

REPORT OF THE DIRECTOR OF AUDIT ON THE ACCOUNTS OF  
THE GOVERNMENT PRODUCE DEPOT, NEW AMSTERDAM  
FOR THE YEAR ENDED 31ST DECEMBER, 1961

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REPORT OF THE DIRECTOR OF AUDIT ON THE ACCOUNTS OF  
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FOR THE YEAR ENDED 31ST DECEMBER, 1961

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The books and accounts of the Government Produce Depot for the year ended 31st December, 1961, have been examined under my direction.

TRADING AND PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31ST DECEMBER, 1961.

2. Sales - \$122,306.07

The total sales for the year have been under-stated by \$18.00, being the cost of empty bags used in shipping corn to the Government Processing Factory but omitted from the total amount charged against the Factory.

3. Closing Stock - \$3,116.64

Due to the incorrect valuation of certain items of stock at 31st December, 1961, the total value of the stock on hand at that date has been over-stated by a net amount of \$1.60.

4. Gross Profit - \$11,099.48

As a result of the comments at paragraphs 2, and 3, above, the gross profit for the year has been under-stated by \$16.40.

5. Cash Over - \$92.82

As the result of an error of commission, this amount has been under-stated by \$1.00.

6. Net Loss - \$4,589.41

As the result of the comments at paragraphs 4, and 5, above, the net loss for the year has been over-stated by \$17.40.

BALANCE SHEET AS AT 31ST DECEMBER, 1961

SUNDRY DEBTORS

7. Government Processing Factory - \$468.66

As a result of the comment at paragraph 2, above, this balance has been under-stated by \$18.00.

SUNDRY CREDITORS

8. Government Produce Depot, Georgetown - \$6,958.47

As a result of the comment at paragraph 6, above, this balance has been under-stated by \$17.40.

9. Clarke Percy - .71 cents

As a result of the error of commission referred to at paragraph 5, above, this account should have reflected a debit balance of .29 cents instead of a credit balance of .71 cents at 31st December, 1961.

GENERAL

10. The stock book has been kept in an unsatisfactory condition. In many instances receipts and issues have not been recorded therein. As a result, no check of this record has been carried out. Furthermore, it was not possible to carry out a physical survey of certain items of stock at the time of the audit inspection as the relevant stock book balances could not be ascertained.

11. Attention has been drawn to the fact that the procedure to be followed in connection with the writes-off of losses, as laid down by the Honourable Financial Secretary in his memorandum No. F.S.G. 12 A/56, dated 19th December, 1957, and addressed to the Director of Agriculture, has not apparently been adhered to.

12. Losses of plantains varying from 9% to 20%, while intransit from Georgetown to New Amsterdam, were sustained by this Depot during the year. Such losses would appear to be excessive.

13. Yearly Deficits

Over the last five years, the net deficits, charged to Public Funds for the running of this Produce Depot, were as follows -

1957	-	\$5,756.56
1958	-	14,695.32
1959	-	3,057.51
1960	-	12,506.52
1961	-	4,589.41

*L. V. Samuel*  
Director of Audit.

AUDIT DEPARTMENT,  
GEORGETOWN,  
BRITISH GUIANA.

26th September, 1963.

GOVERNMENT PRODUCE DEPOT - NEW AMSTERDAM  
TRADING AND PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED DECEMBER, 1961.

<u>1960</u>				<u>1960</u>
\$ 3,060.11	Opening Stock	\$ 2,238.58	Sales	\$ 122,306.07
<u>96,435.08</u>	Purchases	<u>106,938.46</u>		\$ 106,397.84
\$ 99,495.19		\$ 109,177.04		
1,922.72	Loss in transit	1,678.88		
4,719.86	Freight Inwards	2,503.96		
1,015.95	Cartage Inwards	797.13		
<u>308.08</u>	Transportation Inwards	<u>166.22</u>		
\$ 107,461.80	Goods available for sale	\$ 114,323.23		
<u>2,238.58</u>	Less Closing Stock	<u>3,116.64</u>		
\$ 105,223.22		\$ 111,206.59		
<u>1,174.62</u>	Gross Profit c/d	<u>11,099.48</u>		
\$ 106,397.84		\$ 122,306.07	\$ 122,306.07	\$ 106,397.84
	<u>Operating Expenses</u>		Gross Profit b/d	\$ 11,099.48
\$ 3,732.68	Salaries	\$ 4,116.80	Cash Over	92.82
5,473.13	Wages	7,244.06	Freight Outwards	344.36
548.14	Miscellaneous Expenses	1,280.90	Net Loss	4,589.41
1,200.00	Rent	1,250.00		
272.42	Transportation Outwards	52.28		
539.46	Travelling and Subsistence	551.23		
15.12	Packing	11.76		
28.46	Bad Debts	-		
<u>195.98</u>	Cartage Outwards	<u>195.84</u>		
\$ 12,005.39		\$ 14,702.87		
1,570.86	Administrative Expenses	1,081.20		
294.00	Interest Charges	292.00		
<u>50.00</u>	Replacement Charges	<u>50.00</u>		
\$ 13,920.25		\$ 16,126.07	\$ 16,126.07	\$ 13,920.25

CERTIFIED CORRECT:

*[Signature]*  
 Assistant Accountant (ag.)  
 Marketing Division.  
 21/5/62.

*[Signature]*  
 Chief Accountant (ag.)  
 Marketing Division  
 21/5/62.

GOVERNMENT PRODUCE DEPOT - NEW AMSTERDAM

STOCK LIST AS AT 31st DECEMBER, 1961.

<u>Items</u>	<u>Quantity</u>	<u>Rate</u>	<u>Value</u>
Plantains	246 lbs.	07¢ per lb.	\$ 17.22
Eddoes	1,710 "	04¢ "	68.40
Bananas	476 "	03¢ "	14.28
Pumpkins	6,680 "	03 $\frac{1}{2}$ ¢ "	233.80
Corn Meal (Loose)	3 $\frac{1}{2}$ bags	\$10:79 "	37.77
Corn Meal "	18 lbs.	11 ¢ "	1.98
Corn Meal (boxes)	8 boxes	\$ 1:56 "	12.48
Corn Meal (pkts.)	9 pkts.	07 ¢ "	.63
Cracked Corn	176 lbs.	08 ¢ "	14.08
Whole Corn	866 "	05 ¢ "	43.30
Padi	1,880 "	05 ¢ "	94.00
Coffee Beans	5 "	37 ¢ "	1.85
Starch (loose)	197 "	19 ¢ "	37.43
Starch (pkts.)	3 pkts	12 $\frac{1}{4}$ ¢ "	.37
Fruit Syrup	93 bots.	37 ¢ "	34.41
Guava Jelly	85 "	41 ¢ "	34.85
Honey	97 "	26 ¢ "	25.22
Cassareep	65 "	34 ¢ "	22.10
Cassareep	8 "	30 ¢ "	2.40
Shoulder Bacon	44 $\frac{1}{2}$ lbs.	\$ 1:04 "	46.28
Back Bacon	102 "	84 ¢ "	85.68
Stréaky Bacon	66 "	84 ¢ "	55.44
craps	11 "	60 ¢ "	6.60
Boneless Ham	29 "	\$ 1:44 "	41.76
Leg Ham	144 "	\$ 1:35 "	194.40
Picnic Hams	24 "	1:00 "	24.00
Shoulder Pork	102 $\frac{1}{2}$ "	66 ¢ "	67.65
Steak Pork	19 "	70 ¢ "	11.90
Leg Pork	112 $\frac{3}{4}$ "	70 ¢ "	78.93
Steak Pork	26 $\frac{1}{2}$ "	76 ¢ "	20.14
Chops Pork	14 "	60 ¢ "	8.40
Breast Pork	29 $\frac{1}{2}$ "	58 ¢ "	17.11
Pork Trotters	41 $\frac{1}{2}$ "	58 ¢ "	24.07
Pork, Ears, Face, Snout	28 $\frac{1}{2}$ "	52 ¢ "	14.82
Sausages	15 "	82 ¢ "	12.30
Fish, Red Snapper	95 "	58 ¢ "	55.10
Fish Querriman	92 "	52 ¢ "	47.84
Chick Starter	4 bags	\$10:14 "	40.56
Chick Starter	9 lbs.	10 $\frac{1}{4}$ ¢ "	.92
Growing Mash	330 "	10 ¢ "	33.00
Layers Mash	3 $\frac{3}{4}$ bag	\$ 9:69 "	7.27
Layers Mash	6 lbs.	9 $\frac{3}{4}$ ¢ "	.59
Linseed Oil Meal	4 $\frac{1}{4}$ bags	\$11:73 "	49.85
Linseed Oil Meal	8 lbs.	11 $\frac{3}{4}$ ¢ "	.94
Cassava Meal	324 "	04 ¢ "	12.96
Dairy Meal	4 $\frac{1}{2}$ bags	\$ 7:79 "	35.06
Dairy Meal	2 lbs.	08 ¢ "	.16
Calf Meal	4 $\frac{1}{2}$ bags	\$ 9:14 "	44.13
Calf Meal	5 lbs.	9 $\frac{1}{4}$ ¢ "	.46
Copra Meal	592 "	6 $\frac{3}{4}$ ¢ "	38.48
Pig Starter	3 $\frac{3}{4}$ bags	\$ 8:08 "	30.30
Pig Starter	22 lbs.	08 $\frac{1}{4}$ ¢ "	1.82
Pig Grower	4 $\frac{1}{4}$ bags	\$ 7:79 "	33.11
Pig Grower	16 lbs.	08 ¢ "	1.28
Pig Finisher	4 $\frac{1}{4}$ bags	\$ 7:64 "	32.47
Pig Finisher	18 lbs.	07 $\frac{3}{4}$ ¢ "	1.40
Sow Ration	3 $\frac{1}{4}$ bags	\$ 7:56 "	24.57
Sow Ration	12 lbs.	07 $\frac{3}{4}$ ¢ "	.93
Barbados Lime	284 "	04 ¢ "	11.36
Parris Green	439 $\frac{1}{2}$ "	45 ¢ "	197.78
Superphosphates	1 $\frac{1}{4}$ cwt.	\$ 10:87 "	2.72
Superphosphates	15 lbs.	08 $\frac{1}{2}$ ¢ "	1.28

C/Forward

\$ 2,112.29

Brought Forward	..	..	..	..	\$ 2,112.39
Lead Arsenate	18	lbs.	32 ¢	per lb.	5.76
Sulphate of Potash	1 $\frac{1}{2}$	cwt.	\$ 6:93	" cwt.	10.40
Sulphate of Potash	8	lbs.	07 ¢	" lb.	.56
Murate of Potash	1 $\frac{1}{4}$	cwt.	\$ 7:28	" cwt.	9.10
Sulphate of Ammonia	4 $\frac{3}{4}$	"	\$ 6:78	" "	32.21
Sulphate of Ammonia	6	lbs.	08 ¢	" lb.	.48
Agrocide No. 10	3 $\frac{3}{4}$	cwt.	\$ 30:47	" cwt.	114.26
Agrocide No. 10	27	lbs.	27 $\frac{1}{4}$ ¢	" lb.	7.36
Agrocide No. 7	2	cwt.	\$ 25:22	" cwt.	50.44
Agrocide No. 7	10	lbs.	22 $\frac{1}{2}$ ¢	" lb.	2.25
Agrocide No. 3	2	cwt.	\$ 9:29	" cwt.	18.58
Agrocide No. 3	17	lbs.	08 $\frac{1}{2}$ ¢	" lb.	1.45
Maxicrop	8	bots.	\$ 1:30	" bot.	10.40
Chlordane	13 $\frac{1}{2}$	pts.	\$ 2:31	" pt.	31.19
Aldrin	29	"	\$ 1:87	" "	54.23
Deldrin	13 $\frac{1}{4}$	"	\$ 1:33	" "	17.62
Fernamine	38 $\frac{1}{2}$	"	\$ 1:13	" "	43.51
Malathion	24	"	\$ 2:77	" "	66.48
Salt Licks	6	cks.	67	" ck.	4.02
Dowpan	3	tins	\$ 12:41	" tin	37.23
Cocoa Beans	73	lbs.	32 ¢	" lb.	23.36
Didinac	1 $\frac{1}{8}$	drum			79.36
Plantain Flour	33 $\frac{1}{8}$	bxs.	\$ 5:13	" box	169.93
Broiler Concentrate	1	bag			14.40
Hot Sauce	6	bots.	22 ¢	" Bot.	1.32
Pure Ghee	10	"	62 ¢	" "	6.20
Oranges	3,114	"	02 ¢	ea.	62.28
Grape Fruits	299	"	02 ¢	" "	5.98
M.T. Corn Bags	344	"	36 ¢	" "	123.84
					<u>\$ 3,116.64</u>

CERTIFIED CORRECT:

Ewald Kenda

GOVERNMENT PRODUCE DEPOT - NEW AMSTERDAMSUNDRY DEBTORS AS AT 31st DECEMBER, 1961.

Mental Hospital	..	..	..	\$	605.20
Prisons Department	..	..	..	..	665.54
Public Hospital, Berbice	..	..	..	..	546.14
Agriculture Dept., Black Bush Polder					223.38
Police Mess, New Amsterdam	..	..	..	..	80.91
Agriculture Dept., New Amsterdam	..	..	..	..	57.68
Port Mourant Hospital	..	..	..	..	37.57
E. O. Kendall	..	..	..	..	42.19
A. Khan	..	..	..	..	20.30
Transport and Harbours Dept.	..	..	..	..	14.20
Domestic Science Centre	..	..	..	..	48.54
O. Pearson	..	..	..	..	8.00
E. A. Jeffrey	..	..	..	..	<u>5.20</u>
				\$	<u><u>2,354.85</u></u>

SAB/DL  
A8(a)/1958-63

From: Director of Marketing.  
To: Director of Audit.  
Dated: 21st December, 1963.

SUBJECT

Government Produce Depot, New Amsterdam  
Audit of Accounts for year ended 31st December, 1961.

Hereunder are my comments and action taken with respect to your observations on the above inspection.

Trading and Profit and Loss Account for the year ended 31st December, 1961.

Sales - \$122,306.07.

- 2. The omission has been noted and will be adjusted.

Closing Stock - \$3,116.64

- 3. These errors are admitted and it is therefore agreed that the stock was overstated by the net amount of \$1.60. Adjustment of the relevant accounts will be effected.

Gross Profit - \$11,099.48

- 4. This under-statement of the gross profit for the year is admitted.

Cash Over - \$92.82

- 5. It has been verified that the \$1.00 was erroneously credited to the personal account of P. Clarke. Adjustment will be effected.

Net Loss - \$4,589.41

- 6. Adjustment will be effected to correct this error.

Balance Sheet as at 31st December, 1961  
Sundry Debtors.

Government Processing Factory - \$468.66

- 7. Admitted. The error is regretted and will be adjusted.

Sundry Creditors

Government Produce Depot, Georgetown - \$6,958.47

- 8. This error is admitted.





Clarke, Percy - .71 cents

9. This error will be corrected.

General  
Purchases.

10. It is agreed that greater care in preparing these bills should be exercised and the attention of the purchasing clerk was drawn to this fact. The situation has since improved.

11. The Supervisor has explained that the fluctuation in these prices were due mainly to the condition of the market with respect to Eddoes. In each case the price paid was that which was advantageous to the Depot.

12. A check on the records substantiates that your observations are correct. However, the circumstances surrounding these transactions were explained by the Supervisor who agreed that the method of recording adopted was wrong. He stated that the reason why the relative bills were changed, was because the farmers were not in place to collect payment of the one third advance, so instead of cancelling the bill he inserted the full payment which was effected on his subsequent trip up the Berbice River.

13. This irregularity has been brought to the attention of the Supervisor, and the procedure suggested has been put into operation.

14. Payment of the amount of \$9.63 has not been made and this appears to have been definitely an oversight. This unpaid amount will be brought to account.

15. I agree that the losses appear to be excessive, however, the quantities recorded in the intake are those representing the actual weights received at the Depot. The quantities charged out in Georgetown were correct, and this was verified to be so, therefore the losses originated intransit on the Transport and Harbours Department steamer. Claims for shortages were made time and again to the Transport and Harbours Department, but these have not been honoured since it is claimed that unless the plantains are properly crated, no such claims could be entertained.

16. It has been conceded that the items mentioned were omitted from the intake book. The oversight is regretted.

17. An examination of your observation has shown in respect of the corn purchased, that the quantities entered in the intake book represented a portion of the purchase. On account of the method adopted on the Berbice River, of advancing part of the cash to the farmer, only that portion advanced for was entered in the Intake book, although the amount purchased was actually received. This error seemed due to the fact that the Intake entry was made from the Purchase Bill. With respect to the other items, Yams and Plantains, only the actual weights received were entered in the Intake. The purchase bills were however made out to coincide with the charge bills forwarded from the Georgetown Depot. The differences were recorded as losses intransit.

18. As admitted in para. (17) there were instances where the intake book was written up from the purchase bill. This was drawn to the attention of the Supervisor, who pointed out that at the time he was both purchasing clerk and

/ intake .....

intake clerk and this accounted for the method adopted. However, since he was given assistance, he has been performing the duty of intaking the produce purchased and the correct procedure is being followed.

Stock Book

19. - 20. It is regretted that this record was not up to date, but the Supervisor opined that due to the lack of clerical assistance, he himself was obliged to write up this record and admits that due to pressure of other duties the records were neglected as observed.

21. The Supervisor's attention has been drawn to this lapse, which he had been urged to correct.

22. The non-submission of returns in accordance with F.S.G. 12A/56 dated 19th December, 1957 was an oversight and is regretted. Returns will now be submitted and adherence to the procedure involved will be followed.

23. - 24. These omissions have been brought to the attention of the Supervisor and his staff, and it has been promised that such omissions would be corrected.

25. Attention has been drawn to the terms under which subsistence allowances are paid in respect of completed hours after the first twenty four hours, and compliance thereto will be observed by those officers concerned.

26. These omissions have since been corrected.

27. While the term 'travelling under field conditions' might not be strictly applicable to this case, yet the conditions of travel are somewhat similar when it is considered that the steamer has to be used as a base of operations, which lack the facilities of Hotel or Rest House. Further, in view of the exacting conditions under which this employee had to perform his duties, in my opinion the allowance paid was advantageous to the department, since it was necessary for the employee to work around the clock.

Wages

28. Written authority was admittedly not in evidence, but instructions were tentatively given to the Supervisor over the telephone. Apparently it was an oversight that the Written authority was not received from the Marketing Division.

29. It has been claimed by the Supervisor, that this payment was in order, and that the omission of this employee's name from the time book was an error, but he was certain that she did work on the 21st December, 1961.

Rent.

30. There was no written approval. The approval for this was given by the General Manager.

Empty Bags.

31. This lapse has been noted and every attempt made to remedy same.

32. This record has been introduced.

Remittance Book

33. The officer responsible has been advised to keep this record up to date.

Receipt Book Register

34. An order has been placed for the prescribed register, and this will be put into use when obtained.

35. These errors are regretted and will be corrected.

36. The Supervisor has been instructed to correct this situation.

Inventory

37. These forms have been ordered and will be put into use immediately.

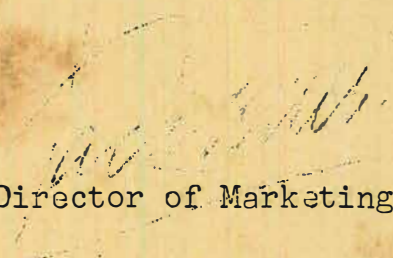
Sundry Debtors - E. Kendall - \$25.63

38. Mr. Kendall's attention has been drawn to this overdue balance, and advised to clear it.

Cheques

39. I agree that this arrangement is not entirely satisfactory, but so called responsible staff is limited, and as a result the department has at times to rely on the services of the porter, when the clerk is out purchasing on the Berbice River.

40. Your suggestion has been noted and put into immediate operation.

  
Director of Marketing.

c.c. The Secretary to the Treasury,  
Permanent Secretary, Ministry of Trade & Industry.  
Accountant General.