

ANNUAL REPORT FOR THE ALL-ISLAND JAMAICA CANE FARMERS'
ASSOCIATION FOR THE YEAR ENDED SEPTEMBER 30, 2012

The matter for tabling in the Houses of Parliament is the Annual Report of the All-Island Jamaica Cane Farmers' Association for 2012 with the audited financial statements for the year ended September 30, 2011. This report will be tabled in accordance with the provisions of section 15 of The Sugar Cane Farmers (Incorporation and Cess) Act.

2. BACKGROUND

The All-Island Jamaica Cane Farmers' Association was incorporated under The Sugar Cane Farmers (Incorporation and Cess) Act on December 25, 1941. The Association is run by a Committee of Management. All registered cane farmers are members of the Association and pay a cess on each tonne of cane delivered to a factory.

The main objectives of the All-Island Jamaica Cane Farmers' Association are:

- To promote the growing of cane by farmers and the expansion of the cane farming industry.
- The preparation of and the settling of terms for cane farmers contracts with sugar factories and aiding in the settlement of any dispute which may arise.
- To buy and sell fertilizer and agricultural implements for the benefit of its members.
- Make representation to the Government on any matter affecting the interest of cane farmers.

3. STATUS OF ANNUAL REPORTS

It should be noted that the stated year of the annual report (2012) is not consistent with the year of the audited financial statement (September 30, 2011). The Association has indicated that in accordance with section 15 of the Sugar Cane Farmers (Incorporation and Cess) Act, the annual report has to be presented to its members at its Annual General Meeting (AGM) which occurs in November each year. Due to the proximity of the end of the financial year and the date of the Annual General Meeting, the Association has stated that it is difficult to have the audited financial statements completed for the AGM of the same year. However, the Association has been informed of the problem and they have indicated that they are working to have the year of the annual report consistent with its financial statements.

It should also be noted that there is no record of any annual report being tabled in the Houses of Parliament for the All-Island Jamaica Cane Farmers' Association. However, following a restructuring of the organisation, a new management team was employed on October 1, 2011. They have indicated that the auditors were unable to conduct auditing procedures to ascertain balances as at September 30, 2010. However, sufficient records were located to prepare the financial statements for the year ended September 30, 2011. Proper systems have also been put in place for future reports.

4. CANE PRODUCTION

A total of 1,499,018 tonnes of cane was harvested from 28,066 hectares producing a yield of 53.4 tonnes cane per hectare (tc/ha) in 2012. This represented a deterioration in performance when compared with the 1,526,347 tonnes cane reaped in the previous year at a yield of 54.7 tc/ha.

The estates collectively were responsible for 971,515 tonnes (64.8%) of the canes produced, this compares with the 527,503 tonnes cane (35.2%) produced by farmers.

Cane Production for the 2011/2012 Crop-Year

Entities	Tonnes Cane	Percentage
Cane Farmers	527,503	35.2
Pan Caribbean Sugar Estate	466,224	31.1
Wray & Nephew	261,346	17.4
Golden Grove Sugar	95,538	6.4
Worthy Park Estate	109,490	7.3
Everglades Farms	38,917	2.6
Total	1,499,018	100.0

5. SUGAR PRODUCTION

For the 2011/2012 crop year, a total of 131,589 tonnes of 96⁰ sugar was produced. This figure represents a decrease of 5.7% from the previous year's production of 139,594 tonnes.

Factory	2010/2011			2011/2012		
	Cane for Sugar	96 ⁰ Sugar	Tc/Ts	Cane for Sugar	96 ⁰ Sugar	Tc/Ts
Frome	518,539	41,687	12.44	435,677	34,278	12.71
Monymusk	313,607	28,668	10.94	297,314	26,329	11.29
Everglades	0	0	0	55,718	3,984	13.99
Appleton	303,327	31,033	9.77	323,166	29,794	10.85
Worthy Pk	202,293	22,083	9.16	189,889	21,680	8.76
Golden Gr.	180,573	16,123	11.20	173,460	15,524	11.17
Total	1,518,339	139,594		1,475,224	131,589	

Note: Everglades did not operate in crop-year 2010/2011

The Frome sugar factory with 34,278 tonnes sugar was the chief contributor to the country's total production for 2011/12. The other factories comprising the top three were Appleton and Monymusk with 29,794 tonnes and 26,329 tonnes respectively. However, with respect to the Tc/Ts ratio the top three factories were Worthy Park, Appleton and Golden Grove with 8.76, 10.85 and 11.17 respectively.

6. **FINANCE**

The All-Island Jamaica Cane Farmers' Association recorded a surplus of \$12,561,934 for the year ended September 30, 2011. The operations were financed primarily from a grant of \$30 million from the Ministry of Agriculture and Fisheries and the cess collected from the factories on behalf of cane farmers in the amount of \$18.13 million.

7. **SALARY AND EMOLUMENTS**

The salaries and emoluments of the members of the Committee of Management and senior executives are set out at appendices I and II respectively.

8. **AUDITOR'S REPORT**

The financial statements were audited by Martin and Associates Registered Public Accountants. They have stated as the basis for their opinion that the evidence available to them was limited and they were unable to obtain sufficient quantity of appropriate audit evidence. As a result, they were unable to carry-out auditing procedures necessary to obtain assurance regarding the balances at September 30, 2010. The auditors have also stated that they did not obtain all the information and explanations which to the best of their knowledge and belief were necessary for the purpose of their audit.

Opinion

Based on the matters mentioned above, the auditors in their opinion have stated that proper accounting records were not maintained as far as it appears from their examination of those records. The financial statements are in agreement with the accounting records presented and gave the information required by the Companies Act.

9. The Annual Report of the All-Island Jamaica Cane Farmers' Association for the year 2012 is hereby submitted to be tabled in the Houses of Parliament in accordance with section 15 of The Sugar Cane Farmers (Incorporation and Cess) Act.



Derrick Kellier, C.D.

Minister of Agriculture, Labour and Social Security

April 17, 2015

ALL-ISLAND JAMAICA CANE FARMERS' ASSOCIATION
DIRECTORS COMPENSATION (October 1, 2010-September 30, 2011)

Position of Director	Fees (\$)	Motor Vehicle Upkeep/Travelling or Value of Assigned Motor Vehicle (\$)	Honoraria (\$)	All Other Compensation including Non-Cash Benefits as applicable (\$)	Total (\$)
Chairman	-	-	430,739.08	-	430,739.08
Vice-Chairman	-	-	286,022.51	-	286,022.51
Finance Committee Chairman	-	-	396,243.75	-	396,243.75
Member 1	86,284.00	-	-	-	86,284.00
Member 2	11,674.40	-	-	-	11,674.40
Member 3	58,984.00	-	-	-	58,984.00
Member 4	49,686.40	-	-	-	49,686.40
Member 5	19,680.00	-	-	-	19,680.00
Member 6	2,740.00	-	-	-	2,740.00
Member 7	46,549.20	-	-	-	46,549.20
Member 8	10,200.00	-	-	-	10,200.00
Member 9	104,190.00	-	-	-	104,190.00
Member 10	82,522.00	-	-	-	82,522.00
Member 11	25,230.00	-	-	-	25,230.00
Member 12	13,590.00	-	-	-	13,590.00
Member 13	32,725.70	-	-	-	32,725.70
Member 14	82,042.02	-	-	-	82,042.02

Member 15	11,066.80	-	-	-	11,066.80
Member 16	55,801.60	-	-	-	55,801.60
Member 17	2,580.40	-	-	-	2,580.40
Total	695,546.52	-	1,113,005.34	-	1,808,551.86

Notes

1. 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.

ALL-ISLAND JAMAICA CANE FARMERS' ASSOCIATION
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 (\$)
Secretary/Manager	Oct. 2010-Sept. 2011	1,530,812.80	-	760,000.00	-	3,500,000.00	-	5,790,812.80
Financial Administrator	Oct. 2010-Sept. 2011	1,539,283.84	-	400,000.00	-	-	-	1,939,283.84
Total		3,070,096.64	-	1,160,000.00	-	3,500,000.00	-	7,730,096.64

Notes

1. Other Allowances for the Secretary/Manager of \$3.5 million represent payment for a separation package resulting from a restructuring exercise at the Association for over 30 years service.