



**Toll Authority**



ANNUAL  
**REPORT**  
2020/2021



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# THE MINISTER'S MESSAGE

THE HON. ROBERT MONTAGUE, CD, MP  
Minister of Transport and Mining



The past year has been most challenging with the presence of COVID-19 in Jamaica and the many effects it has had on the people and the nation.

The partial lockdown of the country, while necessary, caused economic fallout that affected most industries in a tremendous way. Notwithstanding, the Toll Authority has dutifully maintained its critical role of ensuring that our tolled highways meet that of world standards, while providing the necessary infrastructure to keep this country moving.

Jamaica's economy is heavily reliant on road transportation for business, domestic travel and the movement of freight. This heightens the necessity for system improvements and continued development of our road infrastructure. Through it all, the Toll Authority remained committed to providing a toll road network of international standards, while ensuring compliance with the relevant global benchmarks.

The Authority has maintained strict adherence to the Toll Roads Act and Regulations, the Public Bodies Management and Accountability Act, as well as the Financial Administration and Audit Act. Through these compliance initiatives, a high standard of corporate governance was maintained in the discharge of the Board's responsibilities. On this note, I congratulate the board and staff at the Toll Authority for their dedication to excellence during the period of review and beyond.

Safety remains a primary concern for this Government, particularly on the nation's roads, and a reduction in the number of motor vehicle crashes remain a target for the Toll Authority. To this end maintenance work continues to ensure proper drainage, escape lanes, guard rails and barriers. However, it is imperative that users exercise greater caution while traversing the toll roads.

The Authority has performed remarkably well, given the circumstances, for "without continual growth and progress, such words as improvement, achievement, and success have no meaning" (Benjamin Franklin). So as we look to the years ahead, I expect to witness the growth and development of the Toll Authority like never before.

I therefore reaffirm my commitment to doing everything within my power to enhance and elevate the Toll Authority, as we work together in achieving Vision 2030 in making "Jamaica the place of choice to live, work, raise families and do business"... and travel.

  
Robert Montague

# THE CHAIRPERSON'S MESSAGE

HON. WILLIAM 'BILLY' SHAGOURY, CD, OD, JP  
Chairperson



**V**ision 2030 Jamaica envisions the development of world-class transport infrastructure, contributing to improved quality of life for Jamaicans.

Consequently, the work of the Toll Authority in regulating and maintaining the toll road at the highest international standards is significant. As Chairman of the Board of Directors, it is my duty to ensure that we are committed to upholding a robust corporate governance framework to protect and preserve the resilience of the Authority, even in the face of one of the most challenging years of the 21st century.

The Government's restrictions to control the spread of the COVID-19 disease and protect our people, though essential, have resulted in negative economic consequences. At the top of our priority list, we ensured that the highways were maintained at the highest standards, and our ongoing work to expand the toll road was not disrupted.

As we navigated these challenging times, the Board of Directors ensured that our responsibility to all the stakeholders of the toll road was underpinned by good communication and the promotion of goodwill generally, as we developed new strategies and policies that guided our way forward. Nevertheless, our performance has gone extraordinarily well as we rose to the occasion and made the best of the situation.

We are optimistic about this new financial year. We will continue to work towards our mission of ensuring that Jamaica's toll roads are effectively and efficiently developed and managed with the agreed performance and safety standards, service levels and practices, and assist in creating an enabling environment for all stakeholders. This new year will allow us to manage the lessons learnt and the risks associated with the pandemic along with other threats whilst balancing the needs of our staff, partners, communities and stakeholders as we continue to grow from strength to strength.

On behalf of the Board of Directors, I thank our dedicated staff led by our hardworking CEO for their contribution towards achieving the mandate of the Authority. In closing, let me urge our stakeholders to work with us to achieve the highest levels of safety, guaranteeing that we contribute to the Vision 2030 Strategy of completing an islandwide highway network to enable expansion and rationalization of Land Transport Infrastructure.

  
William 'Billy' Shagoury



# THE CHIEF EXECUTIVE OFFICER'S OVERVIEW

**LERONE LAING**  
Chief Executive Officer

**T**he fiscal year 2020/2021 was a unique year for Jamaica and in particular for the Tolling Industry.

The impact of the global pandemic was felt in the industry through reduced patronage on the toll roads with some sections experiencing up to a fifty-five percent (55%) reduction in usage. This was due in part to the implementation of work-from-home arrangement implemented by the Government of Jamaica to slow the spread of the COVID-19 virus. The work-from-home schedules, coupled with the curfews implemented to limit the movement of people, meant that our role as regulator took on an even more significant meaning.

The Toll Authority now had to ensure that the protocols implemented by the operators were adequate and this required weekly reviews of the COVID-19 operational plans to ensure these remained relevant and suitable in such a dynamic environment.

Our toll inspectors' roles increased in relevance during the period as our monitoring of the implementation of the agreed protocols had to be at clinical levels, given the critical importance of adherence. However, the inspectorate rose to the challenge and ensured that they met their targets in terms of both planned and unplanned inspections.

The Authority also ensured that the relevant exemption permits were issued in a timely manner to the operators to ensure that their workers, who needed to travel outside of the mandated curfew hours, could do so without hindrance.

We continue at the Toll Authority to prepare for the continued expansion and development of the toll road network in Jamaica. The expansion of the East-West leg of Highway 2000 from May Pen to Williamsfield presents a timely reminder of the importance of having sufficient policy provisions and human resources in place to respond to the growing network.

In this regard, the Authority continues to lead the process of developing the National Toll Road Development Plan which is intended to act as a guide to the future development of the toll road network.

The preliminary work was completed in fiscal year 2020/21 with the expectation to begin the procurement process for a consultant in fiscal year 2021/22.

**Lerone Laing**

# CORPORATE PROFILE

The Toll Authority, an agency of the Ministry of Transport and Mining, was established under the Toll Roads Act of 2002 and became operational in 2003. The Toll Authority is mandated under the provisions of the Toll Roads Act to:

- **regulate** the operations and maintenance of the toll roads;
- **monitor** concessionaires' compliance with the terms and conditions of the Concession Agreements; and
- **advise** the Minister on matters of general policy relating to the design, construction, safety, regulation, operation, and maintenance of the toll roads in Jamaica.

Apart from the intended expansion of its activities in keeping with its corporate social responsibility, there is currently no plan to change the nature and scope of the Authority's activities.

Notwithstanding this, there will be a slight modification in the Corporate Plan for the 2020/2021 financial year in order to realign some of the research projects.



# The Toll Authority's Vision, Mission and Core Values



FIGURE 1.0 THE TOLL AUTHORITY'S VISION, MISSION AND CORE VALUES

## VISION *Statement*

To be the premier regulator of a safe, innovative, world-class toll road network that is sustainable.

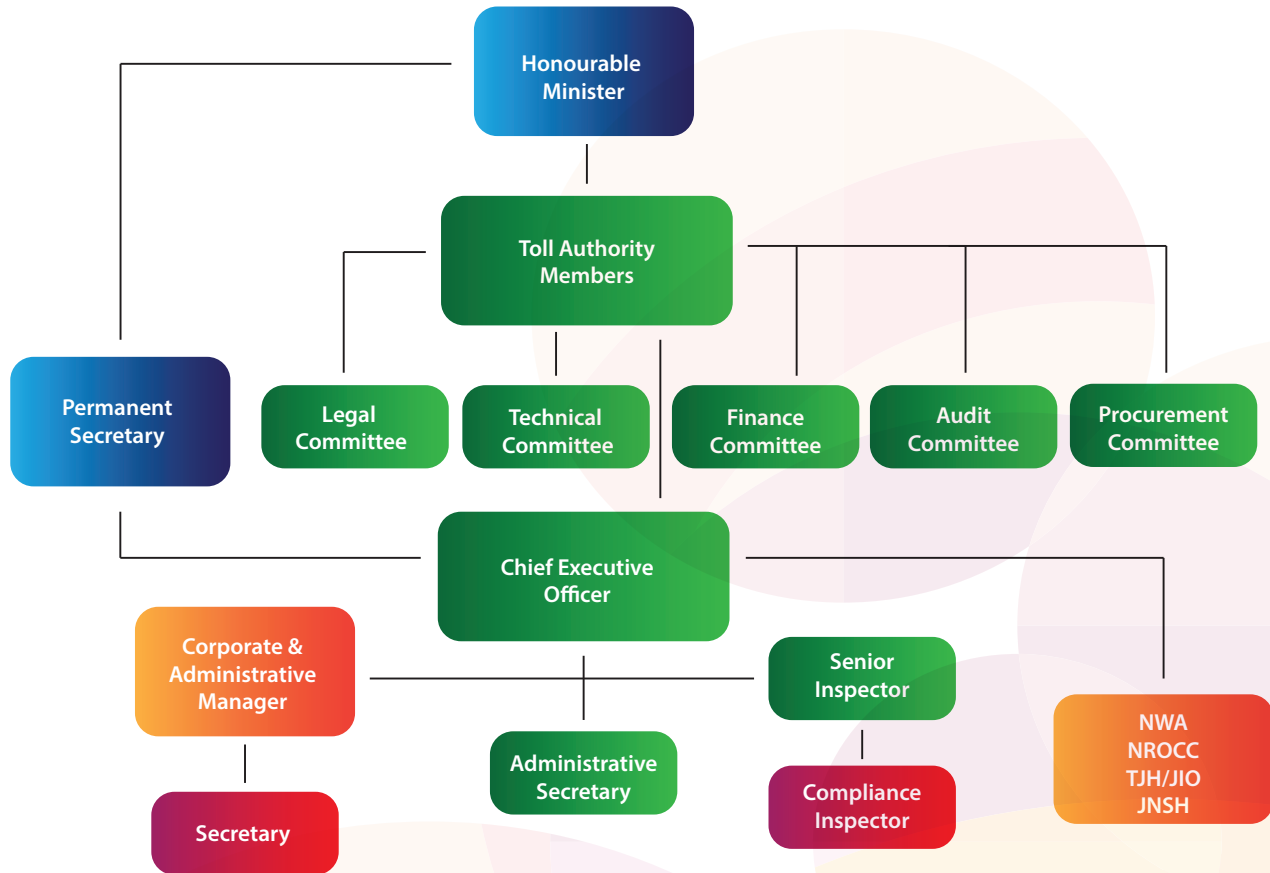
## MISSION AND CORE *Values*

To ensure that Jamaica's toll roads are effectively and efficiently developed and managed in accordance with agreed performance and safety standards; service levels and practices; and assist in creating an enabling environment for all stakeholders.

In carrying out its functions under the Toll Roads Act, the Authority must perform in a manner it considers best geared to:

- advance the reasonable interests of the users of the toll roads by establishing a system for the regulation of tolls that takes account of those interests;
- promote the efficient, economic and profitable operation of toll roads; and
- create an enabling environment for potential investors in toll roads.

# Toll Authority's Organizational Structure



**FIGURE 1.1: THE TOLL AUTHORITY'S ORGANIZATIONAL STRUCTURE**

During the 2020/2021 financial year, the core functions of the Toll Authority were effectively performed by six (6) full-time staff members, a part-time accountant and a part-time corporate secretary. Our parent ministry, the Ministry of Transport and Mining, carried out the functions of Human Resource Management and Information Technology.

## MANAGEMENT AND STAFF

<b>Mr. Lerone Laing</b>	- Chief Executive Officer (Acting)
<b>Mr. Delon Wauchope</b>	- Senior Toll Inspector
<b>Mrs. Kerry-Kay Holness</b>	- Corporate and Administrative Manager
<b>Mr. Kevan Taylor</b>	- Toll Compliance Inspector
<b>Ms. Laura McPherson</b>	- Administrative Secretary
<b>Ms. Rose Donaldson</b>	- Secretary



# CORPORATE GOVERNANCE

During the period of this review, the Board provided oversight to the Authority in order to enhance the interests of Highway 2000 stakeholders and other toll roads users, and offered strategic guidance and direction to the Authority.

Meanwhile, there continued to be strict adherence to the Toll Roads Act and Regulations, the Public Bodies Management and Accountability Act, as well as the Financial Administration and Audit Act. Through these compliance initiatives, a high standard of corporate governance was maintained in the discharge of the Board's responsibilities.



# BOARD MEMBERS AS OF NOVEMBER 2020 PROFILES



**HON. WILLIAM "BILLY" SHAGOURY  
– CHAIRMAN**

The holistic development of a society depends to a large extent on its people who are committed, dedicated and willing not only to show concern for the welfare of others, but to do something to change their circumstances for the better.

William Leon Shagoury is one such person. A graduate of Campion College, he pursued tertiary level training at CAST (now the University of Technology), where he majored in Business Administration and Cost Accounting.

Being philanthropic by nature, he was instrumental in making the lives of the disabled children of the New Horizons School of Hope, May Pen, more comfortable. In partnership with the Kiwanis Club of May Pen, he saw to the construction of additional classrooms, a lunchroom and a workshop at the school.

Mr. Shagoury has provided support to the health sector through the organizations he serves by sourcing generators and assisting with general maintenance as well as upkeep of the May Pen and Chapelton Hospitals. He also contributed to the erection of the Lions Club Health Centre and the building of a generator house at Foga Road, Denbigh, as well as sourcing the generator.

His contribution to the education sector is tremendous; he has supported a number of students with full and partial scholarships as well as providing the framework for on-the-job training.

Mr. Shagoury is a friend to the police and believes in supporting any effort that will enhance community safety. In fact, his first gift to the police was the donation of a television to the Matilda's Corner Police Station when he was just 15 years old. Later, he was instrumental in building a canteen and dining area as well as an extension of the Criminal Investigation Bureau of the May Pen Police Station.

Mr. Shagoury advocated for the May Pen Police Station (which was in a deplorable condition) to be relocated from the Main Street to its present site at Brooks Avenue. He has also led crime prevention programmes in Canaan Heights and Effortville, two of the most volatile and vulnerable communities in the May Pen Area.

Mr. Shagoury has donated asphalt to assist in paving the roadway from the Mineral Heights round-a-bout to Lionel Town. He also contributes extensively to the Fire Department and the Rural Agricultural Development Authority as well as to Food for the Poor and numerous other charitable causes.

His volunteerism is highly commendable and he has served innumerable committees and civic organizations. He has received numerous awards from various entities for his outstanding voluntary service.

In his professional/business capacity, he is a Director of Petroleum Company of Jamaica Limited, Shagoury's Hardware & Supplies Limited, Bill's Gas & Appliances Limited, Sha-Gore Aggregates Limited, Coastal Gases Limited, and Middlesex Construction & Equipment Co. Limited.

He was conferred with the National Awards of Order of Distinction by the Government of Jamaica in 2006, and the Commander of the Order of Distinction in 2011. He is currently Custos Rotulorum for the Parish of Clarendon.

He is married to Jill, an Australian, and the union has produced two daughters – Shannon and Stephanie.

# BOARD MEMBERS PROFILES Cont'd



**YVONNE BARNETT-RUSSELL,  
J.P. – DIRECTOR**

Yvonne Barnett-Russell is the Director, Legal Services at the Ministry of Transport and Mining. She has been newly appointed as the ministry's representative on the Board of the Toll Authority, it being an agency reporting to the Ministry of Transport and Mining. She has over 23 years' experience working with the

Government of Jamaica. Her practical expertise and years in the service include her work in the areas of legislation, covering land transportation, aviation, maritime, and mining. Her experience also covers commercial law, conveyancing, housing-related matters and corporate law. She has been to the Privy Council on matters affecting the Government of Jamaica.

Mrs. Barnett-Russell's law career began in 1996, where she worked on the Northern Coastal Highway Project as Project Legal Officer until 2001. She later became involved with the

Independent Council of Human Rights. She returned to the Government Services in 2004, joining the then Ministry of Transport and Works (now the Ministry of Transport and Mining), dealing with matters relating to public transport, roads and road traffic, aviation, maritime affairs, housing, mining and dispute resolutions.

Born in St. Ann, she is a graduate of York Castle High School; The University of the West Indies where she was awarded a Bachelor of Arts Degree; Brunel University of West London where she obtained her law degree with honours; and the Norman Manley Law School, where she completed her Certificate of General Legal Education. Mrs. Barnett-Russell subsequently completed a Master of Science Degree in Logistics and Supply Chain Management obtained from the Caribbean Maritime University.

Mrs. Barnett-Russell is also a Justice of the Peace and a very active member in her community, having served on the executive of various community associations. She is married to Carlyon Russell and the proud mother of three children. She enjoys reading, music, dancing and being involved in many outdoor activities.



**TANYA T. BEDWARD, J.P. –  
DIRECTOR (Returning)**

Tanya Bedward has a wealth of knowledge and experience in transport administration at the Central Government level, spanning the areas of transport planning; transport policy development; project development and implementation; as well as government procurement.

She has also taught at the University of Technology, Jamaica on a part-time basis, in the Urban and Regional Planning Programme for several years.

A 2011 Fulbright Scholar, Miss Bedward is currently a Doctoral Candidate at The University of the West Indies, Mona, where she is pursuing transport studies at the Institute of Sustainable Development. She holds a Master of Science in City and Regional Planning (Transport Specialization) from Georgia Institute of Technology, Atlanta, USA and a Master of Science from The University of the West Indies, St. Augustine, in Planning and Development.

In her substantive role as the Senior Director, Transport Policy (International & Land), in the Ministry of Transport and Mining she is responsible for all transport-related policy issues. Miss Bedward represents the Ministry on the Boards of the Toll Authority and the Airports Authority of Jamaica.



**SASHA HARJANI-  
HOTCHANDANI – DIRECTOR**

Sasha Harjani-Hotchandani, the Chief Financial Officer for the Cool Group of Companies is a bright, intelligent, committed and loyal individual. Sasha joined Cool Corp as a Project Manager in 2005 after completing her first degree in Finance with a minor in Spanish, from The University of Western Ontario.

In 2008, she was promoted to Corporate Treasurer and during that period was the steady hand that guided the Cool Group through many storms. Under her stewardship, the company was able to centralize the Group’s Accounts Receivables and Accounts Payables

departments improving on efficiencies and cost cutting measures. Mrs. Hotchandani also played an integral role in strengthening the Group’s profit performance by initiating systems and processes for Inventory Control. She continued to excel in this role while completing her MBA in Banking and Finance at The University of the West Indies in 2010.

She is now responsible for all the financial activities for the Cool Group under the guidance of the Executive Chairman and CEO. She has taken the group from strength to strength where Cool is now a household name in the Jamaican commercial landscape served by a myriad of different Cool brands.

She is married to Rakesh and has two children.

Her hope for the future is to increase Cool’s footprint internationally and eventually see Cool listed on the stock exchange.



**PATRICK L. ROSE – DIRECTOR  
(Returning)**

Patrick Rose is a Civil Engineer with over thirty years’ experience. He earned a Bachelor of Science Degree in Civil Engineering from the University of the West Indies in 1986 and began his career at the Public Works Department (PWD) of the Ministry of Construction (Works). Since joining the PWD in 1986 he has remained there through its

transition to the National Works Agency (NWA). In his post of Director of Planning and Research, Mr. Rose’s responsibilities include the processing of all subdivisions and development applications, and making recommendations to the Parish Municipalities, and the National Environment and Planning Agency for approval of these subdivisions. Other key responsibilities include the build-out and maintenance of the country’s Traffic Signal Plant and the preparation and approval of alignment for new highways islandwide.

Mr. Rose represents the NWA on the Toll Authority’s Board and sits on the board of trustees of the Executive Agencies’ Pension Scheme. He currently chairs the NWA’s Procurement Committee.



**EWAN SIMPSON – DIRECTOR  
(Returning)**

Ewan Simpson has been a practising Attorney-at-law for the last 15 years and holds a Master of Laws degree in intellectual Property from the University of Turin (Italy).

He is currently the General Manager of Legal and Corporate Services at the Transport Authority and serves on several boards, both in the public and

private sectors, including the Entertainment Advisory Board where he is Deputy Chairman, and the Jamaica Reggae Industry Association (JaRIA), where he serves as Chairman.

A graduate of The University of the West Indies, Mona, he also has specialist professional training in Project Management (Mona School of Business); Public Sector Procurement (INPRI); Civil Aviation Management (IATA); and Corporate Governance (Govstrat).



**CHRISTOPHER TOWNSEND – DIRECTOR**

Christopher Townsend is the Managing Partner of TWP Attorneys-at-Law. He has spent more than two decades in the legal field in Jamaica, working both at the public and private bar. He holds a Bachelor of Laws from The University of the West Indies and a Certificate in Legal Education from the Norman Manley Law School and was admitted to practise

law in Jamaica in the year 1998. Chris, as he is affectionately known, is one of Jamaica’s most prominent Criminal Advocates.

He, however, practises several other areas of law to include Commercial and Residential Conveyancing, Environmental Law, Commercial Litigation, Personal Injury and Probate.

Mr. Townsend is an active member of the Kiwanis Club of Meadowvale and has served as its President with distinction. He has been awarded the Godfrey Dyer Award for long and distinguished service to the Kiwanis movement.

Mr. Townsend is also a member of the Bar Association and the Advocates Association of Jamaica, the Legal and Enforcement Sub-Committee of the National Environmental Planning Agency (NEPA) and the Partnership Rule of Law Committee in the Office of the Prime Minister.



**PATRICK COMMOCK – DIRECTOR**

Patrick Commock is an educator with over 30 years’ experience and is presently in the business of transforming young minds into becoming future leaders in society. Throughout his career, he has moulded the minds of many individuals, many of whom are currently serving in various sectors of the corporate world.

He has served in various capacities in the field of education, including Grade Coordinator, Senior Teacher and Acting Head of Department. As an educator, one of his core beliefs is that education is one of the best vehicles to create equal opportunities for all.

He holds a Diploma in Teaching with a major in Industrial Arts from The Mico University College. (formerly Mico Teachers’ College). He also holds a Bachelor of Education Degree in General Technology with a Major in Mechanical Engineering Technology from the University of Technology, Jamaica and is currently pursuing a Master of Science Degree in Sustainable Energy and Climate Change also at the University of Technology. He has also served on the Board of the Peoples’ Co-operative Bank.



**TERRENCE BROWN – DIRECTOR**

Terrence Brown is a young energetic, innovative, problem solving and caring educator who holds a Bachelor of Education Degree in General Technology from the University of Technology, a Diploma in Secondary Education from The Mico University College and several professional development certificates from

Heart/NSTA Trust/NCTVET such as Level 2 in Customer Engagement Operations and Level 4 NVQJ in Assessment. “The challenging and competitive academic path I have

taken has provided me with a high level of analytical and problem-solving skills that any job demands,” says Brown.

Mr. Brown is a hardworking individual whose involvement with the TIP Friendly Society has spanned over 20 years as a contact teacher and also as member of the TIP Friendly Society Credit Committee.

He also is the coordinator for the National Unattached Youth Programme (NUYP) for Westmoreland. In addition, he is an active member of the Peace Management Initiative (PMI) within the Petersfield High School and the surrounding environment. Finally, he is a member of Shrewsbury Citizens Association and the 2nd Vice President of Petersfield Progressive Youth Club.

He has received several awards from his place of employment as well as from the wider society.



**CHARMAINE WALKER – DIRECTOR**

Charmaine Walker is a past student of St. Mary High School. After completing her ‘A’ Levels, she then studied at the Dental Auxiliary School where she graduated as a dental nurse.

Ms. Walker worked in Kingston for a year after graduating from Dental School, and has worked in St. Mary ever since. Not

only is she an avid reader, where she reads almost anything written; she regularly attends numerous conferences and seminars – technology, business and industry-related, in order to expand her knowledge and to maintain her professional currency.

As a “people-person”, Ms. Walker is well known throughout the parish of St. Mary, having worked almost 40 years in the parish, operating out of the dental clinics in Port Maria, Highgate and Gayle. As a dental nurse, working with school children, she has to regularly employ her caring and psychology skills to pacify terrified children.

A lover of sports – mainly cricket, football, and track and field – Ms. Walker has been to several countries as a spectator to many such international events. In fact these trips have created a thirst for travel, so she has visited eighteen countries in all continents, except Australia.

Strongly family oriented, Ms. Walker regularly visits relatives in many parts of the world, and believes that “Smiles make the world more beautiful”, as evidenced in her approach to life, her passion for making fine meals and baked products, and her chosen profession.



**DR. CLOVER MATTOCKS – DIRECTOR**

Clover Mattocks – veterinary surgeon, educator, mentor, and agriculturalist – hails from the farming district of Seaton, St. Mary. At the age of six, she developed a love for the soil and in return for not doing household chores, she negotiated that she would feed the pigs and chickens, which allowed her to be more at one with nature.

Thinking that she could make a difference in the lives of others by improving her own life, she decided that she

could do so by getting a solid education. She completed agricultural education at Elim Agricultural School and the College of Agriculture, Science, and Education, then went off to Moscow, Russia, where she acquired a Doctor of Veterinary Medicine and Surgery, finishing in 2007.

Dr. Mattocks believes in and dedicates her life to nation building and voluntarism, and as a result she has served as director of three Government Boards: The Jamaica Dairy Development Board, the Jamaica 4-H clubs, and is the first female Chairperson of the Jamaica Veterinary Board.

Dr. Mattocks is a bilingual practising veterinarian. She believes that with a well-rounded education in Agriculture and a lifetime of learning you can do anything and serve anywhere.



**PHILLIP MORRISON – DIRECTOR**

Phillip Morrison is the founder of F.I.J. Classifieds Limited and Co-founder of Pure H2O Solutions Limited. He is a focus-driven professional currently serving as Managing Director of Pure H2O Solutions Limited and Business Development Manager of Razwel Project Contracting Company Limited.

Starting out his professional career in customer relations, he developed his personal mantra – Q.S.C. (Quality, Service & Consistency) and has since gained over a decade’s worth of experience and expertise in project management, strategic planning and customer relations across various industries.

Guided by the Bible verse, Luke 12:48, “From everyone who has been given much, much will be demanded; and from the one who has been entrusted with much, much more will be asked,” Mr. Morrison’s life goal is to serve his community and be a positive influence to underprivileged youths.

This will be accomplished through his non-profit, which focuses on helping them learn important life skills while empowering their entrepreneurial mindset.



# BOARD OF DIRECTORS

APRIL 2020-OCTOBER 2020



**HUGH B. FAULKNER**  
(Chairman)



**FITZBERT R. MATTIS**



**CALVIN L. ALLEN**



**SHERNETTE N. GUTHRIE**



**STEPHEN R.P. EDWARDS**



**DAVID H. P. LAZARUS**



**PAULA R. E. FLETCHER**



**TANYA T. BEDWARD**



**DAPHNE R. TAYLOR**



**PATRICK L. ROSE**



**EWAN SIMSPON**



# BOARD STRUCTURE

## ROLES AND RESPONSIBILITIES

During the first seven months of the 2020/2021 financial year, the Toll Authority benefitted from the stewardship of a Board of Directors comprising eleven members. The Authority underwent a transition in November 2020, when a new Board of Directors was appointed by the Government to serve.

These members shared competencies in business, law, finance, engineering, auditing, research, and policy development. The Board assigned responsibilities to Committees to provide direction on specific strategic initiatives to effectively execute and strengthen its governance function.

The Toll Authority's Board of Directors was divided into five (5) Committees, namely Finance, Technical, Legal, Procurement and Audit. Each Committee was guided by a Terms of Reference which outlined its roles and functions. These Committees reviewed and monitored policies, with the guidance and ratification of the Board of Directors. As such, the Board acted on the recommendations of the Committees following their review, and advised on proposals submitted by the Toll Authority's Management team.

It should be stated that no performance evaluation was done in respect of the Board and its members during the period under review. However, going forward, there is full commitment to ensuring that the required evaluation is done annually.

### THE BOARD COMMITTEES ARE SHOWN BELOW

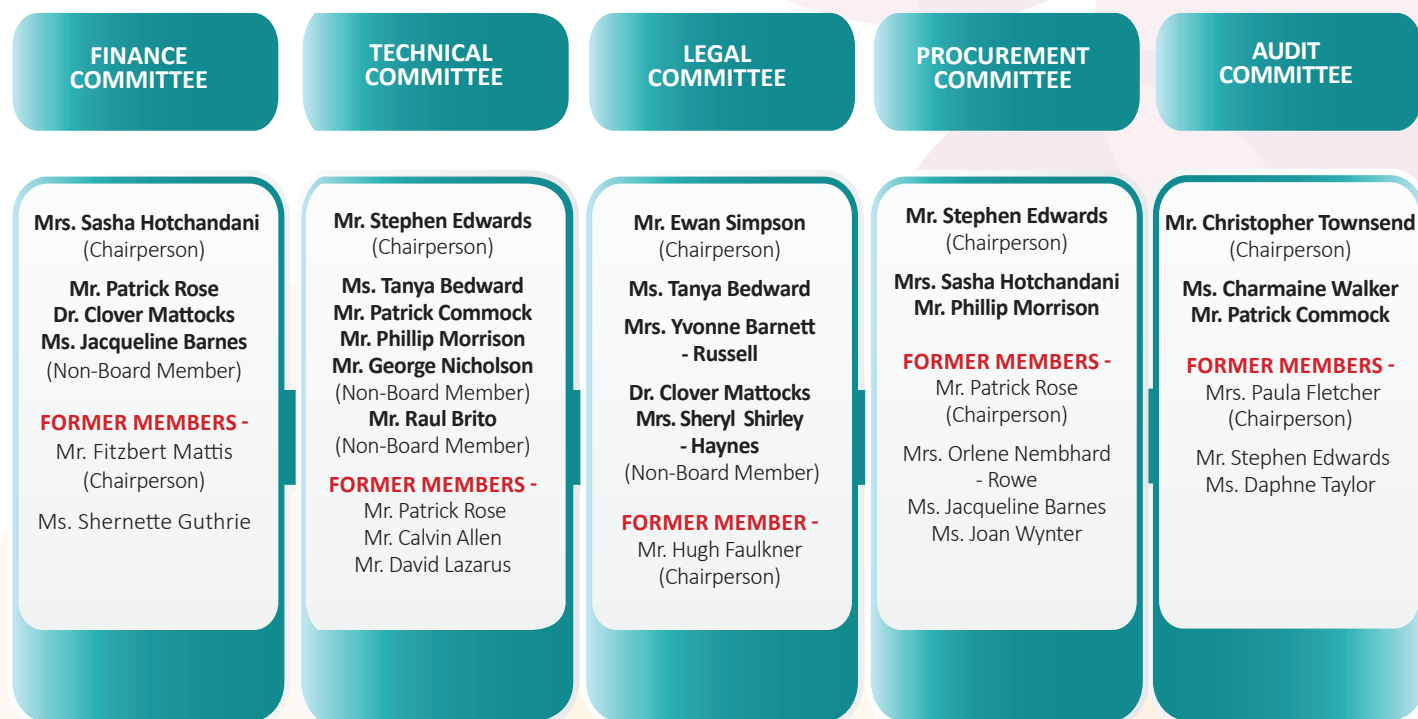


FIGURE 1.2: THE BOARD COMMITTEES



# BOARD AND COMMITTEE MEETINGS

During the 2020/2021 financial year, the Board of Directors held a total of four (4) meetings. The Committees met frequently to discuss matters within their remit and advised the Board accordingly.

ATTENDANCE AT BOARD AND COMMITTEE MEETINGS						
April 2020 – March 2021						
DIRECTORS	BOARD MEETINGS	FINANCE COMMITTEE	TECHNICAL COMMITTEE	LEGAL COMMITTEE	AUDIT COMMITTEE	PROCUREMENT COMMITTEE
<i>November 2020 to March 2021</i>	(4)	(9)	(1)	(1)	(1)	(0)
Mr. William Shagoury	2					
Mr. Patrick Rose	1	3				
Ms. Tanya Bedward	1		1			
Ms. Charmaine Walker	2					
Mr. Patrick Commock	2		1			
Mrs. Sasha Hotchandani	2	3				
Dr. Clover Mattocks	2	3				
Mrs. Yvonne Barnett Russell	0					
Mr. Ewan Simpson	1					
Mr. Phillip Morrison	1		1			
Mr. Christopher Townsend	1					
Mr. Terrence Brown	0					
<i>April 2020 to October 2020</i>						
Mr. Hugh Faulkner	2			1		
Mr. Fitzbert Mattis	2	6				
Mr. Patrick Rose	2	5				
Ms. Shernette Guthrie	2	6				
Mr. David Lazarus	2					
Ms. Tanya Bedward	2			1		
Ms. Daphne Taylor	0					
Mr. Calvin Allen	1					
Mr. Stephen Edwards	0				1	
Mrs. Paula Fletcher	1				1	
Mr. Ewan Simpson	2			1		

# COMMITTEE REPORTS

## FINANCE COMMITTEE

Since February 2021, Mrs. Sasha Hotchandani has chaired the four-member Finance Committee, which met on a monthly basis to review the Authority's financials. Mr. Fitzbert Mattis chaired the meetings for the period April 2020 to November 2020. A total of nine (9) meetings were held during the year.

### Issues Highlighted

1. Monthly financials
2. Allocation of monitoring fees
3. Investment options for the Toll Authority's funds
4. Monthly cash flow forecasts
5. Financial Statements and Audit Report for the Annual Report
6. Board of Directors' meeting expenses
7. Budgetary projections
8. Monthly GCT payments to Tax Administration Jamaica
9. Standard operating procedures
10. Business continuity plan
11. Asset insurance
12. Project status updates

## TECHNICAL COMMITTEE

Mr. Stephen Edwards chaired the six-member Technical Committee which had one (1) meeting during the year.

### Issues Highlighted

1. Applications from the concessionaires for the closure of toll lanes and directions for general traffic management and safety issues
2. Technical matters requiring the Authority's input
  - Technical standards
  - Toll road safety issues
  - Design-related issues
3. Issues relating to the use, benefits, and optimization of the Highway
4. Slope protection activities on the North-South Highway
5. Gazetting of the 60km/H signs
6. Procedure for prosecuting concessionaires based on new regulations
7. The issue of hydroplaning on sections of Highway 2000
8. The need for repairs to the escape lanes along K62 & K65 of the North-South Highway
9. The assessment of repairs to settlements on the East-West Highway

10. Toll Road Comparative Study
11. Social Impact Assessment for Phase 1C of the East-West Highway
12. The presence of advertisements on the North-South Highway and the safety concerns

## LEGAL COMMITTEE

Mr. Hugh Faulkner chaired the Legal Committee during the 2020/2021 financial year and he was supported by a four-member team. During the period one (1) meeting of this committee was convened.

### Issues Highlighted

1. The legislative framework governing the Authority and recommendations and suggestions for its amendment
2. Review of the laws and related documentation
3. Recommendations on policies which have legal implications
4. Review of the new Toll Road Regulations
5. The proposal to integrate the Authority with the Ministry of Transport and Mining
6. The expansion of the Legal Committee

## AUDIT COMMITTEE

Mrs. Paula Fletcher chaired the two-member Audit Committee during the 2020/2021 financial year and one (1) meeting was held during the period.

### Issues Highlighted

1. **A.** Practices and procedures to promote productivity, quality and volumes of service
  - B.** The extent to which the objectives of the organization are being achieved
  - C.** The adequacy, efficiency and effectiveness of the accounting and internal control and systems
2. The financial statements included in the organization's Annual Report
  3. Internal audit of the organization
  4. The annual Auditor's Report
  5. Any ongoing audit or scheduled audit to be carried out

## PROCUREMENT COMMITTEE

No report has been submitted for this Committee as it has been inactive for some time.

# REPORT OF THE BOARD OF DIRECTORS

## TOLL ROADS OF JAMAICA

The Jamaican toll roads comprised of three (3) sections.

**THE EAST-WEST LINK** is managed by the concessionaire **TransJamaican Highway Limited (TJH)**. However, the day-to-day operation and maintenance of this toll road falls within the remit of the **Jamaican Infrastructure Operator Limited (JIO)**.

- 1. Vineyards, Spanish Town and May Pen Toll Roads (T1):**  
From Mandela Highway to May Pen – approximately 45 kilometres (includes Phase 1B ~ 12 kilometres from Sandy Bay to May Pen)
- 2. Portmore Toll Road (T2):**  
From Marcus Garvey Drive to Portmore – approximately six (6) kilometres

**THE NORTH-SOUTH LINK** is managed and operated by the concessionaire **Jamaica North-South Highway Company Limited (JNSHC)**.

- 3. The approximately 66 km long roadway is divided into five (5) distinct sections:**  
Caymanas to Angels; Angels to Linstead; Linstead to Unity Valley; Unity Valley to Lydford; and Lydford to Mammee Bay (Ocho Rios).

## CONDITION OF THE INFRASTRUCTURE ON THE EAST-WEST TOLL ROAD (TJH)

### OPERATIONS & MAINTENANCE HIGHLIGHTS

**Road Surface:** The road surfaces generally remained in good condition. Crack sealing was done along the affected areas in order to preserve the integrity of the pavement substructure. New asphalt pavement was installed along several sections.

**Bridges:** Varying degrees of repair work will be required on some expansion joints of most composite bridges along the toll road. Some expansion joints have completely deteriorated, resulting in water leakage. The Authority recommended the replacement of these joints with

mechanical-type joints, similar to those used at the Hunt's Bay Bridge. This would eliminate the problem of joint failure and the dislodgement of the joint-filled material as a result of corrosion.

**Drainage Structures:** The highway's drainage structures were found to be generally in good condition. The kerb drains were generally in good condition, except for a few drains where restrictions were detected due to improper disposal of garbage, shrubs, cut vegetation and silt. Silt build-up was noticeable in several chutes. This build-up was mainly due to surface water washing the silt down to the base of the chute.

Routine cleaning of the chutes was necessary to ensure continuous flow of surface water from the kerbs via the chutes, to the lined and unlined toe drains.

**Road Markings and Signs:** Road markings remained in a generally good condition notwithstanding the fact that there were several sections that remained in dire need of repair. Raised pavement markers (cat-eyes) along the highway had not been effectively maintained, as there were several sections where these facilities were completely worn.

**Fences:** The replacement of damaged and stolen fences continued to be an expensive venture for TransJamaican Highway/Jamaican's Infrastructure Operator (TJH/JIO). However, the Jamaica Constabulary Force (JCF) has provided continued support through patrol operations and investigations in an effort to address the problem.

## CONDITION OF THE INFRASTRUCTURE ON THE NORTH-SOUTH TOLL ROAD (JNSHC)

**Road Surface:** The road surfaces were generally in good condition. The Escape Lanes along the highway had not been built in accordance with the American Association of State Highway and Transportation Officials (AASHTO) standards and the JNSHC has done some remedial works on the Escape Lanes at K62 and K65 to bring them closer to an approved standard.

**Bridges:** There was currently, no observed structural deficiency associated with the bridges.

**Drainage Structures:** The drainage structures along the highway appeared to be in good condition. Routine cleaning of drains are regularly monitored to keep the functionality of the drains and the flow of water continuous.

# REPORT OF THE BOARD OF DIRECTORS Cont'd

**Road Marking and Signs:** “REDUCE SPEED WHEN WET” signs were placed at strategic positions to deter motorists from speeding in rainy conditions. Speeding on wet surfaces continued to be a major contributor to accidents along the highway. Vegetation often times blocks the signs along

the highway and JNSHC has been instructed to maintain the visibility of signage during routine maintenance programmes.

**Fencing:** There has been ongoing theft and vandalism of fencing along this corridor. This is of great concern to all stakeholders as it creates safety issues and is proving very costly to replace.

## Highlights of MAINTENANCE WORK on the North-South and East-West Highways



**Figure 1.3:** The construction of a new retaining wall along the northbound leg of the North-South Toll Road.



**Figure 1.4:** Road markings being installed along a freshly paved section along the roadway of the East-West Toll Road.

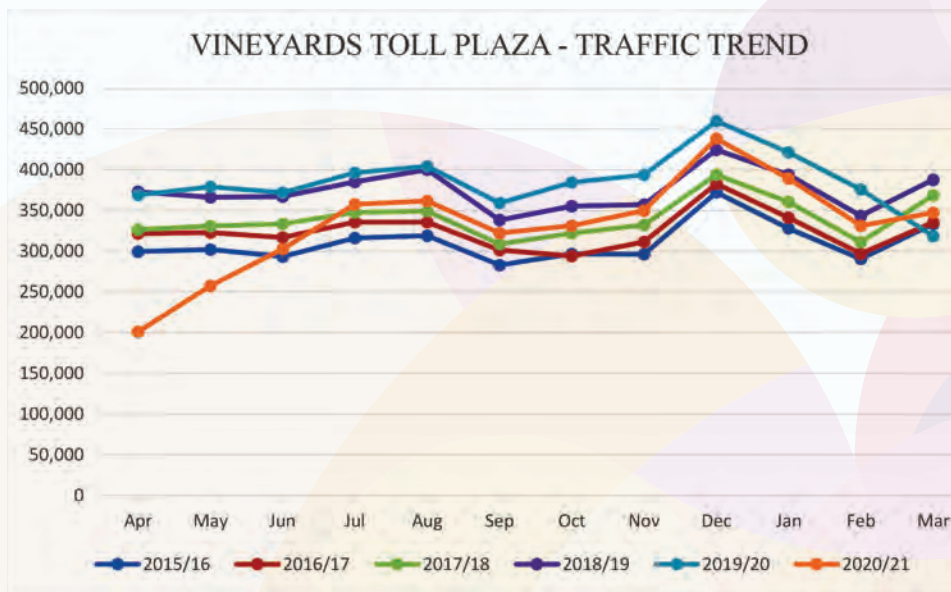


**Figure 1.5:** Tyre shredders being checked to ensure that they are in proper working order. This has to be done on a bi-annual basis before recertification by the Toll Authority.

# TOLL PLAZAS - TRAFFIC TRENDS

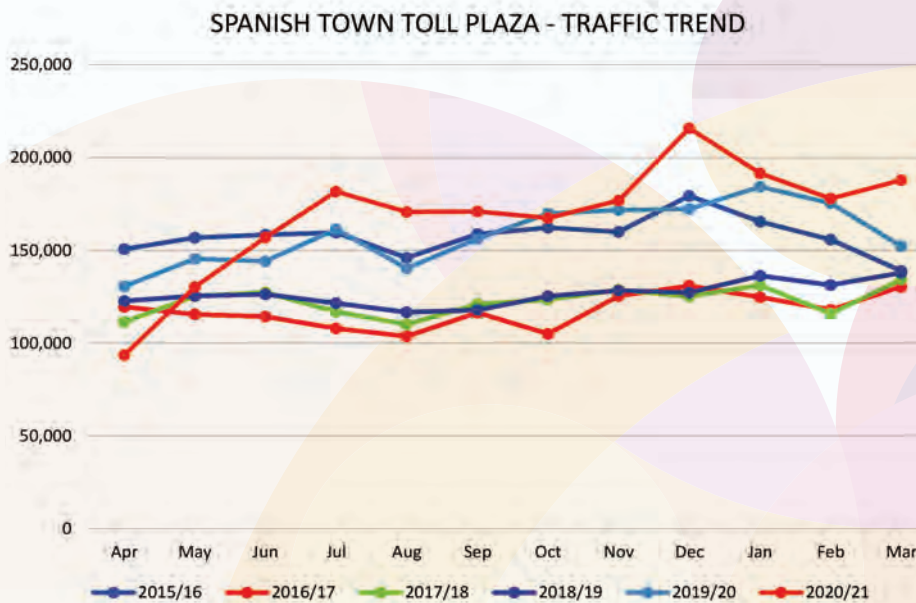
**TABLE 1.0: VINEYARDS TOLL PLAZA – TRAFFIC TREND**

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
<b>2015/16</b>	299,431	302,172	293,560	316,281	319,200	283,021	296,651	296,299	372,252	328,128	290,518	333,418	<b>3,730,931</b>
<b>2016/17</b>	321,670	322,952	316,922	335,845	335,866	301,613	294,002	311,474	382,809	341,209	296,858	335,505	<b>3,896,725</b>
<b>2017/18</b>	326,377	330,974	333,403	347,620	349,308	308,803	322,073	332,328	394,060	360,630	310,940	368,454	<b>4,084,970</b>
<b>2018/19</b>	372,931	366,357	367,184	385,190	400,411	338,219	355,369	357,439	424,605	393,907	343,624	387,796	<b>4,493,032</b>
<b>2019/20</b>	369,172	379,160	372,106	396,502	404,445	359,245	384,576	393,765	459,977	421,408	375,965	318,623	<b>4,634,944</b>
<b>2020/21</b>	200,918	257,431	302,833	357,659	361,787	322,294	331,342	349,780	438,362	389,375	331,274	347,454	<b>3,990,509</b>



## TOLL PLAZAS – TRAFFIC TRENDS Cont'd

TABLE 1.1: SPANISH TOWN TOLL PLAZA – TRAFFIC TREND													
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
2015/16	150,710	156,913	158,455	159,581	146,030	158,833	162,226	159,936	179,422	165,496	155,865	138,939	1,892,406
2016/17	119,536	115,462	114,262	107,875	103,696	116,397	104,979	125,405	130,888	124,808	118,016	130,417	1,411,741
2017/18	111,405	125,327	127,275	116,938	110,110	121,033	123,451	128,750	125,164	131,233	115,827	134,280	1,470,793
2018/19	122,723	125,437	126,309	121,489	116,652	117,849	125,247	128,358	127,322	136,326	131,270	137,892	1,516,874
2019/20	130,644	145,515	144,173	161,446	140,315	156,296	169,839	171,727	172,285	184,333	175,448	152,299	1,904,320
2020/21	93,468	130,337	157,026	181,749	170,661	170,996	167,468	176,819	215,907	191,474	177,903	187,825	2,021,633

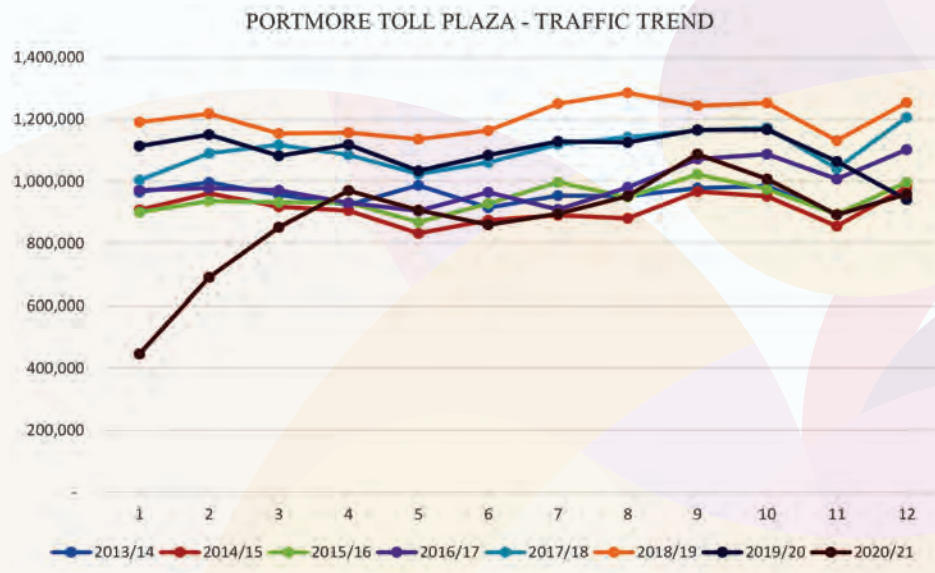




## TOLL PLAZAS – TRAFFIC TRENDS Cont'd

**TABLE 1.2: PORTMORE TOLL PLAZAS  
– TRAFFIC TREND**

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
2013/14	966,430	996,958	957,275	924,860	987,583	915,159	954,339	952,793	978,755	985,436	892,652	960,163	11,472,403
2014/15	908,165	961,633	918,484	906,272	832,865	875,258	891,072	881,130	967,373	952,211	856,136	981,074	10,931,673
2015/16	901,156	936,909	932,799	931,873	868,845	928,762	997,714	949,036	1,022,674	975,123	893,883	996,975	11,335,749
2016/17	972,246	978,748	971,024	930,919	905,491	965,663	909,783	980,823	1,072,525	1,087,833	1,008,222	1,102,433	11,885,710
2017/18	1,004,004	1,090,850	1,118,113	1,085,594	1,023,807	1,061,432	1,119,120	1,142,854	1,164,161	1,172,842	1,041,956	1,206,783	13,231,516
2018/19	1,191,261	1,218,595	1,154,988	1,157,827	1,136,153	1,163,840	1,250,417	1,285,800	1,244,126	1,252,929	1,131,822	1,254,436	14,442,194
2019/20	1,113,957	1,151,228	1,082,615	1,118,615	1,034,337	1,084,780	1,128,967	1,126,249	1,166,649	1,167,095	1,064,693	941,611	13,180,796
2020/21	446,260	691,098	852,457	970,656	907,518	860,801	895,737	953,133	1,087,972	1,007,727	893,101	958,980	10,525,440

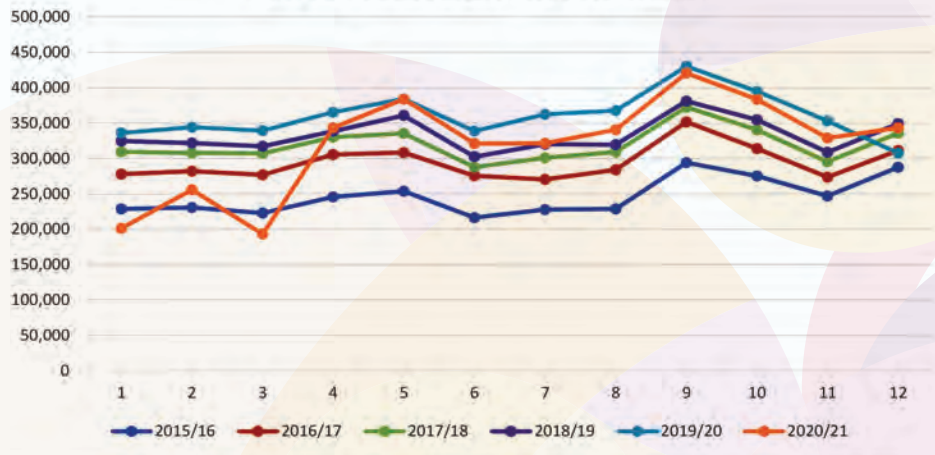


## TOLL PLAZAS – TRAFFIC TRENDS Cont'd

TABLE 1.3: MAY PEN TOLL PLAZA – TRAFFIC TREND

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
2015/16	228,693	230,827	222,780	245,751	253,852	216,457	227,694	228,559	294,140	275,315	246,991	287,749	2,958,808
2016/17	278,024	282,020	276,898	305,668	308,470	275,543	270,388	284,037	351,748	313,914	273,493	311,495	3,531,698
2017/18	309,485	307,967	307,007	330,172	335,343	287,822	300,967	309,030	372,680	340,236	295,536	335,921	3,832,166
2018/19	324,707	321,778	317,394	338,424	360,884	302,454	320,059	319,382	381,147	354,808	308,672	349,064	3,998,773
2019/20	336,025	344,390	339,348	365,299	384,177	338,577	362,373	367,780	430,374	395,126	353,206	307,650	4,324,325
2020/21	446,260	691,098	852,457	970,656	907,518	860,801	895,737	953,133	1,087,972	1,007,727	893,101	958,980	10,525,440

MAY PEN TOLL PLAZA - TRAFFIC TREND



## TOLL PLAZAS – TRAFFIC TRENDS Cont'd

PLAZA	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Vineyards	10,674	9,793	10,305	10,148	9,622	9,615	10,090	11,498	11,191	12,075	12,698	10,933
Spanish Town	5,028	5,125	5,244	5,282	4,763	4,692	5,188	3,868	4,029	4,089	5,217	5,539
Portmore	35,006	33,254	32,797	31,884	31,184	29,943	30,847	32,564	36,251	38,971	36,112	28,837
May Pen	–	–	–	–	7,360	7,378	7,720	9,675	10,499	10,843	11,847	10,514
<b>Total</b>	<b>50,708</b>	<b>48,172</b>	<b>48,346</b>	<b>47,314</b>	<b>52,929</b>	<b>51,628</b>	<b>53,845</b>	<b>57,605</b>	<b>61,970</b>	<b>65,978</b>	<b>65,874</b>	<b>55,823</b>

During the 2020/21 financial year, the average daily traffic recorded was 55,822. This reflected a decrease in usage of 10,053 (-15%) when compared to the previous year, which had an average daily traffic of 65,875.

### NORTH-SOUTH HIGHWAY TRAFFIC TRENDS DURING THE 2020/2021 FINANCIAL YEAR

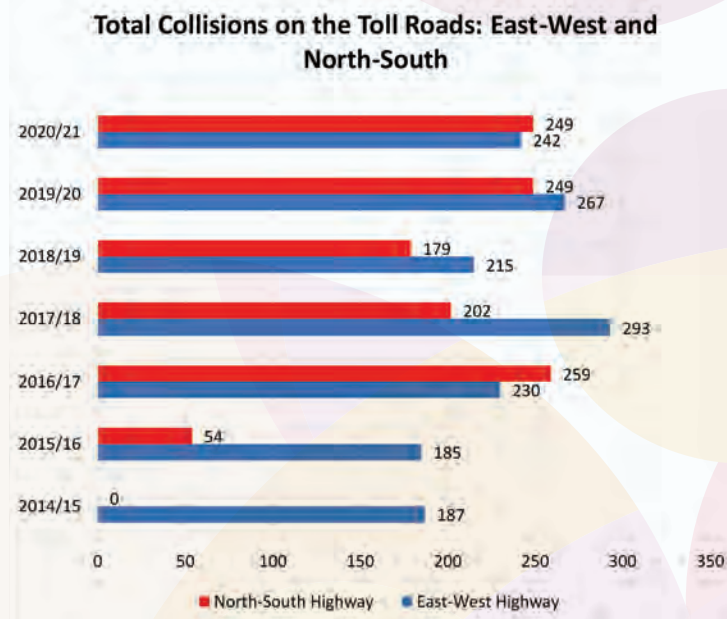
Tables 1.5 and 1.6 below give a detailed representation of the traffic trends for the North-South Highway. December 2019 recorded the highest monthly traffic trend of 13,932 as well as the highest total traffic count of 433,376. During the financial year, traffic on the North-South Highway increased by approximately 510,523 when compared to the 2019/2020 financial year. The North-South Highway had a total traffic count of 3,987,945 in the year under review; as opposed to a total traffic count of 4,448,777 in the previous financial year.

	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	Total
<b>2016/2017</b>	9,842	10,964	9,679	10,978	11,570	9,799	10,260	10,104	14,394	10,693	9,992	9,294	<b>127,569</b>
<b>2017/2018</b>	10,630	9,381	9,609	13,817	10,996	9,281	10,220	10,160	14,519	10,756	10,567	12,743	<b>132,679</b>
<b>2018/2019</b>	11,827	13,943	10,744	10,963	11,796	9,715	10,665	10,580	11,606	11,319	10,385	11,077	<b>134,620</b>
<b>2019/2020</b>	11,407	10,906	11,264	11,977	12,898	11,050	12,105	12,491	13,932	12,852	11,864	7,856	<b>140,602</b>
<b>2020/2021</b>	5,900	7,000	9,900	10,400	11,500	10,500	11,500	11,950	14,000	12,750	12,200	9,215	<b>126,815</b>

## TOLL PLAZAS – TRAFFIC TRENDS Cont'd

	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	Total
2016/2017	246,620	257,026	256,485	287,343	281,046	230,418	229,216	235,127	287,880	260,683	224,543	292,229	3,088,616
2017/2018	263,919	265,492	258,721	287,294	282,759	248,027	272,095	272,327	323,009	299,204	270,137	312,144	3,355,128
2018/2019	318,647	310,777	313,699	342,888	358,164	292,019	327,804	323,731	364,982	344,249	294,032	347,262	3,938,254
2019/2020	349,662	348,313	344,125	385,125	393,811	349,683	395,022	382,600	433,376	409,592	363,589	293,879	4,448,777
2020/2021	171,471	240,651	291,836	352,539	363,645	314,722	355,030	356,562	436,962	397,621	345,034	361,872	3,987,945

## TOTAL COLLISIONS ON THE TOLL ROAD PER ANNUM

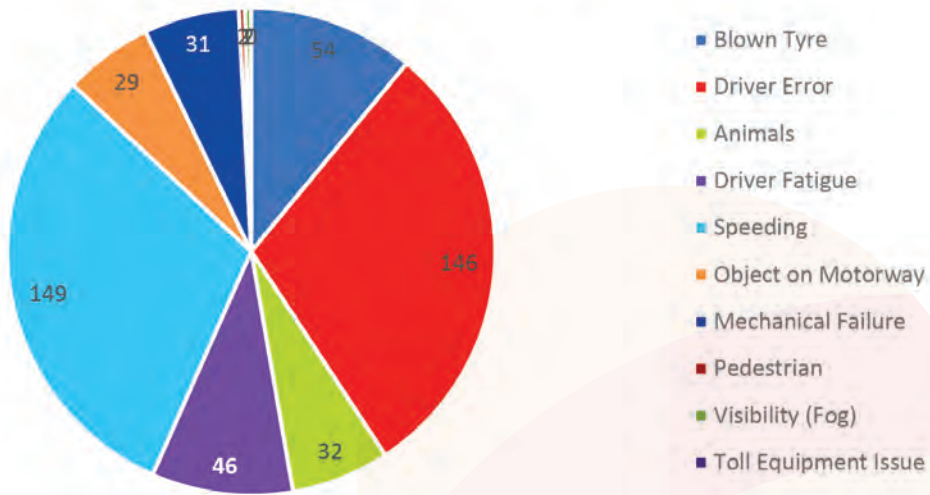


**FIGURE 1.6: TOTAL NUMBER OF COLLISIONS ON THE EAST-WEST AND THE NORTH-SOUTH HIGHWAYS.**

There were 242 collisions on the East-West Highway during the 2020/2021 financial year, while in 2019/2020 there were 267, thereby reflecting a decrease.

In regards to collisions on the North-South Highway, there was no change in 2020/2021 when compared to 2019/2020, which had 249 incidents of collision. The collision data on the North-South Highway for the 2015/2016 financial year was in relation to the Mount Rosser segment only. All sections of the North-South Highway (65 kilometres) were opened during the 2016/2017 financial year.

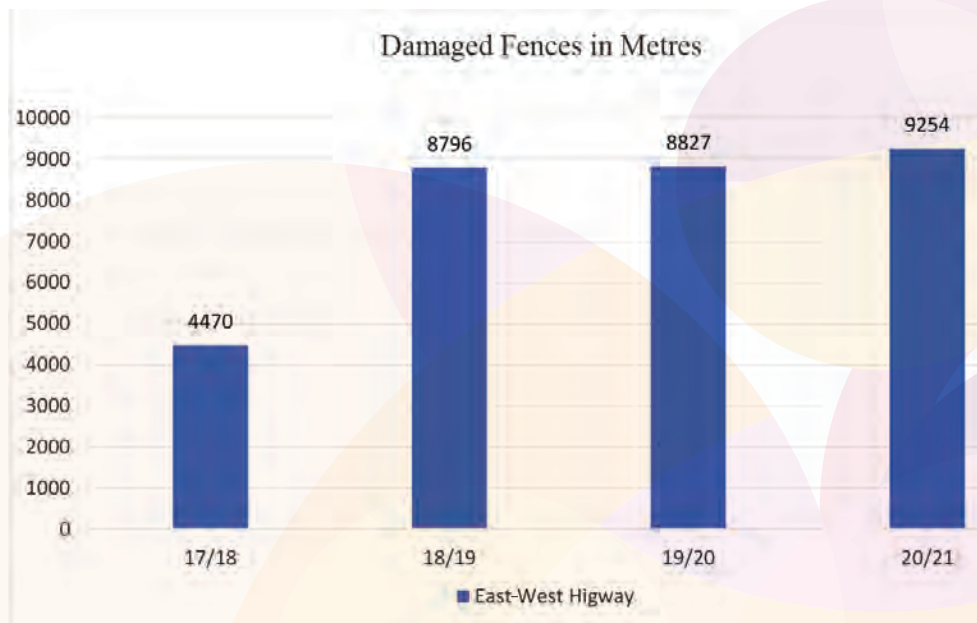
## Identifiable Causes of Collisions on Toll Roads



**FIGURE 1.7: IDENTIFIABLE CAUSES OF COLLISIONS ON TOLL ROADS.**

**Figure 1.7** shows the identifiable causes of collisions on the North-South and East-West toll roads during the 2020/2021 financial year.

Speeding resulted in a total of 149 collisions. Driver error and blown tyres accounted for 146 and 54 collisions, respectively.

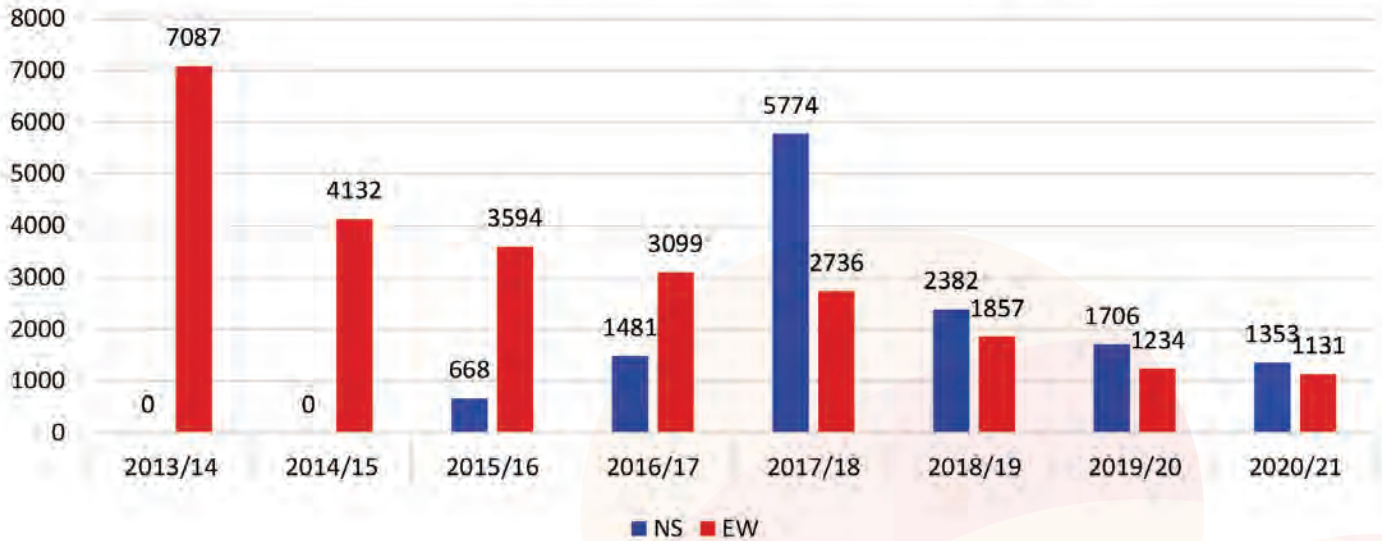


**FIGURE 1.8: DAMAGED FENCES IN METRES FOR THE EAST-WEST HIGHWAY.**

**Figure 1.8** above shows damaged fences in metres on the East-West Highway during the financial years 2017/2018 to 2020/2021.

A total of 9,254 metres of fencing was damaged during the 2020/2021 financial year, representing an increase of 427 metres compared to the previous financial year.

## Animals on the East-West & North-South Highways



**FIGURE 1.9: NUMBER OF ANIMALS SIGHTED ON THE EAST-WEST AND NORTH-SOUTH HIGHWAYS RECORDED BY YEAR.**

The graph above shows the number of animals sighted on the East-West and North-South Highways. A total of 1,353 animals were sighted on the North-South Highway and 1,131 on the East-West Highway.

Animals 2020/2021	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
Goats	34	104	134	104	85	132	40	104	99	110	33	26	1,005
Other Stray Animals	16	2	11	9	47	1	5	12	6	2	2	13	126
<b>Total 2020/2021</b>	<b>50</b>	<b>106</b>	<b>145</b>	<b>113</b>	<b>132</b>	<b>133</b>	<b>45</b>	<b>116</b>	<b>105</b>	<b>112</b>	<b>35</b>	<b>39</b>	<b>1,131</b>
Animals 2019/2020													
Goats	156	77	42	123	224	85	174	48	57	107	25	13	1,131
Other Stray Animals	10	4	3	2	13	20	7	18	11	10	4	1	103
<b>Total 2019/20</b>	<b>166</b>	<b>81</b>	<b>45</b>	<b>125</b>	<b>237</b>	<b>105</b>	<b>181</b>	<b>66</b>	<b>68</b>	<b>117</b>	<b>29</b>	<b>14</b>	<b>1,234</b>
<b>Total 2018/19</b>	<b>163</b>	<b>146</b>	<b>74</b>	<b>133</b>	<b>169</b>	<b>164</b>	<b>123</b>	<b>202</b>	<b>58</b>	<b>143</b>	<b>274</b>	<b>108</b>	<b>1,857</b>
<b>Total 2019/18</b>	<b>190</b>	<b>213</b>	<b>102</b>	<b>211</b>	<b>284</b>	<b>219</b>	<b>171</b>	<b>262</b>	<b>333</b>	<b>292</b>	<b>194</b>	<b>265</b>	<b>2,736</b>
<b>Total 2019/17</b>	<b>247</b>	<b>273</b>	<b>437</b>	<b>328</b>	<b>352</b>	<b>380</b>	<b>403</b>	<b>213</b>	<b>246</b>	<b>220</b>	<b>247</b>	<b>291</b>	<b>3,099</b>

**FIGURE 2.0: TYPES OF ANIMALS SIGHTED ON THE EAST-WEST HIGHWAY.**

Figure 2.0 above shows details of the types of animals sighted on the East-West Highway during the 2020/2021 financial year.

# KEY PERFORMANCE TARGETS

The Toll Authority is mandated, inter alia, to monitor the concessionaires' compliance with the terms and conditions of the concession agreements. In order to carry out this function, the Authority embarked on several programmes as outlined in the tables below, and the data has revealed that the Authority achieved all its targets. (The projections for the 2021/2022 financial year are also included here.)

MAINTENANCE MONITORING PROGRAMMES		2020/2021 April – March 1st , 2nd , 3rd & 4th Quarters		
	Target	Actual	% Achieved	Projections 2021/2022 FY
Request, inspect and review Developer's Timetable of programmed operational and maintenance activities.	2	2	100%	2
Inspect, review works and records on activities carried out under Developer's Timetable of programmed activities.	2	2	100% *	2
Review results/reports on Operator's inspections. Follow-up on expected actions.	On-going	On-going	On-going	On-going
Verify whether there is any case of serious hazard requiring emergency repairs.	On-going	On-going	On-going	On-going
Review and verify whether measures taken by the Operator are adequate.	On-going	On-going	On-going	On-going
OPERATIONS MONITORING PROGRAMMES		2020/2021 April-March 1st , 2nd, 3rd & 4th Quarters		
	Target	Actual	% Achieved	Projections 2021/2022 FY
Garner data from road users.	On-going			-
Inspect Operators' register of written queries/complaints to determine level of successfully determined complaints.	24	24	100%	24
Review traffic levels' data (once per month per Operator).	24	24	100%	24
Review frequency of accidents and incidents (once per month per Operator).	24	24	100%	24
Determine & identify shortcomings in signs or equipment which affect the convenience and safety of traffic.	On-going	On-going	On-going	On-going
Review policing activities and efficiency of strategies and measures.	On-going	On-going	On-going	On-going

**FIGURE 2.1: CONCESSIONAIRES' COMPLIANCE WITH THE CONCESSION AGREEMENTS.**

PLANNED PROGRAMME 2020/2021 April-March				
INSPECTION 1st , 2nd ,3rd & 4th Quarters				
	Target	Actual	% Achieved	Projections 2021/2022 FY
<b>CONDUCT ROUTINE INSPECTION OF INFRASTRUCTURE</b> – 6 per major segments of road (18 for EW & 30 for NS per Quarter).	240	240	100%	240
<b>CONDUCT SERVICE LEVEL REVIEWS</b> – 6 per major segments of road (18 for EW & 30 for NS per Quarter).	240	240	100%	240
<b>REVIEW OPERATOR'S REPORT AGAINST OBSERVATIONS</b> – 6 per major segments of road (18 for EW & 30 for NS per Quarter).	240	240	100%	240
<b>INSPECTION OF EMPLOYEE SAFETY PRACTICES</b> – 6 per major segments of road (18 for EW & 30 for NS per Quarter).	240	240	100%	240
<b>INSPECT TRAFFIC CONTROL MANAGEMENT AND SAFETY IN THE PUBLIC DOMAIN</b> – 6 per major segments of road (18 for EW & 30 for NS per Quarter).	240	240	100%	240
<b>REVIEW EFFECTIVENESS OF GENERAL SAFETY SYSTEMS AND EQUIPMENT</b> – 6 per major segments of road (18 for EW & 30 for NS per Quarter).	240	240	100%	240
<b>INVESTIGATE, VERIFY AND RESEARCH CLAIMS AND COMPLAINTS</b> – assist in initiating conciliation and resolution.	On-going	On-going	On-going	On-going

**FIGURE 2.2: INSPECTION TARGETS FOR THE TOLL ROADS.**



# MAJOR ACHIEVEMENTS

The Toll Authority's major achievements for the Fiscal Year 2020/2021 are highlighted below:

- **Social Impact Assessment of the May Pen to Williamsfield Leg of H2k – To promote sustainable development of the toll road infrastructure, while ensuring that communities are not at a disadvantage due to the roadway expansion**

This project was completed in the 4th Quarter of the 2020/2021 financial year. The final report has been presented to the board and circulated to the relevant stakeholders including the Ministry of Transport and Mining and National Road Operating and Construction Company Limited (NROCC).

- **Increased Public Relations Activities**

In order to improve the Authority's presence and interaction with our primary stakeholders, namely, the users of the toll roads, we embarked on a campaign to increase our presence using social and traditional media. The Inspectorate Unit has been publishing quarterly press releases detailing the effect of their monitoring activities and interventions. This has allowed the Authority to remain relevant while keeping the public up to date with the on-going improvements on our toll roads.

- **Enhanced Legal, Regulatory and Contractual Framework within the tolling industry as outlined in the National Transport Policy**

The Concession Agreements were reviewed and recommendations made for amendments, which included the Authority advocating for legislation to fine pedestrians on the toll roads, fine motorists for tailgating, regulate advertisement on the toll roads as well as making it mandatory for future concessionaires to make payment of toll monitoring fees to the Toll Authority. The existing Toll Roads Act is continuously reviewed and submissions are made to our portfolio Ministry for their review and provision of feedback on these submissions. One notable submission was the Authority being empowered to apply monetary sanctions on the operators for non-compliance in the remedying of any defects/damages to the toll road infrastructure.

- **Provided institutional and governance strengthening**

**for the Authority that enabled compliance with the requirements of the Corporate Governance Framework, PBM&A Act and Toll Roads Act**

This was achieved through the strategic placement of highly trained staff to ensure that operations and maintenance of the toll roads were being undertaken in accordance with the provisions of the respective Acts. To this end, team members were exposed to both local and international courses and seminars; and information-sharing was emphasized to ensure that all team members understood how their individual contributions tied in to the success of the Agency.

The Authority began utilizing the Government of Jamaica Electronic Procurement (GOJEP) portal to publish its requests or tenders for major goods and services. This method was specifically used to register six (6) suppliers/dealers to tender for the supply of tablet computers. This was for our Corporate Social Responsibility Initiative where we sought to donate these to schools in the Portmore Community, one of the areas served by the toll roads. This allowed the Agency to fulfil its financial obligations in relation to accountability and transparency in the use of monitoring fees, as stipulated in the Concession Agreement.

In addition to the above initiatives, the Authority also sought to implement a Business Continuity Plan; however, to date the proposal is still in the research phase. This will be fast-tracked in the upcoming financial year.

- **Monitoring operators to ensure compliance with the Toll Roads Act**

Aggressive monitoring was done during the period under review and over 100% of our targets for monitoring and surveillance were met. This was achieved through routine inspections of infrastructure; traffic control management; employee safety practices and observation of traffic flows. Post-monitoring reports were prepared and submitted to the Chief Executive Officer and the Technical Committee for review.

# Major Priority Programme/ Initiatives For 2021/2022

1. The Toll Authority aims to promote sustainable development in the operation of the toll road infrastructure, while advancing the requirements and standards for an environmentally friendly transport system, in accordance with the National Transport Sector Plans. Our efforts to identify solutions for specific communities negatively impacted by the development, expansion, and operation of the toll roads will be addressed in Phase 2 of the Social Impact Study on the environs in and around the North-South leg of the toll roads. Additionally, in collaboration with the Ministry of Transport and Mining, the Toll Authority will take the necessary steps to create Terms of Reference for the development of a National Toll Road Concept Plan, which dovetails with the National Strategies for the expansion and rationalization of land transport and infrastructure. Research initiatives which were delayed in 2020/2021 because of the COVID-19 pandemic will be applied in the 2021/22 fiscal year.
2. In conjunction with the setting up of the real-time monitoring equipment on the East-West link of Highway 2000, the Authority is more advanced in its initiative to refurbish the Traffic Division of the Ferry Police Station to enhance its capability to monitor that corridor of the highway.
3. The Authority will also continue to encourage communication with road users to strengthen its corporate image, and to promote road safety in accordance with the National Transport Policy. This involves ensuring that the Toll Road Safety Public Service Announcements receive airplay on the major radio stations each quarter. In this regard, we will take the necessary steps to ensure that the following are achieved during the 2020/2021 financial year:
  - provide more accessible corporate information to toll road users;
  - use the Toll Authority's website, mass media and social media to promote toll road safety; and establish Communication Plans partnering with the toll road operators to increase awareness and compliance with the law, policies and procedures governing the toll roads.
4. Engagement of a part-time researcher/statistician is a major priority as the Authority seeks to bolster the policy research mandate. A critical part of the mandate of the Authority is to provide policy advice to the Honourable Minister. Having a dedicated officer who is in charge of our

research and data gathering initiatives will go a far way in achieving this mandate and we hope to accomplish this in the 2021/2022 fiscal year.

5. Corporate Social Responsibility – The Authority seeks to extend its corporate social responsibility mandate by providing further support to the 'One Tablet Per Child' Initiative in the 2021/2022 financial year. This aims to target schools in the rural communities which are served directly/indirectly by the operations of the toll roads.

## FINANCIAL PERFORMANCE FOR 2020/2021

The next table on the following page, provides an outline of the Toll Authority's income and expenditure during the period under review, with targets and a prior year comparative position. Revenue for the financial year 2020/2021 totalled \$52.47M, a slight increase in the budgeted sum of \$52.28M by \$0.2M. This included a Government Grant of \$14.11M, Monitoring Fee of \$34.61M (US\$250,000) from the Jamaica North-South Highway Company Limited and \$3.76M from other income and interest income. This was \$0.43M more than the \$52.05M realized in 2019/2020.

The Authority, in implementing its various policies, programme and projects expended a total of \$39.83M during the period under review.

Other planned programmes saw a decrease in spending down \$0.94M from \$13.95M in 2019/2020 to \$12.65M in 2020/2021 due to the COVID-19 pandemic. The decrease was attributable to overseas travel to attend i) the annual International Bridge Tunnel and Turnpike Association (IBTTA) conference and ii) local seminars and workshops, which were instead facilitated virtually.

The attendant costs that would have otherwise been incurred for airfare, registration fees, lodging and subsistence while overseas, were therefore not expended.

The Authority will endeavour to contain its expenditure within projections, while facilitating the effective and efficient implementation of its mandate – that is ***“to ensure that Jamaica's toll roads are effectively and efficiently developed and managed in accordance with agreed performance and safety standards, service levels and practices and assist in creating an enabling environment for all stakeholders”***, to which all our projects, programmes, procedures and policies are aligned.

# FIG 3.0 - SHOWS THE FINANCIAL PERFORMANCE FOR 2020/2021 VERSUS 2019/2020

	2020/2021		2019/2020
	Target \$'000	Actual \$'000	Actual \$'000
<b>Income:</b>			
Government Grant	15,394	14,106	16,155
Monitoring Fee	34,253	34,607	32,657
Interest Income	2,634	2,320	2,509
Other Income	-	1,442	733
<b>TOTAL</b>	<b>52,281</b>	<b>52,475</b>	<b>52,054</b>
<b>Expenditures:</b>			
Salaries and Wages	16,255	16,740	16,668
Travelling and Upkeep	10,244	6,754	6,863
Rent	2,121	1,950	1,964
Utility & Communication	571	629	443
Goods and Services	12,348	7,249	10,849
Approved Projects	39,400	7,007	1,520
Non Cash Expenses:			
Depreciation	917	1,052	1,071
Exchange (Gain)/Loss	-	(1,551)	(909)
<b>TOTAL</b>	<b>81,856</b>	<b>39,830</b>	<b>38,469</b>
<b>Transfer to/(from) reserve</b>	<b>(29,575)</b>	<b>12,645</b>	<b>13,585</b>




# FINANCIAL FORECAST FOR 2021/2022

The sum of \$81,836,200 was approved for the financial year 2021/2022. This is inclusive of Recurrent Expenditure of \$51,822,450. The approved sum also includes a figure of \$16,188,129 for employees' compensation and \$9,945,963 for travel expenses and subsistence and \$900,000 for capital expenditure.

The full salary set out above will be funded by the Ministry of Finance and the Public Service while the Travelling and Subsistence and the sum for Recurring Expenditure will be funded with monitoring fee payments. In other words, out of the total approved budget, \$65,648,161 will be paid

from Appropriation in Aid (AIA) funds. This means that the budget will be partially funded from retained earnings brought forward.

  
William 'Billy' Shagoury, CD, OD, JP  
Chairperson

# CORPORATE SOCIAL RESPONSIBILITY

The Toll Authority in fulfilling its Corporate Social Responsibility mandate adopted the Toll Gate Primary and Infant School in Toll Gate, Clarendon. This initiative was approved by the Ministry of Education, Youth & Information (MOEYI). Fortuitously, the school's name is the same as our organization; and history has it that the community of Toll Gate was the first location in Jamaica where there was a "toll" applied for the passage of animals over a certain distance travelled.

On visiting the school, it was observed that there were a number of projects that needed to be undertaken. However, the administration highlighted the building of a multi-purpose basketball and netball court as the priority. This will significantly boost their Physical Education Department's capacity to engage the students' interests in the two sports.



The project was scheduled to start in February 2020, but was impacted by the closure of schools due to the onset of COVID-19 and the attendant restrictions in the construction industry. After some delay, this project was started in June 2020 and completed in August 2020.

Post-completion saw the MoEYI's Regional office conducting an official audit of the project. The financial records when examined were reasonably adequate to conclude that payments made to the contractor, Lamont Construction Company, were in keeping with the value of the contract sum as outlined in the respective invoice and did not exceed the funding received for the execution of the project. It was the hope of the school administration to have an official opening ceremony of the "Multi-purpose Court" when school re-opened in September 2020. This was however further prevented by the ongoing COVID-19 pandemic.



# TABLET COMPUTER INITIATIVE - PHASE 1



Another initiative of the Corporate Social Responsibility programme for the 2020/2021 fiscal year was the Authority's donation of tablet computers, through the National Education Trust, under the MoEYI's One Tablet Per Child initiative, to primary schools in close proximity to the Portmore toll roads.

These tablet computers should enhance the learning capability of these primary school students who have been affected by the COVID-19 pandemic.

The Authority utilized the Single Source Procurement method and the Request for Proposal (RFP) was published via the Government of Jamaica Electronic Procurement (GOJEP) portal to six (6) registered suppliers/dealers to supply fifty (50) tablet computers based on budgetary allocations.

The Board approved the recommendations from the Evaluation Committee to award the contract in the amount of J\$1,321,062.50 (inclusive of G.C.T.) to Smart Mobile Solutions.

The final stages of the procurement process will be completed at the beginning of the next fiscal year to include handing over to school(s) selected.

# SENIOR EXECUTIVES' COMPENSATION

Position of Senior Executive	Year	Salary (\$)	Gratuity or Performance Incentive (\$)	Travelling Allowance or Value of Motor Vehicle (\$)	Other Allowances (\$)	Non-Cash Benefits (\$)	Total (\$)
Chief Executive Officer (CEO) – Mr. Lerone Laing	20/21	3,605,002	1,123,709	1,699,254	-	-	6,427,965
Senior Toll Inspector – Mr. Delon Wauchope	20/21	2,849,814	-	2,575,764	-	-	5,425,578
Corporate and Administrative Manager- Mrs. Kerry-Kay Holness	20/21	2,023,418	-	916,721	-	-	2,940,139
<b>GRAND TOTAL</b>		<b>8,478,234</b>	<b>1,123,709</b>	<b>5,191,739</b>	-	-	<b>14,792,682</b>

A total of \$1,503,258 was paid for Gratuity during the year. A sum of \$3,272,243 was accrued, of which \$2,119,308 was for the Executives. The difference of \$1,152,935, was for the non-executive staff. The amount reflected in the 2020/2021 Audited Financial Statements represents the amount accrued to date, and not the full amount to be paid in the ensuing year.



# DIRECTORS' COMPENSATION

Name of Director/ Position Held	Fees	Motor Vehicle Upkeep/ Travelling	Honoraria	All other Compensation including Non- Cash Benefits as Applicable	Total
William Shagoury - Chairman (Current)	30,000	-	-	-	30,000
Patrick Rose - Director	78,000	-	-	-	78,000
Tanya Bedward - Director	37,500	-	-	-	37,500
Charmaine Walker - Director	22,500	-	-	-	22,500
Patrick Commock - Director	19,500	-	-	-	19,500
Sasha Hotchandani - Director	37,500	-	-	-	37,500
Clover Mattocks - Director	33,000	-	-	-	33,000
Ewan Simpson - Director	30,000	-	-	-	30,000
Phillip Morrison - Director	12,000	-	-	-	12,000
Christopher Townsend - Director	7,500	-	-	-	7,500
Hugh Faulkner - Chairman (Former)	30,000	-	-	-	30,000
Fitzbert Mattis - Director	82,500	-	80,705	-	163,205
Shernette Guthrie - Director	54,000	-	-	-	54,000
David Lazarus - Director	15,000	-	-	-	15,000
Stephen Edwards - Director	9,000	-	-	-	9,000
Calvin Allen - Director	15,000	-	-	-	15,000
Paula Fletcher - Director	30,000	-	-	-	30,000
<b>Total</b>	<b>543,000</b>	<b>-</b>	<b>80,705</b>	<b>-</b>	<b>623,705</b>





# FINANCIAL STATEMENTS 2020/2021

# **TOLL AUTHORITY**

## **FINANCIAL STATEMENTS**

**FOR YEAR ENDED 31 MARCH 2021**

**Dalma P. James and Associates  
Chartered Accountants  
22A Old Hope Road  
Kingston 5  
Jamaica**

**TOLL AUTHORITY**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2021**

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**INDEPENDENT AUDITORS' REPORT**  
**TO THE BOARD OF DIRECTORS OF**  
**TOLL AUTHORITY**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the financial statements of Toll Authority set out on pages 5 to 26, which comprise the statement of financial position as at 31 March 2021, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2021, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) for Small and Medium Enterprises, and 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our ethical responsibilities in accordance with the IESBA Code. We believe that

Partners: Dalma James MSc, ACCA; Leonard Condell ACCA

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

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS and the Jamaican Companies Act, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. Independent Auditor's Report to the Board of Directors of Toll Authority in assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's 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 auditor's 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 skepticism 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention to our auditor's 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 auditor's report. However, future events or conditions may cause the Company 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.

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

**Report on additional matters as required by the Jamaican Companies Act**

We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit. In our opinion, proper accounting records have been maintained, 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 so required.

*Salma P. James and Associates*  
CHARTERED ACCOUNTANTS  
22a Old Hope Road  
Kingston 5  
Jamaica

Date: *20 September 2021*

**TOLL AUTHORITY**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR YEAR ENDED 31 MARCH 2021**

	<u>Notes</u>	<u>2021</u> <u>₹</u>	<u>2020</u> <u>₹</u>
Revenue			
Government Grants	13	14,106,359	16,154,864
Monitoring Fee	14	34,606,875	32,656,875
Other Income	15	<u>3,762,435</u>	<u>3,242,007</u>
		52,475,669	52,053,746
Less:			
Administrative Expenses and Finance Costs		<u>41,382,199</u>	<u>39,378,074</u>
Operating Income for the Year		11,093,470	12,675,672
Exchange Gain/(Loss)		<u>1,551,075</u>	<u>908,816</u>
Total Comprehensive Income for the Year		<u><u>12,644,545</u></u>	<u><u>13,584,488</u></u>


The accompanying notes form an integral part of the financial statements.




**TOLL AUTHORITY**  
**STATEMENT OF FINANCIAL POSITION**  
**AS OF 31 MARCH 2021**

	<u>Notes</u>	<u>2021</u> \$	<u>2020</u> \$
<b>ASSETS</b>			
<b><u>Non-Current Assets</u></b>			
Property, Plant and Equipment	4	3,858,033	3,908,059
Intangible Assets	5	13,023	156,254
Investments	6	49,294,498	42,457,874
		<u>53,165,554</u>	<u>46,522,187</u>
<b><u>Current Assets</u></b>			
Due from related Party	7	4,156,785	2,387,800
Trade & Other Receivables	8	963,173	1,543,422
Short Term Investments	9	26,783,176	14,901,771
Cash and Cash Equivalents	10	28,301,399	30,915,014
		<u>60,204,533</u>	<u>49,748,007</u>
<b>TOTAL ASSETS</b>		<u>113,370,087</u>	<u>96,270,194</u>
<b>EQUITY AND LIABILITIES</b>			
<b><u>Reserves</u></b>			
Accumulated Surplus		<u>76,802,920</u>	<u>64,158,375</u>
<b><u>Current Liabilities</u></b>			
Trade and Other Payables	11	9,814,667	6,422,444
Deferred Income	12	26,752,500	25,689,375
		<u>36,567,167</u>	<u>32,111,819</u>
<b>Total Equality and Liabilities</b>		<u>113,370,087</u>	<u>96,270,194</u>

APPROVED FOR ISSUE BY THE BOARD ON 20 September 2021 AND SIGNED ON ITS BEHALF BY:

  
 \_\_\_\_\_  
 Mrs. Sasha Hotchandani  
 Director

  
 \_\_\_\_\_  
 Mr. Christopher Townsend  
 Director

The accompanying notes form an integral part of the financial statements.

**TOLL AUTHORITY**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR YEAR ENDED 31 MARCH 2021**

	<b><u>Accumulated Surplus</u></b>	<b><u>Total</u></b>
	<b><u>₹</u></b>	<b><u>₹</u></b>
Balance at 31st March 2019	50,573,887	50,573,887
Total Comprehensive Income for the Year	<u>13,584,488</u>	<u>13,584,488</u>
Balance at 31st March 2020	64,158,375	64,158,375
Total Comprehensive Income for the Year	<u>12,644,545</u>	<u>12,644,545</u>
Balance at 31st March 2021	<u><u>76,802,920</u></u>	<u><u>76,802,920</u></u>

**The accompanying notes form an integral part of the financial statements.**

**TOLL AUTHORITY**  
**STATEMENT OF CASH FLOWS**  
**FOR YEAR ENDED 31 MARCH 2021**

	<u>2021</u>	<u>2020</u>
	<u>\$</u>	<u>\$</u>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	12,644,545	13,584,488
Comprehensive Income		
Adjustment for:		
Depreciation	909,311	916,746
Amortization	143,231	154,363
	<u>13,697,087</u>	<u>14,655,597</u>
<b>Changes in Non-Cash Working Capital Components:</b>		
Due from Related Party	(1,768,985)	(1,511,080)
Trade and Other Receivables	580,249	14,375,736
Deferred Income	1,063,125	1,595,625
Trade and Other Payables	3,392,223	3,704,774
<b>Cash provided by Operating Activities :</b>	<u>16,963,699</u>	<u>32,820,652</u>
<b>Cash flows from Investing Activities:</b>		
Purchase of property, plant and equipment	(859,285)	(651,318)
Acquisition Of Investments	(6,836,624)	(19,291,213)
Acquisition of Short Term Investments	(11,881,405)	2,866,134
<b>Net cash used in Investing Activities</b>	<u>(19,577,314)</u>	<u>(17,076,397)</u>
<b>Net (Decrease)/Increase in Cash and Cash Equivalents</b>	(2,613,615)	15,744,255
<b>Cash and Cash Equivalent at beginning of year</b>	<u>30,915,014</u>	<u>15,170,759</u>
<b>Cash and Cash Equivalent at end of year (Note 10)</b>	<u>28,301,399</u>	<u>30,915,014</u>

The accompanying notes form an integral part of the financial statements

**TOLL AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**1. Identification**

- a) The Toll Authority (The Authority) is a Statutory Body, established in February 2002 under the Toll Roads Act 2002. The Authority has been mandated to regulate the operation and maintenance of the toll roads and such other facilities as may be deemed necessary, on or adjacent to toll roads; to advise the Minister of Transport and Mining on matters of general policy relating to the design, construction, safety, regulation, operation and maintenance of the toll roads in Jamaica.
- b) The Authority's activities are funded mainly by the Government of Jamaica and monitoring fees paid by the Jamaica North South Highway Company Limited as per Concession Agreement between National Road Operating and Construction Company and the Jamaica North South Highway Company Limited dated 21 June 2012. The Authority's head Office operates from premises at 11A-15 Oxford Road, Kingston 5.
- c) The Toll Authority, as a public body, in accordance with Section 12 (1) (b) of the Income Tax Act, is exempt from Income Tax. The Authority is also exempt from Stamp Duty under Section 30 of the Toll Roads Act.
- d) These financial statements are prepared in Jamaican Dollars.

**2. Adoption of Standards, Interpretations and Amendments**

The International Accounting Standards Board (IASB) issued certain new standards and interpretations as well as amendments to existing standards, which became effective during the year under review. Management has assessed the relevance of these new standards, interpretations and amendments and has adopted and applied in these financial statements, those standards which are considered relevant to its operations.

- a) IFRS 16: Leases (Effective January 2019)
 

IFRS 16 Specifies how an IFRS reporter will recognise, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17.
- b) Standards and interpretations in respect of published standards which are in effect:
  - i) Amendments to IFRS 9: Prepayment Features with Negative Compensation (Effective January 2019)
  - ii) This amends the existing requirements in IFRS 9 requiring termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments.

**TOLL AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**2. Adoption of Standards, Interpretations and Amendments (Continued)**

Annual improvements to IFRS Standards 2015-17 cycle contains amendments to certain standards and interpretations and are effective for accounting periods beginning on or after January 2019. These made amendments to the following standards:

- i) **IAS 23: Borrowing Costs (Effective January 2019)**  
 The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings.
- ii) The amendments in *Plan Amendment, Curtailment or Settlement (Amendments to IAS 19)*. (Effective January 2019) are:
  - If a plan amendment, curtailment or settlement occurs, it is now mandatory that the current service cost and the net interest for the period after the remeasurement are determined using the assumptions used for the remeasurement.
  - In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling.

a) Standards and interpretations in respect of published standards that are not in effect:

Certain new, revised and amended standards and interpretations have been issued which are not yet effective for the current year and which the Authority has not early adopted. The Authority has assessed the relevance of all the new standards, amendments and interpretations with respect to the Authority's operations and has determined that the following are likely to have an effect on the Authority's financial statements:

- i) **IFRS 3 amendments** 01 Jan 2020  
 On 22 October 2018, the IASB issued 'Definition of a Business (Amendments to IFRS 3)' aimed at resolving the difficulties that arise when an entity determines whether it has acquired a business or a group of assets. The amendments are effective for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 January 2020.
- ii) **IFRS 16 amendment** (effective date 01 Jun 2020)  
 On 28 May 2020, the IASB published 'Covid-19-Related Rent Concessions (Amendment to IFRS 16)' amending the standard to provide lessees with an exemption from assessing

**TOLL AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**2. Adoption of Standards, Interpretations and Amendments (Continued)**

ii) IFRS 16 amendment (effective date 01 Jun 2020)

whether a COVID-19-related rent concession is a lease modification. The amendment is effective for annual reporting periods beginning on or after 1 June 2020.

iii) IAS 37 amendments regarding onerous contracts (Effective date 01 Jan 2022)

On 14 May 2020, the IASB issued 'Onerous Contracts — Cost of Fulfilling a Contract (Amendments to IAS 37)' amending the standard regarding costs a company should include as the cost of fulfilling a contract when assessing whether a contract is onerous. The amendments are effective for annual reporting periods beginning on or after 1 January 2022.

iv) IAS 16 amendments regarding proceeds before intended use (Effective date 01 Jan 2022)

On 14 May 2020, the IASB issued 'Property, Plant and Equipment — Proceeds before Intended Use (Amendments to IAS 16)' regarding proceeds from selling items produced while bringing an asset into the location and condition necessary for it to be capable of operating in the manner intended by management. The amendments are effective for annual reporting periods beginning on or after 1 January 2022.

v) Effective date of 2018-2020 annual improvements cycle (Effective 01 Jan 2022)

On 14 May 2020, the IASB issued 'Annual Improvements to IFRS Standards 2018–2020'. The pronouncement contains amendments to four International Financial Reporting Standards (IFRSs) as result of the IASB's annual improvements project. The amendments are effective for annual reporting periods beginning on or after 1 January 2022.

**3. Statement of Compliance, Basis of Preparation and Significant Accounting Policies**

b) **Statement of Compliance, Basis of Preparation**

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and their interpretations as adopted by the International Accounting Standards Board (IASB), and comply with the requirements of the Jamaican Companies Act. They have been prepared under the historical cost convention.

c) **Significant Accounting Policies**

i) **Use of Estimates**

The preparation of the financial statements in conformity with international Financial Reporting Standards (IFRS) required management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**3. Statement of Compliance, Basis of Preparation and Significant Accounting Policies (continued)**

c) Significant Accounting Policies (continued)

i) Property Plant and Equipment

Property, plant and equipment are stated at historical costs less depreciation less any impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied in the part will flow to the Authority and its cost can be reliably measured. The costs of day-to-day servicing of property, plant and equipment are recognised in surplus or loss as incurred.

Depreciation of property, plant and equipment is provided on the straight-line calculated at annual rates estimated to write off the cost of each asset over the term of the useful life. The rates of depreciation in use are as follows:

Furniture and fixtures and other equipment	10%
Computer hardware equipment	20%
Computer software	33.3%
Leasehold improvement	10%

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

Gains and losses on disposal of property, plant and equipment are determined by reference to the carrying amount and are taken into account in determining operating surplus or deficit.

ii) *Impairment of non-financial assets*

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment 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 asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

iii) *Investments*

The company classifies its investments as available-for-sale. Classification of investments is dependent on the purpose for which the investments were acquired. Management determines the classification of investments which is dependent on the purpose for which the investments

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**3. Statement of Compliance, Basis of Preparation and Significant Accounting Policies (continued)**

*iii) Investments (continued)*

were acquired. Management determines the classification of investments at the time of purchase and re-evaluates such designation on a regular basis.

Investments intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, are classified as available-for-sale. These investments are initially recognized at cost and subsequently re-measured at fair value. Unrealized gains and losses arising from changes in the fair value of securities classified as available-for-sale are recognized in equity.

Fair value is estimated by reference to current market value of similar instruments or by reference to the discounted cash flows of the underlying net assets. When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in the profit and loss account as gains and losses on investment securities. Purchases and sales of investments are recognized on the trade date, which is the date that the company commits to purchase or sell the asset. Cost of purchase includes transaction

*iv) Trade and other receivables*

Other receivables consist of withholding tax deducted by the bank pending submission of a claim to recover due to its tax-free status

*v) Foreign currency translation*

- **Functional and presentation currency**  
The company trades primarily in Jamaica, as such the functional and presentation currency is Jamaica dollars.
- **Transactions and balances**  
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. At the balance sheet date, monetary assets and liabilities denominated in foreign currencies are translated using the Bank of Jamaica weighted average closing exchange rate.

Exchange differences arising from the settlement of transactions at rates different from those at the dates of the transactions and unrealised foreign exchange differences on unsettled foreign currency monetary assets and liabilities are recognized in the statement of comprehensive income.



**TOLL AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**3. Statement of Compliance, Basis of Preparation and Significant Accounting Policies (continued)**

vi) Revenue

Revenue is accounted for on an accrual basis. Monitoring fees are recognised as income on a monthly basis. Government grant is recognised when received and Interest income is recognised when earned.

Cash and cash equivalents

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

vii) Trade payables

Trade payables are stated at cost.

viii) 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 of another entity.

***Financial assets***

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

***Loans and receivables***

Loan and receivables are non-derivative financial assets with fixed or determined payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Loans and receivables are classified as accounts receivable and related party balances.

***Available-for-sale financial assets***

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date. At the date of the statement of financial position, short term investments were classified as available for sale.

**TOLL AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**3. Statement of Compliance, Basis of Preparation and Significant Accounting Policies (continued)**

viii) Financial instruments (continued)

***Financial liabilities***

The company's financial liabilities are initially measured at fair value, and are subsequently measured at amortised cost using the effective interest method. At the balance sheet date, the following items were classified as financial liabilities: bank overdraft, accounts payable, directors' current account.

ix) Impairment of Financial Assets

**Business Model:** the business model reflects how the Authority manages the assets in order to generate income. That is whether the Authority's objective is solely to collect the contractual cash flows from the asset or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable, then the financial assets are classified as part of 'other' business model and measured at fair value.

Loss allowances are measured at an amount equal to lifetime economic credit losses (ECL) except for the following are measured as a 12-month ECL:

- Debt investment securities that are low risk,
- Other financial instruments (other than lease receivables) on which credit risk has not increased significantly.

12-month ECL are the portion of ECL that results from default events of a financial instrument that are possible within 12 months after the reporting date. Financial instruments for which a 12-month ECL is recognised is referred to as Stage 1 financial instrument.

Lifetime ECL are the ECL that result from all possible default events over the expected life of the financial instrument. Financial Instruments for which lifetime ECL is recognised and is not credit-impaired is referred to as Stage 2 financial instruments.

At each reporting date, the Authority assesses whether the financial assets carried at amortised cost are credit-impaired (referred to as Stage 3 assets).

x) Comparative information

Where necessary, comparative figures have been re-classified to conform to changes in presentation in the current year. In particular, comparatives have been adjusted to the into account requirements of IFRS.

**TOLL AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**3. Statement of Compliance, Basis of Preparation and Significant Accounting Policies (continued)**

xi) Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related party balances and transactions are recognized and disclosed for the following:

- (i) Enterprises and individuals owning directly or indirectly an interest in the voting power of the Authority significant influence over the company's affairs and close members of the family of these individuals.
- (ii) Key management personnel, that is, these persons having authority and responsibility for Planning, directing and controlling the activities of the company, including directors and officers and close member of the families of these individuals.

A related party transaction is a transfer of resources, service or obligations between related parties regardless of whether price is charged.

The Authority has a related party relationship with the Government of Jamaica and its agencies, the Minister of Transport and Mining, directors, and other key management personnel.

**TOLL AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR YEAR ENDED 31 MARCH 2021**

**4 PROPERTY, PLANT AND EQUIPMENT**

	Computer Hardware	Computer Software	Office Equipment	Furniture & Fittings	Leasehold Improvement	Total
	\$	\$	\$	\$	\$	\$
<b>At Cost -</b>						
At 1 April 2019	2,425,773	229,865	864,169	3,076,355	167,810	6,763,972
Additions	422,029	-	18,522	210,767	-	651,318
At 31 March 2020	2,847,802	229,865	882,691	3,287,122	167,810	7,415,290
Additions	410,827	-	448,458	-	-	859,285
At 31 March 2021	3,258,629	229,865	1,331,149	3,287,122	167,810	8,274,575
<b>Depreciation -</b>						
At 1 April 2019	1,601,916	229,865	204,343	537,666	16,695	2,590,485
Charge for the Year	463,855	-	114,192	321,918	16,781	916,746
At 31 March 2020	2,065,771	229,865	318,535	859,584	33,476	3,507,231
Charge for the Year	351,043	-	201,727	339,760	16,781	909,311
At 31 March 2021	2,416,814	229,865	520,262	1,199,344	50,257	4,416,542
<b>Net Book Value -</b>						
At 31 March 2021	841,815	-	810,887	2,087,778	117,553	3,858,033
At 31 March 2020	782,031	-	564,156	2,427,538	134,334	3,908,059

**TOLL AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
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5.	<b>INTANGIBLE ASSETS</b>	<b><u>2021</u></b>	<b><u>2020</u></b>
		<b>\$</b>	<b>\$</b>
	<b><u>Cost:</u></b>		
	At beginning of Year	463,088	463,088
	Website Additions	-	-
	End of Year	<u>463,088</u>	<u>463,088</u>
	<b><u>Amortization:</u></b>		
	At beginning of Year	306,834	152,471
	Charge for the year	<u>143,231</u>	<u>154,363</u>
	End of Year	<u>450,065</u>	<u>306,834</u>
	<b>Net Book Value:</b>	<u>13,023</u>	<u>156,254</u>
	Intangible assets comprise computer software acquired by the Authority. Amortization of the computer software is calculated based on an estimated useful life of 5 years.		
6.	<b>LONG TERM INVESTMENTS:</b>	<b><u>2021</u></b>	<b><u>2020</u></b>
		<b>\$</b>	<b>\$</b>
	First Global	14,031,521	13,647,683
	Sigma Unit Trust	16,577,973	11,739,079
	VMBS Unit Trust	<u>18,685,004</u>	<u>17,071,112</u>
		<u>49,294,498</u>	<u>42,457,874</u>
7.	<b>DUE FROM RELATED PARTY</b>		
	This represents the gratuities from the Ministry of Transport and Mining.		
		<b><u>2021</u></b>	<b><u>2020</u></b>
		<b>\$</b>	<b>\$</b>
	Ministry of Transport & Mining	<u>4,156,785</u>	<u>2,387,800</u>
8.	<b>TRADE AND OTHER RECEIVABLES:</b>	<b><u>2021</u></b>	<b><u>2020</u></b>
		<b>\$</b>	<b>\$</b>
	Trade Receivables	3,664	-
	M.T.W. H Funds Held	2,081	659,127
	Accrued Interest	387,632	489,350
	Withholding Tax	340,383	139,375
	Credit Balances in Payables	-	29,489
	Prepayments	<u>229,413</u>	<u>226,081</u>
		<u>963,173</u>	<u>1,543,422</u>

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**NOTES TO FINANCIAL STATEMENTS**  
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9.	<b>SHORT TERM INVESTMENTS</b>	<b><u>2021</u></b> <b><u>₹</u></b>	<b><u>2020</u></b> <b><u>₹</u></b>
	US\$ Short-Term Investments	13,685	12,208
	J\$ Short-Term Investments	<u>26,769,491</u>	<u>14,889,563</u>
		<u>26,783,176</u>	<u>14,901,771</u>
10.	<b>CASH AND CASH EQUIVALENTS:</b>	<b><u>2021</u></b> <b><u>₹</u></b>	<b><u>2020</u></b> <b><u>₹</u></b>
	Main - Current Account	2,076,371	4,227,384
	US\$ Saving Account (2020:US\$ 197,043; 2019 - US\$ 232,253)	26,215,028	26,677,630
	Imprest (Cash)	<u>10,000</u>	<u>10,000</u>
		<u>28,301,399</u>	<u>30,915,014</u>
11.	<b>TRADE AND OTHER PYABLES:</b>	<b><u>2021</u></b> <b><u>₹</u></b>	<b><u>2020</u></b> <b><u>₹</u></b>
	Trade Payables	1,508,674	585,419
	Other Payables and Accruals	<u>8,305,993</u>	<u>5,837,025</u>
		<u>9,814,667</u>	<u>6,422,444</u>
12.	<b>DEFERRED INCOME:</b>	<b><u>2021</u></b> <b><u>₹</u></b>	<b><u>2020</u></b> <b><u>₹</u></b>
	Monitoring Fees	<u>26,752,500</u>	<u>25,689,375</u>
	This represents monitoring fees which are due on 1st January each year and transferred to income on a monthly basis		
13.	<b>GOVERNMENTS GRANTS:</b>		
	This represents cash received front the Government of Jamaica for salaries.		

**TOLL AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
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**14. MONITORING FEES:**

This represents annual monitoring fees of US\$ 250,000 as per the concession agreement between the National Road Operating and Construction Company Limited and Jamaica North-South Highway Company Limited signed in June 2012.

**15. OTHER INCOME:**

	<u>2021</u>	<u>2020</u>
	\$	\$
Toll rate adjustment fee	2,274,234	1,172,609
Less toll regulator's fee	831,891	439,624
Net due to Toll Authority	<u>1,442,343</u>	<u>732,985</u>
Interest & Net Investment Income	<u>2,320,092</u>	<u>2,509,022</u>
	<u><u>3,762,435</u></u>	<u><u>3,242,007</u></u>

**16. PAYROLL AND OTHER RELATED COSTS:**

	<u>2021</u>	<u>2020</u>
	\$	\$
Salaries and Wages	12,651,466	13,186,046
Statutory Contributions	630,129	621,227
Staff Welfare	304,430	422,078
Staff Allowance and Other Benefits	<u>3,153,616</u>	<u>2,439,535</u>
	<u><u>16,739,641</u></u>	<u><u>16,668,886</u></u>

**16a. LEGAL AND PROFESSIONAL FEES**

	<u>2021</u>	<u>2020</u>
	\$	\$
Social Impact Assessment on the East West Highway	6,080,000	1,520,000
Accounting & Professional Services	1,713,800	2,047,688
Secretarial services	328,000	400,000
Legal Services	<u>150,000</u>	<u>-</u>
	<u><u>8,271,800</u></u>	<u><u>3,967,688</u></u>

**17. Financial Instruments & Financial Instruments Risk Management:**

A financial instruments is a contract that gives rise to both a financial asset of one enterprise and a financial liability of another enterprise. For the purpose of the financial statements, financial assets have been determined to include cash and cash equivalents and trade and other receivables. Financial liabilities have been determined to include trade and other payables.

The activities of the Authority does not expose it to financial risk in respect of its financial instruments; market risk (current and fair interest rate risk), credit risk, liquidity risk and cash flow interest rate risk. Operational risk are an inevitable consequence of being in business. The Board of Directors aims to achieve an appropriate balance between risk and return and thereby minimizing any potential adverse effects on the Toll Authority's financial performance. The Board of Directors is appointed by the Minister of Transport and Mining and is responsible to report to the Office of the Prime Minister via Ministry of Transport and Mining.

**TOLL AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR YEAR ENDED 31 MARCH 2021**

**17. Financial Instruments & Financial Instruments Risk Management (cont'd):**

**(a) Credit Risk:**

Credit risk is the risk that one or both parties to a financial instrument will fail to discharge an obligation resulting in a financial loss to one or both parties. The Authority faces credit risk in respect of its cash and cash equivalent. There was no significant concentration of credit risk and the maximum exposure to credit risk is represented by the carrying of the financial assets on the statement of financial position.

Maximum Exposure to Credit Risk

	<u>2021</u>	<u>2020</u>
	<u>\$</u>	<u>\$</u>
Due from related Party	4,158,867	2,387,800
Other Receivable	961,092	1,543,422
Cash and Cash Equivalents	<u>28,301,399</u>	<u>26,677,630</u>
	<u>33,421,358</u>	<u>30,608,852</u>

(i) Due from Related Party - Ministry of Transport and Mining

This includes funds held by the Ministry of Transport and Mining on the behalf of Toll Authority and are used to pay salaries, travelling and upkeep allowances. Related party balance is not considered high risk.

(ii) Other Receivables

Other receivables includes withholding tax deducted erroneously. Credit risk with respect to this item is considered low.

(iii) Cash and Cash Equivalents

The Authority maintains cash at bank with a sound financial institution which minimizes its exposure to risk

There has been no change in the Authority's exposure to credit risk or the manner in which it measures and manages this risk.

(b) Liquidity risk:

Liquidity risk is also referred to as funding risk, is the risk that the Authority will encounter difficulty in raising funds to meet commitments associated with financial liabilities when they fall due and to replace funds when they are withdrawn. The consequence may be the failure to sell assets quickly at or close to fair value to meet obligations to pay creditors and also complete projects.

The Authority is fund mainly by funds received from the North South Highway in addition to funds from the Government through the Ministry of Transport and Mining which is pre-determined in the fiscal budget. Total income is usually sufficient to cover expenses. At 31st March 2021, the Toll Authority's current assets exceeded its current liabilities by \$23,637,367 (2020- \$17,627,188).



**TOLL AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**17. Financial Instruments & Financial Risk Management (cont'd):**

(c) Market Risk:

Market risk is the risk that the fair value or future cash flow of financial instruments will fluctuate as a result of changes in market prices. This arises mainly from changes in interest rates, foreign currency rates and equity prices. The Authority's operations are impacted by changes in interest rates and foreign currency movements, but not by changes in equity prices. The effect of these changes however, are not considered significant.

(i) Interest rate risk

Interest rate risk arises when the value of a financial instrument fluctuates during a specified period due to changes in the market interest rates.

Financial Assets

The Authority's interest bearing financial assets are primarily represented by instruments which are materially contracted at fixed interest rates for the duration of the term. The interest rates paid on savings accounts will fluctuate from time to time but are usually reflective of the market conditions. At the reporting date, the interest rate profile of the Authority's interest-bearing financial instruments were:

	Interest Rate	<u>2021</u>	Interest Rate	<u>2020</u>
	%	\$	%	\$
Bank Balances				
US\$ Short-Term Investments		13,685	0.15-0.98	12,208
J\$ Short-Term Investments		26,769,491	2.2-2.7	14,889,563
J\$ Current account	0.15-0.40	2,076,317	0.20-0.65	4,227,383
USD Saving Account	0.10	26,215,028	0.10	26,677,630
		<u>55,074,521</u>		<u>45,806,784</u>

Financial Liability

The Authority has no interest-bearing liability and there fore is not directly exposed to interest rate risk in this regard.

Interest rate sensitivity analysis

Here have been insignificant movements in the interest rates over the last reporting date. Movements in interest rates by the specified rates at the reporting date would have increased (reduced) the reported surplus and accumulated fund by the amounts shown below:

	Movement	<u>2021</u>	Movement	<u>2020</u>
	%	\$	%	\$
US\$ Short-Term Investments	-0.075	(10)	-0.075	(9)
J\$ Short-Term Investments	-0.45	(120,463)	-0.45	(67,003)
J\$ Current account	-0.05	(1,038)	-0.05	2,114
USD Saving Account	0	-	0	-
Increase in surplus and accumulated fund		<u>(121,511)</u>		<u>(64,898)</u>

**TOLL AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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17. **Financial Instruments & Financial Risk Management (cont'd):**

(c) Market Risk (cont'd)

(i) Interest rate risk(cont'd)

**Interest rate sensitivity analysis(cont'd)**

	<b>Movement</b>	<b><u>2021</u></b>	<b>Movement</b>	<b><u>2020</u></b>
	<b>%</b>	<b>\$</b>	<b>%</b>	<b>\$</b>
US\$ Short-Term Investments	-0.5	(68)	-0.5	(61)
J\$ Short-Term Investments	-1	(26,769)	-1	(148,896)
J\$ Current account	-1	(20,763)	-1	(42,274)
USD Saving Account	-0.5	(26,251)	-0.5	(133,338)
Decrease in surplus and accumulated fund		<u>(73,851)</u>		<u>(324,569)</u>

Between April 2020 and March 2021, the interest rate on Bank of Jamaica 3-6 months Commercial bank deposits decreased by 131 basis points from 3.88 % to 2.57 %. The rates movement subsequent to the year end is expected to be insignificant as there has been some amount of stabilizing of the rates.

This analysis assumes that all other variables, in particular exchange rates, remain constant.

(ii) Foreign currency risk

Foreign currency risk is exposed to foreign currency risk due to the fluctuations in exchange rates on transactions and balances that re denominated in currencies other than Jamaican dollar. A foreign currency bank account is maintained at a level which partially meets foreign currency bank account is maintained at a level which partially meets foreign currency obligations.

The Authority's foreign currency asset at the reporting date is as follows:

	<b><u>2021</u></b>	<b><u>2020</u></b>
	<b>US\$</b>	<b>US\$</b>
US\$ Short-Term Investments	93	90
USD Saving Account	178,844	197,043
	<u>178,937</u>	<u>197,133</u>

At the reporting date the Authority does not have any foreign currency liabilities.

**Foreign Currency Sensitivity analysis**

Exchange rates in terms of Jamaican Dollars which is the Authority's reporting currency, were as follows:

	<b><u>US\$</u></b>
20th July 2021	\$154.33
31st March 2021	\$140.58
31st March 2020	\$135.39

Over the period March 2020 to March 2021 there was 8.2% depreciation of the Jamaican dollar against the US dollar. Between March 2021 and July 2021 there has been a 9.8% depreciation of the Jamaican dollar against the US dollar.

**TOLL AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR YEAR ENDED 31 MARCH 2021**

17. **Financial Instruments & Financial Risk Management (cont'd):**

(c) Market Risk (cont'd)

(ii) Foreign currency risk (cont'd)

**Foreign Currency Sensitivity analysis (cont'd)**

The appreciation of the Jamaican dollar to extent shown against the United states dollar would have decreased/increased income and reserves by the amounts shown below.

	<b>Movement</b>	<b>2021</b>	<b>Movement</b>	<b>2020</b>
	<b>%</b>	<b>\$</b>	<b>%</b>	<b>\$</b>
United States dollar	-4	<u>(509,440)</u>	-4	<u>(613,474)</u>

The analysis is completed on the same basis for 2021 and assumes that all other variables, in particular, interest rates, remain constant.

It is not anticipated that any appreciation of the Jamaican dollar against the major currencies would be to any significant extent and this should there fore have marginal adverse effect on the Authority's foreign currency financial instruments. Should there be an appreciation of the Jamaican dollar against the United States dollar by say, 2% this would increase/ reduce deficit/surplus and accumulated fund as shown belows:

	<b>Movement</b>	<b>2021</b>	<b>2020</b>
	<b>%</b>	<b>\$</b>	<b>\$</b>
United States dollar	2	<u>524,301</u>	<u>265,943</u>

The analysis assumes that all other variables, in particular, interest rates, remain constant. The analysis is performed on the same basis for 2021

(d) Operational risk:

Operational risk is the risk of direct or indirect loses arising from wide variety of causes associated with the Authority's processes, personnel, technology and infrastructure, and form external factors other than financial risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour.

Cash flow interest rate risk:

Cash flow risk is the risk that future cash flows associated with a monetary financial instrument will fluctuate in amount. The Authority has monetary financial instruments which are exposed to this risk.

**TOLL AUTHORITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**17. Financial Instruments & Financial Risk Management (cont'd):**

**(f) Fair Value**

Fair value amounts represents estimates of the arm's length consideration that would be currently agreed upon between knowledgeable, willing parties who are under no compulsion to act and is best evidenced by a quoted market price, if one exists.

The following table provides an analysis of financial instruments held as at 31 March 2021 that, sequent to initial recognition, are measured at fair values. The financial instruments are grouped into levels 1 to 3 based on the degree to which the fair value is observable, as follows:

Level 1 fair value measurements are those derived from quote prices(unadjusted) in active markets for identical instruments;

Level 2 fair value measurements are those derived from input other than quoted prices included within Level 1 that are observable for the instruments, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the instrument that are not based on observable market data (unobservable inputs).

There were no transfers between levels during the year.

		Level 1	Level 2	Level 3	Total
		\$	\$	\$	\$
Available-for-sale Investments-	<u>2020</u>	-	42,457,874	-	23,166,661
Unquoted Investments at Fair Value	<u>2021</u>	-	49,294,498	-	49,294,498

The fair value of financial instruments not traded in active market is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument is observable, the instruments is included in Level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

**18. Subsequent Event Covid-19**

In the first quarter of 2020, the World Health Organization declared the Novel Coronavirus (COVID-19) outbreak a pandemic, and the Government of Jamaica declared the island a disaster area on March 13, 2020.

The pandemic and the measures to control its human impact have resulted in disruptions to economic activity and business operations. This could have significant negative financial effects on the Company, depending on several factors such as the duration and spread of the outbreak, the restrictions and advisories from Government. The Company expects this to have some effects on its financial performance; however, the Company was unable to determine a reliable estimate of the financial impact at the date of theses financial statements.

**TOLL AUTHORITY**  
**SCHEDULE OF ADMINISTRATIVE AND OTHER EXPENSES**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**Administrative:**

	<u>2021</u>	<u>2020</u>
	\$	\$
Salaries & Related Costs (Note 16)	16,739,640	16,668,886
Legal and Professional fees (Note 16a)	8,271,800	3,967,688
Travelling and Subsistence	6,753,964	6,863,028
Rental	1,950,009	1,964,251
Sponsorship & Donations	1,403,863	1,677,684
Depreciation	1,052,542	1,071,108
Board Meeting Expense	949,582	1,213,125
Stationery and Office Supplies	915,123	1,101,351
Auditors Remuneration	701,500	690,000
Utilities	628,698	442,929
General expenses	495,000	266,859
Advertisement Promotion	462,066	2,208,373
Insurance	278,669	69,869
Dues and Subscription	219,921	29,963
Repairs and Maintenance	216,370	37,010
Cleaning and Sanitation	147,145	148,484
Seminar and training	133,197	664,879
Annual report	121,551	189,500
Bank Charges	72,416	61,087
Postage and Counter Services	26,440	42,000
Annual report over booked	(157,297)	-
	<u>41,382,199</u>	<u>39,378,074</u>



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