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January 13, 2023¹

CIRCULAR LETTER ISSUED TO:

BROKER-DEALERS, UNDERWRITERS

REGISTERED UNDER THE SECURITIES ACT, CHAP 83:02

PERIOD OF REVIEW FOR INTERNAL/EXTERNAL AUDIT REVIEWS PURSUANT TO SECTIONS 8.1 and 8.3 OF THE GUIDELINES ON THE IMPLEMENTATION OF THE TAX INFORMATION EXCHANGE AGREEMENTS, 2017 (“TIEAA GUIDELINES”)

The Trinidad and Tobago Securities and Exchange Commission (“the Commission/TTSEC”) provides the following clarification regarding the relevant period for the internal and external audit reviews required in relation to Sections 8.1 and 8.3 of the TIEAA Guidelines.

Section 8.1 states: *The internal auditors of an Applicable Registrant should perform reviews, at least annually, whilst an external auditor’s review in the first instance shall be conducted within four (4) months after the end of the 2020 financial year end to ensure that the Applicable Registrant’s compliance framework adheres to the requirements of the TIEAA and these TIEAA Guidelines.*

Section 8.3 states: *The external auditor shall evaluate the Applicable Registrant’s compliance with the TIEAA and these TIEAA Guidelines at least once every three years and submit an external audit report with recommendations to the TTSEC and the Applicable Registrant’s Board of Directors, within four (4) months of the Applicable Registrant’s year end.*

Given the delay in issuance of the Commission’s TIEAA Guidelines, the first report must be submitted ***within four (4) months of the Applicable Registrant’s 2022 financial year end, and every three (3) years thereafter. The scope of each audit must cover the three-year period.*** Accordingly, the first report to be submitted to the Commission must comprise the external auditor’s reviews of the financial years ending 2019, 2020, 2021.

The Commission recognizes that reporting to the Board of Inland Revenue (BIR) occurs within nine (9) months after the end of each financial year. Such lagged reporting implies that reporting that would have taken place in 2020 to BIR is representative of transactions that occurred in 2019. Consequent

¹ This supersedes Circular Letter Ref. TTSEC-C&I-20456-RK-13/1/2023, wherein the date was inadvertently stated as January 13, 2022.

Trinidad and Tobago Securities and Exchange Commission

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upon this lag, reviews by the external auditor relevant to reporting for the years 2019, 2020 and 2021 will be focused on reports generated and submitted to BIR for the periods 2018, 2019 and 2020.

Please be guided accordingly.

Yours sincerely,

Lystra Lucillio
Chief Executive Officer (Ag.)

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