



RADA
RURAL AGRICULTURAL
DEVELOPMENT AUTHORITY



Annual Report 2017-2018

Table Of CONTENTS

About Us

Pg 03	Corporate Profile, Mission Statement, Vision Statement
Pg 04	Schedule of Attendance-National Board of Directors
Pg 05	National Board of Directors
Pg 06	National Board's Message

Reports

Pg 07	CEO's Overview
Pg 09	New Initiatives
PG 10	Corporate Services
Pg 13	Information & Communication Technology
Pg 14	Public Relations & Communication
Pg 16	Farmer Training
Pg 17	Land Management
Pg 18	Agriculture Business Management System (ABIS)
Pg 19	Domestic Crop Production
Pg 20	Marketing, Social Services/Home Economics Unit
Pg 22	Plant Health/Food Safety
Pg 24	Protected Agriculture
Pg 26	Livestock Production
Pg 27	On-Farm Water Management
Pg 29	Tractor Services
Pg 31	Rural Sociology

Projects & Programmes

Pg 32	Farm Roads Rehabilitation Programme
Pg 32	National Irish Potato Programme
Pg 33	Onion Development Programme
Pg 34	Jamaica Banana Accompanying Measures Programme
Pg 37	Projects Update

Appendices

Pg 42	Senior Executives Compensation
Pg 43	Boards of Director's Compensation

Finances

Pg 44	Financial Statements
--------------	----------------------



CORPORATE Profile

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

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.

VISION Statement

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





SCHEDULE OF ATTENDANCE BOARD OF DIRECTORS

Schedule of Attendance at Board Meeting
APRIL 2017 – MARCH 2018

Names	Regular Meetings		Special Meetings		Remarks
	Total	Attended	Total	Attended	
Genille Attalla	10	4	4	4	Resigned June 21, 2017
Annette Henry	10	10	4	4	Resigned June 22, 2017
Michael Stern	10	5	4	2	Appointed August 31, 2017
Olive Downer Walsh	10	5	4	1	
Novel Quest	10	10	4	1	
Dave Powell	10	4	4	1	
Egbert Miller	10	6	4	2	
Fabian Lewis	10	9	4	4	
Lola Marshall Williams	10	10	4	4	
Mickey Crawford	10	10	4	4	
Nigel Myrie	10	8	4	1	
Anthony Scott	10	9	4	4	
Sheila Pryce Brooks	10	4	4	4	
Lowell Dilworth	10	4	4	2	Appointed August 31, 2017



Board Of Directors



Michael Stern
Chairman



Lola Marshall-Williams
Director



Nigel Myrie
Director



Olive Downer-Walsh
Director



Anthony Scott
Director



Egbert Miller
Director



Novel Quest
Director



Fabian Lewis
Director



Mickey Crawford
Director



Sheila Pryce Brooks
Director



Dr. Lowell Dolworth
Director



Dave Powell
Director

National Board's MESSAGE

While the goal of sustainable agriculture is to meet a country's food and nutritional needs, it must be economically viable, socially supportive, and ecologically sound. The Rural Agricultural Development Authority (RADA) has been keen on driving this concept since its inception. As such, the period under review was no different.

Agriculture continues to play a critical role in Jamaica's economic growth and development. Notwithstanding the full recognition of this importance and increasing role, public sector budgetary allocations in the agricultural sector continues to be low and woefully inadequate. Further to this, the sector faces an enormous challenge: to increase productivity in a sustainable manner. With that said, for any country to be considered food secure, issues such as these must first be addressed.

The conventional measurement of agricultural growth in Jamaica does not always reflect changes in income of farmers, but changes in the physical volumes of output only. Though there was an overall decline in agriculture, through RADA's intervention growth was seen for specific crops, to include banana, plantain, dasheen and coconut just to name a few. The Authority has remained focused in providing the necessary technical, agricultural and marketing information through trainings and several other platforms (agricultural forum, social media etc.) to farmers and other stakeholders. This in itself has equipped them with the knowledge necessary to make informed decisions regarding their agricultural enterprises. In this regard, the National Board of Directors continues to support the management and staff of RADA in driving agricultural production and productivity.

This annual report is representative of not just the outstanding performance of RADA'S technical and field staff during the financial period of 2017/2018, but also that of the hardworking farmers. Despite several challenges within the sector, to include pest and disease outbreaks, drought and flood rains in many instances, the farmers remained

steadfast and resilient. We wish to acknowledge the efforts of all members of staff for their continued dedication and encourage the farming community to treat their activities as a business as RADA commits itself to holding their hands along their journey. Due to the continued partnership with our stakeholders, the Authority was able to implement several programmes and special projects over the period to assist farmers. These initiatives were focused on areas related to water harvesting, farm roads, climate change, drone technology and market linkages.

In an effort to improve the quality of our extensive service delivery, the use of technology continues to be an important tool in disseminating information to farmers. The National Board of Directors remains confident in the fact that the nations' trust resides with RADA being the Chief Agricultural Extension Arm of the Ministry, responsible for driving national economic growth and sustainability through agricultural development. Therefore, we will continue to provide the necessary support and guidance at the policy level to effect positive change while maintaining RADA's reputation in being a major player in the development of this country.



RADA Extension Officers, being trained in the correct method of filling seedling trays and sowing seeds.





Chief Executive Officer's **OVERVIEW**

Peter Thompson, Chief Executive Officer

In an ever changing global environment, the Rural Agricultural Development Authority (RADA) remains current in delivering modern day agricultural extension services to the farmers of this nation. In completing 27 years of operation as the Chief Extension Agency of the Ministry of Industry, Commerce, Agriculture and Fisheries, RADA continues its mandate to provide technical advisory services island-wide to build the competencies and improve the productive efficiencies of our stakeholders.

Farmer Trainings

For the 2017/2018 fiscal period, a total of 37,913 farmers were exposed to trainings by the RADA Extension Staff over 3,101 sessions. Through the 'learning by doing' Farmer Field School Approach, collaborative efforts were made by several organizations to train farmers to include: PROPEL Farming as a Business Field School Initiative, Heart Trust/NTA Agri – Business Management Training and the NEPA/IDB Yallahs Hope Watershed Management Land Husbandry/ Climate Smart Farmer Field School.

Comparative Estimate of Crop Production

Torrential rains during the period of review were among the main causes for the 4% reduction of domestic crop production for 2017 which stood at 634,069.4 tons, as opposed to 2016 where approximately 660,671.1 tons were reaped. Such events led to losses estimated at \$794M in the major production areas and posed a major challenge for land preparation, and pest and disease management. Nevertheless, through support from the MICAFA, several initiatives and programmes were put in place to get the farmers back on their feet.

Technologies in Agriculture

Considering the debilitating effects of Climate Change, the use of technologies has become increasingly apparent in order to find practical solutions to assist farmers to directly impact output. Focus was therefore placed on new initiatives such as Drone Technology and the Agri-Linkages Exchange Project among others to achieve this goal.

Through sponsorship from the Technical Centre for Agricultural and Rural Cooperation ACP-EU (CTA), RADA acquired an Unmanned Aerial System (UAS) in November 2017. This device also known as a drone is increasingly being used to provide pertinent information to farmers to assist them in becoming more productive and profitable by applying limited resources to gain maximum crop yield. RADA has established the groundwork and undertaken activities to include the collection of data, imageries and baseline information from exploratory flights necessary to make practical impact overtime in farmers' production/ productivity.

As RADA seeks to facilitate the linkages between farmers and suppliers through market access, the organization has partnered with the Ministry of Tourism to implement the Agri-Linkages Exchange (ALEX) Project. One of the deliverables under this project is the provision of an online virtual platform that will seek to enhance the marketing of agricultural produce by farmers with hoteliers and other suppliers.



RADA also partnered with the Jamaica Meteorological Services and the National Irrigation Commission and were provided with twelve (12) Automated Weather Stations in key production areas. These units will assist in providing data from production areas with localized specifics to greater assist farmers with planning and other interventions.

RADA Services

Specific areas of farmers' development were also met through the efforts from the various units within RADA which are highlighted in the body of this document. In this regard, a hearty thank you must be extended to the staff of RADA for their unwavering support as we seek to positively

impact the lives of farmers and their farm families. Lastly, I would also like to reassure the farmers of this nation that RADA is committed to an effective and modern service delivery through knowledge transfer and improved access to information. RADA will continue to strengthen the interconnectivity with our stakeholders as we aim to make Jamaica the place to live, work and do business.

“

To most people this is just dirt. To a farmer this is **Potential.**

”



New Initiatives

In our efforts towards achieving a sustainable agricultural sector, RADA continued its general work in extension service delivery through knowledge transfer of good agricultural practices and the adaptation of modern technology. To this end, several initiatives were undertaken over the period under review. Through this proactive approach, activities were focused on increasing agricultural production, capacity building of our staff and enhancing our overall service delivery to the farmers and other stakeholders along the agricultural value chain.

Operation of Automated Weather Stations (AWS) in Key Production Areas

Through joint efforts of the Ministry of Industry, Commerce, Agriculture and Fisheries (MICAFA), RADA, the Jamaica Meteorological Services (JMS), National Irrigation Commission (NIC), Food and Agriculture Organisation (FAO) and projects such as JaREEACH, a number of strategic interventions were made for developing RADA staff and farmer competences. Areas of focus were related to agriculture disaster risk management, climate smart agriculture, agro meteorology and pest forecasting in order to mitigate against impacts of natural disasters and mainstream climate services into extension delivery. Access to meteorological data is critical for disaster preparedness, crop production and pest forecasting. Such data should originate from crop production areas and have localized specifics. Through a Memorandum of Understanding between RADA, the Jamaica Meteorological Services and the National Irrigation Commission (NIC), a total of twelve (12) AWSs are currently operational in key production areas.



Digital Weather Station, located in Pedro Plains, St. Elizabeth

Capacity building of Senior Managers in the integration of gender strategies for program planning.

Gender mainstreaming provides an avenue for institutions to analyze and establish mechanisms geared towards addressing gender issues and concerns. In March 2014, the Commonwealth of Learning (COL) introduced the concept of gender mainstreaming to RADA. Following this introduction and with COL's guidance, RADA has since taken a proactive approach to gender mainstreaming in Agriculture through the development of a gender equality policy, conducting a gender and youth in agriculture study and continuous collection of sex disaggregation data. For the period under review however, a total of 30 Senior Managers and Prospective Managers, were trained in taking an active approach towards Gender Planning in Programme and Project Development. During the course of the workshop, participants benefitted from information on Basic Gender-related Concepts, Gender Roles, Gender Socialization and Gender Analysis among several other key areas.

It is anticipated that this kind of approach will now allow for all staff to take a gender-sensitive and gender responsive approach towards service delivery and programme development.



Pictorial highlights from the Launch of The Agri-Linkages Exchange Project and the 35th Food and Agriculture Organization (FAO) Regional Conference. Both events were held at the Montego Bay Conference Centre.

Agri-Linkages Exchange Project (ALEX)

The Official Launch of the Agri-Linkages Exchange Project was held in December 2017 at the Montego Bay Convention Centre. The Public Relations, Information and Communication Technology (ICT) and Marketing Units within RADA were among the team selected to implement this Programme. The Agri-Linkages Exchange Project is an online virtual platform allowing for the marketing of agricultural produce by farmers with hoteliers and other suppliers. This is a collaborative initiative between the Ministry of Tourism (Tourism Linkage Network) and RADA.

To date, funds to the tune of \$5.2 million were transferred to RADA through the Ministry of Tourism's, Tourism Linkage Network (TLN) to support the infrastructure needs of the Call Centre. The site for the Call Centre is located at the RADA St. Andrew Parish Office; hence renovation work to retrofit an office to house the call agents and equipment was done over the period.

Strawberry Production Initiative

A small scale project with a total value of \$3,644,650.00 was funded by MICAFA to initiate the production of strawberry. This project was in response to data obtained from the Plant Quarantine Division within the Ministry that showed the importation of 63,120.00 kg strawberries in 2016, in addition to a Tourism Demand Study conducted in 2015 which indicated that the hotel sector demands 24,647 kg of fresh strawberries on a monthly basis. The project provided initial support with planting material, irrigation and chemicals.

Project activities focused on land preparation, irrigation design, procurement of inputs and plants. One plot of 0.3 ha was established at the Top Mountain Research Station in St. Andrew. Two (2) farmers from the Top Mountain district in St. Andrew were selected for establishment of additional plots. The project provided an opportunity to initiate the production of runners, which would be distributed to open field farmers as part of the project intervention for increase in production and enhanced community livelihood.

CORPORATE SERVICES

In many Organizations today, the gamut of administrative functions resides within the Corporate Services Division. During the financial year 2017/18, the division provided strategic direction for the Authority through improvement in three main areas:

- Finance and Accounts
- Human Resource Management and Administration (HRM & A)
- Information and Communication Technology (ICT)

Some of the strategic objectives that were executed during the period, included:

- Provision of sound technical advice on corporate, strategic and budgetary allocation.
- Management of an efficient procurement system in accordance with the Government of Jamaica (GoJ) protocols/ guidelines.
- Maintenance of a sound Finance and Accounts portfolio which supported the operations of the Authority. Commitment and delivery to staff emoluments and other stakeholder obligations in a timely manner.
- Staff development through regular trainings and capacity building exercises. Through these activities a total of thirty two (32) sessions were conducted impacting 207 staff members.

The table below shows some of the administrative training activities carried out for the reporting period

Training Topic	Staff Category	No. of Officers	Location
Technical Report Writing	Technical/Administrative	30	local
Supervisory Management	-	2	local
Cake Decorating	Technical	13	local
Gender Planning	Technical/Administrative	30	local
Crop yield estimate	Technical	65	local
Government Accounting	Technical	5	local
Administrative Management	Administrative	3	local
Fundamentals of Auditing	Administrative	2	local

RADA believes that training is a learning process that involves the acquisition of skills and new concepts that enhance the staffs' performance. During this period, various training methods were used to increase job knowledge. Job rotation, formal classroom trainings, workshops and conferences were carried out to strengthen capacity.



Gender Planning Workshop held at the Medallion Hall Hotel in March 2018 for Senior Managers and Technical Specialists.



“

RADA, believes in the future of Jamaica's Agricultural Sector.

”



INFORMATION AND COMMUNICATION TECHNOLOGY (ICT)

The continuous growth of technology and the reliance of its use has propelled the Information, Communication & Technology (ICT) department to increase service delivery; and implement additional tools to support RADA's organizational objectives.

For the period under review, several initiatives were undertaken to satisfy both our internal and external clients. Key among them were the upgrade of network infrastructure and internet connectivity island-wide at our Parish Offices which provided the ability for employees to conduct video-conferencing; and improve processing time taken to update web-based applications such as the Agri-Business Information System (ABIS). Additionally, ICT related staff trainings conducted were pivotal in changing the organization's culture to a cyber secure environment as well as the use of productivity software in an effective and efficient manner.

In December 2017, a Drone Operations Technical Working Group (DOTWG) was also setup to facilitate and monitor the use of an Unmanned Aerial System (UAS) that was provided by the Technical Centre for Agricultural and Rural Cooperation ACP-EU (CTA). The drone undertook several flights with specific objectives of capturing aerial view footage; land measurement and spectral images.



Hartnell Campbell - Web Programmer, demonstrating the use of Drone Technology, in Spring Plains, St. Thomas.

Main Highlights

Targets	Achievements	Impact
Request higher bandwidth from service provider; test and assure bandwidth speed and connectivity island-wide; sensitize users	Upgraded WAN and internet bandwidth at fourteen (14) sites	Expansion of Wide Area Network (WAN) and Internet bandwidth capacity island-wide
Perform equipment assessment and service; label serviced equipment and document for easy reference	Conducted ICT preventative maintenance at fifteen (15) sites- bi-annually	Improved ICT equipment (notebooks, printers and PCs) performance and longevity at RADA sites
Perform requirements specifications; develop work schedule; design interface; user training and sensitization	Developed knowledge management portal	Improved Knowledge Management and Agriculture Information access
Perform requirements specifications; develop work schedule; design interface; user training and sensitization	Improved user-friendly environment; Easily accessible management resources	Improved ABIS management functionality and user experience
Develop Social Media Policy; disseminate policy to staff via awareness sessions	Improved organization acceptable behaviour practices. Minimized organization risk	Provision of an updated ICT Policy to minimize corporate risk and safeguarding investment

PUBLIC RELATIONS AND COMMUNICATION

The Public Relations and Communication Unit has bolstered its efforts during the 2017-2018 period of review in its focus to improve the image and visibility of RADA along with cementing partnerships with external stakeholders. This has been achieved through the use of the following:

- Print media publications
- Electronic Advertisement Placement
- Participation in National and local exhibitions
- Integration on Social Media Platforms and Updated RADA Website

Print Media Publication

- RADA Tech Times is a featured bi-monthly article placement through the Jamaica Observer through where by information from RADA is streamlined to the public. During the period under review, twenty four (24) Articles with topics ranging from Smart Agricultural Engineering to Plant-wise Update on Plant Doctor Services were published.

Electronic Ad Placements

In an effort to improve the awareness and exposure of the RADA's core functions/events to include: Annual Parish Open Days, Farmers' Agricultural Forums, Farmers Markets, among others, the RADA in partnership with other agricultural stakeholders and the media were involved in radio advertisements and outside broadcasts for promotional purposes. The table below provides other forms of media interventions.

Media Interface	Engagements	Remarks
Electronic Adverts	15	Providing promotion and publicity of RADA functions and events
News Releases	60	Transferred to articles for publication and posting on RADA website and social media platforms
Electronic Interviews	52	Arranged interviews to include outside broadcasts
Outside Broadcast	8	Facilitated on Behalf of RADA functions to include Parish Open Days and others.

Participation in National and Local Exhibitions

RADA has been an integral participant in several national exhibitions. The Public Relations and Communication Unit has worked in tandem with other partners to ensure the effective execution, branding and publicity of:

- The Ministry of Tourism's Jamaica Product Exchange (JAPEX) & Speed Networking Sessions
- Denbigh Agricultural Industrial and Food Show
- Food and Agriculture Organization (FAO) 35th Regional Conference (among others)

The Unit has also sought the assistance of liaison persons in each parish to play an integral role on the social media team. Instagram and Twitter are now added social media platforms. Simple, concise and impactful information are now highlighted in a comprehensive manner to the public.

This mechanism provides the opportunity for real-time information on key areas of focus such as programmes, projects field days and farm tours to be prominently featured.



“

Don't judge each day by the harvest you reap, but by the **SEEDS** that you plant...

”

Extensive features have also been done using mainstream media with the following:

- National Irish Potato Sensitization Meetings
- Beet Army Worm Intervention
- Farmer Field School Ceremonies

Farmer Training

Farming as a Business

The need for improved farm business management skills is a crucial element for farmers to maintain business sustainability. The Farming as a Business Farmer Fields School initiative is in response to the many challenges that are impacting on farming activities through a 'learning by doing' approach. To date, the parishes of St. Mary, Trelawny and St. Ann have been engaged in this new exciting initiative with various farmers group.

With funding from The Promotional of Regional Opportunities for Produce through Enterprises and Linkages (PROPEL) Project, over 100 farmers have been impacted to date. The trainings on 'Farming as a Business' will now enable the farmers to build their capacity in entrepreneurial and management skills.

Agricultural Business Management

RADA in collaboration with PROPEL and Heart Trust/NTA provided Agribusiness Management training over a 3 month period to ten (10) farmers group in six (6) parishes (St. Catherine, St. thomas, St. Elizabeth, Trelawny, Westmoreland and Manchester. This agribusiness training was designed for farmers to gain knowledge and skills and by virtue to allow them to move from subsistence farming practices to more commercialized practices. The trainings were delivered using a blended learning approach and comprised of presentations, guided sessions of practical exercise and group work. Farmers who were successful in the assessment received certification as micro-entrepreneurs from the Heart Trust/NTA.

Land Husbandry/Climate Smart Farmer Field School

The Authority has also continued to the deliver land husbandry/climate smart training through a participatory approach by equipping the farmers with the requisite knowledge and skills to mitigate the effects of climate change by implementing various land husbandry practices. Through this intervention five (5) Land Husbandry/Climate smart Farmer Field School were implemented through partnership with the NEPA/IDB Yallahs Hope Watershed Management Project. To date, 286 farmers received training exposure in climate smart practices across the parishes of St. Andrew and Portland over a 12 week period.



Farmer Field School Training Sessions

Farmer Training Achievements

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	37,913	97.2
Sessions Delivered		2353	3101	131.8

LAND MANAGEMENT

RADA continued to place key attention on building capacities of extension staff and farmers in sustainable land management practices as one of the critical area for mitigating impacts of extreme weather related events such as storms, floods and drought. Promotion of technologies that lead to improvements of soil, water and vegetation - has the potential for not only reducing land degradation but also addressing 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 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.



Demonstration of proper Land Management Practices using an A- Frame.

The Authority continued to place emphasis on in strengthening synergies with key stakeholders in accessing funding and providing support for community based interventions through establishments of demonstration plots and facilitation of climate smart land husbandry Farmer Field Schools. As conservation methods require heavy investments cost, that exceed capacity of local land users and thus need to be covered 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.

Highlights of Major Achievements

Major Achievements of The Land Management Unit (Period: April 2017-March 2018)

Activities	Units/ Descriptions	Annual Targets	Achievements	
			Actual	%
Farmer Training	Farmer training with focus on groups	3,000	1,562	52%
	Formal training sessions	130	91	70%
	Informal	400	447	112 %
Staff Training	Formal	1	2	200%
Farmer Field School (FFS)	Funded through locally and international collaborative projects (NEPA-IDB, GOJAF)	15	14	93%
	Total number of farmers exposed	555	692	125%

AGRICULTURAL BUSINESS MANAGEMENT SYSTEM (ABIS)

The Agricultural Business Information System is RADA's Agricultural Resource Planning tool, developed to establish and process agricultural data on farmers, their produce/livestock and their farming activities. The system provides comprehensive, dependable and real-time aggregate information available to the public via the website (www.abisjamaica.com.jm).

New Developments in ABIS

- **New ABIS Dashboard**

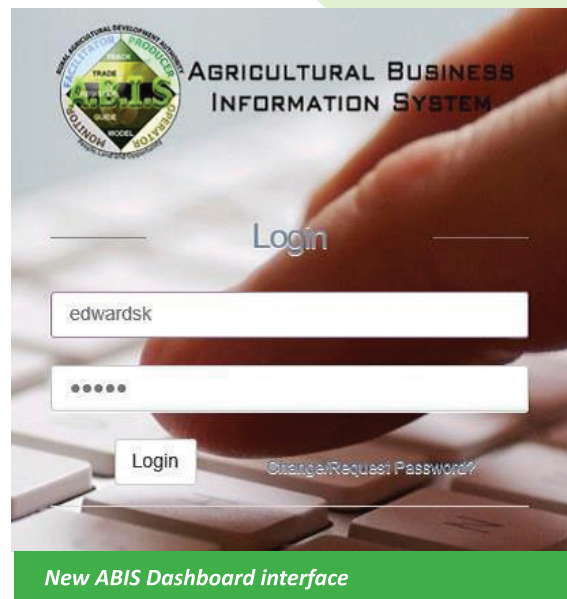
A new and improved ABIS Dashboard Interface was developed to facilitate mobile readiness and to enhance the look and feel of the application for the user. There is also added logon security features and improved report analysis through Visual Presentation.

- **Development of the Agricultural Damage Reporting System (ADRS)**

The ADRS was developed to capture agricultural damage reports following a disaster. The system captures crop, livestock and infrastructure data related to the type of disaster, the quantity loss, the percentage loss, the estimated value of the loss. This data will aid in establishing the extent of the impact of damage and relief efforts.

- **Acquisition of ID Printer**

In an effort to increase the turnaround time taken to produce Farmer IDs and Staff IDs an ID printer was procured. This acquisition has also allowed for full control of the current ID production process (formerly sent to EOJ for printing) and provides an avenue for revenue stream.



ABIS Data Mining Facts

April 2017 to March 2018	Total Registered	Total Verified	Total Farmer ID cards produced & issued	Farmer Age Distribution	Farmer Gender Distribution
	16,497 (8.3% of the Total Registered Farmers)	11,337 (6.4% of Total Verified Farmers)	11,466 cards	Male: 11,029 (67% of Total registered for the period) Female: 5,468 (33% of Total registered for the period)	Female: 18-35: 1,672 >35: 3,796 Male: 18-35: 4,320 >35: 6,709

DOMESTIC FOOD CROP PRODUCTION

The overall domestic crop production for 2017 stood at 634,069.4 tons. This represented a decrease of 4% over the 2016 production where approximately 660,671.1 tons were reaped. Domestic crop production was affected by heavy rains experienced during the period, damaging established crops in the major production areas.

Year	2017	2016	Variance
1st Quarter	157,745.7	177,825.1	-11.29%
2nd Quarter	152,157.7	156,611.9	-2.89%
3rd Quarter	151,801.1	157,348.1	-3.54%
4th Quarter	172,363.9	168,885.9	2.05%



Comparative Estimates Domestic Food Crop Production Annual Report by Crop Group

April 2017 - March 2018

CROP CATEGORY	PRODUCTION (TONNES)			HECTARES REAPED		
	2017	2016	% CHANGE	2017	2016	% CHANGE
Legumes	5103.1	5543.2	-7.9	4448.6	4699.0	-5.3
Vegetables	230229.6	240785.1	-4.4	14111.1	14676.3	-3.9
Condiments	45592.9	50062.0	-8.9	3500.1	3771.1	-7.2
Fruits	53015.3	52295.1	1.4	2711.6	2725.7	-0.5
Cereals	2411.4	2469.4	-2.3	2076.7	2144.3	-3.2
Plantain	47503.9	44447.0	6.9	2446.6	2331.4	4.9
Potatoes	58884.0	61430.3	-4.1	3462.7	3621.0	-4.4
Yam	143253.0	156131.0	-8.2	8689.7	9245.3	-6.0
Other Tubers	46878.9	46159.2	1.6	2530.4	2521.2	0.4
Sorrel	1197.3	1348.8	-11.2	717.8	782.3	-8.2
TOTAL	634069.4	660671.1	-4.0	44695.3	46517.6	-3.9

MARKETING

The Marketing Unit continued to establish linkages between producers and buyers. This approach is in an effort to improve the competitiveness of fresh produce in the marketing system, and evaluate post-harvest loss from current practices carried out on the major agricultural produce entering the fresh market.

Main Highlights:

- The Marketing Officers having received training in Farmer Field School (FFS) methodology and Farming as a Business by the team from the JaREEACH Project; worked with groups in the various parishes to strengthen their structure and operations. This effort was geared towards preparing farmers to start treating their farming operations as a business. Farmers were trained in calculating profit and loss, record keeping, planning and the impact of change, forming farmers association, and marketing. At the end of the FFS farmers will be better able to negotiate price for their produce, and pitch their business ideas at speed networking sessions, resolve conflicts within their groups and seek project funding to enhance their groups and communities. This initiative was funded by PROPEL.
- Through the Unit's Intervention, a total of 9,583,720.50 kg of produce was facilitated in sales valued at approximately \$673,761,097.40 impacting some 14,415 farmers.
- A total of 346 formal marketing trainings were conducted across the island impacting some 12,000 farmers.
- One Speed Networking Seminar and a Trade Show (JAPEX) was held at the Montego Bay Convention Centre during the period under review. These forums facilitated several farmers who are now able to supply fresh produce to the hotel sector.

SOCIAL SERVICES/HOME ECONOMICS UNIT

The Social Services/Home Economics Unit has maintained its support to rural farm families to improve their quality of life. Emphasis was placed on improved nutrition and increased use of local foods; product development and micro enterprises to increase family income. Women and youth were the greater beneficiaries through consistent training. Collaboration with other agencies has been instrumental in the achievement of the unit's objectives during the year.

Product Development

With continued assistance from the Scientific Research Council (SRC), the Unit has extended its support to micro and small enterprises across the parishes to improve on product quality, packaging, more compliant labelling and increased access to markets. As a follow up to a study tour conducted in Guyana in March 2017, CUSO International assigned a volunteer (Business Development Specialist) to the Unit to help develop women's groups and micro enterprises. Nine (9) groups were targeted and benefitted from training and coaching in St Thomas, St Ann, Manchester, St Elizabeth and St Catherine. Over 60 micro, small and medium sized enterprises received technical support through the Unit. In this regard, there are noticeable improvements in the GMP practices, production and the quality of their value added products.

Twickenham Industry

Processors continued to make use of the drying and milling services being offered. A few clients have gone on to set up their own drying and milling operations. Herbs, spices, condiments and staple flours continue to be the main items processed for repeat clients. A replacement Power Grinder is being procured to improve and increase the production of cassava products. Despite the many challenges encountered during the year, over 20 women and youths secured employment at the facility. An income of over JA\$23.9 M was earned from approximately 745,000 units of production. With the new machine in place, much improvement is expected.

Agro-Processing Facilities

During the period under review, all seven (7) facilities within the parishes of St. Elizabeth, Westmoreland, Hanover, St. James, Trelawny, St. Mary and St. Catherine were completed and handed over to the RADA by the Jamaica Social Investment Fund (JSIF). Equipment were delivered and installed in all units. The necessary certification and registration are being processed (PHD, BSJ, NEPA etc.).



Agro-Processing Facility, located at the RADA Hanover Site.



PLANT HEALTH/FOOD SAFETY

The Plant Health/Food Safety Unit's programmes and activities were primarily focused on farmer and staff capacity building in Integrated Pest Management (IPM), proper use of pesticides and adhering to good agricultural practices in keeping with food safety guidelines. The monitoring of the production systems island wide ensured early detection of pests and timely initiation of rapid pest response system for pest containment and the safeguarding of Jamaica's food security.

Summary of Major Activities and Objectives of the Plant Health / Food Safety Unit for the period April 2017 – March 2018.

Activities	Specific Objectives	Targets	Achievements	
			Actual	%
Farm Inspections	To ensure conformity with global trade requirements to improve sanitary/phytosanitary food safety practices.	20,000 visits	59,848	299
Pest Surveillance	To investigate and track plant pests of local and quarantine importance and provide technical advice for their containment/suppression	16,000 visits	28,678	179
Farmer Training sessions	To improve the operational capabilities of farmers through the application of best practices	392	993	238
Staff Training sessions	To increase awareness and operational capabilities of extension officers in matters relating to pest and disease recognition, management, proper use of pesticides and food safety	4	10 (67*)	250
Demonstration (D) & Validation (V) Plots	To reinforce extension messages through on-farm practices that validate the methods promoted and results anticipated.	8 (D) & 1 (V)	57(D) & 1 (V) 56 (D) & 0 (V)**	713
Publications	To provide reliable and up to date information on the best pest/pesticide management strategies and food safety issues.	7	7	100

Pest Surveillance

The Unit continued its pest surveillance efforts for the following pests of economic and quarantine significance over the period under review: Beet Armyworm, Fruit Flies, Frosty Pod Rot of Cocoa and Citrus Black Spot. (Citrus Black Spot identified late in 2015-16 and Frosty Pod Rot identified in late 2016-17).

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

- Citrus Black Spot (CBS) is a fungal disease caused by *Guignardia citricarpa* (Asexual name: *Phyllosticta citricarpa*). Citrus species and Hybrids are hosts for CBS Symptoms are seen mainly on Sweet Oranges, Mandarins, Tangerines and Lemons.

New Action Plans were prepared by the duly constituted Frosty Pod Rot of Cocoa Technical Committee led by Plant Quarantine Division and supported by members of the National Plant Health Coordinating Committee, RADA and JACCRA. Budgetary support for implementation of the FPR Project Team tasked with the eradication/management of the disease is being provided by MICAFA.

Frosty Pod Rot of Cocoa Farmer Sensitization Trainings

RADA in collaboration with the Plant Quarantine Division (PQ), representatives from the Bodles Research Station and the Jamaica Agricultural Commodities Regulatory Authority continued to provide technical support for the Management of Frosty Pod Rot (FPR) in Cocoa. RADA sent text message reminders to all cocoa farmers in targeted cocoa sensitization meeting locations.

RADA co-facilitated approximately (18) scheduled Cocoa Frosty Pod Rot farmer sensitization training sessions held in the parishes of St Mary and St Catherine between January and March 2018. Presentations on the FPR management options were delivered at all sessions.

Plantwise Plant Doctor Programme

The Plantwise Plant Doctor Programme is a global programme led by the Centre for Agriculture and Bioscience International (CABI) based in the United Kingdom, which works to help farmers reduce crop loss due to plant health problems. Plantwise establishes and supports sustainable networks of plant clinics working closely with the Ministry of Industry, Investment and Agriculture and Fisheries (MICAFA) and RADA. These clinics are conducted by trained plant doctors, where farmers can find practical plant health advice.

Plant clinics work similarly to clinics for human health: farmers visit with samples of their crops, and plant doctors diagnose the problem and make science-based recommendations on ways to manage it. The third staging of the Plantwise Plant Doctor Training of staff was executed by Jamaican trainers of trainers (TOT) in September 2017.

A total of 26 Officers to include 19 – RADA Staff, 4- MICAFA Staff and 2 ACP Agro Parks staff attended the 5-day training course held at the MICAFA's Eltham Training Centre, Ocho Rios, St. Ann.



Cocoa Pods showing symptoms of 'Frosty Pod Rot'.



PROTECTED AGRICULTURE

The Protected Agriculture Unit continued its efforts in providing technical advisory services to the wider greenhouse vegetable producers. The primary objective of the Unit's activities were to increase the adoption and application of best agronomic practices in the management of crops and the implementation of prudent farm business management practices for the optimization of crop yields and the maximization of farm profits. The ultimate outcomes are expected to be an improvement of farm incomes and the enhancement of the quality of life of agricultural producers, their families and communities.

Activities undertaken during the period

Activities	Annual Target	Achieved to Date	% Achievement
Technical Advisory Farm Visits	1200	1360	113
Site Suitability Inspections	25	20	83
Water / Nutrient Samples	30	54	180
Soil Samples	5	4	80
Fertilizer Recipe Advisory	30	54	180
Farmer Training	30	32	107
Number of Farmers	300	400	133

Interagency collaboration

The Unit collaborated with the Jamaica Greenhouse Growers Association to distribute greenhouse plastic and side netting materials valued at Five Million Dollars (\$5.0 M) which benefitted 24 selected growers, in the major production parishes of Manchester, St. Elizabeth and St. Ann. This initiative was as a result of the 2017-2018 MOA- RADA Production Incentive Programme. It is important to note that a total of eight (8) beneficiaries were female greenhouse farmers.

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 45,000 Sq. Ft. of additional new capacity were added during the year. During the same period, a total 24,000 Sq. Ft. of idle greenhouse capacity were returned to production. The all island greenhouse capacities at the end of the year were as follows:

Table 13: Active/Idle Capacity of Green Houses

Active Capacity	Idle Capacity	Total Capacity
2,553,554 Sq. Ft.	354,300 Sq. Ft.	2,907,854 Sq. Ft.
58.622 Acres	8.134 Acres	66.756 Acres



“

FRUITS ARE NATURE'S
CANDY... Indulge.

”

LIVESTOCK PRODUCTION

Throughout the period, Livestock Officers continued their efforts in guiding farmers in the implementation of good agricultural practices. Farmers were also exposed to a number of training sessions (practical and theory) towards building their capacity in husbandry practices. Programmes facilitated by officers assisted farmers in the improvement and expansion of their herd. A number of apiculture programmes were also facilitated which benefitted women and youth within targeted communities.

The interaction of officers and farmers were mutually beneficial as officers were also introduced to techniques and tools that farmers themselves had created. These innovations were noted and will be further examined to identify their effectiveness and economic potential. This exchange of knowledge between farmers and officers further strengthened the partnership between RADA officers and farmers.

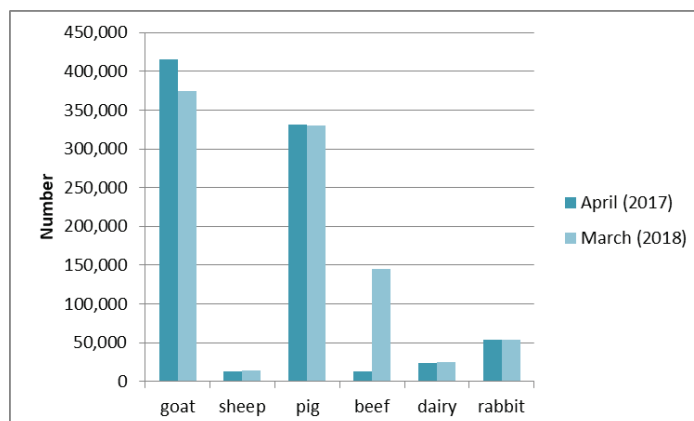
Targets and achievements for the Livestock Unit during the reporting period 2017-2018

COMPONENTS	TARGETS	ACHIEVEMENTS APR 2017 - MAR 2018	% ACHIEVED
Farmer training (farmers)	8000	3771	47.1
Farm visits	10,000	18525	185.25
Identification of market for farmers	70	164	234
Projects being monitored	13	37	285
Resource materials developed	8	5	63
Bulletins/brochures	3	4	133
Posters	1500	1100	73.33
Books			
Farmer Innovations	78	14	18
Proposals developed	7	34	486

Livestock Population

The animal population data showed an increase in all livestock animals except for the population of goats. This was in keeping with the national slaughter data which showed an increase in the number of goats being slaughtered as compared to the previous year.

Figure 1: Population growth of animals for period March 2017 to April 2018





Cattles being showcased at the 2017 Denbigh Agricultural and Industrial Show.

ON-FARM WATER MANAGEMENT

Increase in agricultural production and productivity depends, to a large extent, on the availability of water. Agriculture currently accounts for about 70% of global freshwater use. The Food and Agriculture Organisation (FAO) of the United Nations (UN) forecasts that, by 2050, global water requirements for agriculture will increase by 50% in order to meet the increased food demands of a growing population. In this regard, RADA has sought to address this concern through the work of the On-Farm Water Management Unit. The objectives of the Unit are to:

- Plan, direct and implement on-farm water management and drainage techniques to achieve the unit's strategic objectives, i.e. by providing sound technical advice of a high standard to the farming sector
- 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.

WATER MANAGERMENTS UNIT'S ACHIEVEMENTS

ACTIVITIES	ANNUAL TARGET	ANNUAL ACHIEVEMENT	% ACHIEVEMENTS	REMARKS
Farm visits	200	988	494%	-
Water Source Investigation for potential Irrigation	60	52	87%	-
Irrigation Designs/Bill of Quantities/ Estimates	60	124	206%	-
Installation of irrigation/fertigation systems	20	12	60%	-
Capacity Building Sessions <ul style="list-style-type: none"> • Farmers • Students • Officers 	88	237	269%	32 formal sessions ; 2125 trained 205 informal sessions; 117 trained
	10	13	130%	150 students (Tertiary, Secondary and Primary levels) were impacted
	4	19	225%	Includes: Regional Water Utilization Officers, Agricultural Extension Officers and Agricultural Assistants
Seminars/Expo /Workshops	4	8	200%	



Lined Rain Water Harvesting Systems

TRACTOR SERVICE

The Authority has reinforced its commitment to the application of best practices in land preparation, introducing more appropriate technologies which will contribute to increased production and productivity within the Agriculture Sector. The challenges with an aging pool of tractors and implements remains apparent; however the Authority continued to provide said service to registered farmers at 80% of the market rate. For the period under review, services were provided in the areas of land preparation, and support to the various Production and Productivity Programmes and Projects.

On-Farm visits were carried out in an effort to view areas selected for crop production. Farmers were guided as to the most appropriate types of land preparation that are deemed most suitable for the area based on several factors, to include; soil types, soil moisture content and the terrain in question. Special attention was also given to national programmes such as the Onion Development Programme and the National Irish Potato Programme.

Table: Summary of Land Preparation by Parish (2017-2018)

Parishes	Lands tilled (Hectares)
Westmoreland	11.11
St. Elizabeth	64.9
Manchester	11.30
St. Thomas	110.7
Clarendon	166.3
St. Mary	7.1
Portland	18.5
St. Catherine	38
Total	427.91



Land preparation conducted using Rotobedder Implement.

“

RADA... where technology and production meets.

”



RURAL SOCIOLOGY

During the 2017/ 2018 financial year, the Rural Sociology Unit focused on providing training and technical assistance to RADA staff as well as the rural agricultural extension groups, in the areas of leadership and inter-personal relationships, Group Formation, Conflict Resolution, Communication, Leadership, Community Mobilization and Organizational Strengthening.

Activities were designed and implemented with the strategic objective of encouraging farming communities, through group activities, to reinforce social cohesion.

Major Activities:

Farmers' Group Structuring and Monitoring:

- Facilitated/Participated in Farmers' Group Meetings and Trainings where group strengthening advice and hand holding support was provided for new and established rural groups.
- Determined what stage of group development groups were in and assisted them to visualize and work towards greater development.
- Developed and helped to maintain constructive role identities among members within groups.
- Established norms and written guidelines to maintain the governance structures within groups (code of conduct/ constitution/standard operating procedures, etc.)
- Explored interactions between the personality types within a group and help group members communicate in an efficient and respectful way.
- Guided discussions, keeping them focused on matters that directly related to the development of the groups, and made recommendations on issues during these group discussions.

Farmers' Group Capacity Building:

- Group learning sessions were conducted/facilitated with focus on areas of group dynamics complete with pre and post evaluations for impact reports-
- Stages of Group Development (What to Expect and How to Cope)
- Building Group Cohesion
- Group Communication
- Community Mobilization
- The Concept Leadership

Farmers' Group Needs Assessments

Needs assessments were conducted and used for determining and addressing gaps between current conditions and the desired conditions of farmers' groups. Based on findings from the assessments, recommendations were given for appropriate trainings, and other interventions.



Rural Sociologist, Ms. Kimone McIntosh addressing members of the Mavis Bank Jamaica Agricultural Society Group.

PROJECTS/PROGRAMMES

Farm Road Rehabilitation Programme

The objective of the programme is 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.

A total of 63 roads were targeted for rehabilitation under the programme with an amount of J\$380 M being budgeted for its implementation. The Programme was expected to benefit an estimated 17,000 farmers directly island-wide, in addition to the incalculable increase in agricultural production both for local consumption and export.

The expected results from this intervention are as follows:

1. Increase in market access for farmers
2. Increase in domestic crop and livestock production
3. Improvement in household income

2017/2018 financial year. To date, 53 roads have been completed totaling 77.68km to a tune of \$322M. Ten (10) roads were remaining at various stages of completion. These roads will be carried over into the new Financial Year 2018/2019.

It is important to note that priority was given to five (5) parishes to include: Portland, St. Mary, Trelawny, St. Andrew (East Rural) and St. Ann based on flooding which took place during May 2017. The activities undertaken included: re-surfacing, patching, cleaning, construction and improvement.



Picture of road resurfaced in Cacoen Castle, Hanover under the Farm Road Rehabilitation Programme

National Irish Potato Programme

This specific crop development programme which has evolved from the Financial Access for Responsible Members (FARM) Programme in 2008, aims to develop the Irish potato value chain to the benefit of all stakeholders.

Expected Output for Crop Season – 2017 - 2018:

- One thousand two hundred (1,200) hectares of Irish potato to be planted during the crop year to obliterate importation.
- Production of 17 million kg. of Irish Potato.
- Continuous training of 2,000 farmers in Irish potato best practices and group dynamics;
- Increased public/private sector/Non-Government Organizations (NGOs)/partnership;
- Continued work on varieties to be used as fries.

During the **2017-2018** planting season, Fall to Spring, some 1,000 hectares (**ha**) of Irish Potato were established by 3,003 farmers, yielding some 10,000 marketable tonnes from all the major growing areas of Jamaica. A special component of the above programme targeted youths up to 35 years old and women that showed major interest, which resulted in 478 participants receiving grant assistance to plant some 44ha.



Harvesting of Irish potatoes in Guys Hill, St. Catherine.

Capacity building of the farmers were a priority and some 4,300 participants were trained in various aspects of Irish Potato production such as crop care, post-harvest management and group dynamics. To facilitate knowledge transfer of best practices, nine (9) demonstration plots were established on which thirty (30) Farmer Field School (FFS) sessions were held. Some eighty (80) farmer-training sessions were also conducted by the field staff. In addition, ten (10) Farmer-Field Tours were organized and carried out by the Extension staff with assistance/sponsorship from the PROPEL through the World University Service of Canada (WUSC).

Onion Development Programme

In response to a significant decline in onion production from 4,200 tons in 1996 to 1,162 tons in 2014 (AMID/MICAF), the Ministry of Industry, Commerce, Agriculture and Fisheries initiated the Onion Production Programme (ODP). Import substitution is critical, as Jamaica imports on average 8 million kilograms of onions per annum.

The programme was extended to all parishes in September 2017 targeting 218.8 ha and has since included both irrigated and rain-dependent farms. In consultation with the Potato and Onion Producers Association (POPA) of Jamaica, a minimum price of JMD 60.00 per pound of onion was negotiated and agreed upon to be paid to farmers under the programme.

Programme provided the following support:

- Technical and extension support from MICAF and RADA
- Seeds for up to 2 acres
- Soil analysis by the Agricultural Land Management Division (ALMD) and Newport Fersan
- Access to specialized implements (seed planters and roto bedders)

Production outputs were impacted by weather related challenges. Targets for the 2017 fall crop were affected by prolonged and unprecedented rainfall during period of September to mid-December, 2017. Despite high interest and commitments by farmers, soil preparation and planting could not be possible for most parishes. Several hectares of established crop were lost due to flooding and /or impacted on crop density and yields.

Prolonged period of wetness resulted in high pressure from weeds and incidence of fungal and bacterial diseases. With reduction in rainfall by mid December 2017, the weather provided a small window for opportunities to farmers to plant during January 2018.

As a result, by February 2018, the fall crop season was closed with a total of 41.8 ha of onion being established to include 200 farmers. To date, a total of 433 tons of onion was harvested from 33 hectares.

The programme received support and good co-operation from stakeholders, such as H&L Agro and Newport Fersan. Synergies with various departments of the MICAF, NIC, PROPEL, Spanish Grains' Project and chemical companies, had provided opportunities for two (2) field days in Carawina, Westmoreland and Colbeck, St. Catherine. PROPEL continued to provide support to RADA for establishments of demonstration plots, facilitation of Farmer Field Schools and several Farm Tours.



Onions planted in Spring Field, St. Thomas



JAMAICA BANANA ACCOMPANYING MEASURES (JBAM)-PE 2

The Jamaica Banana Accompanying Measures (JBAM) which was funded by the European Union (EU) came to a closure in March 2018. The purpose of this Programme Estimate (PE) was to ensure effective project management and administration of the planned Banana Accompanying Measures (BAM) interventions. The overall objective of the BAM was to combat poverty and improve revenue in the banana dependent areas. The objectives of the programme were:

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

The programme was funded to the tune of €4.73M over a period of 48 months. For the period under review, the PIU commenced closing out activities. Final report for PE 2 was completed and submitted to the relevant stakeholders to include the EU Delegation, Planning Institute of Jamaica, and the Ministry of Industry Commerce Agriculture & Fisheries.

Highlights of Achievements

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

- The RADA/JBAMs Project Implementation Unit (PIU) continued to provide administrative support to the Banana Board and the All Island Banana Growers Association. Monthly, quarterly and annual status reports were also generated and circulated to the various stakeholders.

Promotion and Visibility:

Visibility was provided on the overall programme and the EU's continued support to the Banana industry at all major events through the mounting of signs, banners, live displays, air time on local TV Stations and articles in the print media. The main highlights over the period were:

- The airing of the JBAM TV Feature by the Jamaica Information Service (JIS). The feature highlighted the history of Jamaica's Banana Sector, the support the EU has provided to the sector over the years and the main achievements under the Programme. (July 2017).
- The programme's involvement at the Annual Denbigh Agricultural Show (August 2017)
- The distribution of GLOBAL GAP Numbers (GGN) to farmers certified following an external audit conducted in the the same period. The handing over ceremony which took place in September 2017 was also featured on local television networks.
- Banana Board's Banana Day and Field Tour. This event which had representatives from the European Union, RADA, the Ministry of Agriculture and other stakeholders within the agricultural sector was featured by print and mass media communication houses (December 2017).

Construction of Value Added Facility

As at May 2017, the All Island Banana Growers Association (AIBGA) Value Added Facility was practically completed as per Grant Contract. Results for this activity were overachieved with 11,480 square feet of factory space being constructed as opposed to the original 5,000 square feet. The additional square footage was facilitated by the AIBGA with funds generated by the entity. With the additional space, a meeting area for Extension Officers and offices for other officers were included. Other modifications were also done to include:

- Construction of staircase to the second floor of the building.
- Electrical works to the second floor of the building.

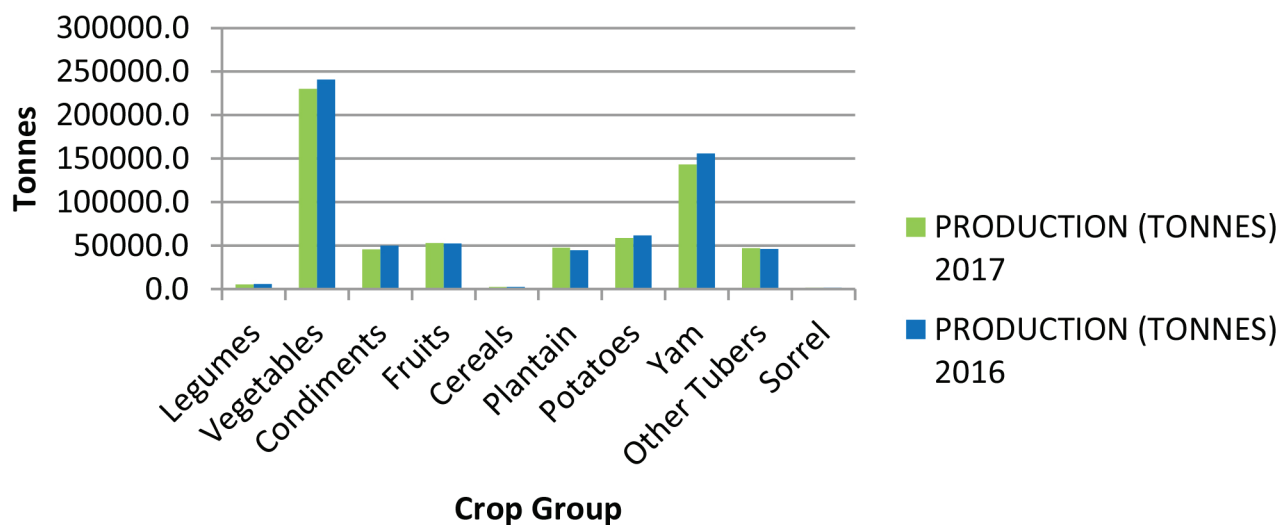
Further Implementation of Export Niche Markets

The JBAMs had committed J\$76.6M of the required J\$137M under this activity. For the period, the Banana Export Expansion Programme (BEEP) farmers produced approximately 12,990 boxes of banana. A total of 24 farmers participated under the programme with 111 hectares. Of the 111 hectares approved, 86 hectares was under production. The programme has created 111 new jobs to date.

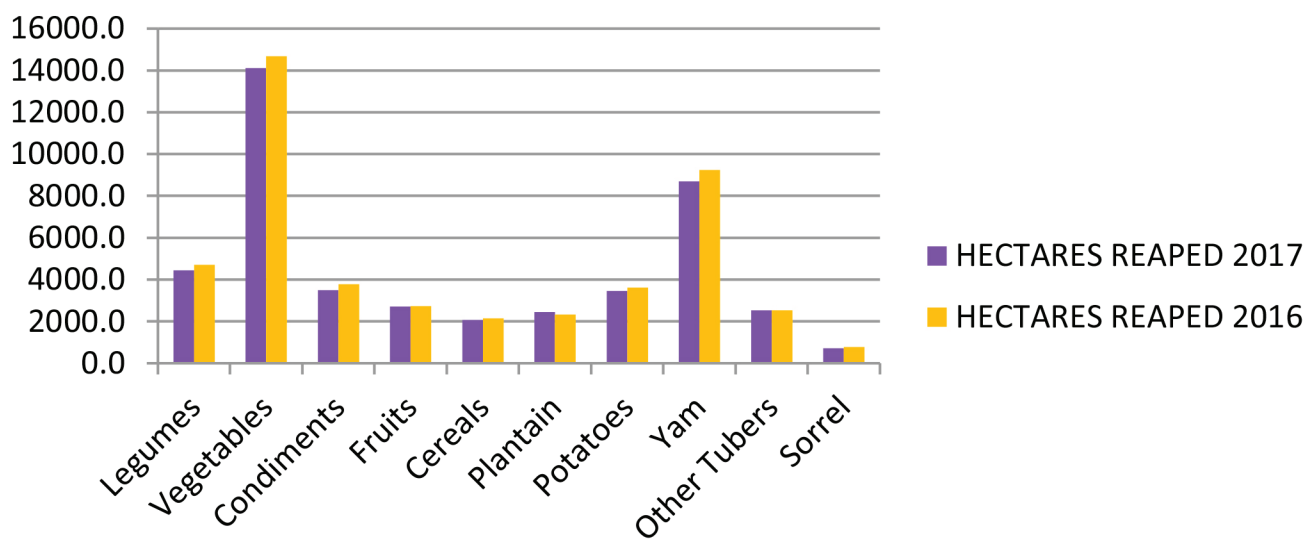
During the period under review, activities under BEEP included:

- On-going distribution of input materials (fertilizers, pesticides and orchard oil) to farmers.
- On-going collaboration with: National Peoples Cooperative Bank (NPCB) and Grace Kennedy
- Shipment of first container of bananas (36,000lbs/900boxes) to Trinidad and Tobago took place in December 2017.

Comparative Estimates of Domestic Crop Production -Tonnes 2017/2018



Comparative Estimates of Domestic Crop Production - Hectares Reaped 2018/2018



Special Projects and Programmes Implemented by RADA (2017/2018)

Project Programme name	Location of Action	Objectives	RADA's Role	Funding Amount	Funding /Implementing Agency
Category I - Locally Funded - Projects/Programmes Owned RADA					
Farmers Market	Negril, Montego Bay and Discovery Bay	To strengthen the trade link between farmers, farmer' groups and the tourism sector	To Facilitate, Organise and Host	15 million JMD	Tourism Enhancement Fund
		Income diversification. Empowerment of women and youth	Execution, capacity building & technical support	900,000 JMD	Jamaica Bauxite Institute
Apiculture Production	St Ann	Produce nuts for community group processing business development, Empowerment of women and youth		900,000 JMD	Jamaica Bauxite Institute
Peanut Production		Productivity support			Ministry of Industry Commence and Agriculture and Fisheries (MICAF)
Production Initiative Programme (PIP)	All Parishes				
Drought Mitigation Programmes (DMP)	All Parishes	Drought Alleviation		200 million	MICAF
Farm Roads Rehabilitation Programme	All Parishes	Trade access, rural economic sustainability	Execution	300 million	MICAF
Rehabilitation of Coffee Damaged by fire (Phase 1 and 2)	St Andrew; St Thomas; Portland	Fire damage recovery and drought alleviation		15 million	MICAF

Banana Special Assistance Programme	St James; St Mary; Portland; St Thomas; St Catherine; Clarendon	Drought alleviation productivity support		10 million	MICAF
Constituency Development Fund 63 (CDF)	All parishes	Productivity support	To procure inputs and facilitate disbursement.		Office of the Prime Minister (OPM)
Project programme name	Location of Action	Objectives	RADA's ROLE	Funding Amount	Funding Agency
Category II - Internationally Funded - Projects Owned RADA 2017/2018					
Upscaling Lifelong Learning (L3F) for farmers Initiative in Jamaica	RADA extension staff, technical specialists, Irish potato farmers and Dallas Castle farmer group	Interactive Voice Educational System (LIVES) in Extension Services of RADA (Irish potato programme); e-Learning via Virtual University for extension ; farmer groups strengthening; knowledge management between RADA and its stakeholders	Capacity building , farmer group engagement and strengthening	USD 5000	Common wealth of Learning (COL)
Jamaica Banana Accompanying Measures (JABAM)– Programme Estimate #2	Clarendon, St Catherine, Portland, St Thomas, St Mary, St James. Banana Board	The overall objective of the BAM is to combat poverty and improve revenue in the banana dependent areas through achieving the specific objectives of: A. Improving the productivity and resilience of small farmers. B. Strengthening the link between small farmers and markets.	Execution	1,900,000 EUD	European Union

Project programme name	Location of Action	Objectives	RADA Actions therein	Funding Amount	Funding Agency
------------------------	--------------------	------------	----------------------	----------------	----------------

Category III - Locally Funded – Projects/Initiatives and Programmes Not Owned but Implemented by RADA 2016/2017

Government of Jamaica Adaptation Fund Programme	Six parishes		Establishment of demonstration plots and facilitation of FFSS Installation of irrigation systems and water harvesting structures		GOJ
The Rural Economic Development Initiative (REDI)/ Green-House Cluster Project	St Ann, Manchester, St Elisabeth	Aims to improve market access for micro and small-scale rural agricultural producers	Technical advisory and farmer capacity building		Jamaica Social Development Fund
Fodder bank programme/ Livestock	Jamaica (St Thomas, St Catherine, Clarendon, St Elizabeth)	<ul style="list-style-type: none"> To provide source of nutrients for animals especially in times of drought To minimize lower milk production during drought conditions 	On ground logistics and technical backing	JMD 2,300,000.00	Dairy Board, MICAF

Specific Crop Development/Expansion Programmes

Irish potato	All parishes	Crop expansion for food security and import substitution	Facilitate procurement, farmer selection, technical support & trade linkages	JMD 20 million	Government of Jamaica Adaptation Fund (GoJ/AFP-A)
Onion	All parishes	Crop expansion for food security and import substitution	Facilitate farmer selection & technical support, training and input assistance	JMD 13,000,000.	GoJ/AFP-A

National Poultry Project	All parishes	To provide support for small poultry farmers: A. Capacity building in good management practices B. To develop capacity of farmers in proper record keeping	partners	42,500,000.00 JMD	MICAF
---------------------------------	--------------	--	----------	----------------------	-------

Project programme name	Location of Action	Objectives	RADA Actions therein	Funding Amount	Funding Agency
-------------------------------	---------------------------	-------------------	-----------------------------	-----------------------	-----------------------

Category IV - Internationally Funded- Projects/Initiatives Not owned but implemented by RADA

Enhancing the Climate Resilience of the Agriculture Sector by Improving Water and Land Management	Clarendon, Manchester, Trelawny, St Ann, St Mary, St Catherine, St. Thomas	Strengthen Jamaica ability to adopt to climate change	Facilitate procurement, farmer selection, technical support, training & trade linkages	USD 20 million	Global Environmental Fund (GEF); GOJ /AFP-A MICAF
Integrated Management of the Yallahs River & Hope River Watershed	St Thomas, St Andrew	Adoption in the watershed, infiltration to secure house hold water supply	Facilitate procurement, farmer selection, technical support & training (Farmer Field School), demonstration plots		IDB/GEF NEPA
CABI PLANTWISE Plant Doctor Programme for Jamaica	13 parishes, Agro Parks	To improve quality of extension services through capacity building for plant doctors.	Capacity building for staff - train Plant Doctors, facilitation of E-clinics; Manage Knowledge Bank Public awareness	£ 6,000.00 MICAF	Commonwealth Agricultural Bureaux International

Pilot Project for Climate Resilience- Adaptation & Financing Mechanism (PPCR-AFM)	Clarendon	Climate adaptation within the watershed	Establishment of demonstration plots and facilitation of FFSS procurement, farmer selection, technical support training	USD 2 million	GEF/World Bank; Ministry of Economic Growth and Job Creation
Promotion of Regional Opportunities for Produce through Enterprises and Linkages (PROPEL) project	All parishes	To collaborate on improvement of production of onion, Irish potato, sweet potato, sweet yam and ginger. Strengthening of extension and stakeholder linkages	Providing extension support for PROPEL funded activities (field days, tours, facilitation of FFSS and establishment of demonstration plots for onion & Irish potato good practices)		Government of Canada through Canadian Hunger Fund (CHF)
Agricultural Competitiveness Programme (ACP)	Agro-Parks	Strengthen Jamaica's Agricultural Competitiveness and securing access to markets	Facilitate Farmer Field Schools and demonstration plots		IDB AIC
ACDI/VOCA- JAREEACH 2 Project / Climate Services	11	To operate 12 digital weather stations in major crop production areas	On ground installation and site maintenance		JAREEACH 2 /USAID & Jamaica Meteorological Services

Senior Executives Compensation 2017-2018

Position of Senior Executive	Year	Salary	Gratu-ity or Performance Incentive	Travelling Allowance or Value of Assignment of Motor Vehicle	Pension or Other Retirement Benefits	Total
		\$	\$	\$	\$	\$
Chief Executive Officer	2017 -2018	6,404,549		687,041	832,591	7,924,181
Principal Director, Field Services/Operations	2017 -2018	4,648,460		1,341,624	604,300	6,594,384
Principal Director, Corporate Services	2017 -2018	4,648,460		1,341,624		5,990,084
Principal Director, Technical Services	2017 -2018	4,074,924		1,341,624	485,544	5,902,093
Senior Director, Finance and Accounts	2017 -2018	3,895,976		1,341,624		5,237,600
Senior Director HRM and Administration	2017 -2018	3,123,664		1,341,624	406,076	4,871,364
Senior Director, Production, Marketing & Special Projects	2017 -2018	3,328,320		1,341,624	423,714	5,093,658
Director, Corporate Planning, Monitoring & Evaluation	2017 -2018	2,490,335		703,128	323,744	3,517,206
Manager, Irrigation Unit	2017 -2018	2,485,188		703,128	314,361	3,502,677
Senior Director, Social Services/ Home Economics	2017 -2018	3,404,654		1,341,624		4,746,278
Zonal Directors - West	2017 -2018	3,503,535		1,341,624	462,381	5,307,540
Zonal Directors - East	2017 -2018	3,993,662		1,341,624		5,335,286
Senior Director Training, Technology and Technical Information	2017 -2018	3,057,656		1,341,624	380,768	4,780,048
Information Communication and Technology Manager	2017 -2018	2,533,130		703,128		3,236,258
Chief Internal Auditor	2017 -2018	2,158,099		703,128		2,861,227
Parish Agricultural Manager 1-13	2017 -2018	42,697,603		14,887,128	2,796,587	60,381,319
Total		94,394,859	-	34,356,905	8,174,831	136,926,595

Board of Directors' Compensations 2017-2018

Position of Director		Fees & Remuneration	Motor Vehicle Upkeep/Traveling or Value of Assignment of Motor Vehicle	Honoraria	All other Compensations Including Non-Cash Benefits as applicable	Total
		\$	\$	\$	\$	\$
National Board Member	Genille Atalla	114,700.00	106,152.00	-	-	220,852.00
National Board Member	Annette Henry	33,000.00	1,381.80	-	-	34,381.80
National Board Member	Michael Stern	129,550.00	-	-	-	129,550.00
National Board Member	Sheila Pryce Brooks	79,050.00	70,824.00			149,874.00
National Board Member	Mickey Crawford	178,300.00	146,696.40	-	-	324,996.40
National Board Member	Fabian Lewis	145,000.00	202,164.00			347,164.00
National Board Member	Egbert Miller	127,750.00	128,430.00	-	-	256,180.00
National Board Member	Nigel Myrie	133,550.00	188,000.00	-	-	321,550.00
National Board Member	Dave Powell	84,500.00	54,144.00			138,644.00
National Board Member	Novell Quest	192,750.00	-			192,750.00
National Board Member	Anthony Scott	189,300.00	161,153.60			350,453.60
National Board Member	Olive Downer Walsh	67,050.00	31,345.60	-	-	98,395.60
National Board Member	Lola Marshall Williams	202,400.00	258,806.00	-	-	461,206.00
National Board Member	Collin Virgo	5,550.00	18,518.00			24,068.00
National Board Member	Sheenique Johnson	5,550.00	1,814.20			7,364.20
National Board Member	Lloyd Benjamin	16,550.00	-			16,550.00
National Board Member	Lowell Dilworth	61,500.00	-			61,500.00
National Board Member	Harvey D'Aguilar	11,000.00	18,988.00			29,988.00
National Board Member	William Cytall	22,000.00	7,520.00			29,520.00
National Board Member	Pedro Worghs	11,000.00	11,280.00			22,280.00
Parish Advisory Board Member		5,521,769.00	361,069.00			5,882,838.00
Total		7,331,819.00	1,768,286.60	-	-	9,100,105.60

Financial Statements



RURAL AGRICULTURAL DEVELOPMENT AUTHORITY

FINANCIAL STATEMENTS

31 MARCH 2018



RURAL AGRICULTURAL DEVELOPMENT AUTHORITY

FINANCIAL STATEMENTS

31 MARCH 2018

INDEX

	<u>Page</u>
Independent Auditors' Report to the Board	1 - 3
<u>FINANCIAL STATEMENTS</u>	
Statement of Comprehensive Income	4
Statement of Financial Position	5
Statement of Changes in Reserves	6
Statement of Cash Flows	7
Notes to the Financial Statements	8 - 34



Tel: (876) 926-1616/7, 926-4421
Fax: (876) 926-7580
www.bdo.com.jm

Chartered Accountants
26 Beechwood Avenue
P.O. Box 351
Kingston 5, Jamaica

Page 1

INDEPENDENT AUDITORS' REPORT

To the Board of
Rural Agricultural Development Authority

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Rural Agricultural Development Authority set out on pages 4 to 34, which comprise the statement of financial position as at 31 March 2018, 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 2018, 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 (ISAs). 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.



INDEPENDENT AUDITORS' REPORT (CONT'D)

To the Board of
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.



INDEPENDENT AUDITORS' REPORT (CONT'D)

To the Board of
Rural Agricultural Development Authority

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

18 October 2018

RURAL AGRICULTURAL DEVELOPMENT AUTHORITY

STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 31 MARCH 2018

	<u>Note</u>	<u>2018</u> <u>\$'000</u>	<u>2017</u> <u>\$'000</u>
INCOME:			
Government of Jamaica Subvention		1,299,037	1,332,840
Other income	6	<u>9,624</u>	<u>22,351</u>
		<u>1,308,661</u>	<u>1,355,191</u>
EXPENDITURE:			
Salaries, wages and related charges	18	814,375	785,228
Public utilities		45,192	49,460
Motor vehicle maintenance		18,570	11,490
General office expenses		61,669	41,568
Seminars and meetings		2,716	3,199
Repairs and maintenance		23,034	16,832
Consultancy		1,032	2,908
Bank charges and interest		3,115	2,178
Upkeep/travelling and subsistence		298,083	288,765
Directors' and committee meetings		10,130	9,949
Rental of buildings		4,542	2,690
Security		4,748	4,425
Printing and stationery		15,492	7,229
Audit fee		2,487	2,480
Insurance		2,513	2,120
Legal and professional fees		<u>690</u>	<u>725</u>
		<u>1,308,388</u>	<u>1,231,246</u>
SURPLUS		273	123,945
Depreciation		<u>(18,891)</u>	<u>(21,647)</u>
(DEFICIT)/SURPLUS FOR THE YEAR FROM OPERATIONS		<u>(18,618)</u>	102,298
Transfer from capital reserve an amount equivalent to depreciation charged on donated assets		<u>6,150</u>	<u>9,762</u>
NET (DEFICIT)/SURPLUS		<u>(12,468)</u>	<u>112,060</u>
OTHER COMPREHENSIVE INCOME:			
Item that will not be reclassified to profit or loss:			
Remeasurement of post-employment benefit obligations		<u>(258,304)</u>	<u>88,405</u>
TOTAL COMPREHENSIVE (DEFICIT)/INCOME FOR THE YEAR		<u>(270,772)</u>	<u>200,465</u>

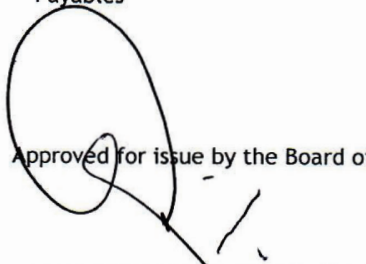
RURAL AGRICULTURAL DEVELOPMENT AUTHORITY

STATEMENT OF FINANCIAL POSITION

31 MARCH 2018

	<u>Note</u>	<u>2018</u> <u>\$'000</u>	<u>2017</u> <u>\$'000</u>
ASSETS			
NON-CURRENT ASSETS:			
Property, plant and equipment	7	164,745	166,268
Post-employment benefit assets	8	<u>95,835</u>	<u>294,263</u>
		<u>260,580</u>	<u>460,531</u>
CURRENT ASSETS:			
Inventories	9	7,031	12,821
Receivables	10	67,530	45,927
Taxation recoverable	11	1,824	1,693
Cash and cash equivalents	12	<u>509,913</u>	<u>634,080</u>
		<u>586,298</u>	<u>694,521</u>
		<u>846,878</u>	<u>1,155,052</u>
RESERVES AND LIABILITIES:			
RESERVES:			
Capital reserve	13	26,310	29,125
Capital fund	14	177,978	177,978
Accumulated surplus		<u>131,536</u>	<u>402,308</u>
		<u>335,824</u>	<u>609,411</u>
CURRENT LIABILITIES:			
Project advances	15	337,594	375,842
Payables	16	<u>173,460</u>	<u>169,799</u>
		<u>511,054</u>	<u>545,641</u>
		<u>846,878</u>	<u>1,155,052</u>

Approved for issue by the Board of Directors on 18 October 2018 and signed on its behalf by:


Nigel Myrie - Acting Chairman


Peter Thompson - Chief Executive Officer

RURAL AGRICULTURAL DEVELOPMENT AUTHORITY

STATEMENT OF CHANGES IN RESERVES

YEAR ENDED 31 MARCH 2018

	<u>Capital Reserve \$'000</u>	<u>Capital Fund \$'000</u>	<u>Accumulated Surplus \$'000</u>	<u>Total \$'000</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	<u>-</u>	<u>-</u>	<u>88,405</u>	<u>88,405</u>
	<u>-</u>	<u>-</u>	<u>200,465</u>	<u>200,465</u>
MOVEMENT IN RESERVES:				
Decrease in capital fund	-	(156)	-	(156)
Increase in reserve	7,366	-	-	7,366
Transfer of depreciation on donated assets	<u>(9,762)</u>	<u>-</u>	<u>-</u>	<u>(9,762)</u>
	<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>
TOTAL COMPREHENSIVE INCOME:				
Net deficit	-	-	(12,468)	(12,468)
Other comprehensive income	<u>-</u>	<u>-</u>	<u>(258,304)</u>	<u>(258,304)</u>
	<u>-</u>	<u>-</u>	<u>(270,772)</u>	<u>(270,772)</u>
MOVEMENTS IN RESERVES:				
Decrease in capital fund	-	-	-	-
Increase in reserve	3,335	-	-	3,335
Transfer of depreciation on donated assets	<u>(6,150)</u>	<u>-</u>	<u>-</u>	<u>(6,150)</u>
	<u>(2,815)</u>	<u>-</u>	<u>-</u>	<u>(2,815)</u>
BALANCE AT 31 MARCH 2018	<u>26,310</u>	<u>177,978</u>	<u>131,536</u>	<u>335,824</u>

RURAL AGRICULTURAL DEVELOPMENT AUTHORITY

STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2018

	<u>2018</u> <u>\$'000</u>	<u>2017</u> <u>\$'000</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net (deficit)/surplus	(12,468)	112,060
Items not affecting cash resources:		
Depreciation	18,891	21,647
Release from capital reserve	(6,150)	(9,762)
Gain on disposal of property, plant and equipment	-	(4)
Exchange gain on foreign balances	(337)	(593)
	(64)	123,348
Changes in operating assets and liabilities -		
Inventories	5,790	(6,360)
Receivables	(21,603)	(9,592)
Taxation recoverable	(131)	(123)
Project advances	(38,248)	(185,866)
Payables	3,661	9,009
Post-employment benefit asset	(59,876)	(34,619)
Cash used in operating activities	(110,471)	(104,203)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Addition to property, plant and equipment	(14,033)	(12,972)
Proceeds from sale of property, plant and equipment	-	99
Cash used in investing activities	(14,033)	(12,873)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net reduction in capital fund	-	(156)
Cash used in financing activity	-	(156)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(124,504)	(117,232)
Exchange gain on foreign cash balances	337	593
Cash and cash equivalents at beginning of year	634,080	750,719
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 12)	<u>509,913</u>	<u>634,080</u>

RURAL AGRICULTURAL DEVELOPMENT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2018

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 preparation

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 amendment is relevant to its operations.

RURAL AGRICULTURAL DEVELOPMENT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2018

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)

Amendments to IAS 7, 'Statement of Cash Flows' (effective for annual periods beginning on or after 1 January 2017). The amendment introduces an additional disclosure that will enable users of financial statements to evaluate changes in liabilities arising from financial activities. The amendment is part of the IASB'S Disclosure Initiative, which continues to explore how financial statement disclosure can be improved. An entity is required to disclose information that will allow users to understand changes in liabilities arising from financing activities. This includes changes arising from cash flows, such as drawdowns and repayments of borrowings; and non-cash changes, such as acquisitions, disposals and unrealized exchange differences. There was no significant impact from the adoption of this amendment.

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.

RURAL AGRICULTURAL DEVELOPMENT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2018

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 15, 'Revenue from Contracts with Customers', (effective for periods beginning on or after 1 January 2018). It replaces IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfer of Assets from Customers and SIC - 31 Revenue - Barter Transactions involving Advertising Services. The new standard applies to contracts with customers. However, it does not apply to insurance contracts, financial instruments or lease contracts, which fall in the scope of other IFRSs. It also does not apply if two companies in the same line of business exchange non-monetary assets to facilitate sales to other parties. Furthermore, if a contract with a customer is partly in the scope of another IFRS, then the guidance on separation and measurement contained in the other IFRS takes precedence.

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 2017. 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.

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.

RURAL AGRICULTURAL DEVELOPMENT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2018

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(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.

(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.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Authority and the cost of the item can be measured reliably. The carrying amount of any replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

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	2½%

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

RURAL AGRICULTURAL DEVELOPMENT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2018

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(f) Foreign currency translation (cont'd)

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.

(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.

RURAL AGRICULTURAL DEVELOPMENT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2018

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(h) Financial instruments (cont'd)

Financial assets (cont'd)

(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.

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, accounts payable 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.

RURAL AGRICULTURAL DEVELOPMENT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2018

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(j) Employee benefits (cont'd)

Defined Benefit Plans (cont'd)

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.

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.

RURAL AGRICULTURAL DEVELOPMENT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2018

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(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.

RURAL AGRICULTURAL DEVELOPMENT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2018

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

(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.

(ii) 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.

RURAL AGRICULTURAL DEVELOPMENT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2018

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.

(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
- Accounts payable

(b) Financial instruments by category

Financial assets

	<u>Loans and receivables</u>	
	<u>2018</u>	<u>2017</u>
	<u>\$'000</u>	<u>\$'000</u>
Cash and cash equivalents	<u>509,913</u>	<u>634,080</u>

Financial liability

	<u>Financial liability at at amortised cost</u>	
	<u>2018</u>	<u>2017</u>
	<u>\$'000</u>	<u>\$'000</u>
Accounts payable	<u>18,764</u>	<u>15,209</u>

RURAL AGRICULTURAL DEVELOPMENT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2018

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(c) Financial instruments not measured at fair value

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

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

(d) 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:

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

RURAL AGRICULTURAL DEVELOPMENT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2018

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(d) Financial risk factors (cont'd)

Research, Training and Marketing Committee (cont'd)

(i) Credit risk (cont'd)

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.

(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.

RURAL AGRICULTURAL DEVELOPMENT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2018

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(d) Financial risk factors (cont'd)

(ii) Market risk (cont'd)

Concentration of currency risk

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

	<u>2018</u>		<u>2017</u>	
	<u>J\$'000</u>	<u>'000</u>	<u>J\$'000</u>	<u>'000</u>
Cash and cash equivalents -				
USD	<u>31,335</u>	<u>251</u>	<u>29,166</u>	<u>228</u>
EURO	<u>9,331</u>	<u>61</u>	<u>8,075</u>	<u>60</u>

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 4% (2017 - 6%) depreciation and 2% (2017 -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</u> <u>Currency Rate</u>	<u>Effect on</u> <u>Net Surplus</u>	<u>% Change in</u> <u>Currency Rate</u>	<u>Effect on</u> <u>Net Surplus</u>
	<u>2018</u>	<u>2018</u> <u>\$'000</u>	<u>2017</u>	<u>2017</u> <u>\$'000</u>
Currency:				
USD	+4	1,253	+6	1,749
Euro	<u>+4</u>	<u>373</u>	<u>+6</u>	<u>484</u>
USD	-2	(627)	-1	(292)
Euro	<u>-2</u>	<u>(187)</u>	<u>-1</u>	<u>(81)</u>

RURAL AGRICULTURAL DEVELOPMENT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2018

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(d) Financial risk factors (cont'd)

(ii) Market risk (cont'd)

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.

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.

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.

RURAL AGRICULTURAL DEVELOPMENT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2018

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(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>2018</u> <u>\$'000</u>	<u>2017</u> <u>\$'000</u>
Interest	2,077	1,756
Foreign exchange gain	337	593
Gain on disposal of property, plant and equipment	-	4
Surplus from cook book project	6	25
Deficit from community development project (AGRI Mart)	(881)	(158)
Deficit from Twickham Bammy Project	(957)	(815)
Administration fees - Farm Road Programme	114	8,241
Appropriation in aid:		
Duty concession	1,080	795
Property administration	4,631	7,273
Farmers identification	2,135	3,962
Beach cottage	335	260
Others (referral letters, business plan)	<u>747</u>	<u>415</u>
	<u>9,624</u>	<u>22,351</u>

RURAL AGRICULTURAL DEVELOPMENT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2018

7. PROPERTY, PLANT AND EQUIPMENT:

	<u>Building</u> <u>\$'000</u>	Office Furniture, Computers and <u>Equipment</u> <u>\$'000</u>	Motor cycles, tractors and <u>Vehicles</u> <u>\$'000</u>	Construction in progress <u>\$'000</u>	<u>Total</u> <u>\$'000</u>
At cost -					
At 1 April 2016	106,438	81,706	123,295	-	311,439
Additions	-	12,972	-	-	12,972
Donated assets	-	266	7,100	-	7,366
Disposal	-	(118)	-	-	(118)
At 31 March 2017	106,438	94,826	130,395	-	331,659
Additions	337	11,571	-	2,125	14,033
Donated assets	-	3,335	-	-	3,335
At 31 March 2018	<u>106,775</u>	<u>109,732</u>	<u>130,395</u>	<u>2,125</u>	<u>349,027</u>
Depreciation -					
At 1 April 2016	11,011	56,777	75,979	-	143,767
Charge for the year	2,657	5,004	13,986	-	21,647
Eliminated on disposal	-	(23)	-	-	(23)
At 31 March 2017	13,668	61,758	89,965	-	165,391
Charge for the year	<u>2,657</u>	<u>6,334</u>	<u>9,900</u>	-	<u>18,891</u>
At 31 March 2018	<u>16,325</u>	<u>68,092</u>	<u>99,865</u>	-	<u>184,282</u>
Net Book Value -					
31 March 2018	<u>90,450</u>	<u>41,640</u>	<u>30,530</u>	<u>2,125</u>	<u>164,745</u>
31 March 2017	<u>92,770</u>	<u>33,068</u>	<u>40,430</u>	-	<u>166,268</u>

RURAL AGRICULTURAL DEVELOPMENT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2018

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 13%, 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 30 May 2018 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, two (2) by members of the plan and one (1) by pensioners. 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>2018</u> <u>\$'000</u>	<u>2017</u> <u>\$'000</u>
Fair value of plan assets	1,435,096	1,200,781
Present value of obligations	(1,339,261)	(906,518)
Asset in the statement of financial position	<u>95,835</u>	<u>294,263</u>

RURAL AGRICULTURAL DEVELOPMENT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2018

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

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

	<u>2018</u> <u>\$'000</u>	<u>2017</u> <u>\$'000</u>
Balance at beginning of year	906,518	827,083
Current service cost	31,085	29,525
Interest cost	86,402	72,554
Employee's contribution	39,197	33,598
Benefits paid	(24,183)	(62,887)
Experience losses	7,749	38,659
(Gain)/Loss from changes in financial assumptions	<u>292,493</u>	<u>(32,014)</u>
Balance at end of year	<u>1,339,261</u>	<u>906,518</u>

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

	<u>2018</u> <u>\$'000</u>	<u>2017</u> <u>\$'000</u>
Balance at beginning of year	1,200,781	998,322
Employees' contributions	39,197	33,598
Employers' contributions	71,323	59,033
Interest on plan assets	116,727	89,818
Benefits paid	(24,183)	(62,887)
Administrative fees	(10,686)	(12,153)
Remeasurements of the plan assets	<u>41,937</u>	<u>95,050</u>
Balance at end of year	<u>1,435,096</u>	<u>1,200,781</u>

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

	<u>2018</u> <u>\$'000</u>	<u>2017</u> <u>\$'000</u>
Current service cost	31,085	29,525
Interest cost (net)	(30,325)	(17,264)
Administrative fees	<u>10,686</u>	<u>12,153</u>
Total included in staff costs (Note 18)	<u>11,446</u>	<u>24,414</u>

RURAL AGRICULTURAL DEVELOPMENT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2018

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

The amount recognized in other comprehensive income were as follows:

	<u>2018</u> <u>\$'000</u>	<u>2017</u> <u>\$'000</u>
Re-measurement of the defined benefit obligation	300,241	6,645
Re-Measurement of plan assets	(41,937)	(95,050)
Components of defined benefit cost recognized in other comprehensive income	<u>258,304</u>	<u>(88,405)</u>

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>2018</u> <u>\$'000</u>	<u>2017</u> <u>\$'000</u>
Pooled investment fund	374,657	318,715
Pooled equity fund	396,990	312,845
Pooled money market fund	151,678	118,509
Pooled fixed income fund	431,182	373,415
Pooled foreign currency fund	<u>80,589</u>	<u>77,297</u>
	<u>1,435,096</u>	<u>1,200,781</u>

The investment managers Guardian Life Limited has reported that the above Pooled Funds are allocated as follows for 2018.

<u>Assets</u>	<u>Allocation</u> %
Real estate	2.18
Local equities	32.59
Foreign equity	13.01
Bonds	40.29
Cash and short term investment	<u>11.93</u>
	<u>100.00</u>

RURAL AGRICULTURAL DEVELOPMENT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2018

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 35% equity securities, 55% 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 \$172,817,223 (2017 - \$194,502,640).

Expected employer's contributions for the year ending 31 March 2019 amount to \$70,500,000.

The principal actuarial assumptions used were as follows:

	<u>2018</u>	<u>2017</u>
Discount rate	7.5%	9.5%
Future salary increases	5.5%	6.5%
Price inflation (CPI)	<u>4.5%</u>	<u>6.5%</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 - 19.6 years

Female - 19.6 years

RURAL AGRICULTURAL DEVELOPMENT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2018

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

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

Impact on post-employment obligations

	<u>Changes in Assumptions</u>	<u>Increase in Assumption</u>		<u>Decrease in Assumption</u>	
		<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
		<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Discount rate	1%	(217,601)	(136,607)	284,119	175,177
Salary escalation rate	<u>1%</u>	<u>154,000</u>	<u>99,577</u>	<u>(131,042)</u>	<u>(85,100)</u>

The effect on the present value of obligation for an increase of one year in the life expectancy is an increase of approximately \$20.2 million.

9. INVENTORIES:

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

10. RECEIVABLES:

	<u>2018</u>	<u>2017</u>
	<u>\$'000</u>	<u>\$'000</u>
Motor vehicle revolving loan scheme	36,350	27,290
Staff revolving loan	13,364	14,266
Other receivables	9,258	4,371
Deposit on land	<u>8,558</u>	<u>-</u>
	<u>67,530</u>	<u>45,927</u>

11. TAXATION RECOVERABLE:

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

RURAL AGRICULTURAL DEVELOPMENT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2018

12. CASH AND CASH EQUIVALENT:

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

	<u>2018</u> <u>\$'000</u>	<u>2017</u> <u>\$'000</u>
Parishes:		
Imprest account	1,866	1,409
Capital accounts	109,052	139,001
Head office:		
Capital account	175,943	15,809
Current account	156,005	416,579
EU banana account	5,002	4,332
Savings	36,579	32,262
Deposits	<u>25,466</u>	<u>24,688</u>
	<u>509,913</u>	<u>634,080</u>

Included in the above amounts is \$31,312,773 (2017 - \$40,185,452) 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 \$38,110 (2017 - \$55,458). These deposits have an average maturity of 31 days (2017 - 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>2018</u>	<u>2017</u>
Cash at bank - (JA\$ account)	0.85%	0.85%
- (US\$ account)	0.20%	0.15%
- (EURO\$ account)	0.05%	0.05%
Deposits and short term instruments	<u>3.60%</u>	<u>3.41%</u>

RURAL AGRICULTURAL DEVELOPMENT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2018

13. CAPITAL RESERVE:

	<u>2018</u> <u>\$'000</u>	<u>2017</u> <u>\$'000</u>
Computer Equipment and accessories	437	468
Motor vehicle and tractor	20,519	25,910
Furniture and equipment	<u>5,354</u>	<u>2,747</u>
	<u>26,310</u>	<u>29,125</u>

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

14. CAPITAL FUND:

This represents -

	<u>2018</u> <u>\$'000</u>	<u>2017</u> <u>\$'000</u>
Balance at beginning of year	<u>177,978</u>	<u>178,134</u>
Less: Development expenditure		
Grants for production incentive for small farmers - Training	-	86
Forestry - Soil survey and conservation	<u>-</u>	<u>70</u>
	<u>-</u>	<u>156</u>
Balance at 31 March	<u>177,978</u>	<u>177,978</u>

RURAL AGRICULTURAL DEVELOPMENT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2018

15. PROJECT ADVANCES:

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

(a) PROGRAMMES IMPLEMENTED FOR MEMBERS OF PARLIAMENT-

	<u>2018</u> <u>\$'000</u>	<u>2017</u> <u>\$'000</u>
Social and Economic Support Programme	3	3
Production incentive	153,796	152,421
Flood relief	735	9
Drought relief	3,975	9,990
Local Development Programme	2,950	2,950
Constituency development fund	33,240	40,613
Production and productivity	57	57
Farm Road Programme	<u>42,239</u>	<u>92,970</u>
	<u>236,995</u>	<u>299,013</u>

(b) SPECIAL GOVERNMENT OF JAMAICA PROGRAMMES -

Bauxite Community Redevelopment Project	129	207
International Aided projects	6,681	5,545
Tree Crop Project	8	8
E.U. Banana Project	9,105	8,942
School Garden Programme	79	56
Locally Aid Projects	17,312	18,863
ALBA	93	103
FAO-Projects	<u>2,728</u>	<u>163</u>
	<u>36,135</u>	<u>33,887</u>

(c) R.A.D.A PROGRAMMES -

Projects	<u>64,464</u>	<u>42,942</u>
Total	<u>337,594</u>	<u>375,842</u>

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

RURAL AGRICULTURAL DEVELOPMENT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2018

16. PAYABLES:

	<u>2018</u> <u>\$'000</u>	<u>2017</u> <u>\$'000</u>
Accounts payable	16,284	12,839
Accrued vacation leave	126,787	125,646
Accrued audit fees	2,480	2,370
Other payables	<u>27,909</u>	<u>28,944</u>
	<u>173,460</u>	<u>169,799</u>

17. EMOLUMENTS FOR MANAGEMENT STAFF:

During the year under review the number of management staff amounted to twenty eight (28) (2017 - 28) and the cost associated with total emoluments was \$136.9 million (2017 - \$117.9 million).

18. SALARIES, WAGES AND RELATED CHARGES:

	<u>2018</u> <u>\$'000</u>	<u>2017</u> <u>\$'000</u>
Wages and salaries	721,438	686,883
Statutory contribution	35,242	33,801
Pension (Note 8)	11,447	24,414
Other staff cost	2,199	2,172
Health insurance	40,098	32,959
Disability insurance	2,427	2,187
Overtime and supper allowance	296	350
Gratuity	<u>1,228</u>	<u>2,462</u>
	<u>814,375</u>	<u>785,228</u>

The number of persons employed by the Authority at the end of the year was 513 (2017 - 513).

RURAL AGRICULTURAL DEVELOPMENT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2018

19. RELATED PARTY TRANSACTIONS:

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

	<u>2018</u> <u>\$'000</u>	<u>2017</u> <u>\$'000</u>
Subvention - Government of Jamaica	1,299,050	1,332,840
Key management personnel:		
Short-term employee benefits	136,927	117,925
Directors fee and travelling benefits	<u>10,130</u>	<u>8,865</u>

20. LITIGATIONS AND CONTINGENT LIABILITIES:

- (a) A suit was filed against the Authority by a former employee for approximately thirty-six million seven hundred thousand dollars (\$36,700,000 million) plus interest. The Claimant has written to the Authority with a settlement proposal in the sum of Eight Million Dollars (\$8,000,000), which is being considered by the Board of Directors.
- (b) A suit was filed against the Authority by a former employee for wrongful dismissal. The claimant has written to the Authority with a settlement proposal in the sum of ten million dollars (\$10,000,000), which is being considered by the Board of Directors.

21. COMMITMENTS:

Significant capital expenditure contracted for during the reporting period but not recognized as liabilities are:

- (a) The balance on the purchase of property of \$78,424,150, this amount is past due and may attract interest of eight percent (8%) per annum.
- (b) Cost associated with the construction of a building of \$12,117,126.

RURAL AGRICULTURAL DEVELOPMENT AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2018

22. COMPARISON OF RECURRENT INCOME AND EXPENDITURE BUDGET (CONT'D):

	Revised Estimate of Budget <u>\$'000</u>	Actual <u>\$'000</u>	Variances <u>\$'000</u>
INCOME:			
Government of Jamaica Subvention	1,314,231	1299,037	15,194
Other income	<u>9,000</u>	<u>9,624</u>	(624)
	<u>1,323,231</u>	<u>1,308,661</u>	<u>14,5701</u>
EXPENSES:			
Salaries, wages and related charges	882,461	814,375	68,086
Public utilities	43,088	45,192	(2,104)
Motor vehicle maintenance	20,567	18,570	1,997
General office	20,118	61,669	(41,551)
Seminars and meetings	14,650	2,716	11,934
Repairs and maintenance	21,770	23,034	(1,264)
Consultancy	3,500	1,032	2,468
Bank charges and interest	3,000	3,115	(115)
Upkeep/travelling and subsistence	282,164	298,083	(15,919)
Directors' and committee meetings	10,131	10,130	1
Rental of building	3,336	4,542	(1,206)
Security	5,321	4,748	573
Printing and stationery	5,425	15,492	(10,067)
Audit fee	-	2,487	(2,487)
Insurance	3,700	2,513	1,187
Legal and professional fee	1,000	690	310
Advertising and promotions	<u>3,000</u>	<u>-</u>	<u>3,000</u>
	<u>1,323,231</u>	<u>1,308,388</u>	<u>14,843</u>

DIRECTORY

CORPORATE OFFICE

Hope Gardens, Kingston 6
Tel: 876-977-1158-62, Fax: 876-977-1 1 58
Email: executive@rada.gov.jm
Toll Free: 1-888-ASK-RADA (1 -888-275-7232)
Website: www.rada.gov.jm

EASTERN ZONAL OFFICE

197 Old Hope Road, Kingston 6
Tel: (876) 927-1570-1
Fax: (876) 927-0199
Email: eastzone@rada.gov.jm

ST. MARY PARISH OFFICE

Frontier, Port Maria P.O.
Tel: (876) 994-2436
Fax: (876) 994-2632
Email: stmary@rada.gov.jm

PORTLAND PARISH OFFICE

20 Harbour Street, Port Antonio P.O.
Tel: (876) 993-2496
Fax: (876) 993-3731
Email: portland@rada.gov.jm

ST. THOMAS PARISH OFFICE

Belfast, Morant Bay P.O.
Tel: (876) 982-2209/ 2496
Fax: (876) 982-1443
Email: stthomas@rada.gov.jm

ST. ANN PARISH OFFICE

Claremont P.O.
Tel: (876) 972-3258/ 4216
Fax: (876) 972-4635
Email: stann@rada.gov.jm

CLARENDON PARISH OFFICE

Denbigh Show Grounds, May Pen P.O.
Tel: (876) 986-2222/ 2123-4
Fax: (876) 902-3467
Email: clarendon@rada.gov.jm

ST. CATHERINE PARISH OFFICE

Vanity Fair, Linstead P.O.
Tel: (876) 985-9194/ 2290
Fax: (876) 985-6325
Email: stcatherine@rada.gov.jm

ST. ANDREW PARISH OFFICE

197 Old Hope Road, Kingston 6
Tel: (876) 970-01 01
Fax: (876) 927-01 99
Email: standrew@rada.gov.jm

WESTERN ZONAL OFFICE

Catherine Hall, Montego Bay
Tel: (876) 952-4803/ 0743
Fax: (876) 952-3661
Email: westzone@rada.gov.jm

TRELAWNY PARISH OFFICE

Duncans, Trelawny
Tel: (876) 954-2596/ 7727
Fax: (876) 954-2442
Email: trelawny@rada.gov.jm

HANOVER PARISH OFFICE

Haughton Court, Lucea P.O.
Tel: (876) 956-2252/2378
Fax: (876) 956-3482
Email: hanover@rada.gov.jm

WESTMORELAND PARISH OFFICE

Llandilo, Savana-la-mar P.O.
Tel: (876) 955-2767/ 4446
Fax: (876) 955-4631
Email: westmoreland@rada.gov.jm

MANCHESTER PARISH OFFICE

Belair Hotel, Mandeville
Tel: (876) 962-0477/ 0479/ 2307
Fax: (876) 926-3279
Email: manchester@rada.gov.jm

ST. ELIZABETH PARISH OFFICE

63 Coke Drive, Santa Cruz P.O.
Tel: (876) 966-2285/ 2232
Fax: (876) 966-2100
Email: stelizabeth@rada.gov.jm

ST. JAMES PARISH OFFICE

Catherine Hall, Montego Bay
Tel: (876) 952-1876/ 1879
Fax: (876) 952-3661
Email: stjames@rada.gov.jm





People, Land and Opportunity



Designed by the Jamaica Information Service