



DRIVING INNOVATION IN AGRO-PROCESSING



**ANNUAL
REPORT**

2023-2024



OUR MISSION

To drive entrepreneurial success and development of the MSME sector through dynamic and innovative solutions

OUR VISION

To become a team of highly engaged thought leaders driving entrepreneurial success in Jamaica

GOAL

To support national development by enabling the establishment of resilient MSMEs



ABOUT US

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 Investment, Industry and Commerce (MIIC), 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 at 14 Camp Road in Kingston and Business Centre locations in St. Thomas, Manchester, St. James, Westmoreland, and St. Ann. The locations form part of the Small Business Development Centre Network (SBDC) which also consists of external partners managed by JBDC.

Technical support and incubator spaces for start-ups and established businesses are facilitated through the organisation's Incubator and Resource Centre (IRC) located at 76 Marcus Garvey Drive in Kingston.

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.

'From Concept to Market'



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CHAIRMAN'S MESSAGE



The Board of Directors of the Jamaica Business Development Corporation (JBDC) is committed to facilitating the agency's developmental initiatives for the Micro, Small & Medium-sized Enterprises (MSMEs) sector. During the 2023-2024 fiscal year, the agency continued to align its strategic imperatives to the Ministry of Industry, Investment & Commerce's (MIIC) policies for MSME development.

In supporting the creation of an enabling business environment, the JBDC played a pivotal role in the Ministry's groundbreaking MSME Business Roadshow. The initiative aims to scale up and support ongoing efforts by MIIC, its Agencies and Partners to enhancing the expansion of the private sector generally, and more specifically the development and growth of the MSME sector by bringing opportunities, services and knowledge sharing to MSMEs at the local level.

MIIC staged four (4) Roadshows in Manchester, St. James, St. Ann, and Kingston in which more than 1000 MSMEs were

reached physically. The JBDC provided support in the overall planning and execution, facilitated access to finance through the business pitch competition which saw 22 MSMEs receiving grants totalling approximately JMD\$5.1 million, and provided market access through an exhibition involving 155 MSMEs who benefitted from robust sales, networking, and linkage opportunities.

The Board therefore acknowledges the JBDC's efforts in providing market access for MSMEs, as its retail division, Things Jamaican™ continued to represent the resilience of local producers amid global demand for authentic Jamaican products, with a 31% increase in revenue (\$65M for the period April 2023 to March 2024).

As Jamaica moves towards a digital economy, the Board of Directors highly anticipates the implementation of the Digital Jamaica Project – a partnership between the European Union (EU) and the Government of Jamaica launched in October 2023. With €9.5 million in direct budget support to the Jamaican government, Digital Jamaica contributes to Jamaica's national digital plan, which includes addressing the digital divide with rural areas, facilitating access to education and also technological innovation for the private sector. Component 3 of Digital Jamaica which focuses on MSME development, is being managed by MIIC, and implemented by JBDC, as the agency also undergoes its own digital transformation of processes and services.

With MSMEs accounting for more than 90% of Jamaica's business sector, developmental initiatives must be centred around partnerships which create increased access to the crucial areas of business development. In implementing the Ministry's increased exports agenda, the JBDC is committed to strengthening the productive capacity of MSMEs in the manufacturing and service industries. The Board of Directors continues to support the JBDC team operating at the heart of the MSME sector, anchoring entrepreneurs and coalescing support through collaboration that contributes to the growth of MSMEs beyond Jamaica's borders.

Stephanie O. Sterling
Chairman



BOARD OF DIRECTORS



Stephanie Sterling
Chairman



Steven Fong-Yee
Deputy Chairman



Adonia Chin
Director



Yvonne Davis
Director



LeVaughn Flynn
Director



Bernard Henry
Director



Hugh Johnson
Director



Ian Neita
Director



Mina Robertson
Director



Oral Shaw
Director



Danielle Terrelonge
Director



Andria Whyte Walters
Director



Donovan Wignal
Director



Venice Williams
Director



BOARD SUB-COMMITTEE REPORTS

The Corporation is governed by a Board of Directors appointed by the portfolio minister. A total of fourteen (14) 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 Projects, Administration & Facilities 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.

The members of the sub-committee include:

Adonia Chin (Chairperson)

LeVaughn Flynn

Danielle Terrelonge

Mina Robertson

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)

Oral Shaw

Hugh Johnson



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 the 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:

Steven Fong-Yee (Chairperson)

Hugh Johnson

Donovan Wignal

Venice Williams

Bernard Henry

CORPORATE GOVERNANCE

The Corporate Governance sub-committee was established to ensure compliance with Public Bodies Management and Accountability Act (PBMAA), Companies Office of Jamaica (COJ) regulations, Corporate Governance Framework for Public Bodies, and other applicable laws, regulations and government guidelines.

The Corporate Governance sub-committee is committed to maintaining the highest level of transparency, accountability and integrity in all its operations and will monitor the maintenance of high ethical standards of all employees and Directors of JBDC.

The members of the sub-committee include:

Donovan Wignal (Chairperson)

Andria Whyte-Walters

Steven Fong-Yee



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 11 managers, 1 director, and senior 1 legal officer report. The single Director oversees operations of the Incubator & Resource Centre, while the managers lead various teams and initiatives in the executive office, 4 core service departments and 5 support departments.

The core service departments include Technical Services, Marketing Services, Business Advisory 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 Accounts, Administration & Facilities Management, Information Technology, Human Resource Management & Development, and Corporate Communications.



Valerie Veira, CD, JP
Chief Executive Officer



Harold Davis, JP
Deputy Chief Executive Officer



EXECUTIVE MANAGEMENT TEAM



Melissa Barrett
Manager
Business Advisory Services



Ann-Marie Brown
Manager
Administration and
Facilities



Suzette Campbell
Manager
Corporate Communications



Michele Cowan
Manager, Finance



Chantol Dормer
Manager
Project Management
& Research



Andrew Ellis
Manager
Information Technology



Jonelle Faircloth
Manager
Human Resource
Management & Development



Janine Fletcher-Taylor
Manager
Marketing Services



David Harrison
Director
Incubator & Resource
Centre



Shelly-Ann Lawson-Francis
Manager, Special Projects



Kimberly Morrison-Mirander
Senior Legal Officer



Colin Porter
Manager
Technical Services



CEO'S MESSAGE



As the agency mandated to lead the sustainable development of Jamaica's Micro, Small & Medium-sized Enterprise (MSME) sector, I am heartened to report that the Jamaica Business Development Corporation (JBDC) has delivered another year of impactful programmes. During the 2023-2024 fiscal year, the JBDC continued its focus on industry research and development, as well as the integration of digital technologies that will enhance innovation, product quality, and productivity. We recognise that in order to capitalise on the global demand of Brand Jamaica, our MSMEs must be appropriately trained and equipped.

It was a proud moment in November 2023 when we cut the ribbon signalling the official opening of the Agro-Processing Incubator, an occasion symbolically timed to coincide with the celebration of Global Entrepreneurship Week (GEW). Under the Increasing the Export Capacity of Micro and Small Agro-processors using the Cluster Approach Project, the renovation of the incubator is funded by the European Union (EU), managed by the Caribbean Development Bank (CDB), and implemented by the JBDC. This production space will provide assistance to local agro-processors as well as support the JBDC cluster brand, Jamaica Harvest. Above all, it strengthens the agriculture-manufacturing value chain and contributes to the nation's food security efforts.

The gradual transformation of JBDC's Incubator & Resource Centre (IRC) as a primary hub for innovation and production along this value chain, continued with additional equipment procured for the recently opened Essential Oils Incubator. The facility presented its first workshop in October 2023 under the theme 'Introduction to Oil Extraction' and received an overwhelming response from the target audience. As such, a second staging was organised to facilitate all 87 persons who had expressed an interest. It was a demonstration that the time is ripe for investment in the beauty industry. We are therefore pleased to have made significant strides in the establishment of a Cosmeceutical Incubator in collaboration with the Jamaica Social Investment Fund (JSIF), which has granted approval to move forward with engaging a consultant to develop the project.

With this level of focus on manufacturing, the JBDC has sought to modernise these production spaces through the incorporation of digital technologies. It aligns strategically with the government's emphasis on increased productivity, which in a digital age does not always translate to more manual labour. Indeed, the ease of technology provides a well-needed boost for human capacity.



Consequently, we are pleased that the JBDC has been mandated to implement the training component of the recently launched Digital Jamaica Project which aims to facilitate the digital transitioning of existing MSMEs through capacity building training along with appropriate resource materials. A major aspect of the Project includes the establishment of Digital Transitioning Centres through the upgrading of some of our Small Business Development Centres (SBDCs). MSMEs will access the latest digital tools, receive hands-on training, and get personalised support in adopting and integrating digital technologies into their businesses at these centres.

We remain proud to be an ISO-certified organisation, and are determined to maintain that status through continuous improvement of our processes, strategic partnerships, and human capital development. During the fiscal year, the JBDC was successful in attaining its target of 80% client satisfaction as revealed in our annual survey. It underscores our team's commitment to do what we love – facilitate the development of the MSME sector 'From Concept to Market'.

Valerie Veira, CD, JP
Chief Executive Officer



DEPUTY CEO'S PERFORMANCE REPORT



Fuelled by creativity and a drive to succeed in business, approximately 4781 Micro, Small & Medium-sized Enterprises (MSMEs) accessed core business development support services offered by the Jamaica Business Development Corporation (JBDC) during the 2023-2024 fiscal year. The entrepreneurial spirit is a flame which continues to burn in many Jamaicans, but can be easily extinguished by the proverbial challenges faced by MSMEs. At the heart of these challenges lies accessibility to critical areas including finance, production, markets, education, and technology. As such, much of the agency's 20,972 interventions were concentrated around these areas.

Access to Finance - Though not a direct financier, the JBDC implements strategies to close the gap between MSMEs and financing entities through training, coaching, partnerships and advocacy to adjust regulatory and procedural requirements to create an appropriate enabling framework for access to finance. The agency exceeded its planned target of JMD\$52.5 million in funding for 50 MSMEs during the period. A total of 59 MSMEs accessed funds totalling JMD\$90.32 million.

Access to Production Spaces – The outstanding performance of the incubators correlates with the entrepreneurs' demand for production spaces, substantiating JBDC's drive to establish and upgrade facilities, with the most recent being Agro-processing and Essential Oils. The agency recorded a 792.2% increase in the number of new units of goods produced, growing from 1157 units the previous fiscal year to 10,325 in 2023-2024. Similarly, the value of goods produced rose to JMD\$25.4 million, an increase of 840.7% over the previous year.

Access to Markets – An increase in production leads to a natural demand for markets in which these products can be sold. The JBDC utilises its Things Jamaican™ stores & e-commerce platforms to access international markets and drive sales. During the period, the agency exceeded its target of 200 MSMEs achieving 5% sales growth, with 259 reaching the milestone. Overall Things Jamaican™ recorded revenues of over JMD\$65M reflecting a 31% increase over FY2022-2023. Accumulated client earnings exceeded JMD\$35M, a 30% increase over the previous year.



Access to Entrepreneurship Education – Education plays a pivotal role in shaping the future success of entrepreneurs. A well-rounded education equips individuals with the knowledge, skills and mindset required to tackle the challenges of starting and running a business. The JBDC hosted 126 training sessions during the fiscal year focusing on key areas of business operations. As we continue to adapt to the digital age, we are advanced in the implementation of the creation of the Virtual Campus & Knowledge Bank is 95% completed. The cloud-based learning facility will consist of on-demand, self-paced interactive business tools and resources specifically designed for businesses as they transition along the business continuum from micro, to small to medium.

Access to Technology – The world has long passed the knee-jerk reaction to businesses going digital amid the shock of a pandemic, to accepting that technological adoption is a key driver of business growth. We are pleased that the JBDC is playing a significant role in re-shaping the minds of approximately 2700 MSMEs through the Digital Jamaica Project. During the review period, research conducted, revealed that a moderate 32.44% of respondents use digital technologies daily and understand their benefits well, indicating a practical familiarity. However, a notable 16.74% are still unaware of these benefits, and only 26.45% have heard about them, suggesting a need for increased education and awareness initiatives to bridge this knowledge gap. The results from this survey have been used as a guide to develop training manuals in digitisation, digitalisation, and digital transformation.

As the face of entrepreneurship continues to rapidly transform, the JBDC is putting in place the necessary systems to become more agile in meeting their needs. However, we cannot do it alone, and will continue to form meaningful partnerships to ensure that the MSME sector makes a significant contribution towards the building of a resilient Jamaica.

Harold Davis, JP
Deputy Chief Executive Officer



CORPORATE OVERVIEW



STRATEGIC IMPERATIVES

There are six (6) priority areas in the JBDC's Strategic Plan:

Supporting the Creation of an Enabling External Environment for MSMEs

Facilitating Access to Finance for the MSME Sector

Fostering Entrepreneurship & Innovation Among MSMEs

Enhancing Business Development Support Across the MSME Ecosystem

Improving Social Value Creation through Strong MSMEs

Strengthen Institutional Capacity of JBDC and its Partners



2023 – 2024 HIGHLIGHTS



1 NEW INCUBATOR

Agro-Processing



10,325

Units of Products Created in 4 Incubators



J\$25,400,000

Value of Products Created in 4 Incubators



42,198

Units of Products Sold by Things Jamaican™



20,972

Service Interventions for 4871 MSMEs



CLIENT SERVICES

The JBDC aims to achieve its targets through a unique and comprehensive range of client services which are carried out by the agency's core service departments including Business Advisory Services, Technical Services, Marketing Services, and Project Management and Research.

BUSINESS ADVISORY SERVICES

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.

Through ground-breaking initiatives, 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 services include:

- Business Advice & Mentoring
- Business Plan Analysis
- Business Modelling
- Programme & Project Implementation
- Business Training
- Assessment of Entities
- Client preparation to access financing & technical support

PROJECT MANAGEMENT & RESEARCH

The Project Management & Research 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's suite of services include:

- Project Management
- Training
- Questionnaire & Survey Design
- Feasibility Studies
- Market Research



INCUBATOR & RESOURCE CENTRE

Technical Services

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
- Prototype Development
- Plant and Production Engineering
- Craft Development
- Food Technology
- Branding
- Fashion Design
- Graphic Design
- Packaging & Labelling Services
- Customised Hands-on Workshops

Incubators

In addition to technical services, the Centre boasts four (4) incubators or production spaces:

1. Craft
2. Agro-Processing
3. Essential oils
4. Fashion

Services provided by incubators 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 centre also offers space rental.





MARKETING SERVICES

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, and e-commerce website, 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





WHO WE SERVE

The Jamaica Business Development Corporation (JBDC) has approximately 4,206 active clients within the Micro, Small, and Medium-sized Enterprises (MSME) sector registered in its Client Relationship Management (CRM) system, as at March 31, 2024. The number of female clients (56.4%) outweighed male clients (43.6%).

As it relates to the industries to which clients are aligned, most (15.4%) are manufacturers. The second largest proportion (11.5%) is aligned to the retail trade sector followed by 10.1% who are in the services sector. Other sectors represented and details of which are presented in Figure 2 are: agro-processing, accommodation and food services, fashion/apparel, construction, transportation and warehousing, education, and healthcare, among others.

Clients by Gender

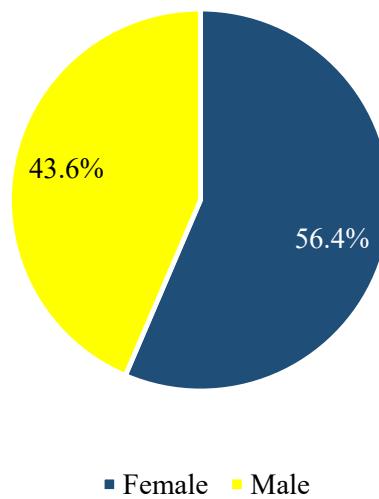


Figure 1: showing a distribution of JBDC's clients by gender

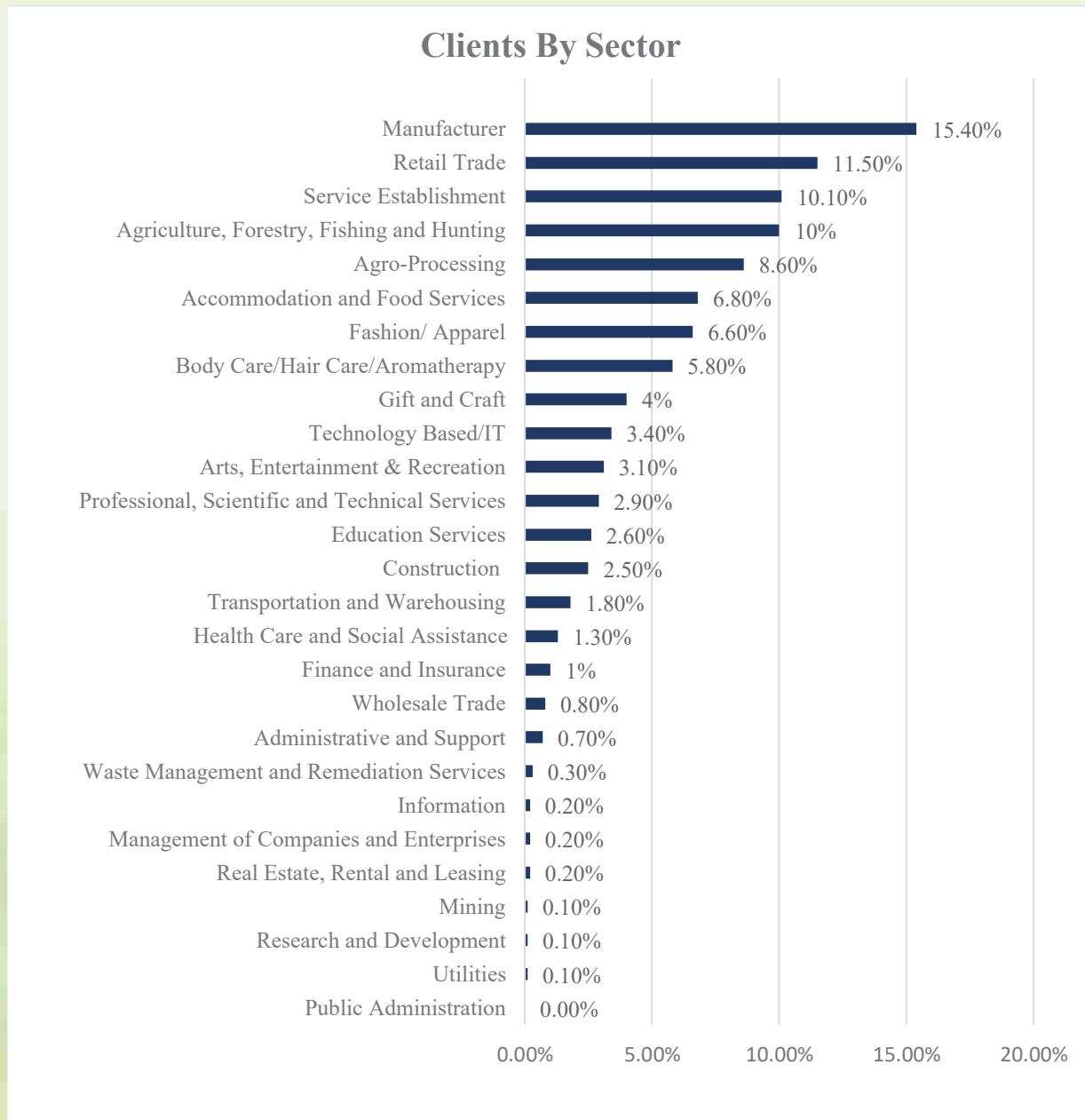


Figure 2: Showing the sector in which clients operate

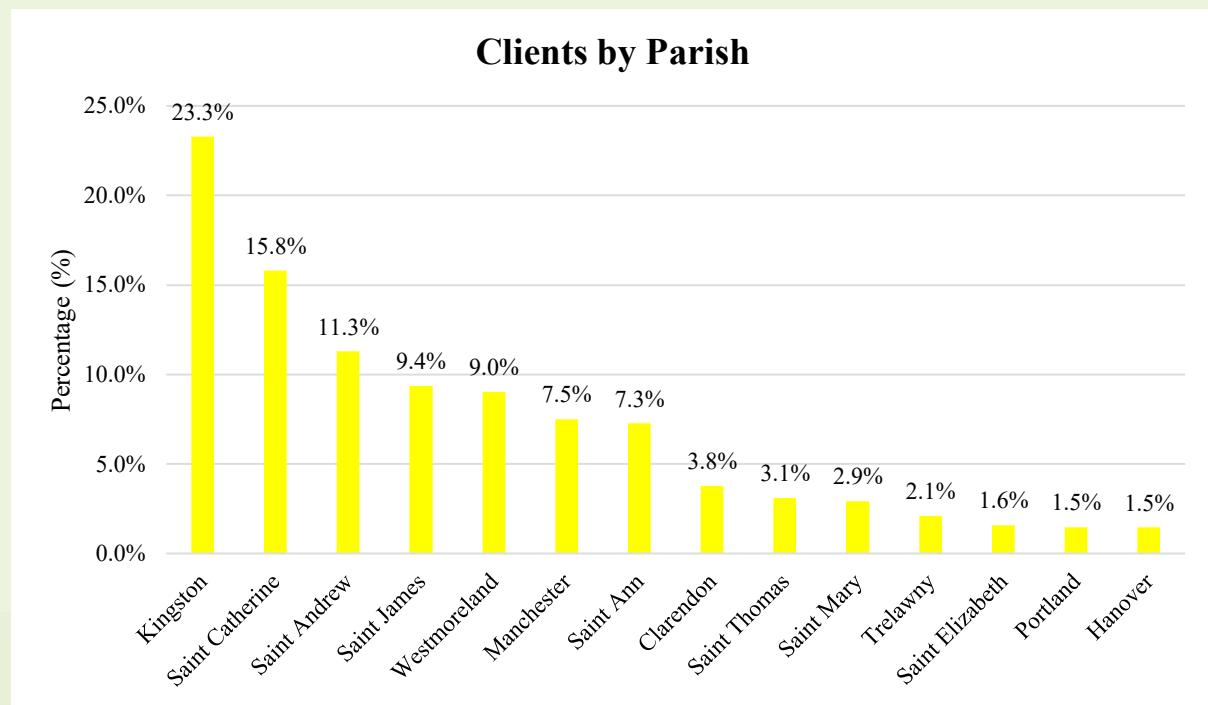


Figure 3: showing the distribution of clients by parish

Clients are dispersed country-wide with the largest concentration of clients located in Kingston (23.3%), followed by St. Catherine (15.8%), St. Andrew (11.3%), St. James (9.4%), Westmoreland (9.0%), Manchester (7.5%), St. Ann (7.3%), and Clarendon (3.8%). St. Thomas, St. Mary, Trelawny, St. Elizabeth, Portland, and Hanover accounted for 12.7% of total clients collectively. The distribution of the clients is reflective of the areas in which JBDC's services are most accessible, as well as the size of the MSME population in those parishes.



PERFORMANCE OVERVIEW



QUALITY OBJECTIVES

Table 1: showing quality objectives and key achievements for the 2023 - 2024 fiscal year

Quality Objectives	Planned Targets for FY2023 -2024	Key Achievements for FY2023 -2024
1. To Increase direct access to new local and international markets for 500 clients delivering 5% sales growth	200	Target Exceeded (429)
2. To assist at least fifty (50) MSMEs to access fifty million (JMD50M) in financing	JMD52M in funding attained by 30 MSMEs	Target Exceeded (Please see the table below)
3. To increase access to business development support by establishing three (3) additional Small Business Development Centres (SBDCs)	One (1) SBDC established	Target Not Achieved (Please see the table below)
4. To transition at least fifty percent (50%) of unregistered clients to registered clients within six (6) months of their entering JBDC's Business Incubator Programme.	103 MSMEs formalised	Target Not Achieved (Please see the table below)
5. To establish and maintain JBDC's Institutional Virtual Campus & Knowledge Bank by September 2024	One (1) Virtual Campus and Knowledge Bank	Project in progress
6. To drive new business opportunities along industry value chains by establishing one (1) industry-specific incubator	One (1) industry-specific incubator	Project in progress
7. To establish JBDC as the lead innovation facilitator in the development of a resilient MSME ecosystem	Digital Jamaica; Enhancing the Export Capacity of Micro and Small Agro-Processors Using the Cluster Approach Project; Institutional Strengthening for a National Business Pre-Incubation Programme; GEMINI Programme; IGNITE IV Programme; etc.	Projects/Programmes in progress
8. To develop and enhance the skills and competencies of the JBDC's human capital and drive the organisational transformation to meet the organisation's current and future strategic needs	ISO 9001:2015 Certified	Target Achieved



KEY OBJECTIVES

Table 2: showing JBDC's achievement of key objectives

Strategies	Key Output	Performance Indicator	FY2023-2024 Target	FY2023-2024 Performance	Overall Score: 95.39%	A
Utilise Things Jamaican™ stores & e-commerce platforms to access international markets and drive sales	Increased sales for JBDC-supported MSMEs	\$ value of MSME revenue through Things Jamaican™ stores & e-commerce platform	JMD67.2M	JMD65M	96.7%	A
Increase the number of high-value producing MSMEs & strengthen the international competitiveness of MSMEs	Improve growth of resilient MSMEs supported by the JBDC Business Development Programme	# of JBDC Business Development Programme-supported MSMEs achieving growth above 5%	200	259	129.5%	A+
	Improve the growth of resilient MSMEs in creating jobs	# of employment facilitated by JBDC for MSMEs	177	212	119.8%	A+
MSME Development	Increased financing to MSMEs	\$ value of funding for MSMEs (equity, grants and funds)	JMD52.5M	JMD90.32M	172.0%	A+
	Increased number of MSMEs benefitting from business development support in the area of finance to improve their capacity to manage financial resources	# of MSMEs accessing finance	50	59	118.0%	A+
	Increased use of the SBDC's support services	# of Small Business Development Centres (SBDC)	1	0	0	NIL



Increased business development support provided to MSMEs	Increased business development support provided to MSMEs	# of consulting hours provided to MSMEs	10,718	8,950	83.5%	A
	Increased business development support provided to MSMEs	# of MSMEs served	4,590	4,871	106.1%	A+
	Increased formalisation of MSMEs	# of MSMEs formalised	150	103	68.7%	B
	Increased demand for capacity-building programmes developed and delivered via multiple modalities	# of capacity building initiatives (seminars, workshops, trainings)	172	126	73.3%	B
	Increased demand for capacity-building programmes developed and delivered via multiple modalities	# of attendees participating in knowledge sharing sessions- events, seminars, workshops, and trainings	2,663	2509	94.2%	A
	Increased competitiveness within the tourism, agro-processing and cultural & creative industries (CCIs)	# of new industry-specific incubators established annually	1	0	0	NIL



**ACCELERATING GROWTH IN
KNOWLEDGE,
PRODUCTION AND MARKET ACCESS**



OUR REACH

JBDC assisted 4871 MSMEs during the 2023 - 2024 Financial Year representing an 11.5% increase over the previous fiscal year (2022/2023) during which 4,368 MSMEs were assisted. Additionally, MSMEs were able to access more services due to the greater number of projects that were implemented. Assistance was provided through approximately 20,972 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, training and development, coaching and mentoring, monitoring and hand-holding and market access support.

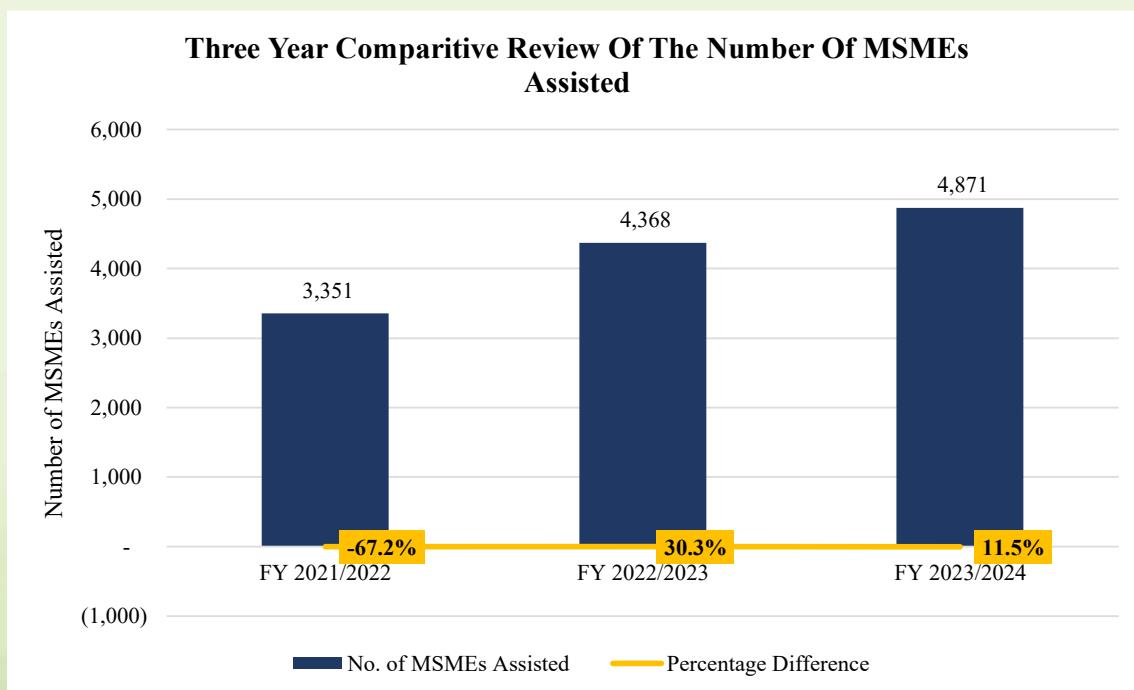


Figure 4: showing a three-year comparative review of the number of MSMEs assisted

11.5% increase



TRAINING/KNOWLEDGE SHARING/EVENTS PERFORMANCE

The JBDC conducted a series of training sessions focusing on business and technical development. Since the beginning of the review period (FY 2023/2024), approximately 2,509 MSMEs have participated in training events representing a 9.7% reduction in the number of MSMEs that participated in the same sessions when compared to the period FY 2022/2023 where 2,777 MSMEs were trained. Sessions were based on topics such as: Accounting/Budget, Business Formalisation, Business Start-up/Pre-planning, Cash Flow Management, Customer Relations, Financial Literacy, Managing a Business, Marketing/Sales, Packaging and Branding, Product Development, and Digital Marketing.

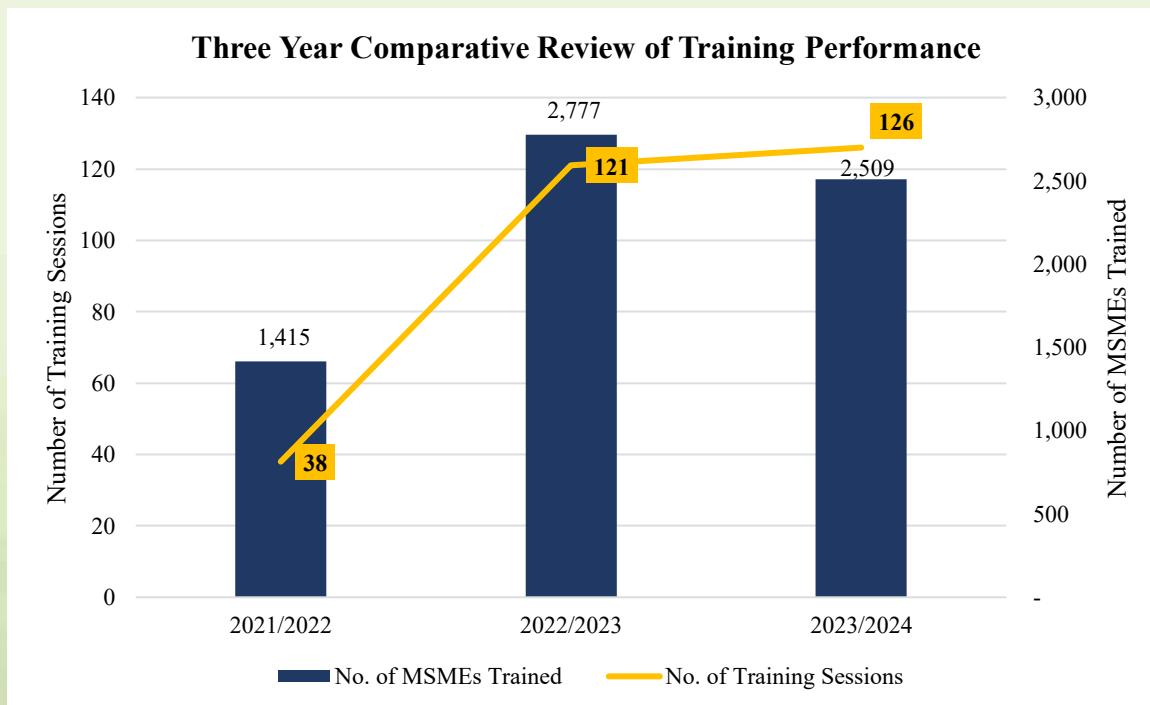


Figure 5: showing a three-year comparative review of training performance

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

- JBDC Virtual Biz Zone
- Festival Of the Cloth
- Business Dialogue Forum
- Business Beyond 'Town'
- Global Entrepreneurship Week (GEW)



BUSINESS FORMALISATION

There was a 20.4% increase in the number of businesses formalised in FY 2021-2022 compared to FY 2022-2023. Conversely, there was a reduction of 37.6% in the number of businesses formalised in FY2023-2024 (103) compared to FY 2022-2023 (165).

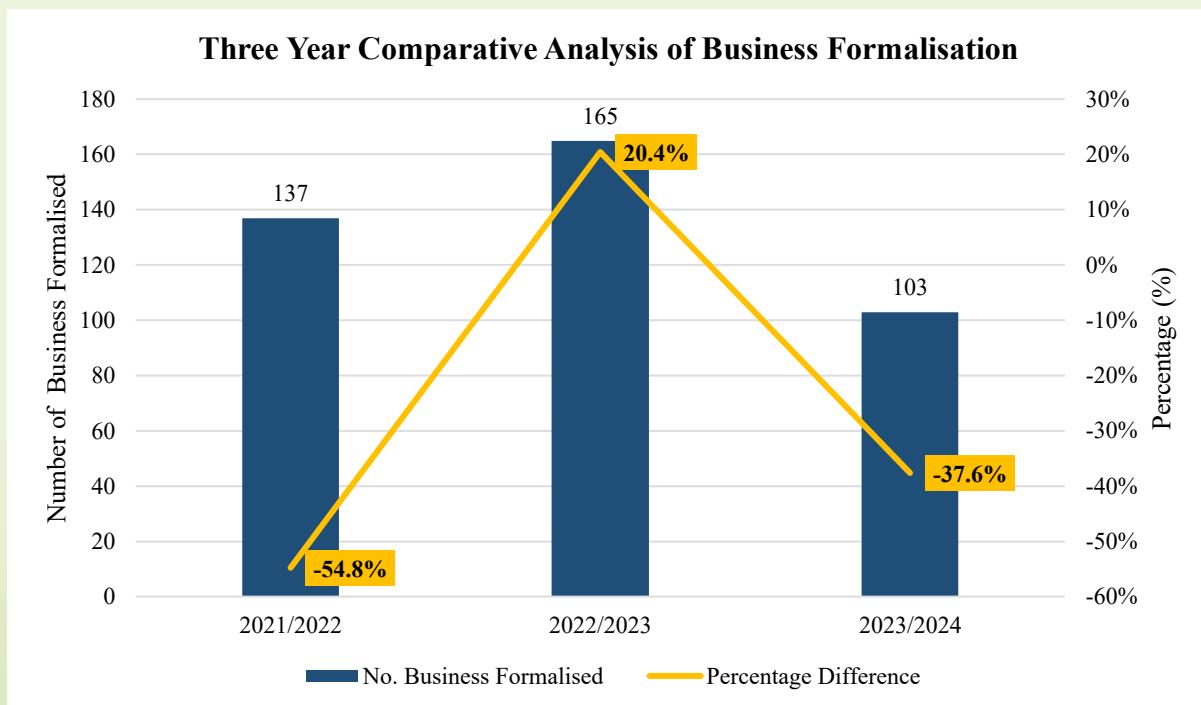


Figure 6: showing a three-year comparative analysis of business formalisation

103 Formalised



EMPLOYMENT OPPORTUNITIES CREATED

There was a 36.7% reduction in employment opportunities created by MSMEs in the FY 2023-2024 compared to the FY 2022-2023.

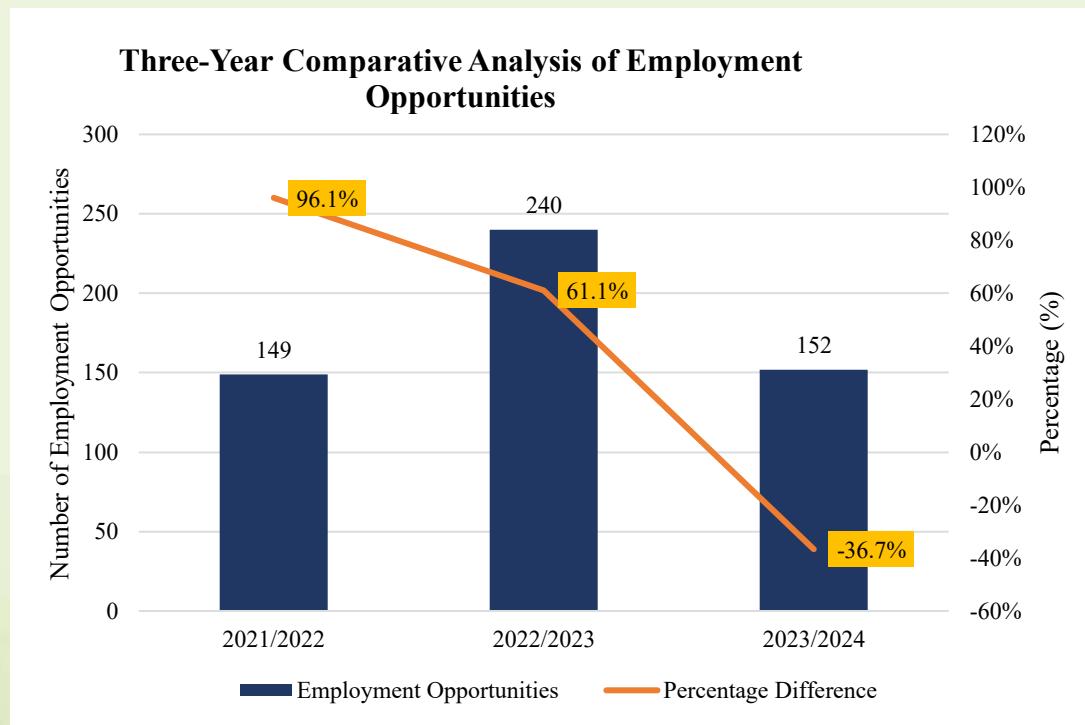


Figure 7: showing a three-year comparative analysis of employment opportunities

152 Jobs



INCUBATOR PERFORMANCE

In FY 2023/2024 there was a 792.2% increase in the number of new units of goods produced by the incubators. The number of new goods produced increased from 1,157 units in FY 2022/2023 to 10,325 units in FY 2023/2024.

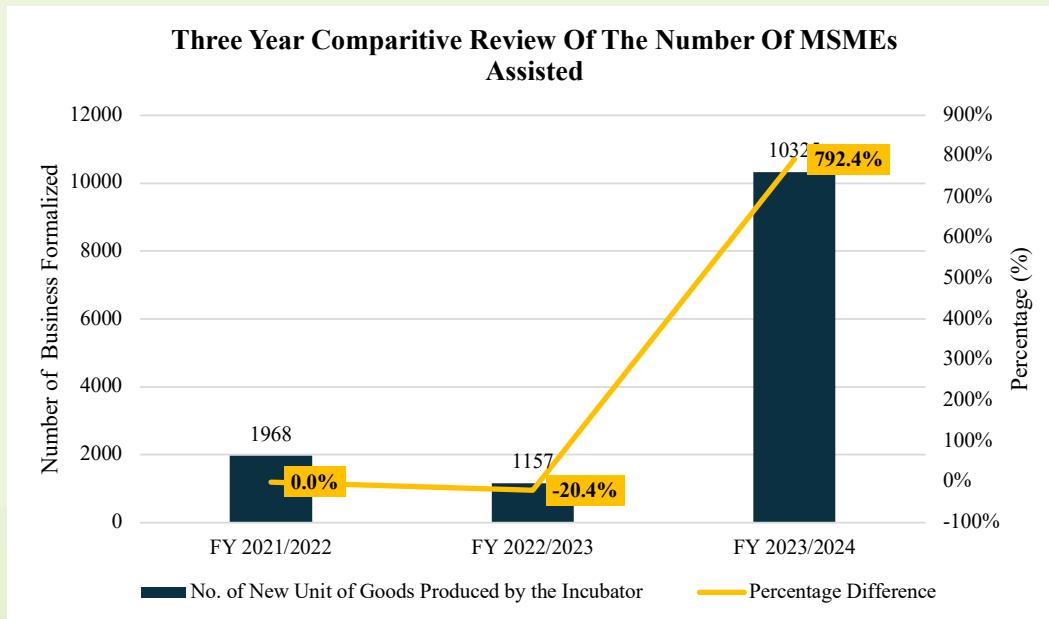


Figure 10: Showing a three-year comparative analysis of the number of new units of goods produced by the incubators

The value of products created by the incubators increased from JMD 2.7 million in FY 2022/2023 to JMD 25.4 million in FY 2023/2024, representing an increase of 840.7%.

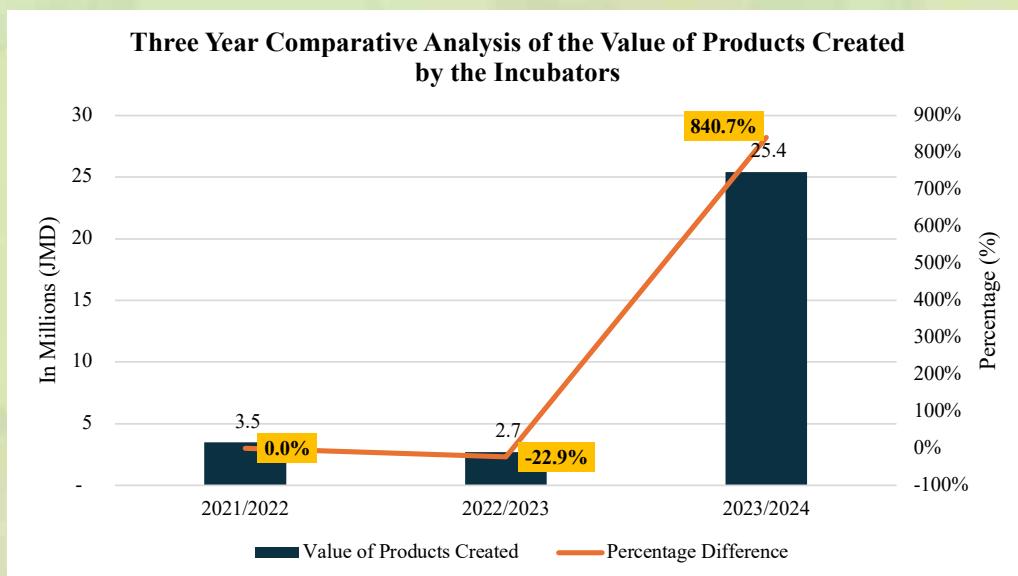


Figure 11: Showing a three-year comparative analysis of the value of products created by the incubators



Agro-Processing Incubator



Craft Incubator



MARKET ACCESS

With respect to the Things Jamaican™ stores, 18,308 customer transactions were recorded in FY 2023-2024. This represented a 23.1% increase compared to 14,868 customer transactions recorded in FY 2022-2023.

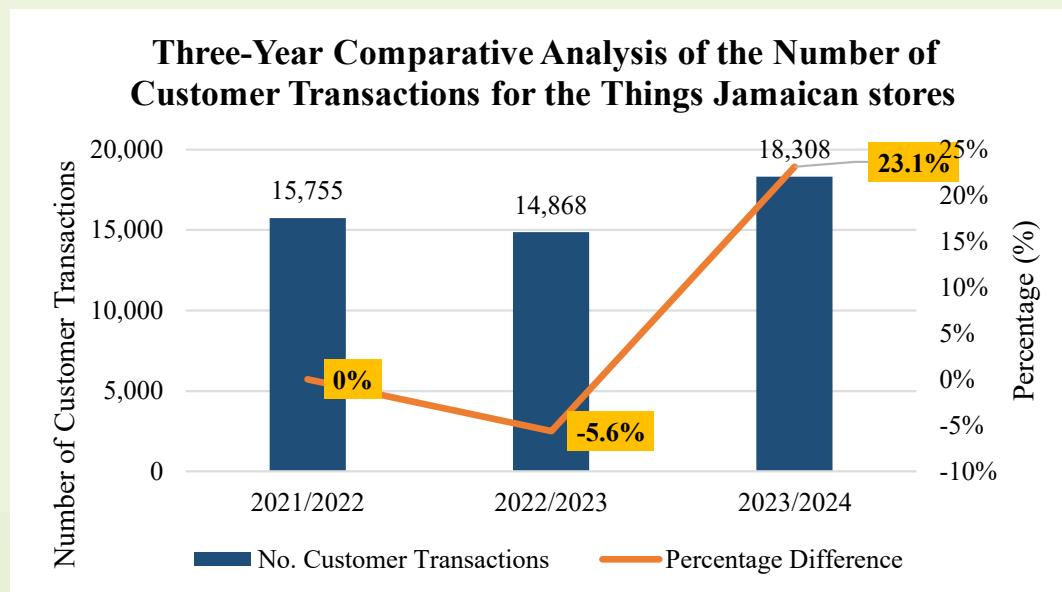


Figure 8: A three-year comparative analysis of the number of customer transactions for the Things Jamaican stores

Regarding MSME earnings through the Things Jamaican™ stores, in FY 2023-2024 MSMEs earned JMD35 million compared to JMD27 million in FY 2022-2023, representing a 29.6% increase in earnings in FY 2022-2023.

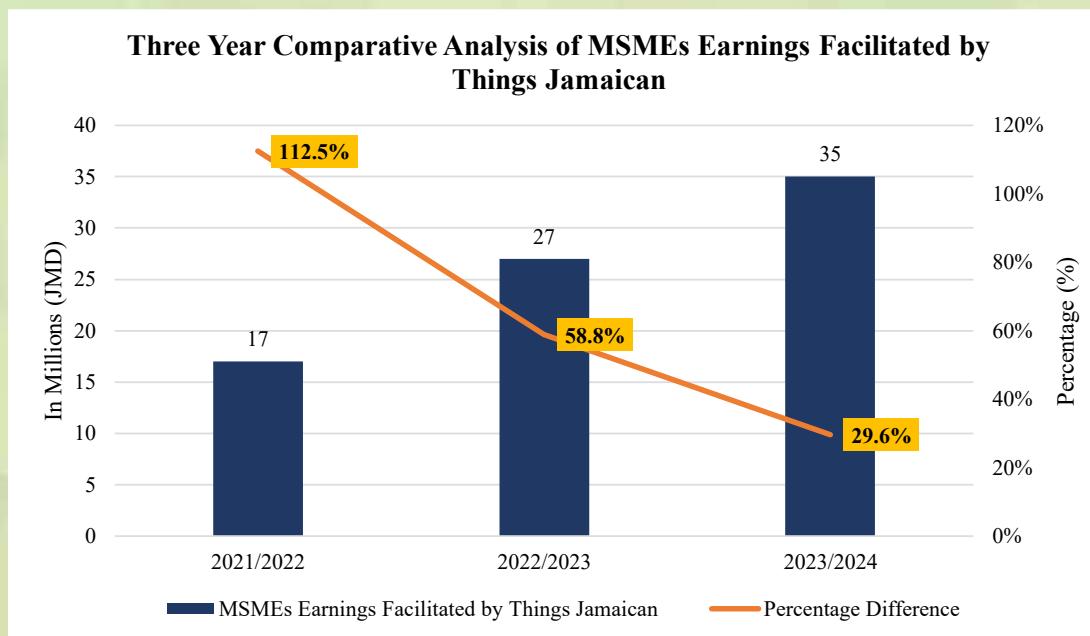


Figure 9: showing a three-year comparative analysis of MSMEs Earnings facilitated by Things Jamaican™



**FACILITATING GROWTH IN
PRODUCTIVITY THROUGH
TECHNOLOGY & PROGRAMMES**



DIGITAL TRANSFORMATION PROGRAMME

Digital Jamaica Project

The Jamaica Business Development Corporation (JBDC) has initiated the implementation of a key component under the European Union (EU)-funded Digital Jamaica Project, focusing specifically on the digital transformation of Jamaica's MSME sector. This initiative aims to equip MSMEs with the digital tools, skills, and infrastructure necessary to enhance their competitiveness in a rapidly evolving global market. By integrating digital technologies into their operations, the programme seeks to improve efficiency, boost productivity, and open up new market opportunities for Jamaican MSMEs. Through targeted support, training, and resources, the JBDC is helping these enterprises adapt to the digital age, ensuring they can thrive in an increasingly connected and technology-driven business environment.

The JBDC has completed the development of comprehensive training manuals designed to guide both trainers and MSMEs through the processes of digitisation, digitalisation, and digital transformation. These manuals provide step-by-step instructions and best practices, tailored to help MSMEs understand and implement digital strategies that can modernise their operations, enhance efficiency, and drive growth.

In addition to this, the JBDC has embarked on an ambitious project to upgrade several of its Small Business Development Centres (SBDCs) into fully equipped Digital Transitioning Centres. These centres will serve as hubs of innovation and learning, where MSMEs can access the latest digital tools, receive hands-on training, and get personalised support in adopting and integrating digital technologies into their businesses. The transformation of these centres is a strategic move to foster a more digitally savvy business environment, ensuring that Jamaican MSMEs are well-prepared to compete in the global digital economy.

Accelerating MSMEs Growth Through Innovation & Technology Project

The creation of the Virtual Campus & Knowledge Bank is 95% complete. The platform will consist of on-demand, self-paced interactive business tools and resources specifically designed for businesses as they transition along the business continuum from micro to small to medium. The Virtual Campus & Knowledge Bank is to be complemented by the training and upskilling of entrepreneurs in digital transformation and connecting them with practical technological tools to improve their operations and expand their market access.





INCUBATOR PROGRAMME

Increasing the Export Capacity of Micro and Small Agro-Processors using the Cluster Approach Project

Aimed at “Increasing the Export Capacity of Micro and Small Agro-Processors using the Cluster Approach”, the Project is to facilitate the development of a sustainable cluster of agro-processing enterprises in a gender-sensitive and inclusive manner, that will expand value chains through collective approaches to branding, product development, production and digital marketing, leading to increased exports through the Things Jamaican portal.

During the period of review, the JBDC completed a comprehensive development of its Agro-Processing Incubator, a state-of-the-art facility designed to support and nurture the growth of agro-processing businesses in Jamaica. This renovation involved significant upgrades to the infrastructure, including the installation of modern equipment, enhancement of production spaces, and the integration of advanced technologies aimed at improving operational efficiency and product quality.

Cosmeceutical Incubator Project

The JBDC in collaboration with the Jamaica Social Investment Fund (JSIF), is in the advanced planning stages for the establishment of a cutting-edge Cosmeceutical Incubator. This innovative facility is being designed to support the growth and development of MSMEs within the cosmeceutical industry—a sector that blends cosmetics and pharmaceuticals to create products with both aesthetic and therapeutic benefits. The incubator will provide entrepreneurs with access to state-of-the-art equipment, research and development labs, and specialised training programmes focused on product formulation, testing, and regulatory compliance.

During FY 2023-2024, primary research was commissioned, and additional information was provided to the JSIF to support the establishment of a Cosmeceutical Incubator. JSIF also conducted a site visit to the proposed facility. Following this, requests were made for a revised cash flow projection, informed by the survey results, as well as a comprehensive marketing communication plan and proof of ownership for the proposed incubator space.

Approval was granted by the JSIF Social Review Committee to move forward with engaging a consultant to develop the project. This consultancy will focus on designing and costing the project, advancing it through the necessary stages for committee approvals. A technical team appointed by JSIF has been assessing the identified space, working on completing technical drawings and determining the equipment needed for the incubator's implementation.

Essential Oils Incubator

In relation to the Essential Oils Incubator, the Jamaica Business Development Corporation (JBDC) has made significant strides by procuring additional specialised equipment to enhance the production capabilities of MSMEs operating within this facility. The newly acquired equipment not only increases production efficiency but also enables businesses to achieve consistent quality, essential for competing in both local and international markets. These upgrades are part of a broader effort to provide MSMEs with the necessary resources and technology to innovate, refine their products, and elevate the overall standard of the essential oils produced in the incubator.



MSMEs SUPPORT AND CAPACITY BUILDING PROGRAMME

Innovation Grants from New Ideas to Entrepreneurship (IGNITE IV)

The Jamaica Business Development Corporation (JBDC) plays a pivotal role as a Business Service Intermediary (BSI), offering essential support to four (4) Micro, Small, and Medium-sized Enterprises (MSMEs). In collaboration with the Development Bank of Jamaica (DBJ), the JBDC provides targeted technical assistance and grant funding to innovative start-ups, entrepreneurs, and small businesses. This partnership is driven through the IGNITE programme, which is specifically designed to support the development of new ideas, the commercialisation of products and services, and the scaling of innovative processes. IGNITE promotes the adoption of cutting-edge business models, enhances operational capacity, improves business efficiency, and opens up new market opportunities, while also addressing all related activities necessary for the sustainable growth and success of these enterprises.



Institutional Strengthening for a National Business Pre-Incubation Programme

The Jamaica Micro, Small & Medium-sized Enterprises (MSME) & Entrepreneurship Policy (2018) identifies the Small Business Development Centre (SBDC) Network as a key strategy for establishing a national framework to enhance and expand access to business development services. The SBDC programme is designed to support start-ups, micro, small, and medium-sized enterprises by providing opportunities within value chains and building the necessary business support infrastructure. The ultimate goal is to foster inclusive development, reduce unemployment and vulnerability, and offer avenues for poverty alleviation.

Additionally, the programme aims to strengthen the capacity of public agencies to deliver co-ordinated, harmonised, and synergised services to MSMEs, with a strong emphasis on capturing and creating measurable economic impact. The National Business Pre-Incubator Programme is an integral part of this strategy, addressing critical gaps in the entrepreneurial ecosystem, such as market intelligence, staffing for SBDCs, capacity building through training and standardisation, as well as the provision of necessary equipment, furniture, and software to support these enterprises effectively.

During the review period, the JBDC team strengthened the SBDCs by acquiring key resources, including specialised staff, equipment, and software. This includes heavy-duty shredders, laptops, headphones, USB drives, Customer Relationship Management (CRM) software, chairs, and professional personnel - all aimed at enhancing the SBDC Network's overall effectiveness and capacity.



INDUSTRY RESEARCH AND IMPROVEMENT PROGRAMME

ACP-EU Development Minerals Programme

The African, Caribbean and Pacific countries and the European Union (ACP-EU) Development Minerals Programme collaborates with the Jamaica Business Development Corporation (JBDC) to empower small and medium-sized entrepreneurs in the Development Minerals sector. This partnership aims to build entrepreneurial skills and provide entrepreneurs with the essential knowledge, skills, and confidence needed to successfully implement their business ventures. The programme focuses on fostering a success-oriented mindset, enabling entrepreneurs to identify and seize business opportunities, set ambitious goals, develop effective market strategies, and create comprehensive growth plans. Additionally, it enhances their financial literacy and business acumen, encouraging them to use their enterprises as a positive force to transform their communities and pass on their newly acquired skills and knowledge to others.

Training workshops were held on September 06, 07, 13, and 14, 2023, with 22, 17, 20 and 18 MSMEs participating respectively.





**STIMULATING ENTREPRENEURSHIP
THROUGH THOUGHT LEADERSHIP &
ENGAGEMENT**



EVENTS

The Jamaica Business Development Corporation (JBDC) recognises its significant role in influencing a culture of entrepreneurship through thought leadership and engagement. As such, the agency consistently engages stakeholders across various segments of the MSME ecosystem. The formation of partnerships is a major pillar of the operations of the Corporate Communications Unit, as the execution of events requires the participation and expertise of various private and public sector entities.

Throughout the fiscal year 2023-2024, the agency developed new partnerships particularly for its webinars. The topics selected for the events are strategically done to stimulate both stakeholders and entrepreneurs. These engagements have formed the basis for broader discussion and action in the media and business environment. The partners were therefore selected based on their level of expertise in various subject matters.

The agency also sought to switch gears from being host only, to participating in external events. The strategy resulted in the agency reaching new segments of the MSME population such as students and industry-specific operators. Below is an overview of events in which JBDC engaged the entrepreneurship ecosystem during the period under review:

JBDC VIRTUAL BIZ ZONE

During the reporting period, a total of fourteen (14) sessions of the JBDC Virtual Biz Zone were held. The Biz Zone serves as a platform for sharing knowledge, where various topical issues are discussed. This allows Micro, Small, and Medium-sized Enterprises (MSMEs) to recognise their benefits and impact. Approximately 1,621 individuals registered for the webinars, with 600 attending, resulting in an attendance rate of 37%.





MONTH/DATE	TOPIC/SPEAKER
April 11, 2023	Why MSMEs need a Customs Broker Mr. Clive Coke, President CBFFAJ
April 25, 2023	Market Speak: Understanding Trade Languages Miss Opal Levy Managing Director, Sisters Ink
May 16, 2023	Trade Agreements: What are the trade agreements in place to protect Jamaican exports? Ms. Sharice Buckle, Trade Board
May 30, 2023	Cost vs. Quality: The Manufacturing Saga Colin Coley, Senior BDO - JBDC
June 20, 2023	Investing in IP: Pay Now or Lose Later Miss Ineka Brydson, Attorney-at-Law
June 27, 2023	Trademark Anywhere: Understanding the Madrid Protocol Miss Adrienne Thompson, Deputy Director/Registrar – JIPO
July 4, 2023	Formalisation: Beyond Business Registration Yolande Rowe-Fender, Compliance Supervisor – COJ
July 25, 2023	Maintaining Standards in the Production & Manufacturing Process Shane Slater – Standards Development Officer Kimberly Powell – Analyst, Packaging, Non-Metallic & Furniture Branch Paulette Bailey – Quality Coordinator Bureau of Standards Jamaica (BSJ)
August 15, 2023	The Business of Beads Mr. Alao Luqman Omatayo, Nigerian Diplomat
August 29, 2023	Innovation: Modernising Traditional Jamaican Craft Ms. Laura Lee Jones, Head of Department – Applied Arts – EMCVPA
September 12, 2023	How the right shipping strategy can grow your E-Commerce Business Mr. Haron Spencer, Inventory Officer – JBDC
September 26, 2023	Omni-Channel Retailing Ms. Janine Fletcher-Taylor Manager – Marketing Services Unit, JBDC
October 10, 2023	Strategic Partnerships: How to 'Work' the Room Dr. Natalie Irving-Mattocks CEO & Co-founder, Ctech
October 24, 2023	Niche vs. Mass: Knowing which is best for your Business Ms. Keera Walters Asst. Manager, Business Advisory Services – JBDC



JBDC BUSINESS DIALOGUE FORUM

One Business Dialogue Forum was held virtually on Monday, June 26, 2023 under the theme: 'Jamaica's **Orange Economy: So Rich Yet So Poor**'. The session was moderated by JBDC's Deputy CEO, Harold Davis with Guest Speaker, Mrs. Olayinka Jacobs-Bonnick – British Council.

The event sought to bolster the agency's efforts at focusing on the development of the Jamaica Cultural & Creative Industries (CCIs) through the execution of industry-specific projects designed to engage all stakeholders.

Panellists and sub-topics were:

- **Exploring Talent: Is There Demand for Jamaican Creative Culture Overseas?**
 - Ms. Marisa Benain, National Director, CCIs – Ministry of Culture, Gender, Entertainment & Sport (MCGES)
- **Quantifying The Economic Value: Can CCIs Contribute Significantly To GDP?**
 - Ms. Kayla Grant, Sector Specialist – Competitiveness, Technology & Innovation – Inter-American Development Bank (IDB)
- Creative 'Entrepreneuring': Lack of Business Skills
 - Mr. Clyde McKenzie, OD – Music Scholar & Entertainment Consultant
- **Identifying Quality & The Value for Money Conversation**
 - Mr. Ralston Barrett – Publicist, Artiste Manager & Founder of ReggaePR
- **Investing Heavily: Developing Jamaica's CCIs**
 - Dr. Deborah Hickling, Lecturer – Institute of Caribbean Studies, University of the West Indies (UWI)

Approximately 48 persons were in attendance.



BUSINESS BEYOND 'TOWN'

Approximately 636 potential clients were engaged through the Business Beyond 'Town' initiative. JBDC collaborated with various organisations, including educational institutions, churches, government agencies, and the private sector, to share information pertinent to business development.

The Business Beyond 'Town' initiative was launched in 2022 as part of a plan to connect with our Micro, Small, and Medium-sized Enterprises (MSMEs) in rural areas. The goal of this initiative is to meet with prospective clients, inform them about the comprehensive range of support services offered by the JBDC, and ultimately assist in the growth and development of their business ventures. In Phase 2 of the initiative, we introduced Pop-Up Events and Presentations to engage potential MSMEs in rural parishes.



GLOBAL ENTREPRENEURSHIP WEEK (GEW) 2023

The JBDC Global Entrepreneurship Week (GEW) 2023 was held during the period, November 12-17 under the theme: **D.R.I.V.E – Developing Rich Industry Value Chains for Export.**

The week's activities were:

- Church Service held at the Portmore New Testament Church of God - The service was also attended by event sponsors, Sagicor Bank and Barita Foundation.
- Launch & Opening of the JBDC Agro-Processing Incubator & Agro-Processing Exhibition – This included a ribbon-cutting ceremony and a tour of the facility.
- Essential Oils Opportunity Hour & Demo Day – This included an expose' on the equipment available and which oils could be extracted using the available units.
- Fashion & Artisanal Showcase – The highlight of this activity was the Jadire' Fashion Show.
- Raising Capital Business Expo – Approximately eight (8) organisations exhibited at this event:
 - o Jamaica Money Market Brokers (JMMB)
 - o Scientific Research Council (SRC)
 - o Bureau of Standards Jamaica (BSJ)
 - o EXIM Bank
 - o Sagicor Bank
 - o Barita
 - o First Heritage Credit Union (FHC)
 - o Tax Administration Jamaica (TAJ)

All events hosted panel discussions with a total five (5) sessions being held throughout the week. The final activity for the week, the Things Jamaican™ 60th Anniversary Early Christmas Trade-show was hosted on Friday, November 24, 2023 following a postponement caused by bad weather on November 17.

Just over 150 persons attended all activities during the GEW.



GLOBAL
ENTREPRENEURSHIP
WEEK





EXTERNAL EVENTS

The JBDC also participated in several external events hosted by a wide range of institutions, including schools. The goal is to enter new spaces in a bid to invigorate the target audience and inspire a culture of entrepreneurship.

DATE	EVENT NAME	VENUE
April 5, 2023	St. Thomas Technical High School Sports Day	
April 12, 2023	School of Hospitality & Tourism Final Expo	University of Technology (Utech), Kingston
April 21, 2023	Legal Aid Council Justice Fair	
May 3, 2023	Media Magnified	UTech Student Media Expo
May 25, 2023	Grateful Hill Baptist Church Community Outreach	Grateful Hill Baptist, St. Catherine
May 29, 2023	Companies Office of Jamaica (COJ) Mobile	Port Maria Civic Centre, St. Mary
May 30, 2023	COJ Mobile	Hotel Tim Bamboo, Port Antonio, Portland
May 31, 2023	COJ Mobile	Morant Bay Anglican Church Hall, St. Thomas
June 21, 2023	JBDC Virtual Information Session	St. Thomas Chamber of Commerce
June 23, 2023	Rural Agricultural Development Authority (RADA) St. Thomas Day	Rudolph Elder Park, St. Thomas
June 23, 2023	Jamaica Association for the Deaf Work Readiness Seminar	Kingston
June 29, 2023	Business Beyond 'Town' Pop-up	Barita Mandeville, Manchester
July 13, 2023	National Commercial Bank (NCB) SME Connect	NCB Constant Spring, Kingston
July 20, 2023	National Housing Trust (NHT) Business Expo	Ocho Rios, St. Ann
July 24, 2023	COJ Mobile	Falmouth, Trelawny
July 25, 2023	NCB SME Connect	NCB St. Jago, St. Catherine
July 25, 2023	COJ Mobile	Browns Town, St. Ann
July 26, 2023	COJ Mobile	St. Ann's Bay, St. Ann
July 27, 2023	COJ Mobile	Ocho Rios, St. Ann
August 14, 2023	One-2-One Intervention	TAJ May Pen, Clarendon



EXPO JAMAICA

The 2023 staging of Expo Jamaica was the first since the COVID-19 pandemic. It was therefore important for the organisation to have a strong showing which was achieved through the participation of seven (7) participants from Cohort 4 of the JBDC Accelerator Programme. The businesses participating were; Perk-Up, Blue Banyan Books, Lama Distributors, P&S Events and Vacations, Ragganats, Great House Caterers and Sandside Farms.

The media activation was also a strong part of JBDC's participation in the expo. The goal of the media programme was to ensure that JBDC was positioned as the government's premier business development organisation and Things Jamaican™ positioned as the only authentically Jamaican branded store islandwide.

As such, several media interviews were conducted over the four-day period specifically on Power 106 FM with which we sponsored the entire weekend's broadcast, as well as on Suncity 104 FM.

Additionally, a total of 119 potential clients were engaged using the new Event Registration form.

Twenty (20) clients expressed an interest in joining our mailing list.





HEALTHY HAIR & BEAUTY EXPO

For the first time, JBDC participated in the Healthy, Hair & Beauty Expo, which took place on October 7 and 8, 2023 at the Jamaica Pegasus Hotel in Kingston. JBDC was the only government agency represented at the event. This participation provided an opportunity to increase awareness not only about JBDC's products and services but also to engage directly with clients regarding other support services offered by the government to MSMEs.

We aimed to make the most of this opportunity through an on-stage presentation, giveaways, and in-booth activities that generated significant interest.

As a result of the event, approximately 129 individuals signed up to receive business intervention support from JBDC.





MIIC MSME BUSINESS ROADSHOW

The Ministry of Industry, Investment & Commerce (MIIC) hosted four (4) MSME Business Roadshows in Manchester, St. James, St. Ann, and Kingston. As one of MIIC's key agencies, the Jamaica Business Development Corporation (JBDC) played a vital role in the success of each event. JBDC contributed by participating in the initial planning, securing expert speakers, participating in panel discussions, delivering presentations, assisting with judging the Business Pitch Competition, coordinating the MSME exhibition, and offering one-on-one consultations at our booth.

Throughout the four events, we engaged with 151 potential clients.





IMPROVING INSTITUTIONAL CAPACITY



QUALITY MANAGEMENT SYSTEM

As an ISO-certified organisation, the JBDC has developed a Quality Policy that is appropriate to its context and mandate and consequently provides the framework for the establishment and review of its quality objectives.

Top Management establishes processes to ensure that customer and applicable statutory and regulatory requirements are being met. These processes include customer surveys and maintaining a customer feedback log with the aim of enhancing customer satisfaction. The results of customer surveys are reviewed by Management to improve the processes.

Client Satisfaction Survey – 80% Target Achieved

The JBDC conducted a comprehensive customer/client feedback survey for the fiscal year 2023-2024, aiming to capture the experiences and perceptions of MSMEs regarding the support and resources provided by JBDC and its Small Business Development Centres (SBDCs). The survey's primary goal was to assess how well JBDC fulfilled its role in guiding and equipping MSMEs to meet their business needs.

The results of the study revealed that JBDC successfully achieved its target of 80% customer satisfaction for the year. JBDC scored an average rating of 8.1 out of 10. A significant portion of respondents (31.6%) rated their overall satisfaction with JBDC at a perfect 10 out of 10. On average, clients rated JBDC/SBDC at 7.9 out of 10 for meeting their expectations in delivering valuable resources and guidance for business development. Additionally, the survey indicated that, on average, clients rated JBDC/SBDC at 7.7 out of 10 in terms of effectively addressing their specific business needs and challenges.





HUMAN CAPITAL DEVELOPMENT

The JBDC is committed to working strategically with our most valued partners – our employees – by developing them to realise their full potential and maximum output in carrying out the mandate of the agency. The organisation focuses on six (6) key areas of human capital development: (1) Human resource planning, recruitment, selection and placement; (2) Human resource development; (3) Compensation and benefits; (4) Employee relations and engagement; (5) Health and safety; and (6) Human resource research.

The agency continues to enjoy a relatively low attrition rate (4.6%), with the total staff count being 130 at the end of the review period. Employees were exposed to various forms of training ranging from sensitisation sessions on key government policies such as sexual harassment, data protection, as well as capacity building certifications in areas such as Good Manufacturing Practices (GMP) and digital transitioning.

Key to the organisation's management of staff is welfare which includes benefits such as health insurance and pension. As a cost containment measure, the organisation transitioned its health insurance scheme from Guardian Life to Sagicor, effective April 1, 2024. A meeting of the pension trustees was held on July 8, 2024 where two (2) sponsor trustees were appointed. Additionally, the Health, Safety & Wellness Committee was formed in February 2024 that will focus on maintaining safety and promoting health and wellness.

The agency prioritises staff engagement through continuous communication. Consequently, a General Staff Meeting was held on November 15, 2024. Staff members were introduced to a new HR initiative, Staff Feedback, which is an anonymous and electronic means of airing grousers and sharing ideas/suggestions and providing positive feedback on any initiative that the employees are satisfied with. Awareness and support for local and international observance days are encouraged and fostered as the agency aims to balance work and life among its employees. Chief among these are the annual Easter Service held on Holy Thursday, March 28, 2024 and Annual Carol Service held on December 12, 2024.

Beyond standard compensation and benefits, the organisation implemented additional employee recognition activities which included three (3) employees receiving "Employee of the Quarter" awards for the quarters ending in June, September and December 2024.





ADMINISTRATION & FACILITIES MANAGEMENT

The JBDC continuously seeks to create a safe, comfortable, efficient environment for employees, and external stakeholders. As the organisation continues to ensure that it meets the needs of the new entrepreneur, several updates were made to its offices. During the review period, three (3) business centres were relocated to more accessible areas with more space to accommodate engagements including training. These include Westmoreland, St. Ann and Manchester.

The safety and security of our stakeholders remains paramount, and therefore measures were activated to improve these systems. The procurement of security services was completed, and a new provider Securipro was contracted. Additionally, ten (10) staff members are now 'safety wardens, having received First Aid Training at a 2-day session on First Aid Intermediate. The training which was conducted by St. John's Ambulance, included First Aid, Pediatric, CPR (cardiopulmonary resuscitation) and Automated External Defibrillator (AED).

The agency held its Annual General Meeting during the review period and filed its Annual Returns for year 2023 and 2024 with the Companies Office of Jamaica (COJ). Form 23 - Notice of Appointment / Change of Directors was filed in year 2023 as Adonia Chin and Danielle Terrelonge resigned from the Board.

Additionally, two (2) pre-owned motor vehicles were purchased to carry out the duties of the organisation.





INFORMATION AND COMMUNICATION TECHNOLOGY

During the financial year 2023–2024, the JBDC undertook several strategic initiatives aimed at modernising the JBDC's ICT infrastructure, improving business continuity, and ensuring that critical services remain resilient and aligned with international best practices.

Migration from Exchange 2010 to Microsoft 365 Exchange Online - Successfully decommissioned Exchange 2010 and migrated all users to Microsoft 365 Exchange Online, providing a more secure, scalable, and cloud-based email solution. Benefits achieved include:

- Enhanced security features such as advanced threat protection and data loss prevention
- Improved accessibility for remote and hybrid workers
- Reduced dependency on on-premise infrastructure and associated maintenance costs

Procurement and Deployment of NAS for Backup of Critical Services - Procured and deployed a Network Attached Storage (NAS) solution to strengthen the back-up and disaster recovery framework. The NAS system is configured to support back-up of critical services across the JBDC network, ensuring that core data and applications are recoverable in the event of system failures or cyber incidents. This upgrade also aligns with JBDC's long-term Business Continuity and Disaster Recovery (BCDR) strategy.

POS Server Upgrade - Ahead of the scheduled upgrade of the Point-of-Sale (POS) application, the ICT department successfully procured and deployed a new POS Server to provide the necessary performance, storage, and security requirements. The proactive upgrade ensures that the upcoming POS application rollout will operate on a stable and modern platform, minimising risks of downtime or incompatibility.

Rollout of Full Mesh Wi-Fi Network – The agency implemented a fully meshed Wi-Fi network between the facilities at 14 Camp Road and 12 Camp Road. This deployment has resulted in:

- Seamless wireless coverage across both buildings
- Improved connectivity for staff and visitors
- Enhanced flexibility for mobile workstations and conference room setups

The mesh network also contributes to greater operational efficiency by reducing network bottlenecks and ensuring consistent high-speed access.

The 2023–2024 reporting year reflects meaningful progress in upgrading JBDC's ICT infrastructure, ensuring that the organisation is better positioned to support MSMEs through reliable, secure, and efficient technology platforms. These improvements contribute to greater organisational agility and resilience, in line with JBDC's strategic objectives.



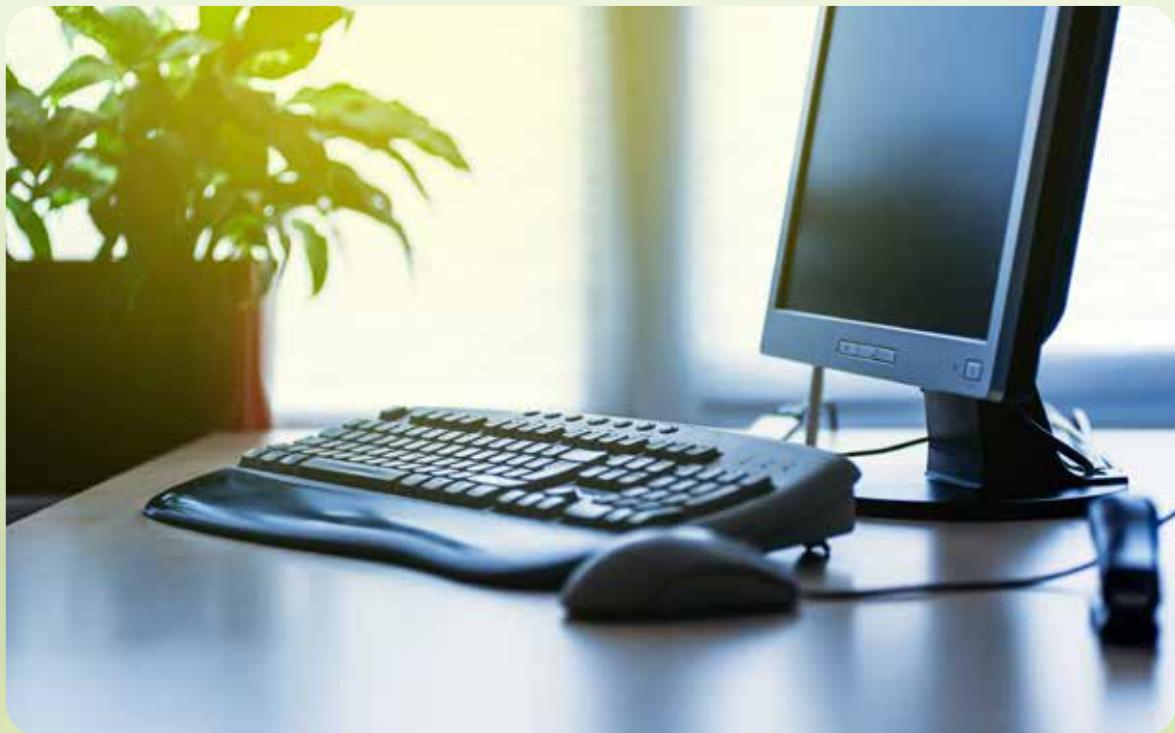
Outcomes and Impact

- The ICT initiatives undertaken in 2023–2024 have significantly strengthened JBDC's technology backbone.

Key outcomes include:

- Enhanced security and compliance posture through migration to Microsoft 365.
- Improved data resilience via centralised NAS backup solutions.
- Future-proofing of retail operations through POS infrastructure upgrades.
- Stronger network reliability and mobility via Wi-Fi mesh deployment.
- Streamlined HQ server environment enabling better operational efficiency.

The 2023–2024 reporting year reflects meaningful progress in upgrading JBDC's ICT infrastructure, ensuring that the organisation is better positioned to support MSMEs through reliable, secure, and efficient technology platforms. These improvements contribute to greater organisational agility and resilience, in line with JBDC's strategic objectives.





AUDITED FINANCIAL STATEMENTS



JAMAICA BUSINESS DEVELOPMENT CORPORATION
FINANCIAL STATEMENTS

31 MARCH 2024



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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 48, which comprise the statement of financial position as at 31 March 2024 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 material 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 2024 and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) 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) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

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

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.



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INDEPENDENT AUDITORS' REPORT (CONT'D)

To the Members of
Jamaica Business Development Corporation

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS Accounting Standards and with the requirements of 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.

Those charged with governance are responsible for overseeing the corporation's financial reporting process.

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.



INDEPENDENT AUDITORS' REPORT (CONT'D)

To the Members of
Jamaica Business Development Corporation

Auditors' Responsibilities for the Audit of the Financial Statements (cont'd)

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

- 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 achieves fair presentation.

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

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.


BDO
Chartered Accountants

3 July 2025



JAMAICA BUSINESS DEVELOPMENT CORPORATION

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

YEAR ENDED 31 MARCH 2024

	<u>Note</u>	<u>2024</u> \$'000	<u>2023</u> \$'000
REVENUE	6	682,878	630,103
Other operating income	7	<u>88,377</u>	<u>82,415</u>
		<u>771,255</u>	<u>712,518</u>
EXPENSES:			
Administrative		(738,714)	(694,341)
Selling		(<u>21,094</u>)	(<u>20,363</u>)
	8	(<u>759,808</u>)	(<u>714,704</u>)
OPERATING PROFIT/(LOSS)		11,447	(2,186)
Finance costs	10	(<u>3,787</u>)	(<u>8,579</u>)
PROFIT/(LOSS) FOR THE YEAR		<u>7,660</u>	(<u>10,765</u>)
OTHER COMPREHENSIVE INCOME:			
Items that will not be reclassified to profit or loss -			
Loss on defined benefit plan	13	(81,603)	(75,983)
Revaluation of property		<u>-</u>	<u>95,840</u>
		(<u>81,603</u>)	<u>19,857</u>
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR		(<u>73,943</u>)	<u>9,092</u>



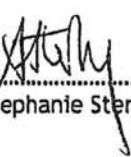
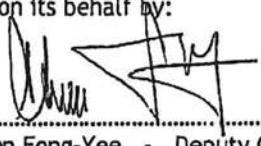
JAMAICA BUSINESS DEVELOPMENT CORPORATION

STATEMENT OF FINANCIAL POSITION

31 MARCH 2024

	<u>Note</u>	<u>2024</u> \$'000	<u>2023</u> \$'000
ASSETS			
NON-CURRENT ASSETS:			
Property, plant and equipment	11	412,550	399,115
Intangible assets	12	709	701
Retirement benefit assets	13	98,882	153,942
Right-of-use asset	14(a)	<u>2,599</u>	<u>5,904</u>
		<u>514,740</u>	<u>559,662</u>
CURRENT ASSETS:			
Inventories	16	3,021	2,667
Receivables	17	31,397	39,095
Taxation recoverable		-	11,720
Cash and cash equivalents	18	<u>72,062</u>	<u>227,129</u>
		<u>106,480</u>	<u>280,611</u>
		<u>621,220</u>	<u>840,273</u>
EQUITY AND LIABILITIES			
EQUITY:			
Share capital	19	1	1
Capital reserve	20	436,771	436,771
Accumulated deficit		<u>(85,742)</u>	<u>(11,799)</u>
		<u>351,030</u>	<u>424,973</u>
NON-CURRENT LIABILITIES:			
Loans	21	68,752	68,752
Long term - deferred income	22	696	729
Lease liability	14(b)	-	<u>4,349</u>
		<u>69,448</u>	<u>73,830</u>
CURRENT LIABILITIES:			
Payables	23	132,012	259,640
Project liabilities	24	31,386	32,550
Current portion - deferred income	22	33	33
Current portion of loans	21	24,457	24,457
Current portion of lease liability	14(b)	3,493	2,933
Taxation		<u>9,361</u>	<u>21,857</u>
		<u>200,742</u>	<u>341,470</u>
		<u>621,220</u>	<u>840,273</u>

Approved for issue by Board of Directors on 25 June 2025 and signed on its behalf by:


Stephanie Sterling - Chairman
Steven Fong-Yee - Deputy Chairman



JAMAICA BUSINESS DEVELOPMENT CORPORATION

STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 31 MARCH 2024

	Share Capital \$'000	Capital Reserve \$'000	Accumulated Deficit \$'000	Total \$'000
BALANCE AT 31 MARCH 2022	<u>1</u>	<u>340,931</u>	<u>74,949</u>	<u>415,881</u>
TOTAL COMPREHENSIVE INCOME				
Net loss	-	-	(10,765)	(10,765)
Other comprehensive	<u>-</u>	<u>95,840</u>	<u>(75,983)</u>	<u>19,857</u>
	<u>-</u>	<u>95,840</u>	<u>(86,748)</u>	<u>9,092</u>
BALANCE AT 31 MARCH 2023	<u>1</u>	<u>436,771</u>	<u>(11,799)</u>	<u>424,973</u>
TOTAL COMPREHENSIVE INCOME				
Net profit	-	-	7,660	7,660
Other comprehensive	<u>-</u>	<u>-</u>	<u>(81,603)</u>	<u>(81,603)</u>
	<u>-</u>	<u>-</u>	<u>(73,943)</u>	<u>(73,943)</u>
BALANCE AT 31 MARCH 2024	<u>1</u>	<u>436,771</u>	<u>(85,742)</u>	<u>351,030</u>



JAMAICA BUSINESS DEVELOPMENT CORPORATION

STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2024

	<u>Note</u>	<u>2024</u> \$'000	<u>2023</u> \$'000
CASH FLOWS FROM OPERATING ACTIVITIES:			
Profit/(loss) for the year		7,660	(10,765)
Depreciation	11 & 12	16,283	17,095
Amortisation	14	2,247	2,952
(Gain)/loss on foreign exchange		(1,372)	299
Deferred income		(33)	(33)
Employee benefit		(81,603)	(75,983)
Interest income	7	(3,205)	(3,664)
Interest expense	10	1,978	7,352
Gain on disposal of property, plant and equipment		-	(21)
Adjustment to property, plant and equipment	11	<u>-</u>	<u>41</u>
		(58,045)	(62,727)
Changes in operating assets and liabilities:			
Receivables		7,698	(7,857)
Inventories		(354)	(13)
Taxation recoverable		(776)	(765)
Project liabilities		(1,164)	(47,344)
Payables		(127,628)	155,174
Retirement benefit assets		<u>55,060</u>	<u>76,957</u>
Cash (used in)/provided by operating activities		<u>(125,209)</u>	<u>113,425</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property, plant and equipment	11	(29,274)	(3,958)
Purchase of intangible assets	12	(452)	(643)
Proceeds from sale of property, plant and equipment		-	40
Interest received		<u>3,205</u>	<u>3,664</u>
Cash used in investing activities		<u>(26,521)</u>	<u>(897)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:			
Loan repaid		-	(2,259)
Proceeds from long-term debt		-	5,457
Interest paid		(1,978)	(7,352)
Payments on lease liability		<u>(2,731)</u>	<u>(1,574)</u>
Cash used in financing activities		<u>(4,709)</u>	<u>(5,728)</u>
(DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS			
Exchange effect on foreign cash balances		1,372	(299)
Cash and cash equivalents at beginning of year		<u>227,129</u>	<u>120,628</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	18	<u>72,062</u>	<u>227,129</u>

**JAMAICA BUSINESS DEVELOPMENT CORPORATION****NOTES TO THE FINANCIAL STATEMENTS****31 MARCH 2024****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 (100 shares), a corporation sole pursuant to the Crown Property (vesting) Act, 1960.

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.

MATERIAL 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 and International Accounting Standards as issued by the International Accounting Standards Board (IASB) and Interpretations (collectively IFRS Accounting Standards), 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 Accounting Standards 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 2024****3. MATERIAL ACCOUNTING POLICIES (CONT'D):****(a) Basis of preparation (cont'd)**

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

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

Amendment to IAS 1, 'Presentation of Financial Statements' (effective for accounting periods beginning on or after 1 January 2023). This amendment requires entities to disclose their material rather than their significant accounting policies. The amendment defines what is 'material accounting policy information' and explains how to identify when accounting policy information is material. The amendment further clarifies that immaterial accounting policy information does not need to be disclosed, but, if disclosed, should not obscure material accounting information. **IFRS Practice Statement 2, 'Making Materiality Judgements'** was also amended to provide guidance on how to apply the concept of materiality to accounting policy disclosures. The amendment did not have a material impact on the company's financial statements.

Amendments to IAS 1, 'Presentation of Financial Statements' on Classification of Liabilities (effective for accounting periods beginning on or after 1 January 2023). These narrow-scope amendments to IAS 1, 'Presentation of financial statements', clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectation of the entity or events after the reporting date (for example, the receipt of a waiver or a breach of covenant). The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability.

Amendments to IAS 1, 'Presentation of Financial Statements', Practice Statement 2 and IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', (effective for accounting periods beginning on or after 1 January 2023). The amendments introduce a new definition for accounting estimates: clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty. The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that a company develops an accounting estimate to achieve the objective set out by an accounting policy.

The adoption of the above standards did not result in any impact on the corporation's financial statements.



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2024

3. MATERIAL 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 standards, amendments and interpretation which are not yet effective and have not been adopted early in these financial statements, will or may have an effect on the corporation's future financial statements:

Presentation and Disclosure in Financial Statements which replaces IAS 1. IFRS 18 is effective for reporting periods beginning on or after 1 January 2027. It introduces several new requirements that are expected to impact the presentation and disclosure of most, if not all, entities. These include:

- The requirement to classify all income and expense into specific categories and provide specified totals and subtotals in the statement of profit or loss.
- Enhanced guidance on the aggregation, location and labelling of items across the primary financial statements and the notes.
- Mandatory disclosure about management-defined performance measures (a subset of alternative performance measures).

Amendments to IAS 1, 'Presentation of Financial Statements', (effective for accounting periods beginning on or after 1 January 2024). These amendments modify the requirements introduced by *Classification of Liabilities as Current or Non-current* on how an entity classifies debt and other financial liabilities as current or non-current in particular circumstances: Only covenants with which an entity is required to comply on or before the reporting date affect the classification of a liability as current or non-current. In addition, an entity has to disclose information in the notes that enable users of financial statements to understand the risk that non-current liabilities with covenants could become repayable within twelve months. The adoption of these amendments is not expected to have a material impact on the company.

Amendments to IFRS 16 'Leases', (effective for accounting reporting periods beginning on or after 1 January 2024). *Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)* requires a seller-lessee to subsequently measure lease liabilities arising from a leaseback in a way that it does not recognise any amount of the gain or loss that relates to the right of use it retains. The new requirements do not prevent a seller-lessee from recognising in profit or loss any gain or loss relating to the partial or full termination of a lease. The company is assessing the impact this amendment will have on its 2025 financial statements.

**JAMAICA BUSINESS DEVELOPMENT CORPORATION****NOTES TO THE FINANCIAL STATEMENTS****31 MARCH 2024****3. MATERIAL ACCOUNTING POLICIES (CONT'D):****(a) Basis of preparation (cont'd)**

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

The corporation does not expect any other standards or interpretations issued by the IASB but not yet effective to have a material effect on its financial position.

(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.

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%



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2024

3. MATERIAL ACCOUNTING POLICIES (CONT'D):

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

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.

(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).

**JAMAICA BUSINESS DEVELOPMENT CORPORATION****NOTES TO THE FINANCIAL STATEMENTS****31 MARCH 2024****3. MATERIAL ACCOUNTING POLICIES (CONT'D):****(f) Financial instruments (cont'd)****Financial assets (cont'd)****(i) Classification (cont'd)****Amortised cost (cont'd)**

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 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.

(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.

**JAMAICA BUSINESS DEVELOPMENT CORPORATION****NOTES TO THE FINANCIAL STATEMENTS****31 MARCH 2024****3. MATERIAL ACCOUNTING POLICIES (CONT'D):****(f) Financial instruments (cont'd)****Financial assets (cont'd)****(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: loans, trade payables and lease liability.

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

(g) 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.



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2024

3. MATERIAL ACCOUNTING POLICIES (CONT'D):

(g) Employee benefits (cont'd)

(i) Pension scheme costs (cont'd):

Defined benefit plans (cont'd)

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 sing yields available on high quality corporate bonds that have maturity dates approximating to the terms of the liabilities; plus
- Unrecognized past service costs; less
- The effect of minimum funding requirements agreed with scheme trustees.

Re-measurement of the net define 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 2024

3. MATERIAL ACCOUNTING POLICIES (CONT'D):

(g) 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.

(h) 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.

(i) 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.

**JAMAICA BUSINESS DEVELOPMENT CORPORATION****NOTES TO THE FINANCIAL STATEMENTS****31 MARCH 2024****3. MATERIAL ACCOUNTING POLICIES (CONT'D):****(j) 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.

(k) 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.

(l) 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.

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.

**JAMAICA BUSINESS DEVELOPMENT CORPORATION****NOTES TO THE FINANCIAL STATEMENTS****31 MARCH 2024****3. MATERIAL ACCOUNTING POLICIES (CONT'D):****(l) Revenue recognition (cont'd)****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.

(m) 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.

(n) Project liabilities

Project liabilities are stated at historical cost.

(o) 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 2024****13. MATERIAL ACCOUNTING POLICIES (CONT'D):****(p) Right-of-use asset**

Right-of-use asset have been initially calculated at an amount equal to the initial value of the lease obligation and 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.

Right-of-use asset 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 asset is 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.

(q) Lease obligation

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 2024****3. MATERIAL ACCOUNTING POLICIES (CONT'D):****(q) Lease obligation (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 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 lease 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 2024****3. MATERIAL ACCOUNTING POLICIES (CONT'D):****(q) Lease obligation (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 charge 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.

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.

(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.

**JAMAICA BUSINESS DEVELOPMENT CORPORATION****NOTES TO THE FINANCIAL STATEMENTS****31 MARCH 2024****4. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES (CONT'D):****(b) Key sources of estimation uncertainty (cont'd)****(i) Fair value estimation (cont'd)**

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).

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 11) 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.

**JAMAICA BUSINESS DEVELOPMENT CORPORATION****NOTES TO THE FINANCIAL STATEMENTS****31 MARCH 2024****4. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES (CONT'D):****(b) Key sources of estimation uncertainty (cont'd)****(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) 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.

**JAMAICA BUSINESS DEVELOPMENT CORPORATION****NOTES TO THE FINANCIAL STATEMENTS****31 MARCH 2024****4. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES (CONT'D):****(b) Key sources of estimation uncertainty (cont'd)****(iv) 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.

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.



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2024

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(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 cash equivalents
- Payables
- Loans
- Lease liability

(b) Financial instruments by category -

Financial assets

	<u>At amortised cost</u>	
	<u>2024</u> \$'000	<u>2023</u> \$'000
Cash and cash equivalents	72,062	227,129
Receivables	4,296	14,663
Total financial assets	76,358	241,792

Financial liabilities

	<u>At amortised cost</u>	
	<u>2024</u> \$'000	<u>2023</u> \$'000
Lease liability	3,493	7,282
Loans	93,209	93,209
Payables	20,387	83,576
Total financial liabilities	117,089	184,067

(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.



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2024

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(c) Financial risk factors (cont'd)

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.

(i) 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 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>2024</u> <u>\$'000</u>	<u>2023</u> <u>\$'000</u>
Cash and cash equivalents	<u>20,581</u>	<u>11,200</u>



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2024

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 profit/(loss) 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 cash and cash equivalents and adjust their translation at the year-end for 4% (2023 - 4%) depreciation and a 1% (2023 - 1%) appreciation of the Jamaican dollar against the US dollar.

	Effect on profit before tax		Effect on loss before tax	
	Change in currency	31 March	Change in currency	31 March
	Rate	2024	Rate	2023
Currency:				
USD	-4	823	-4	(448)
USD	+1	(206)	+1	112
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 2024****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 2024

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 2024 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>Gross Carrying Amount \$'000</u>	<u>2024</u>	
		<u>Default Rate %</u>	<u>Lifetime ECL Allowance \$'000</u>
0 to 30 days	54	1.79	1
31 to 60 days	187	.37	-
61 to 90 days	50	.12	-
Over 91 days	<u>3,011</u>	6.46	<u>195</u>
	<u>3,302</u>		<u>196</u>

<u>Aging</u>	<u>Gross Carrying Amount \$'000</u>	<u>2023</u>	
		<u>Default Rate %</u>	<u>Lifetime ECL Allowance \$'000</u>
0 to 30 days	8,513	1.91	163
31 to 60 days	851	.27	2
61 to 90 days	382	.56	2
Over 91 days	<u>5,460</u>	6.89	<u>376</u>
	<u>15,206</u>		<u>543</u>



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2024

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>2024</u> \$'000	<u>2023</u> \$'000
At 1 April	543	888
Impairment write back	(347)	(345)
	<u>196</u>	<u>543</u>
Exposure to credit risk for loans receivable:		
	<u>2024</u> \$'000	<u>2023</u> \$'000
Agriculture	6,179	6,179
Agro-processing	1,692	1,692
Manufacturing	25,111	25,111
Service	<u>13,130</u>	<u>13,130</u>
	46,112	46,112
Less: provisions for impairment	(46,112)	(46,112)
	-	-

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 2024

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>2024</u> \$'000	<u>2023</u> \$'000
Impaired	46,112	46,112
Less: Provision for impairment	<u>(46,112)</u>	<u>(46,112)</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 2024

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	3 to 5 Years \$'000	Over 5 Years \$'000	Total \$'000
31 March 2024					
Payables	20,387	-	-	-	20,387
Loans	24,457	-	-	68,752	93,209
Lease liability	<u>3,681</u>	-	-	-	<u>3,681</u>
Total financial liabilities (contractual maturity dates)	<u>48,525</u>	-	-	68,752	117,277
 31 March 2023					
Payables	83,576	-	-	-	83,576
Loans	24,457	-	-	68,752	93,209
Lease liability	<u>3,440</u>	<u>3,681</u>	-	-	<u>7,121</u>
Total financial liabilities (contractual maturity dates)	<u>111,473</u>	<u>3,681</u>	-	68,752	183,906



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2024

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:

	2024 \$'000	2023 \$'000
Fixed assets reserve	33	33
Gross profit - shops	29,793	21,725
Service income	15,609	56,918
Interest income	3,205	3,664
Miscellaneous income	11,750	54
Grants	26,615	-
Gain on foreign exchange	1,372	-
Gain on disposal of property, plant and equipment	-	21
	<u>88,377</u>	<u>82,415</u>



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2024

8. EXPENSES BY NATURE:

Total selling and administrative expenses -

	<u>2024</u> \$'000	<u>2023</u> \$'000
Staff costs (note 9)	553,148	547,812
Repairs and maintenance	16,969	12,757
Legal and professional fees	24,239	15,911
Auditors' remuneration	2,800	2,500
Exhibition & seminars	8,315	12,946
Insurance	3,832	2,147
Cleaning and sanitation	1,243	1,054
Occupancy costs	19,636	18,157
Security	12,066	7,884
Advertising and promotion	13,126	8,559
Utilities and telecommunication	34,539	31,136
Bad debts recovered	(347)	(1,142)
Depreciation and amortisation	16,283	17,095
Amortisation	2,247	2,952
Travelling	4,786	2,468
Stationery and office supplies	16,156	13,266
Director fees	1,350	314
Computer software maintenance	17,284	10,303
Other expenses	<u>12,136</u>	<u>8,585</u>
	<u>759,808</u>	<u>714,704</u>

9. STAFF COSTS:

	<u>2024</u> \$'000	<u>2023</u> \$'000
Salaries, commissions and related costs	472,551	463,909
Payroll taxes - employer's portion	39,484	32,710
Pension (income)/cost	(8,919)	13,231
Other	<u>50,032</u>	<u>37,962</u>
	<u>553,148</u>	<u>547,812</u>

The number of persons employed by the corporation at the end of the reporting period was one hundred and twenty five (125) (2023 - 128).

10. FINANCE COSTS:

	<u>2024</u> \$'000	<u>2023</u> \$'000
Bank charges	1,978	1,227
Interest expense	<u>1,809</u>	<u>7,352</u>
	<u>3,787</u>	<u>8,579</u>



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2024

11. PROPERTY, PLANT AND EQUIPMENT:

	Land and Buildings \$'000	Leasehold Improvement \$'000	Furniture, Fixtures & Equipment \$'000	Motor Vehicles \$'000	Total \$'000
At cost/valuation -					
1 April 2022	332,080	20,200	72,156	13,527	437,963
Additions	-	-	3,958	-	3,958
Revaluation	81,620	-	-	-	81,620
Disposals	-	-	(1,261)	-	(1,261)
31 March 2023	413,700	20,200	74,853	13,527	522,280
Additions	-	-	29,274	-	29,274
Disposals	-	-	(111)	-	(111)
31 March 2024	<u>413,700</u>	<u>20,200</u>	<u>104,016</u>	<u>13,527</u>	<u>551,443</u>
Depreciation -					
1 April 2022	31,390	20,200	57,182	13,526	122,298
Charge for the year	10,042	-	6,246	-	16,288
Adjustment	-	-	41	-	41
Elimination on revaluation	(14,220)	-	-	-	(14,220)
Disposal	-	-	(1,242)	-	(1,242)
31 March 2023	27,212	20,200	62,227	13,526	123,165
Charge for the year	9,899	-	5,940	-	15,839
Disposal	-	-	(111)	-	(111)
31 March 2024	<u>37,111</u>	<u>20,200</u>	<u>68,056</u>	<u>13,526</u>	<u>138,893</u>
Net book value -					
31 March 2024	<u>376,589</u>	<u>-</u>	<u>35,960</u>	<u>1</u>	<u>412,550</u>
31 March 2023	<u>386,488</u>	<u>-</u>	<u>12,626</u>	<u>1</u>	<u>399,115</u>

The corporation's freehold land and buildings located at 12 and 14 Camp Road, Kingston 4 were appraised on 1 February 2019 and 1 April 2022 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 2024

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

The corporation's freehold land and buildings were appraised on 1 February 2019 and 1 April 2022, 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>2024</u> \$'000	<u>2023</u> \$'000
Opening balance (level 3 recurring fair values)	413,700	332,080
Gain included in other comprehensive income -	-	81,620
Gain on property valuation	-	81,620
Closing balance (level 3 recurring fair values)	<u>413,700</u>	<u>413,700</u>

12. INTANGIBLE ASSETS:

	<u>Computer Software</u> \$'000
At cost-	
1 April 2022	7,152
Additions	<u>643</u>
31 March 2023	7,795
Additions	<u>452</u>
31 March 2024	<u>8,247</u>
Depreciation -	
1 April 2022	6,287
Charge for the year	<u>807</u>
31 March 2023	7,094
Charge for the year	<u>444</u>
31 March 2024	<u>7,538</u>
Net book value -	
31 March 2024	<u>709</u>
31 March 2023	<u>701</u>



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2024

13. POST-EMPLOYMENT BENEFIT ASSETS:

	<u>2024</u> \$'000	<u>2023</u> \$'000
The amounts recognized in the statement of financial position	<u>98,882</u>	<u>153,942</u>
Amount recognized in the profit or loss (note 9)	<u>(8,919)</u>	<u>13,231</u>
Amount recognized in other comprehensive income	<u>81,603</u>	<u>75,983</u>
The amounts recognized in the statement of financial position are determined as follows:		
Present value of funded obligations	(845,930)	(489,326)
Fair value of plan assets	944,812	875,633
Limitation of asset due to uncertainty of obtaining Economic benefit in the plan	-	<u>(232,365)</u>
Assets in the statement of financial position	<u>98,882</u>	<u>153,942</u>

The corporation participates in a defined benefit plan, which is open to all permanent employees and administered for Jamaica Business Development Corporation by Sagicor 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 2024.

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

	<u>2024</u> \$'000	<u>2023</u> \$'000
Balance at beginning of year	481,126	665,919
Current service cost	14,123	32,988
Interest cost	<u>62,555</u>	<u>52,703</u>
	557,804	751,610
Re-measurements -		
Losses/(gains) from change in financial assumptions	271,998	(371,641)
Experience (gains)/losses	<u>(5,738)</u>	<u>101,157</u>
Balance carried forward	<u>824,064</u>	<u>481,126</u>



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2024

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

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

	<u>2024</u> \$'000	<u>2023</u> \$'000
Balance brought forward	824,064	481,126
Members' contributions	30,444	20,488
Benefits paid	(18,280)	(10,114)
Purchased annuities	<u>1,502</u>	<u>-</u>
 Balance at the end of the year	<u>837,730</u>	<u>491,500</u>

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

	<u>2024</u> \$'000	<u>2023</u> \$'000
Balance at beginning of year	875,633	894,644
Interest income	115,804	72,460
Re - measurements -		
Return on plan assets, excluding amounts included in interest income	(77,915)	(114,116)
Members' contributions	30,444	20,488
Employer's contributions	17,624	12,271
Benefits paid	(18,280)	(10,114)
Purchased annuities	<u>1,502</u>	<u>-</u>
 Balance at end of year	<u>944,812</u>	<u>875,633</u>

The movement on the asset ceiling for current year is as follows (prior year -nil):

	<u>2024</u> \$'000	<u>2023</u> \$'000
Unrecognised Asset due to Asset Ceiling at beginning of year	232,365	-
Interest on effect of the Ceiling	30,207	-
 Change in asset ceiling excluding amounts included in interest expense	<u>(262,572)</u>	<u>232,365</u>
	<u>-</u>	<u>232,365</u>



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2024

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

The amounts recognized in profit or loss are as follows:

	2024 \$'000	2023 \$'000
Current service cost	14,123	32,988
Interest cost	62,555	52,703
Interest income on plan assets	(115,804)	(72,460)
Interest effect on asset ceiling	<u>30,207</u>	<u>-</u>
Total included in staff costs	(<u>8,919</u>)	<u>13,231</u>

The distribution of the plan assets was as follows:

	2024 \$'000	2024 %	2023 \$'000	2023 %
Pooled investment funds -				
Equity Fund	187,339	20	240,984	28
International Equity Fund	81,086	9	79,850	9
Mortgage and Real Estate Fund	130,018	14	106,554	12
Fixed Income Fund	183,262	19	160,626	18
Global Market Funds	13,343	1	15,773	2
Money Market Fund	50,483	5	6,309	1
CPI-Indexed	162,982	17	133,123	15
Purchased Annuities	35,232	4	29,549	3
Foreign currency Fund	100,701	11	95,510	11
Adjustment	<u>366</u>	<u>-</u>	<u>7,355</u>	<u>1</u>
Balance at end of year	<u>944,812</u>	<u>100</u>	<u>875,633</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 2024 is \$60,432,000 (2023 - \$44,582,000). The actual return on the plan assets was -\$50,774,000 (2023 -\$30,222,000).



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2024

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

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

	<u>2024</u> \$'000	<u>2023</u> \$'000
Assets at beginning of year	153,942	230,899
Amounts recognized in the income statement (Note 10)	8,919	(13,231)
Re - measurements recognized in OCI	(81,603)	(75,997)
Contributions paid	<u>17,624</u>	<u>12,271</u>
Assets at end of year	<u>98,882</u>	<u>153,942</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>2024</u>	<u>2023</u>
Discount rate	10.5%	13.0%
Inflation rate	5.5%	5.5%
Future salary increases	7.0%	7.0%
Future pension increases	<u>5.0%</u>	<u>5.0%</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 2024

13. 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

	<u>Changes in Assumption</u>	<u>Increase in Assumption \$'000</u>	<u>Decrease in Assumption \$'000</u>
Discount rate	1%	(95,770)	127,646
Future salary increase	1%	50,627	(44,520)
Expected pension increase	1%	82,950	(71,173)
Life expectancy	1 year	11,545	(11,854)

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 2024

14. RIGHT-OF-USE-ASSET:

(a) Right of use asset:

	<u>Land and Building</u> \$
At cost -	
At 31 March 2022 and 31 March 2023	14,349
Adjustment	(1,058)
Disposal	(<u>5,493</u>)
31 March 2024	<u>7,798</u>

Amortisation -	
1 April 2022	5,493
Charge for the year	2,952
Disposal	(<u>5,493</u>)
31 March 2023	2,952
Charge for the year	<u>2,247</u>
31 March 2024	<u>5,199</u>

Net book value -	
31 March 2024	<u>2,599</u>
31 March 2023	<u>5,904</u>

(b) Lease liability

	<u>Land and Building</u> \$
At 1 April 2022	8,856
Lease Payments	(1,574)
At 31 March 2023	7,282
Less: current portion	(2,933)
	<u>4,349</u>
At 1 April 2023	7,282
Lease Payments	(2,731)
Adjustment	(1,058)
At 31 March 2024	3,493
Less: current portion	(3,493)



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2024

15. LOANS RECEIVABLE:

- (a) Loans and advances are comprised of:

	<u>2024</u> \$'000	<u>2023</u> \$'000
Gross loans and advances	46,112	46,112
Provisions for loans and losses	<u>(46,112)</u>	<u>(46,112)</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>2024</u>		<u>2023</u>	
	<u>Gross</u> \$	<u>Impairment</u> \$	<u>Gross</u> \$	<u>Impairment</u> \$
3 months and over past due	<u>46,112</u>	<u>46,112</u>	<u>46,112</u>	<u>46,112</u>
	<u>46,112</u>	<u>46,112</u>	<u>46,112</u>	<u>46,112</u>

- (c) Specific allowances for loan losses:

	<u>2024</u> \$'000	<u>2023</u> \$'000
Balance at beginning of year	46,112	46,908
Recovered during the year	-	(796)
Balance at the end of the year	<u>46,112</u>	<u>46,112</u>



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2024

16. INVENTORIES:

	<u>2024</u> \$'000	<u>2023</u> \$'000
Inventory	4,692	4,024
Less: provision for slow moving items	(1,671)	(1,357)
	<u>3,021</u>	<u>2,667</u>

17. RECEIVABLES:

	<u>2024</u> \$'000	<u>2023</u> \$'000
Trade receivables (net)	3,106	14,663
Prepayments	3,154	5,350
GCT	17,033	11,958
Sundry receivables	<u>8,104</u>	<u>7,124</u>
	<u>31,397</u>	<u>39,095</u>

Trade receivables are stated net of expected credit losses of \$196,000 (2023 - \$543,000).

18. CASH AND CASH EQUIVALENTS:

	<u>2024</u> \$'000	<u>2023</u> \$'000
Deposits and short term investments	49,745	56,992
Local current accounts	15,878	158,776
Foreign currency current accounts	6,250	11,200
Petty cash	<u>189</u>	<u>161</u>
	<u>72,062</u>	<u>227,129</u>

Interest rate exposure -

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

	<u>2024</u> %	<u>2023</u> %
Cash at bank - J\$ account	0.15	0.15
- US\$ account	0.10	0.10
Deposits - J\$	6.28	-
- US\$	<u>4.15</u>	<u>1.39</u>



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2024

19. SHARE CAPITAL:

	<u>2024</u> \$'000	<u>2023</u> \$'000
Authorised, issued and fully paid - 100 ordinary shares of no par value	<u>1</u>	<u>1</u>

20. CAPITAL RESERVE:

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

21. LOANS:

Loans are comprised as follows:

	<u>2024</u> \$'000	<u>2023</u> \$'000
Development of Bank of Jamaica Limited (i)	14,457	14,457
Micro Investment Development Agency (ii)	10,000	10,000
Ministry of Finance (iii)	<u>68,752</u>	<u>68,752</u>
	93,209	93,209
Less: current portion	<u>(24,457)</u>	<u>(24,457)</u>
	<u>68,752</u>	<u>68,752</u>

- (i) 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.

- (ii) 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.



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2024

21. LOANS (CONT'D):

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.

- (iii) 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.

22. DEFERRED INCOME:

	<u>2024</u> \$'000	<u>2023</u> \$'000
Balance at beginning of year	762	795
Amortisation charge (Note 7)	(33)	(33)
	<u>729</u>	<u>762</u>
Current portion	33	33
Long term portion	696	729
	<u>729</u>	<u>762</u>

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.



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2024

23. PAYABLES:

	<u>2024</u> \$'000	<u>2023</u> \$'000
Trade payables	16,563	18,743
GCT withheld payable	24,596	21,851
Other payables	11,248	131,705
Accruals	<u>79,605</u>	<u>87,341</u>
	<u>132,012</u>	<u>259,640</u>

24. PROJECT LIABILITIES:

	<u>2024</u> \$'000	<u>2023</u> \$'000
Miscellaneous	<u>31,386</u>	<u>32,550</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.

25. RELATED PARTY TRANSACTIONS AND BALANCES:

	<u>2024</u> \$'000	<u>2023</u> \$'000
<u>Transactions during the year</u>		
Key management compensation -		
Key management includes executive management		
Salaries and other short-term employee benefits	27,582	37,464
Payroll taxes - employer's portion	950	805
Pension contribution	<u>506</u>	<u>437</u>
	<u>29,038</u>	<u>38,706</u>
Directors' emoluments -		
Directors fees	<u>1,350</u>	<u>314</u>



JAMAICA BUSINESS DEVELOPMENT CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2024

26. LEASE COMMITMENTS:

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

	<u>2024</u> \$'000	<u>2023</u> \$'000
Within 1 year	3,681	3,440
Subsequent years (2-5)	<u>-</u>	<u>3,681</u>
	<u>3,681</u>	<u>7,121</u>

27. 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 liabilities for these leases.

28. TAXATION:

Jamaica Business Development is a fully owned Government entity and falls within the definition of a public. 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.



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			
Stephanie Sterling	170,900	-	-	-	170,900
Venice Williams	40,000	-	-	-	40,000
Andria Whyte-Walters	105,500	-	-	-	105,500
Donovon Wignal	120,500	-	-	-	120,500
Steven Fong-Yee	151,000	-	-	-	151,000
Oral Shaw	98,000	-	-	-	98,000
Hugh Johnson	7,500	-	-	-	7,500
Mina Robertson	139,000	-	-	-	139,000
Ian Neita	108,000	-	-	-	108,000
Bernard Henry	102,000	-	-	-	102,000
Danielle Terrelonge	35,500	-	-	-	35,500
Adonia Chin	146,000	-	-	-	146,000

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		Salary	Gratuity	Pension	Other Allowances	Non-Cash Benefits	Total
	Year	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
				Other Retirement Benefits	Temporary Allowance		
Chief Executive Officer-Valerie Veira	2023-2024	14,593,970	-	-	852,944		15,446,914
Deputy C.E.O - Harold Davis	2023-2024	10,124,733		506,237	2,079,246		12,710,216
Finance Manager-Michele Cowan	2023-2024	8,309,840		415,492	1,541,691		10,267,023
Director, Incubator & Resource Centre - David Harrison	2023-2024	8,309,840	-	-	1,183,339		9,493,179
Mgr-Business Advisory Serv-Melissa Bennett	2023-2024	8,309,840	-	415,492	472,219	-	9,197,551
Mgr -Administration – Ann-marie Brown	2023-2024	6,820,273		341,014	1,218,917		8,380,203
Mgr –Project Mgmt and Research-Chantol Dormer	2023-2024	5,071,254		253,563	1,486,264		6,811,081
Mgr-Special Projects-Shelly-Ann Lawson-Francis	2023-2024	5,860,909	1,996,177	-	309,397		8,166,483

**SENIOR EXECUTIVE COMPENSATION FOR PERIOD(cont'd)**

Position of Senior Executive		Salary	Gratuity or Performance Incentive	Pension	Other Allowances	Non-Cash Benefits	Total
	Year	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
				Other Retirement Benefits	Temporary and Acting Allowance		
Technical Services Mgr -Colin Porter	2023-2024	6,820,273		341,013	1,075,994		8,237,280
Mgr-MSU - Janine Taylor	2023-2024	6,820,273		341,013	1,075,994		8,237,280
Mgr-I.T -Andrew Ellis	2023-2024	2,535,627		126,781	651,302		3,313,710
Mgr -Corporate Communications- Suzette Campbell	2023-2024	6,820,273		341,014	962,800		8,124,086
Senior Legal Officer- Kimberly Morrison- Mirander	2023-2024	6,653,925		332,696	558,746		7,545,367
Human Resource Mgr -Jonelle Faircloth	2023-2024	1,469,054		21,130	325,651		1,815,835

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. 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



NOTES



LOCATIONS

HEAD OFFICE
14 Camp Road,
Kingston 4

INCUBATOR & RESOURCE CENTRE
Unit 10a, 76 Marcus Garvey Drive
Kingston 13

RURAL BUSINESS CENTRES

St. James
Shop 11, Impact Plaza,
4a Cottage Road,
Montego Bay, St. James

St. Ann
5 Church Street,
St. Ann's Bay, St. Ann

Westmoreland
Shop #4, MJ Bingham's Complex,
Dunbar's River,
Savanna-la-mar, Westmoreland

Manchester
Shop #24,
39 Ward Avenue, Stone Surreal Plaza,
Mandeville, Manchester

St. Thomas
49 Queens Street,
Morant Bay, St. Thomas