AGRICULTURAL MARKETING BOARD

2007 & 2008 Annual Report
OUR MISSION

To maximize consumer satisfaction by providing high quality and innovative products & services reliably and cost effectively.

OUR VISION

To be an internationally competitive partner for the Agro Industry.
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STATEMENT OF CHAIRMAN

Date: 20 March 2012

The Honourable Satya Veyash FAUGOO
Minister of Agro Industry and Food Security
Ministry of Agro Industry and Food Security
Port Louis

Sir

I have the honour to submit the Annual Report of the Agricultural Marketing Board for the years ended 31st December 2007 and 2008 respectively in accordance with the provision of Section 25 of the Mauritius Agricultural Marketing Act (1963).

Yours faithfully

J. Ramkissoon, G.O.S.K.
Chairman
CORPORATE GOVERNANCE REPORT

The Act

The Agricultural Marketing Board is governed by the Mauritius Agricultural Marketing Act (1963) and it operates under the aegis of the Ministry of Agro Industry and Food Security.

The Board

The Board meets at least once a month and consists of:

- a) A Chairman
- b) A representative of the Ministry of Agro Industry and Food Security
- c) A representative of the Ministry of Finance
- d) A representative of the Ministry of Commerce & Industry
- e) The Registrar of Co-operative Societies or his representative
- f) Not more than 7 nor less than 5 other members.

The Chairman is appointed by the Minister and holds office for such term as may be determined by the Minister.

The members of the Board are appointed annually by the Minister and hold office for one year.
BOARD CONSTITUTION – 2007
Chairman
Mr T. Dewoo

Vice Chairman
Mrs M. Nathoo – Representative of the Ministry of Agriculture, Food Technology & Natural Resources

Ex Officio Members
Mrs S. Joomun-Sairally – Representative of the Ministry of Industry, Commerce & International Trade
Mrs P. Rojoa (Mr M. Gunesh – as from August 2007) – Representative of the Ministry of Finance
Late Mr P. Sahadew – Representative of the Registrar of Cooperative Societies

Independent Members
Dr J. R. Govinden
Mr J. C. Monty
Mr H. Daby
Mr B. Manikam
Mr C. Lokhun
Mr M. Bisesar
Mr S. Banyparsad

BOARD CONSTITUTION – 2008
Chairman
Mr T. Dewoo

Vice Chairman
Mrs M. Nathoo – Representative of the Ministry of Agriculture, Food Technology & Natural Resources

Ex Officio Members
Mrs S. Joomun-Sairally – Representative of the Ministry of Industry, Commerce & International Trade
Mr M. Gunesh – Representative of the Ministry of Finance
Late Mr P. Sahadew – Representative of the Registrar of Cooperative Societies

Independent Member
Dr J. R. Govinden
Mr J. C. Monty
Mr H. Daby
Mr B. Manikam
Mr M. Bisesar (up to March 2008)
Mr S. Banyparsad (up to March 2008)
Mr P. Auckle (as from April 2008)
Mr R. Rajcumar (as from April 2008)
Mr M. Wadallee (as from April 2008)
Sub Committees of the Board

➢ SUPPLIES COMMITTEE (2007)

Chairperson
Mr T. Dewoo

Members
Mrs M. Nathoo – Representative of the Ministry of Agriculture, Food Technology & Natural Resources
Mrs S. Joomun-Sairally - Representative of the Ministry of Industry, Commerce & International Trade
Late Mr P. Sahadew – Representative of the Registrar of Cooperative Societies
Mr J. C. Monty – Independent Member

➢ SUPPLIES COMMITTEE (2008)

Chairperson
Mr T. Dewoo

Members
Mrs M. Nathoo – Representative of the Ministry of Agriculture, Food Technology & Natural Resources
Mrs S. Joomun-Sairally - Representative of the Ministry of Industry, Commerce & International Trade
Late Mr P. Sahadew – Representative of the Registrar of Cooperative Societies (up to May 2008)
Mr J. C. Monty – Independent Member (up to May 2008)
Mr P. Aucke – Independent Member (as from June 2008)
Mr M. Gunesh – Representative of the Ministry of Finance (as from June 2008)

➢ QUOTA COMMITTEE (2007)

Chairperson
Mr T. Dewoo

Members
Mrs M. Nathoo – Representative of the Ministry of Agriculture, Food Technology & Natural Resources
Mrs S. Joomun-Sairally - Representative of the Ministry of Industry, Commerce & International Trade
Late Mr P. Sahadew – Representative of the Registrar of Cooperative Societies
Mr J. C. Monty – Independent Member
Mr H. Daby – Independent Member

➢ QUOTA COMMITTEE (2008)

Chairperson
Mr T. Dewoo (Up to September 2008)
Mr M. Gunesh (As from October 2008)

Members
Mrs M. Nathoo – Representative of the Ministry of Agriculture, Food Technology & Natural Resources
Mrs S. Joomun-Sairally - Representative of the Ministry of Industry, Commerce & International Trade
Late Mr P. Sahadew – Representative of the Registrar of Cooperative Societies (Up to May 2008)
Mr K. Khelawon – Representative of the Registrar of Cooperative Societies (As from October 2008)
Mr H. Daby – Independent Member
Mr P. Aucke – Independent Member (As from October 2008)
Mr J. C. Monty – Independent Member (Up to May 2008)
STAFF COMMITTEE (2007)

Chairperson
Mr. T. Dewoo

Members
Mrs. M. Nathoo – Representative of the Ministry of Agriculture, Food Technology & Natural Resources
Mrs. S. Joomun-Sairally - Representative of the Ministry of Industry, Commerce & International Trade
Late Mr. P. Sahadew – Representative of the Registrar of Cooperative Societies
Mr. P. Ramnawaz – General Manager

STAFF COMMITTEE (2008)

Chairperson
Mr. T. Dewoo (Up to June 2008)
Mrs. S. Joomun-Sairally (as from July 2008)

Members
Mrs. M. Nathoo – Representative of the Ministry of Agriculture, Food Technology & Natural Resources
Late Mr. P. Sahadew – Representative of the Registrar of Cooperative Societies (up to July 2008)
Mr. K. Khelawon – Representative of the Registrar of Cooperative Societies (as from July 2008)
Mr. M. Wadallee – Independent Member
Mr. P. Ramnawaz – General Manager

FINANCE & TENDER COMMITTEE (2007)

Chairperson
Mrs. M. Nathoo

Members
Mrs. P. Rojoa – Representative of the Ministry of Finance (up to August 2007)
Mrs. S. Joomun-Sairally - Representative of the Ministry of Industry, Commerce & International Trade
Late Mr. P. Sahadew – Representative of the Registrar of Cooperative Societies

FINANCE & TENDER COMMITTEE (2008)

Chairperson
Mrs. M. Nathoo

Members
Mr. M. Gunesh – Representative of the Ministry of Finance
Mrs. S. Joomun-Sairally - Representative of the Ministry of Industry, Commerce & International Trade
Late Mr. P. Sahadew – Representative of the Registrar of Cooperative Societies (up to July 2008)
Mr. K. Khelawon – Representative of the Registrar of Cooperative Societies (as from July 2008)
Mr. B. Manikam – Independent Member
OTHER SUB COMMITTEES OF THE BOARD

The Board also set up an Audit Committee and a Corporate Governance Committee. However, neither the Audit nor the Corporate Governance Committee met during the years 2007 and 2008.

Sittings of the Board and Sub Committee of Board

<table>
<thead>
<tr>
<th>Committee</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board Meeting</td>
<td>11</td>
<td>15</td>
</tr>
<tr>
<td>Special Board Meeting</td>
<td>10</td>
<td>5</td>
</tr>
<tr>
<td>Supplies Committee</td>
<td>13</td>
<td>7</td>
</tr>
<tr>
<td>Staff Committee</td>
<td>14</td>
<td>7</td>
</tr>
<tr>
<td>Finance &amp; Tender Committee</td>
<td>8</td>
<td>2</td>
</tr>
<tr>
<td>Disciplinary Committee</td>
<td>Nil</td>
<td>1</td>
</tr>
<tr>
<td>Quota Committee</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Technical Committee</td>
<td>Nil</td>
<td>1</td>
</tr>
<tr>
<td>Ad-Hoc Committee</td>
<td>Nil</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>59</strong></td>
<td><strong>42</strong></td>
</tr>
</tbody>
</table>

OTHER COMMITTEES

• National Potato Committee
• Onions Committee

REMUNERATION OF BOARD MEMBERS – 2007 & 2008

Board Members are remunerated according to recommendations of the Pay Research Bureau (PRB)

<table>
<thead>
<tr>
<th>Board Member</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr T. Dewoo</td>
<td>133,950</td>
<td>157,245</td>
</tr>
<tr>
<td>Mrs M. Nathoo</td>
<td>22,759</td>
<td>11,720</td>
</tr>
<tr>
<td>Mrs S. Joomun-Sairally</td>
<td>19,438</td>
<td>13,296</td>
</tr>
<tr>
<td>Mrs P. Rojoa</td>
<td>4,947</td>
<td>Nil</td>
</tr>
<tr>
<td>Mr M. Gunesh</td>
<td>2,855</td>
<td>8,236</td>
</tr>
<tr>
<td>Late Mr P. Sahadew</td>
<td>17,778</td>
<td>3,568</td>
</tr>
<tr>
<td>Dr J. N. R. Govinden</td>
<td>5,395</td>
<td>5,900</td>
</tr>
<tr>
<td>Mr J. C. Monty</td>
<td>10,607</td>
<td>4,884</td>
</tr>
<tr>
<td>Mr B. Manikam</td>
<td>7,885</td>
<td>8,860</td>
</tr>
<tr>
<td>Mr H. Daby</td>
<td>9,512</td>
<td>8,880</td>
</tr>
<tr>
<td>Mr C. Lokhun</td>
<td>6,225</td>
<td>400</td>
</tr>
<tr>
<td>Mr S. Banyparsad</td>
<td>8,300</td>
<td>2,400</td>
</tr>
<tr>
<td>Mr M. Bisesar</td>
<td>7,470</td>
<td>2,400</td>
</tr>
<tr>
<td>Mr P. Auckle</td>
<td>Nil</td>
<td>6,724</td>
</tr>
<tr>
<td>Mr R. Rajcumar</td>
<td>Nil</td>
<td>8,572</td>
</tr>
<tr>
<td>Mr M. Wadallee</td>
<td>Nil</td>
<td>7,840</td>
</tr>
<tr>
<td>Mr K. Khelawon</td>
<td>Nil</td>
<td>6,140</td>
</tr>
</tbody>
</table>
# Administrative Staff of AMB for 2007 and 2008

<table>
<thead>
<tr>
<th>Position</th>
<th>Name</th>
<th>Qualification</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>General Manager</strong></td>
<td>Mr. P. Ramnawaz</td>
<td>Dip, Post Graduate Dip (Management)</td>
</tr>
<tr>
<td><strong>Administrative Secretary</strong></td>
<td>Mr. B. Ramcharan</td>
<td>BSc (Hons) Economics</td>
</tr>
<tr>
<td></td>
<td>(acting up to August 2008)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Mr. R. Neelayya</td>
<td>BSc (Hons) Economics</td>
</tr>
<tr>
<td></td>
<td>(as from September 2008)</td>
<td></td>
</tr>
<tr>
<td><strong>Accountant</strong></td>
<td>Mr. P. Bissssur</td>
<td>ACCA</td>
</tr>
<tr>
<td></td>
<td>(acting up to February 2007)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Mrs. K. S. Bhunjun</td>
<td>ACCA (Level 2)</td>
</tr>
<tr>
<td></td>
<td>(acting up to June 2007)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Mr. G. Soneeram</td>
<td>CIMA</td>
</tr>
<tr>
<td></td>
<td>(as from July 2007 to June 2008)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Mr. A. Rama</td>
<td>ACCA</td>
</tr>
<tr>
<td></td>
<td>(as from July 2008)</td>
<td></td>
</tr>
<tr>
<td><strong>Engineer</strong></td>
<td>Mr. A. S. Jeehoo</td>
<td>B. Eng (Mech Eng); MSc (Project Mgt)</td>
</tr>
<tr>
<td><strong>IT Officer</strong></td>
<td>Mr. P. M. Appavoo</td>
<td>BSc Software Engineering</td>
</tr>
<tr>
<td></td>
<td>(acting up to December 2007)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Miss M. Dodla Bhemah</td>
<td>BSc Business Information Systems</td>
</tr>
<tr>
<td></td>
<td>(acting up to April 2008)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Miss K. Rawa</td>
<td>BSc Information Systems</td>
</tr>
<tr>
<td></td>
<td>(as from May 2008)</td>
<td></td>
</tr>
<tr>
<td><strong>Head Operations Officer</strong></td>
<td>Mr. L. Chundydyal</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(acting up to mid-November 2008)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Mr. B. H. Ramdin</td>
<td>Higher Dip. Business Administration</td>
</tr>
<tr>
<td></td>
<td>(acting as from mid-November 2008)</td>
<td></td>
</tr>
<tr>
<td><strong>Internal Auditor</strong></td>
<td>Mr. A. Rama</td>
<td>ACCA</td>
</tr>
<tr>
<td></td>
<td>(from February 2008 to June 2008)</td>
<td></td>
</tr>
<tr>
<td><strong>Human Resource Officer</strong></td>
<td>Mr. M. Ramdhuny</td>
<td>Dip. Human Resource Development</td>
</tr>
<tr>
<td></td>
<td>(acting up to December 2007)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Mr. N. A. Hasowa</td>
<td>BCom with specialisation in Human Resource Management</td>
</tr>
<tr>
<td></td>
<td>(as from January 2008)</td>
<td></td>
</tr>
</tbody>
</table>

## Professional Services

- **AUDITOR** - The Government Auditor
- **BANKERS** - State Bank of Mauritius Ltd, Mauritius Commercial Bank Ltd, Bank of Baroda
OPERATIONAL REVIEW

By virtue of the Mauritius Agricultural Marketing Act (1963), AMB is vested with wide powers in matters relating to the production, storage, import, export and sale of a number of commodities declared as ‘Controlled Products’ by law.

AMB currently deals in products like ware potatoes, seed potatoes, onions, onion seeds, garlic, turmeric (powder and finger), cardamoms, ginger, glass jars, leno bags, peeled canned tomatoes. During periods of shortage of vegetables following natural calamities, AMB also imports vegetables like carrots, cabbages among others to supply the market.

During periods of local production, planters of potatoes and onions have the possibility of selling their products to AMB at floor prices. Potatoes and onions are purchased by AMB based on well established specifications.

However, during periods of off-season, AMB has recourse to importation to supply the local market. Potatoes and onions are imported only during periods where there is no local production so as not to be in unfair competition with the local planting community. As far as other products like garlic, turmeric and cardamoms are concerned, where local production is negligible, import is carried all over the year to ensure regular supply. It is worth noting that, AMB has the sole right to import garlic, turmeric and cardamoms to supply the local market in Mauritius. Besides, the AMB also provides storage facilities at competitive rates to importers, exporters and other operators.

STORAGE FACILITIES AT AMB

(i) Head Office Moka

AMB operates cold rooms to a total capacity of 8,000 tonnes at its head office, Moka. All the cold rooms use ozone friendly refrigerant. The temperature of the cold rooms goes down to 0 degrees celsius. Depending on the specificities of the products and the time that the products will be stored in cold rooms, the temperature and level of humidity are adjusted / controlled accordingly with a view to optimize on the quality of the products. AMB also provides storage facilities to private operators for the storage of their products at competitive rates.

(ii) AMB Cold Store – Airport

AMB also operates a cold store in the compound of the Sir Seewoosagur Ramgoolam International Airport at Plaisance for the benefits of importers and exporters dealing in sensitive products requiring cold chain facilities prior to export, upon arrival and during transit.

The storage capacity at AMB Cold Store – Airport is 1,600 m³. The temperature goes down to +2° celsius except for one cold room of capacity 330 m³ which goes down to -8° celsius. The Airport cold store operates on a 24 hour seven days service.

(iii) Trou Fanfaron Fish Cold Store

The Trou Fanfaron Fish Cold Store operates from Monday to Saturday and caters to provide storage facilities to importers / processors of fish and seafood products. Weighing services are also provided to operators of fish and seafood products.

The storage capacity is 350 tonnes and the temperature of the cold room goes down to -35° celsius.
(iv) **AMB Store – Cluny**

AMB also has a cold store – capacity of 2,000 tonnes at Cluny. However, with a view to optimize the cold rooms at AMB, Moka, most of the storage facilities are centralized at Moka. The Cluny Store is being rented to interested parties for storage of products at competitive rate.

(v) **Other Stores**

AMB possesses stores in other regions such as: La Chaumière, Belle Mare, Palmar and Citronelle (Rodrigues). These stores have been put at the disposal of the planting community for the curing / storage of onions after harvest.
AGRICULTURAL MARKETING BOARD

AGRICULTURAL MARKETING BOARD 2007 & 2008 Annual Report

SEED FOR WARE PRODUCTION
LOCAL SEED POTATOES FOR WARE PRODUCTION

Agricultural Marketing Board (AMB) has continued to play a crucial role in the potato ‘filière’ in Mauritius by ensuring that adequate quality seeds are available to the potato planting community. All seeds are produced in conformity with the standards laid down by the Mauritius Sugar Industry Research Institute (MSIRI) and are certified prior to sale to planters.

In line with the objective of Government to encourage seed production in Mauritius, the AMB continued to provide seed producers a guaranteed price. To make up for the increase in the cost of production, the price at which the AMB purchased seeds from producers was revised from Rs 20,200 per tonne in 2006 to Rs 24,725 per tonne in 2007 and eventually to Rs 31,000 per tonne in 2008.

In 2008, 380.73 tonnes of seeds were produced as compared to 533.58 tonnes in 2007.

Seeds for ware production were sold to planters by the AMB at Rs 33,500 per tonne for both local and imported seed potatoes in 2007 whilst in 2008 the price was Rs 42,400 per tonne for local seeds and Rs 37,500 per tonne for imported seeds.

PURCHASE OF LOCAL SEED POTATOES BY AMB

<table>
<thead>
<tr>
<th>PRODUCER</th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Spunta</td>
<td>Mondial</td>
</tr>
<tr>
<td></td>
<td>(Tonne)</td>
<td>(Tonne)</td>
</tr>
<tr>
<td>Beau Plan</td>
<td>81.01</td>
<td>-</td>
</tr>
<tr>
<td>St Andre</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Belle Vue</td>
<td>69.98</td>
<td>-</td>
</tr>
<tr>
<td>Labourdonnais</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Mon Desert Alma</td>
<td>53.37</td>
<td>8.86</td>
</tr>
<tr>
<td>Medine</td>
<td>27.98</td>
<td>-</td>
</tr>
<tr>
<td>Nouvelle Industrie</td>
<td>96.90</td>
<td>3.16</td>
</tr>
<tr>
<td>FUEL</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>D Dayanand</td>
<td>39.47</td>
<td>-</td>
</tr>
<tr>
<td>Jhurry</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>368.71</strong></td>
<td><strong>12.02</strong></td>
</tr>
</tbody>
</table>
IMPORTED SEED POTATOES FOR WARE PRODUCTION

Being the sole importer of seed potatoes in Mauritius, AMB continued to import seed potatoes for ware production to the planting community as a result of the insufficient quantity of locally produced seeds. In 2008 and 2007 seeds for ware production were imported from Australia, Holland and South Africa.

COST OF IMPORTED SEED FOR WARE PRODUCTION

<table>
<thead>
<tr>
<th>Variety</th>
<th>Origin</th>
<th>Average Price (C&amp;F Rs/Tonne)</th>
<th>Quantity (Tonne)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spunta</td>
<td>Australia</td>
<td>24,085</td>
<td>24,336</td>
</tr>
<tr>
<td>Mondial</td>
<td>Australia</td>
<td>30,283</td>
<td>29,868</td>
</tr>
<tr>
<td></td>
<td>South Africa</td>
<td></td>
<td>23,617</td>
</tr>
<tr>
<td>Delaware</td>
<td>Australia</td>
<td>28,253</td>
<td>27,734</td>
</tr>
<tr>
<td>Others (Trial)</td>
<td>Holland</td>
<td>33,674</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>27,668</strong></td>
<td><strong>26,897</strong></td>
</tr>
</tbody>
</table>

The weighted average cost of imported seeds amounted to **Rs 26,897 per tonne** (C&F) in 2007 whilst to **Rs 27,668 per tonne** (C&F) in 2008.

SALES OF POTATO SEEDS FOR WARE PRODUCTION

<table>
<thead>
<tr>
<th>Producer Groups</th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(Tonne)</td>
<td></td>
</tr>
<tr>
<td>Sugar Estates</td>
<td>882.4</td>
<td>729.8</td>
</tr>
<tr>
<td>Y.Farmers</td>
<td>125.8</td>
<td>96.0</td>
</tr>
<tr>
<td>MAMCF</td>
<td>505.9</td>
<td>393.5</td>
</tr>
<tr>
<td>ADMA</td>
<td>47.6</td>
<td>27.0</td>
</tr>
<tr>
<td>SIT</td>
<td>72.0</td>
<td>50.0</td>
</tr>
<tr>
<td>OPA</td>
<td>7.2</td>
<td>14.8</td>
</tr>
<tr>
<td>Others</td>
<td>362.7</td>
<td>427.4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,003.6</strong></td>
<td><strong>1,738.5</strong></td>
</tr>
</tbody>
</table>
SEED FOR SEED PRODUCTION

ALLOCATION OF SEEDS
In 2008, 215 tonnes of basic seeds were allocated for seed production as compared to 10 tonnes in 2007. Spunta continued to be the most preferred variety by producers.

<table>
<thead>
<tr>
<th>Variety</th>
<th>2008 (Tonnes)</th>
<th>2007 (Tonnes)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Local</td>
<td>Imported</td>
</tr>
<tr>
<td>Spunta</td>
<td>-</td>
<td>215</td>
</tr>
<tr>
<td>Total</td>
<td>-</td>
<td>215</td>
</tr>
</tbody>
</table>

BASIC IMPORTED SEEDS
Basic seeds were imported from Holland for multiplication.

<table>
<thead>
<tr>
<th>Variety</th>
<th>Origin</th>
<th>Average Cost C&amp;F (Rs / Tonne)</th>
<th>Quantity (Tonnes)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>2008</td>
<td>2007</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2008</td>
<td>2007</td>
</tr>
<tr>
<td>Spunta</td>
<td>Holland</td>
<td>35,870</td>
<td>125</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>35,870</td>
<td>125</td>
</tr>
</tbody>
</table>

In 2008, 125 tonnes of basic seeds variety ‘Spunta’ were imported from Holland for multiplication at Rs 35,870/- per tonne. However, in 2007 basic seeds were not imported. Some 117 tonnes of seed potatoes variety ‘Spunta’ imported from BGP Australia were planted for seed production.

The selling price to seed producers for both local and imported seeds for multiplication was:

2008: Rs 43,600 / T
2007: Rs 33,500 / T
OTHER SEEDS

The AMB continued to provide a service to the planting community by ensuring a regular supply of bean seeds and onion seeds which are compatible to the local climatic condition at reasonable prices.

BEAN SEEDS

<table>
<thead>
<tr>
<th>CULTIVAR</th>
<th>QUANTITY (KG)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2008</td>
</tr>
<tr>
<td>Long Tom</td>
<td>8,000</td>
</tr>
<tr>
<td>Total</td>
<td>8,000</td>
</tr>
</tbody>
</table>

Cultivar Long Tom continued to be the most preferred variety of the planting community since same is a dual-purpose variety.

SALE OF BEAN SEEDS BY AMB
ONION SEEDS

With a view to provide a service to the planting community, the AMB continued to procure onion seeds (varieties recommended by the Agricultural Research and Extension Unit) from some International Companies and through local representatives of foreign companies in Mauritius upon requests of planters. In line with the objective of Government to promote local production, seeds were sold to planters at competitive prices.

SALE OF ONION SEEDS

Selling Price of Onion Seeds to planters

<table>
<thead>
<tr>
<th>Variety</th>
<th>2008 Price (Rs / Kg)</th>
<th>2007 Price (Rs / Kg)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Z516</td>
<td>5,860</td>
<td>4,900</td>
</tr>
<tr>
<td>Star 5517</td>
<td>9,720</td>
<td>8,300</td>
</tr>
<tr>
<td>Star 5516</td>
<td>9,720</td>
<td>-</td>
</tr>
<tr>
<td>Nun 7272</td>
<td>14,190</td>
<td>13,290</td>
</tr>
<tr>
<td>Veronique</td>
<td>2,800</td>
<td>2,100</td>
</tr>
<tr>
<td>Shahar</td>
<td>8,300</td>
<td>-</td>
</tr>
</tbody>
</table>
TABLE POTATOES

To cater for the total requirement of table potatoes in the country, the market was supplied through local production as well as through imports.

Local Production

In 2008, 14,417.3 tonnes of table potatoes were produced in Mauritius as compared to 15,367.5 tonnes in 2007.

<table>
<thead>
<tr>
<th>Month</th>
<th>Area Harvested (Hectare)</th>
<th>Production (Tonne)</th>
<th>Yield / Hectare (Tonne)</th>
</tr>
</thead>
<tbody>
<tr>
<td>January</td>
<td>18.0</td>
<td>0.4</td>
<td>407.4</td>
</tr>
<tr>
<td>June</td>
<td>1.9</td>
<td>7.4</td>
<td>34.6</td>
</tr>
<tr>
<td>July</td>
<td>48.9</td>
<td>55.7</td>
<td>981.4</td>
</tr>
<tr>
<td>August</td>
<td>98.4</td>
<td>107.6</td>
<td>2,543.6</td>
</tr>
<tr>
<td>September</td>
<td>123.6</td>
<td>58.8</td>
<td>3,139.8</td>
</tr>
<tr>
<td>October</td>
<td>116.0</td>
<td>138.2</td>
<td>2,518.8</td>
</tr>
<tr>
<td>November</td>
<td>133.2</td>
<td>131.5</td>
<td>2,806.6</td>
</tr>
<tr>
<td>December</td>
<td>84.7</td>
<td>110.6</td>
<td>1,985.1</td>
</tr>
<tr>
<td>Total</td>
<td>624.7</td>
<td>610.2</td>
<td>14,417.3</td>
</tr>
</tbody>
</table>

Source: AREU
PURCHASE OF LOCAL WARE POTATOES BY AMB

To better regulate the supply and the retail price of table potatoes on the local market, the AMB continued to purchase any surplus production for storage at floor price. The AMB released the stored table potatoes as and when the need arose.

The floor price for purchase of table potatoes was as follows:

2008: Rs 18,425 / T (ware potatoes from local seeds)
      Rs 17,450 / T (ware potatoes from imported seeds)
2007: Rs 15,300 / T

Local purchase of table potatoes by AMB.

In 2008, AMB purchased a total of 2,033.7 tonnes of table potatoes from planters/producer groups as compared to 2,363.7 tonnes in 2007.

IMPORTS

In both 2008 and 2007 imports of table potatoes were undertaken by both the AMB and private importers. Private importers were allocated a quota representing some 50% of the total import requirement for import during period when local production was not available so as not to be in competition with the local producers. The balance quantity was imported by the AMB.


IMPORTS & COST OF IMPORTS

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Quantity (Tonnes)</td>
<td>Weighted Average C&amp;F/(Tonnes)</td>
</tr>
<tr>
<td>South Africa</td>
<td>103</td>
<td>15,102</td>
</tr>
<tr>
<td>India</td>
<td>2,884</td>
<td>13,352</td>
</tr>
<tr>
<td>Total</td>
<td>2,987</td>
<td>-</td>
</tr>
</tbody>
</table>

The weighted average cost of imports (C&F) for the AMB was Rs 13,411 per tonne in 2008 as compared to Rs 13,768 per tonne in 2007.
Sale of table potatoes at AMB is effected only during period of off season. As soon as local harvest is in full swing, AMB sells only through its retail outlet at Moka and its distribution vans. Sales at AMB started to fall as from the month of June / July due to local harvest. During local harvest, dealers procure potatoes directly from planters.
ONIONS

Local Production & Imports

<table>
<thead>
<tr>
<th>Month</th>
<th>2008</th>
<th>2007</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>LOCAL PRODUCTION</td>
<td>IMPORTS</td>
<td>LOCAL PRODUCTION</td>
</tr>
<tr>
<td></td>
<td>Area Harvested (Hectare)</td>
<td>Quantity (Tonne)</td>
<td>Area Harvested (Hectare)</td>
</tr>
<tr>
<td>January</td>
<td>-</td>
<td>1,277</td>
<td>-</td>
</tr>
<tr>
<td>February</td>
<td>-</td>
<td>1,439</td>
<td>0.1</td>
</tr>
<tr>
<td>March</td>
<td>-</td>
<td>1,412</td>
<td>-</td>
</tr>
<tr>
<td>April</td>
<td>-</td>
<td>1,068</td>
<td>0.2</td>
</tr>
<tr>
<td>May</td>
<td>1.0</td>
<td>1,385</td>
<td>3.4</td>
</tr>
<tr>
<td>June</td>
<td>3.3</td>
<td>1,424</td>
<td>10.8</td>
</tr>
<tr>
<td>July</td>
<td>12.1</td>
<td>175</td>
<td>12.3</td>
</tr>
<tr>
<td>August</td>
<td>4.6</td>
<td>797</td>
<td>6.8</td>
</tr>
<tr>
<td>September</td>
<td>9.2</td>
<td>300</td>
<td>9.6</td>
</tr>
<tr>
<td>October</td>
<td>91.8</td>
<td>300</td>
<td>102.7</td>
</tr>
<tr>
<td>November</td>
<td>41.1</td>
<td>-</td>
<td>90.9</td>
</tr>
<tr>
<td>December</td>
<td>18.7</td>
<td>150</td>
<td>5.3</td>
</tr>
<tr>
<td>Total</td>
<td>181.8</td>
<td>4,524.9</td>
<td>242.1</td>
</tr>
</tbody>
</table>

In 2008, 181.8 hectares of onions were planted and a total of 4,524.9 tonnes onions were produced as compared to 242.1 hectares planted and 6,187 tonnes onions produced in 2007.

AMB imported 9,727 tonnes onions in 2008 as compared to 11,759 tonnes in 2007.

Purchase of Local Onions by AMB

In 2008, AMB purchased 258.8 tonnes of onions from planters as compared to 1,307.9 tonnes in 2007 according to specifications set out by AMB.
**IMPORTS & COST OF IMPORTS - ONIONS**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Quantity Imported (Tonnes)</td>
<td>Average Cost C&amp;F Rs/Tonne</td>
</tr>
<tr>
<td>South Africa</td>
<td>430</td>
<td>14,910</td>
</tr>
<tr>
<td>India</td>
<td>9,297</td>
<td>11,149</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>9,727</strong></td>
<td><strong>-</strong></td>
</tr>
</tbody>
</table>

**Rodrigues Onions**

The AMB continued to purchase onions from Rodrigues at a fair price in line with the objective to support its agricultural sector. In 2008, 58.5 tonnes were purchased as compared to 60.6 tonnes in 2007.

**SALE OF ONIONS BY AMB**

![Graph showing sales of onions by AMB](image)

The sales trend of onions at the AMB followed a more or less similar trend in both 2008 and 2007.

The sales varied in the range of 1,000 to 1,250 tonnes per month from January to June / July (period where there is no local production). However, the sales at the AMB started on a downward trend as from August till December as most of the dealers procure their onions directly from planters as local harvest being in full swing. During the months of November and December in both years, sales of onions at AMB are quite low due to the peak production in the region of La Marie.
GARLIC

The AMB continued to ensure regular supply of garlic on the local market through imports since local production remained negligible.

Local production of garlic was only 20.1 tonnes in 2008 and 58.7 tonnes in 2007. AMB imported 1,568 tonnes of garlic in 2008 as compared to 1,498 tonnes in 2007.

Local Production & Imports of Garlic

<table>
<thead>
<tr>
<th>Month</th>
<th>2008</th>
<th></th>
<th>2007</th>
<th></th>
<th>2008</th>
<th></th>
<th>2007</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>LOCAL PRODUCTION</td>
<td>IMPORTS</td>
<td>LOCAL PRODUCTION</td>
<td>IMPORTS</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Area Harvested (Hectare)</td>
<td>Quantity (Tonne)</td>
<td>Area Harvested (Hectare)</td>
<td>Quantity (Tonne)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>January</td>
<td>0.2</td>
<td>1.3</td>
<td>280</td>
<td>-</td>
<td>-</td>
<td>112</td>
<td></td>
<td></td>
</tr>
<tr>
<td>February</td>
<td>0.4</td>
<td>2.2</td>
<td>140</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>March</td>
<td>-</td>
<td>-</td>
<td>140</td>
<td>-</td>
<td>-</td>
<td>112</td>
<td></td>
<td></td>
</tr>
<tr>
<td>April</td>
<td>0.3</td>
<td>1.9</td>
<td>168</td>
<td>0.4</td>
<td>2.6</td>
<td>112</td>
<td></td>
<td></td>
</tr>
<tr>
<td>May</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.8</td>
<td>4.9</td>
<td>238</td>
<td></td>
<td></td>
</tr>
<tr>
<td>June</td>
<td>0.2</td>
<td>1.1</td>
<td>140</td>
<td>0.6</td>
<td>4.0</td>
<td>112</td>
<td></td>
<td></td>
</tr>
<tr>
<td>July</td>
<td>0.2</td>
<td>1.7</td>
<td>168</td>
<td>2.4</td>
<td>13.3</td>
<td>224</td>
<td></td>
<td></td>
</tr>
<tr>
<td>August</td>
<td>0.8</td>
<td>5.6</td>
<td>140</td>
<td>1.0</td>
<td>8.0</td>
<td>112</td>
<td></td>
<td></td>
</tr>
<tr>
<td>September</td>
<td>0.6</td>
<td>3.8</td>
<td>168</td>
<td>2.9</td>
<td>21.5</td>
<td>196</td>
<td></td>
<td></td>
</tr>
<tr>
<td>October</td>
<td>0.4</td>
<td>2.5</td>
<td>112</td>
<td>0.2</td>
<td>1.5</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>December</td>
<td>0.2</td>
<td>1.5</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>3.1</td>
<td>20.1</td>
<td>1,568</td>
<td>8.7</td>
<td>58.7</td>
<td>1,498</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

SALE OF GARLIC

The sales of garlic varied in the range of 120 to 140 tonnes per month for both 2008 and 2007 except for a peak of 160 tonnes in December.
MILK MARKETING SCHEME
In line with its objective to encourage local production of fresh milk in Mauritius, the AMB continued to run the Milk Marketing Scheme. The Scheme consists of collection of raw milk at farm gate, pasteurizing, packing and distributing of fresh milk throughout the island. However, following the continuous deficit in the milk operations, AMB stopped its operation in June 2008.

Collection and Sale of Milk

Prices
The cow-keepers are guaranteed a remunerative price for milk collected at farm-gate. In fact, fresh milk was purchased from cow-keepers at a farm-gate price of Rs 9.40 per litre and the retail price was Rs 14.00 per litre.
OTHER CONTROLLED PRODUCTS

CARDAMONS

<table>
<thead>
<tr>
<th>Origin</th>
<th>Imports</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2008</td>
<td>2007</td>
<td></td>
</tr>
<tr>
<td>India</td>
<td>2,300</td>
<td>1,500</td>
<td></td>
</tr>
<tr>
<td>Guatemala</td>
<td>11,360</td>
<td>8,000</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>13,660</td>
<td>9,500</td>
<td></td>
</tr>
</tbody>
</table>

TURMERIC

<table>
<thead>
<tr>
<th>Product</th>
<th>Origin</th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turmeric Powder</td>
<td>India</td>
<td>150</td>
<td>180</td>
</tr>
<tr>
<td>Turmeric Finger</td>
<td>India</td>
<td>70</td>
<td>68</td>
</tr>
</tbody>
</table>

OTHER PRODUCTS

Peeled Canned Tomatoes

AMB continued to procure canned tomatoes to supply the local market in period of shortage of fresh tomatoes, especially following natural calamities like cyclones and droughts.

In 2007, AMB imported 176,000 tins (400 gms) of peeled canned tomatoes of Italy origin. However, no import was effected in 2008 as there was sufficient stock at AMB.

Glass Jars

In line with the objective to support the local agro-processing industry, AMB continued to import glass jars of various dimensions for sale at competitive prices.

In 2007, AMB imported 274,606 units while no import was effected in 2008 as there was sufficient stock.

Other Vegetables Imported by AMB

In both 2007 and 2008, AMB embarked in the importation of carrots and cabbages as a consequence of shortage of these commodities on the local market following quota released by the Ministry of Agro Industry and Food Security.

In 2008, AMB imported 270.18 tonnes of carrots and 202.94 tonnes of cabbages while in 2007 51.5 tonnes of carrots and 39.6 tonnes of cabbages were imported. Imports were effected from South Africa and India respectively.
FINANCIAL STATEMENTS
FOR YEAR ENDED
31 DECEMBER 2007
On the Financial Statements
of the Agricultural Marketing Board
for the Year Ended 31 December 2007
REPORT OF THE DIRECTOR OF AUDIT
TO THE CHAIRPERSON OF THE
AGRICULTURAL MARKETING BOARD

Report on the Financial Statements

I have audited the financial statements of the Agricultural Marketing Board which comprise the balance sheet as of 31 December 2007, and the income statement, the statement of changes in equity and cash flow for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Agricultural Marketing Board and for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standards and in compliance with the Statutory Bodies (Accounts and Audit) Act 1972. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those Standards require that I plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of the accounting principles used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a reasonable basis for my audit opinion.
Basis of Qualified Opinion

The Financial Statements of the Agricultural Marketing Board for the year ending 31 December 2007, submitted on 8 June 2008, were not prepared in accordance with International Financial Reporting Standards (IFRS), as required under the Financial Reporting Act 2004, and therefore needed to be amended.

Revised Financial Statements were submitted in October 2008. However, there had been only partial compliance with IFRS. Financial Statements should not be described as complying with IFRS unless they comply with all the requirements of each applicable Standard. A departure from IFRS is permitted in order to achieve fair presentation, in which case comprehensive disclosure requirements are imposed. Reasons for non-compliance with each IFRS should also be given. For example:

- IFRS 1 is applied when an entity adopts IFRS for the first time by an explicit and unreserved statement of compliance with IFRSs. IFRS1 provides guidance for the transition from previous Generally Accepted Accounting Principles (GAAP) to IFRSs and requires the entity to prepare an opening IFRS balance sheet, which complies with all IFRSs effective at the reporting date for its first IFRS financial statements. A reconciliation of income statement and statement of explanation of transition to IFRS needs to be prepared to explain changes between the existing GAAP and IFRS applied to the last year's financial statements. This has not been done.

- The Board contributes in a defined benefit plan for the pension of its staff. This has not been recognised in the Financial Statements as Retirement Pension Obligation.

- No provision was made in the financial statements in respect of accumulated sick leave of 90 days payable at time of retirement.

- Disclosures regarding Related Parties Transactions, Capital Commitments, Contingent Liabilities, Leases, Impairment of assets and cessation of an income generating unit had not been made in the Financial Statements.

Qualified Opinion

In my opinion, except for the effects on the financial statements of the matters referred to in the preceding paragraphs, the financial statements give a true and fair view of the financial position of the Agricultural Marketing Board as of 31 December 2007, and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards and comply with the Statutory Bodies (Accounts and Audit) Act, 1972.
Report on Other Legal and Regulatory Requirements

Statutory Bodies (Accounts and Audit) Act 1972

I have obtained all information and explanations I have required.

In my opinion proper accounting records have been kept by the Agricultural Marketing Board as far as it appears from my examination of those records.

Other Matters

Without qualifying my opinion, I draw attention to the following:

Financial Position of the AMB

The financial situation of the AMB has deteriorated. Deficit for the year amounted to some Rs 48.7 million, that is an increase of some 112.5 per cent over the previous year’s deficit of Rs 22.9 million. Bank overdraft has constantly increased over the past few years and has reached Rs 108.4 million as of December 2007.

The Trading Equalisation Reserve represents the accumulated reserve of the AMB. The deficits on this Equalisation Reserve had increased by 280 per cent compared to 107 per cent in 2006.

Management contends that one of the factors which caused a fast deterioration in the financial situation of the AMB during 2007 was the fact that AMB had the legal obligation to sell onions at a wholesale price lower than the purchased price. However, the retail price of onions had been liberalised as from November 2007 and the AMB is now in a position to recover its costs.

(Dr R. Jugurnath)
Director of Audit

National Audit Office
Level 14
Air Mauritius Centre
PORT LOUIS

16 July 2009
# INDEX

<table>
<thead>
<tr>
<th>CONTENTS</th>
<th>PAGES</th>
</tr>
</thead>
<tbody>
<tr>
<td>BALANCE SHEET</td>
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</tr>
<tr>
<td>INCOME STATEMENT</td>
<td>2</td>
</tr>
<tr>
<td>CASH FLOW STATEMENT</td>
<td>3</td>
</tr>
<tr>
<td>STATEMENT OF CHANGE IN EQUITY</td>
<td>4</td>
</tr>
<tr>
<td>NOTES TO THE ACCOUNTS</td>
<td>5 - 15</td>
</tr>
</tbody>
</table>

FINANCIAL STATEMENTS
FOR YEAR ENDED
31 DECEMBER 2007
### AGRICULTURAL MARKETING BOARD

**BALANCE SHEET**

**AS AT 31ST DECEMBER 2007**

<table>
<thead>
<tr>
<th></th>
<th>2007 (MUR)</th>
<th>2006 (MUR)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, Plant and Equipment</td>
<td>184,269,740</td>
<td>208,890,349</td>
</tr>
<tr>
<td>Current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inventories</td>
<td>64,989,729</td>
<td>62,599,637</td>
</tr>
<tr>
<td>Investment</td>
<td>13,522,430</td>
<td>12,680,418</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>12,678,376</td>
<td>12,037,085</td>
</tr>
<tr>
<td>Staff Loans</td>
<td>1,519,794</td>
<td>1,915,683</td>
</tr>
<tr>
<td>Medical Assistance Balances</td>
<td>2,660,309</td>
<td>2,212,161</td>
</tr>
<tr>
<td>Bank Balances and Cash</td>
<td>274,981</td>
<td>74,933</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>95,645,820</td>
<td>91,519,917</td>
</tr>
<tr>
<td><strong>EQUITY AND LIABILITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital and Reserves</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital Grant</td>
<td>25,042,000</td>
<td>28,883,000</td>
</tr>
<tr>
<td>Medical Assistance Fund</td>
<td>2,660,509</td>
<td>2,212,161</td>
</tr>
<tr>
<td>Trading Equalisation Reserve</td>
<td>(60,393,440)</td>
<td>(15,873,114)</td>
</tr>
<tr>
<td>Renovation Reserve</td>
<td>98,111,315</td>
<td>111,860,248</td>
</tr>
<tr>
<td><strong>Non-current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long-term borrowings</td>
<td>53,280,868</td>
<td>57,226,439</td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>40,323,264</td>
<td>23,556,762</td>
</tr>
<tr>
<td>Deposit on Seeds &amp; Others</td>
<td>10,572,660</td>
<td>5,342,032</td>
</tr>
<tr>
<td>Short Term Borrowings</td>
<td>1,914,254</td>
<td>2,027,105</td>
</tr>
<tr>
<td>Bank Overdraft</td>
<td>108,404,128</td>
<td>85,175,632</td>
</tr>
<tr>
<td><strong>Total Equity and Liabilities</strong></td>
<td>279,915,558</td>
<td>300,410,265</td>
</tr>
</tbody>
</table>

**Approved by the Board on its 525th Meeting held on 10th October 2008.**

**CHAIRPERSON**

**DATE:**

The notes on pages 6 to 15 form part of these accounts.
## INCOME STATEMENT

**AS AT 31ST DECEMBER 2007**

<table>
<thead>
<tr>
<th>Notes</th>
<th>2007 MUR</th>
<th>2006 MUR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover</td>
<td>475,379,642</td>
<td>398,518,314</td>
</tr>
<tr>
<td>Cost of Sales</td>
<td>(451,785,475)</td>
<td>(341,298,048)</td>
</tr>
<tr>
<td>Operating &amp; Administrative Expenditure</td>
<td>(97,844,870)</td>
<td>(99,897,400)</td>
</tr>
<tr>
<td>Operating Surplus / (Deficit)</td>
<td>(74,250,704)</td>
<td>(42,677,134)</td>
</tr>
<tr>
<td>Other Income</td>
<td>34,684,202</td>
<td>33,732,173</td>
</tr>
<tr>
<td>Finance Costs</td>
<td>(11,236,941)</td>
<td>(6,453,984)</td>
</tr>
<tr>
<td>Gain/Loss on Exchange</td>
<td>2,095,089</td>
<td>(7,519,012)</td>
</tr>
<tr>
<td>Surplus/(Deficit) for the year</td>
<td>(48,708,354)</td>
<td>(22,917,957)</td>
</tr>
<tr>
<td>Trading Equalisation Reserve brought forward</td>
<td>(15,873,114)</td>
<td>7,044,843</td>
</tr>
<tr>
<td>Drought &amp; Flood Relief Funds and Fire Outbreak Port Louis Market Fund reinstated</td>
<td>4,188,028</td>
<td>-</td>
</tr>
<tr>
<td>Trading Equalisation Reserve carried forward</td>
<td>(60,393,440)</td>
<td>(15,873,114)</td>
</tr>
</tbody>
</table>
AGRICULTURAL MARKETING BOARD  
CASH FLOW STATEMENT  
AS AT 31ST DECEMBER 2007

<table>
<thead>
<tr>
<th>Notes</th>
<th>2007 MUR</th>
<th>2006 MUR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash generated /(absorbed) in operations</td>
<td>21.1</td>
<td>(6,500,154)</td>
</tr>
<tr>
<td>Interest paid</td>
<td></td>
<td>(11,333,768)</td>
</tr>
<tr>
<td>Net cash (outflow) / inflow from operating activities</td>
<td></td>
<td>(17,833,922)</td>
</tr>
<tr>
<td>Purchase of Fixed Assets</td>
<td></td>
<td>(3,237,966)</td>
</tr>
<tr>
<td>Sinking Fund Investment</td>
<td></td>
<td>(207,385)</td>
</tr>
<tr>
<td>Proceeds from sale of fixed assets</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Interest Received</td>
<td></td>
<td>214,158</td>
</tr>
<tr>
<td>Net cash used in investing activities</td>
<td></td>
<td>(21,065,116)</td>
</tr>
<tr>
<td>Cash flow from financing activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payment on Government Loan</td>
<td></td>
<td>(1,963,332)</td>
</tr>
<tr>
<td>Net decrease in cash &amp; cash equivalent</td>
<td></td>
<td>(23,028,448)</td>
</tr>
<tr>
<td>Cash &amp; cash equivalent at beginning of period</td>
<td></td>
<td>(85,100,699)</td>
</tr>
<tr>
<td>Cash &amp; cash equivalent at end of period</td>
<td></td>
<td>(108,129,147)</td>
</tr>
</tbody>
</table>
## AGRICULTURAL MARKETING BOARD
### STATEMENT OF CHANGES IN EQUITY
#### AS AT 31ST DECEMBER 2007

<table>
<thead>
<tr>
<th>Description</th>
<th>Capital Grants</th>
<th>Medical Assistance Fund</th>
<th>Renovation Reserves</th>
<th>Trading Equalisation Reserve</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>YEAR 2007</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance as at 01 January 2007</td>
<td>28,883,000</td>
<td>2,212,161</td>
<td>111,860,248</td>
<td>(15,873,114)</td>
<td>127,082,295</td>
</tr>
<tr>
<td>Prior Year Adjustment</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Restated Balance</td>
<td>28,883,000</td>
<td>2,212,161</td>
<td>111,860,248</td>
<td>(15,873,114)</td>
<td>127,082,295</td>
</tr>
<tr>
<td>Contribution for the Year</td>
<td>-</td>
<td>448,348</td>
<td>-</td>
<td>-</td>
<td>448,348</td>
</tr>
<tr>
<td>Credit to Income Statement</td>
<td>(3,841,000)</td>
<td>-</td>
<td>(13,748,933)</td>
<td>-</td>
<td>(17,589,933)</td>
</tr>
<tr>
<td>Surplus/(Deficit) for the Year</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(44,520,326)</td>
<td>(44,520,326)</td>
</tr>
<tr>
<td><strong>Balance as at 31st December 2007</strong></td>
<td>25,042,000</td>
<td>2,660,509</td>
<td>98,111,315</td>
<td>(60,393,440)</td>
<td>65,420,384</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Capital Grants</th>
<th>Medical Assistance Fund</th>
<th>Renovation Reserves</th>
<th>Trading Equalisation Reserve</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>YEAR 2006</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance as at 01 January 2006</td>
<td>32,724,000</td>
<td>2,027,766</td>
<td>125,609,180</td>
<td>7,044,843</td>
<td>167,405,789</td>
</tr>
<tr>
<td>Prior Year Adjustment</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Restated Balance</td>
<td>32,724,000</td>
<td>2,027,766</td>
<td>125,609,180</td>
<td>7,044,843</td>
<td>167,405,789</td>
</tr>
<tr>
<td>Contribution for the Year</td>
<td>-</td>
<td>184,395</td>
<td>-</td>
<td>-</td>
<td>184,395</td>
</tr>
<tr>
<td>Credit to Income Statement</td>
<td>(3,841,000)</td>
<td>-</td>
<td>(13,748,932)</td>
<td>-</td>
<td>(17,589,932)</td>
</tr>
<tr>
<td>Surplus/(Deficit) for the Year</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(22,917,957)</td>
<td>(22,917,957)</td>
</tr>
<tr>
<td><strong>Balance as at 31st December 2006</strong></td>
<td>28,883,000</td>
<td>2,212,161</td>
<td>111,860,248</td>
<td>(15,873,114)</td>
<td>127,082,295</td>
</tr>
</tbody>
</table>
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007

1.0 GENERAL INFORMATION
The Agricultural Marketing Board (AMB) was established in 1963 under the Mauritius Agricultural Marketing Act 1963.

The Board is a parastatal body running under the aegis of the Ministry of Agro-Industry & Fisheries and deals in the purchases and sales, imports and exports, marketing and storage of controlled and other products.

The AMB also rents storage space whenever available.

2.0 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied in dealing with items which are considered material in relation to the board’s financial statements to all the years presented, unless otherwise stated.

2.1 Basis of preparation
The financial statements have been prepared in accordance with the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) and under the historical cost convention.

The preparation of financial statements in conformity with International Accounting Standards and International Financial Reporting Standards requires the use of estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Although these estimates are based on management’s best knowledge of current events and actions, actual results ultimately may differ from those estimates.

2.2 Foreign currency translation
(a) Measurement and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates. The financial statements are presented in Mauritian Rupees which is the board’s measurement currency.

(b) Transactions and balances

Foreign currency transactions are translated into the measurement currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised in the income statement. Assets and Liabilities denominated in foreign currency are translated in Mauritian Rupee at the exchange rate ruling at balance sheet date.
2.3 **Property, plant and equipment**

Property, plant and equipment is stated at historical cost less depreciation. Depreciation is calculated on the straight-line method to write off the cost or revalued amount of each asset to their residual values over their estimated useful lives as follows:

<table>
<thead>
<tr>
<th>Asset</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Warehouse and Office building</td>
<td>2.0</td>
</tr>
<tr>
<td>Plant and Machinery</td>
<td>1.0</td>
</tr>
<tr>
<td>Stores Equipment and Palletisation</td>
<td>1.2</td>
</tr>
<tr>
<td>Motor Vehicles</td>
<td>1.0</td>
</tr>
<tr>
<td>Motor Car</td>
<td>1.2</td>
</tr>
<tr>
<td>Office Equipment</td>
<td>1.2</td>
</tr>
<tr>
<td>Fixtures and Fittings</td>
<td>1.0</td>
</tr>
<tr>
<td>Computer Equipment</td>
<td>2.0</td>
</tr>
<tr>
<td>Tractors and Trailers</td>
<td>1.0</td>
</tr>
<tr>
<td>Water Proofing</td>
<td>1.0</td>
</tr>
</tbody>
</table>

2.4 **Inventories**

Inventories are stated at the lower of cost or net realisable value. Cost of products comprises of the invoiced value from suppliers, freight, handling charges, transport and other direct charges. Cost of spareparts consist of invoice value only. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

2.5 **Trade receivables**

Trade receivables are carried at original invoice amount less provision made for impairment of these receivables. A provision for impairment of trade receivables is established when there is an objective evidence that the board will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the carrying amount and the recoverable amount.

2.6 **Accounts payable**

Accounts payable are stated at their nominal value.

2.7 **Cash and cash equivalents**

Cash and cash equivalents are carried in the balance sheet at fair value. For the purposes of the cash flow statements, cash and cash equivalents comprises cash in hand and bank balances, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

2.8 **Grants**

Grants received to finance capital expenditure is credited to the Grants Account in the balance sheet. The grants are credited in instalments to the Income Statement over the expected useful economic lives of the related assets on a basis consistent with its depreciation policy.

2.9 **Employee benefits**

**Pension obligations**

The Board makes pension contributions to State Insurance Company of Mauritius Ltd (SICOM) in respect of all employees who are on establishment. Such contributions are expensed to the Income Statement in the period in which they fall due.
The pension scheme stood to Rs 68,824,309 as at 31 December 2007 and Rs 58,974,408 as at 31 December 2006. The actuarial report of 1999 showed that the actuarial value of liabilities exceeds the value of the assets by Rs 13.5 M on increasing pension basis (5% per annum).

Consequently the pension contribution was increased from 18% to 24% of the monthly salary as from 1 July 2001. No actuarial valuation was carried since.

The average monthly number of employees in Financial Year 2007 stood at 185 (182 in Financial Year 2006)

2.10 Medical Assistance Fund
This fund is made up of contributions by the Board and its employees and of interest accruing on the Saving Account. This Fund is as follows:

<table>
<thead>
<tr>
<th>Fund</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical Assistance Fixed Deposit Account</td>
<td>1,500,000</td>
<td>1,500,000</td>
</tr>
<tr>
<td>Medical Assistance Saving Account</td>
<td>1,160,509</td>
<td>712,161</td>
</tr>
<tr>
<td>Total</td>
<td>2,660,509</td>
<td>2,212,161</td>
</tr>
</tbody>
</table>

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

Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

2.12 Revenue recognition
Revenue is recognised to the extent that it is probable that the economic benefits will flow to the organisation and the revenue can be reliably measured.

Revenue comprises mainly of the sale of controlled products where no VAT is charged and recognised upon sale.
Revenue on rental is recognised monthly.

2.13 Borrowings Costs
Borrowings Costs are recognised as an expense on an accrual basis.

2.14 Investment - Sinking Fund
This fund is in respect of a loan of Rs. 20,738,537 due to the Government of Mauritius which is repayable by way of a contribution of one percent thereof, together with interest accruing thereon, over forty years to a sinking fund kept by the Accountant General.

The balance in the sinking fund amounts to Rs 13,522,430 as at 31 December 2007.
3.0 FINANCIAL RISK MANAGEMENT

3.1 Credit Risk
The board’s activities expose it to financial credit risk. This is primarily attributable to its trade receivables. There is no significant concentrations of credit risk with exposure spread to a large number of customers. The board has policies in place to ensure that credit is given to customers with an appropriate credit history.

3.2 Operational risk management
Operational risk, which is inherent in all organisations activities, is the risk for financial loss and business instability arising from failures in internal controls, operational processes or the system that supports them. It is recognised that such risks can never be entirely eliminated and the costs of controls in minimising these risks may outweigh the potential benefits.

3.3 Legal risk
Legal risk is the risk that the business activities of the board have unintended or unexpected legal consequences. It includes risk arising from:

(a) inadequate documentation, legal or regulatory incapacity, insufficient authority of a counterparty and uncertainty about the validity or enforceability of a contract in counterparty insolvency

(b) Actual or potential violations of law or regulation (including activity unauthorised for a company and which may attract a civil or criminal fine or penalty)

(c) Failure to protect the corporation property (including its interest in its premises)

(d) The possibility of civil claims (including acts or other events which may lead to litigation or other disputes)

The board identifies and manages legal risk through effective use of its legal adviser
### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2007

**NOTE 4 : FIXED ASSETS AS AT 31 December 2007**

<table>
<thead>
<tr>
<th></th>
<th>Building</th>
<th>Plant &amp; Machinery</th>
<th>Stores Equipment &amp; Palletisation</th>
<th>Motor Vehicles</th>
<th>Motor Car</th>
<th>Office Equipment</th>
<th>Furniture &amp; Fittings</th>
<th>Computer Equipment</th>
<th>Waterproofing</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>COST OR VALUATION</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>As at 1 January 2007</td>
<td>103,867,542</td>
<td>187,580,881</td>
<td>41,865,650</td>
<td>7,857,357</td>
<td>853,352</td>
<td>3,463,486</td>
<td>941,247</td>
<td>8,339,682</td>
<td>2,777,970</td>
<td>357,547,167</td>
</tr>
<tr>
<td>Additions</td>
<td>-</td>
<td>224,250</td>
<td>1,223,258</td>
<td>1,154,250</td>
<td>161,426</td>
<td>19,000</td>
<td>186,755</td>
<td></td>
<td></td>
<td>2,968,939</td>
</tr>
<tr>
<td>Under Capitalisation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>269,027</td>
<td></td>
<td>269,027</td>
</tr>
<tr>
<td>As at 31 December 2007</td>
<td>103,867,542</td>
<td>187,805,131</td>
<td>43,357,935</td>
<td>7,857,357</td>
<td>2,007,602</td>
<td>3,624,912</td>
<td>960,247</td>
<td>8,526,437</td>
<td>2,777,970</td>
<td>360,785,133</td>
</tr>
<tr>
<td><strong>PROVISION FOR DEPN.</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>As at 1 January 2007</td>
<td>23,203,519</td>
<td>84,965,560</td>
<td>26,961,902</td>
<td>3,071,594</td>
<td>426,676</td>
<td>2,438,030</td>
<td>327,467</td>
<td>5,317,491</td>
<td>1,944,579</td>
<td>148,656,818</td>
</tr>
<tr>
<td>Charge for the period</td>
<td>2,077,351</td>
<td>18,780,513</td>
<td>4,255,800</td>
<td>760,736</td>
<td>250,950</td>
<td>246,375</td>
<td>96,025</td>
<td>1,079,401</td>
<td>277,797</td>
<td>27,824,947</td>
</tr>
<tr>
<td>Under Depreciation in 2006</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>33,628</td>
<td></td>
<td>33,628</td>
</tr>
<tr>
<td>As at 31 December 2007</td>
<td>25,280,870</td>
<td>103,746,073</td>
<td>31,251,330</td>
<td>3,832,330</td>
<td>677,626</td>
<td>2,684,405</td>
<td>423,492</td>
<td>6,396,892</td>
<td>2,222,376</td>
<td>176,515,393</td>
</tr>
<tr>
<td><strong>CARRYING VALUE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>As at 31 December 2007</td>
<td>78,586,672</td>
<td>84,059,058</td>
<td>12,106,606</td>
<td>4,025,027</td>
<td>1,329,976</td>
<td>940,507</td>
<td>536,755</td>
<td>2,129,545</td>
<td>555,594</td>
<td>184,269,740</td>
</tr>
<tr>
<td>As at 31 December 2006</td>
<td>80,664,023</td>
<td>102,535,321</td>
<td>14,903,748</td>
<td>4,785,763</td>
<td>426,676</td>
<td>1,025,456</td>
<td>613,780</td>
<td>3,022,191</td>
<td>833,391</td>
<td>208,890,349</td>
</tr>
</tbody>
</table>
## 5.0 INVENTORIES

The inventories held are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2007 MUR</th>
<th>2006 MUR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural products</td>
<td>56,423,876</td>
<td>54,046,712</td>
</tr>
<tr>
<td>Spare parts, stationery, plastic sheets &amp; leno bags</td>
<td>8,565,853</td>
<td>8,552,925</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>64,989,729</strong></td>
<td><strong>62,599,637</strong></td>
</tr>
</tbody>
</table>

## 6.0 INVESTMENT

<table>
<thead>
<tr>
<th></th>
<th>2007 MUR</th>
<th>2006 MUR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at start of year</td>
<td>12,680,418</td>
<td>11,878,496</td>
</tr>
<tr>
<td>Interest earned</td>
<td>842,012</td>
<td>801,922</td>
</tr>
<tr>
<td><strong>Balance at end of year</strong></td>
<td><strong>13,522,430</strong></td>
<td><strong>12,680,418</strong></td>
</tr>
</tbody>
</table>

This investment consists of a loan of Rs. 20,738,537 due to the Government of Mauritius which is repayable by way of a contribution of one percent thereof, together with interest accruing thereon, over forty years to a sinking fund kept by the Accountant General.

## 7.0 TRADE RECEIVABLES

<table>
<thead>
<tr>
<th></th>
<th>2007 MUR</th>
<th>2006 MUR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade receivables</td>
<td>11,262,394</td>
<td>8,296,728</td>
</tr>
<tr>
<td>Prepayments</td>
<td>1,415,983</td>
<td>3,740,357</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>12,678,376</strong></td>
<td><strong>12,037,085</strong></td>
</tr>
</tbody>
</table>

## 8.0 BANK BALANCES AND CASH

<table>
<thead>
<tr>
<th></th>
<th>2007 MUR</th>
<th>2006 MUR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash in hand</td>
<td>274,981</td>
<td>72,166</td>
</tr>
<tr>
<td>Seven Days Notice Saving Account</td>
<td>-</td>
<td>2,767</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>274,981</strong></td>
<td><strong>74,933</strong></td>
</tr>
</tbody>
</table>
### 9.0 CAPITAL GRANTS

<table>
<thead>
<tr>
<th></th>
<th>2007 MUR</th>
<th>2006 MUR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at start of year</td>
<td>28,883,000</td>
<td>32,724,000</td>
</tr>
<tr>
<td>Transfer to Income Statement</td>
<td>(3,841,000)</td>
<td>(3,841,000)</td>
</tr>
<tr>
<td><strong>Balance at end of year</strong></td>
<td><strong>25,042,000</strong></td>
<td><strong>28,883,000</strong></td>
</tr>
</tbody>
</table>

Capital Grants, received by way of equipment and cash, are capitalised under fixed assets and the value of the equipment are treated as deferred revenue, a portion equivalent to the estimated annual use being released to the Income Statement every year.

### 10.0 RESERVES

<table>
<thead>
<tr>
<th></th>
<th>2007 MUR</th>
<th>2006 MUR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at start of year</td>
<td>(15,873,114)</td>
<td>7,044,843</td>
</tr>
<tr>
<td>Surplus/(Deficit) for the year</td>
<td>(48,708,354)</td>
<td>(22,917,957)</td>
</tr>
<tr>
<td>Drought &amp; Flood Relief Funds and Fire Outbreak Port Louis Market Fund reinstated</td>
<td>4,188,028</td>
<td></td>
</tr>
<tr>
<td><strong>Balance at end of year</strong></td>
<td><strong>(60,393,440)</strong></td>
<td><strong>(15,873,114)</strong></td>
</tr>
</tbody>
</table>

### 11.0 RENOVATION RESERVES

<table>
<thead>
<tr>
<th></th>
<th>2007 MUR</th>
<th>2006 MUR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at start of year</td>
<td>111,860,248</td>
<td>125,609,180</td>
</tr>
<tr>
<td>(13,748,933)</td>
<td>(13,748,932)</td>
<td></td>
</tr>
<tr>
<td>Balance at end of year</td>
<td><strong>98,111,315</strong></td>
<td><strong>111,860,248</strong></td>
</tr>
</tbody>
</table>

A renovation reserve of Rs 166,855,975 was created in the year 2003 in the light of the renovation of the cold stores in Moka. A total amount of Rs 36,708,315 was incurred on building, to be amortised over a period of 50 years. The balance of Rs 130,147,661 was spent on various items of plant and machinery, to be amortised over a period of 10 years.
### 12.0 LONG TERM BORROWINGS

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>EURO</td>
<td>MUR</td>
</tr>
<tr>
<td>Buildings - Note (a)</td>
<td>20,738,538</td>
<td>806,398</td>
</tr>
<tr>
<td>Onion &amp; seed Stores - Note (b)</td>
<td>851,198</td>
<td>55,195,122</td>
</tr>
<tr>
<td>Loan payable within 1 year</td>
<td>44,800</td>
<td>761,598</td>
</tr>
<tr>
<td>Loan payable within 2-5 years</td>
<td>179,200</td>
<td>179,200</td>
</tr>
<tr>
<td>Loan payable within 6-10 years</td>
<td>358,399</td>
<td>358,399</td>
</tr>
<tr>
<td>Loan payable more than 10 years</td>
<td>358,399</td>
<td>358,399</td>
</tr>
<tr>
<td>Long Terms Loans</td>
<td>761,598</td>
<td>53,280,868</td>
</tr>
<tr>
<td>Rate EURO/Rs.</td>
<td>42.729</td>
<td>45.248</td>
</tr>
</tbody>
</table>

Note (a): 4% Building Loans repayable by way of 1% annual contribution over 40 years to a sinking fund payable on 31 December each year.

Note (b): 1% Onion and Seed Stores Loans repayable by 60 half yearly instalments as from 15 May 1996.

### 13.0 TRADE AND OTHER PAYABLES

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>MUR</td>
<td>MUR</td>
</tr>
<tr>
<td>Trade payables</td>
<td>29,790,021</td>
<td>8,695,211</td>
</tr>
<tr>
<td>Other payables</td>
<td>58,370</td>
<td>60,418</td>
</tr>
<tr>
<td>Accruals</td>
<td>8,417,558</td>
<td>13,196,891</td>
</tr>
<tr>
<td>Provision for passage benefit</td>
<td>2,057,316</td>
<td>1,604,242</td>
</tr>
<tr>
<td></td>
<td>40,323,264</td>
<td>23,556,762</td>
</tr>
</tbody>
</table>

### 14.0 SHORT TERM BORROWINGS

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>MUR</td>
<td>MUR</td>
</tr>
<tr>
<td>Proportion of long term borrowings repayable within 1 year</td>
<td>1,914,254</td>
<td>2,027,105</td>
</tr>
</tbody>
</table>
### 15.0 BANK OVERDRAFT

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank Overdraft</td>
<td>108,404,128</td>
<td>85,175,632</td>
</tr>
</tbody>
</table>

### 16.0 COST OF SALES

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening Stock</td>
<td>54,046,712</td>
<td>45,847,140</td>
</tr>
<tr>
<td>Purchases</td>
<td>454,162,639</td>
<td>349,497,620</td>
</tr>
<tr>
<td>Closing Stock</td>
<td>(56,423,876)</td>
<td>(54,046,712)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>451,785,475</td>
<td>341,298,048</td>
</tr>
</tbody>
</table>

### 17.0 OPERATING & ADMINISTRATIVE EXPENDITURE

<table>
<thead>
<tr>
<th>Operating Expenses (Storage Cost)</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries &amp; Wages, Overtime &amp; Allowances</td>
<td>26,746,018</td>
<td>24,913,433</td>
</tr>
<tr>
<td>Water &amp; Electricity</td>
<td>21,994,091</td>
<td>23,952,943</td>
</tr>
<tr>
<td>Repairs &amp; Maintenance &amp; Insurance</td>
<td>4,447,486</td>
<td>4,464,805</td>
</tr>
<tr>
<td>Security Services</td>
<td>1,155,039</td>
<td>1,563,388</td>
</tr>
<tr>
<td>General Expenses - Store</td>
<td>138,722</td>
<td>224,518</td>
</tr>
<tr>
<td>Provision for Leave Passages</td>
<td>548,200</td>
<td>553,086</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>55,029,557</td>
<td>55,672,173</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Administrative expenses</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries &amp; Allowances</td>
<td>9,791,776</td>
<td>10,288,394</td>
</tr>
<tr>
<td>Overseas travelling</td>
<td>221,377</td>
<td>602,168</td>
</tr>
<tr>
<td>Motor vehicle running expenses</td>
<td>1,734,819</td>
<td>1,799,868</td>
</tr>
<tr>
<td>Printing &amp; Stationery, Advertising, Postage &amp; Telephone</td>
<td>1,327,111</td>
<td>1,592,435</td>
</tr>
<tr>
<td>Legal &amp; Professional</td>
<td>349,971</td>
<td>501,097</td>
</tr>
<tr>
<td>Consultancy Fee</td>
<td>20,000</td>
<td>-</td>
</tr>
<tr>
<td>Audit fee</td>
<td>175,000</td>
<td>130,000</td>
</tr>
<tr>
<td>General expenses</td>
<td>730,523</td>
<td>1,052,256</td>
</tr>
<tr>
<td>Board members fees</td>
<td>331,093</td>
<td>281,397</td>
</tr>
<tr>
<td>Rent of Leasehold land</td>
<td>16,620</td>
<td>16,620</td>
</tr>
<tr>
<td>Provision for Leave passsages</td>
<td>258,449</td>
<td>265,313</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>14,956,738</td>
<td>16,529,548</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Depreciation (Note 3)</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>27,858,575</td>
<td>27,695,679</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>97,844,870</td>
<td>99,897,400</td>
</tr>
</tbody>
</table>
### 18.0 OTHER INCOME

<table>
<thead>
<tr>
<th>Source</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cess Received</td>
<td>967,376</td>
<td>847,288</td>
</tr>
<tr>
<td>Storage Rent Receivable</td>
<td>13,593,492</td>
<td>12,148,354</td>
</tr>
<tr>
<td>Sundry Income</td>
<td>19,274,549</td>
<td>19,798,598</td>
</tr>
<tr>
<td>Interest</td>
<td>848,785</td>
<td>937,933</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>34,684,202</strong></td>
<td><strong>33,732,173</strong></td>
</tr>
</tbody>
</table>

### 19.0 FINANCE COSTS

<table>
<thead>
<tr>
<th>Source</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest on long term loan from Government of Mauritius and EDF</td>
<td>1,192,472</td>
<td>1,205,182</td>
</tr>
<tr>
<td>Interest on bank overdraft &amp; Import loans</td>
<td>10,044,470</td>
<td>5,248,802</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>11,236,941</strong></td>
<td><strong>6,453,984</strong></td>
</tr>
</tbody>
</table>

### 20.0 GAIN/LOSS ON EXCHANGE

<table>
<thead>
<tr>
<th>Source</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gain/Loss on Exchange</td>
<td>2,095,089</td>
<td>(7,519,012)</td>
</tr>
</tbody>
</table>

Transaction in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities are translated using the rate of exchange ruling at the balance sheet date and gains or losses on transaction are transferred to the Income Statement.

A gain on exchange amounting to Rs 1,858,568 was credited (compared to a loss of Rs 7,519,012 debited in 2006) to the Income Statement.
### 21.0 NOTES TO THE CASH FLOW STATEMENT

<table>
<thead>
<tr>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>MUR</td>
<td>MUR</td>
</tr>
</tbody>
</table>

#### 21.1 Cash utilised in operating activities

<table>
<thead>
<tr>
<th>Description</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surplus/ Deficit for the year</td>
<td>(44,520,327)</td>
<td>(22,917,957)</td>
</tr>
<tr>
<td><strong>Adjustment for:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>27,824,947</td>
<td>27,697,590</td>
</tr>
<tr>
<td>(Over) / Under Depreciation</td>
<td>33,628</td>
<td>(1,911)</td>
</tr>
<tr>
<td>Grant amortised</td>
<td>(3,841,000)</td>
<td>(3,841,000)</td>
</tr>
<tr>
<td>Renovation Reserve amortised</td>
<td>(13,748,932)</td>
<td>(13,748,932)</td>
</tr>
<tr>
<td>Foreign Exchange (Gain)/Loss</td>
<td>(2,095,089)</td>
<td>7,519,012</td>
</tr>
<tr>
<td>Interest Income</td>
<td>(848,785)</td>
<td>(937,933)</td>
</tr>
<tr>
<td>Interest Expense</td>
<td>11,236,941</td>
<td>6,453,984</td>
</tr>
<tr>
<td>Loss/(Profit) on sales of fixed assets</td>
<td>-</td>
<td>(72,216)</td>
</tr>
<tr>
<td><strong>Operating Surplus/(Deficit) before working capital changes</strong></td>
<td><strong>(25,958,616)</strong></td>
<td><strong>150,637</strong></td>
</tr>
</tbody>
</table>

#### Movement in working capital:

<table>
<thead>
<tr>
<th>Description</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase in Inventories</td>
<td>(2,390,092)</td>
<td>(6,768,656)</td>
</tr>
<tr>
<td>Decrease/(Increase) in staff loans</td>
<td>(641,291)</td>
<td>(1,604,651)</td>
</tr>
<tr>
<td>Increase/(Decrease) in Trade &amp; Other Receivables</td>
<td>395,889</td>
<td>(656,731)</td>
</tr>
<tr>
<td>Increase in Trade &amp; Other Payables</td>
<td>16,863,329</td>
<td>(2,841,824)</td>
</tr>
<tr>
<td>Increase in Deposit on seeds &amp; others</td>
<td>5,230,628</td>
<td>763,481</td>
</tr>
<tr>
<td><strong>Cash generated /(absorbed ) in operations</strong></td>
<td><strong>(6,500,154)</strong></td>
<td><strong>(10,957,744)</strong></td>
</tr>
</tbody>
</table>

#### 21.2 Cash and cash equivalents

<table>
<thead>
<tr>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>MUR</td>
<td>MUR</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank Balances and Cash (see note 8 above)</td>
<td>274,981</td>
<td>74,933</td>
</tr>
<tr>
<td>Bank Overdraft</td>
<td>(108,404,128)</td>
<td>(85,175,632)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>(108,129,146)</strong></td>
<td><strong>(85,100,699)</strong></td>
</tr>
</tbody>
</table>

### 22.0 REPORTING CURRENCY

The financial statements are presented to the nearest Mauritian Rupee.
FINANCIAL STATEMENTS
FOR YEAR ENDED
31 DECEMBER 2008
On the Financial Statements
of the Agricultural Marketing Board
for the Year Ended 31 December 2008
REPORT OF THE DIRECTOR OF AUDIT
TO THE CHAIRPERSON OF THE
AGRICULTURAL MARKETING BOARD

Report on the Financial Statements

I have audited the financial statements of the Agricultural Marketing Board which comprise the balance sheet as of 31 December 2008, and the related statements of income, changes in equity and cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Agricultural Marketing Board and for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standards and in compliance with Financial Reporting Act 2004 and the Statutory Bodies (Accounts and Audit) Act 1972. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
I believe that the audit evidence I have obtained is sufficient and appropriate to provide a reasonable basis for my opinion.

**Basis of Qualification**

**Property, Plant and Equipment Rs 158,882,421**

- Existence of assets and completeness of the figure could not properly ascertained because the Fixed Assets Register was incomplete, could not be reconciled with accounts and lack information for identification of assets.

- Fully depreciated assets still in use were not accounted in accordance with applicable accounting standards.

**Capital Grant Rs 21,201,000**

Accounting standards in respect of Capital Grants were not complied with.

The movements were accounted in the Statement of Changes in Equity and the account balance under item “Capital and Reserves” instead of setting up of the grant as deferred income or deduction of grant in arriving at the carrying amount of the asset.

**Opinion**

In my opinion, except for the effects on the financial statements of the matters referred to in the preceding paragraph, the financial statements give a true and fair view of the financial position of the Agricultural Marketing Board as of 31 December 2008, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

**Report on Other Legal and Regulatory Requirements**

*Statutory Bodies (Accounts and Audit) Act 1972.*

I have obtained all information and explanations I have required. In my opinion proper accounting records have been kept by the Agricultural Marketing Board as far as it appears from my examination of those records.

*Submission of Accounts.*

The financial statements for the year ended 31 December 2008 were submitted to the National Audit Office on 3 September 2009, that is five months after the statutory date limit of 31 March 2009.
In my opinion, except for the non-submission of the financial statements within the statutory date limit, the financial statements of the Agricultural Marketing Board as of 31 December 2008 comply with the Statutory Bodies (Accounts and Audit) Act 1972.

(Dr R. Jugurnath)
Director of Audit

National Audit Office
Level 14,
Air Mauritius Centre
PORT LOUIS

3 December 2009
FINANCIAL STATEMENTS
FOR YEAR ENDED
31 DECEMBER 2008

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CASH FLOW STATEMENT 4

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# AGRICULTURAL MARKETING BOARD

## BALANCE SHEET

**AS AT 31 DECEMBER 2008**

### ASSETS

<table>
<thead>
<tr>
<th>Notes</th>
<th>2008</th>
<th>2007</th>
<th>Restated</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
<td></td>
</tr>
<tr>
<td>Non-Current Assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>158,882,421</td>
<td>181,903,616</td>
<td></td>
</tr>
<tr>
<td>Intangible assets</td>
<td>501,371</td>
<td>958,343</td>
<td></td>
</tr>
<tr>
<td>Assets held for sale</td>
<td>1,840,000</td>
<td>1,840,000</td>
<td></td>
</tr>
<tr>
<td>Loans receivable</td>
<td>1,229,714</td>
<td>1,157,251</td>
<td></td>
</tr>
<tr>
<td></td>
<td>162,453,506</td>
<td>185,859,210</td>
<td></td>
</tr>
<tr>
<td>Current Assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inventories</td>
<td>56,671,965</td>
<td>64,989,729</td>
<td></td>
</tr>
<tr>
<td>Loans receivable</td>
<td>454,172</td>
<td>362,544</td>
<td></td>
</tr>
<tr>
<td>Investment</td>
<td>14,364,739</td>
<td>13,522,430</td>
<td></td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>31,021,049</td>
<td>12,678,376</td>
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<tr>
<td>Medical assistance fund</td>
<td>3,080,061</td>
<td>2,660,509</td>
<td></td>
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<tr>
<td>Cash and cash equivalents</td>
<td>960,255</td>
<td>274,981</td>
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<tr>
<td></td>
<td>106,552,241</td>
<td>94,488,569</td>
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<tr>
<td>TOTAL ASSETS</td>
<td>269,005,747</td>
<td>280,347,779</td>
<td></td>
</tr>
</tbody>
</table>

### EQUITY AND LIABILITIES

<table>
<thead>
<tr>
<th>Notes</th>
<th>2008</th>
<th>2007</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
<td></td>
</tr>
<tr>
<td>Capital and reserves</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital grants</td>
<td>21,201,000</td>
<td>25,042,000</td>
<td></td>
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<tr>
<td>Trading Equalisation Reserve</td>
<td>(17,642,861)</td>
<td>(109,847,709)</td>
<td></td>
</tr>
<tr>
<td>Medical Assistance Fund</td>
<td>3,080,061</td>
<td>2,660,509</td>
<td></td>
</tr>
<tr>
<td>Renovation reserve</td>
<td>84,362,383</td>
<td>98,111,315</td>
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</tr>
<tr>
<td>Revaluation reserve</td>
<td>3,502,820</td>
<td>3,502,820</td>
<td></td>
</tr>
<tr>
<td></td>
<td>94,503,403</td>
<td>19,468,935</td>
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</tr>
<tr>
<td>Non-Current Liabilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non current payables</td>
<td>8,185,240</td>
<td>5,625,075</td>
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<td>Retirement benefit obligations</td>
<td>42,064,883</td>
<td>40,758,594</td>
<td></td>
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<tr>
<td>Long-term borrowings</td>
<td>55,831,460</td>
<td>53,280,868</td>
<td></td>
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<tr>
<td></td>
<td>106,081,583</td>
<td>99,664,537</td>
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</tr>
<tr>
<td>Current Liabilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>48,800,308</td>
<td>50,895,925</td>
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<tr>
<td>Short term borrowings</td>
<td>2,064,289</td>
<td>1,914,254</td>
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<tr>
<td>Bank overdraft</td>
<td>17,556,164</td>
<td>108,404,128</td>
<td></td>
</tr>
<tr>
<td></td>
<td>68,420,761</td>
<td>161,214,307</td>
<td></td>
</tr>
<tr>
<td></td>
<td>269,005,747</td>
<td>280,347,779</td>
<td></td>
</tr>
</tbody>
</table>

Approved by

CHAIRPERSON

The notes on pages 7 to 28 form part of these financial statements.
### Income Statement

**For the Year Ended 31 December 2008**

<table>
<thead>
<tr>
<th>Notes</th>
<th>2008</th>
<th>2007 Restated</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
</tbody>
</table>

**Income**

- **Turnover (Appendix II)**
  - 2008: 538,277,835
  - Restated: 475,379,642

- **Cost of sales**
  - 2008: (357,438,421)
  - Restated: (451,785,475)

- **Expenditure**

  1. **Operating and administrative expenses** (Appendix I)
     - 2008: 92,906,343
     - Restated: 80,624,153

  2. **Donations**
     - 2008: 5,513,159
     - Restated: -

  3. **Depreciation and amortisation**
     - 2008: 27,649,933
     - Restated: 28,352,935

- **Surplus/(deficit) from operations**
  - 2008: 54,769,979
  - Restated: (85,382,921)

- **Other income**
  - 2008: 47,214,409
  - Restated: 34,684,202

- **Finance costs**
  - 2008: (7,078,913)
  - Restated: (11,236,942)

- **(Loss)/gain on exchange**
  - 2008: (2,700,627)
  - Restated: 2,095,089

- **Net surplus/(deficit) for the year**
  - 2008: 92,204,848
  - Restated: (59,840,572)

- **Fire outbreak Port Louis Market Fund reinstated**
  - 2008: -
  - Restated: 4,188,028

- **Total**
  - 2008: 92,204,848
  - Restated: (55,652,544)

The notes on pages 7 to 28 form part of these financial statements.
AGRICULTURAL MARKETING BOARD

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2008

<table>
<thead>
<tr>
<th></th>
<th>Capital grant</th>
<th>Medical Assistance Fund</th>
<th>Renovation Reserve</th>
<th>Trading Equalisation Reserve</th>
<th>Revaluation Reserve</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Balance as at 01 January 2007 as previously reported</td>
<td>28,883,000</td>
<td>2,212,161</td>
<td>111,860,248</td>
<td>(15,873,114)</td>
<td>-</td>
<td>127,082,295</td>
</tr>
<tr>
<td>IFRS Conversion adjustments</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Effect of IFRS adoption</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retirement benefit obligations</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restated balance as at 01 January 2007</td>
<td>28,883,000</td>
<td>2,212,161</td>
<td>111,860,248</td>
<td>(54,195,164)</td>
<td>-</td>
<td>88,760,245</td>
</tr>
<tr>
<td>Contribution for the year</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Credit to Income Statement</td>
<td>(3,841,000)</td>
<td>-</td>
<td>(13,748,933)</td>
<td></td>
<td>-</td>
<td>(17,589,933)</td>
</tr>
<tr>
<td>Deficit for the year ended 31 December 2007</td>
<td>-</td>
<td>-</td>
<td>(44,520,326)</td>
<td></td>
<td>-</td>
<td>(44,520,326)</td>
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<tr>
<td>Effect of IFRS adoption:</td>
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<td></td>
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<td></td>
</tr>
<tr>
<td>Retirement benefit obligations</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>Impairment</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Provision for sick leave</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revaluation reserve</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
<td>-</td>
<td>3,502,820</td>
</tr>
<tr>
<td>Depreciation</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
<td>(494,360)</td>
<td>(494,360)</td>
</tr>
<tr>
<td>Balance at 31 December 2007</td>
<td>25,042,000</td>
<td>2,660,509</td>
<td>98,111,315</td>
<td>(109,847,709)</td>
<td>3,502,820</td>
<td>19,468,935</td>
</tr>
<tr>
<td>Balance as at 01 January 2008 as previously reported</td>
<td>25,042,000</td>
<td>2,660,509</td>
<td>98,111,315</td>
<td>(60,393,440)</td>
<td>-</td>
<td>65,420,384</td>
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<tr>
<td>IFRS Conversion adjustments</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Effect of IFRS adoption</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retirement benefit obligations</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Impairment</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provision for sick leave</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revaluation reserve</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
<td>-</td>
<td>3,502,820</td>
</tr>
<tr>
<td>Depreciation</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
<td>(494,360)</td>
<td>(494,360)</td>
</tr>
<tr>
<td>Restated balance as at 01 January 2008</td>
<td>25,042,000</td>
<td>2,660,509</td>
<td>98,111,315</td>
<td>(109,847,709)</td>
<td>3,502,820</td>
<td>19,468,935</td>
</tr>
<tr>
<td>Contribution for the year</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Credit to Income Statement</td>
<td>(3,841,000)</td>
<td>-</td>
<td>(13,748,933)</td>
<td></td>
<td>-</td>
<td>(17,589,933)</td>
</tr>
<tr>
<td>Surplus for the year</td>
<td>-</td>
<td>-</td>
<td>92,204,848</td>
<td></td>
<td>-</td>
<td>92,204,848</td>
</tr>
<tr>
<td>Balance at 31 December 2008</td>
<td>21,201,000</td>
<td>3,080,062</td>
<td>84,362,382</td>
<td>(17,642,861)</td>
<td>3,502,820</td>
<td>94,503,403</td>
</tr>
</tbody>
</table>

The notes on pages 7 to 28 form part of these financial statements.
AGRICULTURAL MARKETING BOARD

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2008

<table>
<thead>
<tr>
<th>Notes</th>
<th>2008</th>
<th>2007</th>
<th>Restated</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash flow from operating activities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net surplus/(deficit) for the year</td>
<td>92,204,848</td>
<td>(55,652,544)</td>
<td></td>
</tr>
<tr>
<td>Adjustments for:-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>27,649,933</td>
<td>28,352,935</td>
<td></td>
</tr>
<tr>
<td>Retirement benefit obligations</td>
<td>1,306,289</td>
<td>2,436,544</td>
<td></td>
</tr>
<tr>
<td>Impairment of fixed assets</td>
<td>-</td>
<td>2,576,240</td>
<td></td>
</tr>
<tr>
<td>Provision for sick leave</td>
<td>2,560,165</td>
<td>5,625,075</td>
<td></td>
</tr>
<tr>
<td>Grant amortised</td>
<td>(3,841,000)</td>
<td>(3,841,000)</td>
<td></td>
</tr>
<tr>
<td>Renovation reserve amortised</td>
<td>(13,748,932)</td>
<td>(13,748,932)</td>
<td></td>
</tr>
<tr>
<td>Foreign exchange loss/ (gain )</td>
<td>2,700,627</td>
<td>2,095,089</td>
<td></td>
</tr>
<tr>
<td>Interest receivable</td>
<td>(1,102,122)</td>
<td>(848,785)</td>
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</tr>
<tr>
<td>Interest payable</td>
<td>7,078,913</td>
<td>11,236,941</td>
<td></td>
</tr>
<tr>
<td>Operating surplus/(deficit) before working capital changes</td>
<td>114,808,721</td>
<td>(25,958,615)</td>
<td></td>
</tr>
<tr>
<td>(Increase) in trade and other receivables</td>
<td>(18,342,673)</td>
<td>(641,291)</td>
<td></td>
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<tr>
<td>Decrease/ (increase) in inventories</td>
<td>8,317,764</td>
<td>(2,390,092)</td>
<td></td>
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<tr>
<td>(Increase)/ decrease in staff loans</td>
<td>(164,091)</td>
<td>395,888</td>
<td></td>
</tr>
<tr>
<td>Increase in trade and other payables</td>
<td>(3,507,717)</td>
<td>21,055,612</td>
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<tr>
<td>Cash generated from/ (absorbed into) operations</td>
<td>101,112,004</td>
<td>(7,538,498)</td>
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<tr>
<td>Interest paid</td>
<td>(5,874,198)</td>
<td>(10,484,750)</td>
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<tr>
<td>Net cash flows from operating activities</td>
<td>95,237,806</td>
<td>(18,023,248)</td>
<td></td>
</tr>
<tr>
<td>Cash flows from investing activities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acquisition of property, plant and equipment</td>
<td>(4,171,766)</td>
<td>(3,237,968)</td>
<td></td>
</tr>
<tr>
<td>Investment</td>
<td>-</td>
<td>(18,058)</td>
<td></td>
</tr>
<tr>
<td>Interest received</td>
<td>467,198</td>
<td>214,158</td>
<td></td>
</tr>
<tr>
<td>Net cash from/ (used in) investing activities</td>
<td>91,533,238</td>
<td>(21,065,116)</td>
<td></td>
</tr>
<tr>
<td>Cash flows from financing activities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Repayment of Government Loan</td>
<td>-</td>
<td>(1,963,332)</td>
<td></td>
</tr>
<tr>
<td>Net increase / (decrease) in cash and cash equivalents</td>
<td>91,533,238</td>
<td>(23,028,448)</td>
<td></td>
</tr>
<tr>
<td>Movements in cash and cash equivalents</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents at the beginning of the year</td>
<td>(108,129,147)</td>
<td>(85,100,699)</td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents at the close of the year</td>
<td>(16,595,909)</td>
<td>(108,129,147)</td>
<td></td>
</tr>
<tr>
<td>Net increase / (decrease) in cash and cash equivalents</td>
<td>91,533,238</td>
<td>(23,028,448)</td>
<td></td>
</tr>
</tbody>
</table>

The notes on pages 7 to 28 form part of these financial statements.
1. CORPORATE INFORMATION

The Agricultural Marketing Board (AMB) was established in 1963 under the Mauritius Agricultural Marketing Act 1963.

The Board is a parastatal body running under the aegis of the Ministry of Agro-Industry & Food Production and Security and deals in the purchases and sales, imports and exports, marketing and storage of controlled and other products.

The Board also rents storage space whenever available.

2. ADOPTION OF NEW AND REVISED STANDARDS

In the current year, the Board has adopted all of the new and revised Standards and Interpretations issued by the International Accounting Standards Board (the IASB) and the International Financial Reporting Interpretations Committee (the IFRIC) of the IASB that are relevant to its operations and effective for annual reporting periods beginning on 01 January 2007.

The adoption of these new and revised Standards and Interpretations has resulted in changes to the Board’s accounting policies in the following areas that have effected the amounts reported for the current and prior years:

- Financial Instruments
- Retirement benefit obligations
- Provision for sick leave

The impact of these changes is explained in detail at note 28 to the financial statements.

2a. ACCOUNTING POLICIES

The principal accounting policies adopted by the Board are as follows:

(a) Basis of preparation

The financial statements have been prepared in accordance with and comply with International Financial Reporting Standards ("IFRS"). The financial statements have been prepared under the historical cost convention as modified by the revaluation of available-for-sale financial assets.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Board’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note (v) below.
2a. ACCOUNTING POLICIES (cont’d)

(a) Basis of preparation (cont’d)

(i) Adoption of new and revised International Financial Reporting Standards:

In the current year, the Board has adopted all of the new and revised Standards and Interpretations issued by the International Accounting Standards Board (“IASB”) and the International Financial Reporting Interpretations Committee (“IFRIC”) of the IASB that are relevant to its operations and effective for accounting periods beginning on 1 January 2008. The adoption of these new and revised Standards and Interpretations has not resulted in changes to the Board’s accounting policies.

At the date of authorisation of these financial statements, the following Standards and Interpretations were in issue on annual periods beginning on or after the respective dates as indicated:

IAS 1  Presentation of Financial Statements - Comprehensive revision including requiring a statement of comprehensive income (effective 1 January 2009)
IAS 1  Presentation of Financial Statements - Amendments relating to disclosure of puttable instruments and obligations arising on liquidation (effective 1 January 2009)
IAS 1  Presentation of Financial Statements - Amendments resulting from May 2008 Annual Improvements to IFRSs (effective 1 January 2009)
IAS 1  Presentation of Financial Statements - Amendments resulting from April 2009 Annual Improvements to IFRSs (effective 1 January 2010)
IAS 7  Statement of cash flows - Amendments resulting from April 2009 Annual Improvements to IFRSs (effective 1 January 2010)
IAS 16  Property, Plant and Equipment - Amendments resulting from May 2008 Annual Improvements to IFRSs (effective 1 January 2009)
IAS 17  Leases - Amendments resulting from April 2009 Annual Improvements to IFRSs (effective 1 January 2010)
IAS 19  Employee Benefits - Amendments resulting from May 2008 Annual Improvements to IFRSs (effective 1 January 2009)
IAS 23  Borrowing costs – Comprehensive revision to prohibit immediate expensing (effective 1 January 2009)
IAS 23  Borrowing Costs - Amendments resulting from May 2008 Annual Improvements to IFRSs (effective 1 January 2009)
IAS 27  Consolidated and Separate Financial Statements - Consequential amendments arising from amendments to IFRS 3 (effective 1 July 2009)
IAS 27  Consolidated and Separate Financial Statements - Amendment relating to cost of an investment on first-time adoption (effective 1 January 2009)
IAS 27  Consolidated and Separate Financial Statements - Amendments resulting from May 2008 Annual Improvements to IFRS (effective 1 January 2009)
2a. **ACCOUNTING POLICIES (cont’d)**

(a) **Basis of preparation (cont’d)**

- **IAS 28** Investments in Associates - Consequential amendments arising from amendments to IFRS 3 (effective 1 July 2009)
- **IAS 28** Investments in Associates - Amendments resulting from May 2008 Annual Improvements to IFRSs (effective 1 January 2009)
- **IAS 29** Financial Reporting in Hyperinflationary Economies - Amendments resulting from May 2008 Annual Improvements to IFRSs (effective 1 January 2009)
- **IAS 31** Investments in Joint Ventures - Consequential amendments arising from amendments to IFRS 3 (effective 1 July 2009)
- **IAS 31** Interests in Joint Ventures - Amendments resulting from May 2008 Annual Improvements to IFRSs (effective 1 January 2009)
- **IAS 32** Financial Instruments: Presentation - Amendments relating to puttable instruments and obligations arising on liquidation (effective 1 January 2009)
- **IAS 36** Impairment of Assets - Amendments resulting from May 2008 Annual Improvements to IFRSs (effective 1 January 2009)
- **IAS 36** Impairment of Assets - Amendments resulting from April 2009 Annual Improvements to IFRSs (effective 1 January 2010)
- **IAS 38** Intangible Assets - Amendments resulting from May 2008 Annual Improvements to IFRS (effective 1 January 2009)
- **IAS 38** Intangible Assets - Amendments resulting from April 2009 Annual Improvements to IFRS (effective 1 January 2010)
- **IAS 39** Financial Instruments: Recognition and Measurement - Amendments resulting from May 2008 Annual Improvements to IFRS (effective 1 January 2009)
- **IAS 39** Financial Instruments: Recognition and Measurement - Amendments for eligible hedged items (effective 1 January 2009)
- **IAS 39** Financial Instruments: Recognition and Measurement - Amendments for embedded derivatives when reclassifying financial instruments (effective 1 January 2009)
- **IAS 40** Investment Property - Amendments resulting from May 2008 Annual Improvements to IFRSs (effective 1 January 2009)
- **IAS 41** Agriculture - Amendments resulting from May 2008 Annual Improvements to IFRSs (effective 1 January 2009)
- **IFRS 1** First-time Adoption of International Financial Reporting Standards - Amendment relating to cost of an investment on first-time adoption (effective 1 January 2009)
- **IFRS 2** Share-Based Payment - Amendment relating to vesting conditions and cancellations (effective 1 January 2009)
- **IFRS 2** Share-Based Payment - Amendment resulting from April 2009 Annual Improvements to IFRS (effective 1 January 2009)
- **IFRS 3** Business Combinations - Comprehensive revision on applying the acquisition method (effective 1 January 2009)
- **IFRS 5** Non-current Assets Held for Sale and Discontinued Operations - Amendments resulting from May 2008 Annual Improvements to IFRSs (effective 1 January 2009)
- **IFRS 5** Non-current Assets Held for Sale and Discontinued Operations - Amendments resulting from April 2009 Annual Improvements to IFRS (effective 1 January 2010)
2a. ACCOUNTING POLICIES (cont’d)

(a) Basis of preparation (cont’d)

IFRS 7  Financial Instruments - Disclosures - Amendments enhancing disclosures about fair value and liquidity risk (effective 1 January 2009)
IFRS 8  Operating segments (effective 1 January 2009)
IFRS 8  Operating segments - Amendments resulting from April 2009 Annual Improvements to IFRSs (effective 1 January 2010)
IFRIC 7  Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies
IFRIC 12  Service Concession Arrangements (effective 1 January 2008)
IFRIC 13  Customer Loyalty Programme (effective 1 January 2008)
IFRIC 14  IAS 19 - The limit on a Defined Benefit Asset, Minimum Funding Requirements and their interactions (effective 1 January 2008)
IFRIC 15  Agreements for the Construction of Real Estate (effective 1 January 2009)
IFRIC 16  Hedges of a Net Investment in a Foreign Operation (effective 1 October 2008)
IFRIC 17  Distribution of Non-cash Assets to Owners (effective 1 January 2009)
IFRIC 18  Transfer of Assets from customers (Transfers received on or after 1 July 2009)

The Board anticipates that the adoption of these Standards and Interpretations in future periods will have no material impact its financial statements.

(ii) Standards, amendments and interpretations effective in 2008

IFRS 7, ‘Financial instruments: Disclosures’, and the complementary amendment to IAS 1, ‘Presentation of financial statements - Capital disclosures’, introduces new disclosures relating to financial instruments and does not have any impact on the classification and valuation of the Board’s financial instruments, or the disclosures relating to taxation and trade and other payables.

(iii) Standards, amendments and interpretations effective in 2008 but not relevant

Certain new standards, amendments and interpretations to existing standards have been published that are mandatory for the Board’s accounting year beginning on or after 1 January 2008. The Board have assessed the relevance of these standards, interpretations and amendments with respect to the Board’s operations and concluded that they are not relevant to the Board.

(iv) Standards, amendments and interpretations that are not yet effective

Management have considered standards, interpretations and amendments to existing standards that have been published and that are mandatory for the Board’s accounting year beginning on or after 1 January 2009 or later periods but that the Board has not early adopted. They believe that these are not relevant to the Board’s operations.
2a. ACCOUNTING POLICIES (cont’d)

(a) Basis of preparation (cont’d)

(v) Critical accounting estimates and judgements

The Board makes estimates and judgements that affect the reported amounts of assets and liabilities within the next year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below:

Impairment

At each balance sheet date, the Board reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount

Where it is not possible to estimate the recoverable amount of an individual asset, the Board estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(b) Revenue recognition

Revenue is recognised to the extent that it is probable that economic benefits will flow to the organisation and the revenue can be reliably measured.

Revenue comprises mainly the sale of controlled products.

Revenue on rental is recognised on a monthly basis.

(c) Foreign currency translation

(i) Measurement and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates. The financial statements are presented in Mauritian Rupees which is the board’s measurement currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the measurement currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised in the income statement. Assets and liabilities denominated in foreign currency are translated in Mauritian rupees at the exchange rate ruling at the balance sheet date.
2a. ACCOUNTING POLICIES (cont’d)

(d) Comparative figures

Where necessary, comparative figures have been adjusted and restated to reflect the adoption of the International Financial Reporting Standards.

(e) Property, Plant and Equipment

Property, plant and equipment are initially stated at cost or valuation less accumulated depreciation and any accumulated impairment losses. Cost comprises of any costs directly attributable to bringing the asset to working condition for its intended use.

Depreciation is charged so as to write off the cost or valuation of assets, over their estimated lives, using the straight line method as follows :-

<table>
<thead>
<tr>
<th>Fixed assets</th>
<th>Expected useful life (Years)</th>
<th>Rates of depreciation per annum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building</td>
<td>50</td>
<td>2%</td>
</tr>
<tr>
<td>Plant and machinery</td>
<td>10</td>
<td>10%</td>
</tr>
<tr>
<td>Stores equipment and palletisation</td>
<td>8</td>
<td>12.5%</td>
</tr>
<tr>
<td>Motor vehicles</td>
<td>10</td>
<td>10%</td>
</tr>
<tr>
<td>Motor car</td>
<td>8</td>
<td>12.5%</td>
</tr>
<tr>
<td>Office equipment</td>
<td>8</td>
<td>12.5%</td>
</tr>
<tr>
<td>Fixtures and fittings</td>
<td>10</td>
<td>10%</td>
</tr>
<tr>
<td>Computer equipment</td>
<td>5</td>
<td>20%</td>
</tr>
<tr>
<td>Water proofing</td>
<td>10</td>
<td>10%</td>
</tr>
</tbody>
</table>

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

The gains or losses arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Income Statement.

(f) Provisions

Provisions are recognised when the Board has a present obligation as a result of a past events, and it is probable that the Board will be required to settle that obligation. Provisions are measured at the directors’ best estimate of the expenditure required to settle the obligation at the balance sheet date, and are discounted to present value where the effect is material.

(g) Grants

Grants received to finance capital expenditure is credited to the Grants Account in the balance sheet. The grants are credited in instalments to the Income Statement over the expected useful economic lives of the related assets on a basis consistent with its depreciation policy.
2a. ACCOUNTING POLICIES (cont’d)

(h) Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at fair value. For the purposes of the cash flow statements, cash and cash equivalents comprises cash in hand and bank balances, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(i) Retirement benefit costs

State plan

Contributions to the National Pension Scheme are charged to the Income Statement in the period in which they fall due.

Defined benefit pension plan

Contributions to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

For defined retirement benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses that exceed 10 per cent of the greater of the present value of the Board’s defined benefit obligation and the fair value of plan assets are amortised over the expected average remaining working lives of the participating employees. Past service cost is recognized immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligations recognized in the balance sheet represents the present value of the defined benefit obligations as adjusted for unrecognized actuarial gains and losses and unrecognized past service cost, and as reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to unrecognized actuarial losses and past service cost, plus the present value of available refunds and reductions in future contributions to the plan.

Employee leave entitlement

Employee entitlements to bank sick leave as defined in the PRB 2008 Report (the regulatory body for remuneration of AMB employees) are recognized as and when they accrue to employees. An accrual is made for the estimated liability for bank sick leave.

(j) Inventories

Inventories are stated at the lower of cost or net realisable value. Cost of products comprises the invoiced value from suppliers, freight, handling charges, transport and other direct charges. Cost of spare parts consist of invoice value only. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

(k) Related parties

Related parties are considered to be related if one party has ability to control the other party in making financial operating decisions.

All transactions undertaken with related parties are at commercial terms and conditions.
2a. ACCOUNTING POLICIES (cont'd)

(I) Financial instruments

Financial assets and liabilities are recognised in the Balance Sheet when the Board becomes a party to the contractual provision of the instrument. The Board’s accounting policies in respect of the main financial instruments are set out below:

(i) Fair values

The carrying amount of the financial assets and financial liabilities approximate their fair values due.

(ii) Trade and other receivables

Trade and other receivables are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

(iii) Trade and other payables

Trade and other payables are stated at their nominal value.

(m) Risk Management Policies

The Board adopts a conservative approach to Risk Management. A description of the significant risk factors are given below together with the relevant risk management policies:

- Credit risk

The Board’s activities expose it to financial credit risk. This is primarily attributable to its trade receivables. There is no significant concentrations of credit risk with exposure spread to a large number of customers. The Board has policies in place to ensure that credit risk is given to customers with an appropriate credit history.

- Operational risk management

Operational risk, which is inherent in all organisations activities, is the risk of financial loss and business instability arising from failures in internal controls, operational processes or the system that supports them. It is recognised that such risks can never be entirely eliminated and the costs of controls in minimising these risks may outweigh the potential benefits.

- Legal risk

Legal risk is the risk that the business activities of the board have unintended or unexpected legal consequences. It includes risks arising from:

(a) inadequate documentation, legal or regulatory incapacity, insufficient authority of a counterparty and uncertainty about the validity or enforceability of a contract in counterparty insolvency

(b) Actual or potential violations of law or regulation (including activities unauthorised for the Board and which may attract a civil or criminal fine or penalty)

(c) Failure to protect the Board’s property (including its interest in its premises)

(d) The possibility of civil claims (including acts or other events which may lead to litigation or other disputes)

The Board identifies and manages legal risk through effective use of its legal adviser.
2a. ACCOUNTING POLICIES (cont'd)

(n) Borrowings costs

Borrowings Costs are recognised as an expense on an accruals basis.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

The preparation of financial statements in accordance with IFRS requires management to exercise judgement in the process of applying the accounting policies. It also requires the use of accounting estimates and assumptions that may affect the reported amounts and disclosures in the financial statements. Judgements and estimates are continuously evaluated and are based on historical experience and other factors, including expectations and assumptions concerning future events that are believed to be reasonable under the circumstances. The actual results could, by definition therefore, often differ from the related accounting estimates.

Where applicable, the notes to the financial statements set out areas where management has applied a higher degree of judgement that have a significant effect on the amounts recognised in the financial statements, or estimations and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date include allowance for retirement benefit obligations.
## 4. PROPERTY, PLANT AND EQUIPMENT

### COST/ VALUATION

<table>
<thead>
<tr>
<th></th>
<th>Building</th>
<th>Plant and machinery</th>
<th>Stores equipment and palletisation</th>
<th>Motor vehicles</th>
<th>Motor car</th>
<th>Office equipment</th>
<th>Furniture and fittings</th>
<th>Computer equipment</th>
<th>Waterproofing</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>At 01 January 2008</td>
<td>103,867,542</td>
<td>187,805,131</td>
<td>43,357,935</td>
<td>7,857,357</td>
<td>2,007,602</td>
<td>3,624,912</td>
<td>960,247</td>
<td>5,525,869</td>
<td>2,777,970</td>
<td>357,784,565</td>
</tr>
<tr>
<td>IFRS Effect</td>
<td>(2,576,240)</td>
<td>(1,534,696)</td>
<td>(2,576,240)</td>
<td>(1,534,696)</td>
<td>(2,576,240)</td>
<td>(1,534,696)</td>
<td>(1,534,696)</td>
<td>(2,576,240)</td>
<td>(1,534,696)</td>
<td>(1,534,696)</td>
</tr>
<tr>
<td>At 01 January 2008 (Re-stated)</td>
<td>101,291,302</td>
<td>186,270,435</td>
<td>43,357,935</td>
<td>7,857,357</td>
<td>2,007,602</td>
<td>3,624,912</td>
<td>960,247</td>
<td>5,525,869</td>
<td>2,777,970</td>
<td>353,673,629</td>
</tr>
<tr>
<td>Additions</td>
<td>337,228</td>
<td></td>
<td>3,582,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 31 December 2008</td>
<td>101,628,530</td>
<td>186,270,435</td>
<td>46,939,935</td>
<td>7,857,357</td>
<td>2,007,602</td>
<td>3,727,110</td>
<td>1,016,962</td>
<td>5,619,494</td>
<td>2,777,970</td>
<td>357,845,395</td>
</tr>
</tbody>
</table>

### DEPRECIATION

<table>
<thead>
<tr>
<th></th>
<th>Building</th>
<th>Plant and machinery</th>
<th>Stores equipment and palletisation</th>
<th>Motor vehicles</th>
<th>Motor car</th>
<th>Office equipment</th>
<th>Furniture and fittings</th>
<th>Computer equipment</th>
<th>Waterproofing</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>At 01 January 2008 (Re-stated)</td>
<td>25,220,957</td>
<td>101,102,830</td>
<td>31,251,330</td>
<td>3,832,330</td>
<td>677,626</td>
<td>2,684,405</td>
<td>423,492</td>
<td>4,354,667</td>
<td>2,222,376</td>
<td>171,770,013</td>
</tr>
<tr>
<td>Charge for the year</td>
<td>2,048,889</td>
<td>19,334,786</td>
<td>3,631,700</td>
<td>760,736</td>
<td>250,950</td>
<td>211,683</td>
<td>101,696</td>
<td>574,724</td>
<td>277,797</td>
<td>27,192,961</td>
</tr>
<tr>
<td>At 31 December 2008</td>
<td>27,269,846</td>
<td>120,437,616</td>
<td>34,883,030</td>
<td>4,593,066</td>
<td>928,576</td>
<td>2,896,088</td>
<td>525,188</td>
<td>4,929,391</td>
<td>2,500,173</td>
<td>198,962,974</td>
</tr>
</tbody>
</table>

### NET BOOK VALUE

<table>
<thead>
<tr>
<th></th>
<th>Building</th>
<th>Plant and machinery</th>
<th>Stores equipment and palletisation</th>
<th>Motor vehicles</th>
<th>Motor car</th>
<th>Office equipment</th>
<th>Furniture and fittings</th>
<th>Computer equipment</th>
<th>Waterproofing</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>At 31 December 2008</td>
<td>74,358,684</td>
<td>65,832,819</td>
<td>12,056,905</td>
<td>3,264,291</td>
<td>1,079,026</td>
<td>831,022</td>
<td>491,774</td>
<td>690,103</td>
<td>277,797</td>
<td>158,882,421</td>
</tr>
<tr>
<td>At 31 December 2007</td>
<td>78,586,672</td>
<td>84,059,058</td>
<td>12,106,605</td>
<td>4,025,027</td>
<td>1,329,976</td>
<td>940,507</td>
<td>536,755</td>
<td>1,171,202</td>
<td>555,594</td>
<td>181,903,616</td>
</tr>
</tbody>
</table>

Note:
The Board is of the opinion that the net book value of the property, plant and equipment approximates its fair value.
5. INTANGIBLE ASSETS

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computer Software:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost</td>
<td>3,000,567</td>
<td>3,000,567</td>
</tr>
<tr>
<td>Balance at 01 January</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acquisitions</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Balance at 31 December</td>
<td>3,000,567</td>
<td>3,000,567</td>
</tr>
</tbody>
</table>

**Amortisation and impairment losses**

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 01 January</td>
<td>2,042,224</td>
<td>1,585,252</td>
</tr>
<tr>
<td>Charge for the year</td>
<td>456,972</td>
<td>456,972</td>
</tr>
<tr>
<td>Balance at 31 December</td>
<td>2,499,196</td>
<td>2,042,224</td>
</tr>
</tbody>
</table>

**Carrying amounts:**

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>At 31 December</td>
<td>501,371</td>
<td>958,343</td>
</tr>
</tbody>
</table>

6. ASSETS HELD FOR SALE

Part of the plant and machinery at the Clunry store is presented as assets held for sale following the commitment of the Board in the year 2007. Efforts to sell the conveyors have commenced, and sale is expected to take place by March 2009.

**Assets classified as held for sale**

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plant and machinery</td>
<td>1,840,000</td>
<td>1,840,000</td>
</tr>
</tbody>
</table>

7. LOANS RECEIVABLE

**Amount receivable within one year**

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>454,172</td>
<td>362,544</td>
</tr>
<tr>
<td></td>
<td>1,229,714</td>
<td>1,157,251</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,683,886</td>
<td>1,519,795</td>
</tr>
</tbody>
</table>

8. INVENTORIES

**Agricultural products**

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>48,158,881</td>
<td>56,423,876</td>
</tr>
<tr>
<td>Spare parts, stationary, plastic sheets and leno bags</td>
<td>8,513,084</td>
<td>8,565,853</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>56,671,965</td>
<td>64,989,729</td>
</tr>
</tbody>
</table>

Note: All stocks are at cost
All costs of inventories have been expensed during the year.

9. INVESTMENT

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 01 January</td>
<td>13,522,430</td>
<td>12,680,418</td>
</tr>
<tr>
<td>Interest received</td>
<td>842,309</td>
<td>842,012</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>14,364,739</td>
<td>13,522,430</td>
</tr>
</tbody>
</table>

This fund is in respect of a loan of Rs. 20,738,537 due to the Government of Mauritius which is repayable by way of a contribution of one percent thereof, together with interest accruing thereon, over forty years to a sinking fund kept by the Accountant General.

The balance in the sinking fund amounts to Rs 14,364,739 as at 31 December 2008.
10. TRADE AND OTHER RECEIVABLES

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade receivables</td>
<td>29,309,939</td>
<td>11,262,394</td>
</tr>
<tr>
<td>Prepayments</td>
<td>1,711,110</td>
<td>1,415,982</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>31,021,049</td>
<td>12,678,376</td>
</tr>
</tbody>
</table>

11. MEDICAL ASSISTANCE FUND

This fund is made up of contributions by the Board and its employees and of interest accruing on the Savings account. This Fund is comprised of the following:

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical assistance fixed deposit account</td>
<td>1,500,000</td>
<td>1,500,000</td>
</tr>
<tr>
<td>Medical assistance savings account</td>
<td>1,580,061</td>
<td>1,160,509</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3,080,061</td>
<td>2,660,509</td>
</tr>
</tbody>
</table>

12. CASH AND CASH EQUIVALENTS

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash in hand</td>
<td>960,255</td>
<td>274,981</td>
</tr>
<tr>
<td>Bank overdraft</td>
<td>(17,556,164)</td>
<td>(108,404,128)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>(16,595,909)</td>
<td>(108,129,147)</td>
</tr>
</tbody>
</table>

13. CAPITAL GRANTS

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening balance - 01 January</td>
<td>25,042,000</td>
<td>28,883,000</td>
</tr>
<tr>
<td>Transfer to Income Statement</td>
<td>(3,841,000)</td>
<td>(3,841,000)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>21,201,000</td>
<td>25,042,000</td>
</tr>
</tbody>
</table>

Capital grants, received by way of building, plant, machinery and equipment, are capitalised under fixed assets and the value of the equipment are treated as deferred revenue, a portion equivalent to the estimated annual use being released to the Income Statement every year.

14. TRADING EQUALISATION RESERVE

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance as at 01 January</td>
<td>(109,847,709)</td>
<td>(15,873,114)</td>
</tr>
<tr>
<td>Effect of IFRS adoption:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retirement benefit obligations</td>
<td>-</td>
<td>(40,758,594)</td>
</tr>
<tr>
<td>Impairment</td>
<td>-</td>
<td>(2,576,240)</td>
</tr>
<tr>
<td>Provision for sick leave</td>
<td>-</td>
<td>(5,625,075)</td>
</tr>
<tr>
<td>Depreciation</td>
<td>-</td>
<td>(494,360)</td>
</tr>
<tr>
<td><strong>Restated balance as at 01 January</strong></td>
<td>(109,847,709)</td>
<td>(65,327,383)</td>
</tr>
<tr>
<td>Retained profit/loss for the year</td>
<td>92,204,848</td>
<td>(48,708,354)</td>
</tr>
<tr>
<td>Fire outbreak Port Louis Market Fund reinstated</td>
<td>-</td>
<td>4,188,028</td>
</tr>
<tr>
<td><strong>Balance as at 31 December</strong></td>
<td>(17,642,861)</td>
<td>(109,847,709)</td>
</tr>
</tbody>
</table>
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

15. RENOVATION RESERVE

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance as at 01 January</td>
<td>98,111,315</td>
<td>111,860,248</td>
</tr>
<tr>
<td>Amortisation</td>
<td>(13,748,932)</td>
<td>(13,748,933)</td>
</tr>
<tr>
<td>Balance as at 31 December</td>
<td>84,362,383</td>
<td>98,111,315</td>
</tr>
</tbody>
</table>

A renovation reserve of Rs 166,855,975 was created in the year 2003 in the light of the renovation of the cold stores in Moka. A total amount of Rs 36,708,315 was incurred on building to be amortised over a period of 50 years. The balance of Rs 130,147,661 was spent on various items of plant and machinery, to be amortised over a period of 10 years.

16. REVALUATION RESERVE

Revaluation reserve

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3,502,820</td>
<td>3,502,820</td>
</tr>
</tbody>
</table>

The assets held by the Board at Cluny, Nouvelle France were revalued by the Government Valuation Office in July 2007. Assets with a net book value of Rs 10,221,000 were revalued at Rs 13,723,820.

17. NON CURRENT PAYABLES

Non current payables represents provision for sick leave.

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provision for sick leave</td>
<td>8,859,623</td>
<td>6,250,090</td>
</tr>
</tbody>
</table>

The provision for sick leave is payable as follows:

Current liabilities
Payable within one year

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>674,383</td>
<td>625,015</td>
</tr>
</tbody>
</table>

Non-current liabilities
Payable after one year

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>8,185,240</td>
<td>5,625,075</td>
</tr>
<tr>
<td></td>
<td>8,859,623</td>
<td>6,250,090</td>
</tr>
</tbody>
</table>

18. RETIREMENT BENEFIT OBLIGATIONS

The Board operates a defined benefit scheme for qualifying employees which is managed by SICOM Ltd. Under the scheme, the employees are entitled to retirement benefits at 66.6 per cent of their final salary on attainment of retirement age. The schemes are funded schemes.

The most recent actuarial valuations of the plan assets and the present value of the defined benefit obligation were carried out at 31 December 2008 by SICOM Ltd. The present value of the defined benefit obligation, the related current service costs and past service costs were measured using the projected unit credit method.
18. RETIREMENT BENEFIT OBLIGATIONS (Continued)

<table>
<thead>
<tr>
<th>Amounts recognised in balance sheet at the end of the year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Present value of funded obligation</td>
</tr>
<tr>
<td>Fair value of plan assets</td>
</tr>
<tr>
<td>Unrecognised actuarial gain / (loss)</td>
</tr>
<tr>
<td>Unrecognised transitional amount</td>
</tr>
<tr>
<td>Liability recognised in balance sheet at end of year</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>124,130,916</td>
<td>109,183,023</td>
</tr>
<tr>
<td>(64,075,372)</td>
<td>(68,424,429)</td>
</tr>
<tr>
<td>60,055,544</td>
<td>40,758,594</td>
</tr>
<tr>
<td>(17,990,661)</td>
<td>-</td>
</tr>
<tr>
<td>42,064,883</td>
<td>40,758,594</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Amounts recognised in income statement:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current service cost</td>
</tr>
<tr>
<td>Fund expenses</td>
</tr>
<tr>
<td>Interest cost</td>
</tr>
<tr>
<td>Expected return on plan assets</td>
</tr>
<tr>
<td>Actuarial (gain) / loss recognised</td>
</tr>
<tr>
<td>Past service cost recognised</td>
</tr>
<tr>
<td>Transition effect of adopting IAS 19</td>
</tr>
<tr>
<td>Total included in staff costs</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>3,368,532</td>
<td>3,259,037</td>
</tr>
<tr>
<td>121,513</td>
<td>92,459</td>
</tr>
<tr>
<td>11,464,217</td>
<td>10,177,445</td>
</tr>
<tr>
<td>(7,572,318)</td>
<td>(6,469,435)</td>
</tr>
<tr>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>7,381,944</td>
<td>7,059,506</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Movement in liability recognised in balance sheet:</th>
</tr>
</thead>
<tbody>
<tr>
<td>At start of year</td>
</tr>
<tr>
<td>Total staff cost as above</td>
</tr>
<tr>
<td>Contributions paid</td>
</tr>
<tr>
<td>At end of year</td>
</tr>
<tr>
<td>Actual return on plan assets:</td>
</tr>
<tr>
<td>Main actuarial assumptions at end of year:</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>40,758,594</td>
<td>38,322,050</td>
</tr>
<tr>
<td>7,381,944</td>
<td>7,059,506</td>
</tr>
<tr>
<td>(6,075,653)</td>
<td>(4,622,962)</td>
</tr>
<tr>
<td>42,064,883</td>
<td>40,758,594</td>
</tr>
<tr>
<td>36,503,193</td>
<td>28,009,162</td>
</tr>
<tr>
<td>Discount rate</td>
<td></td>
</tr>
<tr>
<td>Expected rate of return on plan assets</td>
<td></td>
</tr>
<tr>
<td>Future salary increases</td>
<td></td>
</tr>
<tr>
<td>Future pension increases</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>10.50%</td>
<td>10.50%</td>
</tr>
<tr>
<td>11.00%</td>
<td>11.00%</td>
</tr>
<tr>
<td>7.50%</td>
<td>7.50%</td>
</tr>
<tr>
<td>5.50%</td>
<td>5.50%</td>
</tr>
</tbody>
</table>
18. RETIREMENT BENEFIT OBLIGATIONS (Continued)

Reconciliation of the present value of defined benefit obligation

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Present value of obligation at start of period</td>
<td>109,183,023</td>
<td>96,928,044</td>
</tr>
<tr>
<td>Current service costs</td>
<td>3,368,532</td>
<td>3,259,037</td>
</tr>
<tr>
<td>Employee contributions</td>
<td>15,418</td>
<td>8,453</td>
</tr>
<tr>
<td>Interest costs</td>
<td>11,464,217</td>
<td>10,177,445</td>
</tr>
<tr>
<td>Benefits paid</td>
<td>(5,139,912)</td>
<td>(4,124,851)</td>
</tr>
<tr>
<td>Liability (gain) / loss</td>
<td>5,239,638</td>
<td>2,934,895</td>
</tr>
<tr>
<td>Present value of obligations at end of period</td>
<td>124,130,916</td>
<td>109,183,023</td>
</tr>
</tbody>
</table>

Reconciliation of fair value of plan assets

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fair value of plan assets at start of period</td>
<td>68,424,429</td>
<td>58,605,994</td>
</tr>
<tr>
<td>Expected return on plan assets</td>
<td>7,572,318</td>
<td>6,469,435</td>
</tr>
<tr>
<td>Employer contributions</td>
<td>6,075,655</td>
<td>4,622,962</td>
</tr>
<tr>
<td>Employee contributions</td>
<td>15,418</td>
<td>8,453</td>
</tr>
<tr>
<td>Benefits paid and other outgo</td>
<td>(5,261,425)</td>
<td>(4,217,310)</td>
</tr>
<tr>
<td>Asset gain / (loss)</td>
<td>(12,751,023)</td>
<td>2,934,895</td>
</tr>
<tr>
<td>Fair value of plan assets at end of period</td>
<td>64,075,372</td>
<td>68,424,429</td>
</tr>
</tbody>
</table>

Distribution of plan assets at end of period

<table>
<thead>
<tr>
<th>Percentage of assets at end of year</th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government securities and cash</td>
<td>57.40%</td>
<td>46.20%</td>
</tr>
<tr>
<td>Loans</td>
<td>8.70%</td>
<td>9.10%</td>
</tr>
<tr>
<td>Local equities</td>
<td>19.20%</td>
<td>26.70%</td>
</tr>
<tr>
<td>Overseas bonds and equities</td>
<td>13.60%</td>
<td>17.00%</td>
</tr>
<tr>
<td>Property</td>
<td>1.10%</td>
<td>1.00%</td>
</tr>
<tr>
<td>Debenture stocks</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Additional disclosure on assets issued or used by the reporting entity

<table>
<thead>
<tr>
<th>Percentage of assets at end of year</th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets held in the entity’s own financial instruments</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Property occupied by the entity</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Other assets used by the entity</td>
<td>0%</td>
<td>0%</td>
</tr>
</tbody>
</table>
### 18. RETIREMENT BENEFIT OBLIGATIONS (Continued)

**History of obligations, assets and experience adjustments**

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fair value of plan assets</td>
<td>64,075,372</td>
<td>68,424,429</td>
</tr>
<tr>
<td>Present value of defined benefit obligations</td>
<td>(124,130,916)</td>
<td>(109,183,023)</td>
</tr>
<tr>
<td>Deficit</td>
<td>(60,055,544)</td>
<td>(40,758,594)</td>
</tr>
<tr>
<td>Asset experience (loss)/ gain during the period</td>
<td>(12,751,023)</td>
<td>2,934,895</td>
</tr>
<tr>
<td>Liability experience (loss) during the period</td>
<td>(5,239,638)</td>
<td>(2,934,895)</td>
</tr>
<tr>
<td><strong>Year</strong></td>
<td></td>
<td>2009</td>
</tr>
<tr>
<td><strong>Expected employer contributions</strong></td>
<td>Rs.</td>
<td>6,829,373</td>
</tr>
</tbody>
</table>
19. LONG TERM BORROWINGS

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>€</td>
<td>Rs</td>
</tr>
<tr>
<td>Buildings - Note (a)</td>
<td>20,738,538</td>
<td>20,738,538</td>
</tr>
<tr>
<td>Onion &amp; seed Stores - Note (b)</td>
<td>806,398</td>
<td>37,157,211</td>
</tr>
<tr>
<td></td>
<td>806,398</td>
<td>57,895,749</td>
</tr>
<tr>
<td>Loan payable within 1 year</td>
<td>44,800</td>
<td>2,064,289</td>
</tr>
<tr>
<td>Loan payable within 2-5 years</td>
<td>179,200</td>
<td>8,257,155</td>
</tr>
<tr>
<td>Loan payable within 6-10 years</td>
<td>223,999</td>
<td>10,321,444</td>
</tr>
<tr>
<td>Loan payable more than 10 years</td>
<td>358,399</td>
<td>37,252,860</td>
</tr>
<tr>
<td>Long Terms Loans</td>
<td>761,598</td>
<td>55,831,460</td>
</tr>
<tr>
<td>Rate EURO/Rs.</td>
<td>46.078</td>
<td>42.729</td>
</tr>
</tbody>
</table>

Note (a): 4% Building Loans repayable by way of 1% annual contribution over 40 years to a sinking fund payable on 31 December each year.

Note (b): 1% Onion and Seed Stores Loans repayable by 60 half yearly instalments as from 15 May 1996.

20. TRADE AND OTHER PAYABLES

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs.</td>
<td>Rs.</td>
</tr>
<tr>
<td>Trade payables</td>
<td>29,459,706</td>
<td>29,790,021</td>
</tr>
<tr>
<td>Other payables</td>
<td>74,641</td>
<td>58,370</td>
</tr>
<tr>
<td>Accruals</td>
<td>10,478,945</td>
<td>7,792,543</td>
</tr>
<tr>
<td>Provision for sick leave</td>
<td>674,383</td>
<td>625,015</td>
</tr>
<tr>
<td>Provision for passage benefits</td>
<td>2,247,392</td>
<td>2,057,316</td>
</tr>
<tr>
<td>Deposits on seeds and others</td>
<td>5,865,241</td>
<td>10,572,660</td>
</tr>
<tr>
<td></td>
<td>48,800,308</td>
<td>50,895,925</td>
</tr>
</tbody>
</table>
21. SHORT TERM BORROWINGS

Proportion of long term borrowings repayable within one year

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2,064,289</td>
<td>1,914,254</td>
</tr>
</tbody>
</table>

22. COST OF SALES

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening stock</td>
<td>56,423,876</td>
<td>54,046,712</td>
</tr>
<tr>
<td>Purchases</td>
<td>349,173,426</td>
<td>454,162,639</td>
</tr>
<tr>
<td>Closing stocks</td>
<td>(48,158,881)</td>
<td>(56,423,876)</td>
</tr>
<tr>
<td></td>
<td>357,438,421</td>
<td>451,785,475</td>
</tr>
</tbody>
</table>

23. DONATIONS

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donations</td>
<td>5,513,159</td>
<td>-</td>
</tr>
</tbody>
</table>

The AMB’s dairy unit was closed at the end of May 2008 as the unit was making losses over recent years. Donations to the tune of Rs 5m were made to four cooperative societies involved in milk production for the setting up of their own pasteurisation unit. They received Rs 1.25m each. An amount of Rs 513,159 was donated as a relief to some 16 planters affected by erratic germination in the region of Cote D’or, Alma, Gentilly and L’Assurance.

24. OTHER INCOME

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrative fee received</td>
<td>861,607</td>
<td>967,376</td>
</tr>
<tr>
<td>Storage rent receivable</td>
<td>25,684,627</td>
<td>13,593,492</td>
</tr>
<tr>
<td>Sundry income</td>
<td>1,976,121</td>
<td>1,684,617</td>
</tr>
<tr>
<td>Amortisation of renovation reserve</td>
<td>13,748,932</td>
<td>13,748,932</td>
</tr>
<tr>
<td>Amortisation of grant</td>
<td>3,841,000</td>
<td>3,841,000</td>
</tr>
<tr>
<td>Interest</td>
<td>1,102,122</td>
<td>848,785</td>
</tr>
<tr>
<td></td>
<td>47,214,409</td>
<td>34,684,202</td>
</tr>
</tbody>
</table>

25. FINANCE COSTS

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest on long term loans from Government of Mauritius and EDF</td>
<td>1,204,715</td>
<td>1,192,472</td>
</tr>
<tr>
<td>Interest on bank overdraft and import loans</td>
<td>5,874,198</td>
<td>10,044,470</td>
</tr>
<tr>
<td></td>
<td>7,078,913</td>
<td>11,236,942</td>
</tr>
</tbody>
</table>

26. (LOSS)/ GAIN ON EXCHANGE

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Loss) / Gain on exchange</td>
<td>(2,700,627)</td>
<td>2,095,089</td>
</tr>
</tbody>
</table>

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities are translated using the rate of exchange ruling at the balance sheet date and gains or losses on translation are transferred to the Income Statement.

27. RELATED PARTY TRANSACTIONS

Key management personnel

Key management personnel are persons having authority and responsibility for planning, directing and controlling the activities of the Board.

<table>
<thead>
<tr>
<th>Total emoluments and benefits</th>
<th>2008</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,295,434</td>
<td>1,069,674</td>
</tr>
</tbody>
</table>
28. EXPLANATION OF TRANSITION TO IFRSs

This is the first year that the AMB has presented its financial statements in accordance with IFRS (International Financial Reporting Standards). The following disclosures are required in the year of transition. The last financial statements under previous GAAP were for the financial year ended 31 December 2007 and the date of transition to IFRSs was therefore 1 January 2007.

The Accounting policies were changed on 01 January 2008 to comply with IFRS. The transition to IFRS is accounted for in accordance with IFRS First-time Adoption of International Financial Reporting Standards, with 01 January 2007 as date of transition.

The changes in accounting policies as a consequence of the transition to IFRS are described below, and the reconciliations of the effects of the transition to IFRS are presented in the notes to the first IFRS financial statements.

The transition to IFRS resulted in the following changes in accounting policies:

Sick leave

Employees entitlement to refund for unutilised sick leave and accumulated passage benefits defined in the PRB 2008 Report (The Regulatory Body for determination of remuneration for public sector, including the AMB) not recognised as a liability under previous GAAP is now recognised under IAS.

Retirement benefit obligations

The AMB operates a defined benefit scheme for qualifying employees which is managed by the SICOM Ltd, as detailed out in note 18 to the Financial Statements. Plan assets or liabilities not previously recognised are being recognised under IAS 19.
### 28. EXPLANATION OF TRANSITION TO IFRSs (Cont’d)

**Reconciliation of Profit for the year ended 31 December 2007 under previous GAAP to IFRS**

<table>
<thead>
<tr>
<th></th>
<th>Under Previous GAAP</th>
<th>Effect of Transition</th>
<th>Under IFRS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Turnover</td>
<td>475,379,642</td>
<td>-</td>
<td>475,379,642</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>(451,785,475)</td>
<td>-</td>
<td>(451,785,475)</td>
</tr>
<tr>
<td></td>
<td>23,594,167</td>
<td>-</td>
<td>23,594,167</td>
</tr>
<tr>
<td><strong>Expenditure</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>54,481,357</td>
<td>-</td>
<td>54,481,357</td>
</tr>
<tr>
<td>Administrative Expenses</td>
<td>14,698,289</td>
<td>-</td>
<td>14,698,289</td>
</tr>
<tr>
<td>Retirement benefit obligations</td>
<td>-</td>
<td>2,436,544</td>
<td>2,436,544</td>
</tr>
<tr>
<td>Provision for leave passages</td>
<td>806,649</td>
<td>-</td>
<td>806,649</td>
</tr>
<tr>
<td>Provision for sick leave</td>
<td>-</td>
<td>5,625,075</td>
<td>5,625,075</td>
</tr>
<tr>
<td>Impairment of asset</td>
<td>-</td>
<td>2,576,240</td>
<td>2,576,240</td>
</tr>
<tr>
<td>Depreciation charges</td>
<td>27,858,575</td>
<td>494,360</td>
<td>28,352,935</td>
</tr>
<tr>
<td></td>
<td>97,844,870</td>
<td>11,132,219</td>
<td>108,977,089</td>
</tr>
<tr>
<td><strong>Deficit from operations</strong></td>
<td>(74,250,703)</td>
<td>(11,132,219)</td>
<td>(85,382,922)</td>
</tr>
<tr>
<td><strong>Other income</strong></td>
<td>34,684,202</td>
<td>-</td>
<td>34,684,202</td>
</tr>
<tr>
<td><strong>Finance costs</strong></td>
<td>(11,236,941)</td>
<td>-</td>
<td>(11,236,941)</td>
</tr>
<tr>
<td><strong>Gain on exchange</strong></td>
<td>2,095,089</td>
<td>-</td>
<td>2,095,089</td>
</tr>
<tr>
<td><strong>Net deficit for the year</strong></td>
<td>(48,708,353)</td>
<td>(11,132,219)</td>
<td>(59,840,572)</td>
</tr>
</tbody>
</table>
### Effects of adopting IFRS on Balance Sheet at 31 December 2007 and at 01 January 2007 (Date of transition) respectively

<table>
<thead>
<tr>
<th></th>
<th>Under Previous GAAP</th>
<th>Effect of Transition</th>
<th>Under IFRS</th>
<th>As at 01 January 2007 (date of transition to IFRS)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-Current Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>184,269,740</td>
<td>(2,366,123)</td>
<td>181,903,617</td>
<td>208,890,349</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>-</td>
<td>958,343</td>
<td>958,343</td>
<td></td>
</tr>
<tr>
<td>Assets held for sale</td>
<td>-</td>
<td>1,840,000</td>
<td>1,840,000</td>
<td></td>
</tr>
<tr>
<td>Loans receivable</td>
<td>-</td>
<td>1,157,251</td>
<td>1,157,251</td>
<td></td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>184,269,740</td>
<td>1,589,471</td>
<td>185,859,211</td>
<td>208,890,349</td>
</tr>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inventories</td>
<td>64,989,729</td>
<td>-</td>
<td>64,989,729</td>
<td>62,599,637</td>
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<tr>
<td>Investment</td>
<td>13,522,430</td>
<td>-</td>
<td>13,522,430</td>
<td>12,680,418</td>
</tr>
<tr>
<td>Loan receivables</td>
<td>1,519,794</td>
<td>-</td>
<td>1,519,794</td>
<td>16,164,928</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>12,258,824</td>
<td>-</td>
<td>12,258,824</td>
<td>16,164,928</td>
</tr>
<tr>
<td>Medical Assistance</td>
<td>3,080,061</td>
<td>-</td>
<td>3,080,061</td>
<td>3,080,061</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>274,981</td>
<td>-</td>
<td>274,981</td>
<td>74,933</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td>95,645,819</td>
<td>(1,157,251)</td>
<td>94,488,568</td>
<td>91,519,916</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>279,915,559</td>
<td>432,220</td>
<td>280,347,779</td>
<td>300,410,265</td>
</tr>
</tbody>
</table>

### EQUITY AND LIABILITIES

<table>
<thead>
<tr>
<th></th>
<th>Under Previous GAAP</th>
<th>Effect of Transition</th>
<th>Under IFRS</th>
<th>As at 01 January 2007 (date of transition to IFRS)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Capital and Reserves</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital grants</td>
<td>25,042,000</td>
<td>-</td>
<td>25,042,000</td>
<td>28,883,000</td>
</tr>
<tr>
<td>Trading Equalisation reserve</td>
<td>(60,393,440)</td>
<td>(49,454,269)</td>
<td>(109,847,709)</td>
<td>(15,873,114)</td>
</tr>
<tr>
<td>Medical Assistance Fund</td>
<td>2,660,509</td>
<td>-</td>
<td>2,660,509</td>
<td>2,212,161</td>
</tr>
<tr>
<td>Revaluation reserve</td>
<td>-</td>
<td>3,502,820</td>
<td>3,502,820</td>
<td></td>
</tr>
<tr>
<td>Renovation reserve</td>
<td>98,111,315</td>
<td>-</td>
<td>98,111,315</td>
<td>111,860,248</td>
</tr>
<tr>
<td><strong>Total Capital and Reserves</strong></td>
<td>65,420,384</td>
<td>(45,951,449)</td>
<td>19,468,935</td>
<td>327,082,295</td>
</tr>
<tr>
<td><strong>Non-Current Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non current payables</td>
<td>-</td>
<td>5,625,075</td>
<td>5,625,075</td>
<td>38,322,050</td>
</tr>
<tr>
<td>Retirement benefit obligations</td>
<td>40,758,594</td>
<td>40,758,594</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>Total Non-Current Liabilities</strong></td>
<td>53,280,868</td>
<td>46,383,669</td>
<td>99,664,537</td>
<td>(38,322,050)</td>
</tr>
<tr>
<td><strong>Current Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>50,745,890</td>
<td>-</td>
<td>50,745,890</td>
<td>30,925,899</td>
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<tr>
<td>Short term borrowings</td>
<td>2,064,289</td>
<td>-</td>
<td>2,064,289</td>
<td>85,175,632</td>
</tr>
<tr>
<td>Bank overdraft</td>
<td>108,404,128</td>
<td>-</td>
<td>108,404,128</td>
<td>85,175,632</td>
</tr>
<tr>
<td><strong>Total Equity and Liabilities</strong></td>
<td>279,915,559</td>
<td>432,220</td>
<td>280,347,779</td>
<td>300,410,265</td>
</tr>
</tbody>
</table>
28. EXPLANATION OF TRANSITION TO IFRSs (Cont’d)

Notes to the reconciliation of equity at 01 January 2008

<table>
<thead>
<tr>
<th>Amount</th>
<th>Rs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity as at 31 December 2006 under previous GAAP</td>
<td>127,082,295</td>
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<tr>
<td>Effect of transition to IFRS</td>
<td></td>
</tr>
<tr>
<td>Retirement benefit obligations</td>
<td>(38,322,050)</td>
</tr>
<tr>
<td>Equity as at 01 January 2007 under IFRS</td>
<td>88,760,245</td>
</tr>
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<td>Equity as at 31 December 2007 under previous GAAP</td>
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</tr>
<tr>
<td>Effect of transition to IFRS</td>
<td></td>
</tr>
<tr>
<td>Retirement benefit obligations</td>
<td>(40,758,594)</td>
</tr>
<tr>
<td>Impairment</td>
<td>(2,576,240)</td>
</tr>
<tr>
<td>Provision for sick leave</td>
<td>(5,625,075)</td>
</tr>
<tr>
<td>Revaluation reserve</td>
<td>3,502,820</td>
</tr>
<tr>
<td>Depreciation</td>
<td>(494,360)</td>
</tr>
<tr>
<td>Equity as at 01 January 2008 under IFRS</td>
<td>19,468,935</td>
</tr>
<tr>
<td></td>
<td>2008</td>
</tr>
<tr>
<td>--------------------------</td>
<td>---------------</td>
</tr>
<tr>
<td></td>
<td>Rs.</td>
</tr>
<tr>
<td>I. OPERATING AND</td>
<td></td>
</tr>
<tr>
<td>ADMINISTRATIVE EXPENSES</td>
<td></td>
</tr>
<tr>
<td>Operating expenses</td>
<td></td>
</tr>
<tr>
<td>(storage cost)</td>
<td></td>
</tr>
<tr>
<td>Salaries</td>
<td>30,908,870</td>
</tr>
<tr>
<td>Electricity and water</td>
<td>31,886,313</td>
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<tr>
<td>Insurance</td>
<td>844,634</td>
</tr>
<tr>
<td>Repairs and maintenance</td>
<td>4,353,341</td>
</tr>
<tr>
<td>Security services</td>
<td>2,431,342</td>
</tr>
<tr>
<td>General expenses - store</td>
<td>201,571</td>
</tr>
<tr>
<td>Impairment of fixed asset</td>
<td>-</td>
</tr>
<tr>
<td>Retirement benefit</td>
<td>929,043</td>
</tr>
<tr>
<td>obligations</td>
<td>1,972,407</td>
</tr>
<tr>
<td>Provision for sick leave</td>
<td>613,528</td>
</tr>
<tr>
<td>Provision for leave</td>
<td></td>
</tr>
<tr>
<td>passes</td>
<td></td>
</tr>
<tr>
<td></td>
<td>74,141,049</td>
</tr>
<tr>
<td>Administrative expenses</td>
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</tr>
<tr>
<td>Salaries</td>
<td>12,550,820</td>
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<tr>
<td>Overseas travelling</td>
<td>106,187</td>
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<tr>
<td>Motor vehicle running</td>
<td>1,675,684</td>
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<td>expenses</td>
<td>378,085</td>
</tr>
<tr>
<td>Postage, printing and</td>
<td>236,160</td>
</tr>
<tr>
<td>stationery</td>
<td>484,731</td>
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<tr>
<td>Advertising</td>
<td>546,054</td>
</tr>
<tr>
<td>Telephone</td>
<td>-</td>
</tr>
<tr>
<td>Legal and professional</td>
<td>175,000</td>
</tr>
<tr>
<td>fees</td>
<td></td>
</tr>
<tr>
<td>Consultancy fees</td>
<td>982,814</td>
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<tr>
<td>Audit fees</td>
<td>339,175</td>
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<tr>
<td>General expenses</td>
<td>16,620</td>
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<tr>
<td>Board members fees</td>
<td>377,246</td>
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<tr>
<td>Rent of leasehold land</td>
<td>587,758</td>
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<tr>
<td>Retirement benefit</td>
<td>308,960</td>
</tr>
<tr>
<td>obligations</td>
<td></td>
</tr>
<tr>
<td>Provision for sick leave</td>
<td></td>
</tr>
<tr>
<td>Provision for leave</td>
<td></td>
</tr>
<tr>
<td>passes</td>
<td></td>
</tr>
<tr>
<td></td>
<td>18,765,294</td>
</tr>
<tr>
<td>Total</td>
<td>92,906,343</td>
</tr>
<tr>
<td>Average number of</td>
<td>185</td>
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<tr>
<td>employees for the year</td>
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</table>
### TRADING ACCOUNTS FOR THE YEAR 2008

<table>
<thead>
<tr>
<th>PRODUCE</th>
<th>SALES</th>
<th>OPENING</th>
<th>ADDED PURCHASES</th>
<th>COST OF SALES</th>
<th>LESS CLOSING STOCK</th>
<th>NET COST OF SALES</th>
<th>GROSS PROFIT / LOSS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Imported Ware Potatoes</td>
<td>44,583,432</td>
<td>-</td>
<td>54,644,957</td>
<td>54,644,957</td>
<td>(247,312)</td>
<td>54,397,645</td>
<td>(9,814,213)</td>
</tr>
<tr>
<td>Imported Seed Potatoes</td>
<td>61,308,414</td>
<td>-</td>
<td>52,223,929.92</td>
<td>52,223,930</td>
<td></td>
<td>-</td>
<td>9,084,484</td>
</tr>
<tr>
<td>Local Ware Potatoes</td>
<td>42,947,390</td>
<td>30,478,334</td>
<td>32,524,528</td>
<td>63,002,862</td>
<td>(28,763,097)</td>
<td>34,239,765</td>
<td>8,707,625</td>
</tr>
<tr>
<td>Local Seed Potatoes</td>
<td>21,684,570</td>
<td>12,960,548</td>
<td>11,474,860</td>
<td>24,435,408</td>
<td>(11,357,188)</td>
<td>13,078,220</td>
<td>8,606,350</td>
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<tr>
<td>Imported Onions</td>
<td>231,816,442</td>
<td>5,141,045</td>
<td>135,333,268</td>
<td>140,474,313</td>
<td>(471,230)</td>
<td>140,003,083</td>
<td>91,813,359</td>
</tr>
<tr>
<td>Local Onions</td>
<td>6,209,691</td>
<td>1,729,641</td>
<td>3,326,895</td>
<td>5,056,536</td>
<td></td>
<td>5,056,536</td>
<td>1,153,155</td>
</tr>
<tr>
<td>Rodrigues Onions</td>
<td>1,262,785</td>
<td>30,411</td>
<td>982,626</td>
<td>1,013,037</td>
<td></td>
<td>1,013,037</td>
<td>249,748</td>
</tr>
<tr>
<td>Imported Onion Seeds</td>
<td>6,015,020</td>
<td>1,650</td>
<td>6,864,515</td>
<td>6,866,165</td>
<td>(2,392,017)</td>
<td>4,474,148</td>
<td>1,540,872</td>
</tr>
<tr>
<td>Imported Garlic</td>
<td>92,765,327</td>
<td>336,617</td>
<td>25,389,378</td>
<td>28,725,495</td>
<td>(1,864,560)</td>
<td>26,860,935</td>
<td>65,904,392</td>
</tr>
<tr>
<td>Local Onions Seeds</td>
<td>282,140</td>
<td>54,750</td>
<td>200,000.00</td>
<td>254,750</td>
<td></td>
<td>254,750</td>
<td>27,390</td>
</tr>
<tr>
<td>Imported Turmeric</td>
<td>976,693.4</td>
<td>1,016,910</td>
<td>7,501,694.59</td>
<td>8,018,605</td>
<td>(1,856,622)</td>
<td>6,661,983</td>
<td>3,100,711</td>
</tr>
<tr>
<td>Imported Cardamons</td>
<td>7,797,703</td>
<td>422,344</td>
<td>4,963,231.85</td>
<td>5,385,576</td>
<td>(454,447)</td>
<td>4,931,129</td>
<td>2,866,574</td>
</tr>
<tr>
<td>Imported Bean Seeds</td>
<td>1,158,078</td>
<td>49,517</td>
<td>1,046,089</td>
<td>1,095,606</td>
<td>(76,385)</td>
<td>1,019,221</td>
<td>138,856</td>
</tr>
<tr>
<td>Milk</td>
<td>2,384,228</td>
<td>12,636</td>
<td>2,715,697</td>
<td>2,728,333</td>
<td></td>
<td>2,728,333</td>
<td>(344,104)</td>
</tr>
<tr>
<td>Imported tomatoes</td>
<td>1,428,508</td>
<td>690,119</td>
<td>-</td>
<td>690,119</td>
<td>(197,232)</td>
<td>492,887</td>
<td>935,621</td>
</tr>
<tr>
<td>Imported Cabbages</td>
<td>739,737</td>
<td>4,462,935</td>
<td>4,462,935</td>
<td>4,462,935</td>
<td></td>
<td>4,462,935</td>
<td>(3,723,198)</td>
</tr>
<tr>
<td>Imported Carrots</td>
<td>4,252,951</td>
<td>4,252,744</td>
<td>4,252,744</td>
<td>4,252,744</td>
<td></td>
<td>4,252,744</td>
<td>206</td>
</tr>
<tr>
<td>Imported Glass Jars</td>
<td>1,167,738</td>
<td>499,614</td>
<td>414,697</td>
<td>914,311</td>
<td>(478,716)</td>
<td>435,595</td>
<td>732,143</td>
</tr>
<tr>
<td>Local Ginger</td>
<td>222,944</td>
<td>240</td>
<td>137,134</td>
<td>137,374</td>
<td>(75)</td>
<td>137,299</td>
<td>85,645</td>
</tr>
<tr>
<td>Leno bags</td>
<td>475,147</td>
<td>700,172</td>
<td>700,172</td>
<td>700,172</td>
<td></td>
<td>700,172</td>
<td>(225,025)</td>
</tr>
<tr>
<td>Others, Giro Netting</td>
<td>12,897</td>
<td>14,075</td>
<td>14,075</td>
<td>14,075</td>
<td></td>
<td>14,075</td>
<td>(1,178)</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>538,277,835</strong></td>
<td><strong>56,423,876</strong></td>
<td><strong>349,173,426</strong></td>
<td><strong>405,597,302</strong></td>
<td>(48,158,881)</td>
<td><strong>357,438,421</strong></td>
<td><strong>180,839,414</strong></td>
</tr>
</tbody>
</table>
### PROPERTY, PLANT AND EQUIPMENT - CLUNY STORE

<table>
<thead>
<tr>
<th></th>
<th>Building</th>
<th>Plant and machinery</th>
<th>Conveyors</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>COST/ VALUATION</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 01 January 2007</td>
<td>21,700,000</td>
<td>34,070,000</td>
<td>4,567,883</td>
</tr>
<tr>
<td>Revaluation</td>
<td>-</td>
<td>3,502,820</td>
<td>469,633</td>
</tr>
<tr>
<td>Impairment</td>
<td>(2,576,240)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Transfer to held for sale</td>
<td>-</td>
<td>(5,037,516)</td>
<td>5,037,516</td>
</tr>
<tr>
<td><strong>At 31 December 2007</strong></td>
<td>19,123,760</td>
<td>32,535,304</td>
<td>5,037,516</td>
</tr>
<tr>
<td>At 01 January 2008</td>
<td>19,123,760</td>
<td>32,535,304</td>
<td>5,037,516</td>
</tr>
<tr>
<td>Additions</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>At 31 December 2008</strong></td>
<td>19,123,760</td>
<td>32,535,304</td>
<td>5,037,516</td>
</tr>
</tbody>
</table>

### DEPRECIATION

<table>
<thead>
<tr>
<th></th>
<th>Building</th>
<th>Plant and machinery</th>
<th>Conveyors</th>
</tr>
</thead>
<tbody>
<tr>
<td>At 01 January 2007</td>
<td>3,038,000</td>
<td>23,849,000</td>
<td>3,197,516</td>
</tr>
<tr>
<td>Charge for the year</td>
<td>434,000</td>
<td>3,407,000</td>
<td>-</td>
</tr>
<tr>
<td>Post revaluation adjustment</td>
<td>(59,913)</td>
<td>554,273</td>
<td>-</td>
</tr>
<tr>
<td><strong>At 31 December 2007</strong></td>
<td>3,412,087</td>
<td>27,810,273</td>
<td>3,197,516</td>
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<tr>
<td>At 01 January 2008</td>
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<td>24,612,757</td>
<td>3,197,516</td>
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<tr>
<td>Charge for the year</td>
<td>434,000</td>
<td>3,407,000</td>
<td>-</td>
</tr>
<tr>
<td>Post revaluation adjustment</td>
<td>(59,913)</td>
<td>554,273</td>
<td>-</td>
</tr>
<tr>
<td><strong>At 31 December 2008</strong></td>
<td>3,786,174</td>
<td>28,574,030</td>
<td>3,197,516</td>
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</tbody>
</table>

### NET BOOK VALUE

<table>
<thead>
<tr>
<th></th>
<th>Building</th>
<th>Plant and machinery</th>
<th>Conveyors</th>
</tr>
</thead>
<tbody>
<tr>
<td>At 31 December 2008</td>
<td>15,337,586</td>
<td>3,961,274</td>
<td>1,840,000</td>
</tr>
<tr>
<td>At 31 December 2007</td>
<td>15,711,673</td>
<td>7,922,547</td>
<td>1,840,000</td>
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</tbody>
</table>