



REPORT OF THE AUDITOR GENERAL OF THE REPUBLIC OF TRINIDAD AND TOBAGO ON THE FINANCIAL STATEMENTS OF THE NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT CORPORATION FOR THE YEAR ENDED 30TH SEPTEMBER, 2009

Section 24 (3) of the National Agricultural Marketing and Development Corporation Act, Chapter 63:05 requires the Auditor General to audit the accounts of the National Agricultural Marketing and Development Corporation. The accompanying Financial Statements of the National Agricultural Marketing and Development Corporation for the year ended 30th September, 2009 have been audited. The Statements comprise a Statement of Financial Position as at 30th September, 2009 and the Statement of Comprehensive Income, a Statement of Cash Flow, a Statement of Changes in Equity for the year ended 30th September, 2009 and Notes to the Financial Statements numbered 1 to 19, including a summary of significant accounting policies.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

2. The management of the National Agricultural Marketing and Development Corporation (the Corporation) 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 conducting the audit in accordance with accepted Auditing Standards. Because of the matters described in the Basis for Disclaimer of Opinion paragraphs, however, sufficient appropriate audit evidence was not obtained to provide a basis for an audit opinion.

BASIS FOR DISCLAIMER OF OPINION

PROPERTY, PLANT AND EQUIPMENT - \$29,747,108.00

4.1 Included in the above figure is the balance of \$16,352,695.00 relating to Buildings and Building Improvements. The value of the individual buildings was not produced for audit.

4.2 According to a Valuation Report dated 18th May, 2007, a building owned by the Corporation located at Church Street, Toco was revalued at the sum of \$150,000.00. The previous carrying amount of this building was not determined. The necessary adjustment was therefore not recognized in the books of the Corporation.

4.3 The Fixed Assets Register was not properly maintained by the Corporation.

RECEIVABLES AND PREPAYMENTS - \$1,696,594.00

5. Included in the above figure is a balance of \$1,327,190.00 which comprises the net of receivables in the sum of \$10,327,190.00 and provision for doubtful debts of \$9,000,000.00. The receivables date back to at least the year 1991 and recoverability appears to be doubtful.

ADVANCES - \$9,901,226.00

6. These advances date back to the years 1974 to 1985 and represent amounts due to the former Central Marketing Agency from the Ministry of Agriculture, Land and Fisheries. It was seen that management and those charged with governance of the Corporation made efforts to have these debts written off during the period 1996 to 2001. The recoverability of these advances is remote.

DEVELOPMENT PROGRAMME - \$10,220,632.00

7. Documents were not provided to support the balance of \$10,220,632.00 which represented government grants for capital expenditure projects.

CURRENT LIABILITIES - \$4,071,392.00

8. Documents were not produced to support current liabilities in the sum of \$2,101,553.00, some of which dates back prior to the year 1997.

DISCLAIMER OF OPINION

9. Because of the significance of the matters described in the Basis for Disclaimer of Opinion at paragraphs 4.1 to 8 above, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, I do not express an opinion on the financial statements.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

INVESTMENTS

10.1 Section 23 of the National Agricultural Marketing and Development Corporation Act, Chapter 63:05 states:

“Funds of the Corporation not immediately required to be expended in the meeting of any obligations or the discharge of any functions of the Corporation may be invested from time to time in securities approved by the Minister.”

10.2 Approval from the Minister of the then Ministry of Agriculture, Land and Marine Resources was not seen for investments of \$11,000,000.00 in a local financial services and investment institution.



PENSION PLAN

11. A Pension Plan has not been established to date as required by section 15(2) of the National Agricultural Marketing and Development Corporation Act, Chapter 63:05 which states:

“The Corporation shall, within two years of its coming into being, establish a pension scheme by rules confirmed by the Minister, which shall be no less favourable than the scheme established for the benefit of officers and staff of the Agency.”

SUBMISSION OF REPORT

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

**20th February, 2018
PORT OF SPAIN**



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2018.02.20

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**MAJEED ALI
AUDITOR GENERAL**



**NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT
CORPORATION**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER, 2009



NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT CORPORATION

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER, 2009

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NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT CORPORATION
STATEMENT OF FINANCIAL POSITION
AS AT 30TH SEPTEMBER, 2009

(with comparative figures as at 30th September, 2008)

	Notes	30.09.2009	30.09.2008
NON CURRENT ASSETS			
Property, Plant and Equipment	3	29747,108	29056,838
Investments	4	11958,638	2246,467
		<u>41705,746</u>	<u>31303,305</u>
CURRENT ASSETS			
Receivables and Prepayments	5	1696,594	1754,761
Advances	6	9901,226	9901,226
Cash in Hand and at Bank		5399,064	16087,105
		<u>16996,884</u>	<u>27743,092</u>
TOTAL ASSETS		<u>58702,630</u>	<u>59046,397</u>
EQUITY AND RESERVES			
Capital	7	4339,171	4480,306
Revaluation Reserve	8	10038,212	10053,265
Accumulated Fund	9	30033,223	28030,660
TOTAL EQUITY		<u>44410,606</u>	<u>42564,231</u>
NON CURRENT LIABILITIES			
Long Term Loan	10	-	3000,000
Development Programme	11	10220,632	10220,632
		<u>10220,632</u>	<u>13220,632</u>
CURRENT LIABILITIES	12	4071,392	3261,534
TOTAL LIABILITIES AND EQUITY		<u>58702,630</u>	<u>59046,397</u>



Rumilla Debgingh - Sewad
 Chief Executive Officer (Ag.)
 Dated: 8/12/17

[Signature]
 Chairman/Director
 Dated: 19/12/17



NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT CORPORATION

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30TH SEPTEMBER, 2009

(with comparative figures for the year ended 30th September, 2008)

	Notes	2009	2008
INCOME			
Government Subventions		32276,024	24592,025
Wholesale Produce Market		1772,759	1693,227
Other Receipts	13	1738,140	1069,464
Wholesale Fish Market		420,640	442,517
Interest		326,270	258,685
		36533,833	28055,918
EXPENDITURE			
Goods and Services	14	21728,551	14553,932
Personnel	15	9907,425	9939,009
Current Transfers and Subsidies	16	2218,230	1944,911
Minor Equipment	17	1303,367	670,197
Development Programme	18	1517,395	405,544
		36674,968	27513,593
Total Comprehensive SURPLUS/(DEFICIT) for the year		(141,135)	542,325



NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT CORPORATION

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 30TH SEPTEMBER, 2009

(with comparative figures for the year ended 30th September, 2008)

	2009	2008
COMPREHENSIVE INCOME SURPLUS/(DEFICIT)	(141,135)	542,325
Add/(deduct)		
Depreciation	983,093	915,924
Deferred Grant Income	(983,093)	(692,100)
Interest income	(326,270)	(258,685)
Decrease/(Increase) in receivables	58,167	582,649
Increase/(Decrease) in payables and accruals	780,461	807,513
 Cash from recurring activities	371,223	1897,626
 Interest Income received	326,270	258,685
Net Cash generated by recurring activities	697,493	2156,311
 INVESTING ACTIVITIES		
Additions to property, plant and equipment	(1673,363)	(1808,042)
Increase in Money Market investment	(9712,171)	(134,220)
 Net cash used in investing activities	(11385,534)	(1942,262)
 FINANCING ACTIVITIES		
Other funding sources	-	-
 Net cash from financing activities	-	-
 Net increase/(decrease) in cash	(10688,041)	214,049
 Net cash at beginning of year	16087,105	15873,056
Net cash at end of year	5399,064	16087,105



NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT CORPORATION

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30TH SEPTEMBER, 2009

(with comparative figures for the year ended 30th September, 2008)

	2009	2008
CAPITAL		
Balance at October 1, 2008	4480,306	3937,981
(Deficit)/Surplus Income for the year	<u>(141,135)</u>	<u>542,325</u>
Balance at September 30, 2009	<u>4339,171</u>	<u>4480,306</u>
REVALUATION RESERVE		
Balance at October 1, 2008	10053,265	8803,265
Movement for the year	<u>(15,053)</u>	<u>1250,000</u>
Balance at September 30, 2009	<u>10038,212</u>	<u>10053,265</u>
ACCUMULATED FUND		
Balance at October 1, 2008	28030,660	28722,760
Depreciation Income	(983,093)	(692,100)
Loans forgiven	3000,000	-
Other movement	<u>(14,344)</u>	<u>-</u>
Balance at September 30, 2009	<u>30033,223</u>	<u>28030,660</u>
TOTAL EQUITY	<u><u>44410,606</u></u>	<u><u>42564,231</u></u>



NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER, 2009
(with comparative figures for the year ended 30th September, 2008)

2009

2008

1 INCORPORATION AND PRINCIPAL ACTIVITIES

National Agricultural Marketing and Development Corporation was established by an Act of the Parliament of Trinidad and Tobago which was assented to on 16th August, 1991. By this Act, the assets, liabilities and operations of the Central Marketing Agency was transferred to the Corporation which is primarily engaged in the marketing of agricultural produce and the operation of wholesale markets in the Trinidad and Tobago.

2 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

These financial statements have been prepared under the historical cost convention and with reference to International Accounting Standards.

(b) Property Plant and Equipment

Certain Properties are stated at valuation whilst all other Property Plant and Equipment are stated at cost and are depreciated on a reducing balance basis, from the month following acquisition, at the following rates:

Building and Building Improvements	2%
Plant and Machinery	20%-25%
Furniture and Fittings	10%-25%
Implements and Tools	10%
Motor Vehicles	25%

(c) Taxation

The Corporation is exempted from Income Tax.

(d) Foreign Currencies

Transactions in foreign currencies are initially recorded in Trinidad and Tobago dollars at the rate ruling at the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign currency spot rate of exchange ruling at the report date. Exchange differences on foreign currency transaction are recognised in the statement of comprehensive income.

(e) Investments

Investments are stated at market value.



NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER, 2009
(with comparative figures for the year ended 30th September, 2008)

3 PROPERTY PLANT AND EQUIPMENT

	COST/REVALUATION			ACCUMULATED DEPRECIATION						
	Balance 30.09.08	Revaluation & Additions	Disposals	Balance 30.09.09	Balance 30.09.08	Charge for Year	Disposals	Balance 30.09.09	NBV 30.09.09	NBV 30.09.08
Land	9850,000			9850,000	-			-	9850,000	9850,000
Buildings & Building Improvements	20185,445	361,732		20547,177	3862,861	331,621		4194,482	16352,695	16322,584
Office Furniture & Equipment	2629,939	364,985		2994,924	1431,443	262,219		1693,662	1301,262	1198,496
Plant & Machinery	1552,419	514,174		2066,593	545,763	245,406		791,169	1275,424	1006,656
Implements & Tools	397,449	13,650		411,099	137,058	27,002		164,060	247,039	260,391
Motor Vehicle	1394,697	418,822		1813,519	975,986	116,845		1092,831	720,688	418,711
	36009,949	1673,363	-	37683,312	6953,111	983,093	-	7936,204	29747,108	29056,838



NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER, 2009

(with comparative figures for the year ended 30th September, 2008)

	2009	2008
4 INVESTMENTS		
Money Market Fund investments	<u>11958,638</u>	<u>2246,467</u>
5 RECEIVABLES AND PREPAYMENTS		
Receivables	10327,190	10085,485
Less: Provision for Doubtful Debts	<u>(9000,000)</u>	<u>(9888,203)</u>
	1327,190	197,282
VAT Recoverable	250,483	1485,216
Prepayment	<u>118,921</u>	<u>72,263</u>
	<u>1696,594</u>	<u>1754,761</u>
6 ADVANCES		
Paddy	8787,673	8787,673
Livestock	<u>1113,553</u>	<u>1113,553</u>
	<u>9901,226</u>	<u>9901,226</u>
<p>This balance represents amounts owing by the Ministry of Agriculture Land and Marine Resources to the Corporation for paddy and livestock feeds supplied.</p>		
7 CAPITAL ACCOUNT		
Balance brought forward	4480,306	3937,981
(Deficit)/Surplus Income for the year	(141,135)	542,325
Other movements for the year	-	-
	<u>4339,171</u>	<u>4480,306</u>



NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER, 2009

(with comparative figures for the year ended 30th September, 2008)

	2009	2008
8 REVALUATION RESERVE		
Balance at September 30	<u>10038,212</u>	<u>10053,265</u>

This balance represents the revaluation surplus on the Corporation's lands located in Debe, San Fernando and Toco. There was an adjustment of \$15,053 during the year.

9 ACCUMULATED FUND		
Balance brought forward	28030,660	28722,760
Loans forgiven	3000,000	-
Depreciation Income	(983,093)	(692,100)
Other movements for the year	<u>(14,344)</u>	-
Balance at September 30	<u>30033,223</u>	<u>28030,660</u>

The balance represents the capitalisation of long term Assets purchased and charged to the Income and Expenditure Account as per Circular #F.22/8/43

10 LOANS		
Advance from GORTT - 1977	-	1350,000
Advance from GORTT - 1978	<u>-</u>	<u>1650,000</u>
	<u>-</u>	<u>3000,000</u>

During the year, the Government of Trinidad and Tobago approved the write off of loans due to it.

11 DEVELOPMENT PROGRAMME	<u>10220,632</u>	<u>10220,632</u>
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This balance represents the unamortised portion of Government Grants received for capital projects.

12 CURRENT LIABILITIES		
Payables and accruals	4071,392	3226,978
VAT Payable	<u>-</u>	<u>34,556</u>
	<u>4071,392</u>	<u>3261,534</u>



NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER, 2009

(with comparative figures for the year ended 30th September, 2008)

	2009	2008
13 OTHER RECEIPTS		
Depreciation Income	983,093	692,100
Projects	528,024	-
Refunds and transfer of funds	226,956	153,044
Rents	67	223,141
Recovery of Overpayment	-	1,092
Market information	-	87
	<u>1738,140</u>	<u>1069,464</u>
 14 GOODS AND SERVICES		
Contract employment	9285,755	3584,325
Promotion, Publicity and Printing	4157,972	2624,523
Security	2653,028	2284,732
Other Contracted services	811,428	463,334
Electricity	637,414	677,888
Traveling	625,418	543,391
Repairs and maintenance of equipment and buildings	591,594	742,889
Overseas travel	507,257	345,305
Telephones	484,801	394,741
Materials and Supplies	418,839	412,749
Office Stationery and Supplies	364,910	297,530
Fees	253,678	207,768
Insurance	213,817	199,325
Training	159,623	29,646
Rent Motor vehicles and equipment	118,581	41,394
Maintenance of Vehicles	107,235	96,499
Water and Sewerage Rates	98,775	157,241
Rent Accomodation	60,000	60,000
Short term employment	53,543	188,423
Hosting Conferences	48,758	
Books and Periodicals	19,613	13,952
Postage	14,446	13,747
Bank Charges	12,136	9,449
Medical expenses	11,850	3,727
Uniforms	10,296	6,744
House Rates	7,784	
House Rents	-	19,418
VAT	-	1135,192
	<u>21728,551</u>	<u>14553,932</u>



NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER, 2009

(with comparative figures for the year ended 30th September, 2008)

	2009	2008
15 PERSONNEL EXPENDITURE		
Wages, allowances and Overtime	4709,361	3624,415
Salaries	4371,476	5768,651
Government contribution to NIS	582,388	486,970
Directors' fees	244,200	58,973
	<u>9907,425</u>	<u>9939,009</u>
16 CURRENT TRANSFERS AND SUBSIDIES		
Gratuities	250,917	19,051
Pensions	984,220	1009,936
Depreciation	983,093	915,924
	<u>2218,230</u>	<u>1944,911</u>
17 MINOR EQUIPMENT PURCHASE		
Motor Vehicles	265,200	-
Office Equipment	166,648	57,015
Furniture and Furnishings	109,863	191,534
Other Minor Equipment	761,656	421,648
	<u>1303,367</u>	<u>670,197</u>
18 DEVELOPMENT PROGRAMME		
Building Improvement - OVFM	-	18,600
Farmers' Markets	503,724	-
Building Improvement - Packing House	621,818	65,188
Building Improvement - Tech Pack	391,853	261,181
Building Improvement - SWM	-	60,575
	<u>1517,395</u>	<u>405,544</u>



NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER, 2009
(with comparative figures for the year ended 30th September, 2008)

2009

2008

19 CONTINGENT LIABILITIES

Following an audit of the Corporation's VAT returns, the Board of Inland Revenue raised an assessment that an additional liability of \$1,109,988.76 was owed to the Authority. The Corporation is seeking Ministry of Finance guidance on the resolution of this matter.