



REPORT OF THE AUDITOR GENERAL OF THE REPUBLIC OF TRINIDAD AND TOBAGO ON THE FINANCIAL STATEMENTS OF THE TRINIDAD AND TOBAGO RACING AUTHORITY FOR THE YEAR ENDED JULY 31, 2014

The accompanying Financial Statements of the Trinidad and Tobago Racing Authority for the year ended July 31, 2014 have been audited. The Statements as set out on pages 1 to 11 comprise a Statement of Financial Position as at July 31, 2014, a Statement of Comprehensive Income, a Statement of Changes in Reserve/Fund, a Statement of Cash Flows, for the year ended July 31, 2014, Notes to the Financial Statements referenced A to J including a summary of significant accounting policies and Schedules numbered 1 to 3.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

2. The Management of the Trinidad and Tobago Racing Authority (the Authority) is responsible for the preparation and fair presentation of these Financial Statements in accordance with International Financial Reporting Standards (IFRS) for Small and Medium-size Entities (SMEs), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

3. The Auditor General's responsibility is to express an opinion on these financial statements based on the audit. The audit was carried out in accordance with section 116 (3) and (4) of the Constitution of the Republic of Trinidad and Tobago and section 15 (2) of the Trinidad and Tobago Racing Authority Act, Chapter 21:50 and was conducted in accordance with the principles and concepts of International Standards of Supreme Audit Institutions (ISSAIs) which require that ethical requirements be complied with and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

4. 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 risks 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.

5. It is my view that the audit evidence obtained is sufficient and appropriate to provide a basis for the qualified audit opinion.

BASIS FOR QUALIFIED OPINION

PRESENTATION OF FINANCIAL STATEMENTS

6. Note B (i) of the financial statements states that the financial statements have been prepared in accordance with the IFRS for SMEs. These financial statements do not fully comply with IFRS for SMEs. Areas of non-compliance are shown below.

Comparative Information

6.1 Paragraph 3.14 states: *"An entity shall disclose comparative information in respect of the previous comparable period for all amounts presented in the current period's financial statements. An entity shall include comparative information for narrative and descriptive information when it is relevant to an understanding of the current period's financial statements."*

Comparative figures were not shown for some items in the Notes to the Financial Statements.

Registered Office

6.2 Paragraph 3.24 states: *"An entity shall disclose the following in the notes, the domicile and legal form of the entity, its country of incorporation and the address of its registered office (or principal place of business, if different from the registered office)."*

The domicile and legal form of the entity, its country of incorporation and the address of its registered office were not stated in the Financial Statements.

Cash in Hand and Bank/ Statement of Cash Flows

6.3 Paragraph 7.20 states: *"An entity shall present the components of cash and cash equivalents and shall present a reconciliation of the amounts presented in the statement of cash flows to the equivalent items presented in the statement of financial position."*

Cash in Hand and Bank as per the Statement of Financial Position was not in agreement with the items presented as Cash and Cash Equivalents in the Statement of Cash Flows.

The Statement of Cash Flows included prepayments and investments as part of the Cash and Cash Equivalents.

The decrease in Cash and Cash Equivalents of \$308,265 shown on the Statement of Cash Flows differed from the decrease of \$420,718 shown on Cash in Hand and Bank as per Statement of Financial Position.

Prior year adjustments

6.4 Paragraph 10.23 states: *“An entity shall disclose the following about prior period errors:*

(a) the nature of the prior period error.

(b) for each prior period presented, to the extent practicable, the amount of the correction for each financial statement line item affected.

(c) to the extent practicable, the amount of the correction at the beginning of the earliest prior period presented.

(d) an explanation if it is not practicable to determine the amounts to be disclosed in (b) or (c) above.”

There were no disclosures for prior period adjustments which were reflected in the Statement of Changes in Reserve/Fund and Statement of Cash Flows.

Disclosure of Accounting Policies for Financial Instruments

6.5 Paragraph 11.40 states in part thereof: *“an entity shall disclose, in the summary of significant accounting policies, the measurement basis used for financial instruments and the other accounting policies used for financial instruments that are relevant to an understanding of the financial statements.”*

The required disclosures for financial assets and financial liabilities were not made.

Date of Authorisation for Issue

6.6 Paragraph 32.9 states: *“An entity shall disclose the date when the financial statements were authorised for issue and who gave that authorisation. If the entity’s owners or others have the power to amend the financial statements after issue, the entity shall disclose that fact.*

The required disclosures were not made.

JOCKEY BENEVOLENT FUND - \$2,139,222

7.1 Note G of the Financial Statements states that the Jockey Benevolent Fund composes of race day fines imposed on jockeys, trainers and grooms, deposits and interest at the T&T Unit Trust and First Citizens Bank (Fixed Deposit). These funds are used for disbursements to jockeys, trainers, grooms and racing industry personnel in the events of accidents and other mishaps.

7.2 Contrary to Note G Audit noted that fines and disbursements were deposited and withdrawn from the Authority's business chequing account and were accounted for under the Statement of Comprehensive Income and not the Jockey Benevolent Fund.

STATEMENT OF CHANGES IN RESERVES/FUND

8.1 Note G to the Financial Statements also states that the inflows and outflows to this Fund are not recorded as part of income and expenditure of the Trinidad and Tobago Racing Authority.

8.2 Audit noted that the Statement of Changes in the Reserves/Fund did not reflect the inflows and outflows of the Fund.

QUALIFIED OPINION

9. In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion at paragraphs 6 to 8.2 above, the financial statements present fairly, in all material respects the financial position of the Trinidad and Tobago Racing Authority as at July 31, 2014 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) for Small and Medium-Size Entities (SMEs).

SUBMISSION OF REPORT

10. 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 requirements of sections 116 and 119 of the Constitution of the Republic of Trinidad and Tobago.

18TH JANUARY 2024
PORT OF SPAIN

Auditor General's Report
Trinidad and Tobago Racing Authority for the year ended July 31, 2014



Jaiwantie Ramdass
JAIWANTIE RAMDASS
AUDITOR GENERAL

TRINIDAD & TOBAGO RACING AUTHORITY

Financial Statements

July 31, 2014

July 31,2014

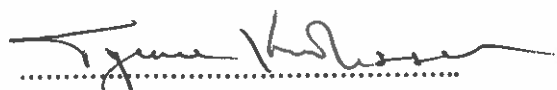
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TRINIDAD & TOBAGO RACING AUTHORITY
STATEMENT OF FINANCIAL POSITION
July 31 2014

	Notes	As At July 31,2014 \$	As At July 31,2013 \$
<u>ASSETS</u>			
Non Current Assets			
Fixed Assets	C	66,490	53,827
Investments	D	2,304,424	2,107,406
Total Non-Current Assets		2,370,914	2,161,233
Current Assets			
Cash in Hand & Bank	E	141,222	561,940
Prepayments		1,817	826
Sundry Debtors	SCH 3	717,318	685,743
Stamps		1,292	264
Total Current Assets		861,649	1,248,773
Total Assets		3,232,563	3,410,006
RESERVES AND LIABILITIES			
Financed by:			
Accumulated Reserves		635,196	778,890
Jockey Benevolent Fund	G	2,139,222	1,942,205
Accumulated Reserves		2,774,418	2,721,095
Current Liabilities			
Sundry Creditors	SCH 3	113,390	100,444
Bank Advance	H	86,848	-
Accruals	SCH 3	227,157	557,717
Stallion Stakes	F	30,750	30,750
Total Current Liabilities		458,145	688,911
Total Reserves & Liabilities		3,232,563	3,410,006

The notes on pages 5 to 11 form an integral part of these financial statements.


 TYRONE KOWLESSAR
 BOARD MEMBER




 PABITRIE ALI
 ACCOUNTANT II

TRINIDAD & TOBAGO RACING AUTHORITY
STATEMENT OF COMPREHENSIVE INCOME
July 31 2014

	Notes/ Schedule	Year Ended July 31 2014	Year Ended July 31 2013
		\$	\$
<u>Income</u>	1	4,212,471	3,555,073
<u>Less: Expenses:</u>			
Personnel Expenditure	2	1,720,147	1,007,452
Goods & Services	2	2,456,463	1,776,900
Current Transfers & Subsidies	2	150,077	298,477
Total Expenses		4,326,687	3,082,829
Operating (Deficit)/Surplus before Depreciation & Finance Costs		(114,216)	472,244
Finance Costs		(7,727)	-5,271
Operating (Deficit)/Surplus before Depreciation		-121,943	466,973
Depreciation	C	(25,203)	-23,103
Operating (Deficit)/Surplus		-147,146	443,870

The notes on pages 5 to 11 form an integral part of these financial statements.

TRINIDAD & TOBAGO RACING AUTHORITY
STATEMENT OF CHANGES IN RESERVES / FUND
July 31 2014

	Accumulated Reserves	Jockey Benevolent Fund	Total
	\$	\$	\$
Year ended July 31 2014			
Balance at beginning of year	778,890	1,942,205	2,721,095
(Deficit)/Surplus	(147,146)	197,017	49,871
Prior Year Adjustment	3,452	-	3,452
Balance at the end of year	<u><u>635,196</u></u>	<u><u>2,139,222</u></u>	<u><u>2,774,418</u></u>
Year ended July 31 2013			
Balance at beginning of year	346,153	1,816,038	2,162,191
Surplus	443,870	126,167	570,037
Prior Year Adjustment	(11,133)	-	(11,133)
Balance at the end of year	<u><u>778,890</u></u>	<u><u>1,942,205</u></u>	<u><u>2,721,095</u></u>

TRINIDAD & TOBAGO RACING AUTHORITY
STATEMENT OF CASH FLOWS
July 31 2014

	Year Ended July 31 2014	Year Ended July 31 2013
Operating Activities		
Operating (Deficit)/Surplus	<u>(147,146)</u>	<u>443,870</u>
Adjustment to reconcile (deficit)/surplus to net cash (used in)/from operating activities:		
Depreciation	25,203	23,103
Prior Year Adjustment	2,688	(11,133)
Interest Income	(214)	(15,007)
Cash Flow before change in operating assets & Liabilities	<u>(119,469)</u>	<u>440,833</u>
Changes in operating assets and Liabilities :		
Increase)/Decrease in Sundry Debtors	(31,575)	(379,015)
(Increase)/Decrease in Stamps	1,028	657
Increase/(Decrease) in Sundry Creditors	12,946	10,862
Increase/(Decrease) in Accruals	(330,560)	316,878
Net cash (outflow)/inflow from operating activities	<u>(467,630)</u>	<u>390,215</u>
Investing Activities		
Purchase of Fixed Assets	(37,866)	(32,083)
Interest Income	214	15,007
Net cash outflow from investing activities	<u>(37,652)</u>	<u>(17,076)</u>
Financing Activities		
Increase in Jockey Benevolent Fund	197,017	126,167
Net cash inflow from financing activities	<u>197,017</u>	<u>126,167</u>
(Decrease)/Increase in Cash and Cash Equivalents	(308,265)	499,306
Cash and Cash Equivalents		
At start of year	2,670,172	2,170,866
At end of year	<u><u>2,361,907</u></u>	<u><u>2,670,172</u></u>
Represented By:		
Investments	2,304,424	2,107,406
Prepayments - Car Insurance	1,817	826
Prepayments - Stamps	1,292	-
Cash in Bank	141,222	561,940
Bank Advance	(88,348)	-
Cash in Hand	1,500	-
	<u><u>2,361,907</u></u>	<u><u>2,670,172</u></u>

TRINIDAD & TOBAGO RACING AUTHORITY
NOTES TO FINANCIAL STATEMENTS
July 31 2014

NOTE A - INCORPORATION AND PRINCIPAL ACTIVITY

The Authority is incorporated in the Laws of the Republic of Trinidad and Tobago under Act 45 of 1976 and Amended Act 31 of the 1989 now CH:21:50. Its principal activity is the Regulation and Control of the Racing Industry through the registration of race horses, dogs, etc., the issue of licenses and permits, the establishment of training schemes for jockeys, stable lads and other racing personnel, the administration and enforcement of rules and resolution of disputes which arise out of the Rules of Racing.

NOTE B - SIGNIFICANT ACCOUNTING POLICIES

(i) Basis of Preparation - These financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) for Small and Medium-Size Entities issued by the International Accounting Standard Board (IASB). They are prepared on the historical cost basis of accounting and as such, no provision been made for the effects of inflation or changes in prices.

The preparation of financial statements in conformity with International Financial Reporting Standards for Small and Medium- Sized Entities requires the use of certain critical estimates. It also requires management to exercise judgement in the process of applying the company's accounting policies.

(ii) Revenue and Expenses Recognition - These are based on the accruals concept.

(iii) Fixed Assets and Depreciation - Fixed assets are stated at costs less accumulated depreciation on the straight line basis as follows:

Computer 25% per annum
Office Eq 20% per annum
Furniture 20% per annum
Veterinary 20% per annum
Jockey Sc 20% per annum
Motor Ve 20% per annum

TRINIDAD AND TOBAGO RACING AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JULY 31, 2014

FIXED ASSETS	COMPUTER & ACCESSORIES	OFFICE EQUIPMENT	FURNITURE & FITTINGS	VETERINARY EQUIPMENT	JOCKEY SCHOOL FURNISHINGS	MOTOR VEHICLE
	\$	\$	\$	\$	\$	\$
COST						
COST AUGUST 01, 2013	125,782	36,912	128,511	95,755	10,038	47,000
ADDITIONS	-	37,866	-	-	-	-
DISPOSALS	-	-	-	-	-	-
COST JULY 31, 2014	125,782	74,778	128,511	95,755	10,038	47,000
ACCUMULATED DEPRECIATION						
AS AT AUGUST 01, 2013	123,680	11,216	126,072	72,175	10,038	46,990
DISPOSALS	-	-	-	-	-	-
DEPRECIATION CHARGE	2,003	10,494	926	11,780	-	-
AS AT JULY 31, 2014	125,683	21,710	126,998	83,955	10,038	46,990
NET BOOK VALUE 31.07.2013	2,102	25,696	2,439	23,580	-	10
NET BOOK VALUE 31.07.2014	99	53,068	1,513	11,800	-	10

TRINIDAD & TOBAGO RACING AUTHORITY
NOTES TO FINANCIAL STATEMENTS- Continued
July 31 2014

NOTE D - INVESTMENTS

	\$
First Citizens' Bank Ltd - Certificate #1110694	165,202
T&T Unit Trust Corporation- First Unit Scheme	2,139,222
	<u>2,304,424</u>

NOTE E - CASH IN HAND AND BANK

RBC Royal Bank Limited - Multiplier Account	141,222
	<u>141,222</u>

NOTE F - STALLION STAKES

Stallion Nomination Fees and Subscription	30,750
	<u>30,750</u>

NOTE G - JOCKEY BENEVOLENT FUND

This fund composes of the following:

Race Day fines imposed on jockeys, trainers and grooms

Deposits and interest at the T&T Units Trust and First Citizens Bank
(Fixed Deposit)

Funds are used for disbursement to jockeys, trainers, grooms and
racing industry personnel in the event of accidents
and other mishaps

The inflows and outflows to this fund are not recorded as part of
Income and expenditure of the TTRA.

NOTE H - BANK ADVANCES

First Citizens Bank Ltd - Current Account	(88,348)
Cash on Hand & Petty Cash	1,500
	<u>(86,848)</u>

TRINIDAD & TOBAGO RACING AUTHORITY
NOTES TO FINANCIAL STATEMENTS- Continued
July 31 2014

NOTE I - BETTING LEVY BOARD SUBVENTION:

In accordance with section 12 (2) (b) of the Betting Levy Board Act Chapter 21:53, the Betting Levy Board is required to apply part of the monies collected by it to meet the administrative expenses of the Racing Authority under the Racing Authority Act Chapter 21:50 on the basis of a budget prepared by the Authority, in consultation with the Board and where there is a dispute regarding the said budget, an appeal can be made to the Minister.

NOTE J - GOODS AND SERVICES

(i) Consulting and Other contracted services.

Race Days in 2014 increased to forty five (45) compared to forty three (43) in 2013

(ii) Training

The Authority despite its limited resources continued with its Apprentice Jockeys' Training Programme on a day school basis and during the course of the last twelve (12) months issued licenses to four (4) apprentices.

(iii) Stewards Training

One (1) Accredited Stewards attended the continuing Education course which was necessary to retain his Accreditation. The panel of Accredited Stewards stands at four (4).

(iii) Directigen Equine Influenza Test

A swab test introduced in December 2006 used to determine Equine Influenza in horses with the objective of reducing the quarantine period for imported horses from 21 days to 10 days. This exercise is carried out by the Authority in the process of its regulatory function and the cost is met by the Owners of each horse. (No Value added Tax is charged).

(iii) Microchips

Radio Frequency Identification Devices (RFID) or Microchips are an additional means of identification. While it does not replace other conventional means such as markings or photographs, it provides a simple and reliable conforatory method of identification which was done by use of a scanner(Reader)

The introduction of Microchips wil afford the Industry a quick and reliable means of identifying horses on race days.

(iii) Fees

The Authority was involved in two legal matters which concluded in 2010. Both of theses were application by suspended trainers for leave to apply for Judicial Review and they were ruled in the Authority's favor with costs being awarded in both matters. The costs awarded by the court are still outstanding.

TRINIDAD & TOBAGO RACING AUTHORITY
SCHEDULE - 1
July 31 2014

	2014	2013
	\$	\$
Income		
Betting Levy Board Subvention	3,434,023	3,290,969
Fees & Registration	58,565	55,860
Misc. & (Maniram Maraj) Note 1	500,246	54,627
Lasix	159,050	132,700
Endoscopic	150	150
Directigen Flu Kits (Reimburseable)	-	250
Interest	214	1,517
DNA Testing	13,623	14,999
Microchips	46,600	4,000
	<u><u>4,212,471</u></u>	<u><u>3,555,072</u></u>

TRINIDAD & TOBAGO RACING AUTHORITY

SCHEDULE -2

July 31 2014

<u>Expenses</u>		2014
		\$
<u>Personnel Expenditure</u>		
Salaries & Cola		1,085,810
Allowances		84,245
Contribution to National Insurance		66,627
Remuneration to Board Members		483,465
		<u>1,720,147</u>
<u>Goods & Services</u>		
Travel -Local		38,744
Travel -Overseas		276,827
Office Stationery and Supplies		16,196
Repairs & Maintenance		37,564
<u>Consulting & Other Contracting Services</u>		
Urine Sample Tests- Horses	538,798	
Veterinary Services	409,500	
Contracted Services	-	
Lasix	36,901	
Microchips	22,095	
DNA	32,908	
Directigen Equine Inflenza Tests	45,735	
		<u>1,085,937</u>
<u>Training</u>		
Apprentice Jockey School	188,582	
Grooms	7,695	
		<u>196,277</u>
<u>Expenses</u>		
Advertising		2,110
Dues & Subscriptions		95,433
Meals & Entertainment		14,025
Postage & Stamps		472
Other expense (Reimbursement to BLB Re: Legal Fees)		417,676
Legal & Professional Fees		160,375
Audit Fees		108,666.00
Association of Racing Commissioners		6,161
		<u>2,456,463</u>
<u>Current Transfers and Subsidies</u>		
Pensions		93,677
Benevolent fund		56,400
		<u>150,077</u>

TRINIDAD & TOBAGO RACING AUTHORITY

SCHEDULE -3

July 31 2014

SUNDRY DEBTORS

	Current	Over 90 Days	Total
Commissioner Value Added Tax			280,957
BLB outstanding subvention			251,969
Lasix Fees			57,100
Directigen reimbursement			250
Rodney Hasranah			6,500
Wade Romero			33,000
Loans			87,542
	\$ -	\$ -	\$ 717,318

SUNDRY CREDITORS

	Current	Over 90 Days	Total
Barbados Turf Club			20,848
Apprentice Jockey School (Seabiscuit)			39,862
Suspense - Doping			28,259
Vat			24,421
	\$ -	\$ -	\$ 113,390

ACCRUALS

Audit Fees -(2008/2009/2010/2011/2012/2013/2014)			175,000
Lab Fees(June & July)			52,157
	\$ -	\$ -	\$ 227,157