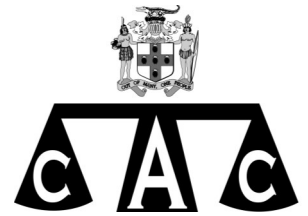


CONSUMER AFFAIRS COMMISSION



**Annual Report
2013-2014**

Protecting Your Rights...Securing Our Future



Our Mission

To foster ethical relations between providers and consumers of goods and services in the Jamaican marketplace through effective advocacy, research, public education and complaint resolution, utilising the available technology, legal framework and professional staff within the context of a competitive environment.

Our Vision

The work of the Consumer Affairs Commission (CAC) is driven by its commitment to meeting its long-term objective, namely:

To be recognised as the premier Consumer Protection Agency in Jamaica and the leading consumer advocate for change in the Caribbean.

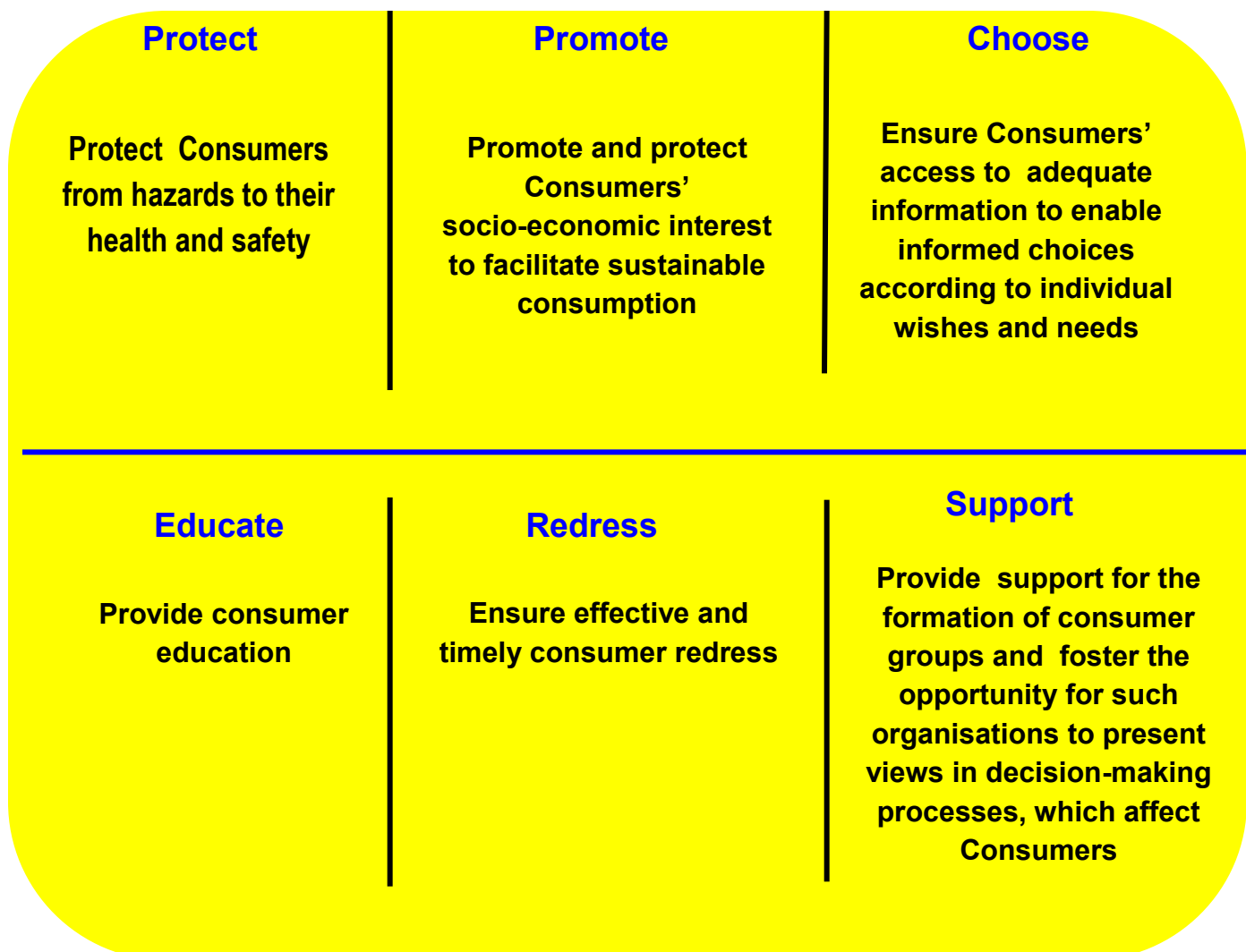
Our Role and Function

what we stand for and how we do things

The Consumer Affairs Commission is a government agency established to inform, educate and empower consumers to protect themselves in the marketplace.

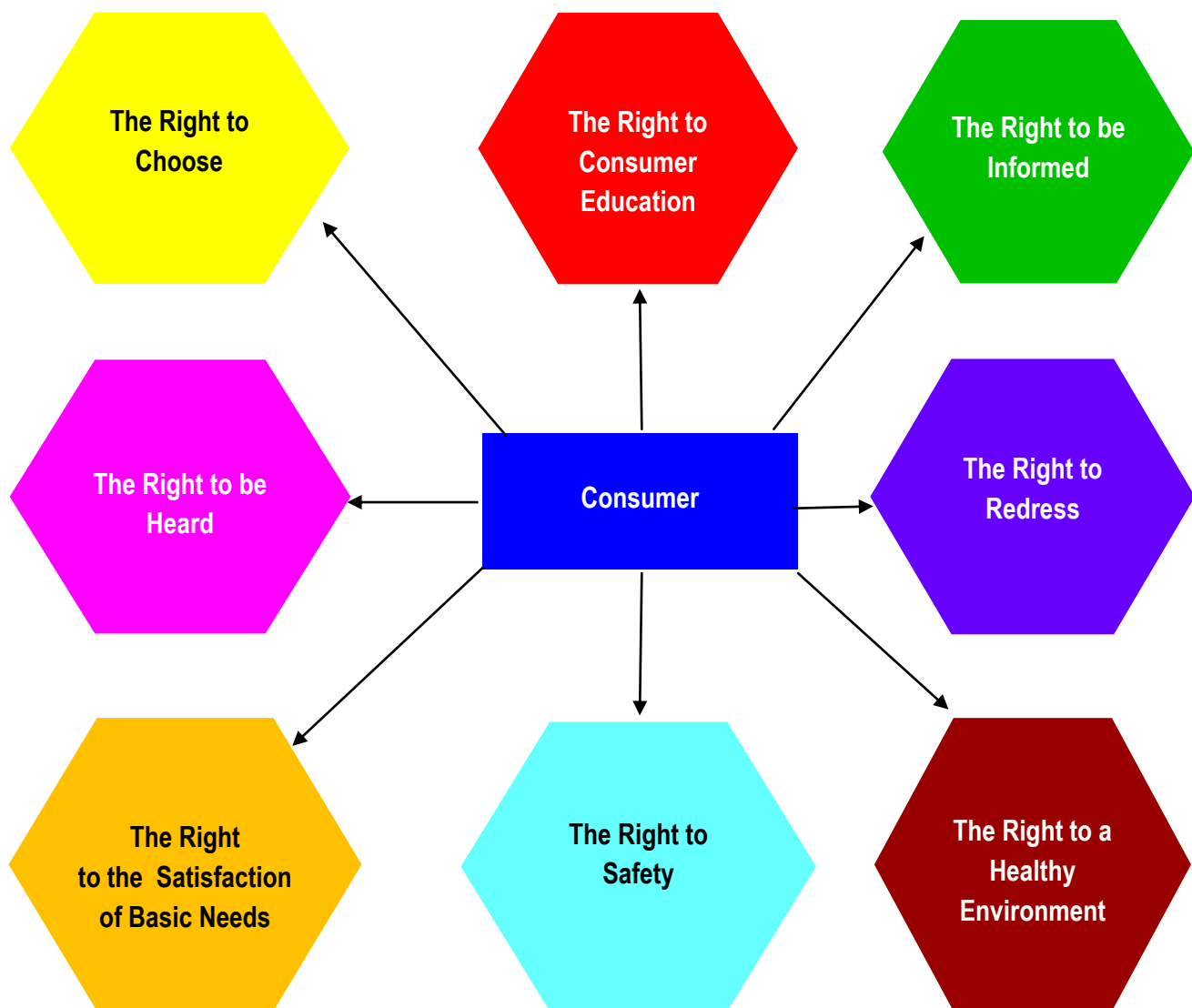
Our purpose is to implement the provisions of the Consumer Protection Act 2005 (Amended 2012) with regard to consumer rights.

Our role and function are driven by consumers' rights and strategic objectives and are as follows:



The Charter of Rights of the Consumer

Consumer rights are derived from the Charter of Rights of the Consumer and the United Nations Guidelines for Consumer Protection to which Jamaica became a signatory in 1985. There are eight (8) basic Consumer Rights which the Consumer Education Programme of the Commission is based on, and are as follows:





contents

01

Introduction

	Page
Mission	
Vision	2
Role and Function of the Consumer Affairs Commission	3
Charter of Rights of the Consumer	4
Performance Highlights	7
Acronyms	8-9
Transmittal Letter	10
Board of Commissioners	11-12
Board Committees	13

02

Strategic Performance

	Page
Chairman's Message	14-16
<ul style="list-style-type: none"> ◆ Introduction ◆ Draft Voluntary Banking Code of Conduct ◆ Relocation ◆ Consumer Protection Amendment (2012) Act 	
CEO Report	17-23
<ul style="list-style-type: none"> ◆ Consumer Protection Amendment (2012) Act ◆ World Consumer Rights Day 2014 ◆ Reaching Consumers through technology ◆ Looking forward to the 2014-2015 Financial Year 	

03**Consumer Education**Page
24-28

- ◆ Presentations
- ◆ Exhibitions

04**Communication and Information**Page
29-36

- ◆ Draft Voluntary Banking Code of Conduct
- ◆ Contaminated Tissue
- ◆ World Consumer Rights Day
- ◆ Partnerships

05**Complaints Resolution**Page
37-42

- ◆ Complaints
- ◆ Compensation
- ◆ Refunds

06**Research**Page
43-48

- ◆ Surveys
- ◆ Critical Grocery Basket
- ◆ Average Pump Prices

07**Information Technology**Page
49-51

- ◆ Relocation of Information Technology Assets
- ◆ Case Management System

08**Legal Intervention**Page
52-54

- ◆ Consumer Protection Amendment (2012) Act
- ◆ Consumer Protection Sensitisation Workshop
- ◆ Legal Reviews

09**Finance and Administration**Page
55-61

- ◆ Central Treasury Management System
- ◆ Performance Management and Appraisal System
- ◆ Staff Training

10**Audited Financial Statements**Page
62-84

Our Performance Highlights

how we performed during the 2013—2014 Financial Year

82%
**Resolution
Rate**

**Participated in
433
Activities**

**1,229
Complaints
Resolved**

**50,246
Website Visits**

**36
Surveys
Conducted**

**1, 499
Cases Handled**

**6,739,773
Social Media
Exposures**

**J\$30.5 million
obtained in
Refund/
Compensation**

**937
Requests
for
Advice**

**695
Traditional
Media Exposures**

List of Acronyms

Acronyms	Definitions
BOJ	Bank of Jamaica
CAC/Commission	Consumer Affairs Commission
CB	Caribbean Broilers
CI	Consumers International
CPA	Consumer Protection Act
CPC	Consumer Protection in the Caribbean
CPT	Consumer Protection Tribunal
CMS	Case Management Service
CSHN	Consumer Safety and Health Network
CTMS	Central Treasury Management System
FY	Financial Year
HEART/NTA	Human Employment and Resource Training Trust/National Training Agency
IDB	Inter-American Development Bank
IMF	International Monetary Fund
ISO	International Organisation for Standardisation
JAMPRO	Jamaica Promotions Corporation
JBA	Jamaica Bankers' Association
JCDC	Jamaica Cultural Development Commission
JGRA	Jamaica Gasoline Retailers Association
JIS	Jamaica Information Service
JPSCo	Jamaica Public Service Company Ltd
MIIC	Ministry of Industry, Investment and Commerce
MOFP	Ministry of Finance and Planning
NAHFSC	National Agricultural Health and Food Safety Committee
NCL	National Consumer League
NPGE	National Policy on Gender Equality
NYS	National Youth Service
OAS	Organisation of American States
OUR	Office of Utilities Regulation

List of Acronyms continued...

Acronyms	Definitions
ODPEM	Office of Disaster Preparedness and Emergency Management
PAHO	Pan American Health Organisation
PMAS	Performance Management and Appraisal System
PTA	Parent Teachers Association
PSTU	Public Sector Transformation Unit
SMS	Short Message Service
ULSD	Ultra-Low Sulphur Diesel
USP	Un-interrupted Power Supply
WCRD	World Consumer Rights Day

Transmittal Letter

September 30, 2014

Honourable Anthony Hylton
Minister of Industry, Investment and Commerce
Ministry of Industry, Investment and Commerce
4 St. Lucia Avenue
Kingston 5

Dear Minister:

In accordance with Section 15 of the Consumer Protection Act, I transmit herewith the Commission's report for the year ended March 31, 2014 and a copy of the Commission's Audited Accounts as at March 31, 2014, duly certified by the Auditors.

I am,

Yours respectfully,



Lorna E. Green, (Ms)
Chairman

Board of Commissioners



Front Row (left-right): Mrs Fay Sylvester—CD, Ms Berl Francis, Ms Lorna E. Green (Chairman), Ms Kirby Clarke -OD, Mr Derrick Webb

Back Row (left-right): Mr Maurice Weir, Mrs Norma Clarke, Ms Michelle Parkins and Mr Denton Ellis

Absent from photograph are Dr Leith Dunn, Miss Nicole Pierce and Ms Shirley Pryce

Board of Commissioners



**Ms Lorna E. Green,
Chairman**



**Mr Maurice Weir,
Commissioner**



**Mrs Norma Clarke,
Commissioner**



**Ms Kirby Clarke, OD
Commissioner**



**Mrs Fay Sylvester, CD
Commissioner**



**Mr Derrick Webb,
Commissioner**



**Dr Leith Dunn,
Commissioner**



**Ms Berl Francis,
Commissioner**



**Mr Denton Ellis,
Commissioner**



**Miss Nicole Pierce,
Commissioner**



**Ms Michelle Parkins,
Commissioner**



**Ms Shirley Pryce,
Commissioner**

Board Committees

Audit Committee

- * Ms Kirby Clarke, OD - Chair (CAC Board Commissioner)
- * Miss Nicole Pierce - (CAC Board Commissioner)
- * Mr Maurice Weir - (CAC Board Commissioner)
- * Mrs Norma Clarke - (CAC Board Commissioner)

Finance Committee

- * Mr Derrick Webb - Chair (CAC Board Commissioner)
- * Mrs Fay Sylvester, CD - (CAC Board Commissioner)
- * Ms Michelle Parkins - (Ministry of Industry, Investment and Commerce)

Public Education & Awareness Committee

- * Ms Berl Francis - Chair (CAC Board Commissioner)
- * Mr Denton Ellis - (CAC Board Commissioner)
- * Mrs Fay Sylvester, CD - (CAC Board Commissioner)
- * Miss Nicole Pierce - (CAC Board Commissioner)
- * Mrs Norma Clarke - (CAC Board Commissioner)
- * Ms Shirley Pryce - (CAC Board Commissioner)

Human Resource Committee

- * Dr Leith Dunn - Chair (CAC Board Commissioner)
- * Ms Michelle Parkins - (Ministry of Industry, Investment and Commerce)
- * Mr Maurice Weir - (CAC Board Commissioner)
- * Mr Denton Ellis - (CAC Board Commissioner)
- * Ms Kirby Clarke, OD - (CAC Board Commissioner)
- * Ms Shirley Pryce - (CAC Board Commissioner)



Chairman's Message

It has been a challenging and positive year for the Consumer Affairs Commission (CAC), taking forward the vital task of translating our strategic and operational objectives into practice, and then planning the work of the organisation to meet those objectives. As the sole government agency established under the Ministry of Industry, Investment and Commerce (MIIC) to protect consumers within the marketplace when conducting business with vendors, the Commission is fully committed to realising this mandate.

During the 2013-2014 Financial Year, the Board of Commissioners ensured that the paradigm shift which began in the 2012-2013 Financial Year, in relation to consumer matters, continued. In this regard, the Board of Commissioners focused on three key areas:

- **The Draft Voluntary Banking Code of Conduct**
- **Relocation of the Commission's headquarters**
- **The Consumer Protection Amendment (2012) Act**



Lorna E. Green (Ms), Chairman

The Draft Voluntary Banking Code of Conduct

The Jamaican consumers have been experiencing increased fees when conducting business with the banking sector. As a result, their spending power in this area has also decreased. Further, a comprehensive national consumer standard benchmark on international practices, which should guide the bank/client relationship, does not exist. It is against this background that the CAC continued its lobbying and advocacy, as it related to the draft Voluntary Banking Code of Conduct. This began between 2009 and 2012 through the Promotion of Consumer Protection in the Caribbean Project. One of the main deliverables under this project was the development of a policy or Code of Conduct for Commercial banks in Jamaica, Trinidad and Tobago and Barbados.

During the three year period, the Commission, working with input from the National Consumers' League as well as other stakeholders created the draft document. However, the Jamaica Banker's Association created its own after several meetings with the Commission. As a result, there was still no consensus with the JBA in the 2013-2014 Financial Year, resulting in the Commission spearheading a meeting with Civil Society to seek their partnership in lobbying the banks to adopt the draft Code of Conduct.

Undeniably, industry-forced codes tend to be more effective when there is widespread industry support comprising key stakeholders. In this regard, the involvement of Civil Society in the process was sought to strengthen consumer confidence. More specifically, to transmit the central message that access, accountability and transparency of banking

services are inextricably linked to the ambitions of the basic objective of Vision 2030, that is, to improve the lives of every citizen in order to make Jamaica a place to live, work, and raise families.

The Commission will continue to advocate for industry standards to be enforced across the sector as there exists “the urgency of now” to protect the Jamaican consumer against banking practices that are detrimental to consumers. The CAC remains committed to fostering equity and fairness in the marketplace and strengthening the position of potential customers and all consumers.

Relocation of the Commission’s headquarters

To better serve and empower the Jamaican consumer, the Commission relocated its offices from 2a Seaview Avenue to 34 Trafalgar Road in June 2013. This enabled the Commission to improve its visibility, while ensuring that consumers have better accessibility to the Agency’s services. Just as important however, during the 2013-2014 Financial Year the Commission yielded savings in two areas: rent and maintenance.

The Consumer Protection Act 2005 (Amendment 2012)

On February 1, 2013, the Consumer Protection Act 2005 was amended, which resulted in the Consumer Affairs Commission having additional powers to protect consumers. One key provision of the amended CPA was that of the establishment of a Consumer Protection Tribunal which has the powers of a Resident Magistrate Court. Through this body, consumers are able to bring their consumer related matters for speedy resolution, as opposed to going through the court system which might take a longer period to resolve.

Fulfilling the Core Mandate

The Commission continued to carry out its core mandate of complaints handling as well as conducting surveys as it related to basic consumer goods and services, among others things, to assist consumers in making informed day to day choices. Through the analysis of the complaints handled by the Commission during the period under review, it was clear that consumers need to be educated about their rights and responsibilities when conducting business in the marketplace. Consumer education has always been the CAC’s strategy to level the playing field between consumers and vendors. However, there exists an urgent need to reach and educate consumers in all the nooks and crannies of Jamaica about their consumer rights, so that they may be empowered. The Board of Commissioners will continue to ensure that the Commission’s resources are appropriately apportioned to ensure that this strategy is maintained.

The Future

The Consumer Affairs Commission is committed to working constructively with our counterparts at all levels. We believe that, by doing so, we contribute towards ensuring that transparency and accountability become the hallmark of doing business between vendors and consumers. The Commission is keen to make it known still more widely that consumers

do not need to take their complaints through the courts. They have an equal chance of “winning” by bringing their complaints to the Commission themselves and utilising the Consumer Protection Tribunal.

Inherent to achieving this task however, is the Commission’s recognition that its standards must be maintained, while, at the same time, planning for a future which will inevitably see significant changes in consumers’ expectations and behaviour. We will meet these by technological and organisational change and teamwork.

The consumer is firmly at the heart of all our planning and our aim continues to be that of enabling consumers and vendors to reach a fair and quick resolution to their disputes.

The focus of the Commission’s strategy for the 2014-2015 Financial Year is greater responsiveness and collaboration as we face the coming year with optimism: unwavering in our values; strong in our people, our portfolio Ministers, the Permanent Secretary and staff at the Ministry of Industry, Investment and Commerce and our Board of Commissioners and staff; and confident in their ability, yet again, to meet the formidable challenges ahead.



.....
Lorna E. Green (Ms)
Chairman

Chief Executive Officer's Report

The Consumer Affairs Commission was established to help change people's lives for the better, through the fostering of fair market practices. In this vein, the 2013-2014 Annual Report describes the volume of advice and advocacy made on behalf of the public, as well as highlights a continuing theme of new developments and partnerships, which has helped to renew the organisation and keep it moving forward.

During the 2013-2014 Financial Year, the Commission undertook **36** research project activities. More specifically, **28** scheduled surveys and **8** project activities.



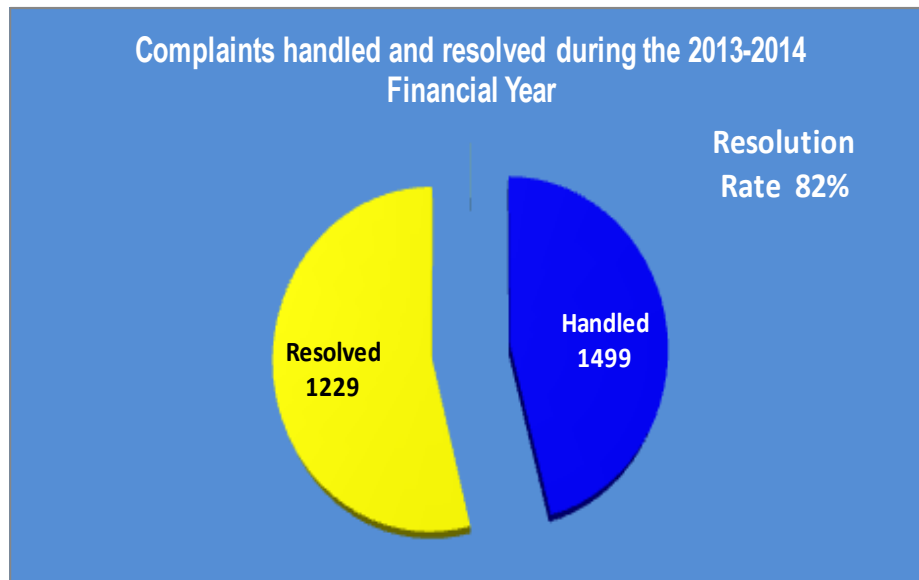
Dolsie Allen (Mrs),
Chief Executive Officer

Figure 1 shows the number and types of research activities undertaken by the Commission from April 2013 to March 2014



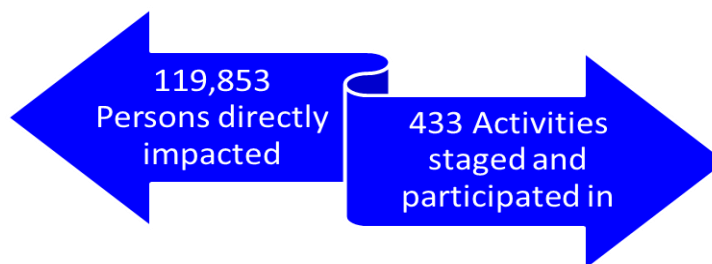
The variety, complexity of advice and advocacy undertaken by the Commission on behalf of aggrieved consumers continued to remain a feature of our work. These services were given freely and independently to persons from a wide cross section of the society. The substantive impact of the Commission's advocacy on the lives of consumers is borne out by the detailed information presented under the market and surveillance, consumer education and complaints resolution sections.

Figure 2 shows the total number of complaints handled and resolved by the Commission from April 2013 to March 2014



The Commission's Community Outreach activities also play an important role in ensuring that consumers have face-to-face contact with its Officers in the various villages, towns and cities dotting the Jamaican landscape.

Figure 3 highlights the total number of persons directly impacted and the number of activities either staged or participated in by the Commission during the 2013 – 2014 Financial Year



The Consumer Affairs Commission's work is guided by principles that eschew - that advice should be independent, impartial, confidential. In this regard, the Commission is of the view that it is imperative that every Jamaican know his/her consumer rights and responsibilities as stated under the Consumer Protection Act (CPA). In so doing, consumers would be better informed when conducting business in the market place and are therefore able to obtain value for money.

World Consumer Rights Day 2014

Each year the Consumer Affairs Commission joins the rest of the world in observing World Consumer Rights Day where activities are undertaken to promote consumer rights. The 2013 – 2014 Financial Year observance of this flagship event focussed on consumer issues that undermine and frustrate the success of mobile services. Within this sphere, the Commission embraced Consumer International's theme ***"Fix Our Phone Rights"*** but enhanced it to suit the Jamaican context, ***"Your Phone, Your Rights"***.

The theme was very much in keeping with the Commission's strategic plans, especially as Jamaican consumers had voiced their complaints as it related to the following telecommunications areas:

- Dropped Calls
- Billing
- Spam; and,
- Number Portability

In a bid to ensure that these issues were appropriately addressed, the Commission engaged in consultations with other regulatory agencies comprising the Office of Utilities Regulations (OUR), Bureau of Standards Jamaica (BSJ), Consumer Advisory Committee on Utilities (CACU) and the local non-governmental organisation and consumer advocate group, the National Consumers' League (NCL). The Commission also met with the three major telecommunications providers namely, LIME, FLOW and Digicel to encourage greater disclosure, fair contracts and speedy resolution of complaints on behalf of consumers. See **Table 1** for the list of Authorities/Regulators and Stakeholders and the area(s) they addressed.

As a result of the collaboration, an Outside Broadcast was staged at the Half Way Tree Transport Centre from 2:30 pm until 5:00 pm on Tuesday March 11, 2014, where consumers were able to tune in and listen to the information that was provided on the areas addressed by the Authorities/Regulators and Stakeholders. This opportunity enabled the Commission to interact with some of the 80,000 commuters who use the centre each day. Further, between March 10-14, 2014, presentations were made to schools to inform students, the most active mobile phone users - about their rights and how to handle breaches.

In addition, the Honourable Anthony Hylton, Minister of Industry, Investment and Commerce World Consumer Rights Day 2014 Message was aired on 17 radio stations as well as on the main television stations, on Saturday March 15, 2014. The Message was also read at churches, schools and universities across the island. The CAC also published comments from the Honourable Minister in the Gleaner, Observer and Star publications of March 15, 2014 to culminate the week of activities that were undertaken.



CONSUMER AFFAIRS COMMISSION

An agency of the Ministry of Industry, Investment & Commerce

Today is being celebrated internationally as World Consumer Rights Day.

Jamaica joins in its observance under the theme,
"Your phone, your rights"



Mobile connectivity is the core of global communication today, and in the future. It is therefore important to create the environment for consumers to participate in the possibilities of new economic development. The area of telecommunications, especially phones with their increased multiplicity of functions, is fundamental to realising this opportunity. In so doing however, the rights of consumers must be protected as they endeavour to advance their standard of living. Consumers, you have a responsibility to know your phone, know your rights. Seize the opportunity!

– Honourable Anthony Hylton, Minister of Industry, Investment & Commerce



**National Consumers' League
(N.C.L.)**



CONSUMER ADVISORY COMMITTEE ON UTILITIES

The Consumer Affairs Commission 34 Trafalgar Road, Kingston 10, Jamaica
Tel: 1 876-906-5425 Fax: 1 876-906-7525 • www.cac.gov.jm; www.facebook.com/cac.gov.jm
"Protecting Your Rights, Securing Our Future"

Advt.

World Consumer Rights Day 2014 Message from the Honourable Anthony Hylton, Minister of Industry, Investment and Commerce
which was published in the Gleaner, Observer and Star on March 15, 2014

Although WCRD was observed on March 15, 2014, the Commission has committed to continue its advocacy on these matters in the 2014-2015 Financial Year.

Table 1 lists the relevant Authorities/Regulators and Stakeholders and the telecommunications/regulatory area that they addressed.

Organisation	Thematic Areas
Authorities/Regulators	
Bureau of Standards /Executive	Instrument Quality
Consumer Affairs Commission	Billing The way forward
Consumer Advisory Council on Utilities	Number Portability
National Consumer League	SPAM
Office of Utilities Regulation	Dropped Calls
Telecommunications Companies	
Digicel	Billing Number Portability SPAM (Data Privacy) Dropped Calls
LIME	Billing Number Portability SPAM (Data Privacy) Dropped Calls
FLOW	Billing SPAM (Data Privacy)

Reaching Consumers through the use of technology

Increasingly, people want to access advice in a way and at a time that fit with their lifestyle. While the Consumer Affairs Commission continued to face budgetary challenges in its quest to utilise technology to bridge the digital divide with consumers, the Commission's 2013-2014 website report highlights that consumers consistently return to the site for information, especially as it relates to their rights and responsibilities.

Figure 4 highlights the number of new and return visitors to the Consumer Affairs Commission's website between April 2012 and March 2014.

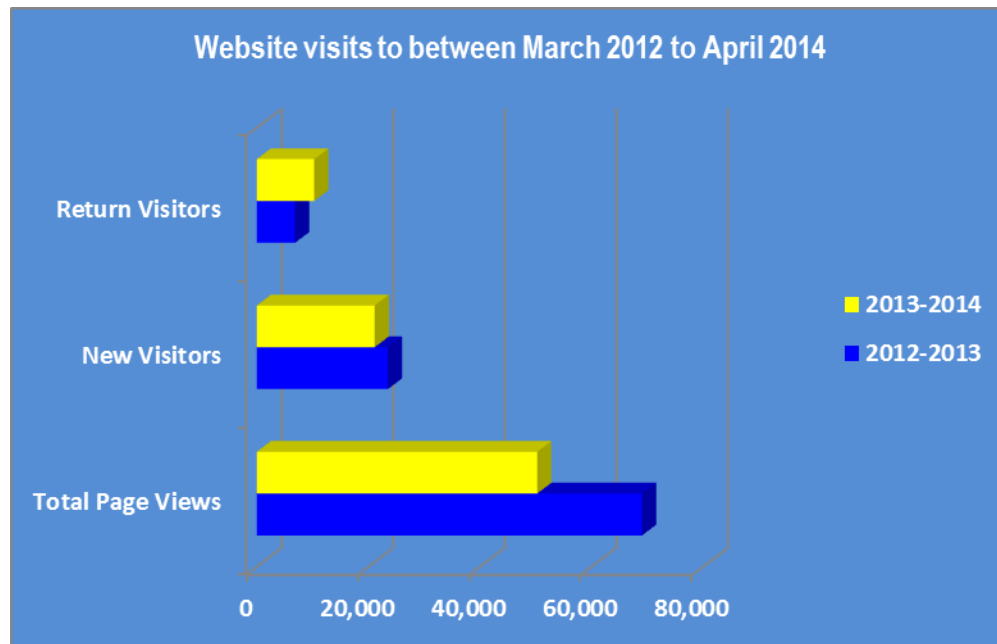
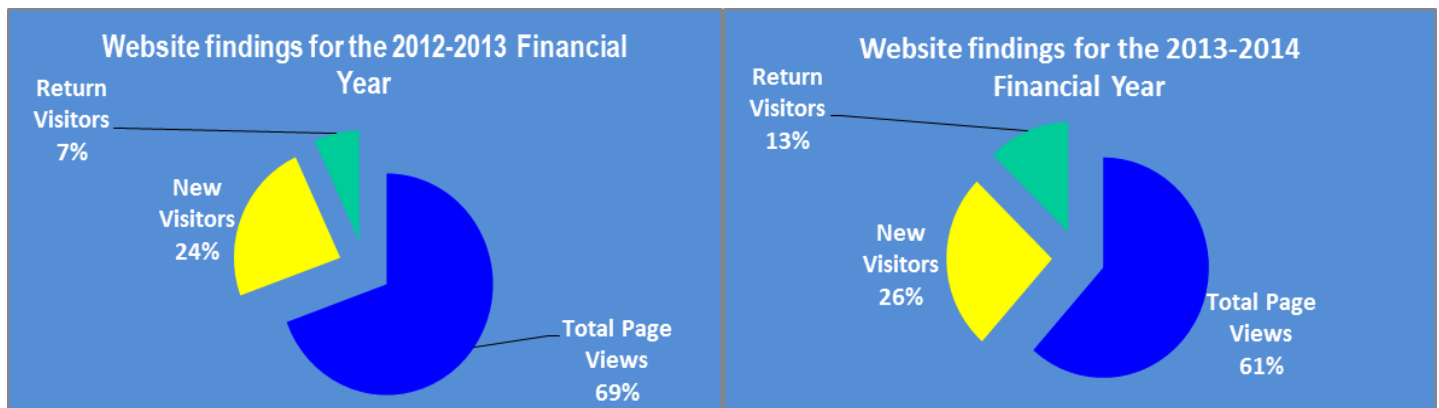


Figure 5 compares the number of new and return visitors to the Consumer Affairs Commission's website between April 2012 and March 2014.



Given these findings, it is very important to the Commission to ensure that technology is utilised to deliver quality service to its clients. The fundamental task which now lies ahead is to ensure that this happens, so that consumers across the island, regardless of where they are located, can have the necessary information to assist them in making informed decisions.

Looking forward to the 2014-2015 Financial Year

The Commission is proud of its 2013-2014 achievements, as it has adapted to significant changes. The Commission has not only coped, but has improved, as it took the opportunity to try new approaches.

Among them are:

- Initiating closer involvement of consumer stakeholders in World Consumer Rights Day. This provided consumers with more access to regulators and opportunities for their concerns to be aired;
- Engaging civil society to assist in lobbying for consumer rights; and,
- Engaging in more collaborative activities with regional and international partners, not only in face to face settings, but also through the utilisation of technology via webinars.

The future holds significant challenges ahead, however, the team will continue pushing itself to meet them. Integral to this commitment is the need to constantly remind ourselves that there are real people behind every case presented to the Commission for resolution. In this vein, the Commission's work impacts lives, livelihoods and reputations. It also influences the way clients are treated and the manner in which cases are processed.

With this in mind, during the 2014-2015 Financial Year, the Consumer Affairs Commission will continue to focus on the following areas:

- Draft Voluntary Banking Code of Conduct
- Consumer Protection Tribunal
- Phone rights in the Telecommunications industry
- Micro-Financing
- Logistics Hub
- SMS Messaging System
- Offering Research Services to other entities

Our core activities will continue and include Consumer Education, Market Surveillance and Complaints Resolution.

Amidst all the challenges however, the Consumer Affairs Commission still managed to have significant achievements, due mainly to the strength of its staff and their unwavering commitment. In this regard, I also acknowledge the guidance and input of the Board of Commissioners, the Commission's portfolio Ministers, the Permanent Secretary and the staff of the Ministry of Industry, Investment and Commerce, other Ministries, Agencies and Departments, as well as the media fraternity.



.....
Dolsie Allen (Mrs)
Chief Executive Officer

Consumer Education

119,853

Persons directly impacted

433

Activities staged and participated in



Consumer Education

Consumer education is one of the core strategies employed by the Consumer Affairs Commission to inform consumers about their rights and responsibilities. This becomes particularly important in an age where markets are increasingly complex, and is further compounded by the wide range of information available and the ever increasing number of products from which to choose. Public education, in this regard, becomes a critical requirement, as it enables consumers to make informed and well-reasoned choices.

Although the Commission targets all consumers, special emphasis is placed on the youth within the society. Young people are a generation which are captured by advertising and branding. Further, today's society is equipped with the requisite technology that easily acts as portals to entice young consumers. However, at this age, the youth are particularly vulnerable to consumer traps, as they have little or no understanding of their rights as consumers.



Mr Pash Fuller, CAC Director, Western Region, had the full attention of Mrs Fay Sylvester, CD, Commissioner, CAC, as he shared with her information in the latest brochure during the CAC staged Radio Broadcast at the Half Way Tree Transport Centre.

For the 2013/2014 Financial Year, the Commission participated in **433** activities, directly impacting **119,853** persons or **60.5%** more than the **74,657** achieved from **312** activities in the previous Financial Year. There was an increase of **271** or **37.6%** in the level of interactions with schools, when compared to the **720** schools which were impacted during the last Financial Year. The higher percentage could be attributed, in part, to the increased number of 4-H Clubs Parish Achievement Days which took place in March 2014 as well as its National Achievement Day 2013.

Regarding the Commission's flagship event of the year – the celebration of World

Consumer Rights Day under the theme “**Your Phone, Your Rights**”, the outreach activities spanned twelve (12) parishes. It should be noted that the top three parishes with the largest reach for the month were *Kingston & St Andrew* totaled **37,119** or **31%**, followed by *St Thomas* with **18,173** or **15.2%** and *Clarendon* with **11,925** or **10%**. Together, these parishes accounted for **56.2%** of the total consumers impacted during the 2013/2014 Financial Year.

However, as it relates to the total reach for the 2013-2014 Financial Year, the Commission directly impacted **119,853** persons via its participation in **433** activities, as set out in **Figure 6**. This achievement resulted in the CAC



Miss Shanel Jones, student at St Hugh's High School read the Honourable Minister Anthony Hylton's WCRD 2014 Message to her fellow classmates.

reaching **45,196** or **60.5%** more persons, when compared to the corresponding period last year.

Figure 6 highlights the number of persons directly impacted, based on the Commissions activities

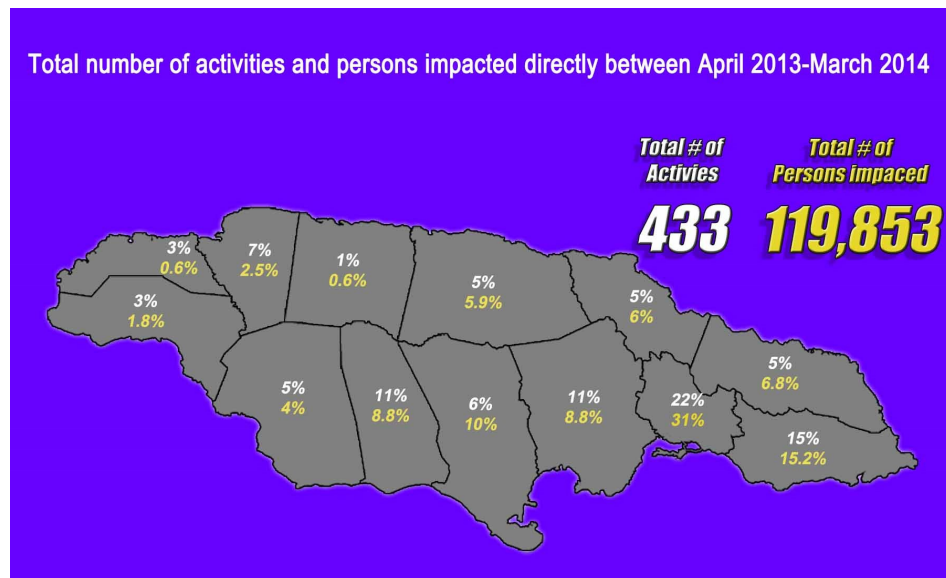
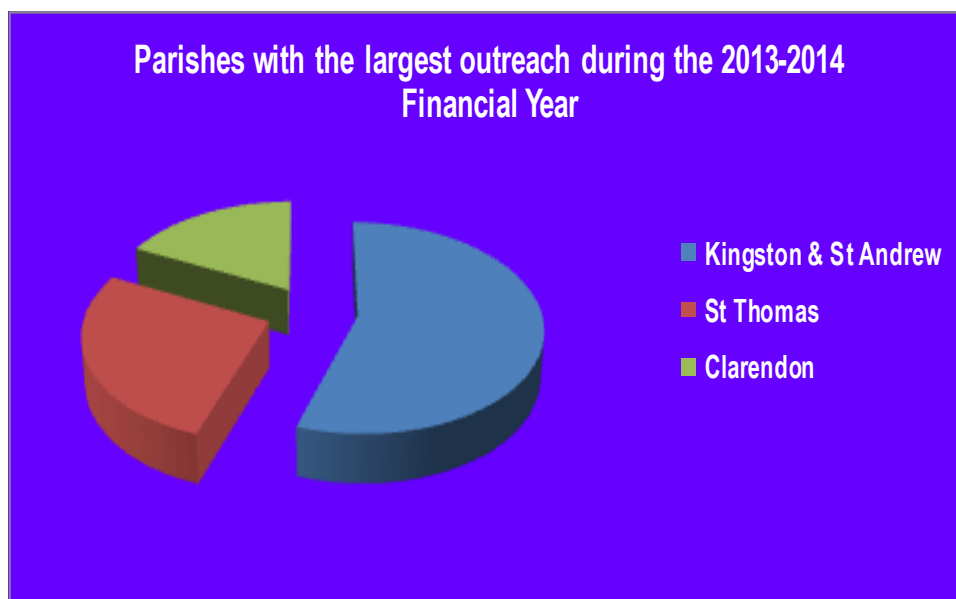
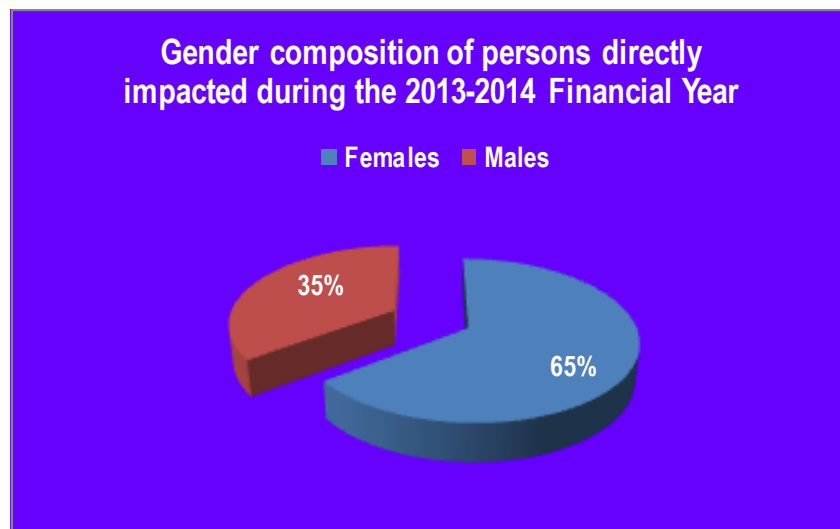


Figure 7 highlights the three parishes with the largest number of persons directly impacted



A breakdown of the year's audience revealed that the CAC interfaced with **63,478** or **53%** adults and **56,375** or **47%** students. In respect of the gender composition, **77,597** or **64.7%** of those reached were females, while **42,258** or **35.3%** were males.

Figure 8 shows the percentage of males and females that the Commission interfaced with while carrying out its outreach activities



Exhibitions and Presentations

Highlights of the activities during the 2013/2014 Financial Year included presentations and exhibitions at:



The Consumer Affairs Commission participated in the Jamaica National Building Society's series of Members' Meetings which focused on the impact of the National Debt Exchange (NDX) which was part of the Government of Jamaica's Economic Recovery Programme for the next three years to increase the growth rate of the Gross Domestic Product (GDP), and reduce public debt and government spending. The Commission was represented from left by Mrs Suzette Grigg-Cummings, Regional Officer Montego Bay; Mr Wilberforce Watson, Regional Officer Mandeville; and Mr Richard Rowe, Regional Officer.

Presentations

- ◆ Orientation exercises in a number of high, primary and junior high schools;
- ◆ Schools' Parent Teachers Association Meetings and Parents' Days, Tertiary Institutions, Human Employment and Resource Training Trust, National Training Agency (HEART Trust/NTA) and the National Youth Service (NYS); Business places and Government Agencies;
- ◆ Summer Camps organised by churches, service clubs, citizens associations and other community groups.

Exhibitions

- ◆ Desk Days in branches of Courts and Singer Jamaica Limited outlets, City of Kingston (COK) Sodality branches during Credit Union Week and some supermarkets during the Christmas Season;
- ◆ 4-H Clubs Parish Achievement Days and its National Achievement Day, Civil Service Week, Safety & Security Awareness Week, Caribbean Maritime Week Annual Expo and at the Citizens, Security and Justice Programme's Peace Mobile & Information Villages;
- ◆ Annual Denbigh Agricultural, Industrial and Food Show and the Jamaica Business Development Corporation (JBDC) Global Entrepreneurship Week Open House & Business Incubator;
- ◆ Schools during Career, Health and Book Fairs.

Exhibitions and Presentations

- ◆ Jamaica Agricultural Society (JAS) Association of Branch Societies Annual General Meeting (AGM), the National Council for Senior Citizens Club Culture Day, a number of Health & Wellness Fairs and the Jamaica Cultural Development Commission (JCDC) Culinary Arts Regional Finals.

Communication and Information

6,740,467

Media Exposures

50,246

Website visits



Communication and Information

The 2013-2014 Financial Year was an active one for the Commission, as it relates to its communication and information portfolio. In this regard, a number of topical issues affected consumers nationwide, resulting in the CAC either addressing them directly or playing a role with its stakeholders in ensuring that consumers were informed. Among them were the:

- ◆ Draft Voluntary Banking Code of Conduct
- ◆ Bacteria Laden Tissue
- ◆ World Consumer Rights Day 2014

Draft Voluntary Banking Code of Conduct

The Commission staged a Civil Society Sensitisation Meeting on the draft Voluntary Banking Code at the Ministry of Industry, Investment and Commerce on April 16, 2013, where the Minister of State in the Ministry of Industry, Investment and Commerce, the Honourable Sharon Ffolkes-Abrahams, gave the main address. The objective of the meeting was to solicit civil society's partnership in lobbying the banks to adopt the draft Code of Conduct, as industry-forced codes tend to be more effective when there is widespread industry support comprising key stakeholders. In this regard, the involvement of civil society was sought to convey the central message that access, accountability and transparency of banking services are inextricably linked to the ambitions of the basic objective of Vision 2030, that is, to improve the lives of every citizen in order to make Jamaica a place to live, work, and raise families.



Ms Lorna E. Green, CAC Chairman addressing the various representatives of Civil Society while the Honourable Minister of State in the MIIC, Mrs Sharon Ffolkes-Abrahams looks on, at the Civil Society Sensitisation Meeting on the draft Voluntary Banking Code of Conduct.

One of the outcomes of the meeting was the creation and publication of an Open Statement to the Jamaica Bankers Association in both the Gleaner and Observer in May 2013.

As a result of the publication of the Open Statement, the majority of the hosts of the various radio programmes facilitated interviews regarding the draft Voluntary Banking Code of Conduct, supported the CAC/NCL action and advocated that the document should be signed by the Jamaica Bankers Association. The interviews conducted had two central themes:

1. Why are the banks refusing to sign the draft Voluntary Banking Code of Conduct?
2. What is the next step/strategy to be employed to ensure that the Banks sign the draft Voluntary Banking Code of Conduct?



CAC
CONSUMER AFFAIRS COMMISSION
Protecting Your Rights, Securing Our Future

An Open Statement to the Jamaica Bankers Association...



CONSUMERS DEMAND ANSWERS FROM THE BANKS

- **Jamaica's national vision, as stated in Vision 2030, sees our country as "the place of choice to live, work, raise families and do business" by the year 2030.** The Consumer Affairs Commission (CAC) sees this Vision statement as a critical tool for our country to progress. In the interest of making the vision a reality, the Commission and the National Consumers League determined that a Code of Conduct for banks operating in Jamaica is critical, as at present, we believe that consumers could be better served by this sector.
- **We laud the role which the banking sector played in contributing to the success of Jamaica's negotiations with the International Monetary Fund supporting the National Debt Exchange (NDX).** At the same time, we are concerned that the Jamaica Bankers Association has been tardy in agreeing to a voluntary Code of Conduct. The draft Code, prepared by the Commission and the National Consumers League under a Consumers International project which began in 2009 and funded by the Inter-American Development Bank, aims to implement a Code of Conduct for all commercial banks operating in Jamaica, Barbados, Trinidad and Tobago.
- **Jamaica's draft Code of Conduct states the minimum standards of business behavior expected of banks, and sets out minimum service standards for banks to operate in the best interest of consumers.** Key commitments include full access by consumers to all services provided by banking institutions; displays of service standards at all branches and on the Internet; average waiting times in banking halls; turnaround time in response to queries/complaints; product information conveyed in clear and simple language; notice of transaction costs at ATM machines before the transaction is completed; and ease of access for disabled persons. These are consistent with international best practices.
- **The banks in the Caribbean region for example Barbados, Guyana, Trinidad and Tobago have all implemented Codes of Conduct.** Jamaica, to date, has not done so. Moreover, the foreign banks operating in Jamaica have all signed voluntary Codes of Conduct in their parent countries.
- **The Consumer Affairs Commission and the National Consumers League demand to know why, after some two years of lobbying, the consumers of Jamaica cannot enjoy the same courtesies as the consumers in countries like Canada, Barbados, Trinidad and Tobago, and Guyana. Similar Codes of Conduct have also been signed by banks operating in several Latin American countries.**

Why, Jamaica Bankers Association, Why?

- Why are basic and international standards of banking adhered to in your parent countries, but not in Jamaica?
 - Why are written commitments to basic banking standards adhered to in the Caribbean region (Guyana, Barbados, Trinidad and Tobago) but not in Jamaica?
 - Why, after some 2 years of negotiation and compromise on both sides, will you not sign the CAC/NCL Draft Voluntary Banking Code of Conduct?
 - Why authorise and empower a team to negotiate the terms and conditions of the CAC/NCL Draft Voluntary Banking Code of Conduct on your behalf and then fail to implement the principles in this document, which sets out very basic standards governing the way banking industry and institutions should behave towards their clients?
 - Why have the CAC and NCL negotiated with you in good faith, yet since our last meeting in January 2013, we are still waiting for sign off on principles which are enforced as basic rights, in countries of the parent banks of some of your members?
 - Why is access to banking products and services restricted for some of your clients (for example the disabled and the elderly)?
 - Why are transaction fees not posted on Automated Teller Machines prior to the transaction being concluded?
 - Why can't you commit to signing a basic standard for all clients?
 - Why not let us work together to enable Jamaica to become the country of choice to do business as articulated in Vision 2030?
- Why, Jamaica Bankers Association, Why?**

Signed:
Consumer Affairs Commission
National Consumers League

ADVT.

Open Statement to the Jamaica Bankers Association in both the Gleaner and Observer in May 2013

Contaminated Tissue

Health and safety concerns were expressed in a newspaper article in March 2013, regarding sub-standard toilet tissue and paper hand towel being imported. The issue mushroomed between April – June 2013 and resulted in the Consumer Affairs Commission working in conjunction with the Bureau of Standards Jamaica (BSJ) and the Ministry of Health (MOH) to disseminate updates of the BSJ's list of tested brands of toilet tissue via Facebook and the Commission's website, as well as responding to angry consumers via telephone, Facebook and Twitter.

Media Exposures

During March of the 2013/2014 Financial Year, the Unit recorded a total of 6,740,487 media exposures, the majority of which was attributed to online users. The media exposures were broken down as follows: social media - **6,739,773** and traditional media - **694**. (See Table 2 below).

Table 2 provides information on media exposures obtained during the Financial Year 2013/14

Month	Press Releases ¹	Media Interviews	Print Articles	Radio Prog.	TV Prog.	Online/ Social Media	Print Spots	Radio Spots	TV Spots	Total Exposures
	Issued	(Radio, TV, print)	(Free)	(Free)	(Free)	(Free)	Paid	Paid	Paid	
Apr. 13	0	5	12	43	7	48	0	0	0	115
May-13	1	6	6	31	3	45	2	0	0	94
Jun-13	0	5	5	3	0	673,920	0	2	0	673,935
Jul-13	0	1	2	0	0	673,922	4	0	0	673,929
Aug. 13	1	4	13	63	5	673,944	0	0	0	674,030
Sept. 13	0	1	7	58	1	673,984	0	0	0	674,051
Oct. 13	0	5	8	23	14	673,987	0	10		674,047
Nov. 13	0	9	4	25	2	673,952	0	8	0	674,000
Dec. 13	0	9	2	2	9	673,982	0	4	0	674,008
Jan. 14	1	3	7	22	3	673,965	1	0	0	674,002
Feb. 14	1	10	13	64	3	674,002	0	4	0	674,097
Mar. 14	1	6	11	58	20	674,022	3	38	0	674,159
Total	5	64	90	392	67	6,739,773	10	66	0	6,740,467

¹Total exposures column includes press releases, radio, television and JIS GoJ radio slots

Table 3 provides information on the pro bono media exposures, opportunities and estimated costs obtained for the Financial Year 2013/14

TYPE OF MEDIA	NUMBER OF FREE EXPOSURES	ESTIMATED PRO BONO AVERAGE COST (per exposure)	TOTAL PRO BONO ESTIMATED AVERAGE COST ('000)	ACTUAL SPEND	ACTUAL ADVERTISING COST
PRINT	90	\$50K (1/4 page)	\$4,500	\$460,193.08	\$5,154,104.62
RADIO	392	\$35K (30 seconds)	\$13,720	\$0	\$13,720,000.00
TELEVISION	47	\$35K x 3 minutes	\$8,225	\$0	\$8,225,000.00
OTHER (Fees, graphic work, etc.)				\$193,965.54	\$0
TOTAL	529	-	\$26,445,000	\$654,158.62	\$27,099,104.62

Media Partnerships

During the 2013/2014 Financial Year, the Commission continued its partnership with three (3) radio stations – Nationwide News Network, RJR 94.5 and Power 106. In addition, the Jamaica Information Service continued to provide vital support for the Commission's communication endeavours. As it relates to new alliances, there was a partnership with the Gleaner in some instances, and discussions began with HOT102 but did not come to fruition.

Social Media

The CAC benefitted tremendously from the placement of an intern from the Caribbean Institute of Media and Communication (CARIMAC). The objective of the placement was the evaluation of the Commission's electronic content and development of its Social Media Plan. The Social Media proposal was developed and will be implemented on a phased basis. On this note, the Commission commenced the inclusion of online media postings as part of its media monitoring strategy.

Workshops, Seminars, Conferences and Committees

In keeping with the Commission's mandate of educating consumers, the agency participated in, as well as, contributed to a number of workshops, seminars, conferences and committees that were either staged by other Ministries, Agencies and Departments as well as stakeholders and the private sector.

Among them were:

Credit Reporting Seminar, Bank of Jamaica

A Credit Reporting Seminar which was hosted by the Bank of Jamaica regarding licensed credit bureaus, eligible credit information providers, consumer interest groups as well as the Central Bank, in its role as Supervising Authority under the Act. The objective of the seminar was to foster a deeper understanding of respective roles, responsibilities and rights under the Credit Reporting Act, 2010 and was held on Friday July 19, 2013.

National Validation Workshop for the National Food and Nutrition Security Action Plan

The CAC continued to make its contribution to the National Validation Workshop for the National Food and Nutrition Security Action Plan, via the development of the utilisation strategy, in particular, the public education and consumer component. This action plan was devised to offset the negative factors that have threatened the Caribbean region's food and nutrition security status. Among them are the increases in the frequency and severity of natural disasters, rising food and input prices, and the ongoing global economic and financial crisis. The issue is multi-dimensional and multi-sectoral and, as such, its attainment and success require simultaneous, holistic, and concerted action on a wide scale, encompassing enhanced agricultural output; fisheries and forestry; food processing and distribution; health and nutrition; trade; infrastructure; social welfare; education; and the information and communications sectors.

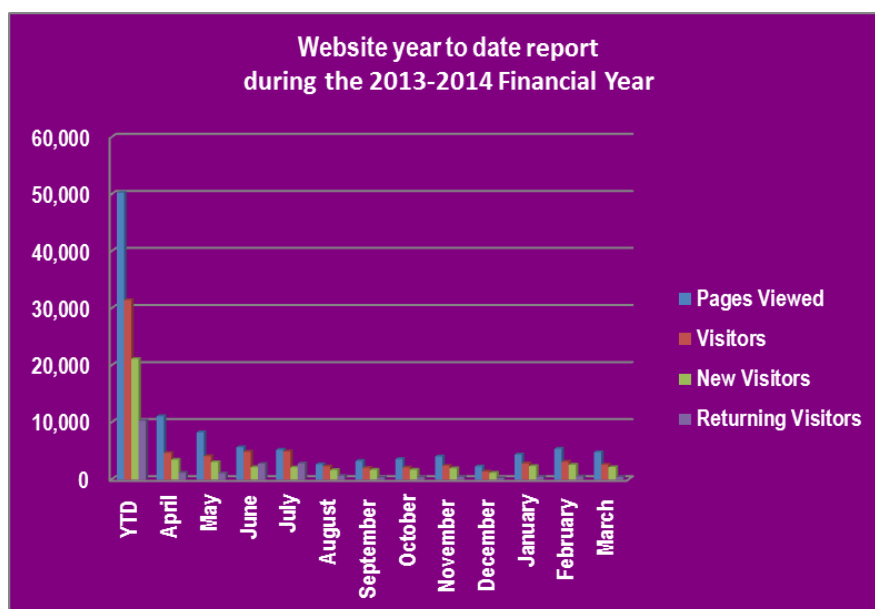
The Commission also continued to provide a consumer perspective to several committees that it was invited to be a part of and contribute to policy development. Among them were the following:

- **Food Safety Recall Protocol Committee**
- **National Agricultural Health and Food Safety Committee**
- **National Technical Committee – JS 22 Standard**
- **Codex Alimentarius Committee (Jamaica)**
- **Stakeholders' Consultation on the Strategic Direction of CARICOM Council for Trade and Economic Development (COTED)**
- **The Consumer Advisory Committee on Utilities**
- **Government Communicators Meeting**

Website

During the 2013-2014 Financial Year, the total views reached, as it relates to the Commission's website, was **50,246** by **31,429** visitors of which **21,121** were new visitors. (See Figure 9)

Figure 9 below reflects the trend of visitors to the Consumer Affairs Commission's website during the 2013-2014 Financial Year



Local, Regional and International Partnerships

Caribbean Community Secretariat Sixth Meeting on Consumer Affairs

The Consumer Affairs Commission participated in the Caribbean Community Secretariat Sixth Meeting on Consumer Affairs held between February 27-28, 2014 in St John's, Antigua and Barbuda. The objective of the meeting was to follow-up and address a number of matters which were work-in-progress including the regional Consumer Protection Bill, the Consumer Protection Policy and Strategic Plan, which were reviewed by the Thirty-Sixth Meeting of the Council for Trade and Economic Development (COTED) and the Consumer Product Incident Reporting System of CARICOM (CARREX) initiative.

Through the Ministry of Foreign Affairs and Foreign Trade, CARICOM Member States were requested to nominate one (1) Senior Level Consumer Affairs Official to participate in the captioned meeting.

More specifically, the Commission provided information on the status of Jamaica's implementation of consumer obligations under the Revised Treaty of Chaguaramas.



The group of participants (including Ms Latoya Halstead, Director of Communication at the Consumer Affairs Commission — back row fourth from left) from the Caribbean who participated in the Caribbean Community Secretariat Sixth Meeting on Consumer Affairs held in St John's, Antigua and Barbuda

International Seminar on Market Recall Practices for Defective Products: Toys and children's products

The Commission prepared and submitted a Guiding Questionnaire and Presentation to the organisers of the Organisation of American States (OAS) - Consumer Safety and Health Network (CHSN) seminar, as it relates to the Market Recall Practices for Defective Products: Toys and children's products, held in Lima, Peru, on November 6 and 7, 2013. The information from the questionnaire was used as input in the development of the Inter-American Rapid Alert System for consumer product safety.

Complaints Resolution

1,229

Complaints resolved

82%

Resolution rate

\$30.5M

Compensation and Refund



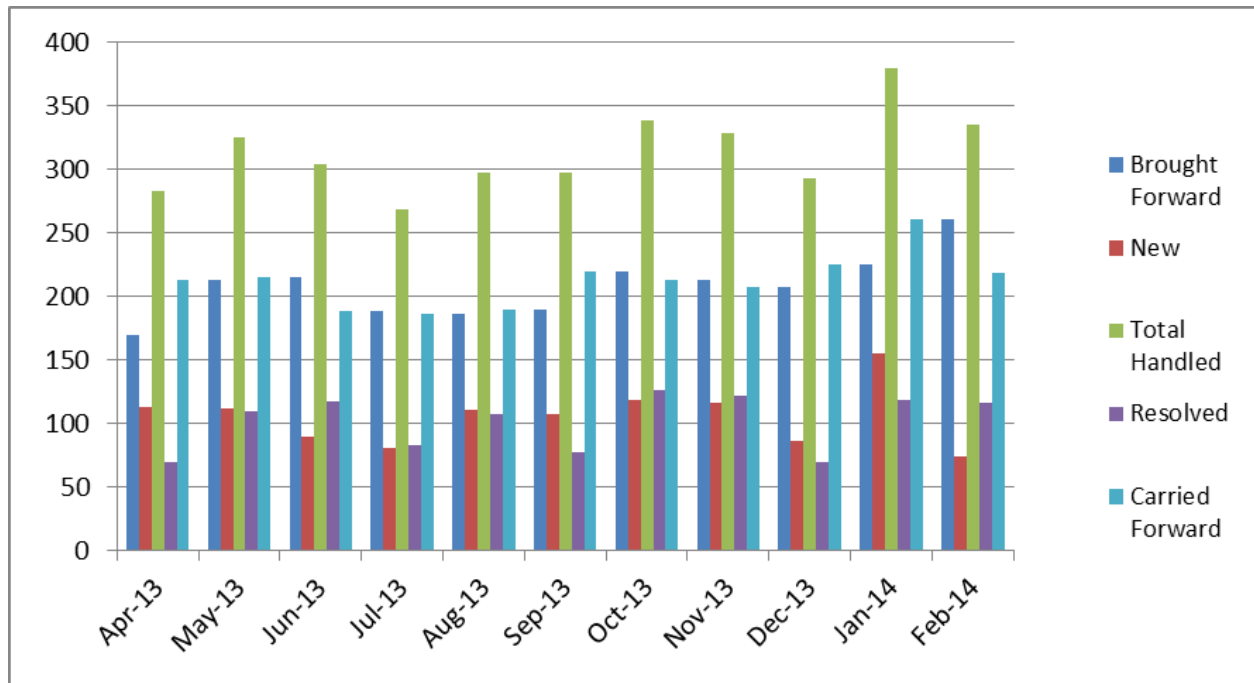
Complaints Resolution Services

The Consumer Affairs Commission's role in addressing consumer complaints continues to be critical, especially in today's current economic climate, where value for money is paramount. The Commission takes seriously its responsibility to try to resolve each complaint satisfactorily, both in respect of the complainant and the staff involved. The latest statistics from the Complaints Database indicate that, during the 2013-2014 Financial Year, the CAC handled one thousand, four hundred and ninety-nine (**1,499**) cases. Of this number, one thousand, two hundred and twenty-nine (**1,229**) cases were resolved, resulting in a resolution rate of **82%**.

Table 4 highlights the number of complaints received by the Consumer Affairs Commission during the 2013-2014 Financial Years.

Case dispositions by month report from April 1, 2013 – March 31, 2014						
	Month	Brought Forward	New	Total Handled	Resolved	Carried Forward
	Apr-13	170	113	283	70	213
	May-13	213	112	325	110	215
	Jun-13	215	89	304	117	188
	Jul-13	188	81	269	83	186
	Aug-13	186	111	297	107	190
	Sep-13	190	107	297	77	220
	Oct-13	220	119	339	126	213
	Nov-13	213	116	329	122	207
	Dec-13	207	86	293	69	225
	Jan-14	225	155	380	118	261
	Feb-14	261	75	336	116	220
	Mar-14	220	115	335	114	221
	Total		1279		1229	

Figure 10 highlights the case dispositions by month from April 1, 2013 — March 2014



Refunds/Compensation

For the Financial Year, the successful intervention of the CAC in **301** complaints resulted in a total of Thirty Million Five Hundred and Seven Thousand Six Hundred and Sixty Eight Dollars Sixty Five Cents (**\$30,507,668.65**) being obtained in refunds and compensation on behalf of aggrieved consumers. For the corresponding period April 2012—March 2013, a total of Fourteen Million, One Hundred and Twenty Nine Thousand Six Hundred and Fifty Nine Dollars Fifty Eight Cents (**\$14,129,659.58**) was secured on behalf of consumers. This represents an increase of Sixteen Million, Three Hundred and Seventy Eight Thousand Nine Dollars and Seven Cents (**\$16,378,009.07**).

Figure 11 shows the main complaints categories and the corresponding percentage amount of refunds/compensation obtained during the 2013-2014 Financial Year

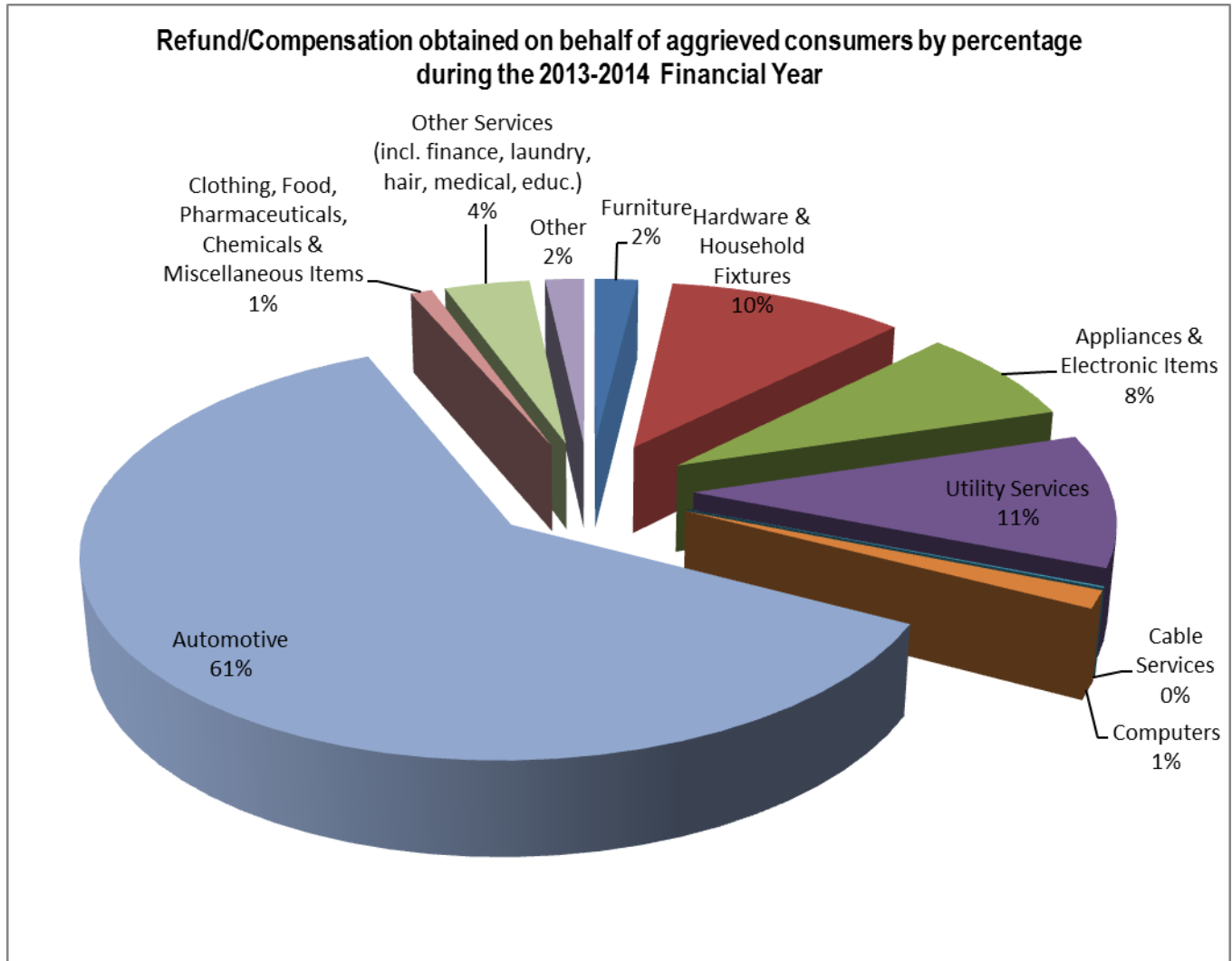


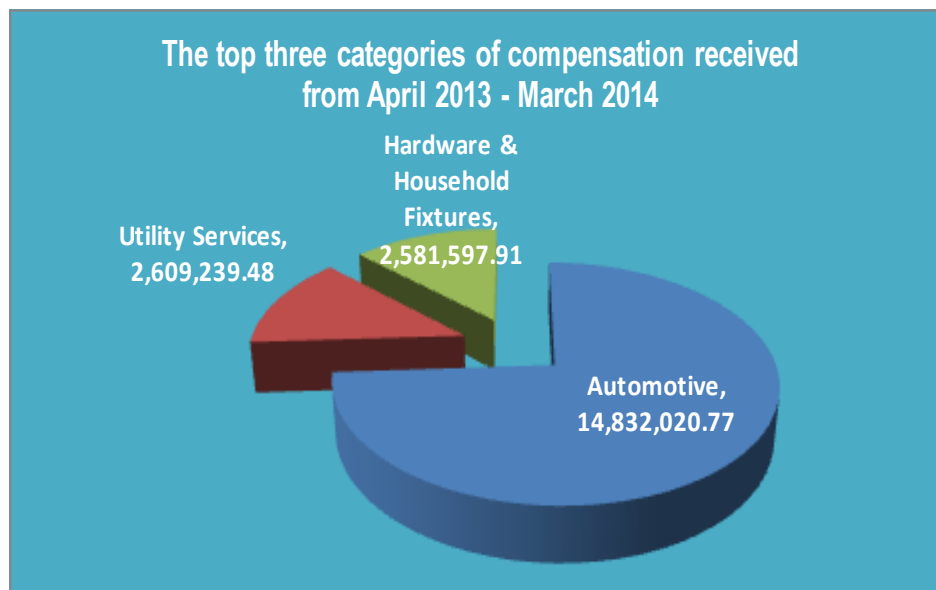
Table 5 highlights the total refund and compensation obtained on behalf of aggrieved consumers during the April 1, 2013 — March 2014 Financial Year

		Mar-14		
Complaint Categories	Apr 2013-Feb 2014	Refund	Compensation	Total YTD
	\$	\$	\$	\$
Furniture	468,950.00	218,113.27	35,000.00	722,063.27
Hardware & Household Fixtures	2,581,597.91	183,000.00	0.00	2,764,597.91
Appliances & Electronic Items	1,880,536.80	22,750.00	121,748.05	2,025,034.85
Utility Services	2,609,239.48	0.00	40,195.39	2,649,434.87
Cable Services	28,874.00	0.00	0.00	28,874.00
Computers	346,261.00	2,643.75	6,250.00	355,154.75
Automotive	14,832,020.77	2,200,000.00	591,000.00	17,623,020.77
Clothing, Food, Pharmaceuticals, Chemicals & Miscellaneous Items	236,107.41	52,100.00	1,000.00	289,207.41
Other Services (including finance, laundry, hair, medical, education)	923,400.91	10,685.00	2,577,736.00	3,511,821.91
Other	422,458.91	116,000.00	0.00	538,458.91
TOTAL	24,329,447.19	2,805,292.02	3,372,929.44	30,507,668.65

Complaints/Advice

While the Commission is actively engaged in addressing complaints made by consumers, the Agency also provides advice and information to consumers prior to them making a purchase. At the close of the 2013-2014 Financial Year, the Commission provided advice and information to **937** persons, as opposed to **1,227** in the 2012-2013 Financial Year. It should be noted that, of the total number of requests made, **546** or **58.3%** were made by females and **391** or **41.7%** by males. The main areas in which compensation was secured were automobile, followed by utility services and then hardware and household fixtures. Figure 12 shows the categories and the compensation/refund amounts obtained on behalf of aggrieved consumers.

Figure 12 highlights the three main complaints categories where consumers were either refunded or compensated during the 2013-2014 Financial Year



Market Research

36

Survey projects conducted



RESEARCH

Market Research

Market Research plays a very integral role in the Consumer Affairs Commission executing and achieving its mandate. It is as a result of its investigations and analysis, that the Commission is better able to inform consumers and play a vital part in ensuring consumers' rights and responsibilities are upheld. During the 2013—2014 Financial Year, twenty eight (28) scheduled surveys were conducted, despite tight budgetary constraints. The surveys undertaken were as follows:

- 13 Grocery
- 2 Hardware
- 12 Petrol
- 1 School Textbook (*The Annual School Textbook Survey was conducted in August 2013.*)

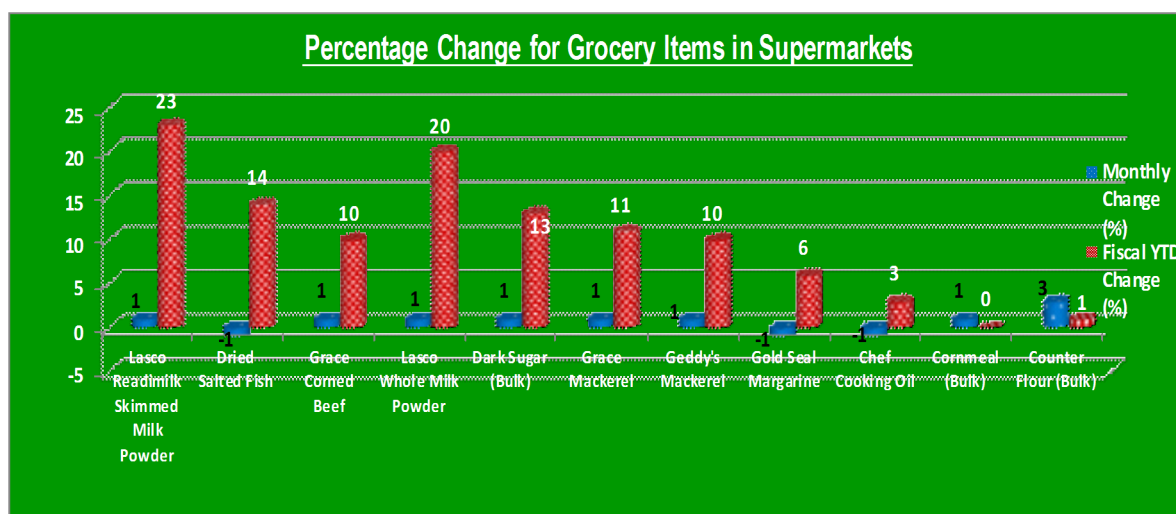
Additionally, eight (8) other research projects were conducted, which included two (2) paid research projects and four (4) ad hoc studies.

Average Price Movements

Basket of Critical Items

During the April 2013 – March 2014 Financial Year, an analysis of the Consumer Affairs Commission's basket of critical food items showed that some commodities experienced noteworthy price changes while other prices remained. Items with noteworthy price changes are presented in Figure 13.

Figure 13 shows significant monthly and Fiscal YTD changes in supermarket and shop prices for specific items in the CAC's basket of critical grocery items



Supermarkets



A supermarket survey being conducted by Mr Colin Brett, CAC Survey Officer, at one of the island's supermarkets.

In respect of the supermarkets surveyed during the Financial Year, Figure 13 observations revealed that Lasco readimilk skimmed milk powder and Lasco whole milk powder experienced the greatest price increases of 23% and 20% respectively. Dried salted fish had a 14% price increase while bulk dark sugar experienced a 13% price increase. An 11% price increase was noted for Grace mackerel, while Grace corned beef increased by 10%.

The 2013-2014 observations, as it relates to shops, highlighted that Lasco readimilk skimmed milk powder experienced a price increase of 14%, while Lasco whole milk powder had a price increase of 10%.

A price increase of 9% was noted for dried salted fish, while Gold Seal margarine had an 8% price increase. Other price changes are shown in Figure 14 below.

Figure 14 shows the percentage change for grocery items in shops during the 2013-2014 Financial Year



Table 6 showing the price movements for a select set of local agricultural produce between April 2013 and March 2014

Produce	Quantity	Fiscal YTD Change (%)
Local Onions	1 kg	31
Ripe Plantain	1 kg	-12
Local Carrots	1 kg	42
Local Tomatoes	1 kg	30
Green Bananas	1 kg	-28
Local Cabbage	1 kg	-12
Yellow Yam	1 kg	-36
Local Red Peas	1 kg	-4
Local Irish Potatoes	1 kg	-29

**Agricultural produce were scarce in shops, therefore they were not included in this report.*

Local Agricultural Items

The price movements for a select set of local agricultural produce in supermarkets between April 2013 and March 2014 are shown in Table 6.

During the Fiscal Year-to-Date, the highest price increase observed was 42% for local carrots followed by local onions and local tomatoes, which had price increases of 31% and 30% respectively. All other items experienced price declines: yellow yam experienced the greatest price decline of 36% while local red peas had a 4% price decline.

Point-to-Point Changes

Information on the point-to-point price changes between March 2013 and March 2014 in supermarkets revealed the following:

- ◆ A 25% price increase was recorded for Lasco readimilk skimmed milk powder, while Lasco powdered whole milk experienced a 21% price increase;
- ◆ The price of dried salted fish was increased by 15%;
- ◆ Betty sweetened condensed milk had a 14% price increase, while Grace mackerel experienced a price increase of 13%;
- ◆ A price increase of 11% was observed for Grace corned beef, bulk dark sugar and Lasco Step 1 Infant Formula;
- ◆ Caribbean Broilers (CB) whole chicken experienced a price increase of 11% while Best Dressed chicken had a 9% price increase.

The Petroleum Market

During the Financial Year, April 2013 to March 2014, the petroleum market experienced various developments:

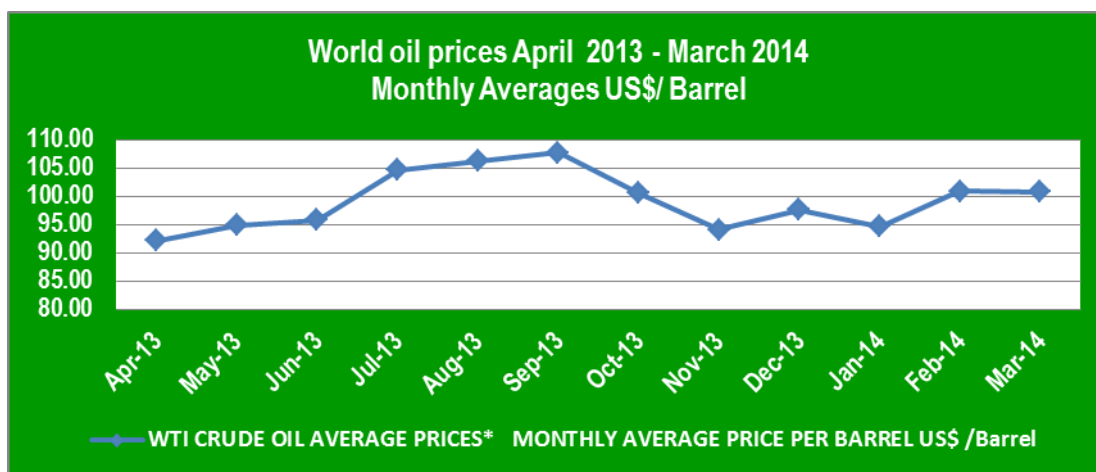
- ◆ A new product, Ultra-Low Sulphur Diesel (ULSD), was introduced to the trade market and reportedly has the dual benefit of preserving diesel engines with advanced emission control and protecting the environment. ULSD is another premium product being sold to consumers at prices higher than regular diesel. Forty-six of the nation's outlets currently carry the product. The number of outlets carrying the product is steadily increasing.
- ◆ Petroleum tanker drivers staged industrial action, agitating for increase in wages. As a result, consumers were unable to purchase petrol from many outlets between December 2013 and January 2014. To address the issue, the Ministry of Science, Technology, Energy and Mining met with the tanker drivers.
- ◆ Another highlight of the period occurred when the owners and operators of petrol stations threatened to shut-down their operations in January 2014, as a result of what they felt was unfair treatment of three Texaco dealers. This matter was resolved after the Texaco gas stations withdrew their services for two days as a show of protest.

International Benchmarks

The 2013-2014 Financial Year reveals that the price of Crude Oil was increased by 9% or US\$8.73/bbl., while the point-to-point prices were increased by 9% or US\$8.20/bbl.

Figure 15 shows that world oil prices, which began at US\$92.07 in April 2013, finished higher at US\$100.75 in March 2014. A high of US\$107.68 was experienced in September 2013, and a low of US\$92.07 in April 2013:

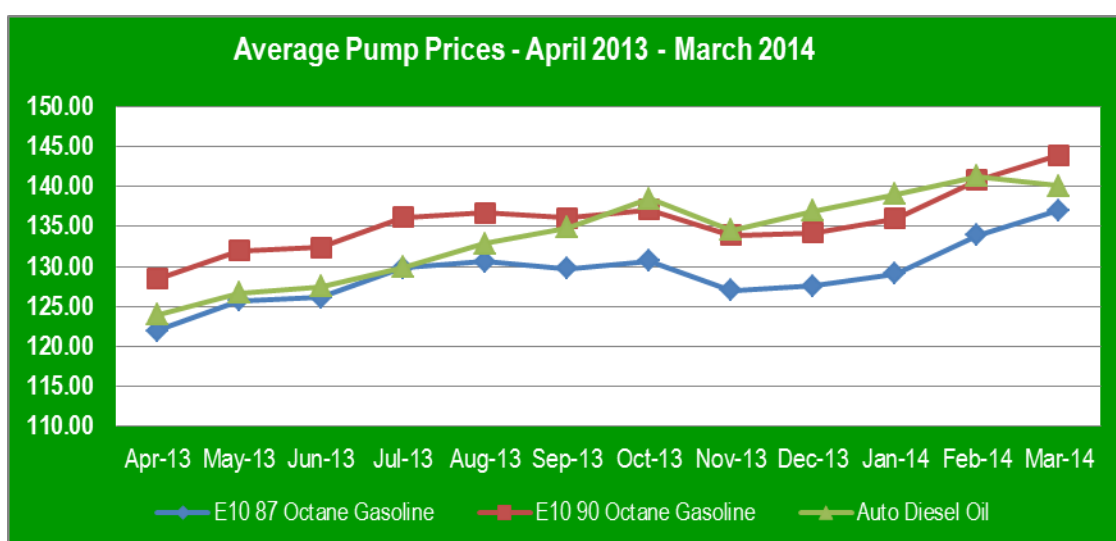
Figure 15 shows the monthly averages for world oil prices
between April 2013 and March 2014



The Price Movement for the 2013-2014 Financial Year figure shows that prices continued to increase moderately for gasoline and auto diesel oil.

Since April 2013, the average pump prices for E10 87 and E10 90 gasoline have been increased by 12% or J\$15.12 and J\$15.47 per litre, respectively, while the average pump price for auto diesel was increased by J\$16.09 per litre or by 12.98% (see figure 16 below).

Figure 16 highlights the average pump prices during the 2013-2014 Financial Year



When compared to March 2013, consumers have had to pay an average of 10% more per litre for gasoline, i.e., E10 87 (J\$12.22), E10 90 (J\$12.78) and auto diesel (J\$13.76).

Information Technology

**IT Assets &
Services restored in
2 weeks after head
office relocation**



Information Technology

At the beginning of the twenty-first century, new and rapidly improving technologies began the process of transforming the lives of consumers on a global scale. Many industries worldwide have adapted to the use of technology-dependent resources such as e-mail, the Internet, social media and web pages, among others, to communicate with their internal and external clients. Consumers have had no recourse but to also adapt to these changing technological innovations. In this vein, consumer advocates and agencies have also begun to utilise these same technological advances to revolutionise the traditional ways in which they communicate with consumers about their rights and responsibilities when conducting business in the market place.

The Consumer Affairs Commission has kept abreast of these changes and have instituted those that are of benefit to the organisation. More specifically, during the Fiscal Year 2013-2014, the CAC aggressively pursued the execution of a social media programme, complete with monitoring and evaluation components. The Commission is committed to ensuring that the social media plan is fully implemented and will continue working towards this goal during the 2014-2015 Financial Year. Further, the organisation will continue to explore new technologies to bridge the gap of space and time to communicate efficiently with consumers.

Relocation of Information Technology Assets

During the Financial Year, the Commission relocated its headquarters from 2a Seaview Avenue, to its new offices at 34 Trafalgar Road. During this period, the management and execution of the relocation of all IT assets and services was completed within the planned project schedule and budget. The move commenced in mid June 2013. Through careful coordination, the relocation activities with staff, vendors and service providers; the network, including telecommunication services, was partially up and running within four days. Full restoration of IT services was completed within two weeks.

In addition, an almost 100% up-time was maintained for all critical business systems used by the Consumer Affairs Commission.

Issues Addressed

During the period under review, there were 252 user issues which ranged from problems accessing the computer network to issues related to the Case Management System. The majority of the issues were successfully resolved, while four were referred to the vendors. In addition to issues requiring attention, maintenance work on the Un-interrupted Power Supply (UPS) system was carried out and two aging personal computer systems were replaced.

Case Management System

The Commission undertook significant work on its Case Management System (CMS), as various projects were scheduled for completion in the 2013–2014 reporting period to optimize the system. A favorable agreement with the vendor of the CMS was negotiated where a payment plan would be put in place to make payment for the use of the CMS. However, two projects slated for execution during the reporting period were not completed due to budgetary constraints, namely the Case Management System upgrade project and the Interactive Voice Response system project. These two projects remain critical components to enhancing the Commission's information technology programme of the Commission and will be pursued in the 2014-2015 Financial Year.

Substantial software development work was also carried out to develop the Short Message Service (SMS) for petrol price enquiry and consumer alerts. Testing of this system commenced in March 2014 and is expected to be completed in the First Quarter of the new Fiscal Year.

Additionally, an open source Open Data platform was identified that will allow the CAC to give the public access to its rich product prices database.

Legal Intervention

Consumer Protection Sensitisation Workshop



Legal Intervention

The Consumer Protection Act

The Consumer Protection (Amendment) Act (2012) continued to take centrestage during the 2013-2014 Financial Year. In this regard, a Consumer Protection Act Sensitisation Workshop targeting businesses in the Kingston and St Andrew commercial districts was staged under the theme ***“The CPA and You: Balancing Business Responsibility and Consumer Protection”***. It delivered a general overview of the CPA and was held at the Jamaica Conference Centre, Duke Street, Kingston on Wednesday, September 18, 2013. More specifically, the workshop concentrated on the following:

How the amendments to the CPA will impact the fundamentals of business processes:

- ♦ Rights and responsibilities, as well as those of customers, and the sanctions that can be imposed under the Act.
- ♦ The expanded powers of the CAC and the redress mechanisms established which will impact how customer complaints will be handled in the future.



Cliff Hughes, Master of Ceremonies at the podium speaking to the audience, while specially invited guests at the head table look on: (L-R) Wendell Wilkins, Attorney-at-law; Lorna E. Green, Chairman of the Consumer Affairs Commission; the Honourable Sharon Ffolkes-Abrahams, Minister of State in the Ministry of Industry, Investment and Commerce; Kent Pantry, Chairman of the Consumer Protection Tribunal; and Douglas Webster, representing the Honourable Anthony Hylton, Minister of Industry, Investment and Commerce at the Consumer Protection Sensitisation Workshop held in September 2013 at Conference Centre.

Further, the workshop facilitated the creation of a new database which has provided a consistent source of funnelling consumer information to this group. As a result, to reinforce what was communicated at the workshop, an informational flyer regarding the most salient points of the Consumer Protection (Amendment) Act (2012) was created and disseminated to all one hundred and twenty seven (127) participants.

Mr Cliff Hughes, award winning journalist was the master of ceremonies. He successfully guided the proceedings and gave the event additional depth and dynamics. Presentations were made by the Honourable Sharon Ffolkes-Abrahams, Minister of State in the MIIC; Ms Lorna Green, Chairman of the CAC; and Mr Kent Pantry, Chairman of the Consumer Protection Tribunal.

Legal Reviews, Advice and Representation

During the period under review, no legal proceedings were instituted. However, legal advice was provided on a number of matters.

The CAC's *Compliance Strategy Framework* draft which highlighted the range of environments that influence compliance and identified a range of approaches that could be used for ensuring that compliance occurs was also completed.

The Legal Unit made recommendations regarding the operationalisation of the Consumer Protection Tribunal. In particular, the Unit conducted a comparative analysis of Tribunals of a similar nature in other jurisdictions. The results of the comparative analysis resulted in the creation of administrative and procedural documents that provided several possible proposals that would guide the framework and structure of how the Tribunal would operate.

The provision of advice to internal units and other relevant personnel on specialised and routine legal matters continued. The Unit also participated in mediation negotiations and perused legal documents on behalf of the Commission to ensure conformity with the related laws, policies, and the interests of the Commission. Furthermore, it represented the Commission at local meetings, conferences and field operation and community outreach activities.

Corporate Governance

In addition to the provision of corporate secretarial support to the Commission's Board, administrative support was also provided to the Telecommunications and Electricity Appeal Tribunals, which are hosted by the Commission.

Finance and Administration

CTMS
Implemented

Relocation
a Success



Finance and Administration

Overview

The Financial Year 2013/2014 saw some significant areas of achievement around improving processes and procedures, communication management, and development training. The Consumer Affairs Commission continues to strive to adopt more proactive approaches and continuously review the structure to ensure that all our staff and managers are effectively supported.

Finance

Central Treasury Management System (CTMS)

In keeping with the goal of improved cash and fiscal management across GOJ Organisations, the CAC implemented the Central Treasury Management System (CTMS) in April 2013.

The implementation of these processes and procedures, which are ably supported by technology, has resulted in greater efficiency in the control and monitoring of funds allocated to the CAC. It has also reduced the cost associated with making payments to part-time staff and service providers.

Administration

Performance Management and Appraisal System (PMAS)

The partnership with the Public Sector Transformation Unit (PSTU) of the Cabinet Office and the Consumer Affairs Commission (CAC) resulted in the full implementation of PMAS, as at April 1, 2013. Since its implementation, the CAC, has benefitted from an improved system of performance management and evaluation.

Relocation

On June 27, 2013, the CAC relocated its Head Office from 2 Seaview Avenue Kingston 10, to 34 Trafalgar Road Kingston 10. The rationale for the relocation was three-fold:

- To better serve the Jamaican consumer;
- To ensure that consumers could more readily feel the Commission's presence, while having better access to its services; and,
- Reduction in rental and maintenance costs.



A Performance Management and Appraisal System training was conducted by the Cabinet Office to the staff of the Commission

Policy

The CAC adopted *en bloc* the National Workplace Policy on HIV /AIDS in July 2013. During the Financial Year the Commission appointed a Gender Focal Point and set in motion its National Policy on Gender Equality (NPGE) implementation plan. It also commenced reporting sex disaggregated data for its complaints and outreach activities in November 2012. The CAC's NPGE implementation plan was revised and an Inclusive Consumer Policy was developed.

This policy outlines how the CAC's programmes and initiatives will address the diversity among Jamaican consumers (in relation to sex, age, disability, income, education and rural/ urban populations), thus representing and protecting their unique interests. The agency's Vision, Mission and Value statements were adjusted accordingly.

Staff Development

International Organization for Standardization (ISO)9001:2008

The 2013/2014 Financial Period resulted in a slowdown in the ISO implementation process. The MIIC ISO Team provided hand-holding support for the development of the Commission's process flow maps and its documentation manual. At the end of the 2013/2014 Financial Period, the Commission completed **54%** of the scheduled activities towards becoming ISO 9001:2008 certified.

Training Plan

A training Plan was developed to address identified training needs. All members of staff benefitted from a training session on standardising documentation. Four members of staff participated in an online course on the development of standards, which was conducted by Consumers International. Eight members of staff participated in several training sessions on GOJ Procurement Policies & Procedures offered by the MOF&P. One member of staff of the Field Operations Division participated in a Customer Service Course and another in the International Organisation for Standardisation Regional Workshop.

Training Executed April 2013 – March 2014		
Employee	Training /Workshop	Financing
Mr Pash Fuller	International Organisation for Standardisation Regional Workshop	International Organisation for Standardisation (ISO)
Mrs Dolsie Allen	Biennial General Meeting of the Caribbean Consumer Council (CCC)	Consumer Affairs Commission and Individual
All members of Staff	Access To Information Act	ATI Unit
All members of Staff	Fire Safety	Jamaica Fire Brigade
All members of Staff	Earthquake Safety	ODPEM
All members of Staff	Planning For Retirement/ Pension Fund Re-Education	NCBI
Mrs Michelle Curling-Ludford	Customer Service	Alison.com
Mrs Dolsie Allen	Development of Standards	Consumer International
Mr Elroy Galbraith	Development of Standards	Consumer International
Mrs Racquel Chambers	Development of Standards	Consumer International
Ms Dorothy Campbell	Development of Standards	Consumer International
Mrs Raquel Chambers	Public Service Excellence /Strategic and Corporate Planning.	CAC
Mr Pash Fuller Mrs Suzette Pinnock Ms Shemaine Genas	GOJ Procurement Policies & Procedures	CAC
Mr Andrew Evelyn Mrs Cheryl Martin-Tracey Mr Pash Fuller Miss Shemaine Genas Miss Shille-Ann Johnson	GOJ Procurement Policies & Procedures	MOF
Mrs Dolsie Allen Mrs Charmaine Heslop-Thomas	Seminar on the Legal Framework for Financial Services, Consumer Protection and Consumer Loan Agreements: Consumers' Rights and Obligations.	Sponsorship
Miss Shemaine Genas	Auditors- HIV Voluntary Compliance Programme	Sponsorship
Ms Dorothy Campbell	Graduate Course on 'The Management of Market Surveillance Systems on Consumer Product Safety'.	Sponsorship
Mrs Suzette Pinnock	Milestone Judgements in Competition Law Workshop in Barbados	Sponsorship
Mrs Dolsie Allen	6 th Meeting of the Pan American Commission For Food Safety (COPAIA 6) at the Crowne Plaza Hotel Libertador Bernardo O'Higgins, Santiago Chile.	Sponsorship
Mrs Dolsie Allen	"International Seminar on Market Recall Practices for Defective Products: Toys and Children's Products" and a Consumer Safety and Health Network (CSHN) Technical Advisory Group (TAG)	
Mrs Racquel Chambers	Regional Workshop on Global Harmonised Systems of Classification of Chemicals (GHS)	Sponsorship

Staffing/Organisation Review

During the year, two (2) persons separated from the organisation by way of resignation. Eight (8) vacant positions were filled and approval obtained to fill the remaining two (2).

The Post Operation Committee of the Ministry of Finance granted approval for the establishment and operation of two (2) positions of Research Assistant (SOG/ST 3). Approval was also sought and received from the Corporate Management Branch of the Cabinet Office for the position of Writer/Editor to be re-titled Director of Communications.

The Ministry of Finance gave approval for the abolition of the positions of Director, Access to Information (GMG/SEG 2), Receptionist (PIDG/RIM 2) and Records Clerk (PIDG/RM 1). The establishment of the organisation was therefore reduced from 40 positions to 39.

COMMISSIONERS' COMPENSATION APRIL'13 –MARCH'14

Position of Commissioner	Fees (\$)	Motor Vehicle Upkeep/ Travelling or Value of Assignment of Motor Vehicle (\$)	Honoraria (\$)	All Other Compensation including Non-Cash Benefits as applicable (\$)	Total (\$)
Board Chairman					
L. Green	171,000.00				171,000.00
11 Other Members					
K. Clarke	135,500.00				135,500.00
L. Dunn	66,000.00				66,000.00
F. Sylvester	156,500.00				156,500.00
D. Ellis	118,000.00				118,000.00
M. Parkins	121,000.00				121,000.00
N. Pierce	135,500.00				135,500.00
N. Clarke	92,500.00				92,500.00
D. Webb	130,500.00				130,500.00
M. Weir	132,500.00				132,500.00
S. Pryce	7,500.00				7,500.00
B. Francis	130,000.00				130,000.00
Total	1,396,500.00 p.a., Board Fee				1,396,500.00 p.a., Board Fee

Notes

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.

SENIOR EXECUTIVE COMPENSATION

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 Benefits (\$)	Total (\$)
Chief Executive Officer	Apr'13-Mar'14	3,459,806.00 p.a.		975,720.00 p.a.		22,620.00		4,458,146.00 p.a.
Finance & Administration Manager	Apr'13-Mar'14	2,363,623.00 p.a.		514,500.00 p.a.		22,620.00		2,900,743.00 p.a.
Director for Western Div. Field Ops	Apr'13-Mar'14	1,499,251.00 p.a.		514,500.00 p.a.		22,620.00		2,036,371.00 p.a.
Director of Field Operations	Apr'13-Mar'14	2,305,974.00 p.a.		514,500.00 p.a.		22,620.00		2,843,094.00 p.a.
Senior Accountant	Apr'13-Mar'14	1,631,717.00 p.a.		514,500.00 p.a.		22,620.00		2,168,837.00 p.a.
Communication Specialist	Apr'13-Mar'14	1,499,251.00 p.a.		514,500.00 p.a.		22,620.00		2,036,371.00 p.a.
Director of Research	Apr'13-Mar'14	2,363,623.00 p.a.		514,500.00 p.a.		22,620.00		2,900,743.00 p.a.
IT Manager	Apr'13-Mar'14	1,751,106.00 p.a.		514,500.00 p.a.		22,620.00		2,288,226.00 p.a.
Legal Officer	Apr'13-Mar'14	3,120,336.00 p.a.		514,500.00 p.a.		329,670.00		3,964,506.00 p.a.
Senior Economist	Apr'13-Mar'14	1,718,961.00 p.a.		514,500.00 p.a.		22,620.00		2,256,081.00 p.a.
Director of Communication	Apr'13-Mar'14	1,757,161.00 p.a.		514,500.00 p.a.		22,620.00		2,294,281.00 p.a.

Notes

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.

Other Allowances (including laundry, entertainment, housing, utility, etc.)

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.

**THE CONSUMER AFFAIRS COMMISSION
FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2014**

**THE CONSUMER AFFAIRS COMMISSION
FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2014**

CONTENTS

	Page(s)
Independent Auditor's Report	1 - 2
Statement of Financial Position	3
Statement of Comprehensive Income	4
Statement of Changes in Equity	5
Statement of Cash Flows	6
Notes to the Financial Statements	7-21



INDEPENDENT AUDITOR'S REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of The Consumer Affairs Commission (the "Commission"), which comprises the statement of financial position as at March 31, 2014, the statement of comprehensive income, the statement of changes in reserves, and the statement of 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. 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 applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's 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 as to whether or not 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 auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity'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 entity's internal control. 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 obtained is sufficient and is appropriate to provide a basis for our audit opinion.

Cont. /2

Independent Auditor's Report

Opinion

In our opinion, the accompanying financial statements gives a true and fair view of the financial position of the Commission as at March 31, 2014, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Trade Act of 1955 and the Consumer Protection Act of 2005 (the "Acts").

Report on other Legal and Regulatory Requirements

As required by the Acts, we have obtained all the other explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

In our opinion, proper accounting records have been kept, so far as appears from our examination of those records, and the accompanying financial statements are in agreement therewith and give the information required by the Acts, in the manner so required.

Crichton Mullings & Assoc.
CrichtonMullings & Associates
Chartered Accountants

Kingston Jamaica
November 13, 2014

THE CONSUMER AFFAIRS COMMISSION
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2014

	Note	2014 \$	2013 \$
ASSETS			
Non-current Assets			
Property and equipment	5	10,938,026	11,201,430 *
Retirement benefit assets	6	214,617,000	216,631,000 *
		<u>225,555,026</u>	<u>227,832,430</u>
Current Assets			
Receivables and prepayments	7	667,071	2,245,786
Cash and bank balances	8	1,454,645	3,872,919
		<u>2,121,716</u>	<u>6,118,705</u>
TOTAL ASSETS		<u>227,676,742</u>	<u>233,951,135</u>
EQUITY AND LIABILITIES			
Retirement benefit reserve	6	214,617,000	216,631,000 *
Accumulated surplus		3,716,960	10,288,285 *
		<u>218,333,960</u>	<u>226,919,285</u>
Current liabilities			
Payables and accruals	9	9,342,782	7,031,850 *
		<u>9,342,782</u>	<u>7,031,850</u>
TOTAL RESERVE AND LIABILITIES		<u>227,676,742</u>	<u>233,951,135</u>

APPROVED, on behalf of the Board on



Chairman



Chief Executive Officer

* - Restated to conform to current year presentation (see note 16)

The accompanying notes form an integral part of the financial statements

THE CONSUMER AFFAIRS COMMISSION
STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED MARCH 31, 2014

	Note	2014 \$	2013 \$
Income			
Grants		95,040,061	102,323,386
Administrative and general expenses	10	<u>99,295,438</u>	<u>100,574,084</u> *
Operating (deficit) / surplus		(4,255,377)	1,749,302
Other income		<u>262,015</u>	<u>28,812</u>
		(3,993,362)	1,778,114
Finance and policy costs	11	<u>3,346,572</u>	<u>2,215,622</u>
Net deficit		(7,339,934)	(437,508)
Other comprehensive income:			
Re-measurement of actuarial gains		(16,014,000)	11,757,000 *
Actuarial gain on defined benefit plan		<u>14,000,000</u>	<u>11,458,000</u>
Net (deficit) / surplus for the year, being total comprehensive (expense) / income		<u>(9,353,934)</u>	<u>22,777,492</u>

* - Restated to conform to current year presentation (see note 16)

The accompanying notes form an integral part of the financial statements

THE CONSUMER AFFAIRS COMMISSION
STATEMENT OF CHANGES IN RESERVES
YEAR ENDED MARCH 31, 2014

	Retirement Benefit Reserve \$	Accumulated Surplus \$	Total \$
Balance at March 31, 2012	193,416,000	10,725,793	204,141,793
Net surplus, being total comprehensive income for the year	-	22,777,492 *	22,777,492 *
Re-measurement of actuarial gains	11,757,000 *	(11,757,000) *	-
Actuarial gain on defined benefit plan	<u>11,458,000</u>	<u>(11,458,000)</u>	<u>-</u>
Balance at March 31, 2013	216,631,000 *	10,288,285 *	226,919,285
Net deficit, being total comprehensive expense for the year	-	(9,353,934)	(9,353,934)
Adjustments	-	768,609	768,609
Re-measurement of actuarial gains	(16,014,000)	16,014,000	-
Transfer to retirement benefit reserve	<u>14,000,000</u>	<u>(14,000,000)</u>	<u>-</u>
Balance at March 31, 2014	<u>214,617,000</u>	<u>3,716,960</u>	<u>218,333,960</u>

* - Restated to conform to current year presentation (see note 16)

The accompanying notes form an integral part of the financial statements

**THE CONSUMER AFFAIRS COMMISSION
STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31, 2014**

	2014 \$	2013 \$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net (deficit) / surplus	(9,353,934)	22,777,492 *
Adjustments for items not affecting cash resources:		
Depreciation	1,712,850	1,753,521
Adjustments	768,609	-
Loss on disposal of property and equipment	1,561,749	21,930
Retirement benefit assets	2,014,000	(11,458,000)
	(3,296,726)	13,094,943
(Increase) / decrease in operating assets:		
Receivables and prepayments	1,578,715	(504,565)
Increase in operating liabilities:		
Payables and accruals	2,310,933	293,076
Net cash provided by operating activities	592,921	12,883,454
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property and equipment	(3,011,196)	(1,898,577) *
Proceeds from disposal of property and equipment	-	188,999
Net cash used in investing activities	(3,011,196)	(1,709,578)
NET DECREASE IN CASH AND BANK BALANCES	(2,418,274)	(569,582)
CASH AND BANK BALANCES - Beginning of the year	3,872,919	4,442,500
CASH AND BANK BALANCES - End of the year	1,454,645	3,872,919
REPRESENTED BY:		
Cash and bank balances	1,454,645	3,872,919

* - Restated to conform to current year presentation (see note 16)

The accompanying notes form an integral part of the financial statements

**THE CONSUMER AFFAIRS COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2014**

1. IDENTIFICATION

The Consumer Affairs Commission (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.

The Commission is domiciled in Jamaica, with its registered office at 34 Trafalgar Road, Kingston 10.

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

(a) Statement of Compliance

The Commission's financial statements have been prepared in accordance and comply with International Financial Reporting Standards (IFRS) and the relevant requirements of the Trade Act of 1955 and the Consumer Protection Act of 2005 (the "Acts").

The financial statements have been prepared under the historical cost basis and are expressed in Jamaican dollars, unless otherwise indicated.

(b) Changes in accounting standards and interpretations:

i) Current year changes:

Certain new or amended International Financial Reporting Standards and Interpretations (IFRIC) became effective as of 1 January 2013.

The revisions, amendments and new standards and interpretations that became effective during the year but are not considered relevant to the Commission's operations are:

- *IFRS 10 'Consolidated Financial Statements', issued May 2011*
Effective for periods commencing on or after 1 January 2013
- *IFRS 11 'Joint Arrangements', issued May 2011*
Effective for periods commencing on or after 1 January 2013
- *IFRS 12 'Disclosures of interest in other Entities', issued May 2011*
Effective for periods commencing on or after 1 January 2013
- *IFRS 1 'Presentation of Government loans-Amendment', issued March 2012,*
Effective for periods commencing on or after 1 January 2013
- *IFRIC 20 'Stripping Costs in the production Phase of a Surface Mine'*
Effective for periods commencing on or after 1 January 2013
- *IAS 27 'Separate Financial Statements', issued May 2011*
Effective for periods commencing on or after 1 January 2013
- *IAS 28 'Investments in Associates and Joint Ventures', issued May 2011*
Effective for periods commencing on or after 1 January 2013

Management anticipates that the adoption of the following new or revised International Financial Reporting Standards and Interpretations (IFRIC) could have a material impact on the Commission's financial statements:

THE CONSUMER AFFAIRS COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2014

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION (CONT'D)

(b) Changes in accounting standards and interpretations (cont'd):

i) Current year changes (cont'd):

- *IFRS 7 'Disclosures - Offsetting Financial Assets and Financial Liabilities -Amendment', issued December 2011.*
Effective for periods commencing on or after 1 January 2013
- *IFRS 13 'Fair Value Measurement', issued May 2011.*
Effective for periods commencing on or after 1 January 2013
- *IAS 1 'Presentation of Financial Statements', issued June 2011.*
Effective for periods commencing on or after 1 January 2013
- *IAS 19 'Employee Benefits -Amendment', issued June 2011.*
Effective for periods commencing on or after 1 January 2013

Additionally, the IASB issued "Improvements to IFRSs", as part of its annual improvements project, and a vehicle for making non-urgent but necessary amendments to various IFRSs. These amendments primarily become effective for annual periods beginning on or after 1 January 2012. Management has concluded that these amendments will not have a significant impact on the Commission's operations or financial position.

ii) Future Changes

The Commission has identified the following revised or new International Financial Reporting Standards or Interpretations which have been issued but are not yet effective, and which have not been adopted early. Those that are not considered relevant to the Commission's operations are:

- *IAS 27 'Separate Financial Statements', issued October 2012*
Effective for periods commencing on or after 1 January 2014
- *IFRS 10 'Consolidated Financial Statements', issued October 2012*
Effective for periods commencing on or after 1 January 2014
- *IFRS 12 'Disclosures of interest in other Entities', issued October 2012*
Effective for periods commencing on or after 1 January 2014

Those which may be relevant to the Commission's operations are as follows:

- *IFRS 9 'Financial Instruments', issued November 2009*
Effective for periods commencing on or after 1 January 2015
- *IFRS 9 'Financial Instruments', issued October 2010*
Effective for periods commencing on or after 1 January 2015
- *IAS 19 'Employee Benefits -Amendment', issued November 2013.*
Effective for periods commencing on or after 1 July 2014

**THE CONSUMER AFFAIRS COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2014**

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION (CONT'D)

(b) Changes in accounting standards and interpretations (cont'd):

ii) Future Changes (cont'd):

- *IAS 36 'Impairment of Assets - Amendment, Recoverable amount disclosures for non-financial assets', issued May 2013*
Effective for periods commencing on or after 1 January 2014
- *IAS 39 'Financial Instruments: Recognition and Measurement - Amendment, Novation of derivatives and continuation of hedge accounting', issued June 2013*
Effective for periods commencing on or after 1 January 2014
- *IFRIC 21 'Levies', issued May 2013*
Effective for periods commencing on or after 1 January 2014

(c) Use of estimates and judgments:

The preparation of the financial statements in conformity with IFRS and the Acts requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of, and disclosures related to, assets, liabilities, contingent assets and contingent liabilities at the reporting date and the income and expenses for the period then ended. Actual amounts could differ from these estimates.

The estimates and associated assumptions are based on historical experience and/or various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources.

(i) Critical judgments in applying the Commission's accounting policies:

Critical judgments used in applying the Commission's accounting policies that have a significant risk of material adjustment in the next financial year relate to the estimated useful lives and residual values of property and equipment and pension and other post-employment benefits.

The residual values and the useful life of each asset are renewed at each financial year-end, and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate. The useful life of an asset is defined in terms of the asset's expected utility to the Commission.

(ii) Key sources of estimation uncertainty:

Pension and other post-employment benefits:

The amounts recognized in the statement of financial position and statement of comprehensive income post-employment benefits are determined actuarially using several assumptions. The primary assumptions used in determining the amounts recognized include expected long-term return on plan assets, and the discount rate used to determine the present value of estimated future cash flows required to settle the pension obligations.

THE CONSUMER AFFAIRS COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2014

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION (CONT'D)

(c) Use of estimates and judgments (cont'd):

(ii) Key sources of estimation uncertainty (cont'd):

Pension and other post-employment benefits (cont'd):

The expected return on plan assets assumed considers the long-term historical returns, asset allocation and future estimates of long-term investment returns. The discount rate is based on the estimate of yield on long-term government securities that have maturity dates approximating the terms of the Commission's obligation; in the absence of such instruments in Jamaica, it has been necessary to estimate the rate by extrapolating from the longest-tenor security on the market. Any changes in these assumptions will impact the amounts recorded in the financial statements for these obligations.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Property and equipment

All property and equipment held for administrative purposes are recorded at historical or deemed cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied in the part will flow to the Commission and its cost can be reliably measured.

The cost of day-to-day servicing of property and equipment is recognized in the statement of comprehensive income as incurred.

Depreciation is calculated on the straight line basis over the estimated useful lives of such assets. The rates of depreciation in use are:

Leasehold Improvements	2.5%
Computer	10%
Furniture, fixtures & equipment	10%

(b) Accounts payable

Accounts payable is stated at amortized cost.

(c) Cash and bank balances

Cash and bank balances comprise cash in hand and cash with banks.

(d) Leases

Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to statement of comprehensive income on a straight-line basis over the terms of the relevant lease.

(e) Revenue recognition

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

**THE CONSUMER AFFAIRS COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2014**

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Impairment

At each reporting date, the Commission reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Commission estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than the carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. Impairment losses are recognized as an expense immediately.

When an impairment loss subsequently reverses, the carrying amount of the asset(cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognized as income immediately.

(g) Financial instruments

Financial instruments include transactions that give rise to both financial assets and financial liabilities. Financial assets and liabilities are recognized on the Commission's statement of financial position when the Commission becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments issued by the Commission are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Commission after deducting all of its liabilities.

Financial assets include cash and bank deposits, accounts receivable, long-term receivables and other current assets except inventories and any prepayments.

The fair values of the financial instruments are discussed in Note 15.

THE CONSUMER AFFAIRS COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2014

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) Employee benefits

Employee benefits are all forms of consideration given by the Commission in exchange for service rendered by employees. These include current or short-term benefits such as salaries, bonuses, statutory contributions, vacation leave, non-monetary benefits such as medical care; post-employment benefits such as pensions; and other long-term employee benefits such as termination benefits.

Employee benefits that are earned as a result of past or current service are recognized in the following manner:

- Short-term employee benefits are recognized as a liability, net of payments made, and charged to expense. The expected cost of vacation leave that accumulates is recognized when the employee becomes entitled to the leave.

(i) Retirement benefits

The Commission operates a defined benefit pension plan, the assets of which are generally held in separate trustee-administered funds. A defined benefit plan is one that defines an amount of benefit to be provided, usually as a function of one or more factors such as age, years of service or compensation. The asset or liability in respect of defined benefit plans is the difference between present value of the defined benefit obligation at the reporting date and the fair value of plan assets, adjusted for unrecognized actuarial gains and losses and past service cost.

Where a pension asset arises, the amount recognized is limited to the net total of any cumulative unrecognized net actuarial losses and past service cost and the present value of any economic benefits available in the form of refunds from the plan or reduction in future contributions to the plan

The defined benefit obligation is calculated annually by independent actuaries using the Projected Unit Method. Under this method, the cost of providing pensions is charged to the statement of comprehensive income so as to spread the regular cost over the service lives of the employees. The pension obligation is measured at the present value of the estimated future cash outflows using discount estimated rates based on market yields on government securities which have terms to maturity approximating the terms of the related liability.

A portion of actuarial gains and losses is recognized in arriving at total comprehensive income if the net cumulative unrecognized actuarial gains or losses at the end of the previous reporting period exceeded 10% of the greater of the present value of the gross defined benefit obligation and the fair value of plan assets at that date. Any excess actuarial gains or losses are recognized in arriving at other comprehensive income over the average remaining service lives of the participating employees.

THE CONSUMER AFFAIRS COMMISSION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2014

4. INCOME

Income represents grants from the Government of Jamaica on a monthly basis based on yearly budget allocation and arising needs of the Commission.

5. PROPERTY AND EQUIPMENT

	<u>Leasehold Improvement</u>	<u>Furniture, Fixtures and Equipment</u>	<u>Computers</u>	<u>Total</u>
At Cost/Valuation				
Beginning of year	1,691,250	13,462,289 *	7,570,188 *	22,723,727
Additions	2,295,228	478,537	237,431	3,011,196
Disposals	(1,571,250)	(668,790)	-	(2,240,040)
End of year	<u>2,415,228</u>	<u>13,272,036</u>	<u>7,807,619</u>	<u>23,494,883</u>
Accumulated Depreciation				
Beginning of year	479,138	7,117,352	3,925,807	11,522,297
Elimination on disposal	(438,642)	(239,649)	-	(678,291)
Charge for year	61,036	1,065,076	586,738	1,712,850
End of year	<u>101,532</u>	<u>7,942,779</u>	<u>4,512,546</u>	<u>12,556,857</u>
Net Book Value				
End of year	<u>2,313,696</u>	<u>5,329,257</u>	<u>3,295,073</u>	<u>10,938,026</u>
End of prior year	<u>1,212,112</u>	<u>6,344,937</u>	<u>3,644,381</u>	<u>11,201,430</u>

* - Restated to conform to current year presentation (see note 16)

THE CONSUMER AFFAIRS COMMISSION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2014

6. RETIREMENT BENEFIT ASSETS

The Commission operates a defined benefit pension scheme which is open to 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 with the Commission contributing 0.5%. Employees may make additional voluntary contributions not exceeding a further 14.5%. The Commission meets the balance of the cost of the scheme benefits. Normal retirement pension is based on 2% of the final pensionable salary per year of pensionable service.

The disclosures below are based on the independent actuarial valuation at March 31, 2014.

The amounts recognized in the statement of financial position as assets were determined as follows:

	2014 \$	2013 \$
Present value of the obligation	(127,458,000)	(96,069,000)
Fair value of plan assets	342,075,000	312,700,000
Fund status	<u>214,617,000</u>	<u>216,631,000</u>

The amounts recognized in arriving at (expense) / income were determined as follows:

	2014 \$	2013 \$
Current service cost	(7,045,000)	(7,709,000) *
Interest cost	(10,196,000)	(9,474,000)
Interest income on scheme assets	31,084,000	29,989,000 *
Re-measurement of (loss) / loss on obligation	(18,037,000)	2,000,000 *
Re-measurement of gain / (loss) on plan assets	2,023,000	(11,887,000) *
Adjustment for re-measurement for 2012	-	20,141,000 *
Contribution by the company	157,000	155,000
	<u>(2,014,000)</u>	<u>23,215,000</u>

The movement in net assets in the current year were as follows:

	2014 \$	2013 \$
Net assets at start of year	312,700,000	305,175,000
Interest income on plan assets	31,084,000	29,989,000
Benefits paid	(6,138,000)	(12,884,000)
Re-measurement gain / (loss) on assets	2,023,000	(11,887,000)
Total contributions during the year	2,406,000	2,307,000
	<u>342,075,000</u>	<u>312,700,000</u>

* - Restated to conform to current year presentation

THE CONSUMER AFFAIRS COMMISSION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2014

6. RETIREMENT BENEFIT ASSETS (CONT'D)**Sensitivity analysis:**

The sensitivity of the defined benefit obligation (DBO) to changes in assumption is set out below. The effects on the scheme of a change in the assumption are weighted proportionately to the total obligation to determine the impact for each assumption presented as indicated below:

	Change in assumption	Value of DBO (\$)
Discount rate	1% increase	111,671,000
Discount rate	1% decrease	147,447,000
Salary escalation	1% increase	132,256,000
Salary escalation	1% decrease	123,184,000
Future rate of pension augmentation	1% increase	142,313,000
Future rate of pension augmentation	1% decrease	116,259,000

Actuarial losses on defined benefit obligation arising from:

Changes in demographic assumptions	6,322,000
Experience adjustment	11,715,000
Total actuarial losses	18,037,000

The principal actuarial assumptions used were as follows:

	2014	2013
	%	%
Discount rate	9.50	10.0
Rate of escalation of pensionable earnings	6.50	7.0
Rate of increase in pension	5	5

Expenses - allowance is made for administrative expense at the rate of 7% (2013: 7%) earnings of members' pensionable earnings.

7. RECEIVABLES AND PREPAYMENTS

	2014	2013
	\$	\$
Staff receivables	320,076	349,790
Withholding tax recoverable	198,780	198,780
Reimbursable from:		
The Caricom Single Market Economy	-	252,987
Other receivables	257,671	1,806,672
	776,527	2,608,229
Provision doubtful debts	(109,456)	(362,443)
	667,071	2,245,786

8. CASH AND BANK BALANCES

Cash and cash balances included in the statement of financial position and statement of cash flows comprise the following:

	2014	2013
	\$	\$
Petty cash	3,000	3,000
Local currency accounts	1,451,645	3,869,919
	1,454,645	3,872,919

THE CONSUMER AFFAIRS COMMISSION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2014

9. PAYABLES AND ACCRUALS

	2014 \$	2013 \$	
Accounts payable	75,007	379,831	*
Statutory deductions payable	2,378,911	2,668,195	*
Accrued vacation leave	4,031,042	3,422,314	*
Other payables and accruals	2,857,822	561,511	*
	<u>9,342,782</u>	<u>7,031,850</u>	

10. ADMINISTRATIVE AND GENERAL EXPENSES

	2014 \$	2013 \$	
Salaries and wages	43,894,740	41,682,265	
Retroactive salaries	2,129,953	2,491,105	
Temporary and casual wages	3,236,846	3,900,707	
Mileage allowances	7,194,197	5,659,652	
Statutory and pension fund contributions	3,824,306	3,418,807	
Motor vehicle allowance	8,376,800	9,012,612	
Staff welfare	150,322	447,329	
Travelling and subsistence	246,632	1,146,029	
Rental:			
Equipment	69,600	79,958	
Buildings	8,486,316	9,059,387	
Electricity	3,352,745	2,514,539	
Telephone	4,471,975	3,017,838	*
Water	372,950	186,863	
Repairs and maintenance	2,219,425	2,122,959	*
Medical supplies	30,214	18,394	
Meals and entertainment	764,059	1,114,246	*
Wireless, cable and postage	150,162	243,951	
Directors' fees	1,396,500	1,186,500	
Professional fees	391,426	463,520	
Legal fees	-	1,868,972	
Insurance	454,910	204,191	
Grants and contribution	980,000	887,000	
Staff training	9,000	218,272	
Printing and stationery	1,359,280	1,786,714	
Audit fees:			
Current year fees	370,000	350,000	
Prior year fees	160,000	-	
Advertising and promotion	654,105	1,293,827	
Subscription and membership fees	699,762	611,304	
Exhibition, conference and seminars	1,073,900	2,284,814	
General office expenses	1,003,431	724,300	*
Security	1,771,882	2,578,029	
	<u>99,295,438</u>	<u>100,574,084</u>	

* - Restated to conform to current year presentation (see note 16)

THE CONSUMER AFFAIRS COMMISSION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2014

11. FINANCE AND POLICY COSTS

	2014	2013
	\$	\$
Doubtful debts	-	362,443
Bank charges	71,973	77,728
Depreciation	1,712,849	1,753,521
Loss on disposal of property and equipment	1,561,749	21,930
	<u>3,346,572</u>	<u>2,215,622</u>

12. SOURCE AND USES OF FUNDS

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

	Budget	Actual	Variance Favourable/ (Un-favourable)
	\$	\$	\$
Income:			
Grant - general	94,984,000	95,040,061	56,061
Other	-	262,015	262,015
	<u>94,984,000</u>	<u>95,302,076</u>	<u>318,076</u>
Expenditure:			
Personal emoluments	57,337,000	52,889,227	4,447,773
Travelling and subsistence	16,307,000	9,770,922	6,536,078
Other operating and general expense	9,340,000	23,228,276	(13,888,276)
Rental	6,000,000	8,555,916	(2,555,916)
Public utilities	4,200,000	8,197,669	(3,997,669)
	<u>93,184,000</u>	<u>102,642,010</u>	<u>(9,458,010)</u>
Operating surplus / (deficit)	1,800,000	(7,339,934)	(9,139,934)
Capital:			
Purchase of property and equipment	(600,000)	(3,011,196)	(2,411,196)
TOTAL	<u>1,200,000</u>	<u>(10,351,130)</u>	<u>(11,551,130)</u>

THE CONSUMER AFFAIRS COMMISSION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2014

13. STAFF COSTS

The number of employees at the end of the year was as follows:

	2014	2013
Permanent	<u>30</u>	<u>26</u>

The aggregate payroll costs for these persons were as follows:

	2014	2013
	<u>\$</u>	<u>\$</u>
Salaries and other related costs	<u>62,702,583</u>	<u>60,255,236</u>
Statutory payroll contributions	<u>3,824,306</u>	<u>3,418,807</u>
	<u>66,526,889</u>	<u>63,674,042</u>

14. RELATED PARTIES

The Commission's statement of comprehensive income includes the following transactions, undertaken with related parties in the ordinary course of business:

	2014	2013
	<u>\$</u>	<u>\$</u>
Transactions with Board of Directors:		
Directors' fees	<u>1,396,500</u>	<u>1,186,500</u>
Transactions with key management personnel:		
Chief Executive Officer	<u>4,458,146</u>	<u>4,256,306</u>
Finance and Administration Manager	<u>2,900,743</u>	<u>2,783,623</u>
	<u>8,755,389</u>	<u>8,226,429</u>

15. FINANCIAL INSTRUMENTS**(a) Fair Value**

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. A market price, where an active market (such as a recognized stock exchange) exists, is the best evidence of the fair value of a financial instrument. Market prices are not available for some of the financial assets and liabilities of the Commission. Fair values in the financial statements have therefore been presented using various estimation techniques based on market conditions existing at reporting date.

Generally, considerable judgment is necessarily required in interpreting market data to develop estimates of fair value. Accordingly, the estimates presented in these financial statements are not necessarily indicative of the amounts that the Commission would realize in a current market exchange.

The following methods and assumptions have been used are as follows:

The amounts included in the financial statements for cash and bank deposits, receivable and payables reflect the approximate fair values because of short-term maturity of these instruments.

THE CONSUMER AFFAIRS COMMISSION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2014

15. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management

The Commission has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Cash flow risk

The Commission's directors, together with senior management have overall responsibility for the establishment and oversight of the Commission's risk management framework.

The Commission's risk management policies are established to identify and analyze the risks faced by the commission in order to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Commission's activities.

(i) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Commission's principal financial assets are cash and bank deposits; and receivables and prepayments.

Cash and bank balances

The credit risk on cash and bank deposits is limited as they are held with financial institutions with high credit rating.

At reporting date, there were no significant concentrations of credit risk and the maximum exposure to credit risk is represented by the carrying amount of each financial asset.

	2014	2013
	<u>\$</u>	<u>\$</u>
Cash and bank balances	<u>1,454,645</u>	<u>3,872,919</u>

(ii) Liquidity risk

Liquidity risk is the risk that the Commission will not meet its financial obligations as they fall due. The Commission's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liability when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Commission.

THE CONSUMER AFFAIRS COMMISSION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2014

15. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (cont'd):

(ii) Liquidity risk (cont'd)

Management aims at maintaining sufficient cash and the availability of funding through an amount of committed facilities. The management maintains an adequate amount of its financial assets in liquid form to meet contractual obligations and other recurring payments.

The following are the contractual maturities of the non-derivative financial liabilities, including interest payments and excluding the impact of netting agreements.

	Carrying amount	Contractual cash flow	Less than 1 year
March 31, 2014:			
Accounts payable	9,342,782	9,342,782	9,342,782
March 31, 2013:			
Accounts payable	7,031,850	7,031,850	7,031,850

(iii) Market risk

Market risk is the risk that changes in market prices, such as interest rates will affect the Commission's income or the value of its holding of financial instruments. The objective of market is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Interest rate risk:

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The Commission materially contracts financial liabilities at fixed interest rates for the duration of the term. When utilized, bank overdrafts are subject to fixed interest rates which may be varied by appropriate notice by the lender. At March 31, 2014 and 2013, there were no financial liabilities subject to variable interest rate risk.

Interest-bearing financial assets comprises of bank deposits, which have been contracted at fixed interest rates for the duration of their terms.

Fair value sensitivity analysis for fixed rate instruments

The Commission does not hold any fixed rate financial assets that are subject to material changes in fair value through profit or loss. Therefore a change in interest rates at the reporting dates would not affect profit or equity.

THE CONSUMER AFFAIRS COMMISSION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2014

16. PRIOR PERIOD ADJUSTMENT

- a) During the prior period ended March 31, 2013, some of the Commission's capital expenses were erroneously classified as operating expenses in the statement of comprehensive income.
- b) There was an amendment to IAS 19 "Employee Benefits", which requires full recognition of changes in net defined benefit liability / (asset), including immediate recognition of defined benefits costs, and the disaggregation of the overall defined benefit cost into components. It also requires re-measurements to be recognized in other comprehensive income.

The amendment requires retrospective application to the prior year.

At the reporting date ended May 31, 2014, the presentation of the Commission's capital expenses have been corrected and the amendment to IAS 19 has been applied retrospectively as indicated below:

	<u>As previously reported</u>	<u>Adjustments</u>	<u>Restated as at March 31, 2014</u>
Property, plant and equipment	10,991,266	210,164	11,201,430
Payables and accruals	7,611,849	579,999	7,031,850
Administrative and general expenses	<u>101,364,247</u>	<u>(790,163)</u>	<u>100,574,084</u>
Retirement benefit asset	204,874,000	11,757,000	216,631,000
Re-measurement of actuarial gains	<u>-</u>	<u>(11,757,000)</u>	<u>11,757,000</u>

Notes

Notes

Head Office
CONSUMER AFFAIRS COMMISSION

34 Trafalgar Road, , Kingston 10
Tel: 1.876.906.5425 | 906.8568 | 906.0813
Toll Free: 1.888.991.4470 Fax: 1.876.906.7525
Email: info@cac.gov.jm | Website: www.cac.gov.jm

Montego Bay Branch

30 Market Street, Montego Bay, St. James
Tel: 1.876.940.6154 | Toll Free: 1.888.991.4470
Fax: 1.876.979.1036

Mandeville Branch

RADA Office

28 Caledonia Road
Tel: 1.876.962.0477-9 | 625.0487 | Toll Free: 1.888.991.4470
Fax: 1.876.946.9214

"Protecting your Rights, Securing our Future"