



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, 2011

The accompanying Financial Statements of the National Agricultural Marketing and Development Corporation for the year ended 30th September, 2011 have been audited. The Statements comprise a Statement of Financial Position as at 30th September, 2011, a Statement of Comprehensive Income, a Statement of Changes in Equity and a Statement of Cash Flows for the year ended 30th September, 2011 and Notes to the Financial Statements numbered 1 to 22.

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 the 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 which was carried out in accordance with section 116 of the Constitution of the Republic of Trinidad and Tobago and section 24 of the National Agricultural Marketing and Development Corporation, Act, Chapter 63:05 (the Act) was conducted in accordance with generally accepted Auditing Standards. Those Standards 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 my audit opinion.

OPINION

6. In my opinion, the Financial Statements present fairly, in all material respects the financial position of the National Agricultural Marketing and Development Corporation as at 30th September, 2011 and its financial performance and its cash flows for the year then ended in accordance with the basis of accounting referred to at Note 2 (a) of the Financial Statements.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

PENSION PLAN

7. A Pension Plan has not been established to date as required by Act 16 of 1991, Section 15(2) which states:

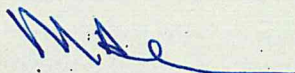
“The Corporation shall, within two years of its coming into being, establish a pension scheme by rules confirmed by the Minister, which shall be no less favourable than the scheme established for the benefit of officers and staff of the Agency.”

SUBMISSION OF REPORT

8. 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.

11th October, 2018
PORT OF SPAIN




MAJEED ALI
AUDITOR GENERAL



**NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT
CORPORATION**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER, 2011



NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT CORPORATION

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER, 2011

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NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT CORPORATION
STATEMENT OF FINANCIAL POSITION
AS AT 30TH SEPTEMBER, 2011

(with comparative figures as at 30th September, 2010)

	Notes	30.09.2011 \$	30.09.2010 \$
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	32,049,048	31,700,734
Investments	4	<u>12,156,971</u>	<u>14,347,213</u>
		<u>44,206,019</u>	<u>46,047,947</u>
Current Assets			
Receivables and Prepayments	5	998,742	1,905,418
Advances	6	-	9,901,226
Cash in Hand and at Bank	7	<u>16,719,426</u>	<u>2,519,658</u>
		<u>17,718,168</u>	<u>14,326,302</u>
TOTAL ASSETS		<u>61,924,187</u>	<u>60,374,249</u>
EQUITY AND LIABILITIES			
Equity and Reserves			
Capital	8	4,339,171	4,339,171
Revaluation Reserve	9	10,038,212	10,038,212
Accumulated Fund	10	<u>29,139,522</u>	<u>31,796,520</u>
Total Equity		<u>43,516,905</u>	<u>46,173,903</u>
Non-Current Liabilities			
Development Programme	11	<u>10,220,632</u>	<u>10,220,632</u>
		10,220,632	10,220,632
Current Liabilities			
	12	8,186,650	3,979,714
TOTAL EQUITY AND LIABILITIES		<u>61,924,187</u>	<u>60,374,249</u>



Jumilla Debysingh - Prasad
 Chief Executive Officer (Ag.)
 Dated: 30.7.18

[Signature]
 Chairman/Director
 Dated: 30.7.18

The accompanying notes form an integral part of these financial statements.



NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT CORPORATION
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30TH SEPTEMBER, 2011

(with comparative figures for the year ended 30th September, 2010)

		2011	2010
		\$	\$
INCOME			
Government Subventions		40,690,886	33,592,336
Wholesale Produce Market		1,592,314	1,362,491
Other Receipts	13	3,241,157	4,140,905
Wholesale Fish Market		310,319	274,381
Interest		284,599	392,861
		<u>46,119,275</u>	<u>39,762,974</u>
EXPENDITURE			
Goods and Services	14	35,959,411	24,361,052
Personnel	15	11,007,081	10,812,994
Current Transfers and Subsidies	16	3,230,627	2,559,949
Recurrent Grants Transferred to Capital	17	263,884	1,772,561
		<u>50,461,003</u>	<u>39,506,556</u>
Total Comprehensive (DEFICIT)/SURPLUS for the year		<u>(4,341,728)</u>	<u>256,418</u>

The accompanying notes form an integral part of these financial statements.





NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT CORPORATION
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH SEPTEMBER, 2011

(with comparative figures for the year ended 30th September, 2010)

	2011	2010
	\$	\$
CAPITAL		
Balance at October 1	4,339,171	4,339,171
Movements for the year	-	-
Balance at September 30	<u>4,339,171</u>	<u>4,339,171</u>
REVALUATION RESERVE		
Balance at October 1	10,038,212	10,038,212
Movement for the year	-	-
Balance at September 30	<u>10,038,212</u>	<u>10,038,212</u>
ACCUMULATED FUND		
Balance at October 1 - originally reported	31,796,520	30,033,223
Prior Year Adjustment (See Note 21)	-	(2,084,416)
Balance at October 1 - restated	<u>31,796,520</u>	<u>27,948,807</u>
Surplus/(Deficit) Income for the year	(4,341,728)	256,418
Depreciation Income	(1,204,340)	(1,281,266)
Government Subvention - Capital	3,050,000	3,100,000
Recurrent Subventions transferred to Capital	263,884	1,772,561
Other movements for the year	(424,814)	-
Balance at September 30	<u>29,139,522</u>	<u>31,796,520</u>
TOTAL EQUITY	<u><u>43,516,905</u></u>	<u><u>46,173,903</u></u>

The accompanying notes form an integral part of these financial statements.



NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT CORPORATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH SEPTEMBER, 2011

(with comparative figures for the year ended 30th September, 2010)

	2011	2010
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Comprehensive (Deficit)/Surplus	(4,341,728)	256,418
Adjustments for:		
Depreciation	1,481,277	1,281,266
Deferred Grant Income	(1,204,340)	(1,281,266)
Doubtful Debt Expense	10,751,163	-
Interest income	(284,599)	(392,861)
Recurrent Subvention Utilised as Capital	263,884	1,772,561
Decrease/(Increase) in receivables and prepayments	56,739	(1,827,298)
Increase/(Decrease) in payables and accruals	3,782,122	(1,201,667)
 Net Cash from/(used in) operating activities	<u>10,504,518</u>	<u>(1,392,847)</u>
 INVESTING ACTIVITIES		
Additions to property, plant and equipment	(1,829,591)	(2,590,845)
Decrease/(Increase) in Money Market investment	2,190,242	(2,388,575)
Interest Income received	284,599	392,861
 Net cash from/(used in) investing activities	<u>645,250</u>	<u>(4,586,559)</u>
 FINANCING ACTIVITIES		
Capital Grants received	3,050,000	3,100,000
 Net cash from financing activities	<u>3,050,000</u>	<u>3,100,000</u>
 Net increase/(decrease) in cash	<u>14,199,768</u>	<u>(2,879,406)</u>
 Net cash at beginning of year	<u>2,519,658</u>	<u>5,399,064</u>
Net cash at end of year	<u><u>16,719,426</u></u>	<u><u>2,519,658</u></u>

The accompanying notes form an integral part of these financial statements.



NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER, 2011
(with comparative figures for the year ended 30th September, 2010)

1 INCORPORATION AND PRINCIPAL ACTIVITIES

National Agricultural Marketing and Development Corporation (NAMDEVCO) 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 Financial Reporting Standards (IFRSs). The Corporation has not adopted early any new and revised IFRS's and IFRIC interpretations that have been issued but not yet effective. These are not expected to have a material impact on the Corporation's financial position or comprehensive income.

(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 by virtue of its incorporation Act.

(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.



NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER, 2011

(with comparative figures for the year ended 30th September, 2010)

(e) Investments

The classification of Investments is dependent on the purpose for which they were acquired at the time of purchase and re-evaluated on a regular basis. As at the balance sheet date, the Corporation has classified its investments as available-for-sale investments which are intended to be held for an indefinite period but may be sold to meet short term liquidity needs or as a result of changes in rates of return.

(f) Use of Estimates and Judgements

The preparation of these financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the report amount of assets, liabilities, income and expenditure.

(g) Revenue Recognition

Revenue (rents and dues) from the rental of NAMDEVCO's market spaces and facilities under informal arrangements, without written contracts, are accounted for on a cash basis. Revenue from other rental arrangements under written contracts which are normally for periods more than one year is accounted for on an accrual basis..

(h) Government Grants

Grants from the government, for both recurring and capital expenditures, are recognised at fair value on a cash basis.

(i) Accounts Receivable

Accounts receivable is carried at realisable value after allowance for any specific doubtful elements.



NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER, 2011

(with comparative figures for the year ended 30th September, 2010)

(j) Provisions

Provisions are recorded when the Corporation has a present or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.



NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER, 2011
(with comparative figures for the year ended 30th September, 2010)

3 PROPERTY PLANT AND EQUIPMENT

	COST/REVALUATION			ACCUMULATED DEPRECIATION						
	Balance 30.09.10 \$	Revaluation & Additions \$	Disposals \$	Balance 30.09.11 \$	Balance 30.09.10 \$	Charge for Year \$	Disposals \$	Balance 30.09.11 \$	NBV 30.09.11 \$	NBV 30.09.10 \$
Land	9,850,000			9,850,000	-	-		-	9,850,000	9,850,000
Buildings & Building Improvements	21,110,302	1,251,923		22,362,225	4,672,286	340,272		5,012,558	17,349,667	16,438,016
Office Furniture & Equipment	3,473,866	263,884		3,737,750	1,963,667	281,055		2,244,722	1,493,028	1,510,199
Plant & Machinery	2,622,529	28,664		2,651,193	1,007,029	347,568		1,354,597	1,296,596	1,615,500
Implements & Tools	643,485	285,120		928,605	205,690	40,092		245,782	682,823	437,795
Motor Vehicle	3,218,022			3,218,022	1,368,798	472,290		1,841,088	1,376,934	1,849,224
	40,918,204	1,829,591	-	42,747,795	9,217,470	1,481,277	-	10,698,747	32,049,048	31,700,734



NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER, 2011

(with comparative figures for the year ended 30th September, 2010)

	2011	2010
	\$	\$
4 INVESTMENTS		
Money Market Fund investments	<u>12,156,971</u>	<u>14,347,213</u>
5 RECEIVABLES AND PREPAYMENTS		
Receivables	11,441,864	11,714,268
Less: Provision for Doubtful Debts	<u>(10,738,140)</u>	<u>(9,888,203)</u>
	703,724	1,826,065
VAT Recoverable	-	-
Prepayments	<u>295,018</u>	<u>79,353</u>
	<u>998,742</u>	<u>1,905,418</u>
6 ADVANCES		
Paddy	8,787,673	8,787,673
Livestock	1,113,553	1,113,553
Less: Provision for Doubtful Recovery	<u>(9,901,226)</u>	<u>-</u>
	<u>-</u>	<u>9,901,226</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 CASH IN HAND AND AT BANK		
Cash in hand	3,248	2,912
Cash at Bank	<u>16,716,178</u>	<u>2,516,746</u>
Balance at September 30	<u>16,719,426</u>	<u>2,519,658</u>

Cash at Bank comprises the cash held in operating accounts that bear interest income of approximately 1% per annum. Included in Cash at Bank is \$142,000 (2010: \$138,000) denominated in US dollars.



NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER, 2011

(with comparative figures for the year ended 30th September, 2010)

	2011	2010
	\$	\$
8 CAPITAL ACCOUNT		
Balance brought forward	4,339,171	4,339,171
Other movements for the year	-	-
	<u>4,339,171</u>	<u>4,339,171</u>

9 REVALUATION RESERVE

Balance at September 30	<u>10,038,212</u>	<u>10,038,212</u>
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This balance represents the revaluation surplus on the Corporation's lands located in Debe, San Fernando and Toco.

10 ACCUMULATED FUND

Balance brought forward	31,796,520	30,033,223
Prior Year Adjustment (See Note 21)	-	(2,084,416)
Surplus/(Deficit) Income for the year	(4,341,728)	256,418
Depreciation Income	(1,204,340)	(1,281,266)
Government Subvention - Capital	3,050,000	3,100,000
Recurrent Subventions transferred to Capital	263,884	1,772,561
Other movements for the year	(424,814)	-
Balance at September 30	<u>29,139,522</u>	<u>31,796,520</u>

The balance represents the accumulation of annual recurrent surpluses and deficits and capital grants net of amounts amortised as income.

11 DEVELOPMENT PROGRAMME	<u>10,220,632</u>	<u>10,220,632</u>
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This balance represents Government Grants received for capital projects.

12 CURRENT LIABILITIES

Payables and accruals	6,825,254	2,713,318
VAT Payable	1,361,396	1,266,396
	<u>8,186,650</u>	<u>3,979,714</u>



NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER, 2011

(with comparative figures for the year ended 30th September, 2010)

	2011	2010
	\$	\$
13 OTHER RECEIPTS		
Depreciation Income	1,204,340	1,281,266
Rents	1,084,779	911,536
Market and Public Relations	937,691	1,918,910
Other	14,347	29,193
	<u>3,241,157</u>	<u>4,140,905</u>
14 GOODS AND SERVICES		
Contract employment	11,924,934	11,013,680
Promotion, Publicity and Printing	3,101,453	4,051,966
Security	2,969,195	2,269,975
Other Contracted services	1,071,358	1,987,030
Electricity	748,467	767,432
Fees	679,842	531,523
Telephones	466,460	528,533
Repairs and maintenance of buildings	458,151	514,249
Insurance	370,360	351,013
Materials and Supplies	286,014	442,030
Office Stationery and Supplies	219,831	349,810
Short term employment	181,326	163,389
Repairs and maintenance of equipment	164,999	185,935
Travelling	163,263	331,596
Hosting Conferences	162,413	44,922
Maintenance of Vehicles	119,583	253,007
Water and Sewerage Rates	96,965	88,423
Rent Motor vehicles and equipment	69,190	38,996
Rent Accomodation	45,000	60,000
Uniforms	36,073	8,698
Overseas travel	18,162	144,668
Bank Charges	10,331	11,069
Books and Periodicals	13,069	22,544
Postage	9,868	14,863
Training	2,626	157,435
Medical expenses	1,747	6,756
House Rates	-	21,510
Non-recoverable VAT	1,817,568	-
Doubtful Debt Provisioning Expense	10,751,163	-
	<u>35,959,411</u>	<u>24,361,052</u>



NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER, 2011

(with comparative figures for the year ended 30th September, 2010)

	2011	2010
	\$	\$
15 PERSONNEL EXPENDITURE		
Wages, allowances and Overtime	5,245,531	5,532,691
Salaries	4,876,898	4,491,694
Government contribution to NIS	562,373	575,501
Directors' fees	322,279	213,108
	<u>11,007,081</u>	<u>10,812,994</u>
16 CURRENT TRANSFERS AND SUBSIDIES		
Gratuities	352,397	196,650
Pensions	1,333,953	1,082,033
Support for Agro Processing	63,000	-
Depreciation	1,481,277	1,281,266
	<u>3,230,627</u>	<u>2,559,949</u>
17 RE-CURRENT GRANTS TRANSFERRED TO CAPITAL		
Other Minor Equipment	214,213	57,655
Office Equipment	28,703	324,039
Furniture and Furnishings	20,968	143,792
Motor Vehicles	-	1,247,075
	<u>263,884</u>	<u>1,772,561</u>
18 DEVELOPMENT PROGRAMME		
Building Improvement - OVFM	-	11,000
Building Improvement - NWM	828,812	127,425
Building Improvement - SWM	660,231	135,449
Farmers' Markets	-	17,700
Building Improvement - Packing House	52,995	561,126
Building Improvement - Tech Pack	23,669	806
	<u>1,565,707</u>	<u>853,506</u>



NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER, 2011

(with comparative figures for the year ended 30th September, 2010)

19 CONTINGENT LIABILITIES

There exists a number of claims and legal action made against the Corporation which are being defended for which no provision has been made in these financial statements as the outcome of those matters are uncertain at this time.

20 OPERATING LEASE ARRANGEMENTS

The Corporation has lease agreements with government authorities for certain lands that it occupies. The Corporation does not have the option to purchase any of the lands and due to this and other terms, the leases are accounted for as operating leases. Where lease agreements have expired, the Corporation is in the process of executing new agreements.

For the current year, payments of \$45,000 (2010: \$60,000) relating to these leases are recognised as expenses under 'Rent Accomodation'.

Lands Occupied Under Operating Leases:	Expiry Date
Southern Wholesale Market	June 2104
Port of Spain Wholesale Fish Market	Expired
Orange Valley Fish Market	Expired
Piarco Packing House	July 2043
Chacon Street and South Quay	Expired
King's Wharf San Fernando	Expired

21 PRIOR PERIOD ADJUSTMENT

The Board of Inland Revenue (BIR) raised an assessment of additional Value Added Taxes (VAT) of \$1,109,889 as being due for periods up to April 2006. The BIR held that Returns incorrectly applied the formula quantifying refunds which were therefore overstated. The liability is being recognised with a corresponding adjustment to the Accumulated Fund Account. Relatedly, the balance of input VAT of \$1,618,474 accounted for as recoverable is also being expensed through a Prior Period Adjustment as the VAT related to prior years. Another Prior Period Adjustment is being recorded for Property Plant and Equipment of \$644,047 recorded as 2011 additions but related to prior periods.



NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER, 2011

(with comparative figures for the year ended 30th September, 2010)

22. RISKS MANAGEMENT

The activities of the Corporation expose it to a number of financial risk, namely, credit risks, interest rate risks, foreign currency exchange rate risks and liquidity.

The Board of Directors is responsible for overall risk management policies and strategies within the framework of the National Agricultural Marketing and Development Corporation Act and other Government regulations whilst executive management is responsible for implementing the strategies and adhering to the said policies.

Credit risks arise from trade receivables and deposits and cash investments with financial institutions. This risk is principally managed by vetting of the parties who are allowed trade credit and with whom the Corporation places its cash deposits. With respect to interest rate risk, the Corporation is exposed mainly on its cash deposits which attract interest income that, however, constitute less than 1% of the Corporation's total income.

The Corporation does not have any debt capital and as such is not exposed to interest rate risk on the expense side.

The Corporation is exposed to foreign currency exchange rate risk to a minimal extent as only a very few of its transactions, mainly purchases of equipment and supplies, are conducted directly in foreign currencies. This risk is managed by having very short settlement periods. The Corporation manages its liquidity risk, that is, its ability to meet payment obligations as they fall due, by strictly adhering to the approved limits on expenditure which is largely covered by Government subventions.