

**ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS OF THE NATIONAL
IRRIGATION COMMISSION LIMITED FOR THE YEAR
ENDED MARCH 31, 2017**

The matter for tabling in the Houses of Parliament is the Annual Report and Audited Financial Statements of the National Irrigation Commission Limited (NIC) for the year ended March 31, 2017, in accordance with Section 3 of the Public Bodies Management and Accountability Act.

2. COMPANY PROFILE

The National Irrigation Commission Ltd. (N.I.C.) which is an agency within the Ministry of Industry, Commerce, Agriculture and Fisheries was established in 1986 and became operational in May 1987 with the following stipulated objectives:

- To manage, operate, maintain and expand existing and future irrigation schemes and systems.
- To fix the rates or charges and to collect payments for the use of such water.

The Commission maintains an island-wide presence through seven (7) District Offices located in key irrigation areas.

3. HIGHLIGHTS OF ACTIVITIES OF THE COMMISSION

It should be noted that for the period under review, the NIC through its departments, focused on the following areas for improvement:

3.1 Water Sales and Drainage

During the financial year 2016-2017, water sales and drainage charges were reduced by approximately 18.5 percent from \$648,040,308.00 to \$ 527,931,174. New customers accounted for approximately \$1.67M of the total revenue. In response to customers' need, the NIC is now engaging collection agencies to facilitate bill payments.

The NIC targeted sales volume of 46 million cubic metres was off by approximately 6.5% or 3 million cubic metres.

This shortfall was attributed to the following factors:

- Decreased land use for sugarcane production;
- Excessive rainfall during the period ; and
- Systems downtime.

However, despite these factors the collection rate remained in excess of 90% and the Commission exceeded its collection target by \$46.6M (9.6%) to reach \$532.6M.

3.2 **Engineering and Technical Services**

During the financial year, the Engineering & Technical Services (ETS) Department implemented methods aimed at improving efficiencies in procurement, quality, reliability and conveyance of irrigation water service delivery. The activities of the Engineering & Technical Services (ETS) Department are summarized as follows:

- Optimizing infrastructural effectiveness and sustainability;
- Enhancing production through distribution and conveyance systems;
- Facilitating the optimization of energy use; and
- Enhancing organizational development and institutional strengthening

Notwithstanding the resource constraints, the ETS team continued to focus on the execution of the organizational goals. The agreed targets were achieved in several key areas including irrigation water delivery, civil works installation, mechanical maintenance and security risk reduction.

During the year, the NIC produced a total of 64.5 million cubic metres of water and sold 43.2 million cubic metres or 67%.

3.3 **Approach to irrigation project development**

The strategic outcome of the National Irrigation Commission Limited (NIC) 2015 Business Plan is to increase access to project funding to support climate change and food security initiatives.

During the year, development work commenced on four major projects which are at various stages of implementation:

- Essex Valley Agricultural Project (EVADP);
- South Clarendon, South St. Catherine and Kitson Town Project;
- Pedro Plains Agricultural Development Project (PPADP); and
- Update of the National Irrigation Development Plan (NIDP).

The United Kingdom- Caribbean Investment Fund (UK-CIF) is the principal source of funding for irrigation projects and is being administrated by the Caribbean Development Bank (CDB) and the Government of Jamaica (GOJ). The GOJ has been allocated approximately £53 million of grant funds, under the UK-CIF.

3.4 **Analysis of Income & Expenditure**

The Commission recorded a profit of \$2.4M for the 2017 financial year. This surplus however, represents a reduction of \$184.1M or 98.73% when compared to the previous year's profit of \$186.4M. The Government subsidy of J\$830,156,069 and the agency's water sales and drainage charges of J\$527,931,174 represented a reduction of approximately 2.75% and 18.53% respectively when compared with the previous year 2016.

4. **SALARIES AND EMOLUMENTS**

The compensation of the Directors and Senior Executives are set out at appendices I and II respectively.

5. **AUDITOR'S REPORT**

The Financial Statements were audited by KPMG Chartered Accountants and they have stated that in their opinion the financial statements gave a true and fair view of the financial position of the National Irrigation Commission as of March 31, 2017, and of its financial performance and cash flows for the year then ended, in accordance with International Financial Reporting Standards and the Jamaican Companies Act.

6. The Annual Report and Audited Financial Statements of the National Irrigation Commission Limited for the year ended March 31, 2017 are hereby submitted to be tabled in the Houses of Parliament.



Audley Shaw CD, MP.

Minister of Industry, Commerce, Agriculture and Fisheries

August /6, 2019

NATIONAL IRRIGATION COMMISSION LTD
DIRECTORS COMPENSATION 2016/2017

Position of Director	Fees (\$)	Motor Vehicle Upkeep/Travelling or Value of Assigned Motor Vehicle (\$)	Total (\$)
Chairman- Aubyn Hill	165,112.50	2,350.00	167,462.50
Deputy Chairman- Dr. Horace Charoo	111,712.50	143,714.60	255,427.10
Dir. 1 Anthony Masters	78,562.50	91,983.00	170,545.50
Dir. 2 Genille Attalla	82,575.00	135,645.00	218,220.00
Dir. 3 George Wright	53,737.50	138,077.60	191,815.10
Dir. 4 John Plummer	37,575.00	43,653.60	81,228.60
Dir. 5 Joseph Handal	78,900.00	23,575.20	102,475.20
Dir. 6 Krishan James	86,887.50	147,756.00	234,643.50
Dir. 7 Nigel Myrie	117,337.50	277,864.00	395,201.50
Dir. 8 Oliver Nembhard	62,137.50	148,642.20	210,779.70
Dir. 9 Ralden Ballanfante	99,150.00	138,888.00	238,038.00
Dir. 10 Robert Martin	103,312.50	4,446.20	107,758.70
Dir. 11 Rupert Williams	87,637.50	45,918.00	133,555.50
Dir. 12 Sharon Williamson	107,400.00	18,602.60	126,002.60
Dir. 13 Theresa Turner	94,987.50	72,591.00	167,578.50
Dir. 14 Balfour Hewitt	11,625.00	56,782.00	68,407.00
Dir. 15 Carolyn Campbell	5,250.00		5,250.00
Dir. 16 Previous Director -Conrad Douglas	12,000.00	582.80	12,582.80
Dir. 17 Previous Director - Emile Spence	9,000.00	1,109.20	10,109.20
Dir. 18 Previous Director - Howard Hill	14,250.00	5,170.00	19,420.00
Dir. 19 Previous Director - Keith Verley	5,250.00	376.00	5,626.00
Dir. 20 Previous Director - Linford Cooper	14,250.00	38,087.60	52,337.60
Dir. 21 Previous Director - Ludgar Parish	9,000.00	11,844.00	20,844.00
Dir. 22 Previous Director - Miramda Wellington	9,000.00	14,852.00	23,852.00
Dir. 23 Previous Director - Oswald Bent	9,000.00	27,730.00	36,730.00
Dir. 24 Previous Director - Rankin Watson	11,625.00	28,912.00	40,537.00
Sub-Total			
Total	1,477,275.00	1,619,152.60	3,096,427.60

SENIOR EXECUTIVE COMPENSATION 2016/17								
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 - Joseph Gyles	2016/17	4,357,752.00		30,492.00		16,140.00		4,404,384.00
Chief Executive Officer (Acting) - V Oliver Nembhard	2016/17	3,676,254.00		409,340.00		293,004.00		4,378,598.00
Director of Finance & Corporate Planning - Edgar Watson	2016/17	4,588,152.00		1,402,608.00		48,000.00		6,038,760.00
Director of Commercial Operations - Wayne Barrett	2016/17	2,902,058.00		596,277.00		49,000.00		3,547,335.00
Director of Engineer and Technical Services- Milton Henry	2016/17	5,976,617.00		1,402,608.00		290,861.00		7,670,086.00
Director of Corporate and Legal Services- Viola Cammock	2016/17	2,651,468.00		705,709.00		525,662.00		3,882,839.00
Total		24,152,301.00		4,547,034.00		1,222,667.00		29,922,002.00