



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, 2008

The accompanying Financial Statements of the Trinidad and Tobago Racing Authority for the year ended July 31, 2008 have been audited. The Statements comprise a Balance Sheet as at July 31, 2008, a Statement of Income and Expenditure and a Cash Flow Statement for the year ended July 31, 2008 together with accompanying Notes designated A to K, Notes numbered 1 to 3 and Schedules.

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 generally accepted accounting principles and Ministry of Finance directives. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation 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 conducted. The audit was carried out in accordance with section 116 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 (the Act). The audit was conducted in accordance with auditing standards which require 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 these 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 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 comments made at paragraphs 6 to 10 of this Report.

BASIS FOR QUALIFIED OPINION

6. Included under Loans Receivable is a grant of \$22,000.00 to an employee for attending a Study Program conducted by the Japan Association for International Racing. This grant should not be included under Loans Receivables and resulted in the overstatement of the figure.
7. Figures appearing under the respective headings in the financial statements could not be verified since schedules for the following were not produced for audit:-
 - (i) Refunds totalling \$132,312.84 showed as due from the Commissioner Value Added Tax at July 31, 2001. This figure was included in the figure of \$386,087.00 shown as "Sundry Debtors" on the Balance Sheet;
 - (ii) Overpaid Fines – "Benevolent Fund" totalling \$47,000.00 included in the figure of \$241,646.00 shown as "Accruals" on the Balance Sheet;
 - (iii) Amounts totalling \$30,750.00 to be refunded to contributors and described as "Stallion Stakes" on the Balance Sheet:
8. Evidence was not seen that Income Tax was deducted from contributions made by the Authority to the Deferred Annuity Plans for its employees as a benefits in kind as required by the Income Tax Act.
9. Errors in and omissions from the financial statements have been drawn to the attention of Management.

QUALIFIED OPINION

10. In my opinion, except for the comments raised at paragraphs six (6) to nine (9), the Financial Statements as outlined at paragraph one above present fairly, in all material respects, the state of affairs of the Trinidad and Tobago Racing Authority as at July 31, 2008 and the results of its operations and its cash flows for the year ended July 31, 2008 in accordance with generally accepted accounting principles and Ministry of Finance directives.

SUBMISSION OF REPORT

11. 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 sections 116 and 119 of the Constitution of the Republic of Trinidad and Tobago.

**11TH AUGUST, 2016
PORT-OF-SPAIN**



**MAJEED ALI
AUDITOR GENERAL**

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20160811

TRINIDAD & TOBAGO RACING AUTHORITY

BALANCE SHEET

FOR THE YEAR ENDED JULY 31, 2008

	<u>NOTES</u>	<u>2008</u>	<u>2007</u>
ASSETS:			
Fixed Assets	C	\$ 69,442	\$ 78,214
CURRENT ASSETS:			
Investments- Prepayment	D	1,961,292 1,523	1,710,214 2,568
Loans Receivable	E	59,732	78,624
Sundry Debtors	APPENDIX I	660,611	400,487
Stamps		1,428	429
Cash In Hand		500	500
Cash At Bank	F	<u>456,938</u>	<u>203,232</u>
		3,142,024	2,396,054
		<u>3,211,466</u>	<u>2,474,268</u>
LIABILITIES:			
Sundry Creditors	APPENDIX II	75,240	65,966
Accruals	APPENDIX III	322,382	217,263
Stallion Stakes	G	<u>30,750</u>	<u>30,750</u>
		428,372	313,979
		<u>2,783,094</u>	<u>2,160,289</u>
FINANCED BY:			
Accumulated Reserve brought forward 01.08.07		593,359	718,516
Less: Net Prior Period Adjustments		<u>5,413</u>	<u>5,749</u>
		587,946	724,265
Less: Appropriation for Depreciation		42,173	48,710
Surplus/(Deficit) for year 2008		418,684	(82,196)
Accumulated Reserve at the end of year 31.07.08		964,457	593,359
Jockey Benevolent Fund	H	<u>1,818,637</u>	<u>1,566,930</u>
		<u>\$ 2,783,094</u>	<u>\$ 2,160,289</u>



Joseph Hadeed
Joseph Hadeed
Chairman

David Loregnard
David Loregnard
Secretary

Jacqueline Brathwaite
Jacqueline Brathwaite
Accountant

TRINIDAD & TOBAGO RACING AUTHORITY
STATEMENT OF INCOME & EXPENDITURE
FOR THE YEAR ENDED JULY 31, 2008

YEAR ENDED JULY 31

<u>INCOME</u>	<u>NOTES</u>	<u>2008</u>	<u>2007</u>
Betting Levy Board Subvention	1	\$ 2,941,681	\$ 2,134,273
Fees and Registration		86,215	79,025
Miscellaneous Revenue		31,539	28,830
Sale of Publications		148	63
Depreciation		42,173	48,710
Lasix		106,500	89,600
Endoscopic		4,350	-
Directigen Flu Kits (Reimbursable)		9,500	-
Interest		10,369	6,703
D.N.A. Testing		17,500	21,500
TOTAL INCOME:		<u>\$ 3,249,975</u>	<u>\$ 2,408,704</u>

EXPENDITURE

1. **PERSONNEL EXPENDITURE**

i) Salaries & Cola	887,126	899,373
ii) Allowances	52,200	28,205
iii) Contribution to National Insurance	39,466	26,747
iv) Remuneration to Board Members	68,255	67,800
	<u>\$ 1,047,047</u>	<u>\$ 1,022,125</u>

TRINIDAD & TOBAGO RACING AUTHORITY
STATEMENT OF INCOME & EXPENDITURE Cont'd
FOR THE YEAR ENDED JULY 31, 2008

		<u>YEAR ENDED JULY 31</u>	
		<u>2008</u>	<u>2007</u>
		<u>NOTES</u>	
2.	<u>GOODS & SERVICES</u>	2	
		\$	\$
	i) Travel – Local & Overseas	208,370	287,435
	ii) Office Stationery & Supplies	24,548	15,709
	iii) Repairs & Maintenance	19,686	29,259
	iv) Consulting & Other Contracted Services	648,035	709,894
	v) Training	154,068	126,160
	vi) Expenses	5,357	15,276
	vii) Entertainment	11,106	8,222
	viii) Fees	363,683	29,036
	ix) Participation in Caribbean Classics	650	2,359
	x) Hosting 2008 Racing Confederation Mid Year Meeting	154,504	-
		1,590,007	1,223,350

TRINIDAD & TOBAGO RACING AUTHORITY
STATEMENT OF INCOME & EXPENDITURE Cont'd
FOR THE YEAR ENDED JULY 31, 2008

		<u>YEAR ENDED JULY 31</u>	
		<u>2008</u>	<u>2007</u>
		<u>NOTES</u>	
3.	<u>CURRENT TRANSFER & SUBSIDIES:</u>	3	
		\$	\$
	i) Pensions	96,265	82,768
	ii) Depreciation	42,173	48,710
	iii) Association of Racing Commissioners	18,855	18,964
	iv) Contribution to Racing Confederation	30,144	-
	v) West Indian Thoroughbred Association	-	94,983
	vi) Sponsorship	5,000	-
	vii) Hall of Fame	1,800	-
		<u>194,237</u>	<u>245,425</u>
	TOTAL EXPENDITURE:	2,831,291	2,490,900
	SURPLUS/(DEFICIT)	418,684	(82,196)

TRINIDAD & TOBAGO RACING AUTHORITY

CASH FLOW STATEMENT

	<u>YEAR ENDED JULY 31</u>	
	<u>2008</u>	<u>2007</u>
	\$	\$
SURPLUS/(DEFICIT) FOR YEAR	418,684	(82,196)
Adjustments to reconcile for year to net cash flow from		
Operating Activities		
- Depreciation Expense	42,173	48,710
- Depreciation Income	(42,173)	(48,710)
- Interest Income	(10,368)	(6,703)
Cash Flow before change in operating Assets & Liabilities	<u>408,316</u>	<u>(88,899)</u>
(Increase)/Decrease in Loans Receivable	18,892	12,467
(Increase)/Decrease in Sundry Debtors	(260,124)	(14,400)
(Increase)/Decrease in Stamps	(999)	466
Increase/(Decrease) in Sundry Creditors	9,274	12,681
Increase/(Decrease) in Accruals	105,119	(24,383)
Net Cash Flow from Operating Activities	<u>280,478</u>	<u>(102,068)</u>
Cash Flow from Investing Activities		
Purchase of Fixed Assets	(33,401)	(23,985)
Interest Income	10,369	6,703
Net Cash Flow From /(Used In) Investing Activities	<u>(23,032)</u>	<u>(17,282)</u>
Cash Flow from Financing Activities		
Net Cash Flow from Financing Activities	0	0
Increase in Jockey Benevolent Fund	251,706	84,427
Net Prior Period Adjustment	(5,413)	5,749
Net Cash Inflow (Outflow)	<u>503,739</u>	<u>(29,174)</u>
Cash and Cash Equivalents at beginning of period	1,916,514	1,945,688
Cash and Cash Equivalents at end of period	<u>2,420,253</u>	<u>1,916,514</u>
Represented by:-		
Investment	1,961,292	1,710,214
Prepayment	1,523	2,568
Cash at Bank	456,938	203,232
Cash on hand	500	500
	<u>2,420,253</u>	<u>1,916,514</u>

TRINIDAD & TOBAGO RACING AUTHORITY

NOTES TO THE BALANCE SHEET FOR THE YEAR ENDED JULY 31, 2008

NOTE A:- INCORPORATION AND PRINCIPAL ACTIVITIES:

The Authority is incorporated in the Laws of the Republic of Trinidad and Tobago under Act 45 of 1976 and Amended Act 31 of 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 licences 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:- The Financial Statements have been prepared on the historical cost basis of accounting and, as such, no provision has been made for the effects of inflation or changing prices.

ii) REVENUE AND EXPENSES RECOGNITION:

These are based on the accrual concept.

iii) FIXED ASSETS AND DEPRECIATION:

Fixed Assets are stated at cost less accumulated depreciation.

Depreciation is provided on the straight line basis as follows:-

Computer & Accessories	-	25%	per annum
Office Equipment	-	20%	" "
Furniture and Fixtures	-	20%	" "
Machinery and Equipment	-	20%	" "
Jockey School Furnishing	-	20%	" "
Motor Vehicle	-	20%	" "

TRINIDAD & TOBAGO RACING AUTHORITY

NOTES TO THE BALANCE SHEET Cont'd

FOR THE YEAR ENDED JULY 31, 2008

NOTE. C: FIXED ASSETS:

	<u>COST</u>	<u>ACQUIRED (DISPOSAL) 2008</u>	<u>DEPRECIATION 2008</u>	<u>ACCUMULATED DEPRECIATION</u>	<u>NET BOOK VALUE 2008</u>	<u>NET BOOK VALUE 2007</u>
COMPUTER & ACCESSORIES	109,712	12,040	13,119	87,345	22,367	23,446
OFFICE EQUIPMENT	20,699	-	427	20,254	445	872
FURNITURE & FIXTURES	114,138	21,361	14,699	81,444	32,694	26,032
MACHINE & EQUIPMENT	36,855	-	2,520	34,325	2,530	5,050
JOCKEY SCHOOL FURNISHING	10,038	-	2,008	8,032	2,006	4,014
MOTOR VEHICLE	47,000	-	9,400	37,600	9,400	18,800
	<u>\$ 338,442</u>	<u>33,401</u>	<u>42,173</u>	<u>269,000</u>	<u>69,442</u>	<u>78,214</u>

NOTE D:- INVESTMENT:

First Citizens Bank Ltd. Certificate #1110694	\$ 149,142.66
The market value of the investment in the Trinidad & Tobago Unit Trust Corporation (First Unit Scheme)	1,812,149.10
	<u>1,961,291.76</u>

TRINIDAD & TOBAGO RACING AUTHORITY

NOTES TO THE BALANCE SHEET Cont'd

FOR THE YEAR ENDED JULY 31, 2008

NOTE E : LOANS:

These loans are granted to the following:-

- i) Travelling officers for the purchase, repairs and insurance of motor vehicles.

NOTE F: CASH AT BANK:

R.B.T.T Bank Ltd – Multiplier Account	\$ 143,346.92
First Citizens Bank Ltd - Current Account	313,590.67
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	<u>456,937.59</u>

NOTE G: STALLION STAKES:

Stallion Nomination Fees and Subscription:- 2003/2004	\$ <u>30,750.00</u>
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TRINIDAD & TOBAGO RACING AUTHORITY

NOTES TO THE BALANCE SHEET Cont'd

FOR THE YEAR ENDED JULY 31, 2008

NOTE H: BENEVOLENT FUND:

Race Day fines imposed on jockeys, trainers, grooms, deposits and interest accrued on investment at Trinidad & Tobago Unit Trust Corporation and at First Citizens Bank (Fixed Deposit) are placed in this fund for disbursement to jockeys, trainers, grooms and racing industry personnel in the event of accidents and other mishaps.

TRINIDAD & TOBAGO RACING AUTHORITY
NOTES TO THE STATEMENT OF INCOME & EXPENDITURE
FOR THE YEAR ENDED JULY 31, 2008

1. **BETTING LEVY BOARD ACT #35 OF 1989:**

To meet the administrative expenses of the Racing Authority established under the Racing Authority Act Chap. 21:50 on the basis of a budget prepared by that Authority, in consultation with the Board, and where there is a dispute regarding the said budget, an appeal may be made to the Minister.

2. **GOODS & SERVICES:**

i) **CONSULTING & OTHER CONTRACTED SERVICES:**

Race Days in 2008 increased to forty-six (46) compared with thirty-seven (37) for 2007.

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 five (5) new apprentices.

iii) **STEWARDS TRAINING**

Two (2) Accredited Stewards attended their continuing Education courses in March 2008 which is necessary to attain their Accreditation. The panel of Accredited Stewards stands at four (4).

iv) **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. V.A.T. is charged).

v) **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 reliable confirmatory method of identification which is done by use of a scanner (Reader).

The Introduction of Microchips will afford the Industry a quick and reliable mean of identifying horses on Racedays.

vi) **HOSTING OF 2008 RACING CONFEDERATION MID YEAR MEETING.**

The Trinidad & Tobago Racing Authority as a member of the Caribbean Racing Confederation was chosen as the host of the 2008 Mid Year Meeting. This was successfully staged at the Crowne Plaza Hotel.

3. **DEPRECIATION:**

The Board has increased the depreciation percentage of the fixed Assets of the Authority to ensure that items are depreciated over their useful economic lives.

TRINIDAD & TOBAGO RACING AUTHORITY
AGED SCHEDULE OF SUNDRY DEBTORS
FOR THE YEAR ENDED JULY 31, 2008

PARTICULARS	CURRENT	OVER 90 DAYS	TOTAL
	\$	\$	\$
HARRY RAGOONANAN	-	37,654.83	37,654.83
COMMISSIONER VALUE ADDED TAX	35,764.99	183,788.96	219,553.95
LASIX FEES	4,150.00	6,800.00	10,950.00
DIRECTIGEN REIMBURSEMENT	-	1,500.00	1,500.00
RODNEY HASRANAH	-	6,500.00	6,500.00
CROWNE PLAZA HOTEL	10.66	-	10.66
BETTING LEVY BOARD	218,987.08	160,551.59	379,538.67
GOVERNMENT OF TRINIDAD & TOBAGO	2,400.00	2,503.32	4,903.32
TOTAL:	261,312.73	399,298.70	660,611.43

TRINIDAD & TOBAGO RACING AUTHORITY
AGED SCHEDULE OF SUNDRY CREDITORS
FOR THE YEAR ENDED JULY 31, 2008

PARTICULARS	CURRENT	OVER 30 DAYS	TOTAL
	\$	\$	\$
BARBADOS TURF CLUB	-	29,102.37	29,102.37
SUSPENSE	500.00	5,775.15	6,275.15
APPRENTICE JOCKEY SCHOOL	-	39,862.22	39,862.22
TOTAL:	500.00	74,739.74	75,239.74

TRINIDAD & TOBAGO RACING AUTHORITY
SCHEDULE OF ACCRUALS
FOR THE YEAR ENDED JULY 31, 2008

	\$
Audit Fees.. - (1999/2000 – 2007/2008)	135,000.00
Urine Sample Tests	138,383.20
Contribution To Racing Confederation	30,144.00
Association of Racing Commissioners	18,855.00
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	\$ 322,382.20
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TRINIDAD & TOBAGO RACING AUTHORITY

FIXED ASSETS SCHEDULE FOR THE YEAR ENDED JULY 31, 2008

<u>INCOME AND EXPENDITURE</u>	\$
<u>INTEREST:</u>	
Staff Loan	2,436
Bank	7,933
	10,369
1... <u>GOODS & SERVICES:</u>	
i) <u>Travel:</u>	
Local	88,337
Overseas	120,033
	208,370
iv) <u>Consulting & Other Contracted Services:</u>	
Urine Sample Tests – Horses	503,062
Drug Testing of Jockeys	5,160
Racing Archives	1,250
Lasix	66,047
Endoscopic	1,425
D.N.A.	55,853
Micro Chips Expenses	-
Directigen Equine Influenza Test	15,238
	648,035
v) <u>Training:</u>	
Apprentice Jockey School	121,716
Stewards	32,352
	154,068
vi) <u>Expenses:</u>	
Subscription to Publications	2,940
Bank Charges & Interest	1,916
Postage & Stamps	501
	5,357
viii) <u>Fees:</u>	
Audit	15,000
	15,000
x) <u>Hosting 2008 Racing Confederation Mid Year Meeting:</u>	154,503

TRINIDAD & TOBAG RACING AUTHORITY

FIXED ASSETS SCHEDULE FOR THE YEAR ENDED JULY 31, 2008

	<u>COST</u>	<u>DEPRECIATION</u> 2008	<u>ACCUMULATED</u> <u>DEPRECIATION</u>	<u>NET BOOK</u> <u>VALUE</u> 2008	<u>NET BOOK</u> <u>VALUE</u> 2007
S	S	S	S	S	S
<u>FURNITURE & FIXTURES</u>					
1 Freezer, G.E.	5,938	-	5,928	10	10
1 Secretary Chair	1,324	-	1,314	10	10
1 Fireproof Cabinet	7,650	-	7,640	10	10
1 Fireproof Cabinet	7,555	-	7,545	10	10
1 Home Office Computer Desk	390	-	380	10	10
2-4 Drawer Filing Cabinet	14,390	-	14,370	20	20
2-4 Drawer Filing Cabinet	13,190	1,958	13,170	20	1,979
1-4 Drawer Filing Cabinet	7,100	1,420	5,680	1,420	2,840
1 Window Unit Carrier 12K BTU	2,899	580	1,740	1,159	1,739
1 Window Unit Carrier 12,000	2,699	540	1,620	1,079	1,619
2-4 Drawer Fire King Cabinets	15,990	3,198	9,594	6,396	9,594
4 Chairs	3,590	718	2,154	1,436	2,154
1 Executive Chair	1,090	218	654	436	654
3 Desks	6,502	1,301	3,901	2,601	3,901
1 Computer Workstation	2,470	494	1,482	988	1,482
2-4 Drawer Fire King Cabinets	17,190	3,438	3,438	13,752	-
1 Desk & Chair	4,171	834	834	3,337	-
	114,138	14,699	81,444	32,694	26,032
<u>COMPUTER & ACCESSORIES</u>					
1 Monitor 15"	1,300	-	1,290	10	10
2 Compaq EVO D 500 Minitower PC	14,260	-	14,240	20	20
3 Com Super Stack 33300 XM Switch	5,360	-	5,350	10	10
Plexor Plexwriter CD-RW Drive	1,945	-	1,935	10	10
Celeron 900 Personal Computer	3,700	-	3,690	10	10
Personal Computers (2)	13,400	-	13,380	20	20
Personal Computer & Monitor 17" (2)	14,700	-	14,670	30	30
USB Scanner	500	-	490	10	10
1 HP Deskjet 920C Printer	1,990	-	1,980	10	10
1 Laser Printer	3,100	765	3,090	10	775
1 Compaq Notebook	8,658	2,154	8,646	12	2,166
1 Hard Drive	2,979	745	2,235	744	1,489
1 HP Printer	1,795	449	1,347	448	897
1 Dell Server	18,990	4,747	9,494	9,496	14,243
1 Dell Monitor 17" Flat Panel	1,900	475	950	950	1,425
1 Dell Monitor 17" Flat Panel	1,900	475	950	950	1,425
1 Automatic Two Sided Printing Accessory	1,195	299	598	597	896
1 Dell Optiplex GX755 Professional Workstation etc..	12,040	3,010	3,010	9,030	-
	109,712	13,119	87,345	22,367	23,446
<u>OFFICE EQUIPMENT</u>					
ID Camera/Laminator	15,870	-	15,860	10	10
1 Sharp T.V.	2,696	-	2,686	10	10
1 Fax Machine (Sharp)	1,395	279	1,116	279	558
1 Panasonic D.V.D.	738	148	592	146	294
	20,699	427	20,254	445	872
<u>MACHINE & EQUIPMENT</u>					
Endoscope Machine	24,255	-	24,245	10	10
Endoscope Machine	12,600	2,520	10,080	2,520	5,040
	36,855	2,520	34,325	2,530	5,050
<u>APPRENTICE JOCKEY SCHOOL FURNISHINGS</u>					
12 - Folding Students Chairs	2,580	516	2,064	516	1,032
2 - Grey Office Desk	999	200	800	199	399
1 - Fabric Chair - (Black)	159	32	128	31	63
4 - 6' Tables - (Aborite)	2,000	400	1,600	400	800
20 - Stacking Chairs	3,500	700	2,800	700	1,400
2 - Wall Board - (White)	800	160	640	160	320
	10,038	2,008	8,032	2,006	4,014
<u>MOTOR VEHICLE</u>					
Nissan AD Wagon 2002	47,000	9,400	37,600	9,400	18,800
	47,000	9,400	37,600	9,400	18,800
TOTAL	338,442	42,173	269,000	69,442	78,214