



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, 2020

OPINION

The financial statement of the Fair Trading Commission (the Commission) for the year ended September 30, 2020 has been audited. The statement as set out on pages 1 to 11 comprise a Statement of Income and Expenditure and Notes to the Financial Statement numbered 1 to 19, 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, 2020 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, 2020**

**FAIR TRADING COMMISSION
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**FAIR TRADING COMMISSION
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	Notes	Year Ended 30/09/2020 TT\$	Year Ended 30/09/2019 TT\$
INCOME			
Government Subvention	4	1,550,600.00	1,400,000.00
TOTAL INCOME RECEIVED		1,550,600.00	1,400,000.00
EXPENSES			
Salaries (including NIS contributions and PAYE & Health Surcharge)	5	720,383.27	672,371.94
Commissioners' Fees and Travelling Allowance	6	274,535.04	301,800.00
Travel to Conferences and Workshops	7	19,442.77	56,780.80
Hosting of Training and Seminars	8	-	7,188.03
Annual Subscription - Website and MicroPay Annual License	9	13,708.40	5,979.20
Catering Services	10	4,521.25	18,682.88
Training and Conferences	11	1,500.00	6,050.00
Advertising - Public Notice & Press Ads	12	14,834.37	42,555.61
Printing of Brochures/Call Cards		-	4,173.75
Retractable Banner		-	1,336.00
Auditors General's Department Fees		-	72,119.03
Fixed Assets	13	56,071.38	-
Stationery – Epson Printer Ink	14	3,903.75	-
Short Term Contact Services	15	122,000.00	-
PPE COVID-19 Supplies	16	848.65	-
Recruitment Expenses – Psychometric Testing	17	3,375.00	-
Bank Charges	18	618.50	-
TOTAL EXPENSES		1,235,742.38	1,189,037.24
Unspent Balance	19	314,857.62	210,962.76
BALANCE		-	-

The Notes attached on pages 4 - 11 form an integral part of the financial statement.

Executive Director - Bevan Narinesingh



Bevan Narinesingh
Signature

25/5/22
Date

Chairman of the Fair Trading Commission - Dr. Ronald Ramkissoon

Dr. Ronald Ramkissoon
Signature

25/05/22
Date

FAIR TRADING COMMISSION
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2020

1. BUSINESS ACTIVITY

- (a) The Fair Trading Commission (“the 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 (4) Commissioners were appointed by the President on April 3, 2018 for a period of three (3) years. The Regulated Industries Commission’s (“RIC”) representative was appointed a Commissioner on June 29th, 2018 for the duration of his term as a Commissioner on the RIC i.e. until March 23rd, 2019. On 12th February 2020, Mr. Dexter Joseph returned to serve on the Board of Commissioners. Dr. Mikaeel Mohammed tendered his resignation to the Board of Commissioners on 12th March, 2020.

FAIR TRADING COMMISSION
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2020

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) On 20th January, 2020, Mrs. Euphemia Nelson filled the position of Accounting / Clerical Assistant at the Commission. The Accounting functions are no longer performed by the Line Ministry (the Ministry of Trade and Industry). The Senior Legal Counsel position was filled on 4th September, 2020 by Ms. Krystle Maharaj.

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 SCHEDULE SUMMARY

The Commission has Office Equipment in the sum of **\$88,550.80** (Net Book Value). Rounded to nearest dollar.

FAIR TRADING COMMISSION
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2020

FIXED ASSETS SCHEDULE SUMMARY (continued)

Office Furniture and Equipment		
At 30 September 2019 (Cost Price)		164,102.43
Additions		56,071.38
At 30 September 2020 (Cost Price)		220,173.81
<u>FIXED ASSETS SCHEDULE SUMMARY (CON'T)</u>		
Depreciation		
Accumulated Depreciation at 30 Sept 2019		96,355.33
Depreciation Expense 2020		35,267.68
At 30 September 2020		131,623.01
Carrying Amount		
At 30 September 2019		67,747.10
At 30 September 2020		88,550.80

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%
- Payroll Software – 33%
- Digital Cameras – 25%
- Laminating Machine – 25%
- Shedder – 25%
- Executive Chairs – 25%
- Filing Cabinet – 25%

FAIR TRADING COMMISSION
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2020

4. GOVERNMENT SUBVENTION

The Government Subvention for the Fair Trading Commission for the financial year ended September 30, 2020 is **TTS\$1,550,600.00**. 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 opened its Bank Account, for its day-to-day expenses on 20th December 2019 with a deposit of **\$210,962.76**, which represented unspent funds from fiscal year 2019.

5. SALARIES (INCLUDING NIS CONTRIBUTIONS AND PAYE & HEALTH SURCHARGE)

The Executive Director was joined by the Accounting/Clerical Assistant on 20th January 2020 and the Senior Legal Counsel on 4th September, 2020. The Commission obtained its Employers NIS number on August 27th, 2020, **#154842**. – **Total - \$720,383.27**.

6. 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:

FAIR TRADING COMMISSION
NOTES TO THE FINANCIAL STATEMENT
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COMMISSIONERS' FEES AND TRAVELLING ALLOWANCE (continued)

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 5.4 mths = 21,548.39	500.00 x 5.4 mths = 2,693.55	24,241.94
Member 4 (RIC representative)	4,000.00 x 7.6 mths = 30,482.76	500.00 x 7.6 mths = 3,810.34	34,293.10
TOTAL	244,031.15	30,503.89	274,535.04

\$274,535.04 (Gross) figure.

PAYE deducted - \$57,383.77 - December 2019 to September 2020 by the Commission.

7. TRAVEL TO CONFERENCE AND WORKSHOPS

The Commission participated in the following workshops and seminars:

Meeting/Seminars	Representative	Date	Cost \$
17 th Meeting of the OECD – IDB Latin America and Caribbean Competition Forum, San Pedro Sula, Honduras.	Chairman	September 24-25, 2019.	14,955.00
Official Launch of OECD Regional Competition (RCC) Lima, Peru.	Executive Director	November 20-21, 2019	2,243.77
OECD Regional Competition (RCC) for Latin America Workshop	Executive Director	March 03-04, 2020	2,244.00
TOTAL			19,442.77

FAIR TRADING COMMISSION
NOTES TO THE FINANCIAL STATEMENT
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TRAVEL TO CONFERENCE AND WORKSHOPS (continued)

The cost for attending the 17th Meeting of the OECD – IDB Latin America and Caribbean Competition Forum in San Pedro Sula, Honduras attended by the Chairman was paid on October 31, 2019.

8. HOSTING OF TRAINING AND SEMINARS

The Commission did not host any Training Sessions or Seminars for the year ended September 2020 primarily due to Covid-19 guidelines and restrictions.

9. ANNUAL SUBSCRIPTION - WEBSITE AND MICROPAY ANNUAL LICENSE

Annual invoices paid for the period, March 1, 2019 to February 29, 2020 and March 1, 2020 to February 28, 2020 was \$11,958.40.

Micropay 3.0 Software was installed on 15th July 2020, Annual Subscription - \$1,750.00.

The total value - **\$13,708.40**

10. CATERING SERVICES

The Commission expenses for Catering Services expenses for the year ended September 2020. - **\$4,521.25**

11. TRAINING AND CONFERENCES

Staff participated in the following training and conferences:

Training	Representative from TTFTC	Date	Cost \$
COTE 19 at the University of the West Indies	Research Assistant	October 09-10, 2019	1,500.00
TOTAL			1,500.00

FAIR TRADING COMMISSION
NOTES TO THE FINANCIAL STATEMENT
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12. ADVERTISING - PUBLIC NOTICES & PRESS ADS

The Commission as part of its Public Awareness efforts published various Public Notices in the daily newspapers and also Vacancy advertisements in the daily newspapers. The total expenses for the year ended September 2020 - **\$14,834.37**.

13. FIXED ASSET

Fixed Asset	Date Purchased	Cost \$	Total \$
Office Furniture:		4230.00	
• Two (2) Executive Chairs	27 th November 2019		
• One (1) Four Drawer Vertical Filing Cabinet	26 th November 2019	1344.38	5,574.38
Computers:			
• Two (2) Lenovo Laptops	26 th November 2019	22,653.00	
• Two (2) Lenovo Desk Top	26 th November 2019	19,899.00	42,552.00
Software:			
• MicroPay Payroll Software	16 th March 2020	7,945.00	7,945.00
TOTAL			56,071.38

14. STATIONERY – EPSON PRINTER INK

Purchase of Printer Ink for Epson All in One Printer - **\$3,903.75**

15. SHORT TERM CONTRACT SERVICES

The Secretary to the Board of Commissioners commenced her contract, on a part time basis on 10th February, 2020; and the Research Assistant commenced her contract on a part time basis on 20th February 2020. The Research Assistant contract ended on 29th July, 2020.

The total amount for short term contract services- **\$122,000.00**.

FAIR TRADING COMMISSION
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2020

16. PPE COVID-19 SUPPLIES

Purchase of PPE supplies (Lysol Disinfectant Spray, Clorox Disinfecting Wipes, Facemask and Hand Sanitizer) for the Commission's staff. - **\$848.65**

17. RECRUITMENT EXPENSES – PSYCHOMETRIC TESTING

Psychometric Testing for three (3) persons. Two (2) for the Senior Legal Counsel Position and One (1) person for the Investigator Position. - **\$3,375.00**

18. BANK CHARGES

The Commission incurred Bank Charges fees in the sum of- **\$618.50**

19. UNSPENT BALANCE

The Commission deposited its monthly subvention cheques, total value of **\$825,593.90** into its Bank account for the period January to September 2020. **\$314,857.62** of these funds were unutilised at the end of fiscal year 2020