

The Chairman's Overview



Chairman
Richard Fontaine

The past Financial Year was a particularly rewarding one not only for the Commission but also for me. Having served as Chairman of the Prices Commission, the precursor of the Consumer Affairs Commission, I was particularly pleased to observe the Agency burgeon into a more active consumer advocacy body and was grateful to be integrally involved in the process at this pivotal point in its history.

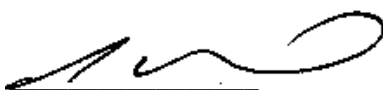
The paradigm shift which resulted in a new role for the Commission has allowed the Agency to reposition itself to better address the increased challenges engendered by globalization. In keeping with its new mandate, the Consumer Affairs Commission has been doing stellar work in consumer advocacy and recorded marked improvement in the past Financial Year.

Throughout the year, the Agency continued its lobby for policy development and adjustments to existing legislation to facilitate the delivery of more consumer support services to Jamaicans. It also maintained its presence on a number of government committees and local groups representing the interests of consumers.

In the wake of increasing ecological devastation, the CAC was engaged by various bodies to assist in

the formulation of strategies to combat the problem on the national and international frontiers. This is an area which requires much attention as we must realize that while we need consumer goods, the negative impact these products or the production processes can have on the environment has to be reduced. Therefore, while the Commission continued to champion the cause of exploited consumers, it also sought to strike a balance by educating consumers about their responsibilities.

The vigilance required to effectively discharge its duties to consumers had members of the Commission working beyond the call of duty in some instances and the Board recognizes this contribution as well as the remarkable strides that the team has made in its work of protecting the rights of all and securing our future.



Richard Fontaine
Chairman

The Chief Executive Officer's Report



Chief Executive Officer
Dolsie Allen (Mrs.)

The year 2007/2008 was marked by increased efficiency and greater resourcefulness on the part of the Commission in the attainment of its projected goals for the year.

Mid 2007/8 signalled a change in the political landscape of Jamaica as the electorate installed its eighth Prime Minister since Independence.

While there were attendant administrative changes in keeping with the transfer of political power, the mission of the Commission remained unchanged. The spiralling prices on the world market brought into sharp focus the work of the Commission in providing consumers with information that would assist them in making intelligent purchasing decisions.

In order to combat the price increases, the Government implemented the Price Support Programme which facilitated greater collaboration between the Consumer Affairs Commission (CAC) and the Distributive Trade, to ensure that the prices of basic food items were kept within the reach of the most vulnerable in the society.

The Commission also retained its focus on seeking to alter behaviour and attitudes which continue to adversely impact the relationship between vendors and purchasers. The Agency adopted a more proactive approach in this regard and sought to



We may encounter many defeats
but we must not be defeated.

Maya Angelou

increase its investigative capacity and widen its education programme.

Throughout the year, the Agency also continued its review of the Consumer Protection Act (2005) to allow for more effective response to the needs of consumers.

The work of the Commission coalesces around three primary areas – complaints resolution, market research and consumer education. In the past year, the Commission was able to expand the work of its Research department, resolve 92.3% of complaints received and maintain a vibrant consumer education programme despite the many challenges, among them, a sustained period of inclement weather.

In carrying out our functions in the areas which form the nucleus of our work, we continued our engagement in the following exercises throughout the past year:

- The implementation of consumer education programmes using the electronic media, the press and other direct means
- Resolution of complaints relating to the rights of consumers
- Participation in ongoing presentations and workshops at local and international levels
- Market surveys
- Regional and extra-regional cooperation

Great things are not done by impulse, but by a series of small things brought together.

Vincent Van Gogh

- Corporate training

Unfortunately, a number of conditions posed a serious challenge to the ability of the Commission to realize all its targets for the year. The elections, which had been postponed from the initial date in August, came on the heels of Hurricane Dean and at the end of a long period of inclement weather. These factors limited the ability of team members to travel as roads were sometimes impassable due to the effect of the adverse weather conditions. With the resilience and tenacity of staff members however, the Agency was able to achieve substantial progress in the management and application of its core functions.

The Field Operations arm of the Commission encompasses both outreach activities and complaints resolution services and comprises staff at the Head Office in Kingston and the western office in Montego Bay. It is entrusted with the task of initiating contact with relevant groups and organizations to disseminate consumer information, to coordinate all outreach activities and to provide proper channels for the distribution of CAC publications. The Complaints Resolution Unit is responsible for the effective and timely processing of all complaints lodged with the Commission.

FIELD OPERATIONS DEPARTMENT



Front (seated) – Mrs. Cheryl Martin-Tracey, Director of Field Operations. Left to right – Mrs. Winsome Harrisingh, Complaint Officer; Mrs. Denise Welcott, Complaint Officer; Mr. Synley Simms, Field Officer; Mrs. Ordel Brandon, Complaint Officer; Mr. Richard Rowe, Regional Officer; Mr. Ralston Patterson, Regional Officer
Inset: Miss Tanikie McLarthy who served as Director of Field Operations to September 2007

At the outset of the past Financial Year, the department established as its target, a direct reach of 55,000 persons and resolved to settle 80% of all complaints within ten working days of receipt.

The Commission is pleased to announce that it was able to surpass its projected resolution rate, resolving 92% of the 1,527 complaints received. As the statistics overleaf reveal however, the department was not able to reach as many persons as originally intended due to inclement weather conditions which often inhibited travel. Outreach activities in the course of the Financial Year resulted in the Commission directly impacting 38,585 persons by way of 166 activities, 70% of the target for the Financial Year.



Mr. Pash Fuller, Director –
Western Region



Mr. Cleveland Parker,
Complaint Officer and Mr.
Timothy Watson Regional
Officer; both of CAC Western
Region

Period	Adults	Students	Total	No. of Activities
Quarter 1 Projections	4,000	12,000	16,000	76
Quarter 1 Achievements	3,646	7,841	11,487	30
Quarter 2 Projections	8,000	3,000	11,000	47
Quarter 2 Achievements	5,301	3,964	9,265	28
Quarter 3 Projections	5,000	2,000	7,000	30
Quarter 3 Achievements	3,089	2,808	5,897	52
Quarter 4 Projections	8,000	13,000	21,000	97
Quarter 4 Achievements	3,803	8,133	11,936	56

The high points of the year were the celebration of World Consumer Rights Day during the month of March under the theme – **Unhealthy Food Promotion: Unhealthy Children** and the Smart Consumer Club Energy Camp in July.

Among the activities held to commemorate World Consumer Rights Day were two outside broadcasts aired on Nationwide News Network. The first of these was held on the grounds of Vauxhall High school in Kingston, a venue which was selected on the basis that this was one of the schools which had welcomed and acted on the CAC's initiative to establish Consumer Clubs in schools. It was therefore felt that the student body, who had demonstrated so much interest in the work of the Commission, could benefit from interaction with members of the Agency and from the issues to be discussed.

Students and teachers of the institution were exposed to a wealth of information from the presentations and interviews with staff as well as additional resource persons from the Ministry of Health and Environment, Diabetes Association of Jamaica and the National Consumers League. As is customary, to mark the occasion, a message from the portfolio minister the Honourable Karl Samuda was read at a number of churches and schools across the island.

The Smart Consumer Energy Camp which took place July 12 – 15, 2007 at the Invercauld Great House in Black River, St. Elizabeth was funded by the Consumer Affairs Commission, Office of Utilities Regulation, Jamaica Public Service Company and Petroleum Corporation of Jamaica. The camp was organized to expose students and coordinators to issues such as *energy conservation, preservation of the environment* and the *safe use of electricity*. At the end of the camp, students were charged to function as energy monitors in their schools. Students were drawn from the CAC's established Smart Consumer Clubs of Vauxhall, Champion College, Dunoon, Merl Grove, Kingsway and Ardenne High School in Kingston and Balalclava High school in St. Elizabeth.

Other initiatives were used throughout the year to execute the Agency's outreach programme. These are listed overleaf.

Life affords no higher pleasure than that of surmounting difficulties, passing from one step of success to another, forming new wishes and seeing them gratified.

Samuel Johnson

- Displays at the Carrot and Coffee festivals
- Presentations at several summer camps organized by churches
- Presentations to doctors and other health sector workers
- Presentations to members of the Fraud Squad
- Desk days at Courts Jamaica Limited and Singer Jamaica Limited during the Pre-Christmas period. (Desk days were used to facilitate interaction between CAC officers and consumers; allowing consumers access to information on warranty agreements, hire purchase agreements and laws governing the sale of goods while they made their purchase.)
- The Price Support Programme and increased surveillance in price monitoring. (The Price Support Programme was a Government initiative aimed at stabilizing the price of four basic food items - bulk counter flour, bulk rice, bulk cooking oil and whole milk powder. This programme ran from January to March 2008.)
- Exhibitions and presentations at the St. Thomas Parish Library to commemorate World Consumer Rights Day
- Displays at Parish 4-H Achievement days, Back to School and Children's expositions
- Presentations to a number of high schools, tertiary institutions, HEART Trust/NTA and the National Youth Service programmes

- Partnerships with the Petroleum Corporation of Jamaica (PCJ) in their Energy Conservation and Environmental Education Programme for students of the corporate area inner city schools during November and December 2007

In addition to the engagements cited above, there were a number of visits to the offices of the CAC by students seeking information for their School-Based Assessment papers and other projects.

The Agency also maintained its involvement in Standards Committees of the Bureau of Standards and made its input at inter-Agency committee meetings in St. Thomas. Members of the Commission also served on the Consumer Affairs Advisory Committee on Utilities and on committees set up for the spa industry.

Complaint Resolution Services

The appropriate and timely resolution of complaints is an essential aspect of the ongoing effort by the CAC to effect improvement of the level and quality of service offered to consumers. Early intervention by the Agency in marketplace disputes affords complainants and service providers/merchandisers an opportunity for satisfactory settlement without involvement of the courts, in most cases. Between April 2007 and March 2008, 1,527 complaints were received, down from 2,041 of the previous year.

The will to win, the desire to succeed, the urge to reach your full potential... these are the keys that will unlock the door to personal excellence.

[Eddie Robinson](#)

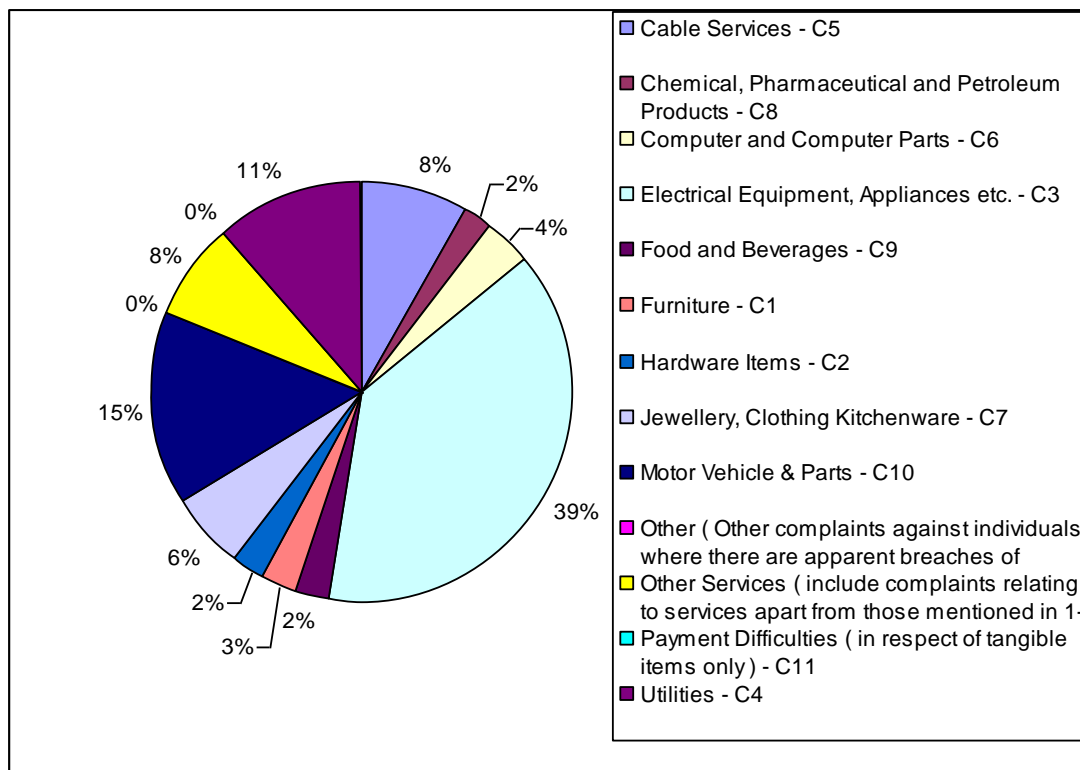
In contrast to the decline in complaints however, there was a significant increase in the requests for information and advice, an indicator that the availability of information and consumer guidelines may have prevented disputes between consumers and providers, or that the information may have been used to obtain redress thereby negating the need for complaints resolution services. Therefore, unlike the previous year when statistics for requests for advice and information were only 1,820, accumulated figures for the past year amounted to 2,499, an increase of 37.3%.

The Commission continued to maintain a very high resolution rate and recorded a 92 % success in the year under consideration. The category which recorded the highest level of consumer dissatisfaction was the C3 division which comprises electrical equipment and appliances.

In the resolution of these complaints, the Commission secured compensation of over \$27.3 million on behalf of aggrieved consumers.

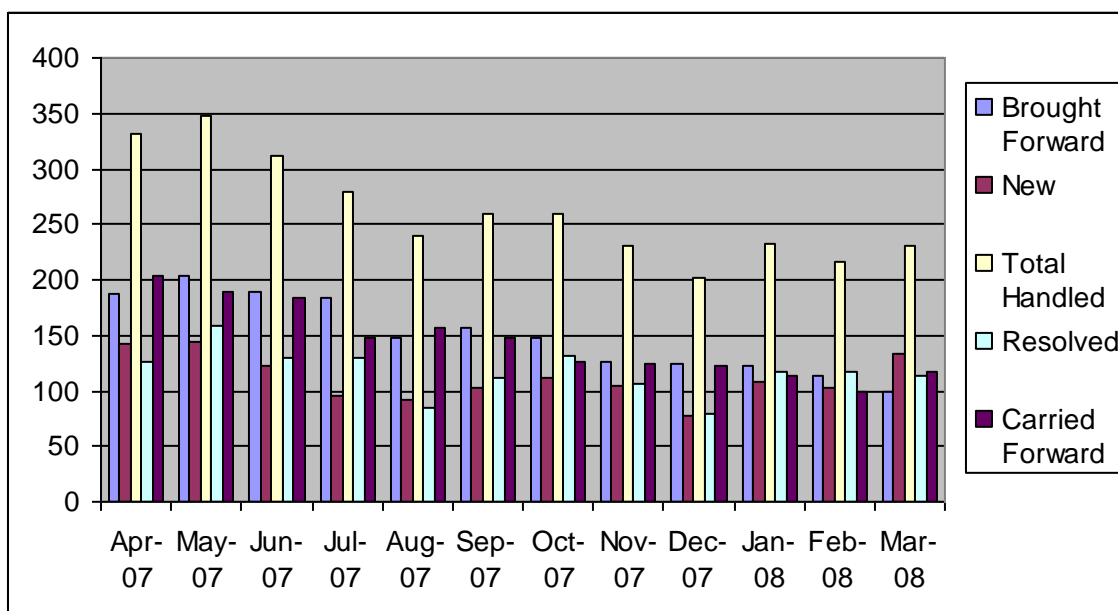
Case Categories Analysis - Summary

April 1, 2007 - Mar 31, 2008



Case Categories by Month Report

April 1, 2007 - March 31, 2008



The Communication and Information Unit is responsible for managing the public relations portfolio of the Agency. This includes the publication of information about product recalls, the production of news releases, pamphlets, flyers and booklets with consumer information, the production of articles for print media, placement of advertisements in the print and electronic media as well as procurement of media involvement in the delivery of the Agency's programmes.

COMMUNICATION AND INFORMATION UNIT



Miss Dorothy Campbell, Communications Specialist

During the past Financial Year, members of the Commission made a concerted attempt to reduce expenditure and consequently paid media exposures were minimized to 382, down from the 841 of the previous year and a little below the projected 450 for the year. It should be noted however, that 459 of the spots the previous year were paid spots for the Public Education Campaign associated with the Consumer Protection Act.

Nevertheless, in fostering a culture of protection of consumer rights, the Commission, in collaboration with Bureau of Standards, Jamaica publicized a number of instances of contaminated or recalled items.



Our personal consumer choices have ecological, social, and spiritual consequences. It is time to re-examine some of our deeply held notions that underlie our lifestyles.

David Suzuki

The CAC continued to use partnerships wherever feasible to accomplish its goal of educating consumers.

In May 2007, the Agency partnered with the Jamaica Children's Foundation by co-sponsoring the outside broadcast for the Children's Exposition which was aired on Power 106.

In June, the Commission partnered with the Office of Disaster Preparedness and Emergency Management (ODPEM) in the sponsorship of an outside broadcast aired on Power 106's Independent Talk.

The Commission reaffirmed its commitment to cooperative effort with the Bureau of Standards Jamaica by its involvement in the Annual National Quality Awards for Excellence in Manufacturing and the Service Industries.

Additionally, the Agency participated in the inaugural radio programme called The Savvy Shopper which was aired on NewsTalk 93 on Saturday, November 16, 2007. Later that same month, NewsTalk 93 engaged members of the Commission in a discussion on the role of the CAC and the impact of increased food prices on Jamaicans.

We will either find a way, or make one.

Hannibal

Media coverage was also provided for the following:

- The Consumer Protection Act Education Campaign – The second phase of the CPA publicity campaign began in July and ended in September. The objective of this campaign which was spearheaded by the Jamaica Information Service (JIS) was to familiarize consumers and vendors with the provisions of the Act. The CPA was enacted in 2005 and provides the legal framework for the Agency's operations and for consumer protection in Jamaica.
- Preparation for Back to School – a JIS feature which highlighted the back to school activities of the CAC (including the Annual Textbook Survey) as well as some tips for parents.
- Smart Consumer Club – The Commission's one-year old consumer club received full television coverage during the four-day energy camp held in St. Elizabeth.
- Textbook Survey – results of the Annual textbook Survey did not receive the usual attention as a result of the general elections and the passage of Hurricane Dean. However, results were broadcast during news on several radio stations and posted on the websites of the Commission and the JIS.
- Pre-hurricane prices of critical food items - Acting on complaints received from exploited consumers following Hurricane Dean on August 19, 2007, the CAC published the pre hurricane prices of critical food items to foil attempts at



It's how you deal with failure that determines how you achieve success.

David Feherty

excessive pricing and unethical marketplace practices; an effort which resulted in commendations to the Agency in the Jamaica Business Magazine.

- The United Nations Senior Citizens' Day - The Commission endorsed this Day by providing senior citizens with tips which appeared in a special publication of the Gleaner on October 1, 2007.

Additionally, the Agency made its contribution to the supplement in the Daily Gleaner on July 4, 2007 which featured the achievements of the agencies of the Ministry of Industry, Technology, Energy and Commerce.

As cited earlier, one of the primary events of the year was the commemoration of the annual World Consumer Rights Day. The Commission used this event as a platform to lobby for changes in government policies by advocating for the adoption of an international code on the marketing of unhealthy food to children. A letter seeking government intervention at the policy level was submitted to the Ministry of Health with an accompanying request that Jamaica voice its concern about the issue at the conference of the World Health Organization scheduled for May 2008. This was part of the CAC's attempt to curb the trend of obesity-related diseases which are prevalent in Jamaica and which account for a significant number of deaths each year.

The day was also marked by two outside broadcasts, one at Vauxhall High School in Kingston and the other at the Head Office of the Consumer Affairs Commission. Nationwide Radio transmitted these live broadcasts both in the morning and afternoon.

In addition to the instances cited earlier, there were a number of other publications and media events which showcased the work of the CAC throughout the year. The following table provides a breakdown of the activities for the year.

Month	Press Releases 1.	Media Interviews	Print Articles	Radio Prog.	TV Prog.	Print Spots	Radio Spots	TV Spots	Total Exposures
	<i>Issued</i>	(Radio, TV, print)	(Free)	(Free)	(Free)	Paid	Paid	Paid	
April	1	5	3	13	-	1	20	-	42
May	-	5	6	11	1	1	9	-	33
June	3	3	4	3	-	-	18	-	28
July	1	18	-	16	2	-	-	-	36
August	1	17	4	21	6	1	-	-	49
September	-	4	1	3	1	-	-	-	9
October	-	5	6	7	2	1	-	-	21
November	3	7	4	6	3	-	-	-	20
December	-	30	8	19	7	1	-	-	65
January	1	5	1	10	4	1	-	-	21
February	1	5	3	3	-	-	-	-	11
March	-	11	5	15	3	3	10	-	47
Total YTD	11	115	45	127	29	9	57	-	382

WORLD CONSUMER RIGHTS DAY 2008 CELEBRATIONS



Staff members of the Consumer Affairs Commission with students of Vauxhall High School



Mrs. Dolsie Allen, CEO of CAC (centre on right) in an interview with Betty Ann Blaine on Nationwide News Network. Also on the panel are Ms. Angella Chaplain, Principal of Vauxhall and Sharmaine Edwards, Director of Nutrition Unit in the Ministry of Health



Members of the Vauxhall High Consumer Club performing on World Consumer Rights Day



Board Chairman addressing students at Vauxhall High School



Chief Executive Officer of the CAC, Mrs. Dolsie Allen addressing students of Vauxhall High School



Students of Vauxhall High school enjoying the Chief Executive Officer's presentation on World Consumer Rights Day 2008

The Research Unit is charged with carrying out the activities involved in the Commission's Market Intelligence Services, with the goal of providing the consuming public access to information on the availability, prices and quality of goods and services. The role of the Research Unit is multi-faceted. Among other things, the Unit conducts weekly price surveys for an expanded list of basic consumer items, undertakes clientele studies, undertakes Consumer Knowledge, Behaviour and Attitude studies and conducts consumer surveys to determine the extent of consumer knowledge and attitude to various issues. These surveys inform the Communication products as well as the policy formulation and strategy of the Commission.

RESEARCH DEPARTMENT



Left to right –Mr. Hugh Taylor, Director of Research and Mrs. Racquel Chambers, Research Officer
Inset – Mrs. Aneita Lewis, Research Officer

In 2007/2008, the Commission intensified its effort to foster the development of an informed population with access to information on the prices of goods and services and knowledge of the implications of policy changes implemented by public and private entities.

With the provision of market intelligence services being one of the primary responsibilities of the department, a number of surveys on the prices of various consumer items were conducted. Provisions were made for the dissemination of this information and analyses to the widest cross section of consumers. The department also maintained its usual engagement in analyses and commentary on policies which have implications for consumers.



Competition is not only the basis of protection to the consumer, but is the incentive to progress.

Herbert Hoover

Increases in the prices of select international goods resulted in increases in prices locally. While the increases locally were not of the same scope or extent as on the international front, they were significant enough to warrant the intervention of the Government through the medium of the Price Support Programme previously mentioned.

In light of these developments, the Commission employed the requisite market surveillance strategies to track the impact of these increased food prices on the consumer. This led to expansion in the basic food items surveyed, from the established 13 to 50, with surveys conducted on a weekly rather than a monthly basis.

Between April 2007 and March 2008, the Agency engaged in 51 surveys and market surveillance activities relating to the price and availability of grocery items, petroleum products, hardware items, agricultural commodities and textbooks. In addition, 12 other surveys were carried out relating to energy saving items, cement, flour and baked products, zinc, chicken meat, eggs and commercial bank charges. The results of these surveys provided the basis for policy decisions and, by displaying them on the Commission's website, they also helped consumers to be more selective in their choice of shopping outlets.

The year-long surveys revealed that prices were more volatile at supermarkets, where 60% of the products

We aim above the mark to hit the mark.

Ralph Waldo Emerson

had their prices moving upwards while 28% of products experienced downward price movement. The situation was slightly different at shops where increases amounted to 52% and decreases 22%.

In January 2008, the Government implemented the Price Support Programme (PSP), an initiative intended to stabilize the prices of the following basic food items – bulk counter flour, bulk rice, bulk cooking oil and whole milk powder. The initiative was also extended to bakery flour to enable manufacturers of baked products to maintain stable prices for bread, water crackers and other baked goods.

Effective surveillance of the price of these items saw the Commission monitoring in excess of 120 outlets per week. The results indicated that the highest level of compliance to the agreed price was achieved for varying quantities of oil, while counter flour and rice remained at the lowest levels of compliance. Observations by CAC however indicated that the Government-led scheme did result in the stabilization of the prices of the selected food items.

Our continued survey of petrol prices revealed that between the start and end of the past Financial Year consumers had to pay net increases of 11.56% (J\$6.28), 11.26% (J\$6.28) and 50.32% (J\$22.35) more per litre for 87 and 90 octane gasoline and auto diesel respectively.



Strength lies in differences, not in similarities.

Stephen Covey

REGIONAL AND INTERNATIONAL COOPERATION

In September 2007, a CAC representative participated in the ISO Course on Enhanced Participation in International Standardization for Social Responsibility held in San Jose, Costa Rica.

The Agency also participated in the Consumers' International (CI) World Congress held in Australia in October 2007, as well as a conference in Montreal on Regional Integration and Consumer Protection in the Americas and in Europe. In addition, the Agency was a member of the Ministry's support team which accompanied the portfolio Minister and the Prime Minister to the Twelfth Special Meeting of the Conference of Heads of Government of the Caribbean Community held in December 2008 in Georgetown, Guyana. Among other issues, the conference was convened to deal with strategies to combat the global rising food prices and the effects on the region.

Details of the Commission's participation in the work of local and regional organizations are outlined in **Appendix I.**

The role of the Administration and Finance Department is to ensure that the CAC is provided with the necessary financial, human and physical resources and that appropriate systems and procedures are in place for the administration of these resources. These functions include coordination of the recruitment, induction, confirmation, training, performance appraisal, promotion, discipline and retirement of staff, as well as administration of leave and other benefits.

ADMINISTRATION & FINANCE DEPARTMENT



Front (seated) –Miss Enid Wells, Manager-Administration & Finance. Left to right – Miss Shemaine Genas, Administrative Assistant; Mrs. Judith Lawrence, Office Attendant; Miss Natalie Deer, Operator/Receptionist; Miss Jacqueline Wright, Senior Accountant and Mrs. Marcia Wynter, Accountant

Staff

The Consumer Affairs Commission has in its service, a cadre of qualified, proficient and dedicated workers who not only deliver service of the highest standard but who continue to avail themselves of every opportunity to improve their qualifications.

This drive to improve, coupled with the lack of sufficient opportunities for promotion caused the Agency to say goodbye to Miss Janice Wright, Complaint Officer; Miss Tanikie McClarthy, Director of Field Operations; Mrs. Anieta Lewis, Research Officer and Miss Nadette Brown, Senior Secretary. To fill some of the vacant positions, the Commission



None of us is as smart as all of us.

Japanese proverb

appointed Mrs. Denise Welcott as Complaints Officer and Mrs. Nickesha Clue-Curtis as Research Assistant while Mrs. Cheryl Martin-Tracey was promoted to the position of Director of Field Operations. Other measures such as multi-tasking and merging of responsibilities allowed the Agency to continue to deliver quality service in all areas.

Finance

The Consumer Affairs Commission is fully financed by Government through the Government Consolidated Fund. Recognizing therefore, the budgetary constraints of Central Government, the Commission implemented cost cutting strategies to ensure the sustainability of the planned programmes without marginalizing consumers.

Expenditure for the year totaled \$63.894M while allocation for the year accrued to \$61.323M. Further details of the financial operations of the Agency can be gleaned from the audited financial statements at the end of this report.

The core function of the Information Technology Unit is to utilize and optimize technology in carrying out the mandate of the Commission. The Unit is therefore responsible for the acquisition and installation of hardware equipment and software used by various departments, as well as IT security for all information technology assets owned by the Commission residing both internally and external to the organization.

INFORMATION TECHNOLOGY UNIT



Mr. Christopher Martin, Information Technology Specialist

During the period under review, several improvements were made to the Commission's computer network. However, lack of resources to acquire more efficient equipment resulted in recurring operational problems at the Head Office and the Montego Bay branch office, warranting regular maintenance.

The Agency also engaged in ongoing adjustments to the Case Management System (CMS) and embarked on a project to input complaints data from previous years. At the close of the year, data for the 2006/2007 Financial Year had been entered and processed.

Discussions concerning the implementation of a statistical programme for the Research Department and the development of proposals for increased efficiency of other departments formed an integral part of the work of the Information Technology Unit in the past Financial Year.

The period saw 619 visits to the CAC website with a total of 1,211 pages downloaded.

The Commission continues to make plans for the restructuring of the website in keeping with the format established by the Central Information Technology Office (CITO) of the portfolio ministry.

SUMMARY AND OUTLOOK

The CAC achieved success in the primary areas of its operation and enjoyed increased visibility in the marketplace. The work of the Research, Field Operations and Communications departments made a significant difference in the lives of many consumers by providing information and redress, while the Information Technology and Administration and Finance departments ensured that the internal machinery of the Commission was kept running.

While there were a number of challenges throughout the year, the Agency was able to surmount these as appropriate contingency plans had been put in place.

In the ensuing Financial Year, the Commission intends to expand its media partnerships to facilitate the dissemination of vital information to a wider target audience to empower consumers to make better and more well informed decisions. This will involve forging stronger ties with media houses across the island.

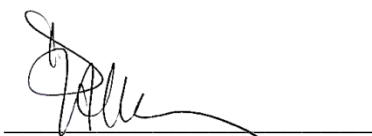
We live in a technological age when access to information is crucial. The absence of CAC offices in some parishes can pose a serious setback, especially for students engaged in research on the work of the CAC. To better assist these students, as well as other internet users, plans are already afoot to

restructure the CAC website to make it more user-friendly, a task which the Commission will seek to expedite in the upcoming year.

In its contribution to the development of the social capital of the nation, the Commission will maintain its involvement in community events and strengthen its educational campaign. The aim is to foster a more proactive approach to matters of consumer safety and health, both among consumers themselves and the country's policy makers.

We thank the portfolio Ministry and the Board of Directors for providing the required institutional support over the year and commend all members of staff who continue to be a part of the process of creating a population of vigilant and informed consumers. Thanks too to the affiliated agencies both within and outside the Ministry of Industry, Investment and Commerce which helped to amplify the Commission's work through support and collaboration on matters of mutual interest.

The Commission looks forward to the ensuing year with renewed hope and commitment to the cause of consumer advocacy in Jamaica and the wider Caribbean region.



Dolsie Allen
Chief Executive Officer

Pictorial Highlights



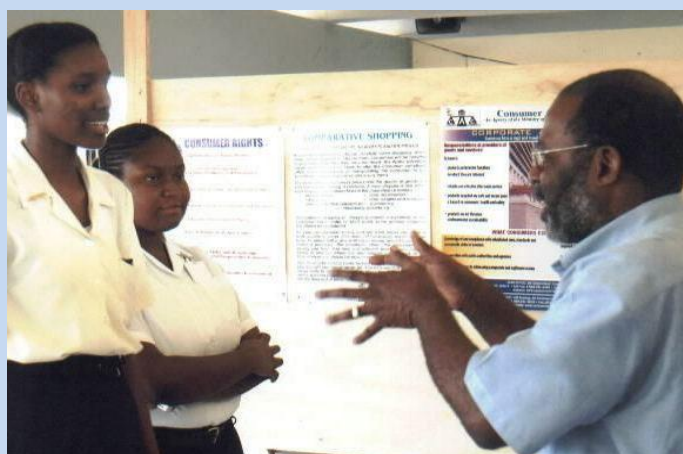
Police Officers viewing a CAC display on World Consumer Rights Day 2008



An interactive session during a Consumer Club meeting



Participants in Energy Camp 2007 which was held at Invercauld Great House in Black River



CAC Officer, Mr. Pash Fuller addressing students of Moneague College



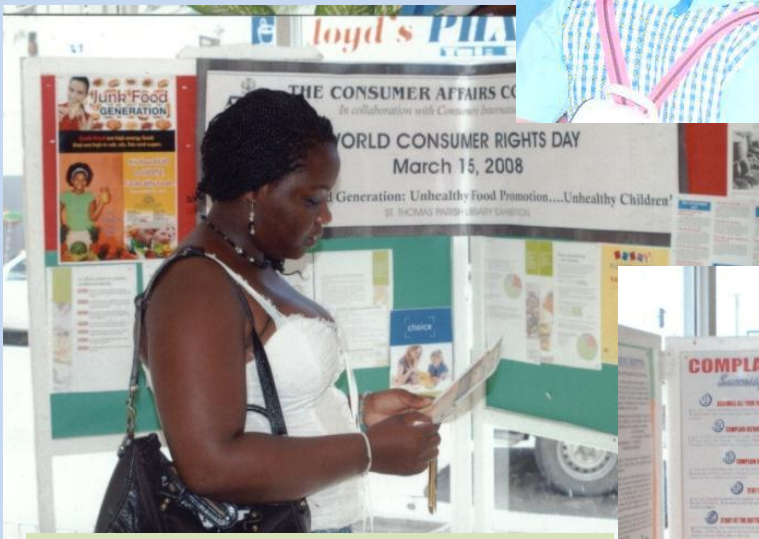
Participants in Energy Camp 2007 which was held at Invercauld Great House in Black River



Consumer Club meeting in progress



Children talking to CAC Communications Specialist, Dorothy Campbell and Research Officer, Mrs. Aneita Lewis at Children's Expo



Exhibition in St. Thomas on World Consumer Rights Day 2008



Students viewing an exhibition in St. Thomas on World Consumer Rights Day 2008

Schedule of Emoluments – Directors and Senior Officers

DIRECTORS' COMPENSATION (Consumer Affairs Commission)

Position of Director	Fees (\$)	Motor Vehicle Upkeep/Travelling or Value of Assignment of Motor Vehicle (\$)	Honoraria (\$)	All Other Compensation including Non-Cash Benefits as applicable (\$)	Total (\$)
Chairman	57,375.00				
Director 1	24,375.00				
Director 2	28,500.00				
Director 3	28,125.00				
Director 4	47,875.00				
Director 5	65,875.00				
Director 6	34,125.00				
Director 7	19,125.00				
Director 8	21,375.00				
Director 9	14,250.00				
Director 10	11,625.00				
Director 11	16,875.00				
Director 12	11,250.00				
Total	380,750.00				

Notes

1. Where a non-cash benefit is received (e.g. government housing), the value of that benefit shall be quantified and stated in the appropriate column above.
2. The Board changed in mid year with a five month hiatus (from August to December) between the dissolution of the previous Board and the appointment of the new one.

DIRECTORS' COMPENSATION (Dec 2007 to March 2008)

Position of Director	Fees (\$)	Motor Vehicle Upkeep/Travelling or Value of Assignment of Motor Vehicle (\$)	Honoraria (\$)	All Other Compensation including Non-Cash Benefits as applicable (\$)	Total (\$)
Chairman	62,500.00				
Director 1	13,125.00				
Director 2	36,625.00				
Director 3	26,250.00				
Director 4	36,625.00				
Director 5	26,250.00				
Director 6	26,250.00				
Director 7	5,625.00				
Director 8	5,625.00				
Total	238,875.00				

Notes

1. Where a non-cash benefit is received (e.g. government housing), the value of that benefit shall be quantified and stated in the appropriate column above.
2. The Board changed in mid year with a five month hiatus (from August to December) between the dissolution of the previous Board and the appointment of the new one.

SENIOR EXECUTIVE COMPENSATION APR'07-MAR'08

Position of Senior Executive	Year	Salary (\$)	Gratuity or Performance Incentive (\$)	Travelling Allowance or Value of Assignment of Motor Vehicle (\$)	Pension or Other Retirement Benefits (\$)	Other Allowances (\$)	Non-Cash Benefit (\$)	Total (\$)
Chief Exec. Officer	Apr'07-Mar'08	2,610,950.00		568,812.00		22,620.00		3,202,382.00 p.a.
Finance & Admin Mgr	Apr'07-Mar'08	1,899,796.00		300,000.00		22,620.00		2,222,416.00 p.a.
Dir. Of Research	Apr'07-Mar'08	1,899,796.00		300,000.00		22,620.00		2,222,416.00 p.a.
Dir. Of Field Op.	Apr'07-Mar'08	1,638,188.00		300,000.00		22,620.00		1,960,808.00 p.a.
Dir. Of Western Div. Field Op.	Apr'07-Mar'08	1,188,690.00		300,000.00		22,620.00		1,511,310.00 p.a.
Snr. Accountant	Apr'07-Mar'08	1,463,722.00		300,000.00		22,620.00		1,786,342.00 p.a.
Comm. Specialist	Apr'07-Mar'08	1,188,690.00		300,000.00		22,620.00		1,511,310.00 p.a.

Notes

1. Where contractual obligations and allowances are stated in a foreign currency, the sum in that stated currency must be clearly provided and not the Jamaican equivalent.
2. Other Allowances (including laundry, entertainment, housing, utility, etc.)
3. Where a non-cash benefit is received (e.g. government housing), the value of that benefit shall be quantified and stated in the appropriate column above.



Consumer Affairs Commission

**An Agency of the Ministry of Industry, Investment &
Commerce**

AUDITED FINANCIAL STATEMENTS

MARCH 31 2008



CONSUMER AFFAIRS COMMISSION

FORMERLY

THE PRICES COMMISSION

FINANCIAL STATEMENTS

31 MARCH 2008

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INDEPENDENT AUDITORS' REPORT

To the Members of
Consumer Affairs Commission
(formerly The Prices Commission)

Report on the Financial Statements

We have audited the financial statements of Consumer Affairs Commission set out on pages 3 to 21 which comprise the balance sheet as at 31 March 2008 and the income and expenditure account, changes in reserves and cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and the Jamaican Companies Act. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and consistently applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal controls relevant to the Commission's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



INDEPENDENT AUDITORS' REPORT (CONT'D)

To the Members of
Consumer Affairs Commission
(formerly The Prices Commission)

Basis for Qualified Opinion

We did not receive an actuarial valuation for the Pension Scheme as stipulated by IAS 19.

Qualified Opinion

In our opinion, except for the matter discussed in the Basis for Qualified Opinion paragraph, the financial statements give a true and fair view of the Commission's financial position as at 31 March 2008, and of its financial performance, changes in reserves and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

A handwritten signature in black ink, appearing to read 'BDO Mauritius Partners', written in a cursive style.

Chartered Accountants

18 August 2009

CONSUMER AFFAIRS COMMISSION
FORMERLY
THE PRICES COMMISSION
INCOME AND EXPENDITURE ACCOUNT
YEAR ENDED 31 MARCH 2008

	<u>2008</u> \$	<u>2007</u> \$
INCOME:		
Grants (general)	56,292,019	51,438,530
Grants (specific: NHT employer's contributions)	780,647	688,851
Other income	<u>4,250,444</u>	<u>180,180</u>
	<u>61,323,110</u>	<u>52,307,561</u>
EXPENDITURE (pages 5 and 6):		
Personal emoluments	34,335,489	18,086,122
Travelling and subsistence	8,595,819	6,799,245
Rental	7,075,354	4,417,080
Public utilities	3,306,329	2,685,002
Other operating and general expenses	<u>10,580,771</u>	<u>7,898,613</u>
	<u>63,893,762</u>	<u>39,886,062</u>
(Deficit)/surplus	(2,570,652)	12,421,499
Depreciation	(<u>586,871</u>)	(<u>560,287</u>)
Net (deficit)/surplus for the year	(<u>3,157,523</u>)	<u>11,861,212</u>

CONSUMER AFFAIRS COMMISSION

FORMERLY

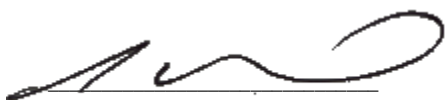
THE PRICES COMMISSION

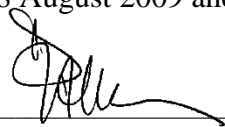
BALANCE SHEET

31 MARCH 2008

	<u>Note</u>	<u>2008</u> \$	<u>2007</u> \$
ASSETS			
NON-CURRENT ASSETS:			
Fixed assets	6	4,620,240	4,795,553
Retirement benefit asset	7	<u>74,910,000</u>	<u>74,910,000</u>
		<u>79,530,240</u>	<u>79,705,553</u>
CURRENT ASSETS:			
Receivables	8	975,506	467,411
Cash and cash equivalents	9	<u>1,665,376</u>	<u>2,004,401</u>
		<u>2,640,882</u>	<u>2,471,812</u>
		<u>82,171,122</u>	<u>82,177,365</u>
RESERVES AND LIABILITIES			
RESERVES:			
Retirement benefit reserve	7	74,910,000	74,910,000
Accumulated surplus		<u>949,369</u>	<u>4,106,892</u>
		<u>75,859,369</u>	<u>79,016,892</u>
CURRENT LIABILITIES:			
Payables	10	<u>6,311,753</u>	<u>3,160,473</u>
		<u>82,171,122</u>	<u>82,177,365</u>

Approved for issue by the Commission on 18 August 2009 and signed on its behalf by:


for Richard Fontaine Chairman


Dolsie Allen Executive Director

CONSUMER AFFAIRS COMMISSION

FORMERLY

THE PRICES COMMISSION

SCHEDULE OF EXPENDITURE

YEAR ENDED 31 MARCH 2008

	<u>2008</u>	<u>2007</u>
	<u>\$</u>	<u>\$</u>
PERSONAL EMOLUMENTS:		
Permanent	28,497,984	25,727,067
Temporary and casual	1,982,592	1,318,245
Other allowances	1,651,767	521,566
Pension contributions	95,748	(11,116,479)
National insurance	315,369	296,323
National Housing Trust	780,647	688,851
Education tax	735,637	650,549
Staff welfare	<u>275,745</u>	<u>-</u>
	<u>34,335,489</u>	<u>18,086,122</u>
TRAVELLING AND SUBSISTENCE:		
Motor cars - upkeep	5,390,136	4,351,215
Subsistence	179,605	500,760
Transportation and foreign travel	267,088	66,678
Air passage and related expenses	<u>2,758,990</u>	<u>1,880,592</u>
	<u>8,595,819</u>	<u>6,799,245</u>
RENTAL - offices	<u>7,075,354</u>	<u>4,417,080</u>

CONSUMER AFFAIRS COMMISSION

FORMERLY

THE PRICES COMMISSION

SCHEDULE OF EXPENDITURE

YEAR ENDED 31 MARCH 2008

	<u>2008</u>	<u>2007</u>
	\$	\$
PUBLIC UTILITIES:		
Electricity	1,384,972	901,532
Telephone	<u>1,921,357</u>	<u>1,783,470</u>
	<u>3,306,329</u>	<u>2,685,002</u>
OTHER OPERATING AND GENERAL EXPENSES:		
Directors' fees	619,625	605,375
Professional services	616,850	876,283
Other services	98,614	21,861
Repairs - furniture and equipment	283,763	183,730
Insurance	321,694	339,838
Cleaning and sanitation	35,627	30,944
Audit fees - current year	541,000	520,000
- prior year overprovision	(39,000)	(14,500)
Miscellaneous	1,190,666	563,519
Food and drinks	387,319	436,933
Printing and stationery	871,533	814,639
Wireless, cable and postage	72,208	75,652
Subscriptions and membership fees	156,211	116,586
Security services	105,545	78,000
Medical supplies	5,088	6,170
Staff training	-	102,462
Exhibition, conference and seminars	1,258,099	781,107
Advertising	3,141,344	1,313,149
Subvention	-	502,602
Cement refund	80,363	446,811
Bank charges	206,522	97,452
Grants and contributions	600,000	-
Text and reference books	13,400	-
Rental – machinery and equipment	<u>14,300</u>	<u>-</u>
	<u>10,580,771</u>	<u>7,898,613</u>

CONSUMER AFFAIRS COMMISSION

FORMERLY

THE PRICES COMMISSION

STATEMENT OF CHANGES IN RESERVES

YEAR ENDED 31 MARCH 2008

	<u>Retirement Benefit Reserve</u> \$	<u>Accumulated Surplus</u> \$	<u>Total</u> \$
Balance at 1 April 2006	<u>63,607,000</u>	<u>3,548,680</u>	<u>67,155,680</u>
Net surplus for the year	-	11,861,212	11,861,212
Transfer from retirement benefit reserve	<u>11,303,000</u>	<u>(11,303,000)</u>	<u>-</u>
Total recognized income for 2007	<u>11,303,000</u>	<u>558,212</u>	<u>11,861,212</u>
Balance at 31 March 2007	<u>74,910,000</u>	<u>4,106,892</u>	<u>79,016,892</u>
Net deficit for the year	<u>-</u>	<u>(3,157,523)</u>	<u>(3,157,523)</u>
Total recognized income for 2008	<u>-</u>	<u>(3,157,523)</u>	<u>(3,157,523)</u>
Balance at 31 March 2008	<u>74,910,000</u>	<u>949,369</u>	<u>75,859,369</u>

CONSUMER AFFAIRS COMMISSION

FORMERLY

THE PRICES COMMISSION

STATEMENT OF CASH FLOWS

31 MARCH 2008

	<u>2008</u> \$	<u>2007</u> \$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net (deficit)/surplus	(3,157,523)	11,861,212
Adjustments for:		
Depreciation	586,871	560,287
Retirement benefit asset	-	(11,303,000)
Interest income	(44,344)	(170,913)
Operating cash flows before movements in working capital	(2,614,996)	947,586
Changes in operating assets and liabilities:		
Receivables	(508,095)	186,635
Payables	<u>3,151,280</u>	<u>(117,688)</u>
Net cash provided by operating activities	<u>28,189</u>	<u>1,016,533</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest income	44,344	170,913
Purchase of fixed assets	(411,558)	(679,818)
Net cash used in financing activities	(367,214)	(508,905)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(339,025)	507,628
Cash and cash equivalents at beginning of year	<u>2,004,401</u>	<u>1,496,773</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 9)	<u><u>1,665,376</u></u>	<u><u>2,004,401</u></u>

CONSUMER AFFAIRS COMMISSION

FORMERLY

THE PRICES COMMISSION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2008

1. IDENTIFICATION AND PRINCIPAL ACTIVITY:

The Commission was established under the Trade Act 1955 as amended by Act 22 of 1970 and acts as chief protagonist to ensure the fundamental rights of the consumer with respect to prices and trade practices.

At 31 March 2008 the legislative changes regarding the Consumer Protection Act were not finalized. Therefore, the requirements in regard to its change of name to the Consumer Affairs Commission had not been met.

2. REPORTING CURRENCY:

These financial statements are presented in Jamaican dollars unless otherwise stated.

3. SIGNIFICANT ACCOUNTING POLICIES:

The principal accounting policies applied in the preparation of these financial statements are set out below. The policies have been consistently applied to all the years presented. Where necessary, prior year comparatives have been restated and reclassified to conform to current year presentation.

(a) Basis of preparation -

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and their interpretations adopted by the International Accounting Standards Board, and have been prepared under the historical cost convention. They are also prepared in accordance with provisions of the Jamaican Companies Act.

The preparation of financial statements to conform to IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities contingent assets and liabilities at the date of the balance sheet and the revenue and expenses during the reported period. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis and any adjustments that may be necessary would be reflected in the year in which actual results are known.

CONSUMER AFFAIRS COMMISSION

FORMERLY

THE PRICES COMMISSION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2008

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(a) Basis of preparation (cont'd) -

Interpretations and amendments to published standards effective in the current year

Certain new standards, amendments and interpretations to existing standards have been published that became effective during the current financial year. The commission has assessed the relevance of all such new standards, interpretations and amendments with respect to the commission's operations and has adopted the following IFRS's and interpretations which are relevant to its operation.

IAS 1 (Amendment)	Presentation of Financial Statements - Capital Disclosures
IAS 19	Employee Benefits
IFRS 7	Financial Instruments: Disclosures
IFRIC 8	Scope of IFRS 2
IFRIC 10	Interim Financial Reporting and Impairment

The adoption of these standards and interpretations did not result in any change in accounting policies and there was no impact on the opening accumulated surplus at 1 April 2007 from their adoption.

CONSUMER AFFAIRS COMMISSION

FORMERLY

THE PRICES COMMISSION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2008

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(a) Basis of preparation (cont'd) -

Standards, interpretations and amendments to published standards that are not yet effective

At the date of authorization of these financial statements, there were certain new standards, amendments and interpretations to existing standards which were not issue but which were not yet effective. Those which are considered relevant to the commission are as follows:

IFRS 7 (Revised)	Financial Instruments: Disclosures - Amendments enhancing disclosures about fair value and liquidity risk (effective for annual periods beginning on or after 1 January 2009)
IAS 1 (Revised)	Presentation of Financial Statements – Comprehensive revision including requiring a statement of comprehensive income (effective for annual periods beginning on or after 1 January 2009)
IAS 19 (Revised)	Employee Benefits (effective for annual periods beginning on or after 1 January 2009)
IAS 32 (Revised)	Financial Instruments (effective for annual periods beginning on or after 1 January 2009)
IAS 36 (Revised)	Impairment of Assets (effective for annual periods beginning on or after 1 January 2009)
IAS 39 (Revised)	Financial Instruments: Recognition and Measurement effective for annual periods beginning on or after 1 January 2009)

The commission anticipates that adoption of the standards, amendments and interpretations, which are relevant in future periods, is unlikely to have any material impact on the financial statements.

CONSUMER AFFAIRS COMMISSION

FORMERLY

THE PRICES COMMISSION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2008

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(b) Impairment of non-current assets -

Plant and equipment and other non-current assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

(c) Fixed assets -

Fixed assets are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Depreciation is calculated on the straight-line method to write off the cost of the assets to their residual values over their estimated useful lives.

Annual rates are as follows: -

Leasehold improvement	2½%
Furniture, fixtures and equipment	10%
Computers	10%

Gains and losses on disposal are determined by comparing proceeds with carrying amounts and are included in net surplus.

(d) Employee benefits –

The Commission operates a defined benefit pension plan, the assets of which are held in separate trustee-administered funds. The plan is funded by the payments from employees and by the organization, taking account of the recommendations of independent qualified actuaries.

CONSUMER AFFAIRS COMMISSION

FORMERLY

THE PRICES COMMISSION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2008

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(d) Employee benefits (cont'd) -

The pension accounting costs are assessed using the projected unit credit method.

Under this method, the cost of providing pensions is charged to the profit and loss account so as to spread the regular cost over the service lives of employees in accordance with the advice of qualified actuaries who carry out a full valuation of the plan every year. The pension obligation is measured as the present value of the estimated future cash outflows using interest rates of government securities which have terms of maturity approximating the terms of the related liability. All actuarial gains and losses are spread forward over the average remaining service lives of employees.

(e) Cash and cash equivalents -

Cash and cash equivalents are carried in the balance sheet at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash at bank as well as cash in hand.

(f) Revenue recognition -

Income is recognized as it accrues unless collectability is in doubt.

(g) Financial instruments -

Financial instruments include transactions that give rise to both financial assets and financial liabilities. Financial instruments carried on the balance sheet include cash and bank balances, receivables and payables. The particular recognition methods adopted are disclosed in the respective policy statements associated with each item.

CONSUMER AFFAIRS COMMISSION

FORMERLY

THE PRICES COMMISSION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2008

4. FINANCIAL AND CAPITAL RISK MANAGEMENT:

(a) Financial risk factors -

The commission's activities expose it to a variety of financial risks: market risk (including currency risk and price risk), credit risk, liquidity risk, interest rate risk and operational risk. The commission's overall risk management policies are established to identify and analyze the risks faced by the commission and to set appropriate risk limits and controls and to monitor risk and adherence to limits. The risk management framework is based on guidelines set by the Board of Directors together with management and seeks to minimize potential adverse effects on the commission's financial performance.

(i) Market risk -

Price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices. The commission has no exposure to this risk.

Currency risk -

Credit risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates. The commission has no exposure to this risk.

(ii) Capital risk

Capital risk is the risk that the commission fails to comply with mandated regulatory requirements resulting in breach of those requirements. The commission's objectives when managing capital are to comply with capital requirements, safeguard the commission's ability to continue as a going concern and to maintain strong capital base to support the development of its business.

CONSUMER AFFAIRS COMMISSION

FORMERLY

THE PRICES COMMISSION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2008

4. FINANCIAL AND CAPITAL RISK MANAGEMENT (CONT'D):

(iv) Operational risk

Operational risk is the risk of direct or indirect loss arising from a variety of causes associated with the commission's processes, personnel, technology and external factors, other than financial risks, such as generally accepted standards of corporate behaviour. The commission manages operational risk so as to avoid financial loss and damage to its reputation.

(b) Fair values -

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The amounts included in the financial statements for cash at bank, receivables and payables reflect their approximate fair values because of the short term maturity of these instruments.

5. STAFF COSTS:

	<u>2008</u> \$	<u>2007</u> \$
Personal emoluments	34,335,489	18,086,122
Travelling and subsistence	<u>8,595,819</u>	<u>6,799,245</u>
	<u>42,931,308</u>	<u>24,885,367</u>

The organization employed thirty eight (38) persons at the end of the year (2007-2008)

CONSUMER AFFAIRS COMMISSION

FORMERLY

THE PRICES COMMISSION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2008

6. FIXED ASSETS:

	Leasehold Improvement \$	Furniture Fixtures, and Equipment \$	Computers \$	Total \$
Year Ended 31 March 2008 -				
Net book value				
1 April 2007	1,368,298	2,173,316	1,253,939	4,795,553
Additions	-	130,707	280,851	411,558
Depreciation charge	(39,281)	(335,031)	(212,559)	(586,871)
31 March 2008	<u>1,329,017</u>	<u>1,968,992</u>	<u>1,322,231</u>	<u>4,620,240</u>
At 31 March 2008 -				
Cost	1,571,250	4,614,266	3,007,943	9,193,459
Accumulated depreciation	(242,233)	(2,645,274)	(1,685,712)	(4,573,219)
Net book value	<u>1,329,017</u>	<u>1,968,992</u>	<u>1,322,231</u>	<u>4,620,240</u>
Year Ended 31 March 2007 -				
Net book value				
1 April 2006	1,407,579	2,416,343	852,100	4,676,022
Additions	-	84,618	595,200	679,818
Depreciation charge	(39,281)	(327,645)	(193,361)	(560,287)
31 March 2007	<u>1,368,298</u>	<u>2,173,316</u>	<u>1,253,939</u>	<u>4,795,553</u>
At 31 March 2007 -				
Cost	1,571,250	4,483,559	2,727,092	8,781,901
Accumulated depreciation	(202,952)	(2,310,243)	(1,473,153)	(3,986,348)
Net book value	<u>1,368,298</u>	<u>2,173,316</u>	<u>1,253,939</u>	<u>4,795,553</u>

CONSUMER AFFAIRS COMMISSION

FORMERLY

THE PRICES COMMISSION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2008

7. RETIREMENT BENEFIT ASSET:

The Commission operates a defined benefit pension scheme (see note 3 (d)) which is open to all permanent employees and is managed by an independent external agency. The scheme is funded by employees' contribution at the rate of 5% of pensionable salary. Employees may make additional voluntary contributions not exceeding a further 5%.

The Commission meets the balance of the cost of the scheme's benefits. Normal retirement pension is based on 2% of final pensionable salary per year of pensionable service.

The disclosures below are based on the independent actuarial valuation as at 12 November 2007.

- (a) Amounts recognized in the income statement in respect of the defined benefit plan are as follows:

	<u>2008</u> <u>\$'000</u>	<u>2007</u> <u>\$ '000</u>
Current service cost	(2,274)	(2,274)
Interest cost	(3,682)	(3,682)
Expected return on plan assets	19,290	19,290
Net actuarial gain recognized in year	2,146	2,146
Change in disallowed assets	(4,098)	(4,098)
Past service cost - non vested benefits	(<u>266</u>)	(<u>266</u>)
Net income recognized in income statement	<u>11,116</u>	<u>11,116</u>

This amount is included in staff costs.

CONSUMER AFFAIRS COMMISSION

FORMERLY

THE PRICES COMMISSION

NOTES TO THE FINANCIAL STATEMENTS

31 MARH 2008

7. RETIREMENT BENEFIT ASSET (CONT'D):

- (b) The amount included in the balance sheet in respect of the defined benefit retirement plan comprises:

	<u>2008</u>	<u>2007</u>
	<u>\$'000</u>	<u>\$'000</u>
Present value of funded obligations	(35,776)	(35,776)
Fair value of plan assets	<u>206,069</u>	<u>206,069</u>
	170,293	170,293
Unrecognized actuarial losses	(36,923)	(36,923)
Unrecognized past service cost	1,333	1,333
Unrecognized amount to limitation	(59,793)	(59,793)
Asset recognized in balance sheet	<u>74,910</u>	<u>74,910</u>

- (c) Movement in net assets in the current year were as follows:

	<u>2008</u>	<u>2007</u>
	<u>\$'000</u>	<u>\$'000</u>
Net asset at start of year	74,910	63,607
Net income recognized in the income statement	-	11,116
Contributions paid by the commission	<u>-</u>	<u>187</u>
	<u>74,910</u>	<u>74,910</u>

- (d) Key financial assumptions used:

	<u>2008</u>	<u>2007</u>
	%	%
Discount rate	12	12
Rate of escalation of pensionable earnings	9	9
Rate of increase in pensions	5	5
Expected long term rate of return on scheme assets	10	10

Expenses - allowance is made for administrative expense at the rate of 5% of members' pensionable earnings

CONSUMER AFFAIRS COMMISSION
FORMERLY
THE PRICES COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
31 MARCH 2008

8. RECEIVABLES:

	<u>2008</u>	<u>2007</u>
	<u>\$</u>	<u>\$</u>
Staff receivables	174,453	109,686
Withholding tax	198,780	190,508
Other receivables	544,711	109,655
Prepayments	<u>57,562</u>	<u>57,562</u>
	<u>975,506</u>	<u>467,411</u>

9. CASH AND CASH EQUIVALENTS:

	<u>2008</u>	<u>2007</u>
	<u>\$</u>	<u>\$</u>
Petty cash	3,000	3,000
Fixed deposits	-	720,753
Local currency accounts	<u>1,662,376</u>	<u>1,280,648</u>
	<u>1,665,376</u>	<u>2,004,401</u>

10. PAYABLES:

	<u>2008</u>	<u>2007</u>
	<u>\$</u>	<u>\$</u>
Accounts payable	2,160,450	195,486
Other payables and accruals	<u>4,151,303</u>	<u>2,964,987</u>
	<u>6,311,753</u>	<u>3,160,473</u>

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11. SOURCES AND USES OF FUNDS:

The comparative details between budgeted and actual income and expenditure are as follows:

	<u>Budget</u> \$	<u>Actual</u> \$	Variance Favourable/ (Unfavourable) \$
Income:			
Grant - general	52,203,000	56,292,019	4,089,019
Other	<u>-</u>	<u>5,031,091</u>	<u>5,031,091</u>
	<u>52,203,000</u>	<u>61,323,110</u>	<u>9,120,110</u>
Expenditure:			
Personal emoluments	33,330,000	34,335,489	(1,005,489)
Travelling and subsistence	6,754,000	8,595,819	(1,841,819)
Other operating and general expenses	4,845,000	10,580,771	(5,735,771)
Rent	2,000,000	7,075,354	(5,075,354)
Public utilities	<u>3,259,000</u>	<u>3,306,329</u>	(<u>47,329</u>)
	<u>50,188,000</u>	<u>63,893,762</u>	<u>(13,705,762)</u>
Operating surplus/(deficit)	2,015,000	(2,570,652)	(4,585,652)
Capital:			
Purchase of fixed assets	<u>2,015,000</u>	(<u>411,558</u>)	<u>1,603,442</u>
TOTAL	<u>-</u>	(<u>2,982,210</u>)	(<u>2,982,210</u>)

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12. PENSION SCHEME:

The Commission maintains a contributory pension scheme which covers substantially all of its employees who meet eligibility requirements.

It is managed externally with employees contributing 5% of basic salaries and the Commission contributing 2%.

The scheme is subjected to annual actuarial valuations, the most recent being 12 November 2007, which revealed that the scheme was adequately funded.

APPENDIX 1

ORGANIZATION / COMMITTEE	SUBJECT	BENEFITS
Consumers International	The Consumer Affairs Commission (CAC) is a member of the organization paying a yearly fee of US\$2,000.00.	Able to garner information for dissemination locally.
Caribbean Consumer Council	Encourage a unified approach to consumer redress and harmonization of the laws related to consumer protection	Unified approach to dealing with consumer complaints in light of the Caribbean Single Market and the proposed single economic space.
Jamaica Standards Network of the Bureau of Standards Jamaica	Grouping of resource personnel whose expertise can be drawn on to: <ul style="list-style-type: none"> • Determine the type of standards that need to be created or reviewed • Serve on Technical Committees when required to create and review standards locally and for CARICOM • 	Improvement in the quality of products and services offered to the consumer
National Examiners Boards of the Bureau of Standards Jamaica	Assess the parameters by which the competitors in the National Quality Awards are judged. Review the audits done of the competitors Determine the sectional and category (Service or Manufacturing) winners.	To improve the level of quality control in business resulting in greater efficiencies and an improvement in the product/service to the consumer
Labelling Technical Committee of the Bureau of Standards Jamaica	Review and create standards local and CARICOM for labelling of goods. Amendment of the labelling standard for Tobacco Products to require additional warning signs to be place on the packaging in both words and graphics.	Health, safety and information are issues of concern to the Commission's as it seeks to uphold the consumer's rights
Cement Technical Committee of the Bureau of Standards Jamaica	Create and review standards for Portland Cement	As above
Leather and Safety Footwear Technical Committee of the	Create standards to ensure the quality necessary protective footwear used in construction, mining, and	As Above

Bureau of Standards Jamaica	manufacturing. Thereby reducing the persons' exposure to injury from falling objects, corrosive substances, or falls due to slippery surfaces.	
Wall and Floor Tiles Technical Committee of the Bureau of Standards Jamaica	Create and review standards for Wall and Floor Tiles to ensure the products are not susceptible to cracking and staining.	As Above
Bureau of Standards Jamaica Committee to develop a certification mark for Agricultural Produce	Development of best practices for farming from land preparation to harvesting.	As above. There is also the added implication for the export trade such as unacceptable levels of pesticide residue
Education Committee of the Caribbean Poison Network	To promote safety in the use of poisonous substances. Creation of the agency's website with link to the Consumer Affairs Commission's website	Health, safety and information are issues of concern to the Commission's as it seeks to uphold the consumer's rights.
Table Salt Technical Committee of the Bureau of Standards Jamaica	Create and review standards for Table Salt	Health, safety and information are issues of concern to the Commission's as it seeks to uphold the consumer's rights
National Organic Agriculture Steering Committee of the Ministry of Agriculture and Lands	Oversee the development of a National Organic Farming Project through: <ul style="list-style-type: none"> • Development of a National Policy • Sensitization and training • Preparation and dissemination of literature • Research and development • Organic certification 	Environmental impact with the reduction in the use of fertilizers and pesticides and likely savings in foreign exchange with the reduction in the import of these inputs.
Baked Products Technical Committee of the Bureau of Standards	Create and review standards for baked products	Health, safety and information issues are part of the Agency's concerns as it seeks to uphold the consumer's rights
Paints Technical Committee of the Bureau of Standards	Create and review standards for paints	Health, safety, environmental concerns and information are issues of concern to the Commission's as it seeks to uphold the consumer's rights

ORGANIZATION / COMMITTEE	SUBJECT	BENEFITS
National Mirror Committee for Social Responsibility	Review ISO international standard for Social Responsibility as local working group.	
National Environmental Education Committee	Development of NEEC constitution so as to put committee in a position to qualify for international funding for environmental projects.	
Pesticides Residue Committee	Review and expand list of produce tested by Pesticides Authority at the ports. Make recommendations regarding the drafting of a regulation for pesticide residue on food and domestic animal feed.	
Gas Containers Technical Committee	Review JS 25: 1992, JS 31: 1974 and JS 41: 1998 as per 5 year review procedure with a view to amend the standard to include higher safety features in keeping with current developments.	Health, safety, environmental concerns and information are issues of concern to the Commission's as it seeks to uphold the consumer's rights
Consumer Affairs Committee on Utilities	Consumer Advisory Body set up to provide the consumer's perspective on matters pertaining to the Director General Office of Utilities Regulation	Provides an avenue for the airing of the views of consumers in the setting of policies and rate adjustments as it relates to utilities
National Biosafety Committee	<ul style="list-style-type: none"> • Determine Biosafety Policy • monitor the development of Transgenic Products • monitor the testing of imported living organism, such as seeds for planting to make sure none are genetically modified (in particular those donated) develop and implement public education programmes on biosafety.	Protection of the country's diversity and possible adverse impact on the environment
The Refined Sugar Monitoring and Advisory Committee	The Committee was charged with the responsibility of implementing systems that would eliminate the illegal practice of siphoning refined sugar, imported duty free for manufacturing, into the retail trade.	Negative implications for Government's revenue collection

Phosphate Technical Committee	Committee jointly established by National Environment and Planning Agency and The Bureau of Standards Jamaica to review the levels of phosphate contained in powdered detergent and its impact on the environment particularly as it relates to the fostering of algae growth.	Protection of the country's environment.
Distributive Trade Meeting	The Consumer Affairs Commission is the Secretariat for the meetings with the Producers, Manufacturers, Retailers of essential items in particular food items. Areas discussed include availability, prices, transportation difficulties, customs and port facilities.	Provides for proper planning in respect of the country's food supply. This information becomes even more critical during the times of disaster (hurricane etc)
Telecommunications Appeals Tribunal	The Consumer Affairs Commission is the Secretariat for the meetings	
Electricity Appeals Tribunal	The Consumer Affairs Commission is the Secretariat for the meetings	
Quasi-Judicial Tribunal of the Consumer Affairs Commission (CAC)	The Tribunal provides a forum where disputants can meet and resolve disputes. This action is taken when complaints reported to the CAC prove difficult to resolve by the usual method of negotiation.	Give the parties involved in the dispute a means of settling the dispute without having to resort to the more costly and lengthy arena of the courts

Summary of Main Achievements

Activity	Target	Achievements	Shortfall/Excess	Explanation
Complaints Handled	2, 700	1, 527	-1, 173 (43.4%)	Less complaints received than anticipated
Complaints Settled	2, 160	1, 408	-752 (34.8%)	Resolution rate was 92.28%
Advice/Information Provided	0	2, 499	+2, 499	969 more received in comparison to the period 2006/2007
Refund/Compensation	0	\$27.2M	+\$27.2M	
Community Outreach	55, 000	38, 585	-16,415 (29.85%)	Increased surveillance in Price Monitoring led to the deployment of Regional officers. There were interruptions caused by Hurricane Dean and the elections
Media Exposures (including interviews)	Ongoing	382	+382	
Production of New material	3	2	-1	1. Energy camp Handbook 2. CAC Overview for new Minister
Surveys (Grocery, Vegetable, Petrol, Textbooks, Pharmaceutical, Consumer Knowledge)	31	63	+32	Increased surveillance in price monitoring through additional surveys including the Price Support Programme
Consumer Club in Schools	12	12	-	Inadequate resource personnel at CAC to follow up
Meeting of the Distributive Trade	12	12	-	In addition, there were six ad hoc meetings with sections of the distributive trade