

ANNUAL REPORT OF THE ALL-ISLAND JAMAICA CANE FARMERS'
ASSOCIATION FOR THE YEAR ENDED SEPTEMBER 30, 2013

The matter for tabling in the Houses of Parliament is the Annual Report of the All-Island Jamaica Cane Farmers' Association for 2013 with the audited financial statements for the year ended September 30, 2012. 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 the Committee of Management. All registered cane farmers are members of the Association and they pay a cess on each tonne of cane which they deliver to a factory.

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

- To promote the growing of cane by cane 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 (2013) is not consistent with the year of the audited financial statement (September 30, 2012). 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.

4. **CANE PRODUCTION**

A total of 1,408,540.08 tonnes of cane was delivered to the sugar factories for the period under review. Of this total, estates were responsible for supplying 835,186.07 tonnes (59.3%) while farmers supplied 573,354.01 tonnes (40.7%). For the previous crop-year the corresponding figures were 1,499,018 tonnes cane produced by the industry of which 971,515 tonnes (64.8%) was supplied by estates and 527,503 tonnes (35.2%) by farmers.

Cane Supplied to the Sugar Factories for the 2012/2013 Crop-Year

Entities	Tonnes Cane
Everglades	75,336.19
Golden Grove	181,510.29
Worthy Park Estate	193,436.74
Frome	440,170.06
Appleton	297,070.17
Monymusk	221,016.63
Total	1,408,540.08

5. SUGAR PRODUCTION

The 2012/2013 crop year saw a total of 128,196 tonnes of 96⁰ sugar being produced. This figure represents a decrease of 2.6% (3,393 tonnes) from the previous year's production of 131,589 tonnes.

Factory	2011/2012			2012/2013		
	Cane for Sugar	96 ⁰ Sugar	Tc/Ts	Cane for Sugar	96 ⁰ Sugar	Tc/Ts
Frome	435,677	34,278	12.71	440,170	36,700	11.99
Monymusk	297,314	26,329	11.29	221,017	18,501	11.95
Everglades	55,718	3,984	13.99	72,625	6,674	10.88
Appleton	323,166	29,794	10.85	293,861	29,513	9.96
Worthy Pk	189,889	21,680	8.76	193,381	22,701	8.52
Golden Gr.	173,460	15,524	11.17	181,510	14,107	12.87
Total	1,475,224	131,589		1,402,564	128,196	

The Frome sugar factory with 36,700 tonnes sugar was the chief contributor to the country's total production for 2012/13. The other two factories completing the top three were Appleton and Worthy Park with 29,513 tonnes and 22,701 tonnes respectively. However, with respect to the Tc/Ts ratio the top three factories were Worthy Park, Appleton and Everglades with 8.52, 9.96 and 10.88 respectively.

6. FINANCE

The All-Island Jamaica Cane Farmers' Association recorded a net surplus of \$14,683,739 for the year ended September 30, 2012. This represented a 63.5% (\$5,700,734) increase over the previous year's figure which was restated at \$8,893,005. The operations were financed primarily from a grant of \$41 million from the Government of Jamaica and the cess collected from the factories on behalf of cane farmers in the amount of \$15.1 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 DGS Chartered Accountants and Business Advisors. They have stated as the basis for their opinion that the treatment of the defined benefit scheme is not in accordance with International Financial Reporting Standards (IFRS) as there was no actuarial valuation done to determine information such as the present value of the defined benefit. Additionally, due to the lack of supporting documentation, they were unable to substantiate the pension contribution payable for the defined contribution scheme as at September 30, 2012.

Opinion

The auditors have stated that, except for the effects of the matters mentioned in the preceding paragraph, the financial statements gave a true and fair view of the financial position of the Association as at September 30, and of its financial performance, changes in accumulated deficit and cash flows for the year then ended, in accordance with International Financial Reporting Standards.

9. The Annual Report of the All-Island Jamaica Cane Farmers' Association for the year 2013 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 23, 2015

ALL-ISLAND JAMAICA CANE FARMERS' ASSOCIATION
DIRECTORS COMPENSATION (October 1,2011-September 30, 2012)

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	-	-	2,010,000.00	-	2,010,000.00
Vice-Chairman	-	-	960,824.04	-	960,824.04
Finance Committee Chairman	-	-	690,000.00	-	690,000.00
Member 1	49,920.00	-	-	-	49,920.00
Member 2	29,550.00	-	-	-	29,550.00
Member 3	64,020.00	-	-	-	64,020.00
Member 4	33,720.00	-	-	-	33,720.00
Member 5	17,160.00	-	-	-	17,160.00
Member 6	18,600.00	-	-	-	18,600.00
Member 7	96,120.00	-	-	-	96,120.00
Member 8	3,600.00	-	-	-	3,600.00
Member 9	25,380.00	-	-	-	25,380.00
Member 10	8,760.00	-	-	-	8,760.00
Member 11	13,620.00	-	-	-	13,620.00
Member 12	5,520.00	-	-	-	5,520.00
Member 13	26,550.00	-	-	-	26,550.00
Member 14	81,780.00	-	-	-	81,780.00

Member 15	108,598.00	-	-	-	108,598.00
Member 16	21,180.00	-	-	-	21,180.00
Member 17	1,500.00	-	-	-	1,500.00
Member 18	3,000.00	-	-	-	3,000.00
Member 19	25,800.00	-	-	-	25,800.00
Member 20	3,600.00	-	-	-	3,600.00
Total	637,978.00	-	3,660,824.04	-	4,298,802.04

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. 2011-Sept. 2012	2,976,248.68	-	280,000.00	-	-	-	3,256,248.68
Chief Accountant	Oct. 2011-Sept. 2012	3,000,000.00	-	420,000.00	-	-	-	3,420,000.00
Field Operations Manager	Oct. 2011-Sept. 2012	2,043,010.45	-	343,225.81	-	-	-	2,386,236.26
Administrative Manager	Oct. 2011-Sept. 2012	1,602,150.84	-	336,451.61	-	-	-	1,938,602.45
Total		9,621,409.97	-	1,379,677.42	-	-	-	11,001,087.39

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.