

# Trinidad and Tobago Bureau of Standards (TTBS)

## Administrative Report

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2017-2018



**Theodore Reddock**  
TTBS | EXECUTIVE DIRECTOR (AG)

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TRINIDAD & TOBAGO  
BUREAU OF STANDARDS

THESE OFFICES  
& LABORATORIES AT  
MACOYA

WERE FORMALLY OPENED BY  
THE HONOURABLE  
GEORGE M. CHAMBERS  
PRIME MINISTER  
ON TUESDAY 8<sup>TH</sup> JULY 1986



# Executive Summary

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The Trinidad and Tobago Bureau of Standards (TTBS), is defined by its legislative mandate from the Standards Act (No. 18 of 1997) and the Metrology Act (No.18 of 2004). TTBS is the sole national body responsible for the preparation and adoption of Standards and the application of these, via Conformity Assessment procedures such as Inspection, Testing, Certification and Accreditation. These functions, along with Metrological services, fundamentally support the development of a National Quality Infrastructure (NQI).

A National Quality Infrastructure maximizes competitiveness, innovation, technology transfer and the capability of our firms to trade locally and internationally. In order for Trinidad and Tobago to achieve developed nation status, it must have an internationally recognizable quality infrastructure underpinning its socio-economic advancement.

To support the mandate of TTBS, in 2015 the Bureau embarked on a Strategic planning process to develop our next strategic plan for the planning cycle - 2016/17-2018/19. The project utilized a team approach, founded on the Execution Premium Process™ methodology that is based on the Balanced Scorecard approach.

The new TTBS' Vision -*"To be the essential provider of national quality solutions leading to a standards conscious society that is globally competitive"* and Mission-*"To champion the development and implementation of standards, measurement systems and conformity assessment services for the competitiveness and sustainability of Trinidad and Tobago"* now guides the strategic direction under the fulfilment of the Bureau's strategic focus of Global competitiveness, Standards conscious society and Sustainability. This strategic focus recognizes that Trinidad and Tobago has to improve its Global Competitiveness, so we are bringing attention to the importance of the development of a National Quality System which can improve the ease of doing business, market access and business productivity. In addition Trinidad and Tobago needs to progress its movement towards a more Standards conscious society that will support a sustainable and globally competitive Trinidad and Tobago and improve our standard of living. Finally TTBS will promote and support the use of standards-based product and services, as these should be used for safe and sustainable operations.

The TTBS Corporate map on appendix 5, captures the twenty-one (21) corporate objectives to be fulfilled in this strategic planning period. The Objectives are placed on a matrix of the strategic focus by the five (5) perspectives of the Balanced Scorecard-Mission/Stakeholder, Customer, Financial, Internal Process and Learning and Growth.

Organization-wide for 2017/18, TTBS achieved an overall average performance of above 70% of its *Strategic Objectives* relative to plan, (see heading Performance Objectives and Accomplishments).

This is the second year of this strategic planning period where TTBS sought to focus on working with key partners from government ministries, state agencies, regional and international partners and the business community along with independent consultants and assessors.

*Financially*, TTBS is in the process of completing the audited financial documents for FY 2017/18 and that report will be made available on completion, to all relevant interested parties.

Within the forthcoming year, a series of high profile projects and engagements are envisaged:

- National Quality Policy: Phase One Implementation;
- National Standardisation Strategy: Completion and formal approval;
- Revision of the Standards Act: Board reviewed, approved and submitted to the Minister of Trade & Industry;
- Development of standards to support the National Building Code;
- Enforcement of the relevant National Compulsory Standards for gasoline and diesel;
- Efficient utilisation of the TTBS Lab Services Capacity;
- Establishment of an Independent Accreditation Body;
- Fee Costing & Pricing review for TTBS products and services.

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Theodore Reddock

Executive Director (Ag)

Trinidad and Tobago Bureau of Standards

# Role and Function of TTBS

## Standards and Quality

Quality is a nebulous concept that refers simultaneously to the presence of desirable features that make a product or service more useful and the absence of flaws and defects that would reduce its usefulness.

An organization that is focused on quality promotes products and services that fulfil the needs and expectations of its customers, in addition to facilitating a culture that supports such quality products and services. TTBS recognizes the key organizational issues and challenges, but through the objectives outlined on the Corporate Strategic map a strategy has been put into place to realise the strategic focus of Global competitiveness, Standards conscious society and Sustainability.

The Trinidad and Tobago Bureau of Standards in the declaration of National Standards establishes the local benchmark for the product or service to be used. These standards are then a measure of the quality of that product or service in the national context.

In 1995 Trinidad and Tobago became a member of the World Trade Organisation (WTO), the governing body for globalised trade. In this environment traditional duties and tariffs have been superseded by non-tariff barriers which include standards in many cases. Under these arrangements standards and conformity assessment have become critical issues in trade both regionally and internationally.

## Roles

The Trinidad and Tobago Bureau of Standards is a body corporate established by the Standards Act (Act #38 of 1972). This Act was replaced by the Standards Act 18 of 1997. This Act gives TTBS three broad roles as:

- The National Standardisation Body
- The National Quality Certifying Body
- The National Laboratory Accreditation Body.

The National Quality Certifying Body may be further divided into:

- An Inspection Body
- A Testing Laboratory
- A Certification Body

These all represent conformity assessment entities which act to determine compliance or non-compliance with the required standards.

The standards Act is augmented by the Metrology Act which empowers TTBS to act in the three major manifestations of Metrology; Scientific, Industrial and Legal. These together make up the measurement system to support conformity assessment. This requires three related roles for TTBS as:

- The National (measurement) Standards Laboratory Body,
- The National Calibration Service
- The Legal Metrology Inspectorate

The management of issues related to the Agreement on Technical Barriers to Trade (TBT) of the World Trade Organisation (WTO) is another role of the TTBS imparted through the combined effects of Cabinet Note 553 of 1996 and the Trinidad and Tobago implementation Statement to the WTO in 1998. These require TTBS to function as:

- The National TBT Inquiry Point
- The TBT Management Unit
- Representative to regional Standards Body - CROSQ
- Representative to international Standards and Conformity Assessment Bodies

### **Functions**

These several roles create a large number of functions for TTBS which is reflective of the ubiquity of standards in general and the importance of conformity assessment in ensuring that the standards are effectively and efficiently applied to the benefit of the country and its people. Most of all these functions represent the greatly increased importance of Standards and Quality in the modern environment of Global Trade governed by the World Trade Organisation (WTO) specifically under the agreement on Technical Barriers to Trade. These functions include but are not limited to:

- Establishment, declaration, review and promotion of standards local, regional and international
- Institution of a National Quality System and the establishment, administration and operation of relevant schemes; of standardization and certification of goods
- Inspection of operations associated with the production of goods
- The examination of goods upon landing and any entries in respect to such goods (*Implementation Division*).



- Designation of test equipment for purposes of measuring, comparing and testing the characteristics of any goods or process
- Testing of Goods
- Certification of Goods
- Certification of Management Systems
- Accreditation of laboratories (*Laboratory Accreditation Unit*)
- Procurement and maintenance of National Measurement Standards
- Provision of Calibration Services
- Establishment and operation of the Legal Metrology Inspectorate
- Establishment and operation of the national TBT enquiry point
- Management of issues associated with TBTs.

### **Types of Activities and Services Provided**

The TTBS is not a government department, it is a Trade Related Institute. It is required to generate the majority of the income which it spends annually. As such these functions are manifest as activities and services that take different forms. They may be commercial offerings which are offered on the market, or cooperative activities with other state entities. Some provisions are mandatory and subject to legal enforcement and require payment of fees. The Bureau also enters into project activities with regional and international bodies.

### **Goods Services and Processes**

The Standards Act very specifically refers to the Bureau performing conformity assessment of goods. Practically however it is almost impossible to perform this function without consideration of services. Also, in consideration of goods and services the processes associated with the development, importation and application must be considered. As such the reach of standards and standardisation is unlimited and areas where the TTBS is restricted or has been inactive have tended to suffer for quality considerations. It is the intention to reach such areas through the application of National Quality System considerations and through cooperation with other entities which may have responsibilities in such areas.

# Vision, Mission, Positioning Statement and Strategic Objectives



**Vision:** To be the essential provider of national quality solutions leading to a standards conscious society that is globally competitive.

**Mission:** To champion the development and implementation of standards, measurement systems and conformity assessment services for the competitiveness and sustainability of Trinidad and Tobago

## Strategic Objectives

MS1 - Quality-Intelligent Businesses	IP3 - Market TTBS Quality Solutions
MS2 - A strong National Quality System	IP4 - Promote TTBS Mission & Vision and Quality Culture
MS3 - Key Partner in National Development	IP5 - Build Strategic Partnerships
F1 - Increase Financial Sustainability	IP6 - Manage internal customer relationships
F2 - Gain Strategic Funding	IP7 - Manage external customer relationships
C1 - Provide Quality Industry Solutions	IP8 - Manage strategic & operational risks
C2 - Strengthen National Quality System	LG1 - Become a learning organisation
C3 - Advise Public & Industry	LG2 - Develop Strategic Competence
C4 - Assure confidence in products and services used locally	LG3 - Acquire & manage strategic IT
IP1 - Deliver Responsive Services	LG 4 - Demonstrate TTBS Core Values
IP2 - Assure confidence in TTBS products & services	

# Organizational Structure-See APPENDIX 1

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# Corporate structure-departments, Divisions, Units

## Governance Structure

In accordance with the Standards Act, the Bureau shall consist of an Executive Director and between 9 and 15 persons appointed by the Minister to function as Members of the Board of TTBS. The composition of the Board must include a representative of the Ministry responsible for the administration of matters relating to industry and commerce (currently the Ministry of Trade and Industry) and a representative from the Ministry responsible for the administration of matters relating to food and drugs (currently the Ministry of Health). The Minister also appoints a Chairman and Vice- Chairman as board members. Members of the Board other than the Executive Director hold office upon the terms and conditions as the Minister may determine and for such period as prescribed in the instrument of appointment. For the period under review, the Board comprised the following members:

<b><u>Board of Directors</u></b>	
Lawford Dupres	Chairman
Dayle Connelly	Vice-Chairman
Renee Johncilla	Director
Gary Turpin	Director
Glenn Wilson	Director
Andre Ow Buland	Director
Maurice Moniquette	Director
Trudy Lewis	Director
Farz Khan	Director
Vishram Ramlakhan	Director

Meetings are required to be held once per month and have been so occurring. The members of the Board are assigned to four sub-committees which generally meet monthly in preparation for board meetings consistent with the principles of good corporate governance:

- **Tenders and Finance** – to, inter alia, monitor and make recommendations on financial policy matters, financial operations and performance, and management of the tendering process; comprised of not less than three (3) and not more than five (5) Directors of the Board, one of whom shall be the Convenor; the quorum for meetings of the TFC consist of two (2) members (one of whom has to be the convenor) if the Committee comprises of three (3) or four (4) members; and three (3) members (one of whom has to be the convenor) if the Committee comprises of five (5) members

- **Technical and Marketing** - to, inter alia, monitor and make recommendations on technical policy and business development issues. The TMC shall be comprised of not less than three (3) and not more than five (5) Directors of the Board, one of whom shall be the Convenor; the quorum for meetings consists of two (2) members (one of whom shall be the Convenor) if the Committee comprises of three (3) or four (4) members; and three (3) members (one of whom shall be the Convenor) if the Committee comprises of five (5) members
- **Human Resources** - to, inter alia, monitor and make recommendations on human resource policy matters, including Industrial Relations, employee morale, conduct and performance issues; comprised of not less than three (3) and not more than five (5) Directors of the Board, one of whom shall be the Convenor; the quorum for meetings of the HRC shall consist of two (2) members (one of whom has to be the convenor) if the Committee comprises of three (3) or four (4) members; and three (3) members (one of whom has to be the convenor) if the Committee comprises of five (5) members.
- **Audit** - to, inter alia, monitor and make recommendations on matters regarding the internal control and integrity of the Bureau's operations, financial and risk management matters; comprised of three (3) members of the Board, one of whom should be the Convenor and who must have a sufficient background in Finance or Accounting; a quorum is comprised of the Convenor and any other member.

## Management Structure

The Organizational structure (Appendix 1) depicts the current structural configuration of how work is divided, coordinated and controlled at the various functions and levels. The philosophy of design of the organizational structure is predicated upon the Bureau's products and services.

There are six Technical Divisions/ Strategic Business Units (SBU).

- Standards Development
- Implementation – Inspection Services
- Laboratory Testing Services
- Certification Services
- Laboratory Accreditation Services
- Metrological Services

There are eleven Support Units (SU) that represent the shared services of the Bureau.

- Standards Information Services

- Finance
- Human Resources Management (HR)
- Legal
- Corporate Services
- Information Technology (IT)
- Quality
- Marketing
- Health and Safety
- Projects
- Trade

The functional area managers of these 17 Departments report directly to the Executive Director and are assisted by four functional areas. The first two report directly to the Executive Director whilst the third and fourth is a function within the Accounting Unit and Implementation Division respectively. The Trade function represents TTBS in Trade related matters including WTO agreements and Goods Regulatory Practice and provides advisory and support services. The Project Management function manages the Public Sector Investment Programme (PSIP). Additionally, there is a procurement function within the Accounting Unit responsible for purchasing and supplier evaluations and an AIMS unit operating out of the Implementation Division responsible for supporting MTI in the implementation of its national strategy for a Single Electronic Window for trade facilitation and market access.

A Leadership Team (LT) consists of Managers of the Technical Divisions and Finance, HR, Quality, Projects, Trade, SIC and IT. The LT function exists to assist the Executive Director with strategic and operational decision making, aiding in faster dissemination of information, facilitating greater decentralization of authority, responsibility and accountability for faster market response, strategic focus as well as succession planning.

Previous to this period under review, Cabinet approved a Management structure for the introduction of new positions that are necessary for executing the strategic intent of the organization such as Deputy Executive Director, Business Development Manager, and Internal Auditor and revision of existing positions to make them more contemporary.



# Services / Products provided and ‘Special Products’ Products and Services provided

## STANDARDS DEVELOPMENT & INFORMATION

This Division exists for the development of standard through national stakeholder inputs along with the issue of Trinidad and Tobago Standards. The process of developing national standards involves technical and market research, drafting, and seeking consensus from a wide cross-section of national stakeholder’s national standards include specifications, codes of practices and test methods. These documents also form the basis of the monitoring, testing and certification activities of the Bureau.

In the year of this report that Division developed the following standards , Sodium Hypochlorite Solution (Liquid Chlorine Bleach) - Compulsory Requirements, Good Manufacturing Practices (GMP) for the Food Industry – Requirements, Tour Guiding Services - Requirements (1st Revision), High Density Polyethylene Garbage Bags – Specification and Sites and Attractions - Part 1: General Requirements.

TTBS is a participating member of ISO (International Organization for Standardization) which means that TTBS and by extension Trinidad and Tobago has voting rights in the development of international standards. TTBS also maintains Affiliate Country status on the International Electro-technical Commission (IEC) which develops electrical standards. Additionally, TTBS is a member of the regional and sub-regional standards development bodies, viz. the Pan American Standards Commission (COPANT) and the CARICOM Regional Organization for Standards and Quality (CROSQ). TTBS is also a member of the COPANT Board of Directors. Appendix 4 shows the relationship between TTBS and ISO along with the other International and Regional stakeholders.

The **Standards Information Centre** facilitates easy access to standards information, thus improving the capabilities of local manufacturers to compete internationally. This centre has since become the major agency in the country for identifying, collecting and disseminating information on standards, technical regulations, and conformity assessment best practices. The Centre operates on a semi-commercial basis and is also the focal point for enquiries regarding the World Trade Organization (WTO) Technical Barriers to Trade Agreement. Please view the TTBS website for more information on the standards database and to register for TBT updates on regulations in the export market, with the WTO email alert service **e-Ping**- <https://gottbs.com/>



# CONFORMITY ASSESSMENT

Assuring that products, services, materials, processes, systems, and personnel measure up to standards is essential for the efficient functioning of economies, international trade and the sustainable use of the world's resources. These can be accomplished via conformity assessment procedures. Conformity Assessment consists of any one of, some of, or all of the following: inspection, sample testing, process evaluation, management system certification (1st, 2nd, and 3rd party registration), personnel certification, product certification. Please view the TTBS website for more information on inspection, testing and certification services- <https://gottbs.com/>

## Implementation – Inspection services

The **Implementation Division** is responsible for enforcing the compliance of locally manufactured and imported goods to notional compulsory standards and technical regulations via inspections and selected testing. The Standards Act, Act No. 18 of 1997, mandates that the Bureau provide specific services, including the enforcement of national compulsory standards/technical regulations and the monitoring of practices, processes, and services that affect the health and safety of the consumer or adversely affect the environment.

The Division inspects goods at Ports of entry, importers' warehouses, and retail outlets throughout Trinidad and Tobago. Surveys of products offered for sale are also conducted. At present, the following categories of goods are inspected against national compulsory standards to determine compliance:

- Automotive Products
- Electrical Products
- Textiles Products and Footwear
- Pre-packaged goods
- Construction goods

## Laboratory Testing Services

The **Laboratory Services Division** of the Trinidad and Tobago Bureau of Standards provides testing services to the manufacturing, commercial and public sectors in the country. It is accredited to the ISO 17025 standard by the United Kingdom Accreditation Service (UKAS) and provides services through four laboratories: Chemical Products; Electrical Products; Fibre Products; Material Products. The labs provide testing in the areas of:

- Environmental microbiology and toxicology
- Biodegradability
- Water Effluent Analysis
- Destructive Mechanical Testing
- Corrosion and coatings testing
- Electrical Safety of appliances, cables, electric gloves
- Performance of personal protective equipment
- Textile and garment analysis and Specification design
- Chemical tests on Liquid Chlorine bleach and detergents
- Mechanical tests on metals, alloys and metal products
- Mechanical tests on Weldments

Other services provided include advice in various related areas, method development, training in analytical techniques and making recommendations with respect to equipment selection and test methods. All tests are conducted in accordance with national, regional and international standards.

## Certification Services

The **Certification Division** of TTBS is an independent assessor of management systems, products and services. The overall aim of certification is to give confidence to all interested parties that specified requirements have been fulfilled. These requirements are usually stated in national, regional and / or international standards but can be stated in other normative texts as well. Certification activities involve an audit of the system or service, and where products are being certified, it also involves testing, inspection and surveillance programs. Conformity with the standard is attested to by TTBS via a certificate & marks of conformity which are issued to the certified organization, where products have been certified, these marks can be placed on the product or its packaging.

The following certification schemes are currently being offered:

### 1. Management Systems (Voluntary)

1.1. ISO 9001:2015 - Quality management systems -- Requirements

1.2. ISO 14001: 2015 - Environmental management systems -- Requirements with guidance for use

### 2. Products (Voluntary)

2.1. TTS 58:2010 - Sodium hypochlorite solutions (Liquid chlorine bleaches) – Specification (3rd Revision)

2.2. TTS 598:2012-COLD FORMED STEEL FRAMING MEMBERS FOR STRUCTURAL APPLICATIONS

3. Products (Compulsory)

3.1. TTS 477: 2013 – Safety Matches – Specification

3.2 TTS 69:2012-Steel Sheets - Zinc and Aluminium-Zinc Alloy Coated - Profiled for Roofing and General Purposes - Specification (1st Revision)

4. Trinidad and Tobago Tourism Industry Certification Programme (TTIC)

4.1. TTS 22 Part 1:2012 - Requirements for Tourist Accommodation – Part1: Hotels and Guesthouses

4.2. TTS 22 Part 2:2014- Requirements for Tourist Accommodation- Part 2: Bed and Breakfast AND Self Catering Facilities

4.3. TTS 580:2009 Tour Operators Specification

4.4. TTS 579:2018 Tour Guides Specification

4.5. TTS 296:2008 Tourist Land Transport Service Providers

4.6. TTS 540:1998 Requirements for Motor vehicle Short Term Rental Operations

## Laboratory Accreditation Service

The Trinidad and Tobago Laboratory Accreditation Service (TTLABS), operated by the **Laboratory Accreditation Unit** operates as the sole national laboratory accrediting body for testing and calibration laboratories. Administration of the Service utilizes good management practices drawn from the *ISO/IEC 17011<sup>1</sup> standard – General requirements for accreditation bodies accrediting conformity assessment bodies.*

The Laboratory Accreditation Unit offers voluntary assessment and accreditation to laboratories in accordance with the following International standards:

*ISO/IEC 17025 – General requirements for the competence of testing and calibration laboratories*

*ISO 15189 – Medical Laboratories – Particular requirements for quality and competence*

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<sup>1</sup> International Organization for Standardization/International Electrotechnical Commission

# Metrological services

Metrology is the science of measurement and the application of measurement, which fosters increased efficiency by providing an objective basis for decision making.

The **Metrology Division** is organized into three (3) areas: Scientific Metrology, Industrial Metrology, and Legal Metrology. Please view the TTBS website for more information on services of the Metrology Division at <https://gottbs.com/>

**Scientific Metrology** – Conducted through the Standards Laboratory Unit with responsibility for the maintenance of National Measurement Standards. Research and development of measurement systems and dissemination of traceability of National Measurement Standards from the SI to all measurements of significance conducted locally.

**Industrial Metrology** – Conducted through the Calibration Services Unit (CSU) with responsibility for the dissemination of traceability through the National Standards and other equivalent measurement standards by the conduct of calibration of measuring instruments. The CSU provides calibrations in the following areas:

- Mass – weights and weighing devices
- Temperature
- Dimension
- Pressure
- Torque
- Humidity
- Time and Frequency
- Volume and Density
- Electrical

**Legal Metrology** – *Conducted* through the Legal Metrology Inspectorate (LMI), with responsibility for ensuring that transactional measurement is accurate, fair and legal. The LMI is responsible for verifying measuring devices to be used in trade and to establish compliance with the requirements of the Metrology Act No. 18 of 2004. Devices such as weighing devices, fuel dispensers, length devices and pattern approval can be verified by the LMI. The list of verified devices and the requisite locations can be viewed on the TTBS website, along with a sample of the LMI verification sticker signifying the status of verification; as below.



*Verification 'Passed' sticker*

The Metrology Act No. 18 of 2004 was proclaimed on May 1<sup>st</sup>, 2015. TTBS is now positioned to be the custodian of the National Standards for Trinidad and Tobago and the Legal Metrology Inspectorate can now enforce the Act.

## CENTRALIZED SERVICES

The Trinidad and Tobago Bureau of Standards has a suite of centralized services that are shared by each Division/ Unit within the Bureau. These Support Units (SU's) are as follows:

### Finance

This Unit is responsible for all accounting matters: Accounts Payable, Accounts Receivable, Payroll and reporting to the Government. It is also responsible for Purchasing, supplier evaluation and storage of stationery and materials.

### Human Resources Management and Labour Relations (HR)

This Unit handles all matters related to recruitment and staffing at TTBS

### Legal

This Unit is responsible for the execution of the statutory mandate of TTBS in accordance with the Standard Act Chapter. 82:03.

### Corporate Services

This unit includes a Printery and is responsible for printing, Registry, Maintenance, Housekeeping and Security

### Information Technology (IT)

This Unit is responsible for computers, computer networks, internet access, photocopiers, and telephone and fax services at TTBS.



## Quality Control

This Unit is responsible for the implementation, maintenance and continual improvement of a Quality Management System which meets ISO 9001 requirements.

## Marketing

This Unit is responsible for promoting TTBS and its activities to target markets and the public.

## Health and Safety

The Health Safety & Environment Unit is responsible for advising management on the planning and risk management of all Occupational Health Safety & Environment impacts in the Organization.

## Projects

The Project Management function is responsible for the development of the Project Management System in TTBS in addition to training and reporting to TTBS and other stakeholders on the organization's portfolio of projects and programmes under the Public Sector Investment Programme (PSIP).

## Trade

The Trade function is responsible for developing and coordinating positions, building awareness of and representing TTBS and other stakeholders in Trade related matters including WTO Agreements, Goods Regulatory Practice and other Trade Related Matters.

# Delegated Levels of Authority

## Trinidad and Tobago Bureau Of Standards

### Purchasing Authorities

CATEGORY	LIMITS
Ministry of Finance	\$5,000,000 +
Board of Management	\$500,001-5,000,000
Tenders and Finance Committee	\$250,001-500,000.
Management Tenders Committee	\$75,001-\$250,000.
Executive Director	\$75,000

#### **Heads of Division**

Head -Implementation Division	\$30,000.
Head - Certification Division	\$30,000
Head -Laboratory Services Division	\$30,000
Head -Standardisation Division	\$30,000
Head - Metrology Division	\$30,000

#### **Heads of Units**

Financial Comptroller	\$30,000
Human resource Development Officer	\$15,000
Legal Officer	\$15,000
Librarian	\$15,000
Manager, Lab Accreditation Service	\$15,000
Marketing Officer	\$15,000
Secretary	\$15,000
Systems Analyst	\$15,000
Quality Manager	\$15,000
Health Safety and Environmental Officer	\$15,000
Administrative Officer II	\$10,000

## Legislative and Regulatory Framework

The TTBS is given the legislative and regulatory framework from the two Acts that govern the organization.

- The Standards Act No. 18 1997, Standards Regulations 2007
- The Metrology Act No.18 of 2004 (Not yet proclaimed)
- CROSQ Act 2005
- Cabinet Minute 553 of 1996 is the document through which the Government of Trinidad and Tobago designated the responsibility for the WTO TBT Agreement to TTBS to be the implementation body and the National Enquiry Point.

## Reporting Functions – Departmental Reports: Reports to Ministries, President/ Parliament

### Standardization

Reports to TTBS Executive Management: Performance and operations

Reports to Ministry of Trade and Industry:

PSIP 212 Project – Providing reliability to quality Infrastructure – Component IV: Capacity building for the development and implementation of standards and technical regulations

Summary of performance based on the TTBS Strategic Plan and Balanced Scorecard

Recommendations on voting positions on draft regional standards which are submitted for approval by COTED (Council for Trade and Economic Development)

Recommendation on approval of draft CROSQ Operating Budget by COTED

Reports to CROSQ:

CROSQ Member State report (bi-annual report on the major activities and achievements of TTBS)

CROSQ Member States Standards Development Report on Standards Development Activities (bi-annual report)

Reports to ASTM International:

Annual report on the Standardization activities of TTBS

Reports to WTO:

Annual Standards Work Programme

## Certification

Reports to TDC: Trinidad and Tobago Tourism Industry Certification Programme (TTIC)

Reports to Ministries: MTI on PSIP 212 Project – Providing reliability to quality Infrastructure – ISO 17021 Accreditation.

Reports to President: None

Parliament: None

## Trinidad and Tobago Laboratory Accreditation Service

Reports to TTBS Executive Management: Performance and operations

Reports to Ministry of Trade and Industry:

MTI on PSIP 212 Project – Providing reliability to quality Infrastructure – National laboratory accreditation scheme.

Reports to Ministry of Health: Proficiency testing performance of public sector specifically and private sector in general

Reports to CROSQ: Performance and development of Trinidad and Tobago laboratory accreditation scheme

Inter-American Accreditation Cooperation (IAAC): Performance and development of Trinidad and Tobago laboratory accreditation scheme for international recognition

International Laboratory Accreditation Cooperation (ILAC): Performance and development of Trinidad and Tobago laboratory accreditation scheme for international recognition

## Metrology

Departmental Reports: Project function on PSIP

Reports to Ministries: MTI on PSIP 216 Project – Implementation of the Metrology Act,

Reports to President: None

Parliament: None

## Quality

Reports to Ministries: MTI on TTBS Summary of Performance

Reports to Parliament: Parliamentary (Administrative reports)

## HR

Reports to Ministries: Various organisational requested information to the Ministry of Trade and Industry

Chief Personnel Officer: various updates concerning staffing, and collective agreement implementation

Reports to President: None

Parliament: None

# Policies and Development Initiatives

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## Short Medium and Long term Plans

### Metrology Division

#### **Short Term**

Meet with stakeholders in accordance with the implementation plan

Roll out the plan in phases sector by sector

#### **Medium Term**

Expansion of scope and new scope measurement area under accreditation in accordance with plan

#### **Long term**

Full implementation of the Act

## Performance Objectives and Accomplishments

This section will highlight TTBS achievements relative to the planned targets of the PMS. Performance will be discussed by departments. For each department, the following will be described: Overall Performance, Significant Achievements and *Opportunities for Development* FY 17/18 and Way Forward FY 18/19 (*which represents the strategic intent for the next year FY18/19*).

### **2017/18 Achievements**

The Performance Management System (PMS) and Performance Incentive System (PIS) which were implemented in 2006/07 as two separate and distinct elements of an overall performance framework, have, over the years become inherently perceived by staff as being linked. This year however the Strategic Planning process though completed has not been approved by the TTBS Board of Directors. A presentation of the Strategic plan and planning process was delivered by the members of the LT to the BOD so that all questions could be answered. The PMS performance for 2017/18 shows an increase in performance in this current year and a graphical representation of Organizational Performance is shown in appendix 7. This may be attributed to a number of distinct but related factors with respect to strategy, systems, culture, structure, and staffing.



# Strategic Business Units

## Standardization Division

The overall actual audited result relative to the plan for 17/18 was 98 %.

### Significant Achievements

- The development of standards to support National Quality System (NQS) for toilet tissue, paint, gasoline, GMP, tour guides, LPG
  - TTS 645:2018, High density polyethylene garbage bags - Specification
  - TTS 642:2018, Good manufacturing practices for the food industry – Requirements
  - TTCS 1:2018, Sodium hypochlorite solution (Liquid chlorine bleach) – Compulsory requirements
  - TTS 58:2018, Liquid chlorine bleach (Sodium hypochlorite solution) – Specification (4th Revision)
  - TTS 579:2018, Tour guiding services – Requirements (1st Revision)
- The development of a system for determining the CA solution for proposed standards before committing resources
  - The Standardization Division separated the procedures for the development of voluntary and compulsory standards. A new system was created for the development of compulsory standards which included a new flowcharted procedure for improved compliance to the WTO Technical Barriers to Trade (TBT) Agreement and in alignment with Good Regulatory Practices. This procedure includes the development of a compulsory standard that is formatted as a conformity assessment document (including clauses pertaining to requirements and compliance) with the establishment of an internal Advisory Committee to develop the draft requirements of the compulsory standard and a Public Comment period where stakeholders are consulted for feedback on the standard. The key change is that the compulsory standard which is effectively a technical regulation, will be prepared based on consultation with the industry stakeholders. The first standard that was pilot tested during this period was the national standard TTCS 1: 2018, Sodium hypochlorite solution (Liquid chlorine bleach) - Compulsory requirement.
- Building partnerships with regional and international organizations (NFP/ICC)
  - As part of the national commitment to adopt regional standards, TTBS forged a strategic partnership with the International Code Council (ICC) for the national adoption of the CARICOM Regional Energy Efficiency Building Code which is based on the International Energy Conservation Code (2018 Version). The International Code Council is the largest international association of building safety professionals. The Code Council is the

trusted source of model codes and standards that establish the baseline for building safety globally and create a level playing field for builders and manufacturers. TTBS also actively participated in the development of the CARICOM Regional Energy Efficiency Building Code.

- In addition, TTBS also actively participated in the development of regional Energy Efficiency Labelling Standards which were initiated by the CARICOM Regional Organisation for Standards and Quality. TTBS was nominated as the Vice Chair of the Regional Project Team which was responsible for the development of the three regional standards for CFLs and LEDs, Air Conditioners and Refrigerating Units respectively.
  
- Collaborations with national development organizations (MOT/GEI)
  - The Standardization Division had a strategic engagement with YTEPP to promote the benefits of standards, the services of TTBS and also the National Standard for Driveway Gates. YTEPP plays a key role in facilitating training fabricators who assemble different building components including gates. The need for this National Standard for Driveway Gates arose due to number of fatalities due to accidents involving gates.
  - In addition, the Standardization Division participated in the development of the CARICOM Regional Energy Efficiency Building Code which was initiated by the CARICOM Regional Organisation for Standards and Quality. A Focus Group meeting was held to obtain national feedback on this regional code. Key Ministries and agencies actively participated in this session in November 2017 including the Ministry of Housing and Urban Development, Ministry of Trade and Industry, the Water and Sewerage Authority and Government Electrical Inspectorate (GEI).
  
- Development of the National Standardization Strategy –

The Standardization Division spearheaded the drafting of the National Standardization Strategy which included the engagement of various stakeholders across multiple sectors to ascertain their standardization needs and the ranking of these needs using a methodology from the International Organization for Standardization (ISO). This process also utilized data pertaining to GDP, import/export statistics, government policy directives and emerging national trends/initiatives to rank the standards requests.
  
- A knowledge management system was created within the Standardization Division to store electronic files of all records required under the ISO 9001:2015 certification programme.
  
- The Standardization Division optimized the use of existing software to provide view-only access to copyrighted national, regional and international standards to committee members during the

standards development process. This replaced the need for the printing of hard copies to be issued to committee members and subsequent retrieval at the end of the process.

- Staff development –
  - Competencies for members of staff of the Standardization Division were identified with the aim of developing a personal development plan for each Member of staff to indicate the training and skillsets that are required to ensure that all staff is competent (under the ISO 9001:2015 certification programme).
- **Stakeholder engagement sessions**
  - A Stakeholder Awareness Session was held on 18th July 2018 to assist in the finalization of the National Standardization Strategy for 2019-2022.
  - TTBS in collaboration with ASTM International hosted the ASTM Roadshow on 6th June 2018 to promote national and international standards for the construction industry. Some of the key topics included:
    - Standards to Support Sustainable Construction
    - Overview of U.S. based International Codes Adoption and Enforcement
    - State of Codes and Standards in Trinidad and Tobago
    - Why Buildings Matter?
  - A Stakeholder Consultation, in collaboration with FashionTT was held for the Fashion Industry in April 2018, aimed at identifying and prioritizing the development of practical and implementable standards for the local Fashion Industry.

#### Opportunities for Development

- Progress of a mechanism for a costing model template to our national standards process

#### Way forward – FY 18/19

- Development of a National Standardization Strategy (NSS) action plan 2018/19
- Promote the work of TC 309 on International Governance Standards
- Sign one MOU with UL and one License Agreement with Standards Australia

## Implementation Division

The overall actual audited result relative to the plan for 17/18 was %

### Significant Achievements

- ISO/IEC 17020 Accreditation

The Implementation Division achieved the ISO/IEC 17020:2012 accreditation in September 2017.

The scope of this accreditation is for three areas 1) Carbon steel bars; 2) Refrigerant gas containers; 3) Used passenger tyres (large shipments) (see table below)

Inspection Activity	Field of Inspection	Type and Range of Inspection	Procedures/Standard/ Specification	Measuring Equipment
<b>1. Inspection of Carbon Steel Bars</b>	Construction	Physical examination of carbon steel bars. Chemical and Physical Testing of Carbon Steel Bars Samples.	IMP- CG -001 Procedure for Inspection of Carbon Steel Bars.  TTS/ASTM A615M: 2010 – Standard Specification for Deformed and Plain Carbon Steel Bars for Concrete Reinforcement	N/A
<b>2. Inspection of Refrigerant Gas Containers</b>	Refrigerants	Physical examination and Label Assessment of Refrigerant Containers.	IMP-PPG-004 Procedure for Inspection of Refrigerant Containers.  TTS 76: Part 20: 2015 – Requirements for Labelling – Part 20: Labelling of Refrigerant Containers	N/A
<b>3. Inspection of Used Passenger Tyres (Large Shipments)</b>	Automotive	Label Assessment of Passenger Tyres. Physical Examination of Specific Areas of the tyre for Defects. Tyre Tread Depth Test.	IMP- AUTO -001 Procedure for Inspection of Used Passenger Tyres.  TTS 266: 2002 Pneumatic Tyres for Passenger Cars – Specification.	Tread depth gauge

The immediate benefits garnered from this accreditation to ISO 17020 were improved overall efficiency, productivity and effectiveness of the Inspection Body's operations, improved levels of staff motivation, workmanship, competence, and quality awareness, increased confidence in inspection data and of personnel performing work, savings in terms of time and money due to reduction or elimination of

wastage, better controls for maintenance of equipment, preservation of inspection records, data security, etc, greater control of processes and activities throughout the Inspection Body and global recognition and credibility.

In terms of milestones, the utilisation of a documented procedure for calibration of equipment, i.e. facilities checklist, which included safety and environmental requirements for inspections to take place assisted the inspectors greatly. Detailed work instructions were written, and all inspection activities were assessed in order to identify and mitigate against any risks to impartiality, independence, and confidentiality.

As part of the accreditation, documented management review sessions were held which encouraged a healthy system of continuous improvement and the streamlining of processes.

Also around the period 17/18, there were initial discussions with MTI on the utilisation of the Mobile App and in the expansion of the TTBizLink platform to include online payments.

In addition, the Implementation Division has been able to successfully maintain the accreditation since 2017. Also the Division had attained a contract to assess an Independent Inspection Body based on the Division's experience, knowledge and skill in ISO/IEC 17020 which was used to prepare the Inspection Body for their external assessment by their Accreditation Body. The Division held a Stakeholder Awareness Session in June 2018 – "Competence of Inspection Bodies: Making Trinidad and Tobago Safer in collaboration" with another Inspection Body on the importance and benefits of accreditation. This awareness session was one of a number of activities hosted by the TTBS (Implementation Division) leading up to the National Quality and Accreditation Conference in September 2018.

#### Opportunities for Development

- Progress of a mechanism for a costing model template to our national standards process

#### Way forward – FY 18/19

- Support NQP Implementation
- Support WTO-TBT and TF Compliance

## Laboratory Services Division

The overall actual audited result relative to the plan for 17/18 was 54 %.

### Significant Achievements

- Revenue from existing products and services
  - Work done for the TTBS is not counted in LSD revenue sources. All the testing revenue associated with inspection and product certification programmes is allocated to the Implementation and Certification Division respectively. LSD revenue is only accrued from work done for commercial clients. In the case of 17-18, the majority of this income was accrued from testing of weld specimens, testing of environmental water and testing of PPE.
- Manage HSE Risks in Service Delivery
  - This was accomplished by training staff in HSE risk identification and assessment, developing a risk register for the department with a prioritized listing of risk, developing mitigation plans and implementing those plans for prioritized risks.
- Acquire and Manage strategic IT
  - The Division would have acquired the Q-Pulse software. The division had to develop software specifications, submit request for proposals, evaluate tenders and eventually procure the software. Then the software had to be integrated with our system so as to not lose data and staff had to be trained in the use of the software.

### Opportunities for Development

- Plan , Implement, monitor and correct transition to new standard
- Increase communication with customers as to what they want, expect and how may add value.

### Way forward – FY 18/19

- Support the Revision of the Standards Act; Support NQP Activities

## Certification Division

The overall actual audited result relative to the plan for 17/18 was 84 %.

### Significant Achievements

- The ISO 9001 Certification Programme for Quality Management Systems and ISO 14001 Certification Programme for Environmental Management Systems were maintained.
  - The ISO 9001 and ISO 14001 international standards were revised in 2015 and consequently all certified organization were required to transition to the new versions of the standard by Sep 2018. TTBS continued to manage the transition activities and ensured that all certification clients understood the transition requirements and undertook transition audits by the deadline.
- Mandatory certification and licensing programmes

- Roofing sheets and safety matches – these programmes were maintained
- Clay Blocks – A roll out plan was created and stakeholder meeting were held with the manufacturers to discuss the proposed enforcement programme.
- Advancement in discussions towards restarting the Trinidad and Tobago Tourism Industry Certification Programme (TTTIC) on the island of Tobago.
  - TTBS engaged in discussions with the Tobago Tourism Agency Limited (TTAL) to restart the TTTIC programme. This resulted in an SLA being signed between the both organizations at the beginning of the next financial year on 2018-10-16
- Building Strategic Partnerships - Trinidad and Tobago Tourism Regulatory and Licensing Authority –
  - TTBS provided feedback to the Ministry of Tourism on the (i) Interim legislative and Regulatory Diagnostic Assessment Report ("LRDAR") and (ii) a Draft TTTRLA Bill
- Staff were trained to enhance their development operational competence
  - Nov 20-23 2017 – Training on Product Category Rules (PCRs) - The Head, Certification Division attended a regional training programme regarding PCRs which was held in Costa Rica. This programme was sponsored by the National Metrology Institute of Germany - Physikalisch-Technische Bundesanstalt (PTB). PCRs are a key part of ISO 14025 (Environmental labels and declarations — Type III environmental declarations — Principles and procedures). PCRs define for specific categories of products, the monitoring that is required over the product lifecycle in order to substantiate Environmental Product Declarations (EPDs). The knowledge gained was shared with the organization and will assist as Trinidad and Tobago continues to develop its National Quality Infrastructure.
  - 22nd to 23rd February 2018 – Training on “Implementing Risk Based Thinking based on ISO 31000 (Risk management — Guidelines)”. Three (3) Officers were trained on this programme which was delivered by the Caribbean Institute for Quality (CIQ). This was necessary for TTBS to transition its ISO 9001 Certification Programme for Quality Management Systems and ISO 14001 Certification Programme for Environmental Management Systems from old versions to new versions of the standard. The international standards were revised in 2015 and all certification bodies globally were required to transition to the new versions of the standard by Sep 2018. Following the deadline, all certifications globally which were granted against the previous versions of the standard would become invalid.
  - 19-21 Feb 2018 – Training on “Records Management for Professionals” - Three (3) Officers were trained on this programme which was delivered by the University of Trinidad and Tobago. This was and continues to be applicable to TTBS’ pursuit of accreditation to the standard ISO 17021-

1:2015 (Conformity assessment — Requirements for bodies providing audit and certification of management systems — Part 1: Requirements).

#### Opportunities for Development

- Progress to achieve ISO 17021 accreditation

#### Way forward – FY 18/19

- Support National Standardization Strategy (NSS), Revision of Standards Act and National Quality Policy (NQP) Development
- Review of Regulatory Programme for Tourism
- Support National Building Code

#### TTLABS

The overall actual audited result relative to the plan for 17/18 was 71 %.

#### Significant Achievements

- Participation in national policy making meetings on quality and conformity assessment
- Hosted training programmes for ISO 15189:2012, transition training laboratories and assessors for ISO/IEC 17025:2017
  - The revenue as of 30th September 2018 is **\$679,364**,
- Completion of assessor and pre-assessor training

#### Opportunities for Development

- Perform assessor monitoring and assessment feedback activities
- Develop and implement operational database

#### Way forward – FY 18/19

- Establishment of TTASCA-Trinidad and Tobago Accreditation Service for Conformity Assessment
- Application for ILAC Associate Membership

#### Metrology Division

The overall actual audited result relative to the plan for 17/18 was 89 %.

#### Significant Achievements

- Verification conducted in a new sectors i.e hardwares, gas stations, supermarkets
  - On 4<sup>th</sup> June, 2018, Fuel Dispenser Verification was launched for the first time in Trinidad and Tobago. 345 nozzles were verified in 2018, which began with some of the Unipet Service Stations. **NP Service Stations were not verified in this period.**
  - For supermarket verification, this was the second cycle (2018) out 1600 weighing devices, 1508 were verified.



- Stakeholder engagements were launched for verifications in the hardware sector in September, 2018.
- Accredited conformity assessment services submit to CMC to QSTF for Mass
  - To attain internal recognition for its best Calibration and Measurement Capabilities (CMCs) for Mass, there are five steps of approval required. The lab needs to undergo Peer Assessments. Two experts came to TTBS to assess the Mass Lab, one from INMETRO, Brazil who assessed the Quality Management System in support for Mass (QMS) and one from CENAM, Mexico who assessed the technical requirement. The first step of approval is the QMS in support for Mass by the SIM Quality System Task Force. This was achieved on 24 September, 2018 at the SIM General Assembly in Washington DC, USA.

The process to obtain CMCs is as follows:

1. Peer Assessment of the Quality Management System and the Technical Assessment of the measurement area. The assessments are done by recognized experts from SIM. Based on the outcome of the assessment and the findings, the assessors will submit a report, recommending NMI to pursue CMC for the scope of measurement proposed. The NMI is required to close out all findings.
  2. The NMI then submits an application for approval of its quality management system to the SIM Quality System Task Force (SIM QSTF). The NMI is required to present at a sitting of SIM QSTF and answer question on the submission. The panel then votes to approve or not approve the quality system. A certificate is given when the SIM QSTF approves.
  3. Once approval is received, the next step is to submit to the SIM Working Group for the relevant measurement discipline who will review the technical submission and approve the technical capability of the NMI.
  4. The SIM Working Group then sends the NMI submission to the other Regional Metrology Organisations (RMO) for example EURAMET, Asia/Pacific, AFRIMET etc. for review and approval. Once approval is received from the RMOs, the approval then moves to BIPM.
  5. The BIPM will then award the CMCs and publish the CMCs on the Key Comparison Database (KCDB).
- Metrology Mass Calibration Facility Construction
    - The Mass Calibration Building was completed to conduct the calibration of mass standards for TTBS and for industry ranging up to 1000 kg.

## Opportunities for Development

- Completion of external customer feedback surveys
- To develop and implement operational LMI forms in the database

Way forward – FY 18/19

- Finalize traceability chain for mass
- Number of verifications conducted-Fuel Dispenser, CNG, Municipal Market, Bulk Storage Tanks and Quantities of Goods

## Support Units

### Administration Division

The overall actual audited result relative to the plan for 17/18 was 62%

#### Significant Achievements

- Completion project to repair two driveway gates
- Monitored and evaluated all externally provided processes, products and services to ensure that TTBS Standards are met
- Designed a work quality checks report for outsourced processes

#### Opportunity for Developments

- Project to replace TTBS-Ducting, Electrical and Air Conditioning
- Manage archives documents and location to make available on the web portal

#### Way forward – FY 18/19

- Upgrade of infrastructural works

### Standards Information Centre

The overall actual audited result relative to the plan for 17/18 was 89%

#### Significant Achievements

- Procure software/equipment to manage the library's collections
- Re-design of the TTBS website
- Expand the scope of the TTBS Standards Database to meet the needs of clients.
- New partnership with Nelson's Bookstore for the distribution of National Standards in Tobago

#### Opportunity for Developments

- Updating of the library's print Standards Collection
- Explore new opportunities to expand the distribution channels for National Standards

#### Way forward – FY 18/19

- Update Print Standards Collection
- Consignment agreement with bookstore in Trinidad to facilitate the sale of TT standards

### Finance Unit

The overall actual audited result relative to the plan for 17/18 was 44 %.

#### Significant Achievements

- Completion of Process Mapping Exercise
- External customer reporting schedule sent to MTI, BOD, Cabinet

#### Opportunity for Developments

- Develop Financial Knowledge Management Framework
- Develop a year end policy for closure of financial year

#### Way forward – FY 18/19

- Costing and Pricing review of TTBS Services
- Participation on National quality Policy (NQP) project team

#### Marketing Unit

The overall actual audited result relative to the plan for 17/18 was 63 %

#### Significant Achievements

- Completion of the communication plan
- Modernization and overhaul of communication on the website
- Stakeholder consultations to facilitate LMI to roll out the Metrology Act
- Functioning as a business development intermediary for the TTBS and to use market analysis to identify opportunities for the various divisions

#### Opportunity for Development

- Increase content creation for dissemination into various marketing channels
- Improve customer complaints feedback process through Information Technology management

#### Way forward – FY 18/19

- Stakeholder Consultation-Construction/Building Code, Clay Blocks

#### Quality Unit

The overall actual audited result relative to the plan for 17/18 was 91 %

#### Significant Achievements

- Supported the completion of deliverables as assigned to NQP Team
- Supported the drive for audits and operational reviews for the strategic plan
- Worked with SIC to developed Quality portal on Kalipa

#### Opportunity for Developments

- Monitor and review the needs and expectations of interested parties
- Completion for the Risk/Opportunities assessments from Divisions/Units

#### Way forward – FY 18/19

- Create an Integrated Management System for ISO 9001; ISO 17025; ISO 17020, ISO 17021
- Explore the use of software to generate training modules

## **Human Resource Unit**

The overall actual audited result relative to the plan for 17/18 was 64 %

### **Significant Achievements**

- Settled issues before it reaches grievance stage
- HR Staff trained in areas such as Job Evaluation and Competency Based Management

### **Opportunities for Development**

- Development of a new draft promotion policy for Standards Officers
- Implementation of a strategic competency system

### **Way forward – FY 18/19**

- Policy Development

## **Information Technology Unit**

The overall actual audited result relative to the plan for 17/18 was 85 %

### **Significant Achievements**

- Issuance of periodic newsletter/advisory to include best practices, emerging IT, use of newly installed technologies, solutions to pesky problems
- Completion of Divisions/Units service level agreements
- Established Preventive Maintenance Schedule for TTBS User's Laptops, Desktops and Printers
- Performed online surveys to determined level of satisfaction

### **Opportunity for Developments**

- Implement a method for capturing information to ensure that all customer requests are processed
- Establish record of hardware received and installed points of failure

### **Way forward – FY 18/19**

- Implement Business Continuity of our I.T Services

## **Health, Safety and the Environment Unit**

The overall actual audited result relative to the plan for 17/18 was 69 %

### **Significant Achievements**

- Developed process to track and respond to request for assistance from all Divisions/Units
- Provided HSE training required to support Strategic Initiatives

### **Opportunities for Development**

- Participation in capacity building programmes

### Way forward – FY 18/19

- Formalise Project Risk Assessments for approved projects

### Legal Unit

The overall actual audited result relative to the plan for 17/18 was 54 %

### Significant Achievements

- Representation on bodies focused on national, regional and international development e.g Tourism Legislation
- Informational communications issued on Kalipa e.g Extract of Board Minutes

### Opportunities for Development

- Implementation of the National Quality Policy to partner with agencies
- Review and recommend revisions for TTBS legislative and regulatory documents

### Way forward – FY 18/19

- Support TTBS Enterprise Risk Management

### Projects Unit

The overall actual audited result relative to the plan for 17/18 was 53%

### Significant Achievements

- National Quality Policy approved by Cabinet
- Twenty three (23) persons trained in Calideña Methodology of Value Chain Analysis
- Procurement Legislation sensitization seminar hosted for TTBS Staff and BOD
- Facilitated the hosting of three workshops on Hazardous Waste Management in collaboration with LSD and Metrology.
- Answered at least three project calls including PSIP, OAS and AFT
- Elected to TTCSI Board of Directors

### Opportunities for Development

- Development of PMO Charter
- Establishment of PM Framework Policy for TTBS
- Building organizational competency in project management

### Way forward – FY 18/19

- Execution of NQP Implementation Plan and Communication Plan
- Programmes for discussion on QI development -National Quality Forum

## Trade Unit

The overall actual audited result relative to the plan for 17/18 was 88 %

### Significant Achievements

- Representations on national and regional trade related committees to preset NQI and Trade related issues
- Develop proposal for the convening of a national committee on non-tariff barriers

### Opportunities for Development

- Conduct awareness sessions on GRP and TTBS' responsibilities to be implemented by the Technical Disciplines.

### Way forward – FY 18/19

- Revision of the Standards Act No. 18 of 1997

# Financial Operations

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Budget formulation

PSIP summary report on overall status Appendix 8

Expenditure versus Income

Debt Policy

This policy does not exist

Investment Policy

This policy does not exist

Internal Audit Functions

There are no internal financial audit functions



# Human Resource Development Plan

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## Human Resource Development Plan

### Organisational Establishment

See appendix 1

### Category of Employees

The TTBS' staff complement consists of Permanent, Temporary and Contracted employees. Members of staff are monthly paid and are presented by the Public Services Association of Trinidad and Tobago (PSA).

### Career Path Systems

Within the TTBS staff members fall within two areas Technical Vocations or Support Services.

Career paths within the TTBS refers to the growth of the employee in the organization. The employee may move vertically most of the time but also move laterally or cross functionally to move to a different type of job role all together. For example within the organisation the position of Standards Officer follows the path of Standards Officer I/II/III.

Areas for career growth existing but are not limited to:

- Standards Officers
- Inspectors
- Technicians
- Accounts
- Human Resources

### Performance Assessment/Management Strategies

The assessment of staff members' performance is managed according to the Collective Agreement in force with specific reference to **Article 16 – Annual Reports and other Reports**. Additionally, the TTBS operates from the various objectives of its current Strategic Plan which gives the organization its priorities, focus, and intended outcomes. From the Strategic Plan, Divisions/Units would then develop their individual Balance Scorecards which is monitored quarterly. From the scorecard, targets and KPI are provided to staff members and they are assessed based on discussions held in the year previous.

## Promotion-Selection procedures

Promotions and Appointments are executed according to the TTBS Collective Agreement in force, specifically **Article 7 – Promotion and Appointments and Article 9 – Promotion Policy**.

## Employee Support Services

The TTBS engage in a renewable yearly contract with Petrotrin EAP Services Limited for the provision of employee assistance programme services. Petrotrin EAP Services Limited (PEAPSL) is in the business of providing Behavioural Risk Management and Employee Assistance Programmes to organisations such as TTBS.

Services available but not limited to are:

- Programme development consultancy
- Assessment Counselling and Referrals
- Meditation
- Stress intervention
- Peer Support training and Consultation

PEAPSL as an entity is able to address emotional and psychological issues, alcohol and substance abuse, work/life balance, conflict and career guidance to name a few.

# Procurement Procedures

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## Open Tender

**Open Tendering** means the process of inviting tenders through external advertisements or other forms of public notice.

Selective and Open Tendering are the applicable tender processes available for use by Committees, the Executive Director and Heads. **Where the proposed expenditure is greater than ten thousand dollars (\$10,000.00), the Tender Box process shall be utilised.**

### Local Open Tenders

The Tenders and Finance Committee may invite members of the public to tender offers for the provision of goods and services. The invitation to tender shall be made by public notice, contained at least once in each of the daily newspapers during the same week. The Executive Director may request the use of additional means of communication where necessary.

### International Open Tenders

All invitations to tender for international suppliers, in instances where such are used by the Heads, shall require the prior written approval of the Executive Director. In exercising this option shall be applied.

## Selected Tender

**Selective Tendering** means the process of issuing invitations to tender, only and directly to any of the Bureau's registered suppliers or other suppliers, where such is expressly stated in these Rules

### Selective Tendering via Registered Suppliers

For expenditures of ten thousand dollars or less the simplified Request for Purchase shall be prepared and forwarded to the Financial Comptroller. At least three quotations, obtained from suppliers listed in the Register of Registered Suppliers shall accompany the form. The Committees, the Executive Director and Heads, shall undertake the following procedure for expenditures of more than **\$10,000.00**:

- a) request the names of Registered Suppliers who have been registered to provide works or services for the area of work under consideration;
- b) invite, by verified written request, Registered Suppliers to provide quotations for the prospective works

- c) examine all quotations received through the tender box upon the specified deadline date for submission of quotations
- d) select the most appropriate quotation based on the evaluation methodology .

The process of open tendering shall be used where there are no registered supplier's capable of performing the required services or providing the desired goods.

## Sole Tender-and the criteria used in selecting each system

**“Single Source Supplier”** means a supplier who is preferred either because he is the sole agent for a particular brand, or is the sole supplier of a particular good/service that meets required specifications.

### **Single Source Supplier**

A Single Source supplier may be utilised when there is only one available supplier or when compatibility of requirements or other technical criteria rules out other suppliers.

The request for the use of a Single Source supplier shall be made by the proposer to the Financial Comptroller before any Request for Quotation is sent out and must be accompanied by written justification for selection of the particular supplier.

# Public and Community Relations

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## Client and Public access to services/service delivery systems

### Standardization Division

Standards were developed with national stakeholder input in the following areas:

- ISO 9001 – Quality Management Systems
- ISO 14001 – Environmental Management Systems
- Cement specification
- Trinidad and Tobago Electrical Wiring Code
- Labelling of electrical appliances
- LEDS specification
- Steelpan Terminology
- Trade Effluent Discharges into Public Sewerage System
- Sodium hypochlorite solution (bleach)
- Electric cables
- Driveway gates
- CNG vehicular installations
- Advertising – General requirement
- Good Manufacturing Practices (GMP) for the Food Industry
- Tour Guiding Services
- A standards database was developed for internal and external stakeholders to improve access to national standards and related information

### Certification Division

Information available on TTBS Website

### Metrology Division

Information available on website

Calibration Services Brochure

# Community and stakeholder relations/outreach

## Standardization Division

- ISO regional workshop on National Standardization Strategies held at Hyatt Regency
- Meeting with NAMDEVCO to review CROSQ Regional Standard

## Implementation Division

- IDB Project for the Strengthening of the SEW

## Certification

- Meeting with Ministry of Tourism to discuss TTRLA

## TTLABS

- Inspection Bodies Club meeting
- Meeting - TTBS's contribution to the Strategic Plan to combat HIV through coordination PTs

## Trade

- Meeting on the EPA Implementation: developing a monitoring and evaluation framework

# Strategic Partnerships (Local, regional and international)

## Projects

- National Quality Policy approval by Cabinet
- Sustainable Development Goals Meeting at PAHO on behalf of FAO

## Metrology

- Metrology Advisory Committee meeting chaired by MTI Permanent Secretary
- Verification of Gas Station pumps at Brentwood

## TTBS

- PTB Project – Product Category Rules for Cocoa workshop

## LSD

- Meeting with FashionTT on Standards for the Fashion Industry

## Standardization

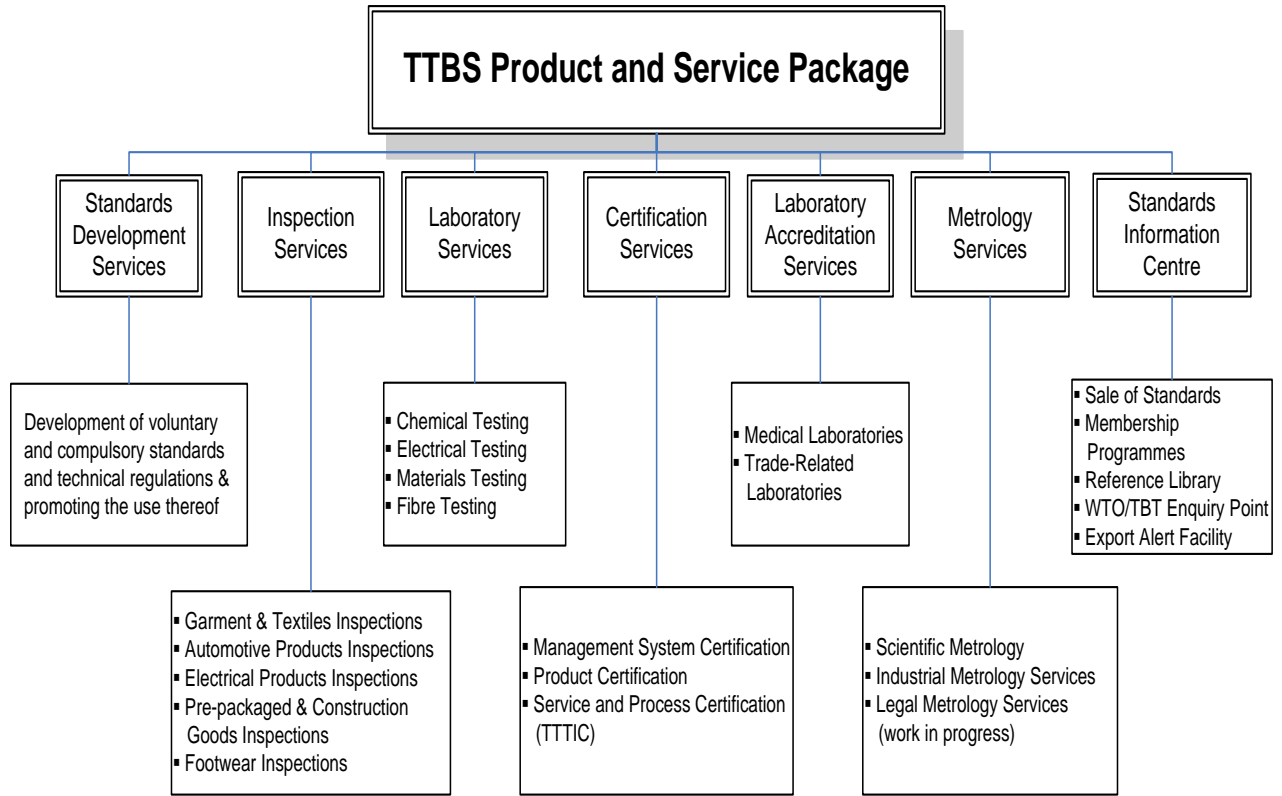
- ASTM Roadshow



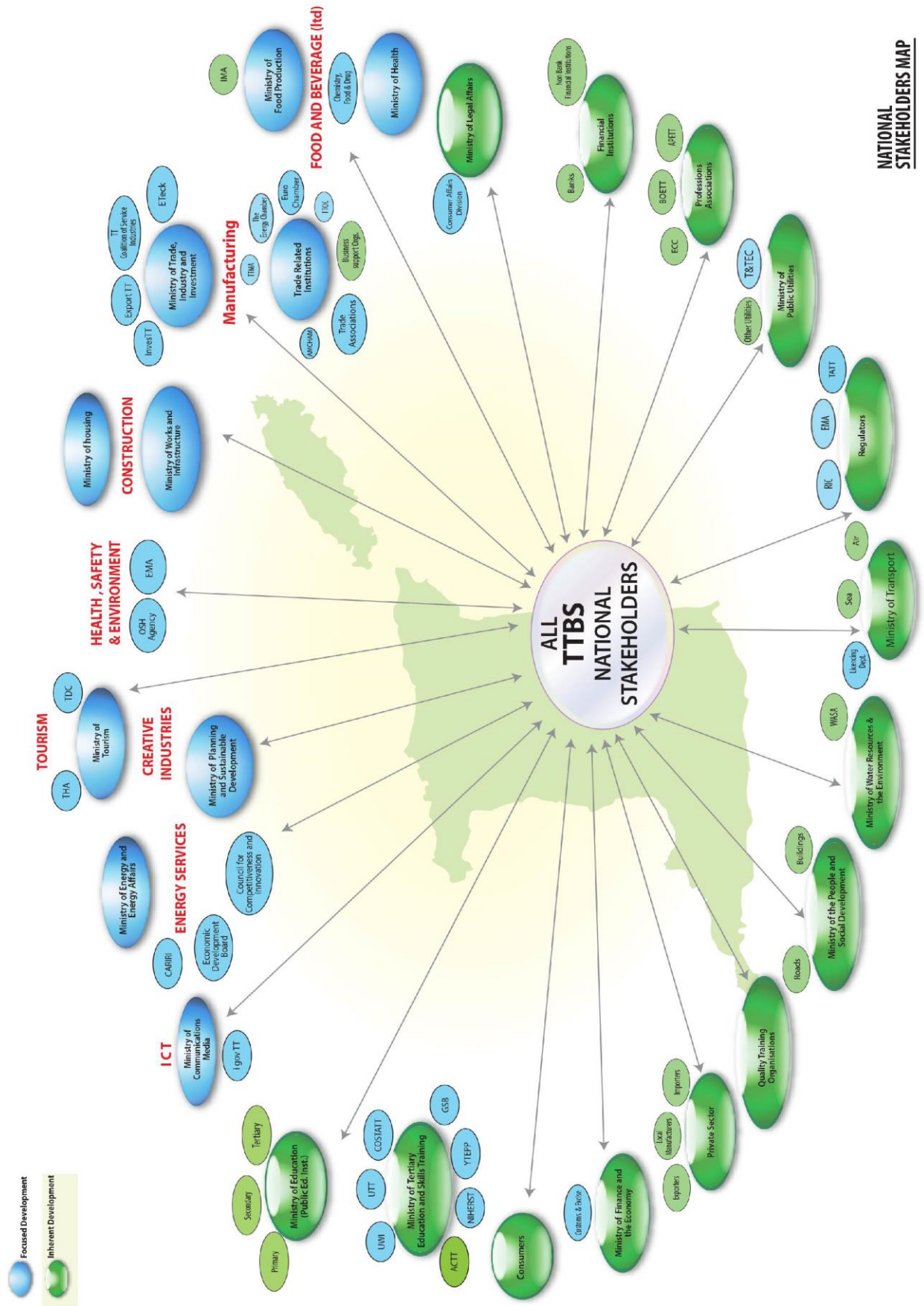




# Appendix 2: TTBS Services Package

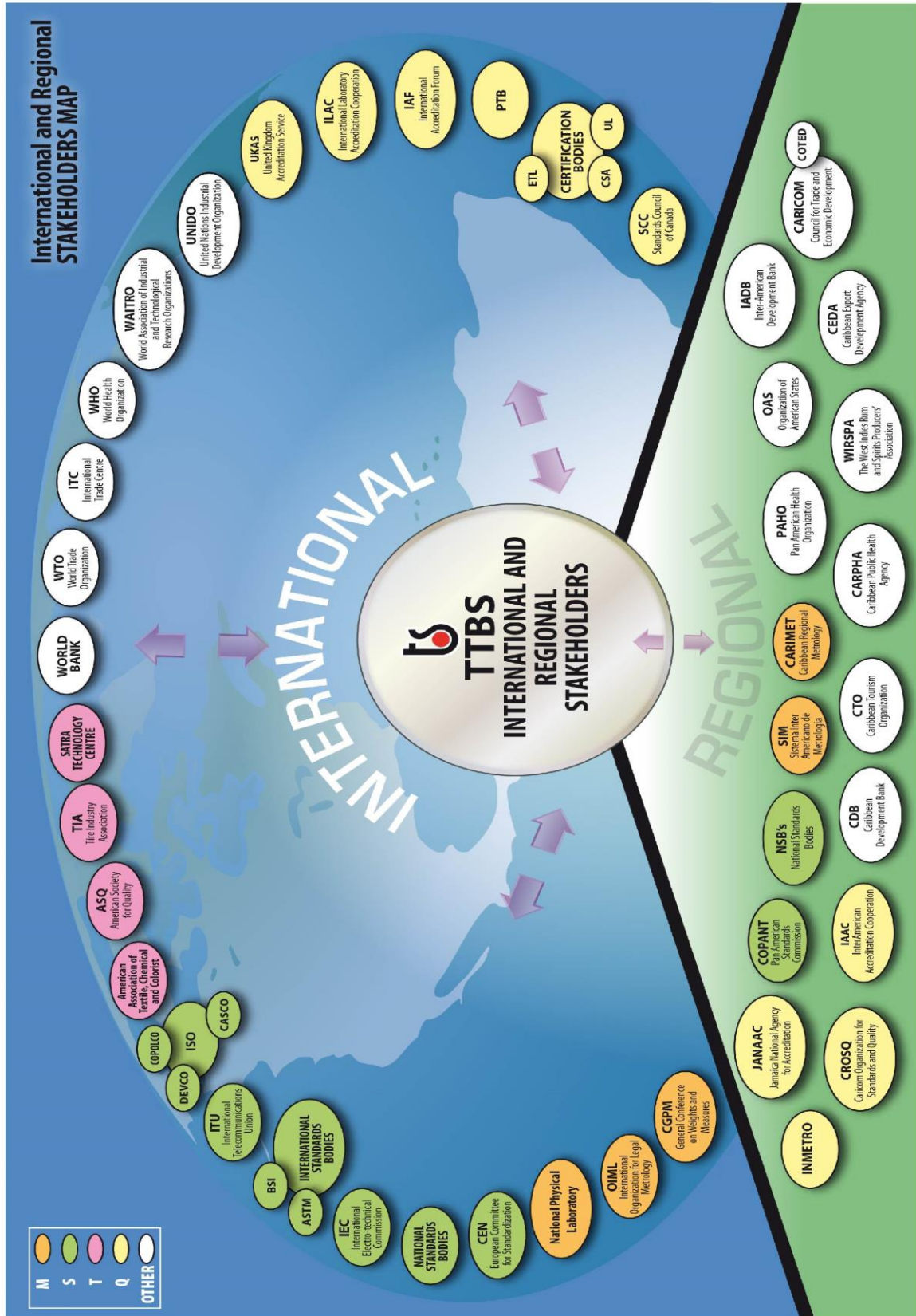


# Appendix 3: National Stakeholder map



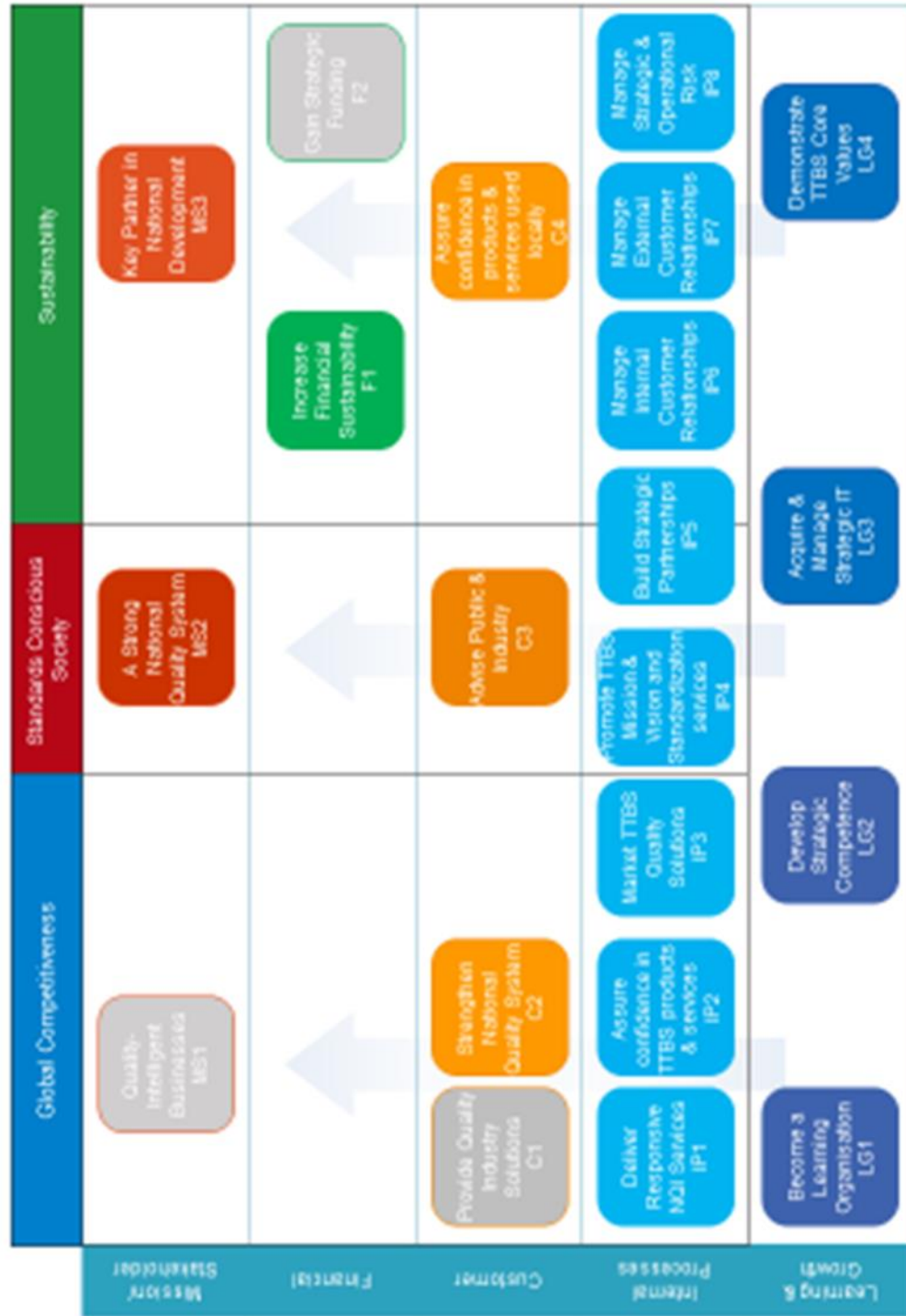
NATIONAL STAKEHOLDERS MAP

# Appendix 4: International Stakeholder map



# Appendix 5: Corporate Strategy Map

TTBS Standardization Division Strategy Map

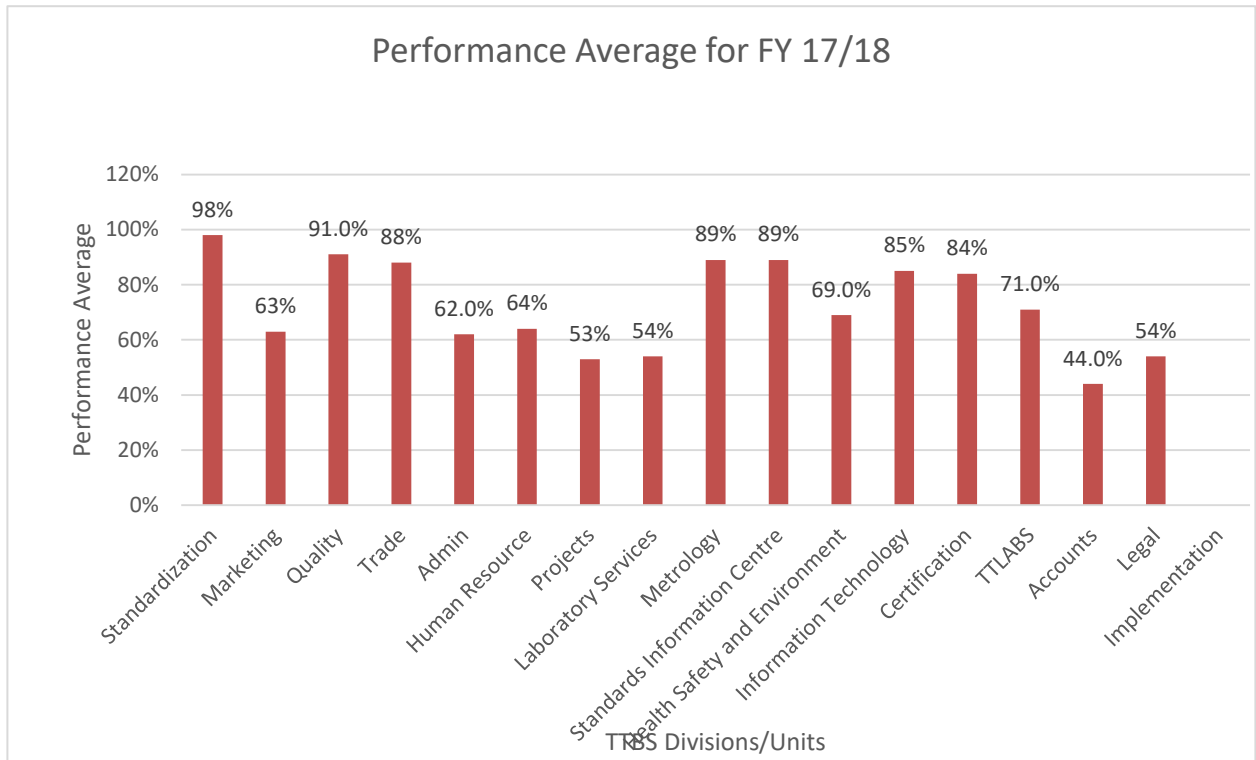




# Appendix 6: Scorecard- Standardization

Name of Division/Units Standardization Division	Measures	Unit	Base line	90 Days 7-9/20	Actual Target	Target Q1			Target Q2			Target Q3			Target Q4			Strategic Initiatives
						Oct 17	Nov 17	Dec 17	Jan 18	Feb 18	Mar 18	Apr 18	May 18	Jun 18	Jul 18	Aug 18	Sep 18	
MISSION/STAKEHOLDER	MS2	A strong national quality system	%		100%													50% - No shift in the revision of the Standards Act
	MS3	Key players in national development	#		2	50%												MOT/GBE
	F1	Increases financial sua tainability	%		75%													75% - complete costing model template
	C2	Strengthen national quality system	#		6													toilet tissue, paper napkins, GMP guides, LPG
CUSTOMER			#		2													Provide training and disseminate information required
			#		2													Roofing sheets, LPG
			#		70%													70% - engage stakeholders with identifying standardization needs
	C3	Sensitize public and industry to benefits and uses of codes and standards	#		70%													70% - Document system and pilot test
	C4	Assure confidence in products and services used locally	%		70%													25% - complete prioritization plan and feedback
	IP-1	Deliver responsive NCI Services	%		75%													annual review of GMS
	IP-2	Assure confidence in TTBS products and services	%		100%													Roofing sheets, LPG
	IP-3	Market TTBS Quality Solutions	#		2													Develop promotional material on benefits of standardization process
LEARNING AND GROWTH	IP-4	Promote TTBS mission and vision	%		100%													NFPA/ICC
	IP-5	Build strategic partnerships	#		1													Refine/document process for developing implementation standards
	IP-6	Manage internal customer relationships	#		1													100% - populate the electronic form in the shareable
	LG1	Become a organization	#		4													75% - Develop competency plan
	LG2	Develop competence in staff/team	%		75%													Work with SIC
	LG3	Acquire and strategic IT	%		100%													maximize the use of IT tools for standardization/st
	LG4	Demonstrate TTBS Core Values	#		3													Host 3 sessions to increase awareness of core values
TOTAL 6 DAYS															PERFORMANCE AVERAGE 98%			

# Appendix 7-Organizational Performance



# Appendix 8: PSIP Annual Report

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**Report overleaf**

# 2017-2018



Trinidad and Tobago Bureau of Standards

Theodore Reddock  
Executive Director(Ag.)

## **[ANNUAL PERFORMANCE REPORT]**

30<sup>th</sup> September, 2018



## List of Acronyms

CROSQ	Caribbean Regional Organization For Standards And Quality
HSE	Health, Safety And The Environment
HVAC	Heating, Ventilation, Air Conditioning
IAAC	Inter American Accreditation Cooperation
ISO	International Organization For Standardization
PQSL	Premier Quality Services Limited
RQI	Regional Quality Infrastructure
SCC	Standards Council of Canada
TTBS	Trinidad And Tobago Bureau Of Standards
WTO	World Trade Organization

## Capital Expenditure PROGRAMME

There was 1 project financed using PSIP funds in FY17/18. The current project is summarized as follows and details on each project can be found in Table below.

Enhancing The Quality Infrastructure For Trinidad And Tobago - This project seeks to build upon previous work on the Quality Infrastructure(QI) for Trinidad and Tobago and by extension CARIFORUM in support of improving competitiveness and economic growth.

	PROJECT DETAILS	RELATED ACTIVITIES (2017-2018)	REMARKS
	<p><b>Description:</b></p> <p>This project seeks to build upon previous work on the Quality Infrastructure(QI) for Trinidad and Tobago and by extension CARIFORUM in support of improving competitiveness and economic growth.</p> <p>This will be done through:</p> <ol style="list-style-type: none"> <li>1. The execution of the Implementation Plan of the National Quality Policy for further</li> </ol>	<p><b>Component I:</b></p> <p><b>Execution of NQP &amp; Roadmap for Implementation - Support to Aid for Trade Strategy</b></p>	<p>The National Quality Policy was approved in April 2018.</p> <p>TTBS continued the elaboration of the projects under its purview under the Implementation Plan. MTI and TTBS collaborated to identify the priority areas to be pursued in Fiscal 2019.</p> <p>The Cabinet Note for the Development of a National Quality Council is in the process of being reviewed and finalized.</p> <p>The Cabinet Note for the development of an independent accreditation body for conformity assessment was approved by Cabinet in December 2018.</p> <p>TTBS submitted the Action Plan on Institutionalization of Good Regulatory Practice to the CPC for review.</p> <p>The concepts for the final three ads for the promotion of the NQP were developed.</p> <p>Three print advertisements were developed and implemented promoting</p>

<p>modernization of the National Quality Infrastructure as part of Trinidad and Tobago’s Aid for Trade Strategy</p> <p>2. Furthering arrangements to facilitate growth in exports</p> <p>4. Promoting research and development in the QI thereby supporting innovation and</p> <p>5. Supporting the improvement of QI for Climate Change/ Disaster Management/ Sustainable Energy/ Environment</p> <p>6. Building a Quality Culture</p> <p><b>Time Frame:</b> Oct 2018-2030</p>		<p>the NQP. These were financed by the CDB as part of the development of the NQP. TTBS elaborated on and submitted two projects entitled “Improving Testing Capabilities in Support of Trade” and “The Development and Implementation of A Metrology and Testing Laboratory Capacity Strategy and Plan for Trinidad and Tobago” to the Trade Implementation Unit in response to a request from them regarding the possibility of accessing donor funding. TTBS was still working with MTI to finalize the institutional arrangements for the administration of the NQP.</p> <p>Since no funding was received for the fiscal year, no technical activities were undertaken.</p>
	<p><b>QI to support Export Competitiveness</b></p>	<p>TTBS facilitated training on the CALIDENA Analysis Of Value Chains for 23 participants on Jan 23-25th, 2018. Three participants were from external agencies – MTI, TTMA, TTCSI and the rest from TTBS. The determination of the prioritization of the value chains identified in the NQP was finalized.</p> <p>TTBS is still to engage MTI on the confirmation of the prioritization of the value chains.</p>
	<p><b>QI for Innovation, Research and Development</b></p>	<p>TTBS continued its participation in the regional project funded by PTB on “Promoting Innovation in the Green Economy”. The three areas of consideration are: Air Pollution, Hazardous Waste Management, Product Category Rules</p> <p><b>Air Pollution</b> A representative from TTBS – Ms. Saira Knox and a representative from the Environmental Management Authority – Ms. Treina Dinoo attended the PTB sponsored workshop in Buenos Aires, Argentina from May 29-31<sup>st</sup>. The objective of the workshop is the preparation of an inter-comparison of</p>

			<p>measurement of carbon monoxide (CO) in several urban centres of Latin America and the Caribbean. This pilot project is launched to increase the reliability of measurements of atmospheric pollutants in urban centres. TTBS does not have the technical capabilities to measure air pollution and so contacted the Air Pollution Unit of the EMA to participate in the project. The overall objective of the pilot is to improve the reliability and metrological traceability of the measurements of air pollution. Specifically, the pilot is expected to contribute:</p> <ol style="list-style-type: none"> <li>1. Establish a learning community on air pollution measurements in the LAC region</li> <li>2. To increase the technical capacities of measurement and calibration of the competent organisms</li> <li>3. Provide information on the demand for metrological services in gas measurement</li> <li>4. Provide reliable measurements of air pollution</li> </ol> <p>The EMA will use its POS air monitoring pollution station to conduct the PT.</p> <p>TTBS is still to receive the sample from INMETRO for analysis.</p> <p><b>Hazardous Waste Management in Laboratories</b></p> <ul style="list-style-type: none"> <li>• TTBS hosted three workshops on Hazardous Waste Management during this period. These included the following: <ul style="list-style-type: none"> <li>○ Follow-up Regional workshop on results of HWM protocols implemented by participants (7-9<sup>th</sup> May)</li> <li>○ Train the Trainer Workshop (10<sup>th</sup> – 11<sup>th</sup> May)</li> <li>○ National Workshop on HWM (15-17<sup>th</sup> May)</li> </ul> </li> </ul> <p>TTBS had narrowed the scope of the project to only HWM in the</p>
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			<p>Chemical Products Laboratory. The PTB Consultant visited the laboratories and approved the changes/improvements that had been made. Participants from the Regional Workshop and National Workshop also visited Tiger Tanks Trinidad Unlimited in La Brea to view the different types of disposal of hazardous waste which were approved by the project.</p> <p>Product Category Rules A representative from TTBS and UWI Cocoa Research Unit attended a sensitization workshop on Product Category Rules on Nov 20<sup>th</sup> -23<sup>rd</sup> in Costa Rica. Subsequent the following activities were conducted:</p> <ul style="list-style-type: none"> <li>• Draft Post Training Project Plan Developed and were initially discussed with PTB and CRC. Suggested project activities are as follows: <ul style="list-style-type: none"> <li>• Desk Study on Value Chain – Identify Environmental Factors, Aspects and Impacts</li> <li>• Gap analysis for monitoring, evaluation and certification - Understand PCR.</li> <li>• Stakeholder Consultation – value and gaps of implementing environmental initiatives such as EPDs &amp; PCRs</li> </ul> </li> </ul> <p>The project plan was aligned with requirements for T&amp;T to retain its status as a Fine Flavour Cocoa Producer with the International Cocoa Organization (ICCO). In order to retain its status T&amp;T had to complete the following in 2018:</p> <ul style="list-style-type: none"> <li>• an illustration of the value chain,</li> <li>• quality monitoring, evaluation and certification support available</li> <li>• information on niche marketing and branding.</li> <li>• SWOT analysis for national cocoa sector</li> </ul>
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			<p>The project stalled partway through the year so TTBS met with a representative of the Cocoa Research Centre to discuss the way forward on this project. The PTB project coordinator was new and thus no significant work had occurred in the interim. It was agreed to review, revise and implement the plan in regard to obligations of TTBS and CRC attending the PCR training. The CRC representative indicated that there may be an opportunity to link this project to the Social Sustainability Component of the Improving Marketing and Production of Artisanal Cocoa from Trinidad &amp; Tobago (IMPACTT) project.</p> <p><i>11th EDF - CROSQ - Counterpart</i></p> <p>TTBS had an online meeting with CROSQ to discuss the programming and modality for the 11th European Development Fund (EDF) Caribbean Regional Indicative Programme (CRIP) Economic Partnership Agreement (EPA) Project - Technical Barriers to Trade Component.</p>
		<p><b>QI for Climate Change/ Disaster Management/ Sustainable Energy/ Environment</b></p>	<p><i>QI for Built Environment</i></p> <p>Discussions were held in June 2018 with the International Code Council regarding the potential utilization of the 2018 version of the International Building Code as the base document for the National Building Code.</p>
			<p>A meeting was held with representatives of the UWI Seismic Research Centre and the Faculty of Engineering in July 2018 in this regard. The main outcome of this meeting is that there is the need for the development of risk-targeted seismic maps to ensure proper application of the 2018 International Building Code.</p> <p>TTBS is still awaiting feedback from the Ministry of Planning and Development on the way forward with regards the</p>

			<p>development of the National Building Code.</p> <p><i>QI for Sustainable Energy</i></p> <p>The CARICOM Regional Energy Efficiency Building Code (CREEBC) and its process of implementation were approved by COTED in April. The first step in the implementation strategy, is the publication of the CREEBC. The first step of the publication process - required edits has been completed and harmonized.</p> <p><i>QI for Climate Change and the Environment</i></p> <p>TTBS and CROSQ participated in the GEF-7 Project Development (Planning And Prioritizing) Workshop For Implementing Sustainable Low And Non-Chemicals Development In Small-Island Developing (GEF Islands) in The Caribbean, held in Port of Spain on July 17 and 18 2018, hosted by the Basel Convention Regional Centre for the Caribbean Region.</p> <p>For the ISLANDS Project, the Caribbean and Pacific will collaborate around the issues of Chemicals and Waste Management as Small Island Developing States (SIDS), providing for knowledge sharing, lessons learned and technology transfer.</p>
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This will be done through:

1. The execution of the Implementation Plan of the National Quality Policy for further modernization of the National Quality Infrastructure as part of Trinidad and Tobago’s Aid for Trade Strategy
2. Furthering arrangements to facilitate growth in exports
3. Promoting research and development in the QI thereby supporting innovation and
4. Supporting the improvement of QI for Climate Change/ Disaster Management/ Sustainable Energy/ Environment

Projects	Y/E 30 Sept 2018(2017-2018)	
	PSIP funding Released \$	PSIP funding Expended (Including commitments)\$
Enhancing The Quality Infrastructure For Trinidad And Tobago	230,000	0
<b>TOTAL</b>	<b>230,000**</b>	<b>0</b>
<p>*Excess expended funds are from residual balances from previous year.</p> <p>** Funding was received at the start of fiscal 2019.</p>		

# **Addendum I**

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Audited Consolidated Financials For The Year 2017/2018

**Report overleaf**



**Trinidad and Tobago Bureau of Standards**

**Consolidated financial statements**

**September 30, 2018**

(Expressed in Trinidad and Tobago dollars)

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Statement of management's responsibilities	1
Independent auditor's report	2-3
Consolidated statement of financial position	4
Consolidated statement of profit or loss and other comprehensive income	5
Consolidated statement of accumulated surplus	6
Consolidated statement of cash flows	7
Notes to the consolidated financial statements	8-35

## Trinidad and Tobago Bureau of Standards

### Statement of management's responsibilities

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Management is responsible for the following:

- Preparing and fairly presenting the accompanying financial statements of Trinidad and Tobago Bureau of Standards & its Subsidiary (the Group), which comprise the consolidated statement of financial position as at September 30, 2018, the consolidated statements of profit or loss and other comprehensive income, consolidated statement of accumulated surplus, consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information;
- Ensuring that the Group 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 Group's assets, detection/prevention of fraud, and the achievement of the Group's operational efficiencies;
- 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 judgement in the determination of estimates.

In preparing these audited financial statements, management utilised the International Financial Reporting Standards, as issued by the International Accounting Standards Board and adopted by the Institute of Chartered Accountants of Trinidad and Tobago. Where International Financial Reporting Standards presented alternative accounting treatments, management chose those considered most appropriate in the circumstances.

Nothing has come to the attention of management to indicate that the Group 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 authorised for issue, if later.

Management affirms that they have carried out their responsibilities as outlined above.



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Derek Luk Pat  
Executive Director

March 2, 2020



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Omawatie Birbal  
Financial Comptroller

March 2, 2020

**Independent auditor's report  
to the members of  
Trinidad and Tobago Bureau of Standards and its subsidiary**

**Report on the audit of the consolidated financial statements**

**Opinion**

We have audited the consolidated financial statements of Trinidad and Tobago Bureau of Standards and its subsidiary (the 'Group'), which comprise the consolidated statement of financial position as at September 30, 2018, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of accumulated surplus and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Group as September 30, 2018, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ('IFRSs').

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing ('ISA's). 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 Bureau in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ('IESBA Code'), and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 consolidated financial statements**

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

In preparing the consolidated financial statements, Management is responsible for assessing the Group's ability 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 Group or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Group's financial reporting process.

**Auditor's responsibilities for the audit of the consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Continued...



**Independent auditor's report  
to the members of  
Trinidad and Tobago Bureau of Standards and its subsidiary**

**Auditor's responsibilities for the audit of the consolidated financial statements (continued)**

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism 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 Group'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 Bureau's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Group 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.

Deloitte & Touche  
Derek Mohammed (ICATT #864)  
Port of Spain  
Trinidad

August 3, 2020



## Trinidad and Tobago Bureau of Standards

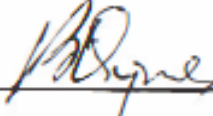
### Consolidated statement of financial position

(Expressed in Trinidad and Tobago dollars)

	Notes	As at September 30,	
		2018	2017
		\$	\$
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	19,298,202	19,763,638
Capital work in progress-building	5	-	246,104
Long term pension asset	6(a)	52,297,000	52,213,000
Government bonds	7	2,478,686	2,624,737
<b>Total non-current assets</b>		<b>74,073,888</b>	<b>74,847,479</b>
<b>Current assets</b>			
Government bonds	7	246,000	246,000
Cash and cash equivalents	8	43,742,515	46,996,958
Taxation recoverable		42,455	187,012
Trade and other receivables	9	4,265,257	3,170,307
<b>Total current assets</b>		<b>48,296,227</b>	<b>50,600,277</b>
<b>Total assets</b>		<b>122,370,115</b>	<b>125,447,756</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Accumulated surplus	11	83,738,234	92,673,169
<b>Total equity</b>		<b>83,738,234</b>	<b>92,673,169</b>
<b>Non-current liabilities</b>			
Government grants deferred	12	9,618,903	11,976,714
<b>Current liabilities</b>			
Trade and other payables	13	29,012,979	20,736,597
Taxation payable		-	61,276
<b>Total current liabilities</b>		<b>29,012,979</b>	<b>20,797,873</b>
<b>Total liabilities</b>		<b>38,631,881</b>	<b>32,774,587</b>
<b>Total equity and liabilities</b>		<b>122,370,115</b>	<b>125,447,756</b>

The notes on pages 8 to 34 form an integral part of these consolidated financial statements.

On March 2, 2020, the Board of Directors of Trinidad and Tobago Bureau of Standards authorised these financial statements for issue.

  
\_\_\_\_\_

Director

  
\_\_\_\_\_

Director

## Trinidad and Tobago Bureau of Standards

### Consolidated statement of profit or loss and comprehensive income (Expressed in Trinidad and Tobago dollars)

	Notes	Year ended September 30,	
		2018	2017
		\$	\$
<b>Income</b>			
Testing and inspection income		37,857,961	43,483,105
Training and consultancy income		1,270,714	1,394,403
Government subvention	14	<u>11,910,742</u>	<u>12,431,085</u>
		51,039,417	57,308,593
<b>Selling, general and administrative expenses</b>	17(a)	(60,379,142)	(56,120,048)
<b>Other income</b>	19	1,813,289	2,095,103
<b>Contributed revenue-donated assets</b>	20	<u>-</u>	<u>396,208</u>
<b>Operating (loss)/income</b>		(7,526,436)	3,679,856
Interest income	18	<u>200,344</u>	<u>289,715</u>
<b>Net (deficit)/surplus for the year before taxation</b>		(7,326,092)	3,969,571
Taxation expense	15	<u>(109,842)</u>	<u>(192,796)</u>
<b>Net (deficit)/surplus for the year after taxation</b>		(7,435,934)	3,776,775
<b>Other comprehensive (loss)/ income, net of taxes</b>			
<b>Item that will not be reclassified subsequently to profit or loss:</b>			
Re-measurement of post - employment benefit obligations	6(g)	<u>(1,499,000)</u>	<u>2,596,000</u>
<b>Total comprehensive (loss)/income for the year</b>		<u>(8,934,934)</u>	<u>6,372,775</u>
<b>Comprehensive (loss)/income for the year comprises:</b>			
Trinidad and Tobago Bureau of Standards		(8,642,375)	7,096,824
Premier Quality Services Limited		<u>(292,559)</u>	<u>(724,049)</u>
<b>Total comprehensive (loss)/ income for the year</b>		<u>(8,934,934)</u>	<u>6,372,775</u>

The accounting policies and notes on pages 8 to 35 form an integral part of these consolidated financial statements.

## Trinidad and Tobago Bureau of Standards

### Consolidated statement of accumulated surplus (Expressed in Trinidad and Tobago dollars)

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	<b>Accumulated surplus \$</b>
<b>Year ended September 30, 2018</b>	
Balance at October 1, 2017	92,673,169
Net deficit for the year after taxation	(7,435,934)
Other comprehensive loss	(1,499,000)
<b>Total comprehensive loss for the year</b>	<u><b>(8,934,934)</b></u>
<b>Balance at September 30, 2018</b>	<u><b>83,738,234</b></u>
<b>Year ended September 30, 2017</b>	
Balance at October 1, 2016	86,300,394
Net surplus for the year after taxation	3,776,775
Other comprehensive income	2,596,000
<b>Total comprehensive income for the year</b>	<u><b>6,372,775</b></u>
<b>Balance at September 30, 2017</b>	<u><b>92,673,169</b></u>

The accounting policies and notes on pages 8 to 35 form an integral part of these consolidated financial statements.



## Trinidad and Tobago Bureau of Standards

### Consolidated statement of cash flows (Expressed in Trinidad and Tobago dollars)

	Year ended September 30,	
	2018	2017
	\$	\$
<b>Cash flows from operating activities:</b>		
<b>Net (deficit)/surplus for the year before taxation</b>	(7,326,092)	3,969,571
Adjustments to reconcile net cash generated from operating activities to net (loss)/ surplus for the year:		
Depreciation	3,660,365	3,918,773
Gain on disposal of property, plant and equipment	(69,330)	-
Fair valuation of investment	(99,949)	(105,235)
Net pension cost	197,000	307,000
	<u>(3,638,006)</u>	<u>8,090,109</u>
<b>Changes in working capital:</b>		
(Increase)/decrease in trade and other receivables	(1,094,950)	249,911
Increase/(decrease) in trade and other payables	8,276,381	(5,409,273)
Pension contributions paid	(1,780,000)	(2,119,000)
	<u>1,763,424</u>	<u>811,747</u>
<b>Cash generated from operating activities</b>	1,763,424	811,747
Taxation paid	(26,562)	(18,865)
	<u>1,736,863</u>	<u>792,882</u>
<b>Net cash generated from operating activities</b>	1,736,863	792,882
<b>Cash flows from investing activities</b>		
Redemption on investment	248,000	247,000
Proceeds from sale of property, plant & equipment	69,330	-
Purchase of property, plant & equipment	(2,948,825)	(3,044,841)
	<u>(2,633,495)</u>	<u>(2,797,841)</u>
<b>Net cash used in investing activities</b>	(2,633,495)	(2,797,841)
<b>Cash flows from financing activities</b>		
Capital grants utilised	(2,710,742)	(3,147,835)
Capital grants received	352,93	1,150,000
	<u>(2,357,811)</u>	<u>(1,997,835)</u>
<b>Net cash used in financing activities</b>	(2,357,811)	(1,997,835)
<b>Net decrease in cash and cash equivalents</b>	(3,254,444)	(4,002,794)
<b>Cash and cash equivalents at beginning of year</b>	46,996,958	50,999,752
<b>Cash and cash equivalents at end of year</b>	<u>43,742,515</u>	<u>46,996,958</u>
<b>Represented by:</b>		
Cash and cash equivalents	<u>43,742,515</u>	<u>46,996,958</u>

The accounting policies and notes on pages 8 to 35 form an integral part of these consolidated financial statements.

## Trinidad and Tobago Bureau of Standards

### Notes to the consolidated financial statements for the year ended September 30, 2018 (Expressed in Trinidad and Tobago dollars)

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#### 1. Incorporation and principal activity

The Trinidad and Tobago Bureau of Standards (the Bureau) was established by an Act of Parliament number 38 of 1972, Chapter 82:03 as amended by Act 29 of 1985 and Act 18 of 1997. The principal activities of the Bureau are to promote and encourage the development and maintenance of standards and to establish standards by the testing of goods produced or used in Trinidad and Tobago:

- (i) For improvement of goods produced or used in Trinidad and Tobago;
- (ii) To ensure industrial efficiency and development;
- (iii) To promote public and industrial welfare, health and safety, and
- (iv) For the protection of the environment.

The registered office of the Bureau is situated at #2 Century Drive, Trincity Industrial Estate, Macoya, Tunapuna.

The Bureau has a wholly owned subsidiary, Premier Quality Services Limited, whose principal business activity is training and consultancy services.

#### 2. Summary of significant accounting policies

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

##### a. Basis of preparation

The consolidated financial statements of Trinidad and Tobago Bureau of Standards have been prepared in accordance with the International Financial Reporting Standards (IFRS) and the IFRS Interpretations Committee (IFRIC) applicable to entities reporting under IFRS.

These consolidated financial statements are prepared under the historical cost convention as modified by the revaluation of available-for-sale investment securities.

The preparation of consolidated financial statements in conformity with the IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Bureau's accounting policies. Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimations are significant to the consolidated financial statements are disclosed in Note 4.

##### b. Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank advances repayable on demand and other short-term highly liquid investments, which are subject to an insignificant risk of changes in value.

##### c. Trade receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

## Trinidad and Tobago Bureau of Standards

### Notes to the consolidated financial statements for the year ended September 30, 2018 (Expressed in Trinidad and Tobago dollars)

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#### 2. Summary of significant accounting policies (continued)

##### d. Property, plant and equipment

Property, plant and equipment is recorded at cost less accumulated depreciation at rates which are expected to apportion the cost of the assets on a systematic basis over their estimated useful lives. The estimated useful lives of assets are reviewed periodically, taking account of commercial and technological obsolescence as well as normal wear and tear, and the depreciation rates are adjusted if appropriate.

Property, plant and equipment are depreciated on the straight-line basis over the estimated useful lives as follows:

Building	2% per annum
Plant & machinery	15.0% per annum
Motor Vehicles	25.0% per annum
Office furniture & equipment & library stock	12.5%-25% per annum

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the consolidated statement of profit or loss.

The carrying amount of property, plant and equipment is reviewed whenever events or changes in circumstances indicate that impairment may have occurred.

##### e. Government grants

Grants from the Government of the Republic of Trinidad and Tobago are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Group will comply with all the attached conditions. Grants that contain no vesting conditions are recognised immediately in the consolidated statement of profit or loss.

Grants related to recurrent costs are deferred in liabilities and recognised in the consolidated statement of profit or loss over the period necessary to match them with the costs they are intended to compensate.

Grants relating to capital expenditure are deferred in liabilities and are credited to the consolidated statement of profit or loss on a systematic basis over the expected useful lives of the related assets.

##### f. Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost.

##### g. Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the testing and inspection activities undertaken in the ordinary course of the Group's activities.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group upon performance of services and customer acceptance.



## Trinidad and Tobago Bureau of Standards

### Notes to the consolidated financial statements for the year ended September 30, 2018 (Expressed in Trinidad and Tobago dollars)

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#### 2. Summary of significant accounting policies (continued)

##### h. Foreign currency transactions

Items included in the consolidated financial statements of the Group are measured using the currency that best reflects the economic substance of the underlying events and the circumstances relevant to the Group (the functional currency). The presentation and functional currency of the Group is Trinidad and Tobago dollars.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss.

##### i. Employee retirement benefit obligations

###### Pension obligations

The Group participates in the Trinidad and Tobago Bureau of Standards Staff Pension Fund Plan. It is a defined benefit plan which covers substantially all of its permanent employees. A defined benefit plan is a pension plan that is not a defined contribution plan. Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The assets recognised in the consolidated statement of financial position in respect of the defined benefit pension plan is the present value of the defined benefit obligation at the reporting date minus the fair value of plan assets. The defined benefit obligation is measured using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future payments by reference to market yields at the reporting date on high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

The current service cost of the defined benefit plan, recognised in the consolidated statement of profit or loss in employee benefit expense, except where included in the cost of an asset, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past-service costs are recognised immediately in income. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the consolidated statement of profit or loss. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

##### j. Impairment of non-financial assets

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

## Trinidad and Tobago Bureau of Standards

### Notes to the consolidated financial statements for the year ended September 30, 2018 (Expressed in Trinidad and Tobago dollars)

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#### 2. Summary of significant accounting policies (continued)

##### k. Financial assets

The Group classifies its investment as either fair value through profit or loss for equities with a quoted market price or at cost less impairment for other equity investments that are not publicly traded or whose fair value cannot be measured reliably. All other financial assets are measured at amortised cost. Management determines the classification of its financial assets at initial recognition.

##### Financial assets – at fair value through profit and loss

Financial assets at fair value through profit and loss are those equity investments that are publicly traded or whose fair value can be measured reliably. These financial assets are initially recognised at the transaction price excluding transaction costs and are subsequently carried at fair value. Gains or losses arising from changes in the fair value are recognised in profit and loss.

Dividends on equity instruments are recognised in the profit and loss account as part of income when the Group's right to receive payments is established.

The fair values of quoted financial assets in active markets are based on current bid prices. Purchase and sale of financial assets are recognised at the settlement date.

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

##### Financial assets – amortised cost

Loans and other receivables that have fixed or determinable payments that are not quoted in an active market are measured at amortised cost using the effective interest method, less any impairment. Interest income, if applicable, is recognised by applying the effective interest rate. Trade receivables are carried at original invoice amount less provision made for impairment of these receivables.

##### Financial assets – recognition and measurement

Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the consolidated statement of profit or loss. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category is presented in the consolidated statement of profit or loss within 'Other (losses)/gains – net' in the period in which they arise.

##### Financial assets – held to maturity

Held-to-maturity investments are investment securities with fixed maturity where management has the positive intention and the ability to hold to maturity. Held-to-maturity investments are carried at amortised cost using the effective interest method, less any provision for impairment. If the Group were to sell other than an insignificant amount of held-to-maturity assets, the entire category would be reclassified as available for sale.

## Trinidad and Tobago Bureau of Standards

### Notes to the consolidated financial statements for the year ended September 30, 2018 (Expressed in Trinidad and Tobago dollars)

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#### 2. Summary of significant accounting policies (continued)

##### l. Impairment of financial assets

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The criteria that the Group uses to determine that there is objective evidence of an impairment loss include:

- Significant financial difficulty of the customer;
- A breach of contract, such as a default or delinquency in payments;
- It becomes probable that the customer will enter bankruptcy or another financial reorganisation.

For loans and receivables category, 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 discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated statement of profit or loss.

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 recognised, the reversal of the previously recognised impairment loss is recognised in the consolidated statement of profit or loss.

##### m. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

##### n. Investment in subsidiary

Subsidiaries are all entities, (including special purpose entities) over which the Bureau has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Bureau controls another entity. These consolidated financial statements include the results of the subsidiary.



## Trinidad and Tobago Bureau of Standards

Notes to the consolidated financial statements  
for the year ended September 30, 2018  
(Expressed in Trinidad and Tobago dollars)

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### 2. Summary of significant accounting policies (continued)

#### o. Leases

##### i) The Group as lessee

Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charge so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables.

The interest element of the finance cost is charged to the consolidated statement of profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset or the lease term.

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 are charged to the consolidated statement of profit or loss on a straight-line basis over the period of the lease.

##### ii) The Group as lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

#### p. Other financial liabilities

Other financial liabilities are initially measured at transaction price, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

## Trinidad and Tobago Bureau of Standards

### Notes to the consolidated financial statements for the year ended September 30, 2018 (Expressed in Trinidad and Tobago dollars)

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#### 2. Summary of significant accounting policies (continued)

##### r. Taxation

Income tax expense represents the sum of the Group's tax currently payable and deferred tax.

##### i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profits as reported in the consolidated statement of profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The liability for current tax is calculated using tax rates that have enacted or substantively enacted by the end of the reporting period.

##### ii) Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of the unused tax credits and unused tax losses can be utilised. Currently enacted tax rates are used in the determination of deferred income tax.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

##### a) Corporation tax

The Bureau have been exempted from corporation tax but is subjected to Green Fund Levy (See Note 15).



## Trinidad and Tobago Bureau of Standards

Notes to the consolidated financial statements  
for the year ended September 30, 2018  
(Expressed in Trinidad and Tobago dollars)

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### 3. Application of new and revised International Financial Reporting Standards ('IFRS')

#### 3.1 New IFRS and amendments to IFRS that are mandatorily effective for the current year

In the current year, the Bureau has applied a number of amendments to IFRS and new Interpretation issued by the International Accounting Standards Board ('IASB') that are mandatorily effective for an accounting period that begins on or after October 1, 2017.

- **Amendments to IAS 12, (Recognition of Deferred Tax Assets for Unrealised Losses)**

Unrealised losses on debt instruments measured at fair value and measured at cost for tax purposes give rise to a deductible temporary difference regardless of whether the debt instrument's holder expects to recover the carrying amount of the debt instrument by sale or by use.

The carrying amount of an asset does not limit the estimation of probable future taxable profits.

Estimates for future taxable profits exclude tax deductions resulting from the reversal of deductible temporary differences.

An entity assesses a deferred tax asset in combination with other deferred tax assets. Where tax law restricts the utilisation of tax losses, an entity would assess a deferred tax asset in combination with other deferred tax assets of the same type.

The application of these amendments did not have a significant impact on the Bureau's financial statements.

- **Amendments to IAS 7, (Disclosure Initiative)**

Amends IAS 7 Statement of Cash Flows to clarify that entities shall provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities.

The application of these amendments did not have a significant impact on the Bureau's financial statements.

## Trinidad and Tobago Bureau of Standards

### Notes to the consolidated financial statements for the year ended September 30, 2018 (Expressed in Trinidad and Tobago dollars)

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#### 3. Application of new and revised International Financial Reporting Standards ('IFRS') (continued)

##### 3.1 New IFRS and amendments to IFRS that are mandatorily effective for the current year (continued)

- **Annual Improvements 2014-2016**

IFRS 12 - Clarifies the scope of the standard by specifying that the disclosure requirements in the standard, except for those in paragraphs B10–B16, apply to an entity's interests listed in paragraph 5 that are classified as held for sale, as held for distribution or as discontinued operations in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations .

The application of these amendments did not have a significant impact on the Bureau's financial statements.

##### 3.2 New and revised IFRS in issue but not yet effective

The Bureau has not applied the following new and revised IFRS that have been issued but are not yet effective:

• IFRS 9	Financial instruments <sup>1</sup>
• IFRS 15	Revenue from Contracts with Customers <sup>1</sup>
• IFRS 16	Leases <sup>2</sup>
• Amendments to IFRS	Annual improvements to IFRS 2014-2016 <sup>1</sup>
• Amendments to IFRS	Annual improvements to IFRS 2015-2017 <sup>2</sup>

<sup>1</sup> Effective for annual periods beginning on or after January 1, 2018, with earlier application permitted.

<sup>2</sup> Effective for annual periods beginning on or after January 1, 2019, with earlier application permitted.

<sup>3</sup> Effective for annual periods beginning on or after January 1, 2021, with earlier application permitted.

## Trinidad and Tobago Bureau of Standards

### Notes to the consolidated financial statements for the year ended September 30, 2018 (Expressed in Trinidad and Tobago dollars)

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#### 3. Application of new and revised International Financial Reporting Standards ('IFRS') (continued)

##### 3.2 New and revised IFRS in issue but not yet effective (continued)

- **IFRS 9 *Financial Instruments***

IFRS 9 issued in November 2009 introduced new requirements for the classification and measurement of financial assets. IFRS 9 was subsequently amended in October 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition, and in November 2013 to include the new requirements for general hedge accounting. Another revised version of this IFRS was issued in July 2014 mainly to include a) impairment requirements for financial assets and b) limited amendments to the classification and measurement requirements by introducing 'fair value through other comprehensive income' (FVTOCI) measurement category for certain simple debt instruments.

Key requirements of IFRS 9:

- all recognised financial assets that are within the scope of IAS 39 *Financial Instruments: Recognition and Measurement* are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at FVTOCI. All other debt investments and equity investments are measured at their fair value at the end of the subsequent accounting periods. In addition, under IFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.
- with regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Under IAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss is presented in profit or loss.
- in relation to the impairment of financial assets, IFRS 9 requires an expected loss model, as opposed to an incurred loss model under IAS 39. The expected loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

## Trinidad and Tobago Bureau of Standards

### Notes to the consolidated financial statements for the year ended September 30, 2018 (Expressed in Trinidad and Tobago dollars)

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#### 3. Application of new and revised International Financial Reporting Standards ('IFRS') (continued)

##### 3.2 New and revised IFRS in issue but not yet effective (continued)

- **IFRS 9 *Financial Instruments* (continued)**

- the new general hedge accounting requirements retain three types of hedge accounting mechanisms currently available in IAS 39. Under IFRS 9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an 'economic relationship'. Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

The directors anticipate that the application of IFRS 9 in the future may not have a material impact on the amounts reported in respect of the Bureau's financial assets and liabilities. However it is not practicable to provide a reasonable estimate of the effect of IFRS 9 until the Bureau undertakes a detailed review.

- **IFRS 15 *Revenue from Contracts with Customers***

In May 2014, IFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue from contracts with customers. IFRS 15 will supersede the current revenue recognition guidance including IAS 18 Revenue, IAS 11 Construction Contracts and the related Interpretations when it becomes effective.

The core principle of IFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under IFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by IFRS 15.



## Trinidad and Tobago Bureau of Standards

### Notes to the consolidated financial statements for the year ended September 30, 2018 (Expressed in Trinidad and Tobago dollars)

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#### 3. Application of new and revised International Financial Reporting Standards ('IFRS') (continued)

##### 3.2 New and revised IFRS in issue but not yet effective (continued)

- **IFRS 15 Revenue from Contracts with Customers (continued)**

On June 20, 2017, the IASB issued amendments in *Clarifications to IFRS 15 'Revenue from Contracts with Customers'* which addressed three of the five topics identified (identifying performance obligations, principal versus agent considerations, and licensing) and provide some transition relief for modified contracts and completed contracts. The IASB concluded that it was not necessary to amend IFRS 15 with respect to collectability or measuring non-cash consideration. In all its decisions, the IASB considered the need to balance helping entities with implementing IFRS 15 and not disturbing the implementation process.

The directors anticipate that the application of IFRS 15 in the future may not have a material impact on the amounts reported and disclosures made in the Bureau's financial statements. However, it is not practicable to provide a reasonable estimate of the effect of IFRS 15 until the Bureau performs a detailed review.

- **IFRS 16 Leases**

IFRS 16 specifies how an IFRS reporter will recognise, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17.

The Directors of the Bureau anticipate that the application of IFRS 16 in the future may have a material impact on the amounts reported and disclosures made in the Bureau's consolidated financial statements. However, it is not practicable to provide a reasonable estimate of the effect of IFRS 16 until the Bureau performs a detailed review.

## Trinidad and Tobago Bureau of Standards

### Notes to the consolidated financial statements for the year ended September 30, 2018 (Expressed in Trinidad and Tobago dollars)

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#### 3. Application of new and revised International Financial Reporting Standards ('IFRS') (continued)

##### 3.2 New and revised IFRS in issue but not yet effective (continued)

- *Annual Improvements 2014-2016*

**IFRS 1** - Deletes the short-term exemptions in paragraphs E3–E7 of IFRS 1, because they have now served their intended purpose.

**IAS 28** - Clarifies that the election to measure at fair value through profit or loss an investment in an associate or a joint venture that is held by an entity that is a venture capital organisation, or other qualifying entity, is available for each investment in an associate or joint venture on an investment-by-investment basis, upon initial recognition.

The directors do not anticipate that the application of these amendments will have a significant impact on the Bureau's financial statements.

- *Annual Improvements 2015-2017*

**IFRS 3 Business Combinations** and **IFRS 11 Joint Arrangements** — The amendments to IFRS 3 clarify that when an entity obtains control of a business that is a joint operation, it remeasures previously held interests in that business. The amendments to IFRS 11 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not remeasure previously held interests in that business.

**IAS 12 Income Taxes** — The amendments clarify that the requirements in the former paragraph 52B (to recognise the income tax consequences of dividends where the transactions or events that generated distributable profits are recognised) apply to all income tax consequences of dividends by moving the paragraph away from paragraph 52A that only deals with situations where there are different tax rates for distributed and undistributed profits.

The directors do not anticipate that the application of these improvements will have a significant impact on the Bureau's financial statements.

## Trinidad and Tobago Bureau of Standards

### Notes to the consolidated financial statements for the year ended September 30, 2018 (Expressed in Trinidad and Tobago dollars)

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#### 4. Critical judgements and the use of estimates

The preparation of the consolidated financial statements in conformity with IFRS requires management to make critical judgements and use estimates and assumptions that affect the amounts reported in the consolidated financial statements and related notes to the consolidated financial statements. Actual results may differ from the estimates and assumptions used. Key sources of uncertainty, which requires the use of estimates, include:

##### Useful lives and residual values of property, plant and equipment

The estimates of useful lives as translated into depreciation rates are detailed in the property, plant and equipment policy above. These rates and the residual lives of the assets are reviewed annually taking cognizance of the forecasted commercial and economic realities and through benchmarking of accounting treatments within the industry.

##### Contingent liabilities

Management applies its judgement to the facts and advice it receives from its attorneys, advocates and other advisors in assessing if an obligation is probable, more likely than not, or remote. Such judgement is used to determine if the obligation is recognised as a liability or disclosed as a contingent liability.

##### Pension benefits

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (profit or loss) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that is used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Bureau considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

Other key assumptions for pension obligations are based in part on current market conditions. Additional information is disclosed in note 6.

## Trinidad and Tobago Bureau of Standards

### Notes to the consolidated financial statements for the year ended September 30, 2018 (Expressed in Trinidad and Tobago dollars)

#### 5. Property, plant and equipment

	Leasehold land and buildings \$	Plant, machinery and motor vehicles \$	Office furniture, equipment and library stock \$	Total \$
<b>Year ended September 30, 2018</b>				
Opening net book amount	8,371,437	6,041,603	5,350,598	19,763,638
Additions	1,960,623	686,781	547,526	3,194,931
Disposals	-	(2)	-	(2)
Depreciation expense	(250,289)	(2,199,773)	(1,210,303)	(3,660,365)
<b>Net book value</b>	<b>10,081,771</b>	<b>4,528,609</b>	<b>4,687,820</b>	<b>19,298,202</b>
<b>At September 30, 2018</b>				
Cost	15,436,499	39,935,783	25,855,966	81,228,249
Accumulated depreciation	(5,354,727)	(35,407,174)	(21,168,146)	(61,930,047)
<b>Net book value</b>	<b>10,081,771</b>	<b>4,528,609</b>	<b>4,687,820</b>	<b>19,298,202</b>
<b>Year ended September 30, 2017</b>				
Opening net book amount	8,561,362	7,453,801	4,868,511	20,883,674
Additions	75,624	809,922	1,913,191	2,798,737
Depreciation expense	(265,549)	(2,222,120)	(1,431,104)	(3,918,773)
<b>Net book value</b>	<b>8,371,437</b>	<b>6,041,603</b>	<b>5,350,598</b>	<b>19,763,638</b>
<b>At September 30, 2017</b>				
Cost	13,475,876	39,592,276	25,308,441	78,376,593
Accumulated depreciation	(5,104,439)	(33,550,672)	(19,957,843)	(58,612,955)
<b>Net book value</b>	<b>8,371,437</b>	<b>6,041,603</b>	<b>5,350,598</b>	<b>19,763,638</b>

#### Library stock

Library stock consists of volumes of reference books on standards, manuals and magazines maintained by the Bureau.

#### Capital work in progress- building

During the financial period, in August 2017, the Bureau contracted for and commenced the construction of the Mass Calibration Building at a fixed price contract of \$ 888,455 to be funded from the P.S.I.P Development Programme capital grant. At September 30 2017, the Bureau had incurred capital expenditure to date as follows:

	2018 \$	2017 \$
Capital work in progress-building	-	246,104



## Trinidad and Tobago Bureau of Standards

### Notes to the consolidated financial statements for the year ended September 30, 2018 (Expressed in Trinidad and Tobago dollars)

#### 6. Long term pension asset

##### a. Net asset shown on statement of financial position

	<u>2018</u>	<u>2017</u>
	<u>\$</u>	<u>\$</u>
Present value of defined benefit obligation	79,998,000	76,113,000
Fair value of assets	<u>(132,295,000)</u>	<u>(128,326,000)</u>
Net defined benefit asset	<u>(52,297,000)</u>	<u>(52,213,000)</u>

##### b. Movement in present value of defined benefit obligation

	<u>2018</u>	<u>2017</u>
	<u>\$</u>	<u>\$</u>
Defined benefit obligation at start of year	76,113,000	71,943,000
Current service cost	3,127,000	3,009,000
Interest cost	4,122,000	3,889,000
Members' contribution	394,000	577,000
Actuarial gain from changes in financial assumptions	-	-
Re-measurements-experience adjustments	(1,383,000)	(787,000)
Benefits paid	<u>(2,375,000)</u>	<u>(2,518,000)</u>
Defined benefit obligation at end of year	<u>79,998,000</u>	<u>76,113,000</u>

##### c. The defined benefit obligation is allocated between the Plan's members as follows:

- Active	60%
- Deferred members	6%
- Pensioners	34%

The weighted average duration of the defined benefit obligation is 15.8 years. 94% of the value of the benefits for active members is vested. 28% of the defined benefit obligation for active members is conditional on future salary increases.

##### d. Movement in fair value of plan assets

	<u>2018</u>	<u>2017</u>
	<u>\$</u>	<u>\$</u>
Fair value of plan assets at start of year	128,326,000	119,748,000
Interest income	7,052,000	6,591,000
Return on plan assets, excluding interest income	(2,882,000)	1,809,000
Bureau contributions	1,780,000	2,119,000
Members' contributions	394,000	577,000
Benefits paid	<u>(2,375,000)</u>	<u>(2,518,000)</u>
Fair value of plan assets at end of year	<u>132,295,000</u>	<u>128,326,000</u>
Actual return on plan assets	<u>4,170,000</u>	<u>8,400,000</u>

Plan assets are primarily invested in listed common stock, government and corporate securities, cash and fixed deposits.

## Trinidad and Tobago Bureau of Standards

### Notes to the consolidated financial statements for the year ended September 30, 2018 (Expressed in Trinidad and Tobago dollars)

#### 6. Long term pension asset (continued)

##### e. Asset allocation

	<u>2018</u>	<u>2017</u>
	\$	\$
Regionally listed equities (prices quoted on regional exchanges)	31,695,000	30,231,000
Overseas equities (developed markets)	23,384,000	21,366,000
TT\$ bonds (no quoted market prices)	68,297,000	68,891,000
US\$ bonds (no quoted market prices)	3,034,000	1,207,000
Local equity/income mutual fund	3,954,000	2,599,000
Cash and cash equivalents	1,931,000	4,032,000
Fair value of Plan assets at end of year	<u>132,295,000</u>	<u>128,326,000</u>

All asset values as at September 30, 2018 were taken from the Plan's Unaudited accounts (2017-Audited accounts) provided by the Plan's Trustee (First Citizens Trustee Services). Overseas equities have quoted prices in active markets. Local equities also have quoted prices, but the market is relatively illiquid. The Investment Manager (First Citizens Asset Management) calculates the fair value of the Government bonds and corporate bonds by discounting expected future proceeds using a constructed yield curve.

The majority of the Plan's government bonds were issued by the Government of Trinidad & Tobago, which also guarantees many of the corporate bonds held by the Plan.

The Plan's assets are invested in a strategy agreed with the Plan's Trustee and Management Committee. This strategy is largely dictated by statutory constraints (at least 80% of the assets must be invested in Trinidad & Tobago and no more than 50% in equities) and the availability of suitable investments. There are no asset-liability matching strategies used by the Plan. The plan's financial funding position is assessed by means of triennial actuarial valuations which was completed as at September 30, 2015 and carried out by an independent actuary.

##### f. Expense recognised in profit or loss

	<u>2018</u>	<u>2017</u>
	\$	\$
Current service cost	3,127,000	3,009,000
Net Interest on net defined benefit asset	<u>(2,930,000)</u>	<u>(2,702,000)</u>
Net pension cost (Note 17.b)	<u>197,000</u>	<u>307,000</u>

##### g. Re-measurements recognised in other comprehensive income

	<u>2018</u>	<u>2017</u>
	\$	\$
Experience losses/(gains)	<u>(1,499,000)</u>	<u>(2,596,000)</u>
Total amount recognised in other comprehensive income	<u>(1,499,000)</u>	<u>(2,596,000)</u>

## Trinidad and Tobago Bureau of Standards

### Notes to the consolidated financial statements for the year ended September 30, 2018 (Expressed in Trinidad and Tobago dollars)

#### 6. Long term pension asset (continued)

##### h. Reconciliation of opening and closing balance sheet entries

	<u>2018</u>	<u>2017</u>
	\$	\$
Opening defined benefit asset	(52,213,000)	(47,805,000)
Net pension cost	197,000	307,000
Re-measurements recognised in other comprehensive income	1,499,000	(2,596,000)
Bureau contributions paid	<u>(1,780,000)</u>	<u>(2,119,000)</u>
Closing defined benefit asset	<u>(52,297,000)</u>	<u>(52,213,000)</u>

##### i. Summary of principal assumptions

	<u>2018</u>	<u>2017</u>
Discount rate	5.5%	5.5%
Salary increases	5.0%	5.0%
Pensioner liabilities	3.0%	3.0%
Life expectancy at age 60 for current pensioner in years		
- Male	21.0	21.0
- Female	25.1	25.1
Life expectancy at age 60 for current members age 40 in years		
- Male	21.4	21.4
- Female	25.4	25.4

##### j. Sensitivity analysis

	<u>1%p.a higher</u>	<u>1%p.a lower</u>
	\$	\$
Discount rate	(10,730,000)	13,564,000
Future salary increases	3,624,000	(3,252,000)

An increase of 1 year in the assumed life expectancies shown above would increase the defined benefit obligation at September 30, 2018 by \$1.7885 million (2017-\$1.7 million).

These sensitivities were calculated by re-calculating the defined benefit obligations using the revised assumptions.

##### k. Funding

The Group meets the balance of the cost of funding the defined benefit Pension Plan and the Board must pay contributions at least equal to 18% of members' pensionable pay, which are fixed. The funding requirements are based on regular (at least every 3 years) actuarial valuations of the Plan and the assumptions used to determine the funding required may differ from those set out above. The Group expects to pay contributions of \$1.6 million to the Pension Plan during 2017/18 (2017/18-\$1.7 million). However, this amount could increase if outstanding pay negotiations are completed during the year.

## Trinidad and Tobago Bureau of Standards

### Notes to the consolidated financial statements for the year ended September 30, 2018 (Expressed in Trinidad and Tobago dollars)

#### 7. Government bonds

	<u>2018</u>	<u>2017</u>
	<u>\$</u>	<u>\$</u>
Opening value	2,870,737	3,012,502
Increase in fair value of investment	99,949	105,235
Redemption of investment during the year	<u>(246,000)</u>	<u>(247,000)</u>
	<u><b>2,724,686</b></u>	<u><b>2,870,737</b></u>
Current portion	246,000	246,000
Non-current portion	<u>2,478,686</u>	<u>2,624,737</u>
	<u><b>2,724,686</b></u>	<u><b>2,870,737</b></u>

The fair value of the investment as at the end of September 30, 2018 is \$ 2,724,686. (2017: \$2,870,737).

#### 8. Cash and cash equivalents

Cash and cash equivalents comprise the following:

	<u>2018</u>	<u>2017</u>
	<u>\$</u>	<u>\$</u>
Cash in hand	13,168	79,064
Cash at bank:		
First Citizens Bank Limited	20,871,835	20,035,378
Republic Bank Limited	3,728,9765	8,005,378
RBC Royal Bank (Trinidad & Tobago) Limited	908,087	770,667
Money Market Fund accounts	1,980,106	1,962,096
Short term investments	<u>16,240,342</u>	<u>16,144,375</u>
	<u><b>43,742,515</b></u>	<u><b>46,996,958</b></u>

There are no restrictions on the use of cash and cash equivalents. During the year, interest was earned at an average rate of 0.49% (2017: 0.60%).

#### 9. Trade and other receivables

	<u>2018</u>	<u>2017</u>
	<u>\$</u>	<u>\$</u>
Trade receivables	3,351,472	2,561,931
Provision for bad debts	<u>(672,287)</u>	<u>(1,333,092)</u>
Trade receivables (net)	2,679,185	1,228,839
Other receivable	109,979	515,069
Interest receivable	51,534	51,007
Advances and prepaid expenses	<u>1,424,559</u>	<u>1,375,392</u>
	<u><b>4,265,257</b></u>	<u><b>3,170,307</b></u>

## Trinidad and Tobago Bureau of Standards

### Notes to the consolidated financial statements for the year ended September 30, 2018 (Expressed in Trinidad and Tobago dollars)

#### 10. Financial instruments by category

The accounting policies for financial instruments have been applied to the line items below:

	<b>Loans and receivables</b>	
	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
<b>Assets as per statement of financial position</b>		
Trade and other receivables, excluding prepayments	3,529,476	2,338,731
Government bonds (Note 7)	2,724,686	2,870,737
Cash at bank and in hand (Note 8)	43,742,515	46,996,958
	<b>49,996,676</b>	<b>52,206,426</b>
<b>Other financial liabilities at amortised cost</b>		
	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
<b>Liabilities as per statement of financial position</b>		
Trade and other payables, excluding statutory liabilities	29,012,979	20,736,597
	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
<b>Cash and cash equivalents</b>		
Counterparties without external credit rating:		
Reputable financial institutions:		
Cash at bank	43,742,515	46,996,958

#### 11. Accumulated surplus

The reserves of the Group comprise an accumulation of profits/losses over its years of operations. Section 5 of the Standards Act exempts any member of the Group from personal liability and under section 26 (2) with the approval of the Minister, the Group may build up reserves with a limit that shall be determined by the Minister.

#### 12. Government grants deferred

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
Balance as at October 1, 2017	11,976,714	13,974,549
Grants received from Government of Trinidad & Tobago	352,931	1,150,000
Grants utilised for the year (notes 14 and 24)	(2,710,742)	(3,147,835)
Balance as at September 30, 2018	<b>9,618,903</b>	<b>11,976,714</b>



## Trinidad and Tobago Bureau of Standards

### Notes to the consolidated financial statements for the year ended September 30, 2018 (Expressed in Trinidad and Tobago dollars)

#### 13. Trade and other payables

	<u>2018</u>	<u>2017</u>
	<u>\$</u>	<u>\$</u>
Trade payables	2,929,617	2,263,560
Other payables and accruals	9,872,182	7,568,172
Payroll liabilities-Salary, Travelling & Gratuity arrears	10,604,965	6,886,905
Performance deposits	5,606,215	4,017,960
	<u>29,012,979</u>	<u>20,736,597</u>

#### 14. Revenue

	<u>2018</u>	<u>2017</u>
	<u>\$</u>	<u>\$</u>
Amortisation of capital grants (notes 12 and 24)	2,710,742	3,147,835
Government grants received with no vesting conditions	9,200,000	9,283,250
	<u>11,910,742</u>	<u>12,431,085</u>

#### 15. Taxation expense

Income tax expense consists of the following:

	<u>2018</u>	<u>2017</u>
	<u>\$</u>	<u>\$</u>
Business levy	(10,909)	(12,577)
Green fund levy	(5,454)	(6,288)
Green fund levy credit applied against overpayment	(93,479)	(141,887)
Current/prior year tax (under)/over-provision	-	(32,044)
<b>Total charge</b>	<u>(109,842)</u>	<u>(192,796)</u>

The effective tax rates differ from the statutory tax rates for the following reasons:

<b>Net (deficit)/surplus for the year before taxation</b>	<u>(7,221,537)</u>	<u>3,969,571</u>
<b>Income tax charge calculated at statutory rate</b>	<u>(2,166,461)</u>	<u>(992,393)</u>
Business levy	(10,909)	(12,577)
Green fund levy	(5,454)	(6,288)
Green fund levy credit applied against overpayment	(93,479)	(141,887)
Current/prior year tax (under)/over-provision	-	(32,044)
Exempt income and tax losses	2,166,461	992,393
<b>Total charge</b>	<u>(109,842)</u>	<u>(192,796)</u>

## Trinidad and Tobago Bureau of Standards

### Notes to the consolidated financial statements for the year ended September 30, 2018 (Expressed in Trinidad and Tobago dollars)

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#### 15. Taxation expense (continued)

The current rate of corporation tax is 30% for 2018 (2017: 25%/30%) and is only applicable to its subsidiary Premier Quality Services Limited. The subsidiary currently has unutilised tax losses of \$1,541,160 (2017: \$1,264,964). A deferred tax asset has not been recognised relating to this amount due to the uncertainty relating to future taxable profits against which the losses can be utilised. The current rate of business levy is 0.6% for 2018 (2017:0.6%). The current rate of green fund levy is 0.3% for 2018 (2017:0.3%)

The subsidiary is entitled to carry forward its entire tax loss against future tax profits. There is no expiry period for adjustment of tax losses against future tax profits.

The Bureau is a registered Government owned non-profit organisation in Trinidad and Tobago under the Income Tax Ordinance non-profit entities and is therefore exempted from corporation tax and business levy. However, the Bureau is subject to green fund levy on its revenues and other income.

#### 16. Contingencies

The Group is a defendant in various Industrial Relations matters and also involved in legal proceedings arising in the normal course of business at the reporting date. Management believes that, based on the advice of legal counsel, the outcome of these proceedings will not give rise to any significant loss and have any adverse material effect on the Bureau's consolidated financial statements and as such no provisions were required.

The Trade Disputes before the Industrial Court are generally for declarations and orders rather than specific sums whilst the matter before the Civil Appeal Court, if successful, may require the Group to refund the legal costs of the Appellant and be liable for legal costs referable to two-thirds (2/3rds) of the costs in the High Court. These costs are indeterminate at the reporting date and as such no provisions were required.

#### 17. Expenses by nature

##### a. Selling, general and administrative expenses

	<u>2018</u>	<u>2017</u>
	<u>\$</u>	<u>\$</u>
Employee benefit expenses (Note 17b)	43,081,657	38,739,112
Utilities and insurance	2,404,823	2,461,608
Depreciation	3,660,365	3,918,773
Expense of capital grants	309,111	655,773
Contract services	2,896,281	1,912,862
Fees	1,091,014	1,334,235
Repairs and maintenance	753,782	842,592
Promotions and publicity	558,102	526,652
Training	482,238	503,713
Office supplies	558,038	466,138
Rentals	773,642	800,465
Board fees	799,800	750,350
Bad debts (recovery)/expense	(87,797)	318,130
Gain on disposal of property, plant & equipment	(89,330)	-
Other expenses	3,187,417	2,889,645
Total selling, general and administrative expenses	<u>60,379,142</u>	<u>56,120,048</u>

## Trinidad and Tobago Bureau of Standards

### Notes to the consolidated financial statements for the year ended September 30, 2018 (Expressed in Trinidad and Tobago dollars)

#### 17. Expenses by nature (continued)

##### b. Employee benefit expense

	<u>2018</u>	<u>2017</u>
	\$	\$
Contract employees	21,943,090	21,183,813
Wages and salaries	14,081,485	13,050,867
Travelling and uniforms	638,118	551,570
National insurance	2,409,706	2,427,530
Retirement and termination benefits (Note 6.g)	197,000	307,000
Arrears of remuneration	3,792,258	1,218,332
	<u>43,061,657</u>	<u>38,739,112</u>

#### 18. Interest income

	<u>2018</u>	<u>2017</u>
	\$	\$
Interest income	131,620	129,688
Foreign exchange (loss)/gain	(31,225)	54,794
Bond interest income	99,949	105,235
	<u>200,344</u>	<u>289,715</u>

#### 19. Other income

	<u>2018</u>	<u>2017</u>
	\$	\$
Certification	1,566,275	1,448,112
Standards information	246,221	544,334
Other income	793	102,657
	<u>1,813,289</u>	<u>2,095,103</u>

#### 20. Contributed revenue-donated assets

During the financial year, the Bureau was the recipient of several donated assets from an International Donor to facilitate the Bureau being the regional centre for certain specific calibration services. These assets were recorded at its fair market value as recurrent fixed assets and the corresponding amounts treated as contributed revenue in the consolidated statement of profit or loss.

	<u>2018</u>	<u>2017</u>
	\$	\$
Contributed revenue-donated assets	<u>-</u>	<u>396,208</u>



## Trinidad and Tobago Bureau of Standards

### Notes to the consolidated financial statements for the year ended September 30, 2018 (Expressed in Trinidad and Tobago dollars)

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#### 21. Financial risk management

##### a. Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. Risk management is carried out in line with policies approved by the Board of Directors.

##### (i) Market risk

###### (a) Foreign exchange risk

The Group is not exposed to foreign exchange risk since it does not operate internationally nor maintain holdings of foreign currency.

###### (b) Cash flow and fair value interest rate risk

As the Group has no significant interest-bearing assets and liabilities other than deposits held at banks, the Bureau's income and operating cash flows are substantially independent of changes in market interest rates.

###### (c) Price risk

The Group is not exposed to equity securities price risk since there are no investments held as available for sale or at fair value through profit or loss.

##### (ii) Credit risk

Credit risk arises from cash and cash equivalents, financial instruments as well as credit exposures to customers. The Group has credit risk; however, the Group has policies in place to ensure that use of its services is made to customers with an appropriate credit history and the financial instruments held are issued by the Government of Trinidad and Tobago and are regarded as risk free investments. Credit risk arises primarily from outstanding receivables (See Note 9).

The credit quality of customers, their financial position, past experience and other factors are taken into consideration in assessing credit risk and are regularly monitored through the use of credit terms. Management does not expect any losses from non-performance by counterparties in excess of the provision made. Cash and deposits are held with reputable financial institutions. The maximum exposure to credit risk at the reporting date is the fair value of cash and cash equivalents, and government bonds as well as each class of receivables mentioned in Note 9.

##### (iii) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and short-term funds.

The table below analyses the Group's non-derivative financial liabilities based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows. Balances due within one year equal their carrying balances.

	Less than one year	
	2018	2017
	\$	\$
Trade and other payables	<u>29,012,979</u>	<u>20,736,597</u>

## Trinidad and Tobago Bureau of Standards

### Notes to the consolidated financial statements for the year ended September 30, 2018 (Expressed in Trinidad and Tobago dollars)

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#### 21. Financial risk management (continued)

##### b. Capital risk management

The Bureau's objectives is to safeguard its ability to continue as a going concern, in order to fulfill its mandate based on the Standards Act No. 18 of 1997.

The Bureau monitors liquidity to ensure that sufficient funds are available or requested from the line Ministry to meet its operations cost.

##### c. Fair value estimation

The Group classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements in accordance with IFRS 13. The fair value hierarchy has the following levels:

###### *Level 1*

Included in the Level 1 category are financial assets and liabilities that are measured in whole or in part by reference to published quotes in an active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis.

###### *Level 2*

Included in the Level 2 category are financial assets and liabilities that are measured using a valuation technique based on assumptions that are supported by prices from observable current market transactions and for which pricing is obtained via pricing services, but where prices have not been determined in an active market. This includes financial assets with fair values based on broker quotes, investments in private equity funds with fair values obtained via fund managers and assets that are valued using the Trustee's own models whereby the majority of assumptions are market observable.

###### *Level 3*

Included in the Level 3 category are financial assets and liabilities that are not quoted as there are no active markets to determine a price. These financial instruments are held at fair value based on models using inputs that are not based on observable market data.

## Trinidad and Tobago Bureau of Standards

### Notes to the consolidated financial statements for the year ended September 30, 2018 (Expressed in Trinidad and Tobago dollars)

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#### 21. Financial risk management (continued)

##### c. Fair value estimation (continued)

The following table shows an analysis of financial instruments recorded at fair value by level of fair value hierarchy:

	<u>Level 3</u>	<u>Total balance</u>
	\$	\$
<b>As at September 30, 2018</b>		
<b>Financial assets</b>		
Government bonds	<u>2,724,686</u>	<u>2,724,686</u>
<b>As at September 30, 2017</b>		
<b>Financial assets</b>		
Government bonds	<u>2,870,737</u>	<u>2,870,737</u>

There was a redemption of one bond in Level 3 during the year ended September 30, 2018 with a face value of \$246,000 and the redemption of one bond in Level 3 during the period ended September 30, 2017 with a face value of \$247,000.

#### 22. Events after the end of the reporting period

Management is currently evaluating the potential impact of the coronavirus disease 2019 (COVID-19) that occurred subsequent to year end, particularly on the operations of the Group. This disease was declared a pandemic by the World Health Organisation on March 11, 2020. The extent of the impact on the financial position and performance of the Group depends on future developments, including but not limited to

- (i) the duration and spread of the outbreak,
- (ii) the extent of restrictions and advisories, and
- (iii) the effects on the local and global financial and economic markets, all of which are highly uncertain and cannot be predicted.

The continuation of these circumstances could have a negative impact on the Group's financial condition and results.

#### 23. Transactions with related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. Transactions are entered into with related parties in the normal course of business where the Bureau makes payments or receives cash on a related party's behalf. These payments are reimbursed to or from the related party and any differences result in a receivable or payable at year end. These transactions are carried out on normal commercial terms and conditions at market rates.

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group.

## Trinidad and Tobago Bureau of Standards

### Notes to the consolidated financial statements for the year ended September 30, 2018 (Expressed in Trinidad and Tobago dollars)

#### 23. Transactions with related parties (continued)

Balances and transactions with related parties and key management personnel during the year were as follows:

	<u>2018</u>	<u>2017</u>
	<u>\$</u>	<u>\$</u>
a. <u>Trading transactions</u>		
Government grants	<u>9,552,931</u>	<u>10,433,250</u>
b. Key management remuneration for the year	<u>3,488,318</u>	<u>4,220,200</u>
c. Directors' remuneration for the period	<u>799,800</u>	<u>750,350</u>
<b>Liabilities</b>		
Government grants deferred-subventions from Ministry of Trade and Investment (MTI)	<u>9,618,903</u>	<u>11,976,714</u>
<b>Income</b>		
Recurrent expenditure subvention from MTI	9,200,000	9,283,250
Project capital expenditure subvention from MTI	2,401,631	2,310,128
Project revenue expenditure subvention from MTI	<u>309,111</u>	<u>837,707</u>
	<u>11,910,742</u>	<u>12,431,085</u>
<b>24. Project expenditure</b>		
	<u>2018</u>	<u>2017</u>
	<u>\$</u>	<u>\$</u>
<b>Capital expenditure:</b>		
PSIP 214- Central Services - Bureau of Standards	645,021	632,620
PSIP 216:-Procurement of equipment for the Implementation of the Metrology Act 2004	784,659	716,233
PSIP 210:- Procurement of testing materials and equipment	<u>971,951</u>	<u>961,275</u>
	<u>2,401,631</u>	<u>2,310,128</u>
<b>Revenue expenditure:</b>		
PSIP 212:-Providing reliability to quality infrastructure	280,318	488,296
PSIP 216:-Procurement of equipment for the Implementation of the Metrology Act 2004	10,639	147,844
PSIP 218:- TTBS-Building capability for sustaining export led growth	<u>18,154</u>	<u>201,567</u>
	<u>309,111</u>	<u>837,707</u>
<b>Total project expenditure</b>	<u>2,710,742</u>	<u>3,147,835</u>