



JBDC ANNUAL REPORT 2019-2020

MISSION STATEMENT

"To pursue developmental policies that foster sustainable modernisation and growth in the productive sector, effective modernisation of the business environment, cost-effective delivery of technical and marketing services through highly committed, competent and motivated employees."

CORPORATE PROFILE

The Jamaica Business Development Corporation (JBDC) was established in 2001 as the premier government agency providing business development services to Jamaican Micro, Small and Medium-sized Enterprises (MSMEs)... 'From Concept to Market'. JBDC provides guidance for business start-ups and expansion, offering business advice and consultation, research services, business monitoring, training and capacity building, project management services, financial advice, design and product development as well as market penetration support and access. The organisation which operates within the ambit of the Ministry of Industry, Commerce, Agriculture and Fisheries (MICAFA), strives to continually fuel the local economy through its services and programmes designed to support the growth and development of the MSME sector.

The JBDC operates from corporate offices in Kingston and satellite locations in Manchester, Montego Bay, Westmoreland and St. Ann. The locations form part of the Small Business Development Centre Network (SBDC). Technical support and incubation services for start-ups and established businesses are facilitated through the organisation's Incubator and Resource Centre (IRC) located on Marcus Garvey Drive in Kingston. At this location, enterprises in the food processing and food service, fashion and accessories, and gift & craft sectors secure access to specialised technical services and utilise the IRC's incubator equipment and office facilities as extended support for the creation and manufacture of their product lines. Qualified designers and industrial engineers who constitute a vital part of JBDC's team of professionals are integral to the organisation's delivery of technical support services to its clients, in a range of areas such as graphic design, label and packaging design, product concept development, prototyping and packaging. Advice to new business owners in factory layout, production systems planning, energy management and other aspects vital to the creation of sustainable operations is guided by the latest industry specific research and global quality standards.

JBDC's marketing support services encompass activities which are divided into two (2) major sub-categories: Developmental and Operational (Things Jamaican™ Retail Chain). These activities include value chain development, coaching, consultation, trade & events promotion, product review, analysis & testing, marketing training, project implementation, as well as, market access support which includes retailing opportunities that aim to promote and build "Brand Jamaica". JBDC has remained committed to the development and promotion of authentic Jamaican products, including handicrafts, eclectic gift lines, specialty foods and spa products, through its unifying 'things Jamaican' umbrella brand, showcasing and retailing the best and highest quality products which Jamaica has to offer. JBDC is one of the largest purchasers, distributors and promoters of authentic Jamaican products, currently marketing brands for over 400 active suppliers islandwide. Its Things Jamaican™ stores are housed at the Norman Manley International Airport, the historic Devon House and JBDC's Corporate Offices, and may also be found online at the e-commerce site, www.thingsjamaicanshopping.com.

JBDC enjoys long-standing and successful relationships with a range of international and local funding agencies through which it has secured critical support in tandem with participation from the Government of Jamaica for the implementation of innovative and far-reaching business development programmes on a national scale. Strategic partnerships, including several Public Private Partnerships (PPP) are fundamental to JBDC's approach to fostering collaboration and cooperative arrangements between government agencies, the private sector as well academia and research communities.

For more information:

Call: 1 (876) 928-5161-5/Toll Free: 1-888-232-4357

Websites: www.jbdc.net and www.thingsjamaicanshopping.com

Email: info@jbdc.net



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MINISTER'S MESSAGE



The Micro, Small & Medium-sized Enterprise (MSME) sector is a significant programme within the Ministry of Industry, Commerce, Agriculture & Fisheries (MICAF), given that it accounts for approximately 80% of jobs in the Jamaican economy. Therefore, the Government of Jamaica recognises the support provided by agencies like the Jamaica Business Development Corporation (JBDC), as pivotal to economic growth.

Entrepreneurs within the sector face several challenges including marketing, which is crucial to the development and profitability of their businesses. The Ministry is committed to enabling the JBDC to make a positive impact on their development and importantly, to reduce their failure rate. In August 2019, the Ministry launched a MSME Digitisation Plan in collaboration with Kolau, a partner of Google as well as with the Organisation of American States (OAS). The aim is to have 25,000 MSMEs

operating in the digital marketplace by 2022 at no cost to them. We are confident that a dynamic website will increase their online visibility as well as facilitate e-commerce.

Towards the end of the 2019-2020 fiscal year in March, Jamaica was hit by the global covid-19 pandemic and entrepreneurs within the MSME sector who were not already doing business online were severely affected. Those within the cultural & creative industries immediately felt the brunt of the crisis. As we continue to navigate the covid-19 pandemic, their ability to pivot will be crucial to the survival and growth of their businesses. We are pleased that the JBDC launched its Things Jamaican E-commerce platform ahead of the pandemic, as it will aid the marketing and sales of products made by entrepreneurs in the gift & craft sector.

The Ministry commends the JBDC on the sterling work done on highlighting the cultural & creative industries throughout the fiscal year. It provided a framework for further development of the sector. The Ministry looks forward to the results of the Mapping of the Jamaica Cultural & Creative Industries being undertaken by the JBDC in collaboration with the British Council. This is a historic initiative and I laud the JBDC for its continuous efforts to implement groundbreaking initiatives to develop the MSME sector.

Honourable Audley Shaw, CD, MP
Minister of Industry, Commerce, Agriculture & Fisheries



CHAIRMAN'S STATEMENT



The Board of Directors of the Jamaica Business Development Corporation (JBDC) is keen on economic growth within the MSME sector through the provision of business development services that facilitate innovation and provide market access to entrepreneurs in keeping with global trade developments. In this regard, key impact indicators include the growth in new products, market penetration and internationalisation. As such, a strategy which focuses largely on enterprise level development, ecosystem development, project implementation and internal capacity building is significant to achieving success.

During the 2019-2020 fiscal year, the agency launched its new Things Jamaican™ E-commerce platform which aims to give market access to 423 active clients with more than 2000 active products. The website is aimed at delivering a world class, authentic Jamaican shopping experience across eight (8) major product categories.

Of note is the category Fi Wi Tings, which features JBDC branded lines to promote micro firms through collective branding, clustering and value chain development projects. This enables the firms to benefit from development partnerships under brands developed and supported by JBDC offering product development and technical support that enable the movement 'From Concept to Market' for clients who may otherwise not have been able to develop these products on their own. The brands currently featured are Jamaica Harvest (Gluten Free and agro processed products) and Irie Magic (casual fashion and souvenirs), with other brands to be launched over the next two years.

As the JBDC continues to strengthen its own capacity to provide technical assistance to producers in the agro-processing sector, the agency has submitted a proposal for funding to the Caribbean Development Bank (CDB) under the European Development Fund Standby Facility for Capacity Building Programme. In response to growing interest from innovators, the JBDC has requested funding for the establishment of an agro-processing cluster, renovations to its food technology incubator, as well as installation of equipment to facilitate appropriate testing, packaging and labelling of products to meet the technical barrier to trade and sanitary and phytosanitary requirements of cross-border trade.

The Board of Directors congratulates the JBDC team on its ongoing commitment to the development of the MSME sector through these and other initiatives designed to stimulate innovation and growth.

Cleveland Stewart
Chairman



BOARD OF DIRECTORS



Cleveland Stewart
Chairman



Matthew Samuda
Deputy Chairman



Valerie Veira, CD, JP
C.E.O. & Director



Yvonne Davis
Director



Hugh Johnson
Director



Keisha Lewis
Director



Steven Fong-Yee
Director



Oral Shaw
Director



Dr. William Lawrence
Director



Donovan Wignall
Director



Adonia Chin
Director



BOARD SUB-COMMITTEE REPORTS

OVERVIEW

The Corporation is governed by a Board of Directors appointed by the portfolio Minister. A total of eleven (11) members served during the period under review.

ADMINISTRATION & PROJECTS

The Administration sub-committee of the JBDC Board was established with a view to assist and guide on a range of issues related to the management and administration of the company. Specific areas of responsibility are Marketing, Public Relations and Human Resources.

The Administration sub-committee also assists in the process of developing and maintaining a positive and viable image for the organisation and ensuring that information on the programmes and services provided by the organisation is circulated to the widest and most relevant audience.

During the Fiscal Year, the committee oversaw several projects which included the organisation's partnership with the British Council to conduct a mapping of the Jamaica cultural and creative industries. Other major activities that the Committee oversaw included the staging of the organisation's 3rd annual Employee Engagement Conference which resulted in JBDC being awarded contracts to conduct employee engagement surveys for several entities.

The members of the sub-committee were:

Adonia Chin (Chairperson)
Yvonne Davis
Hugh Johnson
Keisha Lewis
Valerie Veira

AUDIT

The Audit Sub-committee of the JBDC Board is established as an oversight committee that advises the Board on the extent to which the objectives of the JBDC are being met. Importantly, the sub-committee provides advice and support as it relates to the adequacy, efficiency and effectiveness of the Accounting and Internal control structure and systems of the JBDC.

Among its duties are: reviewing and advising the Board on the Financial Statements that are to be included in the annual report, review and advise the Board on the annual Auditor's report, oversee internal audits of the organisation and ensure compliance with all statutory and regulatory guidelines as required by the Government of Jamaica.

The members of the sub-committee include:

Yvonne Davis (Chairperson)
Matthew Samuda
Oral Shaw
Valerie Veira



FINANCE

The Finance sub-committee of the JBDC Board is established to review the financial system of the JBDC and provide guidance and support as required. Its duties include: ensuring that the legal and Government of Jamaica regulations are adhered to, guide and ensure that financial reports are prepared and presented in a timely manner and that said reports are prepared within the framework of the established and required professional standards.

The committee provided oversight thus ensuring that the organisation complied with the requisite guidelines and statutory requirements. Prudent financial management continued to be a priority for the committee, and the organisation was continually reminded of this.

The members of the sub-committee include:

William Lawrence (Chairman)

Hugh Johnson

Stephen Fong-Yee

Donovan Wignal

Keisha Lewis

Valerie Veira



EXECUTIVE MANAGEMENT TEAM

The JBDC is led by an Executive Management Team. The team comprises a Chief Executive Officer and a Deputy Chief Executive Officer to whom a team of 10 managers and 1 director report. The single Director oversees operations of the Incubator & Resource Centre, while the managers lead various teams and initiatives in 5 core service departments and 5 support departments.

The core service departments include Technical Services, Marketing Services, Business Advisory Services, Financial Support Services and Project Management & Research. Together, they ensure that JBDC remains the leading business development service provider, delivering 'From Concept to Market'. They achieve their goals through strong support from Finance, Administration, Corporate Communications, Information Technology and Human Resource Management & Development.



Valerie Veira, CD, JP
Chief Executive Officer



Harold Davis, JP
Deputy Chief Executive Officer



SENIOR MANAGEMENT TEAM



Melissa Bennett
Manager
Financial Support Services



Ann-Marie Brown
Manager
Administration



Suzette Campbell
Manager
Corporate Communications



Michele Cowan
Manager, Finance



Janine Fletcher-Taylor
Manager
Marketing Services



Neville Grant
Manager
Information Technology



David Harrison
Director
Incubator & Resource Centre



Patricia Kitson
Manager
Human Resource
Management
& Development



Colin Porter
Manager
Technical Services Unit



Lisa Taylor-Stone
Manager
Project Management
& Research



Althea West-Myers
Manager
Business Advisory Services



CEO'S MESSAGE



The 2019-2020 fiscal year was a monumental one as the Jamaica Business Development Corporation (JBDC) boldly took on a historic focus on the local Orange Economy – the cultural and creative industries. The timing was ripe, as by the end of March 2020, these industries were thrust into the most challenging time of their existence with the onset of the covid-19 pandemic which brought them to a halt amidst restrictions like social distancing.

The agency's focus on the cultural and creative industries began at the staging of the 12th Annual Small Business Expo & Conference in May 2019 under the theme, Monetising the Orange Economy: The Future is Creative. Immediately following the Expo, the JBDC signed an Operation Alliance Agreement with the British Council to gather important data on the Creative and Cultural Industries (CCI) in Jamaica. Initially focusing on nine categories in the Creative & Cultural Industries, the objective of the mapping exercise is to define the creative economy substantively and provide a guide for MSMEs within the industries to become investment ready. The mapping process will also seek to calculate the contribution of the creative economy to the wider economy and identify ways in which the JBDC can support the industry going forward.

Officially titled 'Mapping the Cultural and Creative Industries in Jamaica', the information captured will review and update existing strategies and action plans for the development of CCIs in Jamaica as the first step towards a comprehensive mapping exercise. The nine categories to be studied include: Music & Entertainment Industry, Architecture & Design, Art & Craft, Film & Animation, Performing Arts & Theatre, Fashion, Culinary, Sports and Tools of Trade & Equipment. It is expected that additional industry categories will be included later in the process. The survey which began in January 2020 is being conducted by international consulting firm, Nordicity.



As we are currently under the Ministry of Industry, Commerce, Agriculture and Fisheries (MICA), we took advantage of the opportunity to explore the linkages between the Orange Economy and the Green Economy at the Denbigh Agricultural, Industrial & Food show by featuring innovative products in food, wellness and craft mainly derived from mango, castor beans, coconut, bamboo and cannabis. These products were developed by JBDC clients and drew the attention of hundreds of patrons and dignitaries.

We are also delighted that Cabinet has approved the National Craft Policy which aims to streamline the Jamaican Craft industry by facilitating incremental and significant improvements in quality, variety, value, sales, customer satisfaction and profits in order to promote greater local identity of finished craft and souvenirs, innovation, better supply capability, packaging, regulation and production and distribution facilities. It is important to note that culture is the real raw material and our craft producers have been the protectors of the cradle of culture. We are therefore eagerly anticipating the implementation phase in the coming fiscal year.

The JBDC also officially launched the Things Jamaican™ E-Commerce Platform. The website seeks to promote the concept of brand Jamaica through the lens of the cultural influences such as our music, food, hidden gems and attractions all which are translated into the products our artisans and producers create. There are currently 423 active clients with 2192 active products in the Things Jamaican™ client base. The website currently features 61 active clients with 169 active products plus 2 clusters.

It was the year for creativity and culture in a country which has demonstrated its prowess in both areas. I look forward to forging more local and international partnerships as we try to squeeze all the juice we can get from Brand Jamaica.

Valerie Veira, CD, JP
Chief Executive Officer



PERFORMANCE REPORT



Throughout the 2019-2020 fiscal year, the JBDC continued to implement major programmes which were strategically aligned to the impact objectives and success indicators. The main highlights were:

1. Promoting the Expansion of the Business Sector – The team continued the thrust towards formalisation of the business sector as well as the enhancement of new industries/opportunities and entry to new industries. It is important to note the growth in our clientele from the Fashion/Apparel and Agro-Processing sectors, both accounting for 9% each, up from 5.2% and 5.7% respectively in the previous fiscal year. A significant new programme offered by the JBDC Incubator & Resource Centre (IRC) was Design Fusion, a design-based 3-month long business development programme for emerging fashion and gift & craft designers. The programme is designed to meet the following objectives:

- Increased competitiveness through enhanced business entrepreneurial capabilities
- Enhanced design and technical capabilities
- Increased capacity of designers to develop market ready collections.

The programme saw significant interest from the targeted design communities with some 148 applications processed from which 30 were selected for participation. Design Fusion further underscores JBDC's commitment to the development of the Cultural & Creative Industries and the growth of entrepreneurial pursuits therein as highlighted in our Small Business Exposition and Conference 2019 which focused on the Orange Economy. The results from the CCI Mapping exercise will provide a framework for a long-term growth strategy for the industries.

2. Facilitating Employment Creation – Capacity building through the expansion of the Business Monitoring Programme (BMP) is a significant strategy in, meeting our objectives. This includes the addition of new tools and elements, Integration of mentorship element in the BMP, provision of capacity building support through the BMP to foster business development and growth, support of high-growth potential clients as per OECD standards and financial literacy training. Our high growth potential intervention was executed primarily through Cohort 3 of the Accelerator Programme, which is an intensive 6-month programme facilitating fast-paced capacity building with the objective of taking MSMEs into new markets and/or accessing equity investment from Angels.

A total of 20 entrepreneurs were selected from more than 50 applicants and 16 completed the programme representing a wide range of industries. Leighton Campbell, A Cohort 2 participant who was awarded JBDC B.O.S.S Man of the Year has a mission to help small businesses monetise sales online – anytime, anywhere. He has managed to increase earnings by 200% in one year since participating in the programme.



3. Fostering Business Competitiveness - Part of the measurement of our success is based on the growth of our MSMEs, such as revenue generation. As it relates to market access through Things Jamaican™, 24,422 in customer transactions was recorded by the TJ outlets at the end of the fiscal year. This amount represents a 13% increase in the number of transactions recorded at the end of the 2018/19 fiscal year. Importantly, entrepreneur's earning enabled through Things Jamaican™ at the end of the fiscal year was J\$34.28M; this represents an increase of approximately 6% when compared to FY 18/19.

Following the registration of our Client Management System (Neoserra CRM) as at March, 30, 2020, we are looking forward to more successes as it will enhance the team's capacity to deliver impactful service to our MSMEs.

Harold Davis, JP
Deputy Chief Executive Officer





SUMMARY OF CORE SERVICE DEPARTMENTS

BUSINESS ADVISORY SERVICES UNIT

The Business Advisory Services Unit is the first point of contact for new clients entering the JBDC. It assesses business plans and ideas, evaluates products and outlines a plan of action for businesses deemed ready for development and growth. The Unit uses a combination of internal and external expertise in the areas of Business Development & Mentoring and Capacity Development & Training. Through ground-breaking initiatives such as the JBDC Accelerator Programme, the Business Monitoring Programme as well as supporting initiatives such as the Lunch & Learn series and Opportunity Evening, the Business Advisory Services Unit is transforming the business landscape by encouraging a culture of entrepreneurship which empowers entrepreneurs to make calculated and strategy-led business decisions which result in exponential business growth, job and wealth creation.

The Unit's specific suite of services includes:

- Business Advice & Mentoring
- Business Plan Analysis
- Business Modelling
- Programme & Project Management
- Business training
- Assessment of entities
- Client preparation to access financing & technical support

FINANCIAL SUPPORT SERVICES UNIT

The Financial Support Services Unit facilitates financial literacy and education for our clients. Recognising the importance of access to financing as well as appropriate financing for the sustainable development of businesses and its success, the JBDC through the Financial Support Services Unit has undertaken the task of providing a suite of services aimed at building business' capacity and preparing them to more effectively navigate the existing financial market.

The main goal of the unit is to foster growth and development through:

- Research
- Training
- Financial Handholding
- Access to Financing
- Grant Disbursement



INCUBATOR & RESOURCE CENTRE

TECHNICAL SERVICES UNIT

The Technical Services Unit assists clients in developing products that meet international standards. The Unit also provides support to businesses that are seeking to expand their spaces through engineering services and design counselling.

The Unit's suite of services include:

- Product design and development
- Business incubation management
- Plant and production engineering
- Food Technology
- Customised Hands-on Workshops
- Prototype Development
- Branding
- Fashion and Graphic Design
- Patternmaking
- Packaging & labelling services

RESOURCE CENTRES

The resource centres provide services for producers in the craft, food and fashion industries. These include: product assessment & consultation, concept product design & prototyping, product enhancement, commercial food preparation, recipe testing & development, industry research, fashion design, collection development, pattern making and pocket welding. The centres also offer incubator services which include space rental.



PROJECT MANAGEMENT & RESEARCH DEVELOPMENT

The Project Management & Research Development Department facilitates MSME sector development through continuous Industry Research to identify critical needs for the MSME sector. The Unit also assists in developing programme strategies and guides the analysis and interpretation of industry statistics and MSME resource materials. Through strategic alliances, the Department also sources local and international funding to support programmes that allow stakeholders to access training and technical upgrading.

The Department also spearheads the Corporation's annual Employee Engagement Conference. As an Agency of the Government of Jamaica, with a mandate to provide business development services to MSMEs, the JBDC believes that employees are of utmost importance and are exceptionally critical to the success of any business. As such, the conference was developed to focus on making a difference within businesses, to empower employees and to foster a culture of engagement.

JBDC is spearheading this endeavour as our research had revealed some amount of disengagement within the Jamaican workforce, a status quo, which if allowed, spells disaster for the sustainability of businesses and their growth.

The Department's suite of services include:

- Project Management Training
- Proposal Writing
- Survey Design & Questionnaire Construction
- Feasibility Studies
- Market Research
- Employee Satisfaction & Engagement Surveys

MARKETING SERVICES UNIT

Access to both the local and international market is important to the success of new consumer products that are produced particularly by entrepreneurs in the MSME sector. The JBDC's Marketing Services Unit through the Things Jamaican™ retail stores provides market access for over 500 clients who produce a range of authentic Jamaican products in the categories of art & craft, home accents, aromatherapy, fashion and fashion accessories and food.

With three (3) branches of strategically located Things Jamaican™ retail stores, clients have the opportunity to promote and sell their products to a wider market. Further marketing is provided through JBDC's participation in local and international trade fairs and expos. For this process, the clients' products are screened and recommendations given to improve viability.

The Unit's services include:

- Market Access (local and international)
- Product Screening & Assessment
- Retail & Distribution



STRATEGIC IMPERATIVES

A SYNOPSIS: THE JBDC MODEL

The 2018-2021 strategic thrust of the Jamaica Business Development Corporation (JBDC) is nestled in a two-fold framework predicated by 1. its development mandate of growing enterprises through the Incubation System Model and 2. the enhancement of the ecosystem to provide a nurturing framework for growth in the MSME sector.

In this regard, the Incubation System Model supports the growth of enterprises via a process of diagnostic assessments, engagement of external partners, provision of specialised solutions, results-based capacity development, support and monitoring and evaluation.

The Business Advisory Services Department is the hub of client interactions specific to engaging MSMEs in the navigation of JBDC's Incubation System and integration in the Corporation's flagship MSMEs growth apparatus (The Business Monitoring Programme).

The Corporation (in response to market needs, the need to diversify service offerings, has embarked on the development and execution of specialised solutions that are offered to public and private sector entities. These services include but are not limited to the following:

- Business development consultancies and specialised training solutions
- Proposal writing training and solutions
- Research training and facilitating research process outsourcing
- Employee Engagement Conference
- Project management solutions
- Technical solutions inclusive of visual communication, industrial engineering & product design services and food technology

The two-fold framework of development support is supported by key Departments within the organisation and these include:

- Corporate Communications
- Human Resource and Development
- Technical Services
- Project Management and Research
- Information Technology
- Administration

The Strategic Plan for the 3-year period is therefore presented within the ambit of the two-fold nature of the Corporation and how the order of work will be structured to contribute to high-level national policy objectives, JBDC's impact objectives and indicators and the continuous delivery of services through the provision of innovative solutions.



OBJECTIVES





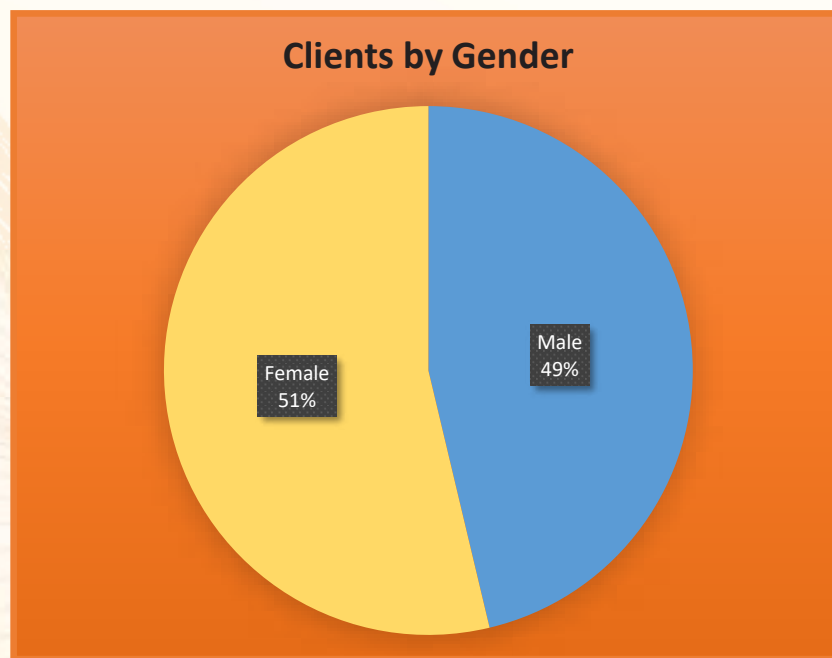
IMPACT INDICATORS





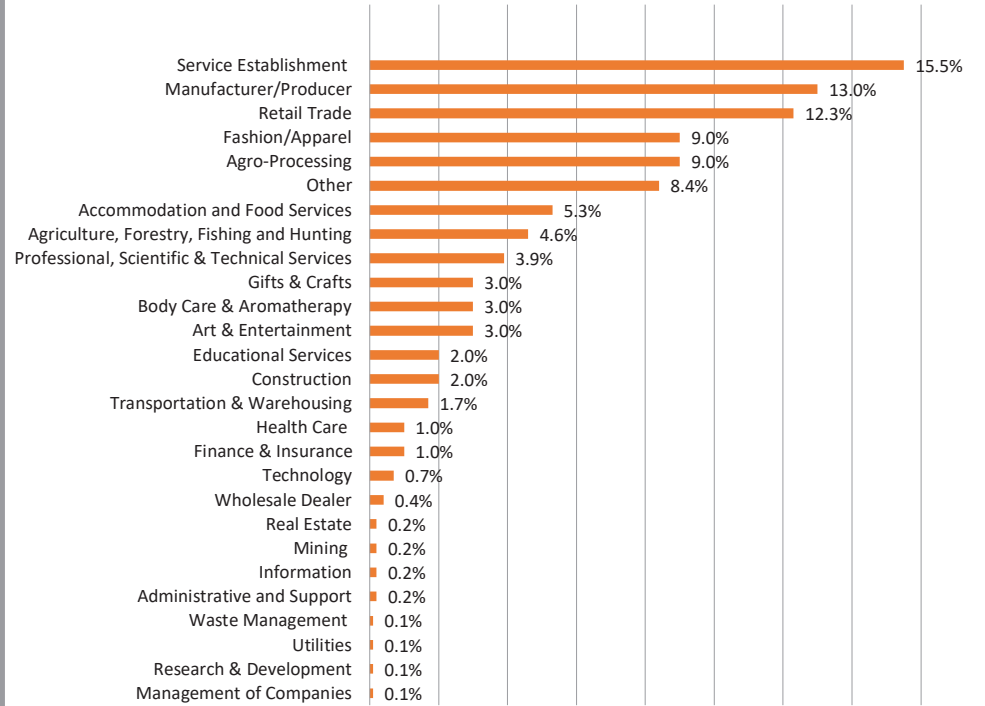
PROFILE OF CLIENTS

The Jamaica Business Development Corporation has approximately 2267 active clients within the Micro, Small and Medium-sized Enterprises (MSMEs) Sector registered in its Client Relationship Management System (Neoserra CRM) as at March 30, 2020. The number of female clients outweighed male clients with the split being 51% females & 49% males. As it relates to the industries to which clients are aligned, most (15.5%) are aligned to the services sector. The second largest proportion (13%) are manufacturers or producers followed by 12.3% who are retail dealers. Other sectors represented and details of which are presented in the diagram below are: agriculture, agro-processing, accommodation/food services, fashion/apparel, construction, transportation and warehousing, fashion/apparel, education, health care, among others.



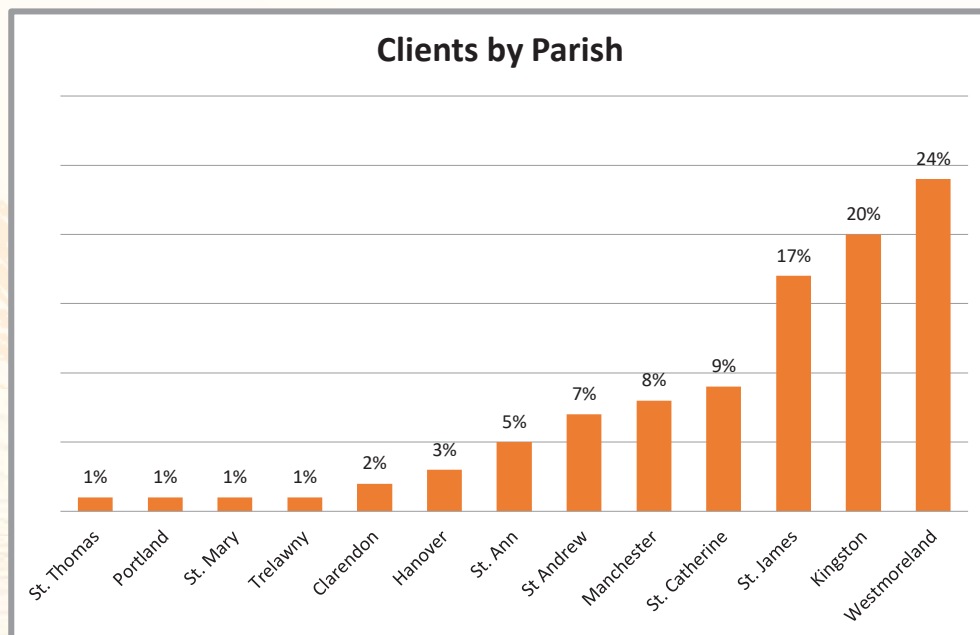


Clients by Sector FY 2019/20





Clients are dispersed country-wide with the largest concentration of clients located in Westmoreland (24%) followed by Kingston (20%), St. James (17%), St. Catherine (9%), Manchester (8%), St. Andrew (7%), St. Ann (5%), Hanover (3%), Clarendon (2%) and Trelawny, St. Mary, Portland and St. Thomas (1%) individually. The distribution of the clients is reflective of the areas in which JBDC services are most accessible as well as the size of the MSME population in those parishes.





2019 – 2020 HIGHLIGHTS



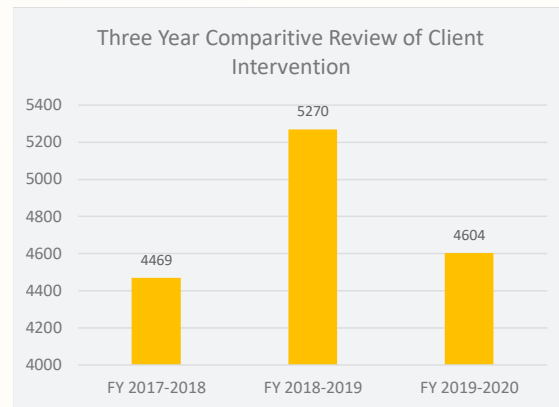




OUR REACH, CLIENT AND SERVICE PERFORMANCE

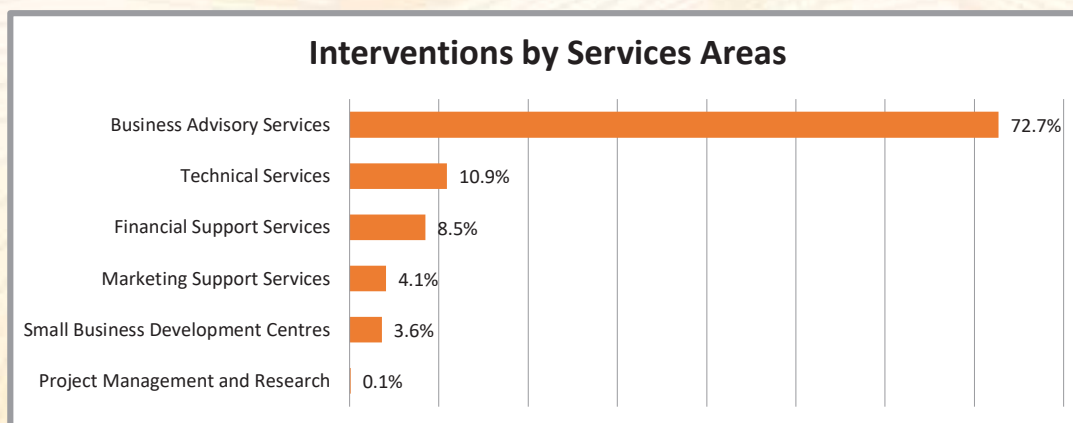
Our Reach

JBDC assisted 4,604 MSMEs during the 2019-2020 Financial Year representing a 12% decrease over the previous fiscal year (2018-2019) during which 5,270 MSMEs were assisted. Assistance was provided through approximately 7,639 interventions across the broad spectrum of JBDC's services inclusive of business advice & consultation, financial advice, incubator and technical services, product development, research, project management, proposal writing, training and development, coaching and mentoring, monitoring and handholding and marketing support.



Interventions Overview

The majority of JBDC's service interventions were led by its Business Advisory and Technical Services Departments.



¹ Interventions are classified as contacts with clients which includes but limited to: consultations and counseling sessions, training, mentoring and coaching, product development or screening sessions, email, telephone and face to face contacts.

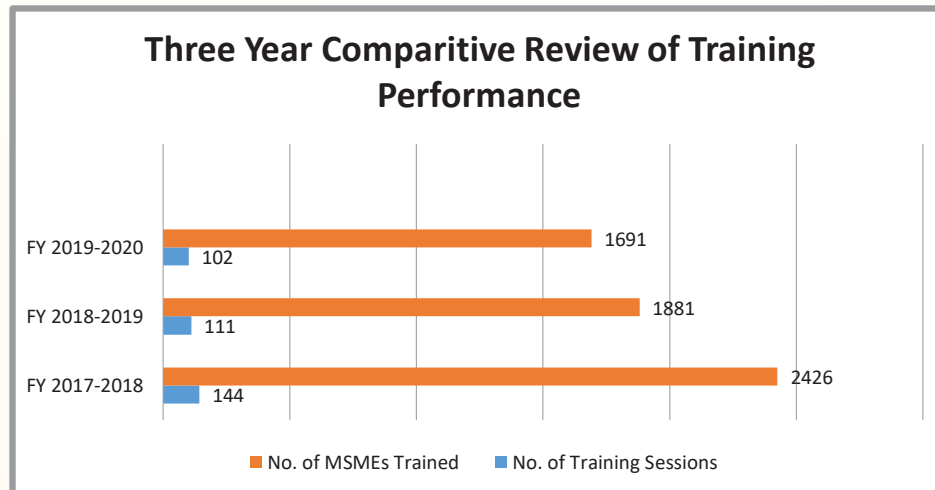
- **Business Advisory** - Business Advisory Services conducted 5,550 interventions accounting for the majority (72.7%) of interventions administered by JBDC for the review period. Advisory services conducted via the newly established Small Business Development Centres accounted for 274 (3.6%) interventions. Core business advisory services include: business consultation, business development training, business planning and business monitoring and mentoring.
- **Technical Services** – The focus of JBDC's technical assistance is product development inclusive of packaging design, product design and general product and process enhancement. In this regard, JBDC facilitated 836 technical assistance interventions during the review period, which accounted for 10.9% of the organization's total interventions.
- **Marketing Assistance** - Through strategic marketing, clients were provided with local and international market access via in-store and electronic promotion and participation in local and international trade shows provided by Things Jamaican TM; JBDC's Marketing Unit. A total of 317 interventions were facilitated which accounted for 4.1% of the total interventions.
- **Project Management and Research** - Through its specialized service solutions, the Project Management and Research Department facilitated 10 interventions (accounting for 0.1% of the overall interventions) in proposal writing which is geared towards medium-size and large businesses and companies.
- **Financial Services Support** – The focus of the financial services unit is to provide specialized support in areas of financial management, financial document preparation, etc. In this regard the FSSU department facilitated a total of 652 interventions during the review period accounting for 8.5% of the total interventions.

Training Performance

The JBDC conducted a series of training sessions island-wide focusing on business and technical development. Since the beginning of the review period (FY 2019-2020) approximately 1,691 MSMEs have been trained representing a 10% decrease in the number of MSMEs trained when compared to the same period during FY 2018-2019. Likewise, the number of training sessions hosted have been decreased from 111 to 102; representing an 8% decrease over FY 2018-2019. Training activities incorporated a series of project-related training interventions which were conducted in collaboration with The European Union & United Nations Development and other local development support entities including Development Bank of Jamaica during the financial year 2019-2020.



United Nations Development and other local development support entities including Development Bank of Jamaica during the financial year 2019-2020.



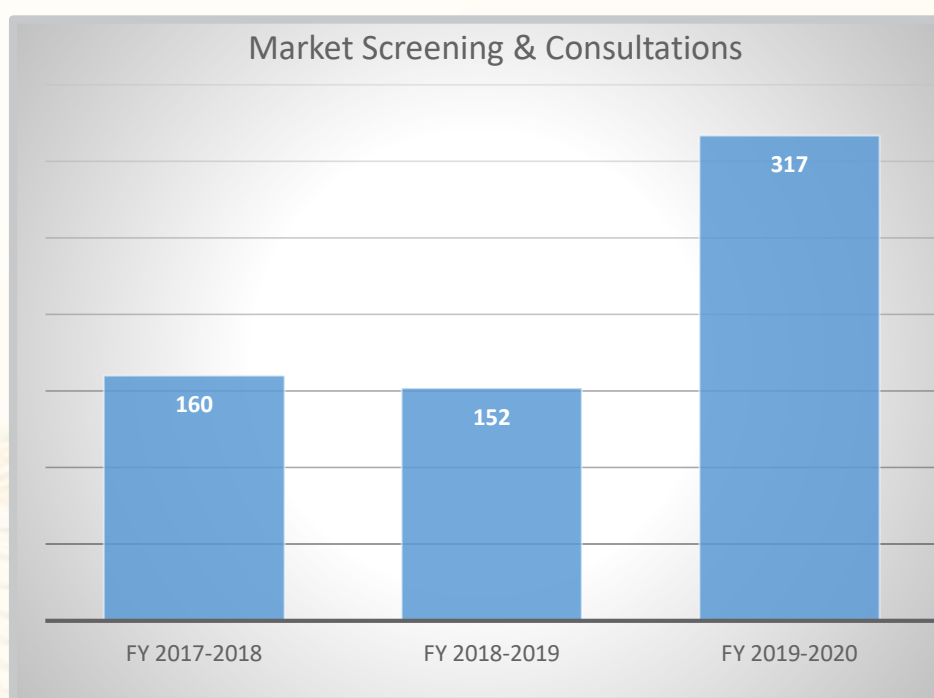
A synopsis of the interventions delivered by JBDC during the review period are included below:

- Small Business Exposition and Conference
- Tapping into Donor Funds Proposal Writing Workshop ®
- D.I.Y A Creative Entrepreneurship Experience
- Lunch and Learn
- Accelerator Programme
- Financing Fridays
- B.O.S.S Man meets B.O.S.S Lady
- Opportunity Evening
- Raising Capital
- Kumba Mi Yabba – Jamaica Night
- Employee Engagement Conference
- Employee Engagement Seminar
- Design Fusion



MARKET CONSULTATION

Market readiness assessments are conducted to assess the integrity of the overall design quality and marketability of a product. These assessments are usually undertaken by the Technical Services and Marketing Services Units. Products screened during the period ranged from gift & craft, home accessories, and entertainment, to specialty foods, fashion and fashion accessories. The graph illustrates the number of product screenings carried out FY 2017-2018, FY 2018-2019 and FY 2019-2020. Market screening and consultation increased by 108% when compared to screening and consultations done in the 2018-19 FY.



¹ Interventions are classified as contacts with clients which includes but limited to: consultations and counseling sessions, training, mentoring and coaching, product development or screening sessions, email, telephone and face to face contacts.



PROGRAMMES

Export Max III

JBDC offers technical support alongside JAMPRO and Jamaica Manufacturers and Exporters Association (JMEA) on the committee that is responsible for the design and development of ExportMax. The project is slated to provide development services to 50 exporters over 3 years. JBDC will provide business development support during this period (the project is funded by MOF).

The goal of EXPORT MAX III is to enable businesses in the goods and non-goods sector to be competitively positioned in external markets with viable opportunities. The role of JBDC is to provide capacity building and business monitoring support to MSMEs in preparation for entry or expansion in the international market.

Approximately 200 Expressions of Interest (EOIs) and 70 applications were submitted to JAMPRO. From this number, 51 businesses were selected and recommendations for final approval submitted to the Steering Committee, of which JBDC is a member. During the fiscal period, the following activities were completed in preparation for project implementation which commenced in February 2020:

- o Approximately 30 of 48 beneficiaries were assessed during the fiscal period
- o Beneficiaries to commence their development plans and complete outstanding assessment by April 2020.

IGNITE Phase III

Innovation Grant from New Ideas to Entrepreneurship (IGNITE) III provides technical assistance and grants to eligible innovative start-up entrepreneurs and small businesses to assist in idea development, commercialisation or scaling of new products/service, innovation ventures, business models, or penetration of new markets. JBDC was selected as a Business Service Intermediary (BSI) to facilitate grant applications and capacity building interventions under phase 3 of the IGNITE Project. The tripartite agreement for the execution of the IGNITE project has been signed by JBDC, DBJ and the IGNITE beneficiaries.

The JBDC severed ties with one of its three IGNITE beneficiaries due to unresolved issues stemming from differences in opinions regarding the proposed plan for execution of the IGNITE project. The two remaining beneficiaries in JBDC's portfolio – Jamaican Algae (JALGAE) and Jamaica Electronic Health Records System (JEHRS) are currently receiving support from Business Development Officers for the implementation and execution of development plans.

- o Beneficiaries are currently in prototype development phase.
- o One year project review was held on March 9 & 18, 2020 with DBJ and IGNITE beneficiaries. Both beneficiaries are currently undertaking prototype development
- o Deadline for disbursement of funds for beneficiaries was extended by an additional three months given the current pandemic.

Accelerator Programme

The JBDC Accelerator Programme is an intensive 6-month programme facilitating fast-paced capacity building with the objective of taking MSMEs into new markets and/or accessing equity investment from Angels.

- 20 entrepreneurs were selected from a batch of 52 to commence Cohort 3 of the programme which consisted of an intensive boot camp, complemented by strategy and financial handholding sessions.
- Of the 20 entrepreneurs who commenced the programme, a total of 16 completed and participated in Demo Day and Closing Ceremony which was held on November 21, 2019.
- 5 participants pitched their businesses to prospective investors/buyers; 3 pitches were made for financing and 2 for sales.

Cohort 4

Due to the impact of COVID-19, the Accelerator Programme has been delayed.

Design Fusion Programme

Design Fusion is a design-based 3-month programme for emerging fashion and gift & craft designers. The programme is designed to meet the following objectives:

1. Increased competitiveness through enhanced business entrepreneurial capabilities
2. Enhanced design and technical capabilities
3. Increased capacity of designers to develop market ready collections.

Twenty three (23) participants completed the programme in December 2019 – 10 Gift & Craft and Fashion Accessories Designers & 13 Fashion Designers. Since completing the programme, 2 of the project participants commenced retailing their products in the Things Jamaican™ store (home accessories, soaps and candles).

The closing ceremony for the 2019 edition of the Design Fusion Programme was held on Wednesday, January 29, 2020 at the JBDC Incubator & Resource Centre. Discussions are currently underway to train another cohort in the upcoming fiscal year.

Things Jamaican™ E-Commerce Platform

The new Things Jamaican™ E-Commerce platform was unveiled under the theme 'Buy Jamaica. Click Jamaica', at the JBDC's 'Breakfast with the CEO', at the Spanish Court Hotel in Kingston, on Thursday, March 5, 2020.

- The website reinforces the organisation's focus on helping businesses move "From Concept to Market". The website also seeks to promote the concept of Brand Jamaica through the cultural influences, which are translated into the products the artisans and producers create.
- More than 2,000 products are being offered on the website from the current 423 clients in the Things Jamaican™ client base. Consumers can shop for items on the website under the categories of aromatherapy, fashion and accessories, Fi Wi (Our) Tings, Home Accents, Nyammings, Literature, Pikni (Kids) Tings and Yaad Tings.



TARGETS & ACHIEVEMENTS

The following provides details on the achievement of specific targets relating to enterprise level development:

PLANNED TARGETS FOR 2019/20	KEY ACHIEVEMENTS FOR 2019/20
CONSULTATIONS <ul style="list-style-type: none"> - Implement business development programmes serving at least 3000 clients annually 	CONSULTATIONS <ul style="list-style-type: none"> - 7,639 consultations were conducted with 4,604 clients and customers served via counselling/coaching sessions, expositions and special events. - A total of 19,569 hours was invested in consultation with MSMEs (consultations covered: business development, technical support, capacity building, coaching and mentoring, financial support services and product development).
TRAINING <ul style="list-style-type: none"> - 60 training workshops completed - 1500 clients trained in all aspects of business development 	TRAINING <ul style="list-style-type: none"> - 102 training workshops completed - 1,691 MSMEs received training in Business and Financial Management, Culinary Arts & Agro - Processing
MARKET ACCESS <ul style="list-style-type: none"> - 5% increase in entrepreneurs' earnings enabled through Things Jamaican™ - Increase in the number of trade events thereby expanding market access for MSMEs 	MARKET ACCESS <ul style="list-style-type: none"> - 24,422 consumers purchased products from Things Jamaican™ (TJ) - \$34.28M in entrepreneur's earning enabled through TJ - Participated in eleven (11) trade events representing several producers across multiple categories of merchandise to gain market access and exposure to over 2,500 patrons resulting in \$352,740 in sales. - Provided support for Christmas in July in the screening of 187 clients and the full participation of 103 producers in the event. - Market exposure also through the distribution of approximately 500 copies of Vol 2 True Stories magazine to properties in Portland and Negril and additionally in gift bags to VIP guests of JBDC & Things Jamaican™.



<p>RESEARCH & DEVELOPMENT</p> <ul style="list-style-type: none"> - Plan and execute impact assessment exercise to evaluate the extent to which businesses have grown resulting from JBDC's interventions - Plan and execute at least 3 industry specific studies and expand client-base relative to the number of enterprises utilising R&D in their operations 	<p>RESEARCH & DEVELOPMENT</p> <p>(Internal)</p> <ul style="list-style-type: none"> - JBDC commenced its impact assessment survey which will be used to measure the effectiveness of JBDCs programmes and service offerings. Data collection has been completed. The survey will be analysed and shared in the upcoming fiscal year. <p>(External)</p> <ul style="list-style-type: none"> - JBDC acquired one research consultancy for the fiscal period. Two other Financial and Technical Proposals were prepared and submitted. However, the projects have subsequently been postponed.
<p>PRODUCT DEVELOPMENT AND ENHANCEMENT</p> <ul style="list-style-type: none"> - 159 products developed or enhanced in the Gift & Craft, Fashion and Agro-Processing industries. - 20,000 units of goods produced resulting from the usage of the JBDC Incubator resulting in sales of goods for MSMEs of \$4.5 Million. - 24 manufacturing facilities audited and recommendations made for improved productivity. A total of 24 facilities recording improvements in productivity. 	<p>PRODUCT DEVELOPMENT AND ENHANCEMENT</p> <ul style="list-style-type: none"> - 227 products were developed or enhanced during the fiscal year. The sectors impacted were Gift & Craft, Fashion and Agro-Processing industries. - 13,205 new units of goods were produced via incubator usage. - 83 clients accessed services from the fashion and food and gift & craft incubator space during the fiscal year. - 24 facilities were audited during the fiscal period.
<p>ACCESS TO FINANCING</p> <ul style="list-style-type: none"> - 300 MSMEs participating in financial literacy interventions (handholding, coaching, technical assistance, consultations, training) - Approximately \$50 Million in funding accessed by MSMEs who are a part of the Financial Hand-holding Programme (grants and loans) - \$50 Million in grant funding accessed through the Tapping into Donor Funds Proposal Writing Workshop since inception - \$50M in private equity financing 	<p>ACCESS TO FINANCING</p> <ul style="list-style-type: none"> - 391 MSMEs accessed Financial Literacy Interventions. - 21 MSMEs were referred for funding during the fiscal year. Preparatory work is still ongoing to enable more MSMEs to access funding opportunities. - \$4M in funding accessed by MSMEs via grants. 415 MSMEs participated in financial literacy interventions (handholding, coaching, technical assistance, consultations, training)



DEVELOPMENTAL PROGRAMMES / EVENTS

- Host at least 3 developmental programmes/events

DEVELOPMENTAL PROGRAMMES / EVENTS

Accelerator Programme – Phase 3: A total of 16 high-growth potential MSMEs were inducted in the programme and brought through an intense 6-month camp where their business models were created, tested and pivoted.

Employee Engagement Conference

Hosted for the first time in 2017, the event attracts over 500 corporate leaders annually. The conference creates a space in which business leaders and international and local experts are connected and converse on matters relating to human capital development, improving productivity and creating a business environment in which employees thrive, thus resulting in optimal business performance. The conference was hosted for the third time in October 2019 under the theme, Employee Experience 3D: Design. Develop. Deliver.

Small Business Exposition and Conference

Hosted in May 2019 under the theme, Monetising the Orange Economy: The Future is Creative, the event attracted hundreds of MSMEs and was headlined by Comedian and Entrepreneur, Ian 'Ity' Ellis.

JBDC's Global Entrepreneurship Week 2019

The celebration was held under the theme Creating Opportunities: Developing Economies featuring 5 distinct events that facilitated the provision of business development advice to MSMEs, networking and market access opportunities and essentially created a space where MSMEs were empowered through thought leadership sessions.



ECOSYSTEM DEVELOPMENT





PROGRAMME

EXPANSION OF THE SBDC NETWORK

JBDC is currently leading the expansion of the SBDC Network in Jamaica with funding (J\$30M) provided by the Ministry of Finance. The Small Business Development Centre (SBDC) is a central and comprehensive source of support for MSMEs. During the fiscal period, the JBDC led the expansion of the SBDC network in Jamaica. The purpose of instituting new centres is to provide increased access to the services offered by the JBDC across Jamaica. Since July 2019, approximately 12 SBDCs have been established (6 of which are external):

- Rural Agricultural Development Agency (RADA)
- Edna Manley College of the Visual and Performing Arts (EMCVP)
- University of the Technology (Utech)
- Northern Caribbean University (NCU)
- College of Agriculture Science and Education (CASE)
- Caribbean Maritime Institute (CMU)

Potential Partners

JBDC is currently in negotiation with University of the West Indies, Mona (UWI) and University College of the Caribbean (UCC) regarding partnership opportunities.

Development of Manuals

- Technical Operational Manual – completed
- Economic Impact Assessment Model – completed
- Neossera Manual – currently in progress

Accreditation

The SBDC Network is exploring accreditation for SBDC Counsellors through the assistance of the Organisation of American States (OAS) and Growth Wheel.



DEVELOPING THE ORANGE ECONOMY

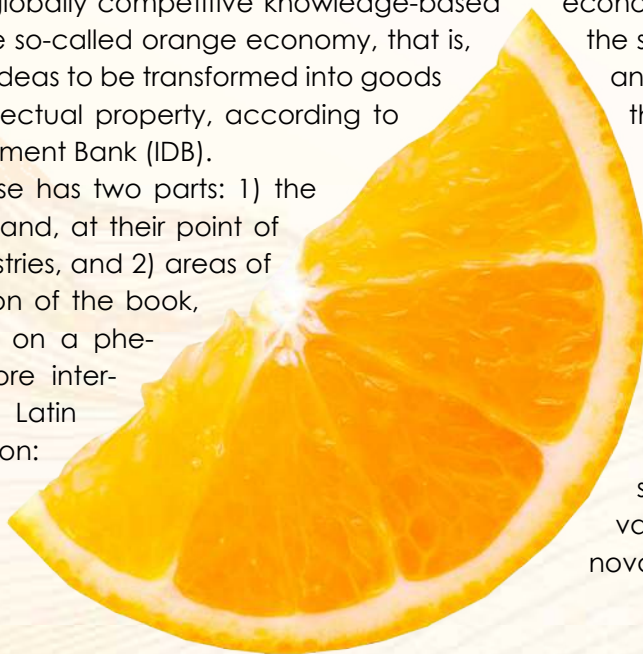
Made in Jamaica. These are words that bring a sense of pride to those who have been bold enough to use their creativity and entrepreneurial spirit to make this label go viral. They are also sentimental to fellow countrymen and women who delight in the reality of Brand Jamaica. There is no denying the creative genes that Jamaicans have been blessed with but not enough can boast of successfully monetizing their creativity. In 2012, the income generated from the Orange Economy globally was estimated at US\$547 billion! This year the Small Business Expo & Conference urged Jamaicans to squeeze all the juice they can under the theme:

Monetising the Orange Economy: The Future is Creative. Here's why:

1. It generates value and wealth
2. It generates jobs
3. It generates social impact!

Who would have thought that part of the response to the development challenges of Latin America and the Caribbean would be in the hands of creative talents, designers, artists and entrepreneurs? Creativity as a driver of innovation can contribute to diversification as a necessary tool for having a globally competitive knowledge-based economy. One of the areas of development is the so-called orange economy, that is, the set of activities that, in combination, allow for ideas to be transformed into goods and services whose value can be based on intellectual property, according to the definition of the Inter-American Development Bank (IDB).

The orange universe has two parts: 1) the creative industries and, at their point of intersection, the conventional cultural industries, and 2) areas of support for creativity. With the publication of the book, *The Orange Economy*, the bank focused on a phenomenon that awakes more and more inter-agendas of the Latin American and Caribbean countries. The reason: the orange economy not only stimulates economic growth through creating value, but also its initiatives have become innovative systems in priority sectors for the region.



cultural economy and intersection, the conventional support for creativity.

The Orange Economy, a phenomenon that awakes in the development of Latin American and Caribbean countries. The operation of the orange economy stimulates economic growth through creating value, but also its initiatives have become innovative systems in priority sectors for the region.

Services based on creativity generated globally, in 2012, a total of US\$547 billion (Unctad) and in 2015 accounted for 29.5 million jobs, comparable to all jobs generated by the economy of Great Britain. For Latin America and the Caribbean, the orange economy meant 1.9 million jobs in 2015, comparable to all jobs generated by the economy of Uruguay or Costa Rica. – IDB

As with previous years, the expo was an information-filled experience with presentations in myriad areas including Innovation, Intellectual Property Management, Marketing, Social Entrepreneurship and Financing. These presentations are of interest to every entrepreneur and were hosted in the **Grand Ballroom** under the sub-theme: **EVERYBODY'S BUSINESS**.

Creative Entrepreneurs benefited from presentations on topics including Animation, Artificial Intelligence; Art, Music, Dance, Publishing among other creative disciplines. These sessions were hosted at the **Talk of the Town** under the sub-theme: **THE FUTURE IS CREATIVE**.



Creativity meets Business at JBDC Expo

A sea of entrepreneurs, government and private sector partners assembled at the Jamaica Pegasus for the 12th Annual JBDC Small Business Expo & Conference. The event was staged under the theme – Monetising the Orange Economy: The Future is Creative and featured 53 exhibitors, 13 presentations by industry experts and a keynote address delivered by Ian 'Ity' Ellis, Director of Ellis International.

The event brought into focus 4 key areas under the Orange Economy: Performing Arts, Visual Arts, Artificial Intelligence and Publishing. According to the Inter-American Development Bank, in 2012 the income generated from the Orange Economy globally was estimated at US\$547 billion and in 2015 accounted for 29.5 million jobs, comparable to all jobs generated by the economy of Great Britain. For Latin America and the Caribbean, the orange economy meant 1.9 million jobs in 2015.

"We believe that as the government's leading business development service provider for MSMEs, we have a duty to highlight what could be the answer to Jamaica's economic development challenges. Jamaicans are super talented and have consistently outdone themselves in the cultural and creative industries which make up the orange economy which is massive. However, many have failed to monetise their creativity simply because they are not operating it as a business," said Valerie Veira, Chief Executive Officer of the Jamaica Business Development Corporation (JBDC).

Speaking at the opening of the Expo, Miss Veira said she was heartened that partners and entrepreneurs bought into the vision by investing their time and funds into the event. "I am particularly pleased that Sagicor has come on board as title sponsor because funding is a major challenge for entrepreneurs. It is the beginning of a mutually beneficial partnership and a signal of their interest in the development of entrepreneurs within this industry. I am also pleased that the entrepreneurs themselves have come out to learn all that we have to share," she added.

Armed with a bag of oranges, Keynote Speaker Ian 'Ity' Ellis had the audience in stitches for an hour as he delivered under the theme 'Laughing all the way to the Bank: Creativity meets Business'. Ellis chronicled his entrepreneurial journey which began as far back as primary school when he accompanied his mother to the corner of Orange Street in Downtown - Kingston to sell her wares. "I wish my mother were here today to see me as keynote speaker at the JBDC Small Business Expo & Conference," said an emotional Ellis.

Continuing he highlighted that his foray into comedy began with the realisation that he would not become a singer like other stars in the Ellis clan and the denial of his desire to be made redundant from Island Records where he was an accountant. "If Ellis wants to leave, let him resign. So I left after 14 years with no money," he recounted. Since then, Ellis has played a significant role in the family business which has released productions including Backyard Crack-up, Christmas Comedy Cook-up, The Ity & Fancy Cat Show and the Bigger Boss. Ellis along with the other half of his comedy duo Fancy Cat, have also been the faces of corporate campaigns for companies like Courts and Digicel.

The JBDC Small Business Expo & Conference is held annually in May with the main objective of educating MSMEs on areas which are crucial to their success.



EVENTS

The JBDC staged a number of events designed to stimulate the ecosystem. Each event was strategically executed with focus on pertinent matters or industries. In most cases, the events attracted entrepreneurs outside the JBDC clientele which augurs well for the agency's image and reach. The aim is to convert these persons to clients, so the JBDC can extend its impact, while success becomes the norm across the MSME sector.

12TH ANNUAL JBDC SMALL BUSINESS EXPO & CONFERENCE

The 12th staging of the JBDC Small Business Expo & Conference was hosted at the Pegasus Hotel on Wednesday, May 15, 2019 under the theme **'Monetising the Orange Economy: The Future is Creative'**.

There were two main new features of the event including the hosting of an opening ceremony on the evening of May 14 prior to the event and the inclusion of the Things Jamaican™ Kumba Mi Yabba Creative Village. The Things Jamaican™ Kumba Mi Yabba Creative Village featured the work of 12 Fine Artists who showcased a collection of Paintings, Drawings, Photography and other fine art pieces.

The expo attracted 52 exhibitors, the most in the history of the event, who showcased their products and services in both the Grand Ballroom and Talk of the Town.

A total of 18 new exhibitors participated in 2019:

- Caribbean Asset Recovery Services
- Edna Manley College of the Visual & Performing Arts
- Small Business Development Centre
- Blue Ember Concepts
- Concept Promotions
- CeejArts
- The Craft Ppl
- Eco Smart Sip
- Jetaway Vacations
- Eden Joy
- QuziSu Accessories
- Events by Jar
- Tek a Charge
- Ellis International
- Jamaica Photography Society
- Anime Nerds of Jamaica
- Book Industry Association of Jamaica
- Geovil



Guest speaker, CEO of Ellis International, Ian 'Itty' Ellis prepares to begin his presentation highlighting his entrepreneurial journey from Comedian to CEO. Not leaving his sense of humour behind, Mr. Ellis was accompanied by a bag of oranges to highlight the Orange Economy; the theme around which the expo was billed.



The Rhumba Mento Band performs at the 12th staging of the JBDC Small Business expo & Conference held in May 2019. The event was held under the theme: Monetising the Orange Economy: the future is creative. It explored creative and cultural careers such as Performing Arts, Animation and Publishing.

The event also featured over 14 speakers from both the public and private sectors. A total of 237 entrepreneurs attended the event.



MICAF EMPLOYEE ENGAGEMENT SEMINAR 2019

The Employee Engagement Seminar is a customised event led by the JBDC and sponsored by the Agricultural Competitiveness Bridging Project. The Seminar themed 'Enabling Leaders for Optimal Performance' was aimed at empowering public sector leaders to transform the workplace into a facilitator of personal hopes and dreams via people-centered strategy geared towards producing optimal business results.

The Seminar was hosted in May 2019. Approximately ninety (90) Senior Managers from the Ministry and its Agencies were in attendance.

ACCELERATOR PROGRAMME LAUNCH

The third cohort of the JBDC Accelerator Programme was launched on June 4, 2019. A total of 16 entrepreneurs representing 16 enterprises participated. The Accelerator Programme is a component of JBDC's Business Monitoring Programme which provides 6 months of intense training and mentorship for the entrepreneurs.

Through the Accelerator Programme, JBDC identifies, nurtures, mentors and trains Jamaican entrepreneurs to make the MSME sector more globally competitive. Under the programme, entrepreneurs are provided with an opportunity to expand markets, prepared to access equity capital and given an opportunity to network with like-minded entrepreneurs through start-up week-ends, limited co-working spaces and training boot camps.

The programme was executed utilising a combination of entrepreneurship boot camps and training sessions which covered areas such as Corporate Governance, Advisory Board/Panel, Financial Development and Education as well as general business planning and development.



Participants in cohort 3 of the JBDC Accelerator Programme pose for a group photo with CEO of the JBDC, Valerie Veira (front, centre) following the launch of the programme at the Kuntzford Court Hotel, Kingston in June 2019.

DENBIGH 2019

For the third consecutive year, the JBDC presented the Ministry of Industry, Commerce, Agriculture & Fisheries (MICAFA) VIP OASIS at the Denbigh Agricultural, Industrial & Food Show during the period August 4-6, 2019.

The booth highlighted the changing face of agriculture under the theme Orange Economy meets the Green Economy by featuring innovative products in food, wellness and craft mainly derived from mango, castor beans, coconut, bamboo and cannabis.

The VIP OASIS was executed under five categories:

- Jamaica Harvest & Friends
- Di Mango Bar
- Spa Jamaica
- Things Jamaican™ Pop-up Store
- Kumba Mi Yabba Creative Lab



Technical Services Manager, Colin Porter (left) welcomes Nigerian High Commissioner, Her Excellency Janet Olofinboba and her husband to the VIP Oasis at Denbigh 2019.



JBDC Food Technologists, Alicia Lindsay and Treanna Lindo, prepare to offer food samples made from the Things Jamaican-owned, Jamaica Harvest brand. The Jamaica Harvest product line was showcased at the VIP Oasis, hosted by JBDC on behalf of the Ministry of Industry, Commerce, Agriculture & Fisheries at Denbigh 2019.

EMPLOYEE ENGAGEMENT CONFERENCE

The third staging of the Employee Engagement Conference was held on October 16-17, 2019 at the Jamaica Conference Centre under the theme; Employee Experience 3D: Design, Develop, Deliver.

Two events were hosted for this activity:

- CEO's Pre-conference Leadership Connection – Sept. 26
- 3rd Annual Employee Engagement Conference – Oct. 16-17

The event featured two main international speakers:

- Christine Comaford – Leadership and Culture Coach & Author – Smarttribes
- Alan Stein Jr. – World renowned Performance Coach, Leadership Expert & Author – Raise your Game



GLOBAL ENTREPRENEURSHIP WEEK

Global Entrepreneurship Week 2019 was held during the period, November 18-23, 2019 under the theme '**Creating Opportunities: Developing Economies.**'

Six (6) events were hosted over the five - day period which included:

- Nov. 18 - Kumba Mi Yabba Jamaica Night
- Nov. 19 - Raising Capital – Financing the Orange Economy: Is there Cash for Creativity
- Nov. 20 - Opportunity Evening – Blue Economy Meets Green Economy: Cashing in on Tourism & Agriculture
- Nov. 21 - Accelerator Demo Day
- Nov. 22 - B.O.S.S. Man meets B.O.S.S. Lady
- Nov. 23 - DIY Creative Entrepreneurship Experience

As indicated, each event was hosted under a sub-theme and facilitated thoughtful conversations by a number of speakers from both the public and private sector.

A total of 526 entrepreneurs were engaged during these events.



CEO of Vintage Chic Jewellery, Shanna Campbell showcases jewellery pieces and other accessories from her product line at the Kumba Mi Yabba Jamaica Night held as part of GEW celebrations in November 2019.

Global Entrepreneurship Week began in 2007 and is recognised as the world's largest celebration of innovators and job creators, who launch startups that bring ideas to life, drive economic growth and expand human welfare. The aim is to inspire people everywhere through local, national and global activities designed to help them explore their potential as self-starters and innovators.



CEO of JBDC, Valerie Yeira (centre) poses for a picture with the newly announced B.O.S.S. Woman and Runner-up B.O.S.S. Woman for 2019. On the left is runner-up, Christal Ann Thompson, CEO of Honey Vera Limited and B.O.S.S. Woman 2019, Dr. Janice Fisher, a pioneer in Stem Cell work and CEO of Bioregeneration Integrated Medical Centre. Both women are past participants in the JBDC Accelerator Programme.



Deputy CEO of the JBDC, Harold Davis (centre) poses for a picture with the newly announced B.O.S.S. Man and Runner-up B.O.S.S. Man for 2019. On the left is B.O.S.S. Man of the Year, Leighton Campbell, CEO of Mobile Edge Solutions and Livingston Hinds, CEO of Xtrinet Limited. Both men are past participants in the JBDC Accelerator Programme.



LUNCH & LEARN

Two editions of the Lunch & Learn series were held during the reporting period as follows:

- June 26, 2019 – Keith Duncan, CEO JMMB Group Ltd
- October 30, 2019 – Douglas Orane, CD, JP – Former CEO, Grace Kennedy

As it is a quarterly activity, one additional session would have been held unfortunately the arrival of the COVID-19 virus on Jamaican shores curtailed all further Lunch & Learn activities.

Lunch & Learn is an initiative of our Business Advisory Services Unit and provides an opportunity for growth stage entrepreneurs to interact with established entrepreneurs of like interests and inclinations.



Former Chairman and CEO of Grace Kennedy, Douglas Orane (left) presents a copy of his book 'The Business of Nation Building' to Gary Masters, CEO of Clean Crew, following his presentation at the JBDC Lunch & Learn event.



Group CEO at the Jamaica Money Market Brokers and co-Chairman of the Economic Programme Oversight Committee, Keith Duncan addresses an attentive audience at the JBDC's Lunch & Learn event.

BREAKFAST WITH THE CEO

This event represents the last major physical event which was hosted by the corporation prior to the covid-19 restrictions during the period under review. The 2020 edition of the 'Breakfast with the CEO' was held at the Spanish Court Hotel on Thursday, March 5, 2020 under the theme 'From Concept to Market.'

As has become customary, the event is used to announce the JBDC's programme and initiatives for the upcoming year. A total of 173 representatives from the private and public sector including government officials and major decision makers were invited to be part of the event. JBDC used the opportunity to outline plans which will impact client interventions relating to its business advisory services and market access services, the high point of which was the official launch of the Things Jamaican™ E-Commerce website.

The keynote address was delivered by State Minister in the Ministry of Industry, Commerce, Agriculture & Fisheries, the Hon. Floyd Green, MP.



Number One! Following the successful staging of another Breakfast with the CEO event, CEO of the JBDC, Valerie Veira (left), Marketing Services Manager, Janine Taylor (centre) and Deputy CEO, Harold Davis (right) shared a moment with State Minister in the Ministry of Industry, Commerce, Agriculture & Fisheries, Hon. Floyd Green (2nd left) and CEO of Sagcor Bank, Chorvelle Johnson (2nd right).



PROJECTS



PROJECT MANAGEMENT

MAPPING OF THE JAMAICA CULTURAL & CREATIVE INDUSTRIES

The JBDC signed an Operation Alliance Agreement with the British Council to gather important data on the Cultural and Creative Industries (CCI) in Jamaica. The objective of the mapping exercise is to define the creative economy and provide a guide for MSMEs within the industries to identify business opportunities and become investment ready. The nine categories to be studied include: Music & Entertainment Industry, Architecture & Design, Art & Craft, Film & Animation, Performing Arts & Theatre, Fashion, Culinary, Sports and Tools of Trade & Equipment.

The mapping project commenced in January 2020 and will be carried out by CCI sector experts from the Nordicity Team. The project also consists of an Advisory Committee comprising of CCI sector leaders who focus on providing support in building a stakeholder network to garner the best results within the project timeline.

The survey for the mapping exercise was rolled out in March 2020 and has been shared multiple times with stakeholders in the CCI sector, associations, groups, as well as JBDC client databases. The survey was slated to close on March 23, however, with the pandemic impacting the project timelines, the survey will be extended to April 24. The project end date has now been delayed to April 30, 2020.

In an effort to develop the research capacity of the local partners, a webinar on Conducting an Economic Impact Assessment (EIA) was hosted by the JBDC and led by Nordicity partners. The webinar focused on Economic Analysis and Modelling, Financial Analysis and Valuation.

NATIONAL CRAFT POLICY

The National Craft Policy was reviewed by the CEO's office and under the directive of MICAF, presented to the Cabinet and approved in November 2017. Further amendments were made to this policy with inputs from other MDAs towards finalisation for submission to Parliament. JBDC organised and co-hosted with the Industry Division Team of MICAF, a Validation Workshop with Policymakers and Industry Stakeholders on May 9, 2019 to seek feedback on the final draft of the Policy prior to submission for approval by Parliament. The Craft Policy has now been approved by Parliament. An official launch date was scheduled for March 30, 2020. However, this has been postponed due to the impact of COVID-19.

ACP-EU UNDP DEVELOPMENT MINERALS PROGRAMME

The ACP-EU Development Minerals Programme is a three-year, capacity building programme that aims to build the profile, and improve the management of Development Minerals (industrial minerals, construction materials, dimension stones, and semi-precious stones). The programme is an initiative of the African, Caribbean and Pacific (ACP) Group of States, financed by the European Union and the United Nations Development Programme (UNDP), and implemented by UNDP.

Through this partnership, the JBDC coordinated technical assistance and capacity building support to 80 entrepreneurs in the Development Minerals Sector. These persons were trained in enterprise skills, market analysis and investment promotions in Kingston, Mandeville and Montego Bay.



- As an outgrowth of the programme, JBDC delivered the managerial component of a 3-day Business Development training in Zambia where 25 persons were trained.
- Support is currently being provided to approximately 6 entrepreneurs with an emphasis on improving their financial management and business planning capabilities.
- A consultant will be engaged to provide Financial Management Support to the MSMEs; support will include implementation of systems and processes in an effort to improve effectiveness and increase the efficiency of MSME operations.

JBDC is currently in discussion with UNDP regarding phase II of the project.

ENHANCING THE EXPORT CAPACITY OF MICRO AND SMALL AGRO-PROCESSORS USING THE CLUSTER APPROACH

The JBDC submitted a proposal for funding to the Caribbean Development Bank under the European Development Fund Standby Facility for Capacity Building Programme. The project seeks to build on the achievements of the Jamaica Harvest and Spa Jamaica projects through institutional strengthening of JBDC as well as that of micro and small agro-processing enterprises. The project is expected to achieve the following:

(1) Expansion of the Corporation's agro-processing facilities as well as its staff's skill set and knowledge; (2) Improving the ability of micro and small enterprises to develop innovative value-added agro-processed products; (3) Developing the capacity of micro and small enterprises to meet international certification and quality standards for export; (4) Strengthening existing umbrella brands for the marketing and sale of goods to the EU and CARIFORUM markets through the Things Jamaican™ e-commerce platform.

Once approved for funding, the project is expected to commence in January 2021 with a completion date of December 2023.

INTERNATIONAL TRADE CENTRE – UK TRADE PARTNERSHIP PROGRAMMES (UKTP)

The ITC is embarking on this new project (UKTP) in partnership with regional and national institutions. JBDC has been identified as a key potential partner to collaborate and benefit from the project. The aim of the project is to increase export flows from ACP countries to the UK and the EU, creating quality jobs in those countries in the long-term.

Further discussions are to be had regarding JBDCs' involvement. The ITC project representative was expected to visit Jamaica in March to host a series of meetings with stakeholders, however, this engagement has been postponed due to the current health crisis.

MSME GLOBAL COMPETITIVENESS IMPROVEMENT PROPOSAL TO THE GOVERNMENT OF INDIA, MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

JBDC attended a meeting with the Ministry of Micro, Small and Medium Enterprises (MSME), Government of India regarding the development of an institutional framework to support the MSME sector infrastructure for global competitiveness in Intellectual Property Protection and Management. The long-term objectives are to contribute to the economic development of Jamaica by increasing the knowledge and use of Intellectual Property Management Strategies and Systems through a Hand-holding Project that will institutionalise Capacity Building within the JBDC and its clients.

An MOU is being drafted for consideration between the JBDC and the Government of India.





HUMAN CAPITAL DEVELOPMENT

Through its Mission Statement, the JBDC pursues 'cost-effective delivery of technical and marketing services through highly committed, competent and motivated employees'. To this end, the organisation consistently implements training programmes which ensure that its employees remain adept with current trends and principles in business development. Our efforts include internal, local and international exposure.

JBDC EMPLOYEE ENGAGEMENT SURVEY

Gallup was engaged by the JBDC to conduct an Employee Engagement Survey with the main aim of identifying the factors that drive employees to perform their best and also the challenges that exist in the workplace. Data collection was conducted during the period September – October, 2019. The results of the survey was presented by Gallup and shared with Executive Management & Heads of Department in November.

A committee comprising of a representative from each department was established in January 2020 and will be responsible for developing a strategic plan to address the issues emerging out of the survey.

SENIOR MANAGEMENT RETREAT

The Senior Management Retreat was held at the JMEA Office on February 24-25, 2020; all members of the management team (including Assistant Managers) were in attendance. The agency is to host a follow-up Strategic Planning Session which will focus on finalising the strategic priority projects for FY 2020/2021 and the SWOT Analysis for the organisation.

TRAINING

- Product Development Manager, travelled to Bridgetown, Barbados, to participate in the Cultural Heritage Project Craft Workshop. The workshop was held between March 22 & 23, 2019.
- 21 staff members participated in external and internal local training sessions/workshops during the fiscal period.
- 2 staff members participated in a 2 day workshop (December 4-5, 2019) held in Belize for the 3rd bi-annual network of Caribbean SBDCs Steering Committee Meeting hosted by the Organization of American States.
- 1 staff member participated in a Fellowship Programme which was hosted by the Department of Economic Development and Technical Corporation Service of Chile. The programme focused on innovative best practices of support to MSMEs in diverse regions.
- 1 staff member participated in a 2 day workshop held in Barbados on Advancing Preferential Treatment for Culture focusing on MSMEs in the creative industry. The workshop was a partnership with CARIFORUM and UNESCO.



INFORMATION TECHNOLOGY

A significant aspect of capacity building involves technological infrastructure. Our stakeholders should be assured that we have the adequate systems in place so that our team can operate optimally. We have seen growth and greater enthusiasm among our staff members who have been using technology to increase production time.

We are aiming to move beyond our target goals and objectives as we roll out projects that will enable our clients to access services to increase their likelihood of success within our competitive entrepreneurial environment.

The IT Department is expected to acquire new equipment (PCs & printers) by the 2nd quarter of FY 2020/2021. A presentation was made by a Cyber Security Firm at our Strategic Management Retreat, which has bolstered our internal security measures in an effort to protect the organisation against cyber threats.





JAMAICA BUSINESS DEVELOPMENT CORPORATION

FINANCIAL STATEMENTS

31 MARCH 2020



JAMAICA BUSINESS DEVELOPMENT CORPORATION

FINANCIAL STATEMENTS

31 MARCH 2020

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INDEPENDENT AUDITORS' REPORT

To the Members of
Jamaica Business Development Corporation

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Jamaica Business Development Corporation set out on pages 4 to 52, which comprise the statement of financial position as at 31 March 2020, and the statements of profit or loss and other 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 Corporation as at 31 March 2020, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and the requirements of the Jamaican Companies Act.

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 Corporation in accordance with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) ethics 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 of the financial statements that give a true and fair view in accordance with IFRSs and the Jamaican Companies Act, 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 Corporation'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 Corporation or to cease operations, or has no realistic alternative but to do so.

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

Partners: R.L. McFarlane, K.A. Wilson, S.H. AcFarlane, 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 Members of
Jamaica Business Development Corporation

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 Corporation'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 Corporation'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 Corporation 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 presents a true and fair view.



INDEPENDENT AUDITORS' REPORT (CONT'D)

To the Members of
Jamaica Business Development Corporation

We communicate with the Board of Directors 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.

Report on additional matters as required by the Jamaican Companies Act

We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

In our opinion, proper accounting records have been kept, so far as appears from our examination of those records, and the financial statements, which are in agreement therewith, give the information required by the Jamaican Companies Act, in the manner required.

Chartered Accountants

12 April 2021



JAMAICA BUSINESS DEVELOPMENT CORPORATION

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

YEAR ENDED 31 MARCH 2020

	Note	2020 \$'000	2019 \$'000
REVENUE	6	394,636	370,284
Other operating income	7	<u>87,601</u>	<u>99,092</u>
		<u>482,237</u>	<u>469,376</u>
EXPENSES:			
Administrative		(470,045)	(419,967)
Selling		<u>(37,312)</u>	<u>(28,334)</u>
	8	<u>(507,357)</u>	<u>(448,301)</u>
OPERATING (LOSS)/PROFIT		(25,120)	21,075
Finance (cost)/income	10	<u>(909)</u>	<u>2,395</u>
(LOSS)/PROFIT BEFORE TAXATION		(26,029)	23,470
Taxation	11	<u>-</u>	<u>(9,102)</u>
NET (LOSS)/PROFIT FOR THE YEAR		<u>(26,029)</u>	<u>14,368</u>
OTHER COMPREHENSIVE INCOME:			
Items that will not be reclassified to profit or loss -			
(Loss)/gain on defined benefit plan	14	(471)	105,526
Gain on revaluation of property, plant and equipment		<u>-</u>	<u>192,792</u>
		<u>(471)</u>	<u>298,318</u>
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR		<u>(26,500)</u>	<u>312,686</u>




JAMAICA BUSINESS DEVELOPMENT CORPORATION

STATEMENT OF FINANCIAL POSITION

31 MARCH 2020

	Note	2020 \$'000	2019 \$'000
ASSETS			
NON-CURRENT ASSETS:			
Property, plant and equipment	12	335,395	343,807
Intangible assets	13	2,190	527
Retirement benefit assets	14	291,992	282,201
Rights-of-use assets	15(a)	5,026	-
		<u>634,603</u>	<u>626,535</u>
CURRENT ASSETS:			
Inventories	17	5,067	3,463
Receivables	18	30,709	26,869
Short term investments	19	-	22,617
Taxation recoverable		10,400	9,639
Cash and bank balances	20	<u>49,510</u>	<u>89,925</u>
		<u>96,086</u>	<u>152,513</u>
		<u>730,689</u>	<u>779,048</u>
EQUITY AND LIABILITIES			
EQUITY:			
Share capital	21	1	1
Capital reserve	22	289,551	289,551
Retained earnings		<u>209,291</u>	<u>235,791</u>
		<u>498,843</u>	<u>525,343</u>
NON-CURRENT LIABILITIES:			
Long term loans	23	90,920	94,394
Long term - deferred income	24	828	861
Lease liability	15(b)	<u>2,697</u>	-
		<u>94,445</u>	<u>95,255</u>
CURRENT LIABILITIES:			
Payables	25	94,732	97,949
Project liabilities	26	17,891	38,160
Current portion - deferred income	24	33	33
Current portion of long term loans	23	269	451
Current portion of lease liability	15(b)	<u>2,697</u>	-
Taxation		<u>21,779</u>	<u>21,857</u>
		<u>137,401</u>	<u>158,450</u>
		<u>730,689</u>	<u>779,048</u>

Approved for issue by Board of Directors on 12 April 2021 and signed on its behalf by:


 William Lawrence - Chairman


 Valerie Veira - Director



JAMAICA BUSINESS DEVELOPMENT CORPORATION

STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 31 MARCH 2020

	Share Capital \$'000	Capital Reserve \$'000	Retained Earnings \$'000	Total \$'000
BALANCE AT 1 APRIL 2018	1	96,759	115,897	212,657
TOTAL COMPREHENSIVE INCOME				
Net profit	-	-	14,368	14,368
Other comprehensive income	-	192,792	105,526	298,318
	-	192,792	119,894	312,686
BALANCE AT 31 MARCH 2019	1	289,551	235,791	525,343
TOTAL COMPREHENSIVE INCOME				
Net loss	-	-	(26,029)	(26,029)
Other comprehensive income	-	-	(471)	(471)
	-	-	(26,500)	(26,500)
BALANCE AT 31 MARCH 2020	1	289,551	209,291	498,843



JAMAICA BUSINESS DEVELOPMENT CORPORATION

STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2020

	<u>2020</u> <u>\$'000</u>	<u>2019</u> <u>\$'000</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net (loss)/profit	(26,029)	14,368
Items not affecting cash resources:		
Depreciation	15,620	16,957
Amortisation	3,263	168
Adjustment to property, plant and equipment	155	-
Gain on foreign exchange	(3,221)	(770)
Deferred income	(33)	(33)
Employee benefit	(471)	105,526
Interest income	(1,779)	(4,706)
Interest expense	2,868	(2,453)
Deferred taxation - written off	-	11,796
Taxation expense	-	(2,694)
	<u>(9,627)</u>	<u>138,159</u>
Changes in operating assets and liabilities:		
Receivables	(3,840)	11,237
Inventories	(1,604)	(2,070)
Taxation recoverable	(761)	(160)
Project liabilities	(20,269)	17,170
Payables	(5,393)	18,047
Retirement benefit	(9,791)	(115,506)
Taxation paid	<u>(78)</u>	<u>-</u>
Cash (used in)/provided by operating activities	<u>(51,363)</u>	<u>66,877</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(7,363)	(7,096)
Purchase of intangible assets	(2,413)	(502)
Proceeds from sale of property, plant and equipment	-	147
Short term investments	22,617	(198)
Interest received	<u>1,779</u>	<u>4,706</u>
Cash provided by/(used in) activities	<u>14,620</u>	<u>(2,943)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Long term loan repaid	(3,475)	(8,349)
Short term loan acquired	-	2,089
Short term loan repaid	(181)	(2,089)
Interest paid	(692)	(48)
Payments on lease liability	<u>(2,145)</u>	<u>-</u>
Cash used in financing activities	<u>(6,493)</u>	<u>(8,397)</u>
(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	<u>(43,236)</u>	<u>55,537</u>
Exchange gain on foreign cash balances	3,221	764
Cash and cash equivalents at beginning of year	<u>89,925</u>	<u>33,624</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR (note 20)	<u><u>49,910</u></u>	<u><u>89,925</u></u>



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

1. IDENTIFICATION AND PRINCIPAL ACTIVITIES:

- (a) Jamaica Business Development Corporation is a limited liability company which was incorporated on 3 May 2001 and domiciled in Jamaica. The registered office of the company is 14 Camp Road, Kingston 4.
- (b) The principal activities comprise the provision of consultancy, technical and managerial services to producers of goods and services and the sale of craft items. The Corporation's operations are substantially dependent on subvention income received from the Government of Jamaica.
- (c) The shares of the Corporation are held by the Accountant General of Jamaica (90 shares), a corporation sole pursuant to the Crown Property (vesting) Act, 1960 and 10 shares by the Permanent Secretary in the Ministry of Industry, Commerce, Agriculture and Fisheries.

2. REPORTING CURRENCY:

Items included in the financial statements of the corporation are measured using the currency of the primary economic environment in which the corporation operates ('the functional currency'). These financial statements are presented in Jamaican dollars, which is considered the corporation's functional 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 (IFRS), and have been prepared under the historical cost convention, as modified by the revaluation of certain properties. They are also prepared in accordance with requirements of the Jamaican Companies Act.

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



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

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

The corporation adopted the following new and amended standards and interpretations as of 1 April 2019

IFRS 16, 'Leases', (effective for accounting periods beginning on or after 1 January 2019). The new standard eliminates the classification by a lessee of lease as either operating or finance. Instead all leases are treated in a similar way to finance leases in accordance with IAS 17. Leases are now recorded in the statement of financial position by recognizing a liability for the present value of its obligation to make future lease payments with an asset (comprised of the amount of the lease liability plus certain other amounts) either being disclosed separately in the statement of financial position (within right-of-use assets) or together with property, plant and equipment. The most significant effect of the new requirements will be an increase in recognizing lease assets and financial liabilities. An optional exemption exists for short term and low-value leases. The accounting by lessors will not significantly change.

Lessees will be required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognize the amount of the remeasurement of the lease liability as an adjustment to the right-of-use assets.

Upon adoption of IFRS 16 the lessee will recognize a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to recognize the interest expense on the liability and the depreciation expense on the right-of-use asset. Additional disclosures in accordance with the standard have been included in the financial statements note 32.

IFRIC 23, 'Uncertainty Over Income Tax Treatments' (effective for annual periods beginning on or after 1 January 2019). This IFRIC clarifies how the recognition and measurement requirements of IAS 12 'Income Taxes', are applied where there is uncertainty over income tax treatments. The IFRIC had clarified previously that IAS 12, not IAS 37 'Provisions, Contingent Liabilities and Contingent Assets', applies to accounting for uncertain income tax treatments. IFRIC 23 explains how to recognize and measure deferred and current income tax assets and liabilities where there is uncertainty over the treatments. There was no impact on the corporation's financial statements from the adoption of this standard.



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(a) Basis of preparation (cont'd)

New standards, amendments and interpretations not yet effective and not early adopted

The following new standard, amendment and interpretation, which is not yet effective and has not been adopted early in these financial statements, will or may have an effect on the corporation's future financial statements:

Amendments to IAS 1 and IAS 8 on the definition of material (effective for accounting periods beginning on or after 1 January 2020). These amendments to IAS 1, 'Presentation of financial statements', and IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', and consequential amendments to other IFRSs: i) use a consistent definition of materiality throughout IFRSs and the Conceptual Framework for Financial Reporting; ii) clarify the explanation of the definition of material; and iii) incorporate some of the guidance in IAS 1 about immaterial information. The adoption of this standard is not expected to have a significant impact on the corporation.

The corporation assessing the impact that this standard and amendment will have on the financial statements when it is adopted.

(b) 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.

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 profit or loss.

(c) Property, plant and equipment

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

Land and building is subsequently carried at fair value, based on periodic valuations by a professional qualified valuer. These revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. Changes in fair value are recognized in other comprehensive income and accumulated in the capital reserve except to the extent that any decrease in value in excess of the credit balances on the capital reserve or reverse of such transaction, is recognised in profit or loss.



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(c) Property, plant and equipment (cont'd)

Depreciation is calculated on the straight line basis at such rates as will write off the carrying value of the assets over the period of their expected useful lives. Land is not depreciated. Other property, plant and equipment are depreciated at annual rates as follows:

Buildings	2½%
Leasehold improvements	20%
Furniture and fixtures	12.5%
Office equipment	16.67%
Computers equipment	25%
Motor vehicles	20%

At the date of revaluation, the accumulated depreciation on the revalued freehold property is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. The excess depreciation on revalued freehold buildings, over the amount that would have been charged on a historical cost basis, is transferred from the revaluation reserve to retained earnings when freehold land and buildings are expensed through the statement of comprehensive income (e.g. through depreciation, impairment). On disposal of the asset the balance of the revaluation reserve is transferred to retained earnings.

Gains and losses on disposal are determined by comparing proceeds with carrying amounts and are included in profit or loss. On disposal of revalued assets, amounts in capital reserves relating to these assets are transferred to retained earnings.

(d) Intangible assets

Acquired computer software is capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised on the basis of the expected useful life of three years.

(e) Impairment of non-current assets

Property, plant and equipment and other 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 asset 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.



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(f) 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 corporation classifies all its financial instruments at initial recognition based on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value, except in the case of financial assets recorded at FVPL, transaction costs are added to, or subtracted from, this amount.

The corporation classifies its financial assets as those measured at amortised cost and fair value through profit or loss.

Amortised cost

These assets arise principally from the provision of goods and services to customers (eg. trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest (SPPI). They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

The corporation's financial assets measured at amortised cost comprise trade and other receivables, short term deposits and cash and cash equivalents in the statement of financial position.

Cash and cash equivalents are carried in the statement of financial position at fair value. For the purpose of the statement of cash flows, cash and cash equivalents comprise cash at bank and in hand and short term deposits with original maturities of three months or less.

Fair value through profit or loss (FVTPL)

The corporation has made an irrevocable election to classify its investments at fair value through profit or loss rather than through other comprehensive income as the corporation considers this measurement to be the most representative of the business model for those assets. They are carried at fair value with changes in fair value recognized in profit or loss.



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(f) Financial instruments (cont'd)

Financial assets (cont'd)

(ii) Recognition and Measurement

Financial assets are initially recognized on the settlement date, which is the date that an asset is delivered to the corporation. This includes regular purchases of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

The corporation derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains all or substantially all the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such de-recognized financial assets that is created or retained by the corporation is recognized as a separate asset or liability.

(iii) Impairment

Impairment provisions for current and non-current trade receivables are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses (ECL).

During this process, the probability of the non-payment of the trade receivables is assessed by taking into consideration historical rates of default for each segment of trade receivables as well as the estimated impact of forward looking information. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime ECL for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised within the statement of profit or loss. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Financial liabilities

The corporation's financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost using the effective interest method. At the reporting date, the following items were classified as financial liabilities: long term loans and trade payables.

The corporation's derecognises a financial liability when its contractual obligations expire or are discharged or cancelled.



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(g) Trade receivables

Trade receivables are carried at original invoiced amount less provision made for impairment of these receivables. A provision for impairment of trade receivables is established when there is objective evidence that the corporation will not collect all amounts due according to the original terms of the receivables.

(h) Other receivables

Other receivables are stated at amortised cost less impairment losses, if any.

(i) Current and deferred income taxes

Current tax charges are based on taxable profits for the year, which differ from the profit before tax reported because taxable profits exclude items that are taxable or deductible in other years, and items that are never taxable or deductible. The corporation's liability for current tax is calculated at tax rates that have been enacted at the reporting date.

Deferred tax is the tax that is expected to be paid or recovered on differences between the carrying amounts of assets and liabilities and the corresponding tax bases. Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred tax is charged or credited to profit or loss, except where it relates to items charged or credited to other comprehensive income or equity, in which case deferred tax is also dealt with in other comprehensive income or equity.



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(j) Employee benefits

(i) Pension scheme costs:

Defined benefit plans

The corporation operates a defined benefit retirement plan, the assets of which are generally held in a separate trustee-administered fund. A defined benefit plan is a pension plan that defines an amount of pension benefit to be provided, usually as a function of one or more factors such as age, years of service or compensation. The plan is generally funded through payments to a trustee administered fund by employees and the corporation determined by periodic actuarial calculations.

Defined benefit plans surpluses and deficits are 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 high quality corporate bonds that have maturity dates approximating to the terms of the liabilities; plus
- Unrecognised past service costs; less
- The effect of minimum funding requirements agreed with scheme trustees.

Re-measurement 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 recognized in profit and loss, and include current and past service cost as well as gains and losses on curtailments.

Net interest expense (income) is recognised in profit or loss, and is calculated by applying the discount rate used to measure the defined 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 plan benefits or plan curtailment are recognized immediately in profit or loss.

(ii) Other employee benefits:

Employee entitlement to annual leave and other benefits are recognized when they accrue to employees. A provision is made for the estimated liability for annual leave and other benefits as a result of services rendered by employees up to the end of the reporting period.

JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(j) Employee benefits (cont'd)

(iii) 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 Corporation recognises termination benefits when it is demonstrably committed to either terminate the employment of current employees according to a detailed formal plan without the possibility of withdrawal or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than twelve (12) months after the statement of financial position date are discounted to present value.

(k) Loans receivables

Loans are recognized when cash is advanced to borrowers. They are initially recorded at cost which is the cash given to originate the loan including any transaction costs, and are subsequently measured at amortized cost using the effective interest rate method.

An allowance for impairment is established if there is objective evidence that the corporation will not be able to collect all amounts outstanding according to the original contractual terms of the loan. The amount of the allowance is the difference between the carrying amount and the recoverable amount. The recoverable amount is the present value of expected cash flows, including amounts recoverable from guarantees and collateral discounted at the original effective interest rate of the loans.

A loan is classified as impaired when, in management's opinion, there has been deterioration in credit quality to the extent that there is no longer reasonable assurance of timely collection of the full amount of principal and interest. If a payment on a loan is contractually three months in arrears, the loan will be classified as impaired if not already classified as such.

Write-offs are made when all or part of a loan is deemed uncollectible. Write-offs are charged against previously established provisions for impairment losses and reduce the principal amount of the loan. Recoveries, in part or in full, of amounts previously written-off are credited to bad debt recoveries in the statement of comprehensive income.



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(l) Inventories

Inventories are stated at the lower of cost and net realizable value, cost being determined on a weighted average basis. Net realizable value is the estimate of selling price in the ordinary course of business.

(m) Borrowings

Borrowings are recognized initially at the proceeds received, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective interest method. Any difference between proceeds, net of transaction costs, and the redemption value is recognized in profit or loss along with regular interest charges over the period of the borrowings.

(n) Provisions

Provisions are recognized when the corporation has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

(o) Revenue recognition

Subvention income -

Subvention income for recurrent expenditure is recognized on the accrual basis.

Sale of goods

Revenue is recognised at a point in time in the amount of the price, before tax on sales, expected to be received by the corporation for goods supplied as a result of their ordinary activities, as contractual performance obligations are fulfilled, and control of goods passes to the customer. Revenue is decreased by any trade discounts granted to customers.



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(o) Revenue recognition (cont'd)

For contracts that permit return of goods, revenue is recognised to the extent that it is highly probable that a significant reversal will not occur.

The right to recover returned goods is measured at the former carrying amount of inventory less any expected cost to recover.

Interest income

Interest income is recognised in profit or loss using the effective interest method. The "effective interest rate" is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instruments to its gross carrying amount.

When calculating the effective interest rate for financial instruments, the corporation estimates future cash flows considering all contractual terms of the financial instrument, but not ECL.

(p) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributed to the issue of ordinary shares are recognized as a deduction from equity.

(q) Trade and other payables

Trade and other payables are stated at amortised cost.

(r) Project liabilities

Project liabilities are stated at historical cost.

(s) Deferred income

Subvention received and used for purchase of property, plant and equipment are credited to deferred income and are amortised on a straight-line basis and the expected useful lives of the assets.



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

13. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(t) Right-of-use asset

At 1 July 2019, the right-of-use assets have been initially calculated at an amount equal to the initial value of the lease obligation. There is no impact on retained earnings. For leases entered into, on or after 1 January 2019, the right-of-use assets will be initially calculated at an amount equal to the initial value of the lease liability, adjusted for the following items:

- i) Any lease payments made at or before the commencement date, less any lease incentives received;
- ii) Any initial direct costs incurred by the corporation;
- iii) An estimate of costs to dismantle and remove the underlying asset or to restore the site on which the asset is located.

For short-term leases that have a lease term of 12 months or less and low-value assets, the corporation has elected to not recognize a lease obligation and right-of-use asset and instead will recognize a lease expense as permitted under IFRS 16.

The right-of-use assets will be depreciated using the straight-line from the date of adoption to the earlier of the end of the useful life of the asset or end of the lease term as determined under IFRS 16. For lease entered into after 1 July 2019, the right-of-use assets will be depreciated from the date of commencement to the earlier of the end of the useful life of the asset or end of the lease term.

Under IFRS 16, right-of-use assets are tested for impairment in accordance with IAS 36, Impairment of Asset which replaces the previous requirement to recognize a provision for onerous lease contracts under IAS 37, Provisions, Contingent liabilities and Contingent assets.

(u) Lease obligations

Policy applicable after 1 April 2019

Leases are accounted for by recognizing a right-of-use assets and a lease liability except for leases of low value assets and leases with a term of 12 months or less.

The lease obligation is measured at the present value of the contractual obligation, discounted using the interest rate implicit in the lease term, unless that rate is not readily determinable, in which case the organisation will use its incremental borrowing rate.



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(u) Lease obligations (cont'd)

Policy applicable after 1 April 2019 (cont'd)

The Lease term determined by the corporation comprises:

- i) The non-cancelable period of lease contracts, including a rent-free period if applicable;
- ii) Periods covered by an option to extend the lease if the corporation reasonably certain to exercise that option;
- iii) Periods covered by an option to terminate the lease if the corporation is reasonably certain not to exercise that option.

The commencement dates of the lease begins on either deemed 1 January 2019 or the date on which the lessor makes the underlying asset available for use to the corporation. Lease payments included in the measurement of the lease obligation are comprised of the following:

- i) Fixed lease payments, including in-substance fixed payments;
- ii) Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- iii) Amounts expected to be payable under a residual value guarantee;
- iv) The exercise price of purchase options that the corporation reasonably certain to exercise;
- v) Lease payments in an option renewal period if the corporation reasonably certain to exercise the extension option;
- vi) Penalties for early termination of the lease unless the corporation is reasonably certain not to terminate early; and
- vii) Less any incentive receivable;

Variable payments for leases that do not depend on an index or rate are not included in the measurement of the lease obligations. The variable payments are recognized as an expense in the period in which they are incurred. The corporation accounts for any leases and associated non-lease components separately, as opposed to a single arrangement, which is permitted under IFRS 16.



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(u) Lease obligations (cont'd)

Policy applicable after 1 April 2019 (cont'd)

Interest on the lease obligations is calculated using the effective interest method and increases the lease obligation while rent payments reduce the obligation. The lease obligation is re-measured whenever a lease contract is modified and the lease modification is not accounted for as a separate lease, or there is a change in the assessment of the exercise of an extension option. The lease obligation is re-measured by discounting the revised lease payments using a revised discount rate resulting in a corresponding adjustment to the right-of-use asset or is recorded in gain or loss if the carrying amount of the right-of-use asset has been reduced to zero or the modification results in a reduction in the scope of the lease. The revised carrying amount is amortised over the remaining lease term.

Policy applicable before 1 April 2019

Leases of assets under which all the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognized as an expense in the period in which the termination takes place.

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 corporation's accounting policies

In the process of applying the corporation'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.



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

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

(b) Key sources of estimation uncertainty

The corporation 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 of assets and liabilities within the next financial year are discussed below:

(i) Fair value estimation

A number of assets and liabilities included in the corporation's financial statements require measurement at, and/or disclosure of fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Market price is used to determine fair value where an active market (such as a recognized stock exchange) exists as it is the best evidence of the fair value of a financial instrument.

The fair value measurement of the corporation's financial and non financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorized into different levels based on how observable the inputs used in the valuation technique are.

The standard requires disclosure of fair value measurements by level using the following fair value measurement hierarchy:

Level 1	Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2	Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
Level 3	Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

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

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

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item.

Transfer of items between levels are recognized in the period they occur.

The corporation measures land and building (note 12) at fair value.

The fair value of financial instruments traded in active markets, such as available-for-sale investments, is based on quoted market prices at the reporting date. These instruments are included in level 1 and comprise equity instruments traded on the Jamaica Stock Exchange.

The fair values of financial instruments that are not traded in an active market are deemed to be determined as follows:

The face value, less any estimated credit adjustments, for financial assets and liabilities with a maturity of less than one year are estimated to approximate their fair values. These financial assets and liabilities include cash and cash equivalents, receivables and payables.

(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 corporation 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 profit or loss through impairment or adjusted depreciation provisions.

(iii) Income taxes

Estimates are required in determining the provision for income tax. There are some transactions and calculations for which the ultimate tax determination is uncertain. The corporation recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

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

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

(iv) 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 corporation 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 company 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.

(v) Measurement of the expected credit loss allowance

The measurement of the expected credit loss (ECL) allowance for financial assets measured at amortised cost is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behavior (e.g. the likelihood of customers defaulting and the resulting losses). A number of significant judgement are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL.
- Establishing the number of relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

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5. FINANCIAL RISK MANAGEMENT:

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

- Credit risk
- Fair value or cash flow interest rate risk
- Foreign exchange risk
- Other market price, and
- Liquidity risk

In common with all other businesses, the corporation's activities expose it to a variety of risks that arise from its use of financial instruments. This note describes the corporation's objectives, policies and processes for managing those risks to minimize potential adverse effects on the financial performance of the corporation and the methods used to measure them.

There have been no substantive changes in the corporation'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 corporation, from which financial instrument risk arises, are as follows:

- Loan receivables
- Receivables
- Cash and bank balances
- Short term investments
- Payables
- Long term loans

(b) Financial instruments by category

Financial assets

	Amortised Cost		Fair Value Fair Value through Profit or Loss	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Cash and bank balances	49,910	89,325	-	-
Receivables	8,650	3,243	-	-
Short term investments	-	-	-	22,617
Total financial assets	58,560	93,168	-	22,617



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(b) Financial instruments by category (cont'd) -

Financial liabilities

	Financial liabilities at amortised cost	
	2020	2019
	\$'000	\$'000
Lease liability	5,394	-
Long term loans	91,189	94,845
Trade and other payables	21,434	42,449
Total financial liabilities	118,017	137,294

(c) Financial risk factors

The Board of directors has overall responsibility for the determination of the corporation's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the corporation's finance function. The Board provides policies for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investments of excess liquidity.

The Board has established committees/departments for managing and monitoring risks, as follows:

(i) Finance Department

The Finance Department is responsible for managing the corporation's assets and liabilities and the overall financial structure. It is also primarily responsible for managing the cash flow and liquidity risks of the corporation. The department identifies, evaluates and hedges financial risks in close co-operation with the corporation's operating units.



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(c) Financial risk factors (cont'd)

(ii) Audit Committee

The Audit Committee oversees how management monitors compliance with the corporation's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the corporation. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the corporation's competitiveness and flexibility. Further details regarding these policies are set out below:

(i) Market risk

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates.

Currency risk arises from US dollar investments, trade payables and cash and cash equivalents. The corporation manages this risk by ensuring that the net exposure in foreign assets and liabilities is kept to an acceptable level by monitoring currency positions. The corporation further manages this risk by holding net foreign currency assets.

Concentration of currency risk

The corporation is exposed to foreign currency risk in respect of US dollar as follows:

	<u>2020</u> <u>\$'000</u>	<u>2019</u> <u>\$'000</u>
Cash and cash equivalents	4,422	22,030
Trade payables	<u>(17,222)</u>	<u>(17,666)</u>
	<u>(12,800)</u>	<u>4,364</u>



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(c) Financial risk factors (cont'd)

(i) Market risk (cont'd)

Currency risk (cont'd)

Foreign currency sensitivity

The following table indicates the sensitivity of (loss)/profit before taxation to changes in foreign exchange rates. The change in currency rate below represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis represents outstanding foreign currency denominated trade payables and cash and cash equivalents, and adjusts their translation at the year-end for 6% (2019 - 6%) depreciation and a 4% (2019 - 4%) appreciation of the Jamaican dollar against the US dollar.

	Change in currency Rate 2020	Effect on Loss before Tax 31 March 2020 \$'000	% Change in Currency Rate 2019	Effect on Profit before Tax 31 March 2019 \$'000
Currency:				
USD	-6	(768)	-6	262
USD	+4	512	+4	(175)

Price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market. The corporation is exposed to money market fund securities price risk arising from its holding of available-for-sale investments.

Cash flow and fair value interest rate risk

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

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

Short term deposits and debt securities included in fair value through other comprehensive income investments are the only interest bearing assets within the corporation.



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(c) Financial risk factors (cont'd)

(i) Market risk (cont'd)

Cash flow and fair value interest rate risk (cont'd)

Interest rate sensitivity

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

(ii) 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 trade receivables and cash and bank balances.

Trade receivables

Revenue transactions in respect of the corporation's primary operations are settled by cash. For its operations done on a credit basis, the corporation has policies in place to ensure that sales of services are made to customers with an appropriate credit history.

Cash and bank balances

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

Maximum exposure to credit risk

The maximum exposure to credit risk is equal to the carrying amount of short term investments, long and short term loan, trade and other receivables and cash and cash equivalents in the statement of financial position.

Trade receivables expected credit losses

The impairment requirements of IFRS 9 are based on the Expected Credit Loss (ECL) model. The guiding principle of the ECL model is to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments.



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(c) Financial risk factors (cont'd)

(ii) Credit risk (cont'd)

For trade receivables and contract assets that do not have a financing component, it is a requirement of IFRS 9 to recognize a lifetime expected credit loss. This was achieved in the current year by the development and application of historical data relating to trade receivables and write-offs, as well as forecasting payment probabilities based on historical payment pattern.

The 2019 trade receivables were analyzed in compliance with IFRS 9 and the amount presented in the financial statements appears reasonable and in compliance with the required standard.

The corporation expected credit losses (ECL) on trade receivables using a provision matrix based on historical credit loss experience. Based on the incurred loss analyses over delinquent accounts, the credit history, risk profile of each customer and aging of receivables, customers were placed in aging buckets and a default risk percentage calculated for each bucket of customers. The following table provides information about the ECLs for trade receivables as at 31 March.

<u>Aging</u>	<u>2020</u>		
	<u>Gross Carrying Amount</u> <u>\$'000</u>	<u>Default Rate</u> <u>%</u>	<u>Lifetime ECL Allowance</u> <u>\$'000</u>
0 to 30 days	1,282	2.7	35
31 to 60 days	5,066	3.4	173
61 to 90 days	862	0.7	6
Over 90 days	<u>3,631</u>	<u>54.4</u>	<u>1,977</u>
	<u>10,841</u>		<u>2,191</u>

<u>Aging</u>	<u>2019</u>		
	<u>Gross Carrying Amount</u> <u>\$'000</u>	<u>Default Rate</u> <u>%</u>	<u>Lifetime ECL Allowance</u> <u>\$'000</u>
0 to 30 days	1,051	3.8	40
31 to 60 days	1,084	1.5	16
61 to 90 days	434	0.4	2
Over 90 days	<u>1,820</u>	<u>59.8</u>	<u>1,088</u>
	<u>4,389</u>		<u>1,146</u>



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(c) Financial risk factors (cont'd)

(ii) Credit risk (cont'd)

The movement in the provision for impairment of trade receivables were as follows:

	<u>2020</u>	<u>2019</u>
	<u>\$'000</u>	<u>\$'000</u>
At 1 April	1,146	964
Impact of initial application of IFRS 9	-	114
Provision for impairment	<u>1,045</u>	<u>68</u>
	<u>2,191</u>	<u>1,146</u>
Exposure to credit risk for loans receivable:		
	<u>2020</u>	<u>2019</u>
	<u>\$'000</u>	<u>\$'000</u>
Agriculture	6,196	6,256
Agro-processing	1,691	1,691
Manufacturing	26,320	28,246
Service	<u>13,295</u>	<u>16,432</u>
	<u>47,502</u>	<u>52,625</u>
Less: provisions for impairment	<u>(47,502)</u>	<u>(52,625)</u>
	<u>-</u>	<u>-</u>

The creation and release of provision for impaired receivables have been included in expenses in profit or loss. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash. Impairment estimates have been adjusted based on actual collection patterns.



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(c) Financial risk factors (cont'd)

(ii) Credit risk (cont'd)

Credit quality of loans

Credit quality of loans is summarized as follows:

	<u>2020</u> <u>\$'000</u>	<u>2019</u> <u>\$'000</u>
Impaired	47,502	52,625
Less: Provision for impairment	(47,502)	(55,625)
	<u>-</u>	<u>-</u>

(iii) Liquidity risk

Liquidity risk is the risk that the corporation 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 credit facilities.

Liquidity risk management process

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

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



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(c) Financial risk factors (cont'd)

(iii) Liquidity risk (cont'd)

Cash flows of financial liabilities

The maturity profile of the corporation's financial liabilities, based on contractual undiscounted payments, is as follows:

	Within 1 Year \$'000	1 to 2 Years \$'000	2 to 5 Years \$'000	Over 5 Years \$'000	Total \$'000
31 March 2020					
Lease liability	2,697	2,697	-	-	5,394
Trade and other payables	21,434	-	-	-	21,434
Long term loans	34,175	-	-	63,295	97,470
Total financial liabilities (contractual maturity dates)	58,306	2,697	-	63,295	124,298
31 March 2019					
Trade and other payables	42,449	-	-	-	42,449
Long term loans	31,550	-	-	63,295	94,845
Total financial liabilities (contractual maturity dates)	73,999	-	-	63,295	137,294



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(d) Capital management

The corporation's objectives when managing capital are to safeguard the corporation's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. The Board of Directors monitors the return on capital, which the corporation defines as net operating income divided by total equity.

The corporation's has no specific capital management strategy and is not exposed to externally imposed capital requirements.

There are no particular strategies to determine the optimal capital structure. here are also no external capital maintenance requirements to which the company is subject.

6. REVENUE:

This represents subvention received from the Ministry of Industry, Commerce, Agriculture and Fisheries.

7. OTHER OPERATING INCOME:

	<u>2020</u> <u>\$'000</u>	<u>2019</u> <u>\$'000</u>
Fixed assets reserve	33	33
Gross profit - shops	27,267	27,516
Service income	58,470	57,671
Interest income	1,779	4,706
Miscellaneous income	<u>52</u>	<u>9,166</u>
	<u>87,621</u>	<u>99,092</u>



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

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8. EXPENSES BY NATURE:

Total selling and administrative expenses -

	<u>2020</u> <u>\$'000</u>	<u>2019</u> <u>\$'000</u>
Staff costs (note 9)	342,649	299,956
Repairs and maintenance	20,669	15,597
Legal and professional fees	11,696	12,034
Auditors' remuneration	1,800	1,400
Exhibition of seminars	33,645	24,139
Insurance	2,005	1,915
Cleaning and sanitation	1,827	1,846
Occupancy costs	15,499	20,557
Security	7,056	4,204
Advertising and promotion	7,742	6,753
Utilities and telecommunication	22,063	21,696
Bad debts recovered	(4,075)	(2,558)
Depreciation and amortisation	16,371	17,125
Amortisation	2,513	-
Travelling	5,952	3,953
Stationery and office supplies	11,337	10,867
Other expenses	<u>8,548</u>	<u>8,817</u>
	<u>507,357</u>	<u>448,301</u>

9. STAFF COSTS:

	<u>2020</u> <u>\$'000</u>	<u>2019</u> <u>\$'000</u>
Salaries, commissions and related costs	289,705	265,985
Payroll taxes - employer's portion	17,146	15,521
Pension cost	(1,571)	(1,960)
Other	<u>37,369</u>	<u>20,410</u>
	<u>342,649</u>	<u>299,956</u>



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

10. FINANCE COSTS/(INCOME);

	<u>2020</u> <u>\$'000</u>	<u>2019</u> <u>\$'000</u>
Gain on certificate of deposit	(93)	(578)
Net foreign exchange gain	(3,221)	(770)
Bank charges	1,355	1,406
Interest expense	<u>2,868</u>	<u>(2,453)</u>
	<u>909</u>	<u>(2,395)</u>

11. TAXATION:

- (a) Taxation is based on the operating results for the year, adjusted for taxation purposes, and comprises: -

	<u>2020</u> <u>\$'000</u>	<u>2019</u> <u>\$'000</u>
Income tax @ 25%	-	-
Taxation adjustment	-	(2,694)
Deferred taxation - written off	-	<u>11,796</u>
Taxation charge in income statement	<u>-</u>	<u>9,102</u>

- (b) Reconciliation of theoretical tax charge that would arise on (loss)/profit before tax using the applicable tax rate to actual tax charge.

	<u>2020</u> <u>\$'000</u>	<u>2019</u> <u>\$'000</u>
(Loss)/profit before taxation	<u>(26,029)</u>	<u>23,470</u>
Tax calculated at 25%	(6,507)	5,868
Adjusted for the effects of:		
Expenses not deducted for tax purposes	10,263	4,281
Net effect of other charges and allowances	(3,756)	(10,149)
Deferred taxation written - off	-	11,796
Taxation adjustment	<u>-</u>	<u>(2,694)</u>
Taxation charge in income statement	<u>-</u>	<u>9,102</u>

- (c) The corporation, being a fully owned Government entity's falls within the definition of a public body. The corporation is therefore exempt from paying Income Tax on its income under Section 12 (i) (b) of the Income Tax Act.

The corporation is still required to file Income Tax returns in keeping with Section 71A of the Income Tax Act.



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

12. PROPERTY, PLANT AND EQUIPMENT:

	Land and Building \$'000	Leasehold Improvement \$'000	Furniture, Fixtures & Equipment \$'000	Motor Vehicles \$'000	Total \$'000
At cost -					
1 April 2018	153,617	20,200	46,919	14,077	234,813
Additions	5	-	7,091	-	7,096
Revaluation	178,458	-	-	-	178,458
Disposal	-	-	(147)	-	(147)
31 March 2019	332,080	20,200	53,863	14,077	420,220
Additions	-	-	7,363	-	7,363
Adjustment	-	-	(155)	-	(155)
31 March 2020	332,080	20,200	61,071	14,077	427,428
Depreciation -					
1 April 2018	10,794	20,200	33,834	8,962	73,790
Charge for the year	10,924	-	4,425	1,608	16,957
Elimination on revaluation	(14,334)	-	-	-	(14,334)
31 March 2019	7,384	20,200	38,259	10,570	76,413
Charge for the year	8,002	-	6,010	1,608	15,620
31 March 2020	15,386	20,200	44,269	12,178	92,033
Net Book Value -					
31 March 2020	316,694	-	16,802	1,899	335,395
31 March 2019	324,696	-	15,604	3,507	343,807

The corporation's freehold land and buildings at located at 12 and 14 Camp Road, Kingston 4 were appraised on 18 June 2018 and 1 February 2019 respectively, using the reinstatement cost carried out by external independent valuator. The surplus arising on revaluation has been credited to capital reserve.



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

12. PROPERTY, PLANT AND EQUIPMENT (CONT'D):

The corporation's freehold land and buildings were appraised on 12 November 2016, using highest and best use principle carried out by external independent licensed real estate dealer.

The fair value of the land and buildings is a level 3 recurring fair value measurement. A reconciliation of the opening and closing fair value balance is as follows:

	<u>2020</u> <u>\$'000</u>	<u>2019</u> <u>\$'000</u>
Opening balance (level 3 recurring fair values)	332,080	139,283
Purchases	-	5
Gain included in other comprehensive income gain on property valuation	<u>-</u>	<u>192,792</u>
Closing balance (level 3 recurring fair values)	<u>332,080</u>	<u>332,080</u>

13. INTANGIBLE ASSETS:

	<u>Computer Software</u> <u>\$'000</u>	<u>Total</u> <u>\$'000</u>
At cost-		
1 April 2018 and 31 March 2019	3,743	3,743
Additions	<u>2,413</u>	<u>2,413</u>
31 March 2020	<u>6,156</u>	<u>6,156</u>
Depreciation -		
1 April 2018	3,048	3,048
Charge for the year 31 March 2019	<u>168</u>	<u>168</u>
Charge for the year 31 March 2020	<u>750</u>	<u>750</u>
31 March 2020	<u>3,966</u>	<u>3,966</u>
Net Book Value -		
31 March 2020	<u>2,190</u>	<u>2,190</u>
31 March 2019	<u>527</u>	<u>527</u>



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

14. POST-EMPLOYMENT BENEFIT ASSETS:

	<u>2020</u> <u>\$'000</u>	<u>2019</u> <u>\$'000</u>
The amounts recognized in the statement of financial position	<u>291,992</u>	<u>282,201</u>
Amount recognized in the profit or loss (note 9)	(<u>1,571</u>)	(<u>1,960</u>)
Amount recognized in other comprehensive income	<u>471</u>	(<u>105,526</u>)

<u>2020</u> <u>\$'000</u>	<u>2019</u> <u>\$'000</u>
------------------------------	------------------------------

The amounts recognized in the statement of financial position are determined as follows:

Present value of funded obligations	(438,355)	(368,327)
Fair value of plan assets	730,347	747,498
Limitation of asset due to uncertainty of obtaining economic benefits in the plan	<u>-</u>	(<u>96,970</u>)
Assets in the statement of financial position	<u>291,992</u>	<u>282,201</u>

The corporation participates in a defined benefit plan, which is open to all permanent employees and administered for Jamaica Business Development Corporation by Sagcor Life Jamaica Limited. Retirement benefits are based on the average annual earnings in the last three years to retirement, and death benefits on members' accumulated contributions.

The plans are valued annually by independent actuaries using the Projected Unit Credit Method. The latest actuarial valuation was carried out as at 31 March 2020.

The movement in the present value of funded obligations over the year is as follows:

	<u>2020</u> <u>\$'000</u>	<u>2019</u> <u>\$'000</u>
Balance at beginning of year	368,327	258,535
Current service cost	18,928	11,365
Interest cost	<u>25,471</u>	<u>18,974</u>
	412,726	288,874
Re-measurements -		
Losses from change in financial assumptions	42,938	28,287
Experience (gains)/losses	(<u>21,203</u>)	<u>48,150</u>
Balance carried forward	<u>434,461</u>	<u>365,311</u>



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

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

The movement in the present value of funded obligations over the year is as follows (cont'd):

	<u>2020</u> <u>\$'000</u>	<u>2019</u> <u>\$'000</u>
Balance brought forward	434,461	365,311
Members' contributions	15,247	14,668
Benefits paid	(13,386)	(11,918)
Purchased annuities	<u>2,033</u>	<u>266</u>
Balance at the end of the year	<u>438,355</u>	<u>368,327</u>

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

	<u>2020</u> <u>\$'000</u>	<u>2019</u> <u>\$'000</u>
Balance at beginning of year	747,498	711,431
Interest income	52,758	53,764
Re - measurements -		
Return on plan assets, excluding amounts included in interest income	(82,494)	(28,733)
Members' contributions	15,247	14,668
Employer's contributions	8,691	8,020
Benefits paid	(13,386)	(11,918)
Purchased annuities	<u>2,033</u>	<u>266</u>
Balance at end of year	<u>730,347</u>	<u>747,498</u>

The movement on the asset ceiling during the year is as follows:

	<u>2020</u> <u>\$'000</u>	<u>2019</u> <u>\$'000</u>
Balance at beginning of year	96,970	286,201
Interest on asset	6,788	21,465
Change in asset ceiling, excluding amounts included in interest expense	(103,758)	(210,696)
Balance at end of year	<u>-</u>	<u>96,970</u>



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

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

The amounts recognized in profit or loss are as follows:

	<u>2020</u> <u>\$'000</u>	<u>2019</u> <u>\$'000</u>
Current service cost	18,928	11,365
Interest cost	25,471	18,974
Interest income on plan assets	(52,758)	(53,764)
Interest on effect of asset ceiling	<u>6,788</u>	<u>21,465</u>
Total included in staff costs	<u>(1,571)</u>	<u>(1,960)</u>

The distribution of the plan assets was as follows:

	<u>2020</u> <u>\$'000</u>	<u>2020</u> <u>%</u>	<u>2019</u> <u>\$'000</u>	<u>2019</u> <u>%</u>
Pooled investment funds -				
Equity Fund	210,445	29	203,141	27
International Equity Fund	84,848	12	71,097	10
Mortgage and Real Estate Fund	71,797	10	104,034	14
Fixed Income Fund	126,056	17	116,699	16
Global Market Funds	105,268	14	92,572	11
Money Market Fund	17,949	2	35,762	5
CPI-Indexed	69,866	10	64,760	9
Global Equities	-	-	16,256	2
Purchased Annuities	42,122	6	39,261	5
Other	<u>1,996</u>	<u>-</u>	<u>3,916</u>	<u>1</u>
Balance at end of year	<u>730,347</u>	<u>100</u>	<u>747,498</u>	<u>100</u>

The expected return on plan assets was determined by considering the expected returns available on the assets underlying the current investment portfolio. Expected yields on fixed interest investments are based on gross redemption yields as at the end of the reporting period. Expected returns on equity and property investments reflect long-term real rates of return experienced in the respective markets.

Expected contributions to the post employment plan for the year ending 31 March 2021 is \$24,883,000 (2020 - \$24,417,000). The actual return on the plan assets was a negative \$18,659,000 (2019 - \$34,666,000).



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

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

Movements in the amounts recognized in the statement of financial position:

	<u>2020</u> <u>\$'000</u>	<u>2019</u> <u>\$'000</u>
Assets at beginning of year	282,201	166,695
Amounts recognized in the income statement (Note 10)	1,571	1,960
Re - measurements recognized in OCI	(471)	105,526
Contributions paid	<u>8,691</u>	<u>8,020</u>
Assets at end of year	<u>291,992</u>	<u>282,201</u>

Taxation in relation to the re-measurements recognized in OCI is disclosed in note 11.

The principal actuarial assumptions used were as follows:

	<u>2020</u>	<u>2019</u>
Discount rate	6.5%	7.0%
Inflation rate	3.0%	3.0%
Future salary increases	3.0%	4.0%
Future pension increases	<u>2.5%</u>	<u>1.8%</u>

Mortality assumptions are based on the American 1994 Group Annuitant Mortality (GAM94) table.

Plan risks

Through its defined benefit pension plans, the corporation is exposed to a number of risks. The corporation does not use derivatives to manage its plan risks. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets. Pensions are secured through the purchase of annuities. The remaining assets are invested in segregated pooled funds. The corporation has not changed the processes used to manage its risks from previous periods.

The most significant of these plan risks are detailed below:

(i) Investment risk

The plan liabilities are calculated using a discount rate set with reference to Government of Jamaica bond yields. If plan assets underperform in this yield, this will create a deficit.

The corporation ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long term investments that are in line with the obligations under the pension scheme. Within this framework, the corporation's ALM objective is to match assets to the pension obligations by investing in long term assets with maturities that match the benefit payments as they fall due.



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

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

(i) Investment risk (cont'd)

The corporation actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the pension obligations.

(ii) Changes in bond yields

A decrease in Government of Jamaica bond yields will increase plan liability, although this will be partially offset by an increase in the return on plan assets which are linked to debt investments.

Salary risk

The present value of the plan liabilities is calculated in reference to the future salaries of members. Therefore an increase in the salary of members will increase the plan's liability.

(iii) Life expectancy

The majority of the plan's obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plan's liabilities.

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Impact on post-employment obligations			
	Changes in Assumption	Increase in Assumption \$'000	Decrease in Assumption \$'000
Discount rate	1%	74,176	101,766
Future salary increase	1%	52,610	(43,895)
Expected pension increase	1%	48,510	(41,134)
Life expectancy	<u>1 year</u>	<u>7,120</u>	<u>(7,212)</u>

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognized within the statements of financial position.



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

15. RIGHT-OF-USE-ASSETS:

(a) Right of use assets:

	Land and Building \$	Total \$
Adoption of IFRS 16	7,7539	7,539
Amortisation	(2,513)	(2,513)
At 31 March 2020	<u>5,026</u>	<u>5,026</u>

(b) Lease liability

	Land and Building \$	Total \$
Adoption of IFRS 16	7,539	7,539
Lease payments	(2,145)	(2,145)
At 31 March 2020	5,394	5,394
Less: current portion	(2,697)	(2,697)
	<u>2,697</u>	<u>2,697</u>



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

16. LOANS RECEIVABLES:

- (a) Loans and advances are comprised of:

	<u>2020</u> <u>\$'000</u>	<u>2019</u> <u>\$'000</u>
Gross loans and advances	(47,502)	52,625
Provisions for loans and losses	(47,502)	(52,625)
	<u>-</u>	<u>-</u>

These represent loans disbursed to various micro and small business owners from the pool funds obtained for on-lending from Development Bank of Jamaica and the Micro Investment Development Agency (Note 22). Each loan bears interest at a rate of 10% per annum and are secured by bills of sale on items that were purchased from the proceeds of the loan.

- (b)
- Impairment losses on loans and advances

The ageing of loans and advances and the related impairment allowances at the reporting date were as follows:

	<u>2 0 2 0</u>		<u>2 0 1 9</u>	
	<u>Gross</u> <u>\$</u>	<u>Impairment</u> <u>\$</u>	<u>Gross</u> <u>\$</u>	<u>Impairment</u> <u>\$</u>
3 months and over past due	<u>47,502</u>	<u>47,502</u>	<u>52,625</u>	<u>52,625</u>
	<u>47,502</u>	<u>47,502</u>	<u>52,625</u>	<u>52,625</u>

No impairment allowance has been made for loans that are not past due and there were no loans renegotiated during the year.

- (c) Specific allowances for loan losses:

	<u>2020</u> <u>\$'000</u>	<u>2019</u> <u>\$'000</u>
Balance at beginning of year	52,625	55,238
Recovered during the year	(5,123)	(2,613)
Balance at the end of the year	<u>47,502</u>	<u>52,625</u>



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

17. INVENTORIES:

	<u>2020</u>	<u>2019</u>
	<u>\$'000</u>	<u>\$'000</u>
Inventory	6,468	4,176
Less: provision for slow moving	(1,401)	(713)
	<u>5,067</u>	<u>3,463</u>

18. RECEIVABLES:

	<u>2020</u>	<u>2019</u>
	<u>\$'000</u>	<u>\$'000</u>
Trade receivables (net)	8,650	3,243
Prepayments	1,220	1,129
GCT	11,696	12,219
Sundry receivables	<u>9,143</u>	<u>10,278</u>
	<u>30,709</u>	<u>26,869</u>

Trade receivables are stated net of expected credit losses of \$1,827,681 (2019 - \$1,146,204).

19. SHORT TERM INVESTMENTS:

	<u>2020</u>	<u>2019</u>
	<u>\$'000</u>	<u>\$'000</u>
Fair value through profit or loss		
JMMB Money Market Fund	<u>—</u>	<u>22,617</u>

20. CASH AND CASH EQUIVALENTS:

	<u>2020</u>	<u>2019</u>
	<u>\$'000</u>	<u>\$'000</u>
Cash and bank balances -		
Deposits and short term investments	30,759	44,972
Local current accounts	14,457	27,564
Foreign currency current accounts	4,422	17,248
Petty cash	<u>252</u>	<u>141</u>
	<u>49,910</u>	<u>89,925</u>



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

20. CASH AND CASH EQUIVALENTS (CONT'D):

(a) Interest rate exposure -

The weighted average effective interest rates at year-end were as follows:

	<u>2020</u>	<u>2019</u>
	<u>%</u>	<u>%</u>
Cash at bank - J\$ account	0.34	0.54
- US\$ account	0.08	0.12
Deposits and short term investments -		
- US\$	-	1.60
- J\$	<u>2.39</u>	<u>2.75</u>

21. SHARE CAPITAL:

	<u>2020</u>	<u>2019</u>
	<u>\$'000</u>	<u>\$'000</u>
Authorised, issued and fully paid - 100 ordinary shares of no par value	<u>1</u>	<u>1</u>

22. CAPITAL RESERVE:

This represent surplus on revaluation of land and building. These assets were donated to the Corporation by the Government of Jamaica.

23. LONG TERM LOANS:

Loans are comprised as follows:

	<u>2020</u>	<u>2019</u>
	<u>\$'000</u>	<u>\$'000</u>
Productive Business Solutions Limited (i)	259	451
Development of Bank of Jamaica Limited (ii)	17,625	21,099
Micro Investment Development Agency (iii)	10,030	10,000
Ministry of Finance (iv)	<u>63,295</u>	<u>63,295</u>
	91,139	94,845
Less: current portion	(269)	(451)
	<u>90,920</u>	<u>94,394</u>



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

23. LONG TERM LOANS (CONT'D):

- (i) This represents an agreement of US\$21,901 to be paid through 36 installments of US\$ 608.37 for the purchase of property, plant and equipment.
- (ii) This loan was obtained for on-lending to businesses in the productive micro and small enterprises sectors. The principal is repayable in 12 semi-annual payments commencing December 2009 and bears interest at a rate of 7% per annum. It is secured by a Parliamentary Guarantee issued by the Government of Jamaica.

The Corporation received an additional disbursement of \$100 million in December 2010. The loan was acquired for on-lending to businesses in the productive micro and small enterprises sectors. The principal is repayable in 8 semi-annual payments commencing June 2012 and bears interest at a rate of 7% per annum. It is unsecured.

- (iii) This loan was obtained for on-lending to businesses in the productive micro and small enterprises sector and were disbursed to the corporation in two tranches of \$20 million in October 2010 and \$10 million in September 2012.

The corporation refinanced the outstanding loan balance of \$22.5 million in March 2013 and an extension was obtained on the repayment. The interest rate remains at 7% and the loan will be repaid in 18 quarterly installments commencing 31 March 2013. The loan was to be fully repaid by June 2017.

- (iv) The Ministry of Finance and the Public Service (MOFPS) on behalf of the corporation and in consultation with the Development Bank of Jamaica (DBJ) agreed to settle debt obligation of the secured loan of \$68M. The servicing of JBDCs debt obligations by the MOFPS was effected pursuant to section 20, subsections (2) (3) (4) of the Public Debt Management Act 2012 (PDMA). In light of the foregoing, JBDC is indebted to the Government of Jamaica and should be guided by the provisions of the PDMA.

24. DEFERRED INCOME:

	<u>2020</u> <u>\$'000</u>	<u>2019</u> <u>\$'000</u>
Balance at beginning of year	894	927
Amortisation charge (Note 7)	(33)	(33)
	<u>861</u>	<u>894</u>
Current portion	33	33
Long term portion	<u>828</u>	<u>861</u>
	<u>861</u>	<u>894</u>



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2020

24. DEFERRED INCOME (CONT'D):

Deferred income represents grants provided by the Government of Jamaica to acquire property, plant and equipment. These amounts were reclassified from fixed asset reserve in March 2013 to deferred income in accordance with IAS 20 Accounting for Government Grants and disclosure of Government assistance.

25. PAYABLES:

	<u>2020</u>	<u>2019</u>
	<u>\$'000</u>	<u>\$'000</u>
Trade payable	12,043	16,447
GCT withheld payable	20,204	18,979
Other payables	16,529	18,064
Accruals	<u>45,956</u>	<u>44,459</u>
	<u>94,732</u>	<u>97,949</u>

26. PROJECT LIABILITIES:

	<u>2020</u>	<u>2019</u>
	<u>\$'000</u>	<u>\$'000</u>
DBJ Business training method	-	778
Development Bank of Jamaica/MSME Development Fund	2,662	2,662
Income Cluster	181	181
Miscellaneous	14,555	34,045
Tourism Enhancement Fund	<u>494</u>	<u>494</u>
	<u>17,892</u>	<u>38,160</u>

These represent interest free funding received from multilateral organizations and government agencies. The corporation acts as facilitator to carry out specialized projects financed from these funds. The corporation is in compliance with the terms of the projects, which are stipulated in an established Memorandum of Understanding for each project.



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27. RELATED PARTY TRANSACTIONS AND BALANCES:

	<u>2020</u>	<u>2019</u>
	<u>\$'000</u>	<u>\$'000</u>
<u>Transactions during the year</u>		
Key management compensation -		
Key management includes executive directors		
Salaries and other short-term employee benefits	28,485	19,597
Payroll taxes - employer's portion	547	470
Pension contribution	<u>386</u>	<u>362</u>
	<u>29,418</u>	<u>20,429</u>
Directors' emoluments -		
Fees	264	155
Management remuneration (included in salaries above)	<u>18,771</u>	<u>10,796</u>

28. LEASE COMMITMENTS:

Operating lease commitments, which are subjected to formally agreed terms at year end expire as follows:

	<u>2020</u>	<u>2019</u>
	<u>\$'000</u>	<u>\$'000</u>
Within 1 year	976	228
Subsequent years (2-5)	<u>547</u>	<u>586</u>
	<u>1,523</u>	<u>814</u>

29. SEGMENT INFORMATION:

The corporation is an organization that offers consulting, technical and management services. It also operates a shop division that offers the sale of goods and craft items.

Based on other information presented to and reviewed by the CODM, the entire operations of the corporation are considered as one operating segment.

Financial information related to the operating segment results from continuing operations for the period ended 31 March 2020, can be found in the statement of profit or loss and other comprehensive income. There are no differences in the measurement of the reportable segment results and the corporation's.

Details of the segment assets and liabilities for the period ended 31 March 2020, can be found in the statement of financial position and related notes. There are no differences in the measurement of the reportable segment assets and liabilities and the corporation's assets and liabilities.

Entity-wide disclosures:

The revenue for operations can be found in the statement of comprehensive income.

The corporation does not have any customers from which revenue exceeds 10% of total revenue.



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30. LEASES:

The Corporation leases certain office space under lease agreements, some of these leases are low valued leases.

The Corporation has not recognized right-of-use assets and lease liability for these leases.

31. IMPACT OF COVID - 19:

The World Health Organization (WHO) declared the novel Coronavirus (COVID- 19) outbreak and subsequently the Jamaican Government declared Jamaica a disaster area on 13 March 2020. The pandemic and specific measures to control its human impact have resulted in disruptions to economic activities and business operations. This could have negative financial effects on the corporation, depending on factors such as the duration and spread of the outbreak and the effects on the economy overall, all of which are highly uncertain and cannot be estimated reliably.

At the date of approval of these financial statements, the corporation is unable to determine the full financial impact on the overall business operations.

32. EFFECT OF CHANGES IN ACCOUNTING POLICIES:

The corporation has adopted IFRS 16, 'Leases', for the financial year ended 31 March 2020 which resulted in a change in the corporation's accounting policies. The standard is adopted retrospectively from 1 July 2019, however the organization has chosen not to restate comparatives and therefore, the revised requirements are not reflected in the prior year financial statements. The new accounting policies are disclosed in note 3(t) and 3(u). Details of the impact of this standard are given below.

Effective 1 January 2019, IFRS 16 has replaced IAS 17. 'Leases', and IFRIC 4. Determining whether an arrangement contains a lease.

IFRS 16 provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, together with options to exclude leases where the lease term is 12 months or less, or where the underlying asset is of low value (US\$5,000). IFRS 16 substantially carries forward the lessor accounting in IAS 17, with the distinction between operating leases and finance leases being retained.



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32. EFFECTS OF CHANGES IN ACCOUNTING POLICIES (CONT'D):

Transition Method and Practical Expedients Utilised

IFRS 16 provides for certain optional practical expedients, including those related to the initial adoption of the standard. The corporation applied the following practical expedients when applying IFRS 16 to leases previously classified as operating leases under IAS 17:

- (a) Apply a single discount rate to a portfolio of leases with reasonably similar characteristics;
- (b) Exclude initial direct costs from the measurement of right-of-use assets at the date of initial application for leases where the right-of-use asset was determined as if IFRS 16 had been applied since the commencement date;
- (c) Reliance on previous assessments on whether leases are onerous as opposed to preparing an impairment review under IAS 36 as at the date of initial application; and
- (d) Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term remaining as of the date of initial application.
- (e) Using hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

As a lessee, the corporation previously classified leases as operating based on its assessment of whether the lease transferred substantially all of the risks and rewards of ownership. Under IFRS 16, the corporation recognizes a right-of-use asset and lease liability for most leases. However, the corporation elected not to recognise right-of-use assets and lease liabilities for some leases of low value assets based on the value of the underlying asset when new or for short-term leases with a lease term of 12 months or less.

On adoption of IFRS 16, the corporation recognised right-of-use assets and lease liabilities as follows:

Classification under IAS 17	Classification under IFRS 16	
	Right-of-use asset	Lease liability
Operating leases	Measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.	Measured at the present value of the remaining lease payments, discounted using the corporation's incremental borrowing rate as at 1 July 2019. The corporation's incremental borrowing rate is the rate at which a similar borrowing could be obtained from an independent creditor under comparable terms and conditions. The weighted-average rate applied was 8%.

**DIRECTORS COMPENSATION FOR PERIOD**

Position of Director	Fees	Motor Vehicle Upkeep/Travelling	Honoraria	All Other Compensation including Non-Cash Benefits as applicable	Total
	(\$)	or	(\$)	(\$)	(\$)
		Value of Assignment of Motor Vehicle			
Cleveland Stewart - Chairman	60,000.00	-	-	-	60,000.00
Donovon Wignal	24,600.00	-	-	-	24,600.00
Adonia Chin	13,000.00	-	-	-	13,000.00
Yvonne Davis	28,000.00	-	-	-	28,000.00
Hugh Johnson	14,200.00	-	-	-	14,200.00
Oral Shaw	28,000.00	-	-	-	28,000.00
Keisha Lewis	31,800.00	-	-	-	31,800.00
Dr. William Lawrence	40,000.00	-	-	-	40,000.00
Stephen Fong-Yee	17,600.00	-	-	-	17,600.00
Matthew Samuda	7,000.00	-	-	-	7,000.00

Notes



1. Where a non-cash benefit is received (e.g. government housing), the value of that benefit shall be quantified and stated in the appropriate column above.



SENIOR EXECUTIVE COMPENSATION FOR PERIOD

Position of Senior Executive	Year	Salary (\$)	Gratuity or Performance Incentive (\$)	Travelling Allowance or Value of Assignment of Motor Vehicle (\$)	Pension or Other Retirement Benefits (\$)	Other Allowances (\$)	Non- Cash Benefits (\$)	Total Total (\$)
						*Seniority Allowance & Acting Allowance		
Chief Executive Officer -Valerie Veira	2019-2020	11,301,998	7,469,447	1,697,148	0	0	-	20,468,593
Deputy C.E.O -Harold Davis	2019-2020	7,286,467	0	1,697,148	386,910	492,802	-	9,863,327
Finance Manager -Michele Cowan	2019-2020	5,369,154	0	1,697,148	283,588	363,130	-	7,713,020
Director, Incubator & Resource Centre -David Harrison	2019-2020	5,187,589	0	1,697,148	0	0	-	6,884,737



Mgr-Business Advisory Services -Althea West-Myers	2019-2020	1,390,912	0	866,822	117,655	0	-	2,375,389
Mgr –Business Advisory Services -Melissa Bennet	2019-2020	2,097,776	0	848,574	104,889	0	-	3,051,239
Technical Services Mgr -Colin Porter	2019-2020	3,870,564	0	1,697,148	210,080	392,664	-	6,170,456
Mgr-MSU -Janine Taylor	2019-2020	3,870,564	0	1,697,148	210,080	392,664	-	6,170,456
Mgr-I.T -Neville Grant	2019-2020	3,870,564	0	1,697,148	193,528	-	-	5,761,240
Mgr –Project Mgmt and Research -Lisa Taylor-Stone	2019-2020	1,406,840	0	542,905	48,382	-	-	1,998,127
Mgr –Project Mgmt and Research -Amanda McKenzie	2019-2020	760,557	0	424,287	-	-	-	1,184,844
Human Resource Mgr -Patricia Kitson	2019-2020	3,389,206	0	1,697,148	169,460	-	-	5,255,815
Mgr –Corporate Communications	2019-2020	3,870,564	0	1,697,148	193,528	-	-	5,761,240



Mgr-Financial Services Support -Melissa Bennett	2019-2020	1,686,489	0	848,574	82,423	-	-	2,617,486
Mgr –Administration -Ann-marie Brown	2019-2020	3,106,115	0	1,697,148	154,241	-	-	4,957,504

Notes

1. Where contractual obligations and allowances are stated in a foreign currency, the sum in that stated currency must be clearly provided and not the Jamaican equivalent.
2. Other Allowances (including laundry, entertainment, housing, utility, etc.)
3. Where a non-cash benefit is received (e.g. government housing), the value of that benefit shall be quantified and stated in the appropriate column above.



NOTES



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