



## **SECOND REPORT OF THE AUDITOR GENERAL OF THE REPUBLIC OF TRINIDAD AND TOBAGO ON THE FINANCIAL STATEMENTS OF THE NATIONAL CARNIVAL COMMISSION FOR THE YEAR ENDED 31<sup>ST</sup> JULY, 1999**

The First Report of the Auditor General of the Republic of Trinidad and Tobago on the non-receipt of the Financial Statements of the National Carnival Commission (the Commission) for the year ended 31<sup>st</sup> July, 1999 was signed by the Auditor General on 2004 August 24 and forwarded to the Speaker and the President of the Senate to be laid before the House of Representatives and the Senate respectively and to the Minister of Finance.

2. The accompanying Financial Statements comprise a Balance Sheet as at 31<sup>st</sup> July 1999, an Income Statement, a statement of Source and Application of Funds for the year ended 31<sup>st</sup> July 1999, and Notes to the Financial Statements numbered 1 to 17.

### **MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

3. The management of the National Carnival Commission is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, 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**

4. 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 of the Constitution of the Republic of Trinidad and Tobago and section 24(4) of the National Carnival Commission of Trinidad and Tobago Act, 1991. The audit was conducted in accordance with auditing standards. Because of the matters described in the Basis for Disclaimer of Opinion paragraph, however, sufficient appropriate audit evidence was not obtained to provide a basis for an audit opinion.

### **BASIS FOR DISCLAIMER OF OPINION**

5. Several records and documents were not produced for audit. As a result, the undermentioned balances appearing in the financial statements were not verified.

(i) Balance Sheet - Assets

- *Fixed Assets* - \$3,596,690.00
- *VAT Receivable* - \$1,189,892.00

(ii) Income Statement

(a) Revenue

- Government Subventions - \$13,372,321.00
- Other Income - \$3,592,105.00



(b) Expenditure

- Salaries and Bonuses - \$1,124,133.00
- Consulting and Other Contracted Services - \$6,168,767.00
- Special Interest Group - \$13,839,722.00

**DISCLAIMER OF OPINION**

6. Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, I do not express an opinion on the Financial Statements.

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

7. The Commission was not in compliance with the following sections of Act No.9 of 1991:

**(b) Section 14(1)** “The Commission shall within five years of its establishment provide for the establishment and maintenance of a pension scheme for the benefit of its officers and employees”.

- The Commission was established in 1991 and at the time of audit a pension scheme was not implemented.

**(c) Section 18(1)** “There is hereby established the National Carnival Commission Fund (hereinafter referred to as “the Fund”).

- At the time of audit the National Carnival Commission Fund was not established

**(d) Section 24(1)** “The Commission shall keep proper accounts and records of the transactions and affairs of the Commission and shall do all things necessary to ensure that all payments out of the moneys of the Commission are correctly made and properly authorized and that adequate control is maintained over the assets of, or in the custody of, the Commission and the incurring of liability by the Commission”.

**SUBMISSION OF REPORT**

8. 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.

**18<sup>TH</sup> MARCH, 2016  
PORT-OF-SPAIN**



A handwritten signature in blue ink, appearing to read "MAJ", is written over the printed name.

**MAJEED ALI  
AUDITOR GENERAL**

SS  
20160318



**NATIONAL CARNIVAL COMMISSION**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31<sup>st</sup> JULY 1999**

**NATIONAL CARNIVAL COMMISSION**

**FINANCIAL STATEMENTS**

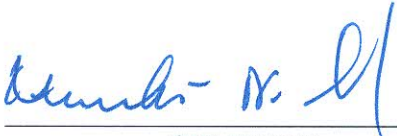
**FOR THE YEAR ENDED 31<sup>st</sup> JULY 1999**

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**NATIONAL CARNIVAL COMMISSION**  
**Balance Sheet**  
**As at July 31, 1999**

	<u>Notes</u>	<u>1998/1999</u>	<u>1997/1998</u>
<b><u>Fixed Assets</u></b>	(1)	3,596,690	4,310,024
<b><u>Current Assets</u></b>			
PETTY CASH		3,000	2,000
FIRST CITIZENS BANK	(2)	0	1,261
REPUBLIC BANK	(2)	99,361	0
LOAN - INTEREST GROUP (TUCO)		15,000	293,000
EMPLOYEE ADVANCE/LOAN		6,600	1,855
VAT RECEIVABLE/PAYABLE		1,189,892	944,366
WORK IN PROGRESS		44,572	-
Total Current Assets		1,358,425	1,242,482
<b><u>Less: Current Liabilities</u></b>			
FIRST CITIZENS BANK	(2)	5,687,419	0
REPUBLIC BANK	(2)	0	1,510
PAYABLES & ACCRUED EXPENSES	(3)	5,425,392	3,816,572
Total Current Liabilities		11,112,810	3,818,082
<b>Net Current Liability</b>		(9,754,385)	(2,575,600)
Net Total Assets		\$ (6,157,695)	\$ 1,734,424
 <b><u>REPRESENTED BY:</u></b>			
Equity B/F		1,734,424	1,221,221
Net Surplus / (Deficit) for year		(7,892,119)	513,203
		\$ (6,157,695)	\$ 1,734,424

The annexed notes form an integral part of these accounts.

  
 CHAIRMAN  
 NATIONAL CARNIVAL COMMISSION



  
 CHIEF EXECUTIVE OFFICER  
 NATIONAL CARNIVAL COMMISSION

**NATIONAL CARNIVAL COMMISSION**  
**Income Statement**  
**For the Twelve Months Ending July 31, 1999**

	<u>Notes</u>	<u>1998/1999</u>	<u>1997/1998</u>
<b><u>Revenues</u></b>			
GOVERNMENT SUBVENTIONS	(4)	13,372,321	19,767,420
		<u>13,372,321</u>	<u>19,767,420</u>
<b><u>Other Income</u></b>			
FEES	(5)	554,926	425,861
ADVERTISING		289,567	184,500
DONATIONS		70,400	19,150
RENTALS	(6)	719,992	477,405
GATE RECEIPTS INCOME		23,376	386,695
REIMBURSEMENT INCOME		1,897,534	8,320
INTEREST INCOME		0	8,141
MISCELLANEOUS INCOME		36,310	129,775
		<u>3,592,105</u>	<u>1,639,847</u>
<b><u>Total Revenues</u></b>		<u>16,964,426</u>	<u>21,407,267</u>
<b><u>Expenses</u></b>			
SALARIES & BONUSES	(7)	1,124,133	1,051,589
WAGES, OVERTIME & SUBSISTENCE	(8)	600,678	513,100
REMUNERATION TO BOARD MEMBERS		133,279	129,409
EMPLOYER'S CONTRIB.NIS		56,705	44,320
TRAVELLING	(9)	32,813	91,073
ELECTRICITY		268,350	236,233
TELEPHONE		82,296	86,101
WATER & SEWERAGE RATES		4,373	10,692
RENT	(10)	78,656	162,332
OFFICE STATIONERY & SUPPLIES	(11)	83,486	89,642
MATERIALS & SUPPLIES		231,662	74,830
REPAIRS & MAINTENANCE	(12)	146,251	684,523
DEPRECIATION		734,204	734,204
CONSULTING & OTHER CONTRACTED SERVICES	(13)	6,168,767	6,293,538
FEES (inc. rebates)	(14)	297,954	185,354
INSURANCES		90,519	93,397
ADV'T, PROMO.PUBLICITY,P.R.PRINTING	(15)	355,660	751,692
TRANSPORT & FREIGHT CHGS.		22,582	14,597
BANK CHARGES & INTEREST PAYMENTS	(16)	504,455	77,631
SPECIAL INTEREST GROUPS	(17)	13,839,722	9,569,808
<b><u>Total Expenses</u></b>		<u>24,856,544</u>	<u>20,894,064</u>
<b><u>Net Income</u></b>		<b>\$ (7,892,119)</b>	<b>\$ 513,203</b>

**NATIONAL CARNIVAL COMMISSION**  
**SOURCES AND APPLICATION OF FUNDS**  
**YEAR ENDED JULY 31, 1999**

**SOURCES OF FUNDS**

Loan to Affiliated Company	278,000
Depreciation charged for year	734,204
Staledated cheques	43,548
Reduction in Accounts Payable	1,571,798
<b>Total</b>	<u>2,627,550</u>

**APPLICATION OF FUNDS**

Deficit on Operations	7,892,119
Increase in Cash on Hand (Petty Cash)	1,000
Additions to Fixed Assets	20,870
Loan to Employees	4,745
Increase in Sundry Debtors	296,622
<b>Total</b>	<u>8,215,356</u>

**Excess of Applications over Sources**

**\$ (5,587,807)**

**Financed via Bank Accounts**

First Citizens Bank Limited	5,688,678
Republic Bank Limited	(100,871)

**\$ 5,587,807**



**NATIONAL CARNIVAL COMMISSION**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING JULY 31, 1999**

					<u>1999</u>	<u>1998</u>	
<b>FIXED ASSETS</b>	<b>NOTE</b>	<b>Leasehold Improvements</b>	<b>Carnival Booths</b>	<b>Furniture &amp; Fittings</b>	<b>Total</b>		
Cost/Valuations at August 01, 1998		2,112,602	1,062,000	2,604,991	5,779,593		
Additions during the year		0	0	0	0		
		<b>2,112,602</b>	<b>1,062,000</b>	<b>2,604,991</b>	<b>5,779,593</b>		
Accumulated Depreciation at August 01, 1998		223,039	531,000	696,160	1,450,199		
Charge This Year		211,260	265,500	255,944	732,704		
		<b>434,299</b>	<b>796,500</b>	<b>952,104</b>	<b>2,182,903</b>		
<b>Written Down Value at August 31, 1998</b>	<b>1</b>	<b>\$ 1,678,303</b>	<b>\$ 265,500</b>	<b>\$ 1,652,887</b>	<b>\$ 3,596,690</b>	<b>\$ 4,310,024</b>	
Annual Rates of Depreciation		10%	25%	10%			
<b>BANK BALANCES</b>	<b>2</b>						
First Citizens Bank Ltd.						-5,687,419	1261
Republic Bank Ltd.						99,361	-1,510
						<b>\$ (5,588,058)</b>	<b>\$ (249)</b>
<b>PAYABLES AND ACCRUED EXPENSES</b>	<b>3</b>						
Board of Inland Revenue – Paye						145,669	34,551
Board of Inland Revenue - Health Surcharge						12,787	7,506
National Insurance Board						10,950	17,475
Caution Fee						16,041	3,730
Suspense Account- Stale-Dated Cheques						575,408	531,860
Accrued Expenses						4,664,537	3,221,450
						<b>\$ 5,425,392</b>	<b>\$ 3,816,572</b>
<b>GOVERNMENT SUBVENTIONS</b>	<b>4</b>						
Subventions to NCC						5,374,600	12,806,420
Subventions for Special Interest Groups						7,997,721	6,961,000
						<b>\$ 13,372,321</b>	<b>\$ 19,767,420</b>
<b>FEES</b>	<b>5</b>						
Concession Fees						554,476	361,906
Accreditation Fees						450	2,278
Application Fees						0	16,124
Security Service Fees						0	6,918
Carnival Income						0	38,635
						<b>\$ 554,926</b>	<b>\$ 425,861</b>

**NATIONAL CARNIVAL COMMISSION**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING JULY 31, 1999**

		<u>1999</u>	<u>1998</u>
<b>RENTALS</b>	<b>6</b>		
QPS Grand Stand		42,710	244,503
QPS Paddock/Club House		677,282	232,902
		<u>\$ 719,992</u>	<u>\$ 477,405</u>
<b>SALARIES AND BONUSES</b>	<b>7</b>		
Salaries		1,068,993	988,249
Bonus		55,140	63,340
		<u>\$ 1,124,133</u>	<u>\$ 1,051,589</u>
<b>WAGES, OVERTIME &amp; SUBSISTANCE</b>	<b>8</b>		
Wages		539,858	409,082
Overtime		60,820	64,198
Subsistence		0	39,820
		<u>\$ 600,678</u>	<u>\$ 513,100</u>
<b>TRAVELLING</b>	<b>9</b>		
Local		0	21,017
Overseas		32,813	70,056
		<u>\$ 32,813</u>	<u>\$ 91,073</u>
<b>RENT</b>	<b>10</b>		
Equipment		43,856	52,423
Motor Vehicles		34,800	109,909
		<u>\$ 78,656</u>	<u>\$ 162,332</u>
<b>Office Stationery &amp; Supplies</b>	<b>11</b>		
Stationery		76,820	39,530
Supplies		6,666	50,112
		<u>\$ 83,486</u>	<u>\$ 89,642</u>
<b>REPAIRS AND MAINTENANCE</b>	<b>12</b>		
Building		129,329	617,444
Equipment		0	41,906
Motor Vehicles		16,922	25,173
		<u>\$ 146,251</u>	<u>\$ 684,523</u>

**NATIONAL CARNIVAL COMMISSION**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING JULY 31, 1999**

		<u>1999</u>	<u>1998</u>
<b>CONSULTING AND OTHER CONTRACTED SERVICES</b>	<b>13</b>		
Landscaping		0	2,717
Security		0	609,920
Other Consulting & Contracting		6,168,767	5,680,901
		<u>\$ 6,168,767</u>	<u>\$ 6,293,538</u>
<b>FEES</b>	<b>14</b>		
Miscellaneous Expenses		229,415	84,629
Audit		0	2,300
Legal		68,539	65,165
Medical		0	3,119
Training		0	30,143
		<u>\$ 297,954</u>	<u>\$ 185,356</u>
<b>ADVERTISING AND PROMOTION</b>	<b>15</b>		
Promotion, Publicity, Printing		353,468	438,477
Entertainment		2,192	313,215
		<u>\$ 355,660</u>	<u>\$ 751,692</u>
<b>BANK CHARGES AND INTERST PAYMENTS</b>	<b>16</b>		
Bank Charges		504,455	49,537
Interest And Penalty Payments		0	28,094
		<u>\$ 504,455</u>	<u>\$ 77,631</u>
<b>SPECIAL INTEREST GROUPS</b>	<b>17</b>		
Tuco/PanTrinbago/NCBA		12,810,997	7,093,101
Regional Carnivals		1,028,725	2,476,707
		<u>\$ 13,839,722</u>	<u>\$ 9,569,808</u>