

CASINO GAMING COMMISSION

Annual Report

2019/2020

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Chairman's Message

The Casino Gaming Commission (the Commission) had much anticipation for the financial year 2019-20 with high expectation that at least one Integrated Resort Development (IRD) would have been approved. A tripartite Ministerial Committee was established and the Commission being one of the participants in the several planning meetings.

Given the circumstance prevailing at the time, there was also an expectation that the Commission's regulatory framework would be re-activated to be in readiness for commencement of any activity relating to casino gaming. The year ended without any major activity undertaken and it appears that delays of the last quarter could be a result of the COVID pandemic. Notwithstanding the foregoing, the Commission submitted a Budget to cover the activation of activities for 2020-21.

At commencement of the year, the Commission's staff increased by one officer, bringing the total to two members and remained the same for the year. Additional staff has been planned for the new financial year to deal with anticipated activities. For the most part, the Commission's priority is on the merger of the three regulatory bodies and continues to actively participate in that process.

The Commission's expenses were kept low and within the budget approved for its limited operation. There is continuation of the Shared Services arrangement with the BGLC wherein accommodation and some back-office support are provided.

The non-performance of the Orders for Approved Integrated Resort Development (IRD) resulted in the rescinding of the Order made to Celebration Jamaica Development Limited. We continue to await a decision with respect to Harmonisation Limited. The foregoing notwithstanding, the Commission continues to receive inquiries on the IRD requirements as regards the licensing of a casino. The Commission maintains its strong relationship within the International Gaming Regulatory Industry with its membership in the International Association of Gaming Regulators, (IAGR). Together with the Betting Gaming & Lotteries Commission [BGLC], the Commission hosted the IAGR's 2019 Annual Conference which was held in Jamaica in September 2019. The Conference was very successful.



CLOVIS METCALFE CD, OD

Chairman

June 2020

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 Order awarded to Celebration Jamaica Development Limited was rescinded for its non-performance. A decision with respect to Harmonisation Limited is being awaited.
- Establishment of a tripartite ministerial committee comprising representatives from the Ministry of Finance and the Public Service, Ministry of Economic Growth and Development and The Ministry of Tourism, coordinated by JAMPRO. Its focus is on proposed amendments to the Casino Gaming Act with a view to addressing those provisions considered stringent and onerous. The areas under consideration are room requirement and other amenities.
- Participation in all merger and related activities; and
- The successful hosting of the 2019 Annual Conference of the International Association of Gaming Regulators held at the Half Moon Hotel in Montego Bay, St. James.

Standards for Gaming Equipment in Casinos

Upon completion of the merger, the approved GLI Technical Standards for Gaming Equipment adopted by the Commission will also 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.

International Cooperation

The Commission has maintained its membership 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 2019/20 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 revised. Five Board Meetings were held during the year. All Commissioners were consistent in attendance. Matters relating to the IRDs, Transition and Merger were 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, certified by the Chairman and together with 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.

The exception of matters requiring direct input of the Board, all Legislative matters are dealt with under the Merger process by the Merger Legislative sub-committee.

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 May 2020, for submission to meet 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

Staff training continued throughout the year. The Commission participated in in- house training and Webinars.

Services

The Commission's website <http://www.cgc.gov.jm> is still maintained and utilized, support for maintenance provided under the shared services arrangement.

Financial Statements – Audited Report



**McKENLEY
& ASSOCIATES**
CHARTERED ACCOUNTANTS

"Continuous Improvement and Innovation are our Duties....."

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 statement of financial position as at 31 March 2020 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 2020 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.



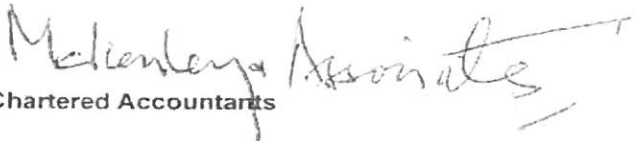
Independent Auditor's Report (continued)

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.


Chartered Accountants

June 19 2020
Kingston, Jamaica

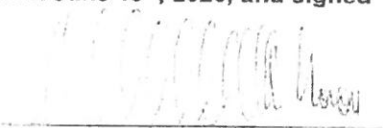
	<u>Note</u>	<u>2020</u> \$	<u>2019</u> \$
Revenue			
Grant income	2(e)	22,487,879	23,132,004
Interest Income		9,098	6,066
Gain/(loss) on disposal of asset		1,156,215	*(24,251)
Total operating revenue		<u>23,653,1912</u>	<u>23,113,819</u>
Operating expenses			
Administrative	3	23,448,300	22,702,429
Finance	4	53,257	53,066
Total operating expenses		<u>23,501,557</u>	<u>22,755,495</u>
Surplus from operations		151,635	358,324
Taxation	5	-	-
Net surplus for the year, being comprehensive income		<u>151,635</u>	<u>358,324</u>

*reclassified for comparative purposes

	<u>Note</u>	<u>2020</u> \$	<u>2019</u> \$
Non- Current Asset			
Property, plant and equipment	6	2,170,329	4,654,056
Current assets			
Receivables	7	2,034,592	467,526
Cash & bank	8	2,148,898	1,160,281
		4,183,490	1,627,807
Total Assets		6,353,819	6,281,863
Reserves and liability			
General fund		5,867,101	5,715,466
Current liability			
Payables	9	486,718	566,397
Total reserves and liability		6,353,819	6,281,863

Approved for issue on behalf of the Commission on June 19th, 2020, and signed on its behalf by:


 Commissioner


 Commissioner

	<u>Note</u>	<u>2020</u>	<u>2019</u>
		\$	\$
Cash flows from operating activities:			
Surplus for the year		151,635	358,324
Adjustment for:			
Depreciation	6	1,822,122	2,183,715
(Gain)/loss on disposal of asset		(1,156,215)	24,251
Operating cash flow before movement in working capital		<u>1,479,147</u>	<u>2,566,290</u>
(Decrease)/Increase			
Receivables		(1,567,066)	150,013
Payables		(79,679)	(437,950)
		<u>(1,646,745)</u>	<u>(287,937)</u>
Cash (used in)/ provided by operating activities		<u>(167,598)</u>	<u>2,278,353</u>
Investing activities:			
Purchase of fixed assets		-	(1,649,163)
Proceeds from sale of fixed assets		1,817,820	-
Cash provided by/(used in) investing activities		<u>1,817,820</u>	<u>(1,649,163)</u>
Increase in cash balance		988,617	629,190
Cash balance - beginning of the year		1,160,281	531,091
Cash balance - end of the year		<u>2,148,898</u>	<u>1,160,281</u>

	<u>Capital Grant</u>	<u>General Reserves</u>	<u>Total</u>
	\$	\$	\$
Balance as at 31 March 2017	-	7,518,923	7,518,924
Deficit for the year	-	(2,161,784)	(2,161,784)
Balance as at 31 March 2018	-	5,357,139	5,357,139
Surplus, being comprehensive income	-	358,324	358,324
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

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, that 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 relate 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 the historical cost basis and are presented in Jamaican dollars (\$), 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 2020.

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 the 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 expenditure 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 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 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>2020</u>	<u>2019</u>
	\$	\$
Commissioners fees	159,000	177,750
Licenses & other taxes	366,654	493,473
Depreciation	1,822,122	2,183,719
Insurance	183,695	200,799
Training	96,708	1,161,196
Subscription	143,588	147,912
Postage & cable	38,700	47,160
Telephone, internet & communication	194,458	145,374
Advertising and refreshment	440,991	133,925
Audit Fees	790,000	815,000
Repairs & maintenance & shared services	1,694,802	1,912,063
Travelling	3,998,914	2,110,874
Wages & salaries & payroll expenses	13,431,503	13,122,547
Motor vehicle reimbursement expenses	55,233	30,750
Printing & stationery supplies	31,932	19,887
	<u>23,448,300</u>	<u>22,702,429</u>

4. FINANCE CHARGES

	<u>2020</u>	<u>2019</u>
	\$	\$
Bank charges	53,257	53,066
	<u>53,257</u>	<u>53,066</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

	<u>2020</u>			
	<u>Motor vehicle</u>	<u>Furniture & Fixtures</u>	<u>Computers</u>	<u>Total</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
	<u>2019</u>			
	<u>Motor vehicle</u>	<u>Furniture & Fixtures</u>	<u>Computers</u>	<u>Total</u>
	\$	\$	\$	\$
At cost:				
1 April 2017	5,670,900	3,045,350	3,382,533	12,098,783
Disposal on asset	-	-	(121,256)	(121,256)
Additions	-	-	1,649,163	1,649,163
31 March 2018	5,670,900	3,045,350	4,910,440	13,626,690
Acc. Depreciation:				
1 April 2017	3,308,025	1,084,502	2,493,397	6,885,924
Charge for the year	1,134,180	304,535	745,000	2,183,715
Relieved on disposal	-	-	(97,005)	(97,005)
31 March 2018	4,442,205	1,389,037	3,141,392	8,972,634
Netbook value				
31 March 2018	1,228,695	1,656,313	1,769,048	4,654,056

7. RECEIVABLES

	<u>2020</u>	<u>2019</u>
	\$	\$
Accounts receivables	13,801	170,563
Accountant General	1,817,820	-
Other prepayments	202,971	296,963
	<u>2,034,592</u>	<u>467,526</u>

8. CASH AND BANK

	<u>2020</u>	<u>2019</u>
	\$	\$
Sagicor Bank: current account	2,128,898	1,140,281
Petty cash balance	20,000	20,000
	<u>2,148,898</u>	<u>1,160,281</u>

9. PAYABLES

	<u>2020</u>	<u>2019</u>
	\$	\$
Accruals: audit charges	315,249	357,500
: statutory liabilities	-	249
Wages and salaries control	171,470	208,648
	<u>486,718</u>	<u>566,397</u>

10. OPERATING SURPLUS BEFORE TAXATION

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

	<u>2020</u>	<u>2019</u>
	\$	\$
Auditors remuneration	715,000	715,000
Commissioners' fees	172,000	177,750
Management remuneration	12,042,649	12,043,957

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.

The Commission's policy is to invest excess cash, if any, in short term deposits and savings accounts with licensed financial institutions. Short term deposits are invested for periods of twelve (12) months or less at fixed interest rates and as such are not affected by fluctuations in market interest rates up to the dates of maturity. Interest rates on savings accounts are not fixed and are subject to change due to fluctuations in prevailing market interest rates. At the reporting date, there were no investments of excess cash.

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 bank held with financial institutions. Credit risk for cash at 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, if necessary. At the statement of financial position date, current assets exceeded current liabilities by \$3,696,772 (2019 - \$1,061,410).

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. SUBSEQUENT EVENTS

- (i) 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 the Betting, Gaming and Lotteries Commission (BGLC), Jamaica Racing Commission (JRC) and the Casino Gaming Commission (CGC) being merged into an entity with the power and authority to regulate all formal gaming activities throughout the Country. This slated to be completed over the course of the next fiscal year and within the context of the government's public sector transformation agenda.

As a consequence, this may result in the operations of the Commission being significantly scaled-down after the reporting year-end.

- (ii) In December 2019, a novel strain of Coronavirus (COVID -19) was reported in Wuhan, China. The World Health Organization has declared the outbreak to constitute a "Public Health Emergency of International Concern." The COVID-19 outbreak is disrupting supply chains and affecting production and sales across a range of industries. The extent of the impact of COVID-19 on the Commission's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on customers and employees, all of which are uncertain and cannot be predicted.

At the point of signing and authorizing the financial statements, although the COVID - 19 pandemic has negatively impacted the operations of the Commission, the Commissioners are confident that the entity will remain strong, if it is not scaled down, and fulfil its long-term objectives.

**CASINO GAMING COMMISSION
DIRECTORS COMPENSATION**

Appendix 2

For Year Ended March 31, 2020

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	60,000				60,000
Wayne Chen – Deputy Chairman	14,000				14,000
Robert Russell - Commissioner	28,000			30,000	28,000
Marigold Naar - Commissioner	21,000				21,000
Ian Murray - Commissioner	21,000				21,000
Howard Hamilton - Commissioner	28,000				28,000
Total	172,000			30,000	202,000

**CASINO GAMING COMMISSION
SENIOR EXECUTIVE COMPENSATION**

For Year Ended March 31, 2020

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	8,821,969.70	2,205,492.43	1,015,186.66				12,042,648.80
Total	8,821,969.70	2,205,492.43	1,015,186.66				12,042,648.80