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# NOTICE CONVENING 76<sup>TH</sup> ANNUAL GENERAL MEETING

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**NOTICE IS HEREBY GIVEN** that the Seventy-Sixth Annual General Meeting of the Jamaica Civil Service Mutual Thrift Society Limited (JCSMTS) will be held on Thursday, September 15, 2016 commencing at 3:30 p.m. at the GIRL GUIDES ASSOCIATION OF JAMAICA, 2 Waterloo Road, Kingston 10. The Meeting is being convened for the following purposes:

- To confirm the Minutes of the Seventy-Fifth Annual General Meeting
- To consider the Reports of the Committee of Management, the Auditor and the Financial Statements for the year ended November 30, 2015
- To elect 2nd Vice-Chairman
- To elect Members of the Committee of Management
- To appoint Auditor
- To transact any other business of an Ordinary General Meeting

**AND TAKE NOTICE** that no person other than the retiring 2nd Vice-Chairman and the retiring Members of the Committee of Management shall be eligible for election unless he/she shall be duly nominated to fill the vacancies and the nominations in writing and signed by the proposer and seconder and stating that the consent of the person nominated has been obtained and sent to the registered office of the Society and received twenty-one (21) clear days before the date of the Annual General Meeting.

**AND FURTHER TAKE NOTICE** that the names of the retiring Officer of the Society and the retiring Members of the Committee of Management are:-

2nd Vice-Chairman    Hugh Martin  
Committee Members    Icolyn Coulbourne, Georgia Mogg and Gary Mowatt

The above-mentioned Officer and Committee Members are eligible for election without nomination.

BY ORDER OF THE COMMITTEE OF MANAGEMENT

Hibbert Anderson  
SECRETARY/MANAGER  
August 14, 2016

Thrift  
Tip

*How about giving your mobile phone and phone bill a 'holiday'; try texting instead!*

76th Annual General Meeting | 2015

# THE MEETING AGENDA

Meeting Call to Order

Prayers

- *Leslie Campbell, Committee Member*

Reading of Notice Convening the 76th AGM

- *Hibbert Anderson, Secretary/Manager*

Introductions/Apologies/ Remembering  
Members Who Have Passed On

- *Mrs Marva Ximinnies, 1st Vice-Chairman*

Chairman's Welcome

- *Errol Miller, Chairman*

Reading/Adoption of Minutes of 75th AGM

Performance 2015:  
The Report of the Committee of Management

- *Chairman Miller*

Auditor's Statement

- *Yvonne Davis, Chartered Accountant*

Presentation of the Financial Statements

Declaration of Dividend

Election of Officer and Members of the Committee of Management

Appointment of Auditor

Any Other Business

Drawing of Gate Prize/ Adjournment

After AGM Meet & Greet

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## Members of the Committee of Management

Since its inception in 1939, the Jamaica Civil Service Mutual Thrift Society Limited has had the good fortune of being led by a cadre of talented and dedicated Public Service professionals who give of their time, talent and energies in successfully steering its operations and guiding its growth and development. The Committee of Management, headed by a Chairman, elected biennially at the AGM, is charged with providing overall policy direction and guidance of the affairs of the Thrift Society. Those presently serving on the Committee of Management are:-

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**Errol Miller**, Chairman since 2012 and JCSMTS Committee of Management member for almost 20 years



**Marva Ximinnies**, 1st Vice Chairman, with almost 20 years of service on the JCSMTS Committee of Management



**Hugh Martin**, 2nd Vice Chairman, has been a member of the Committee of Management for 25 years



*Make your borrowings small and for short periods where possible.*

76th Annual General Meeting | 2015





**Leslie Campbell** has been serving on the Committee for over 12 years



**Marguerite Clare** has been serving for over 14 years



**Icolyn Coulbourn** was elected to the Committee of Management in 2014



**Lelieth Barrett** Hamilton has done 7 years service on the Committee of Management



**Fred Manderson** joined the Committee of Management in 2009



**Cebert Mitchell** joined the JCSMTS Committee of Management in 2014





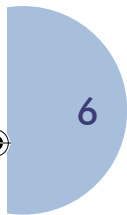
**Georgia Mogg** has been serving the Committee of Management for over a decade



**Gary Mowatt** has been a member of the Committee of Management since 2007



**Gennetta Smikle** joined the JCSMTS Committee of Management in 2012



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*The interest rate on a secured debt is lower and less expensive.*





# The Management Team



**Hibbert Anderson**  
Secretary / Manager



**Ewart Baker**  
Accountant



**Sharon Lindo**  
Loans Manager



**Trevene Morgage**  
Assistant Secretary-Administration



**Leslean Bramwell-Benjamin**  
Internal Auditor

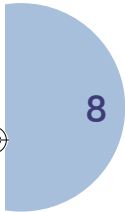


**Rhon-Kaniel Bramwell**  
Assistant Systems Administrator





# Department Staff



**Canteen:** (L-R) Rocquel Samuels, Christine Dillon, Yvette Lindo



**Data Entry:** (L-R) Shana Thompson, Ronaldo Grant, Michelle Hillman



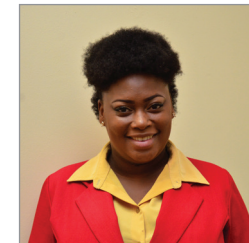
**Administration:** (L-R) Tameka Hunter, Erica Dussard, Elva Lawrence



**Accounts:** (L-R) Front: Simone Dacres, Shelly-Ann Blake, Kenesha Smaling, Back: Wendell Dillon, Chadwick Ricketts, Dwayne Shae, Kemario Williams



**Loans:** (L-R) Venesha Reid, Delores Cooper, Keneisha Shaw, Patrice Robinson



**Customer Service / Receptionist:** Stephanie Bernard

*Promoting Thrift Among Public Servants and Government Pensioners for Over 75 Years*

76th Annual General Meeting | 2015





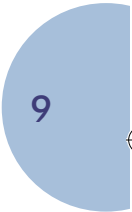


## Remembering Members Who Have Passed On

The Committee of Management extends sincere condolences to the families and friends of members who passed on during the reporting year and offer its best wishes as you continue to pick up the pieces of a life without the love and support of such a dear family member. We remember with sincere sympathies:

Alvin Brown (Department of Correctional Services)  
 Andrea Williams (Ministry of Labour and Social Security)  
 Arleen Roberts (Ministry of Education)  
 Carlene Eccleston-Stewart (Department of Correctional Services)  
 Carol Taylor (Department of Correctional Services)  
 Coretta Carr (Ministry of Education)  
 Craig Holness (Tax Administration Jamaica)  
 Diana Gammon (Ministry of Labour and Social Security)  
 Donovan Mason (Department of Correctional Services)  
 Harvey Simpson (Tax Administration Jamaica)  
 Horace Tomlinson (Pensioner & Former Member /Committee of Management)

Maria Jarrett-Brown (Rural Agricultural Development Authority)  
 Michael Henry (Tax Administration Jamaica)  
 Michael Shaw (Jamaica Information Service)  
 Patricia Young (Court Management Services)  
 Ransford Lewis (Pensioner)  
 Sandra Murdock (Department of Correctional Services)  
 Sharon Brown (Department of Correctional Services)  
 Trevor Barrett (Department of Correctional Services)  
 Valrie Morgan (Post & Telecommunications Department)  
 Veron Royal (South East Regional Health Authority) and  
 Winona Francis (Tax Administration Jamaica)





# The Minutes of the 75th Annual General Meeting

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## Preamble

The 75th Annual General Meeting of the Jamaica Civil Service Mutual Thrift Society Limited was held on Thursday, July 30, 2015, at the Girls Guides Association of Jamaica, 2 Waterloo Road, Kingston 10. The Meeting was called to order at 3.35 p.m. by Chairman Errol Miller and prayers led by Mr. Ronaldo Grant, a Member of Staff of the Secretariat. The Notice convening the Meeting was then read by the Secretary Manager, Mr. Hibbert Anderson.

## Welcome Remarks

The Chairman extended a warm welcome to members underscoring the significance of this being the Society's 75th Annual General Meeting. The Chairman remarked that 75 years was an important milestone in the existence of any organization and that he was deeply honoured to be serving as the Society's Chairman at this point in its history. He exhorted members to

use the occasion of the AGM to reflect on the stewardship of the Committee of Management over the past year adding that he looked forward to the discussions, deliberations and suggestions from the membership in charting a purposeful course for the ensuing year and for the further advancement and development of the Society. The Chairman thanked the Society's hard working Members of Staff for their continued loyal and dedicated service.

## Special Mention

The following persons were specially recognised:

- **Mrs. Una Samms**, former 2nd Vice Chairman of the Committee of Management and longest serving retired Member of our Society
- **Mrs. Marie Isaacs**, former member of the Committee of Management
- **Mrs. Erma Morgan** and **Mrs. Dorothy Tomlinson**, former Executive Secretaries
- **Mr. Frank Johnson**, former Accountant and **Mr.**

- Noel Ducille**, former Snr. Accounting Officer
- **Mr. O'Neil Grant**, President, **Mr. Robert Chung**, 1st Vice President and **Mrs. Gillian Corrodus**, 2nd Vice President of the Jamaica Civil Service Association
- **Mrs. Cauline Miller**, wife of the Chairman, who was attending our meeting for the first time.

The Chairman also introduced the members at the head table namely Mrs. Marva Pringle-Ximminies, 1st Vice Chairman; Mr. Hugh Martin, 2nd Vice Chairman, Mr. Hibbert Anderson, Secretary/Manager and Mr. Ewart Baker, Accountant.

Other members of the Committee of Management, namely Mrs. Marguerite Clare, Miss Georgia Mogg, Mr. Fred Manderson, Mr. Gary Mowatt, Mr. Ceibert Mitchell, Mrs. Lelieth Barrett-Hamilton, Mr. Leslie Campbell, Miss Icolyn Coulbourne and Mrs. Gennetta Smikle, were also introduced.

76th Annual General Meeting | 2015



**Switch off unwanted lights and unplug appliances not in use; save electricity and reduce your energy bill**



### Apologies

An apology for absence was tendered on behalf of Mr. Charles Jones, President of Jamaica Government Pensioners' Association.

### In Memoriam

Remembering those who have passed on during the year, the meeting observed a Minute of Silence in their memory as well as in honour of the Society's pioneers and founding fathers.

### Adoption & Confirmation of Minutes

On the motion by Mr. Junior Dunn, Senior Member, and seconded by Mr. Clarence Frater, Ministry of Industry, Investment and Commerce, the Minutes were taken as read and with amendments ratified, were duly confirmed on a motion by Miss Lilieth Green, Ministry of Local Government & Community Development and seconded by Mr. Junior Dunn, Senior Member.

### Matters Arising

Four items were taken, namely:

i) Management Committee Members and JCSA Membership: Mr. Cleveland Holding, Post & Telecommunications Department, made reference to his query at the previous AGM as to whether Members of the Committee of Management are members of the Jamaica Civil Service Association, JCSA.

The Chairman reminded Members that he had

answered by stating that he could not offer any information as to any membership in the JCSA save and except that to become a member of The Jamaica Civil Service Mutual Thrift Society Limited it is a requirement that one be a member of the JCSA. The Chairman indicated a willingness to make the information available, if possible, by an extensive research of the Society's records.

ii) Opening Hours: Miss Suzette Grant, Forestry Department made reference to her suggestion at the previous AGM regarding the opening of the JCSMTS offices for business an hour earlier say 7:30 a.m. and enquired for an update on the matter.

The Chairman replied that the Committee of Management had examined the matter but is yet to make a final decision as certain relevant issues had to be considered. For example, if the offices opened an hour earlier then closing hour would also have to change. The Chairman made it clear to the meeting that the Committee of Management had not concluded its examination

of the matter and fully understood the concerns raised.



Members register ahead of 75th AGM

iii) Access to Statements On-line: Miss Glennamo McNab of the Post and Telecommunications Department raised the question of being able to visit The Society's website and print statements. The Chairman accepted the observation and

advised that later in the meeting there will be a demonstration of the Website and the possibility of your getting into your account on line was a new feature.

iv) Staff Name Badges: The Chairman informed the meeting that having adopted a suggestion at the previous meeting, staff members of the

Society's Secretariat now wear 'name tags'.

#### *Report of the Committee of Management*

On a motion by Mr. Leslie Campbell and seconded by Mr. Ceibert Mitchell, both Members of the Committee of Management, the Report of the Committee of Management was taken as read. The Chairman made an immediate correction (Page 16/Paragraph 2) to the loan portfolio figure stated as \$785.3 million to read \$758.3 million. He then addressed certain highlights in the Report.

#### *Overall performance*

The Thrift Society's operations were impacted by the challenges facing the country under the Economic Reform Programme and the Public Sector Wage Restraint programme adversely affected the coping mechanism of members, including their ability to save and borrow. A survival strategy adopted by members was to increasingly resort to loan consolidation which has a negative impact on the revenue income of The Society – a factor that stifled growth during the past year.

Despite the growth in The Society's Share Capital by \$18.6 million from \$689.7 million in November 2013 to \$708.3 million in November 2014, its Investment Portfolio fell from \$49.5 million in

November 2013 to \$44.2 million in November 2014. The strategy used in this regard revealed that it was more beneficial to loan funds among our members rather than to invest these on the open market given the prevailing rates of interest.



*Civil Service President Oneil Grant (c) shares a light moment with 1st Vice Chair, Marva Ximinnies (l) and JCSMTS Chair Errol Miller (r).*

Total loan portfolio grew by 10.3% from \$687.5 million in November 2013 to \$758.2 million in November 2014, with interest income increasing from \$112.9 million in 2013 to \$124.1 million in 2014. Operations and administrative expenses increased from \$107.7 million in 2013 to \$116.3

million. The surplus realised in 2014 was \$18.9 million compared to \$15.1 million in November 2013.

#### *Non-performing Loans*

The Society made serious and positive efforts to keep non-performing loans as low as possible in spite of the challenging environment. Of the total loan portfolio of \$758.3 million, non-performing loans stood at \$14.9 million. The major portion - over \$11.2 million was awaiting settlement payment of pension benefits by the Accountant General's Department.

#### *Other key highlights included:*

- Membership increasing from 10,936 in 2014 to 11,700
- The Loans Redemption Fund and the Shares Enhancement Fund had balances of \$147.3 million and \$47 million
- Outreach recruitment activities intensified during the year, with workshops held in May at Jasicerca Park, Kingston, in partnership with the JCSA Wellness Fair. Visits were made to the Office of the Prime Minister (OPM) and other Ministries, Departments and Agencies
- A programme of activities to mark the 75th

Anniversary of the Thrift Society with special Founders' Day celebrations on October 17, 2014, a Courtesy Call on His Excellency the Governor General Sir Patrick Allen who issued a special 'Proclamation' honouring the Society's 75 years of service to Public Sector employees and Government pensioners.

Other activities in the anniversary programme included a special Church Service held at the Tarrant Baptist Church on the 21 October 2014 attended by members of the Society and an Awards Ceremony recognising Staff and Members, with a special entertainment package featuring Mr. Kelvin Thomas of the Association and Choirs from the Department of Correctional Services and Jamaica Customs Agency.

In the area of corporate social responsibility, The Society participated in the Sagicor Sigma Corporate Run the proceeds from which will go to assist the Sickle Cell Unit of University

of the West Indies and the Renal Unit of the University Hospital. The Society also made donations/contributions to specially named Civic Associations, Education and Community Projects.

- Staff training remained a priority with both internal and external courses which saw 2 members successfully completing and being certified by the Jamaica Customer Services Association and another

9 members being trained in Time and Task Management arranged by the Centralized Strategic Services Limited.

*Special Apology to Ms Julie-Ann Campbell and Family*

The result of a regrettable administrative error in

the Item - Obituary, forced the Chairman to make a profound apology to Julie-Ann Campbell, of the Ministry of Transport Works and Housing, her family, friends, co-workers and the entire body of the meeting, for an unfortunate and incorrect reference.

*Special General Meeting*

A Special General Meeting of the Society was held at Jacisera Park, Molyne's Road, Kingston 10 on April 9, 2014, for the purpose of adopting amendments to Rule XV11 (1) and Rule XXX11 (1) and (3) of the Rules of the Society pertinent to the Election of Officers and Members of Committee of Management and the Notice period for convening AGMs. The amended Rules are:- Rule XVII. Management, Sub-Section 1.

The Officers of the Society shall be a Chairman, a 1st Vice Chairman and a 2nd Vice Chairman who shall each be holders of not less than 200 shares. They shall be elected from among the Members of the Committee of Management and shall have served in that capacity for not less than two terms. The Officers shall each hold for a period of two years, and shall retire on a rotating basis with the Chairman and 1st Vice Chairman retiring in the same year and the 2nd Vice Chairman retiring in the alternate year. They shall thereafter be eligible for re-election.

Rule XXXII. Appointment and Election of Officers



*Thrift Society members reviewing the 2014 Annual report, while below, Chairman Miller makes a point Mrs Una Samms*





and Members of the Committee, Sub- Sections 1, 2 and 3.

1. Subject to Rule XV11 (1) no person other than the retiring Officer of the Society shall be eligible for election at any Annual General Meeting at which an Election to the Offices of Chairman, 1st Vice Chairman and 2nd Vice Chairman respectively is due.
2. No persons other than the retiring members of the committee shall be eligible for election at any AGM as a member of the committee in place of a retiring member unless he shall be duly nominated in accordance with with the provisions paragraphs (3 & 4) of this rule.
3. Not less than (30) clear days before the date each Annual General Meeting there shall be given to each member of the Society notice of the place, time and date of the forthcoming Annual General Meeting.

The Notice shall also state the names of the retiring Chairman, 1st Vice Chairman and 2nd Vice Chairman and Members of the Committee; that nominations to fill the vacancies must be received not later than (21) clear days before the date of such meeting; that nominations must be in writing signed by proposer and seconder and must state that the consent of the person nominated has been obtained; and that nominations must be sent to the registered office of the Society; save and except members reserve the right to make nominations for Committee

Members from the floor, where such member previously, not less than seven days before the date of such meeting, notified each member of the Society in writing before the date of such meeting, acceptance of such nomination subject to the approval of the Annual General Meeting.

#### *Adjustments to Loan Products*

The Chairman announced adjustments to some of The Society's loan products, to take effect August 3, 2015. These include:-

- Merger of the existing Computer Loan products to form a new Information Technology Loan with a maximum loan amount of \$120,000 and a 30 month repayment period. Members are required to make an additional \$500 contribution monthly toward their Shares Account
- Merger of the 2 existing Education Loans products into one product with maximum loan of \$400,000 at 15% interest on reducing balance over 24 months. Applicants need to be a member of the Society for only two months
- Increased Consolidation Loan with maximum disbursement of \$500,000. Applicants must be members for at least two years and contribute \$1,000 additional monthly in Deferred Shares not to be accessed during the 4 ½ year loan period

Other adjustments to loan products mentioned by the Chairman pertained to:-

- The popular Emergency Loan which had been increased from \$60,000 to \$100,000 and
- Introduction of a Special Motor Vehicle Loan with a maximum of \$800,000 repayable over 60 months at a rate of interest of 11% on the reducing balance.

On a motion by Mr. Clarence Frater, Ministry of Industry, Investment and Commerce and seconded by Mr. Junior Dunn, Senior, Member and carried, the Report of the Committee of Management was adopted.

#### *Auditor's Report and the Financial Statements*

On a motion by Mr. George Thorpe, Department of Correctional Services and seconded by Mr. Holding, Post and Telecommunications Department, the Auditor's Report and Financial Statements were taken as read.

Mr. Clarence Frater, Ministry of Industry Investment and Commerce proposed that the date of approval of statements be inserted under heading 'Independent Auditor's Report' and under the sub-title 'Total Consolidated Equity and Liability'. Both were accepted. Mr. Frater also expressed concern at the \$124-thousand allocation for staff welfare/training in 2014. The Chairman assured the meeting the reduction must be seen as relative to a transitional period.

**Thrift Tip**

**The interest rate on a secured debt is lower and less expensive.**

Mr. Cleveland Holding, Post & Telecommunications Department, requested an explanation of Note 7 on 'Loans and Interest Owned by Members – Less amount over recovered'; to which the Chairman replied that when members liquidated their loans but the deductions continue to be remitted to the Society, these amounts are transitioned to Shares Account but cannot be accounted as Loans and interest owned by members.

Eventually, members may utilize these funds as part of other loan applications or withdraw those amounts. Mr. Holding also enquired as to what is covered by 'Committee Expenses'.

The Chairman explained that the cost is associated with the attendance of Members of the Committee of Management and related Sub-Committee to meetings numbering 107 in the year 2014.

On a motion by Mr. Junior Dunn, Senior Member seconded by Mr. O'Neil Grant, JCSA President, the Auditor's Report and the Financial Statements were adopted.

#### *Distribution of Net Income/ Dividend Payment*

With the Society realising a surplus in 2014 of \$18.9 Million and after the provision of \$2.4 Million for taxation, the net profit of \$16.5 Million was appropriated as follows:-

Proposed Dividend - \$10.05 Million  
General Reserve - \$2 Million and  
Retained Income - \$4.473 Million

A Resolution for the payment of dividend to Members was moved by Mrs. Gennetta Smikle, Member of the Committee of Management and seconded by Mr. Cebert Mitchell, both Members of the Committee of Management.

A dividend of 1.5% payable on shares held at November 30, 2014 was approved. It will be paid to Members with no loans or loans within shareholdings. Members with loans in excess of shareholdings elected to have dividend credited to their shares or loans accounts.

Mr. Robert Chung, 1st Vice President, Jamaica Civil Service Association proposed that members with shares over their loans be paid their dividend directly but the Chairman advised that in light of the Resolution just passed, Mr Chung's proposal would have to be noted for future reference.

#### *Election of Chairman, 1st Vice Chairman and 3 Members to Committee of Management*

With Mr. O'Neil Grant, President of the Jamaica Civil Service Association assuming the role as Election Officer, the business of conducting elections for the positions of Chairman, 1st Vice Chairman and 3 members of the Committee of Management was undertaken, and with there being no other nominations for the positions

and in accordance with Rule XXX11, the following nominees were returned by acclamation to the positions indicated:

Chairman: Errol L. Miller  
1st Vice Chairman: Marva Pringle-Ximinnies  
Committee Members: Leslie Campbell,  
Lelieth P. Barrett-Hamilton and  
Fred R. Manderson

The re-elected Chairman thanked Mr. Grant for his services as Election Officer and expressed appreciation on behalf of those returned to office for the confidence members continue to repose on them.

#### *Appointment of Auditor*

The Chairman advised that Mrs. Yvonne Davis, the Society's Auditor having indicated her willingness to continue to serve be hereby proposed in accordance with Rule XX111 and that she be re-elected to be Auditor of the Society for the ensuing year 2015/2016.

On a motion by Mr. Erell Crooks, Senior Member and seconded by Mrs. Gillian Corodus, 2nd Vice President of Jamaica Civil Service Association, the Annual General Meeting approved the appointment of Mrs. Yvonne Davis as The Society's Auditor for 2015/2016.

#### *Any Other Business*

Mr. O'Neil Grant, Ministry of Agriculture and



Fisheries and President of the Jamaica Civil Service Association commended the Committee of Management on the Report and the continued positive growth in the organisation generally. He however lamented the declining profit position over the past two (2) years and the weak membership growth. He also raised concern about loan interest rates, noting Members were reportedly withdrawing shares as they were unable to access loans because of the rates of interest. The Chairman responded that adjusting loan interest rates was a 'catch-22' situation as lower rates would negatively impact interest income and reduce the surplus of The Society. He said the Committee would continue to search for creative ways to assist members whose eligibility for loans, dictated otherwise.

Mr. Chuck Monroe, Jamaica Defence Force raised a problem with the processing time of deductions sent to the Society and which he was told attracts interest when the deductions are not posted to the system in a timely manner. The Chairman advised there was no charge for the lag time in the processing of deductions and he invited Mr Monroe to visit the Society's office and discuss the matter with the Secretary/Manager.

Mr. Christopher Scott, Department of Correctional Services, enquired whether persons employed temporarily to the Government could be members of the Thrift Society. He also suggested

that the Society allow temporary members to contribute to the Society and maintain a non-borrowing policy for those members until they become permanent employees. The Chairman said while the suggestion was 'a noble one', it would impact on the rules of the Society and required further examination of the rules with the necessary Resolution approved at an AGM for any change to take place.



*Members share a light moment amidst the discussions at the AGM*

Miss Jacqueline Brown-Kinghorn, KSA Health Department, enquired whether deductions from the South East Regional Health Authority were being paid over and arrears with The Society attracted interest. The Chairman explained that like any other financial institution, the

Society cannot stop the charging of interest until it receives the distributions or payments for members' loans. That is a normal transaction. The Chairman assured members that the South East Regional Health Authority was up to date with payments.

Miss Suzette Grant, Forestry Department, asked about interest rate of the Consolidation Loan and whether the Reception Area at the office could be upgraded as among other things the area is too small to accommodate members. She also suggested that Annual Reports be distributed using the company's car to the Ministries so that members could have access to the information contained in the Report before coming to the AGM.

The Chairman assured Members that every effort is made to timely deliver Reports through Departmental Representatives. On the Reception Area, the Chairman noted the problem was one of limited space but that the Committee of Management is actively looking at the concern. He told the meeting that the Society is in negotiation to purchase a property which would alleviate that situation. The Chairman informed the meeting that the conditions of the Consolidation Loan would be published at the Secretariat, consequently this information could be accessed there.

**Promoting Thrift Among Public Servants and Government Pensioners for Over 75 Years**





Mrs. Barnett-Lawrence of the Post and Telecommunications Department enquired whether The Society would consider hosting a fun day for members meet in a relaxed setting and have a wonderful day. The Chairman noted the suggestion while pointing out that this idea had to be balanced against the surplus generated at the end of the year.

Mrs. Pauline Allwood, Senior Member, congratulated the Society on the new numbering system for customer service which she said was working one hundred percent. The Chairman thanked Mrs. Allwood for the commendation and noted that the Society would continue to improve its operations and service to members.

The Chairman thanked the membership for their participation in the Society's 75th AGM and over the past year. He noted the increased attendance at the meeting as an encouraging sign of interest in the business of the Society and called on members to encourage other colleagues to get involved. He also expressed thanks to the Officers and Staff of the Jamaica Civil Service Association, JCSA Limited, JCSA Housing Company, the dedicated and loyal JCSMTS staff, and all other persons and organizations that assisted the Thrift Society in making 2014 a successful year.

Special thanks were also extended to sponsors, Hi-Lo Food Stores, Sip Spring Water, National

Commercial Bank, Barita Investments and Econo Office Supplies for assisting with our spot and other prizes.

*Relaunching of the Society's Website*

An introduction of the new website for The Society, inclusive of electronic and technical features, was done by Mr. Rhon-Kaniel Bramwell, Assistant Systems Administrator. The Chairman inviting members 'visit and interact' on line at [www.jcsmts.com.jm](http://www.jcsmts.com.jm)



*Early Bird, Spot and Gate Prizes*

Miss Yvette Edwards of the Ministry of Education won the 'early bird prize'.

The drawing and presentation of several Spot Prizes conducted by Mrs. Marva Ximinnies, 1st Vice Chairman at different stages during the meeting resulted in the following members winning prizes:-

- Syon Chung Monroe – Jamaica Defence Force
- Patricia Blair – Post & Telecommunications Dept.
- Erell Crooks – Senior Member



*Goodies for early bird and spot prize winning members*

- Suzette Grant – Forestry Dept.
- Jacqueline Brown-Kinghorn – KSA Health Dept.
- Olive Sawyers – St. Catherine Parish Library
- Lamuel Williams – Forestry Dept.

The gate prize was won by Ms Joan McKay, Post and Telecommunications Department.

*Toast to 75 years of AGMs*

Members raised a special toast in celebration of the Thrift Society convening its Annual General Meetings for 75 years

*Adjournment*

On a motion by Mr. Erell Crooks, Senior Member and seconded by Miss Jacqueline Brown – Kinghorn, KSA Health, the meeting was adjourned at 6:12 p.m.



# The 2015 Performance: Report of the Committee of Management

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## A Challenging, Performance Year

The 2014/15 business year of the Jamaica Civil Service Mutual Thrift Society Limited (the Thrift Society) ending November 30, 2015, was another milestone performance one.

The year began with most goods and service sectors contracting by 0.3%. There was too, the accompanying challenges to businesses and individuals from operating in an environment of tight fiscal discipline under the Government's Economic Reform Programme being implemented as part of a four-year Extended Fund Facility with the International Monetary Fund.

This was overshadowed by another year of Public Sector wage restraint which severely impacted the disposable income of members.

Despite these challenges, however, the Thrift

Society ended the year with its major financial and other performance indicators showing positive results.

Through prudent management, we were able to generate a surplus on operations of \$17.9 million, with a net after tax profit of \$15.7 million, and therefore able to once again declare a dividend to members. We are encouraged by the performance as it means that your Thrift Society has been able to declare a dividend to members for every single year since it was established in 1939. This is a commendable achievement!

Other areas of notable performance are reflected in:

- membership which grew by 7% to now stand at 12,396 members
- our loan portfolio which achieved a 9% growth to just under \$824 million
- interest income and the shareholdings of

members each increased by 5% to \$130.4 million and \$743.4 million, respectively.

The growth in Members Shareholdings which came as a direct result of our drive to attract new members and our increased presence in several Ministries, Departments and Agencies could have been higher were it not for the fact that members were withdrawing their shares after consolidating their loans with the Society. On the other hand, the increase in interest income followed our introduction of new loan products and enhancements made to others.

These outreach and marketing initiatives will continue and there is every expectation the Thrift Society will enjoy further increases in both interest income and member shareholding in the next financial year.

With this overall positive result, the clear mes-



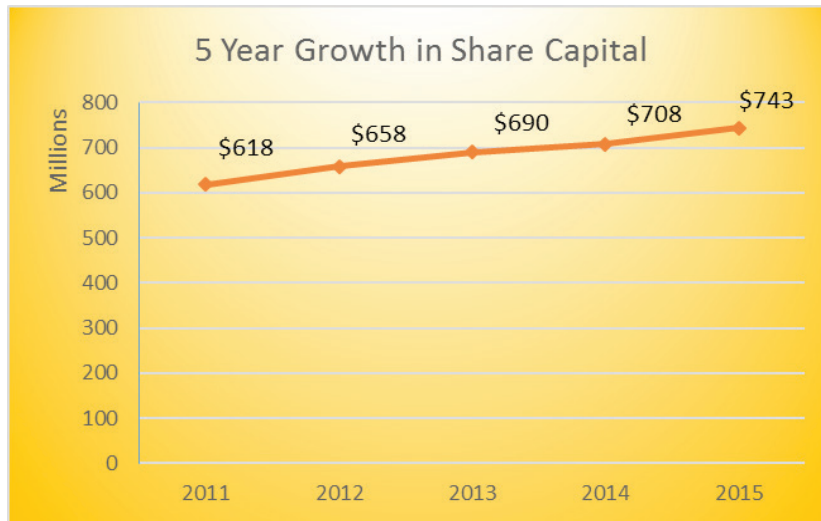
**Switch off unwanted lights and unplug appliances not in use; save electricity and reduce your energy bill**



sage from our 2015 performance is that success is possible even in challenging times and there is still virtue in the Thrift Society remaining true to its core business and the mission of our Founding Fathers to assist public sector employees and government pensioners in realising their financial goals and in meeting their needs through thrift and responsible borrowing.

### Highlights of Financial Performances

The composite favourable performance of the Thrift Society for the year ended November 30, 2015 is the result of positive outcomes in the key financial indices as highlighted below: -



in the shareholdings of members over the 2014 performance of a 2.6% increase. Members Shareholdings grew by \$35.1 million in the reporting year, up from the \$18.5 million by which it grew in 2014. The total shareholding

of members stands at \$743.4 million.

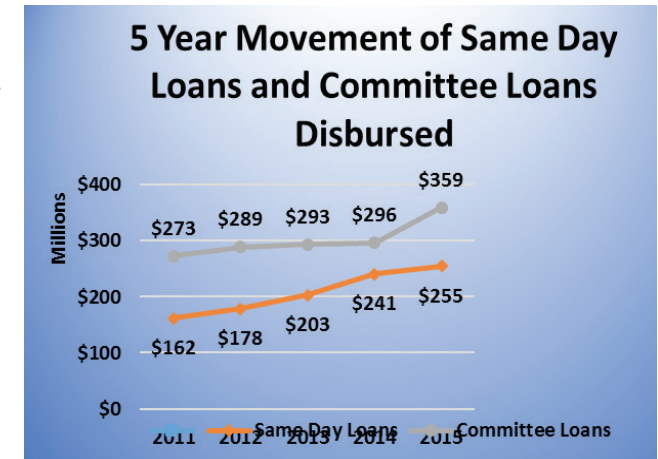
### Loans to Members

The introduction of new loan products and improvements made to others which became effective in August 2015 had a net positive impact on the performance of our loan portfolio.

There was a 21% increase in the value of loans approved by the Committee in 2015, with the majority being Education and Consolidation loans.

There was a refocus from the usual demand for Same Day Loans (SDL) which this year grew by a marginal 5.8%.

The Thrift Society recorded a 14% increase in the value of loans disbursed to members moving from \$536.5 million in 2014 to \$613.7 million as at November 30, 2015. Our overall Loan Portfolio grew from \$758.3 million to \$823.6 million reflecting a 9% increase for the reporting period. This increase came at a time of aggressive competition within the sector and which saw some of the Society's loans being liquidated by members.





The total value of loans disbursed during the financial year under review was \$613.7 million, up from \$536.5 million. Below is a breakdown of the numbers and main categories of loan disbursed.

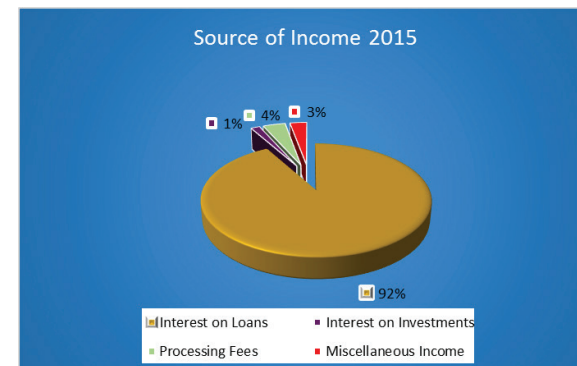
	2015		2014	
	Qty	Value	Qty	Value
<b><u>Same Day Loans</u></b>				
Cash Loans	9026	128,674,449	9265	126,676,244
Emergency Loans	13186	125,983,225	12847	113,996,140
	22212	254,657,674	22112	240,672,384
<b><u>Committee Loans</u></b>				
Consumer Durables	1258	98,398,117	1273	88,917,026
Consolidation of Debt	386	68,562,574	238	21,875,676
Education	774	59,841,148	664	46,726,309
Home Improvement	430	46,263,616	506	61,712,314
Motor Vehicle Repairs & Insur.	380	43,606,353	446	39,771,610
Medical, Dental & Funeral	154	12,089,127	128	9,733,913
Travel & Vacation	72	6,866,360		
Computer Acquisition	68	4,150,299	94	5,669,898
Utilities	66	2,123,550		
Other Committee Loans	261	17,178,268	350	21,507,317
	3849	359,079,412	3699	295,914,063
	26,061	613,737,086	25811	536,586,447

### Interest Income

The practice by members re-financing their obligations with the Thrift Society through facilities from other financial institutions, while perhaps understandable in the aggressively competitive environment in which we operate, continues to have an adverse impact on the interest income of the Thrift Society. The response of the Society in introducing several new loan products and improvements to others implemented in August 2015 has been positive with an increased demand for Education and Consolidation loans.

As a result, the Thrift Society was able to achieve an overall increase in this financial performance index in 2015 of \$6.2 million with interest income moving from \$124.1 million to \$130.4 million. (See chart below illustrating sources of gross income as at November 30, 2015)

The positive response of members to the newly introduced and enhanced loan products, particularly Education and Consolidation loans is forecast to continue and further improvement in the interest income from loans earned by the Thrift Society is expected to continue through to the next financial year.



**Make your borrowings small and for short periods where possible.**

### Operational and Administrative Expenses

In keeping with a major objective in our Strategic Plan 2014 – 2017 to contain cost through implementing efficiency improvements and expense reduction measures, your Thrift Society achieved a noticeable reduction in operating and administrative expenses.

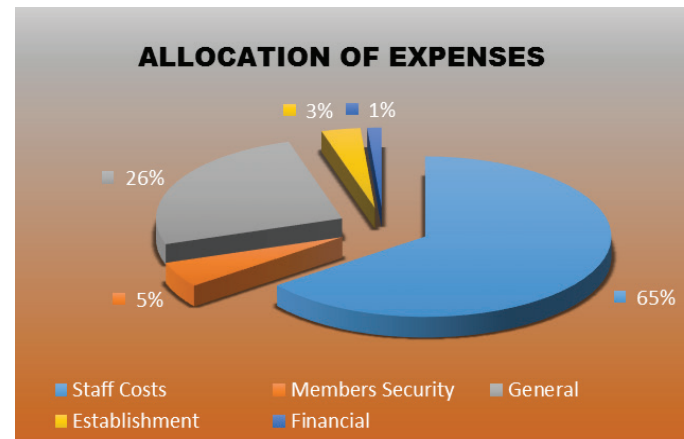
In 2015, some \$4.5 million was invested in upgrading our Information Technology (IT) infrastructure which resulted in the automation of some processes which were previously undertaken manually. These changes led to efficiency improvements in areas of our operations and impacted favourably in reducing operational costs.

Taking these considerations in mind, the operational and administrative expenses of the Thrift Society for the 2015 financial year amounted to \$122.2 million which represents a marginal \$5.9 million or 5% increase over the previous period. It must be noted that staff cost accounted for the bulk of the increase, amounting to \$4.2 million.

OPERATIONAL EXPENSES		
	2015	2014
	\$	\$
<b>Personal Emoluments</b>	78,996,265	74,700,496
<b>Members Security</b>	6,309,418	6,646,518
<b>General</b>	31,237,119	28,975,724
<b>Establishment</b>	4,151,767	4,455,245
<b>Financial</b>	1,517,935	1,524,575
	122,212,504	116,302,558

As the IT infrastructure and network resources were upgraded it was also necessary, for better management and improved efficiency to also increase the quality and complement of the staff in the IT Department. We are also proud to report that as a consequence of these improve-

ments, you - our valued members can now access your accounts and conduct other business on-line, with the Society. It is evident the efficiency improvement and cost saving measures implemented have contributed to a containment of overall operational and administrative expenses which in 2014 grew by 8% over 2013, while the increase for 2015 over 2014 was 5%.



### Distribution of Net Income

The Thrift Society realised a surplus on its operations of \$17.9 million as at November 30, 2015. This represents a reduction of approximately \$1 million over the previous year's surplus of \$18.9 million. We recommend that after provision of \$2.1 million for taxation, the net surplus of \$15.7 million be appropriated as follows:-

Proposed Dividend	\$ 9,573,873
General Reserve	\$ 2,000,000
Retained Income	\$ 4,195,018
<b>Total:</b>	<b>\$15,768,891</b>

### Dividend Payment

The Thrift Society has an enviable record when it comes to providing members with a return on their investments. This is a fact which must be emphasised as every year since its establishment in 1939, your Thrift Society, in accordance with Rule XXII (c), has been able to make a dividend payment to members. This year is no different.

We are pleased, based on the financial performance, to declare a dividend of 1.5% payable on shares held by members as at November 30, 2015. This payment will be made to shareholders on the Register of Members at February 29, 2016. As is customary, however, the Committee recommends that dividend be paid to members with no loans, or loans within shareholdings and that members with loans in excess of shareholding elect to have dividend credited either to their shares or loan accounts

### Non-Performing Loans

A key indicator for any financial services entity is the extent of its Non-Performing Loans, namely those loans where the agreed monthly payment has not been received for three consecutive months or more.

The Thrift Society continues to successfully maintain the value of such loans below 2% of its Total Loan Portfolio. At the end of this financial

No. of Cases/ Department	No. of Cases / Amounts - 2014 in Millions		Remarks Amount for 2015 in Millions	
	Accountant General's Department	41	\$13.4	35
Loans Redemption Fund	14	\$1.4	13	\$1.3 Awaiting Proof of Death for Settlement
Surety Accounts	48	\$2.9	44	\$2.3 Action for recovery Being pursued
<b>Total Outstanding</b>	<b>103</b>	<b>\$17.7</b>	<b>92</b>	<b>\$14.9</b>

**Thrift  
Tip**

*The interest rate on a secured debt is lower  
and less expensive.*

year, Non-Performing Loans amounted to \$14.9 million from a Loan Portfolio of \$758.3 million. The number of such cases and the total amounts outstanding at November 30, 2015 are shown in the Table above.

Forty-eight of the 92 Non-Performing Loans on the books amounting to \$12.5 million of the overall total of \$14.9 million are attributable to retirements from the Public Service and or the death of members. These loans will therefore be satisfied from pension gratuities payable by the Accountant General's Department and settlements from the Loans Redemption Fund.

### Membership

The Thrift Society made some progress in growing its membership through a stronger presence within Ministries, Departments and Agencies. This year saw a 7% growth over the comparative figure for 2014. Membership now stands at 12,396, up from 11,700.

The five-year membership growth 2011-2015 is shown below:

	2015	2014	2013	2012	2011
Opening Membership	11700	10936	10189	9 626	9046
New Members	946	981	850	672	670
Resigned Members	(250)	(217)	(103)	(109)	(90)
Closing Membership	12396	11700	10936	10189	9626

### Loans Redemption and Shares Enhancement Funds

As members are aware, these Funds were established to meet specific objectives. The Loans Redemption Fund, set up in 1971, provides resources from which the loan balance of a member is settled on his/her death or permanent disability while the Shares Enhancement Fund, established in 1991 provides payment to a beneficiary by matching the shareholding of a member in the event of death or permanent disability.

During the year, claims against the Loans Redemption Fund were satisfied



to the extent of \$2.4 million while claims against the Shares Enhancement Fund amounted to \$3.1 million.

The value of these Funds remain strong and adequate with balances as at November 30, 2015 at:

Loans Redemption Fund \$166.2 Million  
Shares Enhancement Fund \$ 51.6 Million

### **Administration, Staff Development, Marketing Communications And Outreach**

While a strong financial performance is necessary for the continued viability of any business, there is too an equal and compelling need for proper administration, effective systems and controls, competent staff, proactive marketing communications and the exercise of a strong sense of corporate social responsibility. All contribute to the wholesome success of the organisation.

#### **Outreach Programmes**

In partnership with the Jamaica Civil Service Association, an information booth was set up at its Open Day held at Jacisera Park on May 6, 2015 where members and potential members were sensitized about the Society's products and services. During this activity, we were able to sign up new members for the Thrift Society.

A team comprising members of the Committee of Management and staff made visits to several agencies in Mandeville on May 26, 2015 including the Rural Agricultural Development Authority (RADA), Mandeville Hospital, Tax Administration Jamaica, among others. For the first time, the Society using its technology capabilities was able to give members account balances on the spot, along with their eligible loan amounts. The Society also took part in an Expo hosted by the Ministry of Agriculture on October 29, 2015, in which we were also able to provide members with their account balances and loan eligibility. From these initiatives, members have expressed their satisfaction with

the Society and suggested other services they would be interested in when the Society conducts these outreach visits. The Society's products and services were also introduced to the audience, which was well received.

#### **Corporate Responsibility**

The Thrift Society participated in the Sagicor Sigma Corporate Run on February 22, 2015. Our contribution to this charity was in aid of the Neo-Natal Unit at the Cornwall Regional Hospital.

The Society also continued its contribution of support to various Civic Associations, educational and community projects, underscoring its commitment to being a socially responsible corporate entity. Included in the list of organizations that have benefited from our generosity during the year are:

- Youth Opportunities Unlimited
- Missionaries of the Poor
- Mustard Seed Communities
- Salvation Army
- Kingston & St. Andrew Corporation – Poor Relief Department
- St. Stephens United Church
- The Jamaica Government Pensioners Association
- Lay Magistrates Association
- Free Hill Primary & Infant School
- The Lyndhurst Methodist Church
- Boulevard United Church
- Portsmouth Basic School
- Leslie-Ann Goulbourne "Rainbow Fund"
- Friends of Mona Rehabilitation Institute
- Department of Correctional Services
- Alvernia Preparatory School

We continued our sponsorship of Mr. Owen Greaves, Correctional Officer of the Department of Correctional Services, who participated in the Reggae Marathon, and are pleased to report that Mr. Greaves who continues to promote the Thrift Society was placed 16th out of a total of 180 participants in the 10k Marathon.

#### **Staff Training**



The Thrift Society continues to invest in the training and development of our staff through customized internal and external courses, seminars and workshops. Two (2) members of staff attended the Teller Training Workshop hosted by the Centralized Strategic Services Limited while another two (2) were exposed to training in Report Writing and Note Takings Skills provided by the Jamaica Employers' Federation. The majority of staff also benefitted from training in Report and Minute Writing which was tailored specifically for the Society. In-house training is a continuous process as we seek to provide a multi-skilled team to ensure that our members consistently receive quality service.

#### Scholarships

We maintained our support to the recipients of the 6 scholarships and 8 Bursaries which were awarded in October 2013 to the children of members attending Secondary Institutions. It should be noted that the continuation of the scholarships each year is dependent on the academic performance, conduct and participation in extra-curricular activities of the awardees.

#### Attendance at Meetings

There were fifty (50) regular meetings and six (6) special meetings of the Committee of Management as well as fifty (50) Sub-Committee Meetings during the period December 1, 2014 to November 30, 2015.

Sub-Committee meetings held during the period comprised of the following.

SUB COMMITTEE	NO./MEETINGS HELD
Finance	10
Human Resource	9
Information Technology	11
Marketing/Communications	11
Pensions Trustee	6
Real Estate	3

The Table below shows the attendance of each member at the 56 Reg-

ular and Special meetings held during the year.

Member	Regular & Spec.	Excused	Remarks
Errol Miller, Chairman	54	2	Granted Leave
Marva Pringle-Ximinnies, 1st Vice-Chair	54	2	Granted Leave
Hugh Martin, 2nd Vice-Chair	54	2	Granted Leave
Leslie Campbell	55	1	Granted Leave
Gary Mowatt	55	1	Granted Leave
Fred Manderson	56	-	-
Georgia Mogg	52	4	Granted Leave
Marguerite Clare	56	-	-
Lelieth Barrett-Hamilton	50	6	Granted Leave
Gennetta Smikle	55	1	Granted Leave
Icolyn Coulbourne	56	-	-
Cebert Mitchell	56	-	-

#### Appointment of Auditor

Mrs. Yvonne E. Davis, ACCA, FCA, having been appointed as Auditor to the Society at the last Annual General Meeting and having indicated a willingness to continue as the Society's Auditor, the Committee of Management confirms her eligibility for election in accordance with Rule XXIII.

#### Obituary

The Committee of Management extends sincere condolences to the families and friends of those members who passed on during the reporting year. The list of those members appears elsewhere in this Report.

#### Acknowledgments

The Committee of Management takes this opportunity to express its appreciation to you, our valued members for your continued confidence





and goodwill in the Thrift Society. The progress we continue to make would not have been possible without you. Thanks too to our loyal and committed members of staff and all who have in their respective ways contributed to the success of the organisation – the Auditor, Officers and Staff of the Jamaica Civil Service Association, JCSA Limited, JCS Housing Company, our sponsors – to all, we say ‘a big thank you’.

2015 has been for us another milestone year of achievement. We look to the future with confidence and give our full assurance of continued responsible leadership and guidance of the affairs of our Thrift Society, so it can continue to serve the interests and needs of public sector employees, government pensioners and their families as well as the wider social and economic development of our nation.

**Signed on Behalf of the Committee  
of Management**

Errol Miller  
*Chairman*





# Independent Auditor's Report

26

**Yvonne E. Davis** ACCA; FCCA  
13 North Avenue  
Kingston 5, Jamaica

To the Members of  
**The Jamaica Civil Service Mutual  
Thrift Society Limited**

*(A society registered under the Industrial and Provident Societies Act)*

### Report on the Financial Statements

I have audited the accompanying financial statements of The Jamaica Civil Service Mutual Thrift Society Limited as set out on pages 29 - 67, which comprise the statement of financial position as at November 30, 2015, the statement of comprehensive income, statement of changes

in members' equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

### Management's Responsibility for the Financial Statement

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

### Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial

76th Annual General Meeting | 2015



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statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

**Opinion**

In my opinion, the accompanying financial statements give a true and fair view of the financial position of the society as at November 30, 2015 and of the financial performance and cash flows for the year then ended, in accordance with International Financial Reporting Standards.

**Report on Other Legal and Regulatory Requirements**

As required by the Industrial and Provident Societies Act, No. 156 1 have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of my audit.

In my opinion, proper accounting records have been maintained, so far as appears from

my examination of those records, and the accompanying financial statements are in agreement therewith and give the information required by the Industrial and Provident Societies Act, in the manner so required.



Yvonne Davis  
CHARTERED ACCOUNTANT

August 11, 2016





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	<u>Note</u>	<u>2015</u> \$	<u>2014</u> \$
<b>ASSETS</b>			
<b>Earning assets</b>			
Investments classified as available-for-sale	5	8,256,186	5,852,421
Investments classified as loans and receivables	6	40,454,141	39,681,958
Loans and interest owed by members	7	823,634,105	758,301,432
Cash and bank balances	8	4,201,185	1,401,005
		876,545,617	805,236,816
<b>Non-earning assets</b>			
Deferred tax asset	9	611,376	673,406
Plant and equipment	10	7,454,551	4,178,142
Other assets	11	39,078,195	6,628,904
Cash and bank balances	8	4,590,205	6,239,391
		51,734,327	17,719,843
<b>TOTAL ASSETS</b>		928,279,944	822,956,659
<b>Assets of administered funds</b>	12	221,174,159	197,732,336
<b>TOTAL CONSOLIDATED ASSETS</b>		<b>1,149,454,103</b>	<b>1,020,688,995</b>
<b>LIABILITIES AND EQUITY:</b>			
<b>Liabilities</b>			
Proposed dividends		7,180,405	7,542,067
Bank overdraft	8	-	1,181,377
Trade and other payables	13	34,804,571	10,940,692
With-holding tax		4,825,635	12,719,743
Income tax		2,586,437	1,072,960
		49,397,048	33,456,839
Long term advances	14	78,982,737	31,578,891
<b>Equity</b>			
Share capital	14a	743,467,462	708,340,054
General reserves	15	32,000,000	30,000,000
Fair value reserves	15a	8,075,456	5,671,691
Capital reserves	15b	551,195	551,195
Asset reserves	15c	62,753	-
Retained earnings		15,743,293	13,357,989
		799,900,159	757,920,929
<b>TOTAL LIABILITIES AND EQUITY</b>		928,279,944	822,956,659
Administered funds	12	221,174,159	197,732,336
<b>TOTAL CONSOLIDATED LIABILITIES AND EQUITY</b>		<b>1,149,454,103</b>	<b>1,020,688,995</b>

Errol L. Miller  
Chairman

Marva Pringle-Ximinnies  
1st Vice Chairman

# STATEMENT OF FINANCIAL POSITION

*For year ended November 30, 2015*

The accompanying notes form an integral part of  
the Financial Statements



	<u>Note</u>	<u>2015</u> \$	<u>2014</u> \$
<b>Interest income</b>			
Loans to members		130,421,471	124,180,344
Cash resources and investment securities		<u>841,508</u>	<u>2,039,057</u>
		<b>131,262,979</b>	<b>126,219,401</b>
<b>Non-interest income</b>			
Processing fees and other income	16	<u>8,899,360</u>	<u>8,996,782</u>
<b>Total income</b>		<b><u>140,162,339</u></b>	<b><u>135,216,183</u></b>
<b>Operating expenses</b>			
Staff costs	17	(78,996,265)	(74,700,496)
Other operating expenses	18	<u>(43,216,239)</u>	<u>(41,602,062)</u>
<b>Total expenses</b>		<b><u>(122,212,504)</u></b>	<b><u>(116,302,558)</u></b>
<b>Surplus for the year before taxation</b>		<b>17,949,835</b>	<b>18,913,625</b>
Income tax expense	19	<u>(2,180,944)</u>	<u>(2,383,848)</u>
<b>Surplus for the year after taxation</b>		15,768,891	16,529,777
<b>Other comprehensive income for the year</b>			
Items that may be reclassified to surplus or deficit:			
Net change in fair value of available-for-sale financial assets		<u>2,403,765</u>	<u>600,234</u>
<b>Total Surplus and Other Comprehensive Income for the Year</b>		<b><u>18,172,656</u></b>	<b><u>17,130,011</u></b>

# STATEMENT OF COMPREHENSIVE INCOME

*For year ended November 30, 2015*

The accompanying notes form an integral part of  
the Financial Statements



# STATEMENT OF CHANGES IN EQUITY

For year ended November 30, 2015

31

	Share Capital	General Reserves	Fair Value Reserves	Capital Reserves	Asset Reserves	Retained Earnings	Total
	£	£	£	£	£	£	£
<b>Balance as at November 30, 2013</b>	<b>689,741,618</b>	<b>28,000,000</b>	<b>5,071,457</b>	<b>551,195</b>	<b>-</b>	<b>9,173,874</b>	<b>732,538,144</b>
<b>Comprehensive income</b>							
Net surplus for the year	-	-	-	-	-	16,529,777	16,529,777
Other comprehensive income							
Change in fair value of equity investments	-	-	600,234	-	-	-	600,234
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>600,234</b>	<b>-</b>	<b>-</b>	<b>16,529,777</b>	<b>17,130,011</b>
<b>Transactions with members</b>							
Under-provision for dividends 2013	-	-	-	-	-	(289,573)	(289,573)
Dividends 2014 (proposed)	-	-	-	-	-	(10,056,089)	(10,056,089)
Net issues and withdrawals	18,598,436	-	-	-	-	-	18,598,436
<b>Total transactions with members</b>	<b>18,598,436</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(10,345,662)</b>	<b>8,252,774</b>
<b>Transfer to general reserves</b>	<b>-</b>	<b>2,000,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,000,000)</b>	<b>-</b>
<b>Balance as at November 30, 2014</b>	<b>708,340,054</b>	<b>30,000,000</b>	<b>5,671,691</b>	<b>551,195</b>	<b>-</b>	<b>13,357,989</b>	<b>757,920,929</b>
<b>Comprehensive income</b>							
Net surplus for the year	-	-	-	-	-	15,768,891	15,768,891
Other comprehensive income							
Change in fair value of equity investments	-	-	2,403,765	-	-	-	2,403,765
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>2,403,765</b>	<b>-</b>	<b>-</b>	<b>15,768,891</b>	<b>18,172,656</b>
<b>Transactions with members</b>							
Under-provision for dividends 2014	-	-	-	-	-	(1,809,714)	(1,809,714)
Dividend 2015 (proposed)	-	-	-	-	-	(9,573,873)	(9,573,873)
Asset reserves	-	-	-	-	62,753	-	62,753
Net issues and withdrawals	35,127,408	-	-	-	-	-	35,127,408
<b>Total transactions with members</b>	<b>35,127,408</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>62,753</b>	<b>(11,383,587)</b>	<b>23,806,574</b>
<b>Transfer to general reserves</b>	<b>-</b>	<b>2,000,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,000,000)</b>	<b>-</b>
<b>Balance as at November 30, 2015</b>	<b>743,467,462</b>	<b>32,000,000</b>	<b>8,075,456</b>	<b>551,195</b>	<b>62,753</b>	<b>15,743,293</b>	<b>799,900,159</b>

The accompanying notes form an integral part of the Financial Statements



	Note	<u>2015</u> \$	<u>2014</u> \$
<b>Surplus for the year before taxation</b>			
Total surplus and other comprehensive income for the year:		18,172,656	17,130,011
<b>Adjustments to reconcile total comprehensive income to net cash provided by operating activities:</b>			
Gain on available for sale investments		(2,403,765)	(600,234)
Gain on sale of plant and equipment		-	(390,000)
Income Tax Expense		2,180,944	2,383,848
Depreciation		<u>1,623,003</u>	<u>870,405</u>
Operating cash flows before movements in working capital		19,572,838	19,394,030
<b>(Increase)/decrease in current assets/liabilities</b>			
Other assets		(32,449,291)	2,331,452
Trade and other payables		23,863,879	12,589,057
With-holding tax payable		<u>(7,894,108)</u>	<u>(9,768,026)</u>
		3,093,318	24,546,513
Income tax		<u>(605,437)</u>	<u>(2,659,780)</u>
<b>Net cash provided by operating activities</b>		<b><u>2,487,881</u></b>	<b><u>21,886,733</u></b>
<b>Cash flows from investing activities</b>			
Dividends paid		(11,745,249)	(9,328,513)
Loans and interest owed by members		(65,332,673)	(48,269,298)
Investments classified as loans and receivables		(772,183)	4,048,494
Proceeds from disposal of fixed assets		-	390,000
Acquisition of fixed assets		<u>(4,836,659)</u>	<u>(2,035,307)</u>
<b>Net cash used in investing activities</b>		<b><u>(82,686,764)</u></b>	<b><u>(55,194,624)</u></b>
<b>Cash flows from financing activities</b>			
Long term advances		47,403,846	-
Members' shares issues and withdrawals (net)		<u>35,127,408</u>	<u>18,598,436</u>
<b>Net cash provided by financing activities</b>		<b><u>82,531,254</u></b>	<b><u>18,598,436</u></b>
<b>Increase/(decrease) in cash and cash equivalents</b>		<b>2,332,371</b>	<b>(36,596,188)</b>
<b>Net cash and cash equivalents at beginning of year</b>		<u>6,459,019</u>	<u>43,055,208</u>
<b>Net cash and cash equivalents at end of year</b>	8	<b><u><u>8,791,390</u></u></b>	<b><u><u>6,459,019</u></u></b>
<b>Comprised of:</b>			
Cash and bank balances (earning assets)		4,201,185	1,401,005
Cash and bank balances (non-earning assets)		4,590,205	6,239,391
Bank overdraft		-	<u>(1,181,377)</u>
		<b><u><u>8,791,390</u></u></b>	<b><u><u>6,459,019</u></u></b>

# STATEMENT OF CASH FLOWS

For year ended November 30, 2015

The accompanying notes form an integral part of the Financial Statements



## 1. IDENTIFICATION

The Jamaica Civil Service Mutual Thrift Society Limited (the “Society”) is incorporated under the Industrial and Provident Societies Act of Jamaica.

The principal activity of the Society is to receive savings from members in the form of shares, invests such amounts as considered appropriate and make loans to its members at reasonable rates of interest, and otherwise to assist members as may be necessary and expedient.

The Society’s registered office is located at 10 Caledonia Avenue, Kingston 5.

Membership of the Society is limited to members of the Jamaica Civil Service Association who are:-

- (a) (i) Employees of the public service on a permanent basis;
  - (ii) Employees of Executive Agencies and other Parastatal Bodies (statutory bodies and Government companies) who are permanently employed and whose application shall be approved at the discretion of the Committee of Management;
- (b) Pensioners of the public service and executive agencies;
- (c) Other societies registered under the Industrial and Provident Societies Act whose membership is limited to members of the Jamaica Civil Service Association, such member of the Society being deemed a person for the purpose of this rule and other rules of the Society in so far as the same may apply.

## 2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

These financial statements have been prepared in accordance and comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board and the relevant requirements of the Industrial and Provident Societies Act. New, revised and amended standards and interpretations effective during the year

# NOTES TO THE FINANCIAL STATEMENTS

*For year ended November 30, 2015*

The accompanying notes form an integral part of the Financial Statements



Certain new, revised and amended standards and interpretations came into effect during the current financial year. The Management of the Society has reviewed all such standards, interpretations and amendments and has adopted, where appropriate, those standards which are considered relevant. However, those adopted do not have any significant impact on the presentation, or disclosures in the financial statements or the reported financial performance or position.

New, revised and amended standards and interpretations not yet effective

At the date of authorization of these financial statements, certain new, revised and amended standards, interpretations and amendments were in issue but not effective for the financial period being reported on. The Society has assessed the relevance of all such new standards, interpretations, and amendments and will adopt in future periods those which are considered relevant to its operations.

The statements have been prepared on the historical cost basis, except for those financial instruments that have been valued at fair value.

Historical cost is generally based on the fair value of the consideration given in exchange for assets.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied for all the years presented unless otherwise stated.

These financial statements are expressed in Jamaican dollars which is the functional currency.

### **3. SIGNIFICANT ACCOUNTING POLICIES**

#### **(a) Financial Instruments**

Financial assets and financial liabilities are recognised when the Society becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss





### Financial assets

All financial assets are recognised and unrecognised on trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned.

Financial assets are classified into the following specified categories: 'loans and receivables', and available-for-sale' (AFS) financial assets. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Income is recognised on an effective interest rate basis for debt instrument other than those assets classified as fair value through profit or loss.

### Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

### Financial Assets at Fair Value Through Profit or Loss (FVTPL)

Financial assets are classified as FVTPL when the financial asset is either held for trading or it is designated as a FVTPL.

Financial assets at FVTPL are recognised at fair value based on quoted bid prices with any gain or loss arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial assets.

There were no such classification during the year.

### Receivables

Receivables are stated at their nominal value as reduced by appropriate allowance for estimated irrecoverable amounts. These irrecoverable amounts are recognized in the income statement.





## Loans

Loans are recognized when cash is advanced to members. They are initially recorded at cost, which is the cash given to originate the loan, including any transaction costs, and subsequently measured at amortized cost using the effective interest rate method. Interest is recognised by applying the effective interest rate. Loans are reviewed monthly for signs of impairment.

A provision for impairment is established if there is objective evidence that a loan is impaired. A loan is considered impaired when management determines that it is probable that all amounts due according to the original contractual terms will not be collected. When a loan has been identified as impaired, the carrying amount of the loan is reduced by recording specific provisions for credit losses to its estimated recoverable amount, which is the present value of expected future cash flows including amounts recoverable from guarantees and collateral, discounted at the original effective interest rate of the loan. When a loan has been identified as being impaired, management immediately exercise its options under the contractual terms. These options include but are not limited to, the right of off-set against shares, recovery from guarantors or recover from the Loans Redemption Fund.

A loan is classified as non-performing when, in management's opinion there has been deterioration in credit quality to the extent that there is no longer reasonable assurance of timely collection of the full amount of principal and interest. Loan repayments outstanding for over 30 days are considered past due.

## Investments

Investments are recognized and de-recognized on a trade date basis and are classified as available-for-sale securities and loans and receivables. Available-for-sale securities are those intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or changes in interest rates, foreign exchange rates, or market prices. They are initially recognized at fair value, which includes transaction costs, and subsequently re-measured at fair value based on quoted bid prices. Where fair values cannot be reliably determined, available-for-sale securities are carried at cost less provision for impairment. Gains and losses arising from changes in fair value of available-for-sale securities are recognized in members' equity until the security is disposed of, or is determined to be impaired. When the securities are disposed of or is determined to be impaired, the cumulative gains or losses previously included in members' equity are transferred to the income statement.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than held for trading or designated on initial recognition as assets at fair value through profit or loss or as available-for-sale. Loans and receivables for which the holder may not recover substantially all of its initial investment, other than because of credit deterioration, should be classified as available-for-sale. Loans and receivables are measured at amortised cost.

## Cash & cash equivalents

Cash and cash equivalents comprise cash on hand, bank current and savings accounts, and bank deposits free of encumbrances and having maturity dates of three months or less from the respective dates of deposit.





### Securities purchased under resale agreements

Securities purchased under agreements to resell (reverse repurchase agreements) are treated as collateralised lending transactions. The difference between the purchase and resale price is treated as interest income and is accrued over the life of the resale agreements using the effective yield method.

### *Derecognition of financial assets*

The Society derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, either by death or full repayment.

### Financial liabilities and equity instruments issued by the Society

These are classified as debt or equity.

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Society are recorded at the proceeds received, net of direct issue costs. It is the Society's policy to recognize members' contributions as equity.

### Financial liabilities

Financial liabilities carried in the statement of financial position are trade payables and other accounts payable and are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.





### *Derecognition of financial liabilities*

The Society derecognises financial liability when, and only when, the Society's obligations are discharged, canceled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss for the period.

### Borrowings

These comprise loans from the Shares Enhancement Fund and Loans Redemption Fund. These are recorded using proceeds received.

### **(b) Plant and equipment**

Plant and equipment comprising office furniture and equipment including computers held for administrative purposes and motor vehicle are recorded at historical or deemed cost, less accumulated depreciation and impairment losses.

Depreciation is charged so as to write off the cost of assets over the estimated useful lives using the straight- line method.

The gain or loss arising on disposal or retirement of an item of furniture and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in income. Repairs and renewals are charged to income when the expenditure is incurred.

At the end of each reporting period the Society reviews the carrying amounts of these assets to determine whether there is any indication that the assets have suffered an impairment loss. If any such indication exists the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Where it is not possible to estimate the recoverable amount of an individual asset, the society estimates the recoverable amount of the cash-generating unit to which the asset belongs.

### **(c) Impairment of tangible assets**

At the end of each reporting period, the Society reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered any impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

Where the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount, and the impairment loss is recognized in the income statement as a expense.

Where an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount to the extent that increased carrying amount does not exceed the carrying amount of the asset before the impairment loss was recognized in the prior year.



A reversal of impairment loss is recognized in the income statement as an income.

#### **(d) Foreign currency translation**

The financial statements are presented in Jamaican dollars, the currency of the primary economic environment in which the Society operates (its functional currency).

In preparing the financial statements of the Society, transactions in currencies other than the Society's functional currency, are recorded at the rates of exchange prevailing on the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at that date. Non-monetary items carried at fair values that are denominated in foreign currencies are re-translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated.

Exchange differences are recognised in profit or loss in the period in which they arise.

#### **(e) Revenue recognition**

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

#### **Interest income**

Interest income is recognized in the statement of comprehensive income for all interest bearing instruments when earned. Interest income includes interest on members' loans, interest on fixed investments and interest on savings.

#### **Dividend revenue**

Dividend revenue from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Society and the amount of revenue can be measured reliably).

#### **Processing fees and commission income**

Processing fees and commission income is generally recognised on an accruals basis when the service has been provided. This consists of loan processing fees and fees charged in connection with Administered Funds.





## **(f) Taxation**

Income tax expense represents the sum of tax currently payable and deferred tax.

### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from the profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

### **Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

### **Current and deferred tax for the period**

Current and deferred taxes are recognised as expense or income in profit or loss, except when they relate to items credited or debited directly to equity, in which case the tax is also recognised directly to equity.





## **(g) Employee benefits**

### **Pension scheme costs**

The Society operates a defined contribution pension scheme (Note 21) of which the assets are held in a separate trustee administered fund. Contributions to the scheme are fixed and are made on the basis of pre-established agreed amounts between the Society and employees. Contributions are charged to the statement of comprehensive income.

### **Other employee benefits**

Employee entitlement to annual leave and other benefits are recognized when they accrue to the employee. A provision is made for the estimated liability for annual leave and other benefits as a result of services rendered by employees up to the balance sheet date. The Society also maintains a group life policy for staff members. Payment of premiums are based on the contractual arrangements of the policy and are recognized in the statement of income and expenses due.

## **(h) Related party transactions and balances**

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 transactions and balances are recognized and disclosed for key management personnel, that is those persons having authority and responsibility for planning, directing and controlling the activities of the entity, including directors, officers and close members of the families of these individuals. Related party transactions and balances are recognized and disclosed for key management personnel, that is those persons having authority and responsibility for planning, directing and controlling the activities of the entity, including directors, officers and close members of the families of these individuals

## **(i) Provisions**

Provisions are recognized when the Society has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation. Provisions are measured at the directors' and management's best estimate of the expenditure required to settle the obligation at the balance sheet date and are discounted to present value where the effect is material.

## **(j) Share Capital**

This is recorded as proceeds received from members to facilitate:

- membership with the society
- loan borrowing and other benefits

In accordance with the rules of the Industrial and Provident Societies Act, the Society classifies these amounts as capital.





### (l) Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risk and rewards of ownership to the lessee. All other leases are classified as operating leases.

#### The Society as a lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. The Society is party to an operating lease arrangement with the Jamaica Civil Service Association, for office space.

### (m) Borrowing costs

Borrowing costs are recognised in profit or loss in the period in which they are incurred.

## 4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Society's accounting policies, which are described in Note 3, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### *Critical judgments in applying accounting policies*

The directors and management believe there were no judgments that had a significant effect on the amounts recognised in the financial statements or could cause material adjustments to the carrying amounts of assets and liabilities.

#### *Key sources of estimation uncertainty*

Management has not made any key assumptions concerning the future or other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

## 5. INVESTMENTS CLASSIFIED AS AVAILABLE-FOR-SALE

	2015 \$	2014 \$
(a) Available-for-sale securities include the following classes of financial assets:		
<b>Quoted Equity:</b>		
NCB Jamaica Ltd.	924,502	466,920
BNS Jamaica Ltd.	<u>7,331,624</u>	<u>5,385,441</u>
	8,256,126	5,852,361
(b) Available-for-sale securities at cost.		
<b>Unquoted Equity:</b>		
JSCA Limited	60	60
	<u>8,256,186</u>	<u>5,852,421</u>

### Fair value, impairment and risk exposure

Information about the methods and assumptions used in determining fair values is provided in Note 23. None of the available-for-sale financial assets is impaired. All available-for-sale financial assets are denominated in Jamaica dollars.

## 6. INVESTMENTS CLASSIFIED AS LOANS AND RECEIVABLES

	2015 \$	2014 \$
<b>Loans and receivables - at amortised cost</b>		
Government of Jamaica and Bank of Jamaica Bonds	29,177,452	29,177,452
Repurchase Agreements	<u>11,276,689</u>	<u>10,504,506</u>
	<b><u>40,454,141</u></b>	<b><u>39,681,958</u></b>

- The Society entered into reverse repurchase agreements collateralised by Government of Jamaica securities. These agreements may result in credit exposure in the event that the counter party to the transaction is unable to fulfill its contractual obligations.
- The capital outlay on these bonds are expected to remain at par and interest earned are carried in the statement of comprehensive income.
- The fair value of loans and receivables are not significantly different from their amounts.



## 7. LOANS AND INTEREST OWED BY MEMBERS

	<b>2015</b>	<b>2014</b>
	\$	\$
Loans	827,483,487	763,579,147
Interest receivable	<u>8,224,702</u>	<u>5,962,075</u>
	835,708,189	769,541,222
Provision for impairment	<u>(350,424)</u>	<u>(350,424)</u>
	835,357,765	769,190,798
Less: Amounts over-recovered	<u>(11,723,660)</u>	<u>(10,889,366)</u>
	<u><u>823,634,105</u></u>	<u><u>758,301,432</u></u>
Maturity:		
Due within 1 year	-	-
Due after 1 year	-	-

Over-recoveries represent surplus funds paid in by members, the amounts are repayable on demand.

Before approving a loan to a member the Society uses a credit scoring system to assess the potential member's credit quality and defines limits by members. The credit scoring system used incorporates objective criteria of credit analyses that can be quantified and uses several (weighted) variables. There is a set minimum score that must be achieved from key sections, and an overall benchmark score to assess members' eligibility. The loans to members that are neither past due nor impaired have the best credit scoring. There is no member whose balance represents more than 5% of the total balance of loans to members.

### ***Allowance for impairment determined under the requirements of IFRS***

Loans to members include balances with a carrying amount of \$4,235,677 (2014: \$2,589,447 ) which are past due at the reporting date for which the Society has not provided as there has not been a significant change in the members' credit quality and the amounts are still considered recoverable. The Society has not made any provision for impairment based on the arrangements in place for the recovery of any impaired loan.

### ***Ageing of past due but not impaired***

	<b>2015</b>	<b>2014</b>
	\$	\$
30 - 90 days	991,679	737,634
91 - 180 days	438,087	299,778
180 - 270 days	242,150	177,722
271 - 364 days	334,113	207,168
365 days and over	<u>2,229,648</u>	<u>1,167,145</u>
	<u><u>4,235,677</u></u>	<u><u>2,589,447</u></u>

### ***Movement for the allowance for impairment***

Balance at beginning / end of period	(350,424)	(350,424)
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## 8. CASH AND BANK BALANCES

	2015	2014
	\$	\$
Earning assets	4,201,185	1,401,005
Non-earning assets	<u>4,590,205</u>	<u>6,239,391</u>
	<u>8,791,390</u>	<u>7,640,396</u>

### Reconciliation to cash flows:

The above figures reconcile to the amount of cash shown in the statement of cash flows at the end of the financial year as follows:

Balance as above	8,791,390	7,640,396
Bank overdraft	-	<u>(1,181,377)</u>
Balances per statement of cash flows	<u>8,791,390</u>	<u>6,459,019</u>

## 9. DEFERRED TAXATION

The following is an analysis of the deferred tax balances as at November 30:

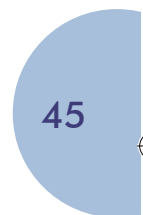
	<b>2015</b>	<b>2014</b>
	\$	\$
Deferred tax liabilities	215,720	144,188
Deferred tax assets	(827,096)	(817,594)
	(611,376)	(673,406)

Deferred taxes are calculated on all temporary differences under the liability method using a tax rate of 25%. The movement on the deferred tax account is as follows:

	\$	\$
Balance at December 1, 2013	(725,353)	(1,110,209)
Credited to income for year	<u>51,947</u>	<u>384,856</u>
Balance at November 30, 2014	(673,406)	(725,353)
Debited to expense for year	<u>62,030</u>	<u>51,947</u>
Balance at November 30, 2015	<u>(611,376)</u>	<u>(673,406)</u>

The balance comprises temporary differences attributable to the following:

	<b>2015</b>	<b>2014</b>
	\$	\$
Accelerated depreciation for tax purposes	<u>(611,376)</u>	<u>(673,406)</u>





<b>10. PLANT AND EQUIPMENT</b>						
Plant and equipment consists of the following						
	<b>Leasehold Improvement</b>	<b>Furniture &amp; Fixtures</b>	<b>Computer Equipment</b>	<b>Office &amp; Other Equipment</b>	<b>Motor vehicles</b>	<b>Total</b>
<b>At cost</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
December 1, 2013	-	2,306,648	7,082,598	4,527,096	1,030,000	14,946,342
Additions	-	18,640	48,308	180,993	1,787,366	2,035,307
Disposal	-	-	-	-	(1,030,000)	(1,030,000)
December 1, 2014	-	2,325,288	7,130,906	4,708,089	1,787,366	15,951,649
Additions	422,876	225,249	1,711,080	2,540,207	-	4,899,412
November 30, 2015	422,876	2,550,537	8,841,986	7,248,296	1,787,366	20,851,061
<b>Depreciation</b>						
December 1, 2013	-	2,091,506	6,961,164	1,850,432	1,029,999	11,933,101
Charge for the year	-	72,455	40,020	400,457	357,473	870,405
Disposal	-	-	-	-	(1,029,999)	(1,029,999)
December 1, 2014	-	2,163,961	7,001,184	2,250,889	357,473	11,773,507
Charge for the year	10,572	133,010	462,276	659,672	357,473	1,623,003
November 30, 2015	10,572	2,296,971	7,463,460	2,910,561	714,946	13,396,510
<b>Net Book Values</b>						
November 30, 2015	412,304	253,566	1,378,526	4,337,735	1,072,420	7,454,551
November 30, 2014	-	161,327	129,722	2,457,200	1,429,893	4,178,142
November 30, 2013	-	215,142	121,434	2,676,664	1	3,013,241

The following rates are used in the calculation of depreciation for Note 10:

Leasehold Improvement	2.5%
Furniture and Fixtures	10%
Computer Equipment	20%
Office and Other Equipment	10%
Motor Vehicle	20%

**11. OTHER ASSETS**

This comprises:

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
Deposit on property	32,000,000	-
Receivables and prepayments	6,836,334	6,548,904
Inventory of consumable stores	241,861	80,000
	<u>39,078,195</u>	<u>6,628,904</u>



## 12 ADMINISTERED FUNDS

Administered funds represent funds managed by the Society which is not intermingled with its own cash resources.

These Comprise:

(a) Loans Redemption Fund: The Loans Redemption Fund was established in 1971 to provide a fund from which any loan balance owing by a member at time of death or permanent disability would be settled.

(b) Shares Enhancement Fund: The Shares Enhancement Fund was created in 1991 to provide for payment to a beneficiary of twice the judgements holding of a member in the event of death or permanent disability. The monthly contribution of this Fund is eighty cents in the \$1000 of shareholding and is paid entirely by the Society.

(c) Staff Loan Fund

### Assets of Administered Funds

This represents funds being held for staff members to facilitate small staff loans. The amount is initially established with funds from the Thrift.

	Loans Redemption Fund	Shares Enhancement Fund	Staff Loan Fund	Total 2015	Total 2014
	\$	\$	\$	\$	\$
Cash and Bank	14,699,344	563,465	33,886	15,296,695	19,957,712
Loans Receivable	101,699,414	33,342,566	4,049,934	139,091,914	73,214,417
Insurance Premium Receivable	2,980,632	-	-	2,980,632	5,271,669
Interest Receivable	-	-	-	-	508,832
Government Securities	35,974,522	13,851,373	-	49,825,895	87,764,816
Income Fund	13,098,794	-	-	13,098,794	11,829,363
With-holding Tax	10,739,727	4,719,903	-	15,459,630	14,579,679
Accounts Payable	(12,972,063)	(857,338)	(750,000)	(14,579,401)	(15,394,152)
	<b>166,220,370</b>	<b>51,619,969</b>	<b>3,333,820</b>	<b>221,174,159</b>	<b>197,732,336</b>

### Funds

	Loans Redemption Fund	Shares Enhancement Fund	Staff Loan Fund	Total 2015	Total 2014
	\$	\$	\$	\$	\$
Balance as at December 1	147,349,165	47,105,666	3,277,505	197,732,336	174,461,963
Net income for the year	18,871,205	4,514,303	56,315	23,441,823	23,270,373
Balance as at November 30	<b>166,220,370</b>	<b>51,619,969</b>	<b>3,333,820</b>	<b>221,174,159</b>	<b>197,732,336</b>



### 13. TRADE AND OTHER PAYABLES

	<u>2015</u>	<u>2014</u>
	\$	\$
Loans Redemption Fund (Current Portion)	19,745,684	-
Unclaimed shares	646,769	646,403
Other	<u>14,412,118</u>	<u>10,294,289</u>
	<u>34,804,571</u>	<u>10,940,692</u>

Due to the short term nature of trade and other payables, the carrying amounts of these balances will approximate their fair value.

### 14 LONG TERM ADVANCES

	<u>2015</u>	<u>2014</u>
	\$	\$
Loans Redemption Fund	98,728,421	31,578,891
Less: Current Portion	<u>(19,745,684)</u>	<u>-</u>
	<u>78,982,737</u>	<u>31,578,891</u>

These represent funds advanced to the Thrift from the Loans Redemption Fund. These advances are repayable over five (5) years and will attract interest at 6% per annum commencing with financial year 2016.

### 14a. SHARE CAPITAL

The movement in share capital is as follows:	<u>2015</u>	<u>2014</u>
	\$	\$
Balance at December 1	708,340,054	689,741,618
Net Issue and Withdrawal	<u>35,127,408</u>	<u>18,598,436</u>
Balance at November 30	<u>743,467,462</u>	<u>708,340,054</u>

### 15. GENERAL RESERVES

This represents appropriation of a portion of profits as approved at the Annual General Meeting by the members.



**15a. FAIR VALUE RESERVES**

This represents unrealised surplus or deficit on the revaluation of available-for-sale investments.

<u>2015</u>	<u>2014</u>
\$	\$
<u>8,075,457</u>	<u>5,071,457</u>

**15b. CAPITAL RESERVES**

This represents capitalisation of profit on sale of assets in 2002 and 2004 and discount on the acquisition of asset.

**15c. ASSET RESERVES**

This represents reserve created as a result of a gift (a sealing machine) which is capitalized on the books of the Thrift.

**16. PROCESSING FEES AND OTHER INCOME**

	<u>2015</u>	<u>2014</u>
	\$	\$
This consist of the following:		
Processing fees and service charges	5,730,182	5,136,778
Other Income	<u>3,169,178</u>	<u>3,860,004</u>
	<u>8,899,360</u>	<u>8,996,782</u>

**17. STAFF COSTS**

Staff costs incurred during the year in respect of employees were:

	<u>2015</u>	<u>2014</u>
	\$	\$
Salaries, wages and allowances	59,968,985	56,865,914
Statutory costs	5,818,778	5,480,248
Staff Welfare	<u>13,208,502</u>	<u>12,354,334</u>
	<u>78,996,265</u>	<u>74,700,496</u>



## 18. OTHER EXPENSES

	<b>2015</b>	<b>2014</b>
	\$	\$
General meeting	961,345	1,139,850
Advertising and publicity	1,111,130	1,127,056
Bond and office insurance	251,056	239,101
Data processing	2,373,101	2,223,572
Company fees	266,000	165,000
Committee expenses	13,457,517	11,418,735
Donations	438,615	386,746
Motor vehicle expenses	489,550	546,414
Miscellaneous	-	24,500
Office supplies	1,689,107	1,271,297
Postage and stationery	1,892,647	2,198,002
Repairs and maintenance	1,642,516	1,009,831
Training of staff	391,355	181,706
Telephone	931,159	862,742
Water charges	221,430	289,060
Scholarship	555,000	745,000
Customer appreciation/Anniversary celebrations	490,938	1,827,020
Audit and accounting fees - Current year	1,250,000	1,250,000
- Previous year	-	90,000
Professional fees	150,934	528,700
Electricity	2,730,337	3,176,185
Honorarium	120,000	230,000
Retirement benefit	227,526	117,706
Rental	1,200,000	990,000
Janitorial and security services	930,953	522,341
Bank charges	366,957	167,550
Other loan charges	1,150,978	1,357,025
Shareholder's insurance	6,309,418	6,646,518
Depreciation	<u>1,616,670</u>	<u>870,405</u>
	<u><u>43,216,239</u></u>	<u><u>41,602,062</u></u>



## 19. TAXATION

Taxation is based on the profits for the year as adjusted for tax purposes and is made up as follows:

	<b>2015</b>	<b>2014</b>
i) <b>Current</b>		
Income Tax at 25%	2,118,914	2,331,901
ii) <b>Deferred / future</b>		
Deferred income tax credit	<u>62,030</u>	<u>51,947</u>
	<u>2,180,944</u>	<u>2,383,848</u>

Income tax is calculated at 25% of the taxable profit for the year.

## 20. PROPOSED DIVIDEND

In accordance with Rule 22(c) of the Thrift, a dividend of 1.5% payable on shares held at November 30, 2015 was declared. The dividend would be paid to shareholders on the register of members as at November 30, 2015.

## 21. PENSION SCHEME

The permanent employees of the Society are members of the Contributory Pension Scheme. The present administrator of the Scheme is Sagicor Life Jamaica Limited. Pension benefits are based on contributions plus accumulated interest; accordingly, the Society's liability is restricted to its contributions.

On retirement, the member will be entitled to the pension purchased under the scheme. Provision is made for certain options such as a lump sum payment and a reduced pension. The Society's Contribution for the year amounted to \$4,399,217 (2014 - \$3,718,064).

The Society also fully maintains a Group Life policy for Staff Members. This Policy provides a Death and Dismemberment Benefit. The cost to the Society for the year amounted to \$837,050 (2014 - \$756,872).



## 22. RELATED PARTY TRANSACTIONS AND BALANCES

Transactions and balances with related parties are as follows:

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
(a) <b>Loans</b>		
Loans outstanding from members of the Committee of Management	2,607,840	2,377,235
(b) <b>Compensation of key management personnel</b>		
Travelling and allowances paid to members of the Committee of Management during the year is as follows:		
Travelling and allowances	<u>10,215,000</u>	<u>8,930,000</u>

## 23. FINANCIAL INSTRUMENTS

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of observable's asset, financial liability and equity instrument are disclosed in Note 3 to the financial statements.

### Categories of financial instruments

The following table sets out the financial instruments as at the end of the reporting period:

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
<b>Financial assets</b>		
Loans and receivables at amortised cost	<u>40,454,141</u>	<u>39,681,958</u>
Cash Resources	8,791,390	6,459,019
Loans to members (net of allowance for impairment)	<u>823,634,105</u>	<u>758,301,431</u>
	<u>832,425,495</u>	<u>764,760,450</u>

Available for sale financial assets at market value	8,256,186	5,852,361
Available for sale financial asset at cost	<u>60</u>	<u>60</u>
	<u>881,135,882</u>	<u>810,294,829</u>
<b>Financial liabilities (at amortised cost)</b>		
Trade and other payables	<u>34,804,571</u>	<u>10,940,692</u>

### Financial risk management policies and objectives

By its nature the Society's activities are principally related to the use of financial instruments. The Society accepts shares from members and makes loans available to them for varying periods at competitive rates. The Society also seeks to supplement its revenue base by investing a portion of members' funds in financial instruments where it takes advantage of competitive market interest rates in repos and capital appreciation in equity, and maintain sufficient liquidity to meet all its claims that might fall due.

#### (a) Credit risk

Credit risk is the risk that borrowers or other counterparties will cause a financial loss for the Society by failing to discharge their contractual obligations, and that any collateral provided does not cover claims. This risk arises principally from the Society's lending activities. The risk on these loans is not considered significant based on the options for recovery, which are available to the Society.

The Society's principal financial assets are its members' loans receivable, cash, and cash equivalents, and equity instruments which represent the Society's maximum exposure to credit risk in relation to financial assets.

The Society's credit risk is primarily attributable to its members' loans receivable. The amounts presented in the statement of financial position are net of allowances for doubtful debts, estimated by the Society's management based on prior experience and their assessment of the current environment.

The Society's risk is managed primarily by monthly reviews of the financial status of each member/obligator. Exposure to risk is also managed in part by obtaining personal guarantees (co-making), and the setting up of various funds to mitigate the effects of foreseeable risks.

Maximum exposure to credit risk before collateral held or other credit enhancements are as follows:



	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
Loans and interest owed by members (net)	823,634,105	758,301,432
Investments classified as loans and receivables	40,454,141	39,681,958
Investments classified as available-for-sale	8,256,186	5,852,421
Cash and bank balances	<u>8,791,390</u>	<u>7,640,396</u>
	<u><b>881,135,822</b></u>	<u><b>811,476,207</b></u>

*Concentration of risk*

The following table summarises the Society's credit exposure for loans at their carrying amounts, as categorised by class of loans:

	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>
Committee	525,968,569	541,674,322
Cash	133,520,454	131,985,757
Emergency	89,780,954	78,602,150
Consolidation	42,026,219	-
Education	25,062,007	6,657,942
Information Technology	1,115,732	264,215
Surety	3,106,126	2,911,781
Motor Vehicle	6,134,710	-
Computer	<u>768,716</u>	<u>1,482,980</u>
	827,483,487	763,579,147
Accrued Interest	<u>8,224,701</u>	<u>5,962,075</u>
	835,708,188	769,541,222
Less: Provision for bad debts	(350,424)	(350,424)
Less: Over-recoveries	<u>(11,723,660)</u>	<u>(10,889,366)</u>
	<u><b>823,634,104</b></u>	<u><b>758,301,432</b></u>

## Investments

The following summarises the Society's credit exposure for investments:

	2015 \$	2014 \$
Quoted equities	8,256,126	5,852,361
Repurchase agreements	11,276,689	10,504,506
Government of Jamaica bonds	<u>29,177,452</u>	<u>29,177,452</u>
	<u>48,710,267</u>	<u>45,534,319</u>

### (b) Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks mainly arise from changes in foreign currency exchange rates and interest rates. The objective of market risk management is to monitor and control market risk exposures within acceptable parameters while optimising return on investments.

### Currency risk

Currency or foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates and arises mainly from the Society's investment portfolio.

The Society's exposure to foreign currency risk at the date of the statement of financial position was as follows:

### Investments

	2015		2014	
	US\$	J\$	US\$	J\$
Repurchase Agreements	94,450	11,327,403	92,479	10,504,506

Over the twelve month period ended November 30, 2015 there was a 5.62% devaluation in the exchange rate against its United States counterpart. The devaluation since the date of the statement of financial position is approximately 5%. The strengthening or weakening of the Jamaican dollar by 5% would have increased/reduced income and reserves by \$566,370 (2014 - \$525,225). The analysis assumes that all other variables, in particular, interest rates, remain constant.



### ***Interest rate risk***

Interest rate risk is the risk that the value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates, and arise mainly from investments and loans.

Floating interest rate instruments expose the Society to cash flow interest rate risk, whereas fixed interest rate instruments expose the Society to fair value interest rate risk. Due to the fact that interest rates on the Society's Short-term deposits are fixed up to maturity, the impact on the Society's operations resulting from fluctuations in interest on investments would be insignificant.

The Society's interest rate policy requires it to manage interest rate risk by maintaining an appropriate mix of fixed and variable rate instruments as determined by the Committee of Management. The policy also requires it to manage the maturities of interest-bearing financial assets and liabilities.

### **(c) Liquidity risk**

Liquidity refers to the ability to meet financial obligations and to fund the growth of assets. Liquidity risk is the risk of not being able to obtain funds at a reasonable price within a time period to meet obligations as they come due. Liquidity management includes estimating and satisfying the liquidity requirements of the Society in the most cost effective way. The Society's policy is to hold a high proportion of liquid assets to cover withdrawals at unexpected levels of demand.

### **(d) Fair values of financial assets and financial activities**

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. A market price, where an active market (such as a recognised stock exchange) exists, is the best evidence of the fair value of a financial instrument. Where market prices are not available for some of the financial assets and liabilities of the Society, the fair values of those assets and liabilities have been presented in these financial statements using various estimation techniques based on market conditions existing at end of the reporting period. Generally, judgments is necessarily required in interpreting market data to develop estimates of fair value. Accordingly, the estimates presented in these financial statements are not necessarily indicative of the amounts that the Society would realise in a current market exchange.

The values derived using these techniques are significantly affected by underlying assumptions concerning both the amounts and timing of future cash flows and the discount rates used. The following methods and assumptions have been used:

(i) The carrying values of cash and cash equivalents, securities purchased under agreements to resell, other assets, and other liabilities maturing within twelve months are assumed to approximate the fair values because of the short-term maturity of these instruments.



(ii) The fair values of available-for-sale and fair value through profit or loss investment securities are carried at fair values. The fair values of quoted shares are determined based on published quotation of the bid prices existing at the end of the reporting period. The fair values of available-for-sale debt securities are determined in accordance with generally accepted pricing models using prices from observable's current market transactions.

(iii) The fair values of loans to members are estimated based on the expected future cash flows discounted at market interest rates for similar loans at year end. The carrying values of loans to members approximate the fair values of these loans, since the interest rate charged on these loans are equivalent to the interest rates of similar loans at year end.

(iv) The fair values of the Society's holding of unquoted shares has not been determined as there is no active market for these shares.

#### Fair value measurements recognised in the Statement of Financial Position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, 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 asset or liability that are not based on observable market data (unobservable inputs).

	2015		
	Level 1 \$	Level 2 \$	Level 3 \$
<b>Loans and receivables - at amortised cost</b>			
Government of Jamaica and Bank of Jamaica Bonds	-	29,177,452	-
Repurchase Agreements	-	11,276,689	-
<b>Available-for-sale securities</b>			
Quoted equity	8,256,126	-	-
Un-Quoted equity	-	-	60
	<u>8,256,126</u>	<u>40,454,141</u>	<u>60</u>



	<b>2014</b>		
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Loans and receivables - at amortised cost</b>			
Government of Jamaica and Bank of Jamaica Bonds	-	29,177,452	-
Repurchase Agreements	-	10,504,506	-
<b>Available-for-sale securities</b>			
Quoted equity	5,852,361	-	-
Un-Quoted equity	-	-	60
	<u>5,852,361</u>	<u>39,681,958</u>	<u>60</u>

There were no transfers between Level 1, Level 2 and Level 3 in the period.

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the society is the current bid price. These instruments are included in Level 1. Instruments included in Level 1 comprise primarily equity investments classified as trading securities or available-for-sale.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise 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 are observable, the instrument 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.

All gains and losses included in other comprehensive income relate to available-for-sale debt securities held at the end of the reporting period and are reported as changes of 'Fair Value Reserve'.

## 24. CAPITAL COMMITMENT

The Society entered into a contract to purchase property located at 12 Caledonia Avenue at a cost of \$57,117,077 of which approximately \$32,000,000 has been paid to date.

## 25. COMPARATIVES

Certain balances in the prior year financial statements were reclassified to accord with current year's presentation.





	Note	2015 \$	2014 \$
<b>Assets</b>			
Cash and cash equivalents	1	563,465	2,180,189
Government Securities	2	13,851,373	27,358,572
Accounts Receivable	3	33,138,397	13,997,874
Withholding Tax		4,719,902	4,426,369
		52,273,137	47,963,004
<b>Liabilities</b>			
Accounts Payable		857,338	857,338
		51,415,799	47,105,666
<b>Representing</b>			
Revaluation Reserve		33,584	33,584
Shares Enhancement Fund		51,382,215	47,072,082
		51,415,799	47,105,666

Errol L. Miller  
Chairman

Marva Pringle-Ximinnies  
1st Vice Chairman

# SHARES ENHANCEMENT FUND

## BALANCE SHEET

*For year ended November 30, 2015*

The accompanying notes form an integral part of  
the Financial Statements



	2015 \$	2014 \$
<b>INCOME</b>		
Contributions	6,928,216	6,660,800
Interest on Investment	1,047,916	1,458,623
	<u>7,976,132</u>	<u>8,119,423</u>
<b>Expenditure</b>		
Bank Charges	-	630
Administrative Charges	514,751	646,973
Settlement Claims	3,151,248	2,146,400
	<u>3,665,999</u>	<u>2,794,003</u>
<b>Net Income</b>	4,310,133	5,325,420
Accumulated Fund: 01.12.14	47,072,082	41,746,662
Accumulated Fund: 30.11.15	<u>51,382,215</u>	<u>47,072,082</u>

# SHARES ENHANCEMENT FUND

## INCOME AND EXPENDITURE

*For year ended November 30, 2015*

The accompanying notes form an integral part of  
the Financial Statements



### 1. CASH AND CASH EQUIVALENTS

	<u>2015</u>	<u>2014</u>
	\$	\$
Cash at Bank	<u>563,465</u>	<u>2,180,189</u>

### 2. GOVERNMENT SECURITIES

	<u>2015</u>	<u>2014</u>
	\$	\$
This comprise:		
GOJ Repos	2,500,000	2,500,000
GOJ Stocks	11,351,373	24,858,572
	<u>13,851,373</u>	<u>27,358,572</u>

### 3. ACCOUNTS RECEIVABLE

	<u>2015</u>	<u>2014</u>
	\$	\$
Jamaica Civil Service Mutual Thrift Society Limited	20,151,200	-
Insurance Premium Receivable	1,184,871	1,680,798
Loans Redemption Fund	11,802,326	12,317,457
	<u>33,138,397</u>	<u>13,998,255</u>

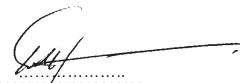
# NOTES TO SHARES ENHANCEMENT FUND

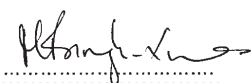
*For year ended November 30, 2015*

The accompanying notes form an integral part of  
the Financial Statements



	Note	2015 \$	2014 \$
<b>Assets</b>			
Cash and Cash Equivalents	1	14,699,344	17,620,427
Government Securities	2	37,974,522	60,406,244
Scotia DBG:			
Premium Fixed Income Fund		5,665,681	5,281,969
Caribbean Income Fund		7,433,113	6,547,394
Receivables		2,980,632	5,271,669
Loans Receivable	3	99,699,410	55,046,134
Interest Receivable		-	508,832
Withholding Tax		<u>10,739,727</u>	<u>10,153,310</u>
		<u>179,192,429</u>	<u>160,835,979</u>
<b>Liabilities</b>			
Accounts Payable	4	<u>12,972,063</u>	<u>13,486,814.00</u>
		<u>166,220,367</u>	<u>147,349,165</u>
<b>Representing</b>			
Revaluation Reserve		44,476	44,476
Loans Redemption Fund		<u>166,175,891</u>	<u>147,304,689</u>
		<u>166,220,367</u>	<u>147,349,165</u>

  
 .....  
 Errol L. Miller  
 Chairman

  
 .....  
 Marva Pringle-Ximinnies  
 1st Vice Chairman

# LOANS REDEMPTION FUND

## BALANCE SHEET

*For year ended November 30, 2015*

The accompanying notes form an integral part of  
the Financial Statements





	2015	2014
	\$	\$
<b>INCOME</b>		
Contributions	19,513,476	18,918,243
Interest on Investments	<u>3,154,940</u>	<u>3,753,112</u>
	<u>22,668,416</u>	<u>22,671,355.00</u>
<b>Expenditure</b>		
Bank Charges	13,007	2,473
Administrative Charges	1,297,814	1,600,651
Settlement Claims	<u>2,486,393</u>	<u>3,166,970</u>
	<u>3,797,214</u>	<u>4,770,094</u>
<b>Net Income</b>	18,871,202	17,901,261
Accumulated Fund: 01.12.14	<u>147,304,689</u>	<u>129,403,428</u>
Accumulated Fund: 30.11.15	<u>166,175,891</u>	<u>147,304,689</u>

# LOANS REDEMPTION FUND

## INCOME AND EXPENDITURE

*For year ended November 30, 2015*

The accompanying notes form an integral part of  
the Financial Statements

**1. CASH AND CASH EQUIVALENTS**

	<u>2015</u>	<u>2014</u>
	\$	\$
Cash at Bank	<u>14,699,344</u>	<u>17,620,426</u>

**2. GOVERNMENT SECURITIES**

	<u>2015</u>	<u>2014</u>
	\$	\$
This comprise:		
GOJ Repos	7,000,000	5,000,000
GOJ Stocks	<u>30,974,522</u>	<u>55,406,244</u>
	<u>37,974,522</u>	<u>60,406,244</u>

**3. LOANS RECEIVABLE**

	<u>2015</u>	<u>2014</u>
	\$	\$
Jamaica Civil Service Mutual Thrift Society Limited	78,577,221	31,578,891
Staff Loan Fund	775,000	-
JCSA Limited	16,167,004	19,071,725
JCSA	<u>4,180,185</u>	<u>4,395,518</u>
	<u>99,699,410</u>	<u>55,046,134</u>

**4. ACCOUNTS PAYABLE**

	<u>2015</u>	<u>2014</u>
	\$	\$
Shares Enhancement Fund	11,802,326	12,317,457
Claims	<u>1,169,737</u>	<u>1,169,357</u>
	<u>12,972,063</u>	<u>13,486,814</u>

# NOTES TO LOANS REDEMPTION FUND

*For year ended November 30, 2015*

The accompanying notes form an integral part of  
the Financial Statements





	2015	2014
	\$	\$
<b>Current Assets</b>		
Staff Loans	4,049,934	4,170,409
Bank Balance	<u>33,886</u>	<u>157,097</u>
	<u><u>4,083,820</u></u>	<u><u>4,327,506</u></u>
<b>Current Liabilities</b>		
Loans Redemption Fund	<u>750,000</u>	<u>1,050,000</u>
	<u><u>3,333,820</u></u>	<u><u>3,277,506</u></u>
<b>Representing</b>		
Retained Income	<u><u>3,333,820</u></u>	<u><u>3,277,506</u></u>

Errol L. Miller  
Chairman

Marva Pringle-Ximinnies  
1st Vice Chairman

# STAFF LOAN FUND BALANCE SHEET

*For year ended November 30, 2015*

The accompanying notes form an integral part of  
the Financial Statements



**DETAILED INCOME AND EXPENDITURE ACCOUNT**

	2015 \$	2014 \$
<b>Gross Income</b>		
Interest on Loans	<u>122,042</u>	<u>130,399</u>
<b>Expenditure</b>		
Bank Charges	10,988	12,922
Interest on Loans	<u>54,740</u>	<u>73,784</u>
	<u>65,728</u>	<u>86,706</u>

**INCOME AND EXPENDITURE ACCOUNT**

	2015 \$	2014 \$
Gross Income	122,042	130,399
Gross Expenditure	<u>65,728</u>	<u>86,706</u>
Net Income	56,314	43,693
Retained Income 1.12.14	3,277,506	3,233,813
Retained Income 30.11.15	<u>3,333,820</u>	<u>3,277,506</u>

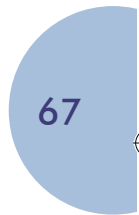
# STAFF LOAN FUND INCOME & EXPENDITURE

*For year ended November 30, 2015*

The accompanying notes form an integral part of  
the Financial Statements



# NOTES & AUTOGRAPHS



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# NOTES & AUTOGRAPHS

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