



Report on the Management of the Seized Assets Fund

Proceeds of Crime Act, Chap. 11:27

For the Financial Year Ended September 30, 2022

Proceeds of Crime Act Chapter 11:27
Report on the Management of the Seized Assets Fund for the financial year ended
September 30, 2022

The Seized Assets Fund was established by Act No. 15 of 2014, which amended the Proceeds of Crime Act (POCA), Chapter 11:27 in PART III to provide for matters relating to the Fund.

Section 58 of the POCA states as follows:

“(1) There is hereby established a fund to be known as “the Seized Assets Fund” (hereinafter referred to as “the Fund”).

(2) The Minister with responsibility for finance shall disburse monies from the Fund to finance activities as advised by the Seized Assets Advisory Committee under section 58E.”

The Moneys of the Fund are set out in Section 58A of the POCA and are to be used for the purpose specified in Section 58 as follows:

“(1) The purpose of the Fund is to provide funds for

- (a) Community development;*
- (b) Drug abuse treatment;*
- (c) Rehabilitation projects;*
- (d) Law enforcement;*
- (e) Compensation under section 29; or*
- (f) Restoration of monies by the President under section 42.*

(2) The Minister may, by Order, in addition to the matters set out in subsection (1), determined that the funds of the Fund may be used for any other purpose.

(3) An Order under subsection (2) may be subject to negative resolution of Parliament.”

A Special Bank Account at the Central Bank of Trinidad and Tobago was opened to receive the moneys of the Seized Assets Fund in August 2017. The balance on the Fund as at September 30, 2022 stood at **\$4,267,538.61**.

The Permanent Secretary, Ministry of Finance has been appointed by the Minister of Finance as the Administering Officer of the Fund, with responsibility for all inflows into and disbursements from the Fund.

To date, no disbursements have been made from the Fund, pending its full operationalization. In this regard, in accordance with Section 58M, the Ministry of Finance begun the process of engaging key stakeholders for feedback on various aspects of the operations of the Seized Assets Fund in December 2021. Feedback was subsequently received from several stakeholders. Further, the Ministry of Finance, through the Office of the Attorney General, has partnered with the Law Reform Commission to assist with the drafting of policy to guide the Regulations. The stakeholder feedback received was provided to the Secretary of the Law Reform Commission to guide considerations and several consultation sessions were arranged by the Ministry for in-depth discussions on matters relating to the policy. The Secretary of the Commission has advised that the Policy Paper is near completion and expected to be finalised by February 2023.

It should be noted however, that in September 2020, the Comptroller of Accounts issued Interim Instructions to guide agencies on the procedures for depositing monies into the account at the Central Bank and for bringing to account those deposits in the books of the Treasury.

Under Section 58K, *“All accounts relating to the Seized Assets Fund shall be-*

(a) kept separately by the Comptroller of Accounts but shall be shown in the general accounts of Trinidad and Tobago and laid therewith before Parliament; and

(b) audited annually by the Auditor General in accordance with the Exchequer and Audit Act as if the Fund were established under section 43 of that Act.”

Consequently, the audited Financial Statements of the Seized Assets Fund Account for the year ended September 30, 2022 are hereby attached.



**REPUBLIC OF TRINIDAD AND TOBAGO
AUDITOR GENERAL'S DEPARTMENT**

**R E P O R T
O F T H E
A U D I T O R G E N E R A L**

**ON THE FINANCIAL STATEMENT OF THE
PROCEEDS OF CRIME ACT, CHAPTER 11:27
SEIZED ASSETS FUND ACCOUNT**

AS AT SEPTEMBER 30, 2022



REPORT OF THE AUDITOR GENERAL OF THE REPUBLIC OF TRINIDAD AND TOBAGO ON THE FINANCIAL STATEMENT OF THE PROCEEDS OF CRIME ACT, CHAPTER 11:27 SEIZED ASSETS FUND ACCOUNT AS AT SEPTEMBER 30, 2022

OPINION

The Financial Statement of the Proceeds of Crime Act (the Act), Chapter 11:27 Seized Assets Fund Account as at September 30, 2022 has been audited. The statement comprises a Statement of Declaration and Certification in respect of the Financial Statement of the Seized Assets Fund Account as at September 30, 2022 together with a Note and Background description.

2. In my opinion, the accompanying Financial Statement of the Proceeds of Crime Act (the Act), Chapter 11:27 Seized Assets Fund Account as at September 30, 2022 presents fairly, in all material respects, proceeds from moneys paid in accordance with section 58A of the Act.

BASIS FOR OPINION

3. The audit was conducted in accordance with the principles and concepts outlined in the 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 Statements section of this report. The Auditor General is independent of the Comptroller of Accounts and the Ministry of Finance 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

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

BASIS OF ACCOUNTING AND RESTRICTION ON DISTRIBUTION AND USE

4.2 The accompanying Statement of Declaration and Certification in respect of the Financial Statement of the Seized Asset Fund Account as at September 30, 2022 and the Background to the financial statement, which describes the authority of the Fund, have been prepared in accordance with the requirements of section 58K of the Proceeds of Crime Act. Section 58K (b) requires all accounts relating to the Seized Assets Fund to be audited annually by the Auditor General.

This statement for the financial year 2022 was submitted for audit on January 12, 2022.

4.3 Note number 1 to the Seized Assets Fund Account as at September 30, 2022 disclosed that the sum of \$49,278,413.84 which was deposited into the Seized Asset Fund Account at the Central Bank of Trinidad and Tobago in error by the Trinidad and Tobago Police Service was transferred out of this Account and kept in trust with the Comptroller of Accounts pending the outcome of investigation and/or the outcome of Court Case.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STATEMENTS OF DEPOSITS AND TRANSFERS

5. The Comptroller of Accounts is responsible for the preparation and fair presentation of the financial statement in accordance with section 58K (a) of the Proceeds of Crime Act, Chapter 11:27 and, for such internal control as management determines is necessary to enable the preparation of financial statement that are free from material misstatement, whether due to fraud or error.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

7. The Auditor General's responsibility is to express an opinion on the financial statements, in accordance with the Exchequer and Audit Act, Chapter 69:01 as if the Fund was established under section 43 of the Exchequer and Audit Act and section 58K (b) of the Act, based on the audit.

8. The Auditor General's objectives are to obtain reasonable assurance about whether the financial statement 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 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 the financial statement.

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

10. The Auditor General also:

- 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 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 Fund's internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluates the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statement 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

12. This Report is being submitted to the Comptroller of Accounts for onward transmission to the Minister of Finance for submission to Parliament in accordance with section 58L of the Proceeds of Crime Act, Chapter 11:27.

**January 30, 2023
PORT OF SPAIN**




**LORELLY PUJADAS
AUDITOR GENERAL**


STATEMENT OF DECLARATION AND CERTIFICATION


In accordance with Section 58L of the Proceeds of Crime Act, Chap 11:27, the Minister with responsibility for Finance shall within four months from the end of the financial year, submit to Parliament a report on the management of the Fund.

2. The following Financial Statements in respect of the Seized Asset Fund Account are submitted as follows:

- Financial Statement as at September 30, 2022

3. As Administrating Officer, I certify that the Financial Statements are a true representation of the balances in the Fund.


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Comptroller of Account
January 10, 2023


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Administrating Officer
Permanent Secretary
Ministry of Finance
January 10, 2023



**MINISTRY OF FINANCE
TREASURY DIVISION**

**PROCEEDS OF CRIME ACT CHAPTER 11:27
SEIZED ASSET FUND ACCOUNT
FINANCIAL STATEMENT
2022**

**Seized Asset Fund Account
Proceeds of Crime Act Chapter 11:27
Financial Statement as at
September 30, 2022**

Previous Year	Notes	Current Year
\$ ¢		\$ ¢
42,462,239.91 7,239,102.14 <hr/> 49,701,342.05	Opening Balance Seized Asset Account CBTT as at October 01, 2021 Add: Deposits to the Seized Asset Account CBTT for the period October 01, 2021 to September 30, 2022 Less: Funds transferred from the Seized Asset Fund Account CBTT for the period October 01, 2021 to September 30, 2022 Closing Balance Seized Asset Fund Account CBTT as at September 30, 2022 ADJUSTMENT Add: Cash Forfeited to be transferred to Seized Asset Account Less: Funds to be transferred from the Seized Asset Fund Account Funds held according to Treasury Records	49,701,342.05 3,844,610.40 <hr/> 53,545,952.45 -49,278,413.84 <hr/> 4,267,538.61 0.00 0.00 4,267,538.61 <hr/> <hr/>
3,270,373.28		4,267,538.61

Note 1	The sum of \$49,278,413.84 deposited into the Seized Asset Fund CBTT in error by the Trinidad and Tobago Police Service was transferred out of the Seized Asset Fund Account and kept in trust with the Comptroller of Accounts pending the outcome of investigation and/or the outcome of Court Cases.
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