

MINISTRY PAPER 3/14
CASINO GAMING COMMISSION

ANNUAL REPORT FOR YEAR ENDED MARCH 31, 2013

1.0 INTRODUCTION

1.1 The matter for tabling in the Houses of Parliament is the Annual Report for the Casino Gaming Commission (CGC) for the financial year ended March 31, 2013.

1.2 CGC was established in 2010 as an independent statutory body under the provisions of the Casino Gaming Act. Among other things, its mandate is to:

- a. Regulate and control casino gaming in Jamaica
- b. Approve systems of controls in casinos in order to ensure integrity and fairness in casino gaming
- c. Institute measures and controls to protect the vulnerable.
- d. Limit opportunities for crime associated with casinos and
- e. Advise the Minister on matters of general policy in relation to casino gaming

CGC is not fully operational, but grant funds flowed to the Commission and costs were incurred by the Entity during 2012/13.

2.0 DISCLOSURES

2.1 Auditors' Report

2.1.1 The Auditors, McKenley and Associates, in their unqualified report, indicated that the audit¹ of the Company's financial statement for the year 2012/13 was conducted in accordance with International Standards on Auditing. The auditors noted that the financial statements were prepared in accordance with International Financial Reporting Standards, that proper accounting records were kept and that the financial statements prepared, give a true and fair view of the financial position of the Company as at March 31, 2013.

2.2 Senior Executives and Directors

2.2.1 During the period, the Commission was supported by a Commission Secretary who was seconded from the Development Bank of Jamaica and was paid by the Bank. It is also of note that no cost was incurred in respect of the Board of seven (7) Commissioners for the year, although meetings were held.

3.1 OPERATIONAL HIGHLIGHTS

3.1.1 Given that there was no casino in operation during the review period, the Commissioners, sought to ensure continuity of the work programme to finalise Regulations and amendments to the CGA. Accordingly, two (2) regulations were gazetted during the third quarter of the financial year, one of which relates to Section 9 of the CGA which gives the Honourable Minister of Finance and Planning the authority to approve Development Orders. The other regulation relates to the prescribed games for casinos.

¹ This was the first audit of CGC's operations since partial operations began during the review period.

3.1.2 The Commission also initiated relationships with several gaming jurisdictions, including the Casino Control Board of New Jersey and the Gaming Board of Great Britain. The Commission also developed an anti-money laundering (AML) policy document as required by the Bank of Jamaica. The objective of the policy document is to show how Jamaica will incorporate AML standards in its casino gaming operation.

4.0 FINANCIAL HIGHLIGHTS

Table 1: Highlights of Financial Results

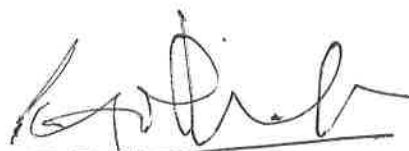
Particulars	2012/13 \$ million
Total Income:	6.502
Grant	6.500
Interest	0.002
Total Expenses	0.246
Net Surplus	6.256
Current Assets	6.501
Current Liabilities	0.245

4.1 In the absence of casinos, the Entity's revenue flow was limited to grant funds of \$6.502 million from central government, as well as interest income of \$0.002 million. Costs incurred were minimal (\$0.25 million), the most significant of which related to audit fees (\$0.20 million/81%). In view of the aforementioned, CGC recorded a net surplus of \$6.26 million.

4.2 All costs incurred remained payable at the end of the period. However, with the availability of \$6.50 million, the Commission had the wherewithal to cover the amounts outstanding.

5.0 CONCLUSION

5.1 CGC's operations remained minimal with focus on ensuring the finalization of regulations and the development of its anti-money laundering policy document. In the ensuing period, it is expected that CGC will employ the staff necessary to effect full functionality.



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