

# ANNUAL REPORT

April 2016 - March 2017

An analysis and assessment of the financial and operational trends of the Rural Agricultural Development Authority activities over the past year.



**RURAL AGRICULTURAL  
DEVELOPMENT AUTHORITY**

Jamaica's Chief Agricultural Extension and  
Rural Development Agency





## *Corporate Profile*

The Rural Agricultural Development Authority (RADA) is a statutory body under the Ministry of Industry, Commerce, Agriculture and Fisheries. RADA was established under the Rural Agricultural Development Authority Act of 1990 which replaced the Land Authorities Act and began its operation on August 1, 1990. It is Jamaica's chief agricultural extension and rural development agency.

## *Vision Statement*

To become the leader in the drive towards achieving national economic growth and stability through agricultural development

## *Mission Statement*

RADA is committed to promoting the development of agriculture in Jamaica, as the main engine of economic growth in rural communities, through an efficient, modern and sustainable extension service which will enhance the national economy and improve the quality of life of rural farm families.



# Table of Contents

## *Corporate Profile*

- 4** National Board of Directors Attendance Schedule
- 5** Message from the National Board Directors
- 6** National Board of Directors
- 7** Board of Members
- 8-9** Executive Summary
- 10-11** New Initiatives
- 12-13** Corporate Services
- 14-15** Information and Communication Technology (ICT)
- 16-17** Public Relations
- 18-19** Technical Publications

## **GENERAL EXTENSION ACTIVITIES**

- 20-21** Farmer Training
- 22-23** Land Husbandry
- 24-25** Domestic Food Crop Production
- 26-27** Marketing Extension
- 28-29** Social Services/Home Economics Programme
- 30-31** Plant Health Food Safety
- 32-33** Protected Agriculture Unit
- 34-35** Livestock Production
- 36-37** On-farm Water Management Unit
- 38-39** Tractor Service



## **PROJECTS AND PROGRAMMES**

- 40-41** Farm Road Rehabilitation
- 42-43** National Irish Potato Programme
- 44-45** Onion Development Programme
- 46-47** Jamaica Banana Accompanying Measures (JBAM)
- 48-50** Pictorial Highlights



# National Board of Directors

## BOARD OF DIRECTORS

A new National Board Chaired by Miss Genille Attalla was appointed on April 25, 2016.

### Schedule of Attendance at Board Meetings APRIL 2015 – MARCH 2016

NAME	TOTAL MEETINGS HELD	MEETINGS ATTENDED	SPECIAL BOARD MEETINGS	REMARKS
Miss Genille Attalla	8	8	6	
Miss Annette Henry	8	7	4	
Mr. Novell Quest	8	8	6	
Mrs. Sheila Pryce Brooks	8	5	5	
Mr. Evers Coke	8	6	2	Resigned November 28, 2016
Mr. Dwight Crawford	8	5	2	Resigned November 28, 2016
Mr. Mickey Crawford	8	7	4	
Mrs. Olive Downer-Walsh	8	7	5	
Mr. Fabian Lewis	8	7	5	
Mrs. Lola Marshal Williams	8	8	5	
Mr. Egbert Miller	8	7	4	
Mr. Nigel Myrie	8	6	6	
Mr. Dave Powell	8	6	6	
Mr. Anthony Scott	8	8	5	



# Message from the National Board

**A**griculture is the single most important link to advance economic growth. The events of the 2016/2017 financial year were truly remarkable as the contribution of the agricultural sector to Jamaica's Gross Domestic Product (GDP) output increased to 7.3% in 2016. This is representative of the efforts of the RADA team in building the capacity of our farmers and other stakeholders across the agricultural value chain towards the adoption of more productive and sustainable practices

The year in review highlights the Authority's focus and initiatives in becoming a beacon for Extension Service Delivery in the Region. In this regard, several projects and programmes were implemented to strengthen the capacity of our technical and administrative staff and to improve the use of technology to enhance service delivery. Given the negative impact which resulted from three (3) consecutive years of drought (2014- 2016), efforts were also made towards the development of strategies for recovery, stabilization and growth of the agricultural sector.

The National Board of Directors which took office in April 2016 was keen on supporting the growth agenda of the Government of Jamaica. In light of this, the Board sought to focus on key areas geared towards this objective. Several recommendations were made to further strengthen the mandate and strategic objectives of RADA. Among the highlights of the financial year, decisions were taken by the Board to strengthen and support activities aligned to the following areas:

- Implementation of flagship programmes aimed at import substitution (National Irish Potato Programme and the Onion

Development Programme) and other production and productivity programmes.

- Corporate Governance and Accountability
- Organizational Realignment
- Greater response to farmers in instances of natural disasters and pest outbreaks

Members of the Board are committed to the implementation of responsible practices, with transparency and safeguarding the Authority's corporate image. Additionally, the Board wishes to acknowledge and congratulate the outstanding performance of the RADA staff who delivered beyond their expectations. RADA's culture is built on a foundation of commitment and resilience especially during challenging times. Maintaining and reinforcing this culture was equally important to the National Board of Directors. It is on this basis and the fact that RADA is grounded on promoting the development of agriculture through an efficient, modern and sustainable extension service, the development of its staff and the partnerships that have been strengthened or extended, we will continue to jointly map RADA's path.



# National Board of Directors



The Minister and the National Board  
Back row L-R: Anthony Scott, Dave Powell, Fabian Lewis, Novell Quest, Nigel Myrie  
Front row L-R: Peter Thompson, Lola Marshall-Williams, Egbert Miller, Hon. Karl Samuda,  
Genille Attalla, Sheila Pryce-Brooks, Mickey Crawford, Annette Henry, and Olive Downer- Walsh



# Board Members



Members of the Board in deep conversation



# Executive Summary



In our commitment to promote the development of agriculture in Jamaica, the Rural Agricultural Development Authority continues to place emphasis on its core role of providing technical agricultural extension services to farmers throughout the length and breadth of Jamaica.

With the aim of improving productive efficiencies and promoting the utilization of technologies in agriculture for sectorial modernization, RADA continues to evolve in this dynamic agricultural landscape.

For 2016, the overall domestic crop production stood at 660,671.1 tons. This amount represents an increase of 14.9% over the production of 2015, when approximately 574,925.2 tons were reaped for that period. The farmers of Jamaica must be duly recognized and commended for this level of increase in productivity.

The unparalleled partnership between farmer and extension cannot be understated and contributes significantly to the level of efficiencies witnessed within the sector during the financial year 2016-2017. This synergy is demonstrated primarily through comprehensive training programmes and farmer field visits.

The Farmers' trainings delivered ranged from exposure to Climate Smart practices, Farmer Field School trainings in Protected Agriculture, Livestock development, Pest and Pesticide Management, Post-harvest technology and Social Services /Home Economics and by over 35,000 farmers. In addition, there were over 30,000 field visits to advise farmers on agricultural best practices.

In terms of new technological initiatives, RADA has participated in pilot trial on the utilization of drone technology in agriculture. Also, the initiation of GIS application tools has the main objective of enhancing extension delivery through precision in mapping.

During the period under review tremendous efforts and achievements have been made with our on-going national programmes.

- The National Irish Potato Programme, a main aspect of the Ministry's import substitution thrust trained over 1500 farmers in collaboration with other extension agencies to include H& L Agro, Newport Fersan, Potato and Onion Production Association and Promotion of Regional Opportunities for Produce through Enterprises and Linkages (PROPEL).
- Under the Onion Development Programme, RADA continues to monitor land preparation activities with approximately 39 hectares established by 123 farmers.
- Farm Road Rehabilitation Programme aimed at improving farm roads and access to farms have seen rehabilitation of 51 farm roads island-wide totalling 82.4 km.

The successes and efforts made in our many programmes and activities could not have been effected without the cadre of technical team. There is also a need for continuous improvements to build on the organizational technical capacities. This has been facilitated through over 40 comprehensive learning sessions for staff development and relevant tools to assist in executing duties.



# Executive Summary cont'd

The collaborations created with external stakeholders within the public, private sector, and non-governmental international organizations are paramount to the execution of our many

programmes and projects. We are grateful for their generous support and look forward to continuity of the relationship.



Above:: Farmer training session and onion field. Below: Farm road under construction



# New INITIATIVES

**W**ith agriculture being the engine of growth for the economy, RADA remained steadfast in continuing to provide services at the highest level to farmers and other stakeholders within the agricultural value chain. In keeping with the mandate of the Minister of Industry, Commerce, Agriculture and Fisheries to ensure effective adoption of modern appropriate technologies to Jamaican agriculture, RADA implemented several programmes to strengthen and broaden its services to farmers, wider stakeholders and the general public.

Through this innovative approach, RADA embarked on initiatives targeted at increasing agricultural production, continuous learning for and improvement in the overall service delivery to our farmers which resulted in greater sustainability of the sector.

#### **Continuous Learning for Extension Officers through Virtual University for Small State Countries (VUSSC).**

For the first time, a pilot group of 20 Extension Staff were engaged in On-line Learning through partnership with the Commonwealth of Learning (COL). Course content in Agri-business Management was developed by

RADA and delivered through collaborating with the Mona School of Business using the Moodle Platform. This initiative was geared towards building the capacity of officers using modern day technology.

The course was delivered over a period of 12 weeks with emphasis on the delivery of basic concepts of agri-business principles. The following modules were delivered:

- Overview of Agribusiness Management
- Farm Business Analyses
- Component of Farm Business
- Marketing Plan and Strategies
- Operation and Production Plan



Commonwealth of Learning (COL) training of RADA staff



### Geographic information System (GIS) Application Tool for Support to Extension Delivery

During the period under review, RADA focused on a new initiative for developing a GIS application tool for enhancing Extension Delivery. Initial stages of this initiative included preparation of 'Parish Map Atlas' (soft and hard versions). Through implementation of several pilot projects for GIS applications, RADA's Management will be provided with information for decision making for the GIS mainstreaming within RADA.

### Demonstration on the use of Drone Technology

During August 2016, the Authority initiated a pilot demonstration on the use of Drone Technology in Agriculture. This was carried out in areas of Hill 60 and Lowe River in Trelawny. The objective of this trial was to allow farmers to see first-hand how the devices work and how they can help to identify areas and interventions that will increase farm productivity. It was highlighted during the demonstration that precision agriculture can be achieved with this technology as accurate data can be collected, processed, interpreted and used to maximize productive yields and ultimately improve farm productivity. It is to be noted that the unmanned aerial vehicles can be effectively used in addressing praedial larceny, assessing damage following

natural disasters such as a flood or hurricane, and will better assist farmers to put measures in place to boost crop yield.

### Climate Smart Farmer Field School

The Climate Smart Farmer Field School (FFS) is presently being utilized to empower the farmers to examine and employ climate smart practices, to build resilience to the impacts of climate change and natural disasters to contribute to sustainable development in the agriculture sector.

The Authority implemented three (3) Land Husbandry Farmer Field Schools by partnering with:

1. CATZ (Caribbean Aqua-Terrestrial Solutions) Project
2. NEPA/IDB Yallahs Hope Watershed Management
3. GOJ/ Adaptation Fund Programme -Agriculture

The farmers received field-based training on practical ways to integrate site-appropriate best management techniques on their farms. FFS have proved to strengthen not only technical skills and decision-making capacities of farmers, but also to significantly influence the community as well. To date, 919 farmers received training exposure in climate smart practices across the parishes of St. Andrew, Portland, St. Thomas, St. Mary, St. Ann, St. Catherine, Manchester and Trelawny.



Drone operation



# Corporate SERVICES

**The Corporate Services Division during the financial year provided direction to the Authority through the management of Corporate Governance, Finance and Accounts, Human Resource Management and Administration along with Information & Communication Technology.**

Initiatives included:

- Setting performance standards
- Managing good customer service
- Open Data initiative through distance learning
- Strengthening of Corporate Governance Framework
- Execution of the Operational Process Flow of the Authority
- Capacity Building
- Development of Leadership Competencies

Staff training and development remained an integral part of the organization's goal. The effectiveness of RADA's extension service delivery focuses primarily on fostering capacity building and technological adoption. The table below represents the training and development activities that were carried out during the period

**Table. 1: Staff Training Highlights**

Staff Training Category	Areas of Training	Local/Overseas	Number of Officers
Technical Staff	Gender Mainstreaming	Local	2
Technical Staff	Fruits & Vegetable Processing	China	4
Technical/Admin.	Risk Management	Local	15
Technical	HACCP	USA	1
Technical	Agriculture & Food Products Systems	China	2
Technical	Water Resource Management	China	2
Administrative	Administrative Management	Local	4
Technical	Agricultural Exchange	Japan	2
Technical	Cassava Processing	Trinidad	3
Admin/Accounts	Government Accounting	Local	4
Technical	Climate Change Impacts	Local	6
Audit	Risk Based Auditing	Local	4
Human Resource	Industrial Relations	Local	1





Above: PROPEL Collaboration: Members of the National Board of Directors meeting with the PROPEL management team  
Below: Mexico Collaboration: L-R Mr. Winston Shaw, Acting Senior Director - Technology, Training and Technical Information division, Dr. Ignacia Sanchez-Cohen, Agricultural Engineer/Researcher – National Institute Research of Forestry and Animal Husbandry Research in Mexico, Mrs. Martha Cecilia Jaber -Mexican Ambassador to Jamaica, and Mr. Peter Thompson, Executive Director RADA



# Information & Communicationns TECHNOLOGY (ICT)

**The use of information has grown tremendously over the years within RADA, through the implementation of a Computerization Programme by the Information, Communication & Technology (ICT) unit.**

The ICT team continued to render technical support to functional units through timely resolution of technical faults; the management of the Authority's island-wide computer network; the conducting of training sessions; and maintenance of the administrative and technical software solutions.

Authority, collaborations were established with the Cybersecurity Incident Response Team (J-CIRT) from the Ministry of Science, Energy and Technology MSET. This partnership resulted in increased employee awareness to cyber threats and the precautionary measures to become cyber safe.

In order to improve the organization's security posture and safeguard the

**Table. 2: Main Highlights**

Targets	Achievements	Impact
Provide solution to safeguard data and business continuity	Implemented and assured business continuity solution at thirteen (13) Parish Offices	Improved infrastructure resilience; and reduced data recovery time
Conduct Crop Tracker Application sensitization /training of Agro Parks users	Performed sensitization/training of at least 3 Agro Parks Managers	Improved production reporting mechanism and effective decision making
Upgrade all ABIS sub-systems from Application Service Provider (ASP) to Personal Home Page (PHP)	Converted four (4) ABIS modules <ul style="list-style-type: none"> <li>• Technical Guide</li> <li>• District Management</li> <li>• Code Management</li> <li>• Receipt Book Management</li> </ul>	Increased mobile user-friendliness on ABIS
Conduct user requirement session; review audit report & document required amendments; code and test system; conduct HRMIS user sensitization session	Implemented an upgraded version that satisfy 90% user requirements; users are able to access the system on a timely basis	Improved Human Resource Management Information System to better manage staff
Draft Acceptable Use Policy (AUP); prepare and implement warning banner on PCs and notebooks; disseminate security information to staff via email	Updated ICT policy document; and display warning message on computer screens at Head Office and 13 Parish Offices.	Secured ICT investment; reduced business and legal risk; maintained company image and integrity.





**Staff Training Session in Cyber Security:** Cyber Security training conducted by personnel from the Ministry of Science, Technology, Energy and Mining



# Public RELATIONS



The Public Relations and Communications Unit of RADA sought to focus on the main operational objectives by:

- Disseminating useful, accurate and relevant information on the services and various aspects of RADA to stakeholders
- Providing a medium through which information can be communicated Internally and externally in a timely, clear, concise and effective manner
- Encouraging both women and young Jamaicans to embrace farming and agriculture through dynamic and innovative means.
- Ensuring collaboration with key stakeholders to improve efficiencies and generate effective synergies

An integrated approach was also used to ensure continual updates of information through media presence at RADA related Programme and Functions to include exposure to Annual Parish Open Days (Portland, St. Thomas and Westmoreland), and Farmers Forums through Outside Broadcasts.

There were several established electronic and print media collaborations made to ensure improved visibility, increased organizational awareness and enhanced impact. This has been done through the introduction RADA Tech Times, a bi-monthly publication through Jamaica Observer.

Through Press Launches and Conferences, RADA has partnered with other key stakeholders in the Re-Launch of the National School Garden Programme, exposure of Drone Technology for Agriculture and the Launch of the National Irish Potato Programme (2016-2017) and the JBAM Material Input and Infrastructure Support for Banana and Plantain Farmers.

The Unit has also provided assistance in the coordination and logistic support for expositions and displays to include: RADA at JMA Expo 2016, Denbigh Agricultural, Industrial and Food Show, World Food Day among many others.

**Table. 3: Media Highlights**

Media Interface	Engagements	Remarks
News Releases	56	Transferred to articles for publication
Interviews	50	Arranged interviews to include outside broadcasts
Streamlining usage of RADA webmail and social media platforms	52	Updated postings and information provision
Outside Broadcast	6	Facilitated on Behalf of RADA functions to include Parish Open Days and others.





Above: A view from the RADA booth - Jamaica Expo 2016  
Below: Vehicle handing over ceremony by the Government of Korea to RADA



# Technical PUBLICATIONS

**T**hroughout the period under review the Publication Unit continued to provide support for the development and production of high quality technical publications creating public awareness and visibility for the Authority.

They were also integral in providing support to the parishes and technical departments in staging agricultural shows, expositions and public events to promote RADA's role within the agricultural sector.

**Table. 4: Technical Publications**

Description of Material	# Repro.	# Design Production (new)	# Print via Service Provider	# Prints via In-house Production	# Reproductions via Photocopying	Total # Print & Copies
Brochures/Handouts (130)	32,276	—	—	5,090	71,921	77,011
Booklets/Manuals/Bulletins Flyers/Fact Sheets (93)	9,077	3	—	36,430	16,597	53,027
Programmes/Invitations/Greeting Cards (8)	819	14	—	267	85	352
Banners (15)	1	15	13	1	—	1
Posters/Tabloid Posters (62)	306	24	29	283	—	283
Certificates/Business Cards/Labels (38)	3,653	24	—	2,772	20,751	2,772
<b>Grand Year to Date Total</b>	<b>46,132</b>	<b>84</b>	<b>43</b>	<b>44,843</b>	<b>88,603</b>	<b>133,446</b>

# Technical PUBLICATIONS cont'd



Technical Publication's display at RADA St. Thomas and Portland Open Days and Denbigh Agricultural and Industrial Expo 2017.



# Farmer TRAINING

**R**ADA provides a rich cadre of professionals who provide excellent training to farmers and farm families in order that they enhance the livelihood of farmers and farm families, improve agricultural practices, broaden their income basis and build their productive capacity.

*Table 5: Achievement Highlights*

Activities	Objectives	Target	Achievement	
			Units	Percentage (%)
Farmers Trained	To administer farmer-training programmes thereby rendering farmers more knowledgeable and capable in applying new and improved technologies to their farming activities.	39,000	35,504	91.0%
Sessions Delivered		2,353	3,054	129.8%



Farmer training session on a demonstration plot





**Farmer Training Activities**  
Training and demonstrations in Land Husbandry practices.



# Land HUSBANDRY

Promotion of technologies that lead to improvements of soil, water and vegetation - has the potential for not only to reduce land degradation but also to address global concerns of water scarcity, land use, land use conflict, climate change (through carbon sequestration), biodiversity conservation and poverty alleviation.

During the year under review, priority attention was given to targeted communities located in major watershed areas, where agronomic, structural and soil fertility management methods were implemented to build climate smart and resilient communities.

As conservation methods require heavy investments cost, that exceed capacity of local land users and thus need to be supported by national and international initiatives. RADA successfully developed a number of partnership alliances between different government and NGOs agencies for synergy of efforts and cost-effectiveness:

- 8,384.7 ha of farm and community lands were used for demonstrating wide range of various methods (vegetative barriers, contour cultivation, cover cropping, mulching and intercropping)
- 112,229.3 m of structural treatments, such as waterways, ditches, barriers, continuous mounds, check dams, small water harvesting systems and individual basins were constructed
- 3,788.9 ha of soil fertility management methods were implemented using composting, crop rotation, correct application of fertilizer and green manure.

*Table. 6: Major Achievements of The Land Husbandry Unit (period: April 2016-March 2017)*

Activities	Units/ Descriptions	Annual Targets	Achievements	
			Actual	%
Farmer Field School (FFS)	Funded through locally and international collaborative projects	14	13	93%
	Total number of farmers exposed	555	708	128%
Farm Monitoring Visits	advisory and site monitoring / evaluation	5000	1367	27 %
Farmer Innovations	Identifying and promoting improved skills and methods		119	
	<b>Agronomic Methods:</b>	<b>5,000 ha</b>	<b>8,384.7 ha</b>	<b>168%</b>
	<b>Structural Methods:</b>	<b>40,000 m</b>	<b>112,229.3 m</b>	<b>281%</b>
	<b>Soil Fertility Management Methods:</b>	<b>4,000 ha</b>	<b>3,788.9</b>	<b>95%</b>
	<b>Integration With Farming Systems:</b>	<b>10,000 ha</b>	<b>173 ha</b>	<b>2%</b>



Land husbandry demonstrations



# Domestic Food Crop PRODUCTION

The overall Domestic Crop Production for 2016 stood at 660,671 tons. This amount represents an increase of 14.9% over the 2015 production, where approximately 574,925.2 tons of agricultural produce were reaped.

**Table 7: Achievement Highlights**

DOMESTIC CROP PRODUCTION			
	2016	2015	Variance
1 <sup>st</sup> Quarter	177,825.1	156,176.6	13.9%
2 <sup>nd</sup> Quarter	156,611.9	109,558.1	42.9%
3 <sup>rd</sup> Quarter	157,348.1	132,220.6	19%
4 <sup>th</sup> Quarter	168,885.9	176,969.6	4.6%

**Table 8: Comparative Estimates Domestic Crop Production  
Annual Report by Crop Group**

Crop Category	PRODUCTION (TONNES)			HECTARES REAPED		
	2016	2015	% Change	2016	2015	% Change
Legumes	5543.2	4631.6	19.7	4699.0	4221.3	11.3
Vegetables	240785.1	201558.5	19.5	14676.3	13077.3	12.2
Condiments	50062.0	44439.8	12.7	3771.1	3511.6	7.4
Fruits	52295.1	45512.2	14.9	2725.7	2413.6	12.9
Cereals	2469.4	2278.4	8.4	2144.3	2017.5	6.3
Plantain	44447.0	38320.4	16.0	2331.4	2078.0	12.2
Potatoes	61430.3	59412.7	3.4	3621.0	3547.2	2.1
Yam	156131.0	136363.4	14.5	9245.3	8478.2	9.0
Other Tubers	46159.2	41128.4	12.2	2521.2	2338.7	7.8
Sorrel	1348.8	1279.8	5.4	782.3	791.3	-1.1
<b>Total</b>	<b>660671.1</b>	<b>574925.2</b>	<b>14.9</b>	<b>46517.6</b>	<b>42474.7</b>	<b>9.5</b>



A display of a variety of domestic food crop



# MARKETING

## Extension

The marketing unit sought to provide technical advice and marketing information service to farmers island wide. To achieve the mandate, the unit's objective is to stimulate the formation of production marketing groups and provide market intelligence to farmers and intermediaries. The Unit also collaborates with other agencies involved in the development of rural infrastructure in order to improve the quality of life in rural communities.

### Marketing Unit interventions

- Advised farmers of the time of planting to correspond with market demand periods;
- Advised on quantity to be produced and hence yield expectancy;
- Calculated the cost of production versus market price and expected profitability of venture;
- Trained farmers in post-harvest practices resulting in good market quality produce.
- Trained stakeholders in Good Agricultural Practices
- Assisted in providing linkages between farmers, buyers, middlemen, exporters & importers
- Provide weekly farm gate prices via the Jamaica Marketing Information System (JAMIS).
- Prepare a three month supply situation report of a wide range of fresh produce monthly b

Farmers are encouraged to operate in groups, group farming and marketing via Associations or Cooperatives. These groups are visited on a regular basis and are provided with technical and administrative advice.

- |  |   |  |
|--|---|--|
| <ul style="list-style-type: none"> <li>• On-going group formation and capacity building</li> <li>• Conflict resolution and group dynamics</li> </ul> | <ul style="list-style-type: none"> <li>• produce sales.</li> <li>• A total of 249 formal marketing trainings were conducted across the island impacting some 5,139 farmers.</li> <li>• Two (2) Speed networking seminars were organized and held in Montego Bay, St. James. Over 22 farmers participated</li> </ul> | <ul style="list-style-type: none"> <li>• and gained well needed experience and exposure. This forum has resulted in market linkages for nine (9) of these farmers who are now supplying fresh produce directly to hotels across the island.</li> <li>• The unit also facilitated nine (9) Agro - Tourism farmers market across the island impacting over 250 farmers.</li> </ul> |
|--|---|--|
- HIGHLIGHTS 2016/2017:**
- The unit continues to disseminate information on grades and standards for fresh produce;
  - The unit interventions facilitated over J\$476, 043 in

**Table. 9: Achievement Highlights**

<b>Market linkages</b>	The unit interventions facilitate over four million four hundred and seventy six thousand and forty three (4,476,043) kilograms in produce sales valued at approximated \$787M impacting some 5,496 farmers
<b>Seminars</b>	Speed networking seminar put on by the Linkages network committee. Twenty-two farmers participated and gained well needed experience and exposure. Nine of them are now supplying fresh produce directly to hotels across the island.
<b>Farmers Markets</b>	A total of nine Agro Tourism farmers market were held in Montego Bay, Discovery Bay and Negril impacting over 250 farmers who earned over \$50M.
<b>Group Strengthening and Monitoring</b>	53 marketing groups comprising 1,973 farmers were trained in post-harvest management, market sourcing and business management.
<b>Marketing Intelligence/ Publications</b>	52 Farm Gate Price reports were published along with 12 Marketing Forecast reports.
<b>Marketing Contracts</b>	Working with the Extension Officers the unit was able to facilitate 2,187 marketing contracts between farmers and various buyers of fresh produce across the island.



A peak at the Discovery Bay Farmers' Market displays



# Social Services HOME ECONOMICS

The aim of the Social Services/Home Economics Unit is to advance the social, economic and well-being of the rural farm family by providing its members with practical knowledge, competencies and skills.

The thrusts and priorities are dynamic and continue to evolve to meet the emerging needs of the farm family and rural community. Overtime the programme's services have also been extended to urban families and individuals.

## Product Development

The Officers focused their attention on assisting the prospective users of the Agro-processing Incubators to develop and standardize their products. Products developed included staple flours and juices using local primary produce. The Food Promotion and Exhibition activities were also used as a means of developing products from locally grown foods. This also encouraged householders to develop Micro-enterprises and increase the use of local primary produce.

## Agro-processing Incubators

With funding through the Jamaica Social Investment Fund (JSIF), seven (7) facilities were being constructed and equipped in the parishes of St Catherine, St Mary, Trelawny, St Elizabeth, Westmoreland, Hanover and St James. RADA will take over operations of these facilities as soon as they have been completed. Meanwhile, the Competitiveness Company has been contracted to work with the prospective processors to get them ready for start-up operations. Consultations have already begun.

Table 10: Social Services/ Home Economics Achievements

ACTIVITIES	TARGETS	ACHIEVEMENTS
Groups serviced	118	641
Training sessions conducted	1,300	725
Number of beneficiaries	13,000	16,979
Home visits and counselling sessions	1,300	900
Backyard gardens established	650	361
Food promotion/exhibition sessions	26	168
Consumer forums	30	27
Income generating enterprises supported	40	223
New products developed	3	5
Public education through print and electronic media	-	6
Number of recipes distributed	500	1,727
Nutrition field days	4	3



Social Services /Home Economics Hospitality demonstration and training



# Plant Health FOOD SAFETY

The Plant Health/Food Safety Unit's programmes and activities focused on the monitoring of the production systems island wide and ensured early detection of pests and timely initiation of rapid pest response system for pest containment and the safeguarding of Jamaica's food security

Additionally, farmer and staff capacity building in Integrated Pest Management (IPM), proper use of pesticides and adhering to good agricultural practices being delivered in keeping with food safety guidelines.

**Table. 11: Summary of Major Activities and Objectives of the Plant Health / Food Safety Unit for the period April 2016 – March 2017**

ACTIVITIES	SPECIFIC OBJECTIVES	TARGETS	Achievements	
			Actual	%
<b>Farm Inspections</b>	To ensure conformity with global trade requirements to improve sanitary/phytosanitary food safety practices.	20,000 visits	56,423	282
<b>Pest Surveillance</b>	To investigate and track plant pests of local and quarantine importance and provide technical advice for their containment/suppression	16,000 visits	30,496	191
<b>Farmer Training sessions</b>	To improve the operational capabilities of farmers through the application of best practices	392	1,003	256

## Pest Surveillance

The Unit trained RADA extension staff in field identification and surveillance of Frosty Pod Rot disease of cocoa, identified in late 2016-17.

- **Frosty Pod Rot of Cocoa** - a fungal disease caused by the fungus *Moniliophthora roreri*. The fungus invades actively growing cocoa pods damaging them and the seeds they produce.

Action Plans were prepared by the National Plant Health Coordinating Committee with budgetary support for implementation. Funds were provided by MICAFA to the Cocoa Industry Board (lead agency) for implementation of the eradication/management plan.

Key actions taken with respect to both pests included:

- Activation of Pest Emergency Response Team (PERT), a sub-committee of the Plant Health Coordinating Committee.
- Survey and sample collection protocol developed
- Delimiting survey initiated to determine disease spread

- Samples collected and analyzed locally, international confirmation received
- Action plan including budgetary requirement developed
- Pest alerts developed and distributed to sensitize the public and farmers in general.
- Facilitation of staff and farmer sensitization/training sessions

Surveillance for the Frosty Pod Rot was made a priority for RADA citing the possible impact on trade and local production.

### Pesticide Survey

A Pesticide Survey was commissioned by the Pesticides

Control Authority (PCA) facilitated by funding from the Inter-American Development Bank (IDB), through the Agriculture Competitiveness Programme (ACP-Component II) – MICAFA, in collaboration with the Rural Agricultural Development Authority (RADA).

The objective of the survey was to provide current information on farmer knowledge, use, attitudes and practices with respect to pesticides. This information obtained will be analysed and compared with the results from the last pesticide survey done in 1994. Ultimately this information will be used to inform decision making at the national level with respect to encouragement of good practices and intervention strategies.

Technical preparations for the survey involving the PCA and RADA were completed (questionnaire; MOCK survey; training schedule for AEOs and PAMs, material specifications).

The list of farmers was also obtained from the ABIS database and random selection of farmers done.

A total of 1,000 farmers were targeted island wide, including crops such as vegetables, roots & tubers, coffee, banana, Irish potato, ginger and greenhouse crops. Total estimated cost of survey was \$8.1M. RADA provided support in staff training, administering survey questionnaires island-wide and other logistics on the ground.



Cocoa frosty pod rot disease



Cross section of a cocoa infested with the frosty pod rot disease



# Protected AGRICULTURE

The protected agriculture unit continued its efforts at providing technical advisory services to the wider greenhouse vegetable producers. Farmers benefitted from formal training activities in the subject areas of management of vegetable seedling production, crop nutrition management, crop cultural best practices, crop environmental management best practices, ferti-irrigation systems management and the safe and effective use of pesticides.

**Table. 12: Activities Undertaken During the Period**

ACTIVITIES	ANNUAL TARGET	YEAR TO DATE	% ACHIEVEMENT
Technical Advisory Farm Visits	1200	1160	97
Site Suitability Inspections	25	13	56
Water / Nutrient Samples	30	34	60
Soil Samples	5	3	
Fertilizer Recipe Advisory	30	57	190

**Greenhouse Capacity.** An island-wide survey of greenhouse capacities was conducted on a parish by parish basis; with the active assistance of the extension teams working in the respective parishes. The outcomes revealed that a total of 35,803.7 m<sup>2</sup> (385,388 sq. ft.) of additional new capacity were added during the year. During the same period a total 8,101.1 m<sup>2</sup> (87,200 sq. ft.) idle greenhouse capacity were returned to production. The all island greenhouse capacities at the end of the year were as follows:

ACTIVE CAPACITY	IDLE CAPACITY	TOTAL CAPACITY
<b>2,460,554 Sq. Ft.</b>	<b>378,300 Sq. Ft.</b>	<b>2,838,854 Sq. Ft.</b>
<b>56.487 Acres</b>	<b>8.684 Acres</b>	<b>65.171 Acres</b>

### Greenhouse Unit collaborations

The unit collaborated with the Jamaica Greenhouse Growers Association with the distribution of greenhouse plastic and side netting materials valued at five million Dollars (\$5.0 M) to twenty four (24) selected growers, in the major production parishes of Manchester, St. Elizabeth and St. Ann, under the 2016-2017 MOA -

RADA production incentive. A total of Seven (7) persons or 29% of the beneficiaries were female greenhouse farmers.

There was also collaboration with the Jamaica Social Investment Fund (JSIF) and Jamaica Bauxite Institute (JBI) by providing follow-up technical support services to

the one hundred and sixty (160) participating greenhouse vegetable producers under the JSIF/JBI greenhouse production programme. The JBI-JSIF greenhouses were built on mined out bauxite areas of Rose Hill, Blue Mountain and Content in Manchester, Myers Ville in St. Elizabeth, Schwallenburgh in St. Catherine and Nine Miles, Tobolski and Watt Town in St. Ann.



Drip irrigation settings eithin protected agriculture



# LIVESTOCK

Targeted Livestock activities throughout the year sought to encourage new investors, build the capacity of staff and farmers as well as to implement projects and programmes, critical for successful livestock enterprises, agricultural innovations as well as the identification of markets for animals and livestock products and produce formed a major part of the RADA Livestock activities.

The practical applications of animal husbandry practices were provided to farmers through on-farm monitoring visits. Farmers received hands on guidance in the deworming of animals, animal housing construction, care of young animals and general farm maintenance. Emphasis was placed on animal nutrition. Farmers were introduced to varying types of available forage suitable for their animals and their geographical location.

Programmes and projects implemented supported new entrant farmers and the expansion of existing operations. RADA participated in the coordination and monitoring of these activities, which benefitted goat, pig, dairy, apiculture and rabbit farmers. These programmes were implemented in a total of 10 parishes and benefitted 431 farmers.

*Table. 14: Targets and Achievements for the Livestock Unit  
During the Reporting Period 2016-2017*

PARISH	TYPE OF PARISH PROJECTS					
	Goat	Apiculture	Pig	Dairy	Broiler	Rabbit
Westmoreland	33	10				
St James	10	10	6			
Portland	55	13				
Hanover	30					
St Catherine	29	47	7			
Trelawny	45	30				
St Ann	9		9			
St Elizabeth		7	8	9	40	
Clarendon				8		15
Manchester						1
<b>TOTAL</b>	<b>211</b>	<b>117</b>	<b>30</b>	<b>17</b>	<b>40</b>	<b>16</b>

**Table. 15: Activities for the Livestock Unit**

COMPONENTS	TARGETS	ACHIEVEMENTS APR 2015 - MAR 2016	% ACHIEVED
Farm visits	10,000	7,162	71.6
Demonstration plots	12	3	25
Identification of market for farmers	70	76	108.5
Projects being monitored	13	30	230
Database of buyers	30	10	33.3
Innovations	9	9	100
Proposals developed	7	33	471



Chicken plucking machine



# On-farm WATER MANAGEMENT UNIT

With an increasing scarcity of freshwater, due to indiscriminate use and a changing climate with extreme weather events of droughts and flooding, there is an urgent need to improve the management of this resource. It is against this background that the On-Farm Water Management Unit strives to guide farmers in optimizing the usage of this precious resource. This we sought to achieve as follows:

- Plan, direct and implement on-farm water management and drainage techniques
- Increase the production and productivity of cultivable lands by the use of irrigation technology;
- Assist farmers to improve their knowledge and income by the adaptation of suitable on-farm irrigation systems through technology transfer;
- Promote sustainable use of land and water resources through appropriate water management techniques;
- Help farmers optimise the use of scarce water resources by helping them improve their on-farm water use efficiency whilst improving productivity.

## Major Activities

- |  |  |   |
|--|--|---|
| A. Advisory work; On/Off-farm water management (delivery systems, conservation and efficiency) | D. Irrigation Designs/ Bill of Quantities /Estimates           | G. Conduct trainings for farmers, Regional Water Utilization Officers and Agricultural Extension/Assistant Officers |
| B. Farm visits   | E. Installation of irrigation/fertigation systems              | H. Collaboration with Special Projects  |
| C. Water Source Investigation for potential Irrigation   | F. Provision of site assessment data for Proposals and designs |   |



Water management officers doing installations

**Table 16: Water Managements Unit's Achievements**

ACTIVITIES	ANNUAL TARGET	ANNUAL ACHIEVEMENT	% ACHIEVEMENTS	REMARKS
Advisory work	1,000	1,523	152%	Actual farm visits, on-farm group sessions, telephone conversations via WhatsApp, text messages and electronic mail were the means used to carry out advisory tasks:
Farm visits	200	256	128%	-
Water Source Investigation for potencial Irrigation	25	60	240%	-
Irrigation Designs/Bill of Quantities/Estimates	60	142	237%	-
Installation of irrigation/fertigation systems	12	45	375%	-
Capacity Building Farmers	120	210	175%	Groups - Farmer Field School (FFS)
Students	100	273	273%	Tertiary, Secondary and Primary
Officers	24	71	296%	<b>Includes:</b> Regional Water Utilization Officers, Agricultural Extension Officers and Agricultural Assistants
Demonstration Plots	2	3	150%	<b>Locations:</b> St. Elizabeth, Hounslow (1) & Braco, Trelawny (1), <b>Funded by:</b> IAEA; New Forest, Manchester (1) Funded by AIC



Water harvesting pond



# Tractor SERVICE

and preparation services, were provided by way of its Tractor Services operated at the parish level island-wide. The Tractor Service aims RADA to provide support to farmers and other stakeholders in land tillage and support the implementation of various Production and Productivity Programmes/ Projects. RADA provides Tractor Services to registered farmers at 80% of the market rate.

## Highlights of Achievements of the Tractor Services 2016-2017

The Tractor Services provided support during the 2016-2017 period in the following areas:

- Providing -technical support in land preparation and basic land drainage support with 813 beneficiaries for the period, tilling 584.57 hectares of land.
- Introduction and Demonstration of combined Roto-Bedder MICAF's Onion Project. (Specially designed and modified by RADA for Onion Production).
- Training of 15 RADA Officers, four (4) Tractor Operators and External Counterparts/Partners in Land Preparation, Tractor Operations and Maintenance at the National 4-H Centre in Denbigh Clarendon. Training session lasted five days (40 training hours).

*Table. 17: Tractor Service Unit's Achievements*

Parishes	Lands tilled (Hectares)	Number of beneficiaries
Hanover	11.28	17
Westmoreland	21.54	61
St. Elizabeth	80.75	87
Manchester	20.10	60
St. Thomas	84.2	149
Clarendon	243	273
St. Mary	22.7	56
Portland	16.4	14
St. Catherine	84.6	96
<b>Total</b>	<b>584.57</b>	<b>813</b>



Land prepared for planting





Land preparation



# Farm Road REHABILITATION



The Farm Road Rehabilitation Programme formed part of the Ministry of Industry, Commerce, Agriculture and Fisheries (MICAF) initiative to improve the accessibility of farmers to adequate road access. Unpaved secondary and tertiary earth, stone/rock and gravel access roads for motorized and non-motorized services that have been damaged overtime were upgraded to increase movement of farm produce.

The programme sought to address the state of poor farm roads and the impact it has on sustainable and viable economic agricultural activity. Hence, the rehabilitation and maintenance of 53 targeted farm roads across 98 extension areas in thirteen parishes across Jamaica. The activities undertaken included, re-surfacing, patching, cleaning, construction and improvement of drainage and general maintenance and improvement of existing farm and feeder roads.

#### Programme Objective:

The objective of the programme was consistent with the developmental priorities of the Government of Jamaica. As such, the programme was designed to assist in the rehabilitation of Farm Roads across Jamaica towards the growth and improvement of the agricultural sector, in specially targeted high production areas.

#### Expected Results:

The expected results from this intervention were:

1. Increased market access for farmers
2. Increased in domestic crop and livestock production by 5%.

3. Improvement in household income by 2%.

A total of 53 roads were targeted for rehabilitated under the programme for the 2016/2017 period. To date, 51 roads have been completed totalling 82.4 km.



Section of a rehabilitated road





**Road Rehabilitation**  
**Crawford road in Manchester**



# National Irish Potato PROGRAMME



The National Irish Potato Programme which is one of the Ministry of Industry, Commerce, Agriculture and Fisheries' flagship programmes geared towards import substitution continued throughout the 2016/2017 period. The overall target for the programme was farming 1,200 hectares to benefit 2,500 farmers and to establish sixteen demonstration plots across nine parishes.

Beneficiaries of the programme received technical information via trainings, planting material and crop care support in the form of chemicals from MICAF amounted to \$71.3M.

*Table. 18: Summary of Programme Achievements (Period: August 2016 to March 2017)*

ACTIVITIES	TARGETS	ACHIEVEMENTS	% ACHIEVEMENT
No. of Farmers	2500	3149	126
Hectare Planted	1200	853	71
Hectare Reaped	1200	521	43
Tons Reaped	15,000	8386	56
Sensitization Workshops	16 sessions	18	113
Number of Farmers Benefited from Workshops	2000	1505	75

## Demonstration Plots

Following the signing of a Memorandum Of Understanding (MOU) between RADA and PROPEL, a total of nine (9) half acre demonstration plots were established in the Irish potato growing areas across four (4) parishes.

The plots established are listed in the table on page 43:



Mr. Lockley Waites -Irish Potato Programme Cordinator, conducting a training session with farmers

Parish	Plot & FFS Location	Location
St. Mary	Labyrinth	New Pen
		Decoy
St. Ann	Cowley	Cowley
	Murray Mountain	Murray Mountain
	Lumsden	Free Hill
	Hazelwood, Bamboo P.O.	Walkers Wood
		Cascade
Trelawny	Summer Hill	Thompson Town
St. Catherine		Dry Hill
<b>TOTAL</b>		<b>9</b>

The plots were established between December 2016 and February 2017. The emphasis on the demonstration plots were to engaged the farmers in a Farmer Field School (FFS) setting and to have them develop and exhibit proper land husbandry, crop care, harvest and post-harvest management practices in the production of the Irish potato crop both on the demonstration plot and on their own holdings.

### Marketing

Markets and marketing arrangements were relatively stable throughout the year, farmers enjoyed fairly good Farm Gate

prices for their produce. The Potato and Onion Producers Association (POPA) offered marketing contracts to thirty percent (30%) of the farmers on the programme. The contracts paid from a high of \$80 per pound to a low of \$55 per pound for table potato. Other buyers and higglers paid as high as \$100 per pound in the period December 2016 to January 2017.

### Training

During the year a total of 1,505 farmers received and benefitted from training

sessions conducted and supported by RADA and other agencies of the Ministry of Industry, Commerce, Agriculture and Fisheries (MICAF) in calibration with POPA, PROPEL and other input suppliers. Subject areas covered during these sessions included: Land Preparation Techniques, Soil and Water Management, Sprayer and Pesticide Calibration, Pest Management, Harvesting and Post-Harvest Handling and Marketing. H & L Agro and Fersan were instrumental in those ventures, conducting islandwide forums and meetings.



Farmers in a pensive mood during a training session.



# Onion Development PROGRAMME



Over the reporting period, RADA provided support to the implementation of the Onion Development Programme. Research and Development, National Irrigation Commission (NIC) and Agricultural Land Management Division (ALMD) were instrumental in providing technical support. The main parishes involved in the 2016/2017 were St. Thomas, St. Catherine, Clarendon, St. Ann, St. Elizabeth and Trelawny.

The goal of the programme was to facilitate the sustainable development of the onion sub-sector, thereby reducing dependency on imports and achieving self-sufficiency in onion production.

### Objectives of the programme:

- To provide capacity building opportunities for the Ministry/RADA technocrats and produce a cadre of highly trained individuals in production and marketing of onions.
- To provide technical assistance to onion growers in modern production technologies, cost of production and record-keeping.
- To promote the grower-marketer interface; involvement of related stakeholders (e.g. agricultural farm stores) and development of marketing systems.
- To revitalize the onion sub-sector, thereby realizing a 70% satisfaction of local demand through increased domestic production.

With consumption exceeding 10,000,000 kgs. annually, this affords our farmers an opportunity to produce a substantial amount which is usually filled by imports. During the period however, the success of the programme has been beset by serious challenges ranging from continuous rainfall to lack of appropriate equipment to enhance proper land preparation.



Onion field

### Fall 2016/2017 Production

#### Achievements to Date:

Approximately 39 hectares was established by 123 farmers. A total

of 85 tonnes have been harvested from five (5) hectares. The average productivity to date is 17 tonnes/hectares. However,

there are some farmers who have achieved productivity level above 20 tonnes/hectares.

Table. 20: ODP Onion Production (ha)

Production Areas	FALL/2016						
	# of Farmers	Hectares Estd.	Hectares loss	Tonnes Reaped	Hectares Reaped	Hec. to be Reaped	Productivity
Old Harbour (Colbeck)	2	0.4	0.1	1.5	0.081	0.219	18.52
Thetford							
Bernard Lodge	8	3.36	1.76			1.6	
Banister							
Hillrun							
Gutters							
Treadways	1	0.4				0.4	
Nightingale Grove	1	0.2				0.2	
Amity Hall							
Lluidasvale	1	0.3	0.3				
Yallahs	56	11.32	0	60.1	2.71	8.61	22.18
Springfield	9	3.31	1.7	13.25	1.61	0	8.23
P.G.R	3	1	0		0	1	
Ebony/Spring Plain	7	6.5	0	0.45	0	6.5	
St. Ann	4	2.6	1.5	4	0.3	0.8	13.33
Manchester	6	2.23				2.23	
St. Elizabeth	10	3.2				3.2	
Trelawny	15	2.6		5.65	0.3	2.3	18.83
<b>Total/Average</b>	<b>123</b>	<b>37.42</b>	<b>5.36</b>	<b>84.95</b>	<b>5.001</b>	<b>27.059</b>	<b>16.99</b>

\*\*Please note that reaping is ongoing and as such information provided under the headings Tonnes Reaped, Hectares Reaped and Productivity are not final.

\*\*\*Also note that the Average Productivity contemplates the total amount of onion reaped thus far, notwithstanding that information for the area which has been reaped on some farms is not available.



Harvested Onions



# Jamaica Banana Accompanying MEASURES (JBAM)- PE 2



The purpose of this Programme Estimate (PE) is to ensure effective project management and administration of the planned Banana Accompanying Measures (BAMs) interventions. The overall objective of the BAMs is to combat poverty and improve revenues in the banana dependent areas through achieving the purpose or specific objectives, namely:

- Improving the productivity and resilience of small farmers
- Strengthening the link between small farmers and markets

The current programme values €4.73M and is scheduled to last 48 months. The project is being implemented in the parishes of St. Thomas, St. Catherine, Clarendon, St. James, Portland and St. Mary.

The implementing entity is MICAFA and Implementing partners are the Banana Board, AIBGA, PIOJ, EU, & RADA. The beneficiaries of PE 2 are the All Island Banana Growers Association (AIBGA), Banana Board (BB).



Worker washing and cleaning bananas before distribution



Delegation from the European Union and All Island Banana Association of Jamaica visiting banana farms in Portland

### Highlights of Achievements

On-going monitoring support to the Banana Board Grant Contract:

- The RADA/JBAMs Project Implementation Unit continued to provide administrative support to the Banana Board and the All Island Banana Growers Association. Monthly, quarterly and annual status reports are also generated and circulated to the various stakeholders.
- **Promotion and Visibility:** The RADA/JBAMs PIU along with its implementing partners continue to carry out programme promotion and visibility activities ranging from attending exhibition shows, showcasing promotional signage/banners, distribution of brochures promoting JBAM to the banana and plantain farmers. Efforts were also made through RADA's PR Unit to arrange for a media brief on the Programme to be placed in the Print Media and a short documentary feature for airing on local TV stations. The overall programme and the EU's continued support to the Banana Industry has been highlighted at several events through the mounting of signs, banners, live displays, air time on local TV Stations and articles in the print media.
- **Construction of Value Added Facility** Signing of a contract between the AIBGA and Hunicol Development Limited October 2016 to the tune of J\$29.9 M.
- **Further Implementation of Export Niche Markets** The Banana Export Expansion Programme (BEEP) which is an on-going GOJ strategic priority, launched in April 2015 is aimed at achieving this result. Initially, 38 farmers were selected to benefit by cultivating 129 hectares. A total of 33 farmers with 99.5 hectares have participated under the programme. Of this, 56.5 hectares or 57% had been planted and 60 or (60%) of the expected 100 jobs created. The project was affected by delayed infrastructure in the Agro-park areas and issues in the processing loans by financial institutions





# Pictorial Highlights



Plantwise CLINIC



# Pictorial Highlights



FARMER FIELD SCHOOL - School without walls





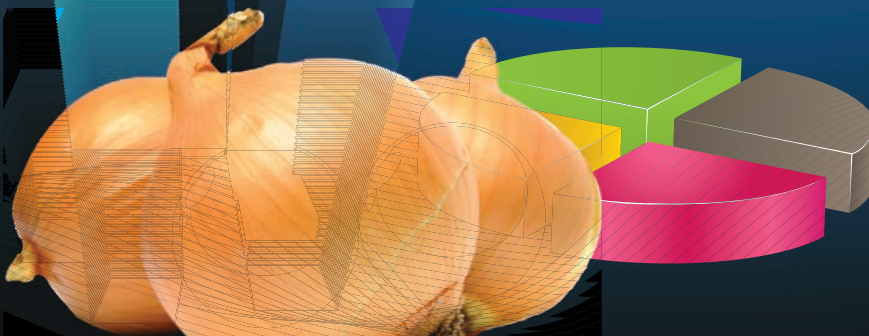


# Appendices

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## Contents

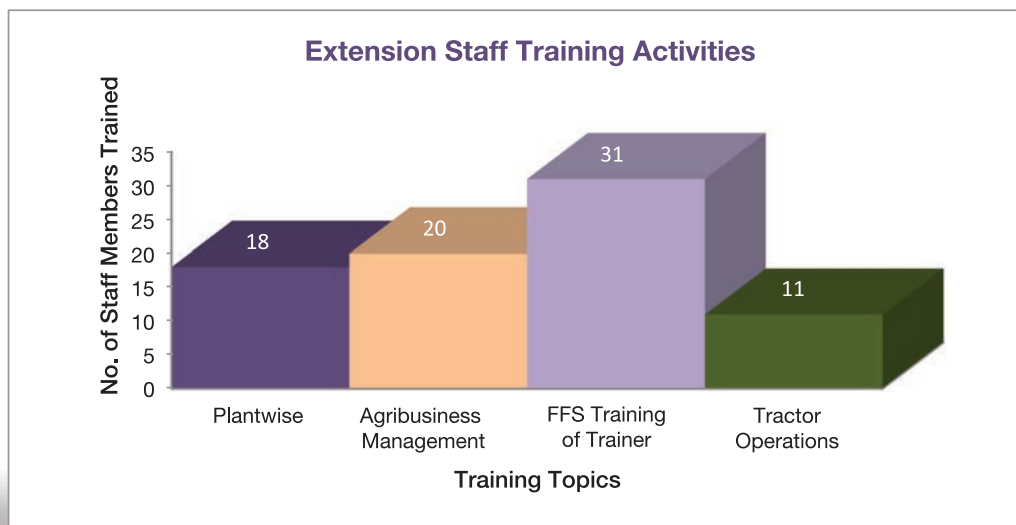
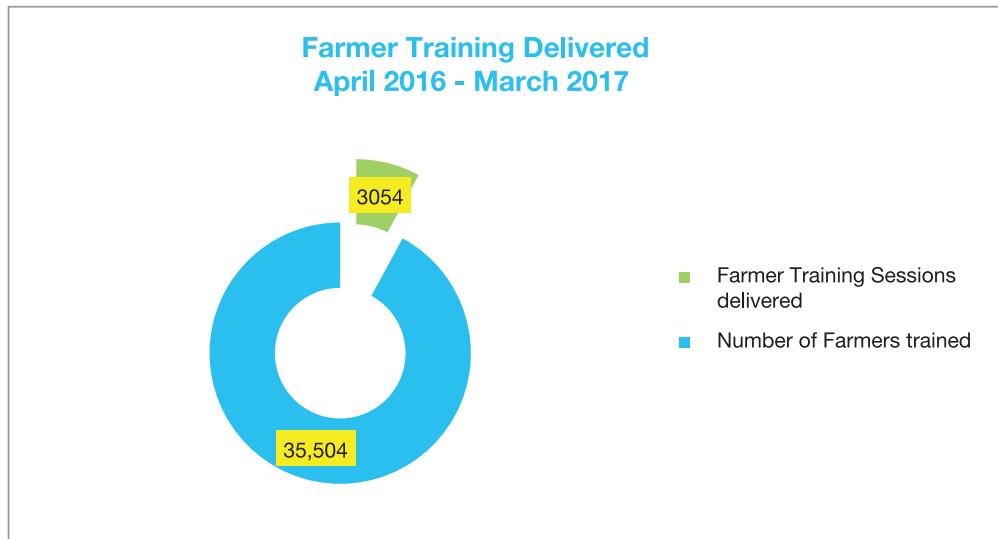
- 52** Farmer Training and Extension Staff Training Activities Delivered April 2016 - March 2017
- 53** Land Husbandry Practices and Land Husbandry Training Sessions April 2016 - March 2017
- 54** Plant Health / Food Safety Unit Activities April 2016- March 2017
- 55** Social Services / Home Economics Activities April 2016 - March 2017
- 56** Directors' Compensation
- 57** Senior Executive Compensation





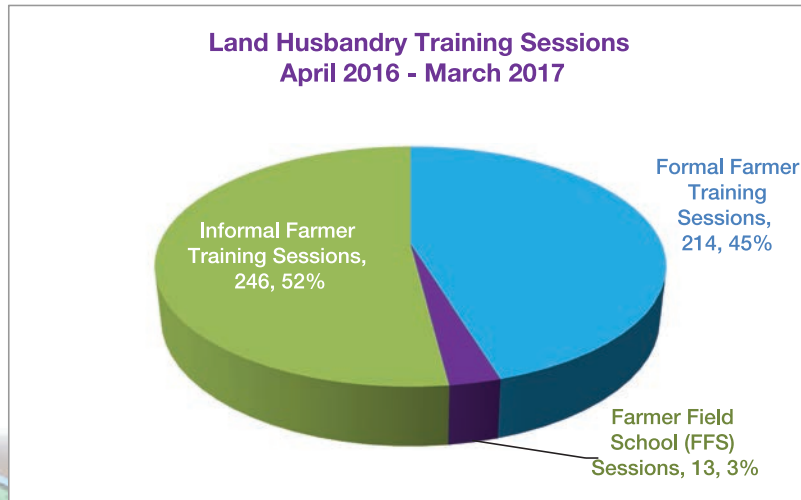
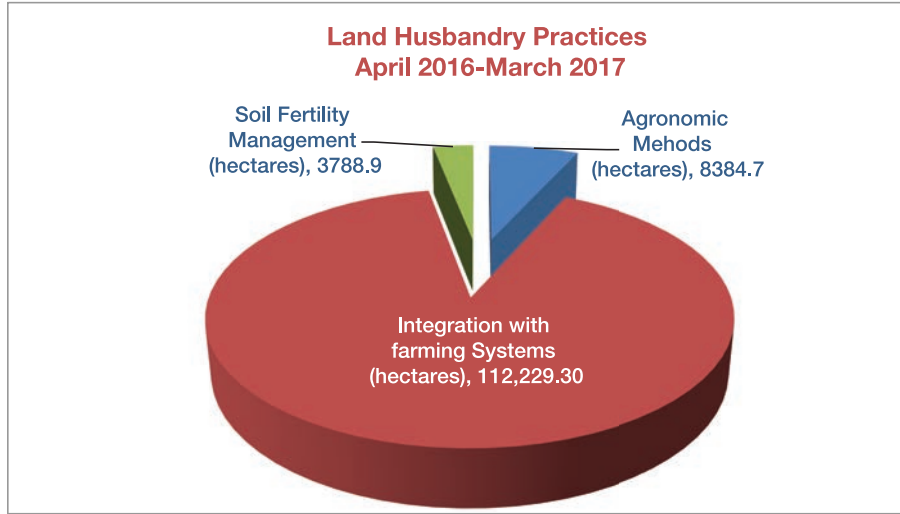
# Appendices

Farmer Training and Extension Staff Training Activities Delivered April 2016 - March 2017  
Appendix 1



# Appendices

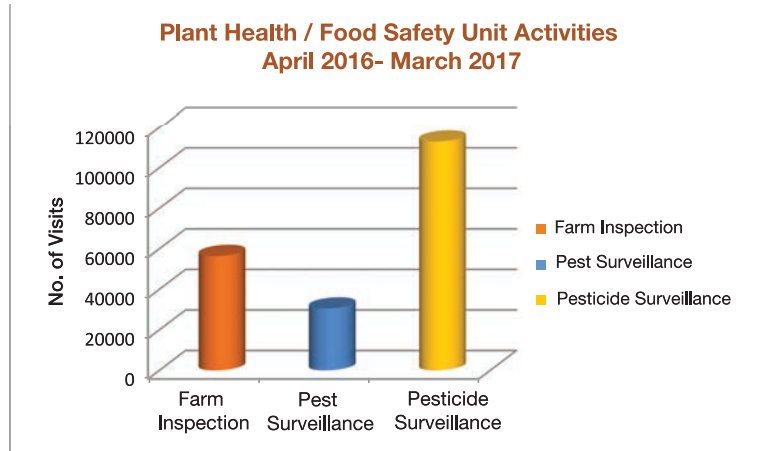
Land Husbandry Practices and Land Husbandry Training Sessions April 2016 - March 2017  
Appendix 2





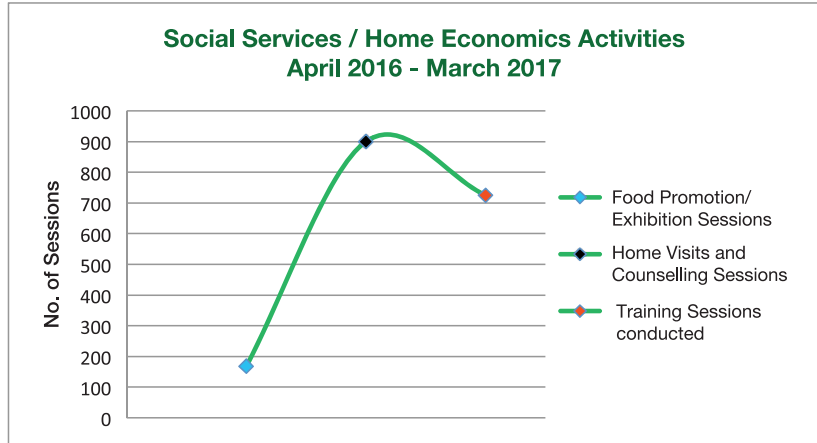
# Appendices

Plant Health / Food Safety Unit Activities  
April 2016- March 2017  
Appendix 3



# Appendices

Social Services / Home Economics Activities April 2016 - March 2017  
Appendix 4





# Appendices

## Senior Executives Compensation 2016-2017 Appendix 5

Position of Senior Executive	Year	Salary	Gratuity or Performance Incentive	Travelling Allowance Value of Assignment of Motor Vehicle	Pension or Other Retirement Benefits	Other Allowances	Non-Cash Benefits	Total
		\$	\$	\$	\$	\$	\$	\$
Chief Executive Officer	2016-2017	7,686,732	-	687,041	762,063	-	-	9,135,837
Principal Director, Field Services & Operations	2016-2017	4,427,105	-	1,341,624	556,155	-	-	6,324,884
Principal Director, Technical Services	2016-2017	3,272,388	-	1,341,624	397,577	-	-	5,011,589
Principal Director, Corporate Services	2016-2017	4,427,105	-	1,341,624	-	-	-	4,479,983
Senior Director of Finance & Accounts	2016-2017	3,138,359	-	1,341,624	-	-	-	4,479,983
Senior Director, Social Services/ Home Economics	2016-2017	3,163,441	-	1,341,624	-	-	-	4,505,065
Zonal Directors-West	2016-2017	2,933,976	-	1,341,624	343,699	-	-	4,619,299
Zonal Directors-East	2016-2017	3,410,498	-	1,341,624	-	-	-	4,752,122
Director, Monitoring, Planning & Evaluation	2016-2017	2,440,901	-	703,128	259,277	-	-	3,403,306
Senior Director HRM and Administration	2016-2017	2,908,319	-	1,341,624	364,791	-	-	4,614,734
Senior Director of Training, Technology and Technical Info.	2016-2017	2,934,915	-	1,341,624	329,463	-	-	4,605,991
Manager, Information Communication and Technology (ICT)	2016-2017	2,286,022	-	703,128	279,994	-	-	2,989,150
Chief Internal Auditor	2016-2017	2,003,205	-	703,128	-	-	-	2,706,333
Manager, Irrigation, Water Management Unit	2016-2017	2,390,834	-	703,128	-	-	-	3,093,962
Parish Agricultural Managers 1-13	2016-2017	33,366,348	-	11,659,017	2,344,775	-	-	47,370,140
<b>Total</b>		<b>83,661,705</b>	<b>-</b>	<b>28,574,811</b>	<b>5,688,651</b>	<b>-</b>	<b>-</b>	<b>117,925,167</b>

# Appendices

Schedule of Board of Directors Compensation 2016-2017  
Appendix 6a

Position of Director	Fees & Remuneration	Motor Vehicle Upkeep/ Value of Assignment of Motor Vehicle	Honoraria	All Other Compensations Including Non-Cash Benefits as applicable	Total
	\$	\$	\$	\$	\$
Chairman	308,350.00	360,832.80	0	0	669,182.80
Board Member	148,600.00	25,259.00	0	0	173,859.00
Board Member	141,400.00	231,941.40	0	0	373,341.40
Board Member	130,200.00	91,134.00	0	0	221,334.00
Board Member	89,550.00	214,195.20	0	0	303,745.20
Board Member	146,800.00	147,655.20	0	0	294,455.20
Board Member	183,600.00	287,195.00	0	0	470,795.00
Board Member	183,250.00	230,877.40	0	0	414,127.40
Board Member	152,150.00	312,080.00	0	0	464,230.00
Board Member	191,050.00	191,741.20	0	0	382,791.20
Board Member	205,050.00	0	0	0	205,050.00
Board Member	174,350.00	160,850.38	0	0	335,200.38
Board Member	167,150.00	95,748.00	0	0	262,898.40
Board Member	168,800.00	256,372.80	0	0	425,172.80
Committee Members	49,850.00	38,850.20			88,700.20
Parish Advisory Board Members	3,770,000.00	44,574.80	0	0	3,814,574.8
<b>Total</b>	<b>6,210,150.00</b>	<b>2,689,307.78</b>	<b>0</b>	<b>0</b>	<b>8,864,925.78</b>

N.B.\* Accounting prior year adjustments - \$34,532.00









STUDENT  
DRIVER

290

MASSEY FERGUSON









# Contents

INDEPENDENT AUDITORS' REPORT  
to the Rural Agricultural Development  
Authority **58**

## FINANCIAL STATEMENTS

- Statement of Comprehensive Income **58**
- Statement of Financial Position **58**
- Statement of Changes in Reserves **58**
- Statement of Cash Flows **58**
- Notes to the Financial Statements **63-83**
- Comparison of Recurrent Income  
to Budget **58**

# Financial Statement 2016-2017

Report on the Audit of the Financial Statements of the  
Rural Agricultural Development Authority







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## INDEPENDENT AUDITORS' REPORT

To the Board of  
**The Rural Agricultural Development Authority**

### **Opinion**

We have audited the financial statements of Rural Agricultural Development Authority set out on pages 3 to 34, which comprise the statement of financial position as at 31 March 2017, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Authority as at 31 March 2017, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

### *Basis for Opinion*

We conducted our audit in accordance with International Standards on Auditing (15As). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Authority in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Responsibilities of Management and Board of Directors for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Authority's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Authority or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Authority's financial reporting process.

Partners: R.L. McFarlane, K.A. Wilson, S.M. McFarlane, J. Green -Hibbert, D. Hobson  
Offices in Montego Bay, Mandeville and Ocho Rios  
BDO is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

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## INDEPENDENT AUDITORS' REPORT (CONT'D)

To the Board of  
**The Rural Agricultural Development Authority**

### *Auditors' Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. • Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit



Chartered Accountants

30<sup>th</sup> August 2017



## Statement of Comprehensive Income Year Ended March 31, 2017

Page 4

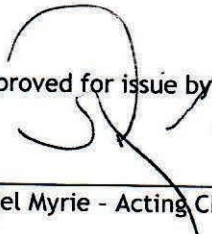
	<u>Note</u>	<u>2017</u> \$'000	<u>2016</u> \$'000
<b>INCOME:</b>			
Government of Jamaica Subvention		1,332,840	1,275,921
Other income	6	<u>22,351</u>	<u>21,245</u>
		<u>1,355,191</u>	<u>1,297,166</u>
<b>EXPENDITURE:</b>			
Salaries, wages and related charges	18	785,228	761,963
Public utilities		49,460	40,220
Motor vehicle maintenance		11,490	12,735
General office expenses		41,568	42,434
Seminars and meetings		3,199	8,749
Repairs and maintenance		16,832	13,057
Consultancy		2,908	3,670
Bank charges and interest		2,178	1,786
Upkeep/travelling and subsistence		288,765	245,281
Directors' and committee meetings		9,949	4,564
Rental of buildings		2,690	1,774
Security		4,425	3,875
Printing and stationery		7,229	9,239
Audit fee		2,480	2,258
Insurance		2,120	2,146
Legal and professional fees		<u>725</u>	<u>262</u>
		<u>1,231,246</u>	<u>1,154,013</u>
SURPLUS		123,945	143,153
Depreciation		<u>( 21,647)</u>	<u>( 20,656)</u>
SURPLUS FOR THE YEAR FROM OPERATIONS		102,298	122,497
Transfer from capital reserve an amount equivalent to depreciation charged on donated assets		<u>9,762</u>	<u>11,565</u>
NET SURPLUS		<u>112,060</u>	<u>134,062</u>
<b>OTHER COMPREHENSIVE INCOME:</b>			
Item that will not be reclassified to profit or loss:			
Remeasurement of post-employment benefit obligations		<u>88,405</u>	<u>( 1,896)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>200,465</u>	<u>132,166</u>

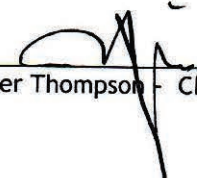
Statement of Financial Position Year Ended March 31, 2014

Page 5

	<u>Note</u>	<u>2017</u> <u>\$'000</u>	<u>2016</u> <u>\$'000</u>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS:</b>			
Property, plant and equipment	7	166,268	167,672
Post-employment benefit assets	8	<u>294,263</u>	<u>171,239</u>
		<u>460,531</u>	<u>338,911</u>
<b>CURRENT ASSETS:</b>			
Inventories	9	12,821	6,461
Receivables	10	45,927	36,335
Taxation recoverable	11	1,693	1,570
Cash and cash equivalents	12	<u>634,080</u>	<u>750,719</u>
		<u>694,521</u>	<u>795,085</u>
		<u>1,155,052</u>	<u>1,133,996</u>
<b>RESERVES AND LIABILITIES:</b>			
<b>RESERVES:</b>			
Capital reserve	13	29,125	31,521
Capital fund	14	177,978	178,134
Accumulated surplus		<u>402,308</u>	<u>201,843</u>
		<u>609,411</u>	<u>411,498</u>
<b>CURRENT LIABILITIES:</b>			
Project advances	15	375,842	561,708
Payables	16	<u>169,799</u>	<u>160,790</u>
		<u>545,641</u>	<u>722,498</u>
		<u>1,155,052</u>	<u>1,133,996</u>

Approved for issue by the Board of Directors on 30 August 2017 and signed on its behalf by:

  
 \_\_\_\_\_  
 Nigel Myrie - Acting Chairman

  
 \_\_\_\_\_  
 Peter Thompson - Chief Executive Officer



## Statement of Changes In Reserves Year Ended March 31, 2017

Page 6

	<u>Capital Reserve</u> <u>\$'000</u>	<u>Capital Fund</u> <u>\$'000</u>	<u>Accumulated Surplus</u> <u>\$'000</u>	<u>Total</u> <u>\$'000</u>
BALANCE AT 31 MARCH 2015	<u>41 662</u>	<u>179,977</u>	<u>69,677</u>	<u>291,316</u>
TOTAL COMPREHENSIVE INCOME:				
Net surplus	–	–	134,062	134,062
Other comprehensive income	–	–	( 1,896)	( 1,896)
	<u>–</u>	<u>–</u>	<u>132,166</u>	<u>132,166</u>
MOVEMENTS IN RESERVES:				
Decrease in capital fund	–	( 1,843)	–	( 1,843)
Increase in reserves	1,424	–	–	1,424
Transfer of depreciation on donated assets	(11,565)	–	–	(11, 565)
	<u>(10,141)</u>	<u>( 1,843)</u>	<u>–</u>	<u>( 11,984)</u>
BALANCE AT 31 MARCH 2016	<u>31 521</u>	<u>178,134</u>	<u>201,843</u>	<u>411,498</u>
TOTAL COMPREHENSIVE INCOME:				
Net surplus	–	–	112,060	112,060
Other comprehensive income	–	–	88,405	88,405
	<u>–</u>	<u>–</u>	<u>200,465</u>	<u>200,465</u>
MOVEMENT IN RESERVES:				
Decrease in capital fund	–	( 156)	–	( 156)
Increase in reserves	–	–	–	7,366
Transfer of depreciation on donated assets	( 9,762)	–	–	( 9,762)
	<u>( 2,396)</u>	<u>( 156)</u>	<u>–</u>	<u>( 2,552)</u>
BALANCE AT 31 MARCH 2017	<u>29 125</u>	<u>177,978</u>	<u>402,308</u>	<u>609,411</u>

## Statement of Cash Flows Year Ended March 31, 2017

Page 7

	<u>2017</u>	<u>2016</u>
	<u>\$'000</u>	<u>\$'000</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net surplus	112,060	134,062
Items not affecting cash resources:		
Depreciation	21,647	20,656
Release from capital reserve	( 9,762)	( 11,565)
Gain on disposal	( 4)	( 73)
Exchange gain on foreign balances	( 593)	( 1,745)
	123,348	141,335
Changes in operating assets and liabilities -		
Inventories	( 6,360)	( 1,506)
Receivables	( 9,592)	3,643
Taxation recoverable	( 123)	( 148)
Project advances	(185,866)	356,901
Payables	9,009	24,076
Post-employment benefit asset	( 34,619)	( 34,507)
Cash (used in)/provided by operating activities	<u>(104,203)</u>	<u>489,794</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Addition to property, plant and equipment	( 12,972)	( 22,745)
Proceeds from sale of property, plant and equipment	<u>99</u>	<u>174</u>
Cash used in investing activities	<u>( 12,873)</u>	<u>( 22,571)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Net reduction in capital fund	( 156)	( 1,843)
Cash used in financing activity	<u>( 156)</u>	<u>( 1,843)</u>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(117,232)</b>	<b>465,380</b>
Exchange gain on foreign cash balances	593	1,745
Cash and cash equivalents at beginning of year	<u>750,719</u>	<u>283,594</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 12)</b>	<b><u>634,080</u></b>	<b><u>750,719</u></b>



1. **IDENTIFICATION AND PRINCIPAL ACTIVITY:**

The Authority is incorporated in Jamaica under the Rural Agricultural Development Authority Act of 1990, and is directly owned by the Government of Jamaica. The Authority is funded by the Ministry of Finance and is accountable to that Ministry through the Ministry of Industry, Commerce, Agriculture & Fisheries. The registered office of the Authority is Hope Gardens, Kingston 6.

The principal objective of the Authority is to manage, operate, maintain and expand existing and future agricultural schemes established by the Government of Jamaica with special emphasis on extension services to small farmers.

2. **REPORTING CURRENCY:**

Items included in the financial statements of the Authority are measured using the currency of the primary economic environment in which the Authority operates (the functional currency). These financial statements are presented using the Jamaican dollars which is considered the Authority's functional and presentation currency.

3. **SIGNIFICANT ACCOUNTING POLICIES:**

The principal accounting policies applied in the preparation of these financial statements are set out below. The policies have been consistently applied to all the years presented. Amounts are rounded to the nearest thousand unless otherwise stated.

(a) **Basis of operation**

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Authority's accounting policies. Although these estimates are based on management's best knowledge of current events and actions, actual results could differ from those estimates. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

**New, revised and amended standards and interpretations that became effective during the year**

Certain new standards, interpretations and amendments to existing standards have been published that became effective during the current financial year. The authority has assessed the relevance of all such new standards, interpretations and amendments and has concluded that the following new standards, interpretations and amendments are immediately relevant to its operations.

**3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):****(a) Basis of preparation (cont'd)**

New, revised and amended standards and interpretations that became effective during the year (cont'd)

IASB Annual Improvements - The IASB annual improvements project for the 2012 - 2014 cycle resulted in amendments to the following standards which are relevant to the Authority's operations. These amendments are effective for the accounting periods beginning on or after 1 January 2016.

IAS 19 (Revised), 'Employee Benefits'. The amendment clarifies that, when determining the discount rate for post employment benefit obligations, it is the currency that the liabilities are denominated in, that is important, and not the country where they arise. The assessment of whether there is a deep market in high quality corporate bonds or not is based on corporate bonds in that currency, and not corporate bonds in a particular country. Similarly, where there is no deep market in high quality corporate bonds in that currency, government bonds in the relevant currency should be used. This amendment did not result in any effect on the Authority's financial statements.

**New standards, amendments and interpretation not yet effective and not early adopted**

The following new standards, amendments and interpretations, which are not yet effective and have not been adopted early in these financial statements, will or may have an effect on the Authority's future financial statements:

IFRS 9, 'Financial Instruments' (effective for accounting periods beginning on or after 1 January 2018). The standard addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of IFRS 9 was issued in July 2014. It replaces the existing guidance in IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes revised guidance on the classification and measurement of financial assets and liabilities, including a new expected credit loss model for calculating impairment of financial assets and the new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. Although the permissible measurement bases for financial assets - amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL) - are similar to IAS 39, the criteria for classification into the appropriate measurement category are significantly different. IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' model, which means that a loss event will no longer need to occur before an impairment allowance is recognised.



3. **SIGNIFICANT ACCOUNTING POLICIES (CONT'D):**

(a) **Basis of preparation (cont'd)**

**New standards, amendments and interpretation not yet effective and not early adopted (cont'd)**

IFRS 16, 'Leases', (effective for accounting periods beginning on or after 1 January 2019). The standard primarily addresses the accounting for leases by lessees. The complete version of IFRS 16 was issued in January 2016. The standard will result in almost all leases being recognized on the statement of financial position, as it removes the current distinction between operating and finance leases and requires recognition of an asset (the right to use the leased item) and a financial liability to pay rentals for virtually all lease contracts. An optional exemption exists for short term and low-value leases. The accounting by lessors will not significantly change.

Amendments to IAS 7, 'Statement of Cash Flows'(effective for accounting periods beginning on or after 1 January 2017), requires an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash flows.

The Authority is assessing the impact that these standards and amendments to standards will have on the financial statements when they are adopted.

(b) **Donated assets**

Where an asset is funded by an external donor, the fair value of the assets received is credited to capital reserve; an amount equivalent to the annual depreciation charge on the relevant property, plant and equipment is transferred from capital reserve to the accumulated surplus.

(c) **Capital funds**

Grants receipts that relates to agricultural extension services and the related expenditure are accounted for in the capital fund account.

(d) **Project advances**

Grants receipts from government and other funding agents that relate to specific projects are held as liabilities of the Authority until expended. Surplus receipts are returned to the grantors if required by the related grant agreements or transferred to the related capital fund or deficit or surplus when it is certain that no further expenditure will be incurred.

Income generating projects are reported on a cash basis.

3. **SIGNIFICANT ACCOUNTING POLICIES (CONT'D):**(e) **Property, plant and equipment**

Items of property, plant and equipment are recorded at historical or deemed cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on the straight-line basis at annual rates estimated to write off the carrying value of the assets over the period of their expected useful lives. Annual rates are as follows:

Motor cycles, tractors and vehicles	20%
Computers	20%
Office furniture and equipment	10%
Building	2 <sup>1</sup> / <sub>2</sub> %

Gain and losses on disposals of property, plant and equipment are determined by reference to their carrying amounts and are taken into account in determining surplus or deficit.

The assets' residual values and useful lives are reviewed and adjusted if appropriate, at each reporting date.

(f) **Foreign currency translation**

Foreign currency transactions are accounted for at the exchange rates prevailing at the dates of the transactions.

Monetary items denominated in foreign currency are translated to Jamaican dollars using the closing rate as at the reporting date. Non-monetary items measured at historical cost denominated in a foreign currency are translated using the exchange rate as at the date of initial recognition; non-monetary items in a foreign currency that are measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising from the settlement of transactions at rates different from those at the dates of the transactions and unrealized foreign exchange differences on unsettled foreign currency monetary assets and liabilities are recognized in surplus or deficit.

(g) **Impairment of non-current assets**

Non-current assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the assets exceeds its recoverable amount, which is the greater of an asset's net selling price and value in use. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identified cash flows. Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.



3. **SIGNIFICANT ACCOUNTING POLICIES (CONT'D):**

(h) **Financial instruments**

A financial instrument is any contract that gives rise to both a financial asset in one entity and a financial liability or equity in another entity.

Financial assets

(i) **Classification**

The Authority classifies its financial assets in the category loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

**Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets. The Authority's loans and receivables comprise cash and cash equivalents.

Cash and cash equivalents are carried in the statement of financial position at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash at bank and in hand and short term deposits with original maturities of 90 days or less.

(ii) **Recognition and Measurement**

Regular purchases and sales of financial assets are recognized on the trade-date - the date on which the Authority commits to purchase or sell the asset. Financial assets are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through surplus or deficit. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Authority has transferred substantially all risks and rewards of ownership. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

The Authority assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. If any such evidence exists, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in profit or loss - is recognized in surplus or deficit.

**SIGNIFICANT ACCOUNTING POLICIES (CONT'D):****(h) Financial instruments (cont'd)****Financial liabilities**

The Authority's financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method. At the reporting date, payables was classified as financial liabilities.

**(i) Inventories**

Inventories are stated at the lower of cost and net realizable value, cost being determined on the first-in, first-out basis. Net realizable value is the estimate of the selling price in the ordinary course of business, less selling expenses.

**(j) Employee benefits****Defined Benefit Plans**

The Authority operates a Defined Benefit Plan, the assets of which are held in a separate trustee-administered fund. The plan is funded through payments to a trustee administered fund, determined by periodic actuarial calculations.

The defined benefit plan surplus and deficit is measured at:

- The fair value of plan assets at the reporting date; less
- Plan liabilities calculated using the projected unit credit method discounted to its present value using yields available on government of Jamaica bonds that have maturity dates approximating to the terms of the liabilities; plus
- Unrecognized past service cost; less
- The effect of minimum funding requirements agreed with scheme trustees.

Re-measurements of the net defined obligation are recognised directly within equity. The Re-measurements include actuarial gains and losses, return on plan assets (interest exclusive) and any asset ceiling effects (interest exclusive).

Service costs are recognised in surplus or deficit and include current and past service costs as well as gains and losses on curtailments.

Net interest expense (income) is recognised in surplus or deficit, and is calculated by applying the discount rate used to measure the defined benefit obligation (asset) at the beginning of the annual period to the balance of the net defined benefit obligation (asset), considering the effects of contributions and benefit payments during the period. Gains or losses arising from changes to pension scheme benefits or pension curtailment are recognised immediately in surplus or deficit.

Settlements of the defined benefit plan are recognised in the period in which the settlement occurs.



3. **SIGNIFICANT ACCOUNTING POLICIES (CONT'D):**

(j) **Employee benefits (cont'd)**

**Termination benefits**

Termination benefits are payable whenever an employee's employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Authority recognises termination benefits when it is demonstrably committed to either terminate the employment of current employees according to a detailed formal plan without possibility of withdrawal or to provide termination benefits as a result of an offer made to encourage voluntary redundancy.

**Leave accrual**

All outstanding leave entitlement that are expected to be utilized wholly within 12 months after the end of the reporting period are presented as current liabilities.

(k) **Revenue recognition**

Revenue comprises the fair value of the consideration received or receivable for the goods or services in the ordinary course of the Authority's activities.

Revenue recognition is as follows:

(i) **Income grants**

Government subventions to support the Authority's operating budget are recognized as income in the accounting period when there is reasonable assurance that they will be received.

(ii) **Other revenue**

Interest income are recognized in surplus or deficit for all interest bearing instruments on an accrual basis, taking into account the effective yield on the asset unless collectability is doubtful. Revenue from other income is recognized when the significant risks and rewards of ownership have been transferred to the buyer and the Authority is reasonably certain that economic benefit will be received.

**4. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES:**

Judgements and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**(a) Critical judgements in applying the Authority's accounting policies**

In the process of applying the Authority's accounting policies, management has not made any judgements that it believes would cause a significant impact on the amounts recognized in the financial statements.

**(b) Key sources of estimation uncertainty**

The Authority makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts and assets and liabilities within the next financial year are discussed below:

**(i) Defined benefit assumptions**

The cost of these benefits and the present value of the future obligations depend on a number of factors that are determined by actuaries using a number of assumptions. The assumptions used in determining the net periodic cost or income for retirement benefits include the expected long-term rate of return on the relevant plan assets and the discount rate. Any changes in these assumptions will impact the net periodic cost or income recorded for retirement benefits and may affect planned funding of the pension plan. The expected return on plan assets assumption is determined on a uniform basis, considering long-term historical returns, asset allocation and future estimates of long-term investment returns.

The Authority determines the appropriate discount rate at the end of each year, which represents the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the retirement benefit obligations.

In determining the appropriate discount rate, the Authority considered interest rate of high-quality Government of Jamaica bonds that are denominated in the currency in which the benefits will be paid, and have terms to maturity approximating the terms of the related obligations. Other key assumptions for the retirement benefits are based on current market conditions.



4. **CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES (CONT'D):**

(b) **Key sources of estimation uncertainty (cont'd)**

(i) **Depreciable assets**

Estimates of the useful life and the residual value of property, plant and equipment are required in order to apply an adequate rate of transferring the economic benefits embodied in these assets in the relevant periods. The Authority applies a variety of methods in an effort to arrive at these estimates from which actual results may vary. Actual variations in estimated useful lives and residual values are reflected in surplus or deficit through impairment or adjusted depreciation provisions.

(ii) **Net realizable value of inventories**

Estimates of net realizable value are based on the most reliable evidence available at the time the estimates are made, of the amount the inventories are expected to realize. The estimates take into consideration fluctuations of price or cost directly relating to events occurring after the end of the period to the extent that such events confirm conditions existing at the end of the period.

Estimates of net realizable value also take into consideration the purpose for which the inventory is held.

5. **FINANCIAL RISK MANAGEMENT:**

The Authority is exposed through its operations to the following financial risks:

- Credit risk
- Liquidity risk
- Market risk

In common with all other businesses, the Authority is exposed to risks that arise from its use of financial instruments. This note describes the Authority's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout the financial statements.

There have been no substantive changes in the Authority's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

## 5. FINANCIAL RISK MANAGEMENT (CONT'D):

## (a) Principal financial instruments

The principal financial instruments used by the Authority, from which financial instrument risk arises, are as follows:

- Cash and cash equivalents
- Payables

## (b) Financial instruments by category

**Financial assets**

	<u>Loans and receivables</u>	
	<u>2017</u>	<u>2016</u>
	<u>\$'000</u>	<u>\$'000</u>
Cash and cash equivalents	634,080	750,719

**Financial liability**

	<u>Financial liability at at amortised cost</u>	
	<u>2017</u>	<u>2016</u>
	<u>\$'000</u>	<u>\$'000</u>
<b>Payables</b>	<u>12,839</u>	<u>10,706</u>

**Financial instruments not measured at fair value**

Financial instruments not measured at fair value includes cash and cash equivalents and payables.

Due to their short-term nature, the carrying value of cash and cash equivalents and payables approximates their fair value.

## (c) Financial risk factors

The National Board of Directors is ultimately responsible for the establishment and oversight of the Authority's risk management framework. The National Board has established committees for managing and monitoring risks.

Two key committees for managing and monitoring risks are as follows:



5. **FINANCIAL RISK MANAGEMENT (CONT'D):**

(c) **Financial risk factors (cont'd)**

**Finance, Audit and Administration Committee**

The Finance, Audit and Administrative Committee is responsible to assist the Authority in its oversight of the integrity of the financial reports and statements, compliance with the relevant Acts and policies, the independence and qualifications of the private auditors and the performance of the Authority's internal audit function and private auditors as well as to provide general and adequate guidance regarding the administrative functions towards achieving proper strategic directions for administrative policies and procedures.

**Research, Training and Marketing Committee**

The Research, Training and Marketing Committee is responsible to monitor the activities of RADA in order to ensure the most effective and efficient utilization of available resources, towards the attainment of the Authority's objectives.

These committees comprise persons independent of management and reports to the National Board on a monthly basis.

(i) **Credit risk**

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Credit risk arises from cash and bank balances.

**Cash and bank balances**

Cash transactions are limited to high credit quality financial institutions. The Authority has policies that limit the amount of credit exposure to any one financial institution.

**Maximum exposure to credit risk**

The maximum exposure to credit risk is equal to the carrying amount of cash and cash equivalents in the statement of financial position.

5. **FINANCIAL RISK MANAGEMENT (CONT'D):**(d) **Financial risk factors (cont'd)**(ii) **Market risk**

The Authority takes on exposure to market risk, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks mainly arise from changes in foreign currency exchange rates and interest rate and will affect the Authority's income or the value of its holdings of financial instruments. Market risk is monitored by the Procurement and /Finance Committee which carries out extensive research and monitors the price movement of financial assets on the local and international markets. Market risk exposures are measured using sensitivity analysis.

There has been no change to the Authority's exposure to market risks or the manner in which it manages and measure the risk.

**Currency risk**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Authority is exposed to foreign exchange risk arising from US dollar cash and deposit balances and the Euro dollars. The Authority manages its foreign exchange risk by ensuring that the net exposure in foreign assets and liabilities is kept to an acceptable level by monitoring currency positions. The Authority further manages this risk by maximizing foreign currency earnings and holding net foreign currency assets.

**Concentration of currency risk**

The table below summarises the Authority exposure to foreign currency exchange risk at 31 March.

	2017		2016	
	<u>J\$'000</u>	<u>'000</u>	<u>J\$'000</u>	<u>'000</u>
Cash and cash equivalents -				
USD	<u>29,166</u>	<u>228</u>	<u>27,789</u>	<u>229</u>
EURO	<u>8,075</u>	<u>60</u>	<u>59,162</u>	<u>427</u>



5. **FINANCIAL RISK MANAGEMENT (CONT'D):**(d) **Financial risk factors (cont'd)**(ii) **Market risk (cont'd)****Foreign currency sensitivity**

The following tables indicates the currencies to which the Authority had significant exposure on its monetary assets and its forecast cash flows. The change in currency rates below represents management assessment of the possible change in foreign exchange rates. The sensitivity analysis represents outstanding foreign currency denominated cash and deposit balances and adjust their translation at the year end for a 6% (2016 - 8%) depreciation and 1% (2016 -1%) appreciation of the Jamaican dollar against the US dollar. The changes below would have no impact on other components of equity.

	<u>% Change in Currency Rate</u>	<u>Effect on Net Surplus</u>	<u>% Change in Currency Rate</u>	<u>Effect on Net Surplus</u>
	<u>2017</u>	<u>2017</u>	<u>2016</u>	<u>2016</u>
		<u>\$'000</u>		<u>\$'000</u>
Currency:				
USD	+6	1,749	+8	2,223
Euro	<u>+6</u>	<u>484</u>	+8	<u>4,733</u>
USD	-1	( 292)	-1	( 278)
Euro	<u>-1</u>	<u>( 81)</u>	<u>-1</u>	<u>( 592)</u>

**Cash flow and fair value interest rate**

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to change in market interest rates.

Floating rate instruments expose the Authority to cash flow interest risk, whereas fixed interest rate instruments expose the Authority to fair value interest risk.

The Authority manages its interest rate risk by maintaining an appropriate mix of interest bearing financial assets. The policy also requires it to manage the maturities of interest bearing financial assets maturities of interest bearing financial assets.

Short term deposits are the only interest bearing assets and are due to mature and re-price respectively within three (3) months of the reporting date.

5. **FINANCIAL RISK MANAGEMENT (CONT'D):**

(d) **Financial risk factors (cont'd)**

(ii) **Market risk (cont'd)**

**Foreign currency sensitivity (cont'd)**

**Interest rate sensitivity**

There is no significant exposure to interest rate risk on short term deposits, as these deposits have a short term to maturity and are constantly reinvested at current market rates.

(iii) **Liquidity risk**

Liquidity risk is the risk that the Authority will be unable to meet its payment obligations associated with its financial liabilities when they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, and the availability of funding through an adequate amount of committed facilities.

Liquidity risk management process

The Authority's liquidity management process, as carried out within the Authority and monitored by the Finance Department, includes:

- (i) Monitoring future cash flows and liquidity on a bi-weekly basis.
- (ii) Maintaining a portfolio of short term deposit balances that can easily be liquidated as protection against any unforeseen interruption to cash flow.
- (iii) Optimizing cash returns on investments.

The Authority's financial liabilities that would create an exposure to liquidity risk comprise accounts payables which are payable within three months.

(e) **Capital Management**

The board's policy is to maintain adequate capital to be able to continue to carry out the objectives the authority was formed to achieve. The Authority relies on government subventions for resources to support the various programmes undertaken. It also seeks to manage its budget so as to retain adequate surplus.

There were no changes in the Authority's approach to capital management during the year.



6. **OTHER INCOME:**

	<u>2017</u> <u>\$'000</u>	<u>2016</u> <u>\$'000</u>
Interest	1,756	1,865
Foreign exchange gain	593	1,745
Gain on disposal	4	73
Surplus from cook book project	25	465
(Deficit)/surplus from community development project (AGRI Mart)	( 158)	311
Deficit from Twickenham Bammy Project	( 815)	(3,945)
Administration fees - Farm Road Programme	8,241	9,335
Appropriation in aid:		
Duty concession	795	630
Property admin	7,273	6,839
Farmers identification	3,962	3,020
Beach cottage	260	368
Others (referral letters, business plan)	<u>415</u>	<u>539</u>
	<u>22,351</u>	<u>21,245</u>

7. **PROPERTY, PLANT AND EQUIPMENT:**

	<u>Building</u> <u>\$'000</u>	<u>Office Furniture, Computers and Equipment</u> <u>\$'000</u>	<u>Motor cycles, tractors and Vehicles</u> <u>\$'000</u>	<u>Total</u> <u>\$'000</u>
At cost -				
At 1 April 2015	106,438	71,737	109,546	287,721
Additions	-	10,396	12,349	22,745
Donated assets	-	24	1,400	1,424
Disposal	<u>-</u>	<u>( 451)</u>	<u>-</u>	<u>( 451)</u>
At 31 March 2016	106,438	81,706	123,295	311,439
Additions	-	12,972		12,972
Donated assets	-	266	7,100	7,366
Disposal	<u>-</u>	<u>( 118)</u>	<u>-</u>	<u>( 118)</u>
At 31 March 2017	<u>106,438</u>	<u>94,826</u>	<u>130,395</u>	<u>331,659</u>
Depreciation -				
At 1 April 2015	8,368	50,350	64,743	123,461
Charge for the year	2,643	6,777	11,236	20,656
Eliminated on disposal	<u>-</u>	<u>( 350)</u>	<u>-</u>	<u>( 350)</u>
At 31 March 2016	11,011	56,777	75,979	143,767
Charge for the year	2,657	5,004	13,986	21,647
Eliminated on disposal	<u>-</u>	<u>( 23)</u>	<u>-</u>	<u>( 23)</u>
At 31 March 2017	<u>13,668</u>	<u>61,758</u>	<u>89,965</u>	<u>165,391</u>
Net Book Value -				
31 March 2017	<u>92,770</u>	<u>33,068</u>	<u>40,430</u>	<u>166,268</u>
31 March 2016	<u>95,427</u>	<u>24,929</u>	<u>47,316</u>	<u>167,672</u>



**8 POST-EMPLOYMENT BENEFIT ASSETS:**

The Authority operates a Defined Benefit Pension Plan which is open to all permanent employees and administered for Rural Agricultural Development Authority by Guardian Life Limited. The plan, which commenced on 1 January 1993 is funded by employee contribution of 5% and employer contributions at 11.25%, as recommended by independent actuaries. Pension at normal retirement age is based on 2% of final pensionable salary for each year of pensionable service.

The last actuarial valuation which was carried out as at 9 June 2017 indicated that the plan was adequately funded.

The Pension Plan is legally separate from the Authority and is administered by Guardian Life Limited. The Board of Trustees is made up of seven (7) Members, four (4) appointed by the sponsors of the plan and three (3) by members of the plan, the Chairman is selected from these representatives.

The Plan is exposed to a number of risks, including:

- Investment risk: movement of discount rate used (Government of Jamaica) against the return from plan assets.
- Interest rate risk: decrease/increases in the discount rate used (Government of Jamaica bonds) will increase/decrease the defined benefit obligation.
- Longevity risk: changes in the estimation of mortality rate of current and former employees.
- Salary risk: Increases in future salaries increase the gross defined benefit obligation.

The amounts recognized in the statement of financial position in respect of the plan were determined as follows:

	<u>2017</u> <u>\$'000</u>	<u>2016</u> <u>\$'000</u>
Fair value of plan assets	1,200,781	998,322
Present value of obligations	( 906,518)	(827,083)
Asset in the statement of financial position	<u>294,263</u>	<u>171,239</u>

**8 POST-EMPLOYMENT BENEFIT ASSETS (CONT'D):**

The movement in the defined benefit obligation over the year is as follows:

	<u>2017</u> <u>\$'000</u>	<u>2016</u> <u>\$'000</u>
Beginning of year, as restated	827,083	634,051
Current service cost	29,525	22,304
Interest cost	72,554	58,844
Employee's contribution	33,598	31,006
Benefits paid	( 62,887)	( 29,763)
Experience losses	38,659	82,522
Loss from changes in financial assumptions	( 32,014)	<u>28,119</u>
Balance at end of year	<u>906,518</u>	<u>827,083</u>

The movement in the fair value of plan assets for the year is as follows:

	<u>2017</u> <u>\$'000</u>	<u>2016</u> <u>\$'000</u>
Balance at beginning of year as restated	998,322	772,679
Employees' contributions	33,598	31,006
Employers' contributions	59,033	49,923
Interest on plan assets	89,818	73,632
Benefits paid	( 62,887)	( 29,763)
Administrative fees	( 12,153)	( 7,901)
Remeasurements of the plan assets	<u>95,050</u>	<u>108,746</u>
Balance at end of year	<u>1,200,781</u>	<u>998,322</u>

The amounts recognized in the statement of comprehensive income were as follows:

	<u>2017</u> <u>\$'000</u>	<u>2016</u> <u>\$'000</u>
Current service cost	29,525	22,304
Interest cost (net)	( 17,264)	( 14,788)
Administrative fees	<u>12,153</u>	<u>7,901</u>
Total included in staff costs (Note 18)	<u>24,414</u>	<u>15,417</u>



8 **POST-EMPLOYMENT BENEFIT ASSETS (CONT'D):**

The amount recognized in other comprehensive income were as follows:

	<u>2017</u> <u>\$'000</u>	<u>2016</u> <u>\$'000</u>
Re-measurement of the defined benefit obligation	6,645	110,642
Re-Measurement of plan assets	(95,050)	(108,746)
Components of defined benefit cost recognized in other comprehensive income	(88,405)	1896

The plan assets comprise the following based on Guardian Life Limited un-audited Revenue Accounts. The assets available for benefits were distributed in the Guardian Life Pooled Fund:

	<u>2017</u> <u>\$'000</u>	<u>2016</u> <u>\$'000</u>
Pooled investment fund	318,715	296,642
Pooled equity fund	312,845	213,390
Pooled money market fund	118,509	99,870
Pooled fixed income fund	373,415	318,750
Pooled foreign currency fund	<u>77,297</u>	<u>69,670</u>
	<u>1,200,781</u>	<u>998,322</u>

The investment managers Guardian Life Limited has reported that the above Pooled Funds are allocated as follows for 2017.

<u>Assets</u>	<u>Allocation</u>
	%
Real Estate	0.76
Local equities	28.09
Foreign equity	14.49
Bonds	42.20
Cash and short term investment	<u>14.46</u>
	<u>100.00</u>

**8 POST-EMPLOYMENT BENEFIT ASSETS (CONT' D):**

Prices for equity securities and government bonds are quoted in active markets. An asset-liability matching study is undertaken at reporting date which analyses the risk and return of plan assets against the plan's strategic investment policies. Key aspects of the plan's strategic investment fund include:

Strategic asset mix consisting of no more than 40% equity securities, 50% bonds, 5% cash and short term investments and 5% real estate.

Management of interest rate risk through use of government and high-quality corporate Bonds.

Management of currency risk

The policies are consistent with those in the prior period.

The actual return on plan assets was \$194,502,640 (2016 - \$187,294,338).

Expected employer's contributions for the year ending 31 March 2018 amount to \$62,800,000. The principal actuarial assumptions used were as follows:

	<u>2017</u>	<u>2016</u>
Discount rate	9.5%	9.0%
Future salary increases	6.5%	6.0%
Price inflation (CPI)	<u>6.5%</u>	<u>5.5%</u>

Mortality assumptions are based on the 1994 Group Annuity Mortality Tables.

The average life expectancy in years of a pensioner retiring at age 60 on the statement of financial position date is as follows:

Male	18.1 years
Female	18.1 years



8. **POST-EMPLOYMENT BENEFIT ASSETS (CONT'D):**

The sensitivity of the present value of obligation to changes in the principal assumptions is:

		<b>Impact on post-employment obligations</b>			
	<b>Changes in Assumptions</b>	<b>Increase in Assumption</b>		<b>Decrease in Assumption</b>	
		<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
		<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Discount rate	1%	(136,607)	(126,629)	175,177	163,399
Salary escalation rate	1%	<u>99,577</u>	<u>92,271</u>	( 85,100)	( 78,432)

The effect on the present value of obligation for an increase of one year in the life expectancy is an increase of approximately \$11.4 million.

9. **INVENTORIES:**

This represents items of stationery and office supplies that are expensed when they are consumed.

10. **RECEIVABLES:**

	<b>2017</b>	<b>2016</b>
	<b>\$'000</b>	<b>\$'000</b>
Motor vehicle revolving loan scheme	27,290	17,766
Staff revolving loan	14,266	14,826
Other receivables	<u>4,371</u>	<u>3,743</u>
	<u>45,927</u>	<u>36,335</u>

11. **TAXATION RECOVERABLE:**

This represents tax withheld at source from foreign currency bank accounts.

12. **CASH AND CASH EQUIVALENT:**

This consist of funds in the following cash and cash equivalent at 31 March.

	<u>2017</u>	<u>2016</u>
	<u>\$'000</u>	<u>\$'000</u>
Parishes:		
Imprest account	1,409	338
Capital accounts	139,001	165,512
Head office:		
Capital account	15,809	15,900
Current account	416,579	509,539
EU banana account	4,332	5,090
Savings	32,262	30,688
Deposits	<u>24,688</u>	<u>23,652</u>
	<u>634,080</u>	<u>750,719</u>

Included in the above amounts is \$ 40,185,452 (2016 - \$32,243,149) which represents funds received on behalf of Members of Parliament to be spent in their constituencies under the different programmes as indicated in note 15(a).

- (a) Included in deposits and short term instruments is interest receivable of \$55,458 (2016 - \$39,947). These deposits have an average maturity of 31 days (2016 - 31 days).
- (b) Deposits and short term instruments are interest bearing.
- (c) Interest rate exposure - The weighted average effective interest rates at the year end were as follows:

	<u>2017</u>	<u>2016</u>
Cash at bank - (JA\$ account)	0.85%	0.85%
- (US\$ account)	0.15%	0.25%
- (EURO\$ account)	0.05%	0.05%
Deposits and short term instruments	<u>3.41%</u>	<u>4.25%</u>



13.	<b>CAPITAL RESERVE:</b>	<b><u>2017</u></b> <b><u>\$'000</u></b>	<b><u>2016</u></b> <b><u>\$'000</u></b>
	Computer Equipment and accessories	468	539
	Motor vehicle and tractor	25,910	27,844
	Furniture and equipment	<u>2,747</u>	<u>3,138</u>
		<u>29,125</u>	<u>31,521</u>

Capital reserves are assets funded by external donors with no loan conditions attached, less annual transfers to accumulated surplus.

14.	<b>CAPITAL FUND:</b> This represents -	<b><u>2017</u></b> <b><u>\$'000</u></b>	<b><u>2016</u></b> <b><u>\$'000</u></b>
	Balance at beginning of year	<u>178,134</u>	<u>179,977</u>
	Less: Development expenditure		
	Grants for production incentive for small farmers -		
	Area Development Project		1,049
	Training	86	719
	Social service/home economics		13
	Farm Irrigation/mechanization		1
	Agricultural Business Information System (ABIS)		51
	Forestry -		
	Soil survey and conservation	<u>70</u>	<u>10</u>
		<u>156</u>	<u>1,843</u>
	Balance at 31 March	<u>177,978</u>	<u>178,134</u>

15. **PROJECT ADVANCES:**

This represents outstanding balances on the following programmes at 31 March:

(a)	<b>PROGRAMMES IMPLEMENTED FOR MEMBERS OF PARLIAMENT -</b>		
		<u>2017</u>	<u>2016</u>
		<u>\$'000</u>	<u>\$'000</u>
	Social and Economic Support Programme	3	777
	Domestic Agricultural Project		237
	Production incentive	152,421	182,945
	Flood relief	9	9
	Drought relief	9,990	8,962
	Local Development Programme	2,950	2,950
	Constituency development fund	40,613	32,243
	Production and productivity	57	61
	Farm Road Programme	<u>92,970</u>	<u>224,330</u>
		<u>299,013</u>	<u>452,514</u>
(b)	<b>SPECIAL GOVERNMENT OF JAMAICA PROGRAMMES</b>		
	Bauxite Community Redevelopment Project	207	371
	International Aided projects	5,545	4,839
	Tree Crop Project	8	100
	E.U. Banana Project	8,942	59,162
	School Garden Programme	56	177
	Locally Aid Projects	18,863	15,224
	ALBA	103	92
	FAO-Projects	<u>163</u>	<u>849</u>
		<u>33,887</u>	<u>80,814</u>
(c)	<b>R.A.D.A PROGRAMMES</b>		
	Projects	<u>42,942</u>	<u>28,380</u>
	Total	<u>375,842</u>	<u>561,708</u>

The funds in (a) were collected and accounted for on behalf of Members of Parliament to be spent in their constituencies.



16.	<b>PAYABLES:</b>		
		<b><u>2017</u></b>	<b><u>2016</u></b>
		<b><u>\$'000</u></b>	<b><u>\$'000</u></b>
	Payables	12,839	10,706
	Accrued vacation leave	125,646	112,189
	Accrued audit fees	2,370	2,253
	Other payables	<u>28,944</u>	<u>35,642</u>
		<u>169,799</u>	<u>160,790</u>

17. **EMOLUMENTS FOR MANAGEMENT STAFF:**

During the year under review the number of management staff amounted to twenty eight (28) (2016 - 28) and the cost associated with total emoluments was \$117.9 million (2016 - \$108.7 million).

18. **SALARIES, WAGES AND RELATED CHARGES:**

		<b><u>2017</u></b>	<b><u>2016</u></b>
		<b><u>\$'000</u></b>	<b><u>\$'000</u></b>
	Wages and salaries - current year	686,883	675,273
	Statutory contribution	33,801	33,031
	Pension (Note 8)	24,414	15,417
	Other staff cost	2,172	2,166
	Health insurance	32,959	29,233
	Disability insurance	2,187	1,382
	Overtime and supper allowance	350	409
	Gratuity	<u>2,462</u>	<u>5,052</u>
		<u>785,228</u>	<u>761,963</u>

The number of persons employed by the Authority at the end of the year was 513 (2016 - 609).

**19. RELATED PARTY TRANSACTIONS:**

Included in the statement of comprehensive income are the following related party transactions:

	<b>2017</b>	<b>2016</b>
	<b><u>\$'000</u></b>	<b><u>\$'000</u></b>
Subvention - Government of Jamaica	1,332,840	1,275,921
Key management personnel:		
Short-term employee benefits	117,925	108,707
Directors fee and travelling benefits	<u>8,865</u>	<u>5,355</u>

**20. LITIGATIONS AND CONTINGENT LIABILITIES:**

A suit was filed against the Authority by a former employee for approximately \$36.7 million plus interest. No provision has been made in respect of this suit as the Board of Directors are of the view that no liability will materialize with regard to the issue mentioned.

**21. COMPARISON OF CAPITAL INCOME AND EXPENDITURE BUDGET:**

	<b><u>Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variances</u></b>
	<b><u>\$'000</u></b>	<b><u>\$'000</u></b>	<b><u>\$'000</u></b>
<b><u>DEVELOPMENT EXPENDITURE:</u></b>			
Grants for production incentive for small farmers-			
Training	-	86	( 86)
Forestry -			
Soil survey and conservation	<u>-</u>	<u>70</u>	<u>( 70)</u>
	<u>-</u>	<u>156</u>	<u>(156)</u>

**22. COMPARISON OF RECURRENT INCOME AND EXPENDITURE BUDGET:**

	<b>Revised Estimate of Budget</b>	<b>Actual</b>	<b>Variances</b>
	<b><u>\$'000</u></b>	<b><u>\$'000</u></b>	<b><u>\$'000</u></b>
<b>INCOME:</b>			
Government of Jamaica Subvention	1,356,780	1,332,840	23,940
Other income	<u>9,000</u>	<u>16,064</u>	<u>( 7,064)</u>
	<u><u>1,365,780</u></u>	<u><u>1,348,904</u></u>	<u><u>( 16,876)</u></u>
<b>EXPENSES:</b>			
Salaries, wages and related charges	917,624	785,228	132,396
Public utilities	49,663	49,460	203
Motor vehicle maintenance	18,094	11,490	6,604
General office	17,482	41,568	( 24,086)
Seminars and meetings	4,329	3,199	1,130
Repairs and maintenance	12,578	16,832	( 4,254)
Consultancy	2,814	2,908	( 94)
Bank charges and interest	2,987	2,178	809
Upkeep/travelling and subsistence	281,989	288,765	( 6,776)
Directors' and committee meetings	14,140	9,949	4,191
Rental of building	3,336	2,690	646
Security	10,186	4,425	5,761
Printing and stationery	11,419	7,229	4,190
Audit fee	5,663	2,480	3,183
Insurance	7,338	2,120	5,218
Legal and professional fee	2,814	725	2,089
Advertising and promotions	<u>3,324</u>	<u>-</u>	<u>3,324</u>
	<u><u>1,365,780</u></u>	<u><u>1,231,246</u></u>	<u><u>134,534</u></u>





# DIRECTORY

## Corporate Offices

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