

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS OF THE AGRO-
INVESTMENT CORPORATION FOR THE YEAR ENDED MARCH 31, 2018

1. **PURPOSE**

The matter for tabling in the Houses of Parliament is the Annual Report and Audited Financial Statements of the Agro-Investment Corporation (Agro-Invest) for the year ended March 31, 2018. The report is being tabled in accordance with Section 17 (2) of the Agro-Investment Corporation Act.

2. **BACKGROUND**

The Agro-Investment Corporation was formed in 2009 upon the merger of the Agricultural Development Corporation (ADC) and the Agricultural Support Services Project (ASSP).

The Agro-Investment Corporation is an agency of the Ministry of Agriculture and Fisheries tasked with the mobilisation, financing and facilitation of investment in the agricultural sector, while undertaking agricultural development for the enhancement of the economic well-being of the Jamaican people. Its services cover the investment chain from the identification of opportunities through feasibility studies, due diligence and business planning to identifying funding, project management, long term business performance monitoring and technical support.

3. **HIGHLIGHT OF ACTIVITIES FOR THE 2017/2018 FINANCIAL YEAR**

3.1. **AGRO-PARK DEVELOPMENT**

The financial year 2017/2018 presented a number of challenges and opportunities for the Agro-Parks across the country. The main challenge that affected the Agro-Parks during the financial year was extreme flooding which caused significant losses for a number of investors. However, the Agro-Parks remained focused on executing their strategic/operational plans. The main aims and objectives for the 2017/2018 financial year were to:

- Increase the capacity of small and medium size farmers to access national and international markets.
- Improve the performance of the country's food quality and safety management systems.
- Foster the development of agriculture and agro-processing value chain.

3.2. **INFRASTRUCTURE DEVELOPMENT**

- i. **Essex Valley Irrigation Agricultural Development Project** – In collaboration with the National Irrigation Commission (NIC), the AIC focused on implementing the Essex Valley Agriculture Development Project to, among other things: irrigate over 600 hectares of land in Essex Valley, St. Elizabeth; construct multipurpose packaging facilities and implement Global Gap quality management

systems as components of an enhanced agricultural marketing and distribution system.

- ii. **Global Gap Infrastructure** – Cognizant of the changing international marketplace and the elevated competitive advantages that reside in quality management systems, the AIC in partnership with the Agricultural Competitiveness Program (ACP) has implemented Global Gap in the Spring Plains, Ebony Park and PGR Agro-parks to increase market access and exports of fresh agricultural products to international markets. In addition, the AIC developed linkages within the hospitality, retail and agro-processing markets.

3.3. ASSET OPTIMIZATION

- i. **Land Use** – During the past year, the AIC strategically rationalized its Agro-Park lands to achieve 80% land use, with the objective of achieving full capacity in the future.
- ii. **Irrigation, Drainage and Farm Access** – The irrigation and drainage infrastructure of the Agro-Parks were continuously assessed and maintained throughout the year. Cadastral maps were developed for all Agro-Parks under the Corporation's control as a first step in the Geographic Information Data Management System (GIDMS).
- iii. **Youth in Agriculture** – In partnership with large value chain players, AIC has embarked on the Youth in Agriculture programme, starting with twenty (20) youths being engaged on 40.47 hectares (100 acres) of land in the Spring Plain Agro-Park. The programme is earmarked for expansion to over 404.69 hectares (1,000 acres) within two (2) years.

3.4. LARGE-SCALE PRIVATE INVESTMENT

During the financial year, the AIC facilitated Jamaican retailers, agro-processors, exporters and importers with investments in primary production in Agro-Parks. Investment interests in large-scale nutraceutical production have been attracted to the Agro-Parks, with business models that include value addition in areas such as extraction and formulation.

3.5. HUMAN RESOURCES AND DEVELOPMENT

One of the goals of the Human Resource Department is to help the Corporation achieve its strategic mission and objectives by partnering with all internal stakeholders and respective external stakeholders. The department's aim is to maintain on-going collaboration and teamwork in order to align and integrate processes that will aid in the growth and development of the Corporation. During the financial year 2017-2018, the Department accomplished the following:

- Recruitment of twenty (21) persons to fill vacant posts.
- Approximately twenty-three (23) persons participated in external training.
- Revised and updated fourteen (14) job descriptions.
- Coordinated one (1) health and wellness session aimed at increasing employees' awareness of health and work life balance.

4. **FINANCE**

Agro-Investment Corporation achieved a net surplus of \$3,097,008 for the 2017/18 review period. This represented a substantial decrease of \$51,874,401 from the surplus of \$54,971,409 recorded for the previous year.

The above decline in surplus was mainly due to an increase in Administrative Expenses which amounted to \$217,572,028; an increase of 138% over the \$91,391,568 incurred in the previous year.

5. **RENUMERATION**

The emoluments of the Board of Directors and Senior Executives for the 2017/18 year are included at appendices I and II.

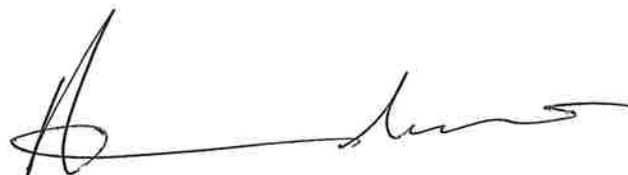
6. **AUDITORS' REPORT**

BDO Chartered Accountants audited the financial statements. In their opinion, the financial statements gave a true and fair view of the financial position of the Corporation as at the year ended March 31, 2018.

They have stated that Agro-Investment Corporation's financial performance, and its cash flows for the year then ended March 31, 2018 are in accordance with International Financial Reporting Standards (IFRSs).

7. **RECOMMENDATION**

The Annual Report and Audited Financial Statements of the Agro-Investment Corporation for the year ended March 31, 2018 are hereby submitted to be tabled in the Houses of Parliament in accordance with Section 17 (2) of the Agro-Investment Corporation Act.



Audley Shaw, CD, MP

Minister of Agriculture and Fisheries

November 4, 2021

AGRO-INVESTMENT CORPORATION						
DIRECTORS COMPENSATION 2017/18						
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 (\$)	
G. Burnett	140,700.00	-	-	-	140,700.00	
G. Christie	160,500.00	-	-	-	160,500.00	
M. Peterkin	73,000.00	-	-	-	73,000.00	
P. McConnell	69,800.00	-	-	-	69,800.00	
Vitus Evans	154,000.00	-	-	-	154,000.00	
M. Morgan	164,100.00	-	-	-	164,100.00	
M. Donaldson	105,000.00	-	-	-	105,000.00	
G. Coulton	46,000.00	-	-	-	46,000.00	
TOTAL	913,100.00	-	-	-	913,100.00	

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.
2. K. McPherson & D. Thomas were Co-opted Audit Committee Members. They were paid **\$18,000** and **\$9,000** respectively.

AGRO-INVESTMENT CORPORATION
SENIOR EXECUTIVE COMPENSATION 2017/18

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 (\$)
Courtney Cole - CEO (Acting)		4,483,496.08	1,307,765.72	1,024,250.58	-	-	-	6,815,512.38
Sylburn Thomas - CEO		1,109,323.74	-	-	-	-	-	1,109,323.74
Kadriana Ramballi - CFO		4,788,005.92	2,246,005.51	1,341,624.00	-	-	-	8,375,635.43
Judith Leslie-Alexander - Director, HR Management & Admin		4,385,769.14	1,971,416.86	1,341,624.00	-	-	-	7,698,810.00
Sherine Landell - Senior Internal Auditor		3,411,589.64	-	1,018,020.00	-	-	-	4,429,609.64
Karen Hyton - Director, Project Development (Acting)		3,096,257.45	780,496.61	929,904.39	-	-	-	4,806,658.45
Rickman Edwards - Manager, Properties and Fixed Assets		2,739,476.91	1,252,782.48	703,448.00	-	-	-	4,695,707.39
Owen Scarlett - Director, Agro Park		3,063,776.43	-	778,835.34	-	-	-	3,842,611.77
Nadine Thompson - Director of Accounts		1,752,175.48	-	412,678.00	-	-	-	2,164,853.48
Taniesha Campbell - Company Secretary		2,317,839.13	-	589,540.00	-	-	-	2,907,379.13
Kimberly Billings - Information Technology Manager		433,316.32	-	115,104.72	-	-	-	548,421.04
TOTAL		31,581,026.24	7,558,467.18	8,255,029.03	-	-	-	47,394,522.45

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.
4. During the year, the CEO changed from Mr. Sylburn Thomas to Mr. Courtney Cole (Acting). CEO now has a fully maintained vehicle.