

CASINO GAMING COMMISSION

Annual Report

2020/2021

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Chairman's Message

Following on from the previous financial year, the Casino Gaming Commission (the Commission) continued with much anticipation for the financial year 2020-21 with high expectation that at least one Integrated Resort Development (IRD) would have been approved.

Prior to the commencement of the Financial Year, the Commission had commenced its readiness for the regulatory framework, by advertising some positions which were approved by the Ministry of Finance and the Public Service in the hope that some form of reactivation would begin. The COVID Pandemic intervened and activities for the IRDs were delayed due mainly to the proposed amendment to the Casino Gaming Act (CGA). The year ended without any major activity undertaken. It was expected that for the financial year 2020/2021 the process of the IRD would continue. In this regard the Commission submitted a Budget to cover some of the very necessary requirements, in case of any activation of activities.

As per the foregoing paragraph additional staff planned for the year under review did not materialize, and the Commission's priority was on the merger of the regulatory bodies playing active roles in the merger process through its membership on all the Merger subcommittees.

The Commission's expenses were kept low and within the budget approved for its limited operation. The Shared Services arrangement with the BGLC for accommodation, limited ICT and Human Resource services continued.

The foregoing notwithstanding, the Commission continues to receive inquiries on the IRDs and casino gaming licences. The Commission maintains its strong relationship within the International Gaming Regulatory Industry and retains its trustee membership with the International Association of Gaming Regulators, (IAGR). In the final quarter of financial year, the Commission responded to several invitations from the Financial Action Task Force (FATF) and the Caribbean Financial Action Task Force (CFATF) and participated in several training courses relating to the POCA/AML regulatory regime focusing on the Risk Based Approach (RBA) to guide its regulatory framework.



CLOVIS METCALFE CD, OD
Chairman
July 2021

Vision

A fair, crime free and responsible casino gaming industry which provides community wide benefits to Jamaica.

Mission

To protect Jamaica's interests by regulating the operation of a highly reputable and internationally respected casino gaming industry. This is to be achieved by operating with integrity and professionalism, by developing effective working relationships with and maintaining the confidence of all stakeholders while keeping abreast of industry changes in a highly competitive and dynamic environment.

The existing **Vision** and **Mission** of the Commission as outlined above will be incorporated in the operations of the merged entity and the new entity is expected to continue to represent a fair, crime free and responsible casino gaming industry which provides community wide benefits to Jamaica. The Casino Gaming Act of 2010 is the vehicle being used to guide the new legislation for the merged entity.

REPORT ON OPERATIONS

Highlights of the year

- The Commission's extensive participation in all merger-related activities.
- Last quarter approval received for the upgrade and implementation of MDSL software to standardize the Commission's Accounting in keeping with merger financial requirements.
- The Commission's continuous compliance with governance requirements for submission of its Annual Report.

Standards for Gaming Equipment in Casinos

The GLI Technical Standards established for casino Gaming Equipment and adopted by the Commission are expected to be transferred to the new entity. The Standards are currently available at the Library of the Bureau of Standards.

National Risk Assessment and CFATF related activities

The Commission continues to participate in the Proceeds of Crime Act [POCA] training and related activities and the Caribbean Financial Action Task Force [CFATF] activities as required by the Commission's Designated Authority. In the last quarter, the Commission participated in several training courses offered by the European Union to keep updated on the Risk Based Regulatory Regime.

International Cooperation

The Commission maintained its membership and trustee position in the International Association of Gaming Regulators (IAGR). The Commission's Secretary / Manager is a Member of the Board of Trustee.

1. Compliance with the PBMA and FAA Acts, as well as MOFP circulars and applicable regulations

Governance

For the Year 2020/21 the Board of Commissioners comprised the following members.

Mr. Clovis Metcalfe.	Chairman
Mr. Wayne Chen	Deputy Chairman
Mr. Howard Hamilton	Commissioner
Mr. Ian Murray	Commissioner
Mrs. Marigold Naar	Commissioner
Mr. Robert Russell	Commissioner

Due to limited activities, the frequency of Board meetings was further revised. Three Board Meetings were held during the year. However, proper reporting continued with the submission of Management and Financial Reports. Commissioners were consistent in attendance. Matters relating to the IRDs, Transition and Merger were usually addressed.

All statutory reporting requirements have been met including Monthly Cash Flow Requests, Monthly Financial Reports, Quarterly and Half-yearly Reports and Annual Reporting.

The Commission was again commended by the Ministry of Finance and Public for producing its Annual Report well within the designated time frame.

Board Decisions

All Board Decisions are dispatched within 72 hours of the decisions being made to ensure the assigned activities are performed in reasonable time. All Board and Committee Minutes are recorded and certified by the Chairman. Tax Certificates retained by the Secretariat.

Committees and Sub-Committees

Considering the reduced activities and limited staff there are only two active subcommittees – the Audit Committee as required by the Public Management and Accountability Act (PBMA) and the Finance Committee.

Legislative matters concerning drafting of merged legislation are dealt with by Merger process by the Merger Legislative sub-committee. There are, however, some outstanding Section 72 Regulations which are to be dealt with.

The Finance Committee reviews monthly financials. In accordance with the requirements of the PBMA, the Audit Committee meets to deal with the following:

1. The integrity of the Commission's financial statements;
2. The independent auditor's qualifications, independence and performance;
3. The internal controls and control environment.
4. Review of Auditors Report

Audit

Messrs. McKenley and Associates, Chartered Accountants, continued as the External Auditors to the Commission. The Commission completed its audit for the financial year 2019/20 during June 2020, and met the July 31, 2020, deadline required by the PBMA. The completed report was submitted to MOFPS accordingly.

Staffing

There are two members of staff.

Training

Limited training in Enterprise Risk Management offered during the last quarter continues. Additionally, training in Risk Based Regulatory approach was offered by the European Union through FATF/CFATF.

Services

The Commission's website <http://www.cgc.gov.jm> is still maintained and utilized, support for maintenance provided under the shared services arrangement. This service will be reviewed in the new financial year.

Financial Statements – Audited Report

INDEPENDENT AUDITOR'S REPORT

FINANCIAL STATEMENTS

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**McKENLEY
& ASSOCIATES**
CHARTERED ACCOUNTANTS

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Independent Auditor's Report

To the Members of
The Casino Gaming Commission

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Casino Gaming Commission ("the Commission"), which comprise the statement of financial position as at 31 March 2021 and the statements of comprehensive income, cash flows, and changes in reserves for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Commission as at 31 March 2021 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under these standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Commission within the meaning of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and those charged with Governance for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view in accordance with IFRS and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Commission's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Ministry of Finance either intends to liquidate the Commission or cease operations or has no realistic alternative but to do so.

Management is responsible for overseeing the Commission's financial reporting process.



Independent Auditor's Report (continued)

To the Members of
The Casino Gaming Commission

Auditor's Responsibilities for the Audit of the Financial Statements

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Commission to cease to continue as a going concern.



Independent Auditor's Report (continued)

To the Members of
The Casino Gaming Commission

Report on other legal and regulatory requirements.

As required by the 2010 Casino Gaming Act, the Public Bodies Management and Accountability Act, and the Financial Administration and Audit Act, we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

In our opinion, proper accounting records have been kept, so far as appears from our examination of those records, and the accompanying financial statements are in agreement therewith and give the information required in the manner so required.

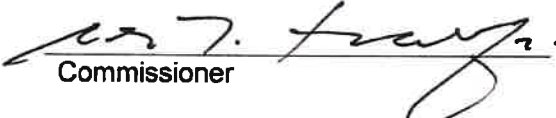
McKenley & Associate

**Chartered Accountants
13 July 2021
Kingston, Jamaica**

	<u>Note</u>	<u>2021</u> \$	<u>2020</u> \$
Revenue			
Grant income	2(e)	33,665,991	22,487,879
Interest Income		17,144	9,098
Gain/(loss) on disposal of assets		-	1,156,215
Total operating revenue		33,683,135	23,653,192
Operating expenses			
Administrative	3	26,022,789	23,448,300
Finance	4	81,182	53,257
Total operating expenses		26,103,971	23,501,557
Surplus from operations		7,579,164	151,635
Taxation	5	-	-
Net surplus for the year, being comprehensive income		7,579,164	151,635

	<u>Note</u>	<u>2021</u> \$	<u>2020</u> \$
Non- Current Asset			
Property, plant and equipment	6	1,482,218	2,170,329
Current assets			
Receivables	7	2,247,695	2,034,592
Cash & bank	8	8,900,323	2,148,898
		11,148,018	4,183,490
Total Assets		12,630,236	6,353,819
Reserves and liability			
General fund		11,628,445	5,867,101
Current liability			
Payables	9	1,001,791	486,718
Total reserves and liability		12,630,236	6,353,819

Approved for issue on behalf of the Commission on July 13, 2021, and signed on its behalf by:


 Commissioner


 Commissioner

	<u>Note</u>	<u>2021</u>	<u>2020</u>
		\$	\$
Cash flows from operating activities:			
Surplus for the year		7,579,164	151,635
Adjustment for:			
Depreciation	6	688,111	1,822,122
(Gain)/loss on disposal of asset		-	(1,156,215)
Adjustment (disposal)		-	-
Prior year adjustment		(1,817,820)	-
Operating cash flow before movement in working capital		6,449,455	817,542
(Decrease)/Increase			
Receivables		(213,103)	(1,567,066)
Payables		515,073	(79,679)
		301,970	(1,646,745)
Cash provided by/(used in) operating activities		6,751,425	(829,203)
Investing activities:			
Purchase of fixed assets		-	-
Proceeds from sale of fixed assets		-	1,817,820
Cash provided by/ (used in) investing activities		-	1,817,820
Increase in cash balance		6,751,425	988,617
Cash balance – beginning of the year		2,148,898	1,160,281
Cash balance – end of the year		8,900,323	2,148,898

THE CASINO GAMING COMMISSION
Statement of Changes in Reserves
Year ended 31 March 2021

	<u>Capital Grant</u>	<u>General</u> <u>Reserves</u>	<u>Total</u>
	\$	\$	\$
Balance as at 31 March 2017	-	7,518,924	7,518,924
The deficit for the year	-	(2,161,785)	(2,161,785)
Balance as at 31 March 2018	-	5,357,139	5,357,139
Surplus, being comprehensive income	-	358,327	358,327
Balance as at 31 March 2019	-	5,715,466	5,715,466
Surplus, being comprehensive income	-	151,635	151,635
Balance as at 31 March 2020	-	5,867,101	5,867,101
Prior year adjustment	-	(1,817,820)	(1,817,820)
Surplus, being comprehensive income	-	7,579,164	7,579,164
Balance as at 31 March 2021	-	11,628,445	11,628,445

1. IDENTIFICATION AND PRINCIPAL ACTIVITIES

The Casino Gaming Commission (The Commission) was established under section 5 of the Casino Gaming Act 2010 with the principal functions to:

- a) Regulate and control casino gaming in Jamaica;
- b) Approve systems of controls for, and administrative and accounting procedures in casinos, in order to ensure integrity and fairness in casino gaming;
- c) Conduct investigations into the operation of casinos and the holders of specified offices
- d) Institute measures and controls to;
 - (i) Protect the vulnerable, including children, from any harm or exploitation arising from casino gaming;
 - (ii) Limit opportunities for crime or any disorder associated with casinos;
 - (iii) Facilitate responsible casino gaming;
 - (iv) Prevent money laundering and the financing of terrorist activities in relation to casino gaming;
- e) Advise the Minister of Finance and Planning on matters of general policy relating to casino gaming in Jamaica and
- f) Carry out such other functions pertaining to casino gaming as may be assigned to it by or under the Act or any other enactment.

The Casino Gaming Commission (CGC) commenced operations with effect from 16 April 2012, and the financial statements are prepared under the historical cost convention and are presented in Jamaican dollars (\$), which is the reporting currency of the Commission.

Funding

The Casino Gaming Commission secured funding for operations for the period under review from the Government of Jamaica (GOJ).

The Casino Gaming Act

The Casino Gaming Act was passed in 2010, and its objects are to:

- a) Establish a regulatory scheme for the conduct of casino gaming in Jamaica;
- b) Encourage the establishment of a number of substantial integrated resort developments by licensing the carrying on of casino gaming as part of a mix of various tourism amenities and facilities available to guests of hotels in such developments;
- c) Ensure that casino gaming is conducted in a fair and open manner;
- d) Ensure that casino gaming is regulated efficiently and effectively;
- e) Prevent casino gaming from being a source of crime or disorder or being used to support crime, and
- f) Protect children and other vulnerable persons from exploitation due to casino gaming.

2. SIGNIFICANT ACCOUNTING POLICIES:

(a) Statement of compliance:

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and their interpretations adopted by the International Accounting Standards Board (IASB).

New, revised, and amended standards and interpretations that became effective during the year and those issued but not yet effective.

At the date of authorization of these financial statements, certainly new, revised, and amended standards and interpretations came into effect before, during, and after the current financial year. Effective 1 January 2018, IFRS 9 and IFRS 15, which related principally to expected credit loss impairment and revenue recognition respectively, were the principal standards that became applicable to the operations of the Commission.

IFRS 15 had no significant impact as the principal revenue source relates to grant income received from the Government of Jamaica. Also, the adoption of IFRS 9 did not require the Commission to restate its prior period comparative figures. However, it resulted in the reclassification of financial instruments as shown below:

Asset/Liability	IAS 39 Classification	IFRS 9 Re-classification
Receivables	Loans and receivables	Amortized cost
Cash and cash equivalents	Loans and receivables	Amortized cost

IFRS 16, Leases

In January 2016, the IASB issued IFRS 16 –Leases, which replace IAS 17 – Leases and related interpretations. IFRS 16 provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases unless the lease term is 12 –months or less or the underlying assets have a low value. IFRS 16 substantially carries forward the lessor accounting in IAS 17 with the distinction between operating and finance leases being retained. The Commission operates from a “shared space” rented office and thus this standard is not considered applicable.

The others standards that became effective had no significant impact on the Commission’s financial statements.

(b) Basis of preparation and functional currency

The financial statements are prepared on a historical cost basis and are presented in Jamaican dollars (J\$), which is the functional currency of the Commission.

(c) Use of estimates and judgments

Except for the depreciation charge, no estimates or judgments were made during the year ended 31 March 2021.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Fixed assets

Property, plant, and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of material and direct labor and any other costs directly attributable to bringing the asset to a working condition for its intended use. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

Depreciation is calculated on a straight-line basis at such rates that will write off the carrying value of the assets throughout their estimated useful lives. Each financial year, the depreciation methods, useful lives, and residual values are reassessed.

Annual depreciation rates are as follows:

Furniture & fixtures	10%
Computers	20%
Motor Vehicle	20%

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Repairs and maintenance expenditures are charged to the income statement during the financial period in which they are incurred.

(e) Grants

Budgetary support from the Ministry of Finance and Planning (MOFP) is considered as grants.

Advances from the Ministry of Finance and Planning (MOFP) are in lieu of approved budgetary allocations from the Central Government for use in the establishment of the Commission. These approved allocated amounts are considered as grants.

During the year, no casino licenses were issued, and thus the Commission did not earn fees from prospective applicants.

(f) Receivables

Receivables are carried at amortized cost.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Cash and bank

Cash and bank balances are carried in the statement of financial position at amortized cost. In the cash flow statement, cash and bank balances comprise cash on hand and at the bank.

(h) Foreign currencies transactions

There were no foreign currency transactions during the year.

(i) Payables and accrued charges

Payables and accrued charges are stated at cost.

3. ADMINISTRATIVE EXPENSES

	<u>2021</u>	<u>2020</u>
	\$	\$
Commissioners' fees	106,875	159,000
Licenses & other taxes	309,159	366,654
Depreciation	688,111	1,822,122
Legal & consultancy fee	3,740,000	-
Insurance	104,446	183,695
Training	60,673	96,708
Subscription	162,015	143,588
Postage & cable	50,000	38,700
Telephone, internet & communication	180,755	194,458
Advertising and refreshment	58,066	440,991
Audit Fees	1,614,752	790,000
Repairs & maintenance & shared services	1,534,405	1,694,802
Travelling	1,793,590	3,998,914
Wages & salaries & payroll expenses	15,591,840	13,431,503
Motor vehicle reimbursement expenses	-	55,233
Printing & stationery supplies	28,102	31,932
	<u>26,022,789</u>	<u>23,448,300</u>

4. FINANCE CHARGES

	<u>2021</u>	<u>2020</u>
	\$	\$
Bank charges	81,182	53,257
	<u>81,182</u>	<u>53,257</u>

5. TAXATION

No provision is made in these financials for taxation on the surplus generated from the operation of the Commission because the Casino Gaming Commission is funded by way of a subvention from the Government of Jamaica.

6. FIXED ASSETS

2021

	<u>Furniture & Fixtures</u>	<u>Computers</u>	<u>Total</u>
	<u>\$</u>	<u>\$</u>	<u>\$</u>
At cost:			
1 April 2020	3,045,350	4,910,440	7,955,790
Additions	-	-	-
31 March 2021	3,045,350	4,910,440	7,955,790
Acc. Depreciation:			
1 April 2020	1,693,571	4,091,890	5,785,461
Charge for the year	304,536	383,575	688,111
31 March 2021	1,998,107	4,475,465	6,473,572
Netbook value			
31 March 2021	1,047,243	434,975	1,482,218

2020

	<u>Motor vehicle</u>	<u>Furniture & Fixtures</u>	<u>Computers</u>	<u>Total</u>
	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
At cost:				
1 April 2019	5,670,900	3,045,350	4,910,440	13,626,690
Disposal on asset	(5,670,900)	-	-	(5,670,900)
31 March 2020	-	3,045,350	4,910,440	7,955,790
Acc. Depreciation:				
1 April 2019	4,442,205	1,389,037	3,141,392	8,972,634
Charge for the year	567,090	304,534	950,498	1,822,122
Relieved on disposal	(5,009,295)	-	-	(5,009,295)
31 March 2020	-	1,693,571	4,091,890	5,785,461
Netbook value				
31 March 2020	-	1,351,779	818,550	2,170,329

7. RECEIVABLES

	<u>2021</u>	<u>2020</u>
	\$	\$
Accounts receivables	13,801	13,801
Accountant General	-	1,817,820
Deposit on Fixed Assets	2,008,732	-
Other prepayments	225,162	202,971
	<u>2,247,695</u>	<u>2,034,592</u>

8. CASH AND BANK

	<u>2021</u>	<u>2020</u>
	\$	\$
Sagicor Bank: current account	8,880,323	2,128,898
Petty cash balance	20,000	20,000
	<u>8,900,323</u>	<u>2,148,898</u>

9. PAYABLES

	<u>2021</u>	<u>2020</u>
	\$	\$
Accruals: audit charges	725,000	315,248
: statutory liabilities	-	-
Wages and salaries control	276,791	171,470
	<u>1,001,791</u>	<u>486,718</u>

10. OPERATING SURPLUS BEFORE TAXATION

The following have been charged in arriving at an operating surplus:

	<u>2021</u>	<u>2020</u>
	\$	\$
Auditors remuneration	725,000	715,000
Commissioners' fees	106,875	159,000
Management remuneration	13,741,313	12,042,649

11. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Commission's activities expose it to a variety of financial risks in respect of its financial instruments: market risk (currency risk and fair value interest rate risk), credit risk, liquidity risk, and cash flow interest rate risk. The Commission seeks to manage these risks by close monitoring of each of its financial instruments as follows:

a) Market risk

Currency Risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Commission is not exposed to this risk because all transactions are undertaken in Jamaican dollars.

11. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

a) Market risk (continued)

Currency Risk (continued)

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Commission manages this risk by maintaining interest-earning assets with reputable financial institutions and procuring the most advantageous interest rates.

Part III of the First Schedule of the Casino Gaming Act provides for Finance, Accounts and Reports; Clause 20 deals with the Power to invest moneys as follows:

“ All moneys of the Commission not immediately required to be expended for the purpose of meeting any of the obligations or discharging any of its functions may be invested in such securities as may be approved either generally or specifically by the Minister, and the Commission may, with the approval of the Minister with responsibility for finance, sell all or any such securities”

It is to be noted that the Casino Gaming Commission (CGC) is fully funded by the Ministry of Finance & Public Service (MOFPS) as it does not earn any other income. Funding from the MOFPS is specifically for its monthly operations.

b) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

The Commission faces credit risks in respect of its cash at a bank held with financial institutions. Credit risk for cash at the bank is managed by maintaining these balances with licensed financial institutions considered to be stable.

c) Liquidity risk

Liquidity risk is the risk that the Commission will encounter difficulty in raising funds to meet its commitments associated with financial instruments.

The Commission manages its liquidity risk by endeavoring to maintain an appropriate level of resources in liquid or near liquid form along with the GOJ providing budgetary support. At the statement of financial position date, current assets exceeded current liabilities by \$10,146,227 (2020 - \$3,696,772).

d) Cash flow interest rate risk

Cash flow interest rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in the market interest rates.

The Commission faces exposure to cash flow interest rate risk in respect of its cash and bank balances but any variation in the balances due to rate changes would not be considered material due to the relatively low level of cash held at the reporting year-end.

12. IMPACT OF COVID-19 PANDEMIC

In March 2020, the World Health Organization (WHO) declared the COVID-19 outbreak to constitute a pandemic and in the same month, Jamaica identified its first case of the virus. The COVID-19 outbreak is disrupting stock markets around the world and as a consequence also disrupting supply chains and affecting production and sales across a range of companies and ultimately the gaming industry. We are not at this time able to say how the CGC may be impacted as there are currently no casinos licensed to operate in Jamaica.

13. SUBSEQUENT EVENT

The Government of Jamaica (GOJ) through the Ministry of Finance (MOF) decided to merge a number of government entities that provide oversight to the gaming industry. This will see CGC being merged with other gaming regulatory bodies into an entity with the power and authority to regulate all formal gaming activities throughout the Country. This is slated to be completed within the context of the government's public sector transformation agenda.

CASINO GAMING COMMISSION

DIRECTORS COMPENSATION

For Year Ended March 31, 2021

Appendix 7

Name and Position of Director	Fees (\$)	Motor Vehicle Upkeep/Travelling or Value of Assignment of Motor Vehicle (\$)	Honoraria (\$)	All Other Compensation Including Non-Cash Benefits as applicable (\$)	Total (\$)
Clovis Metcalfe - Chairman	45,000				45,000
Wayne Chen – Deputy Chairman	22,500				22,500
Robert Russell - Commissioner	22,500				22,500
Marigold Naar - Commissioner	15,000				15,000
Ian Murray - Commissioner	15,000				15,000
Howard Hamilton - Commissioner	22,500				22,500
Total	142,500				142,500

CASINO GAMING COMMISSION

SENIOR EXECUTIVE COMPENSATION

For Year Ended March 31, 2021

Name and Position of Senior Executive	Salary (\$)	Gratuity or Performance Incentive (\$)	Travelling Allowance or Value of Assignment of Motor Vehicle (\$)	Pension or Other Retirement Benefits (\$)	Other Allowances (\$)	Non-Cash Benefits (\$)	Total (\$)
Audrey Robinson - Secretary/Manager	9,566,712.12	2,381,011.36	1,793,589.55				13,741,313.03
Total	9,566,712.12	2,381,011.36	1,793,589.55				13,741,313.03