



Sam Mahfood – President

THE EXECUTIVE COMMITTEE'S REPORT

We are pleased to report that during the past year, we have maintained open communications with both the Government and the People's National Party. We met from time to time with the Prime Minister and members of his Cabinet to discuss those issues of concern to the Private Sector, as circumstances warranted. In addition, we have been meeting with the technical advisors of the PNP to present our policy positions and to determine the policies which the party would implement should they be returned to office in the future.

The Council of Presidents has been active during the year and has met to determine common strategy among the several Associations on a regular basis. We have worked jointly to secure the abolition of S.G.S. and have determined to work in unison to try to secure the abolition of foreign exchange controls.

Through Vice President Roy Collister, and Joe Matalon we have been represented on the National Tax Reform Committee. This Committee recommended, and the Government adopted the recommendation, that personal tax rates be reduced to a flat 33 1/3 percent. The Committee has also recommended that corporate income tax rates be reduced; we await the outcome of this recommendation.

In the area of macro-economic policy, we met regularly with representatives from the foreign donor and lending agencies which have been assisting us in our structural transformation programme. In these meetings, we outlined the policy positions of the PSOJ and tried to influence the agencies to adopt the most favourable posture to the country.

THE ECONOMY

Among the many activities we undertook in our efforts to influence the policy direction of the economy, we invited to Jamaica Dr. Yildirim Akturk, the economist who was

chief advisor to the Turkish Prime Minister during the structural transformation of the Turkish economy. This gentleman made a very significant impact on both the government and private sector. It is unfortunate that his recommendations, which coincide very closely with our own, have yet to be adopted across the board by the Government. We are pleased, however, that one or two of them, such as the rebate of customs duties on raw materials for export production have in fact been announced by Government. We hope that more of our recommendations will be adopted in the coming year.

The Government has not yet seen fit to accept our recommendation that the exchange rate be allowed to find its equilibrium value so as not to produce distortions in the domestic economy as well as in export trade. Instead, the government has chosen to 'stabilize' the exchange rate through manipulation of the foreign exchange auction. Desirable though such stability of the rate is, we believe that stability should be a function of market forces, rather than administrative fiat.

During this year, the Organization developed and published its Code of Ethics. This, together with the other activities undertaken, has resulted in a significant improvement in the public's perception of the Private Sector. This improvement was recorded in an attitude survey commissioned by the Organization, which reflects "hard work" as the chief characteristic associated with the Private Sector.

THE ORGANIZATION

Our tenth year has seen two very significant milestones accomplished by the Organization. We have incorporated as a limited liability company and we have moved into our new home at 39 Hope Road. Both of these events

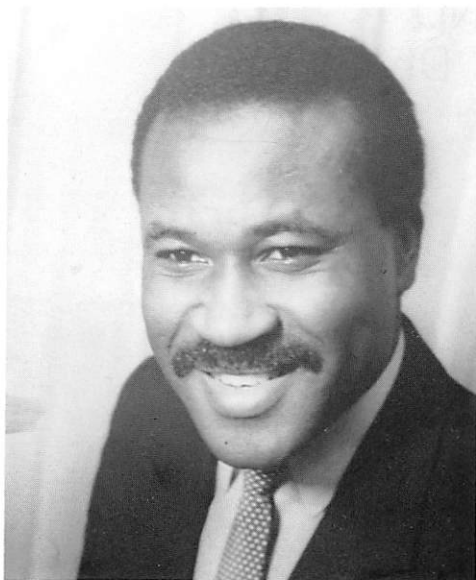


should enable us to perform even better the service which we try to render to our members.

The move to our new home could not have been accomplished without the full support of our members, who came forward and purchased debentures in our stock offering, to provide the capital for acquisition of the property. In addition, we received a significant grant from the U.S. Agency for International Development (USAID), which we have used to refurbish the premises to make it the headquarters for both that section of the Organization formerly housed at 14 Hope Road and the section housed at 2 Trafalgar Road.

The continued upgrading and improvement of our staff and activities was a part of our programme during the year. We are now in an even better position than we were last year to have a positive impact on the nation's affairs. Our international outreach has resulted in the establishment and consolidation of chapters in Florida and Connecticut.

It has been a challenging year, with its successes, and not without its disappointments. At the end of the year, we feel in a much better position to tackle the challenges facing the Organization and the Nation. Special mention must be made of the three Vice Presidents, Roy Collister, Peter Thwaites and Keith Panton; the Honorary Secretary, J.D. Hall and the Honorary Treasurer, Aulous Madden, whose unstinting co-operation made the achievements of the past year possible. We look forward to the co-operation and support of the entire membership as we enter our new year, recognizing that the challenges we face will be no less stiff than those of the past year. Our thanks to all for their help and assistance during 1985/86.



Delroy Lindsay – Acting Executive Director

Over the past year, the Organisation has trimmed down the number of its working committees to a total of eight. These are:

- Economic Policy
- Education
- National Security
- Health and Family Planning
- Taxation
- Construction and Housing
- Investment and Business Development
- Membership & Finance

These task forces were also established:

- Illicit Imports
- Small Business Co-ordination
- Divestment and Government Accountability

The committees and task forces produced a phenomenal amount of work in the several areas for which they are responsible.

In the area of communications, we have developed and maintained a regular weekly column in the Sunday Gleaner, "Private Sector Focus". This column has provided a forum for a wide cross-section of the private sector to air its views on various policy issues of concern. We have also developed a weekly radio programme on RJR, "PSOJ Viewpoint". This programme uses the call-in format to discuss issues with the public.

The Organisation has undertaken other means of disseminating its point of view and policy positions. These include regular public discussions, and personal appearance by members of the leadership of the Organisation on speaking engagements. Discussion topics have ranged from strategies to be adopted to revive the construction industry, through presentations on the stock market, its significance to the economy, and how it can be utilised by the average Jamaican.

THE EXECUTIVE DIRECTOR'S REPORT

PUBLIC AND COMMUNITY INVOLVEMENT

In the area of community outreach we have been active in working with schools. A forty-foot trailer of school supplies donated by the Dallas Chamber of Commerce was distributed to schools throughout the corporate area and the rural areas. The "Good Neighbour" school project was expanded, and an anti-vandalism campaign undertaken in order to preserve and protect the schools' existing equipment.

Our international involvement in education resulted in our hosting a symposium on the interaction between business and education, during the International Council on Education for Teaching World Assembly held in Jamaica earlier in the year. Among the notables involved in the symposium was W. Clement Stone, famous for his writings on Positive Mental Attitude.

The Organisation was actively involved in the security affairs of the nation. Programmes undertaken included the "Support the Force" campaign on radio and television. The Organisation paid for the production and airing of an advertisement underlining the difficulties faced by the police in executing their jobs and urging public support of the police in maintaining law and order.

The Organisation also actively assisted the Jamaica-America Medical Assistance Committee, who were instrumental in delivering into the country US\$2¼ million worth of drugs, medical supplies and equipment to hospitals. Donations amounting to J\$84,000 were received from the local private sector.

MEMBERSHIP

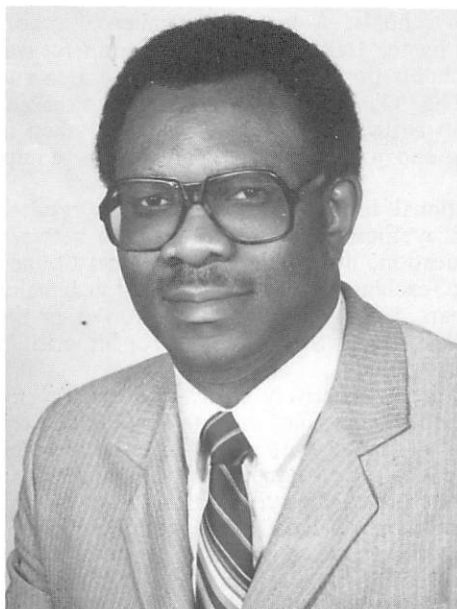
New membership rates were introduced in March of this year. In an effort to introduce a measure of equity among the membership, some of the higher rates were reduced and some of the rates at the lower end of the scale were increased. Not all members were satisfied with the new levels at which they were asked to contribute. Despite the fact that there was some fall-off in membership, the overall membership has increased to a total of 350 as at the end of July of this year.

CONCLUSION

Although it has taken longer than we would have liked, nonetheless, it is satisfying to see that the infrastructure, both physical and personnel, is now in place for the Organisation truly to address itself to the task at hand. We are now poised to make an even greater impact on public policy in the coming year. With the dedicated and hardworking staff that is now in place, I feel certain that in the year ahead, each member will be proud to be associated with the Organisation. Many obstacles remain to achieving our goals, but with the determination and co-operation that we have experienced over the last year, I feel certain that we cannot but achieve success in our endeavours.



ECONOMIC RESEARCH AND BUSINESS DEVELOPMENT DIVISION



*Elon Beckford –
Chairman Economic Policy
Committee*



During the past year the Economic Affairs and Research Division took over the responsibility of the Business Development Division and spent some time on the effective structural integration of both Divisions.

The Division has produced quarterly reviews of the Jamaican economy which culminated in the publication of the Annual Review for 1985. A major accomplishment of the division is the publication of the PSOJ's economic policy document – "A Policy Framework for Economic Development". This document represents the Organisation's economic philosophy and was the subject of detailed discussions with the constituent organisations of the PSOJ, all of whom made useful contributions to the final document.

COMMITTEES AND TASK FORCES

The following is a summary of the work of the Division's satellite committees during the year:

(i) The Economic Policy Committee

The Committee has continued its role of establishing the parameters of the work of the division. With the pub-

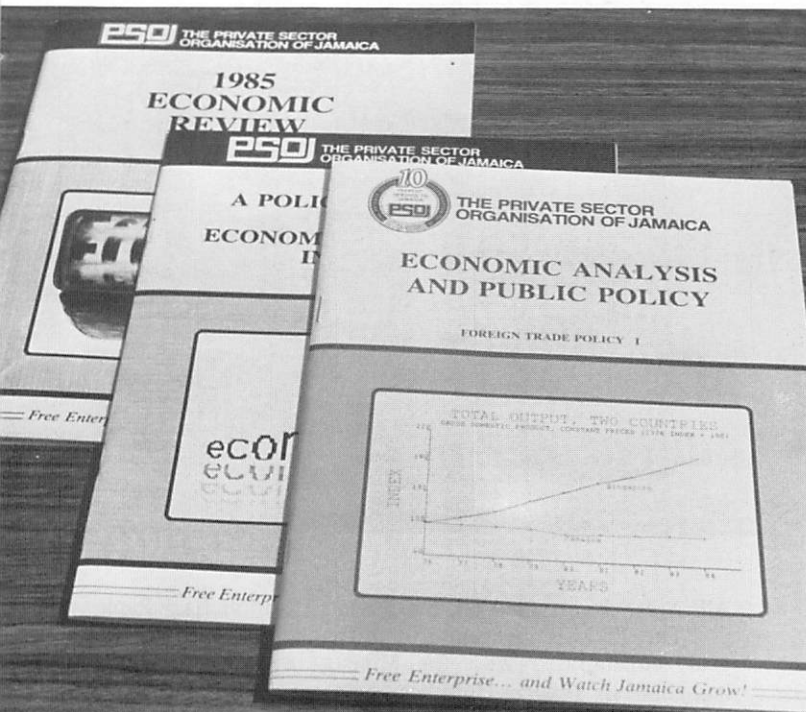
lication of the Organisation's Policy Framework, the Committee decided that papers should also be published on External Trade, Exchange Rate Policy, the Role of Government, Banking and Financial Institutions and Energy in order to complement the philosophical Policy Framework. The paper on External Trade has been completed and published and work is progressing on the paper on Exchange Rate Policy.

(ii) The Taxation Committee

This Committee has prepared a submission on the reformation of corporate taxes for the Government's Tax Reform Committee.

(iii) The Construction Committee

The Committee continued its role of analysing industry trends, assessing the possible impact on the sector of Government's policy, and making appropriate recommendations to Government. During the year, a major review of the sector was undertaken and a paper outlining alternatives to current policies in the sector, prepared.



It has been proposed that each project involve three groups of participants: an investment company, a private sector company and a selected community. Each group would contribute to the project, with the private sector company providing technical and managerial assistance. Local community participants would be trained eventually to take over the operations of the projects. It is hoped that by addressing the high levels of unemployment in these communities, the feelings of alienation and "us-against-them" sometimes displayed by residents, would be tempered.

INFORMATION SYSTEMS

The Division recently upgraded its data base facilities with the addition of two computers and attendant software, in order to maintain an up-to-date information system, involving both primary and secondary data gathering. Secondary data is obtained from several sources e.g. the Statistical Institute.

Primary data is gathered by use of survey instruments, e.g. a Business Intention Survey was recently carried out in an attempt to ascertain local investment intentions and constraints which might inhibit these investments. This survey is intended to be conducted annually and will be a major part of the primary data base being developed to serve our members' needs more effectively.

One area of weakness experienced by the Division in the gathering of primary data has been the low level of response from the private sector. While some companies can be relied on to co-operate, it has frequently proven difficult to obtain a sufficiently high level of response in order to obtain an adequate sample size.

The Division has begun compiling a listing of the 100 largest companies in Jamaica. Factors being considered include number of employees, assets and sales. This exercise is being undertaken to facilitate both local and foreign investors who are interested in possible joint venture partners.

The computerized skills bank was completed and became operational during the year. This has provided a record of skills available both locally and overseas, from which a printout can be provided on request at a nominal cost. The Division has also established a small research library which can be utilized by the membership.

ECONOMIC MODEL BUILDING

Work has started on developing a model of the Jamaican economy for more accurate predictions of economic behaviour resulting from specific policies. When completed, this model will provide the Division and the Organisation with greater sophistication in forecasting.

OTHER SERVICES

During the year the Division has provided members with in-depth analyses and reports on various sectoral and macro-economic issues. In addition, speeches have been prepared for members of our Executive Committee as well as corporate members.

(iv) Task Force on Illicit Imports

This Task Force, chaired by Mr. Paul Thomas, PSOJ Executive Committee member and President of the Jamaica Manufacturers Association, was made up of representatives of the public and private sectors, and has prepared a list of recommendations on reforming the Customs Services in order to counter the flow of illicit imports. After ratification by the Executive Committee, these recommendations will be presented to the Prime Minister, in his capacity as Finance Minister responsible for the Customs Service.

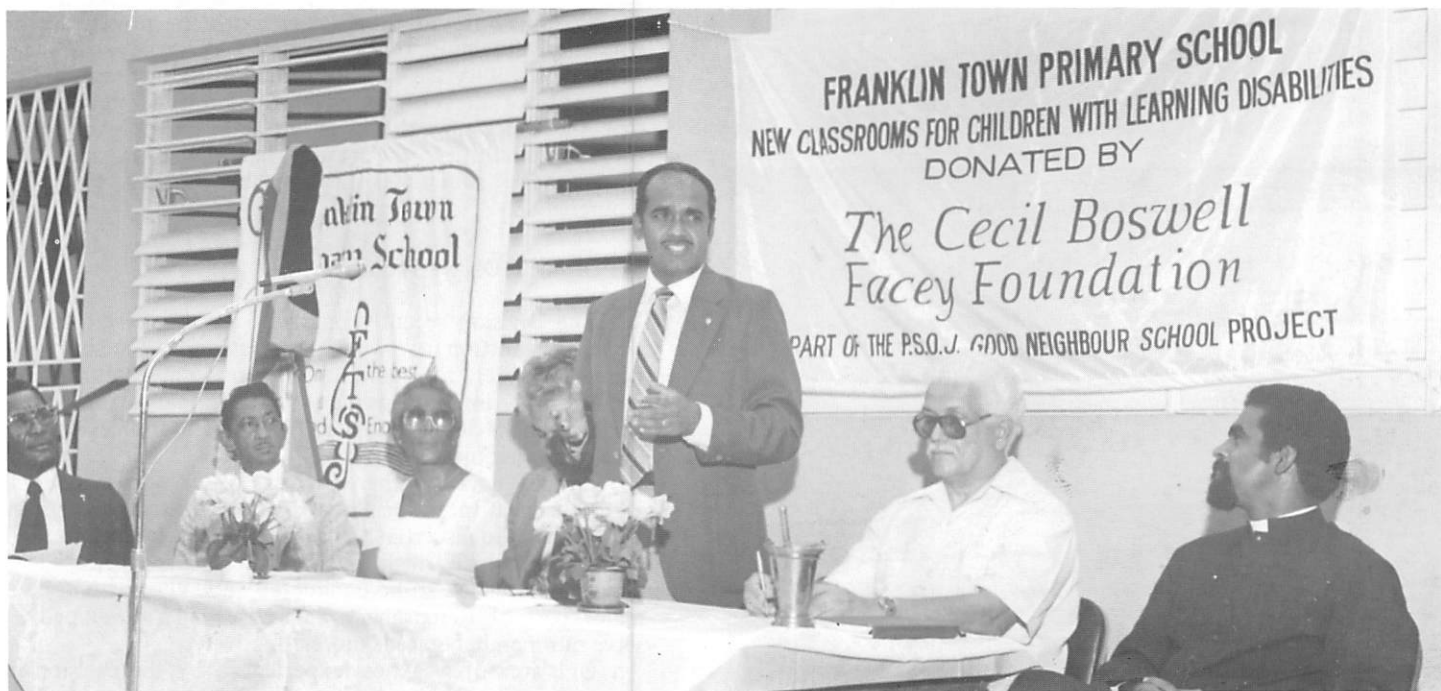
(v) Investment and Business Development Committee

A Task Force of the Investment and Business Development Committee has started working on a Community Development Programme to address the needs of the unemployed in the depressed areas of Jamaica.

The programme would bring together successful companies and unemployed youths in the depressed communities, with a view to generating business activity in these areas to the benefit of both parties.



HUMAN RESOURCE DEVELOPMENT DIVISION



The Human Resource Development Division functions in three main areas, namely Education, Health/Family Planning and Youth and Community Development. Each area is managed by a committee of volunteers and chaired by a private sector representative. Overall responsibility for the Division is vested in a Vice President in charge of Human Resource Development, Dr. Keith Panton.

EDUCATION

The Education Committee, under the chairmanship of Dr. Dudley Stokes, has started work on developing a National Education Policy which will outline areas of priority and importance to the private sector, as well as provide a backbone for private sector inputs into education.

Since 1984, the PSOJ, through the Education Committee, has played an important role in increasing the involvement of businesses in the communities in which they operate. The "Good Neighbour" school project twins companies with schools and channels assistance directly to the schools in the communities in which the companies are located. Five schools and five companies are presently involved in the project. They are: the Franklin Town Primary School sponsored by Pan Jam Group of Companies through the Cecil Boswell Facey Foundation; Mona Secondary School assisted by Dyoll Group of Companies; Mandeville All Age School aided by Alcan Jamaica Company. The project was expanded to include Alpha Boys School sponsored by the House of Issa and Central Branch

All Age School aided by the National Commercial Bank.

The PSOJ Education Committee, in January of this year, collaborated with the Ministry of Education and launched an anti-vandalism campaign aimed at sensitizing all sections of the community to their responsibility for the care and protection of schools.

The Human Resource Development Division played a major role in the development of the International Council on Education for Teaching (ICET) World Assembly held in Kingston in July, 1986. The C.Y. Tung Forum, held in conjunction with the World Assembly, was sponsored by the PSOJ under the theme "The Integration of Business and Higher Education in the Caribbean Region". The Forum served to establish needed dialogue between the business and education sectors and also identified the importance of keeping these lines of communication open. Other projects being investigated by the Education Committee include the possibility of establishing a chair for Private Enterprise at the University of the West Indies and a project to assist needy students at the tertiary and secondary levels.

HEALTH AND FAMILY PLANNING

The Health and Family Planning Committee, chaired by Whyllie Lopez, Jr., has developed several programmes for the advancement of family planning in Jamaica. A weekly call-in programme called "Planning Together" was aired on RJR and served to offer advice and answer questions on issues relating to family planning. The programme



was produced in collaboration with the National Family Planning Board.

Dialogue has begun between the PSOJ and the Trade Unions to develop an accord or "Joint Position" between the private sector and the unions on the issue of Family Planning. To this end a planning committee is being established to discuss PSOJ sponsorship of a joint trade union and business symposium on Family Planning at the workplace. Assistance in developing and running the proceedings has been requested from National Family Planning Board.

Major sponsorship for the symposium has been received from the ILO Population Desk in Switzerland.

Other projects which have been planned include the provision of a mobile van to provide family planning services to women employees in the garment industry and a 'Male Responsibility Campaign' aimed at fathers, and stressing their responsibility to their children.

LABOUR AND COMMUNITY RELATIONS

Mr. Sam Tyson has represented the Organisation in the area of Labour and Community Relations. He has dealt primarily with providing community services and undertaking dialogue between the PSOJ, trade unions, churches, and community based organisations. Some of the major projects undertaken to date include co-ordinating a fund

to assist victims and families of the 1985 Christmas Eve explosion in Premier Plaza. A total of \$31,175.14 was raised through contributions from the private sector, individuals, church groups, schools and a fund raising concert staged by the Jamaican Youth for Christ.

After the flood rains of May/June, the PSOJ, through the Division, collaborated with the Office of Disaster Preparedness and the Work Day Centre to co-ordinate private sector assistance to this cause. A team of volunteers from the PSOJ contributed their labour to a project in the Duhaney Park area. The Division has begun talks with the Office of Disaster Preparedness to establish ways in which the business community can minimize damage and losses, both to itself and the wider community, in future disasters.

The Human Resource Development Division played a major role in co-ordinating activities for the Jamaica Society for the Blind mediathon in March of this year; and served as secretariat to the Mediathon Committee. The fund-raising campaign ended with a "Sound for Sight Concert" at the Little Theatre. Donations and pledges to the Mediathon 1986 fund were received during the concert, which was broadcast live by both RJR and JBC.

The PSOJ continues to be active in its support for private voluntary organisations in Jamaica in keeping with its community development outreach programmes, and is represented by the Director of the Division on the Board of the Council for Voluntary Social Services (CVSS).



COMMUNICATIONS DIVISION



The Communications Department had a very exciting and fruitful year. The main thrust of the Department centred on our radio call-in programme, "PSOJ Viewpoint", launched on November 7, 1985; our Gleaner Columns under "View of the Private Sector" (later called "Private Sector Focus"); our Public Discussions and our in-house publications.

Viewpoint was designed to promote the views of the PSOJ and to involve the Jamaican public in the discussion of these views through telephone link-up. Some of the topics discussed on PSOJ Viewpoint, aired on RJR on Thursdays, 8:30-9:30 p.m., included issues of current interest:

- Illicit Imports and Customs
- Tax Reform
- The Challenges facing Small Business Development
- Financing Our Education System
- The Role of Building Societies in reviving the Building Industry
- The SGS

Of equal interest were some of the subjects of our Gleaner column, with contributions from PSOJ members and staff. These included:

- The Government's Free Market rhetoric vs its State Capitalism reality.
- Third World Debt
- External Trade: The Direction of the Future
- The Maternity Leave Controversy
- The Jamaica-America Medical Assistance Committee: Helping to Meet Jamaica's Health Needs
- Education: Who Should Pay?

A great deal of interest was generated by our public discussions. These have provided valuable feedback about the public's view of the PSOJ and its activities, as well as government policies. Public Fora addressed areas such as Illicit Imports, Corporate Taxes, Exports, The Future of the Construction and Housing Industry, The Stock Market, the SGS. These public discussions received wide media coverage.



The Communications Department co-ordinated a number of Publications during the period under review. These included the members' newspaper "Enterprise" – at first a bi-monthly, and now a monthly publication. Under new editorship, "Enterprise" is even more committed to providing up-to-date, relevant news and information to members.

A special feature of this publication is a section advertising goods and services available locally, as well as overseas; this should be of tremendous value to members. Another feature of "Enterprise" is the focus on a 'Volunteer of the Month'. This has the double function of highlighting the personalities as well as the activities, of the PSOJ.

There have been several issues of 'News and Views'. These did not appear with the regularity originally intended, that is, on a weekly basis and were gradually phased out. The information and ideas conveyed by 'News and Views' are now being channelled via 'Enterprise'.

1984 ECONOMIC REVIEW

The Department co-ordinated the publication of the 1984 Economic Review. This came out in August 1985.

1985 ECONOMIC REVIEW

The 1985 Economic Review was compiled and passed on to the Communications Department for publication. Some three thousand copies were on order, to sell at \$8.00 each to PSOJ members, business people, bookstores and other outlets.

PUBLIC RELATIONS COMMITTEE

Meetings of the Public Relations Committee were held as needed, to plan strategies for implementation of policy, to deal with various issues, and to organise the publication of "Enterprise." the Communications Department worked with the Business Development Division to disseminate

to members, information on trade, investment and service opportunities.

MEDIA POLICY DEBATE

The Department liaised with the Gleaner Company in co-ordinating the visit of the legal assistant to the Chairman of the Federal Communications Commission in the U.S.A. This included a luncheon, public forum, radio and newspaper interviews.

TENTH ANNIVERSARY

In December 1985, the 10th Anniversary Committee, chaired by Michael Fennell, held its first meeting to plan for the celebration of our 10th Anniversary, scheduled for September 28 to October 4. The plans outlined for the celebration of this milestone in the life of the PSOJ included:

- A week of activities to focus on Private Enterprise: with a Church Service and Awards Banquet as two main highlights
- A seminar programme for the year
- A 10th Anniversary Gleaner Supplement
- A Commemorative Membership Directory and Business Guide

Several other meetings were held to plan for the commemoration of the PSOJ's 10th Anniversary. Public Fora were held at least once per month. The Membership Directory was slated to include:

- The PSOJ's Code of Ethics
- An Overview of the PSOJ and its position on various issues
- The role and responsibilities of Corporations
- Business Protocol in Jamaica
- Living and Business Environment in Jamaica.



EXECUTIVE COMMITTEE MEMBERS

Mr. Sam Mahfood	- President
Mr. Roy Collister	- Vice President
Mr. Peter John Thwaites	- Vice President
Dr. Keith S. Pantom	- Vice President
Mr. John D. Hall	- Hon. Secretary
Mr. Aulous Madden	- Hon. Treasurer
Hon. S. Carlton Alexander	- Life Member
Mr. Don Banks	- Member
Mr. Sameer Younis	"
Mr. Claude Clarke	"
Mr. Paul Thomas	"
Mr. Gordon A. (Butch) Stewart	"
Mr. Errol Dunkley	"
Mr. Dennis Lalor	"
Mrs. Daisy Coke	"
Mr. Colin S. Henry	- Executive Director

ECONOMIC POLICY COMMITTEE 1985-86

Mr. Elon Beckford	- Chair
Mr. Oliver Clarke	
Mr. Roy Collister	
Mr. Sidney Abrahams	
Mrs. Betty-Ann Jones-Kerr	
Mr. Joseph Matalon	
Mr. Douglas Orane	
Mr. Lascelles Williams	
Mr. Brian Young	
Mr. Delroy Lindsay	
Ms. Maureen Hayden	
Mr. Kenneth Thompson	
Dr. Lawrence Mansfield	

TAXATION TASK FORCE 1985-86

Mr. Richard Evans	- Chair
Mr. Ian Brown	
Mrs. Daisy Coke	
Mr. Lionel Lawrence	
Mr. Arlington Morrison	
Mr. Lanny Reynolds	
Mr. Colin Henry	
Mr. Delroy Lindsay	
Ms. Maureen Hayden	

TASK FORCE ON ILLICIT IMPORTS 1985-86

Mr. Paul Thomas	- Chair
Mr. Gerry Doherty	- c/o Revenue Board
Mr. Neville Fearon	- Customs & Excise Div.
Mr. Victor Harrison	- Customs Brokers Assoc.
Mr. Victor Parkins	- Customs Enforcement Div.
Mr. Alva Smith	- Customs & Excise Div.
Mr. Deryck Rose	
Mr. Claude Clarke	
Mr. Delroy Lindsay	
Mrs. Jennifer Williams	

SMALL BUSINESS & TECHNICAL SERVICES COMMITTEE

Mr. A.B. Stone	- Chair
Ms. Majorie Galloway	- JNIP
Mr. Con Levers	- NDF

Dr. Gladstone Taylor	- SRC
Ms. Val Seymour	
Mrs. Deanna McFarlane	
Ms. Angella Ramsay	
Ms. Deanna Robertson	
Ms. Megan Deane	

EDUCATION COMMITTEE 1985-86

Dr. Dudley Stokes	- Chair
Mrs. Beverley Lawrence	- Min. of Education
Mrs. Pat Robinson	- JTA
Dr. Joseph Carney	- USAID
Dr. Dennis Craig	- UWI
Mr. Jerry Craig	- UWI
Mrs. Gloria Hamilton	- CAST
Mrs. Delores O'Connor	- HEART
Mrs. Althea Glenn-Wright	- UWI (student)
Mr. Patrick Osbourne	- CAST (student)
Mr. Bill Bullis	
Dr. Ofe Dudley	
Mr. Gabriel Green	
Dr. Blossom Stokes	
Dr. Neville Ying	
Ms. Elizabeth Phillips	
Mr. Jeffrey Gayle	
Mr. William L. McLeod	

HEALTH AND FAMILY PLANNING COMMITTEE 1985-86

Mr. Whyllie Lopez, Jr.	- Chair
Dr. John McHardy-C.M.O.	- MOH
Dr. Orrin Barrow	- MAJ
Mr. John Coury	- USAID
Mrs. Thelma Deer-Anderson	- Nurses Assoc.
Mr. Dick Kinhead	- Pharmaceutical Assoc.
Dr. John Martin	- Private Hospitals Assoc.
Mrs. June Rattray	- NFPB
Mrs. Jean Lowrie-Chin	- JFPA
Mr. Bruce Rickards	- JAMAC
Dr. Ainsley Dujon	
Mr. Sam Tyson	
Ms. Elizabeth Phillips	

NATIONAL SECURITY COMMITTEE 1985-86

Mr. Peter Thwaites	- Chair
Sen. Christopher Bovell	
Com. Herman Ricketts	- JCF
Mrs. Clair Kean	
- Perm. Secy.	- MNS
Col. Bernard Blake	- JDF
Asst. Com. Barry Cross	- JCF
Supt. R. Roache	- JCF
Supt. I.D. Hibbert	- JCF
Mr. Bertram Milwood	- JCF
Mrs. Julia Sutherland	- MNS
Mr. Ken Chaplin	- JIS
Mr. John Radley	- Police Staff Coll.
Mr. Lazarus Bucknor	
Mr. G. Louis Byles	
Mr. Oliver Clarke	
Mr. Paul Hire-Miller	
Mr. Michael Hirst	
Mr. Dennis Latchman	
Mr. Earl Patrick	
Mr. Hepburn Sinclair	

Mr. Lester Spaulding	
Mr. Colin Henry	

CONSTRUCTION AND HOUSING COMMITTEE

Mr. Vayden McMorris	- Chair
Mr. Richard Hylton	
Mr. Phillip Gore	
Mr. Donald Wilkins	
Mr. Brian Goldson	
Mr. Bernal Reid	
Mr. Delroy Lindsay	
Mr. Kenneth Thompson	
Ms. Megan Deane	

1985 AGRICULTURAL COMMITTEE

Dr. K. Bryan Davidson	- Chair
Dr. Keith L. Roache	
Mr. Nat Chandley	
Ms. Laurie Sharpe	
Ms. Mable Tenn	
Dr. David Wildish	
Mr. Robert Levy	
Mr. Ken Newman	
Mr. Calvin Robertson	
Mr. Delroy Lindsay	

MEMBERSHIP COMMITTEE 1985-86

Mr. Brian Paisley	- Chair
Mr. R.D. Simons	
Mr. Aulous Madden	
Mrs. Lona Brown	
Mr. Roy Burns	
Mr. Errol Dunkley	
Mr. Neville East	
Mr. Henry Fullerton	
Mrs. Elaina Gonsalves	
Mr. Maurice Stoppi	
Mrs. Louise Henriques	
Mr. Colin Henry	
Ms. Donna Linton	
Mr. Stewart Webster	

TENTH ANNIVERSARY COMMITTEE 1985-86

Mr. Mike Fennell	- Chair
Mr. Sam Mahfood	
Dr. Ofe Dudley	
Mrs. Elaina Gonsalves	
Mr. Gerry Grindley	
Mrs. Jean Lowrie-Chin	
Mr. Brian Paisley	
Mr. Colin Henry	
Ms. Megan Deane	
Ms. Karin Wilson	





THE PRIVATE SECTOR ORGANISATION OF JAMAICA LIMITED AND SUBSIDIARY

FINANCIAL STATEMENTS 31st JULY 1986

To the Members of
The Private Sector Organisation of Jamaica Limited

AUDITORS' REPORT

We have examined the financial statements of The Private Sector Organisation of Jamaica Limited set out on pages 12 to 18 and have obtained all the information and explanations which we required. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary.

In our opinion, proper accounting records have been maintained and the financial statements, which are in agreement therewith, give a true and fair view of the state of affairs of the company and the group at 31st July 1986 and of the results of operations of the group for the period then ended, so far as concerns members of the company, and comply with the provisions of the Companies Act.

Peat, Marwick, Mitchell & Co.

Peat, Marwick, Mitchell & Co.
25th November 1986



THE PRIVATE SECTOR ORGANISATION OF JAMAICA LIMITED

Balance Sheet

31st July 1986

	<u>Notes</u>	
FIXED ASSETS	3	347,799
INTEREST IN SUBSIDIARY	4	244,275
INVESTMENTS — unquoted at cost		59,202
CURRENT ASSETS		
Accounts receivable		191,071
Cash and bank balances		1,385,884
Taxation recoverable		<u>3,923</u>
		<u>1,580,878</u>
CURRENT LIABILITIES		
Accounts payable		206,660
Subscriptions in advance		701,533
Current maturity of long term liability	9	<u>5,835</u>
		<u>914,028</u>
Net current assets		<u>666,850</u>
		<u>\$1,318,126</u>
Represented by:		
DEFICIT		(47,292)
CAPITAL RESERVE	6	229,148
SPECIAL PROJECT FUND	7	38,013
GRANTS	8	1,080,059
LONG TERM LIABILITY	9	18,198

On behalf of the Council

S. Mahfood President

A. Madden Hon. Treasurer

\$1,318,126

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



THE PRIVATE SECTOR ORGANISATION OF JAMAICA LIMITED AND SUBSIDIARY

Consolidated Balance Sheet

31st July 1986

	<u>Notes</u>	
FIXED ASSETS	3	1,363,286
INVESTMENTS — unquoted at cost		59,202
CURRENT ASSETS		
Accounts receivable		191,071
Cash and bank balances		1,425,633
Taxation recoverable		<u>8,742</u>
		<u>1,625,446</u>
CURRENT LIABILITIES		
Accounts payable		386,389
Subscriptions in advance		701,533
Current maturity of long term liability	9	<u>5,835</u>
		<u>1,093,757</u>
Net current assets		<u>531,689</u>
		1,954,177
DISCOUNT ON ISSUE OF DEBENTURE	5	<u>468,008</u>
		<u>\$2,422,185</u>
Represented by:		
DEFICIT		(59,665)
CAPITAL RESERVE	6	229,148
SPECIAL PROJECT FUND	7	38,013
GRANTS	8	1,080,059
LONG TERM LIABILITIES	9	1,134,630
On behalf of the Council		
 S. Mahfood President		
 A. Madden Hon. Treasurer		
		<u>\$2,422,185</u>

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



THE PRIVATE SECTOR ORGANISATION OF JAMAICA LIMITED AND SUBSIDIARY

Consolidated Profit and Loss Account

Period ended 31st July 1986

	<u>Notes</u>	
GROSS OPERATING REVENUE	10	<u>\$1,095,913</u>
 Group operating profit for the period	11	52,232
Extraordinary item – goodwill written off		<u>111,897</u>
Loss attributable to members		<u><u>\$(59,665)</u></u>
 Dealt with and retained:		
In the company		(47,292)
In the subsidiary		<u>(12,373)</u>
		<u><u>\$(59,665)</u></u>

The accompanying notes form an integral part of the financial statements



THE PRIVATE SECTOR ORGANISATION OF JAMAICA LIMITED AND SUBSIDIARY

Notes to the Financial Statements

31st July 1986

1. **The company**

The company was incorporated under the Laws of Jamaica on 8th January 1986 as a company limited by guarantee and not having a share capital to acquire the operations of the Private Sector Organisation of Jamaica, an unincorporated entity having the same objectives as that of the company. The liability of each member on winding up is limited to \$2.

The principal activity of the company is to promote, propagate and encourage the principles of private enterprise in Jamaica.

The financial statements are presented in Jamaican dollars.

2. **Significant accounting policies**

(a) **Accounting convention:**

These financial statements are prepared under the historical cost convention.

(b) **Depreciation:**

Fixed assets are depreciated on a straight line basis at annual rates estimated to write off the assets over the expected useful lives. The depreciation rates are as follows:

Freehold buildings	2½%
Furniture and fixtures	10%
Motor cycle	20%

(c) **Basis of consolidation:**

The consolidated financial statements include the financial statements of the wholly-owned subsidiary Private Sector Organisation of Jamaica (Holdings) Limited ("PSOJ (Holdings) Limited") made up to 31st July 1986.

The company and its subsidiary are collectively referred to as the "group".

3. **Fixed assets**

The Company:

	Furniture and fixtures	Motor cycle	Total
Cost	363,427	7,441	370,868
Disposal	—	(7,441)	(7,441)
31st July 1986	363,427	—	363,427
Depreciation:			
Charge for the period	15,628	—	15,628
31st July 1986	15,628	—	15,628
Net book value:	\$347,799	—	347,799



THE PRIVATE SECTOR ORGANISATION OF JAMAICA LIMITED AND SUBSIDIARY

Notes to the Financial Statements (cont'd.)

The Group:

	<u>Freehold land and building</u>	<u>Furniture and fixtures</u>	<u>Motor cycle</u>	<u>Total</u>
Cost of acquisition	792,791	363,427	7,441	1,163,659
Refurbishing costs	155,494	—	—	155,494
Capitalised borrowing costs	67,202	—	—	67,202
Disposal	—	—	(7,441)	(7,441)
31st July 1986	<u>1,015,487</u>	<u>363,427</u>	<u>—</u>	<u>1,378,914</u>
Depreciation				
Charge for the period	<u>—</u>	<u>15,628</u>	<u>—</u>	<u>15,628</u>
31st July 1986	<u>—</u>	<u>15,628</u>	<u>—</u>	<u>15,628</u>
Net book value:				
31st July 1986	<u>\$1,015,487</u>	<u>347,799</u>	<u>—</u>	<u>1,363,286</u>

Freehold land and building include freehold land at a cost of \$378,700. No depreciation is provided during the period of renovation of the building.

4. Interest in subsidiary

Shares at cost in PSOJ (Holdings) Limited	65,000
Current account	<u>179,275</u>
	<u>\$244,275</u>

5. Discount on issue of debenture

This represents the discount on the issue of the 10% debenture stock and will be written off to income over the next ten years (see note 9).

6. Capital reserve

USAID grant received for construction and refurbishing of office building owned by subsidiary	136,028
Purchase of fixed assets from USAID funds	<u>93,120</u>
	<u>\$229,148</u>

7. Special project funds

G. Arthur Brown — Scholarship fund	26,263
Christmas Eve explosion fund	8,013
Muirton Boys' Home	3,664
Peace fund	<u>73</u>
	<u>\$38,013</u>



THE PRIVATE SECTOR ORGANISATION OF JAMAICA LIMITED AND SUBSIDIARY

Notes to the Financial Statements (cont'd.)

8. Grants

	<u>US\$</u>	<u>J\$</u>
Funds received during the period	275,000	1,498,750
Disbursements:		
Office construction and refurbishing (note 5)	24,913	136,028
Economic policy analysis and research	22,464	123,349
Business development	28,192	153,931
Private sector education	774	4,222
Human resource development	844	4,610
Foreign exchange gain	—	(3,449)
	<u>77,187</u>	<u>418,691</u>
Unutilised funds at end of year	<u>197,813</u>	<u>1,080,059</u>

The funds received represent a draw-down of US\$275,000 from a total grant of US\$750,000 obligated by USAID for the period 1st April 1986 to 31st March 1987 to assist the company to strengthen its role in co-ordinating the efforts of the Jamaican Private Sector to take advantage of the business opportunities presented by the Government's structural adjustment program and the Caribbean Business Initiative.

9. Long term liabilities

	<u>The Company</u>	<u>The Group</u>
Promissory note 1989 (a)	24,033	24,033
10% Debenture stock 1996 (b)	—	1,116,432
	<u>24,033</u>	<u>1,140,465</u>
Less current maturity	5,835	5,835
	<u>\$18,198</u>	<u>1,134,630</u>

(a) The promissory note is secured on the company's unquoted investments in Radio Jamaica Limited. It is repayable in equal annual instalments, the last instalment being due on 1st September 1989.

(b) The 10% debenture stock is secured by a first legal charge on the subsidiary's freehold property and a floating charge over all the other assets and uncalled capital of the subsidiary.

The debenture which was issued at a price of \$58.08 for each \$100 face value is redeemable at par on 1st January 1996.

10. Disclosure of income and expenses

Group operating profit for the period is stated after charging/(crediting):	<u>\$</u>
Depreciation	15,628
Council member's remuneration	84,428
Auditors' remuneration	20,000
Loan interest	10,426
Interest received	(9,994)



THE PRIVATE SECTOR ORGANISATION OF JAMAICA LIMITED AND SUBSIDIARY

Notes to the Financial Statements (cont'd.)

11. Taxation

- (a) The company has applied to The Commissioner of Income Tax for exemption from taxation and consequently no provision has been made for taxation on the company's operating results.
- (b) The subsidiary company has taxation losses of \$11,373 subject to agreement with The Commissioner of Income Tax, available for relief against future taxable profits. If unutilised, these will expire in 1991.

12. Pension scheme

The company operates a contributory pension scheme for all employees who have satisfied certain minimum requirements. The pension scheme is administered by Life of Jamaica Limited and the benefits provided by the scheme are based on accumulated contributions to retirement date.

The contributions of the company and the group for the period were \$5,759.

13. Contingent liability

The company has guaranteed the interest payments and the redemption of the 10% debenture stock issued by the subsidiary.

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Financial assistance and technical advice for any agricultural project big or small.

BUSINESS ADVISORY SERVICE:

Providing advice to businessmen in the areas of credit control, costing, pricing, budgeting, stock control, cash flow forecasting and basic accounting.

MORTGAGE SERVICES:

Private and commercial.

TRUSTEE AND INVESTMENT SERVICES:

Administration of deceased estate. Pension Fund — Investment Management.

GENERAL BANKING SERVICES:

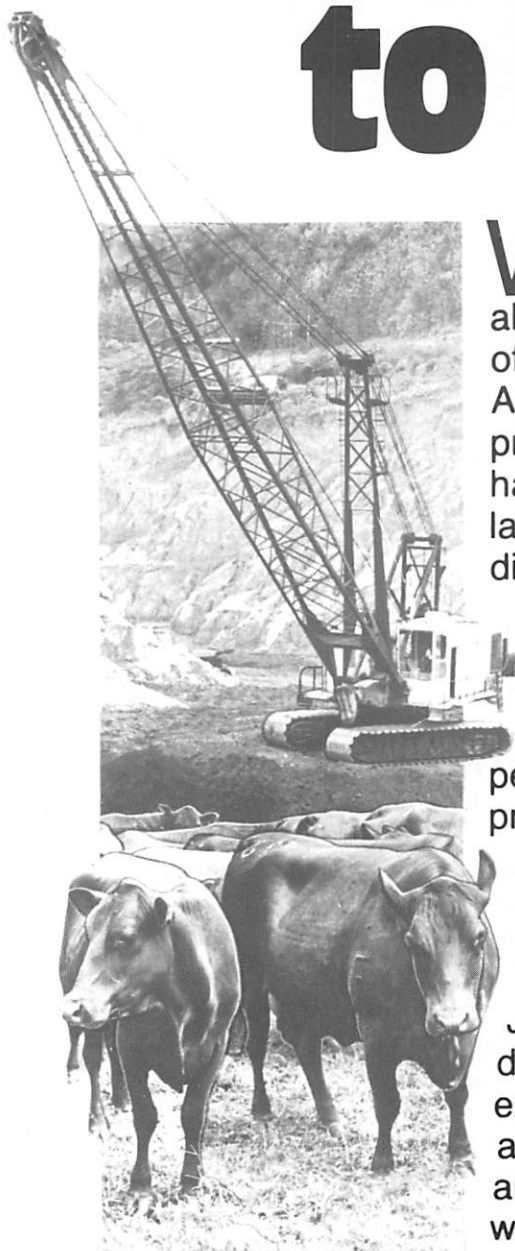
- Current — Checking Accounts • Fixed Deposit Accounts • Foreign Exchange Transactions
- Collection/Importing/Exporting Goods • Investment Management Services • Loans
- Manager's Cheques • Nationalbank Loan (Personal Loan) • Nationsave Accounts
- Night Safes • Overdraft • Pension Funds • Safe Custody • Savings Accounts • Standing Orders • Status Enquiries etc. (Credit Information) • Transfer of Funds — (Local & Overseas) • VIP Accounts



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Who would have thought that Jamaica's largest producer of alumina would also own Jamaica's largest private herd of beef cattle? Actually, the involvement of Alcan in farming and agriculture is a natural progression. Mining companies in Jamaica have a special obligation to keep all their land productive, and Alcan has always been diligent in the restoration of mined land.

In fact, most of the 30,000 acres of land being used is given to agricultural operations, employing hundreds of Jamaicans.

Alcan provides Jamaica with a high percentage of its beef, and is the largest producer of milk. Alcan also has projects that are going to make significant contributions to the island's horticulture and aquaculture output.

Alcan's tenant farms provide over 2,600 Jamaican farmers with acreage to grow a diversity of crops, whose market value exceeds J\$2,000,000 per year. Productivity and employment are everyone's concern, and they are Alcan's prime considerations within our total planning process.

Alcan Jamaica Company

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Quietly Achieving Important Goals