



## **MINISTRY OF YOUTH, SPORTS AND HERITAGE**

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**Report to those charged with governance on the 2024 audit**

**JUNE 2025**

***To help the public service  
spend wisely***

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# REPORT TO THOSE CHARGED WITH GOVERNANCE

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## INTRODUCTION

1. We have completed our audit of the year ended 31 December 2024 financial statements of the Ministry of Youth, Sports and Heritage (the “Ministry”). International Standards on Auditing (ISAs) require that we communicate certain matters to those charged with governance of the Ministry in sufficient time to enable appropriate action. The matters we are required to communicate under ISAs include:
  - Auditors’ responsibilities in relation to the audit
  - the overall scope and approach to the audit, including any expected limitations or additional requirements
  - relationships that may bear on our independence, and the integrity and objectivity of our staff
  - expected modifications to the audit report; and
  - significant findings from our audit.
2. This report sets out for the consideration of those charged with governance matters arising from the audit of the financial statements that we consider worthy of drawing to your attention.
3. This report has been prepared for the sole use of those charged with governance, and we accept no responsibility for its use by a third party. Under the Freedom of Information Act (2021 Revision), it is the policy of the Office of the Auditor General to release all final reports proactively through our website: [www.auditorgeneral.gov.ky](http://www.auditorgeneral.gov.ky)

## AUDITOR’S RESPONSIBILITIES IN RELATION TO THE AUDIT

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### AUDITOR’S RESPONSIBILITY UNDER INTERNATIONAL STANDARDS ON AUDITING

4. ISAs require that we plan and perform the audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements is not designed to identify all matters that may be relevant to those charged with governance. Accordingly, the audit does not ordinarily identify all such matters, and this report includes only those matters of interest which came to our attention as a result of the performance of our audit.

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## RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE

5. Management's responsibilities are detailed in the engagement letter to which this engagement was subject, dated 13 September 2024. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities.

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## OTHER INFORMATION IN DOCUMENTS CONTAINING AUDITED FINANCIAL STATEMENTS:

6. While we have no responsibility to perform any audit work on other information, including forward-looking statements, containing audited financial statements, we will read the information contained in the Ministry's annual report to consider whether such information is materially inconsistent with information appearing in the financial statements or our knowledge of the Ministry's operations. We have not reviewed other documents containing the Ministry's audited financial statements.

## CONDUCT, APPROACH AND OVERALL SCOPE OF THE AUDIT

7. Information on the integrity and objectivity of the Office of the Auditor General and audit staff, and the nature and scope of the audit, were outlined in the Engagement Letter presented to the Chief Officer and signed on 14<sup>th</sup> October 2024 and follow the requirements of the ISAs. We are not aware of any impairment to our independence as auditors.

## AUDIT REPORT, ADJUSTMENTS AND MANAGEMENT REPRESENTATION

8. We issued an unmodified auditor's report on the financial statements for the year ended 31 December 2024. However, our opinion was accompanied with the following emphasis of matter:

*As outlined in Note 12 of the financial statements, the Cabinet authorised a transfer of Equity Injection funding amounting to C\$390,000 from the Ministry under section 11(5) of the Public Management and Finance Act (2020 revision) (PMFA). A supplementary Appropriations Bill for the transfer of funding was not introduced in Parliament by 31 March 2025 as required by section 11(6) of the PMFA. My opinion is not qualified with respect to this matter.*

9. A summary of misstatements totalling \$97k, corrected by management, is attached in Appendix 1. There are no uncorrected misstatements during the 2024 financial year.
10. As part of the completion of our audit, we obtained written representations from management on aspects of the accounts, judgments and estimates made. Management has provided us with written representations dated 10 April 2025 in respect of our financial statement audit.

## SIGNIFICANT FINDINGS FROM THE AUDIT

### SIGNIFICANT ACCOUNTING PRACTICES

11. We are responsible for providing our views about qualitative aspects of the Ministry's significant accounting practices, including accounting policies, accounting estimates and financial statement disclosures. Generally accepted accounting principles provide for the Ministry to make accounting estimates and judgments about accounting policies and financial statement disclosures. We are not aware of any areas where the significant accounting practices have changed from the previous year or are not consistent with general industry practice. We are not aware of any new or controversial accounting practices reflected in the Ministry's financial statements.

### MANAGEMENT'S JUDGMENTS AND ACCOUNTING ESTIMATES

12. Management has made significant judgements and estimates with regard to the following financial statement items:

- Depreciation of Property, Plant and Equipment - \$1.485M
- Value of Property, Plant and Equipment - \$14.96M

### GOING CONCERN DOUBTS

13. As a result of our audit, we did not become aware of any material uncertainties related to events and conditions that may cast significant doubt on the Ministry's ability to continue as a going concern.

### SIGNIFICANT AND OTHER DEFICIENCIES IN INTERNAL CONTROL

14. We did not identify any significant control deficiencies as part of our audit.

### FRAUD OR ILLEGAL ACTS

15. Applicable auditing standards recognise that the primary responsibility for the prevention and detection of fraud and compliance with applicable acts and regulations rests with both those charged with governance of the entity and with management. It is important that management, with the oversight of those charged with governance, place a strong emphasis on fraud prevention and fraud deterrence. They are also responsible for establishing and maintaining controls pertaining to the Ministry's objective of preparing financial statements that are presented fairly, in all material respects, in accordance with the applicable financial reporting framework and managing risks that may give rise to material misstatements in those financial statements. In exercising oversight responsibility, those charged with governance should consider the potential for management override of controls or other inappropriate influence over the financial reporting process.

16. As auditors, in planning and performing the audit, we are required to reduce audit risk to an acceptably low level, including the risk of undetected misstatements in the financial statements due to fraud. However, we cannot obtain absolute assurance that material misstatements in the financial statements will be detected because of such factors as the use of judgment, the use of testing, the inherent limitations of internal control and the fact that much of the audit evidence available to the auditor is persuasive rather than conclusive in nature.

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**SIGNIFICANT DIFFICULTIES ENCOUNTERED DURING THE COURSE OF OUR AUDIT**

17. No serious difficulties were encountered in the performance of our audit.

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**DISAGREEMENTS WITH MANAGEMENT**

18. We have had no disagreements with management resulting from our audit.

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**ANY OTHER SIGNIFICANT MATTERS**

19. There were no other significant matters noted during the audit.

**ACKNOWLEDGEMENTS**

20. We would like to express our thanks to the staff of the Ministry of Youth, Sports and Heritage for their assistance during the audit of this year's financial statements. This allowed us to complete the audit one month before the statutory timeline.

Yours sincerely,



Winston Sobers, FCCA, CFE

Acting Auditor General

## APPENDIX 1 – SUMMARY OF ADJUSTED DIFFERENCES

Assets	Liabilities	Equity	Revenue	Expenses
(47,416)	(35,986)	42,806	(6,819)	47,416

Number	Date	Name	Account No	Debit	Credit
1	12/31/2024	Other Unearned Departmental Revenue	21500		(6,819.25)
1	12/31/2024	Miscellaneous Receipts	42404	6,819.25	
		Adjusting for revenue for services that had not yet been delivered			
2	12/31/2024	Accumulated Depreciation Buildings	17035		(47,416.44)
2	12/31/2024	Depreciation Buildings	60001	47,416.44	
		To adjust for T.E McField Stadium, which was depreciated from May instead of from the start of the year			
3	12/31/2024	Surplus Payable	23422	42,805.54	
3	12/31/2024	Surplus Repayment	32007		(42,805.54)
		Adjustments for surplus payable			
				97,041.23	(97,041.23)