

The Jamaica Civil Service  
Mutual Thrift Society Limited

The 81st Annual General Meeting



AGM81

2022

ANNUAL REPORT

Apart (in Covid)... **But Still  
Achieving, Together.**



# Notice of 81st Annual General Meeting

NOTICE is hereby given that the 81st Annual General Meeting of The Jamaica Civil Service Mutual Thrift Society Limited will be held on Thursday, October 13, 2022 commencing at 3:30 p.m. at JACISERA PARK, 31 Molynes Road, Kingston 10 for the following purposes:

1. To confirm the Minutes of the 80th Annual General Meeting
2. To consider the Reports of the Committee of Management, the Auditor and the Financial Statements for the year ended November 30, 2021
3. To elect 1st Vice Chairman
4. To elect Members of the Committee of Management
5. To appoint Auditor
6. To transact any other business of an Ordinary General Meeting

AND TAKE NOTICE that no person other than the 1st 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 signed by the proposer and seconder and stating that the consent of the person nominated has been obtained are 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:-

1st Vice-Chairman	Marva Pringle-Ximinnies
Committee Members	Georgia Mogg
	Kevin Clarke
	Icolyn Coulbourne

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

BY ORDER OF THE COMMITTEE OF MANAGEMENT

Hibbert Anderson  
SECRETARY / MANAGER  
September 5, 2022

# Meeting Agenda and Table of Contents



## AGM81 Meeting Agenda

Meeting Called to Order

Mr. Errol Miller, Chairman

Prayers

Mr. Leslie Campbell, 2nd Vice Chairman,  
Committee of Management

Reading of Notice Convening AGM81

Mr. Hibbert Anderson, Secretary Manager

The Official Welcome

Mr. Errol Miller, Chairman

Introductions / Apologies  
/ Remembering Our Members

Mrs. Marva Pringle-Ximinnies, 1st Vice Chairman

Reading and Adoption of  
Minutes of 80th AGM

The 2021 Report of the  
Committee of Management

Chairman Errol Miller

Statement of the Independent Auditor

Mrs. Yvonne Davis, Auditor

Presentation of Financial Statements

Declaration of Dividend

Election of Officers and Members

Mr. O'Neil Grant, President, Jamaica Civil Service Association

Appointment of Auditor

Chairman, Errol Miller

Any Other Business

Adjournment

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# A Welcome From Our Chairman

**For us to have the good fortune of being able to gather at this annual meeting for an update on the stewardship and operations of our institution is a proud accomplishment.**

**And, that we have been able to do so continuously, every single year since our establishment in 1939, except for one year – in 2020 when the world confronted the ravages of its worst global health crisis in a hundred years with the Covid -19 pandemic, is a remarkable achievement.**

## **Welcome Members to AGM81 – the 81st Annual General Meeting of our 83-year-old institution**

Today, we are once again privileged to continue the duty and tradition even if, admittedly, we do so under somewhat differing conditions, the most significant of which is that we gather, not as we usually do, in one physical space, but conditions of the so called 'new normal' with some in person and others virtually. To everyone joining by whatever means – here in the audience or via the internet and the various social media platforms available, I extend a warm and sincere greeting. Welcome to AGM81!

Renowned author Charles Dickens in one his famous novels 'A Tale of Two Cities' reflected on the harsh realities of life under markedly opposite conditions and challenges at the time, as 'the best and worst of times'. Some have similarly reflected on the harsh Covid-19 pandemic experience with its widespread death and global devastation, impacting every country around the world. We can pride ourselves as grateful survivors, individually and too our 83-year-old institution.

And, so to all the Members gathered here in person at this location – Jascisera Park, a place steeped in so much history for our organization, and those jointing us remotely via the new communication technologies, I am delighted to see and greet you and to officially extend a warm welcome. Welcome to our 81st AGM and the presentation of our Annual Report for 2021. I know our deliberations will be productive and the time spent both informative and rewarding.

Welcome everyone!

**Errol Miller**  
Chairman





# 4 Members of the Committee of Management

The Committee of Management, headed by a Chairman, elected biennially at the Annual General Meeting is charged with providing overall policy direction and guidance of the affairs of the Society.

Those serving on the Committee of Management are:



**Errol Miller**  
Chairman



**Marva Ximinnies**  
1st Vice Chair



**Leslie Campbell**  
2nd Vice Chair



**Beverly Clarke**  
Member



**Cebert Mitchell**  
Member



**Fred Manderson**  
Member



**Gennetta Smikle**  
Member



**Georgia Mogg**  
Member



**Icolyn Coulbourne**  
Member



# Members of the Committee of Management



**Kevin Clarke**  
Member



**Lelieth Barrett-Hamilton**  
Member



**Rowena Palmer**  
Member





# Management Team



**Hibbert Anderson**  
Secretary / Manager



**Ewart Baker**  
Accountant



**Howard Peart**  
Assistant Accountant, Investment  
& Securities



**Kaydeen Dennis**  
Assistant Accountant,  
Financial Accounting



**Kenesha Smalling**  
Assistant Accountant, Data Control



**Leslean Bramwell**  
Internal Auditor



**Trevene Morgage**  
Assistant Secretary / Administration



**Rhon-Kaniel Bramwell**  
Systems Administrator



**Sharon Lindo**  
Loans Manager



**Tashana Walters**  
Marketing, Communications & Member  
Relations Manager

# Supervisory Team



**Crystal Haber**  
Data Control Supervisor



**Elva Lawrence**  
Senior Secretary / Stenographer



**Kenishia Ellison**  
Senior Loans Officer



**Michelle Hillman**  
Data Control Supervisor, Records



**Tameka Hunter**  
HR Administrator







# Our Departments



## Accounts Department

(l-r back) Kaydeen Dennis, Ewart Baker, Howard Peart, Chadwick Ricketts  
(l-r front) Dwayne Shea, Janae Burrell, Kenesha Smalling, Simone Dacres



## Administration Department

(l-r back) Erica Dussard, Trevene Morgage, Hibbert Anderson, Elva Lawrence  
(l-r front) Tameka Hunter, Kamuna Dunbar



## Canteen, Bearer and Protection Services

(l-r back) Austin Brady, Rocquel Samuels  
(l-r front) Michael Thomas, Tameka Hunter, Christine Dillon



## Data Department

(l-r back) Kenesha Smalling, Raven McKenzie, Michelle Hillman,  
(l-r front) Khamisa Flynn, Crystal Haber, Shana Thompson

# Our Departments



## Heads of Departments

(1-r back) Ewart Baker, Rhon-Kaniel Bramwell, Hibbert Anderson  
(l-r front) Trevene Mortgage, Leslean Bramwell, Sharon Lindo, Tashana Walters



## Information Technology

(l-r) Omari Wallace and Rhon-Kaniel Bramwell



## Loans Department

(l-r) Patrice Robinson, Kenishia Ellison, Jermaine Matheson, Sharon Lindo,  
Venesha Reid



## Member Services Department

(l-r back) Donovan James, Sade Solomon, Javane Lewis,  
(l-r) Simone McGann-Lewis, Tashana Walters, Shakiyah Samuels,  
Chamarie Campbell



# The Minutes from the 80th Annual General Meeting

The 80th Annual General Meeting of the Jamaica Civil Service Mutual Thrift Society Limited (the Society) was held on Thursday, September 16, 2021 at the Jamaica Conference Centre, 14-20 Port Royal Street, Downtown Kingston. Having recognized a quorum, Chairman Mr. Errol Miller called the meeting to order at 1:35 p.m.



At his invitation, Mrs. Lelieth Barrett-Hamilton, Member of the Committee of Management led the meeting in prayer, while the Notice convening the meeting was read by Mr. Hibbert Anderson, Secretary / Manager.



## Introduction & Apologies

Mrs. Marva Pringle-Ximinnies, 1st Vice Chairman extended welcome, introduced the guests and accept apologies for absence.

An apology was extended for the late start of the meeting. In welcoming everyone Mrs. Pringle-Ximinnies said she was happy the Society was able to host its 80th Annual General Meeting after not being able to do so for

two years due to the Covid-19 pandemic.

She extended special welcome to Chairman Mr. Errol Miller, Mr. Leslie Campbell, 2nd Vice Chairman, Mr. Hibbert Anderson, Secretary/Manager and other Members of the Committee of Management - Mrs. Genetta Smikle, Miss Georgia Mogg, Mrs. Lelieth Barrett-Hamilton, Mr. Kevin Clarke, Miss Beverley Clarke, Mr. Fred Manderson and Miss Icolyn Coulbourne.

Special welcome was extended to Mr. O'Neil Grant, President of the Jamaica Civil Service Association

and those Members attending the meeting virtually. An apology for absence was tendered on behalf of Miss Pauline Allwood, Senior Member.

## Remembering Those Who Passed

Mrs. Pringle-Ximinnies invited Members to stand for a minute's silence in observance of the Members of the Society who passed on during the last two years. She noted that the lists were not exhaustive and that we are remembering all those who were no longer with us. She said the Society lost a number of Members in 2019 and 2020. The names were listed on page 64 of the 2019 Report and page 9 of the 2020 Report.

## Chairman's Opening Remarks

Welcoming everyone and the opportunity to host the meeting, the Chairman stated this was a challenging period in the eighty-two-year history of the Society, as for the first time the Society was not able to host an Annual General Meeting. This was due to the Covid-19 pandemic. Both the 2019 and 2020 Reports would be presented at this meeting. He noted the challenge in hosting the meeting, particularly the restrictions on physical gathering under the Disaster Risk Management Act. He thanked the persons and organizations that assisted in making the meeting possible.

The Chairman welcomed the President of the Jamaica Civil Service Association, Mr. O'Neil Grant, Members of the Committee of Management and the Secretary/Manager and staff and the Members both those physically present and those joining online. He expressed the hope that persons online would be able to properly participate in the proceedings and looked forward to a fruitful meeting.



## Reading, Amendment and Confirmation of 79th AGM

On a motion moved by Mr. Cebert Mitchell, Ministry of Finance & the Public Service and seconded by Mrs. Marva Pringle-Ximinnies, Senior Member, the Minutes of the 79th Annual General Meeting were taken as read. The Chairman proposed and it was accepted that the Minutes be amended as follows:

- Page 10, 1st column under Obituary, last sentence, the number 64 should be inserted where there are the two 'XX's.
- One page 13, 2nd column, at the top of the page the words "Retiring Members" should be deleted and placed above the name 'Mr. Gary Mowatt'.

On a motion by Mr. Kevin Clarke, Statistical Institute of Jamaica and seconded by Mr. Cebert Mitchell, Ministry of Finance & the Public Service, the Minutes of the 79th Annual General Meeting were confirmed.

## Matters Arising

There was no matter arising for discussion.

## 2018/19 Report of the Committee Of Management

The 2018/19 Report of the Committee of Management was referenced by the Chairman. He noted the Report was now a matter of record as it was for presentation at the Annual General Meeting which was cancelled in 2020 due the Covid-19 pandemic. He however highlighted the following aspects.

## 80th Anniversary Celebrations

The Chairman noted the Society's 80th anniversary programme under the theme '80 Years Strong

and Moving Solidly Along' featured a number of activities and events. These included two Thanksgiving Services – first at the Power of Faith Church in Portmore, St. Catherine in January and another at the Kencot Seventh Day Adventist Church in St Andrew during Founder's Day celebrations in October. Several events were also held to express gratitude to the membership, volunteers and the loyal and dedicated staff of the Society including two special award ceremonies and a number of outreach activities. On October 17, 2019, the Society hosted its 80th Anniversary Gala Banquet and Awards Ceremony where 21 Members were recognized for dedicated service; 9 members of staff and 7 Members of the Committee of Management recognized for long and dedicated service. Guest Speaker for the occasion was retired Chief Justice, Hon. Mrs. Zaila McCalla.



### 2019 Financial Performance

The Chairman remarked that the Society was able to capitalize on an improving economy and recorded another year of growth as reflected by growth in:

- i) Total Assets by 9% moving from \$1.69B to \$1.76B
- ii) Share Capital by 12.1%, from \$1.01B to \$1.13B, and
- iii) Gross Revenue by 11.6% from \$192M the previous year to \$214M in the 2019.

Our Loan Portfolio again surpassed the One Billion Dollar mark -- \$1.08B in 2017/18 and \$1.18B in 2018/2019 while Gross Expenditure moved from \$157.8M to \$184.3M, an increase of \$34.3M compared to \$30M in 2017/2018. The Society realized a Surplus of \$30M and after provision for taxation of \$1.4M, the Committee of Management distributed the Net Profit of \$28.6M in the following manner -- Dividend of \$22.9M, General Reserve of \$4.0M and Retained Income of \$1.7M. A Dividend of \$2.5% was declared on shares held at November 30, 2019. On Non-performing Loans, the Chairman indicated that as a percentage of the Thrift's overall Loan Portfolio this has improved from 4.9% the previous year to 3.7% or \$43.2M in 2018/2019.

### Other Highlights

The Report also highlighted a 2% increase in Membership moving from 13,835 to 14,089, and the presentation of 10 scholarships and one grant totaling \$540,000.00 to assist children of Members with their secondary education needs. In addition, 12 Members were awarded 80th Anniversary Scholarship to help with their tertiary education programme. The guest speaker at this function, the Minister of Finance & the Public Service, Hon. Dr. Nigel Clarke, applauded the Society for the initiative and underscored the importance of civil servants pursuing advanced educational opportunities. The Report also highlighted activities pertaining to the Society's corporate responsibility and Human Resource Development initiatives and the attendance and participation record of Members of the Committee of Management at both Committee meetings and the various Sub-Committee meetings.

The 2018/19 Report of the Committee of Management was adopted on a motion moved by Mr. Fred Manderson, Senior Member and seconded by Miss Charmaine McCalla, Ministry of Economic Growth and Job Creation.

### 2019/20 Report of the Committee Of Management

The Chairman directed the meeting to the 2019/2020 Report on pages 2 to 9 in the second half of the special two-year combined annual report for 2019 and 2020. Noted the great optimism of the previous year - 2018/19, the Chairman remarked numerous plans were contemplated for 2019/20. These including an expanded membership engagement programme and the start of construction of the new build-

ing to house the Society's offices. There was increased demand for loans and Members were generally optimistic about our offerings.

### **Then came Covid -19 Pandemic**

The novel coronavirus (Covid-19 pandemic) changed all that. Impacting China from late 2019 and other countries, by March 2020, the disease was on our shores, sending anxiety and uncertainty throughout the economy and national life.

Valiant steps were taken to prepare for the onslaught of the worst global health crisis in a century with new procedures and restrictions introduced to help reduce the spread of the virus. Like the rest of the world, Jamaica was impacted with disruption and death.

Our membership faced significant economic pressures and the Society was forced to be innovative and things differently. The Committee of Management even changed some business methods. By March 2020, loan demand had been reduced by up to 23% and by April 2020 the decline was approximately 57%.

### **Adjusting to the Covid Crisis**

The Society introduced measures to deal with the falling loan demand, from payment holidays, to refinancing of loans and the reduction in monthly payments. A two-month moratorium was granted on all new loans and a number of fees were waived. Restrictions were placed on in-office visits and additional measures had to be put in place for Members to access the Society's products and services online, and protocols for the safety and protection of the Members and staff.

The Chairman reported the introduction of cost containment measures to compensate for the reduction in income. The measures redounded to the benefit of the Society's financial performance as highlighted by the Chairman, and which saw: -

- Total Assets moving from \$1.77B to \$1.89B; a 7% increase
- Share Capital increasing from \$1.13B to \$1.26B; a 11.3% increase
- Gross Revenue moved from \$214.3M to \$224.8M; a 4.9% increase
- Loan Portfolio growth of 5.4% moving from \$1.18M to \$1.24 and
- Gross Expenditure falling by over 5% from \$180.7M to \$170.8M.

Despite the loss in Revenue, the Society did achieve an increase in Net Income of 60% from \$36.3 to \$53.95M for the 2019/2020 financial year, and realized a Surplus of \$53.95M. After provision for taxation of \$5.40M, the Committee of Management distributed Net Profit as follows: Proposed Dividend - \$28.3M; General Reserve - \$ 4.0M, and Retained Income of \$16.2M. Dividend of 2.5% was declared on shares held at November 30, 2020.

### **Other Activity Highlights**

Non-Performing Loans fell from \$43.3M to \$31.2M which represents 2.5% of our Loan Portfolio, Membership grew marginally by 5.2% from 14,089 to 14,828, and the Society maintained its corporate responsibility and outreach initiatives including its award of scholarships and outreach activities.

### **General Discussion**

The Chairman invited questions on the Report.

Mr. O'Neil Grant, Ministry of Agriculture, commended the Committee of Management for its stewardship of the affairs of the Society over the two-year period. He highlighted the fact that there was a downturn in loan activity and all the other attendant issues, the Management was able to steady the ship, contained expenses and kept the Society going. Kudos were expressed for its ability to manage the process well.



Mr. Grant also brought the meeting's attention to issue of Non-Performing Loans and proposed that the Society explore the introduction of loan insurance to alleviate the problem of Members abandoning their loans and leaving those who stood surety for them in challenging situations. He suggested that Members pay a small premium to secure loans rather than relying on guarantors to pay back the loan when a Member is forced to default. He asked that the suggestion be considered favourably.

The Chairman thanked Mr. Grant for his kind comments and assured him that his suggestion would be examined by the Committee of Management.

### **Adoption of the 2019/20 Committee of Management Report**

On a motion by Mr. O'Neil Grant, Ministry of Agriculture and Fisheries and seconded by Miss Kadian Bailey, Tax Administration Jamaica, the Report of the Committee of Management was adopted.

### **Auditor's Report And The Financial Statements 2018/19**

The Chairman directed Member to the Auditor's Report and the Financial Statements for 2018/2019 contained on pages 28-30 and the Financial Statements on pages 31-62. The External Auditor, Mrs. Yvonne Davis participated in the meeting online. Noting some of the financial activities for the year were already highlighted, the Chairman invited questions and comments.

On a motion by Mr. O'Neil Grant, Ministry of Agriculture and Fisheries and seconded by Miss Gennetta Smikle, Ministry of Labour & Social Security, the 2018/2019 Report was taken as read. And there being no comments or questions, the Chairman entertained a motion for the adoption of the Auditor's Report and the Financial Statements for 2018/2019 which was moved by Mrs. Lelieth Barrett-Hamilton and seconded by Miss Narda Davis, Statistical Institute of Jamaica.

### **Auditor's Report And The Financial Statements 2019/20**

The Chairman directed Members to Auditor's Report and the Financial Statements for the 2019/2020 on pages 11 to 13 and pages 14 to 55 of the published report.

Mrs. Paula Dewar-Warren, Jamaica Customs Agency, enquired about the amounts recorded under "Property, Plant and Equipment" and whether they related to new acquisitions. Mrs. Yvonne Davis, External Auditor, explained that it was a combination of figures coming from prior years as well as acquisitions in 2020 and directed her attention to a schedule of assets acquired in 2020.

Mrs. Dewar-Warren further enquired how frequently the Society re-evaluated its assets as she was noticing the same value. The Auditor explained that no valuation had been done since the acquisition and in most cases, unless there was a plan to dispose of the property, it would be costly to do a valuation every year. Mrs. Dewar-Warren was of the view that the value being reported should be more current.

She sought an explanation on Loans Over-recovered and enquired of the basis on which these amounts can be accessed, why it was not on the individual account and why it could only be accessed on a demand basis. The Chairman indicated that Members were normally encouraged to make withdrawals but sometimes they leave the money in the account to enhance their borrowing power and at that point they are transferred to shares. On a motion by Mr. Cebert Mitchell, Ministry of Finance & the Public Service and seconded by Mr. Fred Manderson, Senior Member, the Report was adopted.

### **Distribution of Net Income / Dividend for 2019**

The Chairman invited Members' attention to the Report of the Committee of Management and, in particular, to the Surplus for the year ended November 30, 2019. In accordance with Rule XX11 (c), dividend of 2.5% was declared, payable on shares held as at November 30, 2019 to shareholders on the Registry of Members at February 28, 2020. On a motion by Miss Beverley Clarke, Auditor General's Department, and seconded by Mrs. Gennetta Smikle, Ministry of Labour & Social Security the following resolution was moved:

a. Whereas after the provision of taxation of \$1.4M and a net profit of \$28.6M and the proposal to pay dividend of \$22.9M in accordance with Rule 22(c), the Committee of Management, having declared a dividend of 2.5% payable on shares held at November 30, 2019 to subscribed members on the Registrar of Members on February 28, 2020. It is hereby proposed that the recommendation for the payment of dividend of \$22.9M at the rate of 2.5% payable be accepted by the general membership.

b. In keeping with Rule IX, Dividend would be paid to Members with no loans or loans within shareholdings and Members with loans in excess of shareholding would elect to have dividend credited either to their shares or loan accounts.

The motion was voted on and carried.

### **Distribution of Net Income / Dividend for 2020**

On a motion by Miss Beverley Clarke, Auditor General's Department and seconded by Mr. Leslie Campbell, Department of Correctional Services, a resolution for the payment of Dividend on shares held as at November 30, 2020 was moved as follows:

a. Whereas after the provision of taxation of \$5.4 million and a net profit of \$48.5M and the proposal to pay dividend of \$28.3M in accordance with Rule 22©, the Committee of Management, having declared a dividend of 2.5% payable on shares held at November 30, 2020 to subscribed members on the register of members at February 28, 2021, it is hereby proposed that the recommendation for the payment of dividend of \$28.3M at the rate of 2.5% payable be accepted by the general membership.

b. In keeping with Rule IX, Dividend would be paid to Members with no loans or loans within shareholdings and Members with loans in excess of shareholding would elect to have dividend credited either to their shares or loan accounts.

The motion was voted on and carried.

### **Early Bird Prize**

Mrs. Marva Pringle-Ximinnies, 1st Vice Chairman conducted the drawing of the Early Bird Prize which was won by Miss Claudia Stewart of Ministry of Justice. The prize was presented by Mr. Kevin Clarke, Member of the Committee of Management.

### **Election of Officers and Members**

Mr. O'Neil Grant, Ministry of Agriculture & Fisheries and President of the Jamaica Civil Service Association, was invited to assume the role of Elections Officer. He explained with there being no AGM for 2019/2020, there would be two election sessions. Mr. Grant highlighted that the election of Mr. Errol Miller was a special case based on the revised Rules of the Society. As a consequence, the other Officers would be elected for three years while Mr. Miller would be elected for one year in 2020/21 and would again be eligible for election in 2021/2022 for a full three-year term.

He informed the meeting the process would be a short one as at the date of the Report, the list of persons eligible for nomination was not expanded beyond the retiring Officers and Members and they were eligible for re-election. These were:

- |                        |          |
|------------------------|----------|
| • Mr. Errol Miller     | Chairman |
| • Miss Rowena Palmer   | Member   |
| • Mrs. Gennetta Smikle | Member   |
| • Mr. Cebert Mitchell  | Member   |



They were all returned by acclamation to serve for the following period:

• Mr. Errol Miller	Chairman	2020 / 2021
• Miss Rowena Palmer	Member	2020 / 2023
• Mrs. Gennetta Smikle	Member	2020 / 2023
• Mr. Ceibert Mitchell	Member	2020 / 2023

The following Officers and Members of the Committee of Management whose term of office expired in 2020 / 21 were eligible for re-election and were returned unopposed and will serve for the following periods:

• Mr. Errol Miller	Chairman	2021 / 2024
• Mr. Leslie Campbell	2nd Vice Chairman	2021 / 2024
• Mrs. Lelieth Barrett-Hamilton	Member	2021 / 2024
• Mr. Fred Manderson	Member	2021 / 2024
• Miss Beverley Clarke	Member	2021 / 2024

After declaring the Officers and Members duly elected, Mr. Grant handed the meeting back to the Chairman who thanked Mr. Grant for assisting with the process and expressed appreciation to the Members for the confidence that they have reposed in all the re-elected Members. He noted that they would continue to uphold the tenets of the Society to ensure that the welfare of its Members.



### Special Resolution

The Chairman advised the meeting of a special resolution which was to be considered for approval.

He pointed out that given the experience caused by the Covid-19 pandemic when the Society was not able to convene meetings, amendment would allow the Society to have virtual meetings or blended meetings as under the current Rules, members joining the meeting online would not be eligible to participate nor vote

and that the special resolution was being taken to amend the Society's Rules to give the flexibility to have both physical, virtual and online meetings.

The Chairmen invited Mrs. Genetta Smikle to read the resolution.

The Resolution was moved by Gennetta Smike, Ministry of Labour and Social Security, and seconded by Kevin Clarke, Statistical Institute of Jamaica. The Chairman invited discussions and questions on the Resolution. There being no questions, the Resolution was put to the vote by show of hands. It was unanimously agreed by all 25 Members present.

### Spot Prize

Mrs. Pringle-Ximinnies indicated that the Miss Janet Willis, Post & Telecommunications Department, was the first member present for the meeting and that she waited almost three (3) hours for the start of the meeting. She also noted that Mr. Gary Mowatt, former Member of the Committee of Management was the first member to join the meeting one line. The presentation was made to Miss Willis while the presentation to Mr. Mowatt would be made on a date to be arranged.

### Appointment of Auditor

The Chairman advised that Mrs. Yvonne E. Davis ACCA, FCA, having been appointed Auditor at the last Annual General Meeting and having indicated her willingness to continue as the Society's Auditor was

eligible for election in accordance with Rule XX111. On a motion by Mrs. Marva Pringle Ximinnies and seconded by Mr. Fred Manderson, the meeting approved the appointment of Mrs. Yvonne E. Davis as the Society's Auditor for the Financial Year 2020/2021.

### **Any Other Business**

Mr. Gary Mowatt expressed pleasure on being recognized on the online platform as an Early Bird member. He also commended the Society for a well-organized meeting.

The Chairman reported that in addition to the property acquired at 12 Caledonia Avenue, the property at number 14 Caledonia Avenue was also acquired on the recommendations of the Architects. This additional property, he said, would give the Society greater flexibility in the kind of structure it proposes to erect on the property. He noted that as soon as all the relevant approvals were given, the Society would start plans for its construction.

### **Closing Remarks**

The Chairman thanked all Members for making the 80th Annual General Meeting possible, both those present face to face and those who joined online. He reiterated the tremendous challenges the Society went through to host the AGM as under the Disaster Risk Management Orders, the physical presence was limited to 20 Members while the quorum under the Rules required at least 25 Members. The Society had to seek special dispensation for five additional persons in order to have the meeting which also explained the late start of the meeting. He thanked everyone for playing their part to have the Resolution passed which would allow the Society greater flexibility in scheduling meetings. He also thanked Members for their patience and understanding.

The Chairman extended special thanks to his colleagues on the Committee of Management and thanked them for their support, hard work and dedication during the past two years. He also expressed thanks to the Secretary/Manager and Staff for their loyal support. He thanked the Auditor, Mrs. Yvonne Davis and her team. He voiced special appreciation to the Members of the Society for their loyalty and commitment as without their support we would not be meeting. He urged everyone to observe the Covid-19 pandemic protocols and encouraged Members to get vaccinated. He wished everyone a pleasant afternoon and safe travel home.

### **Adjournment**

On a motion by Miss Charmaine McCalla, Ministry of Economic Growth and Job Creation and seconded by Miss Simone Smith, Post & Telecommunications Department the meeting was terminated at 3:20 p.m.



# The 2021 Report of the Committee of Management

The 81st Annual General Meeting (AGM81) of the Jamaica Civil Service Mutual Thrift Society Limited is taking place against the background of a world that is only now slowly adjusting to a new normal after two and a half years of devastation from the Covid-19 pandemic. By far, our worst global health crises in a hundred years, we are still reeling from the death and destruction which impacted billions of people and countries in every corner of the globe.

We are grateful that notwithstanding the hardships, dislocations, and setbacks our island home was spared the worst and our organization – the Thrift Society, was able to carry on its business to proudly mark 83 years of continuity and success.

Some in our membership were directly impacted and to them we offer our condolences and encouragement; to those who survived, let us resolve to move forward with one united purpose and use this pandemic experience to build more robust and resilient families and organizations and be better prepared to face any such eventuality in the future. For out of the evil caused by this pandemic must come good. The Thrift Society is playing its part by stepping out bolder, stronger and better prepared to continue the work begun by our founding fathers 83 years ago and continue to build on that solid foundation for lasting success.

## Encouraging Post Covid-19 Macro-Economic Outlook

The immediate post Covid-19 macro-economic outlook is somewhat encouraging and provides a fair measure of confidence in charting the course of the Thrift Society. Major fiscal and monetary indicators post-Covid point to a cautious but encouraging return of business recovery in the short to medium term. The Statistical Institute of Jamaica (STATIN) reports that the Jamaican economy grew 8.2% for the fiscal year 2021/22 (March 2022) compared to an 11% decline in the Covid-19 fiscal year 2020/21.

The labour market has recorded an unemployment rate of 6% (April 2022) with the total employed labour force of 1,269,300 people, which while impressive, was still about 3,400 below the number employed at the start of the pandemic in January 2020.

As of June 2022, inflation at 10.9% was below the projected level of between 12-15%. Elevated inflation, however, remains a major concern. The Bank of Jamaica (BOJ) continues to raise interest rates – up multiple times since late 2021 (50 bases points to June 2022) to help tame inflation which is on the rise among all of Jamaica's main trading partners. Further interest rate adjustments are likely as the push to contain inflation continues.

Other indicators worth noting include the increase in total tax revenues which at \$616.4 billion (June 2022) exceeded the budgeted target by \$10.1 billion with higher than projected receipts coming from areas like PAYE collections and Special Consumption Tax on imports.

Jamaica's Net International Reserves (NIR) at US\$3.8 billion remains robust and Real GDP Growth to June 2022 was 6.4% and a Debt to GDP ratio at the end of March 2022 reflecting an impressive 15.5 percentage point reduction from the 109% at which stood at the end of March 2021, are all encouraging signs.

## Highlights of 2021 Financial Results

The financial performance of the Thrift Society during the very testing 2021 Covid-19 pandemic year was encouraging, notwithstanding the enormous challenges faced and the painful impact of the crisis on the business of the Thrift Society. By making the necessary adjustments we were able to end the year (November 2021) with clear signs of continued prudence and success in our operations.

### Total Assets

The Thrift Society's total assets increased from \$1.89 billion in 2020 to the significant milestone of \$2.17 Billion in 2021, representing an increase of approximately \$0.28 billion or 14.8% – a commendable performance in the Covid-19 pandemic environment.

### Balance Sheet & Income Statement

For successive years, the Thrift Society experienced stronger and improved performances in its Balance Sheet and Income Statement. A significant portion of this increased performance is attributable to the loan principal and interest income which increased by \$167 million from \$1.24 billion in 2020 to \$1.41 billion at the end of 2021. Items such as Members' Shareholdings also recorded growth of \$93 million or 7.4% moving from \$1.26 billion in 2020 to \$1.35 Billion in 2021. Gross Revenues of \$230.8 million achieved in 2021 represent an increase of 8.71% or \$18.5 million on the \$212.3 million at the end of 2020.

At the same time, we were able to manage expenditure expectations under very difficult circumstances with Total Expenditure increasing by 13.5% from \$170.8 million to \$193.9 million. A major contributor to the movement in Expenditure was the general increase in supply cost for goods and services. Nonetheless, we were able to hold strain on expenditure, which resulted in a relatively stable surplus being achieved when compared with the Net Income surplus the previous financial year. We achieved a Net Income of \$54.3 Million before taxation in 2021 compared with \$53.9 million in 2020.

### Share Capital

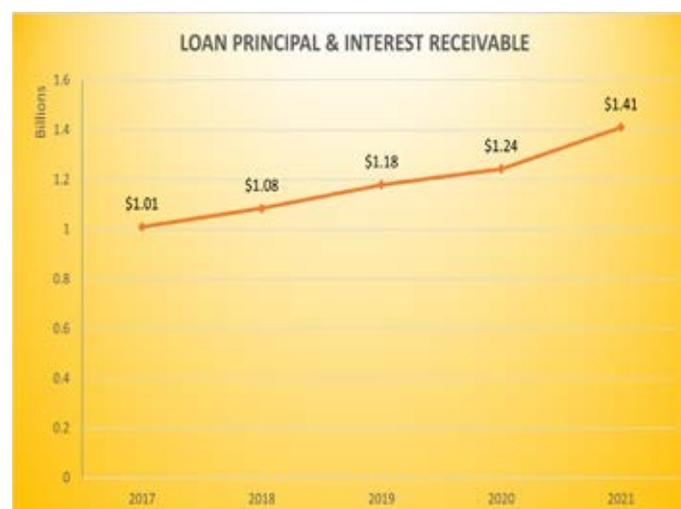
The positive net growth reflected in Total Assets and Interest Receivables was also evident in Share Capital, a further testament of the Thrift Society's resilience and the fact that our organization continues to demonstrate the requisite confidence and Member loyalty essential for business continuity and success. The movement in this index over the last 5 years (2017-2021) is shown in the accompanying graph and chart.

### Revenues

Our interest income and other revenue growth prospects in 2021 were challenged by the continuing dislocations and uncertainties of the Public Sector workforce as Members tried to cope with the increased



Total Assets graph, showing 14.8% or \$0.28 billion growth moving from \$1.89 billion in 2020 to \$2.17 billion in 2021



Loan Principal and Interest graph (above) showing growth from \$1.24 billion in 2020 to \$1.41 billion in 2021, an increase of 13.4% or \$0.17 million

demand for income to support their families in the wave of the pandemic. The Thrift Society was forced to introduce new loans and make revisions and adjustments to others to help cushion the impact of the changed environment.

At the same time, the more dynamic and competitive financial market conditions in which the Thrift Society found itself brought about a marked shift in its revenue prospects as Members sought to engage in other options and instruments elsewhere and outside of the Thrift Society.

This affected overall growth targets for interest income and other revenues. For 2021, the Thrift Society recorded an increase of \$24.4 million or 12% moving from \$212.3 million in 2020 to \$230.7 million. The Chart below shows breakdown of the main sources of the Thrift Society's Revenue by the various sources.

### Loans and Advances

The total value of loans disbursed during the 2021 financial year was \$962.3 million up from \$757.9 million for 2020, a commendable 27% increase. The 'Committee Loans' category outstripping 'Same Day Loans' by a 1:5 ratio, with Debt Consolidation, Education and Information Technology loans recording the highest percentage increases.

The combined increase was a 70% jump from \$176.9 million in 2020 to \$300.8 million in 2021. This positive loan performance was made possible through regular proactive adjustments by the Thrift Society in its loan policy to be able to respond to the changing needs of Members more directly and better.

While the number of loans approved did decline 5% from 16,913 to 16,051 in the comparative period, the total value of loans disbursed recorded a 27% increase or some \$204.3 million moving from \$757.9 million in 2020 to \$962.3 million in 2021. This had a beneficial impact on our Interest Income which recorded a 12% increase in the period.

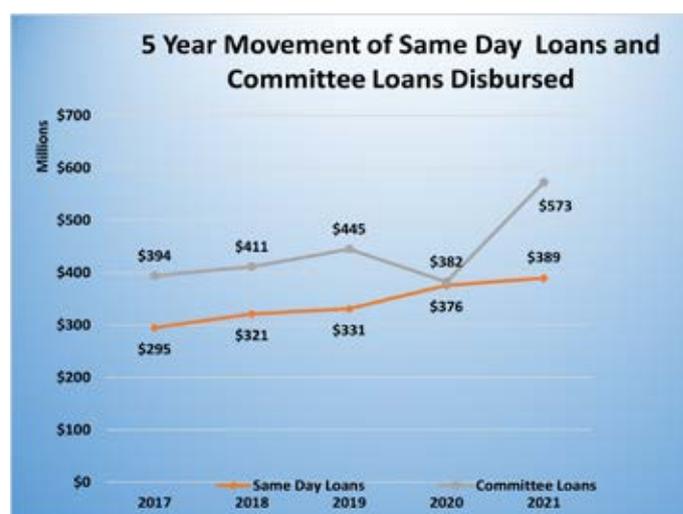
Loans approved by the Committee now rank higher than Same Day Loans. During 2021 there was robust demand for Consolidation of Debt and Computer Loans which contributed to total Committee Loans disbursed increasing by \$190.6 million or 50%, although the overall number of loans decreased marginally when compared with 2020.

### Non-Performing Loans

To its credit, the challenges posed by the Covid-19 pandemic did not adversely impact our Non-performing Loans category. These loans with outstanding payments for three or more consecutive months stood at \$25.8M or 1.8% of the total portfolio of \$1.41 billion in 2021, down from \$31.2 million or 2.5% of the 2020 total loan portfolio of \$1.24 billion.

The Table below details the number of such loans and the amounts outstanding on November 30, 2021:

	# Cases & Amounts for 2021		# of Cases & Amounts for 2020	
Accountant General's Department	37	\$7.5	43	\$11.3
Loans Redemption Fund	17	\$2.6	17	\$1.9



	2021		2020	
	Qty	Value	Qty	Value
<b>Same Day Loans</b>				
• Cash Loans	5011	149,413,930	5316	140,017,095
• Emergency Loans	7090	159,063,508	8434	168,696,467
• 80th Anniversary Loan	1164	80,995,821	908	66,964,487
	<b>13,265</b>	<b>389,473,258</b>	<b>14,658</b>	<b>375,678,049</b>
<b>Committee Loans</b>				
• Consumer Durables	752	97,784,814	670	75,294,387
• Education	577	90,717,525	470	68,335,903
• Home Improvement & Land Acquisition	399	89,313,006	318	58,418,400
• Consolidation of Debt	350	168,465,166	229	87,982,143
• Motor Vehicle Repairs & Insurance	172	65,822,001	147	51,731,083
• Medical, Dental & Funeral expenses	76	7,367,950	66	6,415,600
• Computer & Technological Devices	343	41,570,183	186	20,531,750
• Travel & Vacation	13	2,105,500	26	2,307,500
• Business Venture	17	3,897,900	6	2,120,500
• Utilities	66	3,109,167	49	2,899,000
• Other Committee Loans	21	2,655,321	88	6,221,966
	<b>2,786</b>	<b>572,808,534</b>	<b>2255</b>	<b>382,258,231</b>
<b>TOTAL:</b>	<b>16,051</b>	<b>962,281,793</b>	<b>16913</b>	<b>757,936,280</b>

	# Cases & Amounts for 2021		# of Cases & Amounts for 2020	
Surety Accounts	50	\$15.7	57	\$18.0
Total Outstanding	104	\$25.8	117	\$31.2

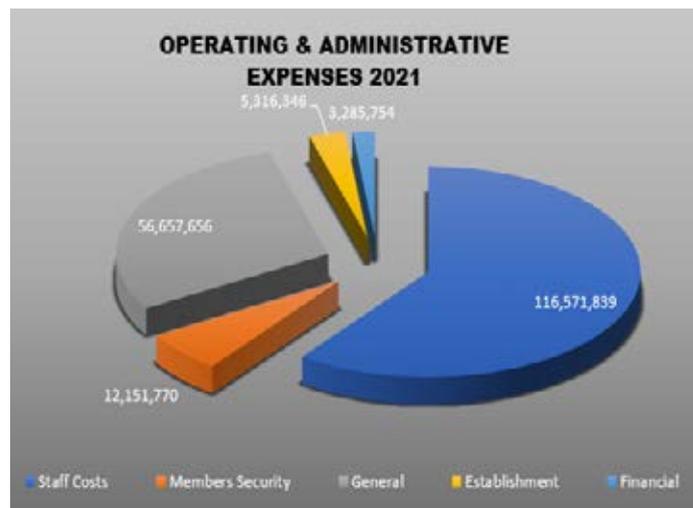
Of the one hundred and four (104) Non-Performing Loans amounting to \$25.8 million, fifty-four (54) loans amounting to \$10.1 million resulted from retirements from the Public Service and death of Members. The decrease in 2021 may be attributable to tighter controls and the settlement of a larger number of accounts for persons retiring from the Public Service. These loans were settled from pension gratuities payable by the Accountant General's Department and settlements from the Loans Redemption Fund.

### Operating & Administrative Expenses

Total Operating and Administrative Expenses this year increased over the previous financial year by 15.9% or \$23.1 million up from \$170.8 million in 2020 to \$193.9 million in 2021. The increase is directly attributed to general spending due to increases in cost. The growth in our operations and the demands of managing the business in the Covid-19 pandemic environment required extraordinary human and technical resources to maintain service quality.

### Net Income After Taxation

The Thrift Society realized a surplus on its operations for 2021 of \$54.3 million compared to \$53.9 million in 2020. We recommend after provision of \$6.8 million for taxation, a Net Surplus of \$44.4 million to be appropriated as follows:



- Proposed Dividend \$26.8M
  - General Reserve \$4.0M
  - Retained Income \$13.6M
- \$44.4M**

### Another Dividend Payout

The Thrift Society declares a dividend to Members of 2% payable on shares held as of November 30, 2021, to Shareholders on the Register of Members at February 28, 2022. In keeping with the Society's Rule IX, the Committee of Management recommends that available 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.



### Corporate Responsibility & Outreach

The Thrift Society continued to demonstrate commitment to good corporate citizenship and social responsibility. Our scholarship programme assisted children with much needed educational supplies valued at more than half-a-million dollars. Among the beneficiaries were:

STUDENT	SCHOOL
Cabrina Clarke	Convent of Mercy Academy Alpha
Joseph McDonald	St. George's College
Kami-Lee Hines	Kingston Technical High School
Ashley Heywood	Excelsior High School
Deboneil Brissett	Immaculate Conception High School
Ronique Pennie	St. George's College
Jamila Haynes	Immaculate Conception High School
Samania Williams	St. Andrew Technical High School
Tyara Henry	Merl Grove High School
Naomi Pellington	St. Andrew High School
Sharissa Harper	Wolmer's High School for Girls



In this particularly challenging year, the Thrift Society also channelled another \$600,000 to supporting various charities, civic association, and community outreach initiatives.



### Membership

Membership growth was expectedly flat in 2021 with a slight 3% increase achieved. Membership now stands at 15,278. Understandably, due to the Covid-19 pandemic we were not able to carry out the planned levels of marketing and promotional engagements necessary to drive membership growth. The Table below shows the movement in membership over the last five (5) years:

	2021	2020	2019	2018	2017
Opening Membership	14,828	14,089	13,835	13,574	13,204
New Members	609	917	639	449	413
Resigned Members	(159)	(178)	(385)	(188)	(43)
Closing Membership	15,278	14,828	14,089	13,835	13,574

### Status of Special Funds

The two special funds - the Loans Redemption Fund and the Shares Enhancement Fund managed by

the Thrift Society continue to serve Members well. The Funds established in 1971 and 1991 respectively help Members and their beneficiaries in settling loan balances arising from the death or permanent disability of a Member. During the 2021 financial year, claims satisfied against the Loans Redemption Fund amounted to \$10.5 million while claims against the Shares Enhancement Fund were \$6.2 million. The value of the Funds as of November 30, 2021, stood at \$321.5 million for the Loans Redemption Fund and \$92.9 million for the Shares Enhancement Fund.

### Staff Development and Training

This area is vital to the delivery of quality service and the efficient and effective functioning of the Thrift Society and remained even more so a priority in the 2021 Covid-19 pandemic environment. The Thrift Society continued the programme of strengthening the capacity of its human resources by investing in them and supporting their participation in various internal and external courses, seminars, and workshops.

### Corporate Governance

In a year of physical distancing under Covid-19 pandemic conditions there was greater reliance on technology to ensure the Thrift Society was able to maintain its meetings and the exercise of the necessary corporate governance arrangements. This was not easy as meetings were mainly remote and virtual. In fact, no in-person meetings were convened during the year. We nonetheless maintained contact and held 50 meetings of the Committee of Management, and 64 Sub-Committee Meetings, mostly via Zoom and other means. The Table below provides details.

Meeting Type	Nos Held
• Committee of Management	50
<u>Sub Committees</u>	
• Marketing/Communications	19
• Finance	12
• Human Resources	12
• Real Estate	7
• Pensions Trustees	4
• Information Technology	2
• Scholarship	1
• Other	7

Attendance and participation by the Members of the Committee of Management is detailed in the Table below:

Member	Mts. Attended	Excused	Remarks
Mr. Errol Miller (Chairman)	50	-	-
Mrs. Marva Pringle-Ximinnies (1st Vice-Chairman)	50	-	-
Mr. Leslie Campbell (2nd Vice-Chairman)	47	3	Granted Leave
Mr. Fred Manderson	49	1	Granted Leave
Miss Georgia Mogg	50	-	-
Mrs. Lelieth Barrett-Hamilton	48	2	Granted Leave
Mrs. Gennetta Smikle	50	-	-
Miss Icolyn Coulbourne	50	-	-
Mr. Ceibert Mitchell	50	-	-
Miss Beverley Clarke	50	-	-
Mr. Kevin Clarke	50	-	-
Miss Rowena Palmer	48	2	Granted Leave



## **Honouring Our Members**

Over the years, one aspect of our Annual General Meeting which has become a tradition is the public recognition shown to those Members who sadly are no longer with us. The Committee of Management extends sincere condolences to the families and friends of those who passed during what was a particularly challenging year for everyone, and particularly, those who were impacted by the Covid-19 pandemic. The names of Members whose passing we remember appears on the Obituary Page in this Report (See Page 35)

## **Appointment of Auditor**

Mrs. Yvonne E. Davis, ACCA, FCA, having been appointed as Auditor to the Thrift Society at the last Annual General Meeting and having intimated her willingness to continue as the Society's Auditor, is eligible for re-election in accordance with Rule XXIII.

## **Acknowledgement and Thanks**

By any measure, 2021 was a tough year for business, the Jamaican society, and the Members of the Thrift Society. The impact of the Covid-19 pandemic was real. The fact that we survived is a clear test of our resolve and tenacity. But there is too a measure of the blessing of the Almighty and for which all of us are eternally grateful, for it could have been far worse.

The Committee of Management expresses its appreciation to all who made the year 2021, notwithstanding the many challenges faced, another year of meaningful progress and measured success. We thank you, our valued Members for your continued confidence in the Thrift Society and our staff who, even when confronted with their own challenges, remained steadfast, loyal, dedicated, and fully committed. Our achievements and successes would not have been possible without you.

We also express appreciation to our Auditor, the Jamaica Civil Service Association, JCSA Limited, JCS Housing Company and all other persons and organizations that assisted in continuing the project on which we have embarked for the past 83 years and to which we remain fully committed.

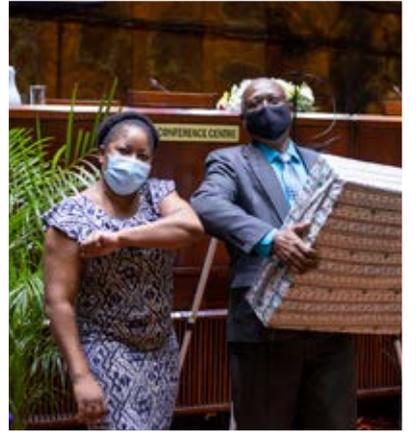


# A Look At Some of Our CSR Activities





# Photo Highlights from our AGM





# Text Of Special Resolution Adopted At The 2020 Annual General Meeting

A Special Resolution presented and approved at the 80th AGM of the Society in 2020 was in direct response to the experience of the Covid-19 pandemic and the restrictions and protocols governing physical meetings and limits to physical presence at gatherings and the use of other formats – virtual, online, hybrid, etc, under such circumstances. Under Covid-19 pandemic conditions, the Society, for the first time in its 82-year history, it was forced to cancel an AGM. The amendments approved will allow the Society to convene meetings - physical or virtual or such blended formats allowing members participating on meeting online the same rights and privileges including being eligible to participate or vote. The special resolution amends the Society's Rules to give the flexibility to have both physical, virtual and online meetings. Below is the full text of special resolution.

## JCSMTS 2020 SPECIAL RESOLUTION

**WHEREAS** Section 9(2) of the Industrial and Provident Societies Act and Regulation 3 of the attendant Regulations provides for the amendment of Rules; and

**WHEREAS** Rule XXV of the Rules of the Jamaica Civil Service Mutual Thrift Society Limited (the Society) allows for amendments to the rules; and

**WHEREAS** there is a need to insert an 'Interpretation Clause' to clearly define key terms and phrases to avoid ambiguity and misconceptions; and

**WHEREAS** Rules VI, VII, X, XXV are being proposed for amendments in the Rules of the Society; and

**WHEREAS** it is being proposed that meetings of Members may be conducted by attendance at a physical location, or by virtually-only or hybrid-meeting and;

**WHEREAS** electronic attendance by a Member shall be construed as if the Member is present at the physical location where the meeting is being convened or on the virtual meeting platform used to convene the meeting; and

**WHEREAS** members attending meetings through an electronic media (means) shall be counted as part of the quorum for a legally convened meeting of Members of the Society; and

**WHEREAS** the Society has agreed to adopt and accept all the interpretations so ascribed under these proposed rule amendments which are not in conflict with the Industrial and Provident Societies Act and Regulations,

**BE IT RESOLVED that an Interpretation Clause be inserted after the 'Names and Objects', and be numbered '1IA' to define the following:**

- "ballot" includes a ballot marked through or by electronic means;
- "computer" has the meaning assigned to it by section 2 of the Cybercrimes Act;
- "computer service" has the meaning assigned to it by section 2 of the Cybercrimes Act;
- "disaster" has the meaning assigned to it by section 2 of the Disaster Risk Management Act;
- "electronic" has the meaning assigned by section 2 of the Electronic Transactions Act;
- "electronic communications system" has the meaning assigned to it by section 2 of the Electronic Transactions Act and shall include, without limitation, webcast, video or any form of conference call systems (telephone, video, web or otherwise) and other communication of any sound, document, and or other data

- “hybrid-meeting” means a meeting held simultaneously as a virtual meeting, as well as at a physical venue in which attendees, whether virtually or present in-person, simultaneously attend and participate in the proceedings of the meeting in real-time;
- “in-person meeting” means a meeting in which all attendees:
  - (a) are physically present together in one location; and
  - (b) participate in the business of the meeting and interact with each other, face to face;
- “show of hands” includes a show of hands through or by electronic means;
- “virtual-only” means a meeting in which the attendees participate from numerous physical locations, whether inside or outside of Jamaica, through the facility of the internet or intranet by use of integrated audio and video, chat and messaging tools, and application-sharing software by electronic means.

## **RULE VI - GENERAL MEETINGS**

BE IT RESOLVED that Rule VI which now reads:

1. The Financial Year of the Society shall end on the 30th day of November in each year, and the Annual General Meeting of the Society shall be held within three months after the close of the Society’s year. At this meeting:
  - a. The Income and Expenditure Account and Balance Sheet
  - b. The Report of the Auditors thereon, and
  - c. The Report of the Committee of Management shall be presented for consideration and to sanction appropriation and distribution of any profit.

Twenty-five members of the Society shall form a quorum at the Annual General or any Special General Meeting, provided that if, on the date and at the time set for such Annual General Meeting or Special General Meeting, there be not sufficient members present to form a quorum at the expiration of one hour, the meeting shall be adjourned to a date to be not later than fifteen days thereafter as may be fixed by the Chairman, and twenty members including one Officer who attend the adjourned meeting shall be deemed to form a quorum for the purpose of transacting the business on the Agenda.

Notice of an Annual General or Special General Meeting shall be issued not less than fourteen days before the date of such meeting, provided that, in the case of a postponed General Meeting, notice by advertisement in a Daily Newspaper shall constitute sufficient notice notwithstanding the provision of Rule XXVI - 1.

2. Special General Meetings of the Society shall be summoned by direction of the Committee of Management or on the requisition of not less than 10 members of the Society within three weeks of the receipt of such requisition. The nature of the business to be discussed must be stated in the requisition. Notice of a Special General Meeting shall be issued not less than fourteen days before the date of such meeting and shall not be valid unless such notice states shortly and concisely the nature of the business to be dealt with at such Meeting. Only such matters as are included in the notice shall be discussed.

3. Members in arrears of subscription to shares, principal, interest, or other charges on loans or advances made on their behalf for a period of thirty days shall not be entitled to vote at any General Meeting.

### **Be amended to read:**

1. The Financial Year of the Society shall end on the 30th day of November in each year, and the Annual General Meeting of the Society shall be held within three months after the close of the Society’s year. At this meeting:
  - a. The Income and Expenditure Account and Balance Sheet
  - b. The Report of the Auditors thereon, and
  - c. The Report of the Committee of Management shall be presented for consideration and to sanction appropriation and distribution of any profit.

Twenty-five members of the Society shall form a quorum at the Annual General or any Special General Meeting, provided that if, on the date and at the time set for such Annual General Meeting or Special General Meeting, there be not sufficient members present to form a quorum at the expiration of one hour, the meeting shall be adjourned to a date to be not later than fifteen days thereafter as may be fixed by the Chairman, and twenty members including one Officer who attend the adjourned meeting shall be deemed to form a quorum for the purpose of transacting the business on the Agenda.

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3. Members in arrears of subscription to shares, principal, interest, or other charges on loans or advances made on their behalf for a period of thirty days shall not be entitled to vote at any General Meeting.

4. References to a "meeting" shall mean a meeting convened and held in a physical location only or via virtual-only and/or in a hybrid manner through a combination of both a physical and electronic communication system. Members shall be deemed to be present at that meeting for all purposes of the Rules, applicable laws, and said attendance shall be construed to allow the member present in any one of these fora to attend and fully participate in any such meetings.

5. Every meeting shall be held at the Registered Office of the Society, physical location(s), or by virtual-only or hybrid-meeting as determined and advertised by the Committee of Management unless the Committee of Management shall have directed that it be held at some other place or by specific electronic means.

6. A member's participation virtually in the business of a general meeting shall include without limitation the right to communicate, to vote, and to have access in hard copy or electronic form all documents which are required to participate in the business of a general meeting; and participation in such a meeting shall constitute presence in person at such meeting and shall count towards the quorum and for all other voting processes.

7. The failure or inability of a member to attend or remain in an Annual or Special General Meeting held in a hybrid or virtual-only meeting, as a result of a mistake or events beyond the control of the Society shall not constitute a defect in the calling of the Annual or Special General Meeting and shall not invalidate any resolutions passed or proceedings taken at that Annual or Special General Meeting, once the quorum remains intact.

8. Where the meeting is held as a hybrid-meeting or virtual-only meeting and during the meeting a number of members participating, virtually, cease to be able to participate in the meeting, at any time and for any period during the meeting, in such numbers that the quorum requirement for that meeting is not met, all business transacted thereafter at that meeting, including matters put to the vote and any resolution passed, shall be void.

9. If a separate meeting place is linked to the main place of a general meeting by an electronic communication system, such member present at the separate meeting place shall be taken to be present at the general meeting and entitled to exercise all rights as if the member were present at the main physical location.

10. All general meetings (including a Special or Annual General Meeting, any adjourned meeting or postponed meeting) may be held as a physical, virtual-only or hybrid-meeting.

11. A virtual-only or hybrid-meeting may be held in Jamaica and any part of the world and at one or more locations as may be determined by the Committee of Management in its absolute discretion; however, the principal place and time of such meeting shall be construed to be held in the jurisdiction of Jamaica.

12. The provision of these rules shall apply, with any necessary modification, to hybrid-meetings and virtual-only meetings

## **RULE VII - VOTING**

BE IT RESOLVED that Rule VII which now reads:

Every question submitted to any meeting shall be decided by the votes of the majority of those present and entitled to vote; such vote shall first be taken by a show of hands, upon which the decision of the Chairman of such meeting shall be final, unless a scrutiny be demanded, in which case it shall forthwith be taken by ballot, counting or otherwise as the Chairman may decide. If there be an equality of votes the Chairman shall give a casting vote in addition to his vote as a member.

**Be amended to read:**

1. Every question submitted to any meeting shall be decided by the votes of the majority of those persons present and entitled to vote, either by a show of hands or electronic signals, unless any member present in person or through electronic attendance, or by proxy demands a scrutiny, in which case a ballot shall forthwith be taken. On a ballot, each member shall have only one vote. If there is an equality of votes the Chairman shall give a casting vote in addition to his vote as a member
2. Votes (whether by a show of hands or ballot) may be cast through or by electronic means or otherwise, in keeping with these Rules
3. If voting is to take place at the meeting, there must be reasonable measures in place to verify that every person voting at the meeting by means of electronic communication system is sufficiently identified, and the Secretary shall keep a record of any vote or action taken.

## **RULE X - NOMINATIONS**

BE IT RESOLVED that Rule X which now reads:

The Secretary shall keep a book in which he shall register or record all nominations made by members of the Society or any person or persons [other than an Officer or servant of the Society unless such Officer or servant is the husband, wife, father, mother, child, brother, sister, nephew, niece of the nominator] to whom his property in the Society, whether in shares or loans or so much thereof as specified in such nomination if the nomination does not comprise the whole shall be transferred at his decease provided that the amount credited to him in the books of the Society does not exceed \$200. The Secretary shall in like manner record or register all revocations or variations of such nominations by the nominator. The nominator shall pay such fees as prescribed by the Committee of Management for the recording or registering of every such nomination or variation.

**Be amended to read:**

1. The Secretary shall keep a book or electronic record in which he shall register or record all nominations made by members of the Society of any person or persons (other than an officer or servant of the Society, unless such officer or servant is the husband, wife, father, mother, child, brother, sister, nephew or niece of the nominator), to whom his property in the Society, whether in shares, loans or deposits, or so much thereof as is specified in such nomination shall be transferred at his decease, provided that the amount credited to him in the books of the Society does not exceed 20% of the Share Capital of the Society.
2. The Secretary shall in like manner record or register all revocations or variations of such nominations by the nominator. The nominator shall pay such fees as prescribed by the Committee of Management for the recording or registering of every such nomination, revocation or variation.

## **RULE XXV - MAKING AND ALTERING RULES**

BE IT RESOLVED that Rule XXV which now reads:

These rules and regulations may be added to, amended, altered or rescinded by a majority of two-thirds of the members present and entitled to vote at any Annual General Meeting or at any Special General Meeting called for the purpose. Copies of all proposed resolution to add to, amend, alter or rescind any of the rules and regulations must have been forwarded to the Secretary of the Society twenty-one clear days before the date of the Meeting. The Secretary shall notify the members of such proposed amendment at least seven days before the date of such meeting.

**Be amended to read:**

1. These rules and regulations may be added to, amended, altered or rescinded by a majority of two-thirds of the members present and entitled to vote at any Annual General Meeting or at any Special General Meeting called for the purpose either at the physical location(s), or by virtual-only or hybrid-meeting, provided that a written copy of the proposed amendments together with a written notice of the meeting shall have been sent to each member by electronic means and/or printed in at least one daily newspaper at least seven days before the said meeting.



2. Copies of all proposed resolution to add to, amend, alter or rescind any of the rules and regulations must have been forwarded to the Secretary of the Society twenty-one clear days before the date of the Meeting. The Secretary shall notify the members of such proposed amendment at least seven days before the date of such meeting.

3. No amendment shall become operative until it has been approved by the Registrar in accordance with the Act.

4. The Secretary is permitted to make such further grammatical, typographical and minor corrections as required for the purposes of ensuring the correctness of the amendments herein.

# SALUTING A STALWART AND PIONEER Mrs UNA SAMMS

The Jamaica Civil Service Mutual Thrift Society Ltd. bids farewell and hails the life of accomplishment and dedicated service of our former Director, Mrs Una Samms. Your long, active involvement in the life of the Society spanning more than fifty years easily makes you a true stalwart and outstanding pioneer.

In your dedication and commitment to service, you were a member of the Committee of Management of the Society for over 42 years and at the time of your retirement was 2nd Vice Chairman, having also distinguished your service and contribution on the Human Resource, Finance and Scholarship committees.

Notably too, after your retirement, you remained active and never missed an Annual General Meeting, Founder's Day function or any such event hosted by the Society. Lively and full of life to the very end, you loved life and lived it to the fullest. We will always remember your signature burgundy hairstyle and charming personality.

We the Officers, Members of the Committee of Management and Staff salute the life you lived, the service you rendered and are saddened at your passing.

**May your soul rest in peace and light  
perpetual shine on you.**



10 Caledonia Avenue, PO Box 106  
Kingston 5, Jamaica WI  
TEL: +1 (876) 926-5877 / 926-5634-5  
FAX: +1 (876) 960-3326  
EMAIL: [info@jcsmts.com.jm](mailto:info@jcsmts.com.jm)

[jcsmts.com](http://jcsmts.com) |  



# SALUTING A STALWART AND PIONEER Mrs MARIE ISSACS, JP

At 96 years old and with more than 50 of those years spent in devoted service to the Jamaica Mutual Thrift Society Ltd. we claim every right to mourn your passing and salute you as a true stalwart and pioneer of our noble institution. Indeed, your passing is a tremendous loss for us even as we hail your outstanding contribution and sterling service.

A Thrift Society Member of note and recognition from the very outset, you went on to serve 8 years on the Committee of Management from 1998 to 2005, and when you retired, we were all fulsome in our admiration and praise of your role in help to shape and steer the growth and success of the organization, and for which we remain eternally grateful.

In your 2005 farewell citation, then Committee of Management Chairman Lee publicly declared that the Thrift Society "deemed it an honour to place on record our appreciation for your contribution to the Society". And, while some may regard 8 years of service on the Committee of Management as a relatively short one, it was significantly marked with distinction. You gave distinguished service on many Sub-Committees, particularly the Finance Sub-Committee where your knowledge and experience in financial management and your keen eye for details were timely and of great assistance and guidance.

Compassionate, personable, decent, and deeply committed to serving others, we particularly recall the integral leadership role you played in introducing the Thrift Society to the 'St Andrew Settlement Project' – a bold community development and outreach initiative, which interestingly and importantly, we continue to support and serve.

Yours was indeed a fine example of unselfish contribution and service to the Thrift Society and we will always cherish and long remember your tremendous capacity, exceptional talent and energy and meaningful service to this organization which we know you deeply loved.

**Go with God, our dear friend, and may angels guide you  
to eternal rest and your soul find everlasting peace.**



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EMAIL: info@jcsmts.com.jm

jcsmts.com |  





# Honouring Our Members Who Passed On...

Norma ALLEN  
*Senior Member*

Janet BROMFIELD  
*Southern Regional Health Authority*

Sylvia BROWN  
*Senior Member*

Roy CARTER  
*Jamaica Defence Force*

Roy CASTRO  
*Ministry of Agriculture*

Norman CLOVER  
*Senior Member*

Everett ETSY  
*Department of Correctional Services*

Glaister FOSTER  
*Tax Administration Jamaica*

Charmaine GILLETTE  
*Ministry of Labour and Social Security*

Yvonne JACKSON  
*Senior Member*

Sigismond JARRETT  
*Department of Correctional Services*

Alvin JONES  
*Senior Member*

Paul JOSEPH  
*Department of Correctional Services*

Claudia JONES-THOMPSON  
*Southeast Regional Health Authority*

Nicola KERR  
*Post and Telecommunications Department*

Keith LAWRENCE  
*National Land Agency*

Hermine MARTIN  
*Southeast Regional Health Authority*

Hubert McKenzie  
*Southeast Regional Health Authority*

Terza MITCHELL  
*Department of Correctional Services*

Donna MONCRIEFFE  
*Post and Telecommunications Department*

Elaine OLIVER  
*Southeast Regional Health Authority*

Douglas RICHARDS  
*Senior Member*

Sandra SAPPLETON  
*National Land Agency*

Donnaval SOLOMON  
*Ministry of Labour and Social Security*

Michael STEWART  
*Department of Correctional Services*

Konrad STONE  
*National Environmental Planning Agency*

Therreka THOMAS  
*Companies Office of Jamaica*

Milton VASSELL  
*Ministry of Agriculture*

Nadine WALKER  
*Office of the Prime Minister*

Kimar WINT  
*Tax Administration Jamaica*

Claudette WINT  
*Ministry of Finance and the Public Service*

Marlene WHYTE  
*Bellevue Hospital*



# **2021 Annual Report**

# **FINANCIAL**

# **STATEMENTS**

As at November 30, 2021



# INDEPENDENT AUDITOR'S REPORT

On the Audit of the Financial Statements

**Yvonne E. Davis, ACCA, FCCA**

To the Members of

**THE JAMAICA CIVIL SERVICE MUTUAL THRIFT SOCIETY LIMITED**

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

## **Opinion**

I have audited the financial statements of The Jamaica Civil Service Mutual Thrift Society Limited (The Society) as set out in this Report, and which comprise the Statement of Financial Position as at November 30, 2021, the Statements of Comprehensive Income, Changes in Equity and Cash Flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information. In my opinion, the accompanying Financial Statements give a true and fair view of the financial position of the Society as at November 30, 2021, and of its Financial Performance and Cash Flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and the Industrial and Provident Societies Act.

## **Basis for Opinion**

I conducted my audit in accordance with International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. I am independent of the Society in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code) and I have fulfilled my other ethical responsibilities in accordance with the IESBA Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## **Responsibilities of Management and those charged with governance for the Financial Statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS and the Industrial and Provident Societies Act and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to

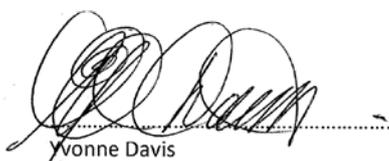
continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that presents a true and fair view.

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

**Report on additional matters as required by the Industrial and Provident Societies Act**

I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purposes of my audit. In my opinion, proper accounting records have been maintained, so far as appears from my examination of those records, and the financial statements, which are in agreement therewith, give the information required by the Industrial and Provident Societies Act, in the manner required.



Yvonne Davis  
**CHARTERED ACCOUNTANT**

13 North Avenue  
Kingston 5  
September 19,2022

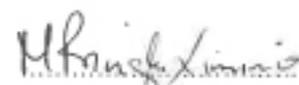
**The Jamaica Civil Service Mutual Thrift Society Limited**  
**(An Industrial and Provident Society)**  
**Statement of Financial Position**  
**As at November 30, 2021**

	<u>Note</u>	<u>2021</u> \$	<u>2020</u> \$
<b>ASSETS</b>			
<b>Earning assets</b>			
Financial Assets at Fair value through OCI:			
Investments	<b>6</b>	33,359,440	57,587,073
Financial Assets at amortised cost:			
Investments	<b>7</b>	-	49,631,870
Loans and interest owed by members	<b>8</b>	1,410,749,432	1,243,292,770
Cash and bank balances	<b>9</b>	6,011,328	5,867,114
		<u>1,450,120,200</u>	<u>1,356,378,827</u>
<b>Non-earning assets</b>			
Deferred taxation	<b>10</b>	458,269	415,628
Intangible asset		4,320,710	3,920,710
Property, plant and equipment	<b>11</b>	225,271,106	80,654,810
Income tax		15,789,138	-
Financial Assets at amortised cost:			
Other assets	<b>12</b>	39,140,824	22,081,479
Cash and bank balances	<b>9</b>	16,834,737	58,340,837
		<u>301,814,784</u>	<u>165,413,464</u>
<b>TOTAL ASSETS</b>		1,751,934,984	1,521,792,291
<b>Administered funds</b>	<b>13</b>	<u>418,770,889</u>	<u>375,144,615</u>
<b>TOTAL CONSOLIDATED ASSETS</b>		<u><b>2,170,705,873</b></u>	<u><b>1,896,936,906</b></u>
<b>LIABILITIES AND EQUITY:</b>			
<b>Liabilities</b>			
Proposed dividends		20,084,992	21,202,236
Trade and other payables	<b>14</b>	70,247,299	37,118,159
With-holding tax		27,567,220	21,485,369
Income tax		-	20,658,722
		<u>117,899,511</u>	<u>100,464,486</u>
Long term advances	<b>15</b>	124,270,033	1,796,659
Long term loan	<b>16</b>	-	21,107,509
		<u>124,270,033</u>	<u>22,904,168</u>
<b>Equity</b>			
Share capital	<b>17</b>	1,353,854,983	1,260,190,820
General reserves	<b>18</b>	56,000,000	52,000,000
Fair value reserves	<b>19</b>	27,631,344	30,653,491
Capital reserves	<b>20</b>	551,195	551,195
Asset reserves	<b>21</b>	62,753	62,753
Retained earnings		71,665,165	54,965,378
		<u>1,509,765,440</u>	<u>1,398,423,637</u>
<b>TOTAL LIABILITIES AND EQUITY</b>		1,751,934,984	1,521,792,291
<b>Administered funds</b>	<b>13</b>	<u>418,770,889</u>	<u>375,144,615</u>
<b>TOTAL CONSOLIDATED LIABILITIES AND EQUITY</b>		<u><b>2,170,705,873</b></u>	<u><b>1,896,936,906</b></u>

The accompanying notes form an integral part of the Financial Statements.

The financial statements on pages ... were approved and authorised for issue by the Committee of Management on ... and are signed on its behalf by:

  
 Errol L. Miller  
 Chairman

  
 Marva Pringle-Ximinnies  
 1st Vice Chairman



**The Jamaica Civil Service Mutual Thrift Society Limited**  
**(An Industrial and Provident Society)**  
**Statement of Comprehensive Income**  
**Year Ended November 30, 2021**

	<u>Note</u>	<u>2021</u> \$	<u>2020</u> \$
<b>Interest income</b>			
Loans to members		229,663,240	205,190,489
Cash resources and investment securities		1,104,532	7,109,200
		<u>230,767,772</u>	<u>212,299,689</u>
<b>Non-interest income</b>			
Processing fees and other income	22	17,504,754	12,491,878
<b>Total income</b>		<u>248,272,526</u>	<u>224,791,567</u>
<b>Operating expenses</b>			
Staff costs	23	(116,571,839)	(105,913,360)
Other operating expenses	24	(77,411,526)	(64,924,674)
		<u>(193,983,365)</u>	<u>(170,838,034)</u>
<b>Surplus for the year before taxation</b>		<b>54,289,161</b>	<b>53,953,533</b>
Income tax expense	25	(6,809,384)	(5,405,728)
<b>Surplus for the year after taxation</b>		<b>47,479,776</b>	<b>48,547,804</b>
<b>Other comprehensive income for the year</b>			
Items that may be reclassified to surplus or deficit:			
Net change in fair value of financial assets at FVTOCI		(3,022,147)	(3,709,771)
<b>Total Surplus and Other Comprehensive Income for the Year</b>		<u>44,457,629</u>	<u>44,838,033</u>

The accompanying notes form an integral part of the Financial Statements.

The Jamaica Civil Service Mutual Thrift Society Limited  
 (An Industrial and Provident Society)  
 Statement of Changes in Equity  
 Year Ended November 30, 2021

	Share Capital	General Reserves	Fair Value Reserves	Capital Reserves	Asset Reserves	Retained Earnings	Total
<b>Balance as at November 30, 2019</b>	1,132,011,158	48,000,000	34,363,262	551,195	62,753	38,687,221	1,253,675,589
<b>Comprehensive income</b>							
Net surplus for the year	-	-	-	-	-	48,547,804	48,547,804
Other comprehensive income							
Revaluation of available-for-sale investments	-	-	(3,709,771)	-	-	-	(3,709,771)
<b>Total comprehensive income</b>	-	-	(3,709,771)	-	-	48,547,804	44,838,033
<b>Transactions with members</b>							
Dividends 2020 (proposed)	-	-	-	-	-	(28,269,647)	(28,269,647)
Net issues and withdrawals	128,179,662	-	-	-	-	-	128,179,662
<b>Total transactions with members</b>	128,179,662	-	-	-	-	(28,269,647)	99,910,015
<b>Transfer to general reserves</b>	-	4,000,000	-	-	-	(4,000,000)	-
<b>Balance as at November 30, 2020</b>	1,260,190,820	52,000,000	30,653,491	551,195	62,753	54,965,378	1,398,423,637
<b>Comprehensive income</b>							
Net surplus for the year	-	-	-	-	-	47,479,776	47,479,776
Other comprehensive income							
Revaluation of available-for-sale investments	-	-	(3,022,147)	-	-	-	(3,022,147)
<b>Total comprehensive income</b>	-	-	(3,022,147)	-	-	47,479,776	44,457,629
<b>Transactions with members</b>							
Dividends 2021 (proposed)	-	-	-	-	-	(26,779,989)	(26,779,989)
Net issues and withdrawals	93,664,163	-	-	-	-	-	93,664,163
<b>Total transactions with members</b>	93,664,163	-	-	-	-	(26,779,989)	66,884,174
<b>Transfer to general reserves</b>	-	4,000,000	-	-	-	(4,000,000)	-
<b>Balance as at November 30, 2021</b>	1,353,854,983	56,000,000	27,631,344	551,195	62,753	71,665,165	1,509,765,440

**The Jamaica Civil Service Mutual Thrift Society Limited**  
**(An Industrial and Provident Society)**  
**Statement of Cash Flows**  
**Year Ended November 30, 2021**

	Note	<u>2021</u> \$	<u>2020</u> \$
<b>Surplus for the year before taxation</b>			
Net surplus:		47,479,776	48,547,804
<b>Adjustments to reconcile net surplus to net cash provided by operating activities:</b>			
Income tax expense		6,809,384	5,405,728
Depreciation		<u>2,613,545</u>	<u>2,215,598</u>
Operating cash flows before movements in working capital		56,902,705	56,169,130
<b>(Increase)/decrease in current assets/liabilities</b>			
Other assets		(17,059,345)	(4,404,368)
Trade and other payables		33,129,140	1,890,562
With-holding tax payable		<u>6,081,851</u>	<u>7,067,412</u>
		79,054,351	60,722,736
Income tax		<u>(36,447,860)</u>	<u>20,307,668</u>
<b>Net cash provided by operating activities</b>		<u><b>42,606,491</b></u>	<u><b>81,030,404</b></u>
<b>Cash flows from investing activities</b>			
Dividends paid		(37,771,405)	(37,083,241)
Loans and interest owed by members		(167,456,662)	(63,918,806)
Investments		73,859,503	(3,205,001)
Acquisition of property, plant and equipment		<u>(147,629,841)</u>	<u>(3,481,390)</u>
<b>Net cash used in investing activities</b>		<u><b>(278,998,405)</b></u>	<u><b>(107,688,438)</b></u>
<b>Cash flows from financing activities</b>			
Long term advances		122,473,374	(79,468,636)
Long term loan		(21,107,509)	(1,502,204)
Members' shares issues and withdrawals (net)		<u>93,664,163</u>	<u>128,179,662</u>
<b>Net cash provided by financing activities</b>		<u><b>195,030,028</b></u>	<u><b>47,208,822</b></u>
<b>Increase in cash and cash equivalents</b>		(41,361,886)	20,550,788
<b>Net cash and cash equivalents at beginning of year</b>		<u>64,207,951</u>	<u>43,657,163</u>
<b>Net cash and cash equivalents at end of year</b>	9	<u><u><b>22,846,065</b></u></u>	<u><u><b>64,207,951</b></u></u>
<b>Comprised of:</b>			
Cash and bank balances (earning assets)		6,011,328	5,867,114
Cash and bank balances (non-earning assets)		<u>16,834,737</u>	<u>58,340,837</u>
		<u><u><b>22,846,065</b></u></u>	<u><u><b>64,207,951</b></u></u>

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, invest 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.

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.

### **New, revised and amended standards and interpretations effective during the year**

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. The society adopted IFRS 9 *Financial Instruments* and IFRS 15 *Revenue*. The impact on balances and disclosures, where necessary, is detailed in Note 3.

### **New, revised and amended standards and interpretations that are in issue but 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.

IFRS 16 will replace IAS 17 *Leases*. Leases will be recorded in the statement of financial position in the form of a right-of-use asset and a lease liability. The standard provides reliefs for assets of low value and short-term leases of less than 12 months and is applicable for accounting periods beginning on or after January 1, 2019. Management is assessing the impact this standard may have on the financial statements.

## **3. FUNCTIONAL CURRENCY**

---

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

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.

#### 4. SUMMARY OF 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.

##### (i) Recognition, Classification and subsequent measurement

###### **Financial Assets**

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment, FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Society changes its business model for managing financial assets are reclassified on the first day of the first reporting period following the change in the business model.

###### *Financial asset measured at amortised cost:*

A financial asset is measured at amortised cost if it meets both of the following criteria and is not designated as at FVTPL:

- (a) it is held within a business model whose objective is to hold assets to collect contractual cash flows: and
- (b) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at amortised cost include loans to members, corporate bonds, cash and cash equivalents and other receivables.

###### 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.

###### 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.

###### *Financial assets at fair value through OCI (FVOCI)*

A financial asset is measured at fair value through OCI if it meets the following criteria:

- (a) They are held under a business model whose objective is to "hold and collect" the associated cash flows and sell and
- (b) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Management has elected to designate equities and unit trusts as measured at FVOCI.

Any gains or losses on these financial assets are recognized in OCI and recycled to the profit or loss upon derecognition of the asset

###### **Financial assets – Business model assessment:**

The society makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because the best reflects the business is managed and information is provided to management. The information considered includes:

- (i) the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- (ii) how the performance of the portfolio is evaluated and reported to the society's management;
- (iii) the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risk are managed;
- (iv) how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- (v) the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfer of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales and for this purpose, consistent with the Society continuing recognition of the assets.

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

---

##### (a) Financial Instruments

###### ***Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest:***

For the purposes of this assessment, 'principal' is defined as the fair of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs). As well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Society considers the contractual terms of the instrument.

Non-derivative financial liabilities are classified as other financial liabilities.

###### *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 at amortised cost 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 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, cancelled 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.

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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##### (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

###### *Impairment of financial assets*

IFRS 9 introduces an expected credit loss impairment model for all financial assets not measured at FVTPL. The application of an ECL model represents a significant change from the incurred loss model under IAS 39. ECL allowances represent credit losses that reflect an unbiased and probability-weighted amount which is determined by evaluating a range of possible outcomes, the time value of money and reasonable supportable information about past events, current conditions and forecasts of future economic condition. Forward looking information (FLI) is incorporated into the estimation of ECL allowances which involves significant judgement. In contrast, the incurred loss model incorporated a single best estimate, the time value of money and information about past and current conditions.

The calculation of ECL allowances is based on the estimated cash shortfalls discounted at the effective interest rate. A cash shortfall is the difference between the contractual cash flows and the amount the cash flows the society expects to receive. The key inputs in the measurement of ECL allowances are:

- (a) The probability of default (PD) is an estimate of the likelihood of default over a given time horizon
- (b) The loss given default (LGD) is an estimate of the loss arising in the case where a default occurs at a given time
- (c) The exposure at default (EAD) is an estimate of the exposure at a future default date

###### *ECL stage development*

The model has three stages:

###### Stage 1

Upon initial recognition a loss allowance is recognised and maintained equal to 12 months of ECL. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or shorter period if the expected life of the instrument is less than 12 months). The society includes low risk financial assets in stage 1. For debt securities, the society considers it to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'. Loans to members are considered low risk up to 30 days past due.

###### Stage 2

If credit risk increases significantly subsequent to initial recognition the loss allowance is increased to cover full lifetime ECL. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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##### (c) Impairment

###### *Impairment of financial assets*

When determining whether the credit risk of a financial asset has increased since initial recognition and when estimating ECLs, the society considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both qualitative and quantitative information and analysis, based on the society's historical experience and information credit assessment and including forward-looking information. The society assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

###### Stage 3

When a financial asset is considered to be credit impaired the loss allowance continues to reflect the lifetime ECL and interest revenue is calculated on the carrying amount of the asset, net of the loss allowance, rather than on the gross carrying amount.

At each reporting date, the society assesses whether financial assets are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial assets have occurred.

Evidence that a financial asset is credit-impaired includes the following observation data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Society on terms that the Society would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The society considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the society in full, without recourse by the society actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the society is exposed to credit risk.

###### *Presentation of allowance for ECL*

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets and is recognised in profit or loss in the statement of comprehensive income.

For debt securities at FVOCI, the loss allowance is recognised in OCI.

###### *Write offs*

The gross carrying amount of a financial asset is written off when the society has no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. For loans to members, the society individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. Based on the avenues available to the company to recover impaired loans, write offs are minimal.

###### **Impairment of non-financial assets**

Non-financial assets are subject to impairment review at least annually and tested when events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, the asset is written down accordingly. The recoverable amount is the higher of value in use and fair value less costs to sell.

Impairment changes are recognised in profit or loss in the statement of comprehensive 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.



#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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##### (e) Revenue recognition

The society generates revenue primarily from interest on loans to members. Revenue is recognised when the service is provided and utilised by the customer. Control is established when the customer has utilised the service.

##### 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 Society'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.

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 Society 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 Society 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.

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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##### (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.

##### (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.

#### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

##### (k) 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 JCSA Limited for office space.

##### (l) Borrowing costs

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

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

In the application of the Society's accounting policies, 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.

#### 6. INVESTMENTS AT FAIR VALUE THROUGH OCI

	<u>2021</u>	<u>2020</u>
	\$	\$
(a) <b>Quoted Equity:</b>		
NCB Jamaica Ltd.	3,060,920	3,787,499
BNS Jamaica Ltd.	10,263,183	12,558,751
	<u>13,324,103</u>	<u>16,346,250</u>
(b) <b>Investment Funds</b>		
Sigma Income Fund	3,588,752	20,666,080
VM Wealth Management Income Fund US\$12,597 (2020: US\$41,469)	1,958,615	6,086,773
	<u>5,547,367</u>	<u>26,752,853</u>
(c) <b>Unquoted Equity:</b>		
JCSA Limited	14,487,970	14,487,970
	<u>33,359,440</u>	<u>57,587,073</u>

##### Fair value, impairment and risk exposure

Information about the methods and assumptions used in determining fair values is provided in Note 28. None of the financial assets at FVOCI is impaired.

The Jamaica Civil Service Mutual Thrift Society Limited  
(An Industrial and Provident Society)  
Notes to the Financial Statements (Cont'd)  
Year Ended November 30, 2021

**7. INVESTMENTS AT AMORTISED COST**

	<u>2021</u> \$	<u>2020</u> \$
Corporate Bonds US\$0 (2020: US\$118,000)	-	18,728,623
Corporate Bonds (J\$)	-	30,903,247
	<u>-</u>	<u>49,631,870</u>

**8. LOANS AND INTEREST OWED BY MEMBERS**

	<u>2021</u> \$	<u>2020</u> \$
Loans	1,468,803,290	1,250,544,427
Interest receivable	24,667,455	21,576,269
	<u>1,493,470,745</u>	<u>1,272,120,696</u>
Allowance for expected credit losses	(350,424)	(350,424)
	<u>1,493,120,321</u>	<u>1,271,770,272</u>
Less: Amounts over-recovered	(82,370,889)	(28,477,502)
	<u>1,410,749,432</u>	<u>1,243,292,770</u>
Maturity:		
Due within 1 year	206,621,102	194,098,206
Due after 1 year	1,204,128,330	1,049,194,564
	<u>1,410,749,432</u>	<u>1,243,292,770</u>

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 10 % of the total balance of loans to members.

**Loan Stages**

	<u>2021</u> \$ ECL			<u>2020</u> \$		
	<u>Loan balance</u>	<u>allowance</u>	<u>Loans, net</u>	<u>Loan balance</u>	<u>ECL allowance</u>	<u>Loans, net</u>
Stage 1	1,269,674,026	9,427,066	1,260,246,960	1,178,695,204	5,893,476	1,172,801,728
Stage 2	46,124,722	3,100,947	43,023,775	21,784,089	1,089,204	20,694,885
Stage 3	94,950,684	7,121,248	87,829,436	42,813,477	3,211,011	39,602,466
Total	<u>1,410,749,432</u>	<u>19,649,261</u>	<u>1,391,100,171</u>	<u>1,243,292,770</u>	<u>10,193,691</u>	<u>1,233,099,079</u>

**Allowance for expected credit losses**

Loans to members include balances with a carrying amount of \$36,898,330 (2020: \$22,647,523) which are past due at the reporting date for which the Society has not provided as the expected credit loss is negligible. 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**

	<u>2021</u> \$	<u>2020</u> \$
30 - 90 days	5,912,541	3,137,814
91 - 180 days	6,012,452	4,601,479
180 - 270 days	6,945,210	4,014,728
271 - 364 days	5,894,585	3,874,781
365 days and over	12,133,542	7,018,721
	<u>36,898,330</u>	<u>22,647,523</u>

**Movement for the allowance for impairment**

Balance at beginning / end of period	<u>(350,424)</u>	<u>(350,424)</u>
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**The Jamaica Civil Service Mutual Thrift Society Limited**  
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**Notes to the Financial Statements (Cont'd)**  
**Year Ended November 30, 2021**

**9. CASH AND BANK BALANCES**

	<u>2021</u>	<u>2020</u>
	\$	\$
Earning assets	6,011,328	5,867,114
Non-earning assets	<u>16,834,737</u>	<u>58,340,837</u>
	<u>22,846,065</u>	<u>64,207,951</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 and in statement of cash flows	<u>22,846,065</u>	<u>64,207,951</u>
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**10. DEFERRED TAXATION**

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

	<u>2021</u>	<u>2020</u>
	\$	\$
Deferred tax liabilities	200,494	262,511
Deferred tax assets	<u>(658,763)</u>	<u>(678,139)</u>
	<u>(458,269)</u>	<u>(415,628)</u>

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, 2019	538,426	(159,719)
Credited to income for year	<u>(954,054)</u>	<u>698,145</u>
Balance at November 30, 2020	(415,628)	538,426
Credited to income for year	(42,641)	(954,054)
Balance at November 30, 2021	<u>(458,269)</u>	<u>(415,628)</u>

The balance comprises temporary differences attributable to the following:

	<u>2021</u>	<u>2020</u>
	\$	\$
Deferred tax assets	<u>(458,269)</u>	<u>(415,628)</u>

## 11 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consists of the following

	Land and Building	Leasehold Improvement	Container Office	Furniture & Fixtures	Computer Equipment	Office & Other Equipment	Motor vehicles	Total
At cost	\$	\$	\$	\$	\$	\$	\$	\$
December 1, 2019	67,100,613	1,357,572	4,711,377	4,199,405	11,033,263	11,200,661	1,787,366	101,390,257
Additions	-	-	-	148,681	1,966,259	200,688	445,052	2,760,680
December 1, 2020	67,100,613	1,357,572	4,711,377	4,348,086	12,999,522	11,401,349	2,232,418	104,150,937
Additions	144,130,071	-	-	273,050	2,335,667	491,053	-	147,229,841
November 30, 2021	211,230,684	1,357,572	4,711,377	4,621,136	15,335,189	11,892,402	2,232,418	251,380,778
<b>Depreciation</b>								
December 1, 2019	-	146,328	235,568	2,945,968	9,917,009	6,248,291	1,787,365	21,280,529
Charge for the year	-	33,939	117,784	259,834	850,824	864,207	89,010	2,215,598
December 1, 2020	-	180,267	353,352	3,205,802	10,767,833	7,112,498	1,876,375	23,496,127
Charge for the year	-	33,939	117,784	287,139	1,182,188	903,485	89,010	2,613,545
November 30, 2021	-	214,206	471,136	3,492,941	11,950,021	8,015,983	1,965,385	26,109,672
<b>Net Book Values</b>								
November 30, 2021	211,230,684	1,143,366	4,240,241	1,128,195	3,385,168	3,876,419	267,033	225,271,106
November 30, 2020	67,100,613	1,177,305	4,358,025	1,142,284	2,231,689	4,288,851	356,043	80,654,810
November 30, 2019	67,100,613	1,211,244	4,475,809	1,253,437	1,116,254	4,952,370	1	80,109,728

The following rates are used in the calculation of depreciation:

Leasehold Improvement	2 1/2%
Furniture and Fixtures	10%
Computer Equipment	20%
Office and Other Equipment	10%
Motor Vehicle	20%

## 12. OTHER ASSETS

This comprise:	<u>2021</u>	<u>2020</u>
	\$	\$
Receivables and prepayments	<u>39,140,824</u>	<u>22,081,479</u>

**The Jamaica Civil Service Mutual Thrift Society Limited**  
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**Notes to the Financial Statements (Cont'd)**  
**Year Ended November 30, 2021**

**13 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 \$1,000 of shareholding and is paid entirely by the Society.
- (c) Staff Loan Fund  
This represents funds held to facilitate small staff loans. The amount was initially established with funds from the Thrift.

**Assets of Administered Funds**

	<b>Loans Redemption Fund</b>	<b>Shares Enhancement Fund</b>	<b>Staff Loan Fund</b>	<b>Total 2021</b>	<b>Total 2020</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Cash and Bank	1,787,300	6,805,823	1,082,008	9,675,131	49,765,598
Loans Receivable	120,424,851	58,736,024	29,774,165	208,935,040	26,197,456
Government Securities	195,855,033	-	-	195,855,033	236,926,121
Income Fund	10,262,027	40,653,903	-	50,915,930	60,082,732
With-holding Tax	13,269,345	5,611,938	-	18,881,283	15,257,263
Accounts Payable	(20,071,835)	(18,851,775)	(26,567,918)	(65,491,528)	(13,084,555)
	<b>321,526,721</b>	<b>92,955,913</b>	<b>4,288,255</b>	<b>418,770,889</b>	<b>375,144,615</b>

**Funds**

	<b>Loans Redemption Fund</b>	<b>Shares Enhancement Fund</b>	<b>Staff Loan Fund</b>	<b>Total 2021</b>	<b>Total 2020</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance as at December 1	286,597,383	85,279,493	4,315,384	376,192,260	342,481,405
Net income/(loss) for the year	34,929,338	7,676,420	(27,129)	42,578,629	32,663,210
Balance as at November 30	<b>321,526,721</b>	<b>92,955,913</b>	<b>4,288,255</b>	<b>418,770,889</b>	<b>375,144,615</b>

**The Jamaica Civil Service Mutual Thrift Society Limited**  
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**Notes to the Financial Statements (Cont'd)**  
**Year Ended November 30, 2021**

<b>14. TRADE AND OTHER PAYABLES</b>		
	<u><b>2021</b></u>	<u><b>2020</b></u>
	<u><b>\$</b></u>	<u><b>\$</b></u>
Loans Redemption Fund (Current Portion)	19,265,891	1,000,000
Long Term Loan (Current Portion)	-	939,242
Unclaimed shares	764,132	764,132
Other	50,217,276	34,414,785
	<u>70,247,299</u>	<u>37,118,159</u>

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

<b>15. LONG TERM ADVANCES</b>		
	<u><b>2021</b></u>	<u><b>2020</b></u>
	<u><b>\$</b></u>	<u><b>\$</b></u>
Loans Redemption Fund	98,245,971	-
Shares Enhancement Fund	45,289,953	2,796,659
Less: Current Portion	<u>(19,265,891)</u>	<u>(1,000,000)</u>
	<u>124,270,033</u>	<u>1,796,659</u>

These represent funds advanced to the Thrift from the Loans Redemption and Shares Enhancement Funds. They are repayable over twenty (20) years and will attract interest rates between 6% and 8% per annum commencing with financial year 2021.

<b>16. LONG TERM LOAN</b>		
	<u><b>2021</b></u>	<u><b>2020</b></u>
	<u><b>\$</b></u>	<u><b>\$</b></u>
Victoria Mutual Building Society Limited	-	22,046,751
Less: Current Portion	<u>-</u>	<u>(939,242)</u>
	<u>-</u>	<u>21,107,509</u>

This represents loan received in 2016 to acquire property located at 12 Caledonia Avenue. This loan is repayable over fifteen (15) years at the rate of 14% per annum.

<b>17. SHARE CAPITAL</b>		
	<u><b>2021</b></u>	<u><b>2020</b></u>
	<u><b>\$</b></u>	<u><b>\$</b></u>
The movement in share capital is as follows:		
Balance at December 1	1,260,190,820	1,132,011,158
Net Issue and Withdrawal	<u>93,664,163</u>	<u>128,179,662</u>
Balance at November 30	<u>1,353,854,983</u>	<u>1,260,190,820</u>

<b>18. GENERAL RESERVES</b>		
This represents appropriation of a portion of profits as approved at the Annual General Meeting by the members.		

<b>19. FAIR VALUE RESERVES</b>		
This represents unrealised gain or loss on the revaluation of available-for-sale investments.		
	<u><b>2021</b></u>	<u><b>2020</b></u>
	<u><b>\$</b></u>	<u><b>\$</b></u>
	<u>(27,631,344)</u>	<u>(30,653,491)</u>

<b>20. CAPITAL RESERVES</b>		
This represents capitalisation of profit on sale of assets in 2002 and 2004 and discount on the acquisition of asset.		

<b>21. ASSET RESERVES</b>		
This represents reserve created as a result of a gift (a sealing machine) which is capitalized on the books of the Thrift.		

<b>22. PROCESSING FEES AND OTHER INCOME</b>		
	<u><b>2021</b></u>	<u><b>2020</b></u>
	<u><b>\$</b></u>	<u><b>\$</b></u>
<b>This consist of the following:</b>		
Processing fees and service charges	13,012,776	8,877,535
Other Income	<u>4,491,978</u>	<u>3,614,343</u>
	<u>17,504,754</u>	<u>12,491,878</u>



**The Jamaica Civil Service Mutual Thrift Society Limited**  
**(An Industrial and Provident Society)**  
**Notes to the Financial Statements (Cont'd)**  
**Year Ended November 30, 2021**

<b>23. STAFF COSTS</b>		
	<b>2021</b>	<b>2020</b>
	<b>₹</b>	<b>₹</b>
Staff costs incurred during the year in respect of employees were:		
Salaries, wages and allowances	85,417,172	77,954,829
Statutory costs	8,964,896	7,864,401
Staff welfare	<u>22,189,771</u>	<u>20,094,130</u>
	<u>116,571,839</u>	<u>105,913,360</u>

<b>24. OTHER EXPENSES</b>		
	<b>2021</b>	<b>2020</b>
	<b>₹</b>	<b>₹</b>
General meeting	2,627,002	-
Advertising and publicity	6,615,847	5,380,234
Bond and office insurance	795,559	-
Data processing	4,000,771	3,942,863
Committee expenses	21,983,847	19,185,432
Donations	331,500	326,257
Motor vehicle expenses	644,386	1,249,997
Office supplies	858,811	671,853
Professional fees	1,947,367	-
Postage and stationery	1,395,950	240,995
Repairs and maintenance	3,339,753	4,354,602
Training of staff	761,845	-
Telephone	1,671,864	1,422,337
Water charges	689,057	642,484
Scholarship	550,000	500,000
Customer appreciation/Anniversary celebrations	992,103	901,912
Audit fees	2,200,000	2,100,000
Electricity	3,472,289	2,946,072
Retirement benefits	244,044	317,159
Rental	1,155,000	1,155,000
Janitorial and security services	2,728,896	2,649,566
Bank charges	478,570	366,250
Other loan charges	2,807,184	3,100,029
Credit Bureau	329,814	114,000
Shareholder's insurance	12,151,770	11,142,034
Bad debts	24,752	-
Depreciation	<u>2,613,545</u>	<u>2,215,598</u>
	<u>77,411,526</u>	<u>64,924,674</u>

<b>25. TAXATION</b>		
Taxation is based on the profits for the year as adjusted for tax purposes and is made up as follows:		
	<b>2021</b>	<b>2020</b>
	<b>₹</b>	<b>₹</b>
i) <b>Current</b>		
Income Tax at 25%	6,852,025	6,359,782
ii) <b>Deferred / future</b>		
Deferred (expense)/income tax credit	<u>(42,641)</u>	<u>(954,054)</u>
	<u>6,809,384</u>	<u>5,405,728</u>

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

<b>26. PROPOSED DIVIDEND</b>		
In accordance with Rule 22(c) of the Thrift, a dividend of 2% payable on shares held at November 30, 2021 was declared. The dividend would be paid to shareholders on the register of members as at November 30, 2021.		

**27. 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 \$6,621,624 (2020 - \$6,435,849).

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 \$1,677,901 (2020 - \$1,162,977).

**28. RELATED PARTY TRANSACTIONS AND BALANCES**

Transactions and balances with related parties are as follows:	<u>2021</u>	<u>2020</u>
	<u>\$</u>	<u>\$</u>
<b>(a) Loans</b>		
Loans outstanding from members of the Committee of Management	7,378,553	7,398,236
<b>(b) Compensation of key management personnel</b>		
Travelling and allowances paid to members of the Committee of Management and Senior Staff during the year -		
Travelling and allowances	<u>19,560,500</u>	<u>17,074,875</u>

**29. FINANCIAL INSTRUMENTS RISKS**

**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 investments 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 expected credit losses, estimated by the Society's management based on prior experience, their assessment of the current environment and expectations of the future.

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 of financial assets to credit risk before collateral held or other credit enhancements are as disclosed on the statement of financial position as at reporting date.

29. FINANCIAL INSTRUMENTS RISKS (cont'd)

Financial risk management policies and objectives

(a) Credit risk (cont'd)

*Concentration of risk*

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

	<u>2021</u> \$	<u>2020</u> \$
Committee	558,600,298	529,598,077
Cash	206,621,102	194,098,206
Emergency	177,191,341	171,737,699
Consolidation	258,274,254	164,904,201
Education	102,134,456	72,305,715
Information Technology	30,728,648	18,075,731
Surety	3,005,574	4,925,391
Motor Vehicle	85,090,457	60,935,125
80th Anniversary	46,262,449	33,964,282
Insurance Premium	894,711	-
	<u>1,468,803,290</u>	<u>1,250,544,427</u>
Accrued Interest	24,667,455	21,576,269
	1,493,470,745	1,272,120,696
Less: Allowance for expected credit losses	(350,424)	(350,424)
Less: Over-recoveries	<u>(82,370,889)</u>	<u>(28,477,502)</u>
	<u>1,410,749,432</u>	<u>1,243,292,770</u>

*Investments*

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

	<u>2021</u> \$	<u>2020</u> \$
Quoted equities	13,324,103	16,346,250
Investment funds	5,547,367	26,752,853
Government of Jamaica bonds	-	30,903,247
	<u>18,871,470</u>	<u>74,002,350</u>

29. FINANCIAL INSTRUMENTS RISKS (cont'd)

Financial risk management policies and objectives

(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:

	2021		2020	
	US\$	J\$	US\$	J\$
Investments	12,597	1,948,748	159,469	24,815,396

Over the twelve month period ended November 30, 2020 there was a 8% devaluation in the exchange rate against its United States counterpart. The devaluation since the date of the statement of financial position is approximately 8%.

The strengthening or weakening of the Jamaican dollar by 8% would have increased/reduced income and reserves by \$.... (2020 - \$1,985,232). The analysis assumes that all other variables, in particular, interest rates, remain constant.

**Price Risk**

The society holds equity investments listed on the Jamaica Stock Exchange and unit trusts with broker/dealers. The primary goal of the society's investment in equities is to maximise the return on the portfolio. These equities are not held for strategic alliances with or control over these entities.

The Society faces equity risk because of fluctuations in the price of equity and unit trusts in its investment portfolio. These fluctuations may arise because of general market conditions (systemic risk) or due to company specific factors (non-systemic risk). This risk is minimised by the implementation and monitoring of sound financial management strategies, in accordance with the Committee of Management's guidelines.

Price risk sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to equity and unit price risk at the reporting date.

If quoted equity and unit trust prices had been 15% (2020: 15%) higher/lower, fair value and other reserves for the year ended November 30, 2021 would increase/decrease by \$... (2020: \$8,728,006) as a result of the changes in fair values.

**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.

Interest rate risk has very little impact on the Society as its interest bearing assets and liabilities are at fixed interest rates.

**29. FINANCIAL INSTRUMENTS (cont'd)**

**Financial risk management policies and objectives**

**(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.

The following table details the undiscounted cash flows based on the earliest date the Society is required to pay:

	Carrying amount	Contractual cash flow	<b>2021</b>		
			Due within 1 year	Due within 2-5 years	Due after 5 years
Long-term advances	124,270,033	3,140,449	3,140,449	-	-
Long-term loan	-	25,133,296	2,513,330	10,053,318	12,566,648
Accounts payable	70,247,299	35,178,917	35,178,917	-	-
Proposed dividends	20,084,992	21,202,236	21,202,236	-	-
	<b>214,602,324</b>	<b>84,654,898</b>	<b>62,034,932</b>	<b>10,053,318</b>	<b>12,566,648</b>

	Carrying amount	Contractual cash flow	<b>2020</b>		
			Due within 1 year	Due within 2-5 years	Due after 5 years
Long-term advances	1,796,659	108,905,137	31,774,902	77,130,235	-
Long-term loan	21,107,509	27,309,105	2,730,910	10,923,642	13,654,552
Accounts payable	37,118,159	23,624,940	23,624,940	-	-
Proposed dividends	21,202,236	20,648,385	20,648,385	-	-
	<b>81,224,563</b>	<b>180,487,567</b>	<b>78,779,137</b>	<b>88,053,877</b>	<b>13,654,552</b>

**(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.

**29. FINANCIAL INSTRUMENTS Cont'd**

**Fair values of financial assets and financial activities (cont'd)**

- (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).

	2021		
	Level 1 \$	Level 2 \$	Level 3 \$
<b>Investments at FVOCI</b>			
Quoted equity	13,324,103	-	-
Investment Funds	5,547,367	-	-
Un-Quoted equity	14,487,970	-	-
	<u>33,359,440</u>	<u>-</u>	<u>-</u>
	2020		
	Level 1 \$	Level 2 \$	Level 3 \$
<b>Investments at FVOCI</b>			
Quoted equity	16,346,250	-	-
Investment Funds	26,752,853	-	-
Un-Quoted equity	14,487,970	-	-
	<u>57,587,073</u>	<u>-</u>	<u>-</u>

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

**29. FINANCIAL INSTRUMENTS (cont'd)**

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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'.

**30. COMPARATIVES**

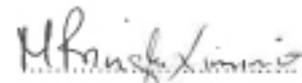
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Certain balances in the prior year financial statements were reclassified to accord with current year's presentation.

**THE JAMAICA CIVIL SERVICE MUTUAL THRIFT SOCIETY LIMITED**  
**(AN INDUSTRIAL AND PROVIDENT SOCIETY)**  
**LOANS REDEMPTION FUND**  
**BALANCE SHEET**  
**AS AT NOVEMBER 30, 2021**

	Note	2021 \$	2020 \$
<b>Assets</b>			
Cash and Cash Equivalents	1	1,787,300	19,523,417
Government Securities	2	195,855,033	236,926,121
Scotia DBG:			
Premium Fixed Income Fund		9,973,325	7,734,217
Caribbean Income Fund		288,702	9,772,405
Loans Receivable	3	120,424,851	10,664,731
Withholding Tax		13,269,345	10,037,129
		341,598,556	294,658,020
<b>Liabilities</b>			
Accounts Payable	4	20,071,835	8,060,637
		321,526,721	286,597,383
<b>Representing</b>			
Revaluation Reserve		44,476	44,476
Loans Redemption Fund		321,482,245	286,552,907
		321,526,721	286,597,383

  
Errol L. Miller  
Chairman

  
Marva Pringle-Ximinnies  
1st Vice Chairman



**THE JAMAICA CIVIL SERVICE MUTUAL THRIFT SOCIETY LIMITED**  
**(AN INDUSTRIAL AND PROVIDENT SOCIETY)**  
**LOANS REDEMPTION FUND**  
**INCOME AND EXPENDITURE**  
**YEAR ENDED NOVEMBER 30, 2021**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<b>INCOME</b>		
Contributions	28,719,483	24,629,282
Interest Earned	19,978,497	8,961,986
	<u>48,697,980</u>	<u>33,591,268</u>
<b>Expenditure</b>		
Bank Charges	14,904	17,966
Administrative Charges	3,239,962	2,844,046
Settlement Claims	10,513,776	4,837,339
	<u>13,768,642</u>	<u>7,699,351</u>
<b>Net Income</b>	34,929,338	25,891,917
Accumulated Fund: 01.12.20	<u>286,552,907</u>	<u>260,660,990</u>
Accumulated Fund: 30.11.21	<u>321,482,245</u>	<u>286,552,907</u>

**THE JAMAICA CIVIL SERVICE MUTUAL THRIFT SOCIETY LIMITED**  
**(AN INDUSTRIAL AND PROVIDENT SOCIETY)**  
**LOANS REDEMPTION FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED NOVEMBER 30, 2021**

**1. CASH AND CASH EQUIVALENTS**

	<u>2021</u>	<u>2020</u>
	\$	\$
Cash at Bank	<u>1,787,300</u>	<u>19,523,417</u>

**2. GOVERNMENT SECURITIES**

	<u>2021</u>	<u>2020</u>
	\$	\$
This comprise:		
GOJ Bonds/Stocks	<u>195,855,033</u>	<u>236,926,121</u>
	<u>195,855,033</u>	<u>236,926,121</u>

**3. LOANS RECEIVABLE**

	<u>2021</u>	<u>2020</u>
	\$	\$
Jamaica Civil Service Mutual Thrift Society Limited	80,174,014	-
Staff Loan Fund	32,971,918	5,023,918
Shares Enhancement Fund	7,278,919	-
Other Receivables	-	5,640,813
	<u>120,424,851</u>	<u>10,664,731</u>

**4. ACCOUNTS PAYABLE**

	<u>2021</u>	<u>2020</u>
	\$	\$
Jamaica Civil Service Mutual Thrift Society Limited	9,666,081	5,000,000
Staff Loan Fund	722,061	-
Shares Enhancement Fund	9,683,693	3,060,637
	<u>20,071,835</u>	<u>8,060,637</u>

**THE JAMAICA CIVIL SERVICE MUTUAL THRIFT SOCIETY LIMITED**  
**(AN INDUSTRIAL AND PROVIDENT SOCIETY)**  
**SHARES ENHANCEMENT FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED NOVEMBER 30, 2021**

**1. CASH AND CASH EQUIVALENTS**

	<u>2021</u>	<u>2020</u>
	\$	\$
Cash at Bank	<u>6,805,823</u>	<u>29,356,695</u>

**2. INVESTMENT FUNDS**

	<u>2021</u>	<u>2020</u>
	\$	\$
This comprise:		
Barita Capital Growth Fund	30,653,903	17,899,978
Mayberry	10,000,000	20,119,845
VMWealth Equity Fund	-	3,974,259
VMWealth Bond Fund	-	582,028
	<u>40,653,903</u>	<u>42,576,110</u>

**3. ACCOUNTS RECEIVABLE**

	<u>2021</u>	<u>2020</u>
	\$	\$
Jamaica Civil Service Mutual Thrift Society Limited	53,728,462	2,796,659
Loans Redemption Fund	5,007,562	3,060,637
Other	-	2,269,258
	<u>58,736,024</u>	<u>8,126,554</u>

**4. ACCOUNTS PAYABLE**

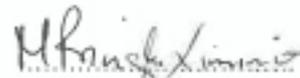
	<u>2021</u>	<u>2020</u>
	\$	\$
Jamaica Civil Service Mutual Thrift Society Limited	17,464,164	-
Loans Redemption Fund	1,387,611	-
	<u>18,851,775</u>	<u>-</u>

**THE JAMAICA CIVIL SERVICE MUTUAL THRIFT SOCIETY LIMITED**  
**(AN INDUSTRIAL AND PROVIDENT SOCIETY)**  
**SHARES ENHANCEMENT FUND**  
**BALANCE SHEET**  
**AS AT NOVEMBER 30, 2021**

	Note	2021 \$	2020 \$
<b>Assets</b>			
Cash and cash equivalents	1	6,805,823	29,356,695
Investment Funds	2	40,653,903	42,576,110
Accounts Receivable	3	58,736,024	8,126,554
Withholding Tax		5,611,938	5,220,134
		111,807,688	85,279,493
<b>Liabilities</b>			
Accounts Payable	4	18,851,775	-
		92,955,913	85,279,493
<b>Representing</b>			
Revaluation Reserve		33,584	33,584
Shares Enhancement Fund		92,922,329	85,245,909
		92,955,913	85,279,493



Errol L. Miller  
Chairman



Marva Pringle-Ximinnies  
1st Vice Chairman

**THE JAMAICA CIVIL SERVICE MUTUAL THRIFT SOCIETY LIMITED**  
**(AN INDUSTRIAL AND PROVIDENT SOCIETY)**  
**SHARES ENHANCEMENT FUND**  
**INCOME AND EXPENDITURE**  
**YEAR ENDED NOVEMBER 30, 2021**

	2021 \$	2020 \$
<b>INCOME</b>		
Contributions	12,151,770	10,283,541
Interest on Investment	2,989,219	1,036,563
	15,140,989	11,320,104
 <b>Expenditure</b>		
Bank Charges	405	-
Administrative Charges	1,215,744	1,344,481
Settlement Claims	6,248,420	3,156,685
	7,464,569	4,501,166
 <b>Net Income</b>	7,676,420	6,818,938
 Accumulated Fund: 01.12.20	85,245,909	78,426,971
Accumulated Fund: 30.11.21	92,922,329	85,245,909

**THE JAMAICA CIVIL SERVICE MUTUAL THRIFT SOCIETY LIMITED**

**STAFF LOAN FUND**

**BALANCE SHEET**

**AS AT NOVEMBER 30, 2021**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<b>Current Assets</b>		
Staff Loans	29,774,165	7,465,092
Bank Balance	1,082,008	258,210
	<u>30,856,173</u>	<u>7,723,302</u>
<b>Current Liabilities</b>		
Loans Redemption Fund	26,567,918	4,407,918
<b>Representing</b>		
Retained Income	4,288,255	3,315,384
	<u>30,856,173</u>	<u>7,723,302</u>

**THE JAMAICA CIVIL SERVICE MUTUAL THRIFT SOCIETY LIMITED**

**(AN INDUSTRIAL AND PROVIDENT SOCIETY)**

**STAFF LOAN FUND**

**DETAILED INCOME AND EXPENDITURE ACCOUNT**

**YEAR ENDED NOVEMBER 30, 2021**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<b>Gross Income</b>		
Interest on Loans	764,868	222,180
	<u>764,868</u>	<u>222,180</u>
<b>Expenditure</b>		
Bank Charges	3,430	845
Interest on Loans	788,567	276,942
	<u>791,997</u>	<u>277,787</u>

**INCOME AND EXPENDITURE ACCOUNT**  
**YEAR ENDED NOVEMBER 30, 2021**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Gross Income	764,868	222,180
Gross Expenditure	<u>791,997</u>	<u>277,787</u>
Net Expenditure	(27,129)	(55,607)
Retained Income 1.12.20	<u>3,426,252</u>	<u>3,481,859</u>
Retained Income 30.11.21	<u><u>3,399,123</u></u>	<u><u>3,426,252</u></u>