



**NATIONAL LAND
AGENCY**

**ANNUAL REPORT
2011/2012**



**Making Access To
Land Information
Easier**



MISSION

It is the Mission of the National Land Agency to ensure that Jamaica has:

- An efficient and transparent land titling system which guarantees security of tenure.
- A National Land Valuation database which supports equitable property taxation.
- Optimal use of Government owned lands.
- A basic infrastructure on which to build a modern spatial information system designed to support sustainable development.

VISION

The National Land Agency (NLA) will be a proactive and client-focused organisation, committed to providing an easily accessible, integrated spatial information service by a highly trained and motivated staff in a supportive environment.

TABLE OF CONTENTS

	PAGE
Letter to the Minister	1
Legislation that Governs NLA's Mandate	2
Minister's Message	3
Chief Executive Officer's Report	4 - 6
Strategic Objectives	7
Organisational Structure	8
Public Relation Activities, New Services and Achievements of Special Mention	9
• <i>NLA Road Shows 2011 - 2012</i>	10
• <i>Customer Mail Boxes, Surveys and Mapping Division</i>	11
• <i>Web Chat Service</i>	12
• <i>Sales Data for Transfers</i>	13
• <i>Winner of 2011 Business House Basket Ball Competition</i>	14
Key Performance Indicators	15 - 24
Financial Statements	25 - 45
Notes page	46
Corporate Information	47



LETTER TO THE MINISTER

June 30, 2012

Right Honourable Robert Pickersgill, M.P.
Minister of Water, Land, Environment and Climate Change
Ministry of Water, Land, Environment
25 Dominica Drive,
Kingston 5

Dear Minister,

In accordance with the requirements contained in Section 15 (3) of the Executive Agencies Act and Section 13.1 of the Financial Instructions to Executive Agencies, I hereby present the Annual Report of the National Land Agency for the Financial Year 2011/2012.

The Report contains an audited copy of the Agency's Financial Statements for the year.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'E. A. Stair', is written over a horizontal line.

Elizabeth Stair
Chief Executive Officer



LEGISLATION THAT GOVERN THE NLA'S MANDATE

The Mandate of the National Land Agency is governed by the following Acts:

- **Crown Property (Vesting) Act**
- **Land Acquisition Act**
- **Land Surveyors Act**
- **Land Valuation Act**
- **Registration of Titles Act**
- **Registration (Strata Titles) Act**
- **Executive Agencies Act**
- **Financial Administration and Audit Act**



Right Honourable Robert Pickersgill
Minister of Water, Land, Environment and Climate Change

As Jamaica celebrates its fiftieth year of independence, it is a time to reflect on what we have achieved as a nation and focus on where we are heading for the future. The time has long past where access to ownership of land should be prohibitive. All Jamaicans must be able to claim ownership rights for their land and systems must be put in place to facilitate this process. The move must be made to creating an “ownership society”. An efficient and equitable system of land administration is an essential component. As the Minister with responsibility for the Land portfolio, I am therefore pleased that the National Land Agency continues to demonstrate its commitment and dedication to this goal and will always have my unwavering support in the achievement of this mandate.

The automation of systems and improved security measures continue to be a dominant thrust of the Agency. The delivery of Certificates of Title in a shorter time frame has been assisted by the heavy investment

in technology. Jamaicans must have faith and be reassured that their registered land is secure and protected by the Government of Jamaica. There is still room for improvement and the NLA will continue to work to continually improve this area of their operation.

The NLA must also be commended for continuing their strides in the offering of new and improved products and services to their customers, all aimed at facilitating easier and quicker access to land information. The NLA has demonstrated its commitment to reducing the time persons not only spend on waiting for transactions to be completed, but also the time spent in its offices or interacting with the staff. Customer convenience has played a major role in the development of these new services. The new products/services introduced during the fiscal year included a Live Web Chat, access to Sales Data and the installation of customer mailboxes at the Surveys and Mapping Division.

One of the greater initiatives of the NLA which has reached many Jamaicans has been the NLA Road Shows which are held across the island. The services of the NLA along with other key Government stakeholders are taken to the rural areas. These shows were designed to sensitize and facilitate Jamaican landowners in regularizing their land tenure. This must be continued and promoted to have an even greater impact. These initiatives will no doubt add to the NLA's reputation of being a client-focused and customer-friendly organization, and will ultimately serve to increase the number of persons who possess Certificates of Title.

I am proud to have the NLA as a part of my Ministry's “family” and I look forward to even closer collaboration with you as we work together to empower more Jamaicans through the regularization of land ownership.



CHIEF EXECUTIVE OFFICER'S REPORT

Having celebrated ten years of operations and success in the 2010-2011 fiscal year, the National Land Agency continued to perform creditably amidst an adverse economic climate in 2011-2012. At the end of the fiscal year under review the Agency's performance was 84 percent based on the weighted average of all Key Performance Indicators, against a target of 80 percent. Although we were unable to maintain the performance level of 98 percent which we have enjoyed for the last three consecutive years, we were still able to exceed our target.

The decrease in performance was due to the failure to meet the target of three Key Performance Indicators including the ratio of actual revenue to actual expenditure.



Mrs. Elizabeth Stair
Chief Executive Officer

Revenue and Expenditure



Figure 1: Actual Revenue

Although we failed to meet our revenue targets in 2011-2012, there was an improvement in actual revenue over the previous year. Actual revenue for 2011-2012 was \$768.86 million, 12 percent more than the \$687.07 million* earned in 2010/2011 and 8 percent in 2009/2010. (*The 2010/2011 revenue was restated as per 2011/2012 audit)

The increase in actual revenue was mainly due to a rebound in the number and value of documents lodged at the Land Titles Division, which accounts for approximately 90 percent of the Agency's revenue intake.

Also, as a Model B Executive Agency, the NLA retains 100% of its earnings from fees (Appropriation-in-Aid) which represents at least 75% of its approved expenditure with the remaining 25% being funded from the Consolidated Fund.

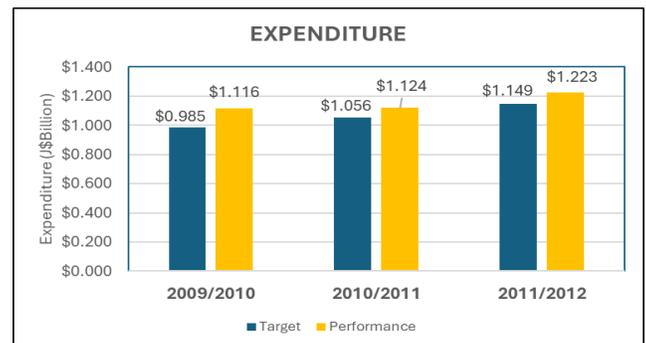


Figure 2: Actual Expenditure

Actual Expenditure for 2011/2012 was \$1.223 billion, which was six (6) percent above budget. Expenditure for the previous fiscal year was \$1.124 billion*. (*The 2010/2011 expenditure was restated as per 2011/2012 audit).

The increase in expenditure and failure to meet the revenue target adversely affected the revenue to expenditure ratio. Despite revenue to expenditure ratio continued to be below its target of 0.75 for the last 4 years, there was a slight improvement over the 2010-2011 performance of 0.61*. The performance for the fiscal year in review was 0.63. (*The 2010/2011 revenue to expenditure ratio was restated as per 2011/2012 audit).



CHIEF EXECUTIVE OFFICER'S REPORT

Business Services Revenue

We doubled our efforts to promote other products and services to generate additional revenue. There was a significant increase of 105 percent in revenue generated from the sale of mapping products and a 16 percent increase from our online service, *eLandjamaica*. Revenue from map sales increased from \$5.9 million to \$12.1 million, while intake from *eLandjamaica* moved from \$16.7 million to \$19.4 million. Revenue from non-statutory services is still a very small percent of the Agency's total revenue, but the Agency is aware of the strategic importance of these services and the need to provide easily accessible basic spatial information. Greater emphasis has been placed on the Business Services Unit to drive the Agency towards achieving better financial results.

Estate Management Collections



Figure 3: Estate Management Collections

Estate Management Collections were not as high as they were in the previous year, but exceeded the annual target of \$195 million. The collections for 2011-2012 totalled \$463.17 million, which was a 10 percent decline below the \$517.15 million* collected in 2010-2011. It however exceeded the collections for 2009-2010 of \$385.16 million. (*The 2010/2011 EMD collections were restated as per the 2011/2012 audit)

Achievements in Key Performance Indicators

The overall performance with respect to turnaround times was once again above target for most of the Indicators used. In addition to the Revenue to Expenditure Ratio mentioned above, the targets for Turnaround Time to Issue New Certificates of Title (under Section 79, First Registration, Lost Title Application and Part of Land Transfer) and the Turnaround Time to Pre-check Plans for Commissioned Land Surveyors KPIs were not met for the first time in 6 years and 10 years respectively.

The turnaround time to pre-check plans was 75 percent in 35 days against a target of 80 percent completion within 35 days. The turnaround time to issue new Certificates of Title with plans under Section 79 et al was 46 percent completed in 30 days, below the target of 78 percent completion within 30 days. The low performance of both KPIs was due mainly to human resource challenges.

The Agency continued to perform well in the turnaround time to prepare Notices of Allotment for properties approved and deposits collected under the Divestment programme for four consecutive years. For 2011-2012, it reported a performance of 97 percent of notices prepared within the targeted time of 20 days above the targeted 80 percent completion within 20 days. This was slightly below the previous year's performance of 100 percent of the Notices prepared within 20 days. The unit continued to benefit from the additional resources deployed four years ago.

The registration of memorandum matters, such as transfers and mortgages at the Land Titles Division, had a performance of 100 percent completed in 7 days against a target of 90 percent in 7 days.



CHIEF EXECUTIVE OFFICER'S REPORT

This was an increase of two (2) percent above the 2010-2011 performance which was 98 percent within 7 days.

There were 110,220 amendments to the Valuation Roll surpassing the annual target of 100,000. This number was however 52 percent below that of the previous year, 2010-2011 when a total of 230,520 amendments were made above a target of 70,000. The upward adjustment of the target in 2011-2012 was attributed to the anticipated increase in the number of updates of ownership information on the Valuation Roll during the Revaluation Programme, which commenced in 2010-2011. The performance for 2011-2012 did not surpass that of 2010-2011 due to the halt of the Revaluation Exercise in July 2011 as a result of the lack of funding.

Training

Training of staff continued to perform at a satisfactory level. 55.9 percent of staff members received a minimum of 8 hours training, surpassing the target of 50 percent. This, however, showed a two (2) percent decline over 2010-2011 which had a performance of 56.83 percent against a similar target of 50 percent.

Public Education

The Agency conducted five fora in its Road Shows series across the island to sensitize persons about the importance of having a registered title and the steps involved in getting their land registered. The average turnout of 200 persons per forum was the largest since the inception of NLA Road Shows.

New Products and Services

A part of the Agency's success over the years has been its continued consultation and engagement with

its customers. Five focus group sessions were held during the year and five new products/services were introduced, which included a Live Web Chat service as another means of communication with our customers. 100 Customer mailboxes were installed at the Charles Street location in Kingston to facilitate Land Surveyors collecting their plans. Customers such as Realtors can purchase Sales Data for Registered Transfers and Strata Plan listing. Spanish Town was added to the list of Master Map series.

Awards

The Agency was crowned the 2011 Division Two Business House Basketball Champions and placed second in the Public Sector Brain Games for that year. This included topping the individual Secretarial and English categories, as well as the special category on the Public Sector Rationalization Plan.

2011-2012 was undoubtedly a difficult year, but the Agency survived because of its dedicated staff members and strong leadership team. With this spirit of resilience, I am confident that we will be able to respond to any future shocks as we continue to strive to meet the needs of our customers.



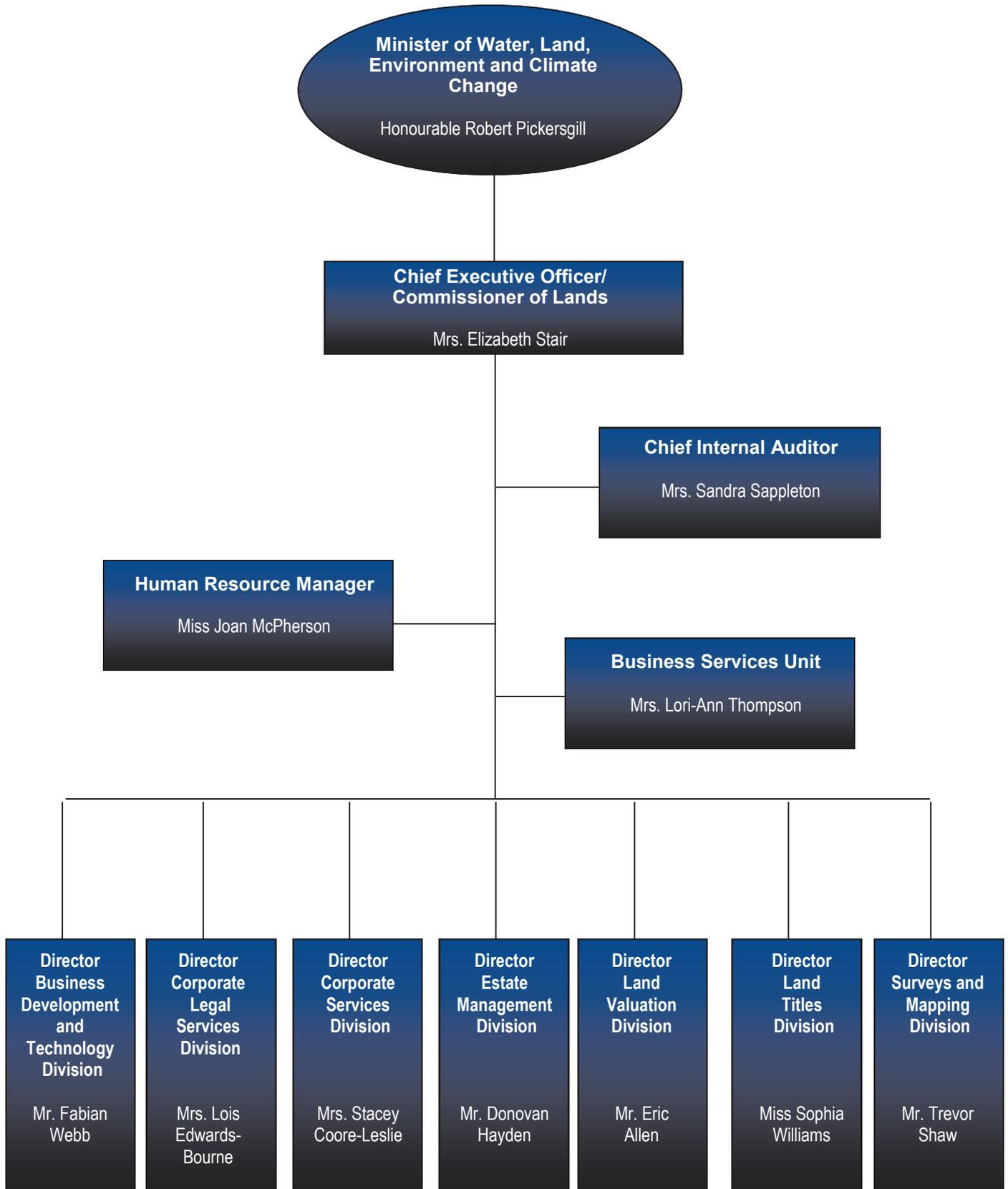
STRATEGIC OBJECTIVES

The NLA is committed to achieving the following strategic objectives:

- 1. To improve quality and ensure timely delivery of services**
- 2. To establish an efficient, coherent and transparent service for the management of Crown lands**
- 3. To become a client-focused organisation, through on-going consultation with stakeholders**
- 4. To build a strong organisation with a highly qualified and motivated staff**
- 5. To improve quality of Finance and Financial Management**
- 6. To improve on land tenure.**



ORGANISATIONAL STRUCTURE



Public Relation Activities, New Services &
Achievements of Special Mention



NLA ROAD SHOW 2011/2012



NLA Road Show, Lucea Hanover

Land is a treasured commodity and land ownership is a coveted achievement. Not many persons, however, are fully aware of the required steps in owning property and obtaining a certificate of title.

The NLA, cognizant of this reality, hosted a series of Road Shows in five parishes during the month of March 2012 to sensitize and offer guidance to the many Jamaicans who are desirous of obtaining a registered title for their property. The five parishes were Westmoreland, Trelawny, Portland, St. Ann and Hanover.

A total of over 1000 persons were in attendance. Each forum attracted an average of 200 persons. This average turnout has been the largest since the inception of NLA Road Shows.

The NLA invited other entities to participate, including the Land Administration and Management Programme (LAMP), National Housing Trust (NHT), Administrator General's Department (AGD), Registrar General's Department (RGD) and the Tax Administration Jamaica (TAJ).



CUSTOMER MAIL BOXES FOR LAND SURVEYORS

Given the success of the customer mail boxes that were installed at the agency's Land Titles Division at the 93 Hanover Street location in 2009, the NLA again listened to its customers and made available similar boxes at the Surveys and Mapping Division at 23 1/2 Charles Street, Kingston.

Commissioned Land Surveyors can now enjoy a more efficient and flexible delivery of plans. They will be able to collect their plans at

their convenience during office opening hours from 8:30 a.m. to 5:00 p.m. from Mondays to Thursdays and 8:30 a.m. to 4:00 p.m. on Fridays at an annual fee of \$4,000.

One hundred (100) boxes became available on March 26, 2012.



Recently installed Customer Mailboxes at the Surveys and Mapping Division of the NLA



LIVE WEB CHAT SERVICE

The NLA commenced its new **Live Web Chat Support Service** via its website on Wednesday, March 28, 2012.

The Live Web Chat Service gives the *eLandjamaica* customers and other users (local and overseas) access to real-time text-based conversations with an available Customer Service Agent.

The implementation of this online chat application, assists not only in the communication between the NLA and its customers, but also provides greater efficiency in the handling of *eLandjamaica* matters and any other NLA related enquiries.

This service can be accessed by clicking on the icon located on the home page of the NLA website at www.nla.gov.jm.

The service is available **Mondays to Thursdays 8:30 a.m. to 4:00 p.m.** and on **Fridays 8:30 a.m. to 3:00 p.m.**



SALES DATA FOR REGISTERED TRANSFERS SUBSCRIPTION SERVICE

The Agency began offering a subscription service for the listing of transfers conducted on a monthly basis at its Land Titles Division. Customers are required to pay an annual fee of \$60,000 to obtain data on the number of land transfers. This subscription would allow access to other data on properties such as Valuation Number; Title Reference (Volume and Folio); Consideration; Number of Strata lots; Scheme name; Area in square metres and date of Transfer. Information on ownership name, however, is not available.

Persons within the Real Estate industry have found this data most beneficial as well as persons interested in examining trends in the property market.



2011 BUSINESS HOUSE BASKETBALL CHAMPION



Front Row, left - right: Mr. Jumoke Williams, NLA Basketball team member; Mrs. Elizabeth Stair, CEO of the National Land Agency; Mrs. Stacey Coore-Leslie, Director, Corporate Services Division; Mr. Lewin McKnight, team member; Mr. Howard Edwards, Awardee for Finals Top Rebounder; Mrs. Claudine Morris -Whervin, Team Manager; Miss Candace Smith, NLA staff member and Special Award recipient. **Back Row, left - right:** Mr. Roger Marshall, Team Coach and Awardee for Best Coach; Mr. Paulos Simpson Jr., team member; Mr. Horace Williams, team member; Mr. Christopher Erwin, team member; Mr. Omar Ricketts, Team Captain and Awardee for Finals Most Valuable Player (MVP); Kayann Cole, Assistant Team Manager and Mr. Noel Tomlinson, team member. **Absent Team Members:** Dale Gayle, Awardee for Finals Top Three-Point Shooter; Maro Dixon and Gailon Wisdom.

The National Land Agency was crowned the 2011 Business House Basketball Association Competition Champion during an awards ceremony at the National Housing Trust Sports Club in New Kingston on December 3, 2011. They defeated Western Sports in the 'Best of Five' Finals.

Three players of the NLA team also walked away with individual awards:

- Dale Gayle – Finals Top Three-Point Shooter
- Omar Ricketts (Captain) – Finals Most Valuable Player (MVP)
- Howard Edwards – Finals Top Rebounder

The Team's Coach, Roger Marshall, received the award for Best Coach. Candace Smith, Records Officer at the Land Titles Division, received a special award for the Business House Basketball Association for her efforts in getting the court dry after a downpour of rain during one of the matches in the finals.

Key Performance Indicators (KPI) Performance 2011/2012

Objective 1:- To improve quality and ensure timely delivery of services

KPI 1. Turnaround Time to Issue New Certificates Title under Section 79 (with Plan)

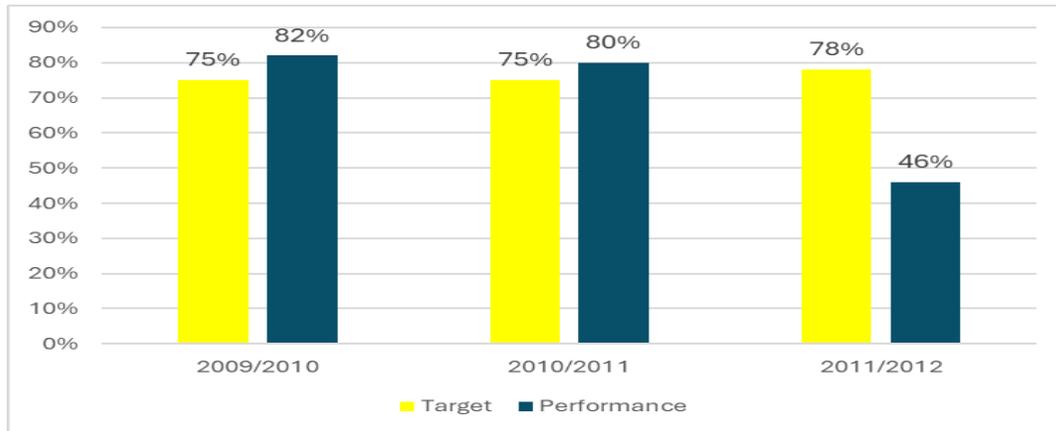


Figure 4: Turnaround time to issue new Certificates of Title under Section 79 (With Plan)

The turnaround time to issue new Certificates of Title with plans (under Section 79, First Registration, Lost Title Application and part of Land Transfers) was 46 percent completed within 30 days. This was below the targeted turnaround time of 78 percent completion within 30 days for the first time in 6 years. This performance is due to an increase in demand for plans while utilising the same number of human resources coupled with the equipment and systems failure which resulted in a backlog within the process. The previous year's target was 75 percent within 30 days and the performance was 80 percent. During 2009/2010 performance was 82 percent against the same target.

KPI 2. Turnaround Time to Issue New Certificates Title under Section 79 (without Plan)

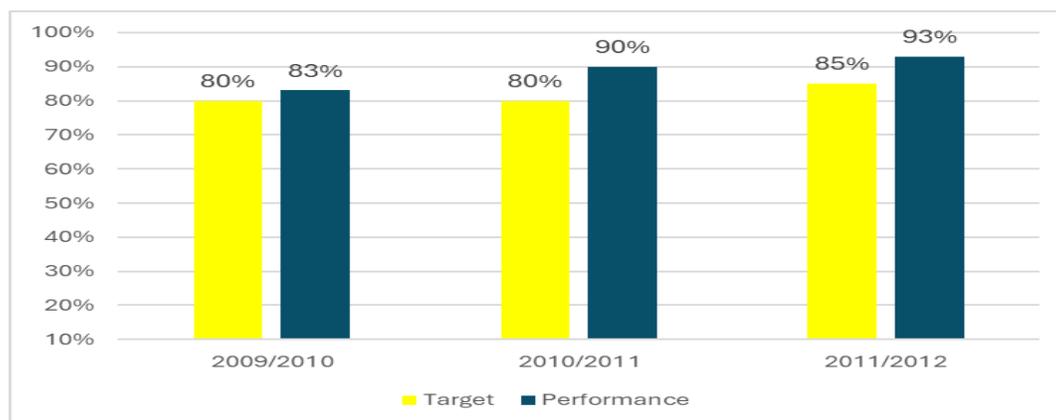


Figure 5: Turnaround time to issue new Certificates of Titles under Section 79 (Without Plans)

The turnaround time to issue new Certificates of Title without plans exceeded the target of 85 percent completion within 20 days, as 93 percent were completed within 20 days. This exceeded the two previous years' performance of 90 percent and 83 percent completion within 20 days, respectively.

KPI 3. Turnaround Time to Issue New Certificates of Title under Section 77 (with Plan)

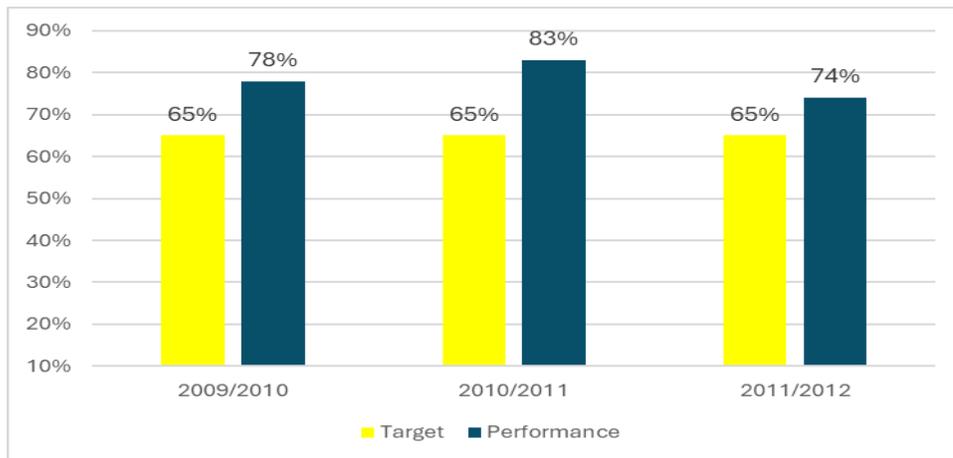


Figure 6: Turnaround time to issue new Certificates of Title under Section 77 (with plans)

The targeted turnaround time of 65 percent completion within 30 days to issue new Certificates of Title with plans (under Section 77) was exceeded as 74 percent were completed within 30 days. This performance was consistent with the performances for the two previous years when 83 percent completed within 30 days in 2010/2011 and 78 percent completed within 30 days in 2009/2010. The target was 65 percent completion within 30 days for each year.

KPI 4. Turnaround Time to Issue New Certificates of Title under Section 77 (without Plan)

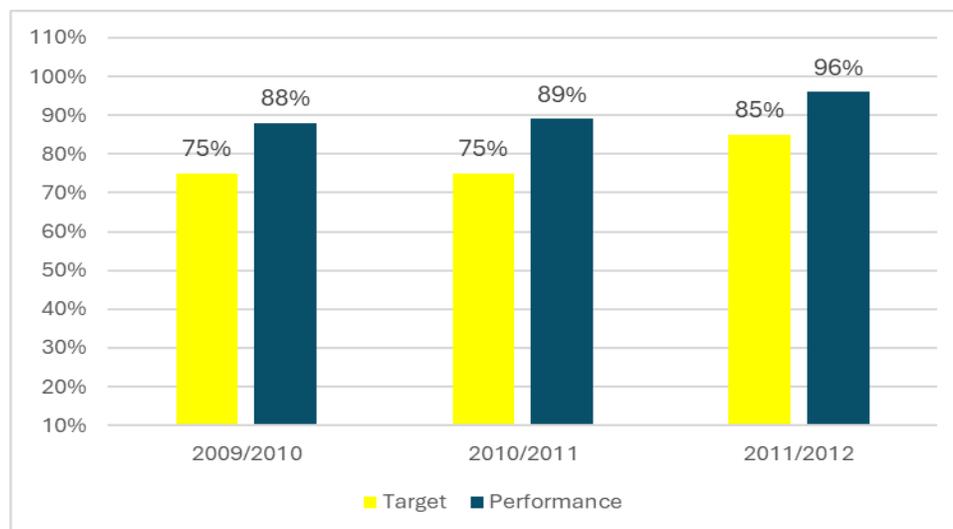


Figure 7: Turnaround time to issue new Certificates of Title under Section 77 (without plans)

The targeted turnaround time of 85 percent completion within 20 days to issue new Certificates of Title without plans was exceeded as 96 percent were issued within 20 days. During the previous year, 89 percent were completed within 20 days against a target of 75 percent. In 2009/2010, 88 percent were completed also against a target of 75 percent in 20 days.

KPI 5. Turnaround Time for Registration of Memorandum Transactions

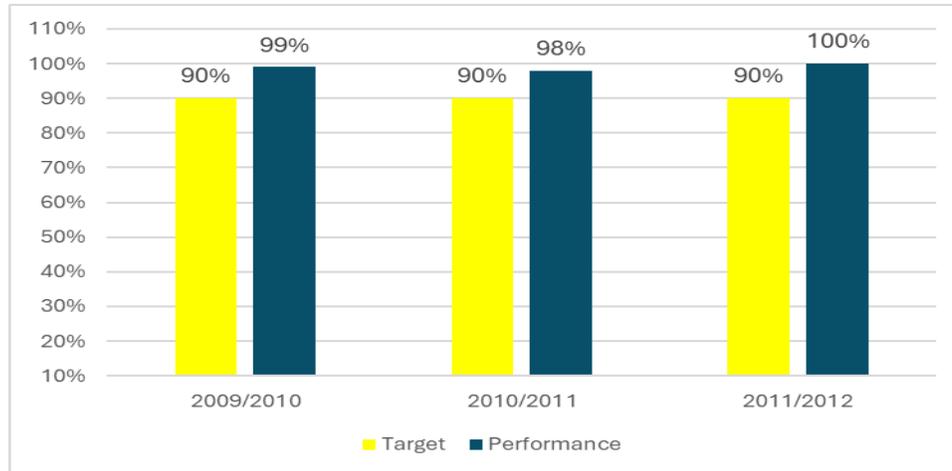


Figure 8: Turnaround time for Memorandum Transactions

One hundred (100) percent of all Memorandum Transactions were registered within seven (7) days, exceeding the target of 90 percent completion within seven (7) days. The performance for 2010/2011 was 98 percent within seven (7) days and 99 percent was completed within ten (10) days in 2009/2010.

KPI 6. Turnaround Time to Complete Valuations

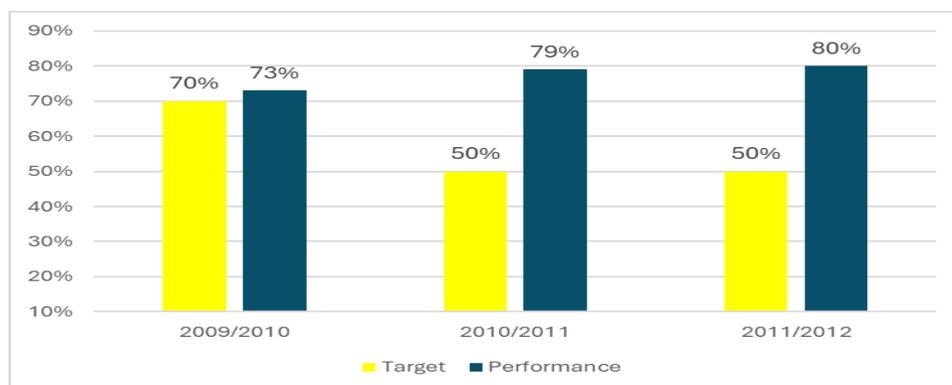


Figure 9: Turnaround Time to Complete Valuations

80 percent of Valuations were completed within 30 days, exceeding the targeted turnaround time of 50 percent completion within 30 days. The performance for 2010/2011 was 79 percent completion against the same target. 73 percent was completed for 2009/2010 against a target of 70 percent completion within 30 days. The target was reduced for 2010/2011 because of preparations for the revaluation exercise.

KPI 7. Turnaround time to prepare Certificates for Application for Subdivision Approval



Figure 10: Turnaround time to prepare certificates for application for subdivision approval

The targeted turnaround time of 90 percent completion within four (4) days to prepare certificates for application for subdivision approval was exceeded as 100 percent were completed within target. This was similar to the performance for the previous year while 99 percent were completed within four (4) days during 2009/2010.

KPI 8. Amendments to the Valuation Roll

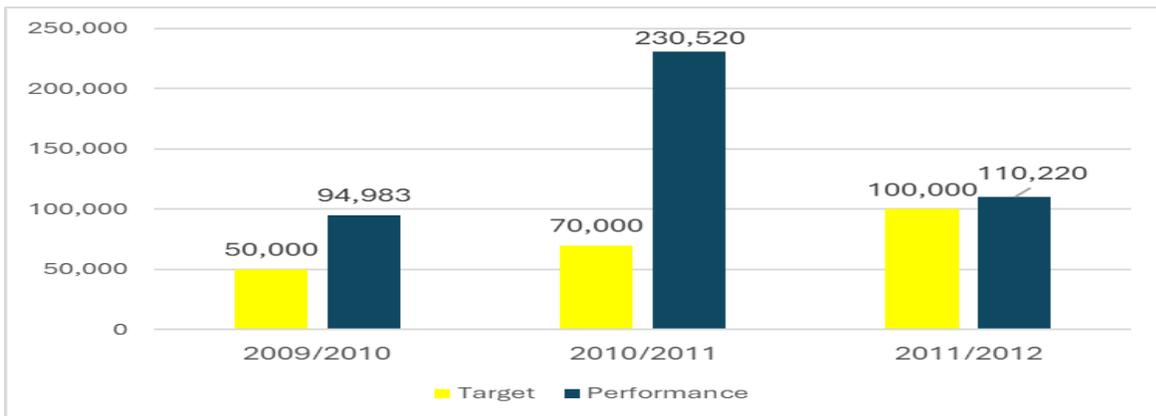


Figure 11: Number of amendments to the Valuation Roll

A total of 110,220 amendments were made to the Valuation Roll, surpassing the annual target of 100,000. This was 52 percent below the performance for the previous year when 230,520 were completed. The decrease in the number of amendments for the period was primarily due to a reduction in the number of amendments being conducted under the Operation Eyeball project, which commenced in the 2008/2009 fiscal year. Operation Eyeball is a project that involves the actual physical viewing of each record on the Valuation Roll to identify errors or omissions in formatting and spelling. It is also used to update title information and postal addresses. There was also a shift in focus due to the Revaluation Exercise during the period from amendments to the assignment of values to properties on the Valuation Roll.

KPI 9. Turnaround time to pre-check plans for Commissioned Land Surveyors

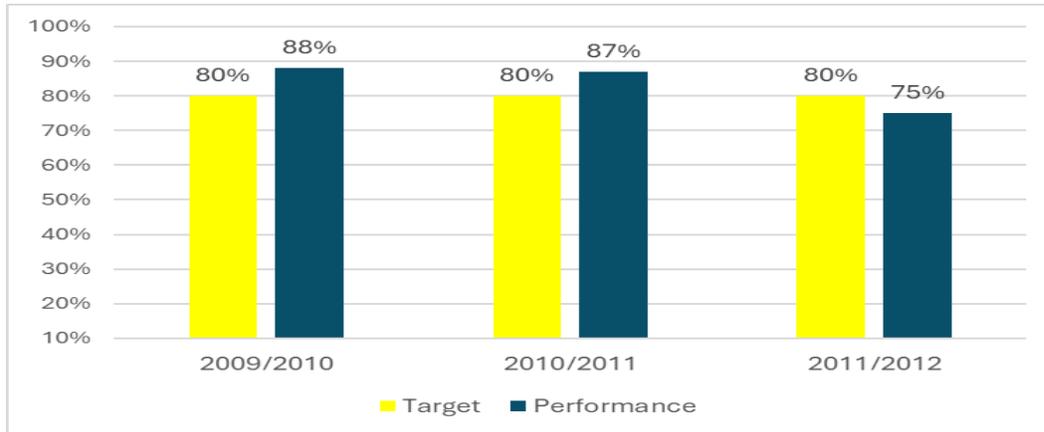


Figure 12: Turnaround time to pre-check plans for Commissioned Land Surveyors

The targeted turnaround time 80 percent completion within 35 days to pre-check plans for Commissioned Land Surveyors was not met as 75 percent were done within 35 days. During the previous year 87 percent were completed within 35 days against the same target. During 2009/2010, eighty-eight (88) percent were completed within 35 days also against a target of 80 percent completion within 35 days.

KPI 10. Number of Horizontal Control Marks established per year.

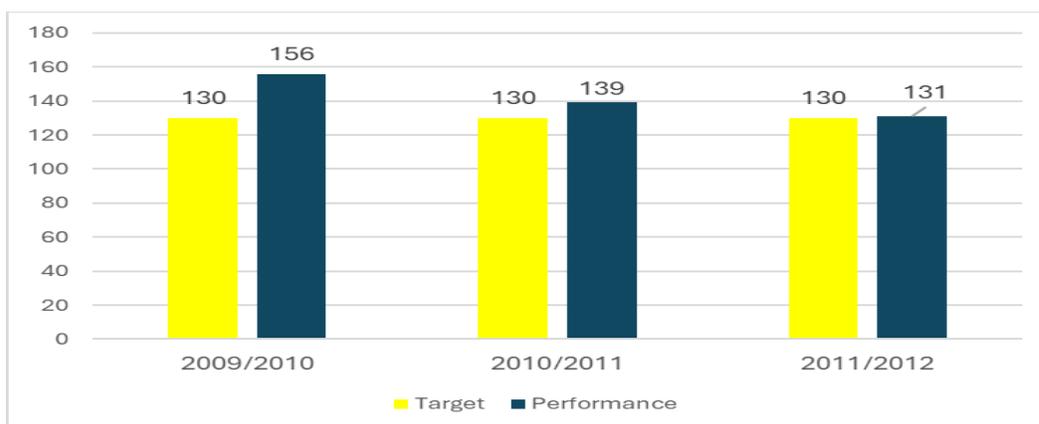


Figure 13: Number of Horizontal Control Marks established

One hundred and thirty-one (131) Horizontal Control Marks were established for the year slightly above the annual target of 130. One hundred and thirty-nine (139) Marks were established during 2010/2011 and one hundred and fifty-six (156) Marks were established during 2009/2010, all above target.

KPI 11. Number of Control Marks Established in National Grid Geodetic Database

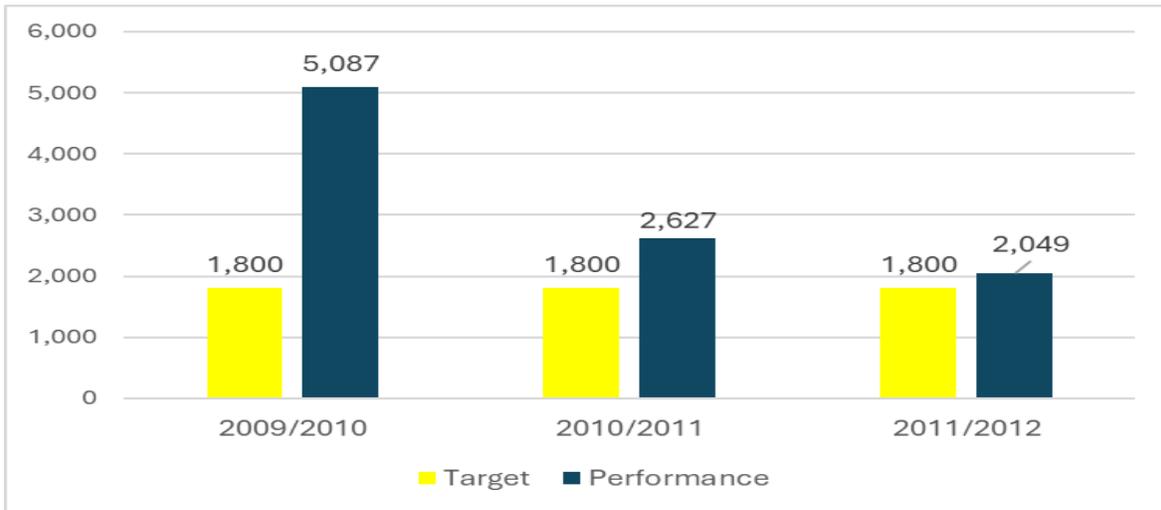


Figure 14: Number of Control Marks established in National Grid Geodetic Database

A total of 2,049 Control Marks were established in the National Grid Geodetic Database, surpassing the annual target of 1,800 by 14 percent. Two thousand six hundred and twenty-seven (2,627) and five thousand and eighty-seven (5,087) Control Marks were established during 2010/2011 and 2009/2010, respectively above the annual target of 1,800.

KPI 12. Number of Control Marks Checked Per Year

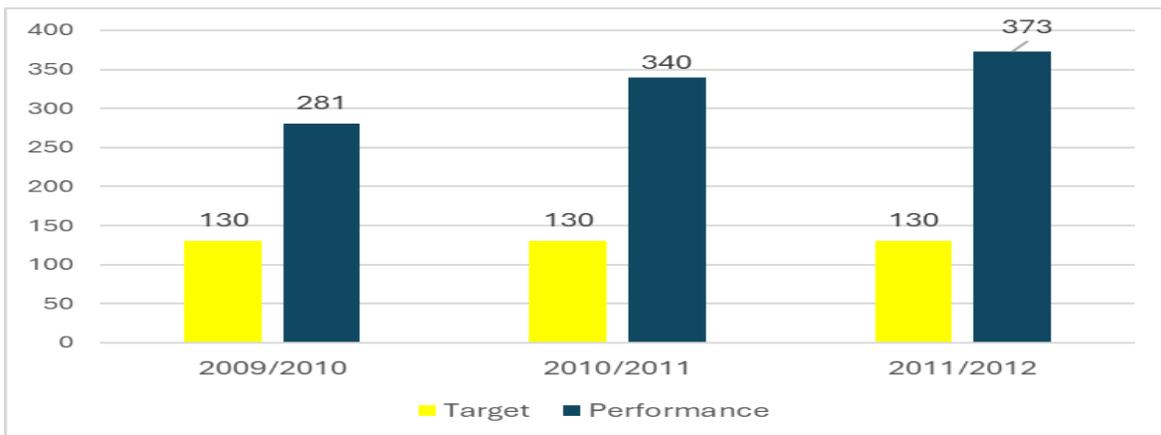


Figure 15: Number of Control Marks checked

Three hundred and seventy-three (373) Control Marks were checked during the year, surpassing the annual target of 130 by 187 percent. Three hundred and forty (340) Control Marks were checked in 2010/2011 and two hundred and eighty-one (281) were checked during 2009/2010 surpassing the annual target of 130.

Objective 2: To establish an efficient, coherent and transparent service for the management of Crown Lands (Crown Land Management)

KPI 13. Turnaround Time to Prepare Notices for Ministerial Approval under the Land Acquisition Act



Figure 16: Turnaround time to prepare notices for Ministerial approval under the Land Acquisition Act

One hundred (100) percent of notices for Ministerial approval under the Land Acquisition Act were prepared within 4 days, surpassing the target of 95 percent completion within 4 days. During the previous years, performance was also 100 percent within 4 days against the target of 95 percent completion within 4 days in 2010/2011 and a target of 90 percent completion within 4 days in 2009/2010.

KPI 14. Number of Duplicate Certificates of Title Prepared in the Name of the Commissioner of Lands

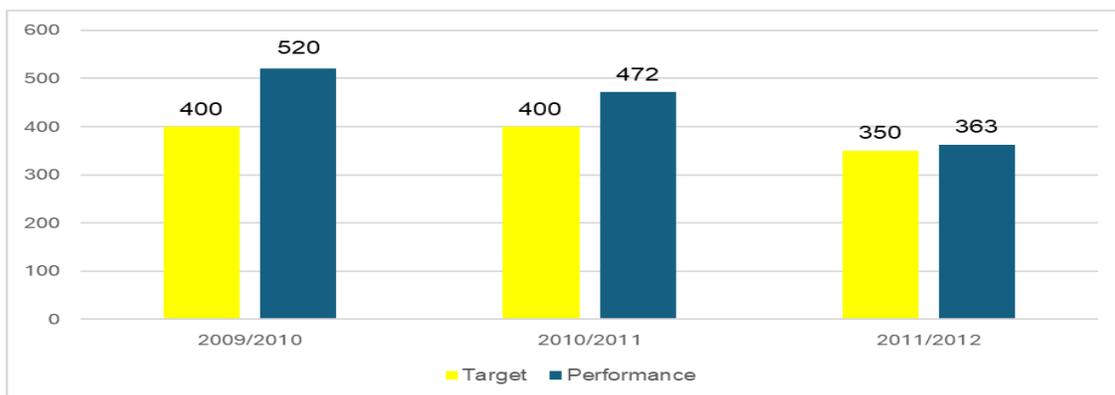


Figure 17: Number of duplicate Certificates of Title prepared in the name of the Commissioner of Lands

The target of preparing 350 duplicate Certificates of Title in the name of the Commissioner of Lands was exceeded as three hundred and sixty-three (363) were prepared. This was 4 percent above the annual target. Four hundred and seventy-two (472) duplicate Certificates of Title were prepared in 2010/2011 and five hundred and twenty (520) duplicate Certificates of Title were prepared in 2009/2010 exceeding the annual target of 400.

KPI 15. Number of Parcels Surveyed in Land Settlement Schemes



Figure 18: Number of Parcels Surveyed

A total of 671 parcels were surveyed for Land Settlement Schemes, surpassing the annual target of 500 by 34 percent. The performance was above the 633 parcels surveyed during the previous year. 641 parcels were surveyed during 2009/2010, above the annual target of 600.

KPI 16. Turnaround time for preparation of Notices of Allotment for properties approved and deposits collected



Figure 19: Turnaround time for preparation of Notices of Allotment for properties approved and deposits collected

Ninety-seven (97) percent of Notices of Allotment were prepared within the targeted 20 days, this was above the targeted 80 percent completion within 20 days. During the previous year, 100 percent of the Notices were prepared within 20 days against the target of 80 percent completion within 20 days. In 2009/2010, 100 percent of the Notices also were prepared, but against a target of 75 percent completion within 20 days.



Achievements in Key Performance Indicators (KPI)

KPI 17. Turnaround time to prepare Sale/Lease Agreements for execution by parties after Ministerial approval

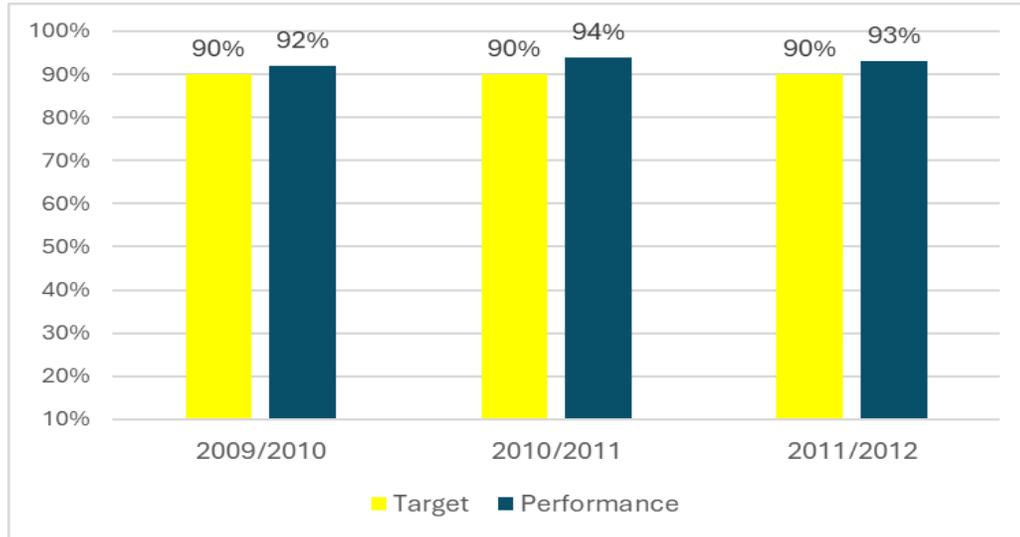


Figure 20: Turnaround time to prepare Sale/Lease Agreements for execution by party after Ministerial approval

The targeted turnaround time of 90 percent completion within 10 days to prepare sale/lease agreements for execution by parties after Ministerial Approval was exceeded as 93 percent were prepared within 10 days. The performances for the periods 2010/2011 and 2009/2010 were 94 percent and 92 percent respectively completed within 10 days.

Objective 3: To become a client-focused organization, through on-going consultation with stakeholders (Marketing and Public Education)

KPI 18. Number of new services/products provided

During the year under review, five (5) new products/services were introduced: 1) Live Web Chat was launched to facilitate another means of communication with our customers; 2) Customer Mailboxes were installed in the Surveys and Mapping Division; 3) Data Sales for Registered Transfers were introduced; 4) Strata Plan Listing was introduced and 5) New Spanish Town Master Map was developed.

**Objective 4: To build a strong organization with highly qualified and motivated staff
(Human Resource Management and Administration)**

KPI 19. Percentage of staff receiving minimum training hours



Figure 21: Percentage of staff receiving minimum training hours

55.90 percent of staff members received a minimum of 8 hours training. This surpassed the target of 50 percent, but was slightly below the previous year. In 2010/2011, the performance was 56.83 percent and 54.01 percent in 2009/2010.

Objective 5: To improve quality of Finance and Financial Management

KPI 20. Revenue to Expenditure Ratio

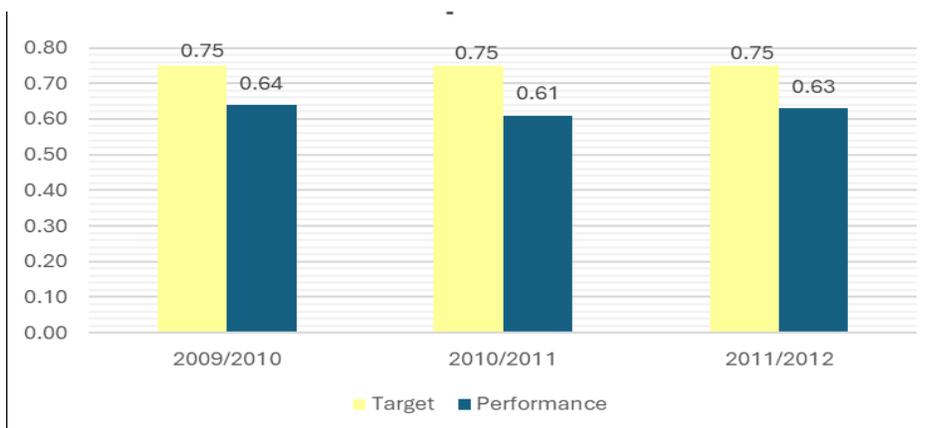


Figure 22: Ratio of Actual Revenue to Actual Expenditure

The ratio of actual revenue to actual expenditure was 0.63 which was below the target of 0.75. This was however 2 percent above the ratio for 2010/2011 which was 0.61*. For 2009/2010 the ratio was 0.64, which was also below the target. (*The 2010/2011 revenue to expenditure ratio was restated as per 2011/2012 audit).

Financial Statements

for the year ended March 31, 2012

AUDIT CERTIFICATE NATIONAL LAND AGENCY FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012



ANY REPLY OR SUBSEQUENT REFERENCE TO THIS COMMUNICATION SHOULD BE ADDRESSED TO THE AUDITOR GENERAL AND ~~NOT TO THE ANY OFFICER NAME~~ AND THE FOLLOWING REFERENCE QUOTED:

AUDITOR GENERAL'S DEPARTMENT
40 KNUTSFORD BOULEVARD
P.O. BOX 455
KINGSTON 5
JAMAICA

Tel. No.: 926-8309/926-5963/926-5846
Fax Number: 968-4690
audgen@auditorgeneral.gov.jm

INDEPENDENT AUDITOR'S REPORT

To the Chief Executive Officer/ Commissioner of Lands
National Land Agency

Opinion

I have audited the accompanying Financial Statements of the National Land Agency, set out on pages 1 to 16, which comprise the Statement of financial position as at March 31, 2012, Statement of Financial Performance, Statement of changes in equity and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

In my opinion, the Financial Statements give a true and fair view of the financial position of the National Land Agency as at March 31, 2012, and of its financial performance, and its cash flows for the year then ended, in accordance with the International Public Sector Accounting Standards (IPSAS).

Basis for Unmodified Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of this report. We are independent of the Agency in accordance with the International Ethics Standards Board for Accountants Code of Ethics for professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA code. I believe that the audit evidence we obtained is sufficient and appropriate to provide a basis for my unmodified opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in the audit of the financial statement for the year ended March 31, 2012. These matters were addressed in the context of the audit of the Financial Statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters. I have determined that there is no key audit matter to communicate in this report.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these Financial Statements, in accordance with International Public Sector Accounting Standards (IPSAS). This responsibility includes designing, implementing and maintaining internal controls, relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether, due to fraud or error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

In preparing the Financial Statements, management is responsible for assessing the entity'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 there are plans to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

AUDIT CERTIFICATE
NATIONAL LAND AGENCY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2012

2

Auditor's Responsibility for the audit of the Financial Statements

My responsibility is to express an opinion on these Financial Statements based on my audit. I conducted my audit in accordance with the auditing standards issued by the International Organization of Supreme Audit Institutions (INTOSAI). Those standards require that I comply with ethical requirements and plan and perform the audit 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 auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs 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 ISSAIs, we exercise professional judgment and maintain professional scepticism throughout the audit. I 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 my 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 entity's internal control.
- Evaluate the appropriateness of accounting policies used and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. The conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that presents a true and fair view.

I have communicated with the 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 was identified during the audit.

Report on Additional Requirements of the Executive Agencies' Act

I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit. In my opinion, proper accounting records have been maintained, and the financial statements are in agreement therewith and give the information in a manner so required.


.....

Auditor General

2026/01/19
.....

Date

BALANCE SHEET

For the year ended March 31, 2012

1

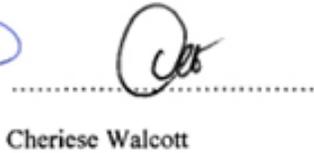
NATIONAL LAND AGENCY
Statement of Financial Position
As at March 31, 2012

	Notes	2012 \$	2011 Restated \$	2011 \$
Fixed Assets				
Property Plant and Equipment	5	93,428,954	100,499,553	100,499,553
Intangible assets	6	2,307,819	6,042,106	6,042,106
		<u>95,736,773</u>	<u>106,541,659</u>	<u>106,541,659</u>
Construction in Progress		<u>-</u>	<u>3,191,406</u>	<u>3,191,406</u>
Current Assets				
Inventory		3,833,912	5,127,698	5,127,698
Accounts Receivable	7	81,913,742	96,743,016	71,865,973
Prepaid expenses	8	54,978,868	37,282,501	37,282,501
Cash and cash equivalents	9	600,787,405	692,920,726	704,123,178
		<u>741,513,927</u>	<u>832,073,941</u>	<u>818,399,350</u>
Current Liabilities				
Payables to Consolidated Fund	10	48,628,177	48,683,457	48,683,457
Employee benefits	11	260,339,448	182,702,526	182,702,526
Payables and Accruals	12	48,700,813	35,051,546	35,051,546
Customer Deposit	13	148,228,828	173,635,986	173,635,986
Deferred Income - Eland	14	26,887,769	9,955,989	9,955,989
Estate Management	15	463,166,685	517,151,425	503,191,278
		<u>995,951,720</u>	<u>967,180,929</u>	<u>953,220,782</u>
Net Current Liabilities		<u>(254,437,793)</u>	<u>(135,106,988)</u>	<u>(134,821,432)</u>
Net Liabilities		<u>(158,701,020)</u>	<u>(25,373,923)</u>	<u>(25,088,367)</u>
Capital	16	26,132,775	26,132,775	26,132,775
Donated Assets	17	27,196,311	27,196,311	27,196,311
Staff Revolving Fund		20,000,000	20,000,000	20,000,000
General Reserve		(232,030,106)	(98,703,009)	(98,417,453)
Total Equity/Liabilities		<u>(158,701,020)</u>	<u>(25,373,923)</u>	<u>(25,088,367)</u>

The financial statements were approved and signed by National Land Agency on October 17, 2025:



Everol Williams
Director, Finance



Cheriese Walcott
Chief Executive Officer/Commissioner of Lands

The accompanying notes on pages 5 to 14 form an integral part of these financial statements

STATEMENT OF REVENUE AND EXPENDITURE

For the year ended March 31, 2012

2

NATIONAL LAND AGENCY
Statement of Financial Performance
for the year ended March 31, 2012

	Note	2012 \$	2011 Restated \$
Registration Fees		706,849,197	618,454,590
Survey Fees		17,467,773	14,935,448
Valuation Fees		14,298,308	15,998,440
Estate Management Fees		30,243,590	32,029,654
Eland Inflows		-	3,624,547
Other Income		-	2,029,454
		<u>768,858,868</u>	<u>687,072,133</u>
Staff Cost	18	914,108,509	862,387,534
Rentals		7,996,100	5,012,011
Public Utilities		114,467,172	84,844,643
Goods and Services		159,345,928	133,177,926
Grant and Contributions		1,788,034	908,461
Depreciation and amortisation		25,097,480	33,746,359
E-land Expenses		-	3,624,547
Other expenses		16,790	369,518
		<u>1,222,820,013</u>	<u>1,124,070,999</u>
Operating Deficit		(453,961,145)	(436,998,866)
Interest Income		110,603	-
Loss on Disposal		-	(45,858)
100% Revenue to GOJ		(8,114,555)	(11,348,488)
		<u>(461,965,097)</u>	<u>(448,393,212)</u>
GOJ Contributions		328,638,000	327,240,333
Net Deficit		<u>(133,327,097)</u>	<u>(121,152,879)</u>

The accompanying notes on pages 5 to 14 form an integral part of these financial statements

STATEMENT OF CHANGE IN EQUITY

For the year ended March 31, 2012

3

NATIONAL LAND AGENCY
Statement of Change in Equity
For the year ended March 31, 2012

	Capital GOJ Investment	Staff Revolving Fund	General Reserve	Donated Assets Reserve	Total
	\$	\$	\$	\$	\$
Balance as at April 1, 2010	26,132,775	20,000,000	8,775,279	27,196,311	82,104,365
Additions					
Deficit for the year	-	-	(107,192,732)	-	(107,192,732)
Transfers from Donated Assets			-		-
Balance as at March 31, 2011	26,132,775	20,000,000	(98,417,453)	27,196,311	(25,088,367)
Adjustments (Accounts receivable, bank balances and Seabed Account)					
	-	-	(285,556)	-	(285,556)
Revised Balance as at March 31, 2011	26,132,775	20,000,000	(98,703,009)	27,196,311	(25,373,923)
Additions					
Deficit for the year	-	-	(133,327,097)	-	(133,327,097)
Adjustments			-		-
Balance as at March 31, 2012	26,132,775	20,000,000	(232,030,106)	27,196,311	(158,701,020)

The accompanying notes on pages 5 to 14 form an integral part of these financial statements

NOTES TO FINANCIAL STATEMENTS

For the year ended March 31, 2012

4

NATIONAL LAND AGENCY
Statement of Cash Flows
For the year ended March 31, 2012

	Note	2012 \$	2011 Restated \$
Cash flows from Operating Activities			
Net Deficit before GOJ Financing		(461,965,097)	(448,393,212)
GOJ Financing from Consolidated Fund		328,638,000	327,240,333
Net Deficit after GOJ financing		<u>(133,327,097)</u>	<u>(121,152,879)</u>
50% Net Operating Surplus			
Adjustments:			
Depreciation and amortisation	5,6	25,097,480	33,746,359
Loss on Disposal		-	45,858
Decrease in Current Assets		(1,573,307)	(43,056,028)
Increase in Current Liabilities		28,770,792	218,347,494
Net Cash provided by Operating Activities		<u>(81,032,132)</u>	<u>87,930,804</u>
Cash Flows from Investing Activities			
Capital Expenditure	5,6	(11,101,189)	(11,503,064)
Additions to Donated Assets	5	-	(8,351,912)
Net Cash used in Investing Activities		<u>(11,101,189)</u>	<u>(19,854,976)</u>
Cash flows from Financing Activities			
Prior Year adjustments		-	13,674,591
Donated Assets		-	8,351,912
Net Cash Flow from Financing Activities		<u>-</u>	<u>22,026,503</u>
Increase/(decrease) in Cash and Cash Equivalents		<u>(92,133,321)</u>	<u>90,102,331</u>
Cash and Cash Equivalents at the beginning of the year		692,920,726	602,818,395
Cash and Cash Equivalent at the end of the year		<u>600,787,405</u>	<u>692,920,726</u>

The accompanying notes on pages 5 to 14 form an integral part of these financial statements

NATIONAL LAND AGENCY
Notes to the Financial Statements
For the year ended March 31, 2012

1. Identification

The National Land Agency (NLA) was established as an Executive Agency on April 1, 2001. Its principal activities are the provision of an efficient and transparent land titling system, which guarantees security of tenure; a National Land valuation database, which supports equitable property taxation; optimal use of Government-owned lands; and a basic infrastructure on which to build a modern spatial information system designed to support sustainable development. The NLA is regulated by the dictates of government policy and is mandated to achieve strict performance objectives as an Executive Agency.

2. Statement of Compliance

- I. These financial statements have been prepared in accordance with the requirements of the International Public Sector Accounting Standards (IPSAS). The International Public Sector Accounting Standards Board (IPSASB), an independent board of the International Federation of Accountants (IFAC), develops IPSASs.
- II. The preparation of the financial statements to conform to IPSAS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, contingent assets and contingent liabilities at the balance sheet date and the revenue and expenses during the reporting period. Actual results could differ from those estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis and any adjustments that may be necessary would be reflected in the year in which actual results are known.

3. Significant Accounting Policies

i. Basis of preparation

The financial statements have been prepared under the historical cost convention and are presented in Jamaica dollars (\$), which is the reporting currency of the Agency.

ii. Cash and Cash Equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purpose of the cash flow statement, cash and cash equivalents comprise cash at bank, in hand, and deposits.

iii. Receivables

Trade receivables are carried at original invoice amounts less provision made for impairment losses. A provision for impairment is established when there is evidence that the entity will not be able to collect all amounts due according to the original terms of receivables.

iv. Accounts Payable and Accrued Charges

Accounts payables are carried at cost for the supply of goods and services and accruals is based on a fair estimate of liability at the end of the financial year. The amounts are payable within one year.

NATIONAL LAND AGENCY
Notes to the Financial Statements
For the year ended March 31, 2012

3. Significant accounting policies (continued)

v. Property, Plant and Equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment reviews.

Subsequent costs are included in the asset's carrying amount or are recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Agency and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to other operating expenses during the financial period in which they are incurred.

Depreciation on assets is calculated on the straight-line basis at annual rates that will write off the carrying value of each asset over the period of its expected useful life. Annual depreciation rates or period over which depreciation is charged is as follows:

Technical and Scientific Instruments	20 years
Furniture, Fixtures and Fittings	10 years
Computers	5 years
Office Equipment	10 years
Motor Vehicles	5 years
Plant and Machinery	10 years

Property, plant and equipment are reviewed periodically for impairment. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

v. Amortization of Donated Assets Reserve

The reserve is written off on a straight-line basis over the life of the assets.

vi. Provisions

Provisions are recognized when the entity has a present legal or constructive obligation because of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

vii. Financial Instruments

A financial instrument is any contract that gives rise to both a financial asset of one entity and a financial liability or equity instrument of another entity. The Agency's financial instruments at March 31, 2011 were receivables and payables.

NATIONAL LAND AGENCY
Notes to the Financial Statements
For the year ended March 31, 2012

3. Significant accounting policies (cont'd)

viii. Revenue Recognition

Revenue is fees earned and is measured at the fair value of the consideration received or receivable and represents amount recoverable for services provided in the normal course of business.

GOJ Financing/Subvention is recognized when it is received.

Interest revenue is recognized in the income for all interest bearing instruments on an accrual basis.

ix. Taxation

No provision has been made for taxation, as the Agency is tax exempt as per section 12(b) of the Income Tax Act.

x. Deferred income

Amounts collected for services rendered are not recognized as income until the product/service requested are transferred to customers. The amounts relating to those products/services that have not been transferred to the customer by the date of the Statement of Financial Position are recognized as deferred income and included as income in the period in which the customer has been satisfied.

4. Financial Risk Management

Financial Risks

The Agency's activities expose it to a variety of financial risks: market risks (including currency risk and price risk), credit risk, liquidity risk, interest rate risk and operational risk. The Agency's overall risk management policies are established to identify and analyze risk exposure and to set appropriate risk limits and controls to monitor risk. The risk management framework is based on guidelines set by management and seeks to minimize potential adverse effects on the Agency's financial performance.

a. Price Risk

Price risk is the risk that the value of financial instruments will fluctuate because of changes in market prices. Accounts receivable and payable would be affected by this.

b. Currency Risk

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

c. Interest Rate Risk

Interest rate risk is the risk that the interest earned on interest bearing bank account balances will fluctuate due to changes in market interest rate. The Agency's interest rate risk arises from deposits as follows:

NOTES TO FINANCIAL STATEMENTS

For the year ended March 31, 2012

8

NATIONAL LAND AGENCY
Notes to the Financial Statements
For the year ended March 31, 2012

4. Financial Risk Management (continued)

c. Interest Rate Risk

	2012	2011
	\$	\$
Investment	2,204,478	4,271,447
EMD Savings	385,858,726	337,032,878
Staff Loans	17,395,740	17,311,289
	405,458,944	358,615,614

d. Liquidity Risk

Liquidity risk is the risk that the Agency will encounter difficulty in raising funds to meet its commitments associated with financial instruments. The risk is managed by maintaining sufficient cash and cash equivalent balances.

	Carrying Amount	Contracted	1 Year	1-3 Years
	\$	\$	\$	\$
March 31, 2012				
Payables to Consolidated Fund	48,628,177	48,628,177	48,628,177	-
Employee benefits	260,339,448	260,339,448	-	260,339,448
Payables and Accruals	48,700,813	48,700,813	48,700,813	-
Customer Deposit	148,228,828	148,228,828	148,228,828	-
	505,897,266	505,897,266	245,557,818	260,339,448
March 31, 2011				
Payables to Consolidated Fund	48,683,457	48,683,457	48,683,457	-
Employee benefits	182,702,526	182,702,526	-	182,702,526
Payables and Accruals	35,051,546	35,051,546	35,051,546	-
Customer Deposit	173,635,986	173,635,986	173,635,986	-
	440,073,515	440,073,515	257,370,989	182,702,526

e. 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. The Agency has the following cash resources:

	2012	2011
	\$	\$
Cash and cash equivalents	598,582,927	688,649,279
Investments	2,204,478	4,271,447
Staff Loans	17,395,740	17,311,289
Accounts receivable	64,518,002	79,431,728
	682,701,147	789,663,743

NOTES TO FINANCIAL STATEMENTS

For the year ended March 31, 2012

9

NATIONAL LAND AGENCY
Notes to the Financial Statements
For the year ended March 31, 2012

5. Property, Plant and Equipment

Details	Building	Furniture, Fixtures & Fittings	Motor Vehicles	Plant & Machinery	Computers Hardware	Office Equipment	Technical & Scientific Instruments	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Cost/Valuation								
1-Apr-11	12,139,603	42,555,220	38,205,198	20,968,312	91,903,251	15,983,220	17,411,651	239,166,455
Additions	3,191,406	1,308,657	-	-	1,818,721	9,370,289	-	15,689,073
March 31, 2012	15,331,009	43,863,877	38,205,198	20,968,312	93,721,972	25,353,509	17,411,651	254,855,528
Depreciation								
1-Apr-11	2,810,352	20,546,229	28,336,068	16,538,900	58,095,846	7,684,284	4,655,223	138,666,902
Charge for the year	766,550	2,757,219	5,001,742	454,223	11,737,440	1,342,474	700,024	22,759,672
March 31, 2012	3,576,902	23,303,448	33,337,810	16,993,123	69,833,286	9,026,758	5,355,247	161,426,574
NBV March 31, 2012	11,754,107	20,560,429	4,867,388	3,975,189	23,888,686	16,326,751	12,056,404	93,428,954
NBV March 31, 2011	9,329,251	22,008,991	9,869,130	4,429,412	33,807,405	8,298,936	12,756,428	100,499,553

NOTES TO FINANCIAL STATEMENTS

For the year ended March 31, 2012

10

NATIONAL LAND AGENCY
Notes to the Financial Statements
For the year ended March 31, 2012

6. Intangible Assets

	Computers Software \$
Cost/Valuation	
At April 1, 2011	15,262,977
Reclassified	(1,396,479)
March 31, 2012	13,866,498
Amortisation	
At April 1, 2011	9,220,871
Charge for the year	2,337,808
March 31, 2012	11,558,679
NBV March 31, 2012	2,307,819
NBV March 31, 2011	6,042,106

7. Accounts Receivable

	2012 \$	2011 \$
Accounts Receivable - Returned cheques	1,694,720	1,545,578
Accounts Receivable - General	21,002,893	48,958,431
Staff loan	17,395,740	17,311,288
Accounts Receivable - Seabed Receivable	10,727,723	9,388,746
Other Receivables	20,622,591	19,538,973
Accounts Receivable - Credit note	8,851	-
Salaries Payable - Statutory Deductions	9,986,389	-
Contractors Retention	474,835	-
	81,913,742	96,743,016

8. Prepaid expenses and Advances

	2012 \$	2011 \$
Prepaid Expenses and Advances	29,554,354	19,522,260
Capital A advances	1,807,232	1,807,232
Travel Advances	1,669,238	721,394
Salary Advances	21,948,044	15,231,615
	54,978,868	37,282,501

NOTES TO FINANCIAL STATEMENTS

For the year ended March 31, 2012

11

NATIONAL LAND AGENCY
Notes to the Financial Statements
For the year ended March 31, 2012

9. Cash and cash equivalents

	2012	2011
	\$	\$
Cash at bank	597,399,088	659,393,171
Cash in hand	1,183,839	29,256,110
Investment	2,204,478	4,271,445
	600,787,405	692,920,726

10. Payable to Accountant General

	50% Net Profit	100% Assurance Fund	Total
	\$	\$	\$
Amount owing as at April 1, 2011	47,405,272	1,278,185	48,683,457
Amount accrued during the year	-	8,114,555	8,114,555
Less amount paid during the year	-	(8,169,835)	(8,169,835)
Balance as at March 31, 2012	47,405,272	1,222,905	48,628,177

- i. These amounts represent the required 50% remittance of gross revenue earned by the NLA to the Consolidated Fund for the financial year ended March 31, 2012.
- ii. These amounts represent 100% of the funds collected as per requirement under the Registration of Titles Act. 100% of amounts collected should be paid over to the Accountant General's Department.

11. Employee Benefits

	2012	2011
	\$	\$
Provision for Gratuity	39,014,552	16,849,701
Provision for Vacation Leave	30,198,624	32,023,159
Provision for Increment	11,459,321	-
Provision for Incentive	179,666,951	133,829,666
	260,339,448	182,702,526

12. Payables and Accruals

	2012	2011
	\$	\$
Accounts Payable Suppliers	29,510,882	18,644,340
Salaries Payable - Statutory Deductions	6,387,186	3,604,461
Capital 'A' Payables	12,802,745	12,802,745
	48,700,813	35,051,546

NOTES TO FINANCIAL STATEMENTS

For the year ended March 31, 2012

12

NATIONAL LAND AGENCY
Notes to the Financial Statements
For the year ended March 31, 2012

13. Customer Deposits

	2012	2011
	\$	\$
Customer Deposits	11,450,071	12,761,922
Other Payables	134,922,095	159,017,401
National Irrigation Commission	1,856,662	1,856,663
	148,228,828	173,635,986

14. Deferred Income – E-Land

This represents deposits from customers via the E-Land web-based services. The balance reflects customers' unutilized amounts.

	2012	2011
	\$	\$
Deferred Income (E-Land)	26,887,769	9,955,989

15. Estate Management

This represents monies collected for the sale, rental or lease of Government owned property. The amounts collected are held in trust for the various agencies and are paid over accordingly. The balance on the fund is:

	2012	2011
	\$	\$
Estate Management Reserves April 1st.	445,853	445,853
Crown Property Sales (Deposit)	73,447,410	64,406,404
Land Settlement Deposits	2,776,722	1,508,733
Crown Property Sales (Installments)	72,194,620	135,487,950
Accommodation (Residential)	7,728,335	9,155,271
Accommodation (Commercial)	(206,165)	22,032,012
Sale of Accommodation (Residential)	11,355,280	11,335,280
Crown Lands Lease	76,143,187	104,468,236
Land Settlement Lease	6,886,977	10,070,043
Other Deposited Funds	204,570,222	154,412,122
Miscellaneous Revenue	1,628,521	759,057
Interest Earned	1,882,140	1,882,140
Land Settlement 1/2 Registration Cost	18,117	509,260
Legal Fees and bank charges	4,295,466	679,064
	463,166,685	517,151,425

NOTES TO FINANCIAL STATEMENTS

For the year ended March 31, 2012

13

NATIONAL LAND AGENCY
Notes to the Financial Statements
For the year ended March 31, 2012

16. Government of Jamaica Capital Investment

This represents initial national loans received from the Government of Jamaica deemed to be expended on capital assets retained by the Agency at April 1, 2001. The Agency has now converted these to equity in accordance with changes in GOJ policy.

17. Donated Assets Reserve

This represents the residual value of the assets donated to the Agency by the GOJ through the Public Sector Modernization Programme on April 1, 2001. The values of assets were credited to the Donated Assets Reserve.

18. Staff Cost

	2012	2011
	\$	\$
Salaries	792,840,394	826,435,070
Travelling and subsistence	119,877,960	14,800,417
Retirement benefits	1,390,155	21,152,047
	914,108,509	862,387,534

(I) **Salary Earnings over \$1M excluding travelling**

	2012	2011
Salary Bands (\$)	<i>No. of Staff</i>	<i>No. of Staff</i>
1,000,000 - 1,250,000	75	96
1,250,001 - 1,500,000	64	57
1,500,001 - 1,750,000	18	2
1,750,001 - 2,000,000	6	12
2,000,001 - 2,250,000	8	13
2,250,001 - 2,500,000	9	1
2,500,001 - 2,750,000	1	5
2,750,001 - 3,000,000	4	14
3,000,001 - 3,250,000	10	1
3,250,001 - 3,500,000	3	2
3,500,001 - 3,750,000	1	2
3,750,001 - 4,000,000	3	3
4,000,001 - 4,750,000	4	1
4,750,001 - 5,000,000	0	0
5,000,001 - 5,750,000	1	1
5,750,001 - 6,000,000	0	0
6,000,001 - 6,500,000	1	0
	208	210

NOTES TO FINANCIAL STATEMENTS

For the year ended March 31, 2012

14

NATIONAL LAND AGENCY
Notes to the Financial Statements
For the year ended March 31, 2012

Executive Salaries

	Salary	Travelling	Allowances	Gratuity	2012	2011
	\$	\$	\$	\$	\$	\$
Chief Executive Officer	5,923,732	397,750	521,386	-	6,842,868	6,227,458
Director Corporate Services	3,529,971	796,500	-	-	4,326,471	4,597,796
Director Business Development & Technology	3,850,878	796,500	547,553	-	5,194,931	4,473,518
Director Corporate Legal Services	4,086,623	796,500	162,304	2,965,110	8,010,537	4,922,824
Director Land Titles	4,635,786	796,500	-	-	5,432,286	6,128,323
Director Surveys and Mapping	4,086,623	796,500	-	-	4,883,123	4,615,774
Director Land Valuations	3,772,296	796,500	-	-	4,568,796	4,989,720
Director Estate Management	4,086,623	796,500	-	-	4,883,123	4,615,774
	33,972,532	5,973,250	1,231,243	2,965,110	44,142,135	40,571,187

19. Prior year adjustments:

Accounts Receivable –General

- I. At March 31, 2011 the accounts receivable – General did not include \$33.00 Million which is Estate Management Fees. The amounts were included in the subsidiary ledger but was not posted to the general ledger on the conversion from GMAX to Sage 300.
- II. Additionally, the accounts receivable – general included warrant receivable for electricity payments for Block II that was paid directly from the Consolidated Fund totaling \$15.00 Million. Therefore, the expense was understated; which would have resulted in a reduction in the net deficit for the year ended March 31, 2010.
- III. Further, the 5% management fees charged on the Sale of Land in the amount of \$4.00 Million was credited to accounts receivable- General instead of the 5% management fees in the statement of income. This resulted in an operating profit.

Seabed income/expenses

In the prior financial years, the Agency incorrectly classified income and expenses totaling \$13.9 Million in the Agency's statement of income; this was contrary to the intended purpose of Seabed operations. Funds from tenants that occupy the Block 11 properties are specifically earmarked for maintenance and repairs of Block 11 and Seabed's properties and not for the financial benefits of the Agency.

NATIONAL LAND AGENCY
Statement of Internal Control
For the year ended March 31, 2012

In accordance with the Financial Instructions to Executive Agencies (FIEA), the National Land Agency has adopted a system of internal control to embrace: Financial and Operational Control Systems and Procedures. This includes the physical safeguard of assets, segregation of duties, restricted access, authorization and approval, adherence to policies and procedures and information systems controls.

The Agency prepares its accounting using SAGE 300 Accounting software. The staff members in the accounts department are highly competent. It is continuously emphasized that each staff member must adhere to the established policies and procedures, as any deviation would result in disciplinary action. In addition to restricted access to pertinent data, all systems require password access. Additionally, there is a physical access restriction in areas such as the record storage vaults, print room, and the records and information management department.

Existence of Management Controls

This is achieved through the setting of objectives, effective monitoring of both financial and non-financial indicators, the assessment of changing circumstances that are potentially impacting on the operation of the Agency, and the application of correcting measures.

The Agency's Corporate Planning exercise commences with a set of strategic directions issued by the Chief Executive Officer (CEO) - usually in the month of October. During this exercise, the previous year's performance is assessed and the relevant Directors present the strategic plans and justification for budgetary requirements. These are duly evaluated and approved where applicable.

There exists timely management accounting reports in respect of unit cost and variances and comprehensive reporting on all key performance Indicators and targets. The monitoring of all contracts to ensure that value for money is achieved is an ongoing exercise.

The Offices of the Services Commission, which conducts reviews of the Agency's establishment, organization chart, job selection procedures, training and development, and the provision of human resource advice, audit the Agency's Human Resource Function.

Established procedures and standards are regularly examined by the Agency's Monitoring Unit to ensure adherence. The Unit also ensures that the Agency's financial framework is in place with respect to accountability, transparency, control, and performance.

The Permanent Secretary of the Ministry of Land and Environment convenes regular review meeting to assess the Agency's performance and provide feedback on any policy issues that may arise.

Internal Audit Review

The Internal Audit function is an integral part of the management of the Agency. The Chief Internal Auditor reports to the CEO and remains independent at all times. All internal weaknesses and discrepancies are identified and reported and the necessary measures put in place to correct each. Quarterly reports are prepared and submitted to the CEO and the Audit Committee and includes recommendations for implementation.

NOTES TO FINANCIAL STATEMENTS

For the year ended March 31, 2012

16

NATIONAL LAND AGENCY
Statement of Internal Control
For the year ended March 31, 2012

Audit Committee Review

The Audit Committee, which includes independent members, reviews the report submitted by the Internal Auditor and provides independent advice to the management of the Agency on matters of internal control.

DIRECTORS' COMPENSATION

For the year ended March 31, 2012

Name and Position of Director	Fees (\$)	Motor Vehicle Upkeep/ Travelling or Value of Assignment of Motor Vehicle	Honoraria (\$)	All Other Compensation including Non Cash Benefits as applicable (\$)	Total (\$)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

The NLA did not have an advisory board in 2011/2012, hence no report on Directors' compensation.

SENIOR EXECUTIVES COMPENSATION

For the year ended March 31, 2012

Name and Position of Senior Executive	Year	Salary (\$)	Gratuity or Performance Incentive (\$)	Travelling Allowance or Value of Assignment of Motor Vehicle (\$)	Pension or Other Retirement Benefits (\$)	Other Allowances (\$)	Non-Cash Benefits (\$)	Total (\$)
Elizabeth Stair, Chief Executive Officer/ Commissioner of Lands	2011/2012	5,923,732		397,750		521,386		6,842,868
Stacey Coore-Leslie, Director Corporate Services	2011/2012	3,529,971		796,500		-		4,326,471
Fabian Webb, Director, Business Development and Technology	2011/2012	3,850,878		796,500		547,553		5,194,931
Lois Edwards-Bourne, Director Corporate Legal Services	2011/2012	4,086,623	2,965,110	796,500		162,304		8,010,537
Sophia Williams, Director Land Titles	2011/2012	4,635,786		796,500		-		5,432,286
Trevor Shaw, Director Surveys and Mapping	2011/2012	4,086,623		796,500		-		4,883,123
Eric Allen, Director Land Valuations	2011/2012	3,772,296		796,500		-		4,568,796
Donovan Hayden, Director Estate Management	2011/2012	4,086,623		796,500		-		4,883,123
Total (\$)		33,972,532	2,965,110	5,973,250		1,231,243		44,142,135



Corporate Office

8 Ardenne Road
Kingston 10
Tel: (876) 946-LAND (5263)
(876) 750-LAND (5263)
Fax (876) 978-0021
Website: www.nla.gov.jm
Email: asknla@nla.gov.jm
Hotline: 1-888-991-LAND (5263)

Business Offices:

Land Valuation Division
8 Ardenne Road
Kingston 10
Fax (876) 978-0021

Land Titles Division
93 Hanover Street
Kingston
Fax: (876) 922-3858

Surveys and Mapping Division
23 ½ Charles Street
Kingston
Fax: (876) 967-1010

Estate Management Division
20 North Street
Kingston
Fax: (876) 967-5083

Central Regional Office
Shop G1-G6
Golf View Shopping Centre
5 ½ Caledonia Road
Mandeville, Manchester

Western Regional Office
3 Federal Avenue
Montego Bay, St. James
Fax: (876) 952-1549

Northern Region Office
51 Warren Street
Port Maria, St. Mary
Fax: (876) 725-0195

Estate Management Regional Offices:

RADA
Belfast, Morant Bay
St. Thomas
Fax: (876) 982-1443

RADA
Haughton Court
Lucea, Hanover
Tel: (876) 956-2252

RADA
Folly Road
Port Antonio, Portland
Tel: (876) 993-2763 / 2687

RADA
Claremont
St. Ann
Tel: (876) 972-4978

Ministry of Agriculture & Fisheries
Bodles
St. Catherine
Tel: 983-2281

RADA
Vanity Fair
Linstead
St. Catherine
Tel: (876) 985-6324-5

RADA
63 Coke Drive
Santa Cruz
St. Elizabeth
Tel: (876) 966-2285

RADA
Llandilo
Savanna-la-mar
Westmoreland
Tel: (876) 955-2767 / 4446

RADA
Denbigh
Clarendon
Tel: (876) 786-0784

RADA
Catherine Hall
Montego Bay, St. James
Tel: (876) 952-1876 / 1879
Fax: (876) 971 3251

RADA
9 Seaboard Street
Falmouth, Trelawny
Tel: (876) 954-5601



National Land Agency
8 Ardenne Road
Kingston 10
www.nla.gov.jm