



REPORT OF THE AUDITOR GENERAL OF THE REPUBLIC OF TRINIDAD AND TOBAGO ON THE FINANCIAL STATEMENTS OF THE CHILDREN'S AUTHORITY OF TRINIDAD AND TOBAGO, CHILDREN AUTHORITY FUND FOR THE YEAR ENDED 30TH SEPTEMBER, 2016.

The accompanying Financial Statements of the Children's Authority of Trinidad and Tobago, Children Authority Fund for the year ended 30th September, 2016 have been audited. The Statements comprise a Statement of Financial Position as at 30th September, 2016, a Statement of Comprehensive Income and a Statement of Changes in Equity and a Statement of Cash Flows for the year ended 30th September, 2016 and Notes to the Financial Statements referenced 1 to 8 on pages 8 to 13.

2. The audit was conducted by a firm of Accountants appointed by the Auditor General in accordance with section 48 (2) of the Children's Authority Act, Chapter 46:10. Their Report dated 3rd November, 2017, which is attached refers.

SUBMISSION OF REPORT

3. This Report is being submitted to the Speaker of the House of Representatives, the President of the Senate and the Minister of Finance in accordance with the provision of sections 116 and 119 of the Constitution of the Republic of Trinidad and Tobago.

**8TH JUNE, 2018
PORT-OF-SPAIN**



MAJ
**MAJEED ALI
AUDITOR GENERAL**

SS
20180608

**CHILDREN'S AUTHORITY OF TRINIDAD AND TOBAGO,
CHILDREN AUTHORITY FUND**

FINANCIAL STATEMENTS

YEAR ENDED 30TH SEPTEMBER 2016

MAHARAJ
MOHAMMED
& Co.



CHILDREN'S AUTHORITY OF TRINIDAD AND TOBAGO,
CHILDREN AUTHORITY FUND

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER 2016

C O N T E N T S	Page
Independent Auditors' Report	2 - 3
Statement of Financial Position	4
Statement of Comprehensive Income	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Notes to the Financial Statements	8 - 13

Chartered Accountants
34 St. Vincent Street,
San Fernando,
Trinidad, W.I.
Tel: (868) 652 5245
Fax: (868) 653 6053
Email: info@maharajmohammed.com



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF

CHILDREN'S AUTHORITY OF TRINIDAD AND TOBAGO, CHILDREN AUTHORITY FUND

Report on the Financial Statements

We have audited the financial statements of Children's Authority of Trinidad and Tobago, Children Authority Fund which comprises the statement of financial position as at 30th September 2016, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes, as stated on pages 4 to 13.

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 (IFRS). 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.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal controls relevant to the 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 have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Authority as at 30th September 2016, and the results of its operations and cash flows for the year then ended, in accordance with International Financial Reporting Standards for SMEs.

Maharaj Mohammed & Co.

Maharaj Mohammed & Co.
Chartered Accountants
Trinidad & Tobago

3rd November 2017

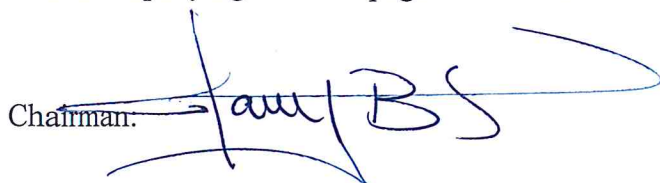
CHILDREN'S AUTHORITY OF TRINIDAD AND TOBAGO,
CHILDREN AUTHORITY FUND

STATEMENT OF FINANCIAL POSITION AT 30TH SEPTEMBER 2016

	Notes	2016 \$	2015 \$
Current assets			
Cash and bank balances	3	8,716,946	17,488,514
Short-term investments	3	271,266	268,532
Accounts receivable and prepayments	4	<u>6,434,808</u>	<u>5,923,410</u>
		<u>15,423,020</u>	<u>23,680,456</u>
Non-current assets			
Property, plant and equipment	7	<u>11,200,214</u>	<u>11,693,592</u>
Total Assets		<u>26,623,234</u>	<u>35,374,048</u>
Liabilities and Shareholders' Equity			
Accumulated fund		<u>14,202,996</u>	<u>21,839,633</u>
		<u>14,202,996</u>	<u>21,839,633</u>
Current liabilities			
Accounts payable and accruals	5	<u>1,220,024</u>	<u>1,840,823</u>
		<u>1,220,024</u>	<u>1,840,823</u>
Non-current liabilities			
Deferred government grants	8	<u>11,200,214</u>	<u>11,693,592</u>
		<u>11,200,214</u>	<u>11,693,592</u>
Total Liabilities		<u>12,420,238</u>	<u>13,534,415</u>
Total Liabilities and Shareholders' Equity		<u>26,623,234</u>	<u>35,374,048</u>

The accompanying notes on pages 8 to 13 form an integral part of these financial statements.

Chairman:



Member:



CHILDREN'S AUTHORITY OF TRINIDAD AND TOBAGO,
CHILDREN AUTHORITY FUND

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30TH SEPTEMBER 2016

	Note	2016	2015
		\$	\$
Income			
Government subventions		33,875,251	35,611,609
Project expenses		<u>739,457</u>	<u>638,958</u>
		33,135,794	34,972,651
Other income		<u>2,798</u>	<u>1,964</u>
Total income		33,138,592	34,974,615
Expenditure			
Operating and administrative		38,616,133	32,268,651
Depreciation		2,152,910	1,801,889
Bank charges and interest		<u>6,186</u>	<u>6,427</u>
		<u>40,775,229</u>	<u>34,076,967</u>
(Deficit)/surplus for the year		<u>(7,636,637)</u>	<u>897,648</u>

The accompanying notes on pages 8 to 13 form an integral part of these financial statements.

CHILDREN'S AUTHORITY OF TRINIDAD AND TOBAGO,
CHILDREN AUTHORITY FUND

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH SEPTEMBER 2016

	Accumulated Fund	Total
	\$	\$
Balance at 1st October 2014	20,941,985	20,941,985
Surplus for the year	897,648	897,648
	<hr/>	<hr/>
Balance at 30th September 2015	21,839,633	21,839,633
	<hr/> <hr/>	<hr/> <hr/>
Balance at 1st October 2015	21,839,633	21,839,633
Deficit for the year	(7,636,637)	(7,636,637)
	<hr/>	<hr/>
Balance at 30th September 2016	14,202,996	14,202,996
	<hr/> <hr/>	<hr/> <hr/>

The accompanying notes on pages 8 to 13 form an integral part of these financial statements.

CHILDREN'S AUTHORITY OF TRINIDAD AND TOBAGO,
CHILDREN AUTHORITY FUND

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH SEPTEMBER 2016

	Note	2016 \$	2015 \$
Operating Activities			
Net (deficit)/surplus for the year		(7,636,637)	897,648
Adjustment for:			
Depreciation of property, plant and equipment		2,152,910	1,801,889
Loss on disposal of property, plant and equipment		<u>77,756</u>	<u>-</u>
		(5,405,971)	2,699,537
Movements in working capital			
Increase in accounts receivable and prepayments		(511,397)	(5,717,352)
(Decrease)/increase in accounts payable and accruals		<u>(620,800)</u>	<u>362,628</u>
Net cash utilized in operating activities		(6,538,168)	(2,655,187)
Investing activities			
Purchase of property, plant and equipment		(1,737,288)	(3,981,910)
Cash used in investing activities		(1,737,288)	(3,981,910)
Financing activities			
Movement in deferred grants		(493,378)	2,180,021
Cash (used in)/provided by financing activities		(493,378)	2,180,021
Net decrease in cash and cash equivalents		<u>(8,768,834)</u>	<u>(4,457,076)</u>
Cash and cash equivalents			
- at the beginning of the year		17,757,046	22,214,122
- at the end of the year	3	<u>8,988,212</u>	<u>17,757,046</u>
		<u>(8,768,834)</u>	<u>(4,457,076)</u>

The accompanying notes on pages 8 to 13 form an integral part of these financial statements.

CHILDREN'S AUTHORITY OF TRINIDAD AND TOBAGO,
CHILDREN AUTHORITY FUND

NOTES TO THE FINANCIAL STATEMENTS
AT 30TH SEPTEMBER 2016

1. Incorporation and principal activities

The Children's Authority of Trinidad and Tobago (CA) was established in the Republic of Trinidad and Tobago under the guidelines stated in the Children's Authority Act 64 of 2000 and its subsequent amendments. CA was set up to fulfill the objectives of the Act:

- Promote the well-being of all children in Trinidad and Tobago
- Provide care and protection for vulnerable children
- Comply with certain obligations under the United Nations Convention on the Rights of the Child

CA is managed by a Board of Management, which is appointed by the President. In accordance with the Act, the Board shall include members who possess professional qualifications and skills in child psychology, child psychiatry, social work, paediatrics and education, accounting and family law.

2. Significant accounting policies

(a) Basis of preparation

These financial statements are expressed in Trinidad and Tobago dollars and have been prepared under the historical cost convention, in accordance with International Financial Reporting Standards.

(b) Use of estimates

The preparation of financial statements, in conformity with International Financial Reporting Standards, require management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

(c) Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost and comprise cash in hand and bank balances disclosed in Trinidad and Tobago dollars, and other short-term highly liquid investments.

(d) Foreign currency

Foreign currency transactions during the year are translated into Trinidad and Tobago dollars at the exchange rates ruling at the dates of the transactions. Current assets and liabilities denominated in foreign currencies are translated at the exchange rates prevailing at the statement of financial position date. Gains or losses thus arising are included in the Statement of Comprehensive Income.

CHILDREN'S AUTHORITY OF TRINIDAD AND TOBAGO,
CHILDREN AUTHORITY FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2016

2. Significant accounting policies (continued)

(e) Property, plant and equipment

Property, plant and equipment are stated at cost and are being depreciated on the reducing balance basis (with the exception of leasehold improvements which is depreciated on the straight-line basis), at varying rates, which are sufficient to write off the cost of the assets over their estimated useful lives as follows:

Furniture and fittings	10%
Medical equipment	20%
Motor vehicles and equipment	20%
Office equipment	20%
Computer equipment	33.3%
Leasehold improvements (straight-line method)	over 12 years

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Comprehensive Income during the financial period in which they are incurred.

As asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the Statement of Comprehensive Income.

(f) Revenue

(i) Government subventions

Government subventions are recognised at fair value on an accrual basis

(ii) Interest income

Interest income earned on deposits and short-term investments are recognised on the accrual basis.

CHILDREN'S AUTHORITY OF TRINIDAD AND TOBAGO,
CHILDREN AUTHORITY FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2016

2. Significant accounting policies (continued)

(g) Investments

(i) Held to maturity

These investments are stated at amortised cost, less provisions for any permanent diminution in value, with the positive intention of being held to maturity.

(ii) Available for sale

After initial recognition, the investments, which are classified as "available for sale", are measured at fair value, with unrealised gains or losses recorded to the Investment Reserve on the Statement of Financial Position. For actively traded investments, fair value is determined by reference to Stock Exchange quoted market prices at the statement of financial position date, adjusted for transaction cost necessary to realize the investment. For investments where there is no quoted market price, the carrying value is deemed to approximate fair value.

(h) Accounts receivable

Accounts receivable are amounts due from customers for goods sold or services performed in the ordinary course of business. All collections from sales are expected in one year or less and are classified as current assets. Accounts receivable are initially recognized at the transaction price. They are subsequently measured at cost less provision for impairment. A provision for impairment of accounts receivable is established when there is objective evidence that the company will not be able to recover all amounts due according to the original terms of the receivables.

(i) Accounts payable

Accounts payable are obligations on the basis of normal credit terms and do not bear interest.

(j) Taxation

No provision has been made for taxation in these financial statements.

CHILDREN'S AUTHORITY OF TRINIDAD AND TOBAGO,
CHILDREN AUTHORITY FUND

NOTES TO THE FINANCIAL STATEMENTS
AT 30TH SEPTEMBER 2016

3. Cash and bank balances

Cash and cash equivalents consist of cash on hand and balances with banks. Cash and cash equivalents included in the statement of cash flows comprise the following statement of financial position balances:

	2016	2015
	\$	\$
Cash and bank	8,716,946	17,488,514
Short-term investments	<u>271,266</u>	<u>268,532</u>
	<u>8,988,212</u>	<u>17,757,046</u>

4. Accounts receivable and prepayments

	2016	2015
	\$	\$
Trade receivables	6,281,312	5,825,160
Prepayments and other	<u>153,496</u>	<u>98,250</u>
	<u>6,434,808</u>	<u>5,923,410</u>

5. Accounts payable and accruals

	2016	2015
	\$	\$
Trade payables	353,133	239,588
Accruals	384,191	925,611
Other payables	<u>482,700</u>	<u>675,624</u>
	<u>1,220,024</u>	<u>1,840,823</u>

6. Employees

	2016	2015
The number of employees at year end	<u>126</u>	<u>129</u>

CHILDREN'S AUTHORITY OF TRINIDAD AND TOBAGO,
CHILDREN AUTHORITY FUND

NOTES TO THE FINANCIAL STATEMENTS
AT 30TH SEPTEMBER 2016

7. Property, plant and equipment

	Leasehold Improvements	Furniture & Fixtures	Medical Equipment	Motor Vehicles	Office Equipment	Computer Equipment	Total
	\$	\$	\$	\$	\$	\$	\$
Cost/Valuation							
At beginning of year	7,633,389	2,236,657	959,588	1,723,735	1,013,816	2,702,417	16,269,602
Additions	-	264,402	446,201	-	128,944	897,741	1,737,288
Disposals	-	-	-	-	(262,852)	-	(262,852)
End of the year	7,633,389	2,501,059	1,405,789	1,723,735	879,908	3,600,158	17,744,038
Accumulated Depreciation							
At beginning of year	2,243,447	576,949	97,748	421,207	321,468	915,191	4,576,010
Charge for the year	635,889	181,368	215,515	260,506	144,245	715,387	2,152,910
Disposals	-	-	-	-	(185,096)	-	(185,096)
End of the year	2,879,336	758,317	313,263	681,713	280,617	1,630,578	6,543,824
Net Book Value 2015	5,389,942	1,659,708	861,840	1,302,528	692,348	1,787,226	11,693,592
Net Book Value 2016	4,754,053	1,742,742	1,092,526	1,042,022	599,291	1,969,580	11,200,214

CHILDREN'S AUTHORITY OF TRINIDAD AND TOBAGO,
CHILDREN AUTHORITY FUND

NOTES TO THE FINANCIAL STATEMENTS
AT 30TH SEPTEMBER 2016

8. Deferred government grants	2016	2015
	\$	\$
Opening balance	11,693,592	9,513,571
Allocation – capital expenditure additions	1,737,288	3,981,910
Disposal of property, plant and equipment	(77,756)	-
Less Depreciation - Statement of Comprehensive Income	<u>(2,152,910)</u>	<u>(1,801,889)</u>
	<u>11,200,214</u>	<u>11,693,592</u>
In the current year government subventions received were as follows:		
Government funding – PSIP	2,342,153	7,700,000
Government funding – Recurrent	30,000,000	30,000,000
Government funding – Foster Care/Adoption	<u>1,039,720</u>	<u>91,630</u>
	33,381,873	37,791,630
Capital expenditure per above	(1,737,288)	(3,981,910)
Disposal – net	77,756	-
Depreciation	<u>2,152,910</u>	<u>1,801,889</u>
Balance to SOCI – Recurrent	<u>33,875,251</u>	<u>35,611,609</u>