



REPORT ON THE

PUBLIC ACCOUNTS

(ENTERPRISES) COMMITTEE

FIRST SESSION OF THE 11TH PARLIAMENT

Inquiries Examination of the Audited Financial Statements of State Enterprises; (NSDSL, e TecK, NFM, NQCL, GHRS, NIDCO and TTMF).



Public Accounts (Enterprises) Committee

The Public Accounts (Enterprises) Committee (P.A.(E).C) established under Section 119(5) of the Constitution of the Republic of Trinidad and Tobago is mandated to consider and report to the House of Representatives accordingly on:

“(a) the audited accounts, balance sheets and other financial statements of all enterprises that are owned or controlled by or on behalf of the state; and

(b) the Auditor General’s Report on any such accounts, balance sheets and other financial statements.”

Current membership

Mr. Wade Mark	Chairman
Dr. Tim Gopeesingh	Member
Mrs. Jennifer Baptiste-Primus	Member
Mr. Fitzgerald Hinds	Member
Mrs. Cherrie-Ann Crichlow-Cockburn	Member
Ms. Shamfa Cudjoe	Member
Mr. Foster Cummings	Member
Mr. David Small	Member

Committee Staff

The current staff members serving the Committee are:

Ms Keiba Jacob	Secretary to the Committee
Ms Hema Bhagaloo	Assistant Secretary to the Committee
Ms Samantha Snaggs	Parliamentary Intern
Mr Brian Lucio	Parliamentary Intern
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Publication

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MEMBERS OF THE PUBLIC ACCOUNTS (ENTERPRISES) COMMITTEE



Mr. Wade Mark
Chairman



Dr. Tim Gopeesingh
Vice-Chairman



Ms. Shamfa Cudjoe
Member



Mrs. Jennifer Baptiste -Primus
Member



Mr. Fitzgerald Hinds
Member



Mr. David Small
Member



Ms. Cherrie-Ann Crichlow-Cockburn
Member



Mr. Foster Cummings
Member

EXECUTIVE SUMMARY

The Public Accounts (Enterprises) Committee (PA(E)C) is the Parliamentary Financial Oversight Committee tasked with the responsibility of examining the audited accounts of all State Enterprises that are owned or controlled by the state. The Committee examined **one Auditor General's Special Audit Report and the Financial Statements of six entities** and produced a single report to highlight its findings and recommendations. This report highlights the issues, endorsements and recommendations made by the Committee in an attempt to assist the entities in better performing their duties while also commending their initiatives. The issues, endorsements and recommendations are applicable to the period under examination (2008 to 2014).

The seven entities examined by the PA(E)C in order of appearance were:

1. National Schools Dietary Services Limited (NSDSL)- (Auditor General's Report on a Special Audit)
2. Evolving Tecknologies and Enterprise Development Co. Ltd (e Teck) - (2008 – 2009)
3. National Flour Mills Limited (NFM) - (2008 - 2011)
4. National Quarries Company Limited (NQCL) - (2008 – 2010)
5. Government Human Resource Services Company Limited (GHRS) - (2008 - 2014)
6. National Infrastructure Development Company Limited (NIDCO) - (2009 – 2013)
7. Trinidad and Tobago Mortgage Finance Company Limited (TTMF) -(2008 – 2014)

There are seventy-nine (79) State Enterprises falling under the purview of the Committee¹. It is important to note that compared to the same period for the Tenth Parliament, the Committee work programme was doubled and only seven (7) of the seventy-nine (79) State Enterprises were able to be examined.

Trends

The Committee identified the following trends across State Enterprises:

- The limited capacity of the Investments Division to effectively oversee and monitor State Enterprises.
- The lack of effective technical supervision by line Ministries with respect to the planning, monitoring and evaluation of projects at State Enterprises.
- The late submission of audited financial statements to Parliament.

¹ See Appendix 3 for the full list of State Enterprises falling under the purview of the Committee.

INTRODUCTION

Establishment

The PA(E)C of the Eleventh Republican Parliament was established by resolution of the House of Representatives and the Senate at the sittings held on Friday November 13, 2015 and Tuesday November 17, 2015 respectively.

Mandate

The Constitution of the Republic of Trinidad and Tobago mandates that the Committee shall consider and report to the House on the audited accounts, balance sheets and other financial statements of all enterprises that are owned or controlled by, or on behalf of the State.

In addition to the Committee's powers entrenched in the Constitution, the Standing Orders of the House of Representatives and Senate also empower the Committee (but is not limited) to:

- a) send for persons, papers and records;
- b) have meetings whether or not the House is sitting;
- c) meet in various locations;
- d) report from time to time;
- e) communicate with any other Committee on matters of common interest.

Ministerial Response

The Standing Orders² provide for the Minister responsible for the Ministry or Body under review to submit within sixty (60) days a paper to the House responding to any recommendations or comments contained in the Report which are addressed to it.

State Enterprises Performance Standards

The PAEC used the State Enterprises Performance Monitoring Manual as a benchmark for State Enterprises. The manual outlines the framework for compliance with official policy and the monitoring mechanisms to be used in assessing such compliance. The Government of Trinidad and Tobago monitors the performance of State Enterprises to ensure that these enterprises successfully execute their mandates and maximise value for money for the national stakeholders and shareholders.³

Election of the Chairman and Vice Chairman

In accordance with section 119(6) of the Constitution, the Chairman must be a member of the Opposition in the Senate. At the first meeting held on Wednesday December 2, 2015, Mr. Wade Mark was elected Chairman and Dr. Tim Gopeesingh was elected Vice Chairman of the Committee.

² Standing Order 110 (6) in the [House of Representatives](#) and 100(6) of the [Senate](#).

³ <http://www.finance.gov.tt/wp-content/uploads/2013/11/State-Enterprise-Performance-Monitoring-Manual-2011.pdf>

METHODOLOGY

Determination of the Committee's Work Programme

At its second meeting on Wednesday January 13, 2016, the Committee agreed to prioritize thirty-four (34) State Enterprises as follows:

1. Caribbean Airlines Limited (CAL)
2. Caribbean New Media Group (CNMG)
3. Caroni Green Limited
4. Community Environmental & Protection Enhancement Programme Company Limited (CEPEP)
5. Education Facilities Company Limited (EFCL)
6. Estate Management and Business Development Company Ltd. (EMBDC)
7. Evolving Tecknologies and Enterprise Development Co. Ltd (eTECK)
8. National Commission for Self Help Limited
9. National Entrepreneurship Development Company Ltd. (NEDCO)
10. National Enterprises Limited (NEL)
11. National Gas Company of Trinidad and Tobago Limited (NGC)
12. National Infrastructure Development Company Ltd. (NIDCO)
13. National Insurance Property Development Company Ltd. (NIPDEC)
14. National Quarries Company Limited (NQCL)
15. National Schools Dietary Services (NSDSL)
16. Palo Seco Agricultural Enterprises Ltd (PSAEL)
17. Petroleum Company of Trinidad and Tobago (PETROTRIN)
18. Point Lisas Industrial Port Development Corporation Ltd. (PLIPDECO)
19. Port of Spain Waterfront Development Ltd.
20. Rincon Development Ltd.
21. Rural Development Company of Trinidad and Tobago Ltd.
22. Sport Company of Trinidad and Tobago (SporTT)
23. Telecommunication Services of Trinidad, Tobago (TSTT)
24. Trinidad and Tobago Fashion Company Ltd.
25. Trinidad and Tobago Mortgage Finance Company Limited (TTMF)
26. Trinidad and Tobago National Petroleum Limited (NP)
27. Tourism Development Corporation (TDC)
28. Union Estate Electricity Generation Company Limited
29. Urban Development Corporation of Trinidad and Tobago (UDECOTT)
30. Solid Waste Management Company Limited (SWMCOL)
31. Vehicle Management Corporation of Trinidad and Tobago (VMCOTT)
32. National Flour Mills Limited
33. Community Improvement Services Limited
34. Government Human Resource Services Company Limited (GHRS)

The Inquiry Process

The Inquiry Process outlines steps to be taken by the Committee when conducting an inquiry into an entity or issue. The following steps outline the Inquiry Process agreed to by the PA(E)C:

- I. Identification of entities to be examined;
- II. Preparation of Inquiry Proposals for the selected entities. The Inquiry Proposal outlines:
 - a. Background;
 - b. Objective of Inquiry; and
 - c. Proposed Questions.
- III. Consideration and approval of Inquiry Proposals by the Committee and when approved, questions are forwarded to the entity for written responses;
- IV. Issue of requests for written comment from the public are made via Parliament's website, social media accounts, newspaper and advertisements (optional);
- V. Preparation of an Issues Paper by the Secretariat for the Committee's consideration, based on written responses received from the entities. The Issues Paper identifies and summarises any matters of concern in the responses provided by the entity or received from stakeholders and the general public;
- VI. Review of the responses provided and the Issues Paper by the Committee;
- VII. Conduct of a site visit to obtain a first-hand perspective of the implementation of a project (optional);
- VIII. Determination of the need for a Public Hearing based on the analysis of written submissions and the site visit (if required). If there is need for a public hearing, the relevant witnesses will be invited to attend and provide evidence. There is usually no need to examine the entity in public if:
 - a. the Committee believes the issues have little public interest; or
 - b. the Committee believes that the written responses provided are sufficient and no further explanation is necessary.
- IX. Issue of written request to the entity for further details should the Committee require any additional information after the public hearing.
- X. Report Committee's findings and recommendations to Parliament upon conclusion of the inquiry.

PERVASIVE ISSUES

(When something is “pervasive”, it is everywhere)

Pervasive Issues are areas where improvements are needed across several State Enterprises. Based on written submissions and public hearings, the Committee identified a number of these issues as follows:

I. Legal Authority to Audit State Enterprises and Perform Special Audits

The legal framework giving the Auditor General authority to perform special audits and audit State Enterprises was vague. Section 116 (3) of the Constitution of Trinidad and Tobago simply empowered the Auditor General to carry out audits of all enterprises that are owned or controlled by or on behalf of the State. Whereas the Auditor General is mandated to audit the public accounts. With regard to special audits, the Auditor General currently utilizes section 116 of the Constitution and Section 9 (2)(c) of the Exchequer and Audit Act as the legal authority to perform these audits. The Special Audit of NSDSL was conducted based on parliamentary interest in terms of money spent and a risk analysis of the programme.

Recommendation:

- *The Exchequer and Audit Act, Chap 69:01 be urgently amended to explicitly give the Auditor General the authority to perform special audits on any agency funded by the State.*
- *The Minister of Finance should also appoint the Auditor General as an auditor of companies in accordance with Section 159(1) of the Companies Act 81:01.*

II. Legal Authority of the State Enterprises Performance Monitoring Manual

The State Enterprises Performance Monitoring Manual is the document that details the guidelines for the corporate governance practices of State Enterprises. The manual provides detailed rules for reporting relationships, procurement, budgeting, audited financial statements, monitoring and evaluation etc. State Enterprises are equally responsible for maintaining accountability, transparency and value for money just as Ministries and Departments which are monitored under the Exchequer and Audit Act.

Recommendation:

- *The State Enterprises Performance Monitoring Manual should be made a regulation in accordance with section 45 of the Exchequer and Audit Act.*

- *The Attorney General should take immediate steps to allow the provisions within the manual to have legal authority over the operations of State Enterprises.*

III. Role of the Investments Division (ID)

The Investments Division is responsible for executing the investment policy as prescribed by Cabinet. The mandate of the Division includes oversight, monitoring and, where necessary, the rationalization of Government's equity holdings in commercial entities, and which are also called State Enterprises. The Division acts on behalf of the Minister of Finance in the capacity of Corporation Sole, and carries out the corporate function. Thus, the Minister of Finance, the Corporation Sole, has similar legal existence as any Corporation. The Investments Division has a critical role assisting the PAEC with the performance of its duties and should continue to build a stronger relationship with the Committee so that its oversight function can be strengthened.

Recommendations:

- *The Investments Division should be more proactive in its oversight responsibility through the conduct of regular site visits and the monitoring and evaluation of quarterly reports of all State Enterprises; and*
- *A better communication strategy should be developed between the PAEC and the Investments Division to enhance the oversight responsibility. This can be achieved by identifying an individual from the Investments Division to act as a Liaison Officer with the PAEC.*
- **The Ministry of Finance – Investments Division as a matter of urgency, take the lead in ensuring that entities comply with the State Enterprises Performance Monitoring Manual;**
- **The Ministry of Finance – Investments Division should designate a named official with responsibility for ensuring that the State Enterprises Performance Monitoring Manual are adhered to, to deliver improved performance, accountability and transparency and value for money for the taxpayer; and**
- **To strengthen accountability and monitoring, the Ministry of Finance - Investments Division, should ensure all State Enterprises prepare**

accountability report, covering all of the accountability relationships and processes of each State Enterprise.

IV. Late Submission of Audited Financial Statements

The timely submission of audited financial statements and administrative reports to Parliament is pivotal in accounting for the utilization of public funds. The failure of State Enterprises to submit Audited Financial Statements significantly delays the work of the PAEC. The Committee noted in some instances the delay occurred because of the inability of the Investments Division to hold Annual General Meetings, which is a requirement in accordance with the Companies Act chapter 81:01 for the approval of Audited Financial Statements.

Recommendations:

- *The Ministry of Finance should revise the process for the submission of Audited Financial Statements; and*
- *The Investments Division should ensure that the performance standards for the Chief Executive Officers and Chief Financial Officers in State Enterprises include the timely submission of reports to the Ministry of Finance, which also prevents the timely submission of these reports to Parliament.*

NATIONAL SCHOOLS DIETARY SERVICES LIMITED (NSDSL)

**Examination of the Report of the Auditor General of
the Republic of Trinidad and Tobago on a Special
Audit of the School Nutrition Programme managed by
NSDSL**

National Schools Dietary Services Limited (NSDSL) Profile

Background:

NSDSL is owned by the Government of Trinidad and Tobago. It is mandated to ensure that the nation's children are served nutritionally-balanced, delicious meals. To this end the NSDSL has also embarked on nutrition education in schools and health fairs to spread the good news of nutrition to students and their parents.

With a desire to stimulate growth within the community, NSDSL encourages and supports the agricultural sector by ensuring that menus utilize more local produce. The Company also encourages small businesses that wish to supply goods and services that will benefit the goals of the programme – to produce the best quality meals at the lowest possible cost to caterers.⁴

Line Ministry – Ministry of Education

Minister – The Hon. Anthony Garcia, MP

Permanent Secretary – Mrs. Lenor Baptiste-Simmons⁵

CEO - Ms. Stacy Barran

⁴ NSDSL Background. Ministry of Education. Web. Thursday August 8, 2016.
<http://moe.edu.tt/services/administration/units/national-school-dietary-services/itemlist/category/74-national-schools-dietary-services>

⁵ At the time of the inquiry, the Permanent Secretary was Mrs. Gillian Macintyre

Issues, Observations and Recommendations

The Auditor General's Report on the Special Audit of the School's Nutrition Programme managed by the National Schools Dietary Services Limited (NSDSL)

In the Committee's examination of the National Schools Dietary Services Limited (NSDSL), the following issues were raised and the corresponding observations and recommendations made:

I. Nutrition Education

The NSDSL conducted a limited number of sessions on nutrition education for students. There were only two persons at the NSDSL tasked with the responsibility for nutrition education and outreach. As such, there was a natural limit on the number of sessions and visits that could've been conducted. The Ministry of Education has incorporated in the curriculum for primary and secondary schools a Health and Family Life Education Programme. At the secondary school level the programme included understanding nutrition, choice of foods and the consequences of eating unhealthy foods.

Recommendations:

- *NSDSL should consider utilizing the On-The-Job Training Programme to supplement the number of persons tasked with the responsibility of sharing information on healthy nutrition to schools;*
- *The Ministry of Education should ensure that the NSDSL recruit additional persons to expand the nutrition education programme for students; and*
- *An eight (8) member Liaison Committee should be established with two (2) representatives from the Ministry of Health, Ministry of Education, NSDSL and the Ministry of Agriculture, Land and Fisheries to develop the content and delivery of the information.*

II. Key Performance Indicators

The NSDSL identified consumption as its key performance indicator in the field. The other indicator was value for money, in particular whether public funds were being spent responsibly. PriceWaterhouseCoopers (PWC) was engaged to develop a financial model to

ensure the NSDSL was obtaining market value for meals purchased. Further, PWC was also tasked to determine whether there was value for money in the programme.

Recommendations:

- *The NSDSL should identify Key Performance Indicators for the School Nutrition Programme; and*
- *The Ministry of Education should monitor the development of Key Performance Indicators and once approved the Ministry should also monitor and evaluate the performance of the School Nutrition Programme against the Key Performance Indicators.*

**EVOLVING
TECKNOLOGIES AND
ENTERPRISE
DEVELOPMENT
COMPANY LIMITED
(E TECK)**

**Examination of the Financial
Statements of e TecK for the Years Ended
September 30, 2008 to 2009**

Evolving Tecknologies and Enterprise Development Company Limited (eTeck's) Profile

Background

e Teck is a fully State-Owned Company (100% GORTT) established by the Companies Act, Chapter 81:01. e Teck reviewed and revised its strategic direction in October 2011 and launched a 15-year Strategic Plan (2012-2027) to better align to the Ministry of Trade and Industry overall goal for diversification – “to drive the non-energy sectors for the sustainable long-term growth and development of diversified and knowledge-based economy that contributes to the creation of high quality jobs.”⁶

In April 2013, Cabinet approved the rationalization of e Teck's functions and operations giving eTeck the responsibility of achieving the following visionary mandates:

- Develop new modern economic zones through, inter-alia, public private partnerships that can expand and diversify Trinidad and Tobago's economic base;
- Improve the infrastructure and operations of existing economic zones/industrial parks;
- Optimize existing industrial parks on a commercial basis;
- Manage the assets of the Hilton Trinidad and Conference Centre and Magdalena Grand Beach Resort in Tobago.

Mission

To grow Trinidad & Tobago's non-Oil & Gas sectors significantly and sustainably.

Vision

To be the #1 ranked Investment Promotion Agency in the Americas and Caribbean leading the creation of a sustainable diversified economy.

Line Ministry – Ministry of Trade and Industry

Minister – Senator the Hon. Paula Gopee-Scoon

Permanent Secretary – Mr. Norris Herbert

Chairman - Mr. Imtiaz Ahamad

⁶ http://www.eteck.co.tt/1content/en/e_corp.aspx?articleid=182&zoneid=16

Issues, Observations and Recommendations

Examination of the Audited Financial Statements of e Teck for the Period September 30, 2008 to 2009

During the examination of the Audited Financial Statements of e Teck for financial years ended September 30, 2008 to 2009, the following issues were identified and recommendations proposed:

I. Systems in place to adhere to Policies and Regulations

The entity failed to adhere to established policies and procedures as stated in the Report to Management for the period September 30, 2009 to September 30, 2010 by PricewaterhouseCoopers. Based on the findings of the report, the entity appeared to be in breach of the provisions of the State Enterprises Performance Monitoring Manual and the company's investment policy. e Teck acknowledge for the period under review that there was a lack of accountability and monitoring of the entity. However, systems were now in place for persons to adhere to policies and regulations. In 2013, financial and non-financial objectives were implemented which resulted in the development of the operational and action plan of the entity. Arising from action plan, Key Performance Indicators (KPIs) were developed and integrated into the organisation's performance management system, which were communicated to all levels of the organization. A report on the achievement of the action plan was produced on a monthly, quarterly and annual basis. Also, the following mechanisms were used to track, evaluate and communicate the company's activities in terms of efficiency and effectiveness and their alignment with policy:

- ✓ Tracking done via monthly reports prepared by each department;
- ✓ Monthly management meeting review;
- ✓ Monthly and quarterly reporting;
 - o Reporting on the company's operations
 - o Reporting on the operations of the hotel assets
 - o PSIP reports
 - o Action Plan reports
- ✓ Board meeting / Board reports;
- ✓ Board Sub-committee meetings;
 - o Project Oversight Committee
 - o Board Tenders Committee
 - o Human Resources Committee
 - o Audit Committee
 - o Finance and Investment Committee

- o Hotel Assets Committee
 - o Real Estate Committee
- ✓ Yearly operational plans and targets which are cascaded into the performance management system.

Recommendations:

- *e TecK should conduct quarterly checks to monitor the implementation of the (KPIs) and their progress;*
- **The development and implementation of a strategic work force plan, identifying expected skill gaps and the resources needed for the successful operation of the organization; and**
- **e TecK should prepare a report annually on the assessment of its strategic plans and policy initiatives in line with the Ministry of Finance – Investments Division guidelines. This report should be made available to Parliament to strengthen transparency.**

II. Late Submission of Audited Financial Statements to the Parliament

Accountability to Parliament for the utilization of public funds has been weakened by the failure of e TecK to submit its audited financial statements in a timely manner for scrutiny. The Committee noted that there was a lack of urgency in dealing with the persistent delay in the submission of audited financial statements to the Parliament. e TecK indicated that the late submission of audited financial statements was due to the process of cleaning up the accounts of the Subsidiary Vanguard Holdings Limited (VHL). The Subsidiary Vanguard Holdings Limited (VHL) formerly, the Tobago Hilton was closed in 2008 and underwent major renovations in 2011/12 and subsequently reopened in 2012. This enterprise was never formerly audited, as a result, e TecK had to undertake the exercise of cleaning up the accounts and preparing statutory financial statements for consolidation. This was a mammoth undertaking and the company has thus far completed the financial statements for 2012, 2013 (that is, for parent company, e TecK only) and was well underway to have Audited financial statements brought up to date to 2015 by September 2016. The following measures have been implemented to ensure statements were submitted in a timely manner:

- ✓ Board and Audit Committee mandate that e TecK must be in compliance with the State Enterprises Performance Monitoring Manual with respect to its audited financial statements;
- ✓ Monthly Management Accounts are completed and submitted to Executive Management by the 22nd of following month;
- ✓ Close monitoring and oversight of the Finance department at Magdalena Grand Beach and Golf Resort by the Finance Department of e TecK with monthly visits;
- ✓ The Assistant Vice President, Finance is accountable for completion of Audited Financial Statements and forms part of Key Performance Standards which is used for completion of the annual performance appraisal;
- ✓ Executive management to closely monitor ongoing status.

Recommendations:

- *Each subsidiary should prepare separate audited financial statements as a true and fair representation of the state of affairs of the company;*
- *Based on the measures implemented, e TecK should implement stringent measures to adhere to the stipulated deadlines set in Section 3.1 of the State Enterprises Performance Monitoring Manual which states that audited financial statements must be submitted to Parliament within four (4) months after a company's end of year and within two (2) months of the mid-year date subject to the approval of the Minister of Finance;⁷*
- *Strengthen the internal controls of the Company to ensure the timely preparation and submission of Statements;*
- *Intensify the monitoring of financial accounts to ensure prompt closure in books; and*
- *Internal auditors should conduct quarterly assessment and prepare a report on the financial and performance activities needed to oversee systems of delivery and manage accountabilities.*

III. Monitoring and Accountability of Major Projects:

⁷ Accessed on May 23, 2016, <http://www.finance.gov.tt/wp-content/uploads/2013/11/State-Enterprise-Performance-Monitoring-Manual-2011.pdf>

Hilton Hotel Trinidad Refurbishment Project and the Tamana Intech Park

The company's figure for the Hilton Hotel Trinidad Refurbishment Project and the Tamana InTech Park were not a meaningful measure of performance, monitoring and accountability because of the ineffective budgeting process and cost control procedures. The Company's major projects had significant cost variances due to differences in the actual and current cost estimates. Trinidad Hilton Renovation initial cost estimate was \$ 484m and current cost estimate was \$634m which resulted in a variance of 150m in 2009. The actual cost of this project was \$508 million as at April 6, 2016. The project cost increased because the initial project manager's contract was terminated, escalating the labour and material cost. Since, a significant part of the hotel needed restoration a design consortium plan was implemented⁸.

The reasons for the termination of the initial project manager for the Hilton project were as follows:

- Non-performance by Owner's representatives;
- Interference and disruption caused by Owner's representatives to work; and
- Non-payment of Fee Invoices due and owing.

The company recruited an internationally based local contractor, with the appropriate skillset to build major hotels. The National Secretariat requested fifty two (52) additional presidential suites to the Hilton Hotel Trinidad. This change of scope and economic inflation were reviewed and the project took a critical phased approach.

Tamana InTech Park

Tamana InTech Park budgeted cost was of the sum \$1.1 billion and the estimated cost in 2008 was \$2.7 billion, a variance of \$1.6 billion. Phase 1 of this project will be completed at the end of fiscal year 2016, and Phase 11 of this project will begin next fiscal year. The estimated cost of Phase 11 was estimated at \$144 million. This increase was a result of unbudgeted expenditure, termination of the major contractor and related claims, scope changes to infrastructural work e.g. underground electrical cables.

⁸ Consortium - A short-term arrangement in which several firms (from the same or different industry sectors) pool their financial and human resources to undertake a large project that benefits all members of the group.

Recommendations:

- *Implement robust procedures regarding the budget-setting process and clear milestones towards reporting on how delivery to time, cost and quality has improved across projects;*
- *Set clear targets and deadlines for key milestones that must be realistic and transparent;*
- *Put in place plans for monitoring actual cost, effective prioritization and planning innovative projects in phases;*
- *e TecK should carry out a fundamental review of the effectiveness in planning major projects;*
- *e TecK should put in place accountability measures for major projects to avoid costly overruns;*
- *Implement tighter planning, costing and cost control throughout the organization; and*
- *Submit a proposal for controlling future costs and liabilities associated with these projects.*

IV. Management of the Magdalena Grand Hotel Tobago

e Teck has made relatively poor progress and performance in its operational management capability of the Magdalena Grand Hotel. The hotel experienced a list of pervasive maintenance issues that required repairs such as the HVAC System, fire alarm system, locks on the doors and pool facility. The decline in the economy has been potentially damaging for the tourist industry in Tobago as occupancy rate dipped drastically but funding and oversight have been poor in addressing the emerging operational expenditure and poor maintenance of the Hotel. In 2014 Magdalena was self-sufficient, only in terms of its recurrent expenditure cost. It is the only four-star hotel in Tobago. The hotel is important to the country to attract tourists and therefore the Company endeavors to ensure it maintains its four-star status. Cabinet made a decision to engage a long-term operator for the hotel. The Committee therefore considered whether the hotel should retained the local brand and management or

an internationally recognized brand to raise the profile of the tourist industry in Tobago and add value to the tourist sector.

Recommendations:

- *The operator at the hotel needs to provide a coherent strategic vision and stronger leadership to ensure that the investment decisions it makes now do not result in increased costs in the long term;*
- *e Teck should prepare quarterly assessments of policy initiatives where there are concerns of feasibility and value for money. This assessment should be made available to the Ministry of Finance- Investments Division and Parliament to strengthen transparency and accountability;*
- *The Ministry of Tourism in collaboration with eTeck and THA should set out specific steps with deadlines and key milestones to develop tourism in Tobago, increase flight or airlift to Tobago especially during the peak periods; and*
- *An assessment should be performed to ascertain whether to keep the Magdalena Grand Hotel in Tobago or to allow international entities to bid on the property. Through the international intervention, the hotel will also be transformed to international standard and it may also act as free advertising for Tobago which can also in turn increase tourist arrivals.*

V. Requisite Skills of Finance Personnel

Based on the Report to Management for the period September 30, 2009 to September 30, 2010 by Pricewaterhouse, the requisite skills of finance personnel in preparation of accurate and meaningful management accounting and the International Financial Reporting Standards (IFRS) Financial Statements were questionable. However, the organization was restructured, particularly the finance department to increase accountability and transparency. All persons in the finance department were recruited based on ACCA qualification, analytical capabilities and experience.

Recommendations:

- *e TecK should established regular reviews of the needs of its workers and put in place realistic targets for the skills required for specialist functions; and*
- *Implement a strategic workforce plan, identifying expected skill gaps and other resource needs and how it will-be filled (including consultants and temporary staff).*

NATIONAL FLOUR MILLS LIMITED

(NFM)

**Examination of the Financial Statements of NFM for the
Years Ended**

September 30, 2008 to 2011

National Flour Mills (NFM's) Profile

Background

National Flour Mills Limited (NFM) stands at the forefront of Trinidad and Tobago's flour milling and feed milling industries, with an annual production of 72,000 MT of flour and 60,000 MT of animal feed. Our major customers are bakers, food manufacturers, retailers and farmers throughout the local and regional markets. NFM commenced trading activities in 1966 as Trinidad Flour Mills which was then owned and operated by a group of local and foreign shareholders. NFM has maintained ISO certification continuously since 1994. In 2008, they successfully converted their ISO 9001:2008.

The company was incorporated on September 30, 1972, with the Government of Trinidad and Tobago holding the majority of the issued share capital; minority holdings were held by two foreign investors - Inter Continental Grain Company and Maple Leaf Limited.

The shareholdings of these two foreign investors were purchased by the Government of Trinidad and Tobago in 1980, thus NFM became a wholly owned State Enterprise. Currently, 49% of NFM's shareholding is owned by the Public and 51% by National Enterprises Limited, which itself is a publicly listed company.

Line Ministry – The Ministry of Trade and Industry

Minister – Senator the Hon. Paula Gopee-Scoon

Permanent Secretary – Mr. Norris Herbert

Chairman - Mr. Mike Bazie

Chief Executive Officer - Mr. Kelvin Mahabir

Issues, Observations and Recommendations

Examination of the Audited Financial Statements of NFM for the Period, 2008 to 2011

During the examination of the Audited Financial Statements of the National Flour Mills Limited (NFM) for the financial years ended 2008 to 2011, the following issues were identified and recommendations proposed:

I. Late Submission of Audited Financial Statements to the Parliament

Accountability to Parliament for the utilization of public funds has been weakened by the failure of NFM to submit its audited financial statements in a timely manner for scrutiny. The Committee noted that there was a lack of urgency in the submission of audited financial statement to the Parliament by NFM. NFM indicated that the Audited Financial Statement for the financial year 2015 was submitted to the line Ministry and the Ministry of Finance – Investments Division. NFM expressed good intentions and commitment for reports to be submitted within days of the audited statements to the Line Ministry and, also, to the Ministry of Finance. Also in April 2003 NFM received legal advice from Dr Claude Denbow SC which limited the participation of the Ministry of Finance and the Ministry of Trade and Industry from sourcing and accessing information from NFM.

Recommendations:

- *NFM should implement stringent measures to adhere to the stipulated deadlines set in Section 3.1 of the State Enterprises Performance Monitoring Manual which states that audited financial statements must be submitted to parliament within four (4) months after a company's end of year and within two (2) months of the mid-year date subject to the approval of the Minister of Finance.⁹*
- *In meeting the stipulated deadlines as stated in the State Enterprises Performance Monitoring Manual, the finance and accounting department, should set clear targets and milestones for successful performance levels and submission of Audited Financial Statements.*

⁹ Accessed on May 23, 2016, <http://www.finance.gov.tt/wp-content/uploads/2013/11/State-Enterprise-Performance-Monitoring-Manual-2011.pdf>

- *Strengthen the internal controls of the Company to ensure the timely preparation and submission of Statements.*
- *Intensify the monitoring of financial accounts to ensure prompt closure in books.*
- *The Ministry of Finance should challenge the legal advice received by NFM reviewed by independent counsel.*

II. Unsustainable Debt Ratio

It is not clear that NFM had sufficient measures in place to reduce its debt ratio. NFM's debt ratio stood at 69% in 2008, 56% in 2009, 55% in 2010, 57% in 2011, 53% in 2013 and 47% in 2014. The majority of NFM'S debt was short-term and resulted from facilities to purchase grain in foreign currency. The company experienced tremendous difficulty in sourcing foreign exchange to meet its daily commitments. However, a programme was implemented to allow the company to utilize foreign exchange instruments which provided flexibility to participate in grain markets. Also, the company has negotiated with suppliers to pay in different types of currencies. Programmes were implemented to reduce wastage, increase the flexibility to participate in the grain market, there was also collaboration with the National Agricultural Marketing and Development Corporation (NAMDEVCO) and the Ministry of Agriculture, Land and Fisheries to produce animal feed and cassava flour.

Recommendations:

- *NFM should develop a clearly defined process to monitor the progress of these goals.*
- *NFM should focus on increasing the sales but without any increase in overhead expenses and issue new or additional shares to increase the cash flow. This cash can be used to repay the existing liabilities and in turn reduce the debt burden.*
- *NFM should conduct a supply market analysis in respect of the purchase of goods and or services (grains) quarterly.*

III. Improving sales, gross profit and net profit

There seemed to be a challenge in improving sales, gross profit and net profit of the company. The net profit margin measures the bottom line of any business. It represents each dollar of sales generated into income by the business owners. The return on assets ratio has been significantly low from; 0.04

in 2008 to 0.02 2011. The decrease in sales revenue and the cost of sales was due to the market conditions and the restarting of the Nutrimix Mill which shut down in 2008.

The Net Profit Margin for the years 2008-2015 is as follows:

YEAR	PERCENTAGE
2008	3
2009	3.57
2010	4.18
2011	0.14
2012	2.68
2013	4.01
2014	4.08
2015	7.07

The Company planned to increase profits in the short to medium term and cut its operational cost mainly through improved efficiencies and productivity and offering more value added to customers. The key operation costs were raw materials and labour. The raw material cost was monitored for conversion factors and waste levels, while the labour cost was driven through the productivity system introduced in January 2015. The major component of cost of goods sold was the price of raw materials and in particular, the price of grains. To manage the cost of goods sold, the Company obtained approval for utilizing a Call Option hedging strategy approved by the Trinidad and Tobago Securities and Exchange Commission. Selling and Distribution expenses were usually correlated to the level of revenue.

NFM stated that to steadily increase revenue generation and profit maximization the following steps were taken:

- Reduced operating costs;
- Product and market expansion;
- Increased productivity;

- Monitoring of grain prices by the Grains Committee to take advantage of lower market prices;
- Purchase of grains to maintain optimal levels based on prices and storage levels; and
- Competitive tendering for all major expenditures.

Recommendations:

- *NFM should develop a detailed plan to monitor the progress of the steps to increase revenue generation, profit maximization and sales revenue.*
- *Implement robust procedures regarding the budget process and clear milestones towards reporting on how delivery to time, cost and quality.*
- **Establish a robust system for monitoring actual cost.**

IV. Trading with Cuba and other Latin American countries

Although Trinidad and Tobago has been a leading supporter of CARICOM which includes a trade agreement with Cuba, there seemed to be significant risk in trading with Cuba and other Latin American countries. However in most trade agreements, trading occurs with firms in the other countries. In Cuba, generally, it is with the Government and its agencies which makes it a little more difficult in terms of Trinidad and Tobago products getting into that market. NFM indicated that Cuba was one of the prime targets as well as the Dominican Republic, Panama and Costa Rica. However there are laws in the Dominican Republic which can limit the use of foreign products thereby created some difficulties for Trinidad and Tobago exporters in terms of the acquisition of local brands in the Dominican Republic.

Recommendations:

- *NFM should identify clearly defined steps to be taken in the exploration of the Dominican Republic market.*
- *NFM should put in place strong assurance mechanisms to identify and urgently address any risks arising from its new trading plans.*
- *NFM should conduct market research and analysis before entering the Dominican Republic markets and any other markets for trading.*
- *NFM should establish clear and enduring vision based on expected new market penetration benefits together with specific milestones and priorities.*

V. Collection of Outstanding Receivables

NFM had a large balance of unrecoverable doubtful debts and limited information on the current level of accounts receivable. NFM indicated that the last balance of accounts receivable as at April 20, 2016 was \$66 million. Over the last 10 years a total of \$23 million for debts have not been recovered which represented approximately .5 per cent of sales. The company implemented a number of mechanisms to reduce the accounts receivable through a process of redoing all the credit limits for customers, renegotiating some of the instruments and improving the collections of funds and cash flows. The process was able to reduce the overdraft levels. The current debt, was manage based on customer relationships and measures were taken to collect outstanding receivables before becoming unrecoverable

The following measures were put in place:

- Credit limits approved by Board for all credit customers;
- No customer orders to be fulfilled if the limit will be exceeded; and
- Any old balances were reconciled and customers requested to settle balances.

Recommendations:

- ***NFM should establish a billing process that ensures accurate invoices are sent in a timely basis.***
- ***NFM should set a standard for the collection of all debts.***
- ***NFM should strengthen its internal processes to facilitate accurate reporting.***
- ***NFM should set out a clear time table for ultimately reducing its backlog of unrecoverable accounts receivable and report on its progress monthly.***

VI. Fraud Investigations

There was a lack of clarity on the issue of fraud investigation and the correlation to the priority projects of the company. NFM indicated that one of the priority projects of the company was to improve security arrangements to reduce the incidence of thefts. The status of this project was ongoing. The company also stated that the Auditor prepares a yearly Work Plan which covered the review of various areas of the Company's operations. During the review process, inconsistencies were identified for further investigation and any other action deemed required. Audit reports were reviewed by the Audit

Committee of the Board and at these meetings, the need for further action was discussed. In addition, any irregular matter drawn to the attention of the Chairman of the Board, or the Chief Executive Officer of the Company and Special Audit requests were usually made to the Internal Auditor to investigate. Fraud investigations occurred once a year. NFM operated in an environment that required stringent controls to be put in place, both in terms of camera systems, access to information and checks and balances.

Recommendations:

- *NFM should establish a robust system of recording all transactions in order to determine the value of goods loss through theft, wastage and other means that can hamper the profitability of the operations of the organisation.*
- *NFM must do more to tackle the issue of fraud investigation. There needs to be an increase in the number of investigations and reporting.*

**NATIONAL QUARRIES
COMPANY LIMITED
(NQCL)**

**Examination of the Financial Statements for the Years
Ended September 30, 2008 to 2010**

National Quarries Company Limited (NQCL's) Profile

Background

National Quarries Company Limited is a fully State-Owned Company set up by the Government of the Republic of Trinidad & Tobago (GORTT) in February 1979. The main objective at the time was the rationalization of the supply of aggregate to the Construction Sector at the lowest possible economic price to facilitate the major development projects either in progress or earmarked for start-up.

The Company throughout its existence has successfully delivered on its mandate by maintaining price, quality of product and stability of supply. Recently, the Company undertook a comprehensive review of its operations and emerged with a new strategic direction informed by a commercial and profit oriented focus. The new strategic approach has already begun to achieve results as evidenced by an impressive turnaround in operational and functional fortunes.¹⁰

Mission

To create a competitive profitable customer focused employee driven organization by providing quality products in a safe, efficient and environmentally sensitive manner, whilst recognizing our obligations to our stakeholders.¹¹

Vision

The leading regional player in the construction industry providing quality products to international standards that add value to community.¹²

Line Ministry – The Ministry of Energy and Energy Industries

Minister – The Hon. Nicole Olivierre, MP

Permanent Secretary – Mr. Selywn Lashley

CEO – Mr. Bevon Cook

¹⁰ http://nqcl.co.tt/?page_id=74

¹¹ http://nqcl.co.tt/?page_id=80

¹² http://nqcl.co.tt/?page_id=80

Issues, Observations and Recommendations

Examination of the Audited Financial Statements of NQCL for the Period September 30, 2008 to 2010

During the examination of the Audited Financial Statements of the NQCL for financial years ended September 30, 2008 to 2010 with the Ministry of Finance- Investments Division and Ministry of Energy and Energy Industries (MEEI), the following issues were identified and recommendations proposed:

I. Challenges of NQCL

The NQCL informed the Committee of challenges being experienced, which were; unsustainable debt, losses, absence of a management team, lack of a governance structure, ineffective procurement processes, insufficiently trained technicians, illegal mining of acreage and the non-payment of royalties. The production facilities were also not up to standard as they should be. However, through the acquisition of new Board members, measures have been implemented to alleviate the company of all its issues and also make it a more profitable organisation.

Recommendations:

- *The Board should recruit a properly trained and adequately qualified management team to govern the daily activities of the NQCL;*
- *Training should be provided to the currently recruit technicians and the Human Resource Department should ensure regulations are followed when hiring technicians in the future; and*
- *NQCL should formulate a procurement strategy which will emulate the provisions outlined in the Public Procurement and Disposal of Public Property (Amendment) Act, 2015. This will serve as a blueprint for NQCL to ensure there are proper guidelines to follow throughout its procurement process.*

II. Role of MEEI and the ID

NQCL indicated that problems were also being experienced with the financial management of the company. The MEEI as the line Ministry to NQCL is responsible for the monitoring of NQCL's operations and projects and it has been noted that improvement is needed in this area. MEEI needs to strengthen its oversight function to ensure proper functioning and that all revenue is collected. The Ministry of Finance's Investments Division, however, has been responsible for the oversight of State Enterprises and their investment decisions and also performs analyses of the performance of State Enterprises. There is a great need for closer attention to be paid to the operations of the NQCL and also offer some assistance with reducing the company's debt.

Recommendations:

- *MEEI and the Investments Division should conduct monthly checks to monitor the operations of the NQCL especially in light of its current situation and the small amount of profit generated annually;*
- *The Investments Division should pay closer attention to the investments made by this company and also ensure that policies outlined in the State Enterprises Performance Monitoring Manual are observed; and*
- *The Investments Division should also be able to work closely with the NQCL to assist them with increasing their profitability and proper management of its finances.*

III. Royalties

During the Committee's investigation it was discovered that National Quarries has not paid royalties for a number of years. Under the current Board, NQCL is paying its royalties which are paid directly to the Ministry of Energy and Energy Industries. Due to the non-payment of royalties for a number of years, there is an outstanding debt, in terms of royalty to the State. The issue with the previous Board with the payment of royalties on a current basis, was identifying the quantum of arrears and drafting a proposal for paying outstanding royalties. NQCL should ensure measures are implemented to rectify the issue so that improvement can be seen by the upcoming audit.

Recommendations:

- *A plan should be developed and implemented between officials from NQCL and MEEI with the advice of the Ministry of Finance for outstanding royalty payments to be made; and*
- *NQCL must provide much needed training to its accounting staff to ensure that the issue of identifying the quantum of arrears and drafting proposals for the payment of outstanding royalties is completed in a timely manner.*

IV. Human Resource Management

During the examination, the Committee noted that despite the company's increasing unprofitability, it continued to hire new employees. The law of diminishing returns was being noticed annually because although the staff increased, productivity and profitability simultaneously decreased. Issues of contracting, staffing and overtime for the past five (5) years also came into question and the company's lack of control over these factors. Officials of NQCL indicated that steps were taken to strengthen its leadership structure so that good governance can prevail throughout its operations.

Recommendations:

- *The Board should as a matter of priority either employ more qualified human resource personnel or train existing personnel;*
- *The Board should also review the process used for hiring persons to ensure the right fit based on the recommended criteria;*
- *The Board should ensure that recruitment is only done when absolutely necessary; and*
- *Analysis should be conducted, comparing the number of persons being recruited in relations to the company's workload to determine their value to the advancement of the company. With this information the Board can find ways in which the excess workers currently employed can be utilized in a more productive manner.*

V. Illegal Quarrying

With such vast acreage it became easy for persons outside of the company to have access to various parts of the quarry during the night when there is little surveillance. It became increasingly difficult for NQCL to effectively guard the entire expanse of land. The Defence Force has been used in the NQCL's attempt to curb illegal quarrying and further land degradation.

Recommendation:

- *Through efforts by the Defence Force, a plan should be developed and implemented to ensure well-trained personnel can be stationed at specific points throughout the Quarry to deter perpetrators and regain control over the company's resources.*

VI. Role of the Internal Auditor

Internal Audit was a crucial area within the various Ministries and Departments and for numerous years has been identified as a pervasive issue throughout the Public Service. The role of Internal Audit is to provide independent assurance that an organisation's risk management, governance and internal control processes were operating effectively. The State Enterprises Performance Monitoring Manual states that *"Every State Enterprise is required to appoint an Audit Committee. It shall be composed of a minimum of two (2) non-executive directors and other independent Company professionals. The Minister of Finance may appoint other independent professionals to the Committee."*¹³ The Audit Committee of the Board should ensure that NQCL's internal audit function is most effective within the company. Persons appointed to this committee should be properly informed of its responsibility so that its financial reports and internal control system can be accurately monitored and efficiency will be fostered.

Recommendations:

- *The Audit Committee of the Board should increase its monitoring capacity over the internal controls of the Company. These Members should be well informed of the provision outlined in the State Enterprises Performance Monitoring Manual so that each regulation is followed to ensure it functions efficiently and effectively;*

¹³ State Enterprises Performance Monitoring Manual. Pg 11. Para 2.2.6.3

- *In areas where the Internal Audit function is absent, mechanisms should be implemented so that the existing staff can be trained to carry out its function.*

VII. Auditing of Private Operators

The Minerals Act Chapter 61:03 was used to ensure accountability records presented by private operators. A Strategic Environmental Assessment was also conducted by the Ministry in 2013 and the results were under review by the Minerals Advisory Committee. MEEI expressed their interest in utilizing LiDAR¹⁴ and other types of surveying methods, to ensure that there were checks and balances between what was reported on the books and what is identified using a physical scientific surveying method.

Recommendations:

- *Private operators should be made aware of the provisions outlined in the Minerals Act and also ensure that each provision is listed; and*
- *MEEI should be more proactive in adopting the LiDAR system and have it implemented by December 2016. The Accounting Officer as well as the Accounting Department should be properly trained to use LiDAR to ensure that it is being used appropriately and a positive change is realized.*

¹⁴ *Light Detection and Ranging (LiDAR)*, is a remote sensing method that uses light in the form of a pulsed laser to measure ranges (variable distances) to the Earth, <http://oceanservice.noaa.gov/facts/lidar.html> accessed on September 08, 2016.

**GOVERNMENT HUMAN
RESOURCE SERVICES COMPANY
LIMITED (GHR)**

**Examination of the Financial Statements of GHR for
the Years Ended September 30, 2008 to 2014**

Government Human Resource Services Company Limited (GHRS's) Profile

Background

The Government Human Resource Services Company Limited (GHRS) began operations in December 2006, with the overarching mandate being "To enhance the Human Resource capacity in the Public Service of Trinidad and Tobago." The operationalisation of this addresses both the current and future skills gaps of the Republic of Trinidad and Tobago, by taking a proactive perspective which focuses on securing the best talent, both locally and internationally, supporting Public Sector initiatives to enhance HR capacity, skills forecasting and applying technology to HR processes to create efficiencies.¹⁵

Mission

To support transformation of the Public Sector through value added recruiting and human resource solutions.¹⁶

Vision

To be the preferred provider of exceptional human resource services to all Public Sector entities¹⁷.

Core Values

1. Customer Focused
2. Integrity
3. Innovation¹⁸

Line Ministry – The Ministry of Public Administration and Communication

Minister – The Hon. Maxie Cuffie, MP

Permanent Secretary – Ms. Lydia Jacobs

Deputy CEO/VP Corporate Planning – Mr Geoffrey Lewis

¹⁵ <http://www.ghrs.gov.tt/about-ghrs/>

¹⁶ <http://www.ghrs.gov.tt/about-ghrs/mission-vision-and-core-values/>

¹⁷ <http://www.ghrs.gov.tt/about-ghrs/mission-vision-and-core-values/>

¹⁸ <http://www.ghrs.gov.tt/about-ghrs/mission-vision-and-core-values/>

Issues, Observations and Recommendations

Examination of the Audited Financial Statements of GHRS for the Period September 30, 2008 to 2014

During the examination of the Audited Financial Statements of the GHRS for financial years 2008 - 2014 with the Ministry of Finance- Investments Division and Ministry of Public Administration and Communications, the following issues were identified and recommendations proposed:

I. Relevance of GHRS

The GHRS was established by Cabinet Minute in 2006 as a state-owned limited liability company operating under the aegis of the Ministry of Public Administration and Communications (MPAC). It has been its mandate to *"To enhance the Human Resource capacity in the Public Service of Trinidad and Tobago."*¹⁹ The GHRS has become known as a recruitment agency which has ultimately hindered the company's development. To date, only 20% of the Ministries utilize the services of GHRS which has been proven to be detrimental to the survival of the company and has hampered their ability to generate higher profits. The GHRS Board should consider revisiting the original mandate of the company in order to revamp its image. With an increased market penetration the company will also experience a growth in profitability and in turn an extended the lifespan of the company.

Recommendation:

- *The Board of Directors should discuss a way forward to secure the future of the company and its direction.*
- *Develop a revised strategic plan with a new set of goals, objectives and deadlines for the company; and*
- *Key Performance Indicators (KPI's) should be developed to measure the company's performance and create new and innovative ways for which the relevance of the GHRS can be increased.*

¹⁹ GHRS mandate. GHRS. Web. August 19, 2016. <http://www.ghrs.gov.tt/about-ghrs/>

II. Relationship of Agencies

The relationship between the MPAC, Public Service Commission and the GHRS was one of cooperation. The MPAC indicated to Members that the Public Service Commission was solely responsible for filling vacant public service positions while GHRS is responsible for filling contract positions within the Ministries and Departments. The Public Management Consulting Division (PMCD) in the MPAC, managed the overall structure of a Ministry's capacity and assisted each Ministry in the recruitment process. This clear distinction of differences in responsibilities was made to ensure that there is no duplication of duties.

Recommendations:

- *MPAC should continue to closely monitor the operations of GHRS to ensure it does not encroach on the role of the Public Service Commission; and*
- *Mechanisms should also be instituted to enable positions, both contract and public service to be filled in a timely manner by the responsible party and with the best suited people for each position.*

III. Analysis and Research

As a competitor in the recruitment arena, proper analysis and research should be conducted to have knowledge on sectors that require the most attention so targets can be identified. GHRS has conducted research within entry level, managerial and professional areas and also indicated that thus far they have accumulated two (2) to three (3) years of information. Part of their research mechanism was asking clients, Ministries, Departments, State Enterprises, Municipal Corporations about their needs so the company will have an idea of the services required. A benchmark should also be established from other recruitment agencies in the UK or Canada to assist the GHRS with the execution of their duties so it can be done at a higher level.

Recommendations:

- *Proper market research should be conducted to identify targets and to formulate a plan of action to reach these targets;*
- *Research should be aimed at measuring the company's successes and failures to determine which areas of activities ought to be strengthened; and*
- *Quarterly checks should also be conducted and the results used to determine the market's responsiveness to the services provided.*

IV. Other Contracted Services (Procurement)

State Enterprises were guided by the manual entitled Standard Procurement Procedures for the Acquisition of Goods, Provision of Services, Undertaking Works and Disposal of Unserviceable Items in State Enterprises/Statutory Bodies (State Agencies) produced by the Ministry of Finance in undertaking all procurement of goods and services.²⁰ Other Contracted Services usually pertains to the procurement of services from other companies or as stated in the Estimates of Recurrent Expenditure, “the cost of contracts not catered for under other Sub-Items.” During the examination, Members sought clarification for what GHRS’ other contracted services consisted of. While yielding such a small amount of profit annually, such expenses needed to be kept at bay to ensure the company’s future profitability and stability. Value for money should always be observed during the procurement process to ensure that there is total accountability and transparency.

Recommendations:

- *MPAC through its monitoring function should ensure that GHRS fully observes the provisions clearly outlined within the “Standard Procurement Procedures for The Acquisition of Goods, Provision of Services, Undertaking Works and Disposal of Unserviceable Items in State Enterprises/Statutory Bodies (State Agencies)”;*and
- *The Tenders Committee of the Board should also keep track of contracts executed through the company to ensure the best bid is always selected and projects are executed based on priority.*

V. GHRS Rent Payments

GHRS relocated from Maraval to Chaguanas. Representatives from GHRS also indicated that this move allowed them to be closer to their target market giving them easier access to their customers. As a result, GHRS paid approximately \$100,000 a month rent which was an increase from \$45,000.00. This significant increase in rent was a drain on the company’s finances and reduce profitability. A serious SWOT analysis should be conducted to calculate the costs of occupying this building and a cheaper, more accessible alternative should be sought which will be closer to Port-of-Spain which most clients were located.

²⁰ Ministry of Finance, State Enterprises Performance Manual. 2011.

Recommendation:

- *The management of GHRS should revisit the decision to rent the property located in Chaguanas and examine the possibility of locating closer to their client base. GHRS' main focus should be to ensure easy access to their client base which is located in Port-of-Spain. Proactive actions should be considered and taken to have this issue rectified by January 31, 2017.*

**NATIONAL
INFRASTRUCTURE
DEVELOPMENT
COMPANY LIMITED
(NIDCO)**

**Examination of the Financial Statements of NIDCO
for the financial years 2009 - 2013**

National Infrastructure Development Company Limited (NIDCO) Profile

Background:

NIDCO was established in 2005 by the Government of the Republic of Trinidad and Tobago (GORTT), as a Special Purpose State Enterprise. It was created to increase the rate of implementation of the Government's expanded Public Sector Investment Programme, and to undertake projects in areas critical to the overall national development. More specifically, NIDCO has been charged with responsibility for providing project management and construction Management services ensuring that the execution of Government's policy initiatives is done in a manner that is timely, transparent, efficient and effective.

NIDCO therefore was mandated to create an organizational structure and an operations framework with appropriate facilities, systems and resources (human, financial and material) to be able to respond effectively and positively to the expectations of Government and to the achievement of its own corporate goals and objectives.

From its inception in 2005 to May 24th 2010, the GORTT assigned responsibility to NIDCO for the development, implementation and the provision of project management services for several major infrastructure development projects.

The change of Government in Trinidad and Tobago at the General Elections 2010 brought with it a paradigm shift in focus on national infrastructure development initiatives, a revised scope of infrastructure development projects, and a new set of priorities.

In formulating this Corporate Strategic Plan (the Plan) for the period 2011 to 2015, NIDCO has aligned its key activities with the goals set for national human development and to enhance the quality of life for all residents.

Cognisance has been taken of the objective to improve the quality, standard and equity of access to facilities and services throughout the country and to create and sustain a culture of continuous human and national development.²¹

Services Provided:

- **Project Planning:**

Formulation of strategic goals for implementation of sustainable infrastructure development projects.

²¹ NIDCO Strategic Plan accessed on January 20, 2016 from web <http://nidco.co.tt/new/index.php/about-nidco/strategic-plan-2010/2015services-provided.html>

- **Procurement and Contracts Management:**

Acquisition of goods and services through a process that reflects the highest level of integrity so as to ensure value for money and the management of contracts for the purpose of maximizing financial and operational performance and minimizing risk.

- **Project Development:**

Continuous review of processes, procedures and systems to ensure project efficiency and optimize value for money.

- **Project Execution and Implementation:**

Institution of appropriate project organization and teams, technical and administrative resources to ensure high quality services and satisfactory project outcomes.

- **Project Monitoring and Evaluation:**

Development and implementation of systems to monitor project benchmarks against international best practices for delivery of infrastructure projects and facilities.

- **Management of the Water Taxi Service:**

Responsibility for the efficient and effective management and operation of this Service and projects assigned to it.²²

Vision²³

To create a premier project management organisation with competencies responsive to the delivery of strategic infrastructure projects, always mindful of stakeholders' best interest and the impact of our work on the environment

Mission²⁴

²² NIDCO accessed on January 20, 2016 from web

<http://nidco.co.tt/new/index.php/about-nidco/services-provided.html>

²³ NIDCO accessed on March 3, 2016 from web

<http://nidco.co.tt/new/index.php/about-nidco/mission-and-vision.html>

²⁴ *Ibid.*

To fulfill role as the leading project executing agency, through a philosophy of managing the business with the highest ethical standards providing optimal quality and value, while acting in a responsible manner with employees, stakeholders and environmental policies.

Core Values & Guiding Principles²⁵

- **Accountability and Transparency**

The Company holds itself accountable for the diverse roles, obligations and actions to the public, and are committed to manage operations with openness absolute integrity.

- **Safety and the Environment**

The Company is committed to ensuring the safety of employees, clients and the public, and the protection of the environment.

- **Teamwork**

The Company is committed to a team work environment where success requires the collective efforts of a diverse coordinated team. Every associate is a valued member and is encouraged to be creative and innovative.

- **Service Excellence**

The Company strive to be the best in quality and in everything done. NIDCO is dedicated to satisfying Clients' needs and honoring commitments made to them.

- **Professionalism**

The Company will ensure the most efficient and effective delivery of services by trained and competent human resources. NIDCO continuously seek improvements to methods and systems through adoption of models of "best practices."

- **Community Development**

The Company is committed to positively impacting the communities through Community Outreach Programmes throughout Trinidad and Tobago.

Background of Water Taxi services

NIDCO was given the responsibility in 2007 for the establishment and operation of a Water Service between Point Fortin and Diego Martin. The first phase of the project was launched in December 2008 with the introduction of a San Fernando/ Port of Spain service utilizing a fleet of three second-hand 27m high speed ferries each with a capacity of 149 passengers. The operation was upgraded in 2010 with the introduction of a new fleet of four newly-constructed 41m vessels each with a capacity of 405 passengers.

Within NIDCO's organization structure includes a Water Taxi Service Department who has the following responsibilities:

- Manage and operate the Water Taxi Service
- Establish organization structure to achieve project goals and objectives

²⁵ *Ibid.*

- Ensure compliance with obligations as stated in contractual arrangements between NIDCO and Ministry of Works and Transport
- Ensure procedures of operations are consistent with best operation practices
- Promote the Water Taxi Services
- Prepare the Management Report
- Prepare the Business Economic Performance Report²⁶

Line Ministry – The Ministry of Works and Transport

Minister – The Hon. Fitzgerald Hinds, MP

Permanent Secretary – Mr. Clint Ramcharan

President - Mr. Steve Garibsingh

²⁶Inter-American Development Bank assessed on March 3, 2016
<https://www.google.tt/#q=financial+analysis+of+nidco>

Issues, Observations and Recommendations

Examination of the Audited Financial Statements of NIDCO for the Period September 30, 2009 to 2013

In the Committee's examination of the National Infrastructure Development Company Limited (NIDCO), the following issues were raised and the corresponding observations and recommendations made:

I. Cost Reduction Initiatives

Proper management of cost among State Enterprises was pivotal to the entity's stability. According to submissions by NIDCO, operational costs increased substantially over the past five years. However, initiatives were taken to reduce cost such as a re-examination of their vehicle procurement policy, a reduction in the number of vehicles in operation and staffing requirements were also reviewed and reduced or redirected where necessary which resulted in a saving of approximately \$641217.00.

Recommendation:

- ***Develop a cost cutting strategic plan.***

II. Sustainable Funding

The NIDCO has been experiencing some financial difficulties. This is a result of a shortage of ongoing programmes which is the source of NIDCO's income. However, the NIDCO indicated that a proposal was submitted to the Ministry of Works and Transport which would improve the financial operations of the company.

Recommendation:

- ***The NIDCO should continue to liaise with the Ministry of Works and Transport and pursue the initiatives in the proposal to achieve financial stability as soon as possible.***

III. \$427 Million Owed to Contractors

A number of contractors were not paid and as a result, the majority of projects were under suspension by the contractors while some contractors sought their own funding for the projects. According to submissions by the NIDCO, as at May 2016 contractors were owed \$190,577,673.00.

Recommendation:

- *The Ministry of Finance should make every effort to disburse the requisite amount of funds to the NIDCO as soon as practically possible so that contractors can be paid for completed projects and suspended projects can be completed.*

IV. Non-completion of the San Fernando to Point Fortin Highway

The San Fernando to Point Fortin Highway appeared to be at a standstill. According to the NIDCO, approximately sixty-one percent (61%) of the overall project was completed with OAS being paid \$3.7 billion. At the time in which this report was completed, NIDCO terminated the contract with OAS.

Recommendation:

- *The NIDCO should make every effort to tender and source a capable firm to complete the highway as soon as possible.*

V. \$389 Million in Claims Paid to OAS

- According to submissions by the NIDCO, the company paid approximately \$389 million in claims to OAS. The majority of the claims were as a result of delay and disruption cost. The Committee noted that some circumstances are outside NIDCO's control and every effort should be to avoid this in the future.

Recommendation:

- *The NIDCO should make greater efforts to avoid a high sum of money paid for claims.*

VI. Incomplete Land Acquisition for the San Fernando to Point Fortin Highway

The Committee was informed that the budget for land acquisition for the highway was \$700 million, of which, approximately \$517 million (73%) was spent. The land acquisition process for the highway remained incomplete as of the completion of this report.

Recommendation:

- *The NIDCO should take the required steps to complete the land acquisition process so that further delays or issues arising from this would cease to exist.*

In the future, the NIDCO should make every effort to complete the land acquisition process before commencing construction.

VII. The Role of the Ministry of Works and Transport

Line Ministries play a very important role in the operations of State Enterprises under their purview. For the period under review, the Ministry of Works and Transport appeared to play a minor role in offering proper technical supervision of projects and programme implementation to the NIDCO.

Recommendation:

- *The Ministry of Works and Transport should take direction from the State Enterprises Performance Monitoring Manual where it states that “The Line Ministries’ role include technical supervision of planning, monitoring and evaluating project, plan and programme implementation and ensuring that State Enterprises adhere to the Sectoral policy guidelines of GORTT”²⁷. The Ministry is therefore mandated by these guidelines to play a more important role in offering proper technical supervision of projects and programme implementation to the NIDCO.*

VIII. Lessons Learnt Report

The Committee commends the initiative of the NIDCO in creating a Lessons Learnt Report in response to the various challenges in the construction of the San Fernando to Point Fortin Highway. According to submissions from the NIDCO, the report sought to document all critical issues encountered on the project, how they were handled; the outcomes of actions taken (or not taken); and how similar issues could be managed on other projects.

²⁷ <http://www.finance.gov.tt/wp-content/uploads/2013/11/State-Enterprise-Performance-Monitoring-Manual-2011.pdf>

**TRINIDAD AND TOBAGO
MORTGAGE FINANCE
COMPANY LIMITED
(TTMF)**

**Examination of the Financial Statements of TTMF for
the financial years 2008 - 2014**

Trinidad And Tobago Mortgage Finance Company Limited (TTMF) Profile

Background:

The Trinidad and Tobago Mortgage Finance Company Limited (TTMF) was incorporated under the Companies Act on December 3, 1965. It was derived from an agreement between the Commonwealth Development Corporation (formerly Colonial Development Corporation) and the Government of the Republic of Trinidad & Tobago (GORTT), and succeeded the Trinidad Mortgage Agency Company Limited (TRINMAC), a limited liability company that was formed in 1961. TTMF is jointly owned by the GORTT and the National Insurance Board (NIB) in a current shareholding ratio of 49%:51% respectively.

TTMF was incorporated to fulfill the GORTT's mandate of providing affordable residential mortgage financing for low to middle-income households in T&T. It is the lead vehicle for mortgage financing under the GORTT's Approved Mortgage Company Programme (AMCP). It is also a key part of the State's housing business model in which the Trinidad and Tobago Housing Development Corporation (HDC) constructs the housing, and TTMF provides the mortgage financing. Although the HDC refers potential homeowners to the TTMF, they can obtain financing from other institutions.

In 2014 the GORTT approved the creation of the Trinidad and Tobago Mortgage Bank (TTMB), an institution conceptualized to leverage on synergies between TTMF and the Home Mortgage Bank (HMB). These include TTMF's ability to originate loans, and HMB's ability to attract funding from the local capital market. TTMB would issue equity on the T&T Stock Exchange, and acquire the shares of TTMF and HMB. The entire transaction is still a work in progress, and no completion date has been identified.²⁸

The company's product range includes conventional residential mortgage loans and home equity loans with tenors of up to 30 years at stable interest rates, currently ranging between 5% and 7% per annum.

There are 5 easy steps to applying for your mortgage.

- Get Pre-Qualified
- Submit your Mortgage Application

²⁸ CARICRIS website, accessed on March 1 2016

- Review and accept the offer of Financing
- Sign Mortgage Deed and other legal documents
- Register your Ownership

The TTMF offers these Mortgage Types:

- Buy a Home;
- Build a Home;
- Buy Land;
- Home Improvement; and
- Home Equity.²⁹

Vision:

“TTMF is the leader of first choice for residential mortgages in Trinidad and Tobago. TTMF is passionate and proud about their services provided with a reputation for exceptional, friendly and professional service. TTMF focuses on fulfilling their potential with the most skilled and knowledgeable team in the industry.”³⁰

Mission:

“TTMF makes home ownership an easy and rewarding experience.”

Core Values:

- Results Oriented
- Customer Focused
- Integrity
- Teamwork
- Empowerment³¹

²⁹ TTMF’s website, accessed on February 26, 2015, <https://www.ttmf-mortgages.com>

³⁰ *Ibid.*

³¹ TTMF’s website, accessed on February 26, 2015 <https://www.ttmf-mortgages.com/about-us/mission-vision-Values>

Line Ministry – Ministry of Housing and Urban Development

Minister – The Hon. Randall Mitchell, MP

Permanent Secretary – Mrs. Simone Thorne-Mora Quinones

CEO - Ms. Ingrid Lashley

Issues, Observations and Recommendations

Examination of the Audited Financial Statements of TTMF for the Period September 30, 2008 to 2014

In the Committee's examination of the Trinidad and Tobago Mortgage Finance Company Limited (TTMF), the following issues were raised and the corresponding observations and recommendations made:

I. The Role of the Ministry of Housing and Urban Development

Line Ministries play a very important role in the operations of State Enterprises under their purview. The Ministry of Housing and Urban Development appeared to play a very minor role in assessing the effectiveness of the internal audit function of the TTMF. The State Enterprises Performance Monitoring Manual stated that the line Ministry's role must include technical supervision of planning, monitoring and evaluating projects and programme implementation at TTMF. The Ministry is therefore mandated by these guidelines to play a more important role in assessing the effectiveness of the internal audit function of the TTMF which can be done if the Ministry evaluate the internal audit reports, identify the weaknesses of the internal audit function and assist the TTMF in strengthening its internal audit function.

Recommendation:

- ***The Ministry of Housing and Urban Development should include technical supervision of planning, monitoring and evaluating projects and programme implementation at TTMF.***

II. Mechanisms to Ensure that Policy is Carried Out Efficiently, Effectively and Economically

TTMF created a menu of documented policies and procedures for every aspect of its core administrative affairs. Policies and procedures were reviewed at Department meetings and ongoing reminders and updates were communicated to TTMF's staff via the Company Intranet. Ongoing training and development ensure the efficiency and effectiveness of documented policy coupled with management control in respect of the implementation of policies.

Recommendation:

- *The Investments Division should use the TTMF as a case study to assist other State Enterprises to develop policies and procedures for their core administrative function.*

III. The Composition of the Staff at the TTMF

The TTMF's Audit Department consisted of only three (3) persons. This lack of personnel has attributed to the organization having a weak internal audit function. At the same time, the TTMF was also short of approximately thirty (30) employees. A weak internal audit function may result in the company being more susceptible to cases of fraud and other corrupt practices. Due to the fact that the company lacked a significant amount of human resources, it can be said that the TTMF would've operated more efficiently if the requisite amount of staff were sourced.

Recommendation:

- *The TTMF should reevaluate the composition of the Internal Audit department and determine whether an increase in the man-power of the department is necessary. On a wider organizational level, the organization should make every effort to fill the necessary vacancies so as to ensure that the company is operating at optimum efficiency.*

IV. Implementation of Internal Control of Risk

The Committee endorsed the TTMF's internal control of risk. According to the TTMF, the internal control of risk is managed through the Internal Audit Department, the Compliance Unit and the Enterprise Risk Management Committee. Through their team leaders, these departments report to the Audit Committee of the Board of Directors quarterly.

- As part of the business planning process, the Audit Committee reviews the Audit Plan for the fiscal year and monitors its implementation quarterly. Audit reports were represented with specific management responses for remedies of defects which were identified.
- The Compliance Unit provides a monthly report to the Asset Liability Risk Management Committee of the Board of Directors, indicating the number of suspicious activity reports that would have been submitted to the Financial Intelligence Unit. A quarterly Terrorist Financing Report in the same vein is also submitted to this Committee. Quarterly, the Compliance Unit provides a compliance report to the Audit

Committee of the Board of Directors indicating compliance activity of the previous quarter.

- The Enterprise Risk Management Committee meets monthly to update the Enterprise Risk Matrix and reports to the Audit Committee of the Board of Directors quarterly, on the top ten (10) rated risks of the company outlining measures for mitigation of the risks identified.

V. Sustainable Funding

The TTMF's funding was largely from bonds raised on the capital market. As its mortgage portfolio grows, collateral for additional bond issues increases. However, that form of funding also left TTMF open to liquidity risk and interest rate risk. In an effort to achieve sustainable funding, the Government of Trinidad and Tobago in the first quarter of 2016, approved a merger of TTMF and Home Mortgage Bank (HMB) towards the formation of Trinidad and Tobago Mortgage Bank, which allowed TTMF to sell mortgages to HMB, HMB would be the source of these securitized products and then sell them off to the capital market so that funding is more sustainable.

VI. Whistleblower Policy

A Whistleblowing Policy provides standard guidelines within which organizations respond to the ethical or moral concerns of their employees. The TTMF's Whistleblower policy included the process of communicating ethical concerns internally, and forms part of the referenced policies of the Code of Business Conduct that were reviewed by employees and confirmed in writing, annually. Despite this commendable initiative, there were no incentives in place to individuals who were willing to provide information about their concerns within the TTMF.

Recommendation:

- *The TTMF should revise its Whistleblower Policy to include incentives for persons who give valuable information and are willing to testify about crime in the TTMF. For example, if an employee gives information or testifies and this leads to money being recovered, the employee would be entitled to three to five percent (3-5%) of the recovered sums.*

VII. Nature of the 2% and 5% Mortgage Loans

Both the 2% and the 5% mortgage programmes had graduating interest rates over the life of the programme. In the case of the 2% mortgage, the rate increased by 0.5% on the anniversary date of the loan until it gets to 5%. In the case of the 5% mortgage, the rate increased by 0.5% per annum until it gets to the open market rate. Prior to applying for the mortgage, potential clients were not aware of the gradual increases and were instead of the view that the rates were constant. The TTMF advised the Committee that they informed their clients of the gradual increase in the rates and that they have an education program named ‘Home Ownership 101’.

Recommendation:

- *The TTMF should continue to raise public awareness by using Home Mortgage 101 and use affordable means in educating the public concerning the gradual increase of the 2% and 5% mortgage loans so that clients and potential clients will be better informed.*

The Public Accounts (Enterprises) Committee respectfully submits this Report for the consideration of the Parliament.

Sgd.
Mr. Wade Mark
Chairman

Sgd.
Dr. Tim Gopeesingh
Vice-Chairman

Sgd.
Mr. Fitzgerald Hinds
Member

Sgd.
Mrs. Cherrie-Ann Crichlow-Cockburn
Member

Sgd.
Mrs. Jennifer Baptiste-Primus
Member

Sgd.
Ms. Shamfa Cudjoe
Member

Sgd.
Mr. Foster Cummings
Member

Mr. David Small
Member

Appendix 1

Minutes of Meetings

**THE PUBLIC ACCOUNTS ENTERPRISES COMMITTEE –
FIRST SESSION, ELVENTH PARLIAMENT**

**MINUTES OF THE FOURTH MEETING HELD ON WEDNESDAY, MARCH 16,
2016 AT 9:27 A.M.**

**IN THE J. HAMILTON MAURICE ROOM, MEZZANINE FLOOR, OFFICE OF
THE PARLIAMENT, TOWER D, THE PORT OF SPAIN INTERNATIONAL
WATERFRONT CENTRE, 1A WRIGHTSON ROAD, PORT-OF-SPAIN.**

Present were:

Mr. Wade Mark	-	Chairman
Dr. Tim Gopeesingh	-	Vice- Chairman
Mr. Foster Cummings	-	Member
Mrs. Jennifer Baptiste-Primus	-	Member
Mr. David Small	-	Member
Ms. Keiba Jacob	-	Secretary
Ms. Hema Bhagaloo	-	Assistant Secretary

Excused was:

Mr. Fitzgerald Hinds	-	Member
Mrs. Cherrie-Ann Crichlow-Cockburn	-	Member
Ms. Shamfa Cudjoe	-	Member

Also present were:

OFFICIALS FROM THE AUDITOR GENERAL'S DEPARTMENT

Mr. Majeed Ali	-	Auditor General
Ms. Jaiwantie Ramdass	-	Assistant Auditor General
Ms. Cyntra Neemarcharan	-	Assistant Audit Director
Mrs. Theodora Lewis-Johncilla	-	Audit Senior
Ms. Nicole Cockburn	-	Senior Legal Officer

**OFFICIALS FROM THE NATIONAL SCHOOLS DIETARY SERVICES LIMITED
DEPARTMENT**

Ms. Stacy Barran	-	Chief Executive Officer
Ms. Vanesa Martina	-	Programme Manager (Nutrition Services)
Ms. Indra Mootoo	-	Accountant

Ms. Karen Lewis- Baptiste - Zonal Manager
(Operations)

OFFICIALS FROM THE MINISTRY OF FINANCE (INVESTMENT DIVISION)

Ms. Yvette Babb - Social and Economic
Transformation
(Director (Ag.))
Ms. Chintamani Sookoo - Agro- based Manufacturing and
Services Sector (Ag.) Director,
Mr. Dennis Cox - Senior Investment Portfolio
Analyst
Mr. Suresh Dan - Business Analyst

OFFICIALS FROM THE MINISTRY OF EDUCATION

Ms. Gillian Macintyre - Permanent Secretary
Ms. Harrilal Seecharan - Chief Executive Officer
Mr. Dipnarine Mungal - Director, Finance and Accounts
Division
Ms. Ashram Deoraj - Director, Schools Supervision
Mr. John Roopchan - Director, Curriculum Planning
Division
Ms. Lisa Henry David - Director, Education Planning
Division

COMMENCEMENT

- 1.1 At 9:27 am the Chairman called the meeting to order and welcomed those present.
- 1.2 The Chairman informed Members that Mr. Fitzgerald Hinds, Mrs. Cherrie-Ann Crichlow-Cockburn and Ms. Shamfa Cudjoe asked to be excused from the meeting.

THE EXAMINATION OF THE MINUTES OF THE THIRD MEETING

- 2.1 The Committee examined the Minutes of the Third (3rd) Meeting held on Wednesday February 17, 2016.
- 2.2 There being no omissions or corrections, the Minutes were confirmed on a motion moved by Mr. David Small and seconded by Dr. Tim Gopeesingh.

MATTERS ARISING FROM THE MINUTES OF THE THIRD MEETING

- 3.1 With reference to item 3.1, the Committee discussed the possible conflict of interest for members of the Committee.

- 3.2 As per item 4.3, the Chairman directed the Secretariat to write to National Quarries Company Limited (NQCL) and Solid Waste Management Company Limited (SWMCOL) to submit complete written information.

PRE-HEARING DISCUSSION RE: NATIONAL SCHOOL DIETARY SERVICES LIMITED (NSDSL)

- 4.1 The Committee agreed that the focus of the meeting will be the examination of the Report of the Auditor General of the Republic of Trinidad and Tobago on a Special Audit of the School Nutrition Programmed managed by the National School Dietary Services Limited (NSDSL).
- 4.2 The Committee was informed that the Auditor General Department, and the Investment Division were invited to assist the Committee in the examination of NSDSL.
- 4.3 The Committee was advised that no Board was appointed for NSDSL and all questions on the operational aspects of the company be directed to the Chief Executive Officer (CEO).
- 4.4 There being no further business for discussion *in camera*, the Chairman suspended the meeting at 10:00 a.m.

EXAMINATION WITH THE NATIONAL SCHOOLS DIETARY SERVICES LIMITED (NSDSL)

- 5.1 The Chairman called the public meeting to order at 10:07 a.m.
- 5.2 The Chairman welcomed officials from NSDSL, Ministry of Education (MOE), Ministry of Finance (MOF)–Investments Division (ID), Auditor General’s Department (AGD), Members of the media and the public to the first public hearing with the PAEC and introductions were exchanged.
- 5.3 The Auditor General (AG) made a brief opening statement, followed by a representative from the (ID) and CEO of NSDSL made a brief opening statement.
- 5.4 The following issues arose from the examination with the officials from the NSDSL:

I. Special Audit

The Committee sought clarification on how the School Nutrition Programme was identified for special audit by the AG. The AG indicated that special audits were conducted based on Parliamentary interest, impact of the programme in terms of money spent and risk analysis of the programme. Also, special audits were performed in accordance with section 116 of the Constitution together with 9(2)(c) of the Exchequer and Audit Act. The Committee further questioned how the PA(E)C can identify issues for special audit. The AG stated that the PA(E)C can observe the annual report and assess areas of weakness, red flags raised in certain areas, late submission of Financial Statements and concerns in the public’s interest.

II. Role of the Investments Division (ID)

The Committee questioned the role of the ID in assisting the PA(E)C in performing its duties. Officials from the ID indicated that the PA(E)C can encourage state entity to submit reports in a timely manner and the ID provided an analysis of financial statements of state entities under examination by the Committee. The Committee further enquired

into the meaning of the term “state enterprise, statutory bodies and special purpose companies”. ID stated that “State Enterprises” were enterprises where the state owned fifty-one (51%) percent or more equity held by the Corporation sole. “Statutory bodies” were owned by the State, no equity in the capital structure and formed by Acts of Parliament. “Special Purpose Companies” receives subventions from the Government to fund operations.

The Committee questioned the role and responsibility of the ID in ensuring oversight and proper accountability of State Enterprises. The ID indicated that they monitor and identify issues that impact on the overall operational performance of the entity. Also, ID looks at the corporate governance of the entity while the line Ministry look at the operational aspect of the entity.

The Committee further questioned the role of the ID and the Permanent Secretary of the MOE in assisting NSDSL in achieving key targets with limited resources. The ID stated that they monitor NSDSL cash flows, review draft estimates in terms of submissions for subvention, large variances and expenditure. The MOE indicated that NSDSL was working on its strategic plan and does not have a board.

III. Term “Well Received”

The Committee sought clarification on the term “well received”. NSDSL stated that officers visited the schools and observed that children ate every part of the meal and also a scientific method called the Consumption Survey was used. This survey was designed in 2012 to establish the levels at which meals were consumed, identify meal preferences, reasons for poor consumption and solutions to minimize outcome.

IV. Educational Programmes

The Committee questioned whether NSDSL conducted educational programmes for parents and children. NSDSL indicated that nutrition education sessions were conducted together with the Ministry of Health (MOH). The MOE also indicated that nutrition sessions were addressed through the Curriculum as well as physical education.

V. Meal Wastage

The Committee questioned the current wastage of meals and the mechanism implemented to reduce the level of wastage over the last five (5) years. NSDSL stated that there were wastage because more local foods were introduced in meals as an objective test. To reduce the wastage, there were changes in ingredients, recipe development and testing, increase officers to monitor consumption, consumption surveys were used, working with all stakeholders for best practice and tailored portion sizes. The provision of meals were reduced by nine (9%) percent from 100,000 students to 91,000 students.

VI. Auditor General’s Recommendation

The Committee sought clarification on the status of the implementation to measure systematic progress to improve the internal measurement systems. NSDSL stated that the strategic plan was a work in progress in addition to developing the Key Performance Indicators (KPI). In terms of value for money, PricewaterhouseCoopers developed a financial model to determine the price per meal and money spent. In terms of increasing revenue, NSDSL indicated that they market for contracts and advertise on boxes.

The committee further sought clarification on the purchasing power of buying in bulk. NSDSL stated that nonperishable items such as boxes, spoons and sporks were procured for caterers. However the catering price includes all other items used in meals.

Also in terms of good corporate governance, NSDSL was awaiting the appointment of a board to ensure that measures were in place for timely preparation of the strategic plan.

VII. Testing

The Committee enquired into the testing of equipment and work surfaces. NSDSL indicated that the officers were working with the Public Health Authority, training and teaching provided for caterers and testing with CARIRI on sample boxes and surfaces to prevent the presence of microorganisms.

VIII. Interim Nutrition Standards

The Committee sought clarification on the status of the Interim Nutrition Standards for foods offered at schools. NSDSL indicated that the Interim Nutrition Standards were being reviewed by Cabinet and the next step will be the implementation of the Standards. The Standards basically defined the nutrients for eight categories of food.

IX. Local Content of Produce in Meals

The Committee enquired into the amount of local produce used in meals and NSDSL's relationship with the agricultural sector. NSDSL indicated that they were working with all stakeholders to increase local content in meals and requested the Ministry of Agriculture, Land and Fisheries to produce black eye peas. NSDSL intends to increase local content in meals by twenty percent (20%).

X. Suspension of Caterers

The Committee enquired into the suspension of caterers over the last three (3) years and follow up done by NSDSL. NSDSL stated that once there was an allegation in a school, the caterer was suspended immediately upon review. The steps in the review were investigation of the operations of the caterer, testing and analysis of sample. Caterers were offered training sessions with CARIRI. NSDSL also stated that in the last three (3) years some meals were not paid for because the quality standards were not satisfactory.

XI. Procurement of Caterers

The Committee questioned the procurement of caterers. NSDSL stated that caterers were selected via open tendering and were contracted for five (5) years.

XII. Target Population

The Committee sought clarification on the pool of students being catered for by the programme. NSDSL indicated that the school principal provides a list of students who need meals. Also, the goal of the company was to cater for one third (1/3) of the population because of the lack of funding to provide meals for the entire school population.

XIII. Objective: Data Driven Measurement

The Committee questioned the steps taken to measure the learning abilities of children. The MOE stated that student achievement was impacted by many different factors. This requires a complex study but the resource requirement to carry out the study was limited.

XIV. Outstanding Annual Administrative Reports and Audited Financial Statements

The Committee questioned the outstanding administrative reports and audited financial statements. NSDSL stated that the administrative reports were submitted to the MOE and thereafter to be delivered to the Office of the Parliament and the audited financial statements were completed and awaiting the AGM from the MOF. The ID indicated that the Parliament's Secretariat informed the ID of the backlog of outstanding financial statements and this information was communicated to entities. The Committee further questioned the remedies available to the Corporation Sole to have entities submit audited

financial statements in a timely manner. The ID stated that the Corporation Sole can remove directors if their performance were not satisfactory but opt to use moral suasion.

XV. Improving Efficiency

The Committee enquired into ways to improve the efficiency of the organization in its delivery of meals in the short, medium and long term. NSDSL indicated that funding was a major concern in meeting the needs of the population.

SUSPENSION

6.1 At 12:38 p.m., the Chairman suspended the *in public* meeting to resume a post-hearing meeting *in camera*.

RESUMPTION

7.1 At 12:44 p.m. the Chairman resumed *in camera* for the Post-hearing meeting.

POST-MORTUM DISCUSSION

- 8.1 The Members held a post-mortem discussion to determine the way forward, following the public hearing.
- 8.2 The Committee agreed that a Second Special Audit on NSDSL be conducted by the Auditor General.
- 8.3 After some discussion the Committee agreed that at the next meeting Evolving Technologies and Enterprise Development Company Limited (e TeckK) will be examined.

ADJOURNMENT

- 9.1 The Chairman thanked Members for their attendance and adjourned the meeting to **Wednesday April 6th, 2016 at 9:30 a.m.**
- 9.2 The adjournment was taken at 12:52 p.m.

We certify that these Minutes are true and correct.

CHAIRMAN

SECRETARY

April 6, 2016

**THE PUBLIC ACCOUNTS ENTERPRISES COMMITTEE –
FIRST SESSION, ELEVENTH PARLIAMENT
MINUTES OF THE FIFTH MEETING HELD ON WEDNESDAY, APRIL 06, 2016
AT 9:30 A.M.
IN THE J. HAMILTON MAURICE ROOM, MEZZANINE FLOOR, OFFICE OF
THE PARLIAMENT, TOWER D, THE PORT OF SPAIN INTERNATIONAL
WATERFRONT CENTRE, 1A WRIGHTSON ROAD, PORT-OF-SPAIN.**

Present were:

Mr. Wade Mark	-	Chairman
Dr. Tim Gopeesingh	-	Vice- Chairman
Mr. Foster Cummings	-	Member
Mrs. Jennifer Baptiste-Primus	-	Member
Mr. David Small	-	Member
Mr. Fitzgerald Hinds	-	Member
Mrs. Cherrie-Ann Crichlow-Cockburn	-	Member
Ms. Shamfa Cudjoe	-	Member
Ms. Keiba Jacob	-	Secretary
Ms. Hema Bhagaloo	-	Assistant Secretary

Also present were:

OFFICIALS FROM THE MINISTRY OF FINANCE (INVESTMENT DIVISION)

Ms. Yvette Babb	-	Social and Economic Transformation (Director (Ag.))
Mr. Denis Cox	-	Senior Investment Portfolio Analyst
Mr. Shiva Ramroop	-	Business Support Analyst

OFFICIALS FROM THE MINISTRY OF TRADE AND INDUSTRY

Mr. Norris Herbert	-	Permanent Secretary (Ag.)
Ms. Edwina Leacock	-	Chief Technical Advisor
Mr. Randall Karim	-	Director, Policy and Strategy
Mr. Dennis Scott	-	Manager, Alliances
Mr. Latchmin Rampersad	-	Accountant IV

OFFICIALS FROM EVOLVING TECKNOLOGIES AND ENTERPRISE DEVELOPMENT COMPANY LIMITED (e TECK)

Mr. Imtiaz Ahamad	-	Chairman
Mr. Robert Salandy	-	President
Ms. Maureen Singh	-	Vice President, Corporate Services
Mr. Hayden Alfred	-	Manager, Financial Performance
Mr. David Cockburn	-	Manager, Special Projects

COMMENCEMENT

1.1 At 9:30 a.m. the Chairman called the meeting to order and welcomed those present.

THE EXAMINATION OF THE MINUTES OF THE FOURTH MEETING

2.1 The Committee examined the Minutes of the Fourth (4th) Meeting held on Wednesday March 16, 2016.

2.2 There being no omissions or corrections, the Minutes were confirmed on a motion moved by Mr. David Small and seconded by Dr. Tim Gopeesingh.

PRE-HEARING DISCUSSION RE: EVOLVING TECKNOLOGIES AND ENTERPRISE DEVELOPMENT COMPANY LIMITED (e Teck)

3.1 The Committee agreed that the focus of the meeting will be the examination of the Audited Financial Statements of Evolving Tecknologies and Enterprise Development Company Limited (e Teck) for the period 2008 to 2009.

3.2 There being no further business for discussion *in camera*, the Chairman suspended the meeting at 9:57 a.m.

EXAMINATION WITH EVOLVING TECKNOLOGIES AND ENTERPRISE DEVELOPMENT COMPANY LIMITED (e Teck)

4.1 The Chairman called the public meeting to order at 10:05 a.m.

4.2 The Chairman welcomed officials from e Teck, Ministry of Trade and Industry, Ministry of Finance (MOF)–Investments Division (ID), members of the media and the public and introductions were exchanged.

4.3 The President of e Teck made a brief opening statement.

4.4 The following issues arose from the examination with the officials from e Teck:

I. Systems in place to Adhere to Policies and Regulations

The Committee enquired into the systems for persons to adhere to policies and regulations of State Enterprises. Officials from e Teck indicated that there was a lack of accountability and monitoring of the entity. In 2013, financial and non–financial objectives were implemented which resulted in the development of the operational and action plan of the entity. Out of the action plan, Key Performance Indicators (KPI) were developed and integrated into the organisation’s performance management system, which were

communicated to all levels of the organization. A report on the achievement of the action plan was produced on a monthly, quarterly and annual basis. The Committee further questioned the effectiveness of the KPI in relation to the outstanding financial statements. e Teck stated that the cleaning-up of the Vanguard Holdings Limited (VHL) accounts from 2008, hindered the finalization of Audited Financial Statements to be submitted.

II. Structure of the Vanguard Holdings Limited (VHL) Board

The Committee sought clarification on the structure of the VHL Board. Officials from e Teck indicated that, currently, the entire e Teck Board Members form the VHL Board. Prior to this arrangement, some of the Members of the e Teck Board formed the VHL Board.

III. Management of Magdalena Grand Hotel

The Committee sought clarification on the management of the operations and issues with regard of Magdalena Grand Hotel. e Teck indicated that the Magdalena Grand Hotel was managed and control by an Operator. The Committee further questioned e Teck's transition from being totally self-sufficient to currently being totally dependent on recurrent expenditure. e Teck indicated that in fiscal year 2014, the hotel required no recurrent income. However, there was an increase in the capital infrastructure of the hotel and in 2014 the level of occupancy at the hotel decreased significantly which contributed to the poor performance of the hotel. Subsequently, Cabinet made a decision to work with different stakeholders to increase flights and airlifts to Tobago.

The Committee also enquired whether Magdalena Grand Hotel should be retained as an indigenous brand or an International brand. e Teck indicated that an international brand will raise the profile of the tourist industry in Tobago and add value to the tourism sector.

IV. Accountability and Monitoring of Major Projects

The Committee enquired into the effectiveness of the parent company in monitoring and accounting to the taxpayers' on major projects as stated by PricewaterhouseCoopers in the Report to Management as at September 30, 2008. e Teck indicated that in 2008, Cabinet approved the initial budget of the Trinidad Hilton, costing \$488 million. In 2009, Cabinet approved a second budget of \$634 million. The amount of money actually spent was \$508 million. The Committee further questioned the cost escalation of the project from \$484 million to \$634 million. Officials from e Teck stated that this hotel was extremely unique and a significant part of the hotel required refurbishing. A design consortium plan was implemented, recognizing the nature of the project and the capacity of the local economy. The Hilton project was completed on a phased approach.

Tamana Intech Park budgeted cost was of the sum \$1.1 billion and the estimated cost in 2008 was \$2.7 billion, a variance of \$1.6 billion. This information was submitted in writing to the Committee. Officials from e Teck also indicated that Phase 1 of this project will be completed at the end of fiscal year 2016, and Phase 11 of this project will begin next fiscal year. The estimated cost of Phase 11 was estimated at \$144 million.

V. Systematic Failure of Corporate Governance

The Committee sought clarification on the rationale for upgrading the Trinidad Hilton and Conference Centre at an estimated cost of \$500 million. Officials from e Teck indicated

that the decision to refurbish Trinidad Hilton and Conference Centre was based on a Cabinet decision.

The Committee further questioned whether any type of financial analysis was conducted internally before an investment decision was made. Officials from e Teck indicated that the company was uncertain whether any financial analysis was conducted.

VI. Status of Rocky Point

The Committee sought clarification on the status of Rocky Point. e Teck indicated that the maintenance of Rocky Point was continuous to ensure that there were no squatters on the property.

VII. Publishing of Financial Statements by State Enterprise (e Teck)

The Committee sought clarification on the delay in the finalization of the Company's Financial Statements and the mechanisms used to ensure that the Audited Financial Statements were submitted to the Office of the Parliament in a timely manner. e Teck stated that there were challenges in consolidating the accounts of VHL and systems were implemented to improve and tighten the oversight of the hotel such as increasing the monitoring of hotel in Tobago to ensure that the accounts were prepared for monthly management reports.

The Investment Division (ID) also stated that separate Audited Financial Statements of e Teck can be prepared as a true and fair representation of the state of affairs of the company and the VHL accounts can be consolidated at a later time as a subsidiary company of e Teck.

The Investment Division further indicated that the State Enterprise Performance Manual is a guideline to regulate the behaviour of State Enterprises. The Guidelines were formed by the Companies Act, Chap.81:01 but not enacted and enforceable, therefore moral suasion was used to have State Enterprises comply with the Guidelines.

VIII. Legal Perspective for the State Enterprises Performance Monitoring Manual

From a legal perspective, the Committee enquired into the steps taken to ensure there was transparency and accountability by State Enterprises. The ID indicated that they are currently engaging the Treasury Solicitor to invoke penalties and enforce the State Enterprises to comply.

IX. Challenges of e Teck and the Mechanism Implemented for the Way Forward

The Committee enquired into the challenges faced by e Teck in the past and the mechanisms implemented to overcome these challenges. Officials from e Teck stated that there were challenges in the auditing of the VHL accounts that delayed the submission of the Audited Financial Statements. The company strengthened the internal accounting department, increased the number of qualified persons and site visits to the hotel, reviewed the accounts and KPIs and conducted training for staff to ensure the timely submission of Audited Financial Statements.

X. Requisite Skills of the Finance Personnel

Based on the PricewaterhouseCoopers report findings, (Page 1), the Committee sought clarification on the requisite skills of the finance personnel in the preparation of accurate management accounts and International Financial Reporting Standards (IFRS) Financial Statements. Officials from e Teck stated that the entire organization was restructured, particularly the finance department to increase accountability and transparency. All persons in the finance department were recruited based on ACCA qualifications, analytical capabilities and experience.

XI. Unreconciled Accounts

The Committee enquired into the non-reconciliation of accounts in detecting errors, exceptions, anomalies, the late submission of expense reports and the misstatement of the management accounts. Officials from e Teck indicated that in 2008 an Enterprise-wide Accounting System was implemented to reconcile all accounts and rectify the issues identified above to ensure transparency and accountability.

SUSPENSION

- 5.1 At 12:38 p.m., the Chairman suspended the *in public* meeting to resume a post-hearing meeting *in camera* with Members only.

RESUMPTION

- 6.1 At 12:43 p.m. the Chairman resumed the post-hearing meeting *in camera*.

POST-MORTUM DISCUSSION

- 7.1 The Members held a post-mortem discussion to determine the way forward, following the public hearing.
- 7.2 The Committee agreed that at the next meeting National Flour Mills Limited (NFM) will be examined.

ADJOURNMENT

- 8.1 The Chairman thanked Members for their attendance and adjourned the meeting to **Wednesday April 20, 2016 at 9:30 a.m.**
- 8.2 The adjournment was taken at 12:55 p.m.

We certify that these Minutes are true and correct.

CHAIRMAN

SECRETARY

April 20, 2016

**THE PUBLIC ACCOUNTS ENTERPRISES COMMITTEE –
FIRST SESSION, ELEVENTH PARLIAMENT
MINUTES OF THE SIXTH MEETING HELD ON WEDNESDAY, APRIL 20, 2016
AT 9:30 A.M. IN THE A.N.R. ROBINSON (EAST) MEETING ROOM, LEVEL 9,
OFFICE OF THE PARLIAMENT, TOWER D, THE PORT OF SPAIN
INTERNATIONAL WATERFRONT CENTRE, 1A WRIGHTSON ROAD, PORT-
OF-SPAIN.**

Present were:

Mr. Wade Mark	-	Chairman
Dr. Tim Gopeesingh	-	Vice- Chairman
Mr. Foster Cummings	-	Member
Mrs. Jennifer Baptiste-Primus	-	Member
Mr. David Small	-	Member
Mrs. Cherrie-Ann Crichlow-Cockburn	-	Member
Ms. Shamfa Cudjoe	-	Member
Ms. Keiba Jacob	-	Secretary
Ms. Hema Bhagaloo	-	Assistant Secretary

Also present were:

OFFICIALS FROM THE MINISTRY OF FINANCE (INVESTMENT DIVISION)

Ms. Yvette Babb	-	Social and Economic Transformation (Director (Ag.))
Mr. Denis Cox	-	Senior Investment Portfolio Analyst
Ms. Sharon Mohammed	-	Senior Business Analyst

OFFICIALS FROM THE MINISTRY OF TRADE AND INDUSTRY

Mr. Norris Herbert	-	Permanent Secretary (Ag.)
Ms. Susan Singh-Seerattan	-	Director, Business Development
Mr. Dennis Scott	-	Manager, Alliances

OFFICIALS FROM NATIONAL FLOUR MILLS LIMITED (NFM)

Mr. Mike Bazie	-	Chairman
Mr. Kelvin Mahabir	-	President
Mr. Ross Alexander	-	Director
Mr. Robert Subryan	-	General Manager, Finance and Procurement
Ms. Cheryl Edwards	-	General Manager, Operations

Ms. Sati Jagmohan	-	Corporate Secretary
Mr. Anthony Jones	-	Manager, Internal Audit
Ms. Adrian Cabralis	-	Manager, Flour Milling and Packaging

COMMENCEMENT

1.1 At 9:32 a.m. the Chairman called the meeting to order and welcomed those present.

THE EXAMINATION OF THE MINUTES OF THE FIFTH MEETING

- 2.1 The Committee examined the Minutes of the Fifth (5th) Meeting held on Wednesday April 6, 2016.
- 2.2 There being no omissions or corrections, the Minutes were confirmed on a motion moved by Mr. David Small and seconded by Mrs. Cherrie-Ann Crichlow-Cockburn.

PRE-HEARING DISCUSSION RE: NATIONAL FLOUR MILLS LIMITED (NFM)

- 3.1 The Chairman reminded Members that the purpose of the meeting will be the examination of the Audited Financial Statements of National Flour Mills Limited (NFM) for the period 2008 to 2011.
- 3.2 There being no further business for discussion *in camera*, the Chairman suspended the meeting at 10:04 a.m.

EXAMINATION WITH NATIONAL FLOUR MILLS LIMITED (NFM)

- 4.1 The Chairman called the public meeting to order at 10:09 a.m.
- 4.2 The Chairman welcomed officials from NFM, Ministry of Trade and Industry (MTI), Ministry of Finance (MOF)–Investments Division (ID), members of the media and the public and introductions were exchanged.
- 4.3 The Chairman of NFM made a brief opening statement.
- 4.5 The following issues arose from the examination with the officials from NFM:

I. Submission of Audited Financial Statements

The Committee enquired into the submission of the Audited Financial Statements for the period 2012 - 2014. Officials from the ID indicated that the Audited Financial Statements were received from NFM two weeks prior to this meeting. Officials from NFM stated that the 2015 Audited Financial Statements will be submitted to the ID one (1) week subsequent to this meeting.

The Committee further questioned the line of communication between the ID and NFM. Officials from the ID indicated that NFM received legal advice by Dr. Claude Denbow SC that limited the MOF and MTI access to information from NFM. Also, the Committee enquired whether the ID sought advice or guidance on the legal opinion. Officials from ID also stated that discussions were held with the Treasury Solicitor's Department on all matters related to State Enterprises.

II. State Enterprises

The Committee questioned whether there were other State Enterprises or Partially-owned State Enterprises that sought legal advice which prevented the State from assessing information. Officials from ID indicated that the Telecommunications Services of Trinidad and Tobago (TS'TT) and National Insurance Property Development Company Limited (NIDPEC) were similar to NFM, however, the situation with NFM was unique.

III. Internal Audit Function

The Committee questioned whether the internal audit team which comprised of one (1) internal auditor and one (1) senior audit personnel were sufficient to meet the needs of the company. Officials from NFM indicated that a risk analysis of the audit programme was developed and approved by the audit committee which included the complement of staff required to support the audit function of the company.

The Committee also enquired into the contribution of the internal audit function to improving value for money, governance, risk management and control processes. Officials from NFM indicated that preventative controls were implemented to eliminate misappropriation and non-compliance of procedures and the internal audit program's performance was reviewed to ensure compliance.

IV. Workforce

The Committee enquired into the size and composition of the workforce. NFM indicated that there were four hundred and three (403) persons employed at NFM of which three hundred and fifty (350) were permanent workers and fifty-three (53) were temporary workers.

V. Debt Ratio

The Committee sought clarification on the steps implemented to control the level of debt within NFM. Officials from NFM indicated that steps were taken to reduce the debt ratio from sixty-nine (69%) percent in 2008 to forty-nine (49%) percent in 2015. The Committee further questioned the targeted debt ratio by the year 2020. Officials from NFM stated that forty (40%) debt ratio target will be a good mix of funds generated internally and sourced externally. Also programmes were implemented to reduce wastage, increase the flexibility to participate in the grain market and collaboration with the National Agricultural Marketing and Development Corporation (NAMDEVCO) and the Ministry of Agriculture, Land and Fisheries to produce animal feed and cassava flour.

VI. Strategic Goals and Plan

The Committee enquired into the measures implemented to enhance the strategic goals of the company for the immediate and long-term future. NFM indicated that a new strategic plan was developed for the period 2014–2018, the Performance Management System was revived, Human Resources Information System was implemented and the corporate plan along with the Key Performance Indicators (KPI) were implemented.

The Committee further sought clarification on how the strategic plan of the company related to the exploration of the export market. Officials from NFM indicated that the growth strategy of the company included new product development, entering new markets and a productivity system for the entire workforce. The Committee also sought clarification on the link between productivity and increased wages. Officials from NFM stated that production and traded products were linked to wages and measured by an index.

VII. Status of Gross Profit and Net Profit

The Committee sought clarification on the status of the NFM's profits as a percentage of its revenue. Officials from NFM stated that there was an increase in the return on equity for the period 2012–2014. Also since 2008, there has been no change to the price of flour when compared to market price, however the efficiency of major product lines were improved and new products were launched into the market.

VIII. Trading in Cuba

The Committee questioned the company's plan to export products to the Cuban Market. Officials from NFM indicated that CARICOM countries had a trade agreement which included Cuba and NFM traded with firms in CARICOM countries.

IX. Human Resource Management

The Committee enquired into employee turnover rate and the measures in place to retain valuable human resources. Officials from NFM stated that the employee turnover rate was extremely low and employees were offered certification programmes and training, scholarship programme for workers' children and a corporative relationship with unions was maintained. The Committee further enquired into the systems in place for mentoring and coaching employees. Officials for NFM indicated that succession planning was included into the Automated Human Resource System to ensure that the company's needs and objectives were met.

X. Local Content Initiative

The Committee sought clarification on the initiatives with regard to the Ministry of Agriculture, Land and Fisheries and NAMDEVCO. Officials from NFM stated that there were consultations on the cassava project between the Ministry, NAMDEVCO and farmers. The role of NAMDEVCO was to supply cassava meal in a dehydrated form for producing the cassava flour and to implement a price mechanism to ensure that farmers produce year round at a particular price. However, the success of this project depended on the capacity to produce cassava flour and market acceptance.

The Committee further questioned the foreign exchange projections of the cassava project over the next five years. Officials from NFM indicated that the cassava project was a niche market of healthier products tested over a period of time to determine the taste, cost and market acceptance of the product. In addition the Committee sought clarification on the timeline for the introduction of the cassava flour for public consumption. Officials from NFM indicated that on Monday June 20, 2016 the cassava flour will enter the market.

XI. Net Profit

The Committee enquired into the net profit after tax for the period 2009-2011. Officials from NFM indicated that a drop in sales from the year 2008 affected the company profit and the continuous fall in the price of grains in the market.

The Committee further questioned the measures in place to improve net profit margin and return on assets. Officials from NFM stated that since the appointment of a new Board in 2013, there were improvements in the share price, profit after tax and market capitalization. Also, prior to 2013 no dividends were paid.

XII. Foreign Exchange

The Committee enquired into the amount of foreign exchange currency utilized for the import of materials for production. Officials from NFM indicated that forty (40) to forty-five (45) million US dollars were used each year for the purchase of grains.

XIII. Accounts Receivable

The Committee enquired into the accounts receivable account and unrecoverable debt amount to date. Officials from NFM stated that the accounts receivable account was sixty-six (66) million dollars and uncoverable debts were twenty-three (23) million. NFM also indicated that mechanisms were implemented to reduce the level of debts, overdrafts and improve the collection of cash flows.

The Committee further questioned whether the accounts receivable account of sixty-six (66) million dollars will be collected in a timely manner. Officials from NFM indicated that customers adhere to the requirements of thirty (30) and forty-five (45) days payment for the provision of goods and services.

XIV. Fraud Investigation

The Committee sought clarification on the issue of fraud investigation. Officials from NFM indicated that the average case of significant fraud occurred once per year. The Committee further sought clarification on one of the priority projects of NFM which stated “to improve security arrangement and reduce the incidents of theft”. Officials from NFM indicated that controls were in place to reduce the potential leakage of products into the market, access to information and checks and balance of products leaving the compound.

XV. Losses

The Committee enquired into the potential losses through theft. Officials from NFM indicated that losses through theft has been minimal but a system of checks and balances was implemented to ensure accountability of products. The Committee further questioned the amount of revenue lost through theft over the last ten (10) years. Officials from NFM stated that loss of revenue for the last ten (10) years was unknown.

XVI. Mechanism to Reduce Wastage

The Committee sought clarification on the mechanisms in place to reduce wastage. Officials from NFM stated that a number of controls were implemented which included a new computerized and automated tracking system to monitor various parts of the plant and the overall company.

XVII. Market Share

The Committee sought clarification on the percentage of the market controlled by the company. Officials from NFM stated that the company controlled sixty-five (65%) percent of the market. The Committee further enquired into similar type of mills available in other countries. Officials from NFM stated that Puerto Rico has a mill of similar capacity to Trinidad and Tobago.

XVIII. Term “Fair”

The Committee sought clarification on the term “fair” under the heading Auditing. Officials from NFM stated that the internal audit department was the third line of defence. The primary role of the internal auditing was to ensure controls were operational and not necessarily to detect fraudulent activities.

XIX. Whistling-Blowing Policy

The Committee enquired whether the draft whistling-blowing policy provided protection and immunity to employees against victimization, suspension, unfair adverse performance appraisal and adverse damage to employment. Officials from NFM indicated that the policy dealt with issues of whistle-blower’s confidential as well as protection from retaliation. The Committee further questioned whether there were a code of ethics in the company. Officials from NFM indicated that the code of ethics has been an integral part of the Human Resources policy that all employees were exposed to.

SUSPENSION

5.1 At 12:34 p.m., the Chairman suspended the *in public* meeting to resume a post-hearing meeting *in camera* with Members only.

RESUMPTION

6.1 At 12:43 p.m. the Chairman resumed the post-hearing meeting *in camera*.

POST-MORTUM DISCUSSION

7.1 The Members held a post-mortem discussion to determine the way forward, following the public hearing.

7.2 The Committee agreed that at the next meeting National Quarries Company Limited (NQCL) will be examined.

ADJOURNMENT

8.1 The Chairman thanked Members for their attendance and adjourned the meeting to **Wednesday May, 04 2016 at 9:30 a.m.**

8.2 The adjournment was taken at 12:48 p.m.

We certify that these Minutes are true and correct.

CHAIRMAN

SECRETARY

April 20, 2016

**THE PUBLIC ACCOUNTS ENTERPRISES COMMITTEE –
FIRST SESSION, ELEVENTH PARLIAMENT**

**MINUTES OF THE SEVENTH MEETING HELD ON WEDNESDAY, MAY 4, 2016
AT 9:30 A.M.**

**IN THE J. HAMILTON MAURICE ROOM, MEZZANINE FLOOR, OFFICE OF
THE PARLIAMENT, TOWER D, THE PORT OF SPAIN INTERNATIONAL
WATERFRONT CENTRE, 1A WRIGHTSON ROAD, PORT-OF-SPAIN.**

Present were:

Mr. Wade Mark	-	Chairman
Dr. Tim Gopeesingh	-	Vice- Chairman
Mr. Foster Cummings	-	Member
Mrs. Jennifer Baptiste-Primus	-	Member
Mrs. Cherrie-Ann Crichlow-Cockburn	-	Member
Ms. Shamfa Cudjoe	-	Member
Ms. Keiba Jacob	-	Secretary
Ms. Hema Bhagaloo	-	Assistant Secretary

Excused were:

Mr. David Small	-	Member
Mr. Fitzgerald Hinds	-	Member

Also present were:

OFFICIALS FROM THE MINISTRY OF FINANCE (INVESTMENT DIVISION)

Ms. Yvette Babb	-	Social and Economic Transformation (Director (Ag.))
Mr. Lester Herbert	-	Chief Audit Examiner
Mr. Shiva Ramroop	-	Business Support Analyst

OFFICIALS FROM THE MINISTRY OF ENERGY AND ENERGY INDUSTRIES

Mr. Selywn Lashley	-	Permanent Secretary
Mr. Monty Beharry	-	Director of Minerals
Mr. Ivor Superville	-	Senior Energy Analyst (Ag.)

OFFICIALS FROM NATIONAL QUARRIES COMPANY LIMITED (NQCL)

Mr. Ulric Warner - Chairman
Mr. Bevon Cook - Chief Executive Officer (Ag.)

COMMENCEMENT

1.1 At 9:46 a.m. the Chairman called the meeting to order and welcomed those present. Mr. David Small and Mr. Fitzgerald Hinds were excused from the meeting.

THE EXAMINATION OF THE MINUTES OF THE SIXTH MEETING

2.1 The Committee examined the Minutes of the Sixth (6th) Meeting held on Wednesday April 20, 2016.

2.2 The following corrections were made to **Item 4.4 (XIX)**:

Delete the word “Confidential” and insert the word “Confidentiality” and also delete the word “were” and insert the word “was”.

2.3 There being no omissions or corrections, the Minutes were confirmed on a motion moved by Mrs. Cherrie-Ann Crichlow-Cockburn and seconded by Mr. Foster Cummings.

PRE-HEARING DISCUSSION RE: NATIONAL QUARRIES COMPANY LIMITED (NQCL)

3.1 The Chairman reminded Members that the purpose of the meeting will be the examination of the Audited Financial Statements of National Quarries Company Limited (NQCL) for the period 2008 to 2010.

3.2 There being no further business for discussion *in camera*, the Chairman suspended the meeting at 10:00 a.m.

EXAMINATION WITH NATIONAL QUARRIES COMPANY LIMITED (NQCL)

4.1 The Chairman called the public meeting to order at 10:10 a.m.

4.2 The Chairman welcomed officials from NQCL, Ministry of Energy and Energy Industries (MEEI), Ministry of Finance (MOF)–Investments Division (ID), members of the media and the public and introductions were exchanged.

4.3 The Chairman of NQCL made a brief opening statement.

4.4 The following issues arose from the examination with the officials from NQCL:

I. Challenges of NQCL

Officials from the NQCL indicated that the company was experiencing a number of challenges such as; unsustainable debt, losses, absence of a management team, lack of governance structure, ineffective procurement process, insufficient trained technicians, illegal mining of acreage and the non-payment of royalties. Officials from NQCL also stated that since the appointment of a new Board measures were in place to improve the governance structure, delegation of authority and procurement procedures, payment of

royalties, hiring of an Internal Auditor, Financial Accountant and Human Resource Manager and discussions on illegal quarrying.

The Committee further enquired into the recommendations in place at NQCL. Officials from NQCL stated that the new Board was business focused and had the responsibility to ensure good governance structure and proper systems.

II. Role of the MEEI and the ID

The Committee questioned the measures implemented by the MEEI and ID to overcome the challenges experienced by NQCL. Officials from MEEI indicated that a series of meetings were held with the Board and Management of NQCL to correct the issues. MEEI also provided support and guidance to NQCL to conduct operations in an efficient and effective manner.

The ID stated two system and management audits were conducted highlighting the problems at the company. The ID was responsible for monitoring of state enterprises and used mostly moral suasion.

The Committee further questioned the last time a meeting was held with NQCL. Officials from the ID stated that the last Annual General Meeting (AGM) was held in 2012. The Committee also enquired whether the ID was required to meet with state enterprises frequently to ensure accountability. Officials from ID indicated that assistance were sought from the line Ministries to get State Enterprises to adhere to the Companies Act and State Enterprises Performance Monitoring Manual.

III. Royalties

The Committee enquired into the outstanding quantum of royalties owed to the Government. Officials from the MEEI indicated that an audit was conducted with regard to royalties. Royalties were divided into sand and gravel and limestone. The outstanding payment for sand and gravel and limestone were \$31,099,167.36 and \$8,647,210.76 respectively. In January 2016, NQCL made payments to the MEEI for sand and gravel and limestone in the sum of \$1,135,809.04 and \$98,105.44 respectively.

The Committee further questioned the calculation used to determine the payment of royalties. Officials from the MEEI stated that the current rate of royalties for sand and gravel and limestones was six (\$6) per cubic metre.

Also, the Committee questioned whether the Government received royalty from the private sector. Officials from MEEI indicated that the Government received royalties from State acreage. With respect of Private acreage, the Government collect taxes.

IV. Human Resource Management

The Committee questioned the unprofitability in relation to the increase in employees at NQCL for the last five (5) years. Officials from NQCL indicated that the leadership of the organization was not addressing the issues of contracting, staffing and overtime for the last five (5) years. Currently, a structured transparent process was implemented to strengthen the governance and leadership structure of the organization.

V. Performance Management System

The Committee questioned whether NQCL has a Performance Management System. NQCL indicated that the Performance Management System was broken and being reviewed by the Human Resource Manager.

VI. Business Model

The Committee sought clarification on NQCL business model. Officials from NQCL stated that the business model determine the goals and objectives of the company and timeframe for achieving those objectives to ensure success.

The Committee further sought clarification on the business model in relation to the State's directive. Officials from NQCL indicated that the key goal was to supply aggregate for Government construction.

VII. Request for Annual General Meeting (AGM)

The Committee enquired into the request to the MOF for AGM. Officials from NQCL indicated that discussions were held with the MOF for the AGM.

VIII. Illegal Quarrying

The Committee sought clarification on the percentage of acreage occupied by people involved in illegal quarrying. Officials from NQCL stated that illegal quarrying was a challenge for NQCL and the MEEI. The authorities were informed of the situation and action was taken against persons involved in illegal quarrying.

IX. Supply of Material

The Committee enquired into the supply of material for the Government and the Private Sector. Officials from NQCL stated that materials were supplied for Government construction and anyone willing to purchase materials from NQCL.

X. Acres of Quarry Land

The Committee enquired into the number of acres of quarry land operated and leased in Trinidad and Tobago. Officials from NQCL indicated that in terms of sand and gravel and limestone, forty (40%) and fifteen (15%) percent of the national acreage respectfully were under mining.

The Committee further enquired into the process for granting of licenses and leases for quarrying. Officials from NQCL stated that the information will be submitted to the Committee.

Also, the Committee questioned the steps in place to improve the efficiency of mining operations at NQCL. Officials from NQCL indicated that steps were taken to refurbish equipment, improve the storage of materials, maintain ISO standards and enhance relationships with customers.

XI. Financial Ratio Analysis

The Committee enquired into the analysis of financial data needed to improve the profitability and efficiency of the company. Officials from NQCL indicated that from the analysis of the data, debt of twenty-two million (\$22m) was discovered outstanding by contractors for products taken on credit. Measures were taken to recover the outstanding amounts from contractors.

The Committee further questioned the number of contractors and amount of money owed to NQCL. Officials for NQCL stated that the information will be submitted to the Committee in writing.

Also, the Committee sought clarification on the amount of money owed by OAS Constructora to NQCL. Officials from NQCL stated that \$5.6 million were outstanding for the last two (2) years and this issue was legal matter before the Court.

XII. Environmental Impact of Quarrying

The Committee enquired into the environmental effects of quarrying. Officials from NQCL stated that rehabilitation works were conducted on affected lands.

XIII. Role of the Internal Auditor

The Committee sought clarification on the role of the Internal Auditor. Officials from NQCL stated that the role of the internal auditor was to address the issues of the misappropriation of funds.

The Committee further sought clarification on the checks and balances developed to ensure value for money. Officials from NQCL indicated that measures were in place to ensure value for money such as frequent reporting to the Board and a clinical review of accounting data.

XIV. Measures Implemented to Reduce the Loss of Revenue

The Committee enquired into the measures in place to reduce the loss of revenue with regard to royalties from illegal quarrying, taxes, business levy and green fund levy. Officials from MEEI indicated that systems were in place to improve the process of royalty collection, monitoring, material quantification, supply chain and proper regulation of the sector.

The Committee further questioned the lack of payment of royalty. Officials from MEEI stated that the number of quarry management officers were increased to ensure proper monitoring of royalty payments going forward.

XV. Marketing Campaign

The Committee sought clarification on the measures in place to inform the public of the products at NQCL. Officials from NQCL stated that the public will be informed after an area was established for stockpiling.

XVI. Oversight Measures

The Committee sought clarification on the oversight measures in place for proper assessment of taxes and royalties. Officials from MEEI stated that the State and Private Sector were monitored using the similar process of checks and balances and a Minerals Advisory Committee was established to advise the Minister on issues of Mining.

The Committee further enquired into the measures in place to ensure officers adhere to policy and proper conduct of state business. Officials from MEEI indicated that a system of checks and balances was implemented for the collection of data and for the monitoring of officers.

XVII. Auditing of Private Operators Information

The Committee questioned the auditing of private operator's information. Officials from MEEI stated that a physical audit will be performed to report the quantum of material removed and the quantum of material reported.

SUSPENSION

- 5.1 At 12:29 p.m., the Chairman suspended the *in public* meeting to resume a post-hearing meeting *in camera* with Members only.

RESUMPTION

- 6.1 At 12:34 p.m. the Chairman resumed the post-hearing meeting *in camera*.

POST-MORTUM DISCUSSION

- 7.1 The Members held a post-mortem discussion to determine the way forward, following the public hearing.
- 7.2 The Committee agreed that at the next meeting Government Human Resource Services Company Limited (GHRS) will be examined.

ADJOURNMENT

- 8.1 The Chairman thanked Members for their attendance and adjourned the meeting to **Wednesday May, 04 2016 at 9:30 a.m.**
- 8.2 The adjournment was taken at 12:36 p.m.

We certify that these Minutes are true and correct.

CHAIRMAN

SECRETARY

May 4, 2016

**THE PUBLIC ACCOUNTS ENTERPRISES COMMITTEE –
FIRST SESSION, ELEVENTH PARLIAMENT**

**MINUTES OF THE EIGHTH MEETING HELD ON WEDNESDAY, MAY 18, 2016
AT 9:31 A.M.**

**IN THE A.N.R. ROBINSON (EAST) MEETING ROOM, LEVEL 9, OFFICE OF
THE PARLIAMENT, TOWER D, THE PORT OF SPAIN INTERNATIONAL
WATERFRONT CENTRE, 1A WRIGHTSON ROAD, PORT-OF-SPAIN.**

Present were:

Mr. Wade Mark	-	Chairman
Dr. Tim Gopeesingh	-	Vice- Chairman
Mr. Foster Cummings	-	Member
Mr. Fitzgerald Hinds	-	Member
Mrs. Cherrie-Ann Crichlow-Cockburn	-	Member
Ms. Keiba Jacob	-	Secretary
Ms. Hema Bhagaloo	-	Assistant Secretary

Excused were:

Mr. David Small	-	Member
Mrs. Jennifer Baptiste-Primus	-	Member
Ms. Shamfa Cudjoe	-	Member

Also present were:

OFFICIALS FROM THE MINISTRY OF FINANCE (INVESTMENT DIVISION)

Ms. Yvette Babb	-	Social and Economic Transformation (Director (Ag.))
Mr. Ryan Maharaj	-	Senior Business Analyst (Ag.)

**OFFICIALS FROM THE MINISTRY OF PUBLIC ADMINISTRATION AND
COMMUNICATIONS**

Ms. Lydia Jacobs	-	Permanent Secretary (Ag.)
Ms. Angela Lum Joseph	-	Director, Public Management, Strategic Services Division

**OFFICIALS FROM GOVERNMENT HUMAN RESOURCE SERVICES COMPANY
LIMITED (GHRS)**

Ms. Avalaughn Huggins	-	Chairman
Mr. Cagney Casimire	-	Director
Ms. Sheriza Khan	-	Director
Mr. Geoffrey Lewis	-	Corporate Planning VP/ Deputy Chief Executive Officer
Mr. Khari Murray	-	Human Capital Management VP
Ms. Natasha Samms	-	Accountant

COMMENCEMENT

- 1.1 At 9:31 a.m. the Chairman called the meeting to order and welcomed those present. Mr. David Small, Mrs. Jennifer Baptiste-Primus and Ms. Shamfa Cudjoe were excused from the meeting.

THE EXAMINATION OF THE MINUTES OF THE SEVENTH MEETING

- 2.1 The Committee examined the Minutes of the Seventh (7th) Meeting held on Wednesday May 04, 2016.
- 2.2 The following corrections were made to **Item 4.4 (I) and (II)**:

Delete the word “recommendations” and insert the word “measures” and delete the word “systems” and insert the word “system”.
- 2.3 There being no omissions or corrections, the Minutes were confirmed on a motion moved by Mrs. Cherrie-Ann Crichlow-Cockburn and seconded by Dr. Tim Gopeesingh.

PRE-HEARING DISCUSSION RE: GOVERNMENT HUMAN RESOURCE SERVICES COMPANY LIMITED (GHRS)

- 3.1 The Chairman reminded Members that the purpose of the meeting will be the examination of the Audited Financial Statements of Government Human Resource Services Company Limited (GHRS) for the period 2008 to 2014.
- 3.2 There being no further business for discussion *in camera*, the Chairman suspended the meeting at 10:10 a.m.

EXAMINATION WITH GOVERNMENT HUMAN RESOURCE SERVICES COMPANY LIMITED (GHRS)

- 4.1 The Chairman called the public meeting to order at 10:14 a.m.
- 4.2 The Chairman welcomed officials from GHRS, Ministry of Public Administrations and Communication (MPAC), Ministry of Finance (MOF)–Investments Division (ID), members of the media and the public and introductions were exchanged.
- 4.3 The Chairman of GHRS made a brief opening statement.

4.4 The following issues arose from the examination with the officials from GHRS:

I. Appointment of the Chief Executive Officer (CEO)

The Committee enquired into the recruitment process for the appointment of a CEO. Officials from GHRS stated that an external firm was sourced to recruit the CEO.

II. Role and Responsibility of the Permanent Secretary (PS)

The Committee questioned the role and responsibility of the PS in monitoring the organization for accountability and transparency while ensuring proper systems were established and maintained. Officials from MPAC indicated that a number of channels were used to oversee the operations of GHRS such as reviewing minutes and strategic plan, audited financial statements and the utilization of government subvention.

III. Estimates of Recurrent Expenditure

The Committee enquired into the use of the government subvention in the recruitment of nationals and non-nationals professionals. Officials from the GHRS stated that a cost has been attached to the services provided to Ministries and Department upon request. The Committee further questioned the cost of services provided by GHRS to Ministries and Department. Officials from GHRS stated that the Ministry was charged for direct services in the recruitment process such as advertising, establishing recruitment centres and interviews. The final cost to the Ministry depended on the services requested.

IV. Services of GHRS

The Committee enquired into the services provided by GHRS to Government and Public Sector Agencies. Officials from GHRS stated that recruitment of employee, training, company-based interviews and programme assessment. The Committee further questioned the other services provided by GHRS. Officials from GHRS indicated that job evaluation exercises, workshops, policy writing and other Human Resource services. The Committee sought clarification on the number of Ministries using the services of GHRS. Officials from GHRS stated that eighty (80%) percent of the Ministries utilizes the services of GHRS. However, there was an increase in market share as a result of the direct market plan implemented in 2013. Also, the Committee enquired into the Ministry's use of GHRS services in fulfilling the goals and objectives of the Ministry. Officials from MPAC stated that a particular service was determined based on the availability of funding and resources. However, the services of GHRS was utilized for e-Competency Based Training project.

V. Relevance of GHRS

The Committee questioned the relevance of GHRS given that services were provided to thirty-nine (39%) percent of Government Agencies and five (5%) percent of Public Sector Agencies. Officials from GHRS stated that steps were in place to increase market share such as conducting research, monitoring projects and implementing a direct marketing plan.

VI. Vacancies in the Public Service

The Committee sought clarification on the number of vacant contract and public service establishment positions. Officials from GHRS indicated that the information would be submitted to the Committee in writing.

VII. Relationship of Agencies

The Committee enquired into the relationship between the MPAC, the Public Service Commission (PSC) and GHRS in filling the vacant positions in the Public Service. Officials from MPAC indicated that the PSC has full autonomy with regard to the vacancies in Ministries and Department, the MPAC liaises with the PSC to determine the best mechanism for filling the vacant positions. GHRS is used mainly to fill contract positions. The Committee further questioned the whether MPAC was the coordinating Ministry to determine the Human Resource issues across a number of Ministries. Officials from MPAC indicated that the Public Management Consulting Division (PMCD) deals with the overall structure of a Ministry's capacity and assist each Ministry in the recruitment process. The Committee also sought clarification whether Ministry's liaised with the PSC or PMCD to fill vacant positions. Officials from MPAC stated that a Ministry approaches the PSC directly for public service positions.

VIII. Client Base of GHRS

The Committee enquired into the client base of GHRS. Officials from GHRS stated that the majority of the clients were from Ministries and Agencies located in Port of Spain. The Committee further sought clarification on the decision to move the headquarters to Chaguanas. Officials from the GHRS indicated that the move to Chaguanas was a strategic move to centralize the operations and property in Port of Spain was not affordable. The Committee further questioned the cost per month for renting a property in Chaguanas compared to Port of Spain. Officials from GHRS stated that the rental for a building in Port of Spain was \$45,000.00 plus VAT for 4,500 square feet and a building in Chaguanas was \$100,000.00 plus VAT for approximately 10,000 square feet a month. The Committee also sought clarification whether GHRS could not rent a property in Port of Spain for \$100,000 a month. Officials from GHRS indicated that the decision was to rent a property over 9,000 square feet.

IX. Profitability

The Committee enquired into the profits from operations for fiscal year 2007 to nine months of 2014. Officials from the GHRS stated that profits were low because of the strategic positioning of the company.

X. Subvention

The Committee enquired into the use of the government subvention received by GHRS. Officials from GHRS stated that the Government Subvention was used to fund the administrative expenditure of the organization. The Committee further sought clarification on whether value for money was achieved from the use of the government subvention. Officials from GHRS stated that the company worked in conjunction with the MPAC to develop the public sector in Trinidad and Tobago.

XI. Recruitment

The Committee questioned the number of persons recruited on a contractual basis in the public sector. Officials from GHRS stated that in the year 2012 – 440, 2013 -292, 2014 – 446 and 2015 – 759 positions were recommended to be filled.

XII. Analysis and Research

The Committee questioned whether any analysis was conducted to determine the areas of work employment was being sought. Officials from the GHRS stated that an analysis was conducted to determine the number of entry-level, professional and managerial positions. The Committee further enquired whether research was conducted to determine the need of the Government. Officials from GHRS indicated that in the last two (2) to three (3) years information was gather from Ministries, Departments, State Enterprises and Municipal Corporation.

XIII. Performance of GHRS

The Committee enquired into the incentives that drove the performance of GHRS. Officials from GHRS stated that the willingness and ability to serve clients, new products and services and increasing revenue drives the performance of the company.

XIV. Goals and Objectives

The Committee sought clarification on the goals and objectives in the strategic plan. Officials from GHRS indicated that expanding market share, effective cost management, building capacity and institutional strengthening, promoting result-based culture and corporate social responsibility were implemented.

XV. Functions of GHRS

The Committee sought clarification on whether GRHS was duplicating the functions performed by other State Agencies and Ministries. Officials from GHRS stated that the company was formed to assist Ministries and Departments in the development of human capital in the public sector but, changing economic and environmental circumstances impacted on the operations of GHRS where Ministries and Departments were conducting in-house training.

XVI. Staff

The Committee enquired into the doubling of staff at GHRS from the period 2013 to 2016. Officials from GHRS indicated that the company was restructured in 2013, a number of projects were implemented and there was increased communication with clients and customers.

XVII. Recruitment/Assessment//Selection

The Committee sought clarification on the number sixty-eight (68) for Recruitment/Assessment/ Selection. Officials at the GHRS stated that the figure represented the number of projects completed.

XVIII. Training/Design/Delivery

The Committee sought clarification on the number thirty-nine (39) with regard to Training/Design/Delivery. Officials from the GHRS stated that the number thirty-nine (39) represented projects going forward for the assessment of new clients.

XIX. Relationship between the MOF and GHRS

The Committee sought clarification on the relationship between the MOF-ID in the monitoring and oversight of GHRS. Officials from MOF-ID indicated that a number of challenges were identified with regard to the operations of GHRS such as low penetration into customer base, decreasing revenue and increasing expenses. The Committee further questioned the relevance of GHRS given the low penetration of the customer base. Officials from MPAC indicated that Ministries and Department were continuously building capacity in the services provided by GHRS.

XX. Status of Projects

The Committee enquired into the status of the nine (9) projects from the MPAC. Officials from GHRS indicated that the information would be submitted to the Committee in writing.

XXI. Other Contracted Services

The Committee enquired into the selection process for “Other Contracted Services”. Officials from GHRS indicated that the information would be submitted to the Committee in writing.

XXII. Term “Consultancy Sourcing”

The Committee enquired into the term “Consultancy Sourcing”. Officials from GHRS indicated that “Consultancy Sourcing” was a call service for the Machine Readable Passport from the Ministry of National Security. The Ministry of National Security paid for this service provided by the company “One Service”. The Committee further questioned the process for the selection of the company “One Service”. Officials from GHRS indicated that the information would be submitted in writing.

XXIII. Challenges of GHRS

The Committee enquired into the challenges experienced by GHRS and the measures in place to deal with the challenges. Officials from GHRS indicated that the information would be submitted in writing.

SUSPENSION

5.1 At 12:25 p.m., the Chairman suspended the *in public* meeting to resume a post-hearing meeting *in camera* with Members only.

RESUMPTION

6.1 At 12:30 p.m. the Chairman resumed the post-hearing meeting *in camera*.

POST-MORTUM DISCUSSION

7.1 The Members held a post-mortem discussion to determine the way forward, following the public hearing.

7.2 The Committee agreed that at the next meeting National Infrastructure Development Company Limited (NIDCO) will be examined.

ADJOURNMENT

8.1 The Chairman thanked Members for their attendance and adjourned the meeting to **Wednesday June, 01 2016 at 9:30 a.m.**

8.2 The adjournment was taken at 12:33 p.m.

We certify that these Minutes are true and correct.

CHAIRMAN

SECRETARY

May 11, 2016

**THE PUBLIC ACCOUNTS ENTERPRISES COMMITTEE –
FIRST SESSION, ELEVENTH PARLIAMENT**

**MINUTES OF THE NINETH MEETING HELD ON WEDNESDAY, JUNE 1, 2016
AT 9:45 A.M. IN THE J. HAMILTON MAURICE ROOM, MEZZANINE FLOOR,
OFFICE OF THE PARLIAMENT, TOWER D, THE PORT OF SPAIN
INTERNATIONAL WATERFRONT CENTRE, 1A WRIGHTSON ROAD, PORT-
OF-SPAIN.**

Present were:

Mr. Wade Mark	-	Chairman
Dr. Tim Gopeesingh	-	Vice- Chairman
Mr. Foster Cummings	-	Member
Mr. Fitzgerald Hinds	-	Member
Mrs. Cherrie-Ann Crichlow-Cockburn	-	Member
Mr. David Small	-	Member
Ms. Keiba Jacob	-	Secretary
Ms. Hema Bhagaloo	-	Assistant Secretary

Excused were:

Mrs. Jennifer Baptiste-Primus	-	Member
Ms. Shamfa Cudjoe	-	Member

COMMENCEMENT

- 1.1 At 9:45 a.m. the Chairman called the meeting to order and welcomed those present. Mrs. Jennifer Baptiste-Primus and Ms. Shamfa Cudjoe were excused from the meeting.

THE EXAMINATION OF THE MINUTES OF THE EIGHTH MEETING

- 2.1 The Committee examined the Minutes of the Seventh (8th) Meeting held on Wednesday May 18, 2016.
- 2.2 The following corrections were made to **POST-MORTUM**:
Delete the word “mortum” and insert the word “mortem”.
- 2.3 There being no other omissions or corrections, the Minutes were confirmed on a motion moved by Mr. Foster Cummings and seconded by Dr. Tim Gopeesingh.

PRE-HEARING DISCUSSION RE: NATIONAL INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED (NIDCO)

- 3.1 The Chairman reminded Members that the purpose of the meeting will be the examination of the Audited Financial Statements of National Infrastructure Development Company Limited (NIDCO) for the period 2009 to 2013.
- 3.2 There being no further business for discussion *in camera*, the Chairman suspended the meeting at 10:10 a.m.

EXAMINATION WITH THE NATIONAL INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED (NIDCO)

- 4.1 The Chairman called the public meeting to order at 10:17 a.m.
- 4.2 The Chairman welcomed officials from NIDCO, Ministry of Works and Transport, Ministry of Finance (MOF)–Investments Division (ID), members of the media and the public and introductions were exchanged.

The following officials joined the meeting.

OFFICIALS FROM THE MINISTRY OF FINANCE (INVESTMENT DIVISION)

Ms. Yvette Babb	-	Social and Economic Transformation (Director (Ag.))
Ms. Sharon Mohammed	-	Senior Business Analyst
Mr. Lester Herbert	-	Chief Audit Examiner

OFFICIALS FROM THE MINISTRY OF WORKS AND TRANSPORT

Ms. Ms. Florette Clarke	-	Deputy Permanent Secretary (Ag.)
Ms. Sonia Yearwood	-	Chief Planning Officer

OFFICIALS FROM NATIONAL INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED (NIDCO)

Mr. Stephen Gardiner	-	Deputy Chairman
Mr. Steve Garibsingh	-	President
Ms. Charlean Straker	-	Vice President, Finance
Mr. Richard Maule	-	Financial Controller
Ms. Sharon Taylor	-	Project Director, Water Taxi Services

- 4.3 The Deputy Chairman of NIDCO made a brief opening statement.
- 4.4 The following issues arose from the examination with the officials from NIDCO:
- The cost reduction methods used by NIDCO given their current crisis.

- The existence of a Cash Management Plan, a Crisis Management Strategy and a Finance Committee at the Board level to ensure that NIDCO is taking the necessary steps to alleviate the situation and to prevent same from reoccurring.
- The existence of an 'Interim Plan' to sustain NIDCO until December which was agreed to approximately two (2) months ago but was not indicated to the PA(E)C in the Committee's Request for Written Submissions.
- The systems in place to ensure accountability and transparency of funds.
- The constant losses incurred annually by NIDCO and an accumulated loss of \$49 M.
- The methods in which NIDCO acquired funding for projects.
- The status of the \$487 M owed to contractors to undertake projects.
- The status of money owed to contractors for completed projects.
- The status and process for the treatment of the Water Taxi assets under the relevant International Accounting Standards (IAS).
- The non-completion of the San Fernando to Point Fortin Highway and the inability of OAS to complete the highway.
- The changes in the Indicative Design of the San Fernando to Point Fortin Highway affected the overall cost of the highway.
- The reasons as to why land acquisition for the highway were not completed.

Please see Verbatim Notes for the detailed oral submissions by the witnesses.

SUSPENSION

5.1 At 12:11 p.m., the Chairman suspended the *in public* meeting to resume a post-hearing meeting *in camera* with Members only.

RESUMPTION

6.1 At 12:17 p.m. the Chairman resumed the post-hearing meeting *in camera*.

POST-MORTEM DISCUSSION

7.1 The Members held a post-mortem discussion to determine the way forward, following the public hearing.

7.2 The Committee agreed that at the next meeting the Trinidad and Tobago Mortgage Finance Company (TTMF) will be examined.

ADJOURNMENT

8.1 The Chairman thanked Members for their attendance and the meeting was adjourned to **Wednesday June, 15 2016 at 9:30 a.m.**

8.2 The adjournment was taken at 12:20 p.m.

We certify that these Minutes are true and correct.

CHAIRMAN

SECRETARY

June 02, 2016

**THE PUBLIC ACCOUNTS ENTERPRISES COMMITTEE –
FIRST SESSION, ELEVENTH PARLIAMENT**

**MINUTES OF THE TENTH MEETING HELD ON WEDNESDAY, JUNE 15, 2016
AT 9:36 A.M.**

**IN THE J. HAMILTON MAURICE ROOM, MEZZANINE FLOOR, OFFICE OF
THE PARLIAMENT, TOWER D, THE PORT OF SPAIN INTERNATIONAL
WATERFRONT CENTRE, 1A WRIGHTSON ROAD, PORT-OF-SPAIN.**

Present were:

Mr. Wade Mark	-	Chairman
Dr. Tim Gopeesingh	-	Vice- Chairman
Mrs. Cherrie-Ann Crichlow-Cockburn	-	Member
Mr. David Small	-	Member
Ms. Shamfa Cudjoe	-	Member
Ms. Keiba Jacob	-	Secretary
Ms. Hema Bhagaloo	-	Assistant Secretary

Excused were:

Mrs. Jennifer Baptiste-Primus	-	Member
Mr. Foster Cummings	-	Member
Mr. Fitzgerald Hinds	-	Member

COMMENCEMENT

- 1.1 At 9:36 a.m. the Chairman called the meeting to order and welcomed those present. Mrs. Jennifer Baptiste-Primus, Mr. Foster Cummings and Mr. Fitzgerald Hinds were excused from the meeting.

THE EXAMINATION OF THE MINUTES OF THE NINTH MEETING

- 2.1 The Committee examined the Minutes of the Ninth (9th) Meeting held on Wednesday June 01, 2016.
- 2.2 The following corrections were made to **Item 4.2 and 4.3 (v)**

Insert the words “Mr. Steve Garibsingh – President and Delete the words “every month” and insert the word “annually”.

- 2.3 There being no other omissions or corrections, the Minutes were confirmed on a motion moved by Dr. Tim Gopeesingh and seconded by Mr. David Small.

PRE-HEARING DISCUSSION RE: TRINIDAD AND TOBAGO MORTGAGE FINANCE COMPANY LIMITED

- 3.1 The Chairman reminded Members that the purpose of the meeting will be the examination of the Audited Financial Statements of Trinidad and Tobago Mortgage Finance Company Limited (TTMF) for the period 2008 to 2014.
- 3.2 There being no further business for discussion *in camera*, the Chairman suspended the meeting at 9:59 a.m.

TRINIDAD AND TOBAGO MORTGAGE FINANCE COMPANY LIMITED

- 4.1 The Chairman called the public meeting to order at 10:10 a.m.
- 4.2 The Chairman welcomed officials from TTMF, the Ministry of Finance – Investment Division, the Ministry of Housing and Urban Development members of the media and the public and introductions were exchanged.

The following officials joined the meeting.

OFFICIALS FROM THE MINISTRY OF FINANCE (INVESTMENT DIVISION)

Ms. Yvette Babb	-	Social and Economic Transformation (Director (Ag.))
Mr. Ryan Maharaj	-	Senior Business Analyst (Ag.)

OFFICIAL FROM THE MINISTRY OF HOUSING AND URBAN DEVELOPMENT

Ms. Marion Hayes	-	Deputy Permanent Secretary
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OFFICIALS FROM TRINIDAD AND TOBAGO MORTGAGE FINANCE COMPANY LIMITED (TTMF)

Ms. Ingrid L-A. Lashley	-	Manager Director/CEO
Mr. Robert C. Green	-	Chief Operating Officer/Secretary
Ms. Vernie P. Shield	-	General Manager, Mortgage Services
Mr. Brent Mc Fee	-	Chief Financial Officer/assistant Secretary

- 4.3 The Chief Executive Officer (CEO) of TTMF made a brief opening statement.

4.4 The following issues arose from the examination with the officials from TTMF:

- The role of the Ministry of Housing and Urban Development in assessing the effectiveness of the internal audit function at TTMF;

- The composition of the staff at the TTMF;
- The policy to assist mortgagors with regard to the negative effects of the economic downturn;
- The mechanisms in place for the attainment of sustainable funding;
- The feasibility study by PriceWaterhouseCoopers and the analysis of the synergies in the formation of Trinidad and Tobago Mortgage Bank (TTMB);
- The safeguards in place to protect investors if mortgage-based investment programs are developed;
- The relationship between the TTMF and the Housing Development Corporation;
- The graduating interest rates for the two (2%) and five (5%) percent mortgage loans;
- The percentage of non-performing loans;
- The relationship with stakeholders and the effects on the company's profitability;
- The marketing strategies utilized by TTMF to inform the public of the graduating interest rates for the two (2%) and five (5%) percent mortgage loans;
- The number of retrenched customers counseled by TTMF;
- The size of the delinquency portfolio;
- The status of the two (2%) and five (5%) percent mortgage loans in the next five (5) years;
- The process in conducting customer surveys;
- The reasons for the delay in submitting the audited financial statements for the fiscal year 2015 to the Office of the Parliament;
- The distribution of annual profits;
- The distribution of contracts to law firms;
- The process for bids for the foreclosed properties;
- The status of TTMF's strategic plan; and
- The possible recommendations to improve the delivery of service provided by TTMF in an efficient, effective and economic manner.

Please see Verbatim Notes for the detailed oral submission by the witnesses.

SUSPENSION

5.1 At 12:16 p.m., the Chairman suspended the *in public* meeting to resume a post-hearing meeting *in camera* with Members only.

RESUMPTION

6.1 At 12:22 p.m. the Chairman resumed the post-hearing meeting *in camera*.

POST-MORTEM DISCUSSION

7.1 The Members held a post-mortem discussion to determine the way forward, following the public hearing.

7.2 The Committee agreed that at the next meeting, the Committee's reports on Evolving Tecknologies and Enterprise Development Company Limited, National Flour Mills and National Schools Dietary Services Limited will be finalized.

ADJOURNMENT

8.1 The Chairman thanked Members for their attendance and the meeting was adjourned to **Wednesday July, 6 2016 at 10:00 a.m.**

8.2 The adjournment was taken at 12:26 p.m.

We certify that these Minutes are true and correct.

CHAIRMAN

SECRETARY

June 15, 2016

Appendix 2

Attendees

Attendees

NATIONAL SCHOOLS DIETARY SERVICES LIMITED

Ms. Stacy Barran	Chief Executive Officer
Ms. Vanesa Martina	Programme Manager (Nutrition Services)
Ms. Indra Mootoo	Accountant
Ms. Karen Lewis-Baptiste	Zonal Manager (Operations)

AUDITOR GENERAL'S DEPARTMENT

Mr. Majeed Ali	Auditor General
Ms. Jaiwantie Ramdass	Assistant Auditor General
Ms. Cyntra Neemarcharan	Assistant Audit Director
Mrs. Theodora Lewis-Johncilla	Audit Senior
Ms. Nicole Cockburn	Legal Officer

MINISTRY OF FINANCE, INVESTMENTS DIVISION

Ms. Yvette Babb	Director, Social and Economic Transformation
Ms. Chintamani Sookoo	Director, Agro-based Manufacturing and Services Sector
Mr. Dennis Cox	Senior Investment Portfolio Analyst
Mr. Suresh Dan	Business Analyst

MINISTRY OF EDUCATION

Ms. Gillian Macintyre	Permanent Secretary
Mr. Dipnarine Mungal	Director, Finance and Accounts Division
Mr. Harrilal Seecharan	Chief Education Officer
Mr. Ashram Deoraj	Director, School Supervision
Mr. John Roopchan	Director, Curriculum Planning and Development
Ms. Lisa Henry David	Director, Education Planning Division

**OFFICIALS FROM EVOLVING TECHNOLOGIES AND ENTERPRISE
DEVELOPMENT COMPANY LIMITED (e TECK)**

Mr. Imtiaz Ahamad	Chairman
Mr. Robert Salandy	President
Ms. Maureen Singh	Vice President, Corporate Services
Mr. Hayden Alfred	Manager, Financial Performance
Mr. David Cockburn	Manager, Special Projects

OFFICIALS FROM THE MINISTRY OF FINANCE (INVESTMENT DIVISION)

Ms. Yvette Babb	Social and Economic Transformation Director
Mr. Denis Cox	Senior Investment Portfolio Analyst
Mr. Shiva Ramroop	Business Support Analyst

OFFICIALS FROM THE MINISTRY OF TRADE AND INDUSTRY

Mr. Norris Herbert	Permanent Secretary (Ag.)
Ms. Edwina Leacock	Chief Technical Advisor
Mr. Randall Karim	Director, Policy and Strategy
Mr. Dennis Scott	Manager, Alliances
Mr. Latchmin Rampersad	Accountant IV

OFFICIALS FROM NATIONAL FLOUR MILLS LIMITED (NFM)

Mr. Mike Bazie	Chairman
Mr. Kelvin Mahabir	President
Mr. Ross Alexander	Director
Mr. Robert Subryan	General Manager, Finance and Procurement
Ms. Cheryl Edwards	General Manager, Operations
Ms. Sati Jagmohan	Corporate Secretary
Mr. Anthony Jones	Manager, Internal Audit
Ms. Adrian Cabralis	Manager, Flour Milling and Packaging

OFFICIALS FROM THE MINISTRY OF FINANCE (INVESTMENT DIVISION)

Ms. Yvette Babb	Social and Economic Transformation Director)
Mr. Denis Cox	Senior Investment Portfolio Analyst
Ms. Sharon Mohammed	Senior Business Analyst

OFFICIALS FROM THE MINISTRY OF TRADE AND INDUSTRY

Mr. Norris Herbert	Permanent Secretary (Ag.)
Ms. Susan Singh-Seerattan	Director, Business Development
Mr. Dennis Scott	Manager, Alliances

OFFICIALS FROM NATIONAL QUARRIES COMPANY LIMITED (NQCL)

Mr. Ulric Warner	Chairman
Mr. Bevon Cook	Chief Executive Officer (Ag.)

OFFICIALS FROM THE MINISTRY OF FINANCE (INVESTMENT DIVISION)

Ms. Yvette Babb	Social and Economic Transformation Director
Mr. Lester Herbert	Chief Audit Examiner
Mr. Shiva Ramroop	Business Support Analyst

OFFICIALS FROM THE MINISTRY OF ENERGY AND ENERGY INDUSTRIES

Mr. Selywn Lashley	Permanent Secretary
Mr. Monty Beharry	Director of Minerals
Mr. Ivor Superville	Senior Energy Analyst (Ag.)

OFFICIALS FROM GOVERNMENT HUMAN RESOURCE SERVICES COMPANY LIMITED (GHR)

Ms. Avalaughn Huggins	Chairman
Mr. Cagney Casimire	Director
Ms. Sheriza Khan	Director
Mr. Geoffrey Lewis	Corporate Planning VP/ Deputy Chief Executive Officer
Mr. Khari Murray	Human Capital Management VP
Ms. Natasha Samms	Accountant

OFFICIALS FROM THE MINISTRY OF FINANCE (INVESTMENT DIVISION)

Ms. Yvette Babb	Social and Economic Transformation Director
Mr. Ryan Maharaj	Senior Business Analyst (Ag.)

OFFICIALS FROM THE MINISTRY OF PUBLIC ADMINISTRATION AND COMMUNICATIONS

Ms. Lydia Jacobs	Permanent Secretary (Ag.)
Ms. Angela Lum Joseph	Director, Public Management, Strategic Services Division

OFFICIALS FROM NATIONAL INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED (NIDCO)

Mr. Stephen Gardiner	Deputy Chairman
Mr. Steve Garibsingh	President
Ms. Charlean Straker	Vice President, Finance
Mr. Richard Maule	Financial Controller
Ms. Sharon Taylor	Project Director, Water Taxi Services

OFFICIALS FROM THE MINISTRY OF FINANCE (INVESTMENT DIVISION)

Ms. Yvette Babb	Social and Economic Transformation Director
Ms. Sharon Mohammed	Senior Business Analyst
Mr. Lester Herbert	Chief Audit Examiner

OFFICIALS FROM THE MINISTRY OF WORKS AND TRANSPORT

Ms. Ms. Florette Clarke	Deputy Permanent Secretary (Ag.)
Ms. Sonia Yearwood	Chief Planning Officer

OFFICIALS FROM TRINIDAD AND TOBAGO MORTGAGE FINANCE COMPANY LIMITED (TTMF)

Ms. Ingrid L-A. Lashley	Manager Director/CEO
Mr. Robert C. Green	Chief Operating Officer/Secretary
Ms. Vernie P. Shield	General Manager, Mortgage Services
Mr. Brent Mc Fee	Chief Financial Officer/assistant Secretary

OFFICIALS FROM THE MINISTRY OF FINANCE (INVESTMENT DIVISION)

Ms. Yvette Babb	Social and Economic Transformation Director
Mr. Ryan Maharaj	Senior Business Analyst (Ag.)

OFFICIAL FROM THE MINISTRY OF HOUSING AND URBAN DEVELOPMENT

Ms. Marion Hayes	Deputy Permanent Secretary
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APPENDIX 3

List of entities falling under the purview of the PAEC:

1. Agricultural Development Bank (ADB)
2. Caribbean Airlines Limited (CAL)
3. Caribbean Leasing Company Ltd (owned by ExportTT)
4. Caribbean New Media Group Limited (CNMG)
5. Caroni Green Limited
6. Clico Trust Corporation Limited
7. Cocoa Development Company of Trinidad and Tobago Ltd
8. Community Environmental & Protection Enhancement Programme Company Limited
(CEPEP)
9. Community Improvement Services Limited
10. East Port of Spain Development Company Limited
11. Education Facilities Company Limited (EFCL)
12. Estate Management & Business Development Company Ltd. (EMBDC)
13. Export Centers Company Limited
14. Export Import Bank of Trinidad & Tobago (EXIMBANK)
15. ExportTT (formerly BDC: Business Development Company Limited)
16. Evolving TecKnologies & Enterprise Development Company Limited (eTeck)
(formerly Property & Industrial Development Company of Trinidad & Tobago)
17. First Citizens Bank (FCB)
18. First Citizens Holdings Limited
19. Government Human Resource Services Company Limited (GHRS)
20. Government Information Services Limited (GISL)
21. Human Capital Development Facilitation Company Limited
22. InvesTT
23. Lake Asphalt of Trinidad & Tobago (1978) Ltd.
24. La Brea Industrial Development Corporation
25. Metal Industries Company Limited (MIC)

26. National Agricultural Marketing Development Corporations Limited (NAMDEVCO)
27. National Commission For Self Help Limited
28. National Energy Corporation of Trinidad and Tobago Limited
29. National Entrepreneurship Development Company Ltd. (NEDCO)
30. National Enterprises Limited (NEL)
31. National Flour Mills Limited (NFM)
32. National Gas Company of Trinidad & Tobago Limited (NGC)
33. National Helicopter Services Limited
34. National Information & Communication Technology Company Limited (NICTCL)
35. (iGovTT) (ttconnect)
36. National Infrastructure Development Company Limited (NIDCO)
37. National Insurance Property Development Company Limited (NIPDEC)
38. National Maintenance, Training & Security Company Limited (MTS)
39. National Project Development Services Ltd
40. National Quarries Company Limited (NQCL)
41. National Schools Dietary Services Limited
42. National Training Agency (1997) Ltd.
43. Natpat Investments Company Ltd.
44. Oropune Development Ltd. (owned by UDECOTT)
45. Palso Seco Agricultural Enterprises Limited (PSAEL)
46. Petroleum Company of Trinidad & Tobago Limited (PETROTRIN)
47. Phoenix Park Gas Processors Ltd.

48. Point Lisas Industrial Port Development Corporation Ltd (PLIPDECO)
49. Point Lisas Terminals Ltd. (owned by PLIPDECO)
50. Portfolio Credit Management Limited
51. Port of Spain Waterfront Development Ltd.
52. Rincon Development Ltd.
53. Rural Development Company of Trinidad & Tobago Limited
54. Seafood Industry Development Company Limited

55. Sports Company of Trinidad & Tobago Limited (SporTT)
56. Taurus Services Limited
57. Telecommunications Services of Trinidad & Tobago Limited (TSTT)
58. Tourism Development Company Limited (TDC)
59. Trinidad Nitrogen Company Limited (TRINGEN)
60. Trinidad Northern Areas Ltd.
61. Trinidad & Tobago Entertainment Company Limited (TTent)
62. Trinidad & Tobago External Telecommunications Ltd.
63. Trinidad and Tobago Fashion Company Limited
64. Trinidad & Tobago Film Company Limited
65. Trinidad & Tobago Fish Processors Ltd.
66. Trinidad & Tobago Food Processors Ltd.
67. Trinidad & Tobago Free Zones Company Limited
68. Trinidad & Tobago International Financial Centre Management Company Limited
69. Trinidad & Tobago Marine Petroleum Company Ltd.
70. Trinidad & Tobago Mortgage Finance Company Limited (TTMF)
71. Trinidad and Tobago Music Company Limited
72. Trinidad & Tobago National Petroleum Marketing Company Limited (NP)
73. Trinidad & Tobago Solid Waste Management Co. Ltd. (SWMCOL)
74. Trinidad & Tobago Tourism Business Development Limited
75. Trintoc Services (owned by PETROTRIN)
76. Union Estate Electricity Generation Company Limited
77. Urban Development Corporation of Trinidad & Tobago Limited (UDECOTT)
78. Vehicle Management Corporation of Trinidad & Tobago Limited (VMCOTT)
79. Youth Training & Employment Partnership Programme Limited (YTEPP)