

**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, 2005**

The accompanying Financial Statements of the Strategic Services Agency for the year ended September 30, 2005 have been audited. The Statements comprise a Balance Sheet as at September 30, 2005, an Income and Expenditure Statement and a Cash Flow Statement for the year ended September 30, 2005 and Notes to the Financial Statements numbered 1 to 10.

**MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

2. 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**

3. 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.

4. 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.

5. It is my view that the audit evidence obtained is sufficient and appropriate to provide a basis for the comments made at paragraphs six to eight of this Report.

**BASIS FOR QUALIFIED OPINION**

**FIXED ASSETS - \$601,160.66**

6. The figure of \$601,160.66 representing Fixed Assets was understated by \$273,774.12 as a result of prior year errors.

## **QUALIFIED OPINION**

7. Except for the comment at paragraph six above, the Financial Statements as outlined at paragraph one above present fairly, in all material respects, the financial position of the Strategic Services Agency as at September 30, 2005 and its financial performance and its cash flows for the year ended September 30, 2005 in accordance with International Financial Reporting Standards and Ministry of Finance directives.

## **OTHER MATTER**

### **INTERNAL CONTROLS**

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

### **SUBMISSION OF REPORT**

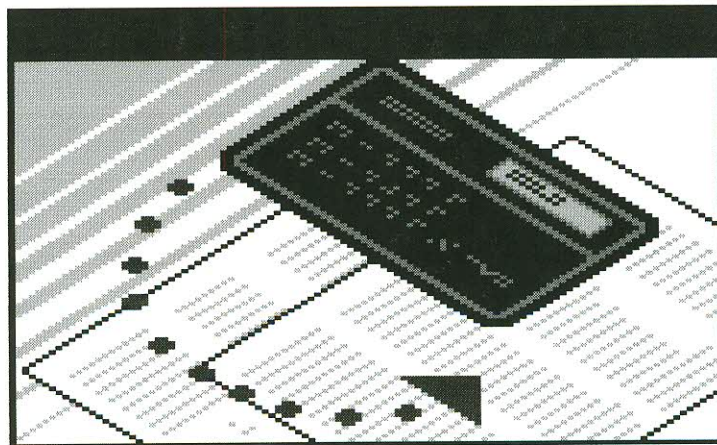
9. This Report is being submitted to the Speaker of the House of Representatives, the President of the Senate and the Minister of Finance and the Economy in accordance with the requirements of sections 116 and 119 of the Constitution of the Republic of Trinidad and Tobago.

16<sup>th</sup> March, 2015



**MAJEED ALI  
ACTING AUDITOR GENERAL**

# STRATEGIC SERVICES AGENCY



*DRAFT*  
*FINANCIAL STATEMENTS*  
for the year ended  
September 30 2005

# Strategic Services Agency

## Balance Sheet as at 30 September 2005

	Notes	2005 Year ended 30/09/2005	2004 Year ended 30/09/2004
<b>Fixed Assets:</b>			
(i) Vehicles	6 (a)	-	2.00
(ii) Office Equipment	6 (a)	2,094,590.44	1,937,839.44
Accumulated Dprcn (Off Equip]	6 (b)	(1,717,370.01)	(1,515,746.98)
(iii) Furniture & Furnishings	6 (a)	535,320.55	512,806.30
Accumulated Dprcn (F & F)	6 (b)	(334,332.23)	(280,800.17)
(iv) Other Minor Equipment	6 (a)	574,484.63	559,235.25
Accumulated Dprcn (Oth Mnr Eq)	6 (b)	(551,532.72)	(532,308.33)
		<b>601,160.66</b>	<b>681,027.51</b>
<b>Current Assets:</b>			
Cash in Hand		50,800.00	50,800.00
Cash in Bank - Rep Bank C/A		13,069,254.95	14,495,489.78
Accounts Receivable (General)	7	12,283.08	12,709.43
Prepaid Expenses (General)	8	82,677.25	36,860.79
		<b>13,215,015.28</b>	<b>14,595,860.00</b>
<b>Total Assets</b>		<b>13,816,175.94</b>	<b>15,276,887.51</b>
<b>Equity &amp; Liabilities</b>			
<b>Capital &amp; Reserves</b>			
Accumulated Fund		15,009,322.13	16,055,052.71
Net Deficit		(1,894,287.13)	(965,863.73)
<b>Current Liabilities:</b>			
Accruals	9	488,615.51	89,737.80
Creditors	10	212,337.03	97,772.33
Suspense		188.40	188.40
<b>Total Equity &amp; Liabilities</b>		<b>13,816,175.94</b>	<b>15,276,887.51</b>

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

Assistant Director



Director

**Strategic Services Agency**  
**INCOME EXPENDITURE STATEMENT**  
for the year ended 30 September 2005

	<i>Notes</i>	<i>2005</i> <i>Year ended</i> <i>30/09/2005</i>	<i>2004</i> <i>Year ended</i> <i>30/09/2004</i>
<b>INCOME:</b>			
(i) Income - Government Subvention	<b>3</b>	5,945,938.00	8,417,870.00
(ii) Depreciation:	<b>2</b>		
Accumulated Fund		274,379.48	331,555.45
<b>Interest</b>	<b>4</b>	139,611.74	157,388.95
		<b>6,359,929.22</b>	<b>8,906,814.40</b>
<b>EXPENDITURE:</b>			
<i>Personnel Emoluments</i>			
Personnel Costs		2,277,070.15	4,207,068.90
Gov't contribution to NIS		67,298.48	81,236.92
Gratuities		398,493.38	541,874.78
		<b>2,742,862.01</b>	<b>4,830,180.60</b>
<b>GOODS &amp; SERVICES:</b>			
Prior Year Adjustments	<b>5</b>	-	67.24
Travelling		139,551.78	201,303.96
Electricity		268,158.54	237,423.86
Telephone & Fax		185,115.39	174,279.79
Rental Accomodation		1,253,730.00	1,226,475.00
Office Stationery & Supplies		219,201.84	91,239.23
Books & Periodicals		78,783.40	63,296.55
Materials & Supplies		38,681.16	39,226.64
Upkeep of Vehicles		28,514.29	38,716.37
Repairs to Vehicles		15,308.49	9,080.65
Repairs & Maint.- Bldg & Eqpt		55,514.44	211,573.63
Other Contracted Costs		1,256,295.58	1,185,808.87
Training, Conferences & Seminars		633,489.60	331,257.90
Miscellaneous		479,961.03	257,874.05
Miscellaneous - Staff Functions		2,878.91	6,248.50
Security Expenses		280,261.44	17,294.43
Auditor's Fees		10,660.00	21,320.15
Special Short Term Projects		12,836.08	(20.00)
Bank Charges	<b>6 (b)</b>	200.00	(20.00)
Depreciation		274,379.48	331,555.45
CFATF	<b>6 (a)</b>	83,318.26	72,713.00
Extraordinary Exp- Fixed Asset		194,514.63	525,782.26
		<b>8,254,216.35</b>	<b>9,872,678.13</b>
<b>Excess Income over Expenditure</b>		<b>(1,894,287.13)</b>	<b>(965,863.73)</b>

**Strategic Services Agency**  
**Cash Flow Statement**  
**For the year ended 30 September 2005**

<b>Notes</b>	<b>2005</b> <i>Year ended</i> <i>30/09/05</i>	<b>2004</b> <i>Year ended</i> <i>30/09/04</i>
<b><u>Cash Flow from Operating Activities</u></b>		
Cash paid to Suppliers & Employees	(7,317,269.94)	(8,964,000.86)
<b><u>Cash Flow from Investing Activities</u></b>		
Purchase of Fixed Assets	(194,514.63)	(525,782.26)
	<b><u>(7,511,784.57)</u></b>	<b><u>(9,489,783.12)</u></b>
<b><u>Cash Flow from Financing Activities</u></b>		
Government Subvention	5,945,938.00	8,417,870.00
Interest	139,611.74	157,388.95
<b>Net Increase in Cash &amp; Cash Equivalent</b>	<b>(1,426,234.83)</b>	<b>(914,524.17)</b>
Cash & Cash Equivalent at the beginning of period	14,546,289.77	15,460,813.94
Cash & Cash Equivalent at end of period	<b>13,120,054.94</b>	<b>14,546,289.77</b>
<b>Note 1 <u>Cash Flows from Operating Activities</u></b>		
Income & Expenditure Statement	8,254,216.35	9,872,678.13
<i>excluding</i>		
- Depreciation	(274,379.48)	(331,555.45)
- Financing Activities	(194,514.63)	(525,782.26)
	<u>7,785,322.24</u>	<u>9,015,340.42</u>
<i>(Increase) / Decrease</i> Prepayments	45,816.46	(186.28)
<i>Increase / (Decrease)</i> Receivables	(426.35)	(942.68)
<i>(Increase) / Decrease</i> Accruals	(398,877.71)	(15,574.88)
<i>(Increase) / Decrease</i> Creditors	(114,564.70)	(34,635.72)
<i>Increase / Decrease</i> Suspense Liability	-	-
	<b><u>7,317,269.94</u></b>	<b><u>8,964,000.86</u></b>

**STRATEGIC SERVICES AGENCY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended September 30 2005**

**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.

**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 30/09/2004.

- (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

- 3**
- (i) Government Subventions are recorded in a designated General Ledger Account.
  - (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 2005

**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.



**STRATEGIC SERVICES AGENCY**  
**Notes to the Financial Statements 2004 / 2005**

6(a) <u>Fixed Asset Schedule (Cost)</u>	Motor Vehicles \$	Office Equipment \$	Furniture & Furnishings \$	Minor Equipment \$	2005 Year ended 30/09/2005 TOTAL \$	2004 Year ended 30/09/2004 TOTAL \$
<i>Balance b/f</i> <b>01.10.04</b>	2.00	1,937,839.44	512,806.30	559,235.25	3,009,882.99	2,484,100.73
Additions		156,751.00	22,514.25	15,249.38	194,514.63	525,782.26
Disposals	(2.00)	-	-	-	(2.00)	
30.9.05	<u>-</u>	<u>2,094,590.44</u>	<u>535,320.55</u>	<u>574,484.63</u>	<u>3,204,395.62</u>	<u>3,009,882.99</u>
<b>(b) <u>Depreciation</u></b>						
Balance b/f 01.10.04	-	1,515,746.98	280,800.17	532,308.33	2,328,855.48	1,997,300.03
Provision for the year	-	201,623.03	53,532.06	19,224.39	274,379.48	331,555.45
30.9.05	<u>-</u>	<u>1,717,370.01</u>	<u>334,332.23</u>	<u>551,532.72</u>	<u>2,603,234.96</u>	<u>2,328,855.48</u>
Net Book Value (NBV)	<u>-</u>	<u>377,220.43</u>	<u>200,988.32</u>	<u>22,951.91</u>	<u>601,160.66</u>	<u>681,027.51</u>
<b>7 <u>Accounts Receivable</u></b>						
Interest			5,401.88			5,989.23
Dexter Joseph			1,067.20			906.20
Susan Hunte			5,814.00			5,814.00
			<u>12,283.08</u>			<u>12,709.43</u>
<b>8 <u>Prepayment</u></b>						
Office Equipment <i>(Microtron Systems Ltd)</i>			21,600.00			-
Telephone & Fax <i>(TSTT - Cellular Phones)</i>			-			1,434.66
Books & Periodicals <i>(Subscriptions)</i>			54,639.79			25,812.56
Upkeep of Vehicles <i>(Kelvin A. Johnston &amp; Co)</i>			-			4,000.00
Other Contracted Costs <i>(Ben Holdings, Magic Mist, Rentokil)</i>			6,437.46			5,613.57
			<u>82,677.25</u>			<u>36,860.79</u>

**STRATEGIC SERVICES AGENCY**  
**Notes to the Financial Statements 2004 / 2005**

**9 Accruals:**

<i>Auditor General</i>	10,660.00	10,660.00
<i>Premier Properties - House Rates</i>	22,233.75	22,233.75
<i>Staff Gratuities (2004 - 2005)</i>	394,997.76	-
<i>T &amp; TEC</i>	33,702.43	32,191.59
<i>TSTT</i>	3,601.57	1,232.46
<i>WASA</i>	23,420.00	23,420.00
	<u>488,615.51</u>	<u>89,737.80</u>

**10 Creditors:**

<i>Auditor General</i>	55,660.00	45,000.00
<i>Inland, Overseas Shipping &amp; Packing</i>	(100.00)	(100.00)
<i>Osmosys Technologies Limited</i>	14,460.00	14,460.00
<i>Premier Properties Limited</i>	22,233.75	-
<i>Renwick Joseph / General Electrical Contractors</i>	-	8,750.00
<i>Texprint Limited</i>	64,975.00	-
<i>John Samuel (Salary Jan 2003, Arrears 2004)</i>	2,586.86	1,042.35
<i>TSTT</i>	481.52	(0.02)
<i>T &amp; TEC</i>	(0.10)	-
<i>WASA</i>	52,040.00	28,620.00
	<u>212,337.03</u>	<u>97,772.33</u>