



## **REPORT OF THE AUDITOR GENERAL OF THE REPUBLIC OF TRINIDAD AND TOBAGO ON THE FINANCIAL STATEMENTS OF THE SPORT AND CULTURE FUND FOR THE YEAR ENDED 31 DECEMBER 2012**

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The accompanying Financial Statements of the Sport and Culture Fund for the year ended 31 December 2012 have been audited. The Statements as set out on pages 1 to 11 comprise a Statement of Financial Position as at 31 December 2012 and the Statement of Comprehensive Income, a Statement of Cash Flows and a Statement of Accumulated Fund for the year ended 31 December 2012 and Notes to the Financial Statements numbered 1 to 7 including a summary of significant accounting policies.

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

2. The management of the Sport and Culture Fund (the Fund) 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**

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 of the Constitution of the Republic of Trinidad and Tobago and section 15 (2) of the Sport and Culture Fund Act, Chapter 40:54. The audit 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 audit opinion.

## OPINION

6. In my opinion, the Financial Statements present fairly, in all material respects the financial position of the Sport and Culture Fund as at 31 December 2012 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

### COMPOSITION OF THE BOARD

7.1 Section 9 (3) (e) of the Sport and Culture Fund Act, Chapter 40:54 states in part thereof that:

*"The Board shall consist of the following members appointed by the President for a specific period of not more than three years:*

*... a representative of the Ministry with responsibility for Finance; and"*

7.2 The Board of Management did not include a representative of the Ministry with responsibility for Finance as a member during the period 1<sup>st</sup> January 2012 to 19<sup>th</sup> April 2012.

### 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.

**8<sup>TH</sup> NOVEMBER, 2024**  
**PORT OF SPAIN**



*Jaiwantie Ramdass*  
**JAIWANTIE RAMDASS**  
**AUDITOR GENERAL**

**The Sport and Culture Fund**

**Financial Statements  
December 31, 2012**

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## ACCOUNTANTS' REPORT

### **Sports and Culture Fund – Board of Management**

We have prepared the statement of financial position of Sports and Culture Fund as at December 31, 2012 and the statement of comprehensive income, changes in equity and cash flows for the year then ended from the records of the fund and from other information supplied to us.

In order to prepare these financial statements we made a review, consisting primarily of enquiry, comparison and discussion of such information.

However, in accordance with the terms of our engagement, we have not performed an audit and consequently do not express an opinion on these financial statements.



Chartered Accountant  
Tunapuna, Trinidad  
June 10, 2016



# SPORT AND CULTURE FUND

INCORPORATED IN 1988 (ACT NO. 31 OF 1998)

## Statement of Management Responsibilities for the Financial Statements

Management has the overarching responsibility and oversight of the financial affairs of the Sport and Culture Fund ("The Fund"). These responsibilities are:

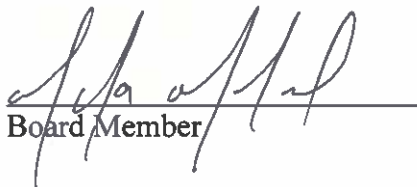
1. The preparation and fair presentation of the financial statements for each financial year end which gives a true and a fair view of the financial affairs of The Fund;
2. The operating results of The Fund for the financial year and ensures that The Fund keeps proper accounting records which are disclosed with reasonable accuracy at any time indicating the financial position of The Fund; and
3. The proper safeguarding of the assets of The Fund.

Management is also responsible for the preparation and the 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 the fair presentation of financial statements which are free from material misstatement, whether due to fraud or by error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Management accepts responsibility for the financial statements which have been prepared using the available books and records and the appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with the IFRS. Management is of the opinion that the financial statements give a true and fair view of the state of the financial affairs of The Fund and of its operating results. Management further accepts responsibility for the maintenance of accounting records which may be relied upon in the preparation of the financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of Management to indicate that The Fund will not remain a going concern as the Government of the Republic of Trinidad and Tobago (GORTT) will continue to provide funding thus ensuring its viability as mandated by Act 31 of 1988 with amendments articulated in Act 25 of 1993.

  
Chairman

  
Board Member

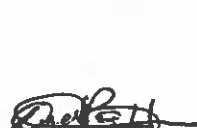
  
Secretary/Board Member

June 10, 2016

**The Sport and Culture Fund**  
**Statement of Financial Position**  
(Trinidad and Tobago Dollars)

ASSETS	Notes	as at 31, December	
		2012	2011
<i>Current assets:</i>			
Cash and cash equivalents	4	2,000,723	9,118,313
Accounts Receivable and Prepayments	5	36,029	27,029
<b>Total current assets</b>		<u>2,036,752</u>	<u>9,145,342</u>
<b>Total assets</b>		<u>\$ 2,036,752</u>	<u>\$ 9,145,342</u>
<b>LIABILITIES AND EQUITY</b>			
<i>Reserves:</i>			
Accumulated Fund		<u>(1,721,208)</u>	<u>9,128,517</u>
<b>Total equity</b>		<u>(1,721,208)</u>	<u>9,128,517</u>
<i>Current liabilities:</i>			
Bank overdraft	6	3,757,960	0
Accounts Payable and Accruals	6	<u>0</u>	<u>16,825</u>
<b>Total current liabilities</b>		<u>3,757,960</u>	<u>16,825</u>
<b>Total liabilities</b>		<u>3,757,960</u>	<u>16,825</u>
<b>Total liabilities and equity</b>		<u>\$ 2,036,752</u>	<u>\$ 9,145,342</u>

On June 10, 2016, the Board of Management of the Sports and Culture Fund authorized these financial statements for issue.

  
Chairman

  
Board Member

  
Secretary/Board Member



**The Sport and Culture Fund**  
**Statement of Comprehensive Income**  
**(Trinidad and Tobago Dollars)**

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	Notes	Year ended 31, December	
		2012	2011
<b>Revenue</b>			
Surplus from Instant Lottery	\$	9,943,207	\$ 3,803,085
Interest on Fixed Deposit		9,000	9,530
Other Income		0	44,000
<b>Total Revenue</b>		<b>9,952,207</b>	<b>3,856,615</b>
<b>Expenses</b>			
Bank Charges		1,048	383
Grants to supporting and cultural groups and individuals		20,800,884	8,188,235
<b>Total Expenses</b>		<b>20,801,932</b>	<b>8,188,618</b>
<b>Net deficit of revenue over expenses</b>		<b>(10,849,725)</b>	<b>(4,332,003)</b>



# The Sport and Culture Fund

## Statement of Cash Flows

(Trinidad and Tobago Dollars)

	For the Year ended 31, December	
	2012	2011
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	\$	\$
Net deficit of revenue over expenses	(10,849,725)	(4,332,003)
<b>Adjustments to reconcile net cash generated from operating activities:</b>		
Loan written off	0	0
<b>Operating deficit before working capital changes</b>	<b>(10,849,725)</b>	<b>(4,332,003)</b>
<i>Changes in working capital</i>		
Net change in accounts receivables and prepayments	(9,000)	(9,000)
Net change in accounts payable and accruals	(16,825)	(44,000)
<b>Net changes in working capital</b>	<b>(25,825)</b>	<b>(53,000)</b>
Net cash (used in) generated by operating activities	<b>(10,875, 550)</b>	<b>(4,385,003)</b>
Net (decrease) in cash equivalents and cash equivalents	(10,875,550)	(4,385,003)
Cash and cash equivalents-beginning year	9,118,313	13,503,316
Cash and cash equivalents – end of year	<u>(1,757,237)</u>	<u>9, 118,313</u>
<b>REPRESENTED BY</b>		
Cash and Cash Equivalents		
Bank Overdraft	(3,757,960)	0
Cash in Bank	2,000,723	9,118,313
	<u>(1,757,237)</u>	<u>9,118,313</u>

The notes on pages 7 to 11 form an integral part of these financial statements.

**The Sport and Culture Fund****Statement of Accumulated Fund**  
**(Trinidad and Tobago Dollars)**

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	<b>Accumulated Fund</b>	<b>TOTAL</b>
<b>Year Ended 31 December 2012</b>		
<b>Balance as at 1 January , 2012</b>	\$ 9,128,517	9,128,517
Net Deficit of revenue over expenses	(10,849,725)	(10,849,725)
<b>Balance as at 31 December 2012</b>	\$ <u>(1,721,208)</u>	<u>(1,721,208)</u>
<b>Year Ended 31 December 2011</b>		
<b>Balance as at 1 January , 2011</b>	\$ 13,460,520	13,460,520
Net Deficit of revenue over expenses	(4,332,003)	(4,332,003)
<b>Balance as at 31 December 2011</b>	\$ <u>9,128,517</u>	<u>9,128,517</u>

## **The Sports and Culture Fund**

### **Notes to financial statements**

(Expressed in Trinidad and Tobago Dollars)

**For the year ended 31<sup>st</sup> December, 2012**

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#### **1. Incorporation and Principal Activity**

The Sports and Culture Fund was incorporated in the Republic of Trinidad and Tobago in 1988 under Act No 31 of 1988 with amendments articulated in Act No 25 of 1993. The principal activities of the Fund are as follows:

- a) To facilitate the provision of sporting and cultural activities.
- b) To enable grants and loans to be made to deserving individuals, groups and organisations.
- c) To undertake any activity relating to Sports and Culture.
- d) To undertake or do all such things as are incidental or conducive to the attainment of the above purposes.

The objectives of the Fund are to facilitate the promotion of excellence in Sports and Culture by the development of human and technical resources capabilities while encouraging self-reliance of groups, associations and individuals undertaking related activities.

#### **2. Summary of significant accounting policies**

This set of financial statements prepared by The Fund in accordance with the International Financial Reporting Standards ('IFRS') issued by the International Accounting Standards Board. The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **2.1 Basis of preparation**

The financial statements of The Fund have been prepared in accordance with the 'International Financial Reporting Standard ('IFRS'). They have been prepared under the historical cost convention.

The preparation of financial statements is in conformity with the IFRS and requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Fund's accounting policies. Areas involving a higher degree of judgment of complexity, or areas where assumptions and estimations are significant to the financial statements are disclosed in note 3.

## **The Sports and Culture Fund**

### **Notes to financial statements**

(Expressed in Trinidad and Tobago Dollars)

**For the year ended 31<sup>st</sup> December, 2012**

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#### **2. Summary of significant accounting policies (Continued)**

##### **a) Cash Equivalents**

Cash and cash equivalents includes cash in hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less at the time of purchase, which are subject to an insignificant risk of changes in value.

##### **b) Revenue Recognition**

The Fund recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity, the transfer of ownership, which generally coincides with specific criteria have been met for each of the Fund's activities.

##### *Surplus from Instant Lottery*

The Fund main source of income is the recognition of the surplus from instant lottery games deposited in the Fund's Central Bank Account by the National Lotteries Control Board. Surplus from the Instant Lottery is recorded on a cash basis.

##### *Other Income*

Other income from operations is recognised in the statement of comprehensive income on the accrual basis.

##### **c) Foreign Currency Transactions**

Items included in the financial statements of the commission are measured using the currency that best reflects the economic substance of the underlying events and the circumstances relevant to the Fund ("the functional currency"). These financial statements are presented in Trinidad and Tobago dollars.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

## **The Sports and Culture Fund**

### **Notes to financial statements**

(Expressed in Trinidad and Tobago Dollars)

**For the year ended 31<sup>st</sup> December, 2012**

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#### **2. Summary of significant accounting policies (Continued)**

##### **d) Provisions**

Provisions are recognised when the Fund has a present obligation (legal or constructive) as a result of a past event, it is probable that the Fund will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

##### **e) Other financial liabilities**

Other financial liabilities are initially measured at transaction price, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

##### **f) Financial assets**

The Fund classifies its investment as either fair value through the statement of comprehensive income for equities with a quoted market price or at cost less impairment for other equity investments that are not publically traded or whose fair value cannot be measured reliably. All other financial assets are measured at amortised cost. Management determines the classification of its financial assets at initial recognition.

## **The Sports and Culture Fund**

### **Notes to financial statements**

(Expressed in Trinidad and Tobago Dollars)

**For the year ended 31<sup>st</sup> December, 2012**

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#### **2. Summary of significant accounting policies (Continued)**

##### **f) Financial assets (Continued)**

###### ***Financial assets – at fair value through statement of comprehensive income***

Financial assets at fair value through profit and loss are those equity investments that are publicly traded or whose fair value can be measured reliably. These financial assets are initially recognised at the transaction price excluding transaction costs and are subsequently carried at fair value. Gains or losses arising from changes in the fair value are recognised in the statement of comprehensive income.

The fair values of quoted financial assets in active markets are based on current bid prices. Purchase and sale of financial assets are recognised at the settlement date.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

###### ***Financial assets – amortised cost***

Loans and other receivables that have fixed or determinable payments that are not quoted in an active market are measured at amortised cost using the effective interest method, less any impairment. Interest income, if applicable, is recognised by applying the effective interest rate. Trade receivable are carried at original invoice amount less provision made for impairment of these receivables.

##### **g) Comparatives**

When necessary, comparative figures are adjusted to conform with changes in presentation in the current year.

#### **3. Critical Judgments and the Use of Estimates**

The preparation of financial statements in conformity with IFRS requires management to make critical judgments and use estimates and assumptions that affect the amounts reported in the financial statements and related notes to the financial statements. Actual results may differ from the estimates and assumptions used.

## The Sports and Culture Fund

### Notes to financial statements

(Expressed in Trinidad and Tobago Dollars)

For the year ended 31<sup>st</sup> December, 2012

#### 3. Critical Judgments and the Use of Estimates (Continued)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revisions affects only that year, or in the year of revision and future years if the revision affects both current and future year.

#### 4. Cash at Bank

	<u>2012</u>	<u>2011</u>
First Citizens Bank Limited – Business Account	\$ 0	2,360,747
Central Bank Account	338,941	5,095,734
First Citizens Bank Limited	<u>1,661,782</u>	<u>1,661,782</u>
Total	<u>\$ 2,000,723</u>	<u>9,118,313</u>

#### 5. Accounts Receivable and Prepayments

These comprise the following major items:

	<u>2012</u>	<u>2011</u>
Interest Receivables	\$ 36,029	27,029
Total	<u>\$ 36,029</u>	<u>27,029</u>

#### 6. Accounts Payable and Accruals

	<u>2012</u>	<u>2011</u>
Staledated Cheques	\$ 0	16,825
Bank overdraft	3,757,960	0
Total	<u>\$ 3,757,960</u>	<u>16,825</u>

#### 7. Events after the reporting date

No significant events occurred after the reporting date affecting the financial performance, position or changes therein for the reporting period presented in these annual financial statements.