

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR
THE COCONUT INDUSTRY BOARD
FOR THE YEAR ENDED DECEMBER 31, 2014

The matter for tabling in the Houses of Parliament is the Annual Report and Audited Financial Statements of the Coconut Industry Board for the year ended December 31, 2014. This report is being tabled in Parliament in accordance with the provisions of Section 27 of the Coconut Industry Control Act.

2. BOARD PROFILE

The Coconut Industry Board was established under the Coconut Industry Control Act, Cap. 62, enacted in 1945. The Board of Directors consists of nine members, four of whom, including the chairman, are appointed by the Minister of Agriculture and Fisheries. The remaining Board members are elected by registered coconut growers, and must be either registered coconut growers themselves or persons representing these growers; such as the managing director, managers or attorneys.

The Board promotes the interests and efficiency of the coconut industry, encourages the production of coconuts and regulates the purchase, sale and exportation of coconuts as well as the importation of coconut products and substitutes.

Allied functions are:-

- Keeping Government informed on the state of the industry and advising Government when any action is necessary.
- Arranging for the issuing of licences to manufacturers of coconut products.
- Arranging insurance of coconut trees against damage by windstorm.
- Assisting growers to market their crop.
- Carrying out research on the agricultural problems of the industry and advising growers on their agricultural problems.

3. INDUSTRY PROFILE

It should be noted that the number of hectares in coconuts at 31st December, 2014 was calculated as 15,857 (December 31, 2013 – 15,679); while the number of hectares in bearing coconuts at the same date was calculated as 14,802 (December 31, 2013 – 14,600).

The Total population of coconut trees as at December 31, 2014 was calculated as 3,520,347 (December 31, 2013 – 3,499,950). Of this total population of trees, 3,215,076 were seven years old and over (December 31, 2014 – 3,186,636) and should have been in full bearing. However, due to adverse weather conditions and faulty agronomic practices, some of the trees were not bearing.

On 31st December, 2014 the majority of coconut farms were smaller than ten hectares; hence coconut is essentially a small holder's crop.

4. PRODUCTION

Coconut production during the year 2014 recorded a figure of 98.5 million nuts. This figure represented an increase of 1.1 million nuts or 1.13% more than the previous year (year 2013 produced 97.4 million nuts). The value of coconuts produced during 2014, at an average price of \$35 per nut, was \$3.45 billion.

5. DISPOSAL

The majority of the 2014 production was consumed by bottlers of jelly coconut water, the Coconut Industry Board, higglers, producers of coconut oil, and supermarkets. The portion of the crop which was disposed of through the channels of the Board, during year 2014 and the four preceding years, was as follows:

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Parish	2014	2013	2012	2011	2010	TOTAL
St. Andrew	4	12	-	-	-	16
St. Elizabeth	105	113	191	30	52	491
St. Thomas	121	77	125	140	144	607
Portland	68	73	90	91	72	394
St. Mary	874	852	717	575	543	3,561
St. Ann	-	-	-	3	-	3
St. Catherine	49	-	6	2	5	62
TOTAL	1,221	1,127	1,129	841	816	5,134

6. EXPORT

The Board exported seed coconuts to Florida in the United States of America (U.S.A) during the year. For the year 2014, there was a 148.57% increase in the export of seed coconuts compared to the previous year. Exports increased from 21,000 seed nut in 2013 to 52,200 seed nuts (US\$169,050) in 2014.

Year	Number Exported	F.O.B Value (US \$)
2014	52,200	169,050.00
2013	21,000	64,600.00
2012	30,000	95,500.00
2011	41,000	92,655.00
2010	53,000	119,415.00
TOTAL	197,200	541,220.00

7. FINANCE

For the year 2014, the Board achieved a net surplus of \$197,571,000. This figure represented an increase of \$16,916,000 (9.36%) from the previous year when the Board recorded a net surplus of \$180,655,000.

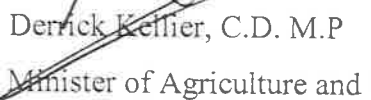
8. AUDITORS' REPORT

The accounts were audited by PricewaterhouseCoopers and they have stated that in their opinion the financial statements gave a true and fair view of the financial position of the Board as at 31 December 2014, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Jamaican Companies Act.

9. REMUNERATION

The salaries and emoluments of the directors and senior executives are set out at appendix I and II respectively.

10. The 2014 Annual Report and Audited Financial Statements of the Coconut Industry Board are hereby submitted to be tabled in the Houses of Parliament in accordance with the provisions of Section 27 of the Coconut Industry Control Act.



Derrick Kellier, C.D. M.P
Minister of Agriculture and Fisheries
December 15, 2015

Appendix 1

DIRECTORS' COMPENSATION - 2014

	Position of Director	Fees	Motor Vehicle Upkeep /Travelling or Value of Assignment of Motor Vehicle	Honoraria	All Other Compensations Including Non-cash Benefits as Applicable	Total
		\$	\$	\$	\$	\$
1	Board Chairman	224,000.00	252,288.80		90,000.00	566,288.80
2	Board Member	129,000.00	60,240.96			189,240.96
3	Board Member	145,000.00	58,072.00			203,072.00
4	Board Member	151,500.00	54,656.00			206,156.00
5	Board Member	128,750.00	44,408.00			173,158.00
6	Board Member	96,500.00	37,576.00			134,076.00
7	Board Member	134,000.00	102,332.40			236,332.40
8	Board Member	145,750.00	51,240.00			196,990.00
9	Board Member	33,500.00	31,922.56			65,422.56
	Total	1,188,000.00	692,736.72		90,000.00	1,970,736.72
		7,000.00	17,080.00			24,080.00
	Others	1,195,000.00	709,816.72		90,000.00	1,994,816.72

Appendix 11

SENIOR EXECUTIVE COMPENSATION - 2014

Position of Senior Executive	Year	Salary	Gratuity or Performance Incentive	Travelling Allowance or Value of Assigned Motor Vehicle	Other Allowances	Non-Cash Benefits	Total
General Manager	2014	5,865,138	655,680	\$	708,135	98,000	7,326,953
Director of Research	2014	3,348,696	428,168		345,479	120,000	4,242,343
Corporate Secretary	2014	2,946,109	322,933		348,768	98,000	3,715,810
Total		12,159,943	1,406,781		1,402,382	316,000	15,285,106