



REPORT OF THE AUDITOR GENERAL OF THE REPUBLIC OF TRINIDAD AND TOBAGO ON THE FINANCIAL STATEMENTS OF THE REGULATED INDUSTRIES COMMISSION FOR THE YEAR ENDED DECEMBER 31, 2018

The accompanying Financial Statements of the Regulated Industries Commission for the year ended December 31, 2018 have been audited. The Statements comprise a Statement of Financial Position as at December 31, 2018, a Statement of Comprehensive Income, a Statement of Changes in Equity, a Statement of Cash Flows for the year ended December 31, 2018, and Notes to the Financial Statements numbered 1 to 13.


2. The audit was conducted by a firm of accountants appointed by the Board of the Commission with the written consent of the Auditor General. Their Report dated October 31, 2022, which is attached, refers.

SUBMISSION OF REPORT

3. 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 provisions of sections 116 and 119 of the Constitution of the Republic of Trinidad and Tobago.

**2ND FEBRUARY, 2023
PORT OF SPAIN**




**LORELLY PUJUDAS
AUDITOR GENERAL**

Regulated Industries Commission

Financial Statements

For the Year Ended December 31, 2018

Regulated Industries Commission

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REGULATED INDUSTRIES COMMISSION

STATEMENT OF MANAGEMENT'S RESPONSIBILITIES

Management is responsible for the following:

- Preparing and fairly presenting the accompanying financial statements of **Regulated Industries Commission** ("the Commission"), which comprise the statement of financial position as at **December 31, 2018**, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes comprising significant accounting policies and other explanatory information;
- Ensuring that the Commission keeps proper accounting records;
- Selecting appropriate accounting policies and applying them in a consistent manner;
- Implementing, monitoring and evaluating the system of internal control that assures security of the Commission's assets, detection/prevention of fraud and achievement of the operational efficiencies of the Commission;
- Ensuring that the system of internal control operated effectively during the reporting period;
- Producing reliable financial reporting that comply with laws and regulations and;
- Using reasonable and prudent judgment in the determination of estimates.

In preparing these audited financial statements, management utilized the International Financial Reporting Standards for Small and Medium Sized Entities, as issued by the International Accounting Standards Board and adopted by the Institute of Chartered Accountants of Trinidad and Tobago.

Nothing has come to the attention of management to indicate that the Commission will not remain a going concern for the next twelve months from the reporting date, or up to the date the accompanying financial statements have been authorized for issue, if later. Management affirms that it has carried out its responsibilities as outlined above.

Executive Director

DATE 31/10/2022

Chief Financial Officer

DATE Oct 31, 2022

Madan Ramnarine & Company Limited
Chartered Accountants

#6 Xavier Street Extension,
Chaguanas.

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**INDEPENDENT AUDITORS' REPORT TO THE COMMISSIONERS OF REGULATED
INDUSTRIES COMMISSION**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Regulated Industries Commission** ("the Commission") which comprise the statement of financial position as at **December 31, 2018**, the statement of comprehensive income, statement of changes in shareholders' equity, statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Commission as at December 31, 2018, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium-Sized Entities (IFRS for SMEs).

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Commission in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in the Republic of Trinidad and Tobago, and we have fulfilled our other ethical responsibilities in accordance with these requirements and with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and those Charged with Governance for the Financial Statements

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

In preparing the statements, management is responsible for assessing the Commission's ability to continue as a going concern, disclosing as applicable, matters relating 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.

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


Auditors' Responsibility for the Audit of the Financial Statements

Our 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could be reasonably expected to influence the economic decisions of users on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our 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.
- Obtain 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 Commission's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude 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 Commission's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Commission to cease to continue as a going concern.
- Evaluate 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.

We communicate 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 we identify during our audit.



MADAN RAMNARINE & COMPANY LIMITED
CHARTERED ACCOUNTANTS
CHAGUANAS, TRINIDAD
October 31, 2022.

**Regulated Industries Commission
Statement of Financial Position
As at December 31, 2018**

	Notes	2018 \$	2017 \$
ASSETS			
Current assets			
Cash and cash equivalents	2(h),4	14,083,606	8,155,570
Short term investments	2(i),5	5,005,000	0
Accounts receivable and prepayments	2(j),6	<u>7,131,536</u>	<u>17,120,281</u>
		<u>26,220,142</u>	<u>25,275,851</u>
Non-current assets			
Plant and equipment	2(c,d),3	<u>4,000,757</u>	<u>3,282,195</u>
TOTAL ASSETS		<u>30,220,899</u>	<u>28,558,046</u>
LIABILITIES & EQUITY			
Current liabilities			
Accounts payable and accruals	2(l),7	<u>1,487,398</u>	<u>2,567,497</u>
Retained earnings			
Retained earnings		<u>28,733,501</u>	<u>25,990,549</u>
Total equity		<u>28,733,501</u>	<u>25,990,549</u>
TOTAL LIABILITIES AND EQUITY		<u>30,220,899</u>	<u>28,558,046</u>

The accompanying notes form an integral part of these financial statements.

On October 31, 2022 the Board of Commissioners of the Regulated Industries Commission approved and authorised these financial statements for issue.



Chairman



Executive Director

**Regulated Industries Commission
Statement of Comprehensive Income
For the year ended December 31, 2018**

	Notes	2018 \$	2017 \$
INCOME			
Cess income		17,308,000	16,262,729
Other income	9	<u>162,810</u>	<u>192,279</u>
Total Income		<u>17,470,810</u>	<u>16,455,008</u>
EXPENSES			
Staff costs	10	8,803,202	8,579,670
Lease rental	11	1,939,210	2,326,800
Depreciation	3	914,843	391,086
Remuneration to board members		438,866	462,000
Professional & legal fees		411,135	362,421
Training		298,371	255,223
Loss on disposal of assets		258,101	2,074
Advertising		262,224	326,552
Security & janitorial services		201,727	194,037
Telephone		195,763	191,677
OOCUR		175,306	511,746
Catering		174,156	17,921
Relocation		118,316	--
Subscriptions		112,615	40,022
Motor vehicle maintenance		90,475	76,670
Office supplies		96,622	108,159
Insurance		83,078	85,358
Electricity	12	72,973	--
Repairs & maintenance		53,883	32,744
Charitable contributions		8,118	4,000
Bank charges		7,990	3,697
Computer maintenance		7,692	376,307
Mail & postage		1,767	1,274
Books & periodicals		1,425	975
Reserve adjustment		--	58
Bad debts		--	16,738
Loss on foreign exchange		--	400
Total Expenses		<u>14,727,858</u>	<u>14,367,609</u>
Total Comprehensive Income for the Year		<u>2,742,952</u>	<u>2,087,399</u>

The attached notes form an integral part of these financial statements.

Regulated Industries Commission
Statement of Changes in Equity
For the year ended December 31, 2018

	Note	Retained earnings \$	Accumulated fund Government Grant relating to P.U.C \$	Total \$
Year ended December 31, 2018				
Balance at January 1, 2018		25,990,549	--	25,990,549
Total comprehensive income for the year		<u>2,742,952</u>	--	<u>2,742,952</u>
Balance at December 31, 2018		<u>28,733,501</u>	--	<u>28,733,501</u>
Year ended December 31, 2017				
Balance at January 1, 2017		23,903,150	196	23,903,346
Total comprehensive income for the year		2,087,399	--	2,087,399
Depreciation in P.U.C assets	8	<u>--</u>	<u>(196)</u>	<u>(196)</u>
Balance at December 31, 2017		<u>25,990,549</u>	--	<u>25,990,549</u>

The attached notes form an integral part of these financial statements.

Regulated Industries Commission
Statement of Cash Flows
For the year ended December 31, 2018

	2018	2017
	\$	\$
Operating activities		
Total comprehensive income for the year	2,742,952	2,087,399
Adjustments to reconcile net income to net cash generated from operating activities:		
Depreciation	914,843	391,086
Reserve adjustment	--	58
Loss on disposal of assets	<u>258,101</u>	<u>2,074</u>
Operating income before working capital changes	3,915,896	2,480,617
(Decrease)/ increase in accounts payable and accruals	(1,080,099)	1,746,209
Decrease/(Increase) in accounts receivables and prepayments	<u>9,988,745</u>	<u>(1,510,148)</u>
Net cash flows generated from operating activities	<u>12,824,542</u>	<u>2,716,678</u>
Investing activities		
Acquisition of investment	(5,005,000)	--
Acquisition of fixed assets	(1,706,338)	(506,384)
Assets in transit	(200,238)	(1,539,262)
Proceeds from disposal of fixed assets	<u>15,070</u>	<u>158,795</u>
Net cash flows (used in) investing activities	<u>(6,896,506)</u>	<u>(1,886,851)</u>
Increase in cash and cash equivalents	5,928,036	829,827
Cash and cash equivalents at beginning of year	<u>8,155,570</u>	<u>7,325,743</u>
Cash and cash equivalents at end of year	<u>14,083,606</u>	<u>8,155,570</u>
<u>Represented By:</u>		
Cash in hand	5,155	2,067
Bank- USD current account	208,984	--
Bank – current account	5,082,470	1,222,792
Bank- money market fund account	<u>8,786,997</u>	<u>6,930,711</u>
	<u>14,083,606</u>	<u>8,155,570</u>

The attached notes form an integral part of these financial statements.

Regulated Industries Commission

Notes to the Financial Statements

December 31, 2018

1 Incorporation and business activities

The Commission was established by the Regulated Industries Commission (RIC) Act, Chapter 54:73 of the Laws of Trinidad and Tobago as the successor to the Public Utilities Commission (PUC) and began operations in June 2000. The RIC is currently situated at #88 Queen Street, Port of Spain. The purpose of the Commission is to regulate the activities of utility service providers according to the RIC Act.

The utility service providers are:

The Water and Sewerage Authority

The Trinidad and Tobago Electricity Commission

The Power Generation Company of Trinidad and Tobago Limited

Trinity Power Limited

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

a Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards for Small and Medium-Sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board and under the historical cost convention.

The preparation of financial statements in conformity with IFRS for SMEs requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the accounting period. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

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

b Functional and reporting currency

The financial statements are presented in Trinidad and Tobago dollars, the Commission's functional currency.

c Plant and equipment

Plant and equipment are stated at historical cost and are depreciated on the reducing balance basis, at rates estimated to write off the cost of each asset to its residual values over its estimated useful lives shown below. Leasehold improvements are depreciated over the life of the original lease on a straight line basis (two years in the relevant instance).

Motor vehicles	-	25%
Computers	-	25%
Office furniture	-	12.5%
Office equipment	-	12.5%

Regulated Industries Commission
Notes to the Financial Statements (continued)
December 31, 2018

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

Profits or losses on disposal/retirement of plant and equipment are determined by comparing proceeds with the carrying amount and are included in the statement of comprehensive income.

Plant and equipment are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use.

The Commission has adopted the policy of expensing assets that fall below the cost of \$1,000, even though that asset may have a useful life in excess of one (1) accounting period.

d Leases

Leases, where a significant portion of the risks and rewards of ownership are retained by the lessor, are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

e Revenue recognition

The Commission is funded by cess income which is obtained from utility service providers and is calculated based on a percentage of their regulated income. Revenue is recognized following publication of the cess order in the gazette.

f Foreign currency translation

Any gain or loss on foreign exchange is recognized in the statement of comprehensive income at the reporting date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of comprehensive income.

g Financial instruments

i) Financial assets

Financial assets comprise cash and cash equivalents at bank, short term investments, and accounts receivable. These are disclosed separately in the statement of financial position. Regular purchases and sales of financial assets are recognized on the trade date – the date on which the RIC commits to purchase or sell the asset.

Financial assets are classified either at amortized cost or at fair value through profit or loss.

Financial assets at cost or amortized cost comprise all financial assets defined above with the exception of investments. These are recognized at their transaction price. This price is a reasonable approximation to cost or amortized cost using the effective interest method as the impact of discounting and upfront transaction costs are immaterial.

Financial assets carried at fair value through profit or loss comprise investments. These are initially recognized at fair value and transaction costs are expensed in profit or loss.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the RIC has transferred substantially all risks and rewards of

Regulated Industries Commission
Notes to the Financial Statements (continued)
December 31, 2018

ownership. Financial assets at fair value are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the financial assets at fair value are presented in the statement of comprehensive income within net fair value gains or losses on financial assets in the period in which they arise.

ii) Impairment

The RIC assesses at each financial position date whether there is objective evidence that a financial asset or group of financial assets is impaired. If there is objective evidence (such as significant financial difficulty of the obligor, breach of contract, or it becomes probable that the debtor will enter bankruptcy) the asset is tested for impairment. The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (that is, the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced through use of an allowance account. The amount of the loss is recognized in the statement of comprehensive income.

iii) Accounts receivable

In relation to accounts receivables, a provision for impairment is made when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor) that the RIC will not be able to collect all of the amounts due under the original terms of the invoice. Impaired debts are derecognized when they are assessed as uncollectable. If in a subsequent period the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed, to the extent that the carrying value of the asset does not exceed its amortized cost at the reversal date. Any subsequent reversal of an impairment loss is recognized in the statement of comprehensive income.

iv) Financial liabilities

Financial liabilities include accounts payable and accruals and are stated at fair value and subsequently measured at amortized cost.

h Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost and comprise cash in hand, cash at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and funds held in money market funds.

i Short term investments

Short term investments are stated at fair value and include deposits held at call with brokers which have original maturity dates of 180 days or less. These funds have been set aside to meet specific short and medium term commitments, are readily convertible to cash and are subject to insignificant risk of changes in value. These items are stated at cost.

Short term investments in the amount of \$5,005,000 (2017: \$0) are in relation to deposits held with maturity dates of greater than 90 days.

Regulated Industries Commission
Notes to the Financial Statements (continued)
December 31, 2018

j Accounts receivable and prepayments

Trade receivables are carried at original invoice amount less provision made for impairment of these receivables. A provision for impairment of trade receivables is established when there is objective evidence that the Commission will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the assets' carrying amount and the recoverable amount. Provisions for impairment of receivables are included in the statement of comprehensive income.

k Annuities

The Commission has engaged the Royal Bank of Canada (RBC) for the purchase of the Royal Bank Employee Retirement Benefit Plan ("Group Future Cash Plan"). The Commission engaged RBC on December 24, 2012 which is the issuer of the Group Future Cash Plan to provide a deferred annuity to each employee upon retirement. Employees are required to contribute 5% of gross salary while the Commission contributes 10% of gross salary. Payments to the deferred annuity are expressed as they fall due.

l Accounts payable and accruals

Accounts payable are initially measured at fair value and are subsequently measured at amortized cost using the effective interest method, where the carrying value is adjusted by the computed interest rate for the period where applicable.

Provisions are recorded when the Commission has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

m Financial risk

For the purpose of these financial statements, financial assets comprise cash and cash equivalents and short term investments which include the money market fund, trustee pooled bond and certificates of deposit. All amounts are fixed with the application of simple interest on invested amounts. As at December 31, 2018 and 2017, the recorded values of all financial assets approximate their fair values and these financial instruments can be redeemed at any point in time. Financial assets also include accounts receivable.

n Tax exempt status

By virtue of the Regulated Industries Commission Act, Chapter 54:73, Section 31, the Commission is exempt from all stamp duties, customs duties, levies and other imposts on its income, profit or on assets which it acquires for its own use.

Regulated Industries Commission
Notes to the Financial Statements (continued)
December 31, 2018

	Motor vehicles	Computer and office equipment	Office furniture	Assets in transit	Assets in PUC	Leasehold improve- ments	Total
	\$	\$	\$	\$	\$	\$	\$
3 Property, plant and equipment							
<i>Year ended December 31, 2018</i>							
Opening net book value	557,595	885,016	300,322	1,539,262	-	-	3,282,195
Additions	-	149,825	21,198	200,238	-	1,535,315	1,906,576
Disposals	-	(186,092)	(87,079)	-	-	-	(273,171)
Transfer	-	1,516,762	22,500	(1,539,262)	-	-	-
Depreciation	(139,399)	(485,970)	(33,588)	-	-	(255,886)	(914,843)
Closing net book amount as at December 31, 2018	418,196	1,879,541	223,353	200,238	-	1,279,429	4,000,757
Cost	1,065,620	3,722,282	1,087,711	200,238	-	1,535,315	7,611,166
Accumulated depreciation	(647,424)	(1,842,741)	(864,358)	-	-	(255,886)	(3,610,409)
Net book amount as at December 31, 2018	418,196	1,879,541	223,353	200,238	-	1,279,429	4,000,757
<i>Year ended December 31, 2017</i>							
Opening net book value	684,899	787,065	316,566	-	228	-	1,788,758
Additions	198,500	282,384	25,500	1,539,262	-	-	2,045,646
Disposals	(160,919)	-	-	-	(204)	-	(161,123)
Depreciation	(164,885)	(184,433)	(41,744)	-	(24)	-	(391,086)
Closing net book amount as at December 31, 2017	557,595	885,016	300,322	1,539,262	-	-	3,282,195
Cost	1,065,620	3,855,952	1,279,615	1,539,262	6,441	-	7,746,890
Accumulated depreciation	(508,025)	(2,970,936)	(979,293)	-	(6,441)	-	(4,464,695)
Net book amount as at December 31, 2017	557,595	885,016	300,322	1,539,262	-	-	3,282,195

Regulated Industries Commission
Notes to the Financial Statements (continued)
December 31, 2018

4	Cash and cash equivalents	2018	2017
		\$	\$
	Bank – current account	5,082,470	1,222,792
	Republic Bank Ltd – money market fund	4,724,640	6,930,711
	Bank - investments	4,062,357	--
	Bank – USD current account	208,984	--
	Cash in hand	<u>5,155</u>	<u>2,067</u>
		<u>14,083,606</u>	<u>8,155,570</u>

The money market funds have been classified as a cash equivalent as all instruments are shorter than 90 days. Management uses the account for operational expenses. The interest rate at the year-end was 0.85% (2017:0.85%).

5	Short term investments	2018	2017
		\$	\$
	Bourse Securities	<u>5,005,000</u>	<u>--</u>
		<u>5,005,000</u>	<u>0</u>

The investment held with Bourse Securities is for a period of 180 days with an effective interest rate of 2.35%.

6	Accounts receivable and prepayments	2018	2017
		\$	\$
	Utilities (T&TEC)	5,635,506	16,286,963
	Value added tax recoverable	1,284,283	450,145
	Refundable deposit – 2018:Ceramic T'dad/2017: Furness (T'dad) Ltd.	113,475	154,700
	Accrued interest	52,460	--
	Insurance	29,386	36,970
	Contract services	7,155	13,253
	Digi Data & DAVYN – IT services	5,198	150,123
	IWA - subscriptions	2,202	6,995
	I H S Global - subscriptions	1,251	17,012
	TTPost – PO box rental	620	620
	Megabrite	<u>--</u>	<u>3,500</u>
		<u>7,131,536</u>	<u>17,120,281</u>

The amount receivable from T&TEC was received in 2019.

Regulated Industries Commission
Notes to the Financial Statements (continued)
December 31, 2018

7 Accounts payable and accruals

	2018	2017
	\$	\$
Other	632,670	683,316
Professional fees	286,265	336,240
Motor vehicle	200,238	--
Payroll – statutory deductions	181,263	161,019
Gratuity provision	153,000	70,290
OOCUR membership	33,962	33,897
Digidata – IT equipment	--	1,260,235
Office construction	--	22,500
	<u>1,487,398</u>	<u>2,567,497</u>

Other represents accounts payable to regular vendors mainly for telephone, stationery, advertising and fixed assets.

8 Accumulated Fund

a) Government grants

As stated in the Statement of Changes in Equity, this represents the balance in the government grants account with respect to the assets taken over from the former Public Utilities Commission. The government grant was accounted for in accordance with circular F 22/8/43 issued by the Ministry of Finance to all Government Institutions on July 23 1969. As at year end December 31, 2018 and 2017, there was a nil balance.

9 Other income

	2018	2017
	\$	\$
Interest from investments	123,913	192,279
Sponsorships	38,897	--
	<u>162,810</u>	<u>192,279</u>

10 Staff costs

	2018	2017
	\$	\$
Salaries & allowances	7,119,281	6,922,454
Pension expense	573,121	538,113
Employer's NIS	402,927	381,063
Allowances	278,214	192,797
Group health insurance	171,540	157,457
Contract gratuities	149,910	153,200
Group life insurance	105,427	101,668
Uniforms	2,782	16,626
Other	--	71,863
Staff functions	--	44,429
	<u>8,803,202</u>	<u>8,579,670</u>

Regulated Industries Commission
Notes to the Financial Statements (continued)
December 31, 2018

11 Operating leases

	2018	2017
	\$	\$
Less than one year	1,939,210	2,326,800
Between two and five years	5,500,008	5,500,008

During the year ended December 31 2018, \$1,939,210 (2017: \$2,326,800) was recognized as an expense in the statement of comprehensive income in respect of leases. The lease relates to rental of premises for the Commission's office as well as car park rental.

The RIC relocated its office to the Ceramic Building during the financial year 2018. The lease was for a period of 2 years.

12 Electricity

The Commission relocated to Ceramic Building during the financial year 2018. The lease with Trinidad Ceramic Limited did not include electricity, hence the Commission was responsible for its own billings.

13 Subsequent events

The Commission has evaluated all subsequent events from January 1, 2019 through to October 31, 2022, the date the financial statements were approved.

The RIC relocated its office to Amaranth Building during the 2021 financial year. The lease entered into was for a period of three years.

On February 19, 2021, the Service Provider Trinity Power, which is listed in the first schedule of the RIC Act was acquired by Contour Global and completed a name change to Contour Global Trinity Power Limited.

On October 05, 2022, the Commission approved the application by Cretaceous Bidco Limited to acquire 100% ownership of Contour Global plc, which is the parent company of Contour Global Trinity Power Limited.