



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, 2008

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, 2008 have been audited. The Statements comprise a Statement of Financial Position as at 30th September, 2008 and the Statement of Comprehensive Income for the year ended 30th September, 2008 and Notes to the Financial Statements numbered 1 to 19.

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 - \$29,056,838.00

4.1 Included in the above figure is the balance of \$16,322,584.00 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 A Fixed Assets Register was not maintained by the Corporation.

RECEIVABLES AND PREPAYMENTS - \$1,754,761.00

5.1 Included in the above figure is VAT Recoverable of \$1,485,216.00 dating back from since the year 1991. However this balance is not recoverable since the claims made as input VAT were disallowed by the Board of Inland Revenue. Receivables and prepayments is therefore overstated by approximately \$1,485,216.00.

5.2 Also included in the above figure is a balance of \$197,282.00 which comprises the net of receivables in the sum of \$10,085,485.00 and provision for doubtful debts of \$9,888,203.00. 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.

LONG TERM LOAN - \$3,000,000.00

7. The above was an outstanding loan by Government on behalf of the former Central Marketing Agency dating back to 1977 and 1978. Evidence was seen where Cabinet by Minute No. 1324 dated 19th May, 2005 agreed to write off the loan. Non-Current Liabilities is therefore overstated by the sum of \$3,000,000.00. Management has stated that this debt was removed from the books of the Corporation in financial year 2009.

DEVELOPMENT PROGRAMME - \$10,220,631.00

8. Documents were not provided to support the balance of \$10,220,631.00 which represented government grants for capital expenditure projects.

CURRENT LIABILITIES - \$3,261,534.00

9. Documents were not produced to support current liabilities in the sum of \$2,093,973.00, some of which dates back prior to the year 1997.

PRESENTATION OF THE FINANCIAL STATEMENTS

10.1. Paragraph 1 of International Accounting Standard 7 – Statement of Cash Flows states:

“An entity shall prepare a statement of cash flows in accordance with the requirements of this Standard and shall present it as an integral part of its financial statements for each period for which financial statements are presented.”

10.2 A Statement of Cash Flows as required by International Accounting Standard 7 – was not included as part of the financial statements.

10.3 A Statement of Changes in Equity as required by International Accounting Standard 1 was also not included as part of the financial statements.

DISCLAIMER OF OPINION

11. Because of the significance of the matters described in the Basis for Disclaimer of Opinion at paragraphs 4.1 to 10.3 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

PENSION PLAN

12. 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.”

CONTRACT REGISTER

13.1 Paragraph 129(1) of the Financial Regulations, Chapter 69:01 states:

“The accounting officer or head of department shall keep or cause to be kept a Register of Contracts awarded by departments, each contract being given an identifying number.”


13.2 A Contract Register was not maintained in accordance with the requirements of the Financial Regulations, Chapter 69:01.

SUBMISSION OF REPORT

14. 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.

**22nd December, 2017
PORT OF SPAIN**




**MAJEED ALI
AUDITOR GENERAL**

CA
2017.12.22



**NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT
CORPORATION**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER, 2008



NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT CORPORATION

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER, 2008

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NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT CORPORATION
STATEMENT OF FINANCIAL POSITION
AS AT 30TH SEPTEMBER, 2008

(with comparative figures as at 30th September, 2007)

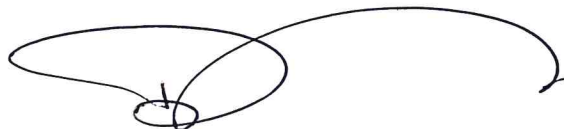
	Notes	30.09.2008	30.09.2007
NON CURRENT ASSETS			
Property, Plant and Equipment	3	29056,838	26914,718
Investments	4	2246,467	2112,247
		<u>31303,305</u>	<u>29026,965</u>
CURRENT ASSETS			
Receivables and Prepayments	5	1754,761	2337,412
Advances	6	9901,226	9901,226
Cash in Hand and at Bank		16087,105	15873,056
		<u>27743,092</u>	<u>28111,694</u>
TOTAL ASSETS		<u><u>59046,397</u></u>	<u><u>57138,659</u></u>
EQUITY AND RESERVES			
Capital	7	4480,306	3937,981
Revaluation Reserve	8	10053,265	8803,265
Accumulated Fund	9	28030,660	26914,718
TOTAL EQUITY		42564,231	39655,964
NON CURRENT LIABILITIES			
Long Term Loan	10	3000,000	3000,000
Development Programme	11	10220,632	10220,632
		<u>13220,632</u>	<u>13220,632</u>
CURRENT LIABILITIES	12	3261,534	4262,063
TOTAL LIABILITIES AND EQUITY		<u><u>59046,397</u></u>	<u><u>57138,659</u></u>





Chief Executive Officer (Ag.)

Dated: 28/12/16



Chairman/Director

Dated: 28/12/16



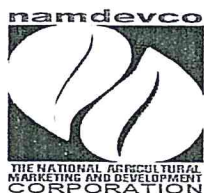
NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT CORPORATION

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30TH SEPTEMBER, 2008

(with comparative figures for the year ended 30th September, 2007)

	Notes	2008	2007
INCOME			
Government Subventions		24592,025	24085,963
Wholesale Produce Market		1693,227	1709,210
Other Receipts	13	1069,464	2323,718
Wholesale Fish Market		442,517	483,020
Interest		258,685	206,778
		<u>28055,918</u>	<u>28808,689</u>
EXPENDITURE			
Goods and Services	14	14553,932	10870,071
Personnel	15	9939,009	7220,274
Current Transfers and Subsidies	16	1944,911	1531,172
Minor Equipment	17	670,197	1573,153
Development Programme	18	405,544	1578,560
		<u>27513,593</u>	<u>22773,230</u>
Total Comprehensive SURPLUS/(DEFICIT) for the year		<u><u>542,325</u></u>	<u><u>6035,459</u></u>



NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER, 2008

(with comparative figures for the year ended 30th September, 2007)

2008

2007

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, 2008
(with comparative figures for the year ended 30th September, 2007)

3 PROPERTY PLANT AND EQUIPMENT

	COST/REVALUATION			ACCUMULATED DEPRECIATION						
	Balance 30.09.07	Revaluation & Additions	Disposals	Balance 30.09.08	Balance 30.09.07	Charge for Year	Disposals	Balance 30.09.08	NBV 30.09.08	NBV 30.09.07
Land	8600,000	1250,000		9850,000	-			-	9850,000	8600,000
Buildings & Building Improvements	19807,033	378,412		20185,445	3530,848	332,013		3862,861	16322,584	16276,185
Office Furniture & Equipment	2313,484	316,455		2629,939	1177,696	253,747		1431,443	1198,496	1135,788
Plant & Machinery	635,980	916,436		1552,416	378,448	167,315		545,763	1006,653	257,532
Implements & Tools	389,509	7,940		397,449	108,535	28,523		137,058	260,391	280,974
Motor Vehicle	1205,899	188,798		1394,697	841,660	134,326		975,986	418,711	364,239
	32951,905	3058,041	-	36009,946	6037,187	915,924	-	6953,111	29056,835	26914,718



NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER, 2008
 (with comparative figures for the year ended 30th September, 2007)

	2008	2007
4 INVESTMENTS		
Money Market Fund investments	<u>2246,467</u>	<u>2112,247</u>
5 RECEIVABLES AND PREPAYMENTS		
Receivables	10085,485	10673,725
Less: Provision for Doubtful Debts	<u>(9888,203)</u>	<u>(9888,203)</u>
	197,282	785,522
VAT Recoverable	1485,216	1485,216
Prepayment	<u>72,263</u>	<u>66,674</u>
	<u>1754,761</u>	<u>2337,412</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	3937,981	6905,629
Surplus Income for the year	542,325	6035,459
Other movements for the year	-	(9003,107)
	<u>4480,306</u>	<u>3937,981</u>



NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER, 2008

(with comparative figures for the year ended 30th September, 2007)

	2008	2007
8 REVALUATION RESERVE		
Balance at September 30	<u>10053,265</u>	<u>8803,265</u>
<p>This balance represents the revaluation surplus on the Corporation's lands located in Debe, San Fernando and Toco. The value of the San Fernando land was increased by \$1,250,000 during the year based on an independent professional valuation.</p>		
9 ACCUMULATED FUND		
Balance at September 30	<u>28030,660</u>	<u>26914,718</u>
<p>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</p>		
10 LOANS		
Advance from GORTT - 1977	1350,000	1350,000
Advance from GORTT - 1978	<u>1650,000</u>	<u>1650,000</u>
	<u>3000,000</u>	<u>3000,000</u>
<p>These are advances from the Government of Trinidad and Tobago which carry no fixed repayment terms nor any interest charges.</p>		
11 DEVELOPMENT PROGRAMME	<u>10229,632</u>	<u>10229,632</u>
<p>This balance represents the unamortised portion of Government Grants received for capital projects.</p>		
12 CURRENT LIABILITIES		
Payables and accruals	3226,978	4262,063
VAT Payable	<u>34,556</u>	<u>-</u>
	<u>3261,534</u>	<u>4262,063</u>



NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER, 2008

(with comparative figures for the year ended 30th September, 2007)

	2008	2007
13 OTHER RECEIPTS		
Depreciation Income	692,100	590,008
Rents	223,141	227,428
Refunds and transfer of funds	153,044	1503,108
Recovery of Overpayment	1,092	2,324
Market information	87	70
Tender fees	-	780
	<u>1069,464</u>	<u>2323,718</u>
14 GOODS AND SERVICES		
Contract employment	3584,325	3483,386
Promotion, Publicity and Printing	2624,523	1903,434
Security	2284,732	1704,688
Repairs and maintenance of equipment and buildings	742,889	532,242
Electricity	677,888	624,807
Traveling	543,391	513,854
Other Contracted services	463,334	317,171
Telephones	394,741	350,539
Materials and Supplies	412,749	195,125
Overseas travel	345,305	-
Office Stationery and Supplies	297,530	266,744
Fees	207,768	96,459
Insurance	199,325	77,938
Short term employment	188,423	170,417
Water and Sewerage Rates	157,241	60,816
Maintenance of Vehicles	96,499	105,535
Rent Accomodation	60,000	60,000
Rent Motor vehicles and equipment	41,394	130,764
Training	29,646	59,654
House Rents	19,418	8,368
Books and Periodicals	13,952	20,352
Postage	13,747	18,195
Bank Charges and transfers	9,449	9,155
Uniforms	6,744	2,310
Medical expenses	3,727	2,400
VAT	1135,192	155,718
	<u>14553,932</u>	<u>10870,071</u>



NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER, 2008

(with comparative figures for the year ended 30th September, 2007)

	2008	2007
15 PERSONNEL EXPENDITURE		
Salaries	5768,651	3688,907
Wages, allowances and Overtime	3624,415	3034,014
Government contribution to NIS	486,970	336,130
Directors' fees	58,973	161,223
	<u>9939,009</u>	<u>7220,274</u>
16 CURRENT TRANSFERS AND SUBSIDIES		
Gratuities	19,051	76,912
Pensions	1009,936	868,401
Depreciation	915,924	585,859
	<u>1944,911</u>	<u>1531,172</u>
17 MINOR EQUIPMENT PURCHASE		
Motor Vehicles	-	546,353
Office Equipment	57,015	398,536
Furniture and Furnishings	191,534	201,022
Other Minor Equipment	421,648	427,242
	<u>670,197</u>	<u>1573,153</u>
18 DEVELOPMENT PROGRAMME		
Building Improvement - OVFM	18,600	-
Building Improvement - POSFM	-	-
Building Improvement - Packing House	65,188	946,078
Building Improvement - Tech Pack	261,181	230,686
Building Improvement - SWM	60,575	401,796
	<u>405,544</u>	<u>1578,560</u>



NATIONAL AGRICULTURAL MARKETING AND DEVELOPMENT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER, 2008
(with comparative figures for the year ended 30th September, 2007)

2008

2007

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.