



REPORT OF THE AUDITOR GENERAL OF THE REPUBLIC OF TRINIDAD AND TOBAGO ON THE FINANCIAL STATEMENT OF THE TOBAGO HOUSE OF ASSEMBLY FOR THE YEAR ENDED SEPTEMBER 30, 2015

The accompanying Financial Statement of the Tobago House of Assembly for the year ended September 30, 2015 has been audited. The Statement as set out on pages 3 to 20 comprises a Statement of Consolidated Receipts and Payments for the year ended September 30, 2015 and Notes to the Financial Statement numbered 1 to 14.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENT

2. The management of the Tobago House of Assembly (the Assembly) is responsible for the preparation and fair presentation of this financial statement in accordance with International Public Sector Accounting Standards (IPSAS) Financial Reporting under the Cash Basis of Accounting and for such internal control as management determines is necessary to enable the preparation of the financial statement that is 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 the financial statement based on the audit. The audit was carried out in accordance with section 116 (2) of the Constitution of the Republic of Trinidad and Tobago and section 46 of the Tobago House of Assembly Act, Chapter 25:03. The audit was conducted in accordance with generally accepted auditing standards which require that ethical requirements be complied with and that the audit be planned and performed to obtain reasonable assurance about whether the financial statement is free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, 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 statement 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 statement.

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

BASIS FOR ADVERSE OPINION

RECEIPTS AND PAYMENTS

6.1 The Financial Statement of the Assembly does not fully comply with International Public Sector Accounting Standard (IPSAS) Financial Reporting under the Cash Basis of Accounting in that, the cash balances at the beginning and at the end of the year were not shown in the Statement of Consolidated Receipts and Payments. Note 2 to the Financial Statement is relevant.

6.1.1 The Cash Basis IPSAS states that the statement of cash receipts and payments should present for the reporting period the “Beginning and closing cash balances of the entity.”

6.1.2 The beginning and closing cash balances which should have been reconciled with the surplus and disclosed on the face of the Statement of Consolidated Receipts and Payments have not been determined since essential records and documents were not produced for audit. Paragraphs 7.1 to 7.3 refer.

BANK BALANCES - \$347,278,168.00

7.1 The Cash Basis IPSAS states that the notes to the financial statements of an entity should:

“Provide additional information which is not presented on the face of the financial statements but is necessary for a fair presentation of the entity’s cash receipts, cash payments and cash balances.”

7.1.1 The bank account balances presented at Note 7 to the Financial Statement are the actual balances on the bank statements. In most instances the differences between the cash books and the respective bank statements were significant and ranged from (\$1,719,523.37) to \$20,620,445.61.

7.2 Cash books, cheque lists, bank statements, bank reconciliation statements, listing of unpaid cheques and supporting documentary evidence for adjustments relating to 24 bank accounts were not produced for audit. The balances for these bank accounts were therefore not verified.

7.3 The sum of \$2,475,172.73 held in a bank account of the Assembly was not disclosed at Note 7 to the Financial Statement.

PAYMENTS – GOODS AND SERVICES - \$640,948,956.00

8. Payment vouchers under the sub-item “Fees” at a division of the Assembly were not produced for audit. It was therefore not possible to verify the expenditure of \$18,305,804.00.

PAYMENTS - CURRENT TRANSFERS AND SUBSIDIES - \$609,611,133.00

9. Supporting source documents were not presented to verify the payment of \$33,269,814.00 to six special purpose companies.

CAPITAL EXPENDITURE - DEVELOPMENT PROGRAMME EXPENDITURE - \$659,057,095.00

10. Supporting source documents were not produced for the verification of expenditure totalling \$17,250,000.00 incurred by a division of the Assembly.

OPERATING PAYMENTS URP - CONTINGENCIES ACCOUNT EXPENDITURE - \$41,079,555.00

11. Subsidiary Ledger Cards, Vote Books and a Register of Contracts were not produced for examination at the time of the audit. In addition, contracts relating to more than 98 % of the above expenditure were not produced for audit. The above expenditure was therefore not verified.

RECEIPTS FROM OTHER SOURCES - UNSPENT BALANCE - \$131,497,220.00

12.1 Section 48 of the Tobago House of Assembly Act, Chap. 25:03 states inter alia:

“... monies appropriated by the Parliament to the Fund for the service of a financial year which remain unexpended at the end of that financial year shall be retained in the Fund and utilised for the purposes of capital investment.”

12.2 The surplus from Parliamentary Appropriations at the end of the financial year 2014 as stated at page 3 to the Financial Statement amounted to \$152,298,985.00. However the figure stated at page 4 as “Unspent Balances b/f” in financial year 2015 and shown under “Receipts From Other Sources” is \$131,497,220.00. The accounting for the difference of \$20,801,765.00 was not ascertained.

MAINTENANCE OF RECORDS

13. Fixed Asset Registers were not produced for audit by three of the four divisions of the Assembly which were sampled.

ADVERSE OPINION

14. In my opinion, because of the significance of the matters in the Basis for Adverse Opinion at paragraphs 6.1 to 13 above, the Financial Statement does not present fairly the receipts and payments of the Tobago House of Assembly for the year ended September 30, 2015 in accordance with International Public Sector Accounting Standards (IPSAS) Financial Reporting under the Cash Basis of Accounting.

OTHER MATTER

15. The corresponding figures in the Consolidated Statement of Receipts and Payments are unaudited.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Tobago House of Assembly Act

16.1 Section 52 of the Tobago House of Assembly Act, Chapter 25:03 (the Act) which came into operation on 10th December, 1996 states:

“Within two months of the coming into force of this Act, the Assembly shall, subject to the approval of the President, make such Financial Rules as are necessary for the proper management of its finances and such Rules shall, when made, be laid in Parliament.”

16.1.1 At the date of this Report, it was not seen that Financial Rules made under section 52 of the Act, for the Tobago House of Assembly, were laid in Parliament.

Financial Regulations and Instructions

16.2 There were breaches of the Financial Regulations, Chapter 69:01, the Financial Instructions 1965 and directives from the Ministry of Finance in the areas of official overseas travel, maintenance of a register of contracts, vote control, maintenance of payroll records and the maintenance of source documents.

SUBMISSION OF REPORT

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



**MAJEED ALI
AUDITOR GENERAL**

**2nd May, 2017
PORT OF SPAIN**

JR

2017 05 02



TOBAGO HOUSE OF ASSEMBLY FINANCIAL STATEMENT



**FOR THE YEAR ENDED
SEPTEMBER 30, 2015**

TABLE OF CONTENTS

	PAGE/S
1. OVERVIEW	2
2. STATEMENT OF CONSOLIDATED RECEIPTS AND PAYMENTS	3-4
<u>NOTES TO THE FINANCIAL STATEMENT</u>	
3. BASIS OF PREPARATION AND ACCOUNTING POLICIES	5
4. EXPENDITURE CLASSIFIED BY DIVISIONS	6
5. NON CURRENT ASSETS	7
6. CASH AND CASH EQUIVALENTS	8 - 10
7. INVESTMENTS	11
8. LOAN ADVANCES AND DISBURSEMENTS	12
9. TOBAGO HOUSE OF ASSEMBLY DEPOSIT ACCOUNTS	13
10. COMMITMENTS	13
11. COMPTROLLER OF ACCOUNTS	14
12. RECEIPTS	15-18
13. PAYMENTS	19-20

OVERVIEW

The Tobago House of Assembly is a body corporate established by Act No. 37 of 1980, which was repealed by Act No. 40 of 1996. This body corporate consists of:

- (i) One Presiding Officer
- (ii) Twelve (12) elected Assemblymen
- (iii) Four (4) appointed Councillors

The Chief Secretary is head of the Executive Arm, and the Chief Administrator is the head of the Public Service in the Tobago House of Assembly.

The main operations of the Assembly are funded by Appropriations from Parliament. In the year ended September 30, 2015, the sum of **\$2,394,987,222** was received directly from the Ministry of Finance, while the sum of **\$278,069,007** was collected in Tobago on behalf of the Consolidated Fund, resulting in total Parliamentary Appropriation of **\$2,673,056,229**.

The total expended under Recurrent Expenditure for the year amounted to **\$2,020,188,953- representing 11.3% more than the previous financial year**. Development Programme incurred expenditure amounting to **\$659,057,095- this has decreased by 1.3% from the previous financial year**. The sum of **\$80,782,594** was spent on Other Contingencies Expenditure whilst **\$41,079,555** and **\$16,232,926** was expended on **Unemployment Relief Programme (URP) and the Community-Based Environmental Protection and Enhancement Programme (CEPEP)** respectively.

The actual fiscal performance for the financial year ended September 30, 2015 indicates that the total receipts from other sources were **\$190,453,353** which included the receipts generated by the Assembly totaling **\$27,603,359**. Total operating and other payments amounted to **\$153,391,396**, .7% less than the previous year. The Tobago House of Assembly recorded an overall surplus of **\$6,187,455** at the end of the financial year.


Administrator

Division of Finance and Enterprise Development

TOBAGO HOUSE OF ASSEMBLY
STATEMENT OF CONSOLIDATED RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Note	2015			2014
		Budgeted	Actual	Variance	Actual
		\$	\$	\$	\$
RECEIPTS					
PARLIAMENTARY APPROPRIATIONS					
Recurrent Releases	(13)(i)	2,009,482,570	2,010,560,222	1,077,652	1,888,887,987
Development Programme Releases	(13)(i)	384,427,000	384,427,000	-	539,788,307
Parliamentary Appropriations		2,393,909,570	2,394,987,222	1,077,652	2,428,676,294
TAX AND NON TAX REVENUES					
	(13)(ii)			-	
Taxes on Income and Profits		110,215,000	201,463,177	91,248,177	129,785,001
Taxes on Property		315,000	467,659	152,659	476,881
Taxes on Goods and Services		64,811,260	66,408,143	1,596,883	67,302,036
Taxes on International Trade		3,276,620	3,516,409	239,789	3,137,419
Other Taxes		5,000,000	5,097,676	97,676	5,299,596
Property Income		274,700	128,559	(146,141)	85,793
Other non tax Revenue		8,404,850	987,384	(7,417,466)	957,484
Total Tax and Non Tax Revenues		192,297,430	278,069,007	85,771,577	207,044,210
Total Parliamentary Appropriations		2,586,207,000	2,673,056,229	86,849,229	2,635,720,504
PAYMENTS					
RECURRENT EXPENDITURE					
Personnel Expenditure		695,709,200	760,325,506	(64,616,306)	653,476,809
Goods and Services		659,310,200	640,948,956	18,361,244	584,153,136
Minor Equipment Purchases		38,436,600	9,303,358	29,133,242	11,360,137
Current Transfers and Subsidies		808,324,000	609,611,133	198,712,867	566,820,145
Total Recurrent Expenditure		2,201,780,000	2,020,188,953	181,591,047	1,815,810,227
CAPITAL EXPENDITURE					
Development Programme Expenditure		384,427,000	659,057,095	(274,630,095)	667,611,292
Total Recurrent and Development Programme Expenditure		2,586,207,000	2,679,246,048	(93,039,048)	2,483,421,519
Net Surplus/(Deficit) from Parliamentary Appropriations		-	(6,189,819)	(6,189,819)	152,298,985

[Signature]

Administrator
Division of Finance and Enterprise Development



[Signature]
Chief Administrator
Tobago House of Assembly

TOBAGO HOUSE OF ASSEMBLY
STATEMENT OF CONSOLIDATED RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Note	2015	2014
		Actual	
		\$	\$
Receipts From Other Sources	(13)(iii)		
Ministry of Housing-CEPEP		8,000,000	8,000,000
Ministry of Works and Transport -URP		23,000,000	19,000,000
Unspent Balances b/f		131,497,220	146,741,607
Total Receipts from Other Sources		162,497,220	173,741,607
THA Generated Receipts	(13)(iv)		
Tobago House of Assembly - Revenue		4,774,756	10,571,616
Tobago House of Assembly - Deposits		12,662,810	12,297,326
Division of Settlements Revolving Housing Fund		3,752,639	7,875,323
Interest from Bank Accounts		6,266,694	7,418,018
Interest Income - Enterprise Assistance Fund		146,460	200,296
Total THA Generated Receipts		27,603,359	38,362,579
Loan Repayments	(9)		
Advances to Assemblymen and Contracted officers		352,774	342,099
Total Loan Repayments		352,774	342,099
TOTAL RECEIPTS		190,453,353	212,446,285
Operating Payments	(14)(i)		
CEPEP		7,996,414	8,126,223
CEPEP-Contingencies Account Expenditure	(5)	16,232,926	20,070,989
Unemployment Relief Programme- Contingencies Account Expenditure	(5)	41,079,555	49,370,073
Other Contingencies Account Expenditure	(5)	80,782,594	39,444,642
Revolving Housing Fund Expenditure		-	9,399,482
Payments from THA Deposit Accounts	(10)	5,118,164	2,726,834
Total Operating Payments		151,209,653	129,138,243
Loan Disbursements			
Advances to Assemblymen and Contracted Officers		-	380,141
Advances for Enterprise Development		13,664	
Other Payments	(14)(ii)		
Service and Bank Charges		2,168,079	1,281,649
Refund of Revenue		-	23,731,210
Total Other Payments		2,181,743	25,393,000
TOTAL PAYMENTS		153,391,396	154,531,242
Net Surplus/ (Deficit)		37,061,957	57,915,043
Transfers	(14)(iii)		
Unemployment Relief Programme		23,000,000	19,000,000
Treasury Deposit payments		1,684,683	1,644,786
Total Transfers		24,684,683	20,644,786
SURPLUS		6,187,455	189,569,243

TOBAGO HOUSE OF ASSEMBLY
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2015

(1) BASIS OF PREPARATION:

These accounts are prepared in accordance with Section 45 of the Tobago House of Assembly Act No. 40 of 1996.

(2) ACCOUNTING POLICIES

This Financial Statement is prepared on the cash basis guided by accounting principles for Government operations set out by the International Public Sector Accounting Standards (IPSAS). The cash basis of accounting recognizes transactions and events only when cash (including cash equivalents) is received or paid by the Tobago House of Assembly. The measurement base is historical cost. The adoption of cash basis encourages the effective transitioning process to the accruals basis of accounting. The International Public Sector Accounting Standards Board (IPSASB) considers that the IPSAS are an integral element in the efficient functioning of the international economy and of reforms directed at promoting social and economic development.

The Notes to the Financial Statement include additional information about the Tobago House of Assembly's assets, liabilities and the financial analysis of the receipts and payments.

(3) REPORTING AND BUDGET PERIOD

The reporting period for this Financial Statement is the year October 1 2014 to September 30 2015.

(4) REPORTING CURRENCY

The reporting currency is the currency of Trinidad and Tobago (TT\$), rounded to the nearest dollar value.

TOBAGO HOUSE OF ASSEMBLY
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2015

**(5) RECURRENT, DEVELOPMENT PROGRAMME AND CONTINGENCIES
EXPENDITURE BY DIVISIONS**

The Financial Statement comprises of Recurrent, Development Programme and Contingencies Expenditure, the payments incurred for the year ended September 30, 2015 by Division are shown below:

Division	Recurrent Expenditure TT\$	Development Programme Expenditure TT\$	Contingencies Expenditure TT\$	Total Expenditure TT\$
Assembly Legislature	14,177,004	677,977	-	14,854,981
Public Administration	104,439,633	7,600,235	6,468,466	118,508,334
Finance and Enterprise Development	100,868,233	26,233,637	-	127,101,870
Tourism and Transportation	175,495,459	9,302,154	32,000,000	216,797,613
Education, Youth Affairs and Sport	420,392,074	85,202,605	-	505,594,679
Community Development and Culture	87,100,512	5,032,054	-	92,132,566
Infrastructure and Public Utilities	407,667,125	314,304,650	18,948,655	740,920,430
Agriculture, Marine Affairs, Markets and the Environment	142,510,201	110,099,476	22,071,973	274,681,650
Settlements and Labour	22,267,694	83,599,796	-	105,867,490
Health and Social Services	545,271,017	17,004,511	1,293,500	563,569,028
Total Expenditure	2,020,188,953	659,057,095	80,782,594	2,760,028,642

Other programmes funded by the Contingencies Account include the Unemployment Relief Programme (URP) which expended a total of \$41,079,555, and the Community-Based Environmental Protection and Enhancement Programme (CEPEP) which expended a total of \$16,232,926. The total expenditure incurred under Contingencies Account Expenditure amounted to **\$138,095,075**.

TOBAGO HOUSE OF ASSEMBLY
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2015

(6) NON-CURRENT ASSETS

The total value of assets recorded at cost as at September 30, 2015 amounted to \$1,103,171,611.

Cost	Land TTS	Buildings TTS	Plant & Machinery TTS	Boats TTS	Vehicles TTS	Office Equipment & Office Furniture TTS	Other Equipment TTS	Totals TTS
Opening Balance as at 01.10.2014	448,243,503	353,937,865	54,491,893	3,502,431	45,979,519	120,255,439	35,457,603	1,061,868,253
Additions for the year	-	<u>32,000,000</u>			<u>2,619,384</u>	<u>4,887,267</u>	<u>1,796,707</u>	41,303,358
	448,243,503	385,937,865	54,491,893	3,502,431	48,598,903	125,142,706	37,254,310	1,103,171,611
Closing balance as at 30.09.2015	448,243,503	385,937,865	54,491,893	3,502,431	48,598,903	125,142,706	37,254,310	1,103,171,611

Additions to non current assets Funded by:	Minor Equipment	Contingencies Expenditure Account	Total
Buildings		32,000,000	32,000,000
Vehicles	2,619,384		2,619,384
Office Equipment & Office Furniture	4,887,267		4,887,267
Other Equipment	1,796,707		1,796,707
Total	9,303,358	32,000,000	41,303,358

TOBAGO HOUSE OF ASSEMBLY
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2015

(7) CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents comprise of total bank account balances \$347,278,168 and short term highly liquid investments (Certificate of Deposit Accounts) \$507,894 that are readily convertible into cash. The total cash and cash equivalents amounted to \$347,786,062.

FIRST CITIZENS BANK ACCOUNTS

	2015 TT\$	2014 TT\$
THA Main Payroll Account	4,113	1,486,851
THA Main Goods & Services Account	1,256	349,681
THA Main Development Programme Account	10,854	709,776
THA Fund Account	37,561,800	77,980,358
THA Contingencies Account	18,449,753	10,020,619
Tourism Rolling Plan Account	9,791	10,152
Tobago Heritage Land Trust Account	146,092	146,453
Cove Eco-Industrial and Business Park Account	255,716	256,077
THA Pensions Account	1,474,898	1,226,531
THA Paymaster Imprest Account	120,457	162,364
THA CEPEP and URP Control Account	1,040	1,400
Other Accounts		
Agriculture Marine Affairs Hyberbaric Account	22,701	23,061
THA Carifesta IX Account	79,796	
DIPU-Studley Park Quarry Account	2,698,191	
Emergency Assistance Card Programme Account	735,463	
Settlements and Labour Revolving Fund Account	6,028,210	6,225,024
Division of Agriculture, Marine Affairs, Marketing and the Environment-YAPA Account	1,429,020	1,726,075
Enterprise Assistance Fund	8,081,258	6,918,993
THA Community Enhancement Programme Account CEPEP	2,355,082	2,260,177
Training and Education Programme (URP) Account	643,061	1,459,696
Marketing Department Account	344,897	1,042,617
	80,453,449	112,005,905
Divisions' Payroll Bank Account Balances		
Assembly Legislature	214,591	266,597
Public Administration	4,817,445	2,720,991
Finance and Enterprise Development	3,122,261	2,461,228
Infrastructure and Public Utilities	653,449	35,173,976
Community Development and Culture	849,424	3,496,794
Education, Youth Affairs and Sport	20,923,994	29,689,291
Health and Social Services	(273,145)	27,497,318
Agriculture, Marine Affairs, Marketing and the Environment	2,634,488	13,439,353
Tourism and Transportation	1,529,251	2,353,979
Settlements and Labour	119,135	207,342
	34,590,893	117,306,869

TOBAGO HOUSE OF ASSEMBLY
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	2015 TT\$	2014 TT\$
<i>Divisions' Goods and Services Bank Account Balances</i>		
Assembly Legislature	808,282	929,173
Public Administration	8,566,415	9,655,947
Finance and Enterprise Development	6,486,837	5,276,672
Infrastructure and Public Utilities	16,056,606	10,202,575
Community Development and Culture	3,899,465	8,137,637
Education, Youth Affairs and Sport	17,452,525	5,491,950
Health and Social Services	16,460,065	12,346,197
Agriculture, Marine Affairs, Marketing and the Environment	15,156,022	11,220,361
Tourism and Transportation	12,667,873	7,747,412
Settlements and Labour	1,198,694	494,651
	98,752,784	71,502,575
<i>Divisions' Development Programme Bank Account Balances</i>		
Assembly Legislature	196,635	557,429
Public Administration	2,479,249	12,861,721
Finance and Enterprise Development	1,433,082	8,544,582
Infrastructure and Public Utilities	19,798,475	59,828,247
Community Development and Culture	2,295,727	6,826,081
Education, Youth Affairs and Sport	9,625,519	4,879,447
Health and Social Services	8,354,584	12,728,915
Agriculture, Marine Affairs, Marketing and the Environment	1,184,244	9,905,950
Tourism and Transportation	250,599	3,899,648
Settlements and Labour	14,388,237	17,918,087
	60,006,351	137,950,107
<i>Divisions' Special Purpose Bank Account Balances</i>		
Assembly Legislature	74,533	74,894
Public Administration	9,540,412	27,731,806
Finance and Enterprise Development (Capital)	1,465,596	2,450,766
Finance and Enterprise Development	2,450,405	1,466,356
Infrastructure and Public Utilities	26,200,470	7,713,801
Community Development and Culture	82,423	82,783
Education, Youth Affairs and Sport	1,827	(331)
Health and Social Services	174,628	174,990
Agriculture, Marine Affairs, Marketing and the Environment	21,080,998	4,066,857
Tourism and Transportation	240	(50)
Settlements and Labour	67	(13)
	61,071,599	43,761,859

TOBAGO HOUSE OF ASSEMBLY
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	2015	2014
	TT\$	TT\$
Tobago House of Assembly US Account		
THA Finance and Enterprise Development US Savings Account		
\$50,397.23USD @ \$6.30	317,503	317,180
REPUBLIC BANK ACCOUNT	TT\$	TT\$
Republic Bank Advances and Deposits Account	12,085,589	38,082,240
The Tobago House of Assembly held liquid investments as at September 30, 2015. These are outlined below:		
	2015	2014
	TT\$	TT\$
<i>Liquid Investments</i>		
First Citizens Bank Limited Certificate of Deposit Account	284,717	283,018
Republic Bank Limited Certificate of Deposit Account	223,177	223,175
	<u>507,894</u>	<u>506,193</u>
TOTAL CASH AND CASH EQUIVALENTS	<u><u>347,786,062</u></u>	<u><u>521,432,927</u></u>

TOBAGO HOUSE OF ASSEMBLY
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2015

(8) INVESTMENTS

Investments in Subsidies

The THA has invested in several Special Purpose entities. These include investments in;

- Eco-Industrial Development Company of Tobago Limited (EIDCOT)
- Tobago House of Assembly Venture Capital Equity Fund Company Limited
- Tobago Cassava Products Company Limited
- Fish Processing Company of Tobago Limited (FIPCOT)
- Milford Road Esplanade Limited
- Tobago Information Technology Limited (TITL)
- Tobago Cold Storage and Warehouse Facility Limited (TCOSWAF)
- Tobago Hospitality and Tourism Institute (THTI)
- Pigeon Point Heritage Park Company Limited
- Tobago Development Company Limited

Escrow Accounts

- | | TTS |
|---|----------------------|
| - First Citizens Bank Limited for Milshirv Properties Limited and Tobago House of Assembly | 21,657,795.40 |

In 2011, the Tobago House of Assembly entered into a Build-Own-Lease-Transfer arrangement for the construction of the Administrative Building for the Division of Agriculture, Marine Affairs, Marketing and the Environment. The sum of \$21,657,795.40 represents the reserved sum of \$21,569,250 plus interest \$88,545.40 held as a security deposit in escrow at First Citizens Bank Limited.

- | | |
|--|---------------------|
| - Tobago House of Assembly Culloden Land Purchase | 1,996,728.60 |
|--|---------------------|

Other Investments

The investments in Decipher Caribbean Systems Limited (\$2,500,000) and W.W. Automotives (\$5,000,000) are yet to realize financial returns. The Executive Council has not yet given the approval to write off these investments.

ADDA Investment (\$12,620,000) is the subject of a pending court matter.

TOBAGO HOUSE OF ASSEMBLY
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2015

(9) LOAN ADVANCES AND DISBURSEMENTS

Loans to Assemblymen and Contracted Officers

There were no loans advanced to assemblymen and contracted officers in fiscal 2015.

Total repayments for the year ended September 30, 2015 amounted to **\$352,774**.

	TT\$
<i>Other Advances- Double B Enterprises</i>	
Balance October 1, 2014	29,003
Amount advanced during the year	-
Amount repaid during the year	-
Amount outstanding as at September 30, 2015	<u>29,003</u>

The outstanding balance for Double B Enterprises represents the amount owing from a loan of \$500,000 which was granted in the financial year ended September 30, 2003.

TOBAGO HOUSE OF ASSEMBLY
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2015

(10) TOBAGO HOUSE OF ASSEMBLY DEPOSITS

Deposits represent monies collected on behalf of various individuals, organizations and divisions of the Assembly on which claims for refund can be made.

	TT\$
Opening balance October 1, 2014	26,730,830
Receipts during the year	12,662,810
Payments during the year	(5,118,164)
Transfer to Fund Account (revenue)	<u>(28,180,000)</u>
Balance as at September 30, 2015	<u>6,095,476</u>

(11) COMMITMENTS

Commitments represent the total of invoice orders issued for goods and services which were not received as at September 30, 2015:

Divisions	2015	2014
	TT\$	TT\$
Assembly Legislature	19,729	6,948
Public Administration / Office of The Chief Secretary	1,382,785	2,400,473
Division of Finance and Enterprise Development	496,312	537,117
Division of Infrastructure and Public Utilities	15,947,600	8,316,647
Division of Community Development and Culture	1,899,614	777,097
Division of Education Youth Affairs and Sports	2,203,869	2,470,809
Division of Health & Social Services	3,047,261	1,780,505
Division of Agriculture, Marine Affairs, Marketing and the Environment	2,974,006	1,223,675
Division of Tourism and Transportation	5,598,427	3,317,308
Division of Settlements and Labour	49,230	41,999
Total Commitments as at September 30, 2015	<u>33,618,832</u>	<u>20,872,578</u>

TOBAGO HOUSE OF ASSEMBLY
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2015

(12) COMPTROLLER OF ACCOUNTS

The balance outstanding for the Comptroller of Accounts represent the amounts collected in Tobago on behalf of the Comptroller of Accounts for Treasury Deposits and Green Fund Levy during the year ended September 30, 2015.

	TT\$
Opening balance October 1, 2014	268,662
Add: amount collected during the year	<u>1,691,711</u>
Total Receipts	1,960,373
Less: Amount transferred re: Financial Year 2014	(268,662)
Amount transferred re: Financial Year 2015	<u>(1,416,021)</u>
Balance outstanding September 30, 2015	<u>275,690</u>

The outstanding amount of \$275,690 was collected in September 2015 and transferred to the Comptroller of Accounts on October 26, 2015.

TOBAGO HOUSE OF ASSEMBLY
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2015

(13) RECEIPTS

(13) (i) Parliamentary Appropriations

The budgetary allocation for the Tobago House of Assembly for fiscal 2015 amounted to **\$2,586,207,000**; **\$2,201,780,000** was allocated for recurrent expenditure and **\$384,427,000** for development programme expenditure.

For the year ended September 30, 2015, the Tobago House of Assembly received **\$2,673,056,229** to fund its operations; recurrent expenditure releases amounted to **\$2,288,629,229** and development programme releases of **\$384,427,000**. This represented a 3.4% increase over total sums budgeted and **1.4% more than** the total parliamentary appropriations in 2014.

(13)(ii) Tax and Non-tax Revenues

Total tax and non-tax revenues collected for the year amounted to **\$278,069,007**, which saw an overall increase of **\$71,024,797** or 34.3% from 2014. The major contributor to the increase was the taxes collected on income and profits; rising from **\$129,785,001** in 2014 to **\$201,463,177** in 2015, a 55.2% increase.

Tax Revenues

Taxes on Income and Profits

Taxes on Income and Profits for the year amounted to **\$201,463,177** and accounts for 72.5% of the tax and non-tax revenues collected. There was an increase of **\$71,678,176** or 55.2% from 2014. Taxes on Income and Profits include collections from income taxes, corporation taxes, health surcharge and withholding taxes.

Taxes on Property

Taxes on Property amounted to **\$467,659**, which accounts for .17% of total tax and non-tax revenues. Taxes on property comprises mainly of Land and Building taxes collected in Tobago.

Taxes on Goods and Services

Taxes on Goods and Services was the second largest contributor to the tax and non-tax revenues. It forms **\$66,408,143** or 23.9% of the total tax and non-tax revenues collected. There was a decrease of **\$893,893** or 1.3% from 2014. Major contributors to taxes on goods and services include value added taxes (VAT) and motor vehicle taxes and duties.

TOBAGO HOUSE OF ASSEMBLY
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2015

Taxes on International Trade

Taxes on International Trade forms 1.3% of the total tax and non-tax revenues. The taxes collected amounted to \$3,516,409 which was \$378,990 or 12.1% more than the previous year. This was mainly due to an increase in import duties.

Other Taxes

Other Taxes include collections for stamp duties. It contributed 1.8% to the tax and non-tax revenues in fiscal 2015. Other taxes fell by 3.8% from 2014.

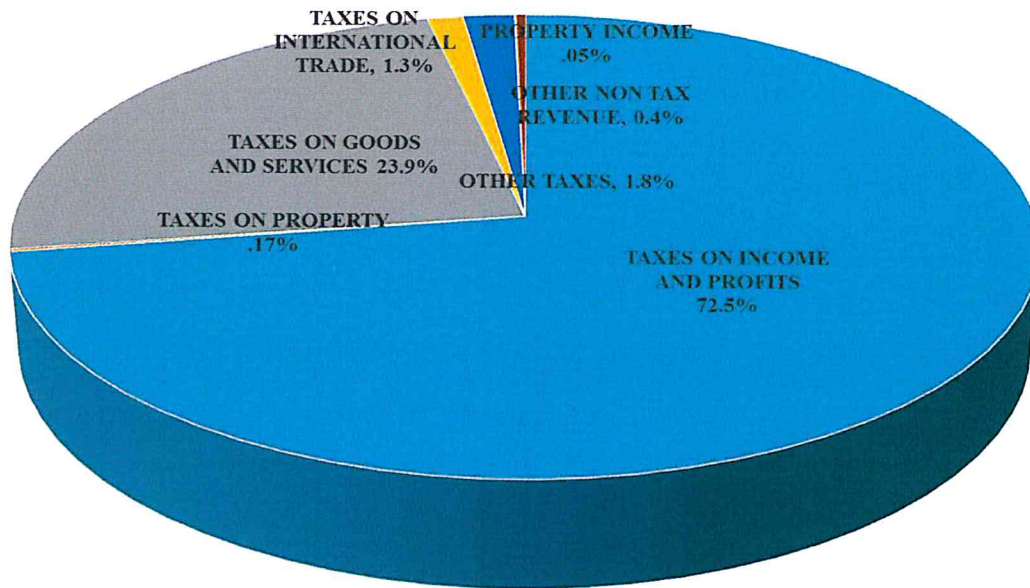
Non-Tax Revenues

Non-tax revenues accounts for .4% of the tax and non-tax revenues collected. This category of revenue increased by \$72,666 or 7%; from \$1,043,277 in 2014 to \$1,115,943 in 2015. This was mainly due to the increase in property income by 49.8%. Property income includes fees from rental of housing lots and rental of Government buildings.

TOBAGO HOUSE OF ASSEMBLY
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2015

TAX AND NON TAX REVENUES 2014-2015

- TAXES ON INCOME AND PROFITS
- TAXES ON GOODS AND SERVICES
- OTHER TAXES
- OTHER NON TAX REVENUE
- TAXES ON PROPERTY
- TAXES ON INTERNATIONAL TRADE
- PROPERTY INCOME



TOBAGO HOUSE OF ASSEMBLY
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2015

(13)(iii) Receipts from other sources

The Tobago House of Assembly received a total of **\$23,000,000** from the Ministry of Works and Transport to fund part of the Unemployment Relief Programme in Tobago. The allocation increased by \$4,000,000 from 2014, representing just over 21%.

The Ministry of Housing funded the Community-Based Environmental Protection and Enhancement Programme by a distribution of **\$8,000,000**.

The Unspent Balances represent unexpended funds from the previous year, reserved for capital and contingencies expenditure. Unspent balances decreased by \$15,244,387 or 10.4% from fiscal 2014 to fiscal 2015.

(13)(iv) THA generated receipts

In 2015, the Tobago House of Assembly generated receipts from operations amounting to **\$27,603,359**. The major contributors include THA deposits and interest earned on bank accounts. A significant decrease in THA revenues was reported in fiscal 2015 due to an extraordinary revenue item in the sum of \$7,000,000 recorded in 2014.

The Division of Settlements and Labour Housing Fund revenues from the sale of housing units amounted to \$3,752,639 in 2015 whereas \$7,875,323 was collected in 2014. This contributed to the decrease of 52.3%.

TOBAGO HOUSE OF ASSEMBLY
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2015

(14) PAYMENTS

Payments consist of expenditure incurred for Recurrent Expenditure, Development Programme Expenditure, Contingencies Account Expenditure, Operating Payments, Loan Disbursements and Other Payments.

Recurrent and Development Programme Expenditure were the two largest components of payments in 2014-2015, representing **71.3%** and **23.3%** of payments respectively.

Recurrent Expenditure consists of Personnel Expenditure **37.6%**, Goods and Services **31.7%**, Current Transfers and Subsidies **30.2%** and Minor Equipment Purchases **.5 %**.

Total Recurrent Expenditure recorded an **11.3% increase** from 2014 whereas Development Programme Expenditure recorded a **1.3% decrease** from 2014.

Personnel Expenditure increased by **16.4%** reflecting the payments of arrears to public officers and increases in salaries, wages and other emoluments across the Assembly.

Goods and Services also saw an increase by **9.7%** from 2014. Minor equipment decreased by **\$2,056,779** or **18.1%**, mainly due to the cost cutting measures as a result of the global and local economic conditions.

Current Transfers and Subsidies increased by **\$42,790,988** or **7.5%** reflecting increases in transfers to persons, organisation and other government bodies/agencies. Major transfers to other government bodies include the Tobago Regional Health Authority (TRHA).

(14)(i) Operating Payments

In 2015, the total expended on the Community-Based Environmental Protection and Enhancement Programmes (CEPEP) amounted to **\$24,229,340** whilst in 2014 the expenditure amounted to **\$28,197,212**, a decrease of **\$3,967,872** or **14.1%**.

The Unemployment Relief Programme expenditure for 2015 recorded a reduction of **16.8%** from 2014, this was also due to the cost cutting strategies implemented in 2015.

Other Contingencies Account Expenditure totalled **\$80,782,594**. Some of the major projects and programmes expended under the Contingencies Expenditure Account include;

The Acquisition of 2 hotel properties (Manta Lodge and Sanctuary Villas)	\$32,000,000
Advanced Training and Advisory Services	\$ 3,405,297
Agricultural access roads	\$ 19,999,688
Road resurfacing programme	\$15,426,706
Comprehensive Eye Care programme	\$ 1,293,500

TOBAGO HOUSE OF ASSEMBLY
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2015

(14)(ii) Other Payments

Other payments include advances for enterprise development and service and bank charges incurred for overdraft interest fees as well as fees for other services conducted by the bank for and on behalf of the Tobago House of Assembly.

(14)(iii) Transfers

Unemployment Relief Programme advances

The Ministry of Works and Transport allocated **\$23,000,000** to fund part of the Unemployment Relief Programme in Tobago. The Tobago House of Assembly advanced \$23,000,000 from the Assembly Fund Account and cheques were subsequently redeposited to the Fund, when received from the Ministry of Works and Transport.

Treasury Deposit Payments

The treasury deposit payments to the Comptroller of Accounts represent the amounts collected in Tobago on behalf of the Comptroller of Accounts for Treasury Deposits and Green Fund Levy during the year ended September 30, 2015.

In fiscal 2015, the Assembly collected \$71,630 and \$1,620,080.95 for treasury deposits and green fund levy respectively. Total payments made for the year ended September 30, 2015 amounted to \$1,684,683.



<http://fed.tha.gov.tt/>