

REPORT OF THE DIRECTOR OF AUDIT ON THE ACCOUNTS OF
THE MILK PASTEURISATION PLANT
FOR 1958 AND 1959

REPORT OF THE DIRECTOR OF AUDIT ON THE ACCOUNTS OF
THE MILK PASTEURISATION PLANT
FOR 1958 AND 1959

The accounts of the Milk Pasteurisation Plant for 1958 and 1959 have been examined under my direction.

1958

TRADING AND PROFIT AND LOSS ACCOUNT

2. The cost of electric power used in December, 1958, amounting to \$800.95 has been charged out in the 1959 Accounts. The gross profit has therefore been overstated by \$800.95.

BALANCE SHEET AS AT 31ST DECEMBER, 1958

3. Sundry Debtors - Open Account -
\$20,173.69.

The total of the balances of the individual accounts amounted to \$20,097.91 - a difference of \$75.78.

1959

TRADING AND PROFIT AND LOSS ACCOUNT

4. As a result of the comments mentioned at paragraph 2, the gross profit has been understated by \$800.95.

BALANCE SHEET AS AT 31ST DECEMBER, 1959

5. Cash - \$18,289.35

Bank - \$ 1,848.24

These assets should read as follows:-

Cash - \$ 1,848.24

Bank - \$18,289.35.

6. Cash - \$1,848.24.

This amount includes cheques totalling \$750.00 which had been dishonoured by the Bank. The amount which was not made good by the debtor concerned was debited back to his account in 1960.

7. Sundry Debtors - Open Account -
\$26,856.64.

The total of the balances of the individual accounts amounted to \$26,821.35 - a difference of \$35.29.

GENERAL

8. Several breaches of the Financial and Stores Regulations have been drawn to the attention of the Director of Agriculture.

PURCHASES

DRINKING STRAWS

9. One hundred and twenty cases of flavoured drinking straws valued at \$5,529.60 were purchased on 26th June, 1958, without the prior approval of the Director of Agriculture or the Regional Tender Board.

10. In order to bring this purchase within the ambit of the Departmental Tender Board, the order was subsequently cancelled and two others, each for \$2,764.80 were issued. These were then approved by the Departmental Tender Board on 29th August, 1958 and 3rd September, 1958 respectively.

11. The total value of straws sold to 31st December, 1959, amounted to \$1,160.53, leaving a balance of \$4,369.07 on hand at that date.

GLUCOSE

12. On 30th March, 1958, 2,453 lbs. of Glucose was in stock. Although no Glucose was used since 1st January, 1958, an additional quantity of 1,784 lbs. was purchased on 31st March, 1958. The total quantity used to 31st December, 1958 was 850 lbs. and on 31st December, 1958, 305½ lbs. were written off the stock book as wastage.

13. The above purchases have not only tied up capital and storage space, but losses due to deterioration may also result. The matter has been brought to attention.

STORES

14. Several unsatisfactory features relating to the accounting, control and custody of stores have been taken up with the Director of Agriculture.

SUNDRY DEBTORS

15. Debtors balances at the end of 1958 and 1959 totalled \$20,097.91 and \$26,821.35, respectively.

16. There appeared to be no fixed period or limit to the amount of credit allowed to debtors. In several instances, this has resulted in large balances remaining unpaid and the possibility of collecting these amounts would appear to be doubtful.

B. W. DUNLOP

Director of Audit.

AUDIT DEPARTMENT,
GEORGETOWN,
BRITISH GUIANA.

24th November, 1961.

391

AUDIT CERTIFICATE

The attached Balance Sheets have been examined. I have obtained all the information and explanations that I have required, and I certify, as a result of this audit, that the Balance Sheet exhibits a true and fair view of the Milk Pasteurisation Plant's affairs as at 31st December, 1958, and 31st December, 1959 subject to the observations contained in my Report dated the 24th November, 1961.

D. W. DUNLOP

Director of Audit.

AUDIT DEPARTMENT,
GEORGETOWN,
BRITISH GUIANA.

24th November, 1961.

From Secretary/Accountant thru' Dairy Manager
Milk Pasteurisation Plant
To Director of Agriculture
Dated 21st February, 1959

SUBJECT

Financial Report of the Milk Pasteurisation
Plant for the year ended 31st December, 1958.

Appendices:

1. Balance Sheet
2. Trading and Profit and Loss Account
3. Manufacturing Statement

2. Purchases of raw milk for the year totalled 479,446 gallons costing \$358,385.99.

3. Productive expenses during the year amounted to \$83,898.16. The cost of production for the year is as follows:

	<u>Raw Milk</u>	<u>Percentage</u>	<u>Productive Expenses</u>	<u>Percentage</u>
R.C. Product	\$ 303,393.97			
	<u>10,450.37</u>			
	<u>\$ 313,844.34</u>	78.25 %	\$ 83,898.16	20.75 %

4. During the year 399,943 gallons were pasteurised at the cost of \$397,742.50.

5. During the year sales were as follows:

<u>Pasteurised Milk</u>		<u>Raw Milk</u>	
3,053,226½ Pints (381,653¼ gallons)	-	\$ 399,559.29	-
		19,887 gals.	-
			\$15,657.60

6. The operative expenses for the year amounted to \$163,160.83. The operative expenses for the year are made up as follows:

1. Distributive/.....

2.

1.	Distributive Expenses	\$	22,613.60
2.	Administrative and General Expenses	\$	35,065.20
3.	Interest and Replacement Charges	\$	69,040.00
4.	Difference between Revenue and Other Charges	\$	36,442.03
			<hr/>
		\$	163,160.83
			<hr/> <hr/>

Senam

Secretary/Accountant.

18/7/59

M I L K P A S T E U R I S A T I O N P L A N T

BALANCE SHEET

AS AT 31ST DECEMBER, 1958

LIABILITIES

Working Capital	\$	80,000.00	
Add. Current Account		<u>12,020.24</u>	\$ 92,020.24

Sundry Creditors

Accounts Payable	\$	6,762.89	
Unclaimed Cash - Milk Suppliers		37.35	
Deposit on Bottles		8,009.98	
Milk Control Organisation		<u>774.89</u>	\$ 15,585.11

Carried Forward \$ 107,605.35

ASSETS

Cash in Hand	\$	3,925.28	
Cash at Bank		21,791.30	
Petty Cash		<u>100.00</u>	\$ 25,816.58

Stock

Milk Powder	\$	1,011.93	
Pasteurised Milk		3,351.93	
Raw Milk		10.78	
Other Supplies		10,743.95	
Foils & Cleaning Materials		4,143.36	
Oil for Boiler		242.01	
Lubricating Oil		110.06	
Spare Parts		320.48	
Motor Parts		180.06	
Straws		4,375.47	
Wire Crates		6,857.68	
Laboratory Equipment		244.80	
Milk Bottles		<u>21,569.37</u>	\$ 53,161.90

.. .. \$ 78,978.48

LIABILITIES

Brought Forward \$ 107,605.35

 \$ 107,605.35

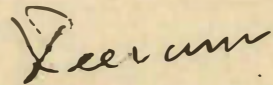
ASSETS

\$ 78,978.48

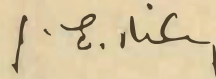
Sundry Debtors

Open Account	\$ 20,173.69	
C. Bettencourt	81.00	
Deposit - Ammonia Cylinders	691.20	
A. Kendall	791.80	
Mahaica Hospital	662.40	
Government Produce	6,000.00	
Brown Betty	226.78	\$ 28,626.87

 \$ 107,605.35



Secretary/Accountant
27th January, 1959.



for Chief Accountant
27th January, 1959.

399

M I L K P A S T E U R I S A T I O N P L A N T

TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR 1958

Sales			\$ 399,559.29
<u>Cost of Sales</u>			
Opening Stock	\$	2,212.30	
Cost of Production		<u>397,742.50</u>	
	\$	399,954.80	
Less Closing Stock		<u>3,351.90</u>	\$ 396,602.90
<u>Gross Profit</u>			\$ 2,956.39
<u>Add. - Other Income:</u>			
Sundry Revenue	\$	172.44	
Profit on Sale of Raw Milk		3,339.39	
Straws		109.40	
Cream		118.55	
Empty Butter Oil Tins		5.88	
Ghee		<u>1.74</u>	\$ 3,747.40
<u>Less - Other Charges</u>			\$ 6,703.79
Raw Milk Shortage and Surplus and Free Distribution.	\$	39,938.09	
Cream Experiment		157.20	
Loss on Milk Powder		662.93	
Loss on Ghee		80.44	
Loss of Fund Written Off.		570.43	
Broken Bottles Written Off		1,586.56	
Adjustment of Sundry Debtors Account		1.50	
Loss on Glucose		121.90	
Loss on Butter Oil		<u>26.77</u>	\$ 43,145.82
			\$ 36,442.03
<u>Distributive Expenses:</u>			
Salaries and Wages	\$	10,429.91	
Stationery		470.25	
Publicity		1,241.98	
Vehicle Repairs & Maintenance		6,523.97	
Miscellaneous		3,582.39	
Freight		<u>365.10</u>	\$ 22,613.60
			\$ 59,055.63
<u>Administrative Expenses:</u>			
Salaries and Wages	\$	29,343.04	
Office Expenses		524.99	
Office Equipment		224.90	
Travelling		3,089.90	
Miscellaneous		1,512.00	
Rent		<u>300.00</u>	
	\$	34,994.83	
Bank Interest		<u>70.37</u>	
	\$	35,065.20	
Interest Charges		27,300.00	
Replacement Charges		<u>41,740.00</u>	\$ 104,105.20
Deficit for the Year			\$ 163,160.83

401

M I L K P A S T E U R I S A T I O N P L A N T

MANUFACTURING STATEMENT FOR THE YEAR 1958

Opening Stock		\$	7.97
Recombined Milk Purchases	\$	10,450.37	
		<u>303,396.78</u>	
Less Closing Stock	\$	313,847.15	
		<u>10.78</u>	
		\$	<u>313,836.37</u>
		\$	313,844.34

Productive Expenses:

Salaries and Wages	\$	35,076.63	
Uniforms		799.23	
Laboratory		742.37	
Stationery		664.80	
Milk Collectors Commission		5,949.10	
Cleaning Oils etc		3,488.65	
Equipment		944.49	
Vehicles Repairs & Maintenance		9,009.38	
Plant Repairs		983.52	
Electricity		8,171.60	
Water		903.40	
Miscellaneous Expenses		7,243.64	
Foils		2,938.67	
Oil for Boiler		4,942.83	
Lubrication		73.90	
Leadseals and Wires		5.61	
Small Tools		19.50	
Freight		1,619.40	
Cold Storage Expenses		<u>321.44</u>	
		\$	<u>83,898.16</u>
		\$	<u>397,742.50</u>

Milk Pasteurisation Plant,
1 Cowan & Fort Streets,
Kingston, Georgetown.

22nd March, 1960

Dairy Manager,
Milk Pasteurisation Plant,
1 Cowan & Fort Streets,
Kingston, Georgetown.

Sir,

I have the honour to submit herewith the Financial Report for the year ended 31st December, 1959, and the comparative particulars for:-

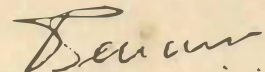
- (a) The 12 month period ended 1959
- (b) The corresponding 12 month period ended 1958

2. Also appended hereto are:-

- (a) Balance Sheet
- (b) Trading and Profit and Loss Account
- (c) Manufacturing Account

3. I wish to thank the staff for the assistance given me during the year.

I have the honour to be,
Sir,
Your obedient servant,



Secretary/Accountant.

405

M I L K P A S T E U R I S A T I O N P L A N T

DS:SP

COMPARISON OF 12 MONTH PERIOD ENDED 31/12/58
WITH 12 MONTH PERIOD ENDED 31/12/59

	12 Month period ended <u>31/12/59</u>	Corresponding 12 mth period ended <u>31/12/58</u>	Increase	Decrease
(a) Quantity of Raw Milk Purchased	496,928 gls.	479,466 gls.	17,482 gls.	-
Cost	\$374,118.00	\$358,386.00	\$15,732.00	-
(b) Production Expenses:	\$ 92,910.00	\$ 83,898.00	\$ 9,012.00	-
<u>Cost of Production</u>				
(1) Raw Milk	\$325,731.00	\$313,844.00	\$11,887.00	-
(2) Production Expenses	\$ 92,910.00	\$ 83,898.00	\$ 9,012.00	-
<u>Milk Pasteurised and Cost</u>				
(1) Fresh Milk	460,828 gls.	399,943 gls.	60,885 gls.	-
Chocolate Milk	\$419,640.00 103,521 gls. \$104,847.00	\$397,742.00	\$21,898.00	-
<u>Sales</u>				
(1) Raw Milk	40,125 gls. \$31,771.00	19,887 gls. \$ 15,658.00	20,238 gls. \$16,113.00	-
(2) Pasteurised Milk	(357,500 gls \$351,061.00)	(381,653 gls) \$399,559.00)	- -	- -
(3) Chocolate Milk	(100,701 gls. \$113,018.00)	-) -	76,548 gls. \$64,520.00	- -
Operating Deficit	\$139,869.00	\$163,161.00	-	\$ 43,292.00

MILK PASTEURISATION PLANTBALANCE SHEET AS AT 31ST DECEMBER, 1959LIABILITIES

Working Capital	\$ 80,000.00	
Add. Current Account	<u>5,765.98</u>	\$ 85,765.98

Sundry Creditors

Accounts payable	\$ 19,236.21	
Unclaimed Cash - Milk Supplies	58.00	
Deposit on Bottles	10,166.87	
Union Dues	3.30	
H. MacFarlane	14.75	
B. Battick	5.00	
Advance - Revision of Wages	1,901.92	
Milk Control Organisation	37.39	\$ 32,223.46

ASSETS

Cash in Hand	\$ 18,289.35	
Cash at Bank	1,848.24	
Petty Cash	<u>100.00</u>	\$ 20,237.59

Stock

Pasteurised Milk	\$ 1,680.63	
Chocolate Milk	1,458.85	
Foils & Cleaning Material	3,420.98	
Oil for Boiler	68.34	
Other Supplies - Butter Oil etc.	6,070.98	
Milk Bottles	34,300.57	
Lubricating Oil	29.35	
Plant Spare Parts	320.48	
Motor Spare Parts	180.66	
Straws	4,369.07	
Milk Powder	4,142.49	
Wire Crates	6,857.68	
Laboratory Equipment	374.82	
Chocolate Milk Product	<u>1,218.09</u>	\$ 64,491.49

Sundry Debtors

Open Accounts	\$ 26,856.64	
Sooklall	.10	
C. Bettencourt	81.00	
Deposit - Ammonia Cylinders	1,406.62	
Central Agric. Station (MonRepos)	206.40	
A. Kendall	942.20	
Mahaica Hospital	<u>3,767.40</u>	\$ 33,260.36

\$ 117,989.44

\$ 117,989.44

F. Cairns
Secretary/Accountant
9th March, 1960

J. E. Riley
Dairy Manager
9th March, 1960

MILK PASTEURISATION PLANT

TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST
DECEMBER 1958

Sales - Pasteurised Milk \$ 351,136.80 \$ 351,136.80
Sales - Chocolate Milk 113,017.25

Cost of Sales

Opening Stock - Pasteurised Milk \$ 3,351.90
Manufacturing Cost 342,442.74
Less Closing Stock \$ 345,791.64
1,680.63 \$ 344,114.01

Opening Stock - Chocolate Milk
Cost of Mats. re chocolate milk
Production including R/men Commission \$ 106,306.32
Less Closing Stock 1,458.85 \$ 104,847.47 \$ 448,961.48

Gross Profit \$ 15,192.57

Add. Revenue:

Dinking Straws \$.42
Sales - Raw Milk 5,238.06
Turned & Skimmed Milk 29.10
Shipping Claim - Milk Powder 13.46
Sundries - B.O. Tins, Empty Cases & Bags 283.06
Milk Powder 4,240.4 \$ 5,988.14

\$ 21,180.71

Deduct:

Shortage & Turned Milk & Surplus \$ 19,747.41
Chocolate Milk Experiment 4.62
Damaged Milk Powder 529.47
Loss on Cream Trading 188.08
Cocoa Short Landed 115.93
Broken Bottles - Write-Off 989.16
Bad Debts - Write-Off 413.39 \$ 21,968.06

Loss \$ 807.35

Distributive Expenses:

Salaries and Wages \$ 14,339.10
Stationery 284.70
Publicity 1,614.22
Vehicle -Repairs & Maintenance 8,898.65
Miscellaneous Expenses 4,871.95
Freight 3,752.41 \$ 33,761.03

Carried Forward \$ 34,568.38

Trading & Profit & Loss Account for the year ended 31st
December 1959

Brought Forward \$ 34,568.38

Administrative Expenses:

Salaries and Wages	\$	34,422.02	
Office Expenses		613.10	
Office Equipment		240.04	
Manager's House Rent		720.00	
Travelling & Subsistence		2,566.56	
Repairs to Building		8.75	
Miscellaneous		<u>577.63</u>	
	\$	39,148.10	
Interest Charges		24,411.25	
Replacement Charges		<u>41,740.00</u>	\$ 105,299.35
			<u><u>105,299.35</u></u>
Deficit	\$		139,867.73

Seaman

Secretary/Accountant
14th March, 1960

J. E. Kelly

Dairy Manager
14th March, 1960.

DS:SP

M I L K P A S T E U R I S A T I O N P L A N T

MANUFACTURING ACCOUNT FOR THE YEAR
ENDED 31ST DECEMBER, 1959

Opening Stock	\$	10.78	
Purchases		<u>325,720.02</u>	\$ 325,730.80

Productive Expenses:

Salaries and Wages	\$	38,391.89	
Uniform		285.38	
Laboratory Expenses		1,286.15	
Stationery		64.75	
Milk Collector's Commission		5,851.43	
Cleaning Oil, etc.		5,696.93	
Equipment		2,680.92	
Vehicles Repairs & Maintenance		5,611.18	
Plant Repairs		2,915.11	
Electricity		14,062.45	
Water		1,023.70	
Miscellaneous Expenses		2,460.93	
Foils		3,955.05	
Oil for Boiler		6,582.21	
Small Tools		55.15	
Lubrication		80.71	
Freight		<u>2,906.57</u>	<u>93,910.51</u>
			\$ 419,641.31

Less:

Expenses Cream

Production 956.78

Chocolate Milk

Production \$ 76,241.79 \$ 77,196.57 \$ 77,198.57

Cost of Production \$ 342,442.74

417

REPORT OF THE DIRECTOR OF AUDIT ON THE ACCOUNTS OF
THE MILK PASTEURISATION PLANT
FOR 1958 AND 1959

The following replies to the abovementioned Report are submitted hereunder.

1958

TRADING AND PROFIT AND LOSS ACCOUNT

2. This was inadvertently done. The error is regretted.

BALANCE SHEET AS AT 31ST DECEMBER, 1958

3. A check is being made for this amount, but I have not been able to locate the error which might have arisen from a wrong posting.

1959

TRADING AND PROFIT AND LOSS ACCOUNT

4. This was inadvertently done. The error is regretted.

BALANCE SHEET AS AT 31ST DECEMBER, 1959

5. This was a typographical error and the error is regretted.

Cash - \$1,848.24.

6. This was an oversight on the part of the Cashier. The error is regretted.

Sundry Debtors - Open Accounts -
\$26,856.64.

7. As in paragraph 3 a check is being made but I have not been able to locate the error which might have arisen from a wrong posting.

GENERAL

8. An important factor which should be pointed out generally is that the Department is Trading, running under commercial principles but at the same time observing the Accounting rules applicable in Government, under this system breaches of the Financial and Stores Regulations could not possibly be avoided at times.

PURCHASES

DRINKING STRAWS

9.10.& 11. Arrangements for the purchase of these Straws were in the first instance made by the then Dairy Manager - Mr. Riley and D'Aguiar Bros. Limited. When I saw these Straws at the Plant, I advised the Dairy Manager that these

/Straws.....

419

Straws being unknown to the public should not have been purchased in such a large quantity without first trying a sample, and then investigate the market. This was overruled by the Dairy Manager. I also pointed out the irregularity of making a purchase without approval from the Tender Board. The approval of the Director of Agriculture was then sought on an Invoice Order 19432 dated 26th June 1958, but was returned to the Dairy Manager with a minute from the Director of Agriculture containing the following remarks:-

- (i) " This procedure is irregular. We cannot go to the Tender Board after having made a purchase. We must seek permission to purchase and then do so.
- (ii) The Order for over \$5,000.00 worth of Straws is excessive. While I approved in principle that Straws should be purchased no authority was given for this large quantity. The possibility of loss being suffered as a result is high.
- This Invoice Order was rejected and cancelled. Subsequent Invoice Orders for \$2,764.80 dated 26th August 1958 and \$2,764.80 dated 1st September, 1958 were made out during the time Mr. Nobrega acted as Secretary/Accountant of the Milk Pasteurisation Plant which were approved by the Departmental Board on 29th August, 1958, and 3rd September, 1958 respectively. The Dairy Manager has since left the Colony and Mr. Nobrega has resigned. "

1. GLUCOSE

12. & 13. This was done by the then Dairy Manager - Mr. Riley. His reason for purchasing an additional quantity of 1,784 lbs Glucose on 31st March, 1958 is unknown to me.

STORES

14. The reply to this is the same as that stated at paragraph 8.

SUNDRY DEBTORS

15. & 16. This was under the control of the then Dairy Manager - Mr. Riley. He had no limit to the amount of credit allowed to debtors nor any fixed period for payment. This is now under the control of the Director of Marketing.

Jackal

REPORT OF THE DIRECTOR OF AUDIT ON THE ACCOUNTS OF
THE GOVERNMENT PROCESSING FACTORY
FOR THE YEARS ENDED 31st DECEMBER 1959 AND 31st DECEMBER 1960

The books and accounts of the Government Processing Factory for the years ended 31st December 1959 and 31st December 1960 have been examined under my direction.

STATEMENTS - 1959

Balance Sheet.

2. Assets - Cash in hand - \$418.21; Petty Cash - \$50.00. The existence of these assets at 31st December, 1959 could not be verified as a Board of Survey was not convened at that date.
3. Liabilities - Working Capital less amount owing by Treasurer - \$70,544.78. The amount owing by the Treasurer has not been reconciled with the corresponding Treasury account.

STATEMENTS - 1960

Profit and Loss Statement.

4. Unabsorbed Factory Expenses - \$18,119.08. This expenditure has been understated by \$961.66, arrears resulting from a revision of salaries and wages, charged in error to Colony funds.
5. Miscellaneous Expenses - \$310.66. This amount has been understated by \$101.10, due to charges not adjusted in the accounts.
6. Net Loss - \$34,474.97. As a result of the errors referred to in paragraphs 4 and 5, above, the net loss has been understated by \$1,062.76.

Balance Sheet

7. Assets - Sundry Debtors - G.P.D., Georgetown - \$47,547.95. As a result of the errors referred to in paragraph 5, above and in paragraph 13 below, the above amount has been understated by \$78.20.
8. Assets - Stock - Raw Materials - \$76,223.29. As a result of the error referred to in paragraph 5, this asset has been overstated by \$101.10.
9. The existence of the following items at 31st December, 1960 included in the above stock could not be verified -

Stockfeed Bags (L.G. Robeiro) - 1658 - \$689.60
do. (Government
Produce Depot
New Amsterdam) -2700 - 860.29

GENERAL OBSERVATIONS.

10. Sales. Apparent uneconomic sales of Dry Corn to certain firms were noted in 1959. In one instance Dry Corn was sold to a firm in May at .06¢ per lb. and Wet

Corn was purchased from the same firm in July at $.06\frac{1}{2}$ ¢ per lb. From August sales of Dry Corn to this firm were resumed at $.06$ ¢ per lb.

11. The attention of the Director of Agriculture has been drawn to the unsatisfactory manner in which the Central Agricultural Station, Mon Repos, discharges its liability to the Factory. At 31st December 1960, an accumulated amount of \$16,217.21 was outstanding by the Agricultural Station.

12. The voted deficits from Public Funds in operating this Factory over the last five years are as follows:-

1956 -	\$3,739.99	
1957 -	35,676.70	
1958 -	37,000.00	Estimated as accounts consolidated.
1959 -	41,315.45	
1960 -	34,474.97	
	<hr/>	
	\$152,207.11	
	<hr/>	

(Sgd). D. Dunlop.
Director of Audit.

AUDIT DEPARTMENT,
GEORGETOWN,
BRITISH GUYANA.

18th April, 1961.

AUDIT CERTIFICATE

425

The attached Balance Sheets have been examined. I have obtained all the information and explanations that I have required, and I certify, as a result of this audit, that the Balance Sheets exhibit a true and fair view of the Factory's affairs as at 31st December 1959 and 31st December 1960, subject to the observations contained in my Report dated the 18th April, 1961.

(sgd). D. Dunlop.
Director of Audit.

Audit Department,
Georgetown,
British Guiana.

18th April, 1961.

GFC/EA

FINANCIAL REPORT OF THE GOVERNMENT PROCESSING FACTORY
FOR THE YEAR ENDED 31ST DECEMBER, 1959.

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Appendices:

1. Balance Sheet
2. Accountant General, Current Account
3. Manufacturing Statement
4. Profit and Loss Statement
5. Materials used in Production
6. Raw Material Sales
7. Finished Products Sales
8. Statement of Production
9. Stock List

2. The net deficit for the year was \$41,315.45
as follows:

Administrative and Selling Expenses			\$14,427.07
Interest Charges	..	..	10,627.50
Replacement Charges	..	..	<u>8,396.75</u>
			\$33,451.32
Net Operating Loss	..	..	<u>7,864.13</u>
			<u><u>\$41,315.45</u></u>

3. Products manufactured were as follows:

Feeds	..	..	..	939,500	lbs
Corn Meal	..	..	..	245,483	"
Plantain Flour	..	..	..	26,465	"
Cassava Flour	..	..	..	13,110	"

[Handwritten Signature]
 Chief Accountant,
 MARKETING DIVISION
 26/3/60

HY7

SAB/EA

GOVERNMENT PROCESSING FACTORY
ACCOUNTANT GENERAL CURRENT ACCOUNT

Deficit for Quarter Ended December \$ 15,697.19

<u>Less:</u> Interest Charges	\$ 840.00	
Replacement charges	<u>1,628.00</u>	<u>2,468.00</u>
		\$ 13,229.19

Add: Adjustment Vouchers:
Essequibo Boys' School.

I.O. #6893	-		\$	334.35
6911	-			334.35
6923	-			292.10
6946	-			563.56
78012	-			<u>563.56</u>
			\$	2,087.92

<u>Less:</u> Freight charges on spares through Crown Agents	<u>9.78</u>	<u>2,078.14</u>
		\$ 15,307.33

<u>Add:</u> Amount owed by Treasury at 1/10/59	\$ 9,794.97	
<u>Less:</u> Amount paid	<u>2,647.08</u>	<u>7,147.89</u>

\$ 22,455.22

GOVERNMENT PROCESSING FACTORY

MANUFACTURING STATEMENT FOR THE YEAR ENDED 31/12/59

Raw Materials Stock at 1/1/59	\$ 48,328.65	
Purchases	133,850.95	
Raw Materials transferred from Finished Products	11,313.37	
Raw Materials purchased from G.P.D.	4,877.55	
Raw Materials on Loan	111.24	
Returns	9.82	\$198,491.58

Less:

Stock at 31/12/59	\$ 50,691.84	
Raw Materials sold	35,151.90	
Raw Materials transferred to Finished Products	1,215.20	
Bags used for storing corn and as dunnage	2,448.44	
Shrinkage and Degradation	11,327.72	
Samples	39.20	
Returns	231.12	
Transfers to Govt. Produce Dept, G'town	1,662.36	102,771.78

Raw Materials used in Production	\$ 95,719.80
Finished Products used in Production	19,072.25
Direct Labour	3,358.50
Factory Expenses applied to Production	13,803.65

Cost of Production \$131,954.20

GOVERNMENT PROCESSING FACTORY

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31/12/59

Sales: \$164,133.32

Cost of Goods Sold:

Finished Products Stock 1/1/59	\$ 1,047.41	
Cost of Production	131,954.20	
Purchases	7,728.09	
Raw Materials transferred	1,216.20	
Returns	255.80	\$143,101.70

Less:

Finished Products in Production	\$ 19,072.25	
Finished Products trans. to R/M.	11,313.37	
Shrinkage and Degradation	725.53	
Sample	.05	
Stock at 31/12/59	10,001.17	41,112.37

Cost of Finished Products Sold	\$101,989.33	
Cost of Raw Materials do	35,154.90	
Unabsorbed Factory Expenses	21,316.95	158,461.18
Gross Operating Profit		\$ 5,672.14

Add Other Income:

Milling Operations	\$ 1,205.61	
Lorry Transportation	578.67	
Sundry Revenue	200.25	
M. V. Containers	1.05	
Miscellaneous Expenses	2.20	
Excess Cash	.03	1,987.81
		\$ 7,659.95

Less Operating Expenses:

Shrinkage & Degradation	\$ 12,053.25	
Freight	484.45	
Commission	29.70	
Storage	468.50	
Miscellaneous Expenses	2,448.93	
Samples	39.25	15,524.08
Operating Loss		\$ 7,864.13

Less Administrative Expenses:

Salaries	\$ 12,811.20	
Travelling	255.76	
Lights	341.30	
Contingencies	753.98	
Stationery	264.83	
	\$ 14,427.07	

Interest Charges	\$ 10,627.50	
Replacement ao.	8,396.75	19,024.25
Net Loss		\$ 41,315.45

CERTIFIED CORRECT
Abrahamshaw
 Accounting Officer
 26/3/60

M. J. ...
 Chief Accountant
 Marketing Division
 26/3/60

GOVERNMENT PROCESSING FACTORY

MATERIALS USED IN PRODUCTION FOR THE YEAR ENDED 31/12/59

	<u>Raw Materials</u>		<u>Finished Products</u>	
	Quantity lbs.	Cost	Quantity lbs.	Cost
Corn - Crushed			132,010	\$ 8,420.06
Oats do			3,740	458.82
Rice do			45,108	2 219.33
Corn Meal			92	6.92
Plantain Flour			100	29.70
Plantain Chips			28,384	7,937.42
Bags - Stockfeed	6,939	2,339.24		
do Linen	2,671	1,170.94		
Bone Meal	2,021	249.00		
Blackeye Peas	120	6.17		
Cassava Meal	76,874	2,707.62		
Copra Meal	83,670	3,216.99		
Corn Bran	162,593	9,657.46		
Corn	625,698	33,800.59		
Concentrate - Broiler	70,145	8,419.41		
do Dairy	51,977	5,374.76		
do Hog	42,780	5,202.32		
do Grower Layer	974	123.38		
Cassava	101,276	1,519.15		
Fish Meal	5,386 $\frac{1}{4}$	799.36		
Limestone	2,769 $\frac{1}{4}$	48.17		
Linseed Meal	24,900	2,538.53		
Mineral Supplement	2,637 $\frac{1}{4}$	277.45		
Molasses	44,692	640.56		
Oats	5,217	434.16		
Plantains	151,105 $\frac{1}{2}$	5,288.70		
Rice Bran	158,773	6,328.21		
Rum Yeast	290	33.65		
Rice	48,264	1,881.76		
Sacks	1,912	287.85		
Salt	1,218	33.92		
Shrimp Meal	15,794	900.62		
Supercon - Chick	475	458.03		
do Layers	270	1,061.55		
Vita Peas	7,007	420.25		
		<u>\$ 95,719.80</u>		<u>\$19,072.25</u>

SAB/EA

GOVERNMENT PROCESSING FACTORY

RAW MATERIAL SALES FOR THE YEAR ENDED 31/12/59

Items	Quantity <u>lbs.</u>	Cost	Sales
Agroicide	336	\$ 29.49	\$ 29.49
Bags - Stockfeed	3,667	1,212.53	707.40
Bone Meal	934	115.11	124.53
Cassava Meal	84,947	1,377.92	2,736.95
Corn	525,793	27,206.21	30,264.31
Corn Bran	30,181	1,815.42	2,191.67
Copra Meal	3,176	115.18	129.68
Concentrates - Broiler	913	108.94	127.35
" Hog	100	11.35	12.50
Dieldrin (Drum)	1	53.60	53.60
Fish Meal	65	7.95	12.35
Limestone	3	.04	.10
Linseed Meal	17,039	1,793.74	1,951.87
Molasses	1,267	17.74	20.90
Oats	472	41.52	50.70
Plantains	1,276 $\frac{1}{2}$	44.69	50.36
Rice Bran	9,550	380.25	436.52
Promix	$\frac{5}{4}$	4.27	4.84
Shrimp Meal	3,357	203.02	260.69
Sacks	53	7.67	9.86
Salt	1,000	26.50	28.88
Supercon - Chick	$\frac{5}{8}$	2.72	3.23
do Layer	$\frac{8}{4}$	32.34	40.20
Sulphate of Amonia	112	7.70	7.70
Vita Peas	6,480	540.00	540.00
		<u>\$ 35,154.90</u>	<u>\$ 39,795.68</u>
Less Credits J265, 256, 257, 271 & 277		-	1,840.19
		<u>\$ 35,154.90</u>	<u>\$ 37,955.49</u>
Sales	\$ 37,955.49		
Cost	35,154.90		
Profit	<u>\$ 2,800.59</u>		

SAB/EA

GOVERNMENT PROCESSING FACTORYFINISHED PRODUCTS SALES FOR THE YEAR ENDED 31/12/59

	<u>Quantity lbs.</u>	<u>Cost</u>	<u>Sales</u>
Breeders Mash	70,700	\$6,077.47	\$ 7,889.63
Calf Meal	15,150	3,754.20	4,704.04
Cassareep (glns)	13 ³ / ₄	55.22	95.44
do (Bottles)	527	130.37	172.36
Cassava Flour	10,092	1,267.90	1,816.26
Chick Starter	35,616	3,268.89	3,903.25
Corn Crushed	30,461	1,670.56	2,460.90
Corn Meal (Bags)	212,700	17,027.93	21,706.60
do (Pkts)	47,206 ¹ / ₂	2,745.44	3,360.73
Dairy Meal	376,195	23,916.47	30,533.74
Donkey Feed	17,900	1,297.71	1,565.20
Growing Mash	51,480	4,480.40	5,339.91
Layers Mash	81,882	5,482.11	7,609.62
Oats - Crushed	21	2.58	2.52
Pig Grower	84,792	5,988.88	6,482.96
Pig Finisher	15,140	954.78	1,142.67
Pig Starter	37,925	2,923.00	2,943.69
Plantain Flour (Bags)	3,900	937.90	1,448.00
do (Pkts)	40,377 ¹ / ₂	5,883.73	8,418.25
Starch	68,031	3,573.44	3,786.53
do (Ctns)	60	5.76	129.60
Sow Ration	113,550	8,416.94	10,629.55
Weaner Ration	13,100	1,114.79	1,397.66
Plantain Chips	3	-	1.50
		<u>\$101,994.66</u>	<u>\$ 127,543.60</u>
Less Credits J256, J257, J265, J272, J274 & J277.		<u>5.33</u>	<u>1,365.77</u>
		<u>\$101,989.33</u>	<u>\$ 126,177.83</u>
Sales	\$ 126,177.83		
Cost	<u>101,989.33</u>		
Profit	<u>\$ 24,188.50</u>		

GOVERNMENT PROCESSING FACTORYFEEDS MANUFACTURED FOR THE YEAR ENDED 31ST DECEMBER, 1959

<u>Items</u>				<u>Total lbs.</u>
Breeders Mash	..	..	..	71,200
Calf Meal	..	..	..	48,200
Chick Starter	..	..	..	35,000
Dairy Meal	..	..	..	372,245
Growing Mash	..	..	..	51,900
Layers Mash	..	..	..	82,450
Horse Feed	..	..	..	18,300
Pig Starter	..	..	..	34,925
Pig Grower	..	..	..	83,150
Pig Finisher	..	..	..	14,400
Sow Ration	..	..	..	116,950
Weaner Ration	..	..	..	10,780
				<hr/>
				939,500
				<hr/>

OTHER ITEMS MANUFACTURED FOR THE YEAR ENDED 31/12/59

Corn Meal	..	..	..	245,483	lb.
Plantain Flour	..	..	..	26,465	lbs.

AS/JC

GOVERNMENT PROCESSING FACTORY

STOCK OF RAW MATERIALS AS AT 31st DECEMBER, 1959.

<u>Item</u>	<u>Quantity</u> <u>lbs.</u>				<u>Amount</u>
Bags - Corn Meal	1,349	@	50.37¢	ea.	\$ 379.56
" - Flour	295	@	30.0¢		88.50
" - Crisp	69,770	@	2.5¢		185.50
" - Stockfeed	2,306	@	33.0¢		760.98
" - " (L.G.Robeiro)	1,216	@	44.79¢		54.62
" - " (G.F.D., N/A.)	2,895	@	31.82¢		921.19
Bone Meal	6,375	@	12.29¢	per lb.	783.24
Cartons-Corn Meal & P/Flour	25,165	@	18.96¢	" "	4,771.29
" - S.B. Starch	307	@	11.0¢	" "	33.77
Cans - Empty	11,551	@	6.83¢	ea.	788.62
Copra Meal	153	@	3.95¢	per "	6.05
Corn - Bins #1-6,8,9-11	153,105	@	5.56¢	" "	8,510.40
" - Bag Storage	178,380	@	5.95¢	" "	10,616.33
Corn Bran	2,098	@	8.13¢	" "	170.64
Cod Liver Oil	40	@	22.5¢		9.00
Concentrate - Broiler	26,400	@	11.75¢	" "	3,101.86
" - Dairy	43,940	@	10.80¢	" "	4,765.69
" - Sow and Pig	22,321	@	10.30¢	" "	2,299.28
Limestone	299	@	1.72¢	" "	5.15
Linseed Oil Meal	32,788	@	9.65¢	" "	3,164.60
Lables - Cassareep	4,841	@	2.41¢	ea.	116.89
" - Corn Meal	42,987	@	.606¢	" "	260.31
" - S.B. Starch	1,250	@	.6¢	" "	7.50
Manganese Sulphate	447	@	14.61¢	per "	65.32
Mineral Supplement	609	@	10.62¢	" "	64.69
Molasses	2,100	@	1.59¢	" "	33.33
Oats	2,349	@	8.83¢	" "	207.56
Promix	5 1/2	@	\$ 5.69	" "	31.31
Starch -S.B. pkts.	54,100	@	3.0¢	pkt.	1,623.00
Rice Bran	28,316	@	3.74¢	lb.	1,059.83
Sacks	1,240	@	12.83¢	sack	159.12
Salt	1,065	@	2.46¢	lb.	26.27
Shrimp Meal	643	@	8.66¢	" "	55.70
Soyabean Meal	565	@	12.84¢	" "	72.58
Supercon Chick	741	@	\$ 4.34	" "	3,080.80
" Layer	350	@	\$ 3.92	" "	1,373.46
Terramycin	118	@	\$ 2.10	" "	247.80
					\$ 50,691.84

Manufacturing Supplies

Kerosene Oil (glns.)	1,361	@	42.20¢	per gln.	\$ 576.00
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GOVERNMENT PROCESSING FACTORYSTOCK OF FINISHED PRODUCTS AS AT 31/12/59.

	<u>Quantity</u>		<u>Rate</u>			<u>Amount</u>
Chick Starter	200 lbs.	@	3.98¢	per lb.	\$	7.97
Corn - Crushed	2,017 "	@	7.50¢	" "		151.44
Corn Meal	7,550 "	@	9.96¢	" "		753.67
Corn Meal	813 pkts.	@	6.26¢	" pkts.		51.13
Cassareep	204 ozs.	@	4.53¢	" oz.		9.24
Cassava Flour	6,245 lbs.	@	12.05¢	" lb.		752.90
Dairy Meal	2,223 "	@	5.72¢	" "		127.35
Donkey Feed	500 "	@	7.45¢	" "		37.23
Growing Mash	900 "	@	8.84¢	" "		79.59
Layers Mash	3,200 "	@	7.61¢	" "		252.48
Oats - Crushed	1,281 "	@	11.43¢	" "		146.50
Pig Finisher	150 "	@	5.95¢	" "		8.93
Pig Grower	300 "	@	5.95¢	" "		20.84
Pig Starter	650 "	@	7.55¢	" "		49.11
Plantain Flour	24,800 "	@	29.71¢	" "		7,370.24
Plantain Flour	48 pkts.	@	16.08¢	" pkt.		7.72
Sow Ration	2,385 lbs.	@	7.33¢	" lb.		174.83
					\$	<u>10,001.17</u>

FINANCIAL REPORT OF THE GOVERNMENT PROCESSING FACTORY
FOR THE YEAR ENDED 31st DECEMBER, 1960.

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Appendices:

1. Balance Sheet
2. Manufacturing Statement
3. Profit and Loss Statement
4. Statement of Materials used in Production
5. Raw Material Sales
6. Finished Products Sales
7. Statement of Production
8. Stock List

2. The deficit on the Factory's operations for the year was \$34,474.97 as follows:-

Administrative and Selling Expenses	\$ 12,531.92
Interest Charges	10,981.00
Replacement Charges	<u>9,025.00</u>
	\$ 32,537.92
Add Net Operating Loss	<u>1,937.05</u>
	<u>\$ 34,474.97</u>

3. Products manufactured for the year showed an increase over the previous year.

	<u>1960</u>		<u>1959</u>	
Feeds ..	1,089,752	lbs	939,500	lbs
Corn Meal ..	302,977	"	245,483	"
Plantain Flour ..	30,484	"	26,465	"

Subroditaw
 Chief Accountant, (ag.)
 MARKETING DIVISION.
 15/3/61

GOVERNMENT PROCESSING FACTORYBALANCE SHEET AS AT 31st DECEMBER, 1960LIABILITIES

Approved Working Capital	\$ 75,000.00	
Temporary Working Capital	<u>18,000.00</u>	\$ 93,000.00

Sundry Creditors

Open Accounts	\$ 14,241.33	
G.P.D., N/Amsterdam	<u>11,805.98</u>	26,047.31

Controller of Supplies & Prices		52,000.00
Unpaid Wages		138.14

\$ 171,185.45

A S S E T S

Cash in Hand	\$ 38.37	
Cash in Bank	21,983.72	
Petty Cash	<u>50.00</u>	\$ 22,102.09

Sundry Debtors

Open Accounts	\$ 19,871.09	
G.P.D. G/Town	<u>47,547.95</u>	67,419.04

Stock

Raw Materials	\$ 76,223.29	
Finished Products	5,286.11	
Manufacturing Supplies	<u>154.39</u>	81,664.32

\$ 171,185.45

CERTIFIED CORRECT:

H. L. L. L.
 Accounting Officer, (ag.)
 Processing Factory
 28/2/61

V. B. Indsthan
 Chief Accountant, (ag.)
 Marketing Division.
 28/2/61

18/DL

GOVERNMENT PROCESSING FACTORYMANUFACTURING STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 1960

Stock at 1/1/60	\$ 50,691.84	
Purchases	149,788.09	
Raw Materials transferred from Finished Products	14,543.08	
<u>Add:</u> 65,218 lbs. Cassava Meal transferred	1,956.56	
3,506 M.T. Bags returned	1,402.40	
		\$ 218,381.97
<u>Less</u>		
Stock at 31/12/60	\$ 76,223.29	
Raw Materials sold	15,642.13	
Raw Materials transferred to Finished Products	2,136.46	
Credits J. 17 and 23	104.34	
Shrinkage and Degradation	11,085.56	
Miscellaneous Expenses	312.34	
Transfers to Govt. Produce Depot, G'town	5.78	
		\$ 105,509.90
Raw Materials used in Production		\$ 112,872.07
Finished Products used in Production		18,752.71
Direct Labour		2,064.76
Factory Expenses applied to Production		18,453.19
Cost of Production		\$ 152,142.73

GOVERNMENT PROCESSING FACTORY

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31st DECEMBER, 1960

		<u>1959</u>	
Sales:		\$175,038.68	\$164,133.32
<u>Cost of Goods Sold</u>			
Finished Products stock at 1/1/60	\$ 10,001.17	\$ 1,947.41	
Cost of Production	152,142.73	131,954.20	
Purchases	-	7,728.09	
Raw Materials transferred	2,136.46	1,216.20	
Finished Products returned	<u>47.50</u>	<u>255.80</u>	\$143,101.70
	\$164,327.86		
Less:			
Finished Products used in Production	\$ 18,752.71	\$ 19,072.25	
Finished Products transferred to Raw Materials	14,543.08	11,313.57	
Shrinkage and Degradation	210.33	725.53	
Sample	-	.05	
Stock at 31/12/60	<u>5,286.14</u>	<u>10,001.17</u>	\$ 41,112.37
Cost of Finished Products Sold	\$125,535.60	\$101,989.33	
Cost of Raw Materials sold	15,642.13	35,154.90	
Unabsorbed Factory Expenses	<u>18,119.08</u>	<u>159,296.81</u>	\$156,461.18
Gross Operating Profit		\$ 15,741.87	\$ 5,672.14
<u>Add Other Income:</u>			
Sundry Revenue			\$ 200.25
Lorry Transportation	\$ 664.39		578.67
Miscellaneous Expenses	2.74		2.20
Milling Operation	157.85		1,205.61
Claims Refund	38.83		-
Excess Cash	.15		.03
Empty Containers	<u>.75</u>	<u>\$ 872.01</u>	<u>1.05</u>
Carried forward		\$ 16,613.88	\$ 7,659.95

1959

Brought forward

\$ 16,613.88

\$ 7,659.95

Less Operating Expenses

Samples

\$ 4,064.39

\$ 39.25
484.45

Freight

157.64

Insurance

176.60

Wharfage

11,295.89

12,053.25

Shrinkage

1,817.33

468.50

Storage

.10

Market Dues

310.66

2,448.93

Miscellaneous

728.32

29.70

Commission

\$ 18,550.93

\$ 15,524.08

Net Operating Loss

1,937.05

\$ 7,364.13

Add Administrative Expenses

Travelling

\$ 280.85

\$ 255.75

Lights

240.00

341.30

Contingencies

103.57

753.98

Salaries

11,783.14

12,811.20

Stationery and Printing

124.36

264.83

Interest Charges

10,981.00

10,627.50

Replacement Charges

9,025.00

8,396.75

\$ 32,537.92

\$ 33,451.32

Net Loss

\$ 34,474.97

\$ 41,315.5

CERTIFIED CORRECT:

H. S. ...
Accounting Officer, (ag.)
Processing Factory
15/3/61

P. ...
Chief Accountant, (ag.)
Marketing Division.
15/3/61

HS/EA

GOVERNMENT PROCESSING FACTORY

MATERIALS USED IN PRODUCTION FOR THE YEAR ENDED 31/12/60

	<u>Raw Materials</u>		<u>Finished Products</u>	
	Quantity lbs.	Cost	Quantity lbs.	Cost
Corn - Crushed			117,925	\$ 7,706.74
Corn Meal			878	87.45
Crushed Oats			2,320	256.70
Crushed Rice			60,245 $\frac{1}{2}$	3,062.07
Plantain Chips			30,981	7,639.75
Bags - Linen	2,915	1,476.95		
do Stockfeed	8,656	2,560.66		
do Flour	310	52.05		
Bone Meal	2,619	348.64		
Cassava Meal	65,218 $\frac{1}{2}$	1,956.56		
Copra Meal	53,396	2,051.35		
Corn - Wet	2,387	120.89		
do Whole	913,510	48,312.78		
do Bran	117,922	7,054.96		
Concentrate - Broiler	41,745	4,842.32		
do Dairy	59,807	6,411.92		
do Hog	33,706	3,579.31		
Fish Meal	17,605	2,454.63		
Limestone	1,911 $\frac{1}{2}$	35.53		
Linseed Oilmeal	38,989	3,723.04		
Meat and Bone Meal	12,111 $\frac{1}{2}$	1,508.74		
Mineral Supplement	7,593	764.51		
Molasses	39,152 $\frac{1}{2}$	385.46		
Oats	1,403	128.70		
Peas, Blackeye	255	10.45		
Plantains	141,001	5,444.80		
Rice Bran	211,387	7,586.16		
Stockfeed Rice	247,694 $\frac{1}{2}$	9,951.89		
Sacks, M.T.	958	129.84		
Salt	898	24.26		
Shrimp Meal	18,541	1,090.77		
Supercon - Chick	39 $\frac{3}{16}$	171.56		
do Layer	145 $\frac{14}{16}$	552.39		
Soyabean Meal	565	72.58		
		<u>\$112,872.07</u>		<u>\$ 18,752.71</u>

HS/BL

GOVERNMENT PROCESSING FACTORYRAW MATERIALS SALES FOR THE YEAR ENDED 31ST DECEMBER 1960

Items	Quantity lbs.	Cost	Sales
Bags - M.T. Stockfeed	17,800	₱ 3,535.67	₱ 3,767.00
Bags - Crisp	163	44	.91
Bone Meal	1,750	215.24	243.30
Cassava Meal	27,682	-	830.46
Copra Meal	734	28.29	33.45
Corn Bran	44,347	2,658.60	2,996.76
Corn - Whole	93,787	4,422.62	5,221.69
Concentrates - Broiler	1,840	212.55	266.80
" Dairy	1,300	138.37	159.38
" Hog	3,700	396.02	436.92
Fish Meal	5,800	807.59	889.86
Linseed Oilmeal	23,660	2,313.63	2,520.55
Oats	550	44.92	52.50
Meat and Bone Meal	2,364	311.09	353.17
Calf Milk	112	15.50	16.00
Shrimp Meal	1,016	55.60	80.98
Rice Bran	1,396	52.09	63.29
Stockfeed Rice	6,488	260.45	272.55
Molasses	1,400	16.10	42.00
Sacks M.T.	400	55.23	61.00
Supercon - Chick	1/2	2.13	2.40
		<u>₱ 15,642.13</u>	<u>₱ 18,310.97</u>
Less Credits J2, 9, 12, 19, & 29		-	867.57
		<u>₱ 15,642.13</u>	<u>₱ 17,443.40</u>
	Sales	₱ 17,443.40	
	Cost	₱ 15,642.13	
	Profit	<u>₱ 1,801.27</u>	

HS/EA

GOVERNMENT PROCESSING FACTORY

FINISHED PRODUCTS SALES FOR THE YEAR ENDED 31/12/60

<u>Items</u>	<u>Quantity lbs.</u>	<u>Cost</u>	<u>Sales</u>
Breeders Mash	46,450	\$ 4,644.88	\$ 5,615.42
Calf Meal	98,500	7,623.04	9,485.11
Chick Starter	3,956	341.79	395.92
Crushed Corn	237,215	16,269.97	15,574.56
Corn Meal	251,900	18,347.25	26,519.50
" " (ctns.)	3,585 ¹ / ₅	4,187.90	5,268.70
Cassava Flour	5,990	722.13	1,081.00
Dairy Meal	414,560	25,333.81	34,315.18
Donkey Feed	11,100	800.79	906.47
Growing Mash	50,914	4,494.45	5,337.45
Layers Mash	42,643	3,238.53	4,031.01
Larro Pig Finisher	4,989	210.92	212.11
" Growing Ration	3,993	159.68	219.61
Oats - Crushed	10	1.14	1.00
Pig Finisher	32,850	1,883.07	2,213.25
" Grower	131,950	8,248.56	9,792.33
" Starter	64,000	4,323.87	4,968.82
Plantain Flour	4,920	1,344.50	1,682.82
" " (ctns.)	3,177 ¹³ / ₂₄	11,117.07	14,320.45
Rice - Crushed	1,382	75.02	72.89
Sow Ration	168,800	10,802.88	13,927.34
Starch	55,698	-	2,890.32
Weaner Ration	16,660	1,363.81	1,761.65
Casareep	12 ozs	.54	.48
		<u>\$125,535.60</u>	<u>\$ 160,593.39</u>
Less Credits J 1,2,10,12, 19 and 23		-	2,998.11
		<u>\$125,535.60</u>	<u>\$ 157,595.28</u>

Sales \$ 157,595.28
 Cost 125,535.60
 Profit \$ 32,059.68

HS/EA

GOVERNMENT PROCESSING FACTORY

FEEDS MANUFACTURED FOR THE YEAR ENDED 31/12/60

<u>Items</u>			<u>Total lbs.</u>
Breeders Mash	...	...	53,450
Calf Meal	...	...	98,650
Chick Starter	...	...	4,000
Dairy Meal	...	...	412,910
Donkey Feed	...	...	10,600
Growing Mash	...	...	50,250
Layers Mash	...	...	39,450
Larro Growing Ration	...	...	3,993
Larro Pig Finisher	...	...	4,989
Pig Finisher	...	...	33,800
Pig Grower	...	...	132,300
Pig Starter	...	...	63,000
Sow Ration	...	...	166,700
Weaner Ration	...	...	<u>15,660</u>
			<u>1,089,752</u>
Corn Meal	...	...	302,977
Plantain Flour	...	...	30,484

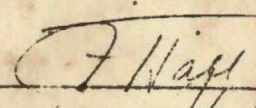
HS/EA

GOVERNMENT PROCESSING FACTORY

STOCK OF FINISHED PRODUCTS AS AT 31ST DECEMBER, 1960

	<u>Quantity</u>		<u>Rate</u>		<u>Amount</u>
Calf Meal	150	lbs	@	8.08¢ per lb.	\$ 12.12
Chick Starter	250	"	@	9.26¢ "	23.16
Corn Crushed	2,966	"	@	5.94¢ "	174.70
Corn Meal	4,030	"	@	7.14¢ "	289.05
" " (ctn)	174	ctns	@	\$1.14 "	199.15
Cassareep	100	ozs	@	4.53¢ "	4.53
Cassava Flour	69	lbs	@	12.07¢ "	8.33
Dairy Meal	550	"	@	5.77¢ "	31.73
Growing Mash	150	"	@	8.34¢ "	13.25
Layers Mash	350	"	@	7.94¢ "	27.70
Oats - Crushed	307	"	@	2.93¢ "	9.01
Pig Finisher	900	"	@	5.76¢ "	51.80
Pig Grower	650	"	@	6.23¢ "	40.47
Pig Starter	650	"	@	6.69¢ "	43.46
Plantain Flour	13,600	"	@	26.89¢ "	3,655.63
" " (ctn)	161	ctns	@	3.45 "	555.79
Rice Crushed	1,718	lbs	@	7.35¢ "	126.35
Sow Ration	300	"	@	6.30¢ "	18.91
					<u>\$5,286.14</u>

CERTIFIED CORRECT:-


F. Nass
 Deputy Director

HS/EA

GOVERNMENT PROCESSING FACTORY

STOCK OF RAW MATERIALS AS AT 31ST DECEMBER, 1960.

<u>Items</u>	<u>Quantity</u> <u>lbs.</u>		<u>Rate</u>	<u>Amount</u>
Bags - Corn Meal	3,596	@	48.96¢ ea.	\$ 1,760.64
" - Flour	464	@	17.94¢ "	83.25
" - Crisp Corn Meal & P/Flour	101,821	@	.484¢ "	507.57
" - Stock Feed	797	@	15.13¢ "	120.62
" - " "(L.G. Robeiro)	1,658	@	41.58¢ "	689.60
" - " "(G.P.D. N/A.)	2,700	@	31.86¢ "	860.29
Bone Meal	1,569	@	12.31¢ per lb.	193.16
Cartons - Corn Meal & P/Flour	18,050	@	19.11¢ ea.	3,450.85
" - Sun Brite Starch	307	@	11.0¢ "	33.77
Cans - Empty	11,551	@	6.83¢ "	788.62
Copra Meal	2,532	@	3.53¢ per lb.	89.27
Corn - Bins #1 to 11	186,356	@	5.19¢ " "	9,671.87
" - Bag Storage	693,600	@	4.53¢ " "	31,449.66
" - Bran	79,291	@	6.0¢ " "	4,795.26
Cod Liver Oil	29	@	22.50¢ " "	6.52
Concentrate - Broiler	21,182	@	11.40¢ " "	2,415.02
" - Dairy	12,807	@	10.58¢ " "	1,355.13
" - Sow & Pig	14,153	@	10.74¢ " "	1,520.29
Fish Meal	16,034	@	13.67¢ " "	1,781.41
Limestone	400	@	2.35¢ " "	9.41
Linseed Oil Meal	10,445	@	9.12¢ " "	1,008.16
Labels - Cassareop	4,196	@	2.41¢ ea.	101.35
" - C/Meal & P/Flour	38,972	@	.628¢ "	244.62
" - Sun Brite Starch	1,250	@	.6¢ "	7.50
Manganese Sulphate	440	@	14.61¢ per lb.	64.30
Meat & Bone Meal	6,988	@	13.21¢ " "	923.27
Mineral Supplement	224	@	10.44¢ " "	23.38
Molasses	2,794	@	1.50¢ " "	41.97
Promix	4	@	\$5.69 " "	22.77
Packets Starch	54,100	@	3.0¢ " pkt.	1,623.00
Blackeye Peas	107	@	4.0¢ per lb.	4.28
Stockfeed Rice	179,207	@	3.96¢ " "	7,093.80
Rice Bran	15,831	@	2.94¢ " "	464.76
Empty Sacks	804	@	3.18¢ " sack	25.56
Salt	200	@	3.78¢ " lb.	7.56
Shrimp Meal	37	@	6.04¢ " "	2.24
Supercon Chick	461	@	\$4.16 " "	1,916.84
Supercon Layer	220	@	\$3.73 " "	821.07
Terramycin	115	@	\$2.10 " "	244.65

\$ 76,223.29

Manufacturing Supplies

Kerosene Oil	371 glns @	41.75¢ per gln.	\$ 154.89
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CERTIFIED CORRECT: *Henry M. [Signature]*

J Hall

469

REPORT OF THE DIRECTOR OF AUDIT ON THE ACCOUNTS OF
THE GOVERNMENT PROCESSING FACTORY FOR THE YEARS ENDED
31st DECEMBER, 1959 AND 31st DECEMBER, 1960.

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The following reply is offered on the Auditor's Report.

STATEMENTS - 1959

Balance Sheet

2. Assets - Cash in hand - \$418.21; Petty Cash - \$50.00.

In 1957, when the Organisations and Methods Department recommended the integration of the Accounting sections of the Division, the Factory's cash was transferred to the Produce Depot and was surveyed in the terms of the Regulations by the Board for the Depot. Accordingly, the Board in respect of the Factory could not function. The position remained the same in 1958.

The Factory's cash was transferred in 1959 to be held once more at the Factory, but through an oversight no notification of this change was given to the Board scheduled to survey this Division's cash, with the result that the Board presumed that the status quo of the two preceding years remained and therefore did not convene.

However, on instructions by the Hon. Financial Secretary, a certificate from the Bank showing the position of the Factory's account at 31st December, 1959, as well as a certified statement of the Cash in Hand and the Petty Cash at that date was submitted.

3. Liabilities - Working Capital less amount owing by Treasurer - \$70,544.78. This account has now been reconciled.

4. Unabsorbed Factory Expenses - \$18,119.08. The expenditure of \$961.66 mentioned herein was charged to Advances, Revision of Wages etc., and was in accordance with Treasury Circular No. 26/1959 dated 19th December, 1959. Therefore, it would seem, that unless the directions of the circular mentioned above were misconstrued, the charges would have been correct.

5. Miscellaneous Expenses - \$310.66. The amount mentioned represents the cost of 337 Empty Stockfeed Bags used in September 1960, as extra protection for corn shipped to Trinidad. In view of the fact that during the September quarter 392 good empty bags from which production ingredients were emptied, had been added to the bag stock at no cost, it was not considered economical to burden the account with a charge for an item which cost the department nothing.

6. Net Loss - \$34,474; If the explanations offered at para. (4) and (5) are accepted, then the Net Loss was not understated.

Balance Sheet

7. Assets - Sundry Debtors - G.P.D., Georgetown - \$47,547.95. The explanation for the alleged understatement if acceptable precludes any error in the account mentioned.

8. Assets - Stock - Raw Material - \$76,223.29. In view of the explanation at para. (5) this Asset has not been overstated.

9. It was customary to ship on requisition, several hundred empty Stockfeed bags to Mr. L. G. Robeiro, Pomeroon, and the Government Produce Depot, New Amsterdam, during the corn season, as Mr. Robeiro and the Depot were agents purchasing corn for the Factory in the respective areas. The accounts in both cases should not be so high, since there is every likelihood that at various times, bags returned with corn were not credited. There is also a strong possibility that some of the bags were used by both agents to ship Ground Provisions to the Government Produce Depot, Georgetown, and as a result difficulty to reconcile these accounts has been encountered, since the agents kept no records of shipments. Efforts are however still being made to investigate and trace any such discrepancies.

GENERAL OBSERVATIONS

10. Sales. The question of the uneconomic sale of large quantities of corn in relation to the buying price of wet corn delivered at the Factory was at the time, and still remains a matter of expediency arising from Government's minimum price guarantee policy.

The minimum guaranteed price of $4\frac{1}{2}\%$ per lb. (at point of purchase) has no relationship whatever to world market prices of corn, with which it is nevertheless at all times in competition, and consequently the price at which sales of surpluses (over the Factory's requirements) are made, is not necessarily dictated by the cost to the Factory.

Unpredicted failure of the Spring Crop in 1959 created a shortage, and in order to ensure sufficiency for its operations, particularly so of fresh (new crop) corn for the manufacture of Corn Meal, the importation of which is limited solely in relation to availability of the local supply, the Factory necessarily had to purchase corn as and where obtainable on what had at that stage become a sellers market.

The price of $6\frac{1}{2}\%$ paid to the firm in question was no more than they had themselves paid elsewhere at that period for such limited quantities of new (fresh) corn as were then available. Indeed, from other sources the demand price was 7% per lb., and in the existing circumstances even this had to be met if the Corn Meal market were to be maintained, and resultantly retained against foreign competition. Resumption of sales to this firm at 6% per lb. from August was possible as the Autumn crop started to come on the market.

In short therefore, the unrealistic minimum guaranteed buying price of corn in relation to world market prices virtually compels the sale of surpluses at a loss, thereby constituting an indirect subsidy to the farming industry.

11. There has been an immense improvement in the manner in which the Central Agricultural Station is discharging its liability to the Factory. The amount of \$16,217.21 outstanding at 31st December, 1960, has been paid off.

12. The cost of operating the Processing Factory depends entirely on whether the production and subsequent sale of Feeds and other products are maintained at competitive level.

In 1956 the deficit of only \$3,739.99 indicates that sales of Finished Products were almost able to offset operating costs, and was proof that the locally manufactured feeds were

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taking to the market in the Department's drive to rehabilitate, expand and improve the Colony's Livestock Industry.

However, from 1957 local production suffered a serious setback when the restrictions on the importation of foreign feeds were lifted. As was to be expected, sales of locally manufactured feeds fell heavily as they were unable to compete on a price for quality basis with the mass produced imported feeds, particularly as much of the ingredients used in the local feeds had to be imported at fairly high duty-paid costs. Moreover, the Factory suffered a further sales disadvantage in that its foreign competitors were in the position to offer extensive credit facilities; an incentive which the Factory was not permitted to offer, even to a limited extent.

It is also important to note that the cost of handling, storing and drying Corn, including the resultant heavy loss from shrinkage in these processes, is made a charge on the operational cost of the Factory.

Further additional burden was placed on the operational cost by the introduction of charges for Interest and Replacement, which never applied in previous years. The voted deficits from 1957 - 1960 include these charges which are not kept on a Reserve Fund, but are credited to the Colony's revenue annually. These amounted to \$20,275.00, \$20,275.00, \$19,024.25 and \$20,006.00 for the respective years.

J.V. Mitchell

General Manager,
MARKETING DIVISION.