

SECOND REPORT OF THE AUDITOR GENERAL OF THE REPUBLIC OF TRINIDAD AND TOBAGO ON THE FINANCIAL STATEMENTS OF THE STRATEGIC SERVICES AGENCY FOR THE YEAR ENDED SEPTEMBER 30, 2003

The First Report of the Auditor General of the Republic of Trinidad and Tobago on the non-receipt of the Financial Statements of the Strategic Services Agency for the year ended September 30, 2003 was signed by the Auditor General on 24th August, 2004 and forwarded to the Speaker of the House of Representatives and the President of the Senate to be laid before the House of Representatives and the Senate respectively and to the Minister of Finance.

FINANCIAL STATEMENTS

2. The accompanying Financial Statements of the Strategic Services Agency for the year ended September 30, 2003 have been audited. The Statements comprise a Balance Sheet as at September 30, 2003, an Income and Expenditure Statement and a Cash Flow Statement for the year ended September 30, 2003 and Notes to the Financial Statements numbered 1 to 11.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

3. The management of the Strategic Services Agency is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

4. The Auditor General's responsibility is to express an opinion on these Financial Statements, based on the audit. The audit was carried out in accordance with section 116 of the Constitution of the Republic of Trinidad and Tobago and section 10 (3) of the Strategic Services Agency Act, Chapter 15:06. The audit was conducted in accordance with auditing standards which require that ethical requirements be complied with and that the audit be planned and performed to obtain reasonable assurance about whether the Financial Statements are free from material misstatement.

5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting

estimates made by management, as well as evaluating the overall presentation of the financial statements.

6. It is my view that the audit evidence obtained is sufficient and appropriate to provide a basis for the opinion expressed at paragraph seven and the comment made at paragraph eight of this Report.

OPINION

7. In my opinion, the Financial Statements as outlined at paragraph two above present fairly, in all material respects, the financial position of the Strategic Services Agency as at September 30, 2003 and its financial performance and its cash flows for the year ended September 30, 2003 in accordance with International Financial Reporting Standards and Ministry of Finance directives.

OTHER MATTER

8. Without qualifying the above opinion, attention is drawn to the following:

INTERNAL CONTROLS

Weaknesses continue to exist in the internal control system. These were drawn to the attention of the Agency.

SUBMISSION OF REPORT

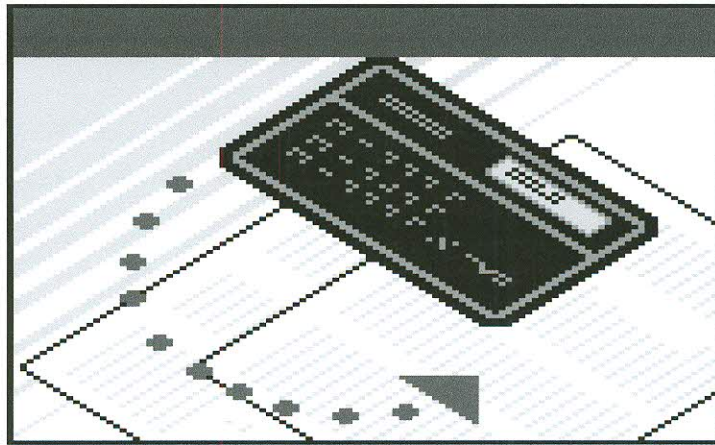
9. This Report is being submitted to the Speaker of the House of Representatives, the President of the Senate and the Minister of Finance and the Economy in accordance with the requirements of sections 116 and 119 of the Constitution of the Republic of Trinidad and Tobago.

16th March, 2015



**MAJEED ALI
ACTING AUDITOR GENERAL**

STRATEGIC SERVICES AGENCY



FINANCIAL STATEMENTS

For the year ended
September 30, 2003

STRATEGIC SERVICES AGENCY

Balance Sheet as at September 30 2003

	<i>Notes</i>	<i>2003 Year ended 30/09/03</i>	<i>2002 Year ended 30/09/02</i>
Fixed Assets:			
(i) Vehicles	7 (a)	2.00	2.00
(ii) Office Equipment	7 (a)	1,433,300.83	1,403,754.83
Accumulated Dprcn (Off Equip]	7 (b)	(1,297,169.24)	(1,194,188.80)
(iii) Furniture & Furnishings	7 (a)	509,810.55	508,200.55
Accumulated Dprcn (F & F)	7 (b)	(230,018.11)	(178,538.48)
(iv) Other Minor Equipment	7 (a)	540,987.35	531,498.90
Accumulated Dprcn (Oth Mnr Eq)	7 (b)	(470,611.35)	(408,494.40)
		486,302.03	662,234.60
 Current Assets:			
Cash in Hand	6	50,757.00	26,350.15
Petty Cashier-1		43.00	-
Cash in Bank - Rep Bank C/A		15,410,013.95	12,986,327.17
Accounts Receivable (General)	8	15,297.40	14,411.21
Prepaid Expenses (General)	9	41,710.52	19,797.83
Total Assets		16,004,123.90	13,709,120.96
 Equity & Liabilities			
Capital & Reserves			
Accumulated Fund		13,493,289.64	6,841,073.71
Net Income		2,374,921.75	6,807,390.26
 Current Liabilities:			
Accruals	10	73,630.12	34,825.95
Creditors	11	62,093.99	25,642.64
Suspense		188.40	188.40
Total Equity & Liabilities		16,004,123.90	13,709,120.96

The **Notes** on **Pages 4, 5, 6** and **7** form an integral part of the Financial Statements.



Assistant Director





Director

STRATEGIC SERVICES AGENCY

Income and Expenditure Statement for the year ended September 30, 2003

	Notes	2003 Year ended 30/09/03	2002 Year ended 30/09/02
INCOME:			
(i) Income - Government Subvention	3	8,255,167.00	13,950,367.00
(ii) Depreciation:	2		
Accumulated Fund		216,577.02	285,132.96
Interest	4	216,418.89	181,817.09
		8,688,162.91	14,417,317.05
EXPENDITURE:			
<i>Personnel Emoluments</i>			
Personnel Costs		2,673,276.99	3,235,139.51
Gov't contribution to NIS		87,682.96	104,938.76
Gratuities		411,297.35	521,896.05
		3,172,257.30	3,861,974.32
GOODS & SERVICES:			
Prior Year Adjustments		5,220.37	-
Travelling		200,101.60	207,595.14
Electricity		294,809.85	166,047.89
Telephone & Fax		203,269.41	293,791.94
Rental Accomodation		1,090,200.00	1,090,200.00
Office Stationery & Supplies		70,035.26	83,386.53
Books & Periodicals		61,227.20	36,712.73
Materials & Supplies		38,492.00	49,419.84
Upkeep of Vehicles		32,880.41	100,062.61
Repairs to Vehicles		28,299.18	51,245.34
Repairs & Maint.- Bldg & Eqpt		35,892.37	40,509.74
Other Contracted Costs		382,431.54	315,508.43
Training, Conferences & Seminars		213,581.56	569,144.10
Miscellaneous		115,324.06	87,120.48
Miscellaneous - Staff Functions		6,467.52	-
Security Expenses		24,000.00	18,974.00
Extraordinary Expenses		-	-
Auditor's Fees		10,066.00	9,843.00
Special Short Term Projects		11,078.00	90,604.00
Bank Charges		240.00	300.00
Depreciation	7 (b)	216,577.02	285,132.96
CFATF		60,146.06	63,000.00
Extraordinary Exp- Fixed Asset	7 (a)	40,644.45	189,353.74
		6,313,241.16	7,609,926.79
Excess Income over Expenditure		2,374,921.75	6,807,390.26

STRATEGIC SERVICES AGENCY

Cash Flow Statement for the year ended September 30 2003

	Notes	2003 Year ended 30/09/03	2002 Year ended 30/09/02
<u>Cash Flow from Operating Activities</u>			
Cash paid to Suppliers & Employees	1	(6,003,563.05)	(7,110,001.64)
Adjustment to Accumulated Fund			30,304.50
<u>Cash Flow from Investing Activities</u>			
Purchase of Fixed Assets		(40,644.45)	(189,353.74)
		(6,044,207.50)	(7,269,050.88)
<u>Cash Flow from Financing Activities</u>			
Government Subvention		8,255,167.00	13,950,367.00
Interest		216,418.89	181,817.09
Adjustments to Cash in Hand - Security Imprest & P/Cash	6	24,449.85	-
Net Increase in Cash & Cash Equivalent		2,451,828.24	6,863,133.21
Cash & Cash Equivalent at the beginning of period		13,012,677.31	6,149,544.10
Cash & Cash Equivalent at end of period		15,464,505.55	13,012,677.31

Note 1	<u>Cash Flows from Operating Activities</u>		
	Income & Expenditure Statement	6,313,241.16	(7,609,926.79)
	<i>excluding</i>		
	- Depreciation	(216,577.02)	285,132.96
	- Financing Activities	(40,644.45)	189,353.74
		6,056,019.69	(7,135,440.09)
	<i>(Increase) / Decrease</i> Prepayments	21,912.69	68,311.78
	<i>(Increase) / Decrease</i> Receivables	886.19	(9,270.74)
	<i>(Increase) / Decrease</i> Accruals	(38,804.17)	(13,077.14)
	<i>(Increase) / Decrease</i> Creditors	(36,451.35)	(20,525.45)
	<i>Increase / Decrease</i> Suspense Liability	-	-
		6,003,563.05	(7,110,001.64)

STRATEGIC SERVICES AGENCY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended September 30 2003

Note 1 THE ORGANISATION

The Strategic Services Agency was established by **Act No. 24** of 1995. Its main functions are to act as an office for centralising information, preparing and developing strategies, providing and assisting in identifying criminal activity, as well as giving assistance to other services, in training and technical assistance and related matters.

Note 2 ACCOUNTING POLICIES

The Financial Statements in all material aspects have been prepared in accordance with International Accounting Standards and Government Circular **F: 22/8/43** dated 23.07.69 Ministry of Finance. The accounting policies used in the preparation of the Financial Statements are the same as those followed in the preparation of the Financial Statements for the year ended 30/09/2002.

- (i) The accounts are prepared under the Historical Cost Convention
- (ii) Depreciation has been charged/provided for a full year in the year of purchase
- (iii) Depreciation is provided on a straight line basis as follows:
 - (a) Furniture and Furnishings 10% on Cost
 - (b) Office Equipment 25% on Cost
 - (c) Other Minor Equipment 25% on Cost

Note 3

- (i) Government Subventions are recorded against Government Accumulated Fund
- (ii) An amount equivalent to the Depreciation charge for the year is appropriated from the Government Accumulated Fund. (Circular **F:22/8/43** dated 23.07.69 Ministry of Finance)

**STRATEGIC SERVICES AGENCY
NOTES TO THE FINANCIAL STATEMENTS
For the year ended September 30 2003 (Continued)**

Note 4 Interest recorded in the Income & Expenditure Statement is the amount due for the period.

Note 5 **PRIOR YEAR ADJUSTMENT**

Prior Year Adjustments were made to correct entries posted in error during the previous Financial Year.

Note 6 **CASH IN HAND**

From 1st October 1999 to 30th September 2002 the Cash in Hand balance inclusive of the Security Imprest and Petty Cash was properly accounted for in the respective Balance Sheets. There was an inconsistency of \$24,449.85. The adjustment made now reflects:

Security Imprest	\$ 50,000.00
Petty Cash	\$ 757.00

STRATEGIC SERVICES AGENCY
Notes to the Financial Statements
For the year ended September 30, 2003 (Continued)

STRATEGIC SERVICES AGENCY

7(a) Fixed Asset Schedule (Cost)	Motor Vehicles \$	Office Equipment \$	Furniture & Furnishings \$	Minor Equipment \$	2003 Year ended 30/9/03 TOTAL \$	2002 Year ended 30/9/02 TOTAL \$
Balance b/f 01.10.02	2.00	1,403,754.83	508,200.55	531,498.90	2,443,456.28	2,254,102.54
Additions		29,546.00	1,610.00	9,488.45	40,644.45	189,353.74
30.9.03	2.00	1,433,300.83	509,810.55	540,987.35	2,484,100.73	2,443,456.28
(b) Depreciation						
Balance b/f 01.10.02	-	1,194,188.80	178,538.48	408,494.40	1,781,221.68	1,496,088.72
Provision for the year	-	102,980.44	51,479.63	62,116.95	216,577.02	285,132.96
30.9.03	-	1,297,169.24	230,018.11	470,611.35	1,997,798.70	1,781,221.68
Net Book Value (NBV)	2.00	136,131.59	279,792.44	70,376.00	486,302.03	662,234.60
8						
Accounts Receivable			2003			2002
Interest			6,571.85	Interest		8,000.63
Interest (2002)			1,428.77			
Board of Inland Revenue			216.52	Board of Inland Revenue		216.52
Ann Marie Alleyne			292.56	Ann Marie Alleyne		292.56
Dexter Joseph			906.20			-
Premier Properties Limited			67.50	Premier Properties Limited		67.50
Susan Hunte			5,814.00	Susan Hunte		5,814.00
			-	Teach's Garage		20.00
			15,297.40			14,411.21
9 Prepayment						
Books & Periodicals (Subscriptions)			21,046.07	Books & Periodicals (Subscriptions)		15,117.28
Books & Periodicals (2002) (Subscriptions)			4,663.45			
Upkeep of Vehicles (Kelvin A. Johnston & Co)			4,000.00			-
Other Contracted Costs (Ben Holdings, Rentokil)			4,600.00			-
Miscellaneous (Specialists Shooters Training)			-	Miscellaneous (Specialists Shooters Training)		4,680.55
(House Rates)			7,401.00			
			41,710.52			19,797.83

STRATEGIC SERVICES AGENCY
Notes to the Financial Statements
For the year ended September 30, 2003 (Continued)

STRATEGIC SERVICES AGENCY

10 Accruals:

<i>Auditor General</i>	10,066.00	<i>Auditor General</i>	9,843.00
<i>T & TEC</i>	32,164.81	<i>T & TEC</i>	18,051.00
<i>TSTT</i>	3,312.11	<i>TSTT</i>	6,931.95
<i>TSTT(2002)</i>	(532.80)		
<i>WASA</i>	28,620.00		-
	73,630.12		34,825.95
	73,630.12		34,825.95

11 Creditors:

<i>Auditor General</i>	34,934.00	<i>Auditor General</i>	25,091.00
<i>Blue Waters Products</i>	-	<i>Blue Waters Products</i>	0.20
<i>Osmosys Technologies Limited</i>	14,460.00		-
	-	<i>Coffee Express</i>	552.00
	-	<i>Magic Mist ServicesLtd</i>	0.30
	-	<i>MDM-Um Business & Home</i>	(0.01)
	-	<i>Office are Us Ltd</i>	0.30
	-	<i>Standard Distributors Ltd</i>	(1.15)
<i>Ralph Musgrave</i>	12,700.00		-
<i>TSTT</i>	(0.01)		-
	62,093.99		25,642.64
	62,093.99		25,642.64