



Jamaica Agricultural  
Society

# ANNUAL REPORT

2018 | 2019

**EMPOWERING**

the Agricultural Sector  
since 1895





JAMAICA AGRICULTURAL SOCIETY

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## INCORPORATION ACT

12 – (1) THE BOARD SHALL ANNUALLY PREPARE AND PRESENT TO THE ANNUAL GENERAL MEETING, A REPORT OF ITS PROCEEDINGS, TOGETHER WITH A COMPLETE STATEMENT OF ITS FINANCIAL POSITION AND ITS ACCOUNTS, AUDITED AND CERTIFIED BY AN AUDITOR APPROVED BY THE MINISTER.

(2) THE BOARD SHALL FORWARD CERTIFIED COPIES OF SUCH, STATEMENT AND ACCOUNTS TO THE MINISTER, WHO SHALL CAUSE SUCH CERTIFIED COPIES TO BE LAID BEFORE THE HOUSE OF REPRESENTATIVES

# MISSION STATEMENT

“To ensure the protection and promotion of farmers’ interest, through a vigorous, independent and financially viable organisation providing services to farmers and assisting them to gain access to resources provided by government and other agencies; and to enhance global policy initiatives in order to achieve sound and economic development.”





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# CORPORATE PROFILE

**T**he Jamaica Agricultural Society (JAS), formed in 1895 under the instruction of the then governor of Jamaica, Sir Henry Blake, is the oldest and most rooted organization in rural agricultural development in the Caribbean.

In 1941 the JAS was incorporated as a private voluntary organization. In 1978 the Jamaica Agricultural Society Incorporation (Amendment) Act allowed for the affiliation of commodity organizations which included the All island banana growers Association, the Cane farmers Association, the JAS Cocoa Growers Federation Limited, the Pimento Growers Association, JAS Coffee Federation and Citrus growers association.

The base unit of the society is the District Branches. These district Branches are governed by their own Executive Committees. At the parish level, the district branches elect a parish representative and collectively they form the Association of Branch Societies. Each parish elect one person to represent the parish on the Board of Directors. The JAS' core function is centered around five (5) groups of activities, namely:

- Policy influence and farmer representation
- Extension services, training and information dissemination
- Cooperative Development
- Special Projects
- Commercial Operations

## THE CORPORATE OBJECTIVE OF THE SOCIETY MISSION IS:

- The protection and promotion of farmers' interest;
- The provision of extension training and other services to farmers;
- Assistance to farmers in gaining access to resources;
- Ensuring global policy initiatives to achieve social and economic development of the rural sector;
- The development of viable organization.

The vision of the JAS is to be the leading communitybased organization that addresses the needs and protects the interest of farmers, their families, and therein continue to reconstruct rural communities throughout Jamaica into viable economic and social entities.



# CORPORATE INFORMATION

**Registered Office**

67 Church Street, Kingston  
Telephone: (876) 922-0610-2  
Fax: (876) 967-7149

**Bankers**

Bank of Nova Scotia  
National Commercial Bank  
First Global Bank

**Attorneys-at-law**

Cruikshank & Co. Ltd.  
Richards and Richards

**Auditors**

McKenley & Associates

**Website address**

[www.jas.gov.jm](http://www.jas.gov.jm)

**E-mail address**

[admin@jas.gov.jm](mailto:admin@jas.gov.jm)

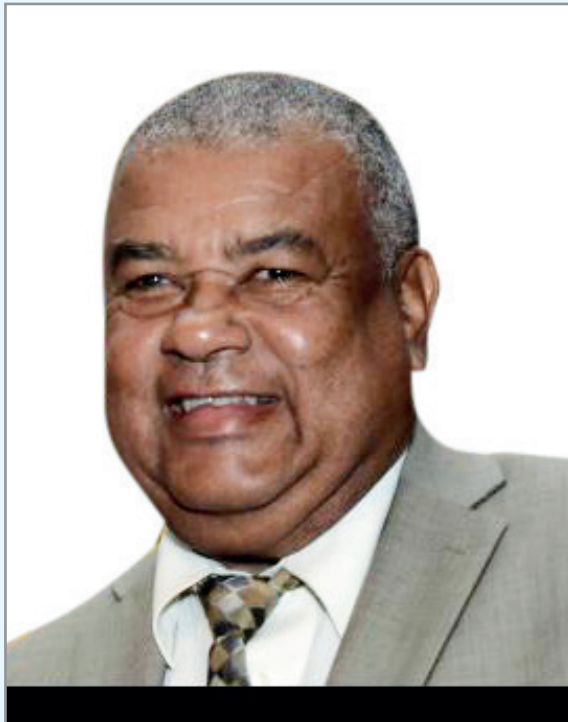
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# ANNUAL REPORT

2018-2019



## OVERVIEW FROM THE **PRESIDENT**



The year just ended saw the Jamaica Agricultural Society continue the process of transition from an organization supported by the public purse to a fully self-sustaining entity, putting us in an even better standing from which to consistently advocate for the interests of you, our nation's farmers, the unsung heroes of the Jamaican economy.

This indeed has been our mandate since the inception, in 1895. Our mission statement speaks to "a vigorous, independent and financially viable organization," and

also to enhancing global policy initiatives in order to achieve sound economic development."

Indeed, the scope of the Society is increasingly global, as are the challenges: accelerating climate change and its potentially severe impacts on water supply, coastal integrity and overall production; access to and competition for capital and the need to both preserve land for agricultural purposes and maximize the productivity of said lands.

**Our ongoing work has been to grapple with these challenges as well as the more direct economic issues affecting us in fulfilling our mandate..**

**For the year, the JAS booked total Revenues of J\$117.7million. The total asset base of the Society now stands at just under J\$575million dollars, up from J\$529million the previous year. The Net Deficit was J\$7.8 million.**

**During the period September 2018 to March 2019 – saw growth to 328 branch members and 39 Direct Members**

We have also worked diligently to strengthen our longstanding relationships with stakeholders – including, but not limited to – the 4-H Clubs, RADA, Private entities and both the Local and National Governmental authorities.

A key pillar of our drive toward "Independence" is consistently generating revenues in house and the with JASCEL project continues to as well as the iconic Denbigh Show, for which we anticipate yet another record-breaking year in terms of attendance, overall revenues and business generated.



Continue to see growth in revenues as a result of the investments made and activities as undertaken over the last several years has seen the Society placed on a continually stronger footing financially – more productive, more credible, more solvent; with regards to outstanding debts from the Denbigh Show, I can report that we have settled 85% of payments owing, and are proceeding apace towards being fully current on that score.

We are also far advanced on the creation of a Denbigh Redevelopment Plan – to take the event beyond the limits of an agricultural fair and towards a full-fledged agri-business expo, and also to ensure that Denbigh Show Ground itself, a property with tremendous potential – is utilized throughout the year, which will of course mean greater revenue flows.

Recognizing the demands that our new status will place on the organizational capacity of the Society, we are also restructuring of the organization, so as to adequately fill relevant positions and allow our hard-working staff to operate within the realms of their Job description.

I take this opportunity to sincerely thank the CEO, Christopher Emanuel, the board and staff and all our members and affiliates for your support over the past year.

As we anticipate the 125th Anniversary of the founding of this body next year, we can justly take significant pride in both the durability and the dynamism of our organization, but there is a lot of work to be done. There have been many storms, but by the grace of God, we have been able to weather them, and we can carry the strength and the wisdom gained from enduring difficult times and mark them as part of our collective investment into a brighter future, a future in which the voice of the farmer is respected, sought out and commensurately rewarded and recognized.

**Lenworth Fulton** OD, BH(M)  
President

# CHIEF EXECUTIVE OFFICER'S REPORT



On behalf of the Management and Staff of the Jamaica Agricultural Society (JAS), I am pleased to share with you the 2018-19 performance of the Society.

As we review the financial year ended March 31, 2019; the Planning Institute of Jamaica (PIOJ) is reporting that the economy grew by an estimated 1.5 % during the January to March 2019 quarter, with projections for up to 2 % growth for April to June. The performance for the review quarter indicates that the economy has continued to strengthen, recording the 17th consecutive quarter of growth.

The Agriculture, Forestry & Fishing industry grew by an estimated 0.2%. The performance of the industry was facilitated by the improved performance of other Agricultural Crops which increased by 2.7%. Further growth was constrained by a contraction in traditional export crops. Coffee production continued to be negatively impacted by the Coffee Leaf Rust disease and market uncertainty; sugar cane production was impacted by issues, which when combined, resulted in inadequate throughput of sugar cane whereas lower banana production reflected the impact of dry weather conditions.

The organization would like to salute the resilience and tenacity of our small farmers who, notwithstanding challenges continues to be a critical player in the performance of the economy.

The review period saw a deliberate attempt on the part of the organization to continue the strengthening of the membership base of the organization, the capacity of branches to improve the economic well-being of their membership, development of the asset base of the organization and strengthening the inter-agency collaborative initiatives.

The Jamaica Agricultural Society, the farmers' umbrella organization intends to continue to focus on promoting local agricultural production.

This will be achieved by partnering with other stakeholders to effect social and economic empowerment in rural farming communities, which will impact the domestic economy by increasing the availability and access to adequate quantities of safe,

quality-assured food products.

Financially the organization continued on a path of developing some deliberate strategies to the fiscal challenges which resulted in cost containment in most areas of our operation. I am pleased to advise that notwithstanding the challenges, we executed our projects and programmes successfully and within budgets.

As we look to 2019/20, a financial year in which the Jamaica Agricultural Society will celebrate one hundred and twenty-five (125) years; we hope that the sector will continue to grow from strength to strength providing opportunities and enhanced returns for our members.

The Cabinet of Jamaica has mandated the Ministry of Industry, Commerce, Agriculture and Fisheries by way of Decision #41/17 to recommend a new approach regarding the GOJ's partnership with the JAS.

The intent is to make the JAS a more independent farmers- controlled group and to provide an opportunity for the Ministry to better partner with the JAS on a more constructive basis, rather than just payment of salaries.

The Management team and I remain committed to the task at hand. I would like to acknowledge the contribution of all the team members over the review period and I am extremely confident that our work together going forward will continue to grow and advance our collective agenda of serving our farmers.

I would like to thank our President and his team for their exemplary leadership as they continue to demonstrate a high level of engagement and a deep sense of commitment not only to the Jamaica Agricultural Society but the country's Agriculture Sector.

To other volunteers who contributed their time and effort to the organization; we say thank you. Thanks to the Ministry of Industry Commerce, Agriculture & Fisheries for their continued support and all the other organizations and agencies that contributed to the work of the Jamaica Agricultural Society during the year under review.

Thanks to the other organizations and agencies that contributed to the work of the Jamaica Agricultural Society over the past year. To the farmers of Jamaica, I want to applaud your efforts as you continue to demonstrate that you are very resilient and extremely

committed to what you do.

To our other members, we thank you for your unwavering support, insightful feedback and confidence in the organization.

Farmers, you would agree with me that all in all, rural development, and by extension national development, can only be achieved by a strong and vibrant agricultural sector, that has the ability to create wealth and sustainable living conditions for all players involved.

I would like to emphasize once again, that the importance of the sector however cannot be measured simply in terms of its contribution to the economy but the values that have kept the Jamaican society going over the years, the value of hard work, the quality of resilience. The Christian values which define Jamaica have all been mainly founded and built up by generations of farming families.

We stand resolute in our responsibility to all our stakeholders as we continue to protect and promote farmers' interest.

Long Live The Jamaica Agricultural Society

**Christopher Emanuel**  
Chief Executive Officer

# BOARD OF MANAGEMENT REPORT

## BOARD OF MANAGEMENT REPORT

This report covers the period April 2018 - March 2019. During this period a new administration was elected to office. The Board of Management of the Jamaica Agricultural Society now constitutes the following members:

### PRESIDENT

Mr. Lenworth Fulton - President/St. Catherine Representative

### VICE PRESIDENTS

Mr. Denton Alvaranga - 1st Vice President/Clarendon Representative  
Mr. Owen Dobson - 2nd Vice President/Westmoreland Representative

### PARISH REPRESENTATIVES

Mr. Albert Green - Kingston & St. Andrew  
Mr. Glendon Harris - St. James  
Mr. Delroy Redway - St. Ann  
Mr. Winston Hume - Hanover  
Dr. Hugh Lambert - St. Mary  
Mr. Lawrence Robertson - Portland  
Mr. Dinsdale Smith - St. Thomas  
Mr. Triston Turner - Trelawny  
Mrs. Kayon Whyne - St. Elizabeth  
Mr. Jones Oliphant - Manchester

### APPROVED MEMBERS ORGANIZATIONS

Mr. John Thompson - Citrus Growers Association  
Hon. A.A. Pottinger - Coconut Industry Board

Mr. Everett Hyatt	-	All Island Jamaica Cane Farmers Association
Mr. Tony Maragh	-	Jamaica Pig Farmers Association
Mr. Hugh Lyon	-	Pimento Growers Association
Mr. Shawn Taylor	-	Jamaica Fishermen Cooperative Society
Mr. Roy Baker	-	Jamaica Egg Farmers Association
Ms. Tamisha Lee	-	Jamaica Rural Network of Women Producers
Mr. Trevor Bernard	-	Small Ruminants Association of Jamaica
Mr. Lisle Phillips	-	Cattle Breeders Society
Mr. Dennis Buddo	-	Jamaica Cocoa Sector Development Alliance
Mr. Donald Salmon	-	Cocoa Growers Association

### **HOUSE OF REPRESENTATIVES**

Upper House

Lower House

Opposition

### **JAMAICA 4H CLUBS**

Mr. Collin Virgo

### **MINISTRY OF AGRICULTURE REPRESENTATIVE**

### **DIRECT MEMBERS' REPRESENTATIVES**

Mr. Pat Rose

Mr. Clifton Grant

Mr. Hugh Johnson

**Note:**

Regrettably, former board member Mr. Derrick Vermont, who was still serving on the Board of Management, has passed on during the year in review.

# MEMBERS' ATTENDANCE

Names	No. of Meetings Held	No of Meetings Eligible to attend	No. of Meeting Attended	Remarks				
				Apologies	Other Engagement	Overseas	Sick	Absent
Mr. Lenworth Fulton	11	11	11	-	-	-	-	-
Mr. Denton Alvaranga	11	11	10	-	-	-	-	-
Mr. Owen Dobson	11	11	9	-	-	-	-	2
Mr. Glendon Harris	11	11	10	-	-	1	-	-
Mr. Delroy Redway	11	11	11	-	-	-	-	-
Dr. Hugh Lambert	11	11	7	-	-	-	1	3
Mr. Dinsdale Smith	11	7	6	-	-	1	-	-
Mrs. Kayon Whyne	11	7	5	2	-	-	-	-
Mr. Jones Oliphant	11	7	6	-	-	-	-	1
Mr. Lawrence Robertson	11	7	7	-	-	-	-	-
Mr. Winston Hume	11	7	2	1	-	-	-	4
Mr. Albert Green	11	3	2	-	-	-	-	1
Mr. Triston Turner	11	7	7	-	-	-	-	-
Mr. Hugh Lyon	11	11	3	-	-	-	8	-
Mr. Everett Hyatt	11	11	5	1	-	-	-	5
Hon. A. A. Pottinger	11	11	2	2	-	-	-	7
Mr. Byron Henry	11	11	2	-	-	-	1	8
Mr. Collin Virgo	11	8	8	-	-	-	-	-
Mr. John Thompson	11	11	2	-	-	-	-	9
Mr. Tony Maragh	11	11	10	-	-	-	-	1
Ms. Tamisha Lee	11	11	5	-	-	1	5	-
Mr. Shawn Taylor	11	11	10	1	-	-	-	-
Mr. Trevor Bernard	11	4	4	-	-	-	-	-
Mr. Dennis Buddo	11	3	3	-	-	-	-	-
Mr. Lisle Phillips	11	3	3	-	-	-	-	-
Mr. Donald Salmon	11	3	3	-	-	-	-	-
Mr. Pat Rose	11	11	9	1	-	-	1	-
Mr. Clifton Grant	11	11	10	-	-	-	-	1
Mr. Hugh Johnson	11	11	9	-	-	-	-	2

Mr. Norman Grant	11	8	8	-	-	-	-	-
Mr. Donald Berry	11	5	5	-	-	-	-	-
Dr. Ronald Blake	11	2	2	-	-	-	-	-
Mr. Ryan Keating	11	4	-	-	-	2	-	-
Mr. Collin Johnson	11	4	1	-	-	-	-	3
Mr. Roy Baker	11	11	-	-	-	-	-	-
Mr. Derrick Vermont	11	5	5	-	-	-	-	-
Mr. Rupert Scott	11	4	4	-	-	-	-	-
Mr. McArthur Collins	11	4	1	1	-	-	-	2

## RETIRING MEMBERS

The following members of the Board of Management are due for retirement this year 2019 and are eligible for re-election:

- Mrs. Kayon Whyne
- Dr. Hugh Lambert
- Mr. Triston Turner
- Mr. Lawrence Robertson
- Mr. Owen Dobson
- Mr. Pat Rose
- Mr. Tony Maragh
- Mr. Shawn Taylor
- Mr. Everett Hyatt
- St. Elizabeth
- St. Mary
- Trelawny
- Portland
- Westmoreland
- Direct Members' Representative
- Jamaica Pig Farmers Association
- Jamaica Fishermen Cooperative Society
- All Island Jamaica Cane Farmers Association

Please note the following:

1. Mrs. Kayon Whyne replaced Mr. Cyril Martin in 2018. She therefore has to complete the three (3) year cycle that Mr. Martin would have completed in 2019. She is, however, due for retirement and subsequent re-election.
2. Mr. Triston Turner replaced Mr. Ryan Keating in 2018. He therefore has to complete the three (3) year cycle Mr. Keating would have completed in 2019. He is, however, due for retirement and subsequent re-election.
3. Mr. Lawrence Robertson replaced Mr. Donald Berry in 2018. He therefore has to complete the three (3) year cycle Mr. Berry would have completed in 2019. He is, however, due for retirement and subsequent re-election.

# OBITUARIES

The following individuals passed on during the period and the Board of Management has expressed condolences to the families and friends of the deceased:

- Mr. Herman Alvaranga Brother of Mr. Denton Alvaranga, 1st Vice President, JAS
- Mr. Percival Josephs Member, St. Andrew ABS and stalwart in the sector
- Mr. Clarence Campbell Former officer of the National Land Agency
- Mr. Trevor Fulton Brother of Mr. Lenworth Fulton, President, JAS
- Mrs. Marjenny Taylor Wife of Mr. Shawn Taylor – Board Member
- Mrs. Lawrence Telfer Wife of Mr. Lawrence Telfer
- Mr. Clinton Coates Formerly of the Jamaica School of Agriculture
- Mr. Byron Nickel Husband of Mrs. Christine Sutherland – Nickel – Secretary – St. Ann ABS
- Mr. Granville Marsh Formerly of Cocoa Industry Board and Coffee Industry Board
- Mr. Asmar Francis Brother of Miss Jamila Francis – member of staff
- Mr. Keith Clayton Brother-in-law of Mr. Lenworth Fulton, President, JAS
- Mr. Walter Coley Father-in-law of Mr. Derrick Vermont
- Mr. Mario Cox Father of Mr. Cox
- Mr. Keith Thomas Treasurer, St. Mary ABS
- Mr. Derrick Vermont Board member and veteran in the agricultural sector St. Ann
- Mr. Ainsley Fleming Former Parish Manager, Trelawny Parish Office
- Ms. Bevolyn Harvey Former member St. James ABS
- Ms. Ivet Nelson Former member of staff and mother of Mrs. Semone Clarke-Brown – member of staff
- Mrs. Elizabeth Clarke Former member of staff and mother of Mrs. Semone Clarke-Brown – member of staff
- Mr. Albert Markland Father of Mrs. Keisha Markland-Campbell – member of Staff
- Mrs. Moyatt Manchester Farmer
- Ms. Lenora Britton Grandmother of Mr. Kemoy Blake – member

Prepared by:

**Patricia Jackson**

Executive Secretary





# OPERATING OVERVIEW

## HUMAN RESOURCES & ADMINISTRATION

This report provides an overview of the activities and staffing trends of the Human Resource and Administration Department during the reporting period, April 1, 2018 - March 31, 2019.

The Human Resource and Awards Committee under the Chairmanship of Mr. Clifton Grant continue to examine/review staff related issues at its monthly held meetings.

### Committee Members during review period

April 2018-August 2018	September 2018 to Present
Mr. Clifton Grant	Mr. Clifton Grant - Chairman
Mr. R. Pat Rose	Mr. Colin Virgo - Co-Chair
Mr. Hugh Johnson	Mr. Hugh Johnson
Dr. Ron Blake	Mr. R. Pat Rose
Mr. Tony Maragh	Mr. Larry Robertson
Mr. Rupert Scott	Mr. Albert Green

The staff complement of the Society, as at March 31, 2019, totaled 67 as follows:

Category of Employees	Amount of Employees
Established posts	53
Part Time	6
Denbigh	4
JASCEL	3
<b>Total</b>	<b>66</b>

# MOVEMENT OF STAFF

Set out below is a summary of the movement of staff:

## ● APPOINTMENTS

Name of Officer	Post	Period of Appointment
Tashorna Senior	Parish Secretary – Kingston & St. Andrew	May 7, 2018
Lois Lee	Chief Financial Officer	September 1, 2018
Vernal Riley	Parish Manager - Portland	December 3, 2019
Malonia Morris-Harper	Parish Manager - Trelawny	January 7, 2019
Dianne Dudley	Senior Secretary	February 18, 2019

## ● ACTING APPOINTMENTS

Name of Officer	Post	Period of Appointment
Jody-Ann Crosdale	Regional Manager – Region 1	May 4, 2018 – August 31, 2018
Lotoya Clarke	Parish Secretary - Portland	May 7, 2018 – June 5, 2018
Mr. Marcel Blair	Driver/Messenger	December 3, 2018- March 31, 2019
Ms. Collet Emanuel	Executive Secretary	January 28, 2019 - March 1, 2019
Ms. Tamara Johnson	Parish Secretary - Portland	February 1, 2019 - March 22, 2019
Ms. Sherica Turner	Parish Secretary - Westmoreland	February 18, 2019 - May 3, 2019

## ● CONFIRMATION

Name of Officer	Post	Effective Date
Jody-Ann Crosdale	Regional Manager	June 1, 2018
Estelina Campbell	Property Maintenance Officer	June 1, 2018
Shannakay Yee	Parish Secretary – St. James	June 1, 2018
Channa Bernard	Parish Secretary – St. Ann	June 1, 2018
Sabrina Martin	Parish Secretary – St. Catherine	June 1, 2018
Richard Grant	Parish Manager – St. Ann	June 1, 2018

Kamiel Scott	Parish Manager – Hanover	June 1, 2018
Charles Killingbeck	Parish Manager - Clarendon	June 1, 2018
Josephine Hamilton	Parish Manager – Kgn & St. Andrew	June 1, 2018
Jennifer Henry	Office Attendant – Clarendon	June 1, 2018
Rohan Campbell	Administration Clerk – Head Office	June 1, 2018
Maurice Morris	Driver/Messenger	June 1, 2018
Claudette Glegg	Parish Manager – St. James	December 1, 2018
Khamille Malcolm	Parish Secretary - Clarendon	December 1, 2018

## ● TRANSFER

Name of Officer	Transferred From	Transferred To	Effective Date of Transfer
Norman Blake	Manchester	St. Ann	February 18, 2019

## ● LEAVE

Vacation Leave	Pre-Retirement Leave	Extended Sick leave
41	0	2

## ● SEPARATION

During the period under review, the number of persons who utilized leave was as follows:

Year Under Review	No. of Separation	Reasons for Separation		
		Retirement	Resignation	Termination
2018/2019	9	1	8	-

## ● PROFESSIONAL DEVELOPMENT

Our employees are our most important resource and as such we continue to encourage and applaud their efforts for taking the proactive approach in enhancing their professional and personal skills.

Congratulations to Ms. Kalecia Hall who has completed a Master's of Science Degree in Developmental Studies.

## ● PERFORMANCE MANAGEMENT

The performance appraisals of all employees are conducted for the period January to December annually. This serves to provide timely and constructive feedback to employees about their performance in addition to informing management about the level of job performance and the necessary remedial action.

## ● TRAINING & DEVELOPMENT

As part of our capacity building initiative, our employees participated in a number of inter-agency collaborations to include:

- **May 9, 2018**  
Asset Maintenance & Fund Management (Management of the organizations Assets)  
Attended by Ms. Donnette Skervin and Mrs. Jannett Pullen
- **May 10, 2018**  
Financial Planning. This was attended by Mrs. Jannett Pullen.
- **May 14-15**  
Media & Communication (Strategies to Increase Brand Value and Visibility)  
Attended by Mrs. Jannett Pullen, Ms. Donnette Skervin and Ms. Jamila Francis
- The Japan International Co-operation Agency (JICA) Knowledge Co-Creation Programme on Local Industry Development in Agricultural Region by Strengthening Capacity of Management and Marketing was held in Obibiro, Japan during the period September 10, 2018 to October 13, 2018. Mr. Derron Grant who was nominated to participate.

# OTHER ACTIVITIES

## ● ANNUAL GENERAL MEETING

The One Hundred and Twenty-Third (123rd) Annual General Meeting (AGM) was held on Wednesday July 11, 2018.

Elections for the post of President, 1st Vice President and 2nd Vice president were conducted. The results were as follows:

Mr. Lenworth Fulton	-	President
Mr. Denton Alvaranga	-	1st Vice President
Mr. Owen Dobson	-	2nd Vice President

## ● PARISH REPRESENTATIVES

The following persons were elected as Parish President/Board Representative:

Mr. Triston Turner	-	Trelawny
Mrs. Kayon Whyne	-	St. Elizabeth
Mr. Winston Hume	-	Hanover
Mr. Lawrence Robertson	-	Portland

Mr. Dinsdale Smith	-	St. Thomas
Mr. Jones Oliphant	-	Manchester
Mr. Albert Green	-	Kingston & St. Andrew

## ● NATIONAL FARM QUEEN COMPETITION 2018

The crowning of the 2018 National Farm Queen was held on Saturday August 4, 2018 at the 66th staging of the annual Denbigh Agricultural, Industrial and Food Show. The winners were:

National Farm Queen 2018	-	Miss Samantha Thomas-Myrie, Hanover
1st Runner-up	-	Miss Glecean Cox, St. Mary
2nd Runner-up	-	Miss Kimberly Salmon, St. Catherine

## ● ADMINISTRATIVE PROFESSIONALS' DAY

With the Administrative Professionals' Week celebrated during April 23-27, 2018 and April 25, 2018 designated as Administrative Professional's Day (Secretaries Day), the Society applauded the efforts of our secretaries who were all recipients of a token of appreciation.

# AWARDS 2018

## DENBIGH LIFETIME ACHIEVEMENT AWARDS

The 4th Denbigh Lifetime Achievement Awards were presented to the following persons who have contributed consistently to the development of the Denbigh brand. The awards were presented during the 66th staging of the Denbigh Agricultural, Industrial and Food Show, August 4-6, 2018.

1. Eric Young	-	Kingston & St. Andrew
2. Hugh Johnson	-	St. Ann
3. Pauline Downer	-	St. James
4. Lynette Johnson	-	St. Thomas
5. Ann-Marie Edwards	-	St. Mary
6. Millicent Jamieson	-	St. Catherine
7. Doreen Dale	-	Trelawny
8. Howard Burnett	-	Hanover
9. Major Johnathan Lamey	-	National Farm Queen Competition
10. Bridgette Williams	-	Farm Queen & Agricultural Exhibits
11. Paulette Lyons Dodd	-	Farm Queen & Agricultural Exhibits
12. Joseph Johnson	-	Agricultural & Horticultural Exhibits
13. Maureen Smallwood-Paige	-	Agricultural & Horticultural Exhibits
14. Annette McDonald	-	Agricultural & Horticultural Exhibits
15. David Crossbourne	-	Agricultural & Horticultural Exhibits

16. Sandra Anderson-McClymont - Agricultural & Horticultural Exhibits
17. Juley Winter-Robertson - Agricultural & Horticultural Exhibits
18. Durman Robb - Agricultural & Horticultural Exhibits
19. Everton McIntosh - Agricultural & Horticultural Exhibits
20. Ministry of Industry, Commerce, Agriculture & Fisheries
21. Clarendon Health Department
22. Clarendon Divisional Headquarters
23. Clarendon Municipal Corporation
24. College of Agriculture, Science & Education (CASE)
25. Heart Trust NTA
26. Action Plan Limited
27. Glendon Harris
28. Rupert Scott
29. Owen Dobson
30. Dervan Malcolm
31. Althea McKenzie
32. Joan Sharpe-Colley
33. Prudence Daley
34. Barbados Agricultural Society
35. Cayman Island Agricultural Society
36. Agricultural Society of Trinidad and Tobago
37. Hon. William McKeeva Bush
38. Hon. Juliana O'Connor-Connolly
39. Hon. Neletha Butterfield
40. Devon Fletcher
41. Bonitto McDonald
42. Kenroy Wilson

Andrea Brown-Morris  
Human Resource Manager



# OPERATING OVERVIEW

## FIELD SERVICES

The agriculture sector continues to be one of the most vital sectors for the development of our country, with a continued strong potential for growth. In keeping with our obligation to advocate for our farmers and farm families we present a review of the performance of the Jamaica Agricultural Society (JAS) Field Services Department for the period April 2018-March 2019.

The main objectives for the department were to increase productivity through projects, increase membership and to promote the relevance of farming across the island. Through these objectives the livelihood of our farmers and their families were greatly improved. During our review period the need for more training in water harvesting and proper procedure to harvest water for irrigation was highlighted.

The sector has seen some major accomplishments over the period to include the identification of potential markets for farmers as well as the establishment of international linkages to facilitate export markets for domestic produce. This is evident with the plant development of the Margan's Pass processing facility as well as the Bethel Town processing plant which is currently in negotiation with a UK based company to supply sorrel and ginger.

Our farmers have remained resolute in producing for themselves, their families and the consuming public, despite the many challenges. These challenges includes: praedial larceny, high cost of agricultural inputs especially chemicals and seeds as well as the issue of the inclement weather condition that has affected all parishes in unexpected ways. Crops were lost and many who suffered losses felt like giving up farming due to damages that were deemed irreparable. The presence of

groups such as USAID, EFJ, HEART TRUST NTA, TPDCo, FFP, FAO and JICA made a positive impact on farmers through the implementation of different projects and trainings. Notwithstanding all of the above, the agricultural sector has recorded growth.

# Parish Highlights

Region 1	Region 2
<ul style="list-style-type: none"> <li>• Health and Safety Fair</li> <li>• Heart Trust NTA Training</li> <li>• Basic Computer Training</li> <li>• Home Economics: Baking Skills</li> <li>• Rain Water Harvesting</li> <li>• School Garden Projects</li> <li>• Membership Drive/Affiliation</li> <li>• National Farmers Month Church Service</li> <li>• CDB Procumbent Workshop</li> <li>• Crop Production Training</li> <li>• Livestock and Pest Management Training Worshop</li> <li>• Leadership Seminars</li> <li>• Half Yearly Meetings</li> <li>• Chemical safety, use and application</li> <li>• Parish Shows</li> <li>• Climate Smart Agricultural Symposium</li> <li>• Piggery and Poultry Management Training</li> <li>• Disaster Risk and Land Management Training</li> <li>• Poultry Production</li> <li>• Group Dynamics and Recording Keeping Training</li> </ul>	<ul style="list-style-type: none"> <li>• Leadership seminars</li> <li>• Youth in Agriculture</li> <li>• Bush fire management training</li> <li>• Climate Smart Agricultural Symposium</li> <li>• Piggery and Poultry Management Training</li> <li>• Farm Queen Coronations</li> <li>• Parish Agricultural Shows (3)</li> <li>• Denbigh Agricultural Show</li> <li>• Onion production project</li> <li>• National Poverty Reduction Sensitization Seminar</li> <li>• Farm Watch Launch</li> <li>• Irish Potato Project</li> <li>• Health fairs</li> <li>• Farmers Market initiatives</li> <li>• Women and youth in agriculture workshop</li> <li>• Beet Army Worm Surveillance</li> <li>• JMA EXPO</li> <li>• FAO convention</li> <li>• Cannabis Colloquium</li> <li>• Obesity Forum with the Honorable Minister Christopher Tufton</li> <li>• Farmer's Overseas Employment</li> <li>• Sheffield Greenhouse Project {Westmoreland Municipal Corporation (WMC)}</li> <li>• Farming as Business Workshop</li> <li>• HFI360 Stepping Stone to Success Launch</li> <li>• Mushroom Production Project – PROPEL</li> <li>• Praedial Larceny Workshop</li> <li>• MLSS- Entrepreneurial Project</li> </ul>



Region 1	Region 2
	<ul style="list-style-type: none"> <li>• Yam Festival Participation – Kellits</li> <li>• Rock River Mango and Sorrel Festival 2018.</li> <li>• USAID Workshop at Clarendon Youth Information Centre under the theme “Strengthening Human Resilience in Northern Clarendon and West Kingston”</li> <li>• Denbigh 5K Run Walk July 8, 2018 at Denbigh Showground</li> </ul>

## Staff Training

Mr. Denver Thorpe, Regional Manager and Mr. Mario Hamilton, Westmoreland Parish Manager attended the Mushroom Production Training, organized by PROPEL.

## Membership

Parish	Total YTD Affiliated Branches	Total YTD Affiliated Members	Part Affiliated Branches	Direct Members Registered Year to Date (YTD) April 2018 – March 2019
Kingston & St. Andrew	52	959	12	308
St. Thomas	14	284	4	4
Portland	25	559	26	11
St. Mary	7	128	3	13
St. Catherine	46	799	7	16
St. Ann	10	289	13	24
Westmoreland	18	302	0	10
Hanover	25	484	4	17
St. James	14	333	9	10
Trelawny	12	252	7	60
Manchester	20	356	4	46
Clarendon	10	226	3	9
St. Elizabeth	27	467	1	14
<b>Total</b>	<b>280</b>	<b>5438</b>	<b>93</b>	<b>542</b>

## Receipt Book Sales

	Total Sales April 2018 – March 2019
Kingston & St. Andrew	30
St. Thomas	284
Portland	85
St. Mary	77
St. Catherine	369
St. Ann	536
Westmoreland	106
Hanover	141
St. James	203
Trelawny	360
Manchester	76
Clarendon	46
St. Elizabeth	71
<b>Total Amt. of books sold</b>	<b>2334</b>

## Parish Activities

Parish activities for the reporting period were based on the parish objectives and interest. Activities include field days, seminars, branch visits, fundraising events, branch meetings etc. The parishes had several training collaborative initiative with agencies such as:

• Ministry of Industry Commerce Agriculture and Fisheries (MICAFA)	• Caribbean Development Bank (CDB)
• Rural Agricultural Development Authority (RADA)	• National Youth Service (NYS)
• College of Agriculture Science and Education (CASE)	• National Insurance Scheme (NIS)
• Ministry of Labour and Social Security (MLSS)	• Hi-Pro
• U.S Agency for International Development (USAID)	• Social Development Commission (SDC)
• Jamaica Cultural Development Commission (JCDC)	• Parish Development Committee (PDC)
• All Island Banana Growers Association (AIBGA)	• Department Forestry
• Tourism Product Development Company (TPDCo)	• Fersan
• National Environment and Planning Agency (NEPA)	• Jamaica Social Investment Fund (JSIF)
• Scientific Research Council (SRC)	• Nutramix
• Jamaica Agricultural Regulatory Authority (JACRA)	• Ministry of Health (MOH)
• Inter-American Institute for Cooperation (IICA)	• 4-H Clubs

## Farmers' Training

The development of community based projects is one of the main objectives aimed at creating economic sustainability for the branches and by extension food security. These projects seek to enable farmers to meet a global market place. A total of 7,021 farmers were trained in various disciplines of agricultural production technologies as well as other socio economic builders that aids in the development of the farmer.

## Commodity Supply Status:

Throughout the period cabbage, plantain and pumpkin were always available in some parishes. Coconut and sweet pepper were moderately available.

## Projects

### Economic Projects/Activities for 2017 -2018:

Parish	Project/Activities	# of Farmers Involved	Location	Funding/Sponsors
Kingston & St. Andrew	<ul style="list-style-type: none"> <li>School Garden</li> <li>Castor Bean</li> <li>Poultry rearing</li> <li>Watershed preservation</li> <li>Back yard gardening</li> </ul>		Free Town, Cottage Cane River New Belmont Content Gap Golden Age Home	RADA, JAS ACDI/VOCA
Portland	<ul style="list-style-type: none"> <li>MLSS-Entrepreneurial</li> <li>West Indian Red pepper</li> </ul>	25	Parish Wide	JAS, H&L Agro, Nutramix, St. Jago Farm Supplies
St. Mary	<ul style="list-style-type: none"> <li>Pig revolving</li> <li>Crop Production Training</li> </ul>	142	Hartland, Three Hills Kiddland, Derry Sandside, Dean Pen Decoy, Woodside	USAID, IICA JAS, HEART TRUST NTA
St. Ann	<ul style="list-style-type: none"> <li>Goat rearing</li> <li>Green House Project</li> <li>Bee Project</li> <li>Onion Project</li> <li>Irish Potato</li> </ul>	183	Linton/Grants Bailey Lime Tree Garden, Higgins Land, Watt Town, Gibraltar Runaway Bay, Cascade Blackstone edge	JBI Noranda SDC JSIF MICAFA

St. Catherine	<ul style="list-style-type: none"> <li>• Bee Project-</li> <li>• Revolving pig Project</li> <li>• Entrepreneurial Project</li> </ul>	70	Cool Shade Mt. Pass Across the Parish MLSS beneficiaries	JAS, USAID United Way  Nutramix, St. Jago Farm Supplies
St. Thomas	<ul style="list-style-type: none"> <li>• Apiculture project</li> <li>• Corn project</li> <li>• Climate change project</li> </ul>	270	Golden Valley, Port Morant, Spring Garden	USAID, JAS FFP, RADA
St. James	<ul style="list-style-type: none"> <li>• Show ground De- velopment</li> <li>• MLSS-Entrepre- neurial project</li> <li>• Farmers certifica- tion and training</li> </ul>	All Branches	Montpelier  Across the parish  Roger Clarke confer- ence center	St. James ABS  Nutramix, St. Jago Farm Supplies HEART Trust
Trelawny	<ul style="list-style-type: none"> <li>• MLSS- Entrepre- neurial Project</li> <li>• Irish potato</li> <li>• Hague Develop- ment</li> <li>• Tool and seed distribution</li> </ul>	All Branches	South Trelawny  Hauge	Nutramix, St. Jago Farm Supplies MICA MP. CDF FFP
St. Elizabeth	<ul style="list-style-type: none"> <li>• Goat revolving</li> <li>• The Grow Castor Bean project</li> <li>• Pig, goat and chick- en project</li> <li>• Revolving loan scheme</li> <li>• Farmers discount project</li> </ul>	386	Woodland Essex Valley  Goshen  Newcombe Valley All branches	DIGICEL Found. JAS, FFP Hipro  AgChem Super Save Pharmacy
Hanover	<ul style="list-style-type: none"> <li>• Goat rearing</li> <li>• Onion Project</li> <li>• Irish Potato</li> <li>• Scotch Bonnet pepper</li> <li>• Sweet and yellow yam</li> <li>• Rainwater harvest- ing</li> </ul>	77	Kendal Cauldwell Rock spring /Kendal New heights All branches	Digicel Found. Propel Propel Propel RADA EFL
Westmoreland	<ul style="list-style-type: none"> <li>• Goat Revolving</li> <li>• Onion</li> <li>• Irish Potato</li> <li>• Green House</li> <li>• Coco</li> </ul>	130	Kilmarnock Carawina Darliston and New works Sheffield Moreland Hill, Delve- land	Digicel Found. Propel, RADA, MICA F, WMC, JAS, Japanese Embassy, CDF

Manchester	<ul style="list-style-type: none"> <li>• Irish Potato</li> <li>• Pig Rearing</li> <li>• Poultry Rearing</li> <li>• Bee Keeping</li> <li>• Compton House property</li> <li>• Sweet Potato</li> </ul>	160	Camp Gate ,Hibernia Blue Mountain Grey Ground Coley Mountain Mandeville Town Centre Comfort	CDF CDF KDL farm stores MP,CDF Pablo's Construct. CDF
Clarendon	<ul style="list-style-type: none"> <li>• Beekeeping</li> <li>• Domestic Food Crop</li> <li>• Pineapple production</li> <li>• Hot pepper production</li> <li>• Tumeric production</li> <li>• Irish potato</li> <li>• Red peas planting and packaging</li> <li>• Climate Change/ Agro</li> <li>• Community Centre</li> <li>• Disaster Risk Management</li> </ul>	419	Gravel Hill, Harewood Teak Pen Rock River, Frankfield Rock River, Frankfield Kellits, Moores N/W Clarendon Spauldings, Mocho  Mitchell's Hill, James Hill Nine Turns	JAS, RADA JAS RADA, FAO RADA, JAS RADA, FAO MP, USAID/ Comet 2  USAID, ACDI ACDI/VOCA

### Prepared by: Regional Managers

Messrs: Jody-Ann Crosdale – Region 1  
 Denver Thorpe – Region 2

## Abbreviations

CDB – Caribbean Development Bank  
 KSA – Kingston & St. Andrew  
 JHTA – Jamaica Hotel and Tourism Association  
 JSFEP – Jamaica Sustainable Farm Enterprise Program  
 JFB-Jamaica Fire Brigade



# OPERATING OVERVIEW

## PUBLIC RELATIONS

The Public Relations (PR) Department serves to educate and inform the public about the organisation's current initiatives, activities, projects and programmes are aimed at supporting its mission. The Public Relations (PR) Department over the past year supported the following activities to inform and better serve farmers, and promote the Jamaica Agricultural Society's (JAS) main objective of protecting farmer's interest.

### Parish and National Agricultural Shows

The following parishes held agricultural shows; St. James (Montpelier Show), St. Mary Agricultural Show, Hanover Agri Show and Expo, Trelawny (Hague Show), Kingston and St. Andrew (Agro-Fest) and St. Ann Agricultural Show.

The Denbigh Agricultural, Industrial, and Food show was held during August 4-6, 2018 under the theme "Grow What We Eat... Eat What We Grow". All JAS Association of Branch Societies (ABS) participated in the show, giving farmers and stakeholders the platform to showcase the work and opportunities available for investment in the sector. Fifteen (15) media partners were engaged to enhance the promotion of the show through television, radio and print media outlets.

### Farmers' Month

The 35th National Farmers' Month was launched on April 4, 2018 by Hon. Audley Shaw Minister of Industry, Commerce, Agriculture and Fisheries. It was followed with a church service on April 15, 2018 at the Morant Bay New Testament Church in St. Thomas. Additionally, a Farmers' Month feature was published in the Gleaner Newspaper on April 19, 2018 and the month was also complimented with twenty Seven (27) events held across Jamaica at the parish level to include Church Services, Farmers Market, Trainings, Field Trips, Health Fairs and other social events to enhance the month's celebrations and engage Farmers and their families.

### 'Eat Jamaican' Campaign

The 'Eat Jamaican' Campaign 15th was a collaborative initiative with the Ministry of Industry, Commerce, Agriculture and Fisheries and the Ministry of Tourism. The celebrations commenced with a launch of the month's activities on November 7, 2018 and was followed by a church service, hosted at the Linstead New Testament Church of God, St. Catherine on November 11, 2018.

The annual Expo was held on November 25, 2018 on the lawns of Devon House. The JAS Parish displays were done regionally and were well supported by the JAS members. The Expo also featured agencies of the Ministry of Industry, Commerce, Agriculture and Fisheries, the Ministry of Tourism, corporate companies promoting Jamaican food products and farmers market.

## Denbigh Farmers Run 5k

The inaugural Denbigh Farmers 5K Run/Walk was staged on July 8th 2018 at the Denbigh Agricultural showground was the launching pad for the Jamaica Agricultural Sector Disaster Relief Fund which will pool resources from fundraising initiatives with the aim to be better able to provide support to our farmers when disaster strikes.

The 5k registered approximately over 80 participants, 20 volunteers and a team from the Jamaica Moves initiative from the Ministry of Health. Sponsors and partners included Tropical Blue National Spring Water, Newport Fersan Ltd, Hi-Pro Feeds, Mavis Bank Coffee Factory, Sha-Gore Aggregates, Tolan's Service Centre, HEART Ebony Park Academy.

## Denbigh/Sovereign Supermarket – Farmers Market

The JAS continued its partnership with Sovereign supermarket to allow our JAS members an opportunity to supply their produce to the Sovereign Supermarket. Sovereign Supermarket offered the produce to consumers at Farmgate prices. This was held twice during the period.

## Media Relations

In keeping our media presence the following is a summary of some of the key media relations activities undertaken during the year:

- The preparation of press releases
- The management of our press briefings at press conferences, launches and events.
- The hosting of press conferences and interviews between JAS representatives and media houses.
- The refining of JAS position statements and content disseminated to media partners.

## Social Media

The JAS has established and continues to build on our social media platforms to include three (3) Facebook pages and Two (2) Instagram pages. In managing these platforms content is focused on JAS campaigns and activities at the National and Parish level. These platforms have provided a channel to easily engage with the public and share content.

## Events

The organization participated in the following events to promote and increase awareness of the JAS;

- Jamaica 4-H Clubs National Achievement Day
- Restaurant Week Launch (Hosted a JAS Farmers' Market)
- Compete Caribbean Cluster Development Training
- Workshop Agricultural Produce Protection
- Jamaica Stock Exchange Farmers' Market
- HEART TRUST Skill Council Launch
- Gender Gap Analysis Training

The parish representatives also participated in events at the parish level to include RADA Open Days, Parish Council Events, Food Festivals and community events.

**Jamila Francis**  
Public Relations Officer  
Jamaica Agricultural Society



# OPERATING OVERVIEW

## PROJECT MARKETING AND TRAINING DEPARTMENT

This department is deliberate in our approaches, interventions and strategies as we remain resolute in accomplishing the mandate of the Jamaica Agricultural Society that is to strengthen the social and economical position of our members, their families and by extension their communities. Based on the vision of the new administration, there was an expanded focus with a deliberate thrust to core functions. With this new approach, this department is charged to expand the pillar of project. We will therefore be building the internal capacity for the following:

- Project Identification
- Project Writing
- Project Implementation
- Project Administration
- Project Monitoring
- Project Evaluation

Notwithstanding the new thrust, this department continues to maintain our strategic alliance with our valued partners The Organization of America States O.A.S. through the 'new path' programme Council of Voluntary Social Services C.V.S.S., Food for the Poor F.F.T.P. and Bureau of Standard Jamaica B.S.J.

### Implemented Projects For The Period

The 'new path project': promoting a healthy environment and productive alternative for juvenile remandees and offenders in Jamaica is a project implemented by the organization of America States (O.A.S.) in partnership with the trust for the Americas (Trust) a non-profit organization affiliated to the O.A.S. This initiative, funded by the United States Agency for International Development (USAID), seeks to reduce recidivism among juvenile offender in Jamaica. A priority of the project is to offer support to pre and post release for youth in conflict with the law to address their emotional, social, educational and economical challenge. This reintegration project identifies thirty (30) juvenile in the parishes of Kingston & St. Andrew, St. Catherine and Clarendon.



The table below indicates the status of intervention administered.

Activities	Target	Achievement	Status	Comments
Entrepreneurial Agricultural Training	KSA 10	11	9	1 transfer to pitch programme 1 did not complete
	Clarendon 10	10	6	1 died 1 transfer to pitch programme 1 did not complete 1 re-incarcerated
	St. Catherine 10	8	7	1 transfer to Kingston & St
Total	30	29	22	7
Food handlers training	30	37		Parent / Guardian were included
Entrepreneurial Agricultural Training for parent/guardian	60	27		Project design was to have 2 parents per child. However only 1 parent per child participated.
Business cards	30 sets	22 sets		
Commitment letters	30	17		
Small business est.	30	17		Complete to date
Community council est.	3	2		Clarendon to be established

## Testimonial

Fourteen of seventeen (14 of 17) participants establish poultry business.

- 2 est. goat.
- 1 fish

Regarding poultry – Each participant has reaped and re-stocked at least 2 crops. The average weights of birds were 4.5lbs dress weight.

## Agricultural Development Project

This project was started in November 2018 in two (2) institutions the Rio Cobre Juvenile Correctional Centre and the Hill Top Juvenile Correctional Centre. The project seek to train and expose juvenile in agriculture and entrepreneurial skills in order to empower them for release, while staff training is for strengthening and sustenance of the agri-programme within these institution.

Table below indicate status.

Activities	Target	Achievement	Status	Comments
Staff Training Rio Hill Top	3	8	current	
	3	8	current	
Student Training Rio Hill Top	30	26	current	
	30	16	current	
Tutorial Plot Rio Hill Top	1	1		
	1	1		
Commercial Plot Rio Hill Top	1	50% est.	current	
	1	50% est.	current	
Fruit Trees Rio Hill Top	1 Acre	1 Acre	current	
	1 Acre	1 Acre	current	
Greenhouse Rio	Est.	Est.	current	

These projects are faced with numerous challenges but the JAS is committed to working closely with institutions and the families to ensure success. We are particularly motivated to strengthen these families as it ultimately impact on the communities we serve.

## Council of Voluntary and Social Services C.V.S.S.

The Jamaica Agricultural Society (JAS) is committed to the membership of the CVSS. We recognize that volunteerism is extremely important to our survival and as such we embrace the council in an effort to strengthen this umbrella organization.

The CVSS this year has designed and implement a number of innovative and timely training packages for its members. We at the JAS have participated in the sessions and have found them very beneficial to our staff members. We salute the board and management for their continued service.

## Bureau of Standard Jamaica

We continue to maintain our relationship with the bureau promoting the Certification of Agriculture Produce (CAP) standards which is the local seal of approval for agricultural produce in Jamaica. This seal help to position our farm produce in the market and aid in the ease of the attainment of other standards. Presently this department is developing a series of training for staff in (CAP) design specifically to propel the (CAP) standard. We continue to dialogue with the Bureau for a early roll out.

The department attended and participated in a number of meetings, workshop and seminars as we seek to forge and strengthen our strategic partnership and maintain our visibility and relevance. The thrust for the ensuing year will be to position the department and by extension the organization to generate and develop products for self-sustenance and a culture of self-reliance.

Janet Pullen  
Manager  
Marketing & Projects

# OPERATING OVERVIEW

## COMMERCIAL

The mission of the Jamaica Agricultural Society is to ensure the protection and promotion of farmers' interests through a vigorous, independent and financially viable organization providing services to farmers. The commercial arm of the Society has been task with the responsibility of commercializing the assets of the Jamaica Agricultural Society to make it more financially independent and provide institution support and services to our membership and the wider agricultural sector. Strategically, the JAS has pleased emphasis on the distribution of farm gardening inputs, Marketing of Agricultural produce on the behalf of our members and development and rental of commercial property owned by the Jamaica Agricultural Society (JAS).

This report highlights the performance of the commercial department of the last twelve (12) months.

### Commercial properties are as follow:

Properties	Performance
Compton House	\$ 3,240,000
Car Park Sutton Street	\$ 2,094,350
Head Office 67 Church Street (office space)	\$ 1,200,000
Denbigh Showground	2,581,500
Portland	See financial report 2018

### Jamaica Agricultural Society Commercial Enterprise Limited (JASCEL)

JJASCEL market three (3) major produces on the behalf of farmers they are as follow:

### Marketing of Agricultural Produce

Produce	Performance	Remarks
Pumpkin	21,000.00lbs	Our demand 350lbs/week
Sweet Potatoes	30,000.00lbs	Our demand is 500lbs/week
<b>Total</b>	<b>51,000lbs</b>	

### Farm and Gardening

Presently, JASCEL now operates two farm and garden stores at its Head Office location in Kingston and Harbour Street Port Antonio Portland.

Notably, all members of the JAS get a 5 % discount at our farm store upon presentation of a valid membership card.

# FINANCIAL HIGHLIGHTS

The Jamaica Agricultural Society (JAS) conducted its business in a stringent economic environment with business activity decelerating in some areas, but improving in others as the year progressed.

The ensuing analysis seeks to provide an overview of the financial position and activities of the Society for the period ending 31st March 2019. When read in conjunction with the financial statements and accompanying notes following this section the analysis' intent is to paint a clearer picture.

Amidst the effects of continued global economic circumstances and volatile local economic conditions the Society ended the financial year with a deficit of \$7.7M.

Subvention contributed to \$103.4M or approximately 88% of total income. Investment and rental income accounted for \$5.7M or 4.8%, whereas surplus from self financing activities totaled \$5.4M or 4.6% and affiliation fees and other income \$3.2M or 2.7%.

Government's contribution (subvention) is the main source of income to the Society.

## Year over Year Comparison Revenue

REVENUE AMOUNT (\$)			
Revenue Category	2018-19	2017-18	Net Change (%)
Surplus from self-financing activities	5,410,747	3,924,656	37.86
Affiliation & membership fees	3,173,800	1,450,200	118.85
Rental income	5,640,000	5,971,850	-5.55
Subvention	103,410,011	89,250,947	15.86
Investment income	85,394	136,764	-37.56
Other income	35,173	6,540,258	-99.46
<b>Total Revenue</b>	<b>117,755,125</b>	<b>107,274,674</b>	

Operational expenses closed with a total of \$125.5 M. Staff costs accounted for \$64.7M or 51.5% of total operating costs whereas travelling & accommodation totaled \$27.3M. Selling & distribution totaled \$3.6M and Finance costs accounted for \$7.3M.

<b>EXPENDITURE AMOUNT (\$)</b>			
<b>Expenditure Category</b>	<b>2018-19</b>	<b>2017-18</b>	<b>Net Change (%)</b>
Administrative & General	115,366,375	102,921,545	-12.09
Selling & Distribution	3,640,102	3,384,975	-7.53
Financial & Policy	7,373,039	3,963,609	-86.01
<b>Total Expenditure</b>	<b>125,540,939</b>	<b>110,270,129</b>	

### **Surplus / (Deficit) for the Year Compared to Last Year**

<b>2018-19 Financial Results (\$)</b>	
Total Revenue	117,755,125
Total Expenses	125,540,939
Net Surplus/ (Deficit)	-7,785,814
<b>2017-18 Financial Results (\$)</b>	
Total Revenue	107,274,674
Total Expenses	110,270,129
Net Surplus	-2,995,455

## **ASSETS**

Total assets stood at \$625.3M, an increase year over year of \$60.2M as at March 31, 2019. This can be attributed in part to property acquired during period under review.

## **LIABILITIES**

At year end current liabilities stood at \$50.4M compared to \$35.6M in prior year reflecting an increase of \$14.8M or 41.6% over prior year.

Employing prudent risk management, creating opportunities for growth and wealth, while pursuing continuous improvement in the wellbeing of its members; the Society's thrust for 2019-20 onward is to play its part in the sustainable development of the agricultural sector.





**AUDITORS'  
REPORT &  
FINANCIAL  
STATEMENTS**



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**McKENLEY  
& ASSOCIATES**  
CHARTERED ACCOUNTANTS

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To the Members of  
Jamaica Agricultural Society

### **Independent Auditor's Report**

Report on the Audit of the Financial Statements

#### **Our opinion**

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Jamaica Agricultural Society (the Society) as at 31 March 2019 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and the Jamaican Companies Act.

We have audited the financial statements of Jamaica Agricultural Society, which comprise the statement of financial position as at 31 March 2018 and the statements of comprehensive income, changes in reserves and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under these standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Society within the meaning of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Responsibilities of Management and the Board of Directors for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view in accordance with IFRS and the Jamaica Agricultural Society Act (1941) Revised (1978) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Society'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 either intends to liquidate the Society or cease operations, or has no realistic alternative but to do so.

The directors are responsible for overseeing the Society's financial reporting process.



To the Members of  
Jamaica Agricultural Society

## **Independent Auditor's Report (continued)**

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs 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 ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We 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 to provide a basis for our 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 Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 presents a true and fair view.
- 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 Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



To the Members of  
Jamaica Agricultural Society

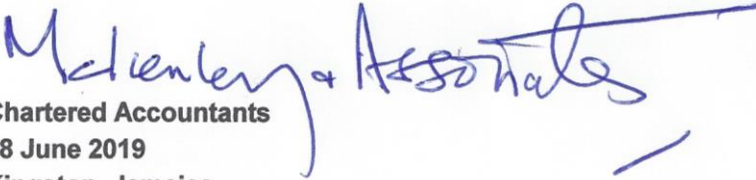
**Independent Auditor's Report (continued)**

**Auditor's Responsibilities for the Audit of the Financial Statements**

**Report on Other Legal and Regulatory Requirements**

We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

In our opinion, proper accounting records have been maintained, so far as appears from our examination of those records, and the accompanying financial statements are in agreement therewith and give the information required by the Jamaican Companies Act, in the manner so required and comply with the Jamaica Agricultural Society Act (1941) Revised (1978).

  
Chartered Accountants  
28 June 2019  
Kingston, Jamaica

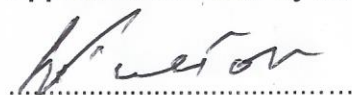
**Jamaica Agricultural Society**  
**Statement of Comprehensive Income**  
**Year Ended 31 March 2019**

	<u>Note</u>	<u>2019</u> \$	<u>2018</u> \$
<b>Operating Revenue</b>			
Surplus from self-financing activities	7	5,410,747	3,924,656
Subvention from Government		103,410,011	89,250,947
Investment and rental income		5,725,394	6,108,613
Affiliation and membership fees, donations and other income		3,208,973	7,990,458
	8	<u>117,755,125</u>	<u>107,274,674</u>
<b>Operating expenses:</b>			
Administrative and general	9	115,366,375	102,921,545
Selling and promotion	10	3,640,102	3,384,975
		<u>119,006,477</u>	<u>106,306,520</u>
<b>(Deficit)/Surplus before finance income and costs</b>		(1,251,352)	968,154
Finance income	11	838,577	1,020,542
Finance costs	11	(7,373,039)	(4,984,151)
<b>Net deficit</b>		<u>(7,785,814)</u>	<u>(2,995,455)</u>
<b>Other Comprehensive Income:</b>			
<i>Items that may be subsequently reclassified to profit or loss</i>			
Fair value gain/(loss) on investments		2,075,394	(429,053)
Revaluation of land		31,884,008	42,000,000
<b>Total Comprehensive Income for the year</b>		<u><u>26,173,588</u></u>	<u><u>38,575,492</u></u>

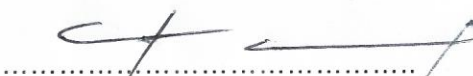
**Jamaica Agricultural Society**  
**Statement of Financial Position**  
**31 March 2019**

	<u>Note</u>	<u>2019</u> \$	<u>2018</u> \$
<b>Non-current assets</b>			
Property, plant and equipment	12	575,311,595	513,144,570
Investments	13	31,473,598	34,983,418
<b>Current assets</b>			
Inventories	14	184,140	288,190
Related company balance	15	2,830,951	3,446,551
Receivables	16	12,519,502	12,614,786
Cash & cash equivalents	17	2,999,613	615,765
		<u>18,534,206</u>	<u>16,965,292</u>
<b>Current liabilities:</b>			
Payables	18	35,087,534	31,037,749
Current portion of long-term loans	19	15,317,696	3,160,750
Bank overdraft		-	1,486,444
		<u>50,405,230</u>	<u>35,684,943</u>
<b>Net current liabilities</b>		<u>(31,871,024)</u>	<u>(18,719,651)</u>
		<u>574,914,169</u>	<u>529,408,337</u>
<b>Reserves</b>			
Unappropriated surplus		11,866,984	19,652,798
Capital reserves	20	499,153,964	467,269,956
Investment revaluation reserve		7,328,940	5,253,546
		<u>518,349,888</u>	<u>492,176,300</u>
<b>Non-current liability</b>			
Long term loans	19	56,564,281	37,232,037
		<u>574,914,169</u>	<u>529,408,337</u>

Approved for issue by the Board on 28 June 2019 and signed on its behalf by:



Lenworth Fulton  
 President



Christopher Emanuel  
 Chief Executive Officer

**Jamaica Agricultural Society**  
**Statement of Changes in Reserves**  
**Year Ended 31 March 2019**

	<u>Capital Reserves</u>	<u>Investment revaluation Reserve</u>	<u>Accumulated (Deficit)/ Surplus</u>	<u>Total</u>
	\$	\$	\$	\$
<b>Balance at March 31, 2017</b>	425,269,956	5,682,599	22,648,253	453,600,808
Fair value appreciation of available-for-sale investments:	-	(429,053)	-	(429,053)
Revaluation of land and building	42,000,000	-	-	42,000,000
Deficit for year 2018	-	-	(2,995,455)	(2,995,455)
<b>Balance at March 31, 2018</b>	467,269,956	5,253,546	19,652,798	492,176,300
Fair value appreciation of available-for-sale investments:	-	2,075,394	-	2,075,394
Revaluation of land and buildings	31,884,008	-	-	31,884,008
Deficit for year 2019	-	-	(7,785,814)	(7,785,814)
Total comprehensive income for year	31,884,008	2,075,394	(7,785,814)	26,173,588
<b>Balance at March 31, 2019</b>	499,153,964	7,328,940	11,866,984	518,349,888

**Jamaica Agricultural Society**  
**Statement of Cash Flows**  
**Year Ended 31 March 2019**

	<u>Note</u>	<u>2019</u> \$	<u>2018</u> \$
<b>Cash flows from operating activities</b>			
Net deficit		(7,785,814)	(2,995,455)
<b>Adjustments for:</b>			
Increase/(decrease) in investment reserves		2,075,394	(429,053)
Depreciation	12	9,306,940	6,777,468
		3,596,520	3,352,960
<b>Changes in operating assets and liabilities</b>			
Inventories		104,050	1,806,610
Related party balance		615,600	28,770
Receivables		95,284	2,441,374
Payables		4,049,785	(2,986,133)
		4,864,719	1,290,621
Net cash provided by operating activities		8,461,239	4,643,5781
<b>Cash Flows from investing activities</b>			
Purchase of fixed assets		(39,589,957)	(14,184,617)
Investments: net proceeds/(purchase)		3,509,821	(334,386)
Net cash used by investing activities		(36,080,136)	(14,519,003)
<b>Cash flows from financing activities</b>			
Long-term loans received during the year		34,526,610	10,000,000
Principal loan repayments		(3,037,420)	(2,336,011)
Net cash provided by/(used in) financing activities		31,489,190	(7,663,989)
Increase/(decrease) in cash and bank balances		3,870,293	(2,211,433)
Net cash balances at beginning of the year		(870,679)	1,340,754
<b>Net cash and bank balances at end of year</b>		2,999,613	(870,679)
<b>Comprising:</b>			
Cash & cash equivalents	17	2,999,613	615,765
Bank overdraft		-	(1,486,444)
		2,999,613	(870,679)



## **1. IDENTIFICATION AND PRINCIPAL ACTIVITIES**

The Jamaica Agricultural Society (JAS) was formed in 1895 under the instructions of the Governor of Jamaica, Sir Henry Blake. In 1941, the Jamaica Agricultural Society (the Society) was incorporated as a private voluntary organization, and in 1978, the JAS Incorporation Amendment Act allowed for affiliation of commodity organizations. Its main activity is to promote agricultural development in Jamaica, and its registered office is located at 67 Church Street, Kingston, Jamaica.

## **2. SIGNIFICANT ACCOUNTING POLICIES**

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

### **(a) Basis of preparation**

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and their interpretations adopted by the International Accounting Standards Board and have been prepared under the historical cost convention as modified by the revaluation of certain fixed and financial assets.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Society's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2 (c).

### **Standards, interpretations, and amendments to published standards effective during the year**

Certain amendments and clarifications to existing standards have been published that became effective during the current financial year. The Company has assessed the relevance of all such new amendments and clarifications and has put into effect the following, which are immediately relevant to its operations.

#### **IFRS 9: Financial instruments**

Effective 1 January 2018, the Company adopted IFRS 9, issued in July 2014 and the related consequential amendments to IFRS 7 - Financial Instruments: Disclosures. IFRS 9 introduces new requirements for 1) classification and measurement of financial assets and financial liabilities, 2) impairment for financial assets and 3) general hedge accounting, which represent a significant change from IAS 39.

IFRS 9 contains three principal classification categories for financial assets:

- a) Amortized cost;
- b) Fair value through other comprehensive income (FVTOCI); and
- c) Fair value through profit or loss (FVTPL).

**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Standards, interpretations, and amendments to published standards effective during the year (continued)**

**(a) Basis of preparation (continued)**

**IFRS 9: Financial instruments (continued)**

The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. The standard eliminates the previous IAS 39 categories of held to maturity, loans and receivables and available for sale.

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' (ECL) model. The ECL model applies to financial assets measured at amortized cost. Under IFRS 9, credit losses are recognized earlier (at inception) than under IAS 39.

The adoption of IFRS 9 has had no material change on the allowance for doubtful receivables.

The adoption of IFRS 9 did not require the Society to restate its prior period comparative figures. However, it resulted in the reclassification of financial instruments, as shown below:

<b>Asset/Liability</b>	<b>IAS 39 Classification</b>	<b>IFRS 9 Re-classification</b>
Receivables	Loans and receivables	Amortized cost
Cash and cash equivalents	Loans and receivables	Amortized cost
Payables	Other liabilities	Amortized cost
Long-term borrowing	Other liabilities	Amortized cost

IFRS 9 also had changes to Hedge Accounting. The new general hedge accounting requirements retain the three types of hedge accounting, which are cash flow hedges, fair value hedges and hedges for net investments in foreign operations, but provided greater flexibility in the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been replaced with the principle of an 'economic relationship.' Retrospective assessment of hedge effectiveness is no longer required. Enhanced annual disclosure requirements about the Company's risk management activities have also been introduced.

The Society does use hedge accounting to manage its risk profile as its principal revenue source is based on subvention funding from the Government of Jamaica.

## **2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

### **(a) Basis of preparation (continued)**

#### **Standards, interpretations, and amendments to published standards effective during the year (continued)**

##### **Revenue from contracts with customers (IFRS 15)**

Effective 1 January 2018, the Society adopted IFRS 15, issued in May 2014 and amended in September 2015 and April 2016. IFRS 15 outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers, except for contracts that are within the scope of the standards on leases, insurance contracts, and financial instruments.

The Society's revenue is not primarily generated from contract with customers, and therefore, no performance obligations are required to be satisfied at a point in time or over time. Revenue is principally obtained from subvention funding from the Government of Jamaica.

The adoption of IFRS 15 did not require the Society to restate its prior period comparative figures.

#### **Standards, amendments, and interpretations to existing standards that are not yet effective and have not been early adopted by the Society**

The following new standards, amendments, and interpretations have been issued and may impact the financial statements but are not effective for the fiscal year ended 31 March 2019 and, accordingly, have not been applied in preparing these Group financial statements.

##### **Leases (IFRS 16)**

In January 2016, the IASB issued IFRS 16 – Leases, which replace IAS 17– Leases and related interpretations. IFRS 16 provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases unless the lease term is 12-months or less or the underlying assets has a low value. IFRS 16 substantially carries forward the lessor accounting in IAS 17 with the distinction between operating and finance leases being retained.

IFRS 16 will be applied retrospectively for annual periods beginning on or after January 1, 2019. Early adoption is permitted if IFRS 15 has also been applied.

##### **Annual Improvements 2015-2017**

In December 2017, the IASB issued amendments to four standards, including IFRS 3 – Business Combinations, IFRS 11 Joint Arrangements, IAS 12 – Income Taxes and IAS 23 – Borrowing Costs.

These amendments will be effective for annual periods beginning on or after January 1, 2019. The implementation of these amendments is not expected to have a significant impact on the Society.

## **2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

### **(b) Functional and presentation currency**

The financial statements are presented in Jamaican dollars, which is the Society's functional currency. All financial information presented has been rounded to the nearest dollar, unless otherwise indicated.

### **(c) Use of estimates and judgments**

#### **Judgments and estimates**

The preparation of the financial statements in accordance with IFRS requires Management to make judgments and estimates that affect:

- The application of accounting policies;
- The reported amounts of assets and liabilities;
- Disclosures of contingent assets and liabilities; and
- The reported amounts of revenue and expenses during the reporting periods.

Actual results may differ from estimates made in the financial statements.

Judgments are made in the selection and assessment of the Society's accounting policies. Estimates are used mainly in determining the measurement of recognized transactions and balances. Estimates are based on historical experience, and other factors, including expectations of future events, believed to be reasonable under the circumstances. Judgments and estimates are interrelated. Management's judgments and estimates are continually re-evaluated to ensure they remain appropriate. Revision to accounting estimates is recognized in the period in which the estimates are revised and in the future periods affected.

The use of estimates is an essential part of the preparation of financial statements and does not undermine their reliability.

The following are the accounting policies that are subject to judgments and estimates that the Management believes could have the most significant impact on the amounts recognized in the financial statements.

#### **Financial assets**

Judgment – Financial assets are classified and subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of a) the Society's business model for managing the financial assets and b) the contractual cash flow characteristic of the financial assets. Judgment is required in determining the business model and its objective.

#### **Revenue from contract with customers**

Judgment – is required in a) identifying performance obligations and determining the timing of the satisfaction of the performance obligations and b) the transaction price and the amount allocated to the performance obligations.

Estimation – if the consideration promised in a contract includes a variable amount, the Society's is required to estimate the amount of consideration to which it will be entitled in exchange for transferring the promised goods or services to the customer.

## **2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

### **(c) Use of estimates and judgments (continued)**

#### **Impairment of assets**

Judgment has been used, at each reporting date, in determining whether there has been an indication of impairment in the carrying amounts of the Society's tangible assets, which would require impairment testing to determine whether there is any indication that those assets have suffered impairment losses.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The recoverable amount of an asset is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses are recognized in comprehensive income. This is reversed only if there has been a change in the estimates used to determine the recoverable amount and not to exceed the original carrying amount before its impairment. The reversal is also recognized in the statement of comprehensive income.

#### **Inventories**

Estimation – Inventories are carried at the lower of cost and net realized value. The estimation of net realized value is based on the most reliable evidence available, at the time the estimates are made, of the amount the inventories are expected to realize. Additionally, estimation is required for inventory provision due to slow-moving and obsolescence.

#### **Receivables**

Estimation – Management's estimate of allowance on accounts receivable is based on analysis of the aged receivables and historical experience with delinquency and default. Default rates and the allowance amount are regularly reviewed against the actual outcomes to ensure that they remain appropriate. Under IFRS9, management also estimates the possible future expected credit loss from its current portfolio of receivables.

#### **Accruals**

Amounts accrued for certain expenses are based on estimates and are included in payables and accruals.

#### **Fair value of land and buildings**

Land and buildings are revalued every three (3) years if management is of the opinion that there have been significant variations in the recorded values at the reporting date. These valuations are conducted by management along with independent professional valuers, using recent selling prices of comparable properties.

However, as no two properties are exactly alike, adjustments are made to reflect differences between properties. Consequently, the determination of the fair market value of the property requires that the valuers analyze the differences in relation to age and physical condition, time of sale, land to building ratio, the advantages and disadvantages of the location and other functional gains to be derived from the property, and make necessary adjustments.

It is reasonably possible, based on existing knowledge, that outcomes within the next financial year that are different from those assumptions could require material adjustments to the carrying amount reflected in the financial statements.

**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(c) Use of estimates and judgments (continued)**

**Contingencies**

In determining the existence of a contingent liability, management assesses the existence of:

- (a) A possible obligation that arises from a past event and which existence will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the Society, or;
- (b) A present obligation that arises from a past event but is not recognized because it is not likely that an outflow of economic benefit is required to settle or the amount of the obligation cannot be reliably measured.
- (c) In estimating possible outflow of economic benefits in relation to a contingent liability, management, sometimes in consultation with experts such as legal counsel may or may not make provision in the financial statements based on judgments regarding possible outcomes according to specific but uncertain circumstances. Contingent liabilities are disclosed in the financial statements unless immaterial or the possibility of an outflow of economic benefits is remote

**(d) Going concern**

The preparation of the financial statements in accordance with IFRS assumes that the Society will continue in operation for the foreseeable future. This means, in part, that the statements of profit or loss and comprehensive income and the statement of financial position assume no intention or necessity to liquidate or curtail operations. This is commonly referred to as the going concern basis. Management believes that the preparation of the financial statements on the going concern basis is appropriate.

**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(e) Property, plant, and equipment**

Property, plant, and equipment are stated at historical cost, except for certain freehold properties which were revalued less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of items. The land is carried at cost and is not depreciated. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefit associated with the item will flow to the Society or the cost of the item can be measured reliably.

Depreciation is calculated on the straight-line basis at annual rates that will write off the carrying value of each asset over the period of its expected useful life. Current annual depreciation rates are as follows:

Motor cars	20 %
Buildings and improvements	2 ½%
Furniture & fixtures	10 %
Computers	20 %

Land is not depreciated.

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

Gains and losses on disposal of property, plant, and equipment are determined by reference to their carrying amount and are taken into account in determining surplus.

Repairs and maintenance expenses are charged to the income and expenditure account during the financial period in which they are incurred. The cost of major renovations is included in the carrying amount of the asset when it is probable that the future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Society. Major renovations are depreciated over the remaining useful life of the related asset.

**(f) Membership dues and other receivables**

Membership dues are recorded primarily on a cash basis. Other receivables are carried at original invoice amount less provision made for impairment of these receivables. A provision for impairment of these receivables is established when there is objective evidence that the Society will not be able to collect all amounts due according to the original terms. The amount of the provision is the difference between the carrying amount and the recoverable amount. Management did not implement an expected credit loss model that was significantly different from the model used in the prior year, because over 80% of its revenue is obtained from subvention funding provided by the Government of Jamaica, which is not based on performance.

**(g) Cash and cash equivalents**

Cash and cash equivalents are carried in the balance sheet at cost. For the purpose of the cash flow statement, cash and cash equivalents comprise cash and bank balances, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less, net of bank overdrafts.

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## **2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

### **(h) Revenue recognition**

Revenue, under IFRS 9, is recognized when the performance obligation is *satisfied at a point-in-time or overtime* to transfer goods or services to the customer is complete. The completion is assessed when the customer takes control and or obtains the benefits of the goods and or services, and the Society has a present right to payment as evidence by an invoice or the right to invoiced.

Revenue is shown net of General Consumption Tax, rebates, and discounts. Revenue is recognized as follows:

(i) Government contribution

Government contributions are recognized as income when received or deemed received by the Society. They are deemed received if and when the Ministry of Finance, instead of giving cash, gives a binding written commitment to the Society to settle certain of the Society's obligations. No account is taken of government assistance which cannot reasonably have a value placed upon them and transactions with the government which cannot be distinguished from the normal operating transactions.

(ii) Grants and other income

Other grant funds received exclusively for the Society are treated as income in the year they are received. Certain grant funds are administered by the Society on behalf of other agencies. These amounts are treated as liabilities of the Society until expended and are not included as income.

(iii) Membership fees and dues

Membership fees and dues are recognized as revenue upon payment and accrued when there is a certainty that they will be paid by the respective farmer.

(iv) Interest income

Interest income is recognized in the statement of comprehensive income for all interest-bearing instruments using the coupon rate of interest.

(v) Rental and other income

Rent and other income, such as sponsorship income are accounted for based on contractual arrangements.

### **(i) Pension and employee benefits**

(i) Government of Jamaica Pension Scheme

The Society contributes to the Government of Jamaica Pensions (Civil Service Family Benefits) Scheme. Contribution to the Scheme is at the rate of 4% of salary and is payable for a period of 35 years or until the contributor attains the age of 65 years, whichever is first accomplished. Where a contributor is transferred from the service of the Government of Jamaica to another Government of a Commonwealth Country or to an approved organization, he may elect to continue contributions to the Scheme on the basis of the salary he was receiving at the date of transfer.



## **2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

### **(i) Pension and employee benefits (continued)**

#### **(ii) Terminated Contributor**

If a contributor leaves the service without a pension and at the date of his leaving, he had been contributing for 10 years or more, and the Scheme was carrying a risk at that date, he will not be entitled to a refund of any contribution. He may, however, continue his contribution to the scheme on the basis of his salary when leaving. If a contributor with less than 10 years service leaves the service without a pension and at the date of his leaving the scheme was carrying a risk, he will be refunded 50% of the contributions paid by him, and he shall have no further interest in the Scheme. If, however, his leaving is on account of retirement due to ill health, he will not be refunded any contributions but will retain an interest in the Scheme.

#### **(iii) Other post-employment obligations**

The Society also provides a post-employment healthcare benefit to its vested retirees through the Government of Jamaica Pensions (Civil Service Family Benefits) Scheme. This Scheme is independent of the Society, and no cash outflow is made by the Society.

#### **(iv) Annual leave**

Employee entitlements to annual leave are recognized when they accrue to employees. No provision is made for the estimated liability for annual leave as a result of service rendered by employees as at the balance sheet date because the liability is accounted for in the subvention support from the Ministry of Agriculture.

#### **(vi) Termination benefits**

A gratuity payment becomes payable whenever an employee has satisfactorily completed an employment contract. Benefits are accrued and paid in the year that the contract expires.

### **(j) Impairment of long-lived assets**

Property, plant, and equipment and other non-current assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable; such circumstances include the results of physical counts and other examinations of these assets. An impairment loss is recognized for the amount, which is the highest of an asset's net selling price and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

### **(k) Inventories**

Inventories are valued at the lower of cost and net realizable value cost being determined on a first-in, first-out basis. Net realizable value is the estimated selling price in the ordinary course of business less the costs of completion and estimated costs necessary to make the sale.

### **(l) Technical assistance**

The provision of technical assistance at no cost to the Society is neither quantified nor included in these Financial Statements.

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**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(m) Membership dues and other receivables**

Membership dues are recorded on a cash basis. Other receivables are carried at original invoice amount less provision made for impairment of these receivables. A provision for impairment of these receivables is established when there is objective evidence that the Society will not be able to collect all amounts due according to the original terms. The amount of the provision is the difference between the carrying amount and the recoverable amount. Over 80% of its revenue is generated from subvention funding, and as a consequence, management did not consider it prudent to develop a sophisticated expected credit loss model to impair other receivables.

**(n) Cash and cash equivalents**

Cash and cash equivalents are carried in the balance sheet at cost. For the purpose of the cash flow statement, cash and cash equivalents comprise cash and bank balances, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less, net of bank overdrafts.

**(o) Payables**

Trade payables are stated at cost. Amounts accrued for certain expenses are based on estimates and are included in payables.

**(p) Foreign currency translation.**

Foreign currency transactions are accounted for at the exchange rates prevailing at the dates of the transactions.

Assets and liabilities denominated in foreign currencies are translated into Jamaican dollars at the exchange rates prevailing at the balance sheet date using the Bank of Jamaica weighted average buying and selling rates. Gains or losses arising from fluctuations in exchange rates are reflected in the statement of comprehensive income.

**(q) Expenses**

- Expenses are recognized on the accrual basis.
- Finance costs comprise interest incurred on borrowings, calculated using the effective interest method, foreign exchange losses, and bank-related charges.
- Payments under leases, if any, are recognized in the income and expenditure statement on the straight-line basis over the term of the lease.

**(r) Provisions**

Provisions are recognized when the Society has a present legal or constructive obligation as a result of past events if it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Where the Society expects a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

Increase in the provision due to the passage of time is recognized as an expense in the Income Statement.

## **2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

### **(s) Leases**

Lease of property, plant, and equipment where the Society has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are recognized at the inception of the lease at the lower of the fair value of the leased asset or the present value of minimum lease payments. Each lease payment is allocated between the liability and interest charges so as to produce a constant rate of charge on the lease obligation. The interest element of the lease payments is charged to the profit and loss account over the lease period.

Property, plant, and equipment acquired under finance leases are depreciated over the shorter of the useful life of the asset or the lease term.

Leases, where a significant portion of the risks and rewards of ownership are retained by the leaser, are classified as operating leases. Payments under operating leases are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

### **(t) Financial instruments**

A financial instrument is any contract that gives rise to a receipt or payment in cash or its equivalents, and a financial asset of one party and a financial liability or equity instrument of another party. Financial assets and financial liabilities are recognized in the statement of financial position when the Society becomes a party to the contractual provisions of a financial instrument. All financial instruments are measured at fair value on initial recognition. Subsequent measurement of these assets and liabilities is based on fair value or amortized cost using the effective interest method.

Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities, other than financial assets and financial liabilities classified as fair value through profit or loss (FVTPL), are added to or deducted from the fair value on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities classified as FVTPL are recognized immediately in net income.

#### **Classification and Subsequent Measurement**

The Society classifies financial assets according to its business model for managing the financial assets and the contractual terms of the cash flows. Classification choices for financial assets are:

- Amortized cost
- Fair value through other comprehensive income (FVTOCI)
- Fair value through profit or loss (FVTPL)

Classification choices for financial liabilities are:

- Amortized cost
- Fair value through profit or loss (FVTPL)

## **2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

### **(t) Financial instruments (continued)**

#### **Amortized cost**

Financial assets are classified as amortized cost because the financial assets are held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These assets are measured at amortized cost using the effective interest method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified, or impaired.

#### **Fair value through other comprehensive income (FVTOCI)**

Financial assets are classified as fair value through other comprehensive income because the financial assets are held within a business model with the objective to hold financial assets in order to collect contractual cash flows and selling financial assets; and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These assets are measured at amortized cost using the effective interest method and are subject to impairment. Gains and losses are recognized in other comprehensive income when the asset is modified or impaired, and subsequently to profit or loss on derecognition.

#### **Fair value through profit or loss (FVTPL)**

Financial assets are classified as *fair value through profit or loss* unless they are classified as amortized cost or fair value through other comprehensive income. Gains and losses are recognized in other comprehensive income when the asset is modified or impaired, and subsequently to profit or loss on derecognition.

#### **Credit risk and expected loss**

The Society is only exposed to credit risk on its trade receivables, and as such does not provide for any lifetime expected credit loss (LECL). It applies the practical experience of not adjusting the promised consideration receivable because the period is less than 12-months. The Society recognizes a loss allowance on a forward-looking basis at an amount equal to the lifetime ECL on its financial assets measured at amortized cost, except for the following, which are measured at 12-month ECL: debt investments that are determined to have low credit risk at the reporting date with a credit risk rating equivalent to investment grade; and other financial assets, such as loan receivables, for which credit risk has not increased significantly since initial recognition.

Lifetime ECL represents the expected credit losses that will result from all probable default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date.

## **2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

### **(u) Accounts receivables**

Accounts receivable are stated at amortised cost, less impairment losses.

### **(v) Investments**

Investments are initially recorded at cost and subsequently at fair value where a quoted market price is available in an active market. Any resultant gain or loss is recognised in investment revaluation reserve through other comprehensive income. This is done until the investment is sold or otherwise disposed of, or when the carrying amount of the investment is judged to be impaired, at which time the cumulative gain or loss previously recognised in investment revaluation reserve is transferred to profit or loss.

Fair value is measured at the quoted bid market price at the reporting date. Where quoted market price is not available in an active market, investments are shown at cost. Investments are recognised or derecognized on the trade date of disposal.

### **(w) Borrowings and borrowing costs**

Borrowings are classified as financial liabilities measured at amortized cost and are recognized as the proceeds received, net of transaction costs using the effective yield method.

Borrowing costs directly attributable to the acquisition, construction, or production of qualifying assets are capitalized as part of the cost of these assets. Capitalization of such borrowing costs ceases when the assets are substantially ready for their intended use or sale.

All other borrowing costs are expensed in the income statement in the period in which they are incurred.

### **(x) Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Financial instruments that, subsequent to initial recognition, are measured at fair value are grouped into level 1 to 3 based on the degree to which the fair value is observable. The fair value of a liability reflects its non-performance risk. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1- Fair value measurements are those derived from quoted market prices (unadjusted) in active markets for identical assets or liabilities

Level 2- Valuation techniques based on observable inputs, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3 - Valuation techniques using significant unobservable inputs.

The Society has no financial assets group in level 3.

## **2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

### **(y) Related party**

A related party is a person or entity that is related to the entity that is preparing its financial statements (referred to in IAS 24 Related Party Disclosures as the “reporting entity”).

- (a) A person or close member of that person’s family is related to a reporting entity if that person:
  - I. Has control or joint control over the reporting entity;
  - II. Has significant influence over the reporting entity; or
  - III. Is a member of the key management personnel of the reporting entity or of a parent of the reporting entity?
- (b) An entity is related to a reporting entity if any of the following conditions apply:
  - I. The entity and the reporting entity are members of the same group (which means that each parent, subsidiary, and fellow subsidiary is related to the others).
  - II. One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - III. Both entities are joint ventures of the same third party.
  - IV. One entity is a joint venture of a third entity, and the other entity is an associate of the third entity.
  - V. The entity is associated with a post-employment benefit plan for the benefit of the employees of either the reporting entity or an entity related to the reporting entity.
  - VI. The entity is controlled or jointly controlled by a person identified in (a).
  - VII. A person identified in (a) I above, has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
  - VIII. A management entity that provides key management personnel services to the reporting entity, either directly or through a group entity.

A related party transaction is a transfer of resources, services, or obligations between related parties, regardless of whether a price is charged.

### **(z) Comparative information**

Where necessary, comparative figures have been reclassified to conform to changes in the presentation in the current year.

## **3. CAPITAL MANAGEMENT**

The Society manages the adequacy of capital by managing the level of reserves and borrowed funds to protect against losses on its operating activities so as to be able to generate an adequate level of surplus.

Subject to government regulations under the Public Bodies Accountancy Act relating to borrowing powers, there are no other externally imposed capital requirements, and there have been no changes in the Society’s approach to managing capital during the year.

**4. FINANCIAL INSTRUMENTS**

**(a) Financial risk management**

The Society has exposure to the market, credit, and liquidity risks from its use of financial instruments in the ordinary course of the business. Management is responsible for managing the Society's assets and liabilities and the overall financial structure. Derivative financial instruments are not used to reduce exposure to fluctuations in interest and foreign exchange rates.

Risk management is carried out by the top management of the Society, which identifies, evaluates, and manages financial risk. The Board of Directors sets guidelines for overall risk management, including specific areas, such as foreign exchange, credit, and investment risks.

Top management is also principally responsible for the funding and liquidity risks of the Society and where necessary, identifies, evaluates, and hedges against financial risks.

**(i) Market risk**

The Society takes on exposure to market risk, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return.

Market risks mainly arise from changes in foreign currency exchange and interest rates and will affect the Society's income or the value of its holdings of financial instruments.

**I. Interest rate risk**

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

Subject to normal conditions, the Society materially contracts financial liabilities at fixed interest rates for the duration of the term.

Interest-bearing financial assets are primarily represented by cash and cash equivalents, securities purchased under resale agreements and investments. Interest-bearing financial liabilities are mainly represented by loan and bank overdrafts.

**Financial instruments are subject to interest as follows:**

	<u>2019</u> \$	<u>2018</u> \$
<b>Fixed rate instruments</b>		
Financial assets	22,335,819	27,921,034
Financial liabilities	(71,881,977)	(40,392,787)
	<u>(49,546,158)</u>	<u>(12,471,753)</u>

**4. FINANCIAL INSTRUMENTS (CONTINUED)**

**(a) Financial risk management (continued)**

**I. Market risk (continued)**

**Cash flow sensitivity analysis for variable rate instruments**

The Society has no variable rate instruments, and therefore an increase or decrease in basis points (bp), in interest rates as noted in the table below would have no effect on the operating results for the year.

	2019		2018	
	Increase/(Decrease)		Increase/ (Decrease)	
	100bp	150bp	100bp	150bp
<b>Effect on (deficit)/surplus:</b> (Decrease)/increase	\$Nil	\$Nil	\$Nil	\$Nil

This analysis assumes that all other variables, in particular, foreign currency rates, remain constant. This analysis is performed on the same basis for 2017.

**Fair value sensitivity analysis for fixed rate instruments**

The Society does not account for any fixed rate financial instruments at fair value, and therefore a change in interest rates at the reporting date would not affect the deficit or surplus or comprehensive income recognised for the year.

**II. Foreign currency risk**

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. There is no significant exposure to this risk because transactions undertaken in foreign currencies are considered insignificant. Apart from the Jamaican dollar, the Society undertakes very few transactions in United States dollars.

The Society's statement of financial position at 31 March 2019 and 31 March 2018 reported insignificant foreign currency balances in US dollars as follows:

	2019 US\$	2018 US\$
Cash and cash equivalent	-	-
Investments	202	204
Equivalent to	J\$25,450	J\$25,700

Bank of Jamaica, selling exchange rates in terms of the Jamaican dollar (\$) for US\$1 were as follows:

At March 31, 2019	\$126.12
At March 31, 2018	\$125.98

The strengthening or weakening of the US\$ against the J\$ would have a negligible effect due to the immaterial amounts of US\$ held by the Society at both 31 March 2019 and 31 March 2018.



#### **4. FINANCIAL INSTRUMENTS (CONTINUED)**

##### **(a) Financial risk management (continued)**

##### **(ii) Credit risk**

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

The maximum exposure to credit risk at the reporting date is represented by the carrying amount of each relevant financial asset.

##### **Receivables**

The Society has no significant concentration of credit risk attaching to receivables as the Society has a large and diverse customer base of small farmers, with no significant balance arising from any single economic or business sector, or any single entity or group of entities.

Credit risk is low because a significant percentage of the Society's income is derived from subventions and government grants, income from corporate sponsors of the annual Denbigh Show, investment income and rental from reliable tenants that occupy the Society's premises. Dues from members are relatively insignificant, below 1.5% of revenue both for the current and prior year, compared to other revenue categories. However; the risk of the collection is high although procedures are in place to withhold certain benefits and privileges from members of the Society who are not current with their dues.

The Society establishes a provision for impairment that represents its estimate of incurred losses in respect of receivables. The Society addresses impairment on an individual basis. The provision is mainly in relation to members' dues and other long outstanding receivables relating to rental income that have been outstanding for over 120 days. The allowances for doubtful debts are based on the ageing of the receivables, with write-offs made if attempts to collect fail and the amount is deemed to be uncollectible. Management does not consider the new IFRS 9, expected credit loss impairment model to be significant to the Society's operations because over 80% of the revenue of the Society is from subvention funding from the Government of Jamaica.

##### **Due from related parties**

At the reporting date, there was no significant concentration in respect of amounts due from related parties. Receivable balances relate primarily to fees from individuals that rent tents for the annual Denbigh shows along with membership dues, and these are shown net of provision for doubtful debts.

**4. FINANCIAL INSTRUMENTS (CONTINUED)**

**(a) Financial risk management (continued)**

**(ii) Credit risk (continued)**

**Investments, cash, and bank balances**

The Society limits its exposure to credit risk by the following:

- III. Cash and short-term investments are held with approved financial institutions considered to be stable and who is believed to have minimal risk of default.
- IV. The Society mainly invests in liquid securities, with counterparties that are considered to be stable and have high credit quality. Management does not expect any counterparty to fail to meet its obligations.

The Society's maximum credit exposure is as follows:

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Credit risk exposure:		
Investments	31,473,599	34,983,418
Receivables	12,519,502	12,614,786
	<b>43,993,100</b>	<b>47,598,204</b>

The above table represents a worst-case scenario of credit risk exposure to the Society on March 31, 2019.

**Ageing analysis of receivables that are past due but not considered impaired**

Credit exposure for the Society mainly relates to members and tenants of stalls relating to the annual Denbigh Shows. Management made a significant effort during the year to collect long outstanding receivable balances, but amounts considered uncollectible were written off during the year.

**Movement in bad debt provision:**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Opening balance :1 April 2018	2,369,947	2,369,947
Increase/(decrease) during the year	400,000	-
Closing balance: 31 March 2019	<b>2,769,947</b>	<b>2,369,947</b>

The creation and release of provision for impaired receivables have been included in other operating expenses in the statement of comprehensive income. Amounts charged to the provision account are generally written off when there is no expectation of recovering the additional cash. The Society believes that any expected credit loss impairment provision considered necessary for financial assets other, including members' fees receivable and outstanding rental from tenants, would be negligible because full provision was made against all outstanding receivables that were deemed to be uncollectible.

**4. FINANCIAL INSTRUMENTS (CONTINUED)**

**(a) Financial risk management (Continued)**

**(ii) Credit risk (Continued)**

**Exposure to credit risk for investments**

The following table summarizes the Society's credit exposure for investments at fair value categorized by issuer:

	<u>2019</u>	<u>2018</u>
	\$	\$
Financial institutions: fixed deposits	22,335,818	27,921,034
Jamaica Stock Exchange: shares	9,137,780	7,062,384
	<u>31,473,598</u>	<u>34,983,418</u>

**(iii) Liquidity risk**

Liquidity risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying business, which is dependent on Government support for subventions and the uncertainty of agro-businesses where cash flows are uneven and seasonal, the management of the Society aims to maintain flexibility in funding by keeping sufficient levels of cash and marketable securities to meet its operating and funding requirements.

**Liquidity risk management process**

The Society's liquidity management process, as carried out within the Society and monitored by top management includes:

- (a) Regular monitoring of future cash flows and liquidity. This incorporates an assessment of expected cash flows and the availability of collateral which could be used to secure funding if required.
- (b) Maintaining a portfolio of highly marketable assets that can easily be liquidated as protection against any unforeseen interruption to cash flow.
- (c) Maintaining committed lines of credit while optimizing cash returns on investments.
- (d) Managing the concentration and profile of debt maturities.
- (e) Ensuring prompt disbursement of government subventions to the Society.

**4. FINANCIAL INSTRUMENTS (CONTINUED)**

**(a) Financial risk management (Continued)**

**(iii) Liquidity risk (continued):**

**Undiscounted contractual cash flows of financial liabilities**

The Society's financial liabilities at March 31, 2019, comprise long-term loans including interest and payables and accruals, which are based on contractual undiscounted payments which are summarized in the table below as follows:

<b>Maturity Profile of the Society</b>						
<b>2019</b>						
	<u>Carrying amount</u>	<u>Contractual cash flows</u>	<u>1 year or less</u>	<u>1-2 years</u>	<u>2-5 years</u>	<u>Over 5 years</u>
	\$	\$	\$	\$	\$	\$
Long term loans	71,222,633	102,847,595	12,855,949	25,711,899	64,279,747	12,855,949
Accounts payable	35,087,551	35,087,551	-	-	-	-
March 31, 2019	<u>106,310,184</u>	<u>137,935,146</u>	<u>12,855,949</u>	<u>25,711,899</u>	<u>64,279,747</u>	<u>12,855,949</u>
<b>2018</b>						
	<u>Carrying amount</u>	<u>Contractual cash flows</u>	<u>1 year or less</u>	<u>1-2 years</u>	<u>2-5 years</u>	<u>Over 5 years</u>
	\$	\$	\$	\$	\$	\$
Long term loans	40,392,787	65,979,364	7,331,040	14,662,081	36,655,202	7,331,040
Accounts payable	31,037,750	31,037,750	-	-	-	-
March 31, 2018	<u>71,430,537</u>	<u>97,017,114</u>	<u>7,331,040</u>	<u>14,662,081</u>	<u>36,655,202</u>	<u>7,331,040</u>

Assets available to meet current and long-term financial liabilities include cash and short-term investments.

**(b) Fair value of financial instruments**

The following methods and assumptions have been used in these financial statements:

- The fair value of cash and cash equivalents accounts receivable, and payables are assumed to approximate their carrying values due to their relatively short-term nature
- Investments classified as available-for-sale are measured at fair value by reference to prices quoted on the Jamaica Stock Exchange platform
- The carrying value of long-term loans approximates the fair value as these loans are carried at an amortised cost reflecting their contractual obligations, and the interest rates are reflective of market rates for similar loans.

**5. OPERATING REVENUE**

Operating revenue, which is recorded on the cash and not performance basis, represents gross amounts from subventions and grants, rental income from properties and stalls, donations, investment income, profits made on certain projects during the year, membership fees, finance, and other miscellaneous income. Operating revenue is reported net of discounts and General Consumption Tax (GCT).

**6. TAXATION**

No provision is made in these financials for taxation on the surplus of the Society for the year because The Commissioner of Taxpayer Audit and Assessment Department (TAJ) has granted the Society exemption from income tax under the Income Tax Act.

**7. SURPLUS FROM SELF-FINANCING ACTIVITIES**

	<u>2019</u> \$	<u>2018</u> \$
<b>Operating revenue:</b>		
Denbigh show	57,984,502	75,920,870
Denbigh property income	2,581,500	656,000
Receipt book income	1,286,000	1,253,500
Training income	3,249,500	2,933,891
Income car park	2,094,350	2,159,655
Income from Eat Jamaican Campaign	1,032,000	1,205,000
	68,227,852	84,128,916
<b>Direct expenses:</b>		
Denbigh show expenses	54,812,286	71,322,590
Denbigh property expenses	3,745,759	4,789,137
Receipt book expenses	588,050	576,610
Training expense	1,966,809	2,104,301
Car park expense	571,740	632,260
Expenses relating to Eat Jamaican Campaign	1,132,459	779,362
	62,817,105	80,204,260
<b>Surplus for the year</b>	5,410,747	3,924,656

**8. OPERATING REVENUE**

	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b>\$</b>	<b>\$</b>
<b>Segment income:</b>		
Surplus from self-financing activities (note 7)	5,410,747	3,924,656
Membership and affiliation fees	3,173,800	1,450,200
Rental income	5,640,000	5,971,850
Subvention from Government	103,410,011	89,250,947
Investment income	85,394	136,764
Other income	35,173	6,540,258
	<b>117,755,125</b>	<b>107,274,674</b>

**9. ADMINISTRATIVE AND GENERAL EXPENSES**

	<b><u>2019</u></b>	<b><u>2018</u></b>
	<b>\$</b>	<b>\$</b>
Donations & subscriptions	271,160	186,493
Light & power	3,361,235	2,781,887
Motor vehicle expenses	787,872	615,235
Honorarium	600,000	600,000
Office supplies and expenses	356,530	173,488
Printing & stationery supplies	454,193	718,708
Audit and accounting	950,000	950,000
Professional and consultancy	1,390,530	349,183
Property Tax	1,834,690	-
Repairs & maintenance	610,898	1,135,516
Postage & courier services	11,700	20,600
Rental of premises & equipment	420,000	233,085
Staff costs	64,051,372	60,806,212
Staff training and welfare	677,833	962,372
Casual labour	37,000	10,000
Telephone	536,722	617,682
Bad debts	400,000	42,000
Depreciation	9,306,940	6,777,468
Farmer's donation and other expenses	1,691,062	1,907,321
Travelling, upkeep, and accommodation	27,332,423	23,580,357
Water	284,215	453,944
	<b>115,366,375</b>	<b>102,921,545</b>

**10. SELLING AND PROMOTION**

	<u>2019</u> \$	<u>2018</u> \$
Advertising & promotion	344,605	802,312
Annual general meeting	3,295,497	2,582,663
	<u>3,640,102</u>	<u>3,384,975</u>

**11. INVESTMENT AND FINANCE INCOME AND COSTS**

	<u>2019</u> \$	<u>2018</u> \$
<b>Income</b>		
Finance: interest from deposits	838,577	1,020,542

	<u>2019</u> \$	<u>2018</u> \$
<b>Costs</b>		
Bank and finance charges	1,392,189	1,080,134
Loan interest and overdraft charges	5,980,850	3,904,017
	<u>7,373,039</u>	<u>4,984,151</u>

**Jamaica Agricultural Society  
Notes to the Financial Statements  
31 March 2019**

**12. PROPERTY, PLANT, and EQUIPMENT**

**2019**

	<u>Land &amp; Ponds</u>	<u>Construction in Progress</u>	<u>Green House</u>	<u>Buildings</u>	<u>Building Improvements</u>	<u>Furn. &amp; Fixtures</u>	<u>Computer</u>	<u>Motor Vehicle</u>	<u>Total</u>
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Cost or valuation</b>									
1 April 2018	337,346,938	42,477,379	1,209,570	157,247,656	25,091,851	21,272,202	11,314,199	3,790,000	599,749,796
Additions of assets	17,615,992	12,164,032	-	-	-	1,624,688	658,635	7,526,610	39,589,957
Revaluation	31,884,008	-	-	-	-	-	-	-	31,884,008
31 March 2019	386,846,938	54,641,411	1,209,570	157,247,656	25,091,851	22,896,890	11,972,834	11,316,610	671,223,760
<b>Acc. depreciation</b>									
1 April 2018	-	-	1,209,569	48,746,772	6,793,411	15,079,152	10,986,322	3,789,999	86,605,225
Charge for year	-	-	-	4,558,489	627,298	2,287,324	328,507	1,505,322	9,306,940
31 March 2019	-	-	1,209,569	53,305,261	7,420,709	17,366,476	11,314,829	5,295,321	95,284,867
<b>Net book value</b>									
31 March 2019	386,846,938	54,641,411	1	103,942,395	17,671,142	5,530,414	658,005	6,021,289	575,311,595

During the year ended 31 March 2019, the Directors of the Society obtained an independent professional valuation from The C.D. Alexander Company Realty Limited, of a plot of land owned by the Society which was not included in the list of the Society's fixed assets. This lot was incorporated into the fixed assets of the Society as at 31 March 2019.

During the year ended 31 March 2004, the land and buildings were revalued by management using their best judgment by reference to the value of properties within close proximity of the Society's holdings. The revaluation surplus was credited to a capital reserve account (Note 20). During the financial year ended 31 March 2007, certain properties were revalued by the C.D. Alexander Company Realty Limited and Real Estate Brokers & Appraisers Limited based on market values and the excess over the book values was credited to capital reserves. During the year ended 31 March 2014, the management of the Society revalued land and buildings based on market prices of similar properties within close proximity of the Society's properties. The surplus on revaluation is reflected in capital reserves.

The land and buildings are classified as level 2 fair values based on the fair value hierarchy classification. See note 2(x).



**Jamaica Agricultural Society  
Notes to the Financial Statements  
31 March 2019**

**12. PROPERTY, PLANT and EQUIPMENT (CONTINUED)**

**2018**

	<u>Land &amp; Ponds</u>	<u>Construction in Progress</u>	<u>Green House</u>	<u>Buildings.</u>	<u>Building Improvements</u>	<u>Furn. &amp; Fixtures</u>	<u>Computer</u>	<u>Motor Vehicle</u>	<u>Total</u>
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Cost or valuation</b>									
1 April 2017	295,346,938	30,069,768	1,209,570	157,247,656	25,091,851	19,823,072	10,986,323	3,790,000	543,565,178
Additions of assets	-	12,407,611	-	-	-	1,449,130	327,876	-	14,184,617
Revaluation	42,000,000	-	-	-	-	-	-	-	42,000,000
31 March 2018	337,346,938	42,477,379	1,209,570	157,247,656	25,091,851	21,272,202	11,314,199	3,790,000	599,749,796
<b>Acc. depreciation</b>									
1 April 2017	-	-	1,209,569	44,815,581	6,166,113	12,951,933	10,894,562	3,789,999	79,827,757
Charge for year	-	-	-	3,931,191	627,298	2,127,219	91,760	-	6,777,468
31 March 2018	-	-	1,209,569	48,746,772	6,793,411	15,079,152	10,986,322	3,789,999	86,605,225
<b>Net book value</b>									
31 March 2018	337,346,938	42,477,379	1	108,500,884	18,298,440	6,193,050	327,877	1	513,144,570
<b>Net book value</b>									
31 March 2017	295,346,938	30,069,768	1	112,432,075	18,925,738	6,871,139	91,761	1	463,737,421

During the year ended March 31, 2018, two (2) lots of lands were valued by independent professional valuers for \$42 Million at market values. These lots were not previously recorded in the Society's fixed assets in the financial statements. At the reporting date, 31 March 2018, these lots were recorded as assets in the property, plant and equipment category and the fair value credited to capital reserves.

**13. INVESTMENTS**

	<u>2019</u>	<u>2018</u>
	\$	\$
<b>Investments designated at fair values through other comprehensive income:</b>		
<b>Quoted securities:</b>		
Sweet River Abattoir and Supplies Company Limited 13,200 ordinary shares (2018 – 13,200 ordinary shares)	39,600	50,160
National Commercial Bank Jamaica Limited: 43,680 ordinary shares: (2018 - 43,680 ordinary shares)	6,332,290	4,323,882
Radio Jamaica Limited: 2,584,944 ordinary shares (2018 – 2,584,944 ordinary shares)	2,765,890	2,688,342
	<u>9,137,780</u>	<u>7,062,384</u>
<b>Other: fixed deposits:</b>		
Denominated in Jamaican (J\$) dollars	22,310,368	27,895,334
Denominated in United States (US\$) dollars	25,450	25,700
	<u>22,335,818</u>	<u>27,921,034</u>
	<u>31,473,598</u>	<u>34,983,418</u>

The net increase in the value of the quoted securities, held for their long-term appreciation, was adjusted in the investment revaluation reserve account. During the year, dividend income was received from the quoted shares along with interest earned on the fixed deposits, and both are recorded in the profit or loss account.

The change from available- for- sale investments in 2019 to investments designated at fair values through other comprehensive income in 2019 is based on the adoption of IFRS 9 as disclosed in note 2, was immaterial as the prior year figures under IAS 39 were reported at fair values.

**14. INVENTORIES**

	<u>2019</u>	<u>2018</u>
	\$	\$
Praedial larceny receipt books	184,140	288,190
Inventories charged to expenses during the year	<u>588,050</u>	<u>1,920,000</u>

The receipt books have been in stock over twelve (12) months and are considered slow-moving, but they are replenished at random intervals when the inventory levels are considered depleted by management. No impairment provision against these receipt books are considered necessary as at 31 March 2019.

**15. RELATED PARTY BALANCES AND TRANSACTIONS**

- (a) The society has related party relationships with its subsidiary, its directors and key management personnel
- (b) The statement of financial position and statement of comprehensive income include balances arising in the ordinary course of business with related parties as follows:
- (i) Due from related party

	<u>2019</u> \$	<u>2018</u> \$
1 April 2018: opening balance	3,446,551	3,475,321
Transactions during the year:		
Advances on behalf of JASCEL	225,000	225,000
Repayments during the year	(840,600)	(253,770)
31 March 2019: closing balance	2,830,951	3,446,551

The balance represents the net amount of transactions between JAS and JASCEL and Denbigh Development Company Limited, a related company involved in the distribution of farm produce and supplies. The balance at March 31, 2019, was confirmed by JASCEL.

- (ii) Key management personnel compensation

	<u>2019</u> \$	<u>2018</u> \$
<b>Directors' emoluments:</b>		
Directors' (Board of Management) travelling	2,309,348	2,138,598
Senior executives' compensation	8,588,883	8,281,527
President's honorarium	600,000	600,000

The senior executive's compensation relates to three (3) executives, and their salaries are included in staff costs (see note 21).

**16. RECEIVABLES**

	<u>2019</u>	<u>2018</u>
	\$	\$
Prepayments	1,000,343	595,796
Staff loans and advances	4,651,826	4,387,551
Rent receivable	3,907,281	3,564,000
Withholding tax	706,127	502,658
Stall rental	-	685,582
National Commercial Bank (NCB) receivable	1,135,927	-
Denbigh and other receivables	3,887,944	5,249,146
	<u>15,289,449</u>	<u>14,984,733</u>
Provision for bad debts	(2,769,947)	(2,369,947)
	<u>12,519,502</u>	<u>12,614,786</u>

**17. CASH AND CASH EQUIVALENTS**

The cash and cash equivalent balances comprise monies held with various reputable local financial institutions as follows:

	<u>2019</u>	<u>2018</u>
	\$	\$
Current account balances	2,934,460	551,082
Savings accounts and petty cash balances	65,153	64,683
	<u>2,999,613</u>	<u>615,765</u>

**18. PAYABLES**

	<u>2019</u>	<u>2018</u>
	\$	\$
Payables & accruals	17,993,701	12,137,799
Denbigh show liabilities	11,118,365	14,501,884
Staff traveling	2,959,805	2,439,171
Property tax liabilities	51,351	3,626,368
Other payables	5,461,058	1,400,082
GCT input tax	(3,762,543)	(3,067,555)
	<u>35,087,534</u>	<u>31,037,749</u>

Other payables include advanced payments for affiliation and membership fees, rental deposits and staff deductions.

**Jamaica Agricultural Society**  
**Notes to the Financial Statements**  
**31 March 2019**

**19. LONG-TERM LOANS**

	<u>2019</u> \$	<u>2018</u> \$
9-13 % National Commercial Bank (NCB) 2016-2029	71,881,977	40,392,787
Less: current portion of loans	(15,317,696)	(3,160,750)
	<u>56,564,281</u>	<u>37,232,037</u>

The NCB loans are repayable by monthly combined payments of approximately one million sixteen thousand three hundred and seventy-eight dollars (\$1,016,378) inclusive of interest. The loans are secured by liens on real estate owned by the Society and term deposits held at NCB. The final payments are scheduled for January 2029.

**20. CAPITAL RESERVES**

	<u>2019</u> \$	<u>2018</u> \$
Opening balance: 1 April 2018	467,269,956	425,269,956
Valuation of land during the year	37,884,008	42,000,000
Closing balance: 31 March 2019	<u>499,153,964</u>	<u>467,269,956</u>

The balance represents accumulated surplus on revaluation of land and buildings by management and independent valuers, owned by the Society as follows:

- Valuations were done in 2004, 2007, 2014.
- Valuation was done in 2019 and 2016 relating to three (3) lots of lands owned by the Society. These lots are located at Highgate (one) and Denbigh (two) and were not previously included in fixed assets.

**21. OPERATING (DEFICIT)/SURPLUS FOR YEAR**

The following have been charged in arriving at operating surplus /(deficit) for the year:

	<u>2019</u> \$	<u>2018</u> \$
Auditors' remuneration	750,000	720,000
Depreciation	9,306,940	6,777,468
Senior executives' remuneration (included in staff costs)	8,588,883	8,281,527
Staff costs (note 22)	64,729,205	61,768,584

## 22. STAFF COSTS

	<u>2019</u> \$	<u>2018</u> \$
Salaries and wages	59,052,414	55,990,987
Employers payroll taxes	4,998,958	4,815,225
	<u>64,051,372</u>	<u>60,806,212</u>
Staff welfare and training	677,833	962,372
	<u>64,729,205</u>	<u>61,768,584</u>
<b>Number of staffs:</b>		
Full time	51	57
Part-time	7	7

\*restated to include staff welfare and training.

## 23. CAPITAL COMMITMENTS

The Society had no outstanding significant capital commitments in respect of projects being undertaken, nor were there any lease arrangements or off-balance sheet transactions as at March 31, 2019. (2018- \$NIL)

## 24. CONTINGENCY

As at March 31, 2019, as far as the Board of Management (BOM) of the Society are aware, there were no outstanding claims, disputes, and legal proceedings against the Society in the normal course of business.

At the statement of financial position date, the Society had no formal retainer arrangements with any attorney to represent the Society.

No provision is made for any possible contingencies in these financial statements.

## 25. SUBSEQUENT EVENTS

At March 31, 2019, the Government of Jamaica indicated that certain government-related entities will be divested and will no longer be funded by Government. A letter dated 25 February 2019, signed by the Minister of Ministry of Industry, Commerce, Agriculture & Fisheries; whose Ministry governs the operations of the JAS indicated the following;

*The Government of Jamaica through its Public Sector transformation & Modernization Programme approved a rationalization for Public Bodies policy, geared at improving their operational efficiency, the effectiveness of service delivery, as well as a reduction in the cost of government operations, and ultimately, enhanced economic growth.*

*Consequently, through the administration of its policy on Categorization and Rationalization, several entities of the Ministry have been identified for transformation, through mergers, privatization, and close out. By way of Cabinet Decision, no 20/18 dated June 4, 2018, the Jamaica Agricultural Society (JAS), will transition to Non- Government Organizational (NGO) status.*

**25. SUBSEQUENT EVENTS (CONTINUED)**

*The Ministry of Industry, Commerce, Agriculture & Fishes (MICAF), in concert with the Transformation Unit of the Ministry of Finance & the Public Service (MOF&PS), will be establishing relevant Steering Committees to provide oversight for this transformation project. It is envisaged that the Head of the JAS will be represented on the Steering Committee to ensure participation and contribution to the transformation decisions and activities.*

Except for the matter noted above, senior management, to the best of their knowledge and belief, were not aware of any events that occurred subsequent to the statement of financial position date and through to the date of approval of the financial statements that would require adjustment to or disclosure in the aforementioned financial statements or, although not affecting such financial statements or disclosures, have caused or are likely to cause any material change, adverse or otherwise, in the financial position or results of operations of the Society.

# DIRECTORS COMPENSATION 2018-2019

Position of Director	Board Fees (\$)	Motor Vehicle Travelling (\$)	Honoraria (\$)	All Other ompensation including Non-Cash Benefits as applicable (\$)	Total (\$)
President	96,000.00	559,624.00	600,000.00		1,255,624.00
1st Vice President		94,640.00			94,640.00
2nd Vice President		227,987.00			227,987.00
Director 1		21,800.00			21,800.00
Director 2		25,400.00			25,400.00
Director 3		62,071.00			62,071.00
Director 4		56,240.00			56,240.00
Director 5		60,880.00			60,880.00
Director 6		55,080.00			55,080.00
Director 7		3,360.00			3,360.00
Director 8		53,637.00			53,637.00
Director 9		21,200.00			21,200.00
Director 10		38,080.00			38,080.00
Director 11		6,000.00			6,000.00
Director 12		56,400.00			56,400.00
Director 13		25,320.00			25,320.00
Director 14		44,516.00			44,516.00
Director 15		23,600.00			23,600.00
Director 16		48,000.00			48,000.00
Director 17		25,640.00			25,640.00
Director 18		42,320.00			42,320.00
Director 19		4,041.00			4,041.00
Director 20		4,040.00			4,040.00
Director 21		5,600.00			5,600.00
Director 22		26,240.00			26,240.00
Director 23		21,632.00			21,632.00
	96,000.00	1,613,348.00	600,000.00		2,309,348.00



# EXECUTIVE EMOLUMENTS SENIOR EXECUTIVE COMPENSATION

Position of Senior Executive	Year	Salary (\$)	Gratuity or Performance Incentive (\$)	Traveling Allowance or Value of Assigned Motor Vehicle (\$)	Pension or Other Retirement Benefits (\$)	Other Allowances (\$)	Non-Cash Benefits (\$)	Total (\$)
Chief Executive Officer	18-19	4,515,646.00		1,542,864.00	-	-	-	6,058,510.00
Human Resource Manager	18-19	1,716,809.00	-	813,564.00	-	-	-	2,530,373.00
<b>Total</b>		<b>6,232,455.00</b>	<b>-</b>	<b>2,356,428.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,588,883.00</b>

## Notes

1. Where contractual obligations and allowances are stated in a foreign currency, the sum in that stated currency must be clearly provided and not the Jamaican equivalent.
2. Other Allowances (including laundry, entertainment, housing, utility, etc.)
3. Where a non-cash benefit is received (e.g. government housing), the value of that benefit shall be quantified and stated in the appropriate column above.



# Notes

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Jamaica Agricultural  
Society