

LOANS OR CREDITS GUARANTEED BY THE GOVERNMENT OF THE REPUBLIC OF TRINIDAD AND TOBAGO AS AT SEPTEMBER 30, 2020				
STATE ENTERPRISE / STATUTORY BOARD	LENDING AGENCY	AMOUNT GUARANTEED	BALANCE AT SEPTEMBER 30, 2019	BALANCE AT SEPTEMBER 30, 2020
Investments Division				
Export Import Bank of Trinidad and Tobago Limited (EXIMBANK)	Scotiabank Ltd. Line of Credit (Revolving) TT \$44,680,000	44,680,000.00	12,880,670.00	10,123,944.00
		44,680,000.00	12,880,670.00	10,123,944.00
Urban Development Corporation of Trinidad and Tobago (UDeCOTT) Note 1	First Citizens Trustee Services US \$88Mn First Caribbean International Bank US \$81Mn/US \$92.5Mn revised to US \$100Mn Republic Bank Limited TTD 3,539,895,457.00	565,866,400.00	118,923,200.00	59,510,880.00
		642,570,000.00	138,703,566.73	67,626,000.00
		3,539,895,457.00	2,577,196,708.70	2,572,304,333.60
		4,748,331,857.00	257,626,766.73	2,699,441,213.60
National Helicopter Services Limited (NHSL) Note 1	Republic Finance & Merchant Bank (Risk Management) US\$11.5 Mn USD	73,273,400.00	35,570,814.29	25,260,702.72
		11,500,000.00		3,715,355.60
		73,273,400.00	35,570,814.29	25,260,702.72
Trinidad and Tobago Mortgage Finance Company Limited (TTMF)	National Insurance Board TT \$200Mn	200,000,000.00	10,000,000.00	0.00
		200,000,000.00	10,000,000.00	0.00
National Insurance Property Development Company Limited (NIPDEC)	Central Bank of Trinidad and Tobago TT \$500Mn 6.25% Fixed Rate Bond 2028 TT \$682Mn 6.8% Fixed Rate Bond 2022 Central Bank of Trinidad and Tobago TT \$360Mn 6.1% Fixed Rate Bond 2025 TT \$750Mn Fixed Rate Bond 2030 (Paying agent - Central TT \$500Mn TT \$339Mn	500,000,000.00	500,000,000.00	500,000,000.00
		682,000,000.00	682,000,000.00	682,000,000.00
		360,000,000.00	360,000,000.00	360,000,000.00
		750,000,000.00	750,000,000.00	750,000,000.00
		500,000,000.00	500,000,000.00	500,000,000.00
		339,000,000.00	339,000,000.00	339,000,000.00
		3,131,000,000.00	3,131,000,000.00	3,131,000,000.00

LOANS OR CREDITS GUARANTEED BY THE GOVERNMENT OF THE REPUBLIC OF TRINIDAD AND TOBAGO AS AT SEPTEMBER 30, 2020				
STATE ENTERPRISE / STATUTORY BOARD	LENDING AGENCY	AMOUNT GUARANTEED	BALANCE AT SEPTEMBER 30, 2019	BALANCE AT SEPTEMBER 30, 2020
National Infrastructure (NIDCO)	RBC Royal Bank TT \$53Mn	53,000,000.00	19,433,333.33	15,900,000.00
	First Citizens Trustee TT \$344,750,000	344,750,000.00	114,916,666.67	91,933,333.33
		397,750,000.00	134,350,000.00	107,833,333.33
Total Investments Division		8,595,035,257.00	3,581,428,251.02	5,973,659,193.65
Total EMD		9,862,564,282.48	6,289,308,945.62	5,650,841,743.19
Total Investments Division		8,595,035,257.00	3,581,428,251.02	5,973,659,193.65
Grand Total		18,457,599,539.48	9,870,737,196.64	11,624,500,936.84
NOTE 1				
Foreign Exchange Rates TT \$6.7990 to US \$1.00;				
AUTHORITY				
(a) Guarantee of Loans (Companies Act Chapter 71:82)				
(b) Guarantee of Loans (Statutory Authorities Act Chapter 71:81)				
(c) Guarantee of Loans (U.W.L.) Act 1993				
(d) National Development (Inter-American Development Bank) Loans ACT Chapter 71:07				

Source: Statement of Loans or Credits Guaranteed by the State Pages 97-100 Public Accounts of the Republic of Trinidad and Tobago for the Financial Year 2020 Volume I –Accounts of the Treasury and Accounts of the Receivers of Revenue of Ministries and Departments

**THE CASH BASIS
CONSOLIDATED
STATEMENT OF
ASSETS AND LIABILITIES
AS AT
SEPTEMBER 30, 2020**

GOVERNMENT OF THE REPUBLIC OF TRINIDAD AND TOBAGO
CASH BASIS CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2020

(Figures in TT\$)	Notes	2020	2019
ASSETS			
Current Assets			
Cash and Cash Equivalents	2. (ii) (b)	28,264,629,769.45	27,996,922,385.53
Receivables - Treasury Deposits		507,116,945.79	406,075,395.13
Receivables - Advances		95,278,668.34	104,763,945.90
Total Current Assets		28,867,025,383.58	28,507,761,726.56
Non-Current Assets			
Investments - General		40,665,466.89	41,011,999.69
Investments - Special Funds		87,390,898.33	46,672,418.00
Investments - Trust Funds		18,343,341.33	18,239,941.33
Investments - Consolidated Fund		2,607,109.18	2,607,109.18
Total Non-Current Assets		149,006,815.73	108,531,468.20
Total Assets		29,016,032,199.31	28,616,293,194.76
LIABILITIES			
Current Liabilities			
Overdraft (Exchequer Account)	2. (ii) (a)	42,088,489,765.07	41,380,061,388.10
Deposit Accounts		7,289,599,541.53	5,068,236,165.08
Special Funds		4,838,563,992.24	7,177,719,044.78
Trust Funds		585,631,269.22	654,888,018.01
Total Liabilities		54,802,284,568.06	54,280,904,615.97
Funds			
Consolidated Fund		-42,054,339,579.89	-41,345,911,202.92
Unemployment Fund		7,794,741,265.95	7,873,342,785.42
Infrastructure Development Fund		36,819,484.42	63,971,599.46
NUGFW Training Fund		8,655,559.47	8,620,981.07
Government Assistance for Tuition Expenses Fund		81,665,019.56	76,374,336.61
Green Fund		7,632,357,483.81	6,946,131,930.49
CARICOM Petroleum Fund		245,372,997.93	244,392,748.66
National Wastewater Revolving Fund		16,965,400.00	16,965,400.00
Advance Fund		351,500,000.00	351,500,000.00
Contingencies Fund		100,000,000.00	100,000,000.00
Total Funds		-25,786,262,368.75	-25,664,611,421.21
Total Liabilities and Funds		29,016,022,199.31	28,616,293,194.76

Source: Statement of page 151 Public Accounts of the Republic of Trinidad and Tobago for the Financial Year 2020 Volume I – Accounts of the Treasury and Accounts of the Receivers of Revenue of Ministries and Departments

NOTES TO THE ACCOUNTS

1. GENERAL

The Statement of Revenue, Statement of Expenditure as well as the Statement of Assets and Liabilities constitute the annual statements as identified in Section 24(1) (a) iv, v, and vii respectively of the Exchequer and Audit Act Chapter 69:01 as amended by Act No. 23 of 1998.

2. ACCOUNTING POLICIES

(i) The accounts are kept on a cash basis. Accordingly, transactions are recorded when moneys are actually received and paid.

(ii) Cash Basis Consolidated Statement of Assets and Liabilities

(a) As we move towards the full implementation of Cash Basis International Public Sector Accounting Standards (IPSAS), the Consolidated Statement of Assets and Liabilities is now being restated in the cash basis IPSAS format. This presentation uses the concepts and accounting standards of the Cash Basis of Accounting. As a result, the Exchequer Account which was previously reported under Assets is now being reported as a Current Liability due to its overdrawn status.

(b) Cash and Cash Equivalents

Cash and Cash Equivalents consists of the following accounts:

Treasury Deposits Account	12,079,765,090.98
Treasury Funds Account	361,708,301.29
Treasury Suspense Account	5,767,389.63
Unemployment Fund	7,794,741,265.95
Infrastructure Development Fund	36,819,484.42
NUGFW Training Fund	8,655,559.47
Government Assistance for Tuition Expenses	81,665,019.56
Green Fund	7,632,357,483.81
CARICOM Petroleum Fund	245,372,997.93
National Wastewater Revolving Fund of	16,965,400.00
Exchequer Suspense Account	811,776.41
CASH AND CASH EQUIVALENTS	28,264,629,769.45

- (iii) For the financial year 2020, the Public Debt (Local and External Loans and Loans serviced under Head 18) totaled \$90,499,830,136.22. However, the Statutory Sinking Funds for the Public Debt in the sum of \$4,753,429,755.39 are incorporated in the Special Funds totaling \$4,838,563,992.24. The Public Debt does not include the arrears of emoluments owed to Public Sector Employees which have not yet been satisfied by the use of any mechanism.

3. UNEMPLOYMENT FUND

In accordance with the Unemployment Levy Act, Chapter 75:03 Section 15, the balances of the Fund are shown in the general accounts. The accounts of the Fund are presented as Schedules C (i) and (ii) to the Statement of Assets and Liabilities.

4. INFRASTRUCTURE DEVELOPMENT FUND

In accordance with the Exchequer and Audit Act, Chapter 69:01 Section 43 (2), the balances of the Infrastructure Development Fund are shown in the general accounts. The accounts of the Fund are presented as Schedules D (i) and (ii) to the Statement of Assets and Liabilities.

5. NATIONAL UNION OF GOVERNMENT AND FEDERATED WORKERS (NUGFW) TRAINING FUND

The National Union of Government and Federated Workers (NUGFW) Training Fund was established under Section 43(2) of the Exchequer and Audit Act Chapter, 69:01 (Legal Notice No. 280 dated September 27, 2004) In accordance with the Exchequer and Audit Act, Chapter 69:01, Section 43(2), the balances of the NUGFW Training Fund are shown in the general accounts. The accounts of the Fund are presented as Schedules E (i) and (ii) to the Statement of Assets and Liabilities.

6. GOVERNMENT ASSISTANCE FOR TUITION EXPENSES (GATE) FUND

The Government Assistance for Tuition Expenses Fund was established under Section 43(2) of the Exchequer and Audit Act, Chapter 69:01 (Legal Notice No. 329 dated December 09, 2004). In accordance with the Exchequer and Audit Act, Chapter 69:01, Section 43(2), the balances of the GATE Fund are shown in the general accounts. The accounts of the Fund are presented as Schedules F (i) and (ii) to the Statement of Assets and Liabilities.

7. GREEN FUND

The Green Fund was established by Section 65 (1) of the Miscellaneous Taxes Act as amended by Part VI Section 8(b) of the Finance Act No. 5 of 2004 dated January 30, 2004. In accordance with Section 67(1) of the Part XIV of the Miscellaneous Taxes Act, the balances of the Green Fund are shown in the general accounts. The accounts of the Fund are presented as Schedules G (i) and (ii) to the Statement of Assets and Liabilities.

8. **CARICOM PETROLEUM FUND**

The CARICOM Petroleum Fund was established under Section 43(2) of the Exchequer and Audit Act, Chapter 69:01 (Legal Notice 302 dated November 23, 2006). In accordance with the Exchequer and Audit Act, Chapter 69:01, Section 43(2), the balances of the CARICOM Petroleum Fund are shown in the general accounts. The accounts of the Fund are presented as Schedules H (i) and (ii) to the Statement of Assets and Liabilities.

9. **NATIONAL WASTEWATER REVOLVING FUND**

The National Wastewater Revolving Fund was established under Section 43 (2) of the Exchequer and Audit Act, Chapter 69:01 (Legal Notice No. 255 dated December 11, 2013). In accordance with the Exchequer and Audit Act, Chapter 69:01, Section 43 (2), the balances of the National Wastewater Revolving Fund are shown in the General Accounts. The accounts of the Fund are presented as Schedules I (i) and (ii) to the statement of Assets and Liabilities.

10. **CONTINGENT LIABILITIES**

(i) **Loans or Credits Guaranteed by the Government of Trinidad and Tobago**

The Contingent Liabilities in respect of Loans or Credits Guaranteed by the Government of Trinidad and Tobago as at September 30, 2020 amount to \$11,624,500,936.84. The details are reflected on the Statement submitted in accordance with Section 24 (1) (a) vi of the Exchequer and Audit Act, Chapter 69:01 as amended by Act No. 23 of 1998.

(ii) **Letters of Comfort issued by the Government of Trinidad and Tobago**

The Contingent Liabilities in respect of Letters of Comfort issued by the Government of Trinidad and Tobago as at September 30, 2020 amount to \$16,739,677,839.52. Details are reflected in the Statements of the Public Debt.

(iii) **Promissory Notes**

The Contingent Liabilities in respect of outstanding Promissory Notes issued by the Government of Trinidad and Tobago as at September 30, 2020 amount to \$5,390,613,273.45. Details are reflected in the Statements of the Public Debt.

(iv) **Arrears of Emoluments owed to Public Sector Employees**

An amount of \$10,500.00. was paid towards the settlement of the Public Sector Liability during the financial year ended September 30, 2020. To date, the sum of 1608.7-Million of the Public Sector employees' liability has been satisfied.

(v) **Open Market Operations**

As notified by the Central Bank, the amount of Treasury Securities outstanding for the purpose of Open Market Operations (OMO) as at September 30, 2020 was \$10,611.0-Million. The face value of the Open Market Bills stood at \$8,479.0-Million, Treasury Notes \$2,132.0-Million, and the value of rolled over Treasury Bills rolled was \$3340.0-Million.

11. **BALANCES OUTSTANDING ON BUILD, OPERATE, LEASE AND TRANSFER (BOLT) PROJECTS**

The balances outstanding on Build, Operate, Lease and Transfer (BOLT) Projects as at September 30, 2020 amount to \$ 78,651,068.48. Details are reflected in the Statements of the Public Debt.

12. **BALANCES ON LOANS ASSUMED BY THE GOVERNMENT OF TRINIDAD AND TOBAGO**

The balances outstanding in respect of Loans Assumed by the Government of Trinidad and Tobago as at September 30, 2020 in respect of Companies in which Government has/had a shareholding amount to \$1,392,842.85. The details are reflected on a Statement in the Accounts.

13. **PRODUCTION SHARING CONTRACTS**

Under the provisions of the Production Sharing Contracts, the Government of the Republic of Trinidad and Tobago is entitled to a share of the production of natural gas and crude oil from the operations of the contractors. The moneys received are placed in the Deposit Account Head 111/570 (Production Sharing Contract). From this share of production, the Minister of Energy and Energy Industries is responsible for meeting the respective Contractor's tax and similar financial obligations to the Government. Total Payments made to the Board of Inland Revenue in respect of the financial year 2020 was \$1,136,373,654.00. Revenue collection decreased by 55% when compared to the receipts collected in the financial year 2019. Details of payments made in the financial year 2020 are shown below:-

DATE	AMOUNT
02/07/2020	\$359,492,264.00
04/08/2020	\$278,570,251.00
07/02/2020	\$196,378,438.00
09/17/2020	\$195,649,926.00
09/29/2020	\$106,582,775.00
TOTAL	\$1,136,373,654.00

14. **PETROLEUM SUBSIDY PAID TO CONTRACTORS**

In accordance with Sub-section (2) of Section 5 of the Petroleum Production Levy and Subsidy Act 1974, Chapter 62:02, the total advances made in the financial year 2020 from the Petroleum Products and Subsidy Fund, for the purpose of subsidizing the prices at which Petroleum Products are sold by persons carrying on marketing business is \$249,405,675.92. The details are available for Audit scrutiny.

15. **ACCIDENTS VICTIMS COMPENSATION FUND**

In the 2008 Budget Statement the Prime Minister and the Minister of Finance proposed to use the proceeds of the Insurance Premium Tax to establish an Accident Victims Compensation Fund to compensate victims of accidents caused by uninsured drivers.

16. There were no deposits or withdrawals made for the financial year 2020.

17. **HERITAGE AND STABILISATION FUND**

The Heritage and Stabilisation Fund (HSF) was established by Act No. 6 of 2007 which was assented to on March 15, 2007. This Fund is denominated in the currency of the United States of America. The purpose of the Fund is to save and invest surplus petroleum revenues derived from production business in order to cushion the impact on or sustain public expenditure capacity and generate an alternate stream of income so as to support public expenditure capacity during periods of revenue downturn and provide a heritage for future generations.

18. By Act No. 9 of 2020 the Act was amended to allow withdrawals in exceptional circumstances by inserting after section 15, the following section:

15A. (1) “Notwithstanding section 15 and any other written law and subject to subsection (2), withdrawals may be made from the Fund where—

(a) a disaster area is declared under the Disaster Measures Act;

(b) a dangerous infectious disease is declared under the Public Health Ordinance; or

(c) there is, or is likely to be, a precipitous decline in budgeted revenues which are based on the production or price of crude oil or natural gas.

(2) Withdrawals under subsection (1) may be made from the Fund not exceeding one and one half billion dollars at any time during the financial year.

(3) Where a withdrawal has been made from the Fund under this section, the Minister shall cause a report to be laid in the House of Representatives, within sixty days of that withdrawal.”

19. As at September 30, 2020 the balance in the HSF stood at USD \$5,727,580,691.78 (approximately TT\$38,941,821,123.42). Withdrawals amounted to US \$979,853,157.69 (approximately TT\$6,849,173,572.26) for the financial year 2020. There were no deposits for the financial year 2020.

20. **CONTINGENCIES FUND**

The Exchequer and Audit Act, Chapter 69:01 Part IV No.16 provides for the establishment of a Contingencies Fund not exceeding in aggregate \$1.5 million or such greater sum as Parliament may by resolution approve. The Contingencies Fund now stands at \$100 million. Over the years there have been increases to the Fund with the most recent being \$75 million. Legal Notice No. 203 of 2006 is relevant.

21. The purpose of the Fund is to defray unforeseen expenditure which has not been provided for by the Appropriation Act relating to that year and where the circumstances are such that the expenditure cannot, without injury to the public interest be postponed until adequate provision is made by Parliament. Supplementary funding must be provided in the same financial year to clear all expenditure incurred in respect of advances from the Contingencies Fund.

22. There were no Advances from the Contingencies Fund for the financial year 2020.

Source: Statement of consolidated Page 153- 157 Public Accounts of the Republic of Trinidad and Tobago for the Financial Year 2020 Volume I –Accounts of the Treasury and Accounts of the Receivers of Revenue of Ministries and Departments

THE CONSOLIDATED FUND

AS AT

SEPTEMBER 30, 2020

THE CONSOLIDATED FUND

FOR THE FINANCIAL YEAR 2020

2019			2020	
\$	€		\$	€
<u>(40,212,243,253.50)</u>		Balance as at October 01, 2019		<u>(41,345,911,202.92)</u>
		Revenue	56,651,381,678.33	
		Expenditure	57,388,008,484.30	
<u>(1,157,833,773.20)</u>		Excess of Expenditure over Revenue		<u>(736,626,805.97)</u>
<u>(41,370,077,026.70)</u>				<u>(42,082,538,008.89)</u>
		(a) Accounting Adjustments re: Previous Years		
		(b) Transfer of Previous Years Unpaid Balances to Consolidated Fund	<u>28,198,429.00</u>	
<u>24,165,823.78</u>			28,198,429.00	<u>28,198,429.00</u>
<u>(41,345,911,202.92)</u>		Balance as at September 30, 2020		<u>(42,054,339,579.89)</u>

**STATEMENT OF LOANS FROM THE
FUNDS FOR LONG-TERM
DEVELOPMENT
AS AT
SEPTEMBER 30, 2020**

Summary of Loans from the Funds for Long-Term Development as at September 30, 2020

	\$	¢
GRAND TOTAL OF LOANS - ALL FUNDS	9,853,937	20
AMOUNT REPAYED/WRITTEN-OFF AS AT SEPTEMBER 30, 2020	6,557,228	16
BALANCE OUTSTANDING AS AT SEPTEMBER 30, 2020	3,296,709.04	

FUNDS FINANCIAL STATEMENTS

2020

SCHEDULE A

SCHEDULE OF SPECIAL FUNDS APPEARING IN THE CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2020

TITLE OF FUND	FUND BALANCE	
	\$	¢
Provident Fund		0.00
Provident Fund -Interest		0.00
Stock Transfer Stamp Duty Fund		3,961.48
Local Trustees of the Sinking Fund	4,753,429,755.39	
Savings Bonds Reserve Fund		234,900.00
Seized Assets Fund-Ministry of National Security		39,225.00
National Disaster Fund		3,657,835.56
Equipment Fund-Trinidad and Tobago Defence Force		1,427,266.71
Welfare Fund-Trinidad and Tobago Defence Force		4,171,067.74
Agriculture Disaster Relief Fund		320,132.04
Seized Assets Fund		75,279,848.32
TOTAL		4,838,563,992.24

SCHEDULE B

SCHEDULE OF TRUST FUNDS APPEARING IN THE CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2020

TITLE OF FUND	FUND BALANCE	
	\$	¢
Land Assurance Fund	9,775,490.10	
Official Receiver	158,543.95	
Post Office Savings Bank	13,579,936.09	
Public Trustee	5,305,779.19	
Sugar Industry Labour Welfare Fund	52,429,846.89	
Sugar Industry Price Stabilisation Fund	527,201.11	
Sugar Industry Rehabilitation Fund	4,451,541.15	
Suitors Fund and Money-Registrar and Marshall, P.O.S	1,062,987.72	
Suitors Fund and Money-Sub-Registrar, San Fernando	1,103,445.58	
Suitors Fund and Money-Sub-Registrar, Tobago	88,856.58	
Trinidad Assurance Companies Ordinance 1943 Cane Farmers' Cess	175,389.26	188.59
Cane Farmers Rehabilitation Board	94,967.90	
Comptroller of Accounts-In Trust for B & C Deosaran	2,000.00	
Petroleum Products Subsidy Fund	422,007,689.75	
Mortgage re: Diawantee Nandoo	2,544.30	
50MN 12 1/4 % Loan Stock Redeemed 2009 - Unclaimed Funds	313,875.06	
Telecommunication Authority of Trinidad and Tobago.	74,550,986.00	
TOTAL	585,631,269.22	

THE UNEMPLOYMENT FUND

(Established under Section 14(2) of the Unemployment Levy Act, Chapter 75:03)

STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE FINANCIAL YEAR ENDED SEPTEMBER 30, 2020

Previous Year		
\$	¢	\$ ¢
	<u>RECEIPTS</u>	
343,256,191.11	Board of Inland Revenue Receipts	179,668,022.13
<u>343,256,191.11</u>	TOTAL LEVY COLLECTED	<u>179,668,022.13</u>
	Add: Interest on Cash Balances:	
30,940,378.88	Interest received for the financial year 2020	31,222,740.16
0.00	Add: Miscellaneous Receipts	0.00
484,630.72	Add: Recoveries of Overpayment for previous year	84,783.97
<u>374,681,200.71</u>	TOTAL RECEIPTS	<u>210,975,546.26</u>
	<u>PAYMENTS</u>	
83,180,023.87	Ministry of Agriculture, Land and Fisheries	36,567,308.01
180,292,071.98	Ministry of Works and Transport	235,009,757.72
<u>18,000,000.00</u>	Ministry of Works and Transport Tobago House of Assembly	<u>18,000,000.00</u>
<u>281,472,095.85</u>	TOTAL PAYMENTS	<u>289,577,065.73</u>
93,209,104.86	Excess of Payments over Receipts for the financial year 2020	(78,601,519.47)
7,780,133,680.56	Add: Balance brought forward from September 30, 2019	7,873,342,785.42
<u>7,873,342,785.42</u>	BALANCE AS AT SEPTEMBER 30, 2020	<u>7,794,741,265.95</u>

SCHEDULE D
(i)

INFRASTRUCTURE DEVELOPMENT FUND

(Established under Section 43(2) of the Exchequer and Audit Act, Chapter 69:01)

Legal Notice No. 347 dated December 29, 1997

STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE FINANCIAL YEAR ENDED SEPTEMBER 30, 2020

Previous	Year		\$	¢
			\$	¢
		<u>RECEIPTS</u>		
		Add: Amount transferred from the Consolidated Fund to the Infrastructure Development Fund in the financial year 2020	2,275,000,000.00	
2,150,000,000.00				
	0.00	Add: Recoveries of Overpayment for Previous Years	377,810.23	
		Interest received for the financial year 2020	1,749,709.95	
1,645,027.54				
<u>2,151,645,027.54</u>		TOTAL RECEIPTS	<u>2,277,127,520.18</u>	
		<u>PAYMENTS</u>		
		See Appendix (1)	2,304,279,635.22	
2,180,950,686.70				
<u>2,180,950,686.70</u>		TOTAL PAYMENTS	<u>2,304,279,635.22</u>	
		Excess of Payments over Receipts for the financial year 2020	(27,152,115.04)	
(29,305,659.16)				
		Add: Balance brought forward from September 30, 2019	63,971,599.46	
93,277,258.62				
<u>63,971,599.46</u>		BALANCE AS AT SEPTEMBER 30, 2020	<u>36,819,484.42</u>	

INFRASTRUCTURE DEVELOPMENT FUND
STATEMENT OF PAYMENTS FOR THE FINANCIAL YEAR
ENDED SEPTEMBER 30, 2020

Agencies	AU/ Sub Head	Total Warrants Issued \$	Cheques Issued \$	Unexpended Balance \$
Office of the Prime Minister	5/13	113,501,702.00	113,501,692.34	9.66
Ministry of National Security	07/22	62,633,625.00	62,633,617.44	7.56
Trinidad and Tobago Police Service	08/64	66,307,773.00	66,307,718.04	54.96
Ministry of Communications	82/70	6,005,715.00	6,005,715.00	0.00
Ministry of Health	16/28	290,851,873.00	290,851,813.23	59.77
Ministry of Energy and Energy Industries	23/40	285,633.00	285,632.02	0.98
Ministry of Housing and Urban Development	50/61	340,328,224.00	340,327,257.04	966.96
Ministry of Community Development, Culture and the Arts	58/62	79,057,549.00	77,000,306.64	2,057,242.36
Ministry of Rural Development and Local Government	61/42	16,841,878.00	16,812,943.57	28,934.43
Ministry of Trade and Industry	65/48	24,979,964.00	24,938,934.00	41,030.00
Ministry of Agriculture, Land and Fisheries	88/77	43,402,593.00	43,402,590.02	2.98
Ministry of Sport and Youth Affairs	80/68	68,664,474.00	68,664,470.27	3.73
Ministry of Tourism	71/35	3,022,009.00	3,022,006.80	2.20
Ministry of Works and Transport	60/43	818,680,999.00	802,933,580.97	15,747,418.03
Ministry of Labour and Small Enterprise Development	63/30	1,394,302.00	1,394,300.80	1.20
Ministry of Public Utilities	59/39	117,526,642.00	117,526,635.51	6.49
Ministry of Planning and Development	79/67	3,191,793.00	3,191,792.69	0.31
Ministry of Education	11/26	265,478,651.00	265,478,628.84	22.16
TOTAL		2,322,155,399.00	2,304,279,635.22	17,875,763.78

CHAPTER 1

GENERAL MATTERS

CHAPTER 1

GENERAL MATTERS

THE PUBLIC ACCOUNTS

CONSTITUTIONAL AND LEGAL BASIS

1.1 The Auditor General's mandate for the audit of the Public Accounts and the right of access to all documents as well as the independence of the Office are enshrined in the Constitution of the Republic of Trinidad and Tobago as follows:

- S116. (2) *“The public accounts of Trinidad and Tobago and of all officers, Courts and authorities of Trinidad and Tobago shall be audited and reported on annually by the Auditor General, and for that purpose the Auditor General or any person authorised by him in that behalf shall have access to all books, records, returns and other documents relating to those accounts.”*
- S116. (6) *“In the exercise of his functions under this Constitution the Auditor General shall not be subject to the direction or control of any other person or authority.”*

1.2 The Exchequer and Audit Act, Chapter 69:01 (the Act) expands this right of access to include explanations and information as well as access to all State property as follows:

- S10. (1) *“In the exercise of his duties under this Act the Auditor General shall be entitled –*
 - (a) to call upon any officer for any explanations and information which the Auditor General may require in order to enable him to discharge his duties;*
 - (b) to authorise any officer on his behalf to conduct any inquiry, examination or audit, and such officer shall report thereon to the Auditor General;*
 - (c) to send for and have the custody of any books, accounts, vouchers or papers under the control of any officer relating to or in any wise concerning the public accounts, and to keep such books, accounts, vouchers or papers for such time as he may require them;”*
- S10. (2) *“In the exercise of his duties under this Act the Auditor General, or any person duly authorised by him in writing, shall have access to all records, books, vouchers, documents, cash, stamps, securities, stores or other State property in the possession of any officer.”*

1.3 Section 24 of the Exchequer and Audit Act, Chapter 69:01 (the Act) provides for the submission of the various financial statements comprising the Public Accounts of the Republic of Trinidad and Tobago to be submitted to the Auditor General within four (4) months of the financial year-end of 30th September. These are:

- Section 24(1)(a) – Accounts of the Treasury
- Section 24(1)(b) – Appropriation Accounts of Accounting Officers
- Section 24(1)(c) – Statements of Receipts and Disbursements of Receivers of Revenue
- Section 24(2) – Accounts of Administering Officers of Funds or Trusts.

AUDIT SCOPE AND APPROACH

1.4 For the financial year 2020, audit examinations were conducted at various Ministries and Departments of Government. The audit process entailed a review of the internal control systems applicable to the Public Accounts (including, in certain instances, the internal audit function) and examination of subsidiary books and records in order to verify the correctness of amounts shown in the financial statements submitted by Ministries and Departments as well as to determine compliance with legislation and/or financial directives in accordance with section 9 (2) of the Act which states:

“The Auditor General shall satisfy himself that -

(a) all reasonable precautions have been taken to safeguard the collection of public moneys and that the laws, directions and instructions relating thereto have been duly observed;

(b) all issues and payments were made in accordance with proper authority and that all payments were properly chargeable and are supported by sufficient vouchers or proof of payment;

(c) all money expended has been applied to the purpose or purposes for which the same was granted by Parliament and that such expenditure conforms to the authority which governs it and has been incurred with due regard to the avoidance of waste and extravagance;”

1.5 Risk assessments and sample testing using both manual and electronic selection together with physical verification, cash surveys and site visits were employed. Spending associated with the economic implications of the COVID-19 pandemic on the individual accounts of Ministries and Departments and the Public Accounts of Trinidad and Tobago was identified as a potential significant risk on the allocation of resources of the State.

1.6 The audit approach related to this risk was to assess the dollar impact incurred by the individual ministries, departments and other state agencies. The internal control procedures established for the

disbursements of funds under certain government COVID-19 relief and support measures were also reviewed.

1.7 The efforts of the audit teams for the current reporting year were addressed in the context of the audit of the Public Accounts of Trinidad and Tobago as a whole, and in forming my opinion thereon, and as such a separate opinion on the matter has not been provided.

1.8 Where possible, audit observations were discussed with accounting personnel and/or accountable officers (Accounting Officer/Receiver of Revenue/Administering Officer) at Exit Meetings. Findings were communicated in writing and/or via electronic communication addressed to Permanent Secretaries of Ministries and Heads of Departments.

LIMITATION OF SCOPE/INDEPENDENCE

Limitations of the Audit of Statement of Revenue

1.9 A scope limitation is a restriction on an audit caused by the deliberate or unintentional actions of the client or caused by issues that are beyond the control of both the client and the auditor. Other events that do not allow the auditor to complete all planned audit procedures in a timely manner may also restrict the scope of the audit assignment.

1.10 Section 4 of the Income Tax Act, Chapter 75:01 is the provision that sets out the official secrecy requirements relating to the income or items of the income of any person. To this end, the interpretation and application by the Board of Inland Revenue of the secrecy provisions of section 4 of the Income Tax Act, have continued to pose a challenge to the audit of revenue at the Inland Revenue Division.

1.11 Following the recommendations of the Public Accounts Committee in the first quarter of 2017, the Chairman of the Board of Inland Revenue and the Auditor General met on several occasions during the course of the financial years 2017 and 2018 under the auspices of the Ministry of the Attorney General and Legal Affairs.

1.12 The Auditor General submitted proposals for the consideration of the Attorney General. However, these proposals were not accepted by the Board of Inland Revenue. The Auditor General has always maintained that it has a legal right to access the information and due to the inability of the parties involved to come to a consensus, the Auditor General in 2019 and 2020 requested the Attorney General to file an interpretation summons for the interpretation of section 4 of the Income Tax Act. To date, the matter remains unresolved.

1.13 To mitigate the risk associated with assertion of completeness of revenue, alternative testing to determine the reasonableness of the amounts presented was undertaken.

AUDIT OF THE PUBLIC ACCOUNTS

GENERAL OBSERVATIONS

1.14 The emergence of the COVID-19 pandemic in Trinidad and Tobago and the resultant Public Health [2019 Novel Coronavirus (2019-nCoV)] Regulations, 2020, has been a challenge for management of many ministries and departments who are required to efficiently discharge their responsibilities whilst simultaneously seeking the safety and wellbeing of their staff.

1.15 The Auditor General's Department has also been impacted by the COVID-19 pandemic. In carrying out our mandate the safety and wellbeing of staff was a priority and as such the Department implemented a number of safety protocols as well as followed the advice of health officials to minimise risks to employees and by extension their families.

1.16 The audit teams were able to complete key audit areas on the Public Accounts of the Republic of Trinidad and Tobago for the year ended 30th September, 2020. This was accomplished by working, where possible, remotely and engaging in limited and strategized access to client's premises in line with government's guidelines on safe working arrangements. The Department prioritized and amended audit procedures based on risk assessments of ministries and departments, levels of expenditure and the levels and significance of governmental decisions and policies.

ACCOUNTING STANDARDS

1.17 Standards and detailed guidance exist with respect to internal control and maintenance of accounting records in the form of:

Exchequer and Audit Act, Chapter 69:01 (the Act) and the Financial Regulations¹ made thereunder;

Financial Instructions 1965² (issued by the Treasury);

Financial Regulations (Stores) (issued by the Treasury); and

Circulars issued by the Treasury.

1.18 These requirements are intended to safeguard State property and to ensure the collection and use of State resources in the public interest.

Ongoing Developments

Update Cash Basis International Public Sector Accounting Standards (IPSAS)

1.19 The Treasury Division in producing the Public Accounts of the Republic of Trinidad and Tobago for the Financial Year 2019, prepared and presented the Consolidated Statement of Assets and Liabilities (now the Cash Basis Consolidated Statement of Assets and Liabilities) using the concepts and accounting standard of the International Public Sector Accounting Standards (IPSAS)-Cash Basis of Accounting. For

¹ Hereinafter referred to as Financial Regulations

² Hereinafter referred to as Financial Instructions

the financial year 2020 in the Public Accounts, the Cash Basis Consolidated Statement of Assets and Liabilities as at September 30, 2020 has been presented using the concepts and accounting standards of IPSAS cash basis of accounting.

1.20 Full compliance with the IPSAS Standard for cash basis of accounting requires the presentation of certain mandatory financial statements such as a Consolidated Statement of Receipts and Payments and a Statement of Cash Flow. The Treasury has reported that it has been challenged to prepare these statements mainly due to the manual environment in which ministries and departments operate as well as the parallel system of reporting in both the existing format and the IPSAS format. The frequent turnover of Ministries staff contributed to delays in submissions of monthly and annual IPSAS Statements. Configuration of the Integrated Financial Management Information System (IFMIS) when implemented has been cited as a resolution to the challenges currently faced.

Finalizing the Revisions of the Chart of Accounts (CoA)

1.21 The Treasury reported that the Draft Chart of Accounts was completed in 2015. It was also stated that a ‘Long-Term Budget Consultant’ was hired who completed and validated the Draft Chart of Accounts in early 2020.

AUDIT FINDINGS

Payments made out of public moneys to a Member of Parliament in accordance with section 25 (2) of the Act.

1.22 Section 25(2) states: “*The Auditor General shall set out in his annual report all payments made out of public moneys to a member of each House of Parliament (other than the salary and any allowances paid to him as a Minister, President or Deputy President of the Senate, Speaker or Deputy Speaker of the House, Parliamentary Secretary or as a member, and any pension paid to such member) by stating the name of the member receiving the payment, the total amount which he has received and the service or services in respect of which the payment was made.*”

1.23 The Ministry of Community Development, Culture and the Arts at Note 4 to the Appropriation Account reported \$22,930.00 was paid to Dr. Nyan Gadsby Dolly as reimbursement for medical expenses.

Typographical and Other Errors from Appropriation Accounts

1.24 Comptroller of Accounts Circular No. 10 dated August 13, 2020 provided detailed instructions with respect to the preparation and submission of Appropriation Accounts for the year ended 30th September, 2020. Nonetheless, typographical and other errors as well as omissions continued to be evident in certain Appropriation Accounts submitted for audit.

1.25 Errors and omissions noted have been referred to the respective entities and have no material effect on the truth and fairness of the Public Accounts except as otherwise stated in this Report. Accounting Officers are reminded of their responsibility to ensure that the statements submitted are thoroughly checked for errors and omissions before submission to the Auditor General by the statutory deadline.

AUDIT REPORT

1.26 The Treasury Statements for accounts managed by the Treasury such as the Exchequer Account, the Public Debt and Loans Receivable are analysed in Chapter 2. The comments as set forth in Chapters 3 to 5 include examples of weaknesses in the internal control systems, as well as non-compliance with legislative requirements and/or financial directives. Comments also cover the lack of proper maintenance of the relevant subsidiary books and records. Chapter 6 contains an audit report of COVID-19 expenditure by Municipal Corporations, Regional Health Authorities and other Statutory Bodies

CHAPTER 2

ACCOUNTS OF THE TREASURY

CHAPTER 2

ACCOUNTS OF THE TREASURY

TREASURY STATEMENTS

2.1 Section 24 (1) (a) and 24 (2) (a) and (b) of the Exchequer and Audit Act, Chapter 69:01 requires the Treasury to submit certain statements to the Auditor General within four months of the end of the financial year. The following Statements for the Financial Year 2020 were submitted:

Volume 1 (Part 1): Section 24 (1) (a):

- (i) the Exchequer Account;
- (ii) the Statements of Public Debt;
- (iii) the Statement of Loans from Revenue;
- (iv) the Statement of Revenue showing the sums estimated to be received into the Exchequer Account and the sums actually so received in the period of account;
- (v) the Statement of Expenditure, showing the sums to be issued out of the Exchequer Account and the sums actually so issued in the period of account;
- (vi) the Statement of the Loans or Credits guaranteed by the State
- (vii) the Statement Assets and Liabilities;
- (viii) such other Statements as Parliament may from time to time require:
 - (a) the Statement of Loans from the Funds for Long – Term Development.

Section 24 (2) (a): Section 43 (2)

- (i) Funds.

Section 24 (2) (b):

- (i) Other Funds.

2.2 Comments on the examination of these Financial Statements are presented below.

TREASURY STATEMENTS

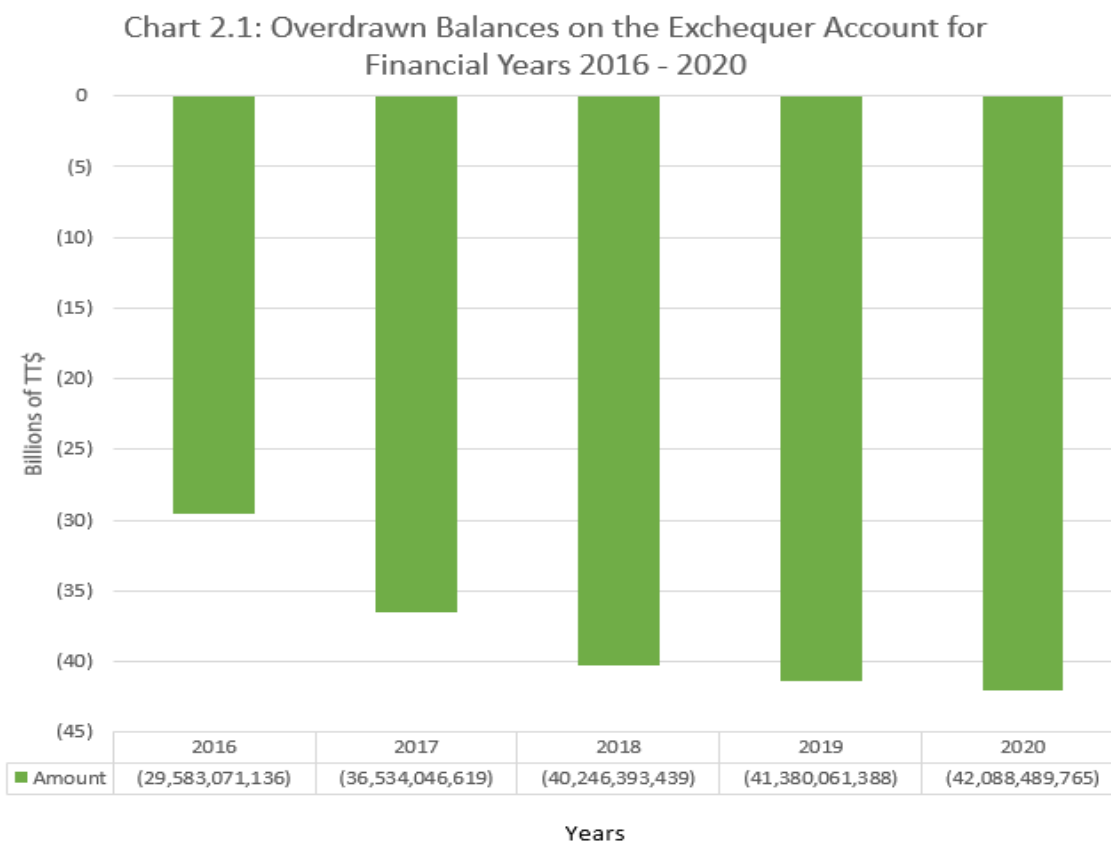
THE EXCHEQUER ACCOUNT - (\$42,088,489,765.07)

2.3 The Exchequer Account is the bank account for the Consolidated Fund. Section 20 of the Exchequer and Audit Act allows for a fluctuating overdraft on the Exchequer Account. The Exchequer Account has been in overdraft since fiscal year 2003.

2.4 According to the records of the Comptroller of Accounts as at 30th September, 2020, the Exchequer Account was overdrawn by \$42,088,489,765.07 which was an increase of \$708,428,376.97 or 1.71% when compared to the previous years figure of (\$41,380,061,388.10). This occurred because payments exceeded receipts in the financial year 2020 as shown below:

	Financial Year 2020 \$	Financial Year 2019 \$
Receipts	56,679,580,107.33	53,447,535,645.68
Less: Payments	<u>(57,388,008,414.30)</u>	<u>(54,581,203,595.10)</u>
Net Movements	(708,428,376.97)	(1,133,667,949.42)
Balance b/f from previous financial year	<u>(41,380,061,388.10)</u>	<u>(40,246,393,438.68)</u>
Balance as at 30th September	<u>(42,088,489,765.07)</u>	<u>(41,380,061,388.10)</u>

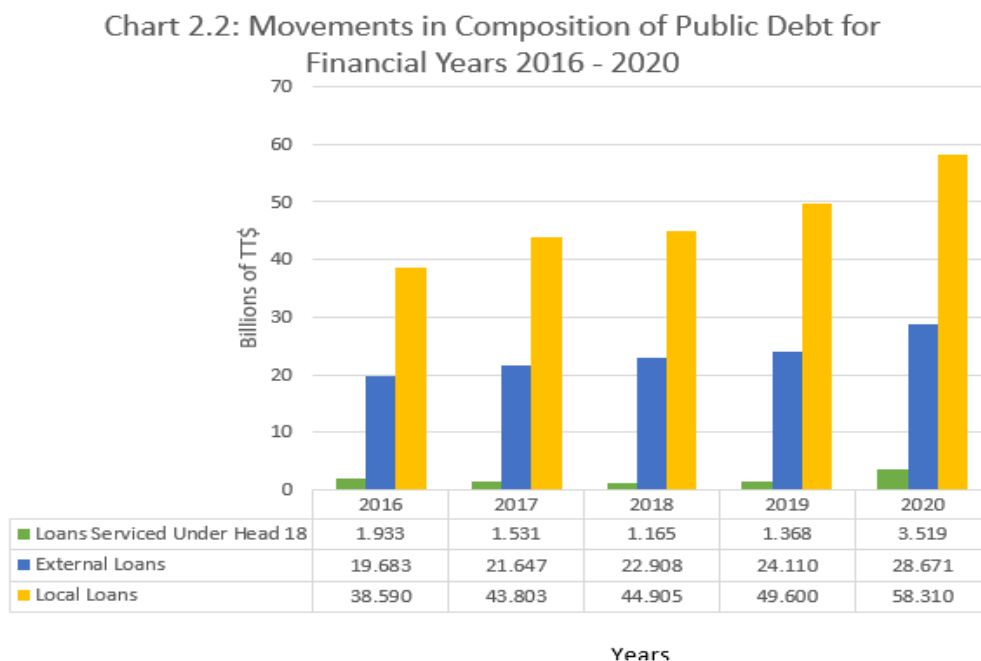
2.5 The balance of (\$42,088,489,765.07) as at 30th September, 2020 according to the records of the Treasury was reconciled with the Central Bank's balance of (\$40,270,793,041.41). The year-end balances from 2016 to 2020 are depicted in Chart 2.1.



STATEMENT OF THE PUBLIC DEBT

2.6 The Statement of the Public Debt reflects the outstanding balances on existing loans. The records of the Treasury showed that as at September 30, 2020 the Public Debt was \$90,499,830,136.22 (2019: \$75,080,932,858.16). This balance comprised Local Loans and External Loans, as well as loans and debts serviced under Head 18.

2.7 Comparisons from 2016 to 2020 are represented in Chart 2.2 below. The figure shown in the table below are those disclosed in the Statement of the Public Debt.



2.8 There was an overall net increase of \$15,418,897,278.06 or 20.6% in the balance representing the Public Debt as at 30th September, 2020 as disclosed by the Treasury.

Table 2.1: Summary of Changes in the Public Debt

	Local Loans	External Loans	Serviced Under Head 18	Total
	\$'000	\$'000	\$'000	\$'000
Balance as at 1 st October, 2019	49,603,142	24,109,387	1,368,404	75,080,933
Add: New Bonds/Loans	14,611,997	7,433,226	2,580,322	24,625,545
Disbursements	87,681	221,764	0	309,445
Less: Repayments	(6,003,348)	(3,446,489)	(432,183)	(9,882,020)
Add: Foreign Exchange Adjustment	0	235,992	2,114	238,106
Other Adjustments	10,388	117,432	0	127,820

	Local Loans	External Loans	Serviced Under Head 18	Total
	\$'000	\$'000	\$'000	\$'000
Balance as at 30 th September, 2020	58,309,860	28,671,312	3,518,657	90,499,829
Net Increase/(Decrease)	8,706,718	4,561,925	2,150,253	15,418,896
% Increase/(Decrease)	17.5	18.9	157.2	20.6

Local Loans - \$58,309,860,362.25

2.9 The Domestic Debt (Local Loans) in 2020 was \$58,309,860,362.25. This figure when compared to 2019 balance of \$49,603,142,063.76 reflected a net increase of \$8,706,718,298.49 or 17.5%. This was mainly due to new Bonds and Treasury Bills which were issued during the financial year. Perusal of the Statement of Public Debt revealed that new loan instruments issued for the financial year amounted to \$8,811,311,139.20. Page 55 of the Statement of Public Debt, refers.

External Loans - \$28,671,312,417.17

2.10 The external debt as at 30th September, 2020 was \$28,671,312,417.17. There was an increase of \$4,561,925,350.21 or 18.9% over the previous year's debt of \$24,109,387,066.96. Total disbursements on external loans for the financial year was \$7,657,990,730.61. Proceeds from these disbursements were reflected in the Statement of Revenue under the revenue head- 'Borrowings'. Page 143 of the Statement of Revenue, refers.

Head 18: Ministry of Finance - \$3,518,657,356.80

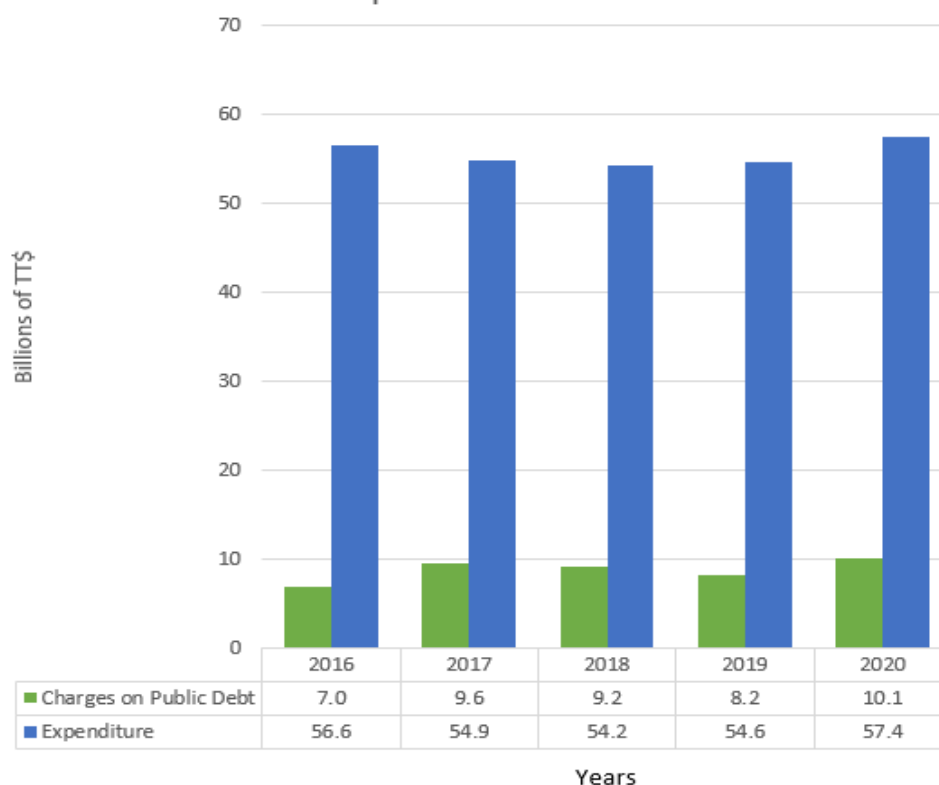
2.11 Under the category Loans serviced under Head 18, Ministry of Finance are loans which were secured by Letters of Comfort or Credits Guaranteed by the State for some State Enterprises and which were not repaid by the entity and are being paid by the Government of Trinidad and Tobago through budgetary allocation under Head 18. The present debt balance recorded for loans serviced under Head 18 - Ministry of Finance was \$3,518,657,356.80. This represents an increase of \$2,150,253,629.36 or 157.2% when compared to previous year's figure of \$1,368,403,727.44.

CHARGES ON ACCOUNT OF THE PUBLIC DEBT- \$10,066,151,848.26

2.12 The current portion of charges on account of the public debt is brought to account under Head 19 - Charges on Account of the Public Debt. The total amount of public debt charged for the year is presented in the Statement of Expenditure. Analysis of the total amount of this Head of Expenditure is included in this chapter to illustrate the impact of debt servicing on recurrent expenditure.

2.13 Charges on Account of the Public Debt as a proportion of Total Expenditure for the financial years 2016 to 2020 is shown in Chart 2.3 below:

Chart 2.3: Charges on Account of the Public Debt and Total Expenditure 2016 - 2020



2.14 The Charges on Account of the Public Debt increased by \$1,835,797,018.48 or 22.3% when compared with Charges of \$8,230,354,829.78 relating to the previous financial year. Details are given below:

	2020 (\$)	2019 (\$)
<u>Principal Repayments</u>		
Local Loans	4,553,347,652.76	2,275,832,635.95
Foreign Loans	<u>1,030,264,357.72</u>	<u>857,021,694.63</u>
Total Principal Loan Repayments (a)	<u>5,583,612,010.48</u>	<u>3,132,854,330.58</u>
<u>Interest Payments</u>		
Local Loans	1,759,973,116.42	1,515,911,469.83
Foreign Loans	1,101,735,757.15	1,126,518,313.38
Notes, Debentures and Others	<u>904,908,638.53</u>	<u>972,039,261.70</u>
Total Interest Payments (b)	<u>3,766,617,512.10</u>	<u>3,614,469,044.91</u>
<u>Other Payments</u>		
Management Expenses	80,797,992.58	54,998,339.66
Sinking Fund Contributions	634,561,100.00	708,291,100.00
Discounts and Other Financial Instruments	0.00	719,269,740.66
Expenses of Issues	<u>563,233.10</u>	<u>472,273.97</u>
Total Other Payments (c)	<u>715,922,325.68</u>	<u>1,483,031,454.29</u>
Total Expenditure (a)+(b)+(c)	<u>10,066,151,848.26</u>	<u>8,230,354,829.78</u>

CONTINGENT LIABILITIES

2.15 The Treasury Statements contain details pertaining to contingent liabilities which are presented below.

Loans or Credits Guaranteed by the State - \$11,624,500,936.84

2.16 This balance of \$11,624,500,936.84 differed from the previous year balance of \$12,457,933,805.34 by \$833,432,868.50 or 6.7%. At the close of the financial year 2019/2020, sixteen (16) loans are being serviced, thirteen (13) are not being serviced and five (5) totalling \$52,844,599.28 were paid off. Note 10 (i) to the Accounts of the Consolidated Statement of Assets and Liabilities, refers.

Letters of Comfort Issued by the Government of the Republic of Trinidad and Tobago - \$16,739,677,839.52

2.17 The Government of Trinidad and Tobago issued Letters of Comfort to financial institutions on behalf of state entities, guaranteeing loans totalling \$24,989,103,705.88. These loans will become a liability to the State in the event of the entities defaulting on payments. An amount, \$16,739,677,839.52 represents Contingent Liabilities under Letters of Comfort. Note 10 (i) to the Accounts of the Consolidated Statement of Assets and Liabilities, refers.

Open Market Operations re: Treasury Bills - \$8,479,000,000.00

2.18 Contingent Liabilities disclosure at page 37 of the Statement of Public Debt include the face value of Open Market Bills of \$8,479,000,000.00. Note 10 (v) to the Accounts of the Consolidated Statement of Assets and Liabilities, refers.

STATEMENT OF LOANS FROM GENERAL REVENUE REPAYABLE TO THE GOVERNMENT OF THE REPUBLIC OF TRINIDAD AND TOBAGO

2.19 There was a net decrease of \$1,105,819,177.77 or 55% in this balance from the previous year. Movements during the financial year are summarized below:

	\$	\$
Balance brought forward 1 st October, 2019		2,010,440,287.09
Port Authority of Trinidad and Tobago (Loans Written off CM#1036 (2020))	(1,101,726,932.62)	
Less: Capital Repayments/write-offs for 2020 (Gov't St. Lucia)	(6,771,100.00)	
Add Foreign Exchange Adjustment for 2020 (Gov't St. Lucia)	392,100.00	
Add: Revaluation TTD balance on loans granted in FX using ECBT rates	2,286,754.85	
Total Loans from General Revenue as at 30th September, 2020		<u>904,621,109.32</u>

STATEMENT OF REVENUE

Total Revenue Collected - \$56,651,381,678.33

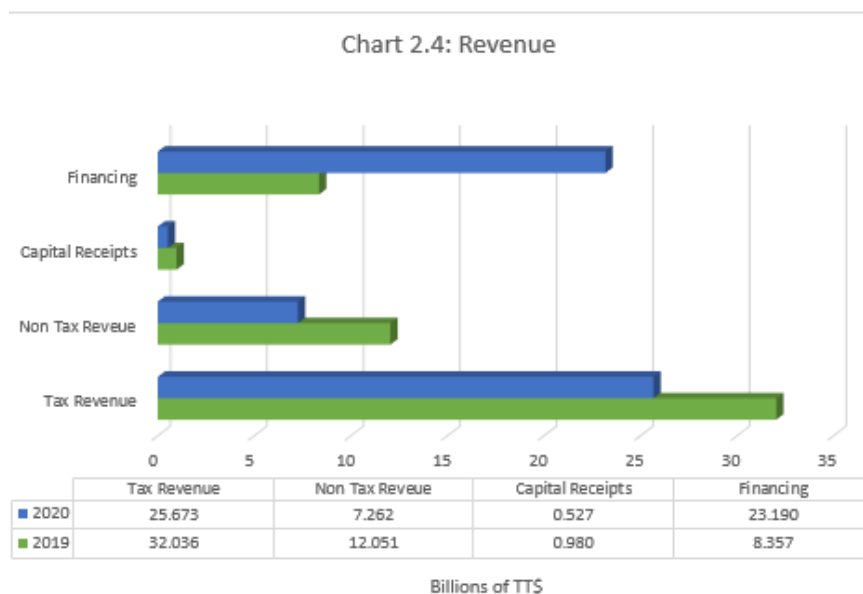
2.20 Actual revenue collected for the financial year 2020 as shown by the records of the Treasury was \$56,651,381,678.33. The actual revenue for the financial years 2020 and 2019 when compared revealed an overall increase of \$3,228,028,336.54 or 6.04% in revenue collected. This is represented by the following:

Table 2.1 Comparison between 2019 and 2020 Revenue Classification

Revenue Classification	2020 \$	2019 \$	Increase/(Decrease) \$
Tax Revenue	25,672,842,777.22	32,035,748,398.79	(6,362,905,621.50)
Non-Tax Revenue	7,261,863,266.13	12,051,218,741.03	(4,789,355,474.90)
Capital Receipts	526,612,574.72	979,783,020.80	(453,170,446.08)
Financing	23,190,063,060.26	8,356,603,181.17	14,833,459,879.10
Total	56,651,381,678.33	53,423,353,341.79	3,228,028,336.54

2.21 Included in receipts collected under the classification “Financing” are amounts totalling \$16,554,669,156.26 under Head 10 – Borrowings and amounts totalling \$6,635,393,904.00 under Head 11 – Extraordinary Receipts. The latter receipts represents transfers from the Heritage and Stabilisation Fund (HSF).

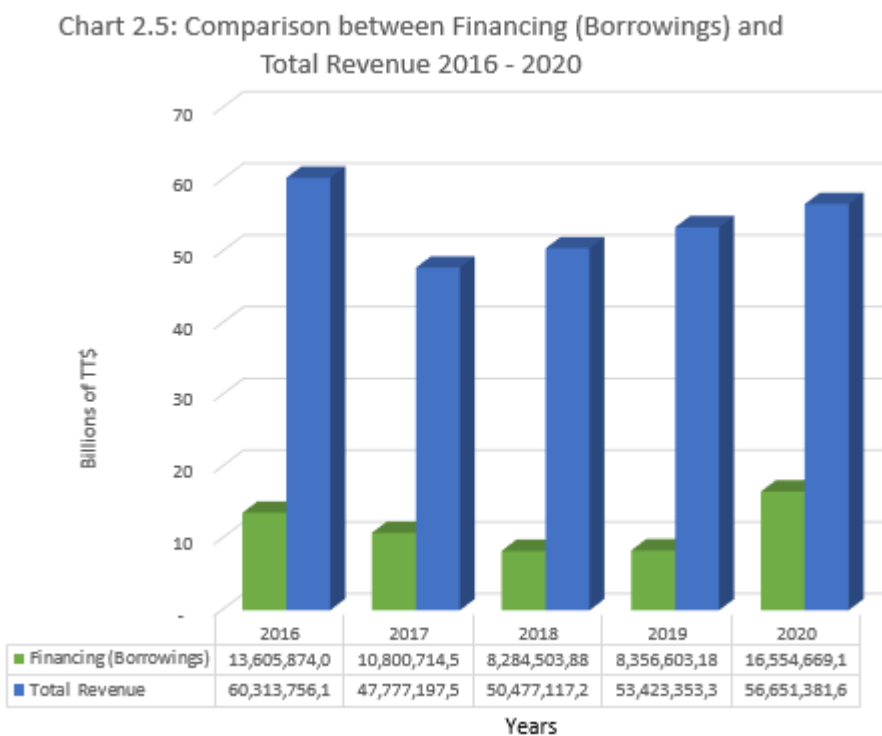
2.22 Chart 2.4 depicts the revenue brought to account for the year 30th September 2020 under the classification of revenue.



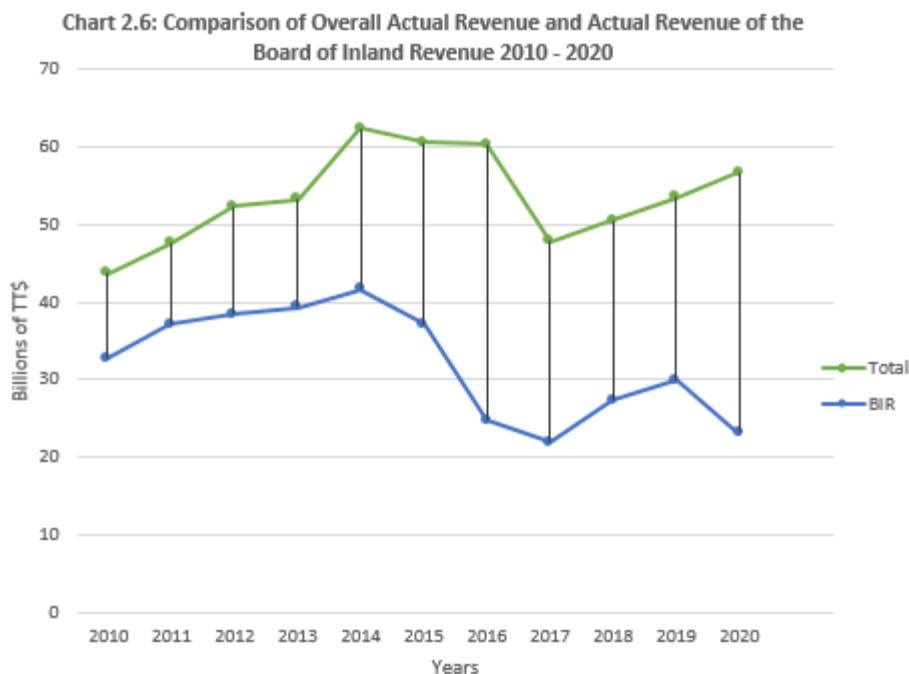
2.23 The main Receivers of Revenue are:

	2020	2019
	\$	\$
Ministry of Finance:		
FN 1 – Comptroller of Accounts	25,346,724,548.85	13,109,467,458.44
FN 2 – Chairman Board of Inland Revenue	22,408,357,348.70	45,024,122,832.31
FN 3 – Comptroller of Customs & Excise	5,564,309,932.11	6,333,737,692.75
FN 5 – Permanent Secretary (Investments Division)	514,402,714.71	2,419,611,772.89
Ministry of Energy & Energy Industries:		
EN 1 – Permanent Secretary	3,488,201,964.63	6,175,501,953.61

2.24 Chart 2.5 below gives a comparison between Financing (Borrowings) and Total Revenue for the years 2016-2020. Paragraph 2.21 refers.



2.25 Chart 2.6 below depicts a comparison of total revenue and revenue of the Board of Inland Revenue 2010 to 2020.



STATEMENT OF EXPENDITURE

Parliamentary Appropriations and Direct Charges on the Consolidated Fund

2.26 For the financial year 2020, Parliament approved funds totalling \$62,306,301,342.00 to meet expenditure for the service of Trinidad and Tobago. Particulars are shown below:

	2020	2019
Appropriation	\$	\$
Appropriation	47,669,465,662.00	45,512,110,705.00
Direct Charges	<u>14,636,835,680.00</u>	<u>12,748,354,178.00</u>
Total Parliamentary Appropriations	<u>62,306,301,342.00</u>	<u>58,260,464,883.00</u>
Total Actual Expenditure	<u>(57,388,008,484.30)</u>	<u>(54,581,187,114.99)</u>
Unspent Allocations	4,918,292,857.70	3,679,277,768.01

2.27 Total Approved Estimates for the financial year 2020 are presented in the Statement of Expenditure. Pages 147 and 148 of the Statement of Expenditure, refer.

TOTAL EXPENDITURE INCURRED - \$57,388,008,484.30

2.28 The records of the Comptroller of Accounts reflected the actual expenditure for the year ended September 30, 2020 under 42 Heads of Expenditure totalled \$57,388,008,484.30.

Revenue Compared with Expenditure

2.29 Expenditure of \$57,388,008,484.30 incurred for the financial year 2020 exceeded revenue of \$56,651,381,678.33 by \$736,626,805.97 or 1.3%.

CASH BASIS CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES**CURRENT ASSETS****CASH AND CASH EQUIVALENTS \$28,264,629,769.45**

2.30 Note 2 (ii) (b) to the Accounts, disclosed that Cash and Cash Equivalents consisted of the following accounts:

	\$
Treasury Deposits Account	12,079,765,090.98
Treasury Funds Account	361,708,301.29
Treasury Suspense Account	5,767,389.63
Unemployment Fund	7,794,741,265.95
Infrastructure Development Fund	36,819,484.42
NUGFW Training Fund	8,655,559.47
Government Assistance for Tuition Expenses Fund	81,665,019.56
Green Fund	7,632,357,483.81
CARICOM Petroleum Fund	245,372,997.93
National Wastewater Revolving Fund of T&T	16,965,400.00
Exchequer Suspense Account	811,776.41
Total	28,264,629,769.45

RECEIVABLES

2.31 Receivables represent moneys owed to the State and comprised Treasury Deposits and amounts in the Advances Fund.

RECEIVABLES - TREASURY DEPOSITS - \$507,116,945.79

2.32 Treasury Deposits totalling \$507,116,945.79 as at September 30, 2020 are as follows:

	2020	2019
	\$	\$
Advances made to other Governments and Administrations	1,252,786.40	1,252,786.40

Advances i.r.o. payments made on behalf of other Governments	815,873.28	774,322.62
Advances from Treasury Deposits (Other)	505,048,286.11	404,048,286.11
TOTAL	507,116,945.79	406,075,395.13

RECEIVABLES - ADVANCES - \$95,278,668.34

2.33 This figure represents balances on loans made to public officers and Imprests as shown below:

	2020		2019
	\$	\$	\$
Motor Vehicle Loans	57,788,313.45		73,033,680.48
Computer Loans	1,562,162.45		1,663,659.45
Irredeemable Imprests	33,091,954.85		2,725,451.64
Other Advances:			
Study Leave	25,586.65		25,586.65
Health Purposes	(1,583.41)		(1,583.41)
Other Loans to Public Officers	891,070.16		889,270.16
Redeemable Imprests	38,955.69		45,665.69
Clearing Account	<u>1,882,208.50</u>	2,836,237.59	<u>1,882,215.24</u>
TOTAL		<u>95,278,668.34</u>	<u>104,763,945.90</u>

NON – CURRENT ASSETS \$149,006,815.73

INVESTMENTS - \$149,006,815.73

2.34 The balance on investments reflects an increase of \$40,475,347.53 or 37% from the previous year's figure of \$108,531,468.20 and comprised the following four (4) categories:

- General Treasury Deposits - \$40,655,466.89
- Special Funds - \$87,390,898.33
- Trust Funds - \$18,343,341.33
- Consolidated Fund - \$2,607,109.18

INVESTMENTS - GENERAL - \$40,665,466.89

2.35 These investments comprised fixed deposits held at the Central Bank of Trinidad and Tobago and funds in money market accounts at a financial institution. A difference of \$10,000.00 was noted between the amount stated under Non-Current Assets – Investments General Treasury Deposits of \$40,665,466.89 and the amount posted in the Treasury's Trial Balance of \$40,655,466.89. This has resulted in a difference of \$10,000.00 between Total Assets of \$29,016,032,199.31 and Total Liabilities and Funds of \$29,016,022,199.31. This difference was due to a typographical error.

2.36 The investments were held on behalf of the under-mentioned:

	2020	2019
	\$	\$
Administrator General	682,904.42	682,904.42
Pool Betting Deposits	750,000.00	750,000.00
Ministry of Energy and Energy Affairs – Mora Oil Ventures Limited	11,222,562.47	11,079,095.27
Members Club	28,000,000.00	28,500,000.00
TOTAL	40,655,466.89	41,011,999.69

INVESTMENTS – SPECIAL FUNDS - \$87,390,898.33

2.37 Special Funds and prior year comparative figures are shown below.

	2020	2019
	\$	\$
Local Trustees of the Sinking Fund	26,792,052.98	25,987,454.26
T & T Defence Force Welfare Fund	3,140,797.93	3,094,425.08
Seized Assets Fund	57,458,047.42	17,590,538.66
TOTAL	87,390,898.33	46,672,418.00

INVESTMENTS - TRUST FUNDS - \$18,343,341.33

2.38 The figure of \$18,343,341.33 represents amounts invested in mutual funds, fixed deposits, fixed rate bonds and foreign securities. The Funds are as follows:

	2020	2019
	\$	\$
Post Office Savings Bank	8,509,597.95	8,509,597.95
Public Trustee	4,499,721.38	4,396,321.38
Sugar Industry Rehabilitation Fund	140,000.00	140,000.00
Sugar Industry Price Stabilization Fund	164,022.00	164,022.00
Cane Farmers' Rehabilitation Fund	30,000.00	30,000.00
Sugar Industry Labour Welfare Fund	5,000,000.00	5,000,000.00
TOTAL	18,343,341.33	18,239,941.33

INVESTMENTS - CONSOLIDATED FUND - \$2,607,109.18

2.39 The balance on this Fund as at September 30, 2020 remained unchanged for a number of years and comprised mainly fixed deposits with the Central Bank of Trinidad and Tobago.

LIABILITIES -\$54,802,284,568.06

CURRENT LIABILITIES- \$54,802,284,568.06

2.40 The total of Current Liabilities of \$54,802,284,568.06 reflects an increase of \$521,379,952.09 or 0.96% from the previous year figure of \$54,280,904,615.97 and comprised the following:

- i. Overdraft (Exchequer Account)
- ii. Deposits Accounts
- iii. Special Funds
- iv. Trust Funds.

OVERDRAFT (EXCHEQUER ACCOUNT) - \$42,088,489,765.07

2.41 The Exchequer Account is the bank account for the Consolidated Fund. Comments on this account have been included at paragraphs 2.3 to 2.5 of this Report.

2.42 Ministries and Departments are given approval by the Comptroller of Accounts to maintain Deposit Accounts. Monies accepted as deposits are lodged with the Treasury for safekeeping and are referred to as "Treasury Deposits". The amounts in the Treasury Deposit accounts are temporary lodgements and are shown as liabilities in the records of the Treasury.

2.43 The balances of the Deposits and Funds accounts presented hereunder are liabilities as they represent monies held by the Treasury pending application for payment in accordance with the purposes for which the relevant deposits/funds were created. The balances of each of these liabilities together with comparative amounts are shown below:

	2020	2019
	\$	\$
Treasury Deposits (General)	7,289,599,541.53	5,068,236,165.08
Special Funds	4,838,563,992.24	7,177,719,044.78
Trust Funds	585,631,269.22	654,888,018.01
TOTAL	12,713,794,802.99	12,900,843,227.87

TREASURY DEPOSITS (GENERAL) - \$7,289,599,541.53

2.44 The amount of \$7,289,599,541.53 in the Treasury Deposit accounts are temporary lodgements. There was an increase in Treasury Deposits (General) of \$2,221,363,376.45 or 43% from the previous year. The composition of Treasury Deposits (General) as at September 30, 2020 is as follows:

	2020	2019
	\$	\$
General	7,288,420,152.44	5,067,145,269.11
Magistrates'/High Court Maintenance	1,338,685.89	1,250,453.72
Payments by Other Governments and Administrations	(159,296.80)	(159,557.75)
TOTAL	7,289,599,541.53	5,068,236,165.08

SPECIAL FUNDS - \$4,838,563,992.24

2.45 The figure of \$4,838,563,992.24 represents total balances of 11 Special Funds, the details of which are presented at Schedule A to the Cash Basis Consolidated Statement of Assets and Liabilities.

2.46 The balance of the Local Trustees of the Sinking Fund Account is \$4,753,429,755.39 and represents over 98.2% of the value of the total of \$4,838,563,992.24. There was a net decrease of \$2,339,155,052.54 or 32.6% from the previous year's balance of \$7,177,719,044.78. This was mainly due to amounts transferred from the Sinking Fund to meet principal repayments of loans under Head 19 of the Appropriation Accounts.

TRUST FUNDS - \$585,631,269.22

2.47 The figure of \$585,631,269.22 represents the total of balances on 18 Funds as detailed at Schedule B to the Cash Basis Consolidated Statement of Assets and Liabilities. There was a decrease of \$69,256,748.79 or 10.6% from the balance of \$654,888,018.01 recorded from the previous financial year.

FUNDS – (\$25,786,262,368.75)**Consolidated Fund – (\$42,054,339,579.89)**

2.48 The deficit of \$42,054,339,579.89 in the Consolidated Fund increased by \$708,428,376.97 or 18.6% when compared with the previous year's figure of \$41,345,911,202.92. This increase was as follows:

	\$
Revenue for financial year 2020	56,651,381,678.33
Expenditure for financial year 2020	<u>57,388,008,484.30</u>
	(736,626,805.97)
Add:	
Transfers of previous year's Unpaid balances	28,198,429.00
Net Increase in Deficit	<u>708,428,376.97</u>

2.49 Extraordinary Receipts represents withdrawals from the Heritage and Stabilisation Fund. Note 17 to 19 to the Cash Basis Consolidated Statements of Assets and Liabilities, refers.

2.50 The under-mentioned funds presented in the Cash Basis Consolidated Statement of Assets and Liabilities are detailed in Chapter 4:

	\$
Unemployment Fund	7,794,741,265.95
Infrastructure Development Fund	36,819,484.42
NUGFW Training Fund	8,655,559.47
Government Assistance for Tuition Expenses (GATE) Fund	81,665,019.56
Green Fund	7,632,357,483.81
CARICOM Petroleum Fund	245,372,997.93
National Waste Water Revolving Fund	16,965,400.00

Advance Fund - \$351,500,000.00

2.51 This Fund consists of amounts set aside from the Consolidated Fund to provide loans to public officers for certain purposes as well as to fund Irredeemable Imprests. There were no changes to the Fund balance for the financial year 2020.

Contingencies Fund - \$100,000,000.00

2.52 The Contingencies Fund was established in accordance with section 16 (1) of the Exchequer and Audit Act from issues out of the Consolidated Fund not exceeding \$1,500,000.00 or such greater sum as Parliament may by resolution approve, to defray unforeseen expenditure. On September 9th 2006 Parliament by resolution increased the value of the Fund to \$100,000,000.00. This remained unchanged for the financial year 2020.

NOTE 17 – HERITAGE AND STABILISATION FUND – NET ASSETS US\$5,727,580,691.78

2.53 The Heritage and Stabilisation Fund with Net Assets of US\$5,727,580,691.78 (2019: US\$6,250,343,073.29) was not included in the Cash Basis Consolidated Statement of Assets and Liabilities. The Financial Statements of this Fund are reported on separately in accordance with the requirements of the Heritage and Stabilisation Fund Act, 2007 (Chapter 70:09) (the Act).

2.54 The conditions for mandatory deposits into the Fund were not met during the financial year therefore no deposits were made. Withdrawal amounted to US\$979,853,157.69 for financial year 2020.

CHAPTER 3

ACCOUNTS OF THE ACCOUNTING OFFICERS

CHAPTER 3

ACCOUNTS OF THE ACCOUNTING OFFICERS

APPROPRIATION ACCOUNTS

SUBMISSION OF APPROPRIATION ACCOUNTS

3.1 Under section 4 (3) of the Exchequer and Audit Act, Chapter 69:01 (the Act), the Treasury is required to “... *so superintend the expenditure of public monies as to ensure that proper arrangements for accounting to the House for such expenditure are made.*” The Minister of Finance appoints Accounting Officers who are charged with the duty of accounting for the use of public monies.

3.2 In accordance with section 24 (1) (b) of the Act, Accounting Officers are required to submit Appropriation Accounts to the Auditor General within four (4) months of the financial year-end of 30th September.

3.3 Forty (40) Appropriation Accounts were submitted to the Auditor Generals’ Department within four (4) months of the financial year-end of 30th September, 2020 in accordance with the Act. Appropriation Accounts were received after the statutory deadline from two (2) Ministries as shown below:

<i>Ministry/Department</i>	<i>Date Received</i>
Head 62 Ministry of Community Development, Culture and the Arts	3 rd February, 2021
Head 65 Ministry of Foreign and CARICOM Affairs	1 st February, 2021

Typographical and Other Errors from Appropriation Accounts

3.4 Comptroller of Accounts Circular No. 10 dated August 13, 2020 provided detailed instructions with respect to the preparation and submission of Appropriation Accounts for the year ended 30th September, 2020. Nonetheless, typographical and other errors as well as omissions continue to be evident in certain Appropriation Accounts submitted for audit.

3.5 Errors and omissions noted have been referred to the respective entities and have no material effect on the truth and fairness of the Public Accounts except as otherwise stated in this Report. Accounting Officers are reminded of their responsibility to ensure that the statements submitted are thoroughly checked for errors and omissions before submission to the Auditor General by the statutory deadline

Notes to the Appropriation Accounts

Note 2 c (i) Overpayments discovered during the financial year

Head 03 - Judiciary

3.6 A comparison of audit findings with the information stated at Note 2 (c) (i) of the Appropriation Account showed the following differences:

Details	As per Appropriation Account	Audit Findings	Difference
No. of Cases of Overpayments discovered during the year	115	85	30
No. of Cases reported to the Auditor General	80	73	7
Total Amount Overpaid (\$)	812,540.33	474,631.61	337,908.72
Total Amount Recovered (\$)	593,538.54	209,238.76	384,299.78

3.7 From the schedules provided, thirty (30) cases of overpayments which were stated as being discovered in financial year 2020 were in fact discovered in the previous year 2019.

Note 2 j - Particulars of Trust and Other Moneys Held

3.8 A Statement of Trust Fund Accounts was not submitted to the Auditor General's Department which contravenes the Exchequer and Audit Act Section 24 (2) (b) which states "*any officer administering any trust or other fund or account not provided for in this section shall if so directed by the treasury, prepare, sign and transmit to the Auditor General an account in such form as the Treasury may from time to time direct.*"

3.9 The Particulars of trust and other moneys held as disclosed at Note 2 (j) in the Appropriation Account of \$288,342,668.95 was overstated by \$43,083,840.79.

Note 2 l (i) - Commitments as at September 30, 2020:

3.10 Commitments in the Appropriation Account of \$4,802,567.19 as at 30th September, 2020 differed from the amounts recorded in the vote books of the Judiciary by \$2,199,541.17.

Head 16 – Office of the Prime Minister, Central Administrative Services Tobago (CAST)

Presentation of the Appropriation Account

3.11 The Appropriation Account was not prepared in accordance with the Comptroller of Accounts (COA) Circular No.10 dated August 13, 2020 in that the relevant information was not inserted at:

Note 1 - Explanations for the causes of material variances between the estimates and the actual expenditure;

Note 4 - Payment out of Public Moneys to Members of Parliament...;

Note 5 - Statement of Bank Accounts held; and

Note 7 - Total Value of Unpresented Cheques as at 30th September, 2020.

3.12 The Certificate to the Appropriation Account was incorrectly referred to as the financial year ended 30th September, 2018 instead of 30th September, 2020.

Note 2 c (i) - Overpayments discovered during the financial year

3.13 Nineteen (19) instances of overpayments totalling \$16,024.45 were reported in the Notes to the Accounts. However twenty (20) overpayments totalling \$16,560.64 were recorded in the books of the Division.

Note 3 - Comparative Statement of Expenditure for the last five (5) financial years 2016-2020

3.14 On “Comparative Statement of Expenditure for the last five (5) financial years 2016-2020” the Development Programme expenditure for the 2016 financial year was incorrectly recorded as \$38,341,764.06 instead of \$18,988,990.00. The total expenditure for the 2017 financial year was overstated by \$2,017.00 since the expenditure under Goods and Services was overstated by this amount.

Head 17 Personnel Department

Note 2 1 (ii) - Particulars in respect of Contracts already entered into but not yet completed

3.15 The balance of two (2) contracts totalling \$24,495,602.23 disclosed in the Note differed from the amounts totalling \$23,460,656.35 recorded in the Register of Contracts, a difference of \$1,034,945.88.

Head 26 - Ministry of Education

Note 2 d - Losses of cash and stores which were discovered during the year

3.16 Thirty-five (35) incidents of losses of cash and stores totalling \$21,924.00 discovered during the year and reported under the caption ‘Government Property under \$5,000.00’ were not reported to the Auditor General’s Department as required by financial directives.

Note 2 1 (i) – Commitments as at September 30, 2020

3.17 Commitments of \$2,999,666.25 disclosed at Note 2 1 (i) to the Appropriation Account differed from the total of \$3,341,479.25 recorded in the vote books of the Ministry of Education, a difference of \$341,813.00.

Note 2 1 (ii) – Particulars in respect of Contracts already entered into but not yet completed

3.18 In two (2) instances, contracts already entered into but not yet completed as disclosed at Note 2 1 (ii) to the Appropriation Accounts were not in agreement with the total values recorded in the Register of Contracts. The value, as disclosed in the Note, totalled \$913,123.77. The total value recorded in the Register of Contracts was \$573,255.13, a difference of \$339,868.64.

Note 3 - Comparative Statement of Expenditure for the last five (5) financial years 2016-2020

3.19 The comparatives shown in Note 3, under the various sub-heads and the total expenditures for 2016 to 2019 were compared with the previous year's Note 3 as disclosed in the Appropriation Account of 2019. It was observed that in respect of the years 2017 and 2018, the values presented under all sub-heads of expenditure were different to those brought forward on the current year's Appropriation Account. Details are as follows:

Year	As per Note 3 –Comparative Statement of Expenditure Expenditure Classification/Sub-Head	Audited Figure as per Appropriation Statement 2019 \$	Actual Expenditure recorded on Appropriation Statement 2020 \$
2017	Personnel Expenditure	2,557,000,723.88	22,461,593.00
	Goods and Services	597,207,971.17	41,877,840.00
	Minor Equipment Purchases	1,054,095.99	0.00
	Current Transfers and Subsidies	1,657,918,373.05	1,248,899,960.00
	Current Transfers to Statutory Boards and Similar Bodies	195,069,296.58	0.00
	Development Programme	270,824,353.06	224,950,343.00
2018	Personnel Expenditure	2,642,938,781.78	21,273,379.94
	Goods and Services	646,819,779.82	37,260,303.03
	Minor Equipment Purchases	50,778,131.98	0.00
	Current Transfers and Subsidies	477,202,479.37	1,257,914,522.14
	Current Transfers to Statutory Boards and Similar Bodies	247,700.00	162,995,003.67
	Development Programme	11,206,021.50	194,858,681.16

Head 28 - Ministry of Health

Note 2 1 (ii) – Particulars in respect of Contracts already entered into but not yet completed

3.20 Two (2) contracts totalling \$138,286.00 were disclosed in the Note to the Accounts, however a Register of Contracts was not produced. A contract agreement for one of the contracts to the value of \$50,161.00 was also not produced.

Head 35 - Ministry of Tourism

Note 2 1 (ii) – Particulars in respect of Contracts already entered into but not yet completed

3.21 A Register of Contracts was not produced for audit examination.

3.22 Supporting documents in respect of the Contract for Provision of Facilities Management Services (09/003/11D/058) in the amount of \$3,198,375.00 was not presented for audit examination.

Head 43 - Ministry of Works and Transport

Note 2 1 (i) - Commitments as at September 30, 2020

3.23 Commitments of \$4,024,708.92 as disclosed in the Notes to the Accounts differed from the amounts recorded in the Vote Books totalling \$15,328,555.81, a difference of \$11,303,846.89.

ACCOUNTING FOR EXPENDITURE BY MINISTRIES AND DEPARTMENTS

TOTAL EXPENDITURE INCURRED - \$57,388,008,434.30

3.24 During the financial year 2020 expenditure was incurred under 42 Heads of Expenditure as detailed on the Statement of Expenditure included with the Treasury Statements³. Table 3.1 below highlights those areas where expenditure was in excess of one billion dollars and reflects the percentage of total expenditure incurred.

³ Extracts of certain Treasury Statements are reproduced after the Report of the Auditor General

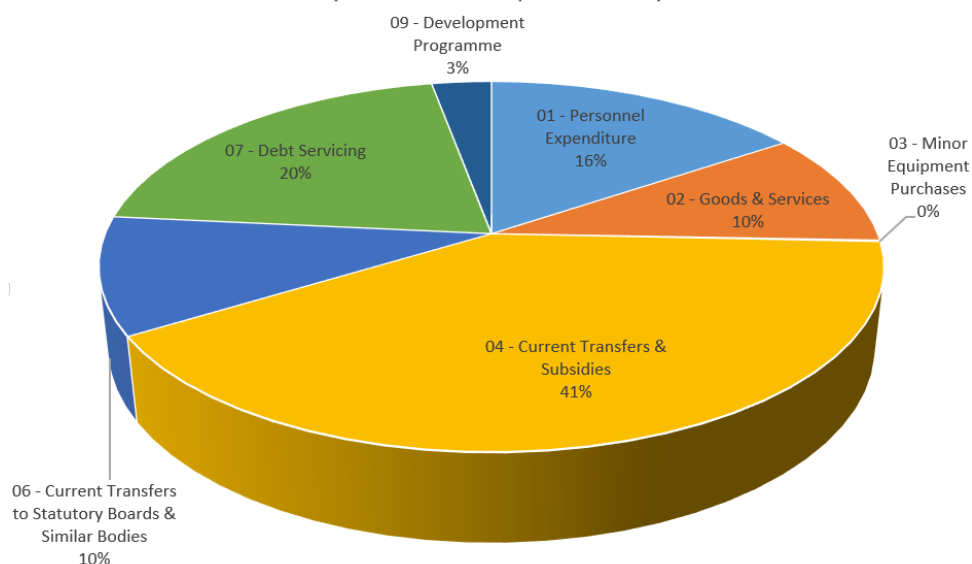
Table 3.1 Actual Expenditure in Excess of \$1Bn

Head of Expenditure	Actual Expenditure \$	Percentage of Total Expenditure
15 Tobago House of Assembly	2,344,430,384.34	4.09
18 Ministry of Finance	6,605,822,806.72	11.51
19 Charges on Account of the Public Debt	10,066,151,848.26	17.54
20 Pensions and Gratuities	2,945,095,517.28	5.13
22 Ministry of National Security	3,673,243,018.04	6.40
26 Ministry of Education	5,280,470,397.28	9.20
28 Ministry of Health	4,721,297,036.53	8.23
31 Ministry of Public Administration	1,099,810,442.42	1.92
39 Ministry of Public Utilities	2,493,956,586.95	4.35
42 Ministry of Rural Development and Local Government	2,207,020,576.77	3.85
43 Ministry of Works and Transport	2,395,647,513.38	4.17
64 Trinidad and Tobago Police Service	2,374,165,652.48	4.13
78 Ministry of Social Development and Family Services	5,437,381,260.98	9.47
Sub-Total	51,644,493,041.43	<i>90.00</i>
Other Ministries and Departments	5,743,515,442.87	10.00
Grand Total	57,388,008,484.30	100

EXPENDITURE BY CLASSIFICATION

3.25 A break down by Sub-Heads of total actual expenditure for the financial year 2020 is shown at Chart 3.1.

Chart 3.1: Analysis of Actual Expenditure by Classification



INDIVIDUAL AREAS OF CONCERN

3.26 The audit findings recorded in this section highlights accounting for expenditure items by Ministries and Departments. They also include comments relating to areas where non-compliance with certain financial directives were observed.

EXPENDITURE CONTROL

3.27 The Exchequer and Audit Act, Chapter 69:01, financial regulations and instructions, and circulars issued by the Treasury prescribe the systems of accounting and internal controls that accounting officers should adhere to in order to ensure that transactions are properly recorded in the relevant accounting records and that, votes are sufficient to meet the ministries' or departments' financial obligations.

3.28 An accounting officer is required to keep such control over the expenditure of his ministry or department to ensure that the amounts authorised by parliament in the estimates are not exceeded.

Office of the Prime Minister, Central Administrative Services Tobago (CAST)

Expenditure

3.29 The actual expenditure plus commitments totalled \$37,336,534.32. This sum exceeded the credits granted on the Exchequer Account of \$31,136,786.94 by the amount of \$6,199,747.38. The actual expenditure plus commitments which totalled \$37,336,534.32 also exceeded the amounts appropriated in the Estimates of \$35,175,950.00 by \$2,160,584.32.

3.30 This is a contravention of section 67, Part VII of the Financial Regulations, Chapter 69:01 which states "Accounting officers shall ensure that at all times votes are sufficient to meet all commitments ..."

3.31 The procedures utilized in the selection of the service provider for the maintenance of four (4) vehicles at a cost of \$31,217.52 were not ascertained as supporting documentation was not presented for audit.

Ministry of National Security

Accounting Unit 07 - General Administration

3.32 The Reconciliation of Monthly Abstract of Payments and Unpaid Cheques received at the Auditor General's Department was a photocopied document and did not bear original signatures. In addition, it was not signed by the Accounting Officer nor was evidence seen that it was checked by Internal Audit. This was not in accordance with Comptroller of Accounts directives.

Accounting Unit 21- Defence Force

3.33 A Statement of Reconciliation of Monthly Abstract of Payments and Unpaid Cheques was not signed by the Accounting Officer nor was evidence seen that it was checked by Internal Audit. This was not in accordance with Comptroller of Accounts directives.

Ministry of Rural Development and Local Government

3.34 Six (6) payment vouchers totalling \$681,345.57 effected in previous years were not countersigned by the Accounting Officer as required by the Financial Instruction 1965, instruction 108(4). This instruction requires Accounting Officers to personally countersign payment vouchers covering transactions effected in previous years.

Ministry of Foreign and CARICOM Affairs

3.35 Total expenditure of \$282,439,865.85 plus commitments of \$84,225.54 exceeded the total amount released of \$220,815,137.00 by \$61,708,954.39.

Ministry of Agriculture, Land and Fisheries

3.36 Expenditure of \$570,452,137.15 plus outstanding commitments of \$4,506,484.56 totalling \$574,958,621.71 exceeded the amount released of \$574,623,369.00 by \$335,252.71.

3.37 Observations in the two (2) paragraphs above are not in accordance with financial directives issued by the Treasury to facilitate control over expenditure in the disbursement of funds. These directives require accounting officers to ensure that expenditure is not committed /incurred in excess of releases approved by the Ministry of Finance.

VOTE BOOK

3.38 The vote book is the main book of account which records all parliamentary votes, amounts released, amounts expensed, voucher numbers and available balances against all sub-items. It is a control ledger designed to provide maximum control over funds voted. Each page of this control ledger records separate items of expenditure.

3.39 Financial Regulation 66 (2) requires Accounting Officers to maintain the vote book to clearly show at all times, among other things, the expenditure to date, actual balance on provision, outstanding commitments and uncommitted balance of provision in respect of each head, sub-head and item. Presented below are instances of internal control weaknesses observed in the vote books of certain Ministries and Departments.

Office of the Prime Minister

3.40 Invoice Orders totalling \$2,945,849.16 were not committed in the vote books. This is a contravention of financial directives.

Ministry of Finance - Inland Revenue Division

3.41 It was noted that outstanding commitments brought forward in the Vote Book under the Inland Revenue Division totalled \$596,148.19. These commitments were outstanding for the financial years 2009 to 2019. As at the financial years end, obligations pertaining to these outstanding invoices have not been finalized.

Ministry of Public Administration

3.42 A certified schedule entitled ‘Outstanding Bills at September 30, 2020’ was presented to audit staff which showed that twenty-eight (28) invoices totalling \$59,804,640.76 were not recorded in the vote book as at 30th September, 2020.

Ministry of Rural Development and Local Government

3.43 An Invoice Order dated 10th September, 2020 totalling \$525,278.00 was not committed in the vote book before payment was made. Financial Regulations (Stores) 13 (v) requires that the value of orders placed be properly entered into the commitment column of the appropriate vote book.

INTERNAL AUDIT

3.44 Internal audit is defined as “an independent, objective assurance and consulting activity designed to add value and improve an organization’s operations...”⁴ The role of internal audit is to ensure that internal controls and accounting systems are operating efficiently and to report same to the Accounting Officer.

Ministry of Finance – Inland Revenue Division

3.45 Responses received from the then Chairman of Board of Inland Revenue (BIR) to our internal audit questionnaire indicated that VAT Returns, income tax returns, income tax on-line returns and procurement documents were not audited by the Internal Audit Unit nor were these areas included in the Internal Audit Work Plan for the financial year 2019/2020. From a sample selected, evidence was not seen of internal audit checks on certain key documents such as VAT Returns and COVID -19 payment vouchers.

⁴ Source: Institute of Internal Auditors

Ministry of Finance - Customs and Excise Division

3.46 Responses received from the Division's internal auditor to Auditor General's questionnaire indicated that the work by the Division was limited. The work does not include areas such as procurement, examination of work done by technical officers, IT and Human Resource audits.

3.47 It was reported for the financial year ended 30th September, 2020, the Internal Audit Unit conducted examinations that focussed on arrears of overtime, increments and allowances calculations.

Ministry of Labour and Small Enterprise Development

3.48 At the time of audit scrutiny on the 26th October, 2020, evidence of internal audit checks was not seen on the Vote Book, Schedule of Accounts, Abstract of Payments and Payment Vouchers in respect of the Development Programme.

GRATUITIES TO CONTRACT OFFICERS

3.49 In July 2019, the Treasury instituted a transitional arrangement to decentralise the payment of contract gratuities to Ministries, Departments and Agencies. This arrangement provided for payments of contract gratuities by Accounting Officers from parliamentary allocations. However, before such payments could be made, Ministries and Departments had to submit contract documents to the Pensions Management Branch (PMB) of the Treasury for certification. This arrangement of submitting contract documents to the PMB ended on 30th September, 2020. For the financial year ended 30th September, 2020 Accounting Officers were responsible for payments of contract gratuities.

Ministry of Health

3.50 It was noted that one hundred and twenty-five (125) officers' contract gratuities (local and foreign officers' previous years' contracts) were estimated to be \$8,142,928.80. At the time of the audit scrutiny on 30th July, 2020, contract gratuities totalling \$24,672,928.80 were owed to eight hundred and fifty (850) officers who had completed their terms of employment. Therefore, as at 30th July, 2020, seven hundred and twenty-five (725) officers' contract gratuities amounting to \$16,530,000.00 were not budgeted for.

3.51 In addition, as at 30th June, 2020, it was also observed that contract gratuity payments to medical interns totalling \$1,336,080.00 was not included in the estimated amount of \$8,142,928.80.

UNRECORDED LIABILITIES

Office of the Prime Minister, Central Administrative Services Tobago (CAST)

3.52 The Schedule of Unrecorded Liabilities which was presented for audit totalled \$14,400.00. This figure was understated by at least \$1,092,272.71 which represented electricity charges of \$394,061.90 for the period 1st October, 2019 to 1st September, 2020, telephone charges of \$23,210.81 for the period 15th August, 2020 to 14th September, 2020 and rent of \$675,000.00 for August and September 2020 which were paid in the subsequent financial year.

Ministry of Education

3.53 For the fiscal year 2019/2020 the value of commitments settled was \$1,062,927.00. The Ministry submitted a document entitled 'Statement of Actual Expenditure and Commitments which indicated that

bills on hand as at 30th September 2020 amounted to \$42,955,164.51. Analysis of this sum revealed that bills in respect of janitorial, telephone and security services totalled \$31,165,151.32 or 72.55%.

Ministry of Communications

3.54 Forty-two (42) invoices totalling \$1,067,214.34 were not committed in the Vote Book as at 30th September, 2020.

CONTRACTS

Ministry of Social Development and Family Services

3.55 Contract Agreements were not produced for audit examination for six (6) service providers. As at 30th June, 2020 payments made to these service providers totalled \$4,524,420.89.

CURRENT TRANSFERS AND SUBSIDES

3.56 Line Ministries are required to ensure that Statutory Boards, State Enterprises and Similar Bodies submit annual financial statements, as well as documentation of other types of monitoring and evaluation evidence and records of expenditure as required by the State Enterprises Performance Monitoring Manual.

Ministry of Agriculture, Land and Fisheries

3.57 Expenditure under the vote '77/04/008/04 - Relief of Flood Damage' totalled \$1,704,437.53. An electronic copy of farmers' information to support the payments made under this vote was requested in January 2021. A senior Ministry official indicated that provision of such information would be a breach of privacy. Subsequently, on 15th April, 2021, a soft copy of the data was submitted. The data contained therein did not provide sufficient details to substantiate the payments.

FOLLOW - UP - CARIFESTA XIV 2019 (09/004/13A/056)

3.58 Sixty (60) Wi-Fi dongles and two other items of inventory were recorded in the Vote Book. These items which were previously reported as not being recorded in the Inventory Register as at 30th September, 2019 have since been recorded.

3.59 There were three laptop computers and four TAB E tablets recorded on the Asset Register (IT) and also on the list of items returned to the Ministry. However, the Vote Book showed no evidence of payment or record of these items being committed. The three (3) laptops costing \$19,184.99 were paid for from the Treasury Deposit Account – Ministry of Community Development, Culture and the Arts hosting of CARIFESTA XIV. The four (4) TAB E tablets costing \$6,380.01 were paid under 09/004/13A/056.

3.60 Bills on hand at 30th September, 2019 totalled of \$12,174,830.49. Of these bills, six (6) invoices totalling \$789,905.00 were paid in the financial year 2020. At the close of the financial year 2020, eighteen invoices totalling \$11,384,925.49 remained unpaid.

DEVELOPMENT PROGRAMME

Office of the Prime Minister, Central Administrative Services Tobago (CAST)

16/09/005/06/G/003 - Equipment for the Meteorological Services Division

3.61 A Register of Contracts was not maintained by the Division. Section 129 (1) of the Financial Regulations, Chapter 69:01 states that *“the accounting officer or head of department shall keep or cause to be kept a Register of Contracts awarded by departments, each contract being given an identifying number.”*

16/09/005/06/A/005 - Computerization / Networking of CAST

3.62 Original invoices were not attached to a payment voucher dated 13th July, 2020 as required by financial directive. These invoices were for project management services during the period 23-25 January, 2017. A letter of indemnity was also not produced.

Ministry of Rural Development and Local Government

09/003/15/D/020 – Local Roads and Street Signage Programme

3.63 A Register of Contracts as required by Financial Regulation 129 (1) was produced but no entries were inserted to indicate contracts awarded with each contract being given an identifying number for the financial year.

Ministry of Communications

Strategic Redevelopment of TTT Ltd.

3.64 A contract for the upgrade of TTT Limited’s digital media environment valued at US\$3,575,973.00 was entered into on 2nd September, 2019 with a service provider. The terms of this contract required the submission of a ‘Proof of Performance- System Acceptance’ before final payment is made. It was observed that the second and final payments amounting to TT\$8,473,268.02 were made on 8th September, 2020. A ‘Proof of Performance- System Acceptance’ was not produced and as such it could not be ascertained whether the document was submitted before the final payment was made.

GOVERNMENT OF THE REPUBLIC OF TRINIDAD AND TOBAGO COVID-19 RELATED EXPENDITURE AS AT 30TH SEPTEMBER, 2020

3.65 For the period ended 30th September, 2020, the COVID-19 pandemic had an impact on the expenditure of Ministries and Departments. Allocations under items of expenditure such as ‘Office Stationery and Supplies’ and ‘Material and Supplies’ were utilised for the procurement of personal protective equipment (PPEs) and other COVID-19 related items of expenditure such as hand sanitisers and additional cleaning services. In response to the economic fallout arising out of certain governmental restrictions, during the period March, 2020 to September 2020, Cabinet made a number of decisions to provide economic relief aimed at supporting individuals and businesses. These Cabinet decisions can be grouped as follows:

- Support for Health Care
- Remission of Customs Duty and VAT payable on Emergency Supplies

- Support for businesses
- Social Support for citizens including:-
 - Support for Artistes and Creatives;
 - Support for Students at Cave Hill and Mona Campuses
 - Income Support and Rental Assistance
 - Provision of Support to Older Persons and Persons with a Disability
 - Food Support - Provision of fresh produce as an additional emergency food support measure to vulnerable persons
 - Provision for 5,000 supermarket vouchers at a value of \$250.00 per voucher totalling \$1,250,000.00
 - Provision of Emergency funding by OPM to the major Religious Organisations
 - Humanitarian Assistance to Trinidad and Tobago nationals stranded abroad.

3.66 By Circular No. 6 dated 25th November, 2020, the Auditor General requested information from Ministries and Departments relating to COVID-19 expenditure for the year ended 30th September, 2020. Thirty-five (35) Ministries and Departments responded to the Circular, five (5) Ministries and Departments did not respond. Of the responses received, nineteen (19) Ministries and Departments reported expenditure that differed from amounts assessed during audit examinations.

3.67 The reported expenditure totalled \$809,646,587.92 and the audited figures totalled \$1,178,606,973.09 resulting in a difference of \$368,960,385.17. **Appendix 1**, refers.

3.68 Based on Cabinet's decisions, Ministries and Departments effected certain support mechanisms. From a sample of disbursement of funds by Ministries and Departments, audit observations are presented below.

Ministry of Finance

The total expenditure of \$781,376,601.78 under Head 18 - Ministry of Finance Re: COVID -19 comprises the following:

Sub - Head/Item/Sub - Item	Total Expenditure \$
04/007/06 - Food Price Support Programme Re: COVID-19	314,033,570.00
04/007/18 - Salary Relief Grant Re: COVID-19	186,200,000.00
04/007/19 - Assistance to Trinidad and Tobago Students at Cave Hill and Mona Campuses Re: COVID-19	492,363.41
04/007/20/ - Humanitarian Assistance to Trinidad and Tobago Nationals	1,394,306.19
04/009/43 - Credit Union Facility Programme –Re: COVID- 19	381,362.16
04/009/44 - Loan Guarantee Programme - Small and Medium Enterprises - Re: COVID -19	268,875,000.00
04/009/45 - Grant Facility to Small and Micro Businesses Re: COVID- 19	10,000,000.00
TOTAL	781,376,601.76

04/007/06 -Food Price Support Programme

3.70 The Temporary Food Card Grant was administered by the Ministry of Social Development and Family Services but financed by the Ministry of Finance.

3.71 Temporary Food Cards were issued by the Ministry of Social Development and Family Services to the Members of Parliament for distribution to their constituents who had children registered in the National School Feeding Programme.

3.72 As at 30th September, 2020 the Ministry's response indicated that 20,497 Temporary Food Card Grants were issued to forty-one (41) Members of Parliament. Each card was valued at five hundred and ten dollars (\$510.00) per month.

3.73 The Ministry reported that controls established for the issue of a Temporary Food Card Grant were the completion of a Declaration and Signature Sheet by recipients. This Declaration Sheet is a precursor for receipt of a card. At the close of the financial year, 3,431 Declaration Sheets remained outstanding from the recipients of these Grants.

04/007/18 - Salary Relief Grant

3.74 Cabinet approved the provisions of a salary relief grant to mitigate the financial challenges experienced by persons as a result of the impact of COVID-19. The Salary Relief Grant (SRG) was designed to provide relief for citizens or permanent residents within the National Insurance Scheme (NIS). The initial grant was \$1,500.00 per month for a period of three months. Funding was provided by the Ministry of Finance to the National Insurance Board of Trinidad and Tobago (NIBTT) on a reimbursable basis.

3.75 Qualified applicants were entitled to receive \$1,500.00 for three (3) months regardless of their loss of income. An examination of the internal controls established for the grant was done. It was observed that the screening supervisor checked the applications for completeness and accuracy.

3.76 Cabinet on 25th June, 2020 extended the SRG Project for an additional period of eight (8) weeks to cover "persons who experienced a loss of income as a result of the COVID-19 pandemic but who are outside of the National Insurance Scheme and would not have qualified for relief under the first phase of the SRG Project".

3.77 Cabinet on 27th August, 2020, approved the extension of the SRG Project administered by NIBTT for an additional month to 30th September, 2020. This was to facilitate applications where there were queries and outstanding payments.

04/007/19 - Assistance to Trinidad and Tobago Students at Cave Hill and Mona Campuses Re – COVID-19

3.78 Examination of the process to render assistance to Trinidad and Tobago students at Cave Hill and Mona Campuses revealed the following discrepancies:

- Documentation to substantiate receipt by the students was not produced.
- There was no listing of students who did not collect the funding.

Humanitarian Assistance to Trinidad and Tobago Nationals Stranded Overseas Due to the COVID-19 Pandemic

3.79 Cabinet on July 30, 2020 approved the provision of the sum of US\$200,000.00 to five (5) Trinidad and Tobago Diplomatic Missions to facilitate the payment of cash grants of up to US\$1,000.00 to eligible Trinidad and Tobago nationals stranded abroad due to the COVID-19 pandemic. Four hundred and twenty-nine (429) applications were received. Of these three hundred and seventy-seven (377) applications were processed. Two hundred and ninety-seven (297) cash disbursements were made totalling US\$204,258.99.

MONITORING

3.80 Evidence of the Strategic Management and Executive Office (SMEO) monitoring the votes in respect of the COVID-19 expenditure to ensure funds were applied for the purposes intended was not seen.

Ministry of Education

3.81 Five (5) contracts totalling \$3,929,175.00 were awarded for the purpose of acquiring cleaning material for distribution throughout the entire school network. The contracts specified that suppliers be given a 50% down payment which was paid. Examination of the Vote Book showed the balance outstanding of \$1,964,587.50 was not committed.

3.82 On 23rd July, 2020 the Ministry received one hundred (100) used desktops from the Heritage Petroleum Company Limited. A listing of these desktops with serial number references was provided. At the time of the audit verification, the desktops were not distributed and had not been recorded in the Inventory Register of the Ministry.

3.83 For the period 1st October, 2019 to 30th September 2020, the Ministry of Education expended \$17,648,196.44 on COVID-19 throughout its various Divisions of the Ministry and State Entities as per response dated 30th December, 2020. The expenditure of the Ministry was verified.

Ministry of Health

3.84 The Ministry's response to the Circular reported expenditure to be \$112,025,268.87. The audited total of \$128,249,971.38 is inclusive of amounts transferred to the regional health authorities of \$109,307,050.44.

3.85 A senior Advisor of the Ministry by letter dated 25th February, 2021 provided a detailed listing of 'Private Sector Support to the Ministry of Health National Response to the Global COVID-19 Pandemic'. This listing indicated that total value of contributions as at 30th September, 2020 was \$11,114,866.02. Attached at **Appendix II** is an extract of this listing which highlights business sectors and description of the nature of the contributions.

Ministry of Energy and Energy Industries

3.86 The Ministry's response to the Circular, disclosed, as at 30th September, 2020, COVID-19 expenditure totalled \$3,894,685.26. Audit verification indicated that total expenditure was \$3,699,405.26, a difference of \$195,280.00. This difference represented monies paid in the financial year 2020/2021.

Ministry of Rural Development and Local Government

3.87 For the period March 2020 to September 2020, the Ministry of Rural Development and Local Government reported on 5th January 2021, expenditure of \$40,662.28 on COVID-19 responses throughout its various divisions and state entities. The ministry's expenditure does not include transfers to regional corporations.

Ministry of Works and Transport

3.88 For the period March 2020 to September 2020, the Ministry of Works reported on 5th January 2021, expenditure of \$14,145,196.30 on COVID-19 responses throughout its various divisions and state entities. Including in the figure \$14,145,196.30 is an amount of \$13,399,231.77 which was transferred to State Enterprises. This represents 95% of the total expenditure. The Ministry's COVID-19 expenditure amounted to \$745,963.54 or 5% of the total expenditure.

3.89 Cabinet Minute dated May 02, 2020 approved funding to meet expenditure in respect of the payment of a fuel relief grant to registered Maxi Taxi owners. The approved sum was recommended and approved by Parliament in the 2020 Mid-Year Review exercise.

3.90 The total expenditure of \$14,145,196.30 did not include amounts paid to registered Maxi/Taxi owners under 04/007/12 – Fuel Relief Grant to Maxi/Taxi Owners in the amount of \$3,851,750.00.

Ministry of Social Development and Family Services

3.91 Contract agreements totalling \$243,512.50 were not produced for two (2) service providers.

INFORMATION SYSTEMS USED FOR PROCESSING OF COVID - 19 GRANTS

3.92 An audit of the information systems used for the processing of the grants relating to COVID-19 was conducted. The aim was to obtain assurance on whether confidentiality, integrity and availability of data and systems were achieved.

3.93 The following international IT standards were used as system evaluation criteria in the conduct of the audit:

- ISO/IEC 27001 – ‘Information Technology- Security Techniques - Information Security Management Systems – Requirements.’ This Standard provides a model for establishing, implementing, operating, monitoring, reviewing, maintaining and improving an Information Security Management System (ISMS).
- ISO/IEC 27002 – ‘Information Technology- Security Techniques Code of Practice for Information Security Controls.’ This Standard provides best practice recommendations and guidance for organizations selecting and implementing information security controls within the process of initiating, implementing and maintaining an Information Security Management System (ISMS)

3.94 The audit covered the systems used for the processing of grants at the following entities:

- Ministry of Finance: The Salary Relief Grant of up to \$1,500.00 for up to three months, available to workers who lost their jobs or salary as a result of COVID-19. These persons should be within the National Insurance Scheme (NIS).⁵
- Ministry of Social Development and Family Services: The Income Support and Food Support and for retrenched/terminated/or persons who experienced reduced income for a period not exceeding three (3) months.⁶
- Ministry of Social Development and Family Services: Rental Fee Support for persons experiencing reduced income. Grant of \$2,500 per month for 3 months initially and up to 6 months. Beyond 6 months to be reduced to \$1,500.00 and then \$1,000.00. Rental grant was not to exceed 12 months.
- Ministry of Community Development, Culture and the Arts (now Ministry of Sport and Community Development): The Cultural Grant which is a one-off Emergency Relief Grant in the sum of \$5,000.00 to artistes and creatives, who have lost income due to cancelled exhibitions, classes, conferences, workshops and other cultural related events, as a result of the measures undertaken for COVID-19.
- Ministry of Labour and Small Enterprise Development – NEDCO: The Entrepreneurial Relief Grant for Micro and Small Enterprises that were negatively impacted by the COVID-19 pandemic.

⁵ <https://www.finance.gov.tt/2020/04/05/salary-relief-grant/>

⁶ <https://www.finance.gov.tt/2020/03/31/covid-19-social-assistance-guidelines-and-applications/>

Ministry of Social Development and Family Services (MSDFS)

Income Support and Food Support Grants

3.95 The number of applications for the Food Support grant was 49,433 totalling \$75,632,490.00 and the Income Support grant was 47,685, totalling \$145,467,750.00. A grand total of \$221,100,240.00 for both grants. Payment methods used were as follows:

Automated Clearing House - \$109,748,610.00

Debit Card - \$51,353,880.00

Cheque - \$59,997,750.00

3.96 Analysis of data relating to the Income Support and Food Support Grants revealed the following:

- i. Due to deficiencies in input controls, seventy-five (75) applicants were registered twice. This resulted in seventy-five (75) applicants receiving two payments each for the Food Support Grant and the Income Support Grant. As a consequence, double payments totalling \$330,660.00 were made.
- ii. There was one instance where an applicant received double payment for the income support grant only (person did not get the food support) in the amount of \$3,000.00.
- iii. The criterion for the payments of the Income and Food Support Grants, is that only one payment should be made per household. Evidence was not seen that proper checks were made to determine whether one (1) payment was made per household. In three hundred and twenty-five (325) instances for payments of Income Support Grant and three hundred and eighty-eight (388) instances for the Food Support Grant the same bank account number was used by more than one person. Payments to these applicants totalled \$2,028,000.00 for the Income Support Grant and \$1,213,290.00 for the Food Support Grant. Due to the lack of monitoring by the Ministry, it could not be determined whether these payments were made to bona fide applicants.
- iv. Six (6) instances were noted where the method of payment was stated as Automatic Clearing House (ACH), however, the bank account numbers of the applicants were not entered in the database. Additionally, there was one applicant who received both grants but there was no name under the name column. This incomplete information indicates a lack of verification of input. Due to incompleteness of the database, there was difficulty in determining whether the monies were actually deposited into the applicants' bank accounts.
- v. There were six (6) Income Support Grant records and twenty (20) food support records where one National ID card number was used by more than one person. This was verified by the Election and Boundaries Commission (EBC). Twenty-six (26) payments totalled \$48,600.00 for both grants. Each person has a unique National ID card number and the database is supposed to indicate upon input if the ID card number was already in the system.

Ministry of Finance

Salary Relief Grant (SRG)

3.97 Cabinet agreed on 9th April, 2020, to a Salary Relief Grant (SRG) to provide relief for citizens or permanent residents within the NIS, who were involuntarily terminated, suspended without pay or who suffered loss of income as a result of the COVID-19 pandemic, in the form of a grant of \$1,500.00 per month for a period of up to three (3) months.

3.98 This grant was administered by the National Insurance Board of Trinidad and Tobago (NIBTT) over a period of three (3) months at an estimated cost of \$4,485,635.00 for which the funding was provided by the Ministry of Finance to the NIBTT on a reimbursable basis.

3.99 Cabinet on 27th August, 2020, approved the extension of the SRG Project administered by NIBTT for an additional month to September 30, 2020. This was to facilitate applications where there were queries and outstanding payment.

Data Analysis

3.100 Our audit procedure included an analysis of data relating to the Salary Relief Grant which revealed the following:

- i. Eighteen (18) instances were seen where the Employers' National Insurance Registration number was listed as '0' or '00000'. Evidence was not seen that the Ministry verified whether these employers were registered with NIBTT.
- ii. As part of the audit procedure, the SRG database was joined with the Income Support Grant database. An analysis of the joined databases revealed that two thousand, six hundred and seventy-two (2,672) persons received both grants which amounted to \$8,115,000.00 as at 30th September 2020.

Ministry of Community Development, Culture and the Arts (now the Ministry of Sport and Community Development)

Cultural Relief Grant

3.101 Cabinet agreed on 2nd July, 2020 to the provision of a one-off Emergency Relief Grant in the sum of \$5,000.00 to Artistes and Creatives. To qualify applicants must:

- have lost income due to cancelled exhibitions, classes, conferences, workshops and other cultural related events. These cancellations must have been due to measures undertaken by the Government of the Republic of Trinidad and Tobago to mitigate the spread of COVID-19;
- be citizens of Trinidad and Tobago ;and
- have not received any other COVID-19 relief grants.

Data Analysis

3.102 Limited analysis of the data submitted by the Ministry of Sport and Community Development revealed the following:

- i. All the fields were populated with the correct type of data. Total number of artistes and creatives paid was 823 in the sum of \$4,125,000.00.
- ii. All applicants were paid \$5,000.00 with the exception of two persons who were paid two payments each of \$5,000.00. An overpayment of \$10,000.00.
- iii. Analysis of the Income and Support Grant (paid by the Ministry of Social Development and Family Services) database revealed the possibility that forty-four (44) persons who were in receipt of the Cultural Grant were also paid Income and Food Support Grants by the Ministry of Social Development and Family Services. Audit requested the National ID numbers of these persons from the Ministry of Sport and Community Development to verify if they were indeed the same persons. The information was not provided by the ministry. This could result in an overpayment of \$220,000.00 if the names appear on both databases.

3.103 Detailed analysis was not possible since the following pertinent information was not provided:

- Proof of membership in an artiste association;
- Evidence of sustained cultural activity from 2018 to 2020;
- Information on the cancellation of bookings/events due to COVID-19, and
- Evidence of citizenship, e.g. National ID card, NIS number etc.

Ministry of Labour and Small Enterprise Development - The National Entrepreneurship Development Company Limited (NEDCO)

Entrepreneurial Relief Grant

3.104 A full interrogation of the data could not be completed as all the information requested on the application form did not form part of the database that was provided to Audit.

Remote Working

3.105 Due to the COVID-19 pandemic, remote working was introduced at Ministries and Departments in March 2020. There are certain risks associated with this facility. These include:

- i. Use of personal devices by employees could lead to the ministries' confidential information being compromised.
- ii. The network used by an employee may be unsecured.
- iii. Lack of awareness about information security, namely cybersecurity can lead to persons falling prey to phishing attacks, for example, clicking on a malicious link Ministries and Departments need to ensure compliance with the Data Protection Act.

Business Continuity Management

3.106 Most of the Ministries/Departments audited did not have updated Business Continuity and Disaster Recovery Plans. This was evident when the pandemic occurred and Ministries and Departments were not fully prepared to deal with a disaster of this nature.

CONCLUSION

3.107 It appears that no proper monitoring and oversight was in place for the Ministries and Departments tasked with the administering of the COVID-19 initiatives. Roles and responsibilities were not clearly defined. Lack of collaboration with other relevant Departments and deficiencies in the internal controls led to the funds allocated for COVID-19 initiatives not being used efficiently and effectively.

3.108 There is need for a business continuity plan to be developed in the event another national emergency occurs. This plan should be properly tested to ensure robustness, awareness, responsiveness and agility. Ownership of the Plan should be clearly assigned and the plan communicated to relevant stakeholders.

Appendix I

COVID-19 EXPENDITURE 2020

Ministry	Ministry (\$)	Audited (\$)	Remarks
01. President			No response to AG Circular 6
02. Auditor General	19,791.07		Audited by the COAs
03. Judiciary			No response to AG Circular 6
04. Industrial Court	28,383.83	28,383.83	
05. Parliament	308,074.93	308,074.93	
06. Service Commissions	42,077.81	42,077.81	
07. Statutory Authorities Service Commission	61,455.05	Not Audited	Not Audited
08. Elections and Boundaries Commission	1,135,713.44	1,252,091.02	
09. Tax Appeal Board	12,081.00	12,525.88	
11. Registration, Recognition and Certification Board	3,095.02	3,095.02	
12. Public Service Appeal Board	-	-	
13. Office of the Prime Minister	138,556.07	30,159,297.00	
15. Tobago House of Assembly	-	-	
16. Central Administrative Services, Tobago	-	-	
17. Personnel Department	5,456.25	5,456.25	
<u>18. Ministry of Finance:</u>			
Treasury Division (Comptroller of Accounts)	468,021,817.96	781,376,601.78	Ministry's response did not include Food Price Support Prog. \$314,033,570.00
Board of Inland Revenue	613,601.38	613,451.38	
Customs & Excise Division	379,306.96	631,142.35	
22. Ministry of National Security	6,430,232.51	6,422,925.63	

Ministry	Ministry (\$)	Audited (\$)	Remarks
23. Office of the Attorney General and Ministry of Legal Affairs	338,819.94	322,647.83	109,954.40 External entities
26. Ministry of Education	3,097,222.13	3,765,117.13	Additional: UTT - \$115,592.33, YTEPP - \$104,066.57, NIHERST - \$45,596.60, UWI - \$12,652,846.52, COSTATT - \$329,091.64, NESC - \$224,324.76, ACTT - \$1353.64, NTA - \$36,291.08
28. Ministry of Health	112,025,268.87	128,249,971.38	Audited figure inclusive of RHAs
30. Ministry of Labour	31,938.48	31,938.48	
31. Ministry of Public Administration and Digital Transformation	244,227.31	244,227.31	
35. Ministry of Tourism	112,919.39	74,564.11	
37. Integrity Commission	1,350.00	2,700.00	
38. Environmental Commission	26,676.68	26,676.68	
39. Ministry of Public Utilities	233,006.54	233,006.54	Additional: T&TEC - \$3,341,153.38, WASA - \$1,337,570.19, TTPost - \$523,749.60, Solid Waste - \$1,730,204.20, COVID Control costs \$62,000.00, MTS \$199,755.80
40. Ministry of Energy and Energy Industries	3,894,685.26	3,699,405.26	
42. Ministry of Rural Development and Local Government	40,662.28	40,662.28	

Ministry	Ministry (\$)	Audited (\$)	Remarks
43. Ministry of Works and Transport	14,145,196.30	17,996,946.30	Includes expenditure of 13,399,231.77 for State Enterprises. There was additional exp of 3,851,750.00 iro Fuel Relief Grant that was not included in the figure of \$14,145,196.30.
48. Ministry of Trade and Industry	27,791.92	237,510.66	State Enterprises - \$496,692.55
61. Ministry of Housing and Urban Development	7,723.07	8,494.55	
62. Ministry of Community Development, Culture and the Arts	210,539.88	4,349,187.43	
64. Trinidad and Tobago Police Service	4,898,649.85	4,898,649.85	
65. Ministry of Foreign and CARICOM Affairs			No response to AG Circular 6
67. Ministry of Planning and Development	42,314.11	50,011.79	National Trust \$28,978.05, State Enterprises - \$313,204.93, CDA \$30,004.09
68. Ministry of Sport and Youth Affairs	359,832.62	359,832.62	
70. Ministry of Communications	181,902.16	181,902.16	
75. Equal Opportunity Tribunal	2,594.06	2,594.06	
77. Ministry of Agriculture, Land and Fisheries	818,130.04	818,130.04	
78. Ministry of Social Development and Family Services	191,705,493.75	192,157,673.75	
TOTAL	809,646,587.92	1,178,606,973.09	

Appendix II

**Extracted from Detailed Private Sector Support
to the MoH National Response to the Global COVID-19 Pandemic
As at September 30, 2020**

Sector	Pkg	Nature of Contribution	Value of Contribution	Remarks	Total Contribution
Services	9	50 beds to Caura Hospital	300,000.00	Donor liaised directly with the North Central Regional Health Authority (NCRHA); Value of beds indicated verbally via a tel. call to Mr. Laquis	300,000.00
Services	12	Appliances for Brooklyn Settlement & National Racquet Centre Step-Down Facilities	236,250.00	Delivered directly to step-down facilities. The Eastern Regional Health Authority (ERHA) & Ministry of Health facilitated the deliveries; the ERHA took full responsibility for all items.	274,464.38
	12	16 Toner Cartridges for Head Office	14,214.38	Delivered to Ministry of Health, Head Office	
	8	2,000 face masks for MoH	24,000.00	Handed over to Ministry of Health Corp. Communications Dept. for distribution	
Telecommunication	7	Cable TV & Internet services for Tacarigua step-down facility from April to September 2020	6,144.53	Service supplied wef 17-Apr-2020	6,144.53
Manufacturing	6	3,300 bottles of 1.75L hand sanitizer	91,707.00	Delivered to NIPDEC C-40 warehouse facility. Company initially offered 17,000 250ml bottles but were asked to supply 1750ml bottles instead to deter pilfering	91,707.00
Manufacturing	9	300 Mattresses from Standards: 150	118,045.00	Delivery breakdown included in	252,407.50

Sector	Pkg	Nature of Contribution	Value of Contribution	Remarks	Total Contribution
		36"x80" & 150 24"x72"		supporting documents	
Manufacturing	12	9 Slim line & 2 Counter top chillers; 51 cases each of Smalta/ Malta from Carib Brewery	48,836.50	Delivery breakdown included in supporting documents	
Manufacturing	12	2 Whirlpool 18cf Top Mount Refrigerators, Frost Free	11,600.00	Delivered directly to the Trinidad Public Health Laboratory, 16-18 Jamaica Boulevard, Federation Park, St. Clair (CARPHA's compound) on 04/04/2020	
Manufacturing	6	7,990 bottles of 1.5L hand sanitizer from Carib Brewery	73,926.00	Delivered to NIPDEC C-40 on April 14 & May 18, 2020	
Manufacturing	10	Coffee stations at A&E Depts within 4 RHAs & MoH Head Office incl: Percolators, Ground Coffee, Colcafe 3-in-one & Crackers	102,647.18	Supplier liaised directly with the RHAs to arrange delivery	102,647.18
Oil & Energy	1	11 Ventilators	3,097,400.00	Delivered to Pt. Fortin Hospital; Each ventilator comprises of 2 pieces; reference is made to Delivery note dd 17-Jul-2020	3,145,340.00
		50 Viral Transport Med. (VTM)	39,100.00	Delivered to Trinidad Public Health Laboratory (US\$1: TT\$6.8)	
		2 pks (200) swabs	8,840.00		
Oil & Energy	9	Med. Equip: 1 Video Bronchoscope and 1 Therapeutic Bronchoscope	336,267.36	Handed over to UDeCOTT for installation and commissioning at the Couva Hospital and Multi-Training Facility	1,086,575.48
	13	4 Nissan Xtrail 4x2 vehicles	750,308.12	Handed-over to the Ministry of Health as detailed in the supporting documents	

Sector	Pkg	Nature of Contribution	Value of Contribution	Remarks	Total Contribution
Oil & Energy	8	20,000 Surgical masks @USD 0.80 ea	27,200.00	Received by NIPDEC C-40 on 01-Jul-20 (US\$1:TT\$6.80)	27,200.00
Manufacturing	10	750 cases of Malt beverages to RHA frontline workers	37,500.00	Donor liaised with and delivered directly to the various Regional Health Authorities	37,500.00
Manufacturing	10	308 cases of Beverages	23,238.59	Delivered to for 6 major health facilities and Ministry of Health Head Office	23,238.59
Manufacturing	10	200cs COMED (Medicated Soap); * 500cs Blue Soap	125,513.00	Delivered to C-40 warehouse	125,513.00
Telecommunication	8	20,000 N95 disposable face masks	129,200.00	Delivered to NIPDEC on 10-Sep-20 (US\$19,000.00 x 6.8)	308,600.00
	7	6mths free voice & data plan for MOH Contact Tracer Support Program	179,400.00	Service supplied	
Finance/ Banking	4	Purchase of Covid-19 testing machine & kits for Tobago	167,435.00	Delivered to Scarborough General Hospital 13-May-2020 (Rate of US\$1:TT\$6.6974 used as per wire transfer details)	167,435.00
Services	9	1,000 Respiratory Inhaler Aero-chambers	55,720.00	Delivered to C-40 warehouse	197,694.90
	9	3,600 Women's Panadol 16's	71,280.00		
	8	4,400 KN95 Masks	37,699.20		
		250 Safety Goggles	5,604.90		
		200 Medical Safety suits	26,418.00		
		4,000 3ply medical masks	972.80		
Finance/ Banking	12	Items Listed twice in this table - also listed under Unicomer; Furniture & appliances for Debe COVID-19 Step down Facility: • 96 twin mattresses • 12 only 25-26 cubic ft. refrigerators • 12 microwaves 1.3-1.4 cubic feet	92,000.00	Guardian Group partnered 50/50 with Unicomer Ltd. (\$92,000. Each for the supply of these items; Delivered to Debe COVID-19 Step down Facility	92,000.00

Sector	Pkg	Nature of Contribution	Value of Contribution	Remarks	Total Contribution
		<ul style="list-style-type: none"> • 2 each 50lb Washers and Driers • 2 only 42"-49" Smart TVs 			
Services	3	1 month of lunches: 80 daily Lunches POSGH; 90 daily lunches EWMSC	145,000.00	Deliveries began 02/04/2020	245,000.00
	8	• 10,000 3-ply Masks	100,000.00	Delivered to NIPDEC C-40 on 12-May-2020	
Services	3	Drinks for frontline workers: * 1,435 cases Lucozade energy * 90 cases Supligen Vanilla	344,009.14	<i>Delivered directly to all Regional Health Authorities and Ministry of Health Head Office.</i>	344,009.14
Oil & Energy	5	200 Velvet plush blankets for Couva Patients	30,000.00	Items delivered directly to the Couva Hospital on 03/04/2020	30,000.00
Mfg	8	46,000 surgical masks	97,827.00	Items delivered to NIPDEC C-40	97,827.00
Oil & Energy	10	40 Hampers for frontline workers	32,000.00	Items delivered directly to the South West Regional Health Authority	128,033.43
	8	Personal Protective Equipment: *6720 shoe covers (2 pr extra due to packaging), *360 scrub suits *9400 surgical masks	96,033.43	Items delivered to NIPDEC C-40	
Manufacturing	8	2 boxes, 2000 KN-95 masks	65,960.00	Delivered to NIPDEC C-40 (US \$9,700.00 x 6.8)	65,960.00
Oil & Energy	8	4,000 Isolation gowns; · 4,700 Shoe covers	34,931.25	Delivered to NIPDEC C-40 07-Jul-2020	34,931.25
Manufacturing	8	100 washable cloth masks for MoH	4,000.00	Delivered to Ministry of Health, Head Office and distributed to staff members	4,000.00
Oil & Energy	10	330 Care packages (200 ea for Couva & Caura frontline workers)	66,000.00	Delivered directly to Couva and Caura Hospitals	66,000.00

Sector	Pkg	Nature of Contribution	Value of Contribution	Remarks	Total Contribution
Finance/ Banking	4	N95 Respirators QA Testing Equipment	81,807.40	Delivered directly to CARIRI (US\$1: TT6.80)	107,319.59
	8	200 Surgical Gowns	25,512.19	Delivered to NIPDEC C-40	
Manufacturing	8	5000 protective masks; and 3000 surgical masks	115,600.00	Delivered to C-40 07-May-2020 (US\$17,000.)	115,600.00
Finance/ Banking	8	600 N95 Masks @ \$14.00 ea (60 boxes of 10 ea)	8400	Collected by Principal Pharmacist, MoH and handed over to NIPDEC C-40	76,560.00
	3	100 Massy Lunches for staff at SFGH A&E (for 1 month)	68,160.00	Delivery commenced 15/04/2020	
Finance/ Banking	8	<ul style="list-style-type: none"> • 136 S/Goggles • 1,000 Head Gear & Face Shield 	69,874.55	Delivered by FT Farfan to NIPDEC C-40	769,624.55
		<ul style="list-style-type: none"> • 100,000 medical mask, disposable 	699,750.00	Delivered by A Moses to NIPDEC C-40	
Services	3	1,135 Meals for San Fernando Hospital, Sangre Grande Hospital & CMOH offices in Siparia, Caroni and Victoria for 1 month	34,650.00	Delivered daily wef 06/04/2020	36,650.00
	8	200 fabric masks for Ministry of Health Staff	2,000.00	Delivered 27-04-2020; Handed over to Corp. Com. For distribution	
Oil & Energy	1	10 Ventilators; & 100 Ventilation Circuits	2,254,200.00	Items received and distributed as follows: 6 - Augustus Long Hospital; 4 - Scarborough Hospital, Tobago. (US \$331,500)	2,254,200.00
Services	8	600 KN95 masks	30,000.00	Delivered to NIPDEC 22-May-2020	30,000.00
Services	3	50 lunches per day to Ministry of Health COVID-19 Response Team members for the period 06-Apr-20 to 01-May-20	50,000.00	Delivered Mon-Fri for period indicated; value of meals indicated verbally via a telephone call to Ms. Sophie Laquis	50,000.00

Sector	Pkg	Nature of Contribution	Value of Contribution	Remarks	Total Contribution
Services	3	50 cases of small bottled water for Ministry of Health head office staff	1,200.00	Delivery facilitated by the North West Regional Health Authority due to the weight of the delivery; Fwd to Office Manager for distribution to MoH Head Office Staff; Value estimated	1,200.00
Oil & Energy	10	\$200.00 Gas Cards for 20 Frontline workers from each of the 5 RHAs	19,800.00	Liaised directly Regional Health Authorities (RHAs); Confirmation from the Trinidad RHAs attached.	19,800.00
Oil & Energy	12	2-28 cu ft refrigerators for new COVID- 19 Testing Lab at EWMSC to store samples	44,215.00	All items delivered directly to the Virology laboratory, Vet Clinic, Mt. Hope, which is now used for expanded COVID-19 Testing.	44,215.00
Manufacturing	9	100 cases Bath Tissue; and 100 cases Hand towels	20,888.00	All items Delivered to NCRHA only	20,888.00
Telecommunication	10	Mobile Credits to Doctors of the Couva Hospital and Multi-Training Facility	9,734.00	Distribution lists attached	41,818.00
		Mobile Credits to Nurses of the Couva Hospital and Multi-Training Facility	18,100.00		
		Mobile Credits to Medical Staff of the Caura Hospital	13,984.00		
Manufacturing	9	100 bales toilet paper to the SWRHA	7,000.00	Delivered to SWRHA 24-Apr-2020	7,000.00
Manufacturing	8	• 2,000 N95 Facemasks • 50 Gallons Rubbing Alcohol 70%	43,762.50	Delivered to NIPDEC C-40	43,762.50

Sector	Pkg	Nature of Contribution	Value of Contribution	Remarks	Total Contribution
Manufacturing	12	Items Listed twice in this table; also listed under Guardian Group ; Furniture & appliances for Debe COVID- 19 Step down Facility: <ul style="list-style-type: none"> • 96 twin mattresses • 12 only 25-26 cubic ft. refrigerators • 12 microwaves 1.3-1.4 cubic feet • 2 each 50lb Washers and Driers • 2 only 42"-49" Smart TVs 	92,000.00	Delivered directly to step-down facility; Unicomer partnered 50/50 with Guardian Group (\$92,000. each for the supply of these items).	
Manufacturing	12	Furniture & appliances for National Racquet Centre, Tacarigua, Step down Facility: <ul style="list-style-type: none"> • 50 only 36 x 72 Mattresses • 50 only 36 x 72 Beds, Back support frames with 8" legs • 50 only (25 2-pk) pillows • 50 only Mattress Protectors • 50 only Full-size Size Serta Sheet sets • 50 only Full size Blankets • 100 only Bath Towels 	150,000.00	Delivered directly to Step-down facility	242,000.00
					11,114,866.02

Packages:

1. Support for a Ventilated bed
2. HR Support
3. Food & Nutrition
4. Test/ Extraction Kits
5. Linens
6. Disinfecting & Sanitizing
7. Communication

8. Personal Protection Equipment
9. Pharmaceutical & Non-Pharmaceutical Supplies
10. Staff Appreciation
11. Frontline Staff Psychological Support
12. Appliances, Furniture & Fittings for Establishing Field Hospitals
13. Transportation & Ambulances

CHAPTER 4

ACCOUNTS OF RECEIVERS OF REVENUE

CHAPTER 4

ACCOUNTS OF RECEIVERS OF REVENUE

4.1 Receivers of Revenue are responsible for all aspects of the collection of revenue and for rendering proper account of the sums received under specific Heads of Revenue assigned to them. The Letter of Appointment which is issued to each Receiver of Revenue states *inter alia*:

“In order that there may be no misunderstanding, it is emphasized that under the heading of collection your responsibility covers all of the following stages:-

- *Ascertaining the existence of liabilities*
- *Ensuring that correct charges are levied*
- *Establishing written records of sums due and paid*
- *Taking proper steps to secure payment.”*

REVENUE

4.2 Revenue estimated to be collected for the financial year 2020 was \$50,255,357,975.00. This was revised to \$56,326,618,612.00. The Statement of Revenue submitted by the Treasury showed that the total actual revenue collected under the various Heads was \$56,651,381,678.33 as shown below.

	REVISED ESTIMATES \$	2020 ACTUAL REVENUE \$	REVENUE MORE/(LESS) THAN REVISED ESTIMATES \$	%
TAX REVENUE	25,479,293,765.00	25,672,842,777.22	193,549,012.22	0.76
01. TAXES ON INCOME AND PROFITS	14,915,200,000.00	15,089,422,657.08	174,222,657.08	1.17
02. TAXES ON PROPERTY	1,573,000.00	1,820,711.22	247,711.22	15.75
03. TAXES ON GOODS AND SERVICES	8,012,319,965.00	8,022,575,374.31	10,255,409.31	0.13
04. TAXES ON INTERNATIONAL TRADE	2,280,200,800.00	2,301,164,339.17	20,963,539.17	0.92
05. OTHER TAXES	270,000,000.00	257,859,695.44	(12,140,304.56)	(4.50)
NON-TAX REVENUE	7,013,290,050.00	7,261,863,266.13	248,573,216.13	3.54
06. PROPERTY INCOME	5,508,003,320.00	5,559,671,417.83	51,668,097.83	0.94
07. OTHER NON-TAX REVENUE	1,497,652,750.00	1,691,066,490.30	193,413,740.30	12.91
08. REPAYMENT OF PAST LENDING	7,633,980.00	11,125,358.00	3,491,378.00	45.73
09. CAPITAL RECEIPTS	713,422,697.00	526,612,574.72	(186,810,122.28)	(26.19)
FINANCING	23,120,612,100.00	23,190,063,060.26	69,450,960.26	30.00
10. BORROWING	16,485,612,100.00	16,554,669,156.26	69,057,056.26	0.42
11. EXTRAORDINARY RECEIPTS	6,635,000,000.00	6,635,393,904.00	393,904.00	0.01
GRAND TOTAL	56,326,618,612.00	56,651,381,678.33	324,763,066.33	0.58

STATEMENTS OF RECEIPTS AND DISBURSEMENTS

4.3 Section 24 (1) (c) of the Exchequer and Audit Act, Chapter 69:01 as amended by Act No. 23 of 1998 requires receivers of revenue to prepare and transmit to the Auditor General their Statements of Receipts and Disbursements in such form as the Treasury may direct. By Comptroller of Accounts Circular No. 9 dated August 13, 2020, receivers of revenue were required to transmit to the Auditor General, Statements of Receipts and Disbursements in respect of monies collected under the Items of Revenue for which they are responsible on or before Friday January 29, 2021. The following Receivers of Revenue did not comply with the Comptroller of Accounts Circular No.9, as required.

- AT6 – Registrar General
- FA1 – Permanent Secretary Ministry of Foreign and CARICOM Affairs
- TM1 – Permanent Secretary, Ministry of Tourism.

FA1-Permanent Secretary, Ministry of Foreign and CARICOM Affairs

4.4 The last Statement of Receipts and Disbursements submitted to the Auditor General’s Department was in respect of the financial year ended 30th September, 2018.

TM1-Permanent Secretary, Ministry of Tourism

4.5 A difference of \$122,617.63 was noted between the Statement of Receipts and Disbursements and the records of the Comptroller of Accounts as at 30th September 2020 as follows:

Particulars	Amount (\$)
Statement of Receipts and Disbursements	729,234.38
Comptroller of Accounts	606,616.75
Difference	122,617.63

4.6 The difference represented moneys collected in September 2020 but which were subsequently deposited in the month of November 2020.

AUDIT OF REVENUE

4.7 Observations from the examination of the systems and procedures accounting for revenue, as well as the Statements of Receipts and Disbursements of the Receivers of Revenue are highlighted in the subsequent paragraph.

AL1- Permanent Secretary, Ministry of Agriculture, Land and Fisheries.

4.8 A Revenue Register in respect of nine (9) items of revenue was not presented for audit examination.

4.9 Revenue collected as per records of the Comptroller of Accounts (Treasury Cards) in respect of these items of revenue was \$2,098,328.04. A difference of \$1,047,219.53 was noted between the figure of \$1,051,108.51 as per the Statement of Receipts and Disbursements and the amount recorded in the Treasury Cards. Details are as follows:

Revenue Sub-Head	Sub-Item	Receipt and Disbursement Statement (\$)	Comptroller of Accounts Treasury Card (\$)	Difference (\$)
03/ 06/ AL1/ 002	Wild Animals and Birds (Chap 67:01)	248,273.00	728,473.00	(480,200.00)
03/ 06/ AL1/ 003	Removal Permits (forestry) (Chap 66:01)	88,490.00	99,790.00	(11,300.00)
03/ 06/ AL1/ 005	Log Haulage Permits (Chap 66: 02)	9,600.00	17,100.00	(7,500.00)
07/ 01/ AL1/ 001	Fees- San Fernando Hill	103,000.00	103,011.25	(11.25)
07/ 01/ AL1/ 008	Registration Fees- Praedial Larceny (Chap 10:03)	940.00	1,040.00	(100.00)
07/ 04/ AL1/ 023	Forests - Miscellaneous	48,784.40	1,702.50	47,081.90
07/ 04/ AL1/ 024	Forests – Sale of Timber and Produce	552,021.11	1,146,736.29	(594,715.18)
07/04/AL1/018	Hillside Station (St. Michael Estate)	0.00	475.00	(475.00)
Total		1,051,108.51	2,098,328.04	(1,047,219.53)

AT 7- Controller Intellectual Property Office, Ministry of the Attorney General and Legal Affairs

4.10 For revenue collected as at 30th September, 2020 there was a difference of \$63,270.00 between the Statement of Receipts and Disbursements balance of \$4,692,790.00 and the Treasury Card balance of \$4,629,520.00. Reconciliations were not provided to reconcile the Statement figure and the Treasury Card figure.

4.11 The Receiver was authorised by the Treasury to accept on-line payments via debit and credit card mechanisms. Reconciliations were not provided for revenue collected via the on-line system. The first collection began in March, 2020.

EB1 – Chief Election Officer, Elections and Boundaries Commission

4.12 Examination of the Revenue Register in respect of five (5) revenue items namely- ‘Fees for the replacement of Identification Cards’, ‘Electoral-Sale of Lists,’ ‘Electoral - Sale of ID Cards and Loss of Originals’, ‘Electoral Sale of Maps’ and ‘Electoral- Sale of Reports’ revealed that the Register was not properly maintained in that:

- monthly totals were not recorded
- carried or brought forward balances were not recorded
- revenue collected was not tallied
- evidence of internal audit or supervisory check was not seen; and
- some of the entries were recorded in pencil.

ED1 – Permanent Secretary, Ministry of Education

4.13 Permanent Secretary, Ministry of Education is the Receiver of Revenue responsible for the 12 revenue items.

4.14 The Ministry maintains a ‘Revenue Reconciliation Register- 2019/2020’ in which revenue collected by the District Revenue Offices on behalf of the Ministry of Education is recorded. The following were not seen entered in this Register:

- Monthly totals
- Carried forward monthly balances
- Monthly Summary
- Evidence of being checked/ certified by a senior officer
- Evidence of Internal Audit checks
- Reconciliation of cheques received from defaulting government scholars.

FN3 – Chairman Board of Inland Revenue, Ministry of Finance

4.15 The Statement of Receipts and Disbursements total of \$23,054,858,595.46 differed from the total on the amount reflected on the Treasury Card of \$22,408,357,348.70. A difference of \$646,501,246.76.

FN3 – Comptroller of Customs and Excise, Ministry of Finance

4.16 From a sample selected of certain revenue items, evidence of internal audit examinations was not seen on a number of key revenue records such as:

Sub-Head/Item	Documents not Seen
04/01/FN3/001 - Import Duty	Statement of Receipts and Disbursements, Cashier’s Summary, Daily Abstract and Monthly Statement of Receipts
03/02/FN3/001 - Rum and Spirits	Comptroller of Accounts Receipts, Cashier’s Summary, Cash Other Payment Receipts and Warrants
03/02/FN3/002 - Beer Duties	Monthly Statement of Receipts and Disbursements, Cashier’s Summary, Daily Abstract and Monthly Statement of Receipts
03/02/FN3/006 - Cigarettes	Cash Book, Cash Receipts, Payment Orders and Excise Duty Assessment

03/04/FN3/004 - Spirit Retailers Elsewhere	Daily Abstract, Deposit Vouchers, Treasury Receipt or Cashiers Summary
03/004/FN3/022 - Special Restaurant Elsewhere	Monthly Statement of Receipts, Cash Book, Deposit Vouchers, Comptroller of Accounts Receipt, Daily Abstract

HE1 – Permanent Secretary, Ministry of Health

4.17 The Statement of Receipts and Disbursements figure of \$1,574,425.00 represented the total revenue collected by the ministry as per Treasury Card. The ministry's revenue register recorded total revenue as \$789,035.00. This balance was not reconciled with the revenue recorded as collected by District Revenue Services and the Tobago House of Assembly on the ministry's behalf. The table below shows the differences between the records of the Ministry and the Comptroller of Accounts:

Revenue Item	Total Receipts recorded as per Revenue Register \$	Total Receipts as per Treasury Cards \$	Difference \$
03/06/HE1/002	335,475.00	386,250.00	50,775.00
03/06/HE1/003	4,250.00	35,100.00	30,850.00
03/06/HE1/004	41,850.00	190,340.00	148,490.00
03/06/HE1/005	103,225.00	410,175.00	306,950.00
03/06/HE1/006	0.00	57,140.00	57,140.00
03/06/HE1/007	5,000.00	5,000.00	0.00
07/01/HE1/003	291,590.00	482,775.00	191,185.00
07/01/HE1/009	7,645.00	7,645.00	0.00
07/04/HE1/003	0.00	0.00	0.00
TOTAL	789,035.00	1,574,425.00	785,390.00

EN1– Permanent Secretary, Energy and Energy Industries

06/03/EN1/003 - Quarries, Sand and Gravel Pits

4.18 As at 30th September 2020, revenue collected totalled \$2,576,409.15. This represented a shortfall of \$3,923,590.85 or 60.36 % of the 2020 estimated figure of \$6,500,000.00.

4.19 The Ministry reported that this shortfall in estimated revenue was due to the general decline in the construction industry in the period under review. Additionally, the emergence of COVID-19 resulted in the shut-down of quarrying activities during the restriction periods.

4.20 The status of forty-seven (47) Operational Quarries on state lands was submitted to the Auditor General's Department on the 6th August 2020. Details are as follows:

Status of the Operational Quarries as at July 2020	No. of Quarries
Operating with licenses	7
Operating without 5-years licenses	25
Operating without 1-year licenses	15

4.21 It was noted that twenty five (25) quarries were operating without five year licenses and fifteen (15) quarries were operating without one year licenses. This contravenes the Minerals (General) Regulations 2015.

CONSOLIDATED STATEMENT OF ARREARS OF REVENUE

4.22 The Statements of Arrears of Revenue as at 31st March and 30th September, 2020 were not submitted to the Auditor General's Department by the Customs and Excise Division as required by Financial Regulation Part V paragraph 56 (2).

4.23 Consolidated Statement of Arrears of Revenue as at 30th September, 2020 submitted by the Permanent Secretary, Ministry of Finance showed Arrears of Revenue totalling \$37,248,016,408.00. An increase of \$5,191,267,413.00 or 16.19% from the previous year's balance of \$32,056,748,995.00.

Head	Arrears Reported \$	Main Components \$
01 - Taxes on Income and Profits	32,311,519,389.00	Oil Companies - 11,249,411,980.00 Other Companies - 11,970,632,194.00 Individuals - 1,648,869,790.00 Withholding Tax - 7,272,999,470.00
02 - Taxes on Property	43,682,859.00	Lands & Building Taxes 43,682,859.00
03 - Taxes on Goods & Services	4,707,972,466.00	Value Added Tax - 4,642,964,591.00
06 - Property Income	9,137,044.00	Ground Rents (excluding Quarries, Sand and Gravel Pits) - 1,561,666.00 Rent of Lands, formerly owned by Caroni (1975) Ltd - 7,225,163.00
07 - Other Non-Tax Revenue	175,704,650.00	Magistrates' Courts - 152,444,963.00 Fixed Penalty Traffic Ticketing System 11,971,800.00 Auditor General: Corporations & Other Authorities - 5,140,982.00 Recoveries of Expenses from Government Scholars - 5,028,667.00
Grand Total	37,248,016,408.00	

4.24 Returns of Arrears of Revenue for certain accounts were not received by the Ministry from thirteen (13) Receivers of Revenue for 2020. Additionally, the sum of \$1,034,922,185 in respect of Unemployment Levy (\$674,120,215) and Green Fund Levy (\$360,801,970) which fall under the purview of the Chairman, Board of Inland Revenue is not included in this return since they do not form a part of the existing Revenue Chart of Accounts.

COVID-19 RECEIPTS

NS3-Commissioner of Police, Trinidad and Tobago Police Service

4.25 As at 30th September, 2020, the Trinidad and Tobago Police Service issued tickets to 842 persons for breach of the COVID-19 Regulations for not wearing a mask in public spaces. This would have amounted to an estimated revenue of \$842,000.00. As at the 30th September, 2020 amounts were not brought to account as a Receiver of Revenue and an Item of Revenue to facilitate the recording of the collection were not put in place.

DEPOSIT ACCOUNTS

Reconciliation Statements

4.26 The Accounting Officer should comply with the Comptroller of Accounts Circular No. 8 dated August 13, 2020 paragraph 4 which states:-

“All Accounting Officers/Heads of Departments are hereby advised that, you have a clear duty and responsibility to ensure that the Reconciliation Statement for each Deposit Account under your control for the Accounting year ended September 30, 2020 is delivered to the Auditor General and the Comptroller of Accounts on or before January 29, 2021 in accordance with paragraph 212 (3) of the Financial Instructions 1965 and the Minister of Finance Circular No.7 of 2009.”

Ministry of Health

4.27 Reconciliation Statements in respect of three (3) Deposit Accounts totalling \$75,138.38 were not provided for audit examination. These are identified in the table below:

Head/Sub-Head	Balance as per Treasury Trial Balance \$
111/006 – Almoner, General Hospital, Port of Spain	71,736.87
111/341 – Ministry of Health, 40% of Balance of Wages	3,206.31
111/366 - Ministry of Health, Development 5% Savings Bond	195.20
Total	75,138.38

Ministry of Planning and Development

4.28 The Ministry did not prepare and submit Reconciliation Statements as at 30th September 2020 in respect of six (6) Deposit Accounts (Head 111) totalling \$10,814,596.72. These are reflected in the table below:

Sub-Head	Total as at per COA Trial Balance \$
076- Director of Statistical Services	254,854.89
543- Improvement of Government's Effectiveness in the areas	2,949.50
550- Development Programme Outside of the Hydrocarbon Sector (IDB Loan 617-OC)	1,001,292.32
641-the Operations of the VIII Americans Competitiveness Forum	6,405,500.01
649-Planning and Development Transitional Payment to Cane Farm	3,150,000.00
654-Ministry of Planning and Development Global Service Pro. Programme	0.00
Total	10,814,596.72

Ministry of Rural Development and Local Government

4.29 The Ministry did not prepare and submit the Reconciliation Statement in respect of the following Deposit Accounts held:

Head/Sub-Head	Balances as per Treasury Trial Balance \$
111/287- Ministry of Local Government Unpaid Salaries/Wages	652.04
111/519- Unpresented Cheques St Andrew/ St David County Council	448,046.80

Balances held for more than three (3) years

4.30 The Accounting Officer should comply with Financial Instructions paragraphs 213 (1) and (2) which states:

213 (1) *“Unless the Treasury otherwise directs, all deposits which have remained unclaimed for three years shall be transferred to revenue.”*

213 (2) “Where an amount is allowed to remain on deposit for more than three years, the authority for retaining it on deposit must be stated on each subsequent analysis statement and the Treasury may, on written application by the claimant, refund any deposit transferred to revenue.”

Ministry of Planning and Development

4.31 Reconciliation Statements were seen for the quarters ended 31st March, 2020 and 30th June, 2020 in respect of three (3) Deposit Accounts (Head 111) where the composition of balances held totalling \$10,556,792.33, exceeded three (3) years. The authority to hold this balance from the Comptroller of Accounts was not provided. Details are as follows:

Sub-Head	Period	Total \$	Quarter Ended
111/550- Development Programme Outside of the Hydrocarbon Sector (IDB Loan 617-OC)	2004- 2009	1,001,292.32	31 st March, 2020
111/649-Planning and Development Transitional Payment to Cane Farm	September 2015	3,150,000.00	31 st March, 2020
111/641-the Operations of the VIII Americans Competitiveness Forum	September 2014-2015	6,405,500.01	30 th June, 2020
Total		10,556,792.33	

Ministry of Housing and Urban Development

4.32 Reconciliation Statements for three (3) Treasury Deposit Accounts held by the Ministry as at 30th September, 2020 were received in the Auditor General’s Department. It was noted that while the Ministry did not submit Composition of Balance with the Statements, evidence shows that the balances in these accounts totalling \$2,284,294.86 have been unclaimed for more than three years and should have been transferred to revenue in accordance with financial directives. The details are as follows:

Particulars	Balance as at 30 th September, 2020 \$
111/085 – Permanent Secretary – Ministry of Housing	622,817.93
111/144 – National Housing Authority	1,628,755.94
111/560 – Ministry of Housing	32,720.99
Total	2,284,294.86

Ministry of National Security

4.33 An amount of \$6,997,299.10 was held in three (3) deposit accounts for a period greater than three (3) years as detailed below:

Head/ Sub-Head	Ending Balance \$
112/20 - National Disaster Relief Fund	3,657,835.56
111/585 - N.E.M.A	35,363.54
111/640 - "Hoop of Life" Programme	3,304,100.00
Total	6,997,299.10

Ministry of Works and Transport

4.34 An amount of \$5,458,243.84 was held in nine (9) deposit accounts for a period greater than three (3) years. The authority to hold this balance from the Comptroller of Accounts was not provided. Details are as follows:

Head/Sub-Head	Balance (\$)
111/65 - Permanent Secretary, Ministry of Works and Transport	1,480,730.88
111/89 - Harbour Master	167,630.43
111/165 - Maintenance Management Group	612.70
111/173 - Transmission of Wireless Messages	234,406.80
111/275 - Unpaid Wages/Salaries – Maintenance Management Group	635,049.88
111/290 - Transport Commissioner – Overpayment License Fee	19,171.00
111/335 - Special Works Division (Undrawn Wages)	2,690,785.05
111/345 - Special Works - National Insurance Scheme	25,631.32
111/507 - Labour Intensive DP- Overpayment/ Duplicate Payments	204,225.78
Total	5,458,243.84

CHAPTER 5

FUNDS AND ACCOUNTS OF ADMINISTERING OFFICERS

CHAPTER 5

FUNDS AND ACCOUNTS OF ADMINISTERING OFFICERS FUNDS

5.1 Funds were established under section 43 of the Exchequer and Audit Act, Chapter 69:01 (the Act) and other legislation. Administering Officers are appointed by the Minister of Finance to administer all moneys disbursed from the following Funds:

- Unemployment Fund
- Infrastructure Development Fund
- National Union of Government and Federated Workers (NUGFW) Training Fund
- Government Assistance for Tuition Expenses (GATE) Fund
- Green Fund
- CARICOM Trade Support Fund
- CARICOM Petroleum Fund
- National Wastewater Revolving Fund of Trinidad and Tobago.

5.2 The Unemployment Fund and the Green Fund were established by separate legislations but the legislations provide that the Funds be audited by the Auditor General in accordance with the Exchequer and Audit Act as if the Funds were established under section 43 of that Act.

5.3 Administering Officers are required to keep separate books of accounts and separate bank accounts in respect of each Fund and to ensure that a proper system of accounting as approved by the Treasury is established and maintained. This responsibility includes monitoring disbursements. Administering Officers are also required *inter alia* to:

- Prepare financial statements in a format approved by the Treasury for submission to the Auditor General within a period of four months after the close of the financial year in accordance with section 24 (2) (a) and (b) of the Act; and
- Ensure that the funds entrusted to their care are properly safeguarded and applied only for the purposes specified on the Schedule to the Warrant for withdrawal from the Funds.

FUNDS AUTHORIZED FOR WITHDRAWAL

Fund	Total Disbursements 2020 (\$)	Total Disbursements 2019 (\$)
Unemployment Fund	289,577,065.73	281,472,095.85
Government Assistance for Tuition Expenses (GATE) Fund	434,970,705.11	434,966,837.18
Green Fund	2,381,186.00	13,649,273.00
Infrastructure Development Fund	2,304,279,635.22	2,180,950,686.70
Total	3,031,208,592.06	2,911,038,892.73

5.4 During the financial year ended 30th September, 2020, the Minister of Finance, by Warrants, authorised withdrawals totalling \$3,058,482,699.00 from four (4) Funds. Total disbursements of \$3,031,208,592.06 were made from these Funds during the year as shown below:

FINANCIAL STATEMENTS

5.5 The Comptroller of Accounts Circular No. 11 dated August 13th 2020, provided Administering Officers with guidelines for the preparation and submissions of Financial Statements. Administering Officers were required to submit certified Financial Statements for the financial year ended September 30, 2020, for each Fund to the Comptroller of Accounts by 30th November, 2020 to enable the Comptroller of Accounts to examine, consolidate and transmit the Statements to the Auditor General, on or before 31st January, 2021.

UNEMPLOYMENT FUND - \$7,794,741,265.95

5.6 The Unemployment Fund was established by section 14 (2) of the Unemployment Levy Act, Chapter 75:03 which provides that the Fund shall be administered by the Minister of Finance.

5.7 Section 14 (3) authorises the Minister of Finance to make advances from the Fund for stipulated purposes. Section 17 provides that all monies collected pursuant to the Act shall be paid into the Unemployment Fund. Advances made to the Unemployment Relief Programme from the Unemployment Fund is done pursuant to decisions made by Cabinet from time to time.

5.8 The Unemployment Fund balance of \$7,794,741,265.95 presented on the Cash Basis Consolidated Statement of Assets and Liabilities showed a decrease of \$78,601,519.47 or 1% over the previous year's balance of \$7,873,342,785.42.

5.9 Receipts to the Fund comprised Unemployment Levy collected by the Board of Inland Revenue amounting to \$179,668,022.13 as well as interest of \$31,222,740.16 on cash balances and Recoveries of Overpayment for previous years of \$84,783.97.

5.10 Effective October 2013, the Ministry of Works and Transport administered this Fund. One aspect of the Programme is also administered by the Ministry of Agriculture, Land and Fisheries.

5.11 Amounts were appropriated to the following Administering Officers for administration of the Unemployment Relief Programme as follows:

	2020	2019
	\$	\$
Permanent Secretary, Ministry of Works and Transport	235,009,757.72	180,292,071.98
Permanent Secretary, Ministry of Works and Transport – Tobago House of Assembly	18,000,000.00	18,000,000.00
Permanent Secretary, Ministry of Agriculture, Land and Fisheries	<u>36,567,308.01</u>	<u>83,180,023.87</u>
	<u>289,577,065.73</u>	<u>281,472,095.85</u>

INFRASTRUCTURE DEVELOPMENT FUND - \$36,819,484.42

5.12 Comptroller of Accounts Circular No. 12 dated 9th November, 2005 on the subject “Accounting Arrangements for Disbursement of Funds from the Infrastructure Development Fund” sets out guidelines to ensure accountability and transparency with respect to projects undertaken under the Infrastructure Development Fund.

5.13 The Fund’s balance presented on the Cash Basis Consolidated Statement of Assets and Liabilities as at September 30, 2020 of \$36,819,484.42 decreased by 42.44% or \$27,152,115.04 from the balance of \$63,971,599.46 as at September 30, 2019.

5.14 Receipts and Payments comprised the following:

STATEMENT OF RECEIPTS AND PAYMENTS

	2020	2019	Difference	% change
	\$	\$	\$	
Transfers from the Consolidated Fund	2,275,000,000.00	2,150,000,000.00	125,000,000.00	5.8
Add Recoveries of Overpayment for Previous Years	377,810.23	0	377,810.23	
Interest earned for the financial year	1,749,709.95	1,645,027.54	104,682.41	6.36
Total Receipts	2,277,127,520.18	2,151,645,027.54	125,482,492.64	5.83
Total Payments	2,304,279,635.22	2,180,950,686.70	123,328,948.52	
Excess of Payments over Receipts	(27,152,115.04)	(29,305,659.16)	2,153,544.12	5.65
Balance brought forward from previous year	63,971,599.46	93,277,258.62	(29,305,659.16)	(31.42)
Total	36,819,484.42	63,971,599.46	(27,152,115.04)	(42.44)

5.15 Expenditure by Ministries and Departments from the Fund was \$2,304,279,635.22 from total Warrants issued of \$2,322,155,399.00.

NATIONAL UNION OF GOVERNMENT AND FEDERATED WORKERS (NUGFW) TRAINING FUND - \$8,655,559.47

5.16 The NUGFW Training Fund was established under section 43 (2) of the Exchequer and Audit Act, Chapter 69:01 and Legal Notice No. 280 dated 27th September, 2004 to provide training and re-training of hourly, daily and weekly-rated workers of Central Government, the Tobago House of Assembly and certain Municipal Corporations where NUGFW is the certified bargaining agent.

5.17 The Chief Personnel Officer was appointed Administering Officer for the Fund with effect from 28th July, 2015.

5.18 The Fund's balance of \$8,655,559.47 as presented on the Cash Basis Consolidated Statement of Assets and Liabilities as at September 30, 2020 increased by \$34,578.40 or 0.4% over the previous year's figure of \$8,620,981.07. Receipts of \$34,578.40 comprised interest received on cash balances for the financial year 2020.

5.19 There were no withdrawals from the Fund during the year.

GOVERNMENT ASSISTANCE FOR TUITION EXPENSES (GATE) FUND - \$81,665,019.56

5.20 The GATE Fund was established under section 43 (2) of the Exchequer and Audit Act, Chapter 69:01. Legal Notice No. 329 dated 9th December, 2004, refers.

5.21 The balance presented on the Cash Basis Consolidated Statement of Assets and Liabilities of \$81,665,019.56 as at September 30, 2020 increased by \$5,290,682.95 or 6.93% from the prior year balance of \$76,374,336.61. Receipts and Payments are presented below:

GOVERNMENT ASSISTANCE FOR TUITION EXPENSES STATEMENT OF RECEIPTS AND PAYMENTS

GATE	2020 \$	2019 \$	Difference \$	%
Amount transferred from Consolidated Fund	435,000,000.00	435,000,000.00	0.00	0
Add Misc. Receipts	4,793,720.39	3,652,715.65	1,141,004.74	31.24
Interest received	467,667.67	443,259.29	24,408.38	5.51
Payments to Ministry of Education	(434,970,705.11)	(434,966,837.18)	3,867.93	0.0009
Excess of receipts over payments	5,290,682.95	4,129,137.76	1,161,545.19	28.13
Balance b/fwd	76,374,336.61	72,245,198.85	4,129,137.76	5.72
Balance	81,665,019.56	76,374,336.61	5,290,682.95	6.93

5.22 Evidence of checking and verification by the Internal Audit Unit was not seen.

GREEN FUND - \$7,632,357,483.81

5.23 Section 65 (1) of the Miscellaneous Taxes Act, Chapter 77:01 established a fund known as the Green Fund. The purpose of the Fund is to financially assist organisations and community groups that are engaged in activities related to the remediation, reforestation, environmental education and public awareness of environmental issues and conservation of the environment.

5.24 This Act also established a Green Fund Levy which is currently at a tax rate of 0.3 % on the gross sales or receipts of a company carrying on a business in Trinidad and Tobago, whether or not such a company is exempt from the business levy which is to be paid to the Board of Inland Revenue.

5.25 Section 65 (3) places the management of the activities financed by the Fund under the Minister with responsibility for the environment. The responsibility for the Green Fund now lies with the Minister of Planning and Development. Disbursements however, in accordance with section 65 (2) is the responsibility of the Minister responsible for finance.

5.26 The Fund's balance presented on the Cash Basis Consolidated Statement of Assets and Liabilities as at 30th September, 2020 of \$7,632,357,483.81 is an increase of \$686,225,553.32 or 9.88% from the previous year balance of \$6,946,131,930.49.

GREEN FUND	2020	2019	Difference	% change
	\$	\$	\$	
BIR Receipts	659,817,825.56	931,849,910.93	(272,032,085.37)	(29.19)
Interest received for financial year 2020	28,788,913.76	25,299,767.27	3,489,146.49	13.79
Payments Ministry of Planning and Development	(2,381,186.00)	(13,649,273.00)	11,268,087.00	82.55
Excess of Receipts over Payments for the financial year 2019	686,225,553.32	943,500,405.20	(257,274,851.88)	27.27
Balance b/fwd	6,946,131,930.49	6,002,631,525.29	943,500,405.20	15.72
Balance as at September 30	7,632,357,483.81	6,946,131,930.49	686,225,553.32	9.88

CARICOM TRADE SUPPORT FUND - \$0.00

5.27 The CARICOM Trade Support Fund was established under section 43 (2) of the Exchequer and Audit Act, Chapter 69:01. Legal Notice No. 13 dated 12th January, 2005, refers. The purpose of the Fund was to alleviate the adverse impact of the recessionary conditions on the economies of the Member States and to improve regional trade.

5.28 Cabinet in June, 2016 took a decision to close the CARICOM Trade Support Programme of Trinidad and Tobago under the Ministry of Trade and Industry. The bank account for this Fund was closed on 3rd October, 2018 and the residual balance of \$40,574,055.56 was transferred to the Exchequer Account. As at 30th September, 2020, the balance of the Fund on the Cash Basis Consolidated Statement of Assets and Liabilities was zero. The Legal Notice to effect the deletion of this Fund from the First Schedule of the Exchequer and Audit, Act was not produced.

CARICOM PETROLEUM FUND - \$245,372,997.93

5.29 Cabinet in September, 2006 agreed *inter alia*, "to the creation of a CARICOM Petroleum Fund under section 43 (2) of the Exchequer and Audit Act, Chapter 69:01 to provide relief to CARICOM States

in accordance with the criteria agreed to between the Heads of Government and the CARICOM Secretariat.”

5.30 The criteria for disbursement were poverty alleviation, disaster mitigation, disaster recovery efforts in emergency cases, national security and infrastructure development programmes in the Organisation of Eastern Caribbean States in very special circumstances.

5.31 The Fund’s balance of \$245,372,997.93 as presented on the Cash Basis Consolidated Statement of Assets and Liabilities as at 30th September, 2020 increased by \$980,249.27 or 0.4% from the previous year figure of \$244,392,748.66. The increase was due to interest received on the Fund’s balance.

NATIONAL WASTEWATER REVOLVING FUND OF TRINIDAD AND TOBAGO - \$16,965,400.00

5.32 The National Wastewater Revolving Fund was established under section 43 (2) of the Exchequer and Audit Act, Chapter 69:01. Legal Notice No. 255 dated 11th December, 2013, refers.

5.33 The balance on this fund of \$16,965,400.00 has shown no movement since 30th September, 2015

CHAPTER 6

SPECIAL AUDIT REPORT

CHAPTER 6

AUDIT OF COVID-19 EXPENDITURE AT MUNICIPAL CORPORATIONS, REGIONAL HEALTH AUTHORITIES AND STATUTORY BODIES

BACKGROUND

6.1 The World Health Organization declared the COVID-19 virus a pandemic in March 2020. The Government of the Republic of Trinidad and Tobago declared COVID-19 an infectious disease and put several measures in place to control the spread. These measures included travel restrictions, stay at home orders for non-essential workers, closing of schools and some businesses, restriction on operating hours for certain businesses and prevention of large gatherings.

6.2 The above restrictions brought some inevitable social impact on the lives of citizens and the State sought to cushion this impact by rolling out several social assistance programmes. Apart from the social welfare programmes administered by central government, there was also humanitarian aid from the regional corporations and statutory bodies.

AUDIT OBJECTIVES

6.3 To obtain some assurance that all legislation, regulations and directives were followed by the entities in responding to the economic impact that the COVID-19 pandemic had on the lives of citizens.

6.4 To assess the internal control systems that were in place in order to obtain some assurance that social assistance programmes and other humanitarian aid reached the intended persons affected by the COVID-19 pandemic.

AUDIT RATIONALE

6.5 The parent body of Supreme Audit Institutions (SAI) (national audit offices), the International Organisation of Supreme Audit Institutions published guidance notes to explore the implications of the unfolding COVID-19 pandemic from the perspective of the strategic management of SAIs. It was stated, among other strategies that as the independent body tasked with watching over public resources, SAIs should conduct audit work in regard to COVID-19.

AUDIT SCOPE

6.6 Audit of funding for the government's initiatives and the resulting expenditure for the year ended 30th September, 2020 in light of COVID-19.

MUNICIPAL CORPORATIONS

Legal Framework

6.7 The municipal corporations are governed by the Municipal Corporations Act, Chapter 25:04 which provide for the continuation of the City and Borough Corporations for the erection of certain other Municipal Corporations and for the consolidation and reform of laws affecting Local Government.

Directives

6.8 The Circular Memorandum FM: 9/3/1 Sub III dated June 13, 2019 from the Minister of Finance on the subject of ‘Amendments to the Municipal Corporations Act by Finance Act, 2018’ stated that the Minister of Rural Development and Local Government (Line Minister) remains responsible for the approval of requests from corporations for the utilization of unspent balances. The statement of unspent balances must be subjected to an internal audit review before approval by the Line Minister.

6.9 Paragraph 9 of Circular Memorandum FM: 9/3/1 Sub III dated June 13, 2019 from the Minister of Finance in respect of procedures for utilization of unspent balances states:

“It is recommended that a separate bank account be opened and maintained by each Corporation for the transfer of unspent balances for the purpose of better accounting. This account should be opened within six months of the coming into effect of this circular.”

Funding and Expenditure

6.10 Ministerial approval was conveyed for the expenditure of one million dollars from the unspent balances of each corporation’s bank account to expedite COVID-19 expenditure. Ministerial approval vide circular memorandum dated April 17, 2020 from the Permanent Secretary of the Ministry of Rural Development and Local Government advised the 14 regional corporations of their critical role in the country’s response to the ‘Corona Virus Global pandemic’.

6.11 The Permanent Secretary stated in the memorandum that the approval was specific to the procurement of goods and services relative to the corporations’ COVID-19 response and the priority focus would have been the most essential areas including Personal Protective Equipment (PPE), Water Trucking, Sanitization and Humanitarian Aid.

6.12 Certain corporations obtained approval from the Ministry of Finance to use funds from the Mayor’s Fund for humanitarian aid. In addition a few corporations obtained specific approvals from the Line Minister to use other funds from Unspent Balances apart from the one million dollars ministerial approval. The Table below shows municipal corporations received approvals to spend the sum of \$16,869,620.59 for COVID -19. The sum of \$4,372,342.45 out of the total COVID-19 expenditure of \$14,247,482.57 was spent on food hampers across the 14 municipal corporations. Commitments totalling \$774,203.67 were outstanding at the close of the financial year.

Summary of COVID-19 Expenditure of Municipal Corporations – 30th September, 2020

Corporation	Approved Funds \$	Actual Expenditure \$	Commitments \$	Exp. plus Com. \$
Arima Corporation	1,285,000.00	523,451.55	36,675.15	560,126.70
Chaguanas Borough Corporation	1,000,000.00	402,156.84	102,178.77	504,335.61
Couva/Tabaquite/Talparo Regional Corporation	1,000,000.00	905,167.10	8,489.25	913,656.35
Diego Martin Regional Corporation	1,000,000.00	835,249.20	62,325.00	897,574.20
Diego Martin Regional Corporation Chairman's Fund	150,000.00	150,000.00	0.00	150,000.00
Mayaro/Rio Claro Regional Corporation	1,000,000.00	983,002.13	0.00	983,002.13
Penal/Debe Regional Corporation	1,000,000.00	988,236.40	0.00	988,236.40
Point Fortin Borough Corporation	1,000,000.00	924,632.57	7,087.50	931,720.07
Port of Spain Corporation	3,367,062.59	3,227,815.13	0.00	3,227,815.13
Princes Town Regional Corporation	1,000,000.00	517,040.70	36,881.56	553,922.26
San Fernando City Corporation	1,500,000.00	1,390,222.77	78,041.25	1,468,264.02
San Juan/Laventille Regional Corporation	1,000,000.00	989,208.88	10,518.75	999,727.63
Sangre Grande Regional Corporation	1,567,558.00	1,486,395.64	72,286.50	1,558,682.14
Siparia Regional Corporation	0.00	311,670.50	0.00	311,670.50
Tunapuna/Piarco Regional Corporation	1,000,000.00	613,233.16	359,719.94	972,953.10
TOTAL	16,869,620.59	14,247,482.57	774,203.67	15,021,686.24

ARIMA CORPORATION

6.13 Documentary evidence was not produced to indicate that the Statement of Unspent Balances as at 30th September, 2019 was audited by Internal Audit prior to the submission to the Line Minister for the approval of unspent balances. This contravened paragraph 6 of Circular Memorandum dated 13th June, 2019 which required that unspent balances must be subjected to an internal audit before approval by the Line Minister.

6.14 An Unspent Balance bank account was not opened by the Corporation which was not in accordance with paragraph 6 of Circular Memorandum dated 13th June, 2019 which required that the account be opened within six months of the coming into effect of the circular.

Expenditure

6.15 COVID-19 expenditure recorded in the Corporation's vote book as at 30th September, 2020 was \$523,451.55. Payment vouchers totalling \$43,672.61 which related to the subsequent financial year 2020 /2021 were processed after the 30th September, 2020. The total expenditure therefore read \$567,124.16.

6.16 This was contrary to the ministerial directive given in the last paragraph of Memorandum MRDLG: 64/12/8 Vol I dated October 25, 2019 which stated inter alia that ministerial approval granted in respect of utilization of unspent balances will expire at the end of the financial year in which it was given.

6.17 A Fixed Asset Register was not produced to ascertain whether assets purchased totalling \$37,378.32 were recorded therein. A physical verification was done and it was seen that assets were not tagged for ease of identification and security of the Corporation's assets.

Humanitarian Aid

6.18 The Minutes of a Community Development and Social Services Committee meeting of the Corporation stated that 50 hampers were received through donations for distribution. Documentary evidence was not produced for the receipt of the donations nor the recipients to whom these were distributed by the Corporation.

6.19 The Minutes of the Community Development and Social Services Committee meeting stated that 600 hampers were distributed. In August 2020 the Corporation purchased 333 hampers costing \$99,900.00. This was the only payment for hampers up to 30th September, 2020. It was not determined how the additional 267 hampers were acquired for distribution.

6.20 Listings of distributions were only received for audit from three (3) out of seven (7) electoral districts with 101 named persons. There was no evidence in these listings to show that any of the persons signed for actually received the hampers.

CHAGUANAS BOROUGH CORPORATION

6.21 Documentary evidence was not produced to indicate that the Statement of Unspent Balances as at 30th September, 2019 was audited by Internal Audit for submission to the Line Minister for the approval of unspent balances. This contravened paragraph 6 of circular memorandum dated 13th June 2019.

6.22 An Unspent Balance bank account was not opened by the Corporation. Paragraph 9 of circular memorandum 13th June 2019 in respect of procedures for utilization of unspent balances stated that such an account be opened within six months of the coming into effect of the circular.

Expenditure

6.23 The expenditure from the unspent balance of \$1,000,000.00 at 30th September, 2020 was \$402,156.84. Subsequent to the year's end the Corporation had an additional expenditure of \$327,793.39 under this Unspent Balances Vote. The directive dated 25th October, 2019 stated inter alia that ministerial approval granted in respect of utilization of unspent balances will expire at the end of the financial year in which it was given.

6.24 The Corporation also made COVID-19 related purchases under the recurrent votes Minor Equipment in the sum of \$1,012.50 and Natural Disasters in the amount of \$168,258.56.

Humanitarian Aid

6.25 The Minutes of a Special Statutory Meeting of the Council revealed that two companies donated sanitizers and grocery supplies to be packaged for onward distribution to the elderly and less fortunate.

6.26 Payments totalling \$331,150.00 were made for 2,199 hampers/vouchers as at 30th September, 2020 to facilitate humanitarian aid in the form of food vouchers, pharmaceutical vouchers, family care packages and child care gift vouchers for all eight electoral districts and the Office of the Mayor.

6.27 Listings were produced for audit showing 680 named persons for three (3) out of eight (8) electoral districts. The listings for two districts did not contain particulars of the recipients' address or contact numbers. There was no documentary evidence that any of the intended recipients signed for or actually received these hampers and the donations from the corporate citizens.

6.28 An additional 1,495 hampers/vouchers were purchased after 30th September, 2020 costing \$234,000.00.

COUVA/TABAQUITE/TALPARO REGIONAL CORPORATION

6.29 Documentary evidence was not provided to indicate that the Statement of Unspent Balances as at 30th September, 2019 was audited by Internal Audit for submission to the Line Minister for the approval to use unspent balances. This contravened paragraph 6 of Circular Memorandum dated 13th June, 2019 which required that the balances be audited before approval by the Line Minister.

6.30 The total expenditure seen recorded under COVID-19 expenditure under Unspent Balances was \$905,167.10. However, there were instances where expenditure totalling \$128,098.52 was incurred under Recurrent Goods and Services and not under Unspent Balances.

Fixed Assets

6.31 A Fixed Asset Register was not produced to ascertain whether ten (10) thermal scanners costing \$7,818.75, two (2) pressure washers costing \$13,488.75 and three (3) mist blowers costing \$11,827.50 purchased under the Unspent Balance COVID-19 Expenditure were recorded therein.

6.32 A physical verification of six (6) thermal scanners was done and these were not tagged for ease of identification and security of the Corporation's assets.

Humanitarian Aid

6.33 Minutes of a Special Meeting of Council indicated that 455 hampers were donated by a state company. Documentary evidence such as the signatures was not produced to indicate that the hampers reached the intended persons.

6.34 The Corporation made payments to facilitate humanitarian aid in the form of food hampers for the fourteen (14) electoral districts. As at 30th September, 2020 an amount 1,600 hampers costing \$399,920.00 were purchased.

6.35 Listings from fourteen (14) electoral districts were seen with names of recipients, addresses and identification numbers indicating 1,270 hampers were distributed. Of the 1,270 hampers distributed there was no documentary evidence to indicate that 300 hampers were received by the intended persons. Additionally, it could not be determined how the remaining 330 hampers were distributed.

DIEGO MARTIN REGIONAL CORPORATION

6.36 Documentary evidence was not provided to indicate that the Statement of Unspent Balances as at 30th September, 2019 was audited by Internal Audit prior to the submission to the Line Minister for the approval to use unspent balances. This contravened paragraph 6 of Circular Memorandum dated 13th June, 2019 which required that the balances be audited before approval by the Line Minister.

Expenditure

6.37 COVID-19 expenditure recorded in the Corporation's vote book as at 30th September, 2020 was \$835,249.20. However, expenditure totalling \$62,325.00 was incurred after the 30th September, 2020 but was voted in the 2019/2020 financial year on 22/12/2020. The total expenditure therefore read \$897,574.20.

6.38 This was contrary to the ministerial directive given in the Memorandum dated 25th October, 2019 which stated inter alia that ministerial approval granted in respect of utilization of unspent balances will expire at the end of the financial year in which it was given.

Fixed assets

6.39 A Fixed Asset Register was not produced to ascertain whether assets purchased in the sum of \$40,220.01 was recorded therein. A physical verification was done to determine the existence of these assets. Assets were not tagged for ease of identification and security of the Corporation's assets.

Humanitarian aid

6.40 The Corporation spent a total of \$300,000.00 in humanitarian aid in the form of 1,500 gift cards each valued at \$200.00. Distribution lists for 300 gift cards from two (2) out of ten (10) electoral districts were not produced for audit. Further, a total of 348 gift cards valued at \$69,600.00 were not accounted for based on the distribution listings provided for audit.

6.41 Distribution lists with 520 gift cards for four (4) electoral districts were examined and this revealed the following inconsistencies:

Issue identified	Number of Instances	Number of Gift Cards
Persons from the same address/household who received cards	9	24
Persons' name appearing twice	11	22
Same signature for multiple cards	10	35
No signature seen	60	60
No data was entered	61	61

6.42 Additionally there were instances with 49 gift cards where batches of gift cards were either signed for by councillors, marked off to a Department or an individual with no evidence that any of the intended persons signed or actually received gift cards.

MAYARO/RIO CLARO REGIONAL CORPORATION

6.43 An Unspent Balance bank account was duly opened by the Corporation on 22nd February, 2020 which was two months after the timeframe of the directive given.

6.44 The total COVID-19 expenditure recorded in the Unspent Balances Vote Book was \$983,002.13. Expenditure totalling \$545,554.01 was also incurred under Recurrent Goods and Services Vote- 'Natural Disaster' utilizing funds not approved for COVID-19 expenditure. The actual expenditure for natural disaster assistance was \$39,604.00.

6.45 The total expenditure incurred under the Natural Disaster was \$585,158.51 and exceeded the releases of \$500,000.00 as at 30th September, 2020 by \$85,158.51.

Fixed Assets

6.46 A Fixed Asset Register was not produced to ascertain whether items purchased in the sum of \$125,350.00 were recorded. These items included pressure washers, electric hand dryers, electro static disinfectant sprayers and non-contact infrared thermo guns. A test for the tagging of items showed that an electric hand dryer and non-contact infrared thermo guns bore no identification marks.

Tendering

6.47 The guidance to municipal corporations to allow for transparency and economy in the award of a contract is stated at paragraph 24. (1) of the Central Tenders Board Act, Chapter 71:91 as follows:

“After the offers have been opened the Board or a Committee shall, at such time or times as may be deemed necessary or expedient, consider the offers so received and, except for good reason, the sufficiency whereof is in the discretion of the Board or the Committee, shall accept the lowest offer which represents the best value.”

6.48 A sample of the tender process for three items showed that Awards of Tender were not given to the lowest bidder but awarded in all instances to a particular supplier despite the fact that the prices were much higher.

Tender for non-contact infrared thermo guns:

Tender /Bidder	Brand	Tendered Price per Unit \$	VAT 12.5% \$	Total \$	Remarks
Supplier A	Nil	5,650.00	Nil	5,650.00	Delivery period 1-2 days. Warranty period – 1 month
Supplier B	Keemi Product Parameter	1,400.00	175.00	1,575.00	Delivery period 1-2 days
Supplier C	Industrial use Fluke max 62	1,450.00	181.25	1,631.25	Delivery period 1-2 days
Supplier D	Ex Tech	5,195.00	649.38	5,844.38	Delivery period 7 working days. Warranty period – 1 month

6.49 Supplier A was recommended due to delivery time despite the fact that two other suppliers had similar delivery times. The other two reasons on the Schedule were illegible. Six non-contact infrared thermo guns were purchased from Supplier A at a cost of \$33,900.00.

Tender for cloth face masks:

Tender /Bidder	Brand	Tendered Price per Unit \$	VAT 12.5% \$	Total per Unit \$	Remarks
Supplier A	Nil	45.00	Nil	45.00	Delivery period 2-3 days.
Supplier B	Nil	12.00	1.5	13.50	Delivery period 3-4 days

6.50 The Tender was awarded to supplier A because of the delivery time, the type and the urgency. The Schedule of Tenders showed that supplier B's delivery time was similar and the cost was three times less than A. An amount of 2,000 cloth face masks was purchased from supplier A at a cost of \$45.00 per unit which totalled \$90,000.00.

Tender for electric pressure washer PSI 2000:

Tender /Bidder	Brand	Tendered Price per Unit	VAT 12.5%	Total	Remarks
		\$	\$	\$	
Supplier A	STIHL-1750	6,600.00	Nil	6,600.00	Delivery period 2-3 days.
Supplier B	1740-6.3L	2,555.50	319.44	2,874.94	Delivery period Ex-Stock

6.51 The Tender was awarded to supplier A due to the delivery time and that supplier B did not have the item in stock. However the evidence on the Schedule of Tenders showed that supplier B had the item available immediately (ex-stock). Two pressure washers were purchased from supplier A for the sum of \$13,200.00.

6.52 These awards/purchases and other payments to supplier A amounted to \$487,825.00. The name of supplier A was not found as a registered business. The tender documents and invoices showed that supplier A was not Value Added Tax registered. Two different locations of the business were quoted on invoices. There was no evidence of a business operating as A at the address stated on one of the invoices and the street number stated on the invoice was non-existent.

6.53 The tender/quotation forms were not affixed with the signatures of the chairperson and member of the Tender Selection Committee in the spaces provided.

Donations

6.54 The Corporation received 15,000 face masks from NIPDEC. A Council Note stated that NIPDEC advised that these masks should be distributed to Non-Government Organisations (NGOs), staff and members of council. NIPDEC also required that when masks were distributed that a proper method of recording was done and that information obtained included the recipient's name, contact information, address, signature as well as the name of the person conducting the distribution.

6.55 The Corporation maintained a Donations Register to exercise control in distribution. Documentary evidence such as the signatures of the recipients of the items was not produced for audit.

6.56 At 30th September, 2020 there were 2,117 of the 15,000 face masks on hand which remained undistributed by the Corporation in the height of the pandemic.

Humanitarian Aid

6.57 The Corporation made payments for 1,666 hampers costing \$399,840.00 to facilitate humanitarian aid in the form of food hampers for six (6) electoral districts (200 hampers per district) and 466 hampers for the Office of the Chairman.

6.58 Established procedures put in place by the Corporation showed that approval letters for individuals entitled to receive food hampers were to be presented by applicants to the designated supermarket for the collection of hampers. The approval letters were instead taken and presented by the councillors who signed for the food hampers. Documentary evidence such as the names, addresses, contact numbers, identification numbers and signatures to indicate that the hampers reached the intended persons was not produced for audit.

PENAL/DEBE REGIONAL CORPORATION

6.59 The Corporation submitted and requested an internal audit verification of the Statement of the Unspent Balances for the financial years 2016, 2017, 2018 and 2019 from its Line Ministry on 3rd March, 2020. The Unspent Balance as at 30th September, 2019 was \$1,675,871.69. Evidence was not produced to indicate that internal audit checked and verified the Statements of Unspent Balances.

6.60 An Unspent Balance bank account was not opened in accordance with circular memorandum dated June 13, 2019 from the Minister of Finance which required that this account be opened within six months of the circular. Management has stated that an Unspent Balances bank account was not opened since the statement of unspent balance was not yet audited and the unspent balance was yet to be determined.

6.61 The COVID-19 expenditure was \$988,236.40 which was within the authorized amount of \$1 million to be used from unspent balances.

6.62 The following items were not recorded in the Fixed Assets Register:

- Fifteen hand held infrared digital thermometers purchased at a cost of \$8,437.50.
- Five K7 automatic wall thermometer (contactless) at a cost of \$8,437.50.

Humanitarian Aid

6.63 The Minutes of a Council meeting held in May 2020 stated that the Corporation received two donations for COVID-19 relief. One donation was in the form of a cheque for \$5,000.00 which was duly entered in the cash book and seen on a bank statement. The other donation of \$2,000.00 in cash was not seen recorded in the cash book or in the bank account. Management has stated that the \$2,000.00 was paid directly to a retail store to purchase items for hampers. This was contrary to the guidance at paragraph 50, Part V of the Financial Regulations, Chapter, 69:01 which states that “Every Receiver of Revenue shall keep a cash book in which all receipts and payments shall be entered without delay.”

6.64 The Corporation spent \$699,883.03 on hampers for humanitarian aid. At a Special Statutory meeting it was decided that councillors would collect and distribute the hampers. It was not determined whether all hampers reach the intended persons who were affected by the pandemic. Listings of the recipients of 270 hampers purchased for the sum of \$110,000.00 in the months of April and May 2020

were not provided for audit. Identification card number and signature of recipients were not seen on some listings provided for audit.

POINT FORTIN BOROUGH CORPORATION

6.65 Documentary evidence was not produced to indicate that the Statement of Unspent Balances as at 30th September, 2019 was audited by Internal Audit for submission to the Line Minister for the approval to use unspent balances.

Humanitarian Aid

6.66 The Corporation purchased 750 hampers at \$300.00 each and 600 vouchers at \$300.00 each, at a total cost of \$405,000.00.

6.67 Distribution listings and/or other relevant documents were not produced to account for the distribution of hampers and vouchers to burgesses.

Expenditure

6.68 The directive from the Line Ministry stated that the priority focus of expenditure was in the areas of Personal Protective Equipment, Water Trucking, Sanitization and Humanitarian Aid. There were instances where items were purchased which were not in the priority areas. A sample of payments totalling \$263,199.35 which was not in accordance with the directive is as follows:

Allocation	Particulars	\$
Public Health Material and Supplies	1 amplifier, 1 micro phone, 150 watts ten driver	7,678.15
Municipal Police AC Repair	Pay for supply and installation 12 air conditioning units	59,000.00
Vehicle Repair	52 tyres (different sizes)	86,038.02
Vehicle Repair	15 highway tyres	39,656.25
Vehicle Repair	6 front shocks , 6 outer ends, 6 inner ends 6 upper ball joint and 6 stabilizer link	10,125.00
Vehicle Repair	32 tyres (different sizes)	34,762.50
Vehicle Repair	2 pistons, 2 back up rings, 2 seals, 2 back up rings, 1 disk, 2 snap rings, 2 washers, 1 ring and 2 disk springs.	14,059.43
Vehicle Repair	Supply of 2 - 4" ball valve for cesspool truck	11,880.00
	Total	263,199.35

Fixed Asset Register

6.69 The Corporation's system for the recording of fixed assets appeared to be weak in that the following items were not brought to account in the Fixed Assets Register after four months of the financial year ended 30th September, 2020:

- 12 air condition units at a value of \$59,000.00;
- A vehicle carrying registration number TDZ series – Isuzu DMAS 4*4 Crew Cab Vehicle valued at \$187,241.63. This was shown in the 'Register of Donations' as a donation to the Municipal Police in the financial year 2019/2020.

Contract Records

6.70 The guidance for the award of a contract after an evaluation is stated at paragraph 24. (1) of the Central Tenders Board Act, Chapter 71:91 as follows:

“After the offers have been opened the Board or a Committee shall, at such time or times as may be deemed necessary or expedient, consider the offers so received and, except for good reason, the sufficiency whereof is in the discretion of the Board or the Committee, shall accept the lowest offer which represents the best value.”

6.71 An examination of the Awards Register revealed that a supplier, who was not the lowest bidder was awarded a contract for the supply and installation of air condition units for Town Hall and Engineering Building Stations. The Register reflected that three companies tendered for this project as follows; Company 1 - \$59,000.00, Company 2 - \$60,525.00 and Company 3 - \$54,859.00.

6.72 The contract was awarded to Company 1 for the sum of \$59,000.00. The rationale of the Tender Evaluation for not selecting the lowest tenderer was not stated in the Register.

PORT OF SPAIN CITY CORPORATION

6.73 An Unspent Balance bank account was not opened in accordance with paragraph nine (9) of Circular Memorandum dated 13th June, 2019 from the Minister of Finance which required that such account should be opened within six months of the coming into effect of the circular.

6.74 Bank statements for the Corporation's recurrent bank account for the period August, 2020 to September, 2020 were not produced for audit to enable the verification of the completeness of payments which were sampled.

Humanitarian Aid

6.75 The Corporation purchased 912 hampers at a cost of \$136,600.00 for humanitarian aid. Only one list consisting of 77 names in respect of distributions by one councillor was submitted for audit by the Corporation. This list only recorded the names of the persons for distribution of hampers and did not include particulars of persons such as identification card number and signature as evidence of receipt of hampers. Distribution listings were not produced to account for the remaining 835 hampers.

PRINCES TOWN REGIONAL CORPORATION**Humanitarian Aid**

6.76 Expenditure under humanitarian aid was \$298,752.79 for the purchase of 600 food hampers consisting of grocery items. There were 25 instances where persons did not sign for receipt of hampers from a sample of distribution listings for three (3) of the ten (10) electoral districts.

SAN FERNANDO CITY CORPORATION**Humanitarian Aid**

6.77 The Corporation purchased 1,127 hampers costing \$189,085.00 during the period May to August 2020 from two supermarkets. Authorization letters from the Corporation for councillors to collect 609 hampers costing \$87,381.15 at the two supermarkets were produced for audit. Other documentary evidence was produced which showed that councillors signed and collected 107 hampers at the Corporation for distribution. Evidence was not produced to show that the councillors collected the remaining 411 from the two supermarkets.

6.78 Only two lists containing 13 names were provided by the Corporation in respect of distribution of hampers to persons. These two lists did not contain signatories of recipients. Based on the evidence produced, it was not determined whether the hampers reached the intended persons who were impacted by the COVID-19 pandemic.

Classification of Expenditure

6.79 Certain goods and services were procured which were not in accordance with the directive from the Line Ministry which gave specific approval for the procurement of goods and services relative to the Corporation's Covid-19 response including PPE, Water Trucking, Sanitization and Humanitarian Aid.

6.80 Audit work involved a sample of payments totalling \$138,432.13 which was in respect of works and items which were not in accordance with the directive. The works undertaken were cleaning and desilting drains at seven districts each costing \$17,000.00 and carried out during the period 29th June to 10th July, 2020. The items purchased were a chain saw and hand held blower.

Maintenance of Records

6.81 A payment for \$31,500.00 representing two 60 seconds television advertisements per day from 27th to 30th August, 2020 was processed using an unsigned quotation.

6.82 A payment voucher dated 3rd April, 2020 totalling \$12,375.00 for the supply of 2,000 dust masks was processed using a quotation. Audit was subsequently informed that the cheque was prepared for the supplier, however the masks were not delivered. At the time of the audit, the cheque was still on hand and audit was informed that this cheque would be cancelled.

SANGRE GRANDE REGIONAL CORPORATION

6.83 As at 30th September, 2020 an Unspent Balance bank account was not opened in accordance with circular memorandum dated 13th June, 2019 which required that such account should be opened within six months of the coming into effect of the circular. It was noted that an Unspent Balance bank account was only opened by the Corporation in October, 2020, which was 16 months after the date of the circular.

Humanitarian Aid

6.84 The Corporation purchased 2,000 hampers for the sum of \$399,177.85 from three supermarkets to assist burgesses who were negatively affected by the COVID-19 pandemic. Of these, evidence was produced for the distribution of 1,640 hampers. Evidence was not produced to ascertain how the remaining 360 hampers were allocated for distribution.

6.85 The distribution of the 1640 was as follows:

Category	Number of hampers for distribution
Councillors	1,100
Coordinator Disaster Management Unit	20
Administration	520
Total	1,640

6.86 It did not appear the Corporation had an adequate control system in place to give an assurance that the hampers reached persons impacted by the COVID-19 pandemic since listings of the persons' personal data and signatures were not produced for audit.

SAN JUAN/LAVENTILLE REGIONAL CORPORATION

6.87 Evidence was not produced to show that there was Internal Audit verification of the Statement of Unspent Balances up to 30th September, 2019 which was submitted to the Line Minister for approval of unspent balances. This was not in accordance with the circular memorandum dated 13th June, 2019 from the Minister of Finance.

Expenditure

6.88 The total expenditure under unspent balances for COVID-19 was \$989,208.88. Commitments totalling \$10,518.75 remained in the books of the Corporation at the end of the financial year.

6.89 Proforma invoices instead of sale invoices were used to pay for 182 tablet computers at a cost of \$100,100.00 from a supplier and a digital camera with accessories from another supplier at a cost of \$24,700.00.

6.90 In seven other instances it was found that invoice orders/ requisitions were prepared after the date of sales invoices.

6.91 A Fixed Assets Register was not maintained. Items purchased such as mist blowers and Stihl back pack sprayers were recorded in a diary and pertinent information such as serial numbers and location of items were omitted.

Humanitarian Aid

6.92 At a Special meeting of Council held on 5th May, 2020 the Council proposed, among other items, an amount of \$300,000.00 for the purchase of hampers. The Corporation spent \$317,100.00 for 1,057 hampers at a cost of \$300.00 each. A list of the recipients of hampers was not provided for audit to show that the hampers reach the intended persons.

Distribution of Tablet Computers

6.93 The Corporation purchased 545 seven inch 16 GB tablet computers at a cost of \$299,750.00. An amount of 500 tablets were given directly to the councillors to distribute to students in their respective electoral districts. Records or other documentary evidence were not produced to account for the remaining 45 tablet computers.

6.94 Evidence such as listings with particulars of the recipients and signatures were not produced for the 500 tablets given to councillors for distribution to citizens in need due to the COVID-19 pandemic.

SIPARIA REGIONAL CORPORATION

6.95 A statement reflecting the 'Approximate Unspent Balances' as at 30th September, 2020 was prepared by the Corporation on 21st January, 2021 which was presented for audit. This statement reflected an approximate negative unspent balance of (\$198,008.00) as at 30th September, 2019 '(already utilised from SRC Consolidated Bank Account)'. This statement also reflected the amount of Unspent Balances as at 30th September, 2020 available for new projects as Nil.

6.96 Evidence was not produced to show that there was Internal Audit verification of the Statement of Unspent Balances as at 30th September, 2019 as required by Circular Memorandum dated 13th June, 2019.

Expenditure

6.97 The Corporation's role in response to the pandemic was limited due to its financial position with the unspent balance. COVID-19 expenditure was \$311,670.00 which was met from two recurrent votes and the Chairman's Fund.

Chairman's Fund

6.98 Approval was received from the Ministry of Finance by letter dated 6th May, 2020 for the withdrawal of \$90,000.00 from the Chairman's Fund for COVID-19 humanitarian relief, specifically for the purchase and distribution of hampers for various electoral districts. Expenditure incurred for humanitarian relief totalled \$99,451.72. Approval was not produced for the additional amount of \$9,451.72 which was expended from the Chairman's Fund.

Humanitarian Aid

6.99 Authorization from Council Minutes showed that approval was given for the utilization of a total of \$170,000.00 under Goods and Services and \$90,000 from the Chairman's Fund for the purchase of hampers. The records of the Corporation showed that a total of 1,185 hampers were purchased at a cost of \$245,933.78 for distribution to persons negatively impacted by the pandemic. Management stated that the hampers were given to councillors and were required to have recipients sign upon receipt of hampers.

6.100 A sample of four payment vouchers totalling \$40,154.30 and the related distribution lists revealed that the lists of recipients of the hampers were incomplete. There were 216 instance where the signatures of named persons were not seen on the distribution lists. Identification card numbers of 151 recipients were also not inserted on the lists.

TUNAPUNA/PIARCO REGIONAL CORPORATION

6.101 Documentary evidence was not provided to indicate that the Statement of Unspent Balances as at 30th September, 2019 was audited by Internal Audit and submitted to the Line Minister requesting approval to use unspent balances. This contravened the circular memorandum dated 13th June, 2019.

6.102 The circular memorandum dated 13th June, 2019 in respect of procedures for the utilization of unspent balances required that an Unspent Balance bank account be opened within six months of the coming into effect of the circular. An Unspent Balance bank account was not opened by the Corporation.

Expenditure

6.103 Two payment vouchers totalling \$114,282.45 for the purchase of 1,000 food hampers for humanitarian aid and sanitization items were not produced for audit examination. A voucher at a value of \$50,000.00 was processed for payment using a quotation instead of an original bill which is a statutory requirement.

Fixed Assets

6.104 A Fixed Asset Register was not produced to ascertain whether thermal scanners purchased under COVID-19 expenditure costing \$3,771.60 were recorded therein. A physical verification was done for one of the thermal scanners and it was not tagged.

Humanitarian Aid

6.105 Correspondence dated 8th June, 2020 from the Disaster Management Unit of the Corporation indicated that 100 hampers were received through donations for distribution to pre-determined residents selected by the Ministry of Social Development and Family Services. Documentary evidence was not produced to show that the particular residents received the hampers.

6.106 The Corporation made payments totalling \$150,000.00 as at 30th September 2020 for 1,500 food hampers to facilitate humanitarian aid. Evidence of the distribution process showed that:

- i) In Phase 1, an amount of 1000 hampers in two listings of 685 and 315 hampers were received by councillors.
- ii) In Phase 2, an amount of 500 hampers in two listings of 360 and 140 hampers were received by councillors.

6.107 Evidence of distribution listings to show data and signature of persons who received the hampers was not produced for audit.

6.108 In addition, an amount of 102 hampers were received from six other regional corporations for redistribution. Only two listings for the donation with 62 named persons, with addresses, contact numbers and identification numbers were produced for audit. There was no evidence from any of the listings to show that the persons signed or received hampers.

STATUTORY BODY

NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT CORPORATION

Emergency Food Support Measures and Funding

6.109 Cabinet Minute dated 30th April, 2020 agreed for the Ministry of Social Development and Family Services to partner with the Ministry of Agriculture, Land and Fisheries (MALF) through the National Agricultural Marketing and Development Corporation (NAMDEVCO) to provide 30,000 “market boxes”/hampers each valued at \$250.00 to citizens who may be adversely affected by the COVID-19 pandemic”. Cabinet agreed that the funding of \$7,500,000.00 be met from the budgetary allocation of the Ministry of Agriculture, Land and Fisheries.

6.110 Cabinet also agreed to the provision of a total of 30,000 vouchers/supermarket vouchers valued at \$250.00 each, by the Ministry of Social Development and Family Services (MSDFS) to be combined with the “market boxes”. Cabinet agreed that the funding of \$7,500,000.00 be met by the MSDFS.

Expenditure

6.111 NAMDEVCO’s Board approved the use of funds from its recurrent allocation for payments relating to the “market boxes” and subsequent reimbursement from the MALF. Expenditure totalling \$4,905,781.16 was seen in the books of NAMDEVCO at 30th September, 2020 which related to the provision of the “market boxes”.

6.112 Records were not produced to show that releases/reimbursements were made to NAMDEVCO to cover COVID-19 expenditure. Management has also stated that no funding/reimbursement was received for COVID-19 expenditure in providing the “market boxes”. This was contrary to the Cabinet’s directive for the funding of the “market boxes” from the MALF’s budgetary allocation.

Humanitarian Aid

6.113 Distribution Schedules were prepared by the MSDFS showing the constituency offices and number of hampers allocated to each constituency office and submitted to NAMDEVCO. The food vouchers were also delivered to NAMDEVCO by personnel of the MSDFS. A total of 21,704 “market boxes” together with the food vouchers were distributed by officials of NAMDEVCO to constituency offices in the period 1st May, 2020 to 29th July, 2020. This process was substantiated by delivery notes.

6.114 The distribution process to intended beneficiaries did not appear to be robust and structured to provide assurance on the accomplishment of Cabinet’s and the ministries’ (MSDF and MALF) objective that the ‘market boxes’ and the vouchers/supermarket vouchers reached the intended persons (“citizens and permanent residents who may be adversely affected by the COVID-19 pandemic”).

REGIONAL HEALTH AUTHORITIES

Legal Framework

6.115 The regional health authorities were established by the Regional Health Authorities Act, Chapter 29:05. One of the main functions of an Authority is to provide efficient systems for the delivery of health care.

Directive

6.116 By Cabinet Minute dated 26th March, 2020, Cabinet accepted the recommendations of the Minister of Health for the provision of additional funding for the Ministry of Health to treat with the emergence of the COVID-19 pandemic in the country. The additional funding which allowed the regional health authorities to treat with the pandemic was estimated at \$157,267,700.00.

EASTERN REGIONAL HEALTH AUTHORITY

Funding and Expenditure

6.117 Funding/reimbursements to the Authority for COVID-19 expenses amounted to \$9,553,292.47. The sum of \$5,479,298.47 was reimbursed to the Authority as at 30th September, 2020 and the sum of \$4,073,994.00 was reimbursed in the 2020/2021 financial year.

6.118 The COVID-19 expenditure of the Eastern Regional Health Authority as at 30th September, 2020 was verified as \$9,972,481.00.

Non-monetary Donation

6.119 The value of the donated items as provided by the donor was verified as \$666,870.00.

NORTH-CENTRAL REGIONAL HEALTH AUTHORITY

6.120 An audit of COVID-19 expenditure was not carried out at the North-Central Regional Health Authority. The Authority did not respond to correspondence from the Auditor General's Department.

NORTH-WEST REGIONAL HEALTH AUTHORITY

Funding and Expenditure

6.121 The government funding to the Authority for COVID-19 was verified as \$10,196,702.19 and the expenditure was \$10,891,162.00.

Internal Control

6.122 There were instances of breakdowns in the internal control in the accounting system which are presented below.

6.123 Non-monetary donations at a reported value of \$135,364.53 were not recorded in the accounts of the Authority.

6.124 There were instances where source documents such as quotations, requisitions, delivery notes and invoices were not produced for audit verification of purchases under consumables, equipment and infrastructure.

6.125 Suction pumps at a total value of \$58,712.00 were categorized and posted as consumables instead of equipment. Other assets such as eight (8) infusions valued at \$90,000.00 were posted to the General Leger Account as Consumables instead of an asset account. An item of Minor Equipment valued at \$2,800.00 was posted to Administrative Expenses.

6.126 An overpayment to a supplier in the amount of \$84,375.00 was made under Equipment purchases. The error arose since the same Purchase Order and Quotation was used twice. The Finance Manager of the supplier informed the Authority of the overpayment and stated that the total overpayments made by the Authority was \$254,951.48 which included the \$84,375.00.

6.127 Three items of fixed assets valued \$8,785.00 were not entered in the Fixed Asset Register.

SOUTH-WEST REGIONAL HEALTH AUTHORITY

Expenditure

6.128 The total expenditure as verified from the Authority's Request for Reimbursement of Goods and Services – COVID-19 at 30th September 2020 was \$31,133,134.00.

Equipment

6.129 The Authority purchased four (4) items of fixed assets costing \$404,323.50 during the period June to August 2020. These were not capitalized and recorded in the Fixed Asset Module. In addition, the installation of 90 Health Care Cubicles for the sum of \$297,600.30 at a health care facility was also not capitalized.

Donations

6.130 A listing of the Private Sector Support to the Ministry of Health's National Response to the Global COVID-19 Pandemic as at 30th September, 2020 was provided for audit. In addition a listing detailing receipt of all donations for the financial year ended 30th September, 2020 was received from Management. Donations received were distributed to various Departments and facilities being managed by SWRHA.

6.131 On the listing received from Management, there were instances where donations were recorded without values. The Authority is yet to confirm receipt and assign market values in order to bring the transactions to account in the general ledger.

6.132 There were also items on the listing with values over \$1,000.00 which SWRHA has to confirm receipt and assign asset codes before they can be brought to account and included in the Fixed Asset Register.

6.133 The records of the Authority showed that 271 staff were recruited for COVID-19 as at 30th September, 2020. Payment vouchers and cheque remittances for the months of June to September 2020 with respect to the payment of 30 House Officers and 20 Registered Nurses were the only documents presented for the payment of salaries. This payment was made through the Inter-American Development Bank funding relating to COVID-19 expenditure and reflected in the Special Project general ledger account.

6.134 It could not be ascertained how the payment of salaries for the other 221 hired staff were accounted for in the general ledger since documentary evidence such as the cheque remittances were not produced for audit.

6.135 A schedule provided by the Authority showed that the staff cost for COVID-19 as at 30th September, 2020 was \$10,881,588.20

6.136 Bid Evaluation forms were not completed by the Authority indicating the reasons for selecting a supplier for the provision of goods and services. This was evident from seven purchase orders ranging from \$40,365.00 to \$297,600.30 in the months of April to August 2020.

6.137 The following documents were not produced for audit examination to enable a proper evaluation of the tendering process in the height of the COVID-19 pandemic:

- Tender documents for the provision of goods and services (consumables) by suppliers for surgeon gowns, covers shoe disposal, decontamination and other services.
- Tender documents/files for the award of contracts for the provision of goods and services (Infrastructure) by suppliers for the supply and installation of tint at Debe UWI Hall of Residence, Paria Suites – quarantine facilities, rental of portable shower units, power panels, power cable and overhead lightning at the UWI Debe Academic Building.
- Contract agreements for the engagement of suppliers for the provision of services to supply and install double sided partitions at Augustus Long Hospital, rental of portable shower units, power panels, power cable, overhead lightning, the supply and installation of tint in four buildings at UWI Debe Campus, supply and install plywood partition at UWI Debe Campus and the installation of health care cubicles at UWI Debe Academic Building.
- Pre-qualified contractors listing.
- Schedule of COVID-19 related assets purchased which were transferred from the Special Project Account to the Asset Account.
- Monthly reports generated by Procurement and Contracts Department showing the number of Emergency Orders and review reports conducted to ensure that the use of Emergency Orders were properly justified.
- Schedule or report for the total accruals as at 30th September, 2020.

TOBAGO REGIONAL HEALTH AUTHORITY

Expenditure

6.138 As at 30th September, 2020, COVID-19 expenditure under Goods and Services exceeded the amount received via releases by \$2,527,843.23 as follows:

Expenditure	\$11,027,843.23
Release for COVID-19 Expenditure-Goods and Services	<u>\$ 8,500,000.00</u>
Excess Expenditure	<u>\$ 2,527,843.23</u>

TOBAGO HOUSE OF ASSEMBLY

Legal Framework

6.139 The Tobago House of Assembly is governed by the Tobago House of Assembly Act, Chapter 25:03 (the Act) which provides for the membership, powers and functions of the Tobago House of Assembly. The Tobago House of Assembly is responsible for the formulation and implementation of policy in respect of various governmental services listed in the Fifth Schedule of the Act.

DIVISION OF HEALTH, WELLNESS AND FAMILY DEVELOPMENT

COVID-19 Food Vouchers and Food Hampers - \$658,430.00

6.140 The Division's procedures for the distribution of the COVID-19 food vouchers were not adhered to in that, the vouchers were given to individuals without the completion of the necessary documentation, for example, the "Client Intake Form". Furthermore, food vouchers distributed by the Secretary's Office were done without the interview from the Senior Social Support Officers.

6.141 As a result of the foregoing, the quantity of food vouchers distributed could not be accurately determined. It was not ascertained whether the food vouchers reached the intended recipients, those persons who have suffered the economic impact of COVID-19.

Emergency Rental Assistance Programme - \$4,799,145.00

6.142 There were weaknesses in internal control which were observed from an examination of the accounting documents. Payment vouchers were not initialled in the 'Funds Available' or 'Authorized for Payment' columns. The details relating to the period or the month of the payment were not indicated on the Department voucher or the files examined.

6.143 The criteria for rental assistance were not followed for two applicants selected for sampling as neither 'the letter from the employer' nor 'the Declaration of Truth' was seen.

DIVISION OF COMMUNITY DEVELOPMENT, ENTERPRISE DEVELOPMENT AND LABOUR

COVID-19 Emergency Assistance Grant Programme - \$5,067,590.55

6.144 In the Executive Council Minute (ECM) dated 22nd April, 2020, approval was seen for the sum of \$3,000,000.00, to be used for the Enterprise Assistance Grant Programme however, the sum of \$5,067,590.55, was disbursed in grants. This resulted in an excess of unapproved expenditure of \$2,067,590.55. On 23rd April, 2021 management stated that an additional \$3 million was subsequently approved by the Executive Council on 9th December, 2020.

6.145 Paragraph 4 of the Executive Council Note dated 14th April, 2020 of the Division of Community Development, Enterprise Development and Labour stated:

"...The Essential Services, in this instant, are considered to be:

- ✓ *Farming – animal husbandry*
- ✓ *Food Production – short crops, provisions, vegetables*
- ✓ *Agro-processing – seasonings, pepper sauces, milk, cheese, etc.*
- ✓ *Fishing and fish processing*
- ✓ *Manufacturing of Cleaning Supplies/Solutions*
- ✓ *Provision of Cleaning Services – e.g. cesspool, litter eradication*
- ✓ *Light Manufacturing – bread, cakes, pastries"*

6.146 Grants received by two businesses did not meet the criteria for essential service providers. Business "A" which is in the trade of garment manufacturing received the sum of \$50,000.00 and Business "B" operating a beauty and hair dressing establishment received the sum of \$16,800.00. On 23rd

April, 2021 management stated that these two grants were in accordance with a subsequent Executive Council Minute dated 9th December, 2020 that allowed for the provision of grant funding to small businesses in other business sectors.

6.147 The procedures for the processing of applications were not adhered to in that, ‘signed off’ by the Business Development Officer was not seen in the applications of five (5) enterprises.

6.148 Segregation of duties was not observed in the process for the Programme, as it was noted that the Accounts Support Officer was responsible for gathering all client information, collecting and distributing cheques, training clients and reconciling accounting documents. The role of the Administrator/Accounting Officer in the process was not ascertained.

Tourism COVID-19 Relief Business Grant - \$1,540,273.69

6.149 The procedures for the processing of applications were not adhered to in that, application forms were not signed by the representatives from the Tobago Tourism Agency Limited and Business Development Unit in respect of two (2) business establishments. Additionally, the signature of the representative from the Business Development Unit was not seen on the application form for another business enterprise.

COVID-19 Loans - \$250,000.00

6.150 The criteria for the granting of loans included the fact that the applicants’ enterprise were for purchase of stocks and other inputs critical to manufacturing. A loan in the sum of \$98,350.00 which was approved by the Executive Council on 7th September, 2020 in respect of a water sports business did not fit the criteria for stock and other inputs critical to manufacturing. Evidence of a cheque dated 18th December, 2020 for the sum of \$98,300.00 which was not disbursed was produced at the time of the audit in March, 2021. Management has stated that the loan was qualified under the Tourism Ancillary Services that was subsequently by Executive Council on 9th December, 2020.

COVID-19 Expenditure - \$112,795.34

6.151 A difference of \$54,633.62 was noted between the audited figure of \$167,428.96 and the sum of \$112,795.34 which was presented in a schedule for audit. The difference comprised the net of payments of \$68,635.36 for COVID-19 related items and a payment of \$14,001.74 which was for a community development project in November, 2019.

DIVISION OF FINANCE AND THE ECONOMY

COVID-19 - Food Card Releases

6.152 At the onset of the COVID-19 pandemic, the Executive Council Minute dated 25th March, 2020 as amended by other minutes, authorized the purchase of 15,000 food cards for the Emergency Social Assistance Cards Programme (ESACP) at a total cost of \$7,866,000.00 to augment the existing programme. The total releases for the period amounted to \$7,866,950.00.

Expenditure

6.153 There were weaknesses in the internal control system for payments based on an examination of accounting documents. Key areas which signified that the controls were in place such as ‘Checked By’, ‘Funds Available’, and ‘Authorized for Payment’, ‘Payable Order Prepared and Payment Order number’ on the payment vouchers were not completed and dated.

6.154 There was no evidence of Internal Audit examination on the vote books, Schedule of Accounts, Subsidiary Ledgers Cards and payment vouchers.

Card Administration

6.155 Segregation of duties which is a good control measure was not evident in the Emergency Social Assistance Cards Unit as both officers who operated the Unit were collectively responsible for interviewing of applicants including site visits, evaluation and recommendations, collection of cards from the bank, distribution of cards, maintenance of the Cards Register and custody of the cards.

6.156 Page 12 of the guidelines for the new Emergency Social Assistance Cards Programme (ESACP), states that, “due to the fact that the card is an emergency card, the Secretary of the Division represented the Executive Council in granting approval”. Evidence was not produced to show that the new ESACP guidelines were approved by the Executive Council. The role of the Administrator/ Accounting Officer in the process was not ascertained.

6.157 A sample for the processing of applications for food cards was undertaken and it was found that the procedures were not followed as presented below:-

- i. Information such as ‘application approved by’, ‘date of approval’, ‘card distributed by’, ‘card reviewed by’ and date was not inserted in Section B of the application forms.
- ii. Applicants were required to present a form of identification to collect the card. It was observed that cards were regularly collected by an individual attached to the Assembly. In these instances, the identification card number, address and telephone numbers of card recipients were not inserted in the Card Issuance Register.
- iii. The approval form in respect of an applicant was not signed by the Secretary of Finance. The Card Issuance Register however indicated that a card was issued to the applicant on 8th September, 2020.
- iv. Interview and assessment by officers designated at the ESACP Unit were not done for applications submitted by Secretaries.

6.158 The Card Issuance and Balance Register was not maintained as specified in Executive Council Minute dated 25th July 2012 in that:

- The balance of food cards on hand was not updated upon the receipt and issuance of cards;
- A column was not included in the Card Issuance and Pin Register for the custodians initials upon receipt of the cards therefore initials were not inserted;
- There was no evidence to indicate that the cards and records were checked and balanced daily by the card custodian and supervisor; and
- Authorised application forms which identified the card holders by card number, name, date of birth, and identification number, address and contact number were not forwarded to the bank within 48 hours of card issuance.

6.159 In the absence of complete records, the balance of cards on hand as at 30th September, 2020 was not ascertained. At the time of the audit in March, 2021 a physical balance of 830 cards was seen.

6.160 Additionally, records on the beneficiaries of the cards issued under ‘secretaries pardon’ were not available at the Division as the card issuance forms which records recipients names, identification, card number and signature were not completed and returned by the Secretaries/Assistant Secretaries. The term ‘secretaries’ pardon’ was not ascertained as this arrangement was not documented. There was no control over the quota of cards accessed by the Secretaries and Assistant Secretaries as the quotas were exceeded in some instances and this arrangement was verbal. As a result 6,999 cards to the value of at least \$3,499,500.00 were not properly accounted for.

6.161 Separate records from the THA’s Emergency Social Assistance Cards were not maintained for cards issued for COVID-19 expenditure.

DIVISION OF EDUCATION, INNOVATION AND ENERGY

6.162 A total of 912 cards were remitted to the Division of Education, Innovation and Energy for distribution during the period under review.

6.163 In accordance with the new ESACP policy guidelines for the issuance of cards, illegal entrants, visitors/tourists and individuals whose status is questionable or unverified do not qualify for emergency assistance. There was no evidence on file to indicate the status of an individual who was from another Caribbean island and received a card.

6.164 A record of cards issued to recipients is maintained by the Division however, at the time of the audit, evidence was not seen that copies of the records were returned to the Division of Finance and the Economy.

OFFICE OF THE CHIEF SECRETARY

6.165 An invoice dated 2nd June, 2020 for an amount of \$122,000.00 in favour of the Assembly’s banker for 5,000 food cards was paid by the Office of the Chief Secretary by a cheque dated 29th June 2020. Payment was also effected to the same banker by the Division of Finance and the Economy via a cheque dated 23rd September, 2020. This resulted in an overpayment to the banker.

DIVISION OF FOOD PRODUCTION, FORESTRY AND FISHERIES

COVID-19 Expenditure – Agriculture Incentive Programme \$967,000.00

6.166 The COVID-19 Response Plan at the Division was contained in Executive Council Minute (ECM) dated 24th June, 2020 in which the Executive Council:

- i. Agreed to the implementation of Policy Measures for ‘Increasing Food Production and Food Security in Tobago’ in light of the COVID -19 Pandemic.
- ii. Granted approval for the expenditure of \$7,625,000.00 to facilitate the implementation of this programme with incentives and other assistance in 12 areas relating to agriculture.
- iii. Agreed that funds to meet the expenditure be sourced from the Agricultural Incentive Programme.

6.167 This COVID- 19 response Plan was to augment the existing Agriculture Incentive Programme (AIP) which is an ongoing Programme of the Division.

6.168 As stated above, the Council agreed that expenditure related to the COVID-19 Response Plan be met from the Agricultural Incentive Programme. However, a release of \$1 Million was made under the Minor Equipment vote. The Covid-19 expenditure of \$967,000.00 was incurred under this vote. Expenditure of \$445,538.29 was verified under the Agricultural Incentive Programme which is the ongoing Programme of the Division

6.169 COVID-19 expenditure was only incurred under one aspect of the Programme; the Land Preparation Service in which the Division sought to acquire two tractors, two brush cutters, four ploughs and two bankers and four tillers. The cost of these items was \$967,000.00 which was paid on 30th September, 2020.

6.170 It was noted that one (1) tractor, two (2) brush cutters, two (2) ploughs, two (2) bankers and four (4) tillers were received in January 2021. One (1) tractor and two (2) ploughs were still to be delivered to the THA as at 29th January, 2021. The receipt of the equipment for land preparation occurred over ten months after the onset of the pandemic. Therefore, as at January, 2021, the THA’s Response Plan for agriculture to increase food production and food security in Tobago had not fully commenced.