



AGRICULTURAL MARKETING BOARD



ANNUAL REPORT

1 July 2021
30 June 2022



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1 July 2021-30 June 2022

AGRICULTURAL MARKETING BOARD

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● **OUR VISION**

To be the global strategic partner for a sustainable Agro-Industry

● **OUR MISSION**

To maximise consumer satisfaction by providing high quality and innovative products and services reliably and cost effectively

● **OBJECTIVES**

To encourage local production of as much of the country's food requirements as is economically feasible;

To ensure that marketing costs are at a minimum; consistent with satisfying consumer demand;

To limit price fluctuations in line with consumer preferences;

To operate its installations & other resources with maximum efficiency for the benefit of producers & consumers;

To regulate standards and quality of products falling under its control.

CHAIRMAN'S STATEMENT

The Honourable Maneesh Gobin
Attorney General and Minister of Agro-Industry and Food Security
Renganaden Seeneevassen Building
Port Louis

Dear Minister,

In accordance with the provision of Section 25 of the Mauritius Agricultural Marketing Board Act (1963), I am privileged, once more, to submit the Annual Report of the Agricultural Marketing Board (AMB) for the period July 2021 to June 2022.

During this financial year, the AMB has pursued its efforts to ensure regular supply of the controlled products like potato, onion and garlic, to the population at large. Confronted with the challenges posed by the second outbreak of the Covid-19 pandemic and with the on-going Russo-Ukrainian conflict, AMB has, with its dedicated staff and support staff and the precious collaboration of the Parent Ministry, ensured regular supply of controlled products to the local population.

The supply of agricultural produce in the foreign markets has been volatile and, in this context, the Cabinet has, once again, in March 2022 recommended that AMB be the sole importer of potato and onion to ensure a regular supply to the consumers. This has positively impacted on our total revenues which have amounted to MUR 1.151 billion, even if our financial performance has witnessed after a long time a deficit of some MUR 90 million.

Consultations with the Parent Ministry and the potential users of the National Wholesale Market are ongoing and it is firmly believed that by end 2022, this long-awaited project will be launched and will benefit mainly the local growers and the population at large.

Tenders for the procurement of necessary equipment for the setting up of an Agro-processing Unit will be re-launched and it is expected that this project will be operational by March 2023.

To widen its mandate and to be more visible in the local market, the AMB, with the unflinching support of the Parent Ministry, will embark on other activities like import and sale of fruits not available locally, purchase and sale of local fresh milk and revisit the control and sale of by-catch fish.

To conclude, Honourable Minister, let me reassure you that the financial statement for the year ending 30 June 2022 has again been prepared in line with the International Public Sector Accounting Standards (IPSASs) and gives a true and fair view the financial status of the AMB.

On behalf of the Board members and the Management of the Agricultural Marketing Board (AMB), I wish to thank you, dear Minister, for your unconditional support.

Yours faithfully



Dr. K. Payandi Pillay,
Chairman
Date: 26th April 2023

GENERAL MANAGER'S REVIEW

The Agricultural Marketing Board (AMB) was established in 1964 to ensure a regular supply of certain strategic crops and at affordable prices to the local population. Over the years, the AMB has fulfilled its role and has been able to adapt to new challenges.

I am pleased to present the Annual Report of the AMB for the period 1 July 2021 to 30 June 2022. In light of new challenges posed by the covid-19 pandemic and the conflict between Russia and Ukraine, an increase in business dealings at AMB has considerably increased.

The AMB has been able to provide an uninterrupted supply of strategic crops to the population and with a view to protect the interest of the consumers, it has ensured, with the approval of the central government that retail price of onions and potatoes did not exceed MUR 50 per kg.

Financial position

AMB's turnover increased from MUR 993 million to MUR 1,151 million from 2021 to 2022.

Imports and retailing activities

With the decision of the Cabinet taken on 25 March 2022, import of onions and potatoes is being undertaken solely by AMB. 12,879 tonnes onions, 12,066.733 tonnes potatoes, 2,046 tonnes garlic and 222.27 tonnes vegetables (carrots, cabbages and beans) were imported and supplied at affordable prices.

The AMB continued in its retailing activities and delivery of produces across the island.

Valuing our People

A total of 1,072 hours of training were dispensed to our employees in the following fields: Foodhandlers' Certificate, E-procurement System (Online Bid Evaluation), Ergonomics and Manual Handling, Practical Artificial Intelligence (AI) and Cloud Applications, Corruption Risk Assessment, Business Continuity Management, Plant Biosecurity Awareness, National Food Systems in Mauritius and Seychelles, Beneficial Ownership for Legal Persons, Agricultural Engineering Technologies for Enhancing Productivity and Profitability in Agricultural Sector, Capacity Building on Return of Procurement Activities, Occupational Safety and Health for Employers/Employees, Virtual Asset / FinTech, Training on Portable Retirement Gratuity Fund, Creating Value for Sustainable Development, First Aid, Management Responsibilities in Information Security and Data Privacy, Navision, Tender Preparation and Evaluation, Public Procurers on Bid Rigging, Safety and Health at Work, Alcohol, Drugs and Other Substances at Work and Internal Audit Awareness. These brought more synergies among our employees while keeping in mind their welfare.

Social Undertakings

The AMB participated in the Scholarship Scheme operated by the Small Farmers Welfare Fund (SFWF) by providing financial support to children of farmers and assisting them in pursuing higher education. Schemes

Over and above its conventional role in dealing in agricultural produce, the AMB successfully implemented and managed the Freight Rebate Scheme, Seed Purchase Scheme and offered subsidies to growers of onions, potatoes, garlic and bean seeds. 261 growers benefitted from subsidies amounting to MUR 33.82 million.

In line with the Government's goal towards self-sufficiency in the production of onions and potatoes and to cater for increases in the cost of inputs, the floor prices for onions and potatoes were increased from MUR 28,000/tonne to MUR 38,000/tonne and MUR 27,500/tonne to MUR 33,000/tonne respectively. Forthcoming project in pipeline:

a) Agro processing Unit

The launching of an agro processing unit on a pilot basis at Moka for the processing of French fries and wedges will be held during the first quarter of 2023.

b) National Wholesale Market (NWM)

The Management is confident on the successful implementation of the project by the end of 2022. The NWM will provide the stakeholders with a secure and hygienic working environment and bring more transparency in wholesale transactions.

c) Imports of new products

The AMB is prospecting new markets for the imports of new products for instance fruits and spices. I wish to seize this opportunity to thank the Minister of Agro Industry and Food Security, the Chairman and Members of the AMB Board, the staff of AMB and our stakeholders for the steadfast and appreciated support during the period 2021 - 2022.

Goree

Gowkaran OREE
26th April 2023

CORPORATE GOVERNANCE REPORT

The Agricultural Marketing Board is a parastatal body operating under the aegis of the Ministry of Agro-Industry and Food Security. It is governed by the Mauritius Agricultural Marketing Act (1963).

The Agricultural Marketing Board is required to comply with the National Code of Corporate Governance for Mauritius, 2016 ('the Code') by virtue of the provisions of the Financial Reporting Act 2004.

This Corporate Governance Report highlights how the AMB has implemented the recommendations of the Code.

Principle ONE – GOVERNANCE STRUCTURE

The Agricultural Marketing Board is managed by a Board which is collectively responsible for its governance, long-term success and reputation. The roles and responsibilities of the Board are set out in the Mauritius Agricultural Marketing Act.

The Board assumes its fiduciary responsibilities whilst complying with all legal and regulatory requirements. In this respect the Board adheres to the following key governance documents -

- **Board Powers as per the Act;**
- **Board Committees Terms of Reference;**
- **Code of Ethics for Directors; and**
- **Code of Ethics for Employees.**

BOARD OF DIRECTORS



Functions of the Board

- a) Gives strategic direction;
- b) Formulates policies and plans;
- c) Makes decisions;
- d) Gives guidance.

Key Governance Responsibilities and Accountabilities

The Board ensures that proper standards of Corporate Governance are applied and maintained throughout the organization. The following key governance positions are critical in enabling the Board to fulfill its vision, mission and objectives:

1. Chairman of the Board

The Chairman is non-executive and is appointed by the Minister of Agro-Industry and Food Security as per Section 4(2) of the Mauritius Agricultural Marketing Act (1963):

- a) is primarily responsible for the activities of the Board and its Committees;
- b) acts as the spokesman of the Board and is the principal contact of the General Manager; and
- c) encourages and ensures active participation of members in discussions.

2. General Manager

The General Manager is the head of the Agricultural Marketing Board and has the authority and responsibility to manage the overall operations and resources of the organization. He acts as the main point of contact between the Board and the Management. The responsibilities of the General Manager also include:

- a) developing and recommending to the Board a long-term vision and strategy for the organization and the annual business plans and budgets that support the organization's strategy; to execute and implement the strategy of the Board;
- b) monitoring the organization's performance and keeping the Board regularly and appropriately informed; and
- c) fostering a corporate culture that promotes ethical practices, rejects corrupt practices, offers equal opportunities, encourages individual integrity, and meets social responsibility objectives and imperatives.

3. Secretary

The main responsibilities of the Secretary include amongst others, facilitating meetings of the Board and its sub committees, preparing and circulating agendas and committee papers; taking minutes; ensuring that the organization complies with its Act and all relevant statutory and regulatory requirements and any procedures set by the Board.

4. Management Team

General Manager	Mr. G. Oree	BCom Management PGCE
Assistant General Manager	Mr. B. Ramcharan	MBA (Logistics and Supply Chain Management) BSc (Hons) Economics
Technical Manager	Mr. A. S. Jeehoo	MSc (Project Management) BEng (Hons) Mechanical Engineering Certificate in Sugarcane Technology
Administrative Secretary	Mrs. A. D. Mungroosing	MBA (Finance) ICSA
Head Operations Officer	Mr. B. H. Ramdin	Higher Diploma Business Administration
Seeds Officer	Mr. R. Sookun	BSc (Hons) Agriculture
Ag. Trade and Marketing Officer	Mrs. Y. Ittoo	BSc (Hons) Marketing Management
Accountant / Senior Accountant	Mrs. K. Rambhurose	ACCA
Human Resource Management Officer	Mr. N. A. Hasowa	BCom with specialization in Human Resource Management
IT Officer	Mrs. K. Rawa-Lungtoo	MBA (General) BSc Information Systems
Internal Auditor	Mrs. G. Nothoo	ACCA
Procurement Supply Officer	Miss. S. Dookheea	MCIPS

PROFESSIONAL SERVICES

- a) AUDITOR The National Audit Office
- b) BANKERS State Bank of Mauritius Ltd.
Absa Bank (Mauritius) Limited.
MauBank Ltd.
Bank One Ltd.
BCP Bank
SBI (Mauritius) Ltd.
- c) CONSULTANTS Servansing-Jadav & Partners
Consulting Engineers Ltd.

Principle TWO –THE STRUCTURE OF THE BOARD AND ITS SUB-COMMITTEES FOR PERIOD 1 JULY 2021 TO 30 JUNE 2022.

As per the provisions of the Mauritius Agricultural Marketing Act (1963), the Board consists of ex-officio and as well as independent members with a view to ensuring a right balance of skills, experience and diversity. The independent members coming from diverse business backgrounds provide a blend of knowledge, skills, experience and commitment to make sound judgments on various key issues relevant to the business of the AMB.

The sub committees of the Board are chaired by members who have relevant knowledge and experience in these key governance roles.

Members of the Board:

Dr. K. Payandi Pillay Chairman

Ex-Officio

Mrs. S. D. Soborun Representative of the Ministry of Agro Industry and Food Security and Vice-Chairperson

Mr. V. Ramkelawon Representative of the Ministry of Finance, Economic Planning and Development

Mr. S. Kissoon Representative of the Ministry of Commerce and Consumer Protection

Mr. L. M. Monvoisin Registrar of Co-operative Societies

Independent Members

Mr. S. S. A. M. Goolaub Independent Member

Mr. H. Woodun Independent Member

Mr. M. P. Bisesar Independent Member

Mr. L. Seegoolam Independent Member

Mr N. Nabeeamode Independent Member

Mr B. K. Seetaram Independent Member

Mrs. J. Sauzier, CSK Independent Member

BOARD MEETING AND COMMITTEE MEETINGS HELD DURING THE YEAR UNDER REVIEW

Below is a record of all Board and Sub-Committee meetings held during the financial year 2021/2022

	Board	Finance Committee	Supplies Committee	Staff Committee	Audit & Corporate Governance Committee	Fees paid to members (MUR)
Total number of meetings	13	14	16	11	5	
Dr. K. Payandi Pillay	13					367,583
Mrs. S. D. Soborun	12	13	15	10		90,995
Mrs K. Jugroo (alt)	1	1	1	1		18,225
Mr. S. Kissoon	11		11	9	4	53,121
Mr. V. Ramkelawon	9	14	11		2	47,526
Mr. L. M. Monvoisin	8	8				23,989
Mr. B. Ramsahye (alt)	1	1				2,104
Mr. S. S. A. M. Goolaub	11	4	14		1	42,491
Mr. H. Woodun	12	2		2	5	48,957
Mr. M. P. Bisesar	10					16,810
Mr. L. Seegoolam	13	12			2	50,343
Mr. N. Nabeeamode	13			11		51,647
Mr. B. K. Seetaram	6		5			17,102
Mrs. J. Sauzier, CSK	10			5	2	29,638
Total						860,531

TERMS OF REFERENCE AND COMPOSITION OF SUB-COMMITTEES UNDER AMB BOARD

In view of the complexity of administrative and operational matters at the AMB, and in line with the Code, the Board has set up the following Sub-Committees with specific mandates to assist the Board in discharging its duties and responsibilities:

- ❖ Audit Committee
- ❖ Corporate Governance Committee,
- ❖ Finance Committee,
- ❖ Quota Committee,
- ❖ Staff Committee and
- ❖ Supplies Committee.

Audit Committee – Terms of Reference

The Audit gives the Board a means to review and reinforce the internal control system and its internal audit function as per the Board's policies and practices on corporate governance.

The roles, objectives and responsibilities of the Audit Committee include:

- overseeing the integrity of the financial statements of the organization regarding accounting estimates, judgments made by Management and implementation of new accounting principles or regulations;
- reviewing financial reports quarterly and annually;
- reviewing internal financial control system and addressing risks which threaten the achievement of the organization's objectives;
- monitoring and reviewing the effectiveness of the organization's internal audit function;
- making recommendations to the Board in relation to the appointment of the external auditors;
- monitoring and reviewing the external auditor's independence, objectivity and effectiveness;

Audit Committee – Composition

Chairperson

Mr. S. Kissoon – Representative of the Ministry of Commerce and Consumer Protection

Members

Mr. V. Ramkelawon – Representative of the Ministry of Finance, Economic Planning and Development

Members

Mr. S. S. A. M. Goolaub – Independent Member

Mr. H. Woodun – Independent Member

Mr. N Nabeeamode – Independent Member

Corporate Governance Committee – Terms of Reference

Corporate Governance Committee gives the Board a means to review and reinforce practices on corporate governance.

The roles, objectives and responsibilities of the Corporate Governance Committee include:

- reviewing the AMB's practices on corporate governance and make recommendations to the Board;
- monitoring the training and continuous professional development of employees and Senior Management;
- monitoring the AMB's policies and practices on the compliance with legal and regulatory requirements;
- monitoring the code of conduct and compliance applicable to employees and Senior Management;
- reviewing the Stakeholders' Communication Policy on a regular basis and to make recommendations to the Board where appropriate to enhance effective communications between the AMB and its stakeholders;
- reviewing the AMB's compliance with the code and disclosure in the Corporate Governance Report; and to perform other duties incidental to the duties of the Corporate Governance Committee delegated as appropriate by the Board from time to time

Corporate Governance Committee – Composition

Chairperson

Mrs. J Sauzier, CSK – Independent Member

Members

Mr. V. Ramkelawon – Representative of the Ministry of Finance,
Economic Planning and Development

Mr. H. Woodun – Independent Member

Mr. M Bisesar – Independent Member

Mr. L Seegoolam – Independent Member

Finance Committee – Terms of Reference

The role of the Finance Committee is to consider, review and recommend to the Board:

- on all matters pertaining to the financial position of the AMB;
- on all tenders and procurement contracts other than those for Controlled Products with an estimated value exceeding MUR 100,000 after ensuring that they are in accordance with the provisions of the Public Procurement Act and other relevant legislations.

In so doing, it considers Bid Evaluation Reports submitted by the Bid Evaluation Committees and the Departmental Bid Committees for the award of tenders;

- Requests from Management for additional/reallocation of funds to enable it to meet financial obligations arising from day to day management.

Finance Committee – Composition

Chairperson

Mr. V. Ramkelawon - Representative of the Ministry of Finance, Economic Planning and Development

Members

Mrs. S. D. Soborun – Representative of the Ministry of Agro- Industry and Food Security

Mr. L. M. Monvoisin – Registrar of Co-operative Societies

Mr. S. S. A. M.Goolaub – Independent Member

Mr. L. Seegoolam – Independent Member

Quota Committee – Terms of Reference

The Quota Committee has been constituted to allocate quotas to prospective importers with respect to imports of Controlled Products.

In the exercise of its function, the Quota Committee, in consultation with Management, decides on the quantum of imports to be liberalized and all criteria to be adhered to for registration and import. Hence, the Quota Committee ensures:

- that imported products are not put up for sale when local production is available; and
- that the country's annual import requirements and the Strategic Buffer Stock required to cater for any unforeseen climatic conditions are met.

Quota Committee – Composition

Chairperson

Mr. S. S. A. M. Goolaub – Independent Member

Members

Mrs. S. D. Soborun – Representative of the Ministry of
Agro Industry and Food Security

Mr. H. Woodun – Independent Member

Mr. M. Bisesar – Independent Member

Mr. B. K. Seetaram – Independent Member

Staff Committee – Terms of Reference

The Staff Committee has been empowered to consider and decide on all staff matters from recruitment until retirement of employees including dismissal, resignation, etc. In the exercise of its functions, the Staff Committee works in consultation with Management.

Staff Committee – Composition

Chairperson

Mrs. S. D. Soborun – Representative of the Ministry of
Agro Industry and Food Security

Members

Mr. S. Kissoon – Representative of the Ministry of Commerce and
Consumer Protection

Mr. H. Woodun – Independent Member

Mrs. J. Sauzier, CSK – Independent Member

Mr. N. Nabeeamode – Independent Member

Supplies Committee – Terms of Reference

The Supplies Committee decides, in consultation with Management, about the procurement of all Controlled Products in terms of volume, variety, source, timing and price of all orders to be placed with a view to ensuring that there is adequate supply of quality products on the market at all times.

In the exercise of its functions, the Supplies Committee shall, in consultation with Management, ensure that orders for table potatoes, onions and garlic, shall not, except with the approval of the Board, exceed a quantity equivalent to ten (10) weeks' local consumption of the said produce. The Supplies Committee also monitors the Management of the Buffer Stock.

Supplies Committee – Composition

Chairperson

Mrs. S. D. Soborun – Representative of the Ministry of Agro Industry and Food Security

Members

Mr. S. Kissoon – Representative of the Ministry of Commerce and Consumer Protection

Mr. V. Ramkelawon – Representative of the Ministry of Finance and Economic Development

Mr. S. S. A. M. Goolaub – Independent Member

Mr. B.K. Seetaram – Independent Member

Principle THREE – APPOINTMENT OF MEMBERS

As per the Mauritius Agricultural Marketing Act, the Board 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, Planning and Economic Development
- d) A representative of the Ministry of Commerce and Consumer Protection
- e) The Registrar of Co-operative Societies or his representative
- f) Not more than seven or less than five other members, appointed annually by the Minister.

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

Principle FOUR – REMUNERATION, DUTIES AND PERFORMANCE OF MEMBERS

Members are aware of their legal duties and observe and foster high ethical standards and a strong ethical culture in the organization. Conflicts of interest are disclosed and managed. The Board is responsible for the governance of the organization's information strategy, information technology and information security. The Board and Sub-Committees are supplied with information in a timely manner and in an appropriate form and quality in order to perform to required standards.

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

The monthly fees of the Chairperson are MUR 34,000 as per the PRB Report 2021.

Board Members are paid a fee of MUR 1350 per sitting. A member other than the Chairperson, who is called upon to chair Sub-Committees, is paid a fee of MUR 1445 per sitting, subject to a maximum of 4 sittings. Members of Sub-Committees of the Board are paid a fee of MUR 1125 per sitting.

LEGAL DUTIES

All members of the Board including any alternate member are made aware of their fiduciary duties at the time of their appointment.

CODE OF ETHICS

Both members and employees are apprised of the obligations to comply with the AMB's Code of Ethics.

CODE OF CONDUCT

The Board is committed to ethical practices in the conduct of its business and has adopted a Code of Ethics which sets out standards for its employees.

CONFLICT OF INTEREST

The Board makes every effort to ensure that members disclose any interest in writing to the Board. They should also disclose any Related Party Transactions.

RELATED PARTY TRANSACTIONS

The particulars in respect of Related Party Transactions have been disclosed in Note 2.2 (n) of the Financial Statements.

Principle FIVE – RISK GOVERNANCE AND INTERNAL CONTROL

The Board considers risk management as an integral component of good business practice with a view to support Management's decision making, improve the reliability of business performance and assist in the preparation of the Financial Statements in accordance with International Public Sector Accounting Standards (IPSASs).

The objective of risk management is not to eliminate risks altogether but to mitigate them to a minimum acceptable level in line with the objectives of the AMB. The Board is responsible for the overall risk management and internal control systems. The organization's risk management process and internal control systems have been delegated to the Audit and Corporate Governance Committee for close monitoring. Risk reports are presented by the Internal Auditor to the Audit and Corporate Governance Committee on a quarterly basis for discussion and material matters are reported to the Board. The risk management framework, including policies and systems put in place to ensure a systematic and continuous identification and evaluation of risks and actions to terminate, transfer, accept or mitigate each risk to achieve a prudential balance between the risks and potential returns to stakeholders is explained in the Risk Report section of this report.

The Internal Audit Section is responsible for providing assurance to the Board regarding the implementation, operation and effectiveness of internal controls and risk management. Internal Audit reports are considered at all Audit and Corporate Governance Committees and the Head of Internal Audit has ready and regular access to the Chairperson of the said Committee. The systems in place are geared towards the implementation, maintenance and monitoring of the internal controls and the processes by which the Board derives assurance that the internal audit systems are effective.

Principle SIX – REPORTING WITH INTEGRITY

The Board has presented a fair, balanced and understandable assessment of the organization's financial, environmental, social and governance position, performance and outlook in its Annual Report. The AMB's core values include customer care, first class products and services, teamwork, empowering our human capital for success, innovation and community support. The AMB's culture embraces customer-centricity, employee well-being and empowerment, as well as operational excellence through innovation and work towards market success.

Financial Capital

The organization is self-sufficient and supports its business through its activities and funds generated. These are used to sustain income and financial returns of the organization, reinforce its financial stability and on a broader scale, contribute to the growth of Mauritian Agri-Business.

Human Capital

Human capital is an asset for the organisation as the skills, knowledge and approach of its people are vital to the success of the business. The organization is committed to recruit high level professionals with appropriate knowledge, experience and qualifications.

Intellectual Capital

The organization makes use of intellectual assets to ensure the best possible performance and operational efficiency. The organization continuously invests in technology solutions and IT tools to better manage documents, facilitate knowledge sharing, improve delivery of services to customers, and safeguard customer and corporate data.

Manufactured Capital

The organization makes use of manufactured capitals such as physical buildings and IT infrastructure to carry out its business activities. Apart from the Head Office building at Moka, the AMB also owns other assets.

Social Capital

For the organization, relationships with the various stakeholders such as customers, dealers, employees, government, and the community are of key importance. Through its activities, it builds relationships to further the business.

Health and Safety

The AMB firmly believes that the security and health of its employees are essential. As a caring employer, it is committed to provide and maintain a healthy, safe, and secured working environment for its employees as well as for its stakeholders in general. During the year under review, it has maintained its effort to create an ideal environment for health, safety and welfare of its employees. In line with the requirements of the Occupational Safety and Health Act 2005, Safety and Health Committees were conducted at regular intervals to look into all aspects of health and safety pertaining to the AMB.

Environment

In its endeavour to continually preserve the environment and manage its operations, the AMB has embarked on a series of environmental projects so as to sustain a greener economy. The AMB has implemented a Rain Water Harvesting System to collect rain water for container's washing and cleaning purposes. The AMB has replaced flood lights / fluorescent lights with led to reduce the energy consumption.

Political and Charitable Donations

The AMB participated in the fifth edition of the Educational Achiever Award Scheme (EAAS), operated by the Small Farmers Welfare Fund (SFWF) and sponsored cash prize and shields to the tune of MUR 74,500. AMB also contributed an amount of MUR 15,000 to the Federation of Agricultural, Allied Industries & other Workers Union for printing of a worker's guide on the Mauritian Employment Law.

Corporate and Social Responsibility

The AMB recognizes the need to be socially involved and supportive of the wider needs of the community and more specifically those of less fortunate citizens. During the review period AMB has provided potatoes, onion, garlic, cardamom, ginger and turmeric powder at wholesale prices to a number of charitable organizations.

Transparency, Accountability and Integrity

To ensure maximum transparency within the organization, clear sets of internal procedures have been devised to eliminate the risks of fraud, errors and corruption. Well established and comprehensive procedures have been formulated by the Anti-Corruption Committee. All internal and external circulars are posted on the intranet to ensure that all employees of the Board are duly aware and updated.

Principle SEVEN – AUDIT

The organization has an effective and independent internal audit function that has the respect, confidence and co-operation of both the Board and the Management. The Board should establish formal and transparent arrangements to appoint and maintain an appropriate relationship with the organization's internal and external auditors.

Internal Audit

The AMB has an Internal Audit function which has the overall responsibility of providing independent and objective assurance designed to add value and improve the organization's operations. The scope of work of the Internal Audit is to enable the organization to accomplish its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of its risk management, control, information systems and governance processes.

The Internal Audit function is responsible for providing assurance to the Board regarding the implementation, operation and effectiveness of internal control and risk management. It is not responsible for the implementation of controls.

The Internal Auditor reports administratively to the General Manager and functionally to the Audit and Corporate Governance Committee. This reporting structure allows the Internal Auditor to remain independent and report all items of significance to the Audit and Corporate Governance Committee. The scope of work of the Internal Audit function encompasses:

- a. assessing financial and operating information and the means used to initiate, authorize, record, process and report such information to validate the reliability and integrity of the process;
- b. ascertaining the extent of compliance with good internal accounting controls, established policies and procedures, laws and regulations;
- c. reviewing the means to safeguard assets as well as the adequacy and effectiveness of applicable policies and practices;
- d. appraising the economy and efficiency with which processes are executed and resources are employed;
- e. reviewing operations and programs to ascertain whether results are consistent with established objectives; and
- f. participating in special assignments as directed by Audit and Corporate Governance Committee.

The Internal Audit plan, which is approved by the Audit Committee, is based on the principles of risk management to ensure that the scope of work is aligned with the degree of risks attributable to the areas audited.

External Audit

The Auditor of the AMB is the National Audit Office and its auditors are rotated every 3 years. The Audit Committee reviews the appropriateness of accounting standards and makes appropriate estimates and judgment which are in line with the views of external auditors. The Committee also examines and reviews the quality and integrity of the financial statements, including the Annual Report. A provision of MUR 275,000/- for the year 2021/22 has been made for the remuneration of the external auditors.

Principle EIGHT – RELATIONS WITH STAKEHOLDERS

Employees

The Board maintains constant dialogue with its employees. Employees are syndicated. Management keeps an open communication channel with their Unions. Employees are also members of a Sports and Welfare Committee. Training needs of employees are regularly assessed and addressed.

Customers

The AMB is customer-oriented and it maximizes consumer satisfaction by providing high quality and innovative products and services reliably and cost effectively. It operates in different locations through its retail outlets and fairs. The AMB ensures that its staff members and intermediaries possess the necessary skills, experience and knowledge to better serve its customers with transparent advice and timely service delivery while abiding with all relevant legislation, rules, codes and guidelines.

Suppliers

The AMB engages with suppliers of produce based on ethical commitments ensuring that value for money goods and services are rendered to the AMB in an efficient way.

Dealers

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. Apart from its own channel, the distribution of its products is effected through dealers. The AMB ensures at all times that the dealers distribute its products diligently to customers.

Parent Ministry

The AMB operates under the aegis of the Ministry of Agro Industry and Food Security and assist in Parent Ministry’s mission to improve food security and safety to ensure sustainable development, continued economic growth and social development. Different Seed Purchase Schemes have thus been set up by the AMB in consultation with the Ministry to alleviate the significantly high financial costs involved in the purchase of seeds by providing a source of funding to small growers.

The AMB also manages a Freight Rebate Scheme to promote the exportation of agricultural products and increase production of fruits, vegetables and flowers.

National Plant Protection Office (NPPO)

The NPPO is mandated and empowered to give import permit to the AMB for the import of Controlled Products.

Food and Agriculture Research and Extension Institute (FAREI)

FAREI conducts research and provides extension service in the non-sugar crop sector. FAREI is also the certification body for the local seeds marketed by AMB. Assessment and follow up on the local harvest of potatoes, onions and garlic are also done by FAREI.

Small Farmers Welfare Fund (SFWF)

The SFWF registers planters to be eligible for the Seed Purchase Schemes and Freight Rebate Scheme.

Financial Partners

Communication with financial institutions and the financial community in general is actively pursued and usually takes place through meetings and presentations. The Annual Report is posted on the Company's website.

Statement of Compliance

We, Board Members of the Agricultural Marketing Board (AMB), confirm to the best of our knowledge that the AMB has complied with all its obligations and requirements under the Code of Corporate Governance, wherever applicable.



Dr. K. Payandil Pillay
Chairman



Mrs. S.D. Soborun
Vice-Chairperson

Date: 26th April 2023

BOARD MEMBERS' PROFILE

DR. KESSAWA PILLAY PAYANDIPILLAY (Chairman)

Holder of a PhD, MSc, BSc, Dr. Kessawa Pillay Payandipillay has a wide experience in the field of Sugarcane Agronomy, Agricultural Extension and Rural Resources Management as well as Small Farmers' Production Systems. He was Research Manager, Field Experimentation at the MSIRI-MCIA till November 2018. Dr. Pillay joined the AMB in May 2015 as Chairman of the Board.

MRS. SOONDAREE DEVI SOBORUN (Ex-Officio Member and Vice-Chairperson)

Mrs. Soondaree Devi Soborun, holds a Master's degree in Public Sector Management in addition to a Bachelor Degree in Economics and a Post Graduate Certificate in Quality Management and Performance Excellence. She has wide experience in the public sector in various fields such as shipping, broadcasting and general administration. She is currently Deputy Permanent Secretary at the Ministry of Agro Industry and Food Security. Mrs. S. D. Soborun joined the AMB in January 2020 as member of the Board and appointed Vice-Chairperson in 2021.

MR. VIKRAJ RAMKELAWON (Ex-Officio Member)

Mr. V. Ramkelawon holds a Master's degree from the University of Mauritius in Electronic Business and is also a member of the Association of Chartered and Certified Accountants (ACCA). He has a wide experience in the Finance Sector and he is currently the Lead Analyst at the Ministry of Finance and Economic Development. Mr. Ramkelawon joined the AMB in March 2018 as member of the Board.

MR. LOUIS MARIO MONVOISIN (Ex-Officio Member)

Mr. M. Monvoisin holds a Diploma in Cooperative Studies, BSc Computing and Information Systems, and a Post Graduate Diploma in Human Resource Management. He has wide experience in the co-operative sector and is currently Registrar of Cooperative Societies. Mr. Monvoisin joined the AMB in 2014 as member of the Board.

MR. SALIL KISSOON (Ex-Officio Member)

Mr. Salil Kisson holds a BSc Honours in Public Administration and Management. He has wide experience in the public sector and is currently Assistant Permanent Secretary at the Ministry of Industry, Commerce and Consumer Protection. Mr. S. Kisson joined the AMB in August 2020 as member of the Board.

MRS. JACQUELINE SAUZIER, CSK (Independent Member)

Mrs. J. Sauzier has wide experience in the agricultural sector and is currently Secretary of the Mauritius Chamber of Agriculture. Mrs. Sauzier joined the AMB in May 2015 as member of the Board.

MR. HEMRAJ WOODUN (Independent Member)

Mr. H. Woodun is a Sole Trader and Company Director and has wide experience in the agricultural sector. He is currently the Chairperson of FAREI. Mr. Woodun joined the AMB in May 2015 as member of the Board.

MR. S. S. AKHILALANDJEE M. GOOLAUB (Independent Member)

Holder of an MSc Crop Science and Plant Biotechnology, BSc Agriculture, and Diploma in Agriculture/Sugar Technology, Mr. S. A. Goolaub is at present Assistant Director of FAREI. Mr. Goolaub joined the AMB in May 2015 as member of the Board.

MR. MOHUNPARSAD BISESAR (Independent Member)

Mr. M. Bisesar is a member of Petit Sable Red Onions Co-operative and has wide experience in the plantation of onion, garlic and other vegetables. Mr. Bisesar joined the AMB in May 2015 as member of the Board.

MR. NAGUIB NABEEAMODE (Independent Member)

Mr. N. Nabeeamode is a member of Southern Planters' Association. He has wide experience in the plantation of potato and other vegetables. Mr. Nabeeamode joined the AMB in May 2015 as member of the Board.

MR. LEKRAJ SEEGOOLAM (Independent Member)

Mr. L. Seegoolam has wide experience in the plantation of tea and is currently employed at the Mauritius Tuna Fishing Ltd. Mr. Seegoolam joined the AMB in May 2015 as member of the Board.

MR. BASOODEO KUMAR SEETARAM (Independent Member)

Mr. B. Seetaram is a Company Director in various Private Companies. He is well versed with the operation of the AMB having worked previously for 25 years in the organization. Mr. Seetaram joined the AMB in May 2015 as member of the Board.

The Board's Responsibility For The Financial Statements

The Board ensures that the financial statements are well prepared, fairly represented, free from material misstatements, whether due to fraud or error, in accordance with International Public Sector Accounting Standards and in compliance with the requirements of prevailing statutes and any such internal controls as it deems necessary. Any deviations therefrom are reported in the independent auditor's report attached to the financial statements. The Board is also responsible for the integrity of these Annual Financial Statements and for the objectivity of any information presented therein.

In the preparation of the financial statements, the AMB has:

- adopted the going concern concept;
- adopted suitable accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent.
- ensured that the financial statements provide an integral and transparent state of affairs regarding income and expenditure and cash flows of the institution;
- ensured adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Board;
- safeguarded the assets of the Board by maintaining appropriate control systems and procedures;
- took reasonable steps to prevent and detect fraud and any other irregularities.

The External Auditors are responsible for reporting on whether the financial statements are fairly presented.

The Board Members have taken note of the report and are satisfied that:

- (a) adequate accounting records and an effective system of internal controls and risk management have been maintained,
- (b) appropriate accounting policies supported by reasonable and prudent judgements and estimates have been used consistently,
- (c) the Code of Corporate Governance has been adhered to where applicable.

Statement of Directors' Responsibilities

Throughout the period 1st July 2021 to 30 June 2022, to the best of the Board's knowledge, the Company has applied most of the recommendations of the code and measures will be taken, during the next financial year, to address the parts which have not been complied with during this financial year. International Financial Reporting Standards have been adhered to.



Dr. K. Payandi Pillay
Chairman

Date: 26th April 2023



Mrs. S.D. Soborun
Vice-Chairperson

OPERATIONAL REVIEW

The Agricultural Marketing Board (AMB) is a self-financed parastatal body operating under the aegis of the Ministry of Agro-Industry and Food Security. By virtue of the Mauritius Agricultural Marketing Act (1963), the AMB is vested with wide powers in matters relating to imports, exports, storage, distribution and sale of commodities declared as 'Controlled Products'.

The AMB deals in the following Controlled and non-Controlled Products:

- Potatoes (Table and Seeds);
- Onions (Table and Seeds);
- Garlic (Table and Seeds);
- Ginger;
- Turmeric Powder;
- Cardamoms;
- Bean Seeds;
- Glass Jars and Caps;
- Polymesh Bags and Giro nets;

STORAGE FACILITIES, RATES AND CAPACITIES

The AMB provides storage facilities at competitive rates to importers, exporters and other operators wishing to avail of same.

(i) Head Office – Moka

The Moka Cold Stores provide storage facilities for potatoes, onions, garlic, potato seeds, fruits, dairy products and vegetables.



Storage Capacity: 8000 tonnes

Operation Hours: Mondays-Fridays: 7.00 hours to 16.00 hours

STORAGE SERVICES	REVISED RATES (MUR)
Rental of storage facilities with cold-chain (<50 tonnes)	80 per tonne/night
Rental of storage facilities with cold-chain (>50 tonnes)	75 per tonne/night
Rental of storage facilities at ambient temperature	55 per tonne/night

(ii) Airport Cold Stores

The Airport Cold Stores have been built to facilitate import, export and transit of fruits and vegetables from Mauritius. They are also used by importers of temperature sensitive products such as flowers, meat and medicine.

Airport Cold Stores have a storage capacity of 1600m³ and storage temperature goes down generally to +2°C except for one room of 330m³ where the lowest temperature is -8°C.

Operation Hours: Airport Cold Stores operate on a 7-days and 24-hour basis.

STORAGE RATES

(A) EXPORT & TRANSIT	REVISED RATES (MUR)
Min. daily charge	150 per m ³
Min. weekly charge	600 per m ³

STORAGE RATES

(B) IMPORT	REVISED RATES (MUR)
Min. daily charge	300 per m ³
Min. weekly charge	1,200 per m ³

No. OF DAYS IN STORAGE

Up to one (1) day	MUR 150 per m ³
2 days	MUR 300 per m ³
3 days	MUR 450 per m ³
4 to 7 days	MUR 600 per m ³
Over 7 days	MUR 90 per day/m ³

No. OF DAYS IN STORAGE

Up to one (1) day	MUR 300 per m ³
2 days	MUR 600 per m ³
3 days	MUR 900 per m ³
4 to 7 days	MUR 1,200 per m ³
Over 7 days	MUR 160 per day / m ³

(iii) Trou Fanfaron Fish Cold Store

The Trou Fanfaron Fish Cold Store provides storage and weighing facilities to dealers, importers and fishing companies in the trade of fish and seafood.

Storage Capacity: 350 tonnes

Storage Temperature: Down to -22°C

Operation Hours: Mondays-Fridays: 7.00 hours to 16.00 hours

SERVICES

REVISED RATES (MUR)

Rental	100 per bin/night (up to a max. of 1,100 kg)
Weighing	10 per tonne
Operation Charges	30 per bin

AMB'S RETAILING UNITS

	LOCATION	DAYS	STALLS NO.
1	Rose Belle Fair	Wednesdays and Sundays	638,639,935
2	Moka Retail Outlet	Every day except Sundays	
3	Quartier Militaire Retail Outlet	Sundays	
4	Rivière des Anguilles Retail Outlet	Saturdays	
5	Vallée Des Prêtres Retail Outlet	Mondays, Tuesdays, Thursdays, Fridays and Saturdays	
6	Montagne Blanche Retail Outlet	Saturdays	
7	Triolet Retail Outlet	Monday to Friday	
8	Port Louis Market Fair	Monday to Saturday	240,241
9	Rivière du Rempart Retail Outlet	Mondays, Wednesdays and Fridays	
10	Goodlands Retail Outlet	Tuesdays, Thursdays and Saturdays	
11	Beau Champ Retail Outlet	Tuesdays and Thursdays	
12	Quatre Bornes Market Fair	Wednesdays and Saturdays	215
13	Curepipe Forum Market Fair	Wednesdays and Saturdays	397, 398
14	Chemin Grenier Market Fair	Sundays	58

SEEDS

LOCAL SEED POTATO FOR WARE PRODUCTION

The AMB has continued to play a crucial role in the local potato industry by ensuring that adequate quality seeds are available for the potato planting community. All seeds are produced in conformity with the standards laid down by the Food Agricultural Research Extension Institute (FAREI) and are certified prior to sale to planters.

In line with the objective of the Government to encourage seed production in Mauritius, the AMB continued to provide seed producers a guaranteed price. The price at which the AMB purchased seeds (size 30g – 175g) from producers was MUR 29,500/t for campaign 2021.

During the campaign 2021, 380 tonnes of Spunta and 16 tonnes of local Vigora seed potatoes were produced.

Seeds for ware production were sold during that period to planters by the AMB at a subsidised price of MUR 25,000/t for varieties Spunta Delaware, Mondial, Safari and Everest Seeds.

PURCHASE OF LOCAL SEED POTATO BY AMB - CAMPAIGN 2021

PRODUCER	Quantity (t)	
	Spunta	Vigora
Terragri Ltd.	78	
D K Agro Alimentaire Co Ltd.	68	
ENL Agri Ltd.	77	16
Cie. Sucrière de St Antoine	157	
Total	380	16

IMPORTED SEED POTATO FOR WARE PRODUCTION

The table below provides the quantity of seed potatoes which was imported by the AMB as well as by private operators for Campaign 2021.

IMPORT OF SEED POTATO FOR WARE PRODUCTION – FOR CAMPAIGN 2021

Producer	Variety	Qty (t) – 2021	Supplier	Origin
AMB	Imp Spunta	225	Southern Packers, Fox Farming and HZPC	Australia and The Netherlands
	Safari	17.5	Stet Holland	The Netherlands
	Everest	27.5	Stet Holland	The Netherlands
	Delaware	100	Southern Packers and Fox Farming	Australia
	Others (Mondial and Sababa)	25	Wesgrow Ltd	South Africa
Sub - total		395		
Privates				
Terragri & Alteo c/o AMCO solutions Ltd	Imp Spunta and Delaware	135	Scea Du Grand Gruchet, Scea Du Fayet and Southern Packers	France and Australia
Cope Sud	Spunta	220	Southern Packers	Australia
	Delaware	340	Southern Packers and Fox Farming	Australia
Medine SE	Spunta and Innovator	107.5	Scea du Fayet and Wesgrow Ltd	France and South Africa
ENL Agri Ltd	Spunta	137.5	Scea du Fayet	France
Cie de Gros Cailloux Ltee	Spunta	96	Scea du Fayet	France
Total Private Import of Seed Potato		1,036		

COST OF IMPORTED SEED POTATO FOR WARE PRODUCTION BY AMB FOR 2021/2022

Variety	Origin	Average Price C & F (MUR/t)	Invoice Quantity (t)
Santana	The Netherlands	40,078.80	27.5
Everest	France	38,841.80	27.5
Spunta	Western Australia	49,470.84	262.5
Safari	The Netherlands	40,078.80	27.5
Everest	The Netherlands	40,078.80	55
Delaware	Western Australia	58,809.45	45.75
Spunta	The Netherlands	35,557.57	125
Mondial	South Africa	46,323.65	19
Panamera	South Africa	46,323.65	6
Total			595.75

SALE OF SEED POTATO FOR WARE PRODUCTION FOR CAMPAIGN 2021

Producer Groups	First season (t)	Second season (t)	Total (t)
Small Planters	468.3	119.1	587.4
Corporate growers	74.3	116.8	191.1
Others	12.2	0.15	12.35
Total			790.85

SALE OF SEED POTATO FOR SEED PRODUCTION

For Campaign 2021, 96 tonnes of the Basic Spunta seeds (calibre 28/35mm) were imported from the Netherlands and allocated for seed production at the selling price of MUR 60,000/t.

IMPORT OF BASIC SPUNTA SEEDS FOR MULTIPLICATION FOR THE YEAR 2021/2022

Basic seeds were imported from the Netherlands for multiplication as below:

VARIETY	ORIGIN	AVERAGE COST C&F (MUR/ t)	QUANTITY (t)
Spunta Elite	The Netherlands	46,953.45	155

BEAN SEEDS MULTIPLICATION PROGRAMME

A multiplication programme for the production of local Long Tom bean seeds has been initiated in collaboration with relevant stakeholders. The locally produced seeds will be further multiplied to ensure that our local growers can benefit from this popular variety on a long-term basis at a competitive price.

SALE OF BEAN SEEDS BY AMB FOR PERIOD 1 JULY 2021-30 JUNE 2022

MONTH	IMPORTED BISON SEEDS QTY (kg)	IMPORTED LONG TOM SEEDS QTY (kg)	LOCAL FERRINA/ RED PEARL QTY (kg)	TOTAL (kg)
July 2021	75	41	53.5	169.5
August 2021	193.5	10	3	206.5
September 2021	39.5	12	7.5	59
October 2021	61.5	141	-	202.5
November 2021	20	-	-	20
December 2021	20.5	-	-	20.5
January 2022	62.5	-	5.5	68
February 2022	558.5	-	3	561.5
March 2022	81.5	-	48.5	130
April 2022	36.5	-	13	49.5
May 2022	156.5	-	-	156.5
June 2022	98	-	2	100
TOTAL				1,613.5

ONION SEEDS

In line with the objective of the Government to ensure availability of seeds, the AMB, in close collaboration with FAREI, promoted locally produced onion seeds. These seeds were sold to planters at competitive prices.

SELLING PRICE OF ONION SEEDS TO PLANTERS FOR CAMPAIGN 2021

A subsidy of 50% was provided on the selling price of all onion seeds marketed by AMB.

Variety	Price (MUR/ kg)	QUANTITY (kg)
Francia Grade I	3,000	487
Francia Grade II	2,800	8
TOTAL		495

GARLIC SEEDS

So as to continue with the Government policy to increase local production of garlic, the AMB purchased 8,000 kg of garlic to be used as seeds from local producers at MUR 130/kg for Campaign 2021. Garlic Seeds were sold at a subsidized price of MUR 55/kg.



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 AND IMPORTS

During period 1 July 2021 - 30 June 2022, 12,898 tonnes of table potatoes were harvested.

MONTH	LOCAL PRODUCTION		IMPORTS
	Area Harvested (ha)*	Quantity (t)*	Quantity (t)*
July 2021	671	12,898	2,291
August 2021			-
September 2021			-
October 2021			-
November 2021			-
December 2021			-
January 2022			130
February 2022			2,333.413
March 2022			3,319.82
April 2022			1,540
May 2022			1,116
June 2022			1,286.5
Total			

*Provisional

Source: Statistics Mauritius, FAREI & AMB

PURCHASE OF LOCAL WARE POTATOES BY AMB FOR CAMPAIGN 2021

To better regulate the supply and retail price of table potatoes on the local market, the AMB continued to purchase surplus production, at floor prices. The total local table potatoes purchased by AMB during campaign 2021 was:

- (i) 487.6 tonnes (1st grade)
- (ii) 2,165 tonnes (mixed grade)

IMPORTS OF TABLE POTATOES

Import of table potatoes was undertaken by AMB only for the period 1 July 2021 - 30 June 2022 following cabinet decision of 25 March 2022.

For the period, the AMB imported 12,066.733 tonnes of table potatoes.

IMPORTS & COST OF IMPORTS OF TABLE POTATOES

Country of Origin	Quantity (t)	Weighted Average C&F (MUR/t)
The Netherlands	140	31,515.57
India	6,827.82	26,437.60
Egypt	3,567.5	30,085.74
Germany	907.413	34,563.57
France	624	31,980.10

The weighted average cost of imports (C&F) for the AMB for period, was MUR 28,472.77/t.

Potato Growing



ONIONS

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



LOCAL PRODUCTION AND IMPORTS

During period 1 July 2021 - 30 June 2022, 5,846 tonnes of onions were harvested.

MONTH	LOCAL PRODUCTION		IMPORTS
	Area Harvested (ha)*	Quantity (t)*	Quantity (t)*
July 2021	255	5,846	1,876
August 2021			28
September 2021			-
October 2021			616
November 2021			615
December 2021			2,016
January 2022			868
February 2022			504
March 2022			840
April 2022			2,016
May 2022			1,708
June 2022			1,792
Total			12,879

*Provisional

Source: Statistics Mauritius, FAREI & AMB

PURCHASE OF LOCAL ONIONS BY AMB

*For the period,
AMB purchased*

457 of local onions
tonnes from planters.

IMPORTS AND COST OF IMPORTS OF ONIONS FOR PERIOD 1 JULY 2021 - 30 JUNE 2022

Country of Origin	Quantity Imported (t)	Average Cost C&F (MUR/t)
The Netherlands	4,172	26,576.49
India	5,796	23,930.98
Egypt	1,736	22,787.51
South Africa	223	23,112
Turkey	952	31,003.19

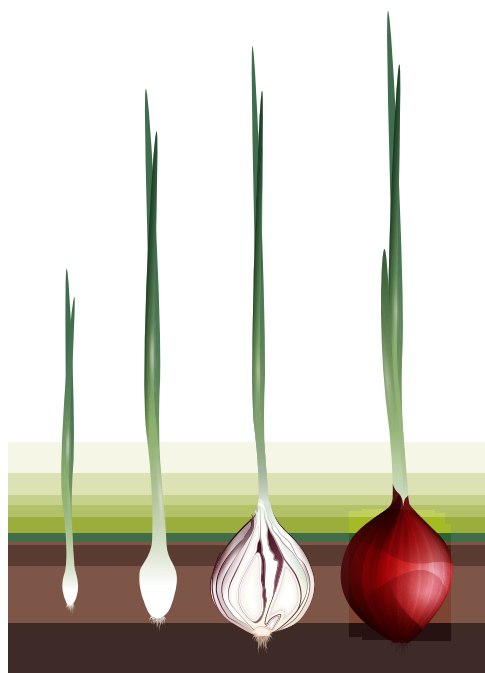
The weighted average cost of imports (C&F) for AMB for period was MUR 25,142.42/t.

IMPORTS BY AMB AND PRIVATE IMPORTERS

Import of onions was undertaken by AMB solely following the cabinet decision of 25th March 2022.

ONIONS FROM RODRIGUES

AMB continued to purchase onions from Rodrigues at floor price. For the period a total of 23.45 tonnes was purchased.



GARLIC

The AMB continued to ensure regular supply of garlic on the local market through imports since local production remained at a low level. Local production of garlic was 33 tonnes.



LOCAL PRODUCTION AND IMPORTS

MONTH	LOCAL PRODUCTION		IMPORTS
	Area Harvested (ha)*	Quantity (t)*	Quantity (t)*
July 2021			112
August 2021			224
September 2021			84
October 2021			196
November 2021			280
December 2021	6	33	168
January 2022			252
February 2022			280
March 2022			-
April 2022			112
May 2022			112
June 2022			226
Total			2,046

*Provisional

Source: Statistics Mauritius, FAREI & AMB

*The sale of
garlic averaged*

155
tonnes monthly.

OTHER PRODUCTS

IMPORTS FOR THE PERIOD 1 JULY 2021 - 30 JUNE 2022

CARDAMOMS

ORIGIN	IMPORT Quantity (t)
India	1



TURMERIC POWDER

ORIGIN	IMPORT Quantity (t)
India	5
Rodrigues	292 units of 75 gms

GLASS JARS AND CAPS

As support to SMEs, the AMB continued to import glass jars and caps of various dimensions for sale at competitive prices. The AMB imported 162,492 units of 100 ml, 120,000 units of 150 ml and 116,274 units of 200 ml glass jars and caps.

CARROTS, CABBAGES, COCONUTS, FINE BEANS LEMONS AND GRAPEFRUITS

As local production was affected due to adverse weather in Mauritius, AMB imported/purchased the following vegetables and fruits:



157.12
tonnes
of carrots from
South Africa



59.46
tonnes
of cabbages
from India



18,546
units
lemons from
Rodrigues and
local suppliers



23,750
units
coconuts
from India



5.731
tonnes
fine beans
from India



103
units
grapefruits
from Rodrigues





AMENDED FINANCIAL STATEMENT

FOR THE YEAR ENDED 30 JUNE 2022



**REPORT OF THE
DIRECTOR OF AUDIT**

**On the Financial Statements
of the Agricultural Marketing Board
for the year ended 30 June 2022**

NATIONAL AUDIT OFFICE



NATIONAL AUDIT OFFICE

REPORT OF THE DIRECTOR OF AUDIT TO THE AGRICULTURAL MARKETING BOARD

Report on the Audit of the Financial Statements

Opinion

I have audited the financial statements of the Agricultural Marketing Board, which comprise the statement of financial position as at 30 June 2022 and the statement of financial performance, statement of changes in net assets/equity, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements give a true and fair view of the financial position of the Agricultural Marketing Board as at 30 June 2022, and of its financial performance and cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

Basis for Opinion

I conducted my audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report. I am independent of the Agricultural Marketing Board in accordance with the INTOSAI Code of Ethics, together with the ethical requirements that are relevant to my audit of the financial statements in Mauritius, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key Audit Matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have determined that there are no key audit matters to communicate in my report.

Emphasis of Matter

General Fund

I draw attention to the General Fund in the Statement of Changes in net assets/equity, which has decreased significantly from Rs, 425,145,452 as at 30 June 2021 to Rs 291,545,400 as at 30 June 2022 representing some 31 percent.

My opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report of the Agricultural Marketing Board, but does not include the financial statements and my report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (IPSASs), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Agricultural Marketing Board's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management intends to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Agricultural Marketing Board's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISSAIs, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Agricultural Marketing Board's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Agricultural Marketing Board's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Agricultural Marketing Board's to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or, when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Management's Responsibilities for Compliance

In addition to the responsibility for the preparation and presentation of the financial statements described above, management is also responsible to ensure that the Agricultural Marketing Board's operations are conducted in accordance with the provisions of laws and regulations, including compliance with the provisions of laws and regulations that determine the reported amounts and disclosures in an entity's financial statements.

Auditor's Responsibilities

In addition to the responsibility to express an opinion on the financial statements described above, I am also responsible to report to the Board whether:

- (a) I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of the audit;
- (b) the Statutory Bodies (Accounts and Audit) Act and any directions of the Minister, in so far as they relate to the accounts, have been complied with;
- (c) in my opinion, and, as far as could be ascertained from my examination of the financial statements submitted to me, any expenditure incurred is of an extravagant or wasteful nature, judged by normal commercial practice and prudence;
- (d) in my opinion, the Agricultural Marketing Board's has been applying its resources and carrying out its operations economically, efficiently and effectively;
- (e) the provisions of Part V of the Public Procurement Act regarding the bidding process have been complied with for goods and services other than goods purchased for resale, including services incidental to the purchase or distribution of such goods; and
- (f) the Agricultural Marketing Board has complied with the National Code of Corporate Governance in accordance with the Financial Reporting Act.

I performed procedures, including the assessment of the risks of material non-compliance, to obtain audit evidence to discharge the above responsibilities.

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

Statutory Bodies (Accounts and Audit) Act

I have obtained all information and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit.

As far as it could be ascertained from my examination of the relevant records:

- (a) the Agricultural Marketing Board has complied with the Statutory Bodies (Accounts and Audit) Act; and
- (b) no direction relating to the accounts has been issued by the responsible Minister to the Agricultural Marketing Board.

Based on my examination of the records of Agricultural Marketing Board, nothing has come to my attention that causes me to believe that:

- (a) expenditure incurred was of an extravagant or wasteful nature, judged by normal commercial practice and prudence; and
- (b) the Board has not applied its resources and carried out its operations economically, efficiently and effectively.

Public Procurement Act

In my opinion, the provisions of Part V of the Act have been complied with as far as it could be ascertained from my examination of the relevant records in respect of procurement of goods and services other than goods purchased for resale, including services incidental to the purchase or distribution of such goods.

Financial Reporting Act

My responsibility under the Financial Reporting Act is to report on compliance with the Code of Corporate Governance disclosed in the annual report and assess the explanations given for non-compliance with any requirement of the Code. From my assessment of the disclosures made on corporate governance in the annual report, the Agricultural Marketing Board has failed to satisfactorily explain the reasons for non-compliance with "Principle 7: Audit" of the Code.



C. ROMOOAH
Director of Audit

National Audit Office
Level 14,
Air Mauritius Centre
PORT LOUIS

2 May 2023

**AGRICULTURAL MARKETING BOARD
AMENDED FINANCIAL STATEMENTS FOR THE YEAR
ENDED 30 JUNE 2022**

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AGRICULTURAL MARKETING BOARD


STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

	Notes	Year ended 30 June 2022	Year ended 30 June 2021
ASSETS			
Current Assets			
Cash and cash equivalents	4	476,099,017	588,301,515
Cash - Food Security Fund Scheme	4.1	27,559,753	26,469,572
Receivables	5	111,199,651	57,726,735
Loans receivable	5.1	1,308,286	927,491
Inventories	6	86,459,347	82,543,835
		702,626,054	755,969,148
Non-Current Assets			
Loans receivable	5.1	2,997,903	2,626,327
Property, plant and equipment	8	164,805,679	180,217,578
Assets under construction	8.1	8,750,520	3,077,594
Land	8.2	5,000,000	5,000,000
Intangible assets	7	193,397	247,283
		181,747,499	191,168,782
TOTAL ASSETS		884,373,553	947,137,930
LIABILITIES			
Current Liabilities			
Trade and other payables	9	57,688,919	26,500,396
Employee Benefits	9.1	3,922,882	2,809,863
		61,611,801	29,310,259
Non-Current Liabilities			
Advance-Food Security Fund Scheme	10	59,730,785	59,897,952
Employee Benefits	11	35,132,723	34,070,026
Retirement benefit obligations	12	255,707,346	217,966,260
Voluntary Retirement Scheme	13	718,414	820,894
		351,289,267	312,755,132
TOTAL LIABILITIES		412,901,068	342,065,391
NET ASSETS		471,472,486	605,072,539
NET ASSETS/EQUITY			
General Fund			
Trade Equilisation Reserve	10.1	304,757,466	425,014,246
Non Controlled Products	10.1	(13,212,067)	131,205
		291,545,399	425,145,452
Grant - Food Security Fund Scheme	10.2	389,517	389,517
Revaluation reserves		179,537,571	179,537,571
TOTAL NET ASSETS/EQUITY		471,472,486	605,072,539

The notes on pages 48 to 72 form part of these financial statements.

These financial statements were approved by the Board of the AMB on.....


CHAIRMAN
K PAYANDI PILLAY


BOARD MEMBER
V RAMKELAWON

AGRICULTURAL MARKETING BOARD

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2022

	Notes	Year ended 30 June 2022	Year ended 30 June 2021
		MUR	MUR
Revenue			
Revenue from Non Exchange Transactions			
Administrative fee		151,020	159,550
Strategic Buffer Fee		-	2,215,400
		151,020	2,374,950
Revenue from Exchange Transactions			
Turnover	14	1,151,257,774	992,917,778
Other Income	15	32,119,872	37,708,702
		1,183,377,647	1,030,626,480
		1,183,528,667	1,033,001,430
Expenses			
Cost of sales	16	974,362,784	763,533,751
Staff costs	17	111,451,801	88,803,260
Administrative Expenses	18	84,233,560	67,041,447
Other Expenses	19	102,848,862	62,647,482
		1,272,897,008	982,025,940
Deficit/Surplus for the year		(89,368,341)	50,975,490

The notes on pages 48 to 72 form part of these financial statements.

AGRICULTURAL MARKETING BOARD STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 30 JUNE 2022

	Trading Equalisation Reserve	Non Controlled Products	General Fund	Revaluation reserve	Grant-Food Security Fund	Total Net Assets/Equity
	MUR	MUR	MUR	MUR	MUR	MUR
Balance at 30 June 2020	423,833,407		423,833,407	179,537,571	2,048,930	605,419,908
Net surplus for the year	45,877,941	5,097,549	50,975,490	-	-	50,975,490
Prior Year Adjustments (Note 21)	(1,355,747)	(150,639)	(1,506,386)	-	-	(1,506,386)
Direct benefits paid by SICOM	550,517	61,169	611,685	-	-	611,685
Remeasurement of SICOM Benefit Scheme pension fund	(43,891,872)	(4,876,872)	(48,768,744)	-	-	(48,768,744)
Transfer to Food Security Fund	-	-	-	-	(1,659,413)	(1,659,413)
Balance at 30 June 2021	425,014,245	131,205	425,145,452	179,537,571	389,517	605,072,540
Net deficit for the year	(80,448,240)	(8,920,101)	(89,368,341)	-	-	(89,368,341)
Prior Year Adjustments (Note 21)	33,521	3,724	37,245	-	-	37,245
Direct benefits paid by SICOM	199,252	22,139	221,391	-	-	221,391
Remeasurement of SICOM Benefit Scheme pension fund	(40,041,312)	(4,449,035)	(44,490,347)	-	-	(44,490,347)
Balance at 30 June 2022	304,757,465	(13,212,067)	291,545,400	179,537,571	389,517	471,472,488

The notes on pages 48 to 72 form part of these financial statements.

AGRICULTURAL MARKETING BOARD

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2022

	Year ended 30 June 2022	Year ended 30 June 2021
	MUR	MUR
Cash flow from operating activities		
Net surplus for the year	(89,368,341)	50,975,490
Adjustments for Non- Cash movements:-		
Depreciation & amortisation	32,006,087	31,142,645
Retirement benefit obligations	6,352,129	2,863,821
Employees benefit	8,076,359	6,412,702
Uncertified seeds	(289,020)	(241,856)
Impairment	68,675	50,262
Prior year adjustments	(37,245)	1,506,386
Other Non Cash Items	14,152,359	9,949,999
Remeasurement SICOM Pension Fund	(37,916,828)	(22,397,059)
Foreign exchange gain	(4,099,206)	(3,543,963)
Foreign exchange loss	58,986,021	23,457,025
Operating surplus before working capital changes	(12,069,010)	100,175,452
(Increase)/ decrease in trade and other receivables	(53,472,916)	16,627,220
(Increase)/ decrease in inventories	(3,915,512)	37,950,108
(Decrease)/ increase in VRS	(102,480)	(299,873)
(Increase)/ decrease in staff loans	(752,371)	(215,644)
Increase/ (decrease) in trade and other payables	31,188,523	(16,154,507)
Interest receivable-others	(2,368,758)	(2,674,364)
Net cash flows from operating activities	(41,492,525)	135,408,392
Cash flows from investing activities		
Acquisition of property, plant and equipment	(16,563,978)	(12,833,197)
Purchase of intangible assets	(45,000)	(148,100)
Assets under Construction	(5,672,926)	(3,077,594)
Interest received	2,368,758	2,674,364
Net cash from investing activities	(61,405,670)	122,023,864
Cash flows from financing activities		
Transfer to SICOM Pension fund	(12,880,000)	(12,880,000)
Remeasurement of SICOM Pension Fund	(37,916,828)	(22,397,059)
Net increase/(decrease) in cash and cash equivalents	(112,202,498)	86,746,805
Movements in cash and cash equivalents		
Cash and cash equivalents as at 1 July	588,301,515	501,554,710
Cash and cash equivalents as at 30 June	476,099,017	588,301,515
Net increase in cash and cash equivalents	(112,202,498)	86,746,805

The notes on pages 48 to 72 form part of these financial statements.

AGRICULTURAL MARKETING BOARD

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT

FOR THE YEAR ENDED 30 JUNE 2022

	Original Budget	Revised Budget	Difference between Original and Revised Budget	Actual	Difference between Revised Budget and Actual
	2021/2022				
	A	B	(B-A)	C	(C-B)
	MUR				
Revenue					
Revenue from Non Exchange Transactions					
Administrative fee	-	246,800	246,800	151,020	(95,780)
Revenue from Exchange Transactions					
Turnover	980,814,000	1,109,892,901	129,078,901	1,151,257,774	41,364,874
Commission on By-Catch Fish	2,800,000	1,796,405	(1,003,595)	1,832,885	36,480
Interest on bank balances and bank deposits	1,200,000	1,849,069	649,069	2,098,091	249,022
Interest on staff Loan	200,000	200,000	-	204,717	4,717
Rental Income	25,200,000	18,786,456	(6,413,544)	18,208,983	(577,474)
Compensation from suppliers	-	3,162,727	3,162,727	3,719,266	556,539
Finance Income - Outstanding Receivables	160,000	150,000	(10,000)	65,950	(84,050)
Insurance Claims	-	297,373	297,373	299,019	1,647
Uncertified seeds	-	-	-	289,020	289,020
Gain on FOREX	-	-	-	4,099,206	4,099,206
Other Income	600,000	832,291	232,291	1,302,735	470,444
Income from National Wholesale Market	47,000,000	-	(47,000,000)	-	-
	1,057,974,000	1,136,967,222	78,993,222	1,183,377,648	46,410,424
TOTAL REVENUE	1,057,974,000	1,137,214,022	79,240,022	1,183,528,668	46,314,644
Expenses					
Cost of sales					
Staff costs	138,452,489	138,452,489	-	111,451,801	(27,000,687)
Electricity, water and telephone	39,795,000	39,795,000	-	39,804,487	9,487
Repairs and maintenance	18,524,833	17,859,927	(664,905)	11,778,082	(6,081,845)
Insurance	1,900,000	1,900,000	-	1,019,330	(880,670)
Legal and professional fees	1,200,000	1,200,000	-	1,990,712	790,712
Motor vehicles running expenses	1,417,800	1,417,800	-	1,156,282	(261,518)
Board members fees	1,200,000	1,200,000	-	1,148,777	(51,223)
Security services	6,000,000	6,000,000	-	4,627,600	(1,372,400)
Consultancy fees	400,000	400,000	-	596,694	196,694
General expenses - store	1,395,000	1,453,586	58,586	902,267	(551,320)
Waste Disposal	145,000	145,000	-	142,035	(2,965)
Compensation to dealers	-	3,153,260	3,153,260	4,043,130	889,870
Operating expenses & National Wholesale Market	60,365,000	11,680,403	(48,684,597)	417,980	(11,262,423)
Other charges	-	-	-	10,996,581	-
Postage, printing and stationery	980,000	1,239,444	259,444	1,859,861	620,417
Advertising	900,000	900,000	-	176,857	(723,143)
Audit fees	300,000	300,000	-	275,000	(25,000)
General expenses - Admin	2,186,000	2,186,000	-	3,091,175	905,175
Official visits abroad	400,000	400,000	-	-	(400,000)
Rent payable	400,000	400,000	-	206,711	(193,289)
Donations	-	15,000	15,000	89,500	74,500
Bad Debts	-	-	-	11,698,579	11,698,579
Depreciation	41,000,000	31,000,000	(10,000,000)	32,006,087	1,006,087
Loss on foreign exchange transactions	120,000	13,711,906	13,591,906	58,986,021	45,274,115
Impairment loss	-	-	-	68,675	68,675
TOTAL EXPENSES	1,071,957,546	1,239,769,867	167,812,321	1,272,897,009	22,130,559
Surplus/(Deficit) for the year	(13,983,546)	(102,555,845)	(88,572,298)	(89,368,341)	13,187,504
CAPITAL EXPENDITURE(MUR' M)	83	43	(41)	16.56	(26.02)



AGRICULTURAL MARKETING BOARD
Notes to Financial Statements
for the year ended 30 June 2022

AGRICULTURAL MARKETING BOARD

Notes to Financial Statements for the year ended 30 June 2022

1. Principal Activities

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

The AMB is a parastatal body running under the aegis of the Ministry of Agro-Industry and Food Security 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 at competitive rates to importers, exporters and other operators.

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2. Reporting Period

The financial statements have been prepared for the 12 months ended 30 June 2022 with comparative information ended 30 June 2021. Figure for 30 June 2021 has been restated.

2.1 Adoption of the International Public Sector Accounting Standards (IPSASs)

The AMB is adopting the International Public Sector Accounting Standards (IPSASs) issued by the International Public Sector Accounting Standards Board in line with amendments made in the Statutory Bodies (Account and Audit) Act for this financial year. AMB's financial statements already comply with the accrual basis of accounting.

The financial statements comply with International Public Sector Accounting Standards (IPSASs) for accrual basis of accounting. The measurement base applied is historical cost adjusted for revaluations of assets. The accounting policies have been applied consistently throughout the period. The Financial statements have been prepared on a going concern basis.

Comparative information for the Statement of Financial Performance and the Statement of Cash Flow has been provided. The Financial Statements comply with the Statutory Bodies (Accounts and Audit) Act and with the Financial Reporting Act. The preparation of the financial statements in conformity with IPSAS requires management to make estimate and assumptions that affect amounts of revenues and expenses during the reporting year. Actual results could differ from those estimates.

2.2 Standard issued but not yet effective

At date of authorization of the financial statements, the following IPSAS were in issue but not yet effective for financial statements beginning on 1 July 2021:

IPSAS 41- Financial Instruments

IPSAS 42- Social Benefits

AGRICULTURAL MARKETING BOARD

Notes to Financial Statements for the year ended 30 June 2022

IPSAS 41 will replace IPSAS 29 –Financial instruments:

Recognition and Measurement as from 01 January 2022 and the objective is to establish new requirements for classifying, recognizing and measuring financial instruments. It is expected that adoption of the new principles based on approach to classification and measurement will not have a major impact on the financial statements of AMB.

IPSAS 42- Social Benefits:

It will be effective as from 01 January 2022 and the objective is to help users of financial statements to assess the nature of social benefits provided by an entity, the features of the operation of social benefit scheme and impact of the social benefits on the entity's financial performance, financial position and cash flows.

This standard will not have an impact on the financial statements of AMB.

2.3 Accounting Policies

(a) Basis of Accounting

The principle accounting policies adopted are set out below. The financial statements have been prepared under the historical cost convention, except that certain property, plant and equipment are carried at revalued amounts, financial assets and financial liabilities (including derivative instruments) at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

The preparation of financial statements in conformity with IPSAS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the company's accounting policies and where necessary comparative figures have been amended to conform to change in presentation in the current year.

The financial statements are presented in Mauritian Rupees (MUR) because this is the currency of the primary economic environment in which the AMB operates

(b) Cash and cash equivalent

Cash and cash equivalents are carried in the balance sheet at fair value. For the purposes of the statement of cash flows, cash and cash equivalents comprises cash in hand and bank balances, other short term highly liquid investments that are readily convertible to cash and subject to insignificant risk of changes in value. There is a Bank Guaranty of MUR1,300,000 (one million three hundred thousand rupees only) in favor of Cargo Handling Corporation Limited, expiring on 31 March 2023. This Bank Guaranty was issued since Cargo Handling Corporation Limited is granting credit facilities to the Agricultural Marketing Board.

AGRICULTURAL MARKETING BOARD

Notes to Financial Statements for the year ended 30 June 2022

(c) Inventories

Inventories are stated at the lower of cost and net realizable value. Cost of products comprises the invoiced value from suppliers, freight, handling charges, transport and other direct charges. Cost of spare parts consists of invoice value only. Net realizable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses. However, given that AMB is dealing with perishable goods it is difficult to assess the NRV. Shrinkages of 470 tonnes of produce amounting to some MUR 16 M.

(d) 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.

Building (held for administrative purpose and stores) and Plant and Equipment are stated in the Statement of Financial Position at cost less accumulated depreciation. 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:

Fixed assets	Expected useful life (years)	Rates of depreciation per annum
Building	50	2.0%
Plant and machinery	10	10.0%
Stores equipment and palletization	8	12.5%
Motor vehicles	10	10.0%
Motor car	8	12.5%
Office equipment	8	12.5%
Fixtures and fittings	10	10.0%
Computer equipment	5	20.0%
Water proofing	10	10.0%
Computer Software	5	20.0%
Tarmac	10	10.0%

Fully depreciated assets still in use are retained in the financial statements.

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 by the difference between the sales proceeds and the carrying amount of the asset and is recognized as the statement of profit or loss and other comprehensive income.

AGRICULTURAL MARKETING BOARD

Notes to Financial Statements for the year ended 30 June 2022

All existing assets were valued at fair value (current market value) at time of revaluation carried out by Mega Design Consultant and all new assets were valued at cost. A revaluation exercise is being carried out at AMB for the year 2022/2023.

Also a full year's depreciation has been charged in the year of acquisition and no depreciation has been charged in the year of disposal.

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 of the asset is estimated in order to determine the extent of the impairment loss (if any).

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

(e) Intangible Assets

Acquired computer software licenses are capitalized on the basis of costs incurred to acquire and bring to use the specific software and amortized using the straight-line method over their estimated useful economic life. The estimated useful life of computer software is five years.

(f) Revenue recognition

(i) Exchange Transactions

Revenue is recognized to the extent that it is probable that economic benefits will flow to the organization, the revenue can be reliably measured and when specific criteria have been met for each of the AMB's activities as described below.

Revenue comprises mainly the sale of controlled products where no VAT is charged and recognized upon sale to customers. Revenue on rental is recognized on an accrual basis with the substance of the relevant agreement. Revenue has decreased since most of our customers who were availing of our storage facilities have constructed their own cold stores thus resulting in the shortfall of revenue. Interest income is recognized on a time proportion basis using the effective interest method.

(ii) Non-Exchange Transaction

Assets and revenue arising from transfer transactions are recognized in accordance with the requirements of IPSAS 23, Revenue from Non –Exchange Transaction (Taxes and Transfers). Other operating income comprises mainly of strategic buffer fee and by catch fish.

(g) Foreign currency transaction

The organization is exposed to certain currency exchange, credit, interest rate and liquidity risks.

AGRICULTURAL MARKETING BOARD

Notes to Financial Statements for the year ended 30 June 2022

(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 (MUR) which is the AMB's functional currency.

(ii) Transaction and balances

Foreign currency transactions are translated into the functional 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 recognized in the income statement. Assets and liabilities denominated in foreign currency are translated in MUR at the exchange rate ruling at the statement of financial position date. Exchange difference arising from the translation of foreign currency balances are dealt with in the statement of comprehensive income. The AMB has forward purchased its garlic requirements for the past few years. The prices of garlic on the international market are at its lowest in the month of July and rise thereafter as the harvest period of garlic in China, our most economic source of procurement, is from May to August.

(h) Account Receivables

Accounts receivable are stated at original invoice amount less an estimate for doubtful receivables based on a review of all outstanding amount at year end. To measure the estimate for doubtful receivables, trade receivables have been grouped, based on shared credit risk characteristics and the days past due.

(i) Trade Payables

Trade payables are not interest bearing and are stated at their nominal value.

(j) Retirement Benefit

• State Plan

For those employees holding a permanent and pensionable post, AMB contributes to the Family Protection Scheme managed by SICOM Ltd. It also contributes to the National Pension Scheme for those working on contract the contribution are expensed to the Statement of Financial Performance in the period in which they fall due.

AMB operates both a defined benefit pension plan and a defined contribution pension scheme.

• Retirement Benefits under Defined Benefit Pension Plan

The assets of the defined benefit pension plan are managed by SICOM Ltd and the cost of providing the benefit is determined in accordance with actuarial review.

The present value of the defined benefit obligations is recognized in the Statement of Financial Position as a non-current liability or non-current asset after adjusting for fair value of plan assets, any unrecognized actuarial gains and losses and any unrecognized past service cost.

AGRICULTURAL MARKETING BOARD

Notes to Financial Statements for the year ended 30 June 2022

The current service cost and any unrecognized past service cost are included as an expense together with the associated interest cost, net of expected return on plan assets.

• *Defined contribution pension Scheme*

AMB operates a defined contribution retirement benefit plan at SICOM Ltd for all qualifying employees as from year 2015. Contributions to defined contribution retirement benefit scheme are recognized as an expense when employees have rendered service entitling them to the contributions. The contributions are charged to the Statement of Financial Performance in the period to which they relate.

(k) Employee Leaves Entitlement

Employee entitlements to bank sick leave and vacation leave as defined in the PRB 2021 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 and vacation leave. A provision is made for the estimated liability for vacation leave accumulated for the year.

Employee entitlement to overseas passage benefits are recognized when they accrue to the employees. A provision is also made for the estimated liability for passage benefits. The passage benefits for each staff are valued at year end and included as long term payables. For the current fiscal year, based on past experience and trend, an amount of some MUR 1M was treated as short term facilities to provide for any forthcoming payments of passage in the next fiscal year.

(l) Provisions/Contingent Liabilities and Assets

(i) Provisions

Provisions are recognized when the AMB 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 obligations and a reliable estimate of the amount of the obligations can be made. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting year, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. Where some or all the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. Provisions are measured at AMB's best estimate of the expenditure required to settle the obligation at the end of the reporting year. Provisions are reviewed at the end of each reporting year and adjusted to reflect the current best estimate.

(ii) Contingent Liabilities and Assets

According to IPSAS 19 provisions, contingent assets and contingent liabilities, a contingent asset arises when the inflow of economic benefits or service potential is probable, but not virtually certain, and occurrence depends on an event outside the control of the entity. An amount of USD 162,910 and Euro 24,038 were expected to be refunded following case won by AMB.

AGRICULTURAL MARKETING BOARD

Notes to Financial Statements for the year ended 30 June 2022

A contingent Liability is a possible obligation that arises from past events and whose existence will be confirmed by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise. A contingent liability should not be recognized but disclosed.

Vitarice owed AMB an amount of Rs 1.2M representing rental of store, legal cost and damages caused to premises at Cluny.

(m) Financial Instruments

Financial instruments are initially measured at cost. Subsequently, these instruments are measured in their particular recognizing methods as disclosed below:

Financial Assets and Financial Liabilities are recognized on AMB's Statement of Financial Position when it becomes a party to the contractual provisions of the instrument. The carrying amount of the financial assets and financial liabilities approximate their fair values due.

(i) Loans and Receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortized cost.

(ii) Effective Interest Method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts through the expected life of the debt instrument or where appropriate, a shorter period to the net carrying amount on initial recognition. Income is recognized on effective interest basis for debt instruments other than those financial assets classified as at Fair Value through the Statement of Profit or Loss (. FVTPL).

(iii) Impairment of financial assets

Financial assets, other than those at FVTPL are assessed for indicators of impairment at the end of each reporting year. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected. For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the AMB's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables. When a trade receivable is considered uncollectible, it is written off against the allowance account.

AGRICULTURAL MARKETING BOARD

Notes to Financial Statements for the year ended 30 June 2022

(iv) De-recognition of financial assets

If the AMB retains substantially all the risks and rewards ownership of a transferred financial asset, it continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

(n) Financial Abilities and Equity Instruments

(i) Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

(ii) Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by AMB are recognized at the proceeds received, net of direct issue costs.

(iii) Financial Liabilities

Financial Liabilities including borrowings are initially measured at fair net value of transaction costs. Other financial liabilities are subsequently measured at amortized cost using the effective method, with interest expense recognized on an effective yield basis.

(iv) De-recognition of Financial Liabilities

The AMB derecognizes financial liabilities when, and only when, it's obligations are discharged, cancelled or when they are expired.

(o) Risk Management Policies

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

(i) Foreign Exchange Risk

The AMB operates internationally and is exposed to foreign exchange risk arising from various currencies exposures primarily with respect to US dollar and EURO. The AMB dealing in foreign currencies purchases is managed by seeking the best rates.

(ii) Credit risk

The AMB's activities expose it to financial credit risk. This is primarily attributable to its trade receivables. Credit risk relates to the possibility of default by customers and suppliers in settling their obligations to the AMB, there is no significant concentration of credit risk with exposure spread to a large number of customers.

AGRICULTURAL MARKETING BOARD

Notes to Financial Statements for the year ended 30 June 2022

The AMB has policies in place to ensure that credit risk is given to customers with an appropriate credit history and having a good track record and as there are well-established payment schedules the possibility of material loss arising is considered to be mitigated,

(iii) Interest Rate Risk

The AMB's interest risk arises from cash at bank and bank overdraft. It has no other exposures to interest rate risk. These risks are to some extent mitigated as it maintains a cash surplus that is invested in short-term deposits following invitation from Financial Institutions to submit their best interest rate. It does not use the financial instruments to hedge interest rate risk.

(iv) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and monitors rolling forecast of reserve, cash and cash equivalents on the basis of expected cash flow in order to ensure that it meets operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times. In order to ensure adequacy of its funding cash flow forecasts are prepared regularly and actions taken appropriately.

(v) Market Risks

The AMB is exposed to market risk arising from changes in prices of imported controlled products and the incidence of exchange rate. This rise will directly impact on future proceeds. The objective of the market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return on the risk e.g. entering to some extent in forward purchase.

Sensitivity analysis in respect of market risk demonstrate the effect of change in a key assumption while other assumptions remain unchanged. In reality there is a correlation between the assumption and other factors.

(vi) Operational Risk Management

Operational risk, which is inherent in all organizations 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 recognized that such risks can never be entirely eliminated and the costs of controls in minimizing these risks may outweigh the potential benefits. AMB is dealing in perishable products requiring downgrading of impaired stocks of products resulting in revenue losses as products had to be sold below their cost. There is also a policy for AMB to hold buffer stock during the whole year and products are to be sold for long periods, thereby leading to impairment in stocks and considerable loss in sales value.

(vii) Legal Risk

- Inadequate documentation, legal or regulatory incapacity, insufficient authority of a counterparty and uncertainty about the validity or enforceability of a contract in counterparty insolvency.
- Actual or potential violations of law or regulation (including activities unauthorized by the Board) which may attract a civil or criminal fine.

AGRICULTURAL MARKETING BOARD

Notes to Financial Statements for the year ended 30 June 2022

- Failure to protect the AMB's property (including its interest in its premises).
- The possibility of civil claims (including acts or other events which may lead to litigation or other disputes).

The AMB identifies and manages legal risk through effective use of its legal adviser.

(p) Borrowing costs

Borrowing costs are recognized as an expense on an accruals basis.

(q) Reclassifications

Certain reclassifications have been made to the financial statements for the fiscal year ended 30 June 2021 to conform to the current period presentation.

(r) Operating Lease

Lease where a significant portion of the risks and rewards of ownership are retained by the Lessor is classified as operating lease. Rental income is recognized on a straight line basis over the lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

(s) Food Security Fund

The amount of MUR 27,559,753 represents fund provided by the Ministry of Agro Industry and Food Security and refund from debtors under the Seeds Purchase Scheme.

3. Critical Accounting Estimates and Judgements

Estimates and judgements are continuously evaluated and are based on historical expenditure and other factors including expectations of future events that are believed to be reasonable under the circumstances.

3.1 Critical Accounting Estimates and Assumptions

In the application of the AMB's accounting policies, which are described in note 2.4, it is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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 recognized 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.

AGRICULTURAL MARKETING BOARD

Notes to Financial Statements for the year ended 30 June 2022

3.2 Key Sources of Estimation Uncertainty

With regards to the nature of the company's business, there were no key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year

(i) Useful lives and residual values on Non-Current Assets

When determining the carrying amount of non-current assets, same are separated into their significant parts and estimates of the useful lives and residual values thereof are made for the purpose of calculating depreciation. The estimates of useful economic lives and residual values carry a degree of uncertainty. The AMB has used historical information in order to best determine the useful lives and residual values of non-current assets

(ii) Provision for Doubtful Debts

An allowance for doubtful debts is determined using a combination of factors to ensure that the trade receivables are not overstated due to un-collectability. The allowance for doubtful debts for all customers are based on several factors including the overall quality and ageing of the receivables, continuing credit evaluation of the customer's financial conditions.

3.3 Comparison of Budget with Actual

(i) Revenue - The difference of MUR 46.3M in revenue is explained as follows:

REVENUE	MUR/ M
Decrease in revenue from Non-Exchange Transactions due to COVID -19	4.3
Increase in Turnover	41.3
Increase in commission By-catch	0.036
Interest on bank deposits and balances	0.25
Decrease in Rental Income	(0.577)
Compensation from suppliers	0.556
Increase in other income	0.46
TOTAL	46.3

Original budget for Turnover was **MUR 980.8M** and same was revised to **MUR1.109M**. Turnover cannot be ascertained at time of preparation of Budget and same was understated. Actual turnover is **MUR 1.151M** and the difference between revised budget and actual shows a increase of **Mur 41.4M** Increase in Rental Income also cannot be foreseen. The comparison shows a decrease of some **MUR 0.577M**. No estimates were made for compensation from suppliers (**MUR 3.8M**) Provision for Doubtful debts (**MUR11.2 M**) were not expected at time of preparation of Budget following the prudence concept.

AGRICULTURAL MARKETING BOARD

Notes to Financial Statements for the year ended 30 June 2022

3.3. Comparison of Budget with Actual

(ii) Expenditure Budget

AMB present its Financial Statements and expenditure budget on an accrual basis. Following the changes in the Statutory Bodies (Accounts and Audit) for the purpose of presentation of budget information on a comparative basis, the Financial Statement is prepared on a twelve-month basis ending 30 June 2022 consequently both budget and Financial Statement is aligned to the same period.

(iii) Recurrent Expenditure Budget

The difference between the original recurrent expenditure budget and actual (excluding provision for employee benefits) represents the % of budgeted amount and major variances are explained as follows:

- **Cost of sales** - The original estimate was **MUR 754.9M** and due to the forecast for an increase in the purchase of produce the cost of sales has been revised to **MUR 964.9M**. Taking into consideration the fluctuation in purchase price and the additional purchase due to COVID 19 the cost of sales was understated by **MUR 9.4M**.
- **Salaries and staff costs** - The net decrease in staff costs of **MUR 27M** is mainly due to provision made for PRB Report which has been reported and the decrease in liability recognized in the statement of financial position as per the Actuarial Report from SICOM. Actual expenditure also includes a provision for bank of sick leave and vacation leave respectively.
- **Electricity, water and telephone** - The original estimate was **MUR 39.795M** and the actual was **MUR 39.804M**.
- **Repairs and Maintenance** - Savings of **MUR 6.2M** was due to a buffer budget allocated for repairs and maintenance of our major assets (which have already reached their optimum life cycle, to cater for any breakdown, such as cold room, machines and forklifts).
- **Insurance** - Saving of **MUR 0.9M** was made.
- **Motor Vehicle running expenses** - The renewal of float of vehicles has been delayed and a net saving of **MUR 0.261M** was made.
- **Other operating expenses** - The revised estimates were **MUR 11.7M** to cater for expenses with regard to NWM and due to unexpected circumstances, the project has been delayed and a net saving of **MUR 0.3M** is noted.
- **Bad debts** - The provision for bad debts was made to cater for debtors with regards to Schemes. Debts more than 10 years are time barred and have very slight possibility to recoup amount due amounted to some **MUR 11.8M**.

AGRICULTURAL MARKETING BOARD

Notes to Financial Statements for the year ended 30 June 2022

(iv) Recurrent Revenue Budget

- **Deficit for the year** - There is a deficit for the year of **MUR 89.37M** compared to forecast of a deficit of **MUR 102.6M** and a surplus of **MUR 50.98M** last year. This is explained mainly by an increase in volume of dealings and quotas were not allocated to privates for food security reasons among others. Shrinkages of **470 tonnes** of produce amounting to some **MUR 16M**. The revenue received on By-Catch Fish increased from **MUR 0.073M to MUR 1.832M**.
- Rental income also reduced from **MUR 26.9M to MUR 18.2M** mainly due construction of own warehouses by privates and the decrease in storage by the Ministry of Health and Wellness.





**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR
ENDED 30 JUNE 2022**



AGRICULTURAL MARKETING BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	Year ended 30 June 2022 MUR	Year ended 30 June 2021 MUR
4 Cash and Cash Equivalents		
Cash in hand	20,000	20,000
Cash at bank	476,079,017	588,281,515
	476,099,017	588,301,515
4.1 Cash - Food Security Fund Scheme		
Opening Balance	26,469,572	21,235,872
Refund	2,500,876	1,959,154
Deposit	7,000	-
Transfer to FSF	736,660	3,283,426
Transfer from FSF	(2,152,550)	(7,500)
Bank Charges	(1,805)	(1,380)
Closing Balance	27,559,753	26,469,572
5 Receivables		
Trade Receivables	43,640,578	51,513,942
Prepayments	66,759,073	5,412,793
Refundable Security Deposit	800,000	800,000
	111,199,651	57,726,735
5.1 Loans Receivable		
Staff Car Loans	3,602,107	3,196,238
Staff personal Loans	704,082	357,580
	4,306,189	3,553,818
<i>Staff Car Loans:</i>		
Current Assets		
Amount Receivable within one Year	999,233	788,140
Non-Current Assets		
Amount Receivable after one Year	2,602,874	2,408,098
	3,602,107	3,196,238
<i>Staff Personal Loans:</i>		
Current Assets		
Amount Receivable within one Year	309,053	139,351
Non-Current Assets		
Amount Receivable after one Year	395,029	218,229
	704,082	357,580
6 Inventories		
Agricultural products	70,130,269	68,682,663
Stationery	2,025,266	1,281,939
Spare parts	14,303,813	12,579,233
	86,459,347	82,543,835
7 Intangible Assets		
Computer Software:		
Cost		
Balance at start of period	1,603,761	1,455,661
Acquisitions	45,000	148,100
Balance at end of period	1,648,761	1,603,761
Amortisation and impairment losses		
Balance at start of period	1,356,478	1,177,429
Charge for the year	98,886	179,049
Balance at end of period	1,455,364	1,356,478
Carrying amounts:		
At end of period	193,397	247,283

The estimated useful life of computer software is five years.

AGRICULTURAL MARKETING BOARD NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

8. PROPERTY, PLANT AND EQUIPMENT

	2%	10%	12.5%	10%	12.5%	12.5%	10%	10%	20%	10%	Total
	Building, Tarmac & Infrastructure	Plant and machinery	Stores equipment and palletisation	Motor vehicles	Motor car	Office equipment	Furniture and fittings	Computer equipment	Waterproofing		
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
At 01 July 2021	185,454,295	132,666,540	42,374,089	7,942,506	870,000	2,180,479	4,503,589	4,303,139	10,201,288		390,495,924
Additions	-	4,021,665	5,770,075	4,621,541	-	133,553	353,015	1,664,129	-	-	16,563,978
Disposal	-	-	-	-	-	-	(34,260)	(104,580)	-	-	(138,840)
At 30 June 2022	185,454,295	136,688,205	48,144,164	12,564,047	870,000	2,314,032	4,822,344	5,862,688	10,201,288	406,921,062	
DEPRECIATION											
At 01 July 2021	69,819,068	101,356,153	26,800,537	3,102,016	706,875	984,687	1,736,875	2,711,755	3,060,385		210,278,347
(Over)/Under Depreciation	-	-	-	-	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	(10,256)	(59,909)	-	-	(70,165)
Charge for the year	9,518,737	14,131,127	4,342,348	1,169,405	108,750	268,704	461,565	886,438	1,020,129		31,907,201
At 30 June 2022	79,337,805	115,487,280	31,142,885	4,271,421	815,625	1,253,391	2,188,184	3,538,284	4,080,514	242,115,383	
NET BOOK VALUE											
At 30 June 2022	106,116,490	21,200,925	17,001,279	8,292,626	54,375	1,060,641	2,634,160	2,324,405	6,120,774	164,805,678	
At 30 June 2021	115,635,227	31,310,387	15,573,552	4,840,490	163,125	1,195,793	2,766,714	1,591,384	7,140,903	180,217,578	

Note:

The Board is of the opinion that the net book value of the property, plant and equipment approximates its fair value.

8.1 ASSETS UNDER CONSTRUCTION

Assets under construction amounting to **MUR 8,750,520** include projects of photovoltaic farm at Mokka, asphalt work at Trou Fanfaron Cold store, Cluny Warehouse business plan, BC licenses for operation of the NWM and Agro processing machine.

8.2 LAND

AMB occupies vested land of an extent of **1300** square meters at Petit Sable.

AGRICULTURAL MARKETING BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	Year ended 30 June 2022	Year ended 30 June 2021
9 Trade and Other Payables	MUR	MUR
Trade payables	32,471,124	9,157,619
Other payables	9,804,670	6,043,600
Accruals	7,331,631	5,045,923
Deposits on rental of AMB cold rooms	4,382,729	4,243,679
Payment on account	3,698,765	2,009,575
	57,688,919	26,500,396
9.1 Employee Benefits		
Provision for passage benefits	1,000,000	1,367,630
Provision for vacation leaves	800,000	700,000
Provision for VRS	422,357	742,233
Provision for sick leaves	1,700,525	
	3,922,882	2,809,863
10 Advance - Food Security Fund Scheme		
Opening balance	59,897,952	62,709,995
Adjustment - Grant	-	1,659,415
Adjustment - Bank Charges	(1,805)	(690)
Amount written off	(165,362)	(4,470,768)
Closing balance	59,730,785	59,897,952
10.1 General Fund		
As per Financial provisions and accounts: The board shall set up a General Fund :		
i) into which all the revenue of the board and any grant from the government or any other agency shall be paid and		
ii) out of which all the expenses incurred by the board shall be paid.		
10.2 Grant- Food Security Fund Scheme		
This amount represents Grant received from Ministry of Agro Industry and Food Security.	389,517	389,517

AGRICULTURAL MARKETING BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Year ended 30 June 2022	Year ended 30 June 2021
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11. Employee Benefits

The non current liabilities include sick leave, vacation leave and passage benefits accrued to staff as provided in the PRB report as referred to in Note 2 (l) on Employee leave entitlements above.

(a) The sick leave is payable as follows:

Trade and other payables from Non-Exchange Transactions

Balance at start

Entitlement for the year

Amount paid during the year

Balance at end

Payable within one year

Non-current liabilities

Payable after one year

15,827,619	13,845,677
3,440,570	3,026,616
(1,284,063)	(1,044,674)
17,984,125	15,827,619
1,700,525	-
16,283,600	15,827,619
17,984,125	15,827,619

(b) The passage benefit is payable as follows:

Trade and other payables from Non-Exchange Transactions

Balance at start

Entitlement for the year

Amount paid during the year

Balance at end

Payable within one year

Non-current liabilities

Payable after one year

3,991,834	3,586,678
2,014,400	1,772,786
(3,004,363)	(1,367,630)
3,001,871	3,991,834
1,000,000	1,367,630
2,001,871	2,624,204
3,001,871	3,991,834

(c) The vacation leave is payable as follows:

Balance at start

Entitlement for the year

Amount paid during the year

Balance at end

Trade and other payables from Non-Exchange Transactions

Payable within one year

Non-current liabilities

Payable after one year

16,318,203	15,402,192
2,621,389	1,613,301
(1,292,340)	(697,290)
17,647,252	16,318,203
800,000	700,000
16,847,252	15,618,203
17,647,252	16,318,203

12. Retirement Benefits Obligation

The AMB 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 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.

AGRICULTURAL MARKETING BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	Year ended 30 June 2022	Year ended 30 June 2021
12 RETIREMENT BENEFIT OBLIGATIONS (Continued)		
Amounts recognised in the statement of financial position at end of year:		
Defined benefit obligation	394,769,318	355,077,005
Fair value of plan assets	(139,061,972)	(137,110,745)
Liability recognised in the statement of financial position	255,707,346	217,966,260
Amounts recognised in profit or loss:		
Service cost:		
Current service cost	5,481,291	5,074,403
Employee Contributions	(2,390,391)	(2,125,077)
Fund expenses	404,113	361,115
Net Interest expense /(income)	10,426,306	6,315,138
Profit and Loss Charge	13,921,319	9,625,579
Remeasurement		
Liability (gain) / loss	38,321,074	51,715,468
Assets (gain) / loss	6,169,273	(2,946,724)
Net Assets / Equity (NAE)	44,490,347	48,768,744
TOTAL	58,411,666	58,394,323
Movement in liability recognised in statement of financial position:		
At start of year	217,966,260	179,825,380
Amount recognised in Profit and Loss	13,921,319	9,625,579
Past Service Funding	(12,880,000)	(12,880,000)
Direct benefits paid	(221,390)	(611,685)
Contributions and direct benefits paid by employer	(7,569,190)	(6,761,759)
Amount recognised in NAE	44,490,347	48,768,744
At end of year	255,707,346	217,966,259

The plan is a defined benefit arrangement for the employees and it is a funded plan. The assets of the funded plan are held independently and administered by The State Insurance Company of Mauritius Ltd.

AGRICULTURAL MARKETING BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

12 RETIREMENT BENEFIT OBLIGATIONS (Continued)

Reconciliation of the present value of defined benefit obligation

	Year ended 30 June 2022	Year ended 30 June 2021
	MUR	MUR
Present value of obligation at start of period	355,077,005	305,587,787
Current service costs	5,481,291	5,074,403
Interest costs	17,043,696	10,848,367
Benefits paid	(21,153,748)	(18,149,021)
Liability (gain) / loss	38,321,074	51,715,468
Present value of obligations at end of period	394,769,318	355,077,005

Reconciliation of fair value of plan assets

Fair value of plan assets at start of period	137,110,745	125,762,407
Expected return on plan assets	6,617,390	4,533,229
Employer contributions	7,569,190	6,761,759
Past Service Funding	12,880,000	12,880,000
Employee contributions	2,390,391	2,125,077
(Benefits paid and other outgo)	(21,336,471)	(17,898,451)
Asset gain/(loss)	(6,169,273)	2,946,724

Fair value of plan assets at end of period

	139,061,972	137,110,745
--	-------------	-------------

Distribution of plan assets at end of period

	Jun-22	Jun-21
--	--------	--------

Percentage of assets at end of year

Fixed securities and cash	58.0%	54.8%
Loans	2.9%	2.8%
Local equities	13.6%	11.8%
Overseas bonds and equities	25.0%	30.1%
Property	0.5%	0.5%
Total	100%	100%

Additional disclosure on assets issued or used by the reporting entity
Percentage of assets at end of year

Assets held in the entity's own financial instruments

Property occupied by the entity

Other assets used by the entity

AGRICULTURAL MARKETING BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

12 RETIREMENT BENEFIT OBLIGATIONS (Continued)

Components of the amount recognised on NAE

Asset experience gain / (loss) during the period

Liability experience gain / (loss) during the period

Year ended 30 June 2022	Year ended 30 June 2021
MUR	MUR
(6,169,273)	2,946,724
(38,321,074)	(51,715,468)
(44,490,347)	(48,768,744)

Year 2022/23 : Expected employer contributions

Weighted average duration of the defined benefit obligation

(Calculated as a % change in PV of liabilities for a 1% change in discount rate)

The plan is exposed to actuarial risks such as : investment risk, interest rate risk, longevity risk and salary risk. The risk relating to death in service benefits is re-insured.

The cost of providing the benefits is determined using the Projected Unit Method. The principal assumptions used for the purpose of the actuarial valuation were as follows:

Discount rate

Future salary increases

Future pension increases

Mortality before retirement

Mortality in retirement

Retirement age

MUR 7M

MUR 7M

13years

Year ended 30 June 2022	Year ended 30 June 2021
5.1%	4.8%
3.5%	3.0%
2.5%	2.0%

A 6770 Ultimate Tables

PA (90) Tables rated down by 2 years

65 YEARS

The discount rate is determined by reference to market yields on bonds.

Significant actuarial assumptions for determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based reasonably on possible changes of the assumptions occurring at the end of the reporting period.

-If the discount rate would be 100 basis points (one percent) higher (lower), the defined benefit obligation would decrease by Rs 44.8 million (increase by Rs 54.7 million) if all other assumptions were held unchanged. If the expected salary growth would increase(decrease)by1%, the defined benefit obligation would increase by Rs 19.7 million (decrease by Rs 17.5 million) if all assumptions were held unchanged.

-If life expectancy would increase(decrease) by one year, the defined benefit obligation would increase by Rs 12.2 million (decrease by Rs 12.1 million) if all assumptions were held unchanged.

In reality one might expect interrelationships between the assumptions, especially between discount rate and expected salary increases, given that both depend to a certain extent on expected inflation rates. The analysis above abstracts from these interdependence between the assumptions.

13 VOLUNTARY RETIREMENT SCHEME

The VRS Scheme is payable as follows:

Trade and other payables from Non-Exchange Transactions

Balance at start

Amount paid during the year

Balance at end

Current liabilities

Payable within one year

Non-current liabilities

Payable after one year

Year ended 30 June 2022	Year ended 30 June 2021
MUR	MUR
1,563,127	2,305,360
(422,357)	(742,233)
1,140,771	1,563,127
422,357	742,233
718,414	820,894
1,140,771	1,563,127

AGRICULTURAL MARKETING BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

14 TURNOVER

An analysis of the organisation's turnover is as follows :

PRODUCE	Year ended 30 June 2022		Year ended 30 June 2021	
	Quantity tonnes	Amount MUR	Quantity tonnes	Amount MUR
Imported Potatoes	11,591	360,859,239	10293	285,752,540
Local Potatoes			2513	74,330,120
Imported Onions	12,293	405,970,032	12214	363,887,598
Local Onions	429	13,439,566	628	19,513,074
Rodrigues Onions	23	1,264,500	31	1,059,728
Imported Seed Potatoes	556	13,558,975	630	19,057,123
Local Seed Potatoes	389	10,507,827	253	6,390,253
Imported Garlic	1,862	230,544,766	1910	208,892,316
Local Garlic			6	515,530
Imported Bean Seeds	2	242,555	3	705,425
Imported Onion Seeds	-	-	-	-
Local Onion Seeds	48	3,156,732	27	2,773,945
Imported Cardamom	2	1,915,925	1	1,087,995
Imported /Local Carrots	205	10,594,988	70	2,785,280
Imported Turmeric Powder	9	996,435	7	651,850
Others		98,206,235	0	5,515,002
TOTAL TURNOVER		1,151,257,774		992,917,778

15 OTHER INCOME

	Year ended 30 June 2022	Year ended 30 June 2022
	MUR	MUR
Commission on By-Catch Fish	1,832,885	73,240
Interest on bank balances	2,098,091	2,261,608
Interest on staff Loan	204,717	170,617
Rental Income*	18,208,983	26,910,826
Compensation from suppliers	3,719,266	3,392,818
Finance Income - Outstanding Receivables	65,950	242,140
Insurance Claims	299,019	10,879
Uncertified seeds	289,020	241,856
Gain on FOREX	4,099,206	3,543,963
Other Revenue	1,302,735	860,755
	32,119,872	37,708,702

*Rental Income is derived from storage facilities to Importers, Exporters and other private operators.

16 COST OF SALES

Cost of sales:	Year ended 30 June 2022	Year ended 30 June 2022
	MUR	MUR
Opening stock	68,682,663	107,565,149
Purchases	975,810,389	724,651,265
Closing stock	(70,130,269)	(68,682,663)
	974,362,784	763,533,751

AGRICULTURAL MARKETING BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

	Year ended 30 June 2022	Year ended 30 June 2021
17 STAFF COSTS	MUR	MUR
Basic Salary	53,198,346	45,369,628
Overtime Payment	7,169,665	5,914,657
Travelling	6,624,101	5,886,169
Responsibility Allowance	622,756	520,176
Other Pay	2,958,508	45,705
Sick Leave	1,700,525	-
Meal Allowance	51,490	84,355
Pension Benefit Scheme	13,921,319	9,625,579
Pension Contribution Scheme	1,874,966	1,021,104
FPS contribution	1,051,060	877,623
Medical Scheme contribution	3,490,285	3,115,760
NPS contribution	3,226,781	2,804,513
End of Year Bonus	4,441,584	3,832,551
Passage Benefit	2,014,400	1,772,786
Compensation	1,520,056	2,582,010
Increase in Provision for vacation leave	2,621,389	1,613,301
Increase in Provision for sick leave	3,440,570	3,026,616
Staff Uniform & Protective Equipment	1,450,299	631,727
Training	73,700	79,000
	111,451,801	88,803,260
18 ADMINISTRATIVE EXPENSES		
Electricity, water and telephone	39,804,487	40,720,110
Repairs and maintenance	11,778,082	11,038,695
Insurance	1,019,330	1,203,243
Legal and professional fees	1,990,712	790,204
Motor vehicles running expenses	1,156,282	1,166,214
Board members fees	1,148,777	905,189
Security services	4,627,600	4,258,450
Consultancy fees	596,694	17,250
General expenses Store	902,267	1,047,290
Waste Disposal	142,035	109,801
Compensation to dealers	4,043,130	1,664,602
National Wholesale Market	417,980	6,341
Other charges	10,996,581	-
Postage, printing and stationery	1,859,861	1,478,186
Advertising	176,857	98,912
Audit fees	275,000	275,000
General expenses Administration	3,091,175	2,174,220
Rent payable	206,711	87,741
	84,233,560	67,041,447
19 OTHER EXPENSES		
Donations	89,500	146,853
Bad Debts	484,137	4,101,707
Increase in provision for bad debts	11,214,442	3,748,990
Depreciation & Amortisation	32,006,087	31,142,645
Loss on foreign exchange transactions	58,986,021	23,457,025
Loss on disposal	68,675	50,262
	102,848,862	62,647,482

AGRICULTURAL MARKETING BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

20 Related Party Transactions

The Agricultural Marketing Board regards the Government of Mauritius as its controlling party and discloses the following for period under review in accordance with IPSAS 20 (Related party disclosures).

	Year ended 30 June 2022	Year ended 30 June 2022
	MUR	MUR
(i) Grant received from Government		-
(ii) Compensation to key Management Personnel		
Fees to Board Members	1,148,777	905,189
Management Personnel Compensation	8,877,115	9,214,150
	10,025,892	10,119,339

21 Prior Year Adjustments

	Year ended 30 June 2022
Being prior year adjustment for electricity Jan/Feb 2020 posted to correct GL	(12,700)
Being prior year adjustment for electricity Jan/Feb 2020 posted to correct GL	59,099
Being prior year adjustment for water charges for July 2016 wrongly posted	840
Prior year adjustment, water charges - June 2020	421
Le Defi Plus - March 2020 - SI- 04568	10,063
Being adj on vendor a/c may be ppi should be cancel as inform by SO	91,263
Being adj on vendor a/c may be ppi should be cancel as inform by SO	(91,263)
Being adj on vendor a/c may be ppi should be cancel as inform by SO	(91,263)
Being adj on supplier a/c as inform by so	(35,000)
Motor Vehicle insurance 2020 - 40528/19/N/E2 -Vehicle - 4706JL20 (HYUNDAI H1)	11,576
Being adjustment due to overcharge of interest for the month of October 2020	12,135
Charge - Feb 21 - Line 8634-Not received Covid-19-FINV06641559-2102A	3,087
Being correction of deposit rental wrongly accounted for in 2019- COCO SEAFOODS LTD C/O PARASURAMEN NEDOOMAL	4,500
	(37,245)

AGRICULTURAL MARKETING BOARD NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

22 Segment Reporting

	POTATOES		ONIONS			GARLIC		SEED POTATO		ONION SEED		IMPORTED TURMERIC	IMPORTED BEAN SEEDS	IMPORTED CARDAMOM	OTHERS	TOTAL
	LOCAL	IMPORTED	LOCAL	IMPORTED	RODRIGUES	IMPORTED	LOCAL	IMPORTED	LOCAL	IMPORTED						
											MUR M					
REVENUE	83.0	373.7	13.9	418.8	1.3	232.8	10.9	14.3	0.0000	3.2	1.0	1.9	0.2	28.4	1,184	
Less: COST OF OPERATION	91.8	459.9	16.0	453.5	1.2	166.2	15.4	31.5	0.0002	5.0	0.7	1.4	0.4	29.8	1,273	
NET SURPLUS/ (DEFICIT)	(8.8)	(86.3)	(2.1)	(34.6)	0.1	66.5	(4.4)	(17.2)	(0.0002)	(1.8)	0.3	0.5	(0.1)	(1.4)	(89.3)	

The AMB has identified as separate segments each distinguishable activity or group of activities by product for which financial information is reported, for purposes of:

- (a) evaluating the past performance of the entity in achieving its objectives, and
- (b) making decisions about the allocation of resources by the entity.

The **deficit** of some **MUR 89M** for the year ended **30 June 2022** is made up as shown above. Deficits on these products are cross subsidized from surpluses on sales of other products.





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