



REPORT OF THE AUDITOR GENERAL OF THE REPUBLIC OF TRINIDAD AND TOBAGO ON THE FINANCIAL STATEMENT OF THE FAIR TRADING COMMISSION FOR THE YEAR ENDED SEPTEMBER 30, 2019

OPINION

The financial statement of the Fair Trading Commission (the Commission) for the year ended September 30, 2019 has been audited. The statement as set out on pages 1 to 8 comprise a Statement of Income and Expenditure and Notes to the Financial Statement numbered 1 to 17, including the accounting policy.

2. In my opinion the accompanying financial statement presents fairly, in all material respects, the financial performance of the Fair Trading Commission for the year ended September 30, 2019 in accordance with the cash basis of accounting at Note 2 to the Financial Statement.

BASIS FOR OPINION

3. The audit was conducted in accordance with the principles and concepts of International Standards of Supreme Audit Institutions (ISSAIs). The Auditor General's responsibilities under those standards are further described in the Auditor's responsibilities for the Audit of the Financial Statement section of this report. The Auditor General is independent of the Commission in accordance with the ethical requirements that are relevant to the audit of the financial statement 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.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENT

4. Management of the Commission is responsible for the preparation and fair presentation of the financial statement in accordance with the cash basis of accounting and for such internal control as management determines is necessary to enable the preparation of a financial statement that is free from material misstatement, whether due to fraud or error.

5. In preparing the financial statement, management is responsible for assessing the ability of the Commission to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Commission or to cease operations, or has no realistic alternative but to do so.

6. Those charged with governance are responsible for overseeing the Commission's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENT

7. The Auditor General's responsibility is to express an opinion on the financial statement based on the audit and to report thereon in accordance with section 116 of the Constitution of the Republic of Trinidad and Tobago and section 43 (2) of the Fair Trading Act, Chapter 81:13.

8. The Auditor General's objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an audit report that includes her opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards 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 this financial statement.

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

- Identifies and assesses the risks of material misstatement of the financial statement, 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 control.
- Obtains an understanding of internal control 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 internal control of the Commission.
- Evaluates the appropriateness of accounting policy used and the reasonableness of accounting estimates, if any, and related disclosures made by management.
- Concludes on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Commission to continue as a going concern. If the Auditor General concludes that a material uncertainty exists, the Auditor General is required to draw attention in her audit report to the related disclosures in the financial statement or, if such disclosures are inadequate, to modify her opinion. The Auditor General's conclusions are based on the audit evidence obtained up to the date of her audit report. However, future events or conditions may cause the Commission to cease to continue as a going concern.

- Evaluates the overall presentation, structure and content of the financial statement, including the disclosures, and whether the financial statement represents the underlying transactions and events in a manner that achieves fair presentation.


10. 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

11. 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 sections 116 and 119 of the Constitution of the Republic of Trinidad and Tobago.



4TH OCTOBER, 2022
PORT OF SPAIN


LORELLY PUJADAS
AUDITOR GENERAL



FAIR TRADING COMMISSION

**STATEMENT OF INCOME AND
EXPENDITURE**

**FOR THE YEAR ENDED
SEPTEMBER 30, 2019**

**FAIR TRADING COMMISSION
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

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FAIR TRADING COMMISSION
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Notes	Year Ended 30/09/2019 TT\$	Year Ended 30/09/2018 TT\$
INCOME			
Government Subvention	4	1,400,000.00	970,900.00
TOTAL INCOME RECEIVED		1,400,000.00	970,900.00
EXPENSES			
Salaries (including NIS contributions and Arrears)	5	672,371.94	808,762.42
Commissioners' Fees and Travelling Allowance	6	301,800.00	144,000.00
Travel to Conferences and Workshops	7	56,780.80	-
Hosting of Training and Seminars	8	7,188.03	-
Website - Annual Subscription	9	5,979.20	-
Catering Services	10	18,682.88	2,350.00
Training and Conferences	11	6,050.00	2,000.00
Advertising - Public Notice & Press Ads	12	42,555.61	11,700.00
Printing of Brochures/Call Cards	13	4,173.75	1,485.00
Retractable Banner	14	1,336.00	-
Auditors General's Department Fees	15	72,119.03	-
TOTAL EXPENSES		1,189,037.24	970,297.42
Bank Account Deposit	16	210,962.76	-
UNSPENT BALANCE		-	602.58

The Notes attached on pages 2 - 15 form an integral part of the financial statement.

Executive Director - Bevan Narinesingh


Signature

29/12/21
Date

**Chairman of the
Fair Trading
Commission**

- Dr. Ronald Ramkissoon


Signature

20/12/2021
Date



FAIR TRADING COMMISSION
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2019

1. BUSINESS ACTIVITY

- (a) The Fair Trading Commission is an independent statutory body established pursuant to the Fair Trading Act, Chapter 81:13 (“the Act”). The Commission is responsible for implementing and administering the Act.

Its main purpose is to promote and maintain effective competition throughout the economy and to ensure that competition is not distorted, restricted or prevented.

The functions of the Commission are inter alia to—

- (a) carry out subject to Section 9, on its own initiative or at the request of any interested person such -
- (i) investigations in relation to the conduct of business, as will enable it to determine whether any enterprise is engaging in business practices in contravention of this Act and the extent of such practices; and
 - (ii) other investigations as may be requested by any interested person or as it may consider necessary or desirable in connection with matters falling within the provisions of this Act;
- (b) advise the Minister on such matters relating to the operation of this Act, as it thinks fit or as may be requested by the Minister; and
- (c) investigate on its own initiative or at the request of any person adversely affected and take such action as it considers necessary with respect to the abuse of a monopoly power by any enterprise.
- (b) The President appoints the Fair Trading Commission's Commissioners pursuant to Section 26 (3) of the Act. Commissioners are selected from among persons of proven competence and experience in the fields of law, economics, accountancy, business, management or other relevant professions.

Under Section 31 of the Act, a Commissioner shall, in respect to his office be paid a remuneration and allowances as the President may determine.

Four Commissioners were appointed by the President on April 3, 2018 for a period of three years. The Regulated Industries Commission’s (“RIC”) representative was appointed a Commissioner on June 29, 2018 for the duration of his term as a Commissioner on the RIC i.e. until March 23, 2019.

FAIR TRADING COMMISSION
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2019

1. BUSINESS ACTIVITY (Continued)

- (c) The Commission was established under Section 4 of the Act for the purpose of performing such duties and functions as are conferred upon it by the Act and by any other written law and is a body corporate constituted in accordance with Part IV. The Commission commenced operations on July 1, 2014 and held the first Commissioners' meeting on July 31, 2014.
- (d) Since the formation of the Commission there is no accounting staff. The Accounting functions were performed by the Line Ministry (the Ministry of Trade and Industry).

The Commission under Section 35 (1) of the Act shall appoint for a term not exceeding five years on such terms and conditions as may be approved by the Minister, an Executive Director who shall be the Chief Executive Officer of the Commission. The Executive Director was appointed on November 3, 2014 for a period of three years and was reappointed on November 3, 2017 for a period of three years.

2. ACCOUNTING POLICY

The Financial Statement has been prepared using a Cash Basis of Accounting.

3. FIXED ASSETS

The Commission has Office Equipment in the sum of \$ **67,747.10** (Net Book Value).

Office Furniture and Equipment

At 30 September 2018 (Cost Price)	\$ 164,102.43
Additions	-nil-

At 30 September 2018 (Cost Price)	<u>\$ 164,102.43</u>
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Depreciation

Acc. Dep'n at 30 Sept 2018	\$ 64,876.13
Depreciation Expense 2019	<u>\$ 31,479.20</u>
At 30 September 2019	<u>\$ 96,355.33</u>

Carrying Amount

At 30 September 2018	\$ 96,226.30
At 30 September 2019	<u>\$ 67,747.10</u>

FAIR TRADING COMMISSION
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2019

4. FIXED ASSETS (CON'D)

Depreciation Rates used to determine the Net Book Value of the Assets on a reducing balance basis are as follows:

Printer – 33%
Hard Drives – 33%
Router – 33%
Battery – 33%
Laptops and Laptop Cases – 33%
Photocopier – 33%
LCD Projector and Projector Screen – 33%
Server Rack and Network Server – 33%
Desktops – 33%
Accounting and Payroll Software – 33%
Digital Cameras – 10%
Laminating Machine – 25%
Shedder – 25%
Executive Chairs – 25%
Filing Cabinet – 25%

5. GOVERNMENT SUBVENTION

The Government Subvention for the Fair Trading Commission for the financial year ended September 30, 2019 is TT\$1,400,000.00. The Ministry of Trade and Industry received the said sum under Current Transfers and Subsidies, Other Transfers, Fair Trading Commission Vote – 48/04/009/16. The Commission sought approval from the Permanent Secretary of the Ministry of Trade and Industry for releases from the Vote to meet the expenses of the Commission. This arrangement was necessary given that the Commission has not set up a bank account.

6. SALARIES (INCLUDING NIS CONTRIBUTIONS AND ARREARS)

The Executive Director remains the only staff member as there was no hiring done in the financial year due to lack of accommodation and budgetary allocation. The Executive Director received an increase in his salary, as Minister approved revised terms and conditions, for his contract for the period November 3, 2017 to November 2, 2020. The arrears in the sum of **\$109,633.34** was paid during the month of August 2018.

It should be noted that the Commission has an Assistant Legal Officer and a Research Assistant both of whom are paid through the On-The-Job Training Programme.

FAIR TRADING COMMISSION
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2019

7. COMMISSIONERS' FEES AND TRAVELLING ALLOWANCE

The Fair Trading Commission is classified in Group B of the Board Fees and Allowance as determined by the Ministry of Finance and the Economy circular, with monthly fees and travelling allowance payable as follows:

Position	Fee TTS	Travelling TTS
Chairman	8,000.00	1,000.00
Deputy Chairman	6,000.00	750.00
Member	4,000.00	500.00

Four Commissioners (including the Chairman) were appointed on April 3, 2018 and the fifth Commissioner was appointed on June 29, 2018. The details of the payment of Commissioners are as follows:

Details are:

Position	Fee TTS	Travelling Allowance TTS	Total TTS
Chairman	8,000.00 x 12 mths = 96,000.00	1,000.00 x 12 mths = 12,000.00	108,000.00
Member 1	4,000.00 x 12 mths = 48,000.00	500.00 x 12 mths = 6,000.00	54,000.00
Member 2	4,000.00 x 12 mths = 48,000.00	500.00 x 12 mths = 6,000.00	54,000.00
Member 3	4,000.00 x 13 mths = 52,000.00	500.00 x 13mths = 6,500.00	58,500.00
Member 4 (RIC representative)	4,000 x 6mths =24,000.00 + Arrears of 267 = 24,267.00	500.00 x 6mths = 3,000 + Arrears of 33 = 3,033.00	27,300.00
TOTAL	268,267.00	33,533.00	301,800.00

The payment for Member 3 was inadvertently omitted for June, 2018. This remuneration was paid October 2018.

FAIR TRADING COMMISSION
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2019

8. TRAVEL TO CONFERENCE AND WORKSHOPS

The Commission participated in the following workshops and seminars:

Meeting/Seminars	Representative	Date	Cost \$
Competition Workshop for Commissioners, hosted by the CARICOM Competition Commission and the Barbados Fair Trading Commission, Barbados	Commissioner	March 14-15, 2019	17,069.80
The 2019 International Competition Network Annual Conference, Cartagena, Colombia	Executive Director	May 15 – 17, 2019	26,383.00
17 th Meeting of the OECD-IDB Latin American and Caribbean Competition Forum, San Pedro Sula, Honduras on	Chairman	September 24 - 25, 2019	13,328.00
TOTAL			56,780.80

9. HOSTING OF TRAINING AND SEMINARS

The Commission hosted the following Training and Seminars:

Training/Seminars	Date	Cost \$
Training to the Commissioners of the Trinidad and Tobago Fair Trading Commission, Trinidad Research Economist, CARICOM Competition Commission (Travelled from Suriname to conduct training)	December 3, 2018	(Hotel) 1,042.78 (Ticket) 4,944.00
Presentation to Key Private Sector Stakeholders and Officials from the Tobago House of Assembly (THA), Tobago	February 14, 2019	900.00
Merger Workshop for Competition Authorities in the Caribbean, Port of Spain, Trinidad	September 18- 20, 2019	301.25
TOTAL		7,188.03

FAIR TRADING COMMISSION
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2019

10. WEBSITE - ANNUAL SUBSCRIPTION

The Commission launched an interactive website in March 2017. The website developer was selected after a competitive and transparent procurement process. An invoice was submitted for the payment of webhosting fees for the period February 27, 2018 to February 28, 2019. The invoice was paid - **\$5,979.20**.

11. CATERING SERVICES

Catering Services for the Board of Commissioners' meetings were selected using the existing procurement rules and procedures of the Ministry of Trade and Industry. Total cost **\$18,682.88**.

12. TRAINING AND CONFERENCES

Staff participated in the following training and conferences:

Training	Representative from TTFTC	Date	Cost \$
Minute - Taking and Memo - Writing Workshop, Arthur Lok Jack School of Business, the University of the West Indies	Assistant Legal Officer	October 30, 2018	2,000.00
An Anti-Corruption Conference 2019, Hilton Hotel, Port of Spain, Trinidad	Executive Director	March 21, 2019	1,200.00
Investigative Interviewing and Report Writing Workshop Arthur Lok Jack School of Business, the University of the West Indies	Research Assistant	June 25th & 28th and July 1st & 3rd, 2019	2,500.00
Trinidad and Tobago Manufacturers' Association Pre-Budget Panel Discussion, Hilton Hotel, Trinidad	Executive Director	September 4, 2019	350.00
TOTAL			6,050.00

FAIR TRADING COMMISSION
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2019

13. ADVERTISING - PUBLIC NOTICE & PRESS ADS DVERTISING

The Commission as part of its Public Awareness efforts published Public Notices in the daily newspapers and publishing agencies; and Vacancy Ads in the daily newspapers. During fiscal 2019. Total cost - **\$42,555.61**.

14. PRINTING OF BROCHURES/CALL CARDS

Printing of Pamphlets and Fliers distributed by the Fair Trading Commission at conferences and seminars. Total cost \$ **4,173.75**.

15. RETRACTABLE BANNER

The Commission purchase of a Retractable Banner to be used at Press Conferences and Workshops and Seminars. Total cost - **\$1,336.00**.

16. AUDITORS GENERAL'S DEPARTMENT FEES

Payments to the Auditors' General Department for the auditing of the Fair Trading Commission for the period July to September 30, 2014; and the years ended September 30, 2015; September 30, 2016; and September 30, 2017. Total cost - **\$72,119.03**.

The fees for each financial year were assessed as follows:

Details	For the three month period ended September 30, 2014	For the year ended September 30, 2015	For the year ended September 30, 2016	For the year ended September 30, 2017
Assessment of Audit Fee	\$15,081.55	\$20,255.68	\$17,987.48	\$10,781.10
VAT 12.5%	\$ 1,885.19	\$ 2,531.96	\$ 2,248.43	\$ 1,347.64
Total	\$16,966.74	\$22,787.64	\$20,235.91	\$12,128.74

17. BANK ACCOUNT DEPOSIT

The Fair Trading Commission opened their First Citizen Bank Account, account number is **#2673420**, for its day to day expenses on 20th December 2019. Total cost - **\$210,962.76**.