

THE PRELIMINARY TEXT OF THE PROPOSED RULE DEVELOPMENT IS:

(Substantial rewording of Rule 61D-14.082, F.A.C., follows. See Florida Administrative Code for present text.)

61D-14.082 Annual Financial Report.

(1) Each slot machine licensee shall generate an annual financial report. The annual financial report shall:

(a) Be based on the slot machine licensee's audited financial statements, which shall be audited by an independent certified public accountant in accordance with generally accepted accounting and auditing standards;

(b) Use the audited financial statements to generate the slot machine licensee's annual financial report;

(c) Be prepared according to acceptable general accounting principles;

(d) Include a compliance audit certificate; and

(e) Be submitted pursuant to Rule 61D-8.002(5), F.A.C. and Section 550.125, Florida Statutes.

(2) The annual financial reports shall be signed by the chief executive officer and the chief gaming executive as defined in Rule 61D-14.015(2), F.A.C., and the financial vice president, treasurer, or controller of the slot machine licensee attesting that they have read the report and that to their knowledge the information contained in the report is accurate and complete.

(3) The annual financial report required by this section shall include a footnote reconciling and explaining any differences between the financial statements included in the slot machine licensee's annual financial report, and the cumulative monthly remittance reports in Form DBPR PMW-3670, Slot Operations Cumulative Monthly Remittance Report, which is adopted and incorporated by Rule 61D-15.001, F.A.C. Such footnote shall disclose any adjustments to:

(a) Revenues from the slot machines;

(b) Total costs and expenses; and

(c) Net income.

(4) Each slot machine licensee shall include in its annual financial report:

(a) Any opinion or report on the slot machine licensee's internal control procedures issued by its independent certified public accountant;

(b) A report expressing that the slot machine licensee has followed in all material respects during the period covered by this examination, the system of internal accounting controls on file with the division.

1. Whenever the slot machine licensee has materially deviated from the system of internal accounting controls on file with the division, the report shall enumerate any deviations and any areas of the system no longer considered effective, and shall make recommendations regarding improvements in the system of internal accounting control;

2. Any corrective actions taken to deviations referenced in paragraph (b)1.

(5) The licensee shall file a report with the division within 48 hours of when:

(a) An independent Florida certified public accountant who was previously engaged as the principal accountant to audit the licensee's financial statements resigns or is dismissed as the licensee's principal accountant. The report shall list the name and business address of the certified public accountant and the date of such resignation, or dismissal and any pertinent reason for the action; or

(b) A new independent certified public accountant is engaged as principal accountant, such event occurs, setting forth the name and business address of the certified public accountant and the date of such resignation, dismissal, or engagement. The report shall list the name and business address of the new certified public accountant and the date of engagement.

(6) Any adjustments resulting from the annual audit shall be recorded in the accounting records of the year to which the adjustment relates. In the event the adjustments were not reflected in the licensee's annual report, a revised annual report shall be required from the slot machine licensee within 30 days.

(7) Slot machine licensees shall report to the division details of any loans, borrowings, installment

contracts, guarantees, leases, or capital contributions with a value of over \$25,000 per year no later than 10 days after the end of the month in which the transaction or event occurs.

Specific Authority 551.103(1), 551.122 FS. Law Implemented 551.103(1)(d), (e), (g) FS. History–New 6-25-06.