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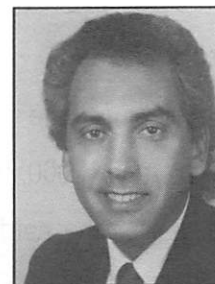
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PRODUCTION/LAYOUT/DESIGN: PSOJ

PRESIDENT'S MESSAGE

PETER MOSES



Your Organisation has completed another interesting and active year in which we have continued with our mission to improve the business and the social environment here in Jamaica. Early in the year, the Jamaica Chamber of Commerce re-joined the PSOJ after having withdrawn from the Organisation in 1997. The return of the JCC has brought all the major associations back under the PSOJ umbrella and has allowed the private sector to again project a unified front to the public and to the government.

The high level meeting that was held in September 1999 between the Prime Minister, some of his Cabinet members and representatives of the private sector, led to the signing of a memorandum of understanding between the government and the PSOJ in February 2000. The MOU, as it has since come to be known, represents a public commitment by the government to take action, within specified time frames, to remove a wide range of obstacles to doing business in

Jamaica. The list of issues that are being tackled came from submissions by our members. The Ministry of Industry, Investment and Commerce has been monitoring the progress of the various government Ministries and agencies that have been given the responsibility for removing these obstacles. While only a few of the items listed in the MOU have been resolved to date, we have been assured by the government that they are committed to the process and will be continuing their efforts to deal with all the issues raised in the MOU.

When I took office in December 1998, one of my first initiatives was to explore the possibility of establishing a fund, which could provide financing to young entrepreneurs who had good ideas but were unable to obtain funding from traditional sources. Michael McMorris agreed to spearhead the team that looked at the establishment of this fund and a great deal of work was put into

developing the concept for it. In September 2000, we were all very happy to see all the hard work come to fruition when the Jamaica Youth Business Trust (JYBT) was established. The Trust is a joint venture between the PSOJ and the Prince of Wales Business Trust and it has already begun operations, using a small office in the PSOJ as its base. The JYBT has already made a number of loans and we urge all our members to support the Trust as they begin to raise funds for an endowment that will finance the activities of the organisation.

As the year progressed, concern about the level of crime in the society increased among members of the business community and the public in general. This culminated in a meeting with the Prime Minister at which the private sector representatives pointed out the very negative consequences that crime was having on the business community and on the wider society, and appealed for decisive action from the government. Out of this meeting came the announcement by the government of the Reneto Adams initiative to fight crime in the Corporate Area. At the time of writing (late October),

this initiative does not seem to have become fully operational as yet and there have been reports of a shortage of resources within the new crime-fighting unit. However your Organisation will be following up on this issue closely as it is of keen interest to both our members and the general public.

During the year, we made progress on a number of fronts, especially with regard to the project to establish a consolidated secretariat for the private sector associations. The current thrust in this direction had its genesis about 3 years ago and has recently had the benefit of a considerable amount of work that was done by group of final year MBA students. They have prepared a detailed project document setting out how the joint secretariat could be established and these proposals are currently under discussion by the Presidents and members of the associations that sit on the Executive of the PSOJ. The circle of consultation will be widened in the coming months as we seek to move the project towards the implementation stage.

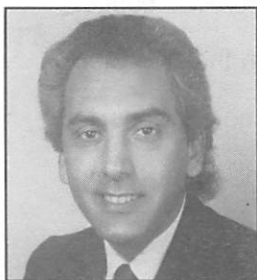
In the course of the year we held a number of very successful functions, including the Hall of Fame Dinner at which the Hon. John Issa, O.J. was inducted. Mr. Bill Rhodes, Vice Chairman of CitiGroup was the guest speaker and a large number of our members attended the function, which was held on the grounds of King's House. We also held a successful public forum on the Caribbean Court of Appeal that was broadcast nationally on radio and television. Our seminars included the annual economic seminar in June and a seminar on the IMF Staff Monitored Programme and its relationship to the loans from the Inter-American Development Bank, the World Bank and the Caribbean Development Bank.

The economy continues to perform at a disappointing level and the turn around that has been anticipated for some time now does not seem likely to happen this year. Output contracted again last year and the latest report from the PIOJ suggests that, at best, we will have only marginal growth this year. The economic

programme, which the government outlined in its 2000/01 budget presentation and again in the IMF Staff Monitored Programme, now seems to be in some doubt, in light of the recent steep increase in interest rates by the BOJ. The policies described in the programme were intended to take the economy back onto a path of modest growth beginning in the current financial year. The rekindling of growth in the economy is of vital importance as it will help in the resolution of many of our pressing social and economic problems and we certainly hope that the recent departure from the economic programme will be of a very short duration.

Finally, as we prepare for the new year ahead, let me wish you all the very best in your business and other affairs. We thank you for your support over the past year, and look forward to your continued support in the coming year, as we work to achieve sustainable growth and a higher standard of living for all our people ■

EXECUTIVE COMMITTEE



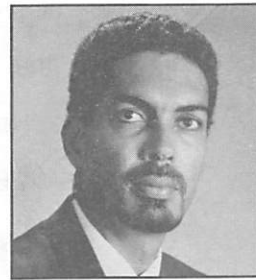
Peter Moses
President



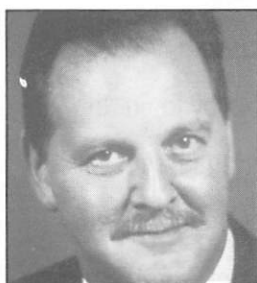
William McConnell, C.D.
Vice President



Anthony Barnes
Vice President



Richard Byles
Vice President



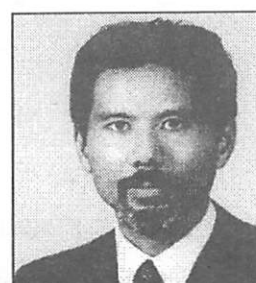
John Irving
Hon. Secretary



Peter Melhado
Hon. Treasurer



William Clarke
President, JBA



Anthony Chang
President, JCC



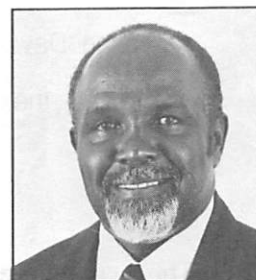
Beverley Lopez
President, JEA



Dr. Neville Ying
President, JEF



James Samuels
President, JHTA



Clarence Clarke
President, JMA



Andrea Graham
Vice President, SBAJ



Charles Ross
Executive Director

WORLD ECONOMY REVIEW

There was a rapid recovery in the world economy in 1999, and the world economy in the first year of the new millennium is enjoying the strongest growth in more than a decade. Global economic and financial conditions have improved dramatically, with strong growth being recorded in virtually all of the world's major regions. The remarkable strength in the U.S. economy and the robust growth apparent in Western Europe had provided key support for faster than expected recoveries in Asia, Latin America, and other emerging market regions. Among most crisis countries, the determined adjustment efforts pursued by policymakers contributed to an early restoration of macro-economic stability and a steady improvement in external confidence. Core inflation was broadly stable or fell in most regions, but fiscal and external imbalances remained problematic in some countries. Private sector financing to emerging markets has recovered from its late 1998 lows, reflecting a combination of improving macro-economic fundamentals in these

economies and favourable liquidity conditions in advanced economies. However, the situation was fragile and impeded recovery in many countries. At the same time, buoyant demand in North America and growing demand in Europe and parts of Asia provided needed export markets for countries emerging from recession.

Other key developments during 1999 and the first half of 2000 included the rise in world oil prices to their highest levels since 1991 – which fuelled protests across Europe - with a bottoming out of many other commodity prices, a firming of interest rates in advanced economies, except Japan, and gains in most equity markets, driven by large share prices of technology-related firms. Prices have since been revised downwards, due to inflationary fears and subsequent interest rate increases by the U.S. Federal Reserve and the European Central Bank. The economic/financial problems related to the year 2000 (Y2K) computer bug failed to materialise, due to the planning and

remedial efforts undertaken by the private sector, governments and international institutions.

The period also witnessed a highly undervalued volatile euro, hitting record lows against the U.S. dollar and most other currencies in mid-May and again in September of 2000. Although the weak euro has helped to jump-start an export-led recovery in the euro area in the aftermath of the 1998 slowdown, a sustained period of currency misalignment may hinder adjustment of the existing current account imbalances across the three major currency blocs, which could increase the prospects of a disorderly adjustment in exchange rates.

After fourteen years of negotiations, China has finally reached bilateral agreements on the terms of its entry to the World Trade Organisation (WTO), with most of the trade partners participating in accession negotiations, including the United States and the European Union. WTO accession could prove to be a watershed for reform in China, and given the size of China's economy, this should have a significant impact beyond the mainland. This is especially true for Hong Kong SAR, which could face increased competition

from Shanghai, as a financial centre, within the next five to ten years.

Key Developments in Emerging Market and Advanced Economies

The expansion in the euro area has gathered strength. This rise has been aided by resurgent export growth due to the strengthening global recovery and a highly competitive currency. During the remainder of the year, the expansion is expected to be sustained by high consumer and business confidence and the favourable external environment. In Japan, following two quarters of output decline, GDP growth rose by 4 percent (annualised) in the first half of 2000. However, given the deficiencies in the national accounts, this data must be interpreted cautiously. Overall, it appears that a modest recovery is underway, supported by strengthening corporate profitability and investment, particularly in the high technology sector. The emerging recovery has led to increasing pressure to roll back the exceptional macro-economic measures that were introduced during the past two years. In August, the Bank of Japan ended the zero interest rate policy, increasing the overnight call rate. However, since the market broadly anticipated this, there

has only been a small increase in short-term and long-term interest rates. Against this background, it is important that macro-economic policies remain highly supportive until a self-sustaining recovery is under way.

Growth in Brazil continues to recover, led by exports, which surged as a result of the depreciation in early 1999. But rising consumer spending and investment have also contributed, more recently, to the recovery. Mexico's economy continues to expand at a healthy pace, as it has been doing since 1995, backed by prudent monetary policy, as well as higher oil prices, rapid growth in the United States, buoyant spending, and healthy demand for investment goods. After a severe recession in 1999, the Argentine economy has begun to recover at a still gradual pace which, in the absence of external shocks, is expected to accelerate in 2001. In the Caribbean, strong demand for tourism from the United States has helped to support economic activity. Growth remains strong in Trinidad and Tobago, partly reflecting some diversification of the economy into sectors such as manufacturing and services, while Jamaica is beginning to recover from a

lengthy recession caused by financial sector difficulties and a severe drought.

In Asia, the recovery from the 1997 – 98 financial crises and subsequent recession was impressive. The rapid recovery of output in Korea, Malaysia and Thailand was fuelled by continuing monetary and fiscal stimulus, as well as external demand, supported by a recovery in prices of electronics. The recovery of activity in the countries most affected by the 1997–98 crisis is expected to continue, with growth in the countries where the recovery is least advanced, still below their more advanced counterparts.

The Russian economy is continuing its rapid recovery from the financial crisis of 1998. After expanding by 3.2 percent in 1999, real GDP growth accelerated further in early 2000 and is now above pre-1998 crisis levels. Much of the growth in 1999 was driven by favourable terms of trade shocks whose benefits were initially expected to be temporary. Higher energy prices, import compression, and increasingly buoyant growth in non-energy exports have resulted in a strong external position. Longer-term economic prospects continue to depend upon accelerating

the slow pace of structural reform. The revival of activity in Russia is particularly benefiting close trading partners, such as the Ukraine. Indeed, Ukraine is expected to grow for the first time since the start of transition, but progress on structural reform remains slow.

In Africa, growth slowed in 1999, mainly reflecting weakness in several large countries. During 1999-2000, the rebound in world oil prices, as well as recent increases in OPEC oil production quotas, have boosted economic activity and prospects for most of the oil producing countries in the Middle East and Africa. The rise in oil prices have led to stronger fiscal and external balances in these countries and also to improved confidence and greater domestic demand. Output growth was weak in these countries, however, because the rise in global oil prices was caused in part by reduced oil production, which is a large part of economic output. Many of the non-oil producing countries in the region have faced substantial terms-of-trade losses as export prices of non-fuel commodities and other primary goods remain generally depressed, particularly in real terms, while oil import prices have risen.

World trade volumes picked up in 1999 and helped improve the external environment for many countries. Imports into advanced economies grew robustly; this largely reflected the continued strength of domestic demand growth in the United States and the recovery in Europe that began in the second half of 1999. Imports of the advanced economies in Asia and the Pacific region were also strong, except for Japan, where domestic demand was largely stagnant. Demand in China for foreign goods and services also increased robustly, although the reported increase in imports in part reflected a vigorous anti-smuggling campaign. In contrast, in the Western Hemisphere, needed macroeconomic adjustment led to a fall in imports in all the larger developing countries except for Mexico.

Commodity Prices

Over the past three years, large swings in commodity prices have greatly affected many countries. After peaking in 1996, commodity prices fell by 30 percent in 1997-1998, due to the fall-out from the Asian crisis as well as favourable harvests of some crops, causing a substantial terms-of-trade shock for commodity exporting developing countries. The oil price

rebound in 1999–2000 has reversed these losses for oil exporters, but has substantially worsened the position of most other commodity exporters – many of which are among the poorest countries – especially given the relatively weak outlook for commodity prices.

The prices of many key commodities have moved relatively independently over the past 12 months. While fuel prices have increased sharply, prices of non-fuel commodities have staged modest recoveries at best, with agricultural prices being particularly weak, despite rising global demand. This is due in part because production did not adjust quickly to the slump in demand in 1998-99. The prices of other non-fuel commodities have shown modest increases since early 1999, but remain well below their 1995-97 averages. The prices of most metals and some other industrial inputs have already increased from their lowest levels in mid-1999, but the increases have been less than might be expected given the rise in global demand. For example, through the end of August 2000, the price of copper remained about 30 percent below its 1995-97 average, in part reflecting, until recently, high stock levels. This continuing

weakness is also due to the slow pace at which supplies of these commodities have adjusted to market conditions. As with agricultural goods, metal prices are expected to increase but remain below previous peaks, with the exception of nickel, which surpassed its average price in 1995-97.

Oil prices hit almost \$38.00 a barrel during the 3rd week of September, more than three times its level at the end of 1998, the highest since the Gulf War. This rise in price from historically low levels was attributed in part to voluntary supply restraints by some of the major oil producers, the strong U.S. economy and the unexpectedly robust economic recovery in Asia. The increase in oil prices has put upward pressure on inflation in many countries, but not to the same extent as the oil price increases of the 1970's, and core inflation measures were largely unaffected.

There has been increasing pressure on OPEC producers to increase output, which they did by 800,000 barrels, after which oil prices still increased. However, developed nations such as the U.S. have maintained that OPEC has not done enough to ease high prices. OPEC responded by saying it will not release

more oil than the market needs, in fear that prices might collapse in 2001, as they did in 1998, when they registered record lows of US\$10.00 per barrel. OPEC posits that the consuming nations' high taxes on gasoline, diesel, heating oil and other products as well as refining and shipping bottlenecks, are the real culprits behind high prices. During the week of September 25, the U.S. responded by releasing millions of barrels of oil usually kept for emergency purposes, which has seen oil prices fall to US\$30.00 per barrel thus far. However, with the fast approaching winter season and oil stocks at historically low levels, there is a strong risk that prices could be reversed and spike up to \$40.00 a barrel.

Risks

While the overall outlook is encouraging, there are significant risks and uncertainties, which include the uneven pattern of GDP and demand growth among the three major currency areas, and the associated imbalances in external current accounts. If at some point asset holders around the world become somehow less optimistic about investment in the United States and

those immense capital inflows begin to slow down, then we would see the dollar move downward, perhaps in a circumstance where the U.S. economy would be slowing significantly. That represents a risk to global economic growth. This would also affect growth and capital flows to emerging markets with strong trade links to the U.S. Further, the record levels attained by oil prices may tilt up world headline inflation and reduce real output growth for the world economy by approximately 0.5% according to the IMF, relative to projected forecasts. The impact of the HIV/AIDS pandemic poses a severe human and economic threat, particularly in sub-Saharan Africa and parts of Asia, along with the various civil wars being experienced in the Middle East and parts of Europe. The recent fluctuations in commodity prices again highlight the vulnerability of almost all of the countries in the Middle East and Africa to changes in the prices of primary goods. There is a continued need for reforms which would liberalise and diversify these economies and which would encourage broad-based, labour intensive growth led by the private sector and focused on industries in which these countries have a competitive advantage ■

Table 1: Overview of the World Economic Outlook Projections
(Annual percent change unless otherwise noted)

	1998	1999	Current Projections	
			2000	2001
World Output	2.6	3.4	4.7	4.2
Advanced economies	2.4	3.2	4.2	3.2
Major industrial countries	2.5	2.9	3.9	2.9
United States	4.4	4.2	5.2	3.2
Japan	-2.5	0.2	1.4	1.8
Germany	2.1	1.6	2.9	3.3
France	3.2	2.9	3.5	3.5
Italy	1.5	1.4	3.1	3.0
United Kingdom	2.6	2.1	3.1	2.8
Canada	3.3	4.5	4.7	2.8
Other advanced economies	2.0	4.7	5.1	4.2
Industrial countries	2.7	3.0	3.9	3.0
Euro area	2.7	2.4	3.5	3.4
Newly industrialized Asian economies	-2.3	7.8	7.9	6.1
Developing Countries	3.5	3.8	5.6	5.7
Africa	3.1	2.2	3.4	4.4
Asia	4.1	5.9	6.7	6.6
China	7.8	7.1	7.5	7.3
India	6.3	6.4	6.7	6.5
ASEAN-4 ¹	-9.3	2.6	4.5	5.0
Middle East and Europe	3.1	0.8	4.7	4.1
Western Hemisphere	2.2	0.3	4.3	4.5
Brazil	-0.1	1.0	4.0	4.5
Countries in Transition	-0.8	2.4	4.9	4.1
Central and Eastern Europe	2.0	1.3	3.1	4.2
Excluding Belarus and Ukraine	2.0	1.8	3.8	4.6
Russia	-4.9	3.2	7.0	4.0
Transcaucasus and Central Asia	2.5	4.6	5.3	4.5
World trade and volume (goods and services)	4.3	5.1	10.0	7.8
Imports				
Advanced economies	5.7	7.6	10.3	7.9
Developing countries	0.3	--	10.0	9.0
Countries in transition	2.5	-2.9	12.4	8.4
Exports				
Advanced economies	3.9	4.8	9.9	7.6
Developing countries	3.7	3.5	8.8	7.1
Countries in transition	6.5	5.0	10.1	6.0
Commodity Prices				
Oil ²				
In SDRs	-31.2	36.5	52.0	-13.0
In U.S. dollars	-32.1	37.5	47.5	-13.3
Nonfuel (averages based on world commodity export weights)				
In SDRs	-13.5	-7.8	6.4	4.8
In U.S. dollars	-14.7	-7.1	3.2	4.5
Consumer Prices				
Advanced economies	1.5	1.4	2.3	2.1
Developing countries	10.1	6.6	6.2	5.2
Countries in transition	21.8	43.8	18.3	12.5
Six-month London Interbank offered rate (LIBOR)				
On U.S. dollar deposits	5.6	5.5	6.8	7.4
On Japanese yen deposits	0.7	0.2	0.3	0.5
On euro deposits	3.7	3.0	4.6	5.1

Note: Real effective exchange rates are assumed to remain constant ¹ Indonesia, Malaysia, the Philippines and Thailand. at the levels prevailing during July 18 - August 15, 2000.

² Simple average of spot prices of U.K., Brent, Dubai and West Texas Intermediate crude oil. The average price of oil in U.S. dollars a barrel was \$17.98 in 1999; the assumed price is \$26.53 in '00 and \$18.00 in '01.



CARICOM
Lines



JAMAICA PRODUCERS
SHIPPING CO. LTD.

TECMARINE

Conti-lines

SEABOARD

CAGEMA

SeaFreight



CROWLEY

The centre of efficient cargo receipt, handling, clearance and delivery.
The hub of an operation involving shippers, consolidators, shipping lines,
deconsolidators, customs officers, custom brokers and consignees.
A concentration of skill, speed, efficiency and experience.

This is

AXIS KINGSTON

**Kingston Wharves Ltd.
runs like a well oiled
machine.**

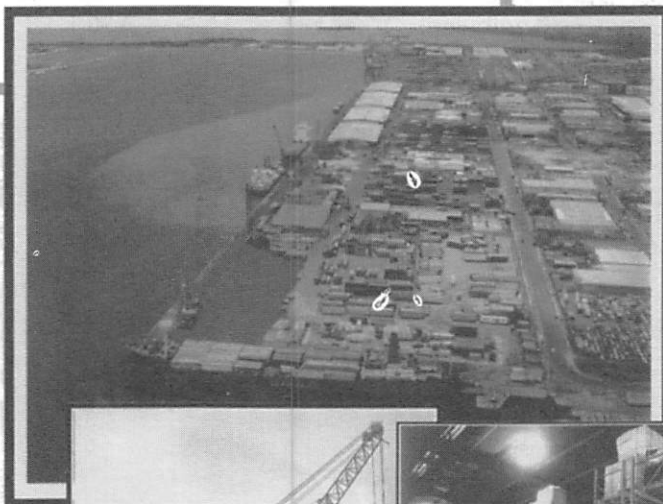
BERTHS: 7 berths including ro-ro

STORAGE:over 300,000 sq. ft.
(30,000 sq.m. approx.) of cargo
warehousing - **the largest total
covered storage in Jamaica**

EQUIPMENT: container cranes; yard
container handlers; forklifts; transport
equipment

SECURITY: effective gate control and wharf
security

**That is why, for cargo coming
to Jamaica through Kingston,
the best companies in the
shipping business use the
facilities of
Kingston Wharves Ltd.**



Kingston Wharves Ltd.

the axis of cargo operations in Kingston



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THE JAMAICAN ECONOMY

The Jamaican economy again declined by registering a growth rate of negative 0.4 percent, in comparison to the negative 0.5 percent recorded in 1998, again missing the targeted 2 – 3 percent growth margin. The economy appears to be slowly recovering from the lengthy recession caused by financial sector difficulties and a lengthy drought, as recently pointed out by the IMF. However, much work needs to be done in many areas, as hot on the heels of the IMF's optimistic outlook, comes the news that Jamaica was "ranked as one of the most risky of the emerging markets in which to invest".

The current GDP target of 1.5% for 2000/2001 may also be missed and the more "risky" out-turn of 0.5% is more likely, due to a slower than expected fall in interest rates and sluggish economic recovery.

While the government has proposed to provide jobs in the IT, small business and garment sectors via the production train, it faces the immediate impact of

high unemployment and job market tightness, bolstered by the recent massive spate of redundancies from Grace, Ciboney, Sarah Lee, JPSCo, BNS, D&G, and the proposed cut in the island's teaching staff. These redundancies may contribute to the already dangerous level of crime being experienced by the country, which could have consequences for the business and services sector. These factors coupled with the slower-than-expected recovery in the financial and agricultural sectors, may result in the government not attaining its 2001/2002 growth targets. However, Jamaica is expected to benefit from recent developments in trade, where the country is fully eligible for the preferential trade provisions via the expanded Caribbean Basin Initiative (CBI), which gives us greater duty free access to the US market.

Monetary Developments

Monetary policy balanced the desire to maintain low inflation rates with the need to facilitate a reduction in interest rates

while maintaining stability in the foreign currency market. Interest rates on government benchmark 6-month treasury bills (T-bill) trended down over the year with the exception of a spike in November before again beginning a downward trend into the latter part of the fiscal year. The spike resulted from the government's domestic borrowing to compensate for the fallout in programmed external funding. The six-month T-bill fell to 17.04% in August 2000, as compared to 20.63% in August of 1999.

Keeping with the downward trend of interest rates, the BOJ gradually reduced the Reverse Repurchase Rates (repos) over the course of the fiscal year. The rate on 30-day repos declined from 20.75% at end of FY 98/99 to 17.3% at the end of FY 1999/00 and stood at 16.45% during August of 2000. Commercial banks' average loan rates declined from 39% at the beginning of the fiscal year to approximately 34% at March and stood at 32.75% in August. Average savings rates have declined from 11.50% in August of 1999 to 10.11% in August of 2000. The spread

between commercial banks' savings and loan rates narrowed by 4 percentage points over the period. Also in keeping with declining interest rates, cash reserve requirements were reduced by 1% in June and September 2000.

Declining interest rates are a key element of the government's fiscal programme, and are expected to continue their downward trend throughout the rest of 2000 into 2001. However, the 4% "temporary" hike in the BOJ's 9 and 12 month reverse repurchase rates at the beginning of October, may impact on these downward trends. Given the trend of slowly declining rates over the past six months, the Government may miss its 14% target set for the end of 2000 by 1 ½ to 2 percentage points.

During the latter part of the 1999 calendar year, money supply (M2) had been increasing at an average rate of just under 20 percent, but has since tapered off. The net growth rate of M2 for the January to May 2000 period was 1.1%, which is less than the 7.3% recorded for the same period in 1999.

Base Money has declined by 4.61% over the twelve months ending July 2000, in comparison to an 8.2% reduction for the corresponding period in 1999. The contraction in base money has been as a result of tabled reductions in the cash reserve ratio for financial institutions. The ratio is tabled to decrease by 1% every three months to the end of the year. This has thus far been achieved in June and September, with the final reduction scheduled for December 2000. The freeing up of liquidity that these reductions facilitate to both private and public sector agents may not be readily accessible by the former, who may be crowded out of the market by heavy public sector borrowing. The marginal decline in base money thus far in 2000 is an indication that government is concentrating on achieving some semblance of growth.

Foreign Exchange Developments

The decline in interest rates as well as the delay in accessing the international capital market led to some pressure in the foreign currency market during the latter part of the fiscal year. Intervention

by the BOJ, however, facilitated an orderly depreciation, and pressure on the currency was relieved with the inflow of Euro 200 million raised on the international capital market as well as US\$100 million from the forward sale of bauxite.

However, many interventions by the BOJ did not stem the tide of the recent depreciating bilateral exchange rate between the J\$ and US\$. The exchange rate of the J\$ to US\$ began at J\$41.48 in January 2000, and had slipped by \$1.93 by the last trading day in August 2000. The Jamaican dollar lost \$1.69 in September 2000 alone, and had reached a high of J\$45.24 during the first week of October 2000. In an effort to stem the slide in the dollar, the BOJ surprisingly hiked interest rates on its 9 and 12 month repo rates, which has seen the dollar bouncing back to under J\$45.00. The BOJ has since been intervening heavily in the market to sustain the rate. The dollar may level off within the J\$44.00 to J\$45.50 range for the rest of the year, given the current level of BOJ intervention. However, after the current interventions are curtailed,

the dollar may continue depreciating but at a much reduced rate.

The BOJ had previously been intervening heavily in the market, but since the introduction of the Staff Monitored Program, there has been a slight change in the BOJ's intervention policy. This may be in accordance with the SMP objective of intervening only to deal with temporary pressures on the exchange rate, allowing it to reflect underlying market conditions. According to the SMP, the government believes that economic policy should seek to avoid loss of competitiveness as measured by the real effective exchange rate for the Jamaica dollar, which should not appreciate in the current medium-term macroeconomic framework.

The NIR declined during the latter stages of 1999, before showing a strong upturn in March and achieving record levels in August. The NIR stood at US\$935.35Mn at the end of August, an increase of US\$444.59Mn over the previous years' figure, which represents 18.2 weeks of imports, unprecedented in recent times. This upturn is mainly due to the sale of

two cellular licenses and successful issuance of a Eurobond and a US\$225Mn 7-year bond on the international capital market. During the latter stages of 1999 the draw down in the NIR may have been attributed to the BOJ's attempt to defend the local exchange rate, as well as investment outflows in the form of debt repayment and the current account deficit. The current level of the NIR is on par with government's monthly NIR targets and the US\$1.2Bn target for the end of 2001/02. Barring any significant capital flight, these indicators suggest that the reserve position is comfortable and should not be particularly vulnerable in the near term. However, exchange rate developments accompanied by the BOJ's heavy defense of the dollar, and further debt servicing costs could impact negatively on the achievement of these targets.

In the twelve months to June 2000, the stock of foreign currency deposits increased by US\$85.3Mn compared to a US\$36.1Mn increase for the same period in 1999. The deposits stood at US\$1,049.55Mn at the end of August

2000. However, this has not been enough to stem the increased demand for the US\$, which has contributed to the nominal depreciation of the bilateral exchange between the J\$ and US\$.

Prices

Despite the decline in interest rates and supply side shocks from the increase in the price of international crude oil, single digit inflation has been maintained. For the January to July period inflation was 4.6%, which bodes well for another single digit out-turn for the calendar year. Though not achieving the targeted inflation rate band of 4% to 6% for the fiscal year, it is unlikely that there will be rapid price increases and destabilisation of the macro-economic environment. The government has instead chosen to focus on lowering interest rates, which is thought to be integral to resuming growth. The out turn for FY 1999/00 was 8.44% compared to 5.9% for the corresponding period of 1998/99. This partly reflected higher rates for electricity, due to the imposition of a special tariff, as well as record high oil price levels on the international market. Monthly inflation rates have hit 1% only

twice – in April and July thus far, which may partly be attributed to the push-factors of severe drought conditions, oil price increases and exchange rate depreciation. Further proposed rate increases in electricity for September 2000 may also have a negative impact.

External Developments

Balance of Payments (BOP) developments were less favourable for the latter part of 1999 than in 1998. An increase in the current account deficit and official investment outflows contributed to the overall BOP deficit of US\$131.3Mn for the FY to December, compared with US\$13.1Mn in 1998. The capital and financial accounts recorded net inflows, but the increase in private flows was not enough to compensate for official outflows, which led to a US\$131.0Mn draw down of the NIR. However, for the January to April 2000 period, growth was seen in merchandise exports, which was influenced by respective increases in major traditional, other traditional and non-traditional exports.

Government

FINSAC has continued its efforts to divest the assets of the various entities under its control. Disposal of hotels, commercial and residential real estate, and other assets amounted to approximately J\$7.0 billion during the financial year. The recent restructuring of NCB, the sale of LOJ, Crowne Plaza Hotel and Navy Island should also help to reduce its debt burden.

There was some level of improvement in Government finances for the fiscal year. Preliminary data from the BOJ indicates a fiscal deficit of 4.5% of GDP, in line with the medium term fiscal programme (4.6% target) to achieve a sustainable fiscal balance. Contributing to this achievement of the fiscal deficit target was the identification of alternative revenue sources, reductions to capital expenditure, and implementation of a debt strategy to minimise the cost of debt servicing. However, despite the debt servicing strategy, domestic debt servicing costs increased to 72% of total expenditure, up 14 percentage points over the ratio in financial year 1998/99. The increase was attributable to a slower

than programmed reduction in interest rates and heavier than expected delays in accessing external financing. Although tax receipts were 3.8% below projections, they were 13.5% higher than that for FY 1998 / 1999, reflected in new tax measures and increased tax compliance.

The Government's external borrowing remains on target, as they were able to successfully meet the US\$400Mn targeted to be raised in hard currency, through the forward sale of aluminium, a Eurobond issue and increased borrowing on the local market in early 2000. However, the level of debt increased for FY 1999/2000, estimated at J\$307,562.1Mn (excluding FINSAC), an increase of J\$45,226.4Mn over the previous FY. External debt fell marginally during April and the recent US\$150Mn IADB loan approval should help to monetise some of the debt racked up by FINSAC. The World Bank is also expected to approve a similar sized loan, while the CDB is to throw in US\$25Mn to assist in the disposition of assets accumulated by FINSAC.

Tourism

Growth in tourism arrivals increased over the FY to February despite the negative impact on arrivals caused by fears of the effects of the millennium bug on travel safety. For calendar year 1999, tourist arrivals stood at 2 million, a 6% increase over 1998, with estimated earnings approximately the same as the previous year. For the January to July 2000 period, 6.4% more stopover and 17% more cruise passengers visited the island. The disturbing trend of a slower than expected increase in the cumulative expenditure of visitors, may be attributed to shorter stopover times. The outlook for tourism, Jamaica's major foreign exchange earner, is expected to see continued growth in the next year benefiting from the strong U.S., Canadian and European economies. However, the recent developments with the proposed pull out of Princess and Carnival cruise lines, two of the largest in the world, along with the departure of the largest airline carrier of European tourists to the island, may retard this sector's growth.

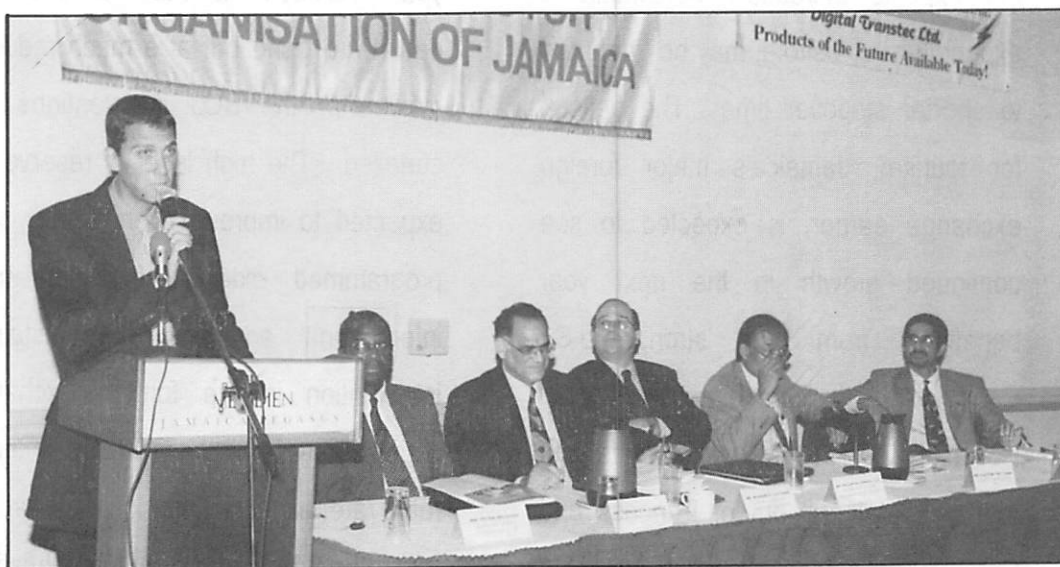
Outlook

Inflation is expected to remain in single digits, but miss Government's projected target. The main inflationary shocks during the upcoming months are expected to come from domestic food price inflation from the long drought, upward adjustment in electricity rates and high crude oil prices. The exchange rate is projected to taper off between the J\$44.00 and J\$45.00 range, given the current sustained level of BOJ intervention, throughout the rest of the year. However it may continue its downward trend but at a much reduced rate, after the BOJ interventions are curtailed. The high level of reserves is expected to improve even further, with programmed external financing from international agencies, but sustained intervention in the foreign exchange market may derail this outlook. Interest rates are expected to continue falling, facilitated by single digit inflation, programmed lowering of cash reserve ratio, prospective strong international reserves and continued reduction in the fiscal deficit. However, the real effect of the recent "temporary" hike in some rates remains to be seen. The reduction

in the fiscal deficit should be achieved through divestment proceeds, improved revenue collection and reduced expenditure.

The approval by the IMF of the Staff Monitored Program provides positive signal to international financial markets, but some of the gains to be had may be eroded by a recent report which listed Jamaica as "one of the riskiest emerging markets" in which to invest. Overall

growth in the economy is mainly expected to come from the strong services sector, the Information Technology and Manufacturing sectors and the much lauded "production train". The slower than expected recovery in Agriculture, Bauxite and the Financial sectors, coupled with a slower than expected decline in interest rates, may lead to a sluggish economic recovery ■



Mr. Peter Melhado, Honorary Treasurer and Chairman of the PSOJ's Economic Policy Committee (left), welcoming participants to the Organisation's annual economic seminar in June 2000. Among the presenters were (from left) Dr. Terrence Farrell (Guardian Holdings Ltd.) and Messrs. Richard Fletcher (IDB), William McConnell CD (PSOJ Vice President), Gladstone "Ray" Chang (C.I. Fund Management Inc.), and Charles Ross (PSOJ's Executive Director).

THE NATION

The disappointing economic performance continues to take its toll on the business community and the wider society. Over the past year we have seen a number of closures in the manufacturing sector and many firms are still undergoing restructuring exercises as they seek to reshape their businesses for survival in a difficult economic environment. A number of apparel manufacturers have closed their operations here in Jamaica and the cigar manufacturers Cifuentes y Cia have also ceased to produce cigars in Jamaica after many years of carrying on business here. The operations of many of these firms have been relocated to other countries in the region, such as the Dominican Republic, Mexico and Honduras. Our conglomerates have also been restructuring with both Grace, Kennedy and the Mechala Group selling off loss-making or marginal subsidiaries in order to concentrate on their more profitable operations.

The job losses in the private sector have been accompanied by retrenchment in

the public sector as well, with agencies like the JPSCo laying off staff and the Ministry of Education laying off teachers. The lack of growth in the economy has lead to a situation where new job opportunities are not being created at a pace that can absorb those who are being made redundant and this is no doubt contributing to the very unsettled social situation that prevails at present. The level of violent crime continues to be a matter of great concern and has remained at the top pf the public's agenda. New anti-crime initiatives have been promised but they have not yet yielded the desired result of lowering the very high murder rate. Problems in the prisons and lock-ups that have led to frequent escapes and other disturbances have not helped to increase public confidence in the authorities' ability to deal effectively with the situation.

Fortunately, all has not been doom and gloom as our sports men and women have continued to perform very well at the highest levels of international competition and this has certainly

boosted national morale. Our Olympic team won 7 medals at the Sydney Games, the largest haul ever and this was followed by Veronica Campbell capturing two gold medals at the World Youth Championships by taking the sprint double. The Reggae Boyz are through to the final phase of the CONCAF Zone World Cup qualifiers and are therefore still in with a chance of completing the Road to Seoul. The team has been rejuvenated by its new Technical Director Clovis de Oliveira and we look forward to following its progress

through the rest of the qualifying matches.

Finally, back on the economic front, all eyes are now focused on the information technology sector as the government presses ahead with its plan to make this sector a major source of new jobs over the next three years. Some new investment has started in the sector and new facilities are being built in Portmore and in Montego Bay. We hope that the sector will indeed live up to the promise that it seems to hold ■



PSOJ member Oliver Jones poses a question to Professor Howard Stein at the PSOJ's Breakfast held at the Terra Nova Hotel in September 1999. Professor Stein was the Guest Speaker at the function. Seated beside Professor Stein is JHTA President James Samuels.

THE ORGANISATION

Our incumbent President, Mr. Peter Moses, was returned unopposed at our Council meeting in December 1999. Mr. Richard Coe resigned as an officer late in the year as a result of his assignment to a position in the head office of Courts in the UK, and the following changes in the Officer Corps took place: Messrs. Anthony Barnes, William McConnell, C.D. and Richard Byles were elected Vice Presidents and Messrs. Peter Melhado and John Irving were elected Hon. Treasurer and Hon. Secretary respectively. The Jamaica Chamber of Commerce rejoined the PSOJ during the latter half of 1999 and the following seven associations were elected en bloc to the Executive Committee:

President, JBA	-	Mr. William Clarke
President, JCC	-	Mr. Anthony Chang
President, JEA	-	Mrs. Beverley Lopez
President, JEF	-	Dr. Neville Ying

President, JHTA	-	Mr. James Samuels
President, JMA	-	Mr. Clarence Clarke
President, SBAJ	-	Ms. Andrea Graham

With the JCC again a member of the PSOJ, the Organisation was able to concentrate on dialogue with the government and the wider public. We have continued the discussions that led to the signing of the MOU with the government and we have continued to follow up on the new pieces of legislation, which will affect both business and the society in general. A considerable amount of new legislation is in the pipeline and this includes a new Companies Act, amendments to the labour relations and Industrial Disputes Act and a new supervisory body for the financial sector. Your Organisation will continue to keep up to date on these and other developments and will not hesitate to make representations at the highest level if necessary ■

THE COMMITTEES

Economic Policy:

Mr. Peter Melhado (Chairman)
Mr. Richard Powell
Mr. Vivian Brown
Mr. Richard Byles
Mr. Colin Steele
Mr. Anthony Barnes
Mr. Karl James
Mr. James Samuels
Mr. Kevin Hendrickson
Mrs. Cathy Parke-Thwaites
Mr. Robert Wynter
Mr. Noel DaCosta
Mr. Roy Collister
Mr. Clarence Clarke
Mr. Charles Ross
Mr. Jason Morris

- Manufacturers Merchant Bank
- Wray & Nephew Group Ltd.
- ICWI Group Ltd.
- Pan Jamaican Investment Trust Ltd.
- Mechala Group Ja. Ltd.
- Grace, Kennedy & Co. Ltd.
- Jamaica Exporters' Association
- Terra Nova Hotel
- Jamaica Hotel & Tourist Assn.
- Jamaica Bankers' Association
- Small Businesses' Assn. of Jamaica
- Jamaica Employers' Federation
- Jamaica Chamber of Commerce
- Jamaica Manufacturers Association
- PSOJ
- PSOJ

Electoral Reform:

Mr. Phillip Gore
Mr. Neville James
Mr. Joseph A. Matalon
Mr. Patrick Brissett
Mrs. Gloria Moodie
Miss Megan Deane
Mr. Tony Ray
Mrs. Cathy Parke-Thwaites
Mr. Charles Ross

- Gore Developments Ltd.
- KLAS FM
- Jamaica Developers Association
- Small Businesses' Assn. of Jamaica
- Jamaica Hotel & Tourist Assn.
- Jamaica Exporters' Association
- Jamaica Employers' Federation
- Jamaica Bankers' Association
- PSOJ

Environment:

Dr. David Smith (Chairman)
Mr. Stephen Parris
Mrs. Carolyn Hayle
Mrs. Rita Hilton
Mrs. Eleanor Jones
Mr. Albert Francis
Mr. Richard Gayle
Mr. Winsome Townsend
Miss Marcia Ormsby

- JCDDT
- Caribbean Cement Company
- UWICED
- Marketing Development Ltd.
- Environmental Solutions Ltd.
- Alframec Ltd.
- Alcan Jamaica Company
- NRCA
- PSOJ

Investment:

Mr. William McConnell, CD (C'man)
 Mr. William Clarke
 Mr. Richard Powell
 Mr. Peter Melhado
 Mr. Mark Golding
 Mr. Sameer Younis, C.D., J.P.
 Mr. Karl James
 Dr. Neville Ying
 Mr. James Samuels
 Mrs. Cheryl Phillips
 Mr. Howard Hamilton
 Prof. Alvin Wint
 Mr. Peter Morris
 Mrs. Marlene Sutherland
 Mr. Wayne Sutherland
 Mr. Charles Ross

- Wray & Nephew Group Ltd.
- Jamaica Bankers' Association
- Wray & Nephew Group Ltd.
- Manufacturers Merchant Bank
- Dehring, Bunting & Golding
- Jamaica Manufacturers Assn.
- Jamaica Exporters' Assn.
- Jamaica Employers Federation
- Jamaica Hotel & Tourist Assn.
- Small Businesses Assn. of Ja.
- Jamaica Chamber of Commerce
- Dept. of Management Studies, UW
- The Jamaica Producers Group Ltd
- Carreras Group Ltd.
- Jamaica Exporters' Association
- PSOJ

Membership:

Mr. Richard Coe (Chairman up to Dec. 1999)
 Mr. John Burrowes (Chairman as of Jan. 2000)
 Mr. Andre Gordon
 Mrs. Michelle Hamilton
 Mr. Charles Ross
 Mrs. Carol Salmon
 Miss Marcia Ormsby
 Mrs. Ann Marie Hendriks
 Mr. Derek Luk Pat
 Mrs. Suzette Smellie-Tomlinson
 Mr. David Garel

- Courts (Jamaica) Ltd.
- McCann Erickson (Ja.) Ltd.
- Kingston Industrial Garage
- MAPCO Business Printers Ltd.
- PSOJ
- PSOJ
- PSOJ
- PSOJ
- Sweetheart Jamaica Ltd.
- Trafalgar Development Bank
- Prime Life Assurance Co. Ltd.

National Crime Prevention Fund:

Mr. Lester Spaulding (Chairman up to)
 Mr. Mike Hirst (Deputy Chairman)
 Mrs. Jennifer Cheesman
 Maj. Gen. Robert Neish
 Mr. Neville James
 Dept. Supt. James Forbes
 Mr. Leon Mitchell
 Mrs. Prudence Gentles
 Mr. Charles Ross
 Mrs. Carol Salmon

- Radio Jamaica Ltd.
- McCann Erickson (Ja.) Ltd.
- Secretary/NCPF
- MONEX Limited
- KLAS FM
- Police Information Centre
- CVM Television
- Coordinator/Crime Stop
- PSOJ
- PSOJ

Standing Committee on National Security:

Maj. Gen. Robert Neish (Chairman)
Mr. Francis Forbes
Maj. George Benson
Mr. Julian Templer
Dpty. Supt. James Forbes
Mrs. Elaine Baker
Mr. Mike Hirst
Maj. Gen. John Simmonds
Mr. Lester Spaulding
Mrs. Prudence Gentles
Mr. Lazarus Bucknor
Mr. David Allan
Mr. Paul Hire-Miller
Mr. Charles Ross

- MONEX Limited
- Commissioner of Police
- Jamaica Fire Brigade
- National Safety Limited
- Police Information Centre
- Ministry of National Security
- McCann Erickson (Ja.) Ltd.
- Jamaica Defence Force
- Radio Jamaica Limited
- Crime Stop
- BAP Company Limited
- Commissioner of Police Office
- Lascelles DeMercado & Co. Ltd.
- PSOJ

Trade Policy:

Mr. Anthony Barnes (Chairman)
Amb. Peter C.V. King (Chairman)
Rt. Hon. Hugh L. Shearer
Mr. Peter Moses
Mrs. Lisa McGregor-Johnston
Sir Alister McIntyre
Ambassador Ellen Bogle
Prof. Alvint Wint
Mr. Clifford Hall
Mr. Ransford Smith
Ms. Vivia Betton
Mrs. Cathy Parke-Thwaites
Mr. Craig Lawrence
Mr. Patrick Smith
Mrs. Ann-Marie Feanny
Ambassador Richard Pierce
Mr. Anthony Gomes
Mrs. Pauline Gray
Mr. Charles Ross

- Grace Kennedy & Company Ltd.
- Peter King & Associates
- Bustamante Industrial Trade Union
- Citibank N.A.
- Jamaica Producers Group Ltd.
- Vice Chancellor, UWI
- Min. of For. Affairs & For. Trade
- Dept. of Management Studies, UWI
- Min. of Industry & Investment
- Min. of Industry & Investment
- Min. of For. Affairs & For. Trade
- Jamaica Bankers' Association
- Min. of For. Affairs & For. Trade
- Carreras Group of Companies
- Livingston Alexander & Levy
- Jamaica House
- Jamaica Chamber of Commerce
- Jamaica Exporters' Association
- PSOJ

Education Committee:

Ms. Greta Bogues (Chairman)
 Dr. Ben Henry
 Mr. Ward Mills
 Mr. Peter Hall
 Mrs. Marie Hitchins
 Mrs. Sheilah Garcia-Bisnott
 Mr. Linton Smith
 Mr. Balfour Henry
 Mrs. Jem Woolery
 Mrs. Jeanne Robinson
 Ms. Christine Phillips

- Jamaica Institute of Bankers
- Sandals Resorts Int'l. Limited
- Grace, Kennedy & Co. Limited
- Desnoes & Geddes Limited
- Fabric Consultants Limited
- MRC Learning Centre
- Profitable Corporate Solutions
- The Gleaner Company Ltd.
- Cable and Wireless Ja. Ltd.
- ICWI Group Foundation
- Life of Jamaica Limited

Energy Committee:

Mr. Nicholas Shorthouse (Chairman)
 Mr. Tony Berkhout
 Mr. Glen Sosa
 Mr. Trevor Edghill
 Mr. Steven Mackay
 Mr. Neville Marsh
 Mr. Owen Russell
 Mr. Aston Hobbins
 Mr. Ron Santicola
 Mr. Roy d'Cambre

- The Shell Co. (W.I.) Ltd.
- The Shell Co. (W.I.) Ltd.
- Esso Standard Oil (SA) Ltd.
- Texaco Caribbean Inc.
- Industrial Gases Ltd.
- Epping Oil Company Ltd.
- Jampet Service Station
- United Petroleum (Ja.) Ltd.
- Cool Oasis Limited
- National Fuels & Lubricants Co.

THE SECRETARIAT



FRONT ROW: (From left) Devon Nicholson (Messenger), Donna Palmer (Office Attendant), Carol Salmon (Director – Finance & Membership), Cecil Lindo (Caretaker), Evett Evans-Coombs (Executive Assistant to the Executive Director)

BACK ROW: (From left) Charles Ross (Executive Director), Ann Marie Hendriks (Accountant and Membership Coordinator), Celia Barnes (JaMAC Coordinator), Marcia Ormsby (Communications Manager), Jason Morris (Research Economist) and Karen Payton (Communications Assistant).

MISSING FROM PHOTO: Angella Williams (Office Attendant) and Keron Hall (Secretary)

FINANCIAL STATEMENTS

THE PRIVATE SECTOR ORGANISATION OF JAMAICA

Financial Statements

31 July 2000

Private Sector Organisation of Jamaica Limited

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31 July 2000

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PricewaterhouseCoopers
Scotiabank Centre
Duke Street
Box 372
Kingston Jamaica
Telephone (876) 922 6230
Facsimile (876) 922 7581

13 November 2000

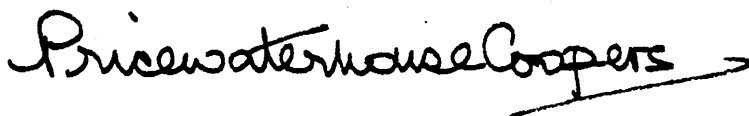
To the Members of
Private Sector Organisation of Jamaica Limited

Auditors' Report

We have audited the financial statements set out on pages 1 to 15. These financial statements are the responsibility of the directors and management. The directors and management are required to select suitable accounting policies and then apply them consistently, make judgements and estimates that are reasonable and prudent, follow applicable accounting standards and prepare the financial statements on a going concern basis unless it is inappropriate to presume that the group and the company will continue in business. The directors and management are responsible for keeping proper accounting records, for safeguarding the assets of the company and the group, and for the prevention and detection of fraud and other irregularities. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with standards on auditing generally accepted in Jamaica. Those standards require that we plan and perform the audit to obtain all the information and explanations which we considered necessary to provide us with reasonable assurance that the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. It also includes assessing the accounting principles used and significant estimates made by the directors and management, as well as evaluating the overall financial statements presentation. We believe our audit provides a reasonable basis for our opinion.

In our opinion, proper accounting records have been kept 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 as at 31 July 2000 and of the results of operations and cash flows of the group, and changes in equity of the group and the company for the year then ended, so far as concerns the members, and have been prepared in accordance with Jamaican generally accepted accounting principles and comply with the provisions of the Jamaican Companies Act.



Chartered Accountants
Kingston, Jamaica

Private Sector Organisation of Jamaica Limited
Group Profit and Loss Account
Year ended 31 July 2000

	Note	2000 \$'000	1999 \$'000
Revenue			
Subscriptions and contributions	3	7,103	9,017
Other	3	6,646	4,892
		<u>13,749</u>	<u>13,909</u>
Expenses			
Administration expenses		<u>(15,087)</u>	<u>(15,074)</u>
Operating Loss	4	(1,338)	(1,165)
Finance income, net	6	936	2,982
NET (LOSS)/PROFIT		<u>(402)</u>	<u>1,817</u>

Private Sector Organisation of Jamaica Limited

Group Balance Sheet

31 July 2000

	Note	2000 \$'000	1999 \$'000
NET ASSETS EMPLOYED			
Fixed Assets	8	3,158	3,552
Discount on Issue of Debentures	9	36	45
Premium on Redemption on Debentures	10	59	66
Investments	11	14,028	12,821
Current Assets			
Receivables	12	633	1,081
Taxation recoverable		390	199
Cash	13	1,954	1,607
		2,977	2,887
Current Liabilities			
Payables	14	2,898	3,861
Subscriptions received in advance		1,546	1,050
Current portion of long term liabilities	17	79	78
Bank overdraft	13	-	157
		4,523	5,146
Net Current Liabilities		(1,546)	(2,259)
		15,735	14,225
FINANCED BY			
Capital Reserve	15	4,531	4,531
Accumulated Deficit		(1,450)	(1,048)
		3,081	3,483
Special Project Funds	16	11,441	9,450
Long Term Liabilities	17	1,213	1,292
		15,735	14,225

Approved by the Board of Directors

Peter Moses

President

Peter Melhado

Treasurer

Private Sector Organisation of Jamaica Limited
Group Statement of Changes in Equity
Year ended 31 July 2000

	Capital Reserve	Accumulated Deficit	Total
	\$'000	\$'000	\$'000
Balance at 1 August 1998	4,531	(2,865)	1,666
Net profit	-	1,817	1,817
Balance at 31 July 1999	4,531	(1,048)	3,483
Net loss	-	(402)	(402)
Balance at 31 July 2000	4,531	(1,450)	3,081

Private Sector Organisation of Jamaica Limited
Statement of Group Cash Flows
Year ended 31 July 2000

	2000 \$'000	1999 \$'000
CASH RESOURCES WERE PROVIDED BY/ (USED IN):		
Operating Activities		
Net (loss)/profit	(402)	1,817
Items not affecting cash resources:		
Depreciation	464	508
Amortisation of discount on issue of debentures	9	9
Amortisation of premium on redemption of debentures	7	7
Diminution of investment in quoted stocks	-	242
Gain on sale on sale of investments	-	(1,989)
Gain on disposal of fixed assets	-	(470)
	<u>78</u>	<u>124</u>
Change in non-cash working capital components:		
Receivables	448	(293)
Taxation	(191)	(99)
Payables and accruals	(963)	(1,158)
Subscriptions received in advance	496	(257)
	<u>(210)</u>	<u>(1,807)</u>
Cash used in operating activities	<u>(132)</u>	<u>(1,683)</u>
Investing Activities		
Purchase of investments	(1,207)	(13,032)
Proceeds from sale of investments	-	14,055
Proceeds from disposal of fixed assets	-	541
Purchase of fixed assets	(70)	(866)
Cash (used in)/provided by investing activities	<u>(1,277)</u>	<u>698</u>
Financing Activities		
Special project funds	1,991	985
Long term loan received	-	572
Repayment of long term loan	(78)	(33)
Cash provided by financing activities	<u>1,913</u>	<u>1,524</u>
Increase in cash and cash equivalents	504	539
Cash and cash equivalents at beginning of year	<u>1,450</u>	<u>911</u>
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	<u><u>1,954</u></u>	<u><u>1,450</u></u>

Private Sector Organisation of Jamaica Limited
Company Balance Sheet
31 July 2000

	Note	2000 \$'000	1999 \$'000
NET ASSETS EMPLOYED			
Fixed Assets	8	981	1,308
Investments	11	14,028	12,821
Investment in Subsidiary		65	65
Current Assets			
Receivables	12	633	1,081
Taxation recoverable		376	185
Cash	13	1,947	1,600
		2,956	2,866
Current Liabilities			
Payables	14	2,273	3,283
Subscriptions received in advance		1,546	1,050
Due to subsidiary		1,124	1,045
Current portion of long term liabilities	17	79	78
Bank overdraft	13	-	157
		5,022	5,613
Net Current Liabilities		(2,066)	(2,747)
		13,008	11,447
FINANCED BY			
Capital Reserve	15	3,148	3,148
Accumulated Deficit		(2,006)	(1,655)
		1,142	1,493
Special Project Funds	16	11,441	9,450
Long Term Liabilities	17	425	504
		13,008	11,447

Approved by the Board of Directors

Peter Moses President

Peter Melhado Treasurer

Private Sector Organisation of Jamaica Limited
Company Statement of Changes in Equity
Year ended 31 July 2000

	Capital Reserve	Accumulated Deficit	Total
	\$'000	\$'000	\$'000
Balance at 1 August 1998	3,148	(3,514)	(366)
Net profit	-	1,859	1,859
Balance at 31 July 1999	3,148	(1,655)	1,493
Net loss	-	(351)	(351)
Balance at 31 July 2000	3,148	(2,006)	1,142

Private Sector Organisation of Jamaica Limited

Notes to the Financial Statements

Year ended 31 July 2000

1. Identification and Activities

The company is incorporated in Jamaica as a company limited by guarantee and not having share capital. The liability of each member, in the event of a winding up, is limited to \$2. At 31 July 2000 the company had 212 members (1999 – 233).

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

These financial statements are presented in Jamaican dollars.

2. Significant Accounting Policies

(a) Accounting convention

These financial Statements have been prepared in accordance with and comply with Jamaica Accounting Standards, and have been prepared under the historical cost convention.

(b) Use of estimates

The preparation of the financial statements in conformity with the Jamaican generally accepted accounting policies requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

(c) Basis of consolidation

The consolidated financial statements include the financial statements of the company and its wholly-owned Jamaican subsidiary, Private Sector Organisation of Jamaica (Holdings) Limited, made up to 31 July 2000.

(d) Fixed assets and depreciation

All fixed assets are stated at cost, less accumulated depreciation. Fixed assets, except for freehold land on which no depreciation is provided, are depreciated on a straight line basis at annual rates estimated to write off the assets over their expected useful lives. The annual depreciation rates are as follows:

Freehold buildings	2½%
Furniture and equipment	10%
Motor vehicles	20%

(e) Special projects funds

Amounts donated in respect of specific projects are credited directly to special project funds and do not pass through the profit and loss account. Approved expenses relating to these projects are deducted directly from the respective project fund.

(f) Capital donations

Fixed assets that are donated are valued at cost at the time of supply and the resulting surplus is credited to capital reserves.

Private Sector Organisation of Jamaica Limited

Notes to the Financial Statements

Year ended 31 July 2000

2. Significant Accounting Policies (Continued)

(g) Foreign currencies

Foreign currency balances at the balance sheet date are translated at the rates of exchange ruling on that date. Transactions in foreign currencies are converted at the rates of exchange ruling at the date of those transactions. Gains and losses arising from fluctuations in exchange rates are included in the profit and loss account.

(h) Financial instruments

Financial instruments carried on the balance sheet include investments, cash and bank balances, receivables, payables, subscriptions received in advance and long term liabilities. The particular recognition methods adopted are disclosed in the individual policy statement associated with each item. The fair values of the company's financial instruments are discussed in Note 18.

(i) Revenue recognition

Income is recognised on the accrual basis. A provision is made against members' subscriptions in arrears in excess of one year.

(j) Receivables

Receivables are carried at anticipated realisable value. An estimate is made for doubtful receivables based on a review of all outstanding amounts at the year end. Bad debts are written off during the year in which they are identified.

(k) Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise cash at bank and in hand net of bank overdraft.

(l) Employee benefit costs

The company operates a defined contribution plan, the assets of which are generally held in a separate trustee-administered fund. The pension plan is funded by payments from employees and by the company. The company's contributions to the plan are charged to the profit and loss account for the year to which it relates.

(m) Comparative information

Where necessary, comparative figures have been reclassified to conform with changes in presentation in the current year. In particular, the comparatives have been adjusted or extended to take into account the requirements of the following new Accounting Standards:

- | | | | |
|------|------------|---|--|
| (i) | JSSAP 3.29 | - | Financial Instruments: Disclosure and Presentation |
| (ii) | JSSAP 3.30 | - | Presentation of Financial Statements |

Private Sector Organisation of Jamaica Limited

Notes to the Financial Statements

Year ended 31 July 2000

3. Revenue

This represents income from membership subscriptions, publications, seminars and other fund-raising activities.

4. Operating Loss

The following items have been charged in arriving at operating loss:

	2000 \$'000	1999 \$'000
Depreciation	464	508
Auditors' remuneration	300	295
Provision for doubtful debts -		
Subscriptions and contributions	217	552
Amortisation of discount on issue of debentures	9	9
Amortisation of premium of redemption of debentures	<u>7</u>	<u>7</u>

5. Staff Costs

	2000 \$'000	1999 \$'000
Wages and salaries	7,361	7,591
Statutory contributions	285	259
Pension costs	104	107
Termination costs	42	56
Other	351	430
	<u>8,143</u>	<u>8,443</u>

6. Finance Income

	2000 \$'000	1999 \$'000
Interest income	1,099	1,223
Interest expense	(163)	(61)
Marketable securities -		
Dividend income	-	73
Gain on sale of investments	-	1,989
Decrease in the market value of investments	-	(242)
	<u>-</u>	<u>1,820</u>
	<u>936</u>	<u>2,982</u>

Private Sector Organisation of Jamaica Limited

Notes to the Financial Statements

Year ended 31 July 2000

7. Taxation

- (a) There was no taxation charge for the current year due to the utilisation of prior year tax losses.
- (b) Taxation is based on the group's results, excluding membership subscriptions, adjusted for taxation purposes.
- (c) Subject to agreement with the Commissioner of Income Tax, losses of the group available for offset against future taxable profits amount to approximately \$2,264,000 (1999 - \$2,340,000) and may be carried forward indefinitely.

8. Fixed Assets

	The Group				Total \$'000
	Freehold Land \$'000	Freehold Buildings \$'000	Furniture and Equipment \$'000	Motor Vehicles \$'000	
At Cost or Valuation -					
At 1 August 1999	389	2,624	2,251	918	6,182
Additions	-	-	70	-	70
At 31 July 2000	389	2,624	2,321	918	6,252
Depreciation -					
At 1 August 1999	-	771	1,759	100	2,630
Charge for the year	-	66	215	183	464
At 31 July 2000	-	837	1,974	283	3,094
Net Book Value -					
31 July 2000	389	1,787	347	635	3,158
31 July 1999	389	1,853	492	818	3,552

Private Sector Organisation of Jamaica Limited

Notes to the Financial Statements

Year ended 31 July 2000

8. Fixed Assets (Continued)

	The Company		
	Furniture and Equipment \$'000	Motor Vehicles \$'000	Total \$'000
At Cost or Valuation -			
At 1 August 1999	2,101	918	3,019
Additions	70	-	70
At 31 July 2000	2,171	918	3,089
Depreciation -			
At 1 August 1999	1,611	100	1,711
Charge for the year	214	183	397
At 31 July 2000	1,825	283	2,108
Net Book Value -			
At 31 July 2000	346	635	981
At 31 July 1999	490	818	1,308

9. Discount on Issue of Debentures

This represents the discount on the issue of the first mortgage debenture stock, being amortised on a straight line basis at 5% per annum (Note 17 (a)).

10. Premium on Redemption of Debentures

This represents the premium on redemption of the second mortgage debenture stock, being amortised on a straight line basis at 5% per annum (Note 17 (b)).

Private Sector Organisation of Jamaica Limited

Notes to the Financial Statements

Year ended 31 July 2000

11. Investments

	The Group & The Company	
	2000 \$'000	1999 \$'000
National Crime Prevention Fund Investments		
Investments held under repurchase agreements -		
Government of Jamaica Local Registered Stock	10,064	8,002
Other Investments		
Investments held under repurchase agreements -		
Government of Jamaica Local Registered Stock	3,924	4,779
Quoted stocks at cost (Market value: \$22,000; 1999 - \$40,000)	40	40
	<u>3,964</u>	<u>4,819</u>
	<u>14,028</u>	<u>12,821</u>

These securities are fixed interest instruments that have a weighted average effective interest rate of 16% - 17% (1999: 19% -21%).

12. Receivables

This balance is shown net of provision for doubtful debts of \$498,000 (1999 - \$2,141,000).

13. Cash and Cash Equivalents

	The Group		The Company	
	2000 \$'000	1999 \$'000	2000 \$'000	1999 \$'000
Cash	1,954	1,607	1,947	1,600
Bank overdraft	-	(157)	-	(157)
	<u>1,954</u>	<u>1,450</u>	<u>1,947</u>	<u>1,443</u>

(a) Cash comprises amounts held in current accounts, which do not attract interest.

(b) The company has a bank overdraft facility of \$1,000,000, secured by a guarantee signed by Private Sector Organisation of Jamaica (Holdings) Limited in favour of the company, stamped to cover \$1,000,000, supported by a first mortgage over commercial property situated at 39 Hope Road, Kingston 10.

Private Sector Organisation of Jamaica Limited

Notes to the Financial Statements

Year ended 31 July 2000

14. Payables

	The Group		The Company	
	2000	1999	2000	1999
	\$'000	\$'000	\$'000	\$'000
Payables	1,746	2,484	1,541	2,372
Accruals	1,152	1,377	732	911
	<u>2,898</u>	<u>3,861</u>	<u>2,273</u>	<u>3,283</u>

15. Capital Reserves

	The Group		The Company	
	2000	1999	2000	1999
	\$'000	\$'000	\$'000	\$'000
The balance comprises:				
Capital grants	1,614	1,614	231	231
Gain on sale of investments	2,917	2,917	2,917	2,917
	<u>4,531</u>	<u>4,531</u>	<u>3,148</u>	<u>3,148</u>

Capital grants comprise the value of assets at the time they were donated to the group, adjusted for subsequent losses or gains on disposals.

16. Special Project Funds

	The Group & The Company	
	2000	1999
	\$'000	\$'000
USAID – Health Sector Initiative Project	767	767
G. Arthur Brown Scholarship Fund	312	274
Peace Fund	1	1
Christmas Eve Explosion Fund	1	1
Farm Fund	1	1
National Crime Prevention Fund	10,064	8,002
Muirton Boy's Home Fund	2	2
Legislative Action Fund	215	215
Environmental Project	78	60
Joint Secretariat	-	127
	<u>11,441</u>	<u>9,450</u>

Private Sector Organisation of Jamaica Limited

Notes to the Financial Statements

Year ended 31 July 2000

16. Special Project Funds (Continued)

The Special Project Funds may only be utilised in accordance with the directions from the various funds and are represented by investments, deposits and cash.

17. Long Term Liabilities

	The Group		The Company	
	2000	1999	2000	1999
	\$'000	\$'000	\$'000	\$'000
Fixed rate instruments:				
1% First mortgage debenture stock (1987/2008)	344	344	-	-
1% Second mortgage debenture stock (1990/2009)	444	444	-	-
21.3% Industrial Finance Limited loan (1998/2000)	-	22	-	22
22% Industrial Finance Limited loan (1999/2004)	504	560	504	560
	<u>1,292</u>	<u>1,370</u>	<u>504</u>	<u>582</u>
Less: Current portion	79	78	79	78
	<u>1,213</u>	<u>1,292</u>	<u>425</u>	<u>504</u>

- (a) The first mortgage debenture stock is secured by a first charge on the freehold property and a floating charge on all other assets and uncalled capital of the subsidiary. The debenture, which is redeemable in 2008 at par, was issued at \$58.08 for each \$100 face value (Note 9).
- (b) The second mortgage debenture stock is secured in the same manner as described in (a) above. The debenture, which was issued at par, is redeemable in 2009 at a premium of \$48 for each \$100 face value (Note 10).
- (c) The 21.3% Industrial Finance Limited loan was fully repaid during the year.
- (d) The 22% Industrial Finance Limited loan is secured by lien on a motor car. The loan is repayable in monthly instalments of \$20,000 ending in April 2004.

Private Sector Organisation of Jamaica Limited

Notes to the Financial Statements

Year ended 31 July 2000

18. Financial Instruments

(a) Currency risk

At 31 July 2000, the group had no assets or liabilities denominated in a foreign currency.

(b) Interest rate risk

The group's income and operating cash flows are substantially independent of changes in market interest rates. Financial assets and liabilities subject to interest include investments, cash and bank balances and long term liabilities. The effective rates and exposure risk of these balances are disclosed in the relevant notes to the financial statements.

(c) Credit risk

The group has no significant concentrations of credit risk. Cash is placed with substantial financial institutions.

(d) Fair value

The estimated fair values of the amounts included in the financial statements for cash and bank balances, receivables, payables and subscriptions received in advance reflect their approximate fair value because of the short term maturity of these instruments. Other financial instruments are as follows:

(i) Long term liabilities

These loans were received at prevailing market interest rates, hence the carrying amounts approximate fair value.

(ii) Quoted stocks

The estimated fair value of quoted stocks is \$22,000 (1999: \$40,000), determined by using the last sale price of the quoted stocks.

(iii) Local registered stocks

These instruments will be held until maturity, hence the carrying amounts are deemed to approximate fair value.

19. Pension Scheme

The company operates a contributory pension scheme for all employees who have satisfied certain minimum service requirements. The scheme, which is a defined contribution plan, is administered by Life of Jamaica Limited.

20. Contingent Liability

The company has guaranteed the interest payments and the redemption of the debenture stocks issued by the subsidiary.

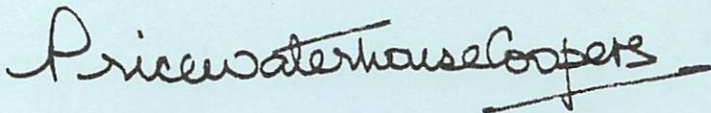
13 November, 2000

To the Directors of
Private Sector Organisation of Jamaica Limited

Auditors' Report

The supplementary information set out on page 16, taken from the accounting records of the company, has been subjected to the tests and other auditing procedures applied in our examination of the company's financial statements for the year ended 31 July 2000.

In our opinion, this information, although not necessary for a fair presentation of the company's state of affairs, results of operations, changes in equity and cash flows, is fairly presented in all material respects in relation to the financial statements taken as a whole.



Chartered Accountants
Kingston, Jamaica

Private Sector Organisation of Jamaica Limited
Company Detailed Profit and Loss Account
Year ended 31 July 2000

	2000 \$'000	1999 \$'000
Revenue		
Management fees	400	400
Subscriptions and contributions	7,103	9,018
Other	6,646	4,892
	<u>14,149</u>	<u>14,310</u>
Expenses		
Audit fees -		
Current year	250	250
Prior year	-	20
Bank charges	55	56
Depreciation	397	442
General expenses	630	463
Insurance	236	264
Lease expense	23	169
Meetings and luncheon	1,373	171
Motor vehicle expense	38	105
Professional services	69	312
Provision for doubtful debts	217	552
Publications	1,066	1,343
Rent	507	507
Repairs and maintenance	408	291
Staff welfare	35	47
Staff costs	8,108	8,396
Stationery	148	181
Travelling and entertainment	401	426
Utilities	1,131	864
Seminar	344	574
	<u>15,436</u>	<u>15,433</u>
Operating Loss	<u>(1,287)</u>	<u>(1,123)</u>
Finance income, net	936	2982
NET (LOSS)/PROFIT	<u>(351)</u>	<u>1,859</u>

ADMINISTRATION

The year currently under review (1999/2000) was a real challenge for the Secretariat. In terms of staffing, the complement has been reduced to twelve (12).

During the year we said goodbye to the following persons:

- Adolph Palmer (Research Economist) in August 1999. He went back to school to complete his Masters Degree in Economics.
- Nina Mighty (Clerk) in October 1999. She went to pursue further studies.
- Winsome Virgo-Bernard (Secretary) in June 2000. She went to another job.
- Annea Ashpole (Research Economist) in June 2000. She migrated.

The position of Research Economist has been filled by the employment of Mr. Jason Morris, graduate from the UWI Masters Programme in Economics. Miss Keron Hall has replaced Mrs. Virgo-Bernard.

Staff Training

Staff training has continued although it has been constrained by the scarcity of resources. Some members of staff were trained in customer service at both Work Force Development Consortium and Leadership Dimensions, and some received training in employability skills at the Workforce Development Consortium.

Staff Benefits

The pension, group life and health benefits are still in place for all permanent members of staff.

Building Environment

Most of the building received some attention during the year. The outside of the building and most of the inside were painted. The passage was carpeted and rails and trunking installed to provide a face-lift in those areas. The boardroom floors were reconditioned (worn parquet tiles replaced, all tiles sanded, polished and lacquered). Ceramic tiles were laid in the receptionist area and the other tiled areas, including the kitchen, were stripped and polished. The table and chair frames in the kitchen were cleaned and painted. The financing for those jobs was supported by donations

received from some of our members, both in cash and kind, and we are very grateful to them for their assistance.

Bathroom facilities are currently in need of a facelift and, with the frequent water lock-offs, our standby water supply needs to be increased.

Some electrical fixtures have received major attention (balancing of the load on the breakers, replacement of the electricity meter, due to damage received by Act of God, replacement of some lamps, as well as some preventative maintenance).

A new split air conditioning unit has been installed in the area occupied by one of our new tenants (JIOB). The building is still in need of additional units to replace the existing ones that are no longer able to provide adequate air for the offices.

Some areas of the roof were repaired and the other leaking areas will also receive attention.

The Joint Secretariat for the Jamaica Bankers Association (JBA) and the

Jamaica Merchant Bankers Association (JMBA) as well as the Jamaica U-Drive Association (JUDA), continue to be housed here. In October 1999 the Secretariat for the Jamaica Institute of Bankers (JIOB) was added. This arrangement continues to provide mutual benefit for all parties.

General preventative maintenance work continues when and where possible.

Items of office furniture which have been worn, damaged, or are no longer needed, have been sent to the Auction House for sale, in order to make space available for the other offices which have to be housed here, including the Secretariat for the Jamaica Youth Business Trust Fund.

Our 24-hour electronic monitoring security system provided by Ranger Alarms has been extended to serve the offices of the JBA and the JIOB.

Periodic pest control services continue to be provided as necessary. There is an immediate need for additional storage space for inactive files and other items.

The existing telephone services, provided by Cable and Wireless Jamaica, are included in the Organisation's plans for upgrading, in order to

facilitate greater efficiency. The Organisation is also finalising the setting up of its Website via the Gleaner Company's Go-Jamaica Website.

Members of staff did not benefit from the usual trip to a local nature spot this year but will be planning one for early in the new year.

G. Arthur Brown Scholarship

The G. Arthur Brown Scholarship Fund has been considerably reduced and the Organisation is working with the Jamaica Merchant Bankers Association/Jamaica Bankers Association to merge funds in order to provide a greater benefit to the awardees.

Hall Of Fame

The Organisation, on Tuesday, April 18, 2000, inducted the Hon. John Issa, OJ, into the Private Sector Hall of Fame. The gathering was addressed by Mr. William 'Bill' Rhodes, Vice Chairman of CitiCorp and former head of Citibank's Jamaica operations in the 1960's.

The dinner was a success and was held on the lawns of King's House. Their

Excellencies, the Governor-General and the Most Honourable Lady Cooke as well as a large number of PSOJ members and their friends were in attendance.

Communication

Staff meetings continue to be held at frequent intervals and internal communication continues to be reviewed with the aim of improving what currently exists.

Fax transmission, Internet and E-Mail facilities are being utilised more as means of communicating with our members and the wider business community. We continue to explore other ways of communicating more effectively and efficiently.

Mr. Peter Moses continues to serve his second term as President of the Organisation after being elected to that office in December 1998.

Library

Culling of the library is continuing in an effort to better provide for research assignments.

Boardroom Facilities

The boardrooms have been proving very convenient for the meetings held by our tenants

and for a few charity organisations such as the CVSS and United Way.

Donations

The Organisation donated its outdated computers to the Computer Workshop at the University of Technology to be used by students in their practical training sessions.

Computerization

The Organisation is currently upgrading its complement of computers with new multimedia machines.

The computer network has also been upgraded and expanded, with a new hub being installed and the provision made for all our computers to now be on the network ■



PSOJ President Peter Moses (left) makes an important point to the Hon. Anthony Hylton, Minister of Foreign Trade during the Organisation's Trade Seminar held in January 2000 at Le Meridien Jamaica Pegasus Hotel.

FINANCE AND MEMBERSHIP

During the 1999/2000 financial year we were able to realize 88% of the budgeted revenue while keeping the expenses almost at the budgeted figures. However, our radio programme 'The People's Business' continues to languish from lack of sponsorship.

Results of Operations

Revenue/Expenditure Year Ended July 31, 2000

	1999/2000 Budget	Increase/ Decrease	Actual 1999/2000
	----- \$'000	----- \$'000	----- \$'000
Revenue	12,950	(1,617)	11,333
Expenses	12,651	(156)	12,807
Surplus (Deficit)	299	(1773)	(1474)
Endowment Income (Included in Revenue)	360	0	360

Membership

	<u>July 2000</u>	<u>July 1999</u>	<u>Increase/Decrease</u>
Individuals	59	93	(34)
Companies	131	127	4
Association	22	23	(1)
	<u>212</u>	<u>243</u>	<u>(31)</u>
	=====	=====	=====

The decrease of 34 individual members represents those who have been inactive for over three years and have not confirmed the renewal of their membership.

PSOJ & (HOLDINGS) LTD. BALANCE SHEET

	2000-2001	<u>Actual</u> <u>1999-2000</u>	<u>Audited</u> <u>1998-1999</u>
<u>NET ASSETS EMPLOYED</u>			
Fixed Assets	2818	3162	3552
Discount on Issue of Debentures	40	45	45
Premium on Redemption of Debenture	60	66	66
Investments	12559	10559	12821
<u>CURRENT ASSETS</u>			
Receivables	600	600	1081
Bank Deposits	2037	2419	45
Cash	1000	959	1562
Taxation Recoverable	515	390	199
	4152	4368	2887
<u>CURRENT LIABILITIES</u>			
Payables and Accruals	3131	3272	3861
Deferred Income	1000	1546	1050
Bank Overdraft	0	0	157
Current Portion of Long Term Loan			78
	4131	4818	5146
<u>NET CURRENT ASSETS</u>	21	-450	-2259
	15498	13382	14225
<u>FINANCED BY:</u>			
Capital Reserves	4531	4531	4531
Accumulated Surplus	-1313	-1048	-1048
Current Profit	114	-267	
Special Projects Funds	11378	9378	9450
Long Term Liabilities	788	788	1292
	15498	13382	14225

PSOJ EXPENSE BUDGET

	TOTAL	Aug '99	Sept	Oct	Nov	Dec '99	Jan '00	Feb	Mar	Apr	May	Jun	Jul '00
Staffing	9200	740	740	740	740	1060	740	740	740	740	740	740	740
Travelling & Entertainment	550	20	20	20	175	20	20	175	20	20	20	20	20
Stationery	190	14	16	16	16	16	16	16	16	16	16	16	16
Repairs/Maintenance	450	30	30	30	30	30	30	30	30	30	30	120	30
Utilities	1200	100	100	100	100	100	100	100	100	100	100	100	100
Audit Fee	300	25	25	25	25	25	25	25	25	25	25	25	25
Insurance	300	37.5	37.5	37.5	37.5	37.5	37.5	37.5	37.5				
Motor Vehicle	100	8	8	8	8	8	8	8	8	9	9	9	9
Bank Charges	55	4	4	4	9	4	4	4	4	4	4	5	5
Meetings	90	7	7	7	10	10	7	7	7	7	7	7	7
Training	100			50	25			25					
Office & General	450	37.5	37.5	37.5	37.5	37.5	37.5	37.5	37.5	37.5	37.5	37.5	37.5
Postage	50	4	4	4	5	5	4	4	4	4	4	4	4
Professional Services	50	10	10	10	10	10							
Motor Vehicle & Loan - Interest	250	22	22	22	22	22	20	20	20	20	20	20	20
Property Tax	35									35			
Depreciation	550	44	46	46	46	46	46	46	46	46	46	46	46
Amortization of Debenture	16												16
Bad Debt	0												
TOTAL	13936	1103	1107	1157	1296	1431	1095	1275	1095	1093.5	1059	1149.5	1075.5
Surplus/Deficit Before													
Endowment Income	-246	3102	1116	286	-493	-868	-127	-297	-892	-195.5	-206	-976.5	-695.5
Income from Investment now transferred to Endowment Fund	360	30	30	30	30	30	30	30	30	30	30	30	30
Gain on Disposal of Shares	0												
TOTAL SURPLUS	114	3132	1146	316	-463	-838	-97	-267	-862	-165.5	-176	-946.5	-665.5

PSOJ REVENUE BUDGET

	TOTAL	AUG '99	SEPT	OCT	NOV	DEC '99	JAN '00	FEB	MAR	APR	MAY	JUN	JUL '00
Subscription	8400	4000	2000	1000	500	0	500	400					
Publication	540		8	8	58	383	8	8	33	18	8	8	
Monthly Economic Report	620	70	70	70	70	40	40	40	40	50	50	40	40
Viewpoint	100	10	10	10	10	0	0	10	10	10	10	10	10
Luncheon/Hall of Fame	1130		10		10			400		700		10	
Seminar	1400			200			300				675		225
Miscellaneous	200	20	20	20	20	15	15	15	15	15	15	15	15
Dividends	0												
Rental Income	900	75	75	75	75	75	75	75	75	75	75	75	75
Investment Income	400	30	30	60	60	50	30	30	30	30	20	15	15
TOTAL	13690	4205	2223	1443	803	563	968	978	203	898	853	173	380

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PSOJ CASH FLOW BUDGET

	Aug '00	Sept	Oct	Nov	Dec '00	Jan '01	Feb	Mar	Apr	May	Jun	Jul '01	TOTAL
INFLOW													
Subscription	4,000	2,000	1,000	500	0	500	400	0	0				8,400
Other Income	.175	193	383	243	513	438	548	173	868	833	158	365	4,890
Investment Income	30	30	60	60	50	30	30	30	30	20	15	15	400
TOTAL	4,205	2,223	1,443	803	563	968	978	203	898	853	173	380	13,690

OUTFLOW

Accounts Payable	300	300	300	300	300	300	300	300	300	300	300	300	3,600
Operating Expense	900	900	900	1,000	1,200	900	1,000	900	900	900	900	900	11,300
TOTAL	1,200	1,200	1,200	1,300	1,500	1,200	1,300	1,200	1,200	1,200	1,200	1,200	14,900

NET FLOW	3,005	1,023	243	-497	-937	-232	-322	-997	-302	-347	-1,027	-820	-1,210
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Opening Cash Balance	2,887	5,892	6,915	7,158	6,661	5,724	5,492	5,170	4,173	3,871	3,524	2,497	2,887
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Closing Cash Balance	5,892	6,915	7,158	6,661	5,724	5,492	5,170	4,173	3,871	3,524	2,497	1,677	1,677
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Add Endowment Income	30	30	30	30	30	30	30	30	30	30	30	30	360
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Closing Cash Balance	5,922	6,975	7,248	6,781	5,874	5,672	5,380	4,413	4,141	3,824	2,827	2,037	2,037
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PSOJ CONSOLIDATED REVENUE AND EXPENDITURE

	TOTAL	AUG '99	SEPT	OCT	NOV	DEC '99	JAN '00	FEB	MAR	APR	MAY	JUN	JUL '00
Subscription	8400	4000	2000	1000	500	0	500	400					
Publication	540		8	8	58	383	8	8	33	18	8	8	
Monthly Economic Report	620	70	70	70	70	40	40	40	40	50	50	40	40
Viewpoint	100	10	10	10	10	0	0	10	10	10	10	10	10
Luncheon/Hall of Fame	1130		10		10			400		700		10	
Seminar	1400			200			300				675		225
Miscellaneous	200	20	20	20	20	15	15	15	15	15	15	15	15
Dividends	0												
Rental Income	900	75	75	75	75	75	75	75	75	75	75	75	75
Investment Income	400	30	30	60	60	50	30	30	30	30	20	15	15
TOTAL	13690	4205	2223	1443	803	563	968	978	203	898	853	173	380

THE PSOJ ANNUAL REPORT AUGUST 1999 - JULY 2000

PSOJ & (HOLDINGS) LTD.

SCHEDULE OF FIXED ASSETS

	<u>Land</u>	<u>Freehold Building</u>	<u>Furniture Equipment</u>	<u>Motor Vehicle</u>	<u>Total</u>
At Cost: August 1, 1999	389,000	2,624,000	2,251,000	917,104	6,181,104
Disposal	0	0	0	0	0
Additions	0	0	74,319	0	74,319
At July 31, 2000	389,000	2,624,000	2,325,319	917,104	6,255,423
<u>Depreciation</u>					
At August 1, 1999	0	771,000	1,760,000	99,193	2,630,193
Charge for the Year	0	66,000	214,219	183,421	463,640
Disposal	0	0	0	0	0
At July 31, 2000	0	837,000	1,974,219	282,614	3,093,833
Net Book Value	389,000	1,787,000	351,100	634,490	3,161,590

THE PSOJ IN ACTION



"Welcome back" said PSOJ President Peter Moses (center) as he presented the Organisation's Membership Certificate to Jamaica Chamber of Commerce President Anthony Chang in October 1999.



It was indeed a very happy occasion as PSOJ members expressed their appreciation to Immediate Past President Clifton Cameron (4th left) and Vice President Richard Coe (2nd left) at a Dinner in their honour. This was held in December 1999 at Le Meridien Jamaica Pegasus Hotel. PSOJ President Peter Moses in sitting between Messrs. Coe and Cameron.



Sir Shridath Ramphal Chief Negotiator with the Caribbean Regional Negotiating Machinery, stresses an important point at the PSOJ's Trade Seminar which was held at Le Meridien Jamaica Pegasus in January 2000.



Immediate Past President Clifton Cameron (left) and PSOJ President Peter Moses (2nd left) with some of the members at the Membership Get-Together held in September at the PSOJ's Office.

COMMUNICATIONS

Introduction

During the administrative year 1999-2000, a number of challenges had a significant impact on the work of the Communications Division. However, the staff in this Department remained undaunted in their efforts to achieve the objectives not just of the Division, but also those of the Organisation.

The People's Business

During its second year of broadcast on KLAS FM, this weekly radio programme continued to be an important medium for channeling the views of the PSOJ and the wider private sector on important national issues. In addition, through the careful selection of its panelists, the Division sought to produce a programme which offered its listeners a balanced discussion and an interesting interchange of ideas and thoughts. The major challenge throughout the year was securing sponsorship for the programme and the year ended with the sponsorship target not being realized.

A total of forty-two (42) programmes were aired on KLAS KFM between the hours of 5:30 p.m. and 6:30 p.m. on Thursdays. Our sincere thanks to our main moderators, PSOJ's Executive Director Charles Ross, JEA's Executive Director Pauline Gray and First Edition's Joseph Cox (who assisted when Mr. Ross and Mrs. Gray were unavailable).

As the economic environment gets tighter and the advertising dollar diminishes, the Communications Division will face an even greater difficulty in the coming year but remains committed to producing a high quality programme for as long as THE PEOPLE'S BUSINESS remains on air.

Publications

i) Enterprise

The two issues of the Organisation's newsletter, the PSOJ Enterprise, were published in August 1999 and March 2000. Advertising support for this publication was steady, thanks to

the continued outsourcing of this activity.

ii) The PSOJ Review

The production of this monthly two-page colour update of the PSOJ's activities continued to be one of the regular tasks of this Division. Sponsorship for this publication was solicited by the Division; however, we were unfortunately, not able to secure sponsorship for all the issues.

iii) Diary

The PSOJ's 2000 Executive Diaries were printed overseas i.e. in Trinidad & Tobago. That decision was primarily based on the fact that the overall production cost for an improved diary printed in Trinidad & Tobago was less than the same product printed in Jamaica. The feedback from our customers on the quality and the cost was positive, although there were some who were disappointed about the unavailability of Fillers (Inserts). With the exception of those given to staff, etc., all the diaries printed were sold. A total of eight hundred diaries (one hundred

leather-covered diaries and seven hundred simulated leather-covered diaries) were ordered.

iv) Annual Executive Committee Report

An important aspect of the PSOJ's Annual General Meeting, the 1998-1999 Annual Report of the Executive Committee was produced in time for discussion at the meeting which was held on Thursday, November 25, 2000 at the Terra Nova Hotel. As is customary, this important document recorded the activities of the PSOJ for the 1998-1999 administrative year.

v) Annual Report on the Economy

The PSOJ's 1999 Annual Report on the Jamaican Economy was prepared, printed and distributed at the Organisation's Annual Economic Seminar which was held on June 20, 2000 at Le Meridien Jamaica Pegasus Hotel. In addition to those attending the seminar, copies were sent to the entire PSOJ Membership. The Report was also sold to persons desirous of purchasing this important publication.

Messages/Reports

During the period under review, the Division prepared and or disseminated ten (10) messages which were requested of the PSOJ President by various organizations/companies. Seven reports were also prepared for presentation by the President at the Organisation's Membership Breakfast & Luncheon (November 1999 and March 2000), Council Meetings (September and December 1999, March and June 2000) as well as the 1999 Annual General Meeting (November 1999).

Press And Photo Releases/ Statements/Press Advisories

The wider society was kept informed of the PSOJ's activities, views and concerns through the fourteen (14) press releases, eleven (11) press advisories and eight (8) sets of captioned photographs which were disseminated to all media houses during 1999-2000.

Miscellaneous Information

One of the objectives of the Organisation is to keep members abreast of local and overseas events which could impact on their business operations. The

Communications Division was instrumental in helping the PSOJ to achieve this by disseminating to members information on:

- i) local and overseas training programmes as well as educational opportunities;
- ii) business opportunities;
- iii) trade shows and exhibitions;
- iv) seminars, conferences and workshops;
- v) visits of overseas delegations to Jamaica and
- vi) Jamaican missions to various countries.

Special Meetings/Events

The coordination of the PSOJ's major events is a primary function of the Communications Division. Thus, during the period under review, the Division's efforts were channeled primarily into organizing the following functions:

- i) Breakfast Meetings/Seminars (September and November 1999)
- ii) Membership Get-Together (September 1999)
- iii) Trade Negotiations Seminar (January 2000)

- iv) Telecommunications/Entertainment Seminar in association with CAIC in Trinidad (March 2000)
- v) Membership Luncheon (March 2000)
- vi) Private Sector Hall of Fame Dinner (April 2000)
- vii) Annual Economic Seminar (June 2000)
- viii) Visit of PSOJ President to members (October and November 1999, as well as January and June 2000)

In addition, the Communications Manager represented the PSOJ on the Planning Committees for Green Expo 2000 (Opening Ceremony – June 2000) and the JEF/JCTU's one-day seminar at the Hilton Kingston Hotel (October 1999).

Upcoming events

The Division started preliminary preparations for the following events which would be held during the 2000-2001 administrative year:

- i) Membership Luncheon (postponed from August to September)
- ii) Credit Information seminar, in association with the Credit

Information Bureau in Barbados (this event was subsequently cancelled).

Environment Committee

During the year 1999-2000, Dr. Barry Wade resigned as Chairman of this Committee and was replaced by the Deputy Chairman, Dr. David Smith, Executive Director of the Jamaica Conservation and Development Trust.

ENACT Programme

The Committee continued to interface with the ENACT Programme and encouraged the PSOJ to become a Lead Agency Focal Point (LAFP) under this programme. It was agreed by Committee members that the LAFP would provide a structured medium through which the Committee would be able to carry out some of the activities which had been planned for the year, but which had not materialized primarily because of a lack of time and resources. The concept was discussed and agreed to in principle by the Organisation's Executive Director and the draft contract

was being prepared for further discussion.

Presentations

The Committee members were kept abreast of the development of certain environmental issues through presentations made at the Committee meetings on matters such as:

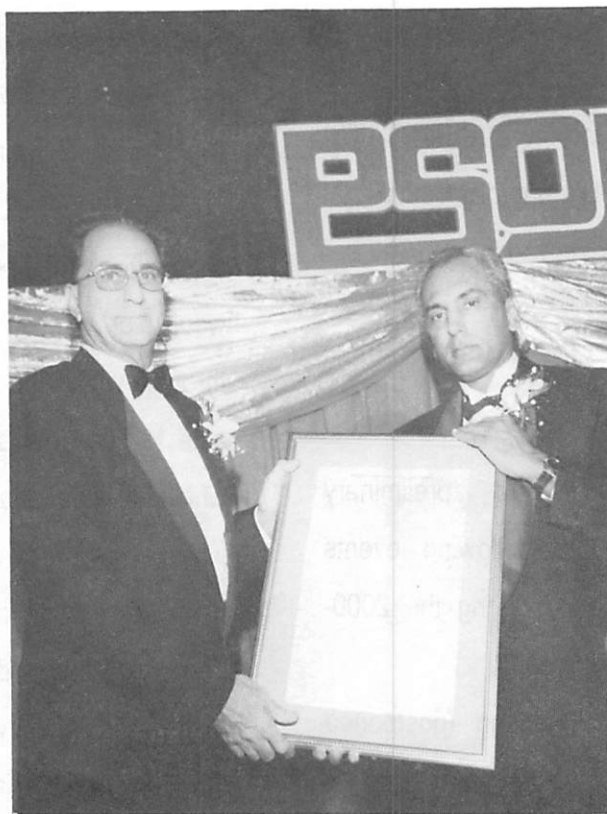
- i) The ENACT Programme
- ii) National Environmental Education Communications Campaign

- iii) The North Coast Highway project.

Working Committees

The members represented the Organisation on the following committees:

- i) ISO 14000 and
- ii) the National Forum on the Development of a Policy and Strategy for the Promotion and Implementation of Environmental Management Systems ■



The Hon. John Issa O.J. (left) displays the citation signaling his induction into the PSOJ's Private Sector Hall of Fame. The presentation was made by PSOJ President Peter Moses at a special dinner held on the lawns of King's House in April 2000.

ECONOMIC RESEARCH

Activities in the Economic Research and Business Development Department were centred around the following areas during the period August 1999 and July 2000:

Activities

The Division prepared data profiles for:

- a: the Economic Update for the August 1999 and the February 2000 editions of the Organisation's newsletter "The PSOJ Enterprise;
- b: the 1999 Annual Report of the Jamaican Economy;
- c: the economic sections of the PSOJ 2001 Diary;
- d: the World Economy Review and the Jamaican Economy chapters of 1999-2000 Annual Report of the Executive Committee;
- e: PSOJ Past President, Senator Douglas Orane, focusing on macro-economic variables;
- f: the PSOJ's monthly New Confidential Economic Bulletin. This bulletin seeks to keep subscribers abreast of events as well as monitor and forecast activities and trends of macroeconomic variables in Jamaica.
- g: updating of current database to be used on proposed website.

Meetings and Seminars

The Economic Division participated in the Monthly meetings of the Economic Policy Committee.

Library

While the library still continued to be of help to the staff, visitors and students, the need for its systematic and structured organisation was still being felt. It continued to be difficult to know and readily access the information it contains.

Miscellaneous

The division continued to supply ad-hoc data and information to researchers and students, upon request. ■

NATIONAL CRIME PREVENTION FUND

Administration

During the year under review the business of the National Crime Prevention Fund continued to be directed by the Board of Directors under the Chairmanship of Mr. J.A. Lester Spaulding.

The Board is comprised of the following members:

Chairman: J.A. Lester Spaulding, (RJR Communications Group)

Media & Related Bodies:

Michael Hirst, Dep. Chair. NCPF, (McCann Erickson (Ja) Ltd.)

Neville James (KLAS FM)

Leon Mitchell, (CVM TV)

Lincoln Robinson, (CVM TV)

PSOJ: Charles Ross, Executive Director, Maj. Gen. Robert Neish, (Chairman, Standing Committee on National Security)

Police: DSP A. James Forbes

Community: Jennifer Cheesman, (Secretary, NCPF),

Peter John Thwaites, (Guardian Life Insurance Co.)

Mr. Leon Mitchell resigned as a member of the Board of Directors in September, 1999. In November, 1999, Mr. Lincoln Robinson of CVM Television was appointed to the Board of

Directors. However, Mr. Robinson resigned from the Board in May, 2000. In July, 2000 Mr. Peter John Thwaites was invited to become a member of the Board of Directors and accepted.

The Coordinator, Prudence Gentles, answers directly to the Board of Directors and her responsibilities include:-

- Day to day administration of all the Fund's business.
- Research into, writing and production of the monthly Crime of the Month programme and news releases, as well as production of corporate advertising and public relations.
- Preparation and management of the Fund's budget.
- Soliciting support at all levels from major media and related bodies, the private sector, the police and the public.

Funding

All costs to the programme, including administrative, advertising and payments for rewards continued to be covered by:-

1. Media and related bodies contributing, on an ongoing and regular basis, free time and

space, design and production facilities for advertisements, posters, stickers, etc.

2. Interest of \$1,802,572 accruing to the capital fund donated by private sector bodies. Funds on deposit presently stand at \$8.413million. An additional amount of \$1,206,697 was raised through the Sprint Cause Marketing Campaign.
3. The police, who provide free office space and personnel to man the telephone hotlines.
4. The PSOJ Secretariat who provides accounting services free of cost.

Accounts

The balance sheet dated July 31, 2000 shows a net book worth of \$9,126,606 and an operating surplus of \$944,156 after defraying costs during the year totaling \$2,075,113.

Fund-raising

In August 1999, Sprint through Intercom Ltd., a division of Grace, Kennedy & Co Ltd., entered into a five-month Cause Marketing Campaign with Crime Stop in which part proceeds of each collect call made to the United States were donated to the programme with a minimum monthly donation of \$150,000 being agreed on. This was a very successful campaign with Sprint donating a total of \$756,697 to Crime Stop.

The Cause Marketing Campaign with Sprint was revisited in 2000 with a further three- month campaign taking place from April to June, 2000. An additional \$450,000 was raised.

10th Anniversary Cocktail Party

A cocktail party was held at the Terra Nova Hotel on the 25th November, 1999 to celebrate Crime Stop's Tenth Anniversary. Awards were given out to all the media houses and related bodies that had continued to support the programme throughout the years and certificates were handed out to members of the private sector who had donated in excess of \$200,000 to the programme in the last five years.

Media Advertisements

1. The following Crime of the Month advertisements were produced during the year under review: eight television programmes, eight newspaper advertisements and eight radio commercials.
2. A 60-second corporate advertisement titled "Sweet Jamaica" commenced airing in August, 1999. This advertisement asks "What kind of Jamaica do you want?" and is intended to appeal to the community and nationalistic spirit of Jamaicans. The

calls increased by over 50% after the first showing of this commercial.

3. A revised version of the television and radio commercial for the "Reward for Guns" campaign commenced airing in December on television and in January for the radio commercials, at the request of the government and the Commissioner of Police. This campaign continues to run but has not been as successful as it was hoped. A total of nineteen illegal firearms have been recovered through this campaign.

These "Crime of the Month" and Corporate Advertisements were produced, broadcast/published free of cost by the following media houses and related companies through more than 4000 spots including prime time spots:

TVJ

RJR

Supreme 94 FM

Love FM

CVM Television

Radio 2

Sunday Herald

McCann Erickson (Ja) Ltd.

Fame FM

The Daily Gleaner

Vidquip Ltd.

Hot 102 FM

The Star

Signtex Ltd.

KLAS FM

The Gleaner Company

Power 106 FM

IRIE FM

These placements would have cost the Fund in excess of \$15 million had payment been required.

Board of Directors Meetings

- 1) Twelve monthly Board of Directors Meetings were held during the year under review.
- 2) The Annual General Meeting was held on November 25, 1999.

Report and Statistics

- Twelve monthly Coordinator Reports along with Monthly Statistics were submitted to the Board of Directors and were reviewed.
- Four quarterly reports were submitted and tabled at the PSOJ Council Meetings.
- Eight Press Releases were sent out during the year under review.
- Twelve monthly reports were made to the Standing Committee on National Security.

Public Response

During the year under review, one thousand and forty two (1,042) calls were received by "Crime Stop". This represents an increase of 21% over the previous year.

Police investigations into calls during the period resulted in one hundred (100) arrests being made which included ten (10) for murder, forty-six (46) for breaches of the Dangerous Drugs Act and thirteen (13) for illegal possession of a firearm. This is an overall increase of 25% over last year's figures.

Among the stolen/illegal property recovered or seized were twenty six (26) firearms, one hundred and twenty seven (127) rounds of ammunition, eighteen (18) stolen motor vehicles, three (3) stolen motor bikes, 555.261 kilograms of ganja, seven hundred and fifteen (715) ganja sticks, 1.0107 hectares of ganja, 12,500 ganja seedlings, 1.3 kgs ganja seeds, 1.25 kilograms of cocaine and 193 pieces of crack. These successes are all an improvement over last year's figures.

The year ended with Crime Stop achieving a success rate of 1 in 7 which compares favourably with other Crime Stop programmes around the world.

Public Presentations

In September 1999, Mr. Ronnie Thwaites broadcast his Independent Talk programme from the Crime Stop offices.

Reward Payout

A cheque was received from the Government of Jamaica in the amount of \$500,000 to help with the payment of rewards for a new Reward for Guns Campaign. This campaign commenced in December 1999 and is still running. A total of \$79,000 has been paid out in rewards for illegal firearms.

The Fund paid out a total of forty-two rewards totaling \$373,700 during the 1999/2000 period under review. Of the forty-two rewards paid, thirty-four were collected at the Office of the Commissioner of Police, six were lodged directly to a bank account and two were sent by Western Union.

Membership in Crime Stoppers International

The National Crime Prevention Fund became a member of Crime Stoppers International in August, 1999. CSI is an international association bringing together over 1095 Crime Stopper programmes from more than 18 countries. Each

year in September, CSI holds a training conference in a different location. The Conference was held in Fort Lauderdale, Florida in September, 1999. The Coordinator attended that conference and took part in the Newcomer's School. However, the Conference was cut short due to the threat of a hurricane.

Y2K

A new Compaq Presario computer was donated to Crime Stop by Digital Transtec Ltd. which was installed in the Counselors office. The computer replaced the existing computer which was not Y2K

compatible. New software was purchased and installed

on the new computer as the software being used since the start of the programme was also not Y2K compatible.

Jamweb, a subsidiary of Intercom Ltd., donated one year's internet service free of cost to Crime Stop. This included unlimited internet mail service and limited on-line services during office hours ■



Crime Stop Chairman Lester Spaulding (Left) thanks Intercom Ltd's Anthony Robinson (right) for Sprint's generous contribution to the Crime Stop programme. Looking on is Mrs. Prudence Gentles, Coordinator, Crime Stop.

JaMAC (JAMAICA MEDICAL ASSISTANCE PROGRAMME)

During the year under review, the Committee co-ordinated the visits of overseas medical personnel who conducted dental, eye surgery and medical outreach programmes, as well as overseas donations valued at US\$326,752 and Can\$10,000, for the public health services.

Programmes

The American Flying Dentists

The American Flying Dentists made their 18th visit to Jamaica during November 1999. This visit was the 16th to Manchester since the dentists first visited in 1983. The team of 6 dentists and 6 assistants held clinics at Craig Head, Chantilly, and Somerset Dental Clinics as well as the Rotary Club of Christiana Dental Clinic in Coleyville and Baron Hall Estate in the parishes of Manchester and St. Ann. They were assisted by the dental nurses from the Christiana Health Centre and Mandeville Comprehensive Clinic.

Groups of children from neighboring schools accompanied by teachers were taken to the clinics

to receive dental care. A total of 969 persons were treated, of which 430 were children, and 1,120 extractions and 361 fillings were done. The dentist noted that there had been a significant improvement in the dental health of the child population in the region over the last few years. The dentists gave an estimate of US\$106,890 as the value of the services provided.

Canadian Surgical Eye Expeditions, (CANSEE)

The Canadian Surgical Eye Expeditions (CANSEE), team of two ophthalmologists paid their seventh visit to Jamaica during January 2000.

The CANSEE team worked with the ophthalmologists and staff of the Eye Clinic at the Kingston Public and Bustamante Children's Hospitals on January 30th and 31st. During the two days a total of 50 persons, including 3 children, were treated. The procedures done were 4 corneal grafts and 46 cataract extractions with the implantation of intra ocular lens. The doctors gave a conservative figure of J\$250,000 as the value of the services provided.

Caribbean Cultural Association

A team of eight medical volunteers from the Caribbean Cultural Association in Tampa, Florida, paid their third visit to Jamaica during May 2000. From May 15 to 19, 2000, the team (consisting of a doctor, a pharmacist and six nurses) worked, according to their specialty, with the health personnel at the Savanna-la-mar Hospital, Health Centre, Infirmary, Cornwall Regional Hospital Psychiatric Clinic and screening for hypertension and diabetes was done at the St. John's Ambulance Headquarters in Savanna-la-mar. They brought medical supplies and pharmaceuticals valued at approximately US\$11,017.08 for use during the one-week programme.

Donations

The donations from overseas were received and distributed as follows:

- ***Global Links, Pennsylvania (US\$54,361)***

A wide assortment of medical supplies, and equipment was donated to the Princess Margaret Hospital. The donation included beds, mattresses, bedside stands, over bed tables, examination tables, EKG machine, suction pumps, stainless steel hampers, IV poles, mayo stands, food delivery cart, filing cabinets, armchairs, walkers, crutches, canes, gurneys, liquid bleach,

computer with monitor and accessories, assorted medical supplies as well as school supplies and school bags for the Children's Services Division, medical text books for the University Hospital School of Nursing, volleyballs and net for the Ministry of Health's Sports Club, clothing for men and women at the Bellevue Hospital and liquid nutrition for external feeding and other feeding supplies for the Kingston Public Hospital. PAHO in Washington, D.C paid the cost of shipping the donations to Jamaica

- ***UHWI Graduate Nurses Association, Toronto (Can\$10,000)***

The Toronto Chapter of the University Hospital Graduate Nurses Association assisted the Jamaica Foundation for Cardiac Disease at the University Hospital with funds to purchase equipment and supplies for paediatric surgery. This was the first in a series of financial assistance from the association in support of cardiac surgery through its fund-raising effort called Project Heartstrings.

- ***Beverley Treasure (US\$20,100)***

Mrs. Beverley Treasure, Operating Room Technician at Morristown Memorial Hospital, New Jersey donated surgical supplies to the Kingston Public, University, Bustamante Children's, St. Ann's Bay and Mandeville General Hospitals.

- **Rotary International (US\$ 150,000)**

A donation of medical equipment and supplies from Rotary International District 6220, through the efforts of Dr. North Shetter, team leader of the Flying Dentists, District Governor Representative of Rotary International District 6250 and Past President of the Rotary Club of Menominie, was given to the Percy Junor Hospital and Mandeville General Hospitals.

The items included wheelchairs, walkers, orthopaedic supplies, blankets and assorted medical supplies. The majority of the items went to the Percy Junor Hospital and the remainder to the Mandeville General Hospital. The local costs associated with clearing the container were paid by the Rotary Club of Christiana and the Ministry of Health paid the Customs Broker's fee for final entry as well as the cost of transporting the container to Spaldings.

The background to the donation is that Mrs. Shetter broke an ankle while the dentists were working in the area in November 1999. She received emergency treatment at the Percy Junor hospital and was so impressed with the quality of medical care that it was decided that they would assist in obtaining badly needed supplies for the hospital.

- **Metropolitan Health Professionals (US\$1,274)**

Mrs. Evann Gill from the Metropolitan Health Professionals donated clothing, mugs and personal hygiene supplies to the Port Antonio Infirmary, and miscellaneous medical supplies and surgical instruments to the University Hospital.

Follow-up Visits to Rural Hospitals

To see how well the hospitals utilized the donations, representatives of the Committee visited the Princess Margaret Hospital on January 17, 2000 and the Port Antonio Hospital on April 6, 2000.

At the Princess Margaret Hospital all the items were in use and at the Port Antonio Hospital, the supplies and equipment were all in use except for the 3 cribs which are too wide to go through the doors of the paediatric wards. Adjustments will be made to get the cribs into the room. The furniture was placed in the board room and offices which improved staff accommodation. The institutions were very grateful for the help.

Jamaica Chamber of Commerce Award

The Chairman, Mr. Bruce Rickards, was presented with a plaque by the Jamaica Chamber of Commerce at its Annual Dinner and Awards function on Friday April 7, 2000 in recognition of

JaMAC's contribution to the continued development of the health sector.

Fund-Raising

For our 1999-2000 fund-raising efforts, letters were sent to 54 companies selected from within the private sector in an effort to raise \$700,000 which was the budgeted amount for the operational cost for the year. In order to boost our efforts, a full page article on the achievements of the Committee, since its inception, was published in the Gleaner of December 1999. In addition, and to personalize the effort, members of the Committee visited with a few of the companies to discuss financial support. Unfortunately, the response has not been encouraging.

The Committee also wrote to the three service clubs with which JaMAC has worked with and United Way of Jamaica seeking administrative funding for the year 2000 to 2001. United Way has approved a grant of \$200,000.

Donations were received from the following companies.

Medical Assessment Services Limited	- 5,000
Chas E. Ramson Limited	- 10,000
Bank of Nova Scotia Jamaica Limited	- 5,000
Carreras Group Limited	- 60,000

General Accident Insurance Company Ja. Limited	- 10,000
Jamaica Flour Mills Limited	- 50,000
Albert Wong Limited	- 4,000
Donor	- 51,750
Petroleum Corporation of Jamaica	<u>- 10,000</u>
Total	205,750

The Committee thanks Grace, Kennedy & Company Limited for its contribution to JaMAC's administrative expenses.

Local Supporters

JaMAC thanks the following agencies and organisations for their assistance during the year under review:

- Ministry of Health
- Rotary Club of Savanna-la-mar
- Ministry of Finance
- Rotary Club of Christiana
- Ministry of National Security
- Lions Club of New Kingston
- Ministry of Labour
- United Way of Jamaica
- Customs (Kingston/Montego Bay)
- The Jamaica Observer
- Airports Authority (Kingston/Montego Bay)
- The Sunday Herald
- Dental Council of Jamaica

Island Broadcasting Services Ltd. (KLAS)

Medical Council of Jamaica

Radio Jamaica Limited

Nursing Council of Jamaica

Air Jamaica Limited

Jamaica Optometric Association

Air Canada

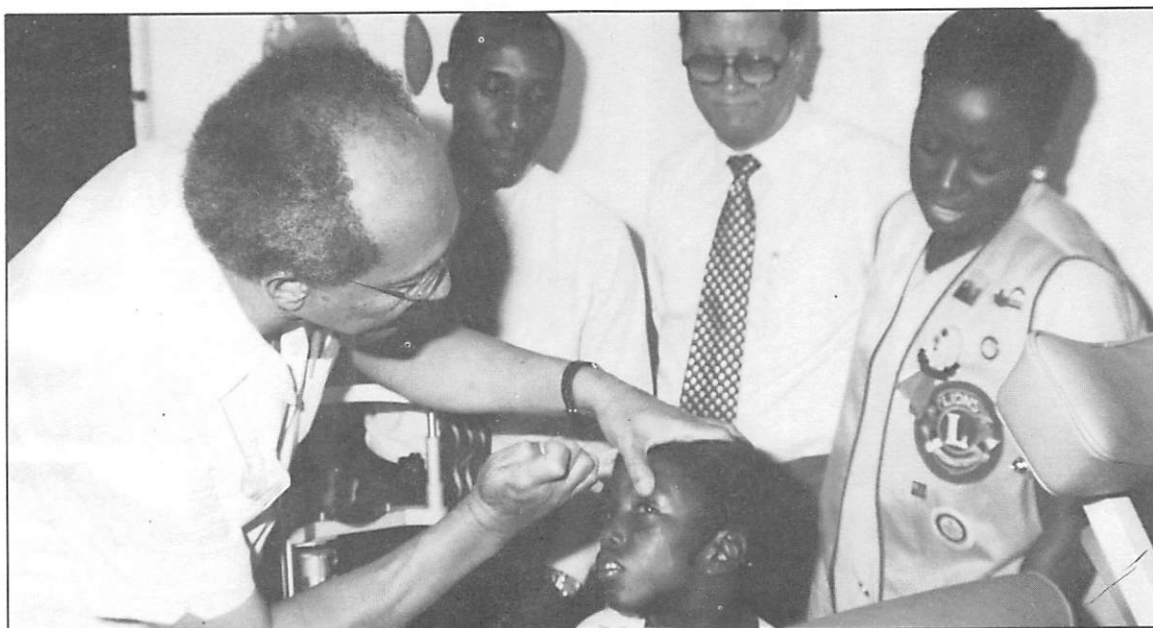
Price Waterhouse

BWIA

The Committee is appreciative of the assistance provided by the Private Sector Organisation of

Jamaica and the Jamaica Chamber of Commerce which have continued to help JaMAC in its efforts to bring much needed supplies for the government's health services.

The Co-ordinator thanks the Patron, Mrs. Mitsy Seaga, the Chairman, Mr. Bruce Rickards and the members of the committee for their continued support. Special congratulations to committee member Dr. R. Shoucair who was recently honoured by the Medical Association of Jamaica for his years of outstanding service to the country.■



Post-Surgery Check: Canada-based Jamaican ophthalmologist, Garth Taylor (left), is satisfied with the progress of a young patient, following cataract surgery and the implantation of intra ocular lens. Some 50 patients at the KPH and the Bustamante Children's Hospitals were treated by specialists from the voluntary organization, Canadian Surgical Eye Expeditions, CANSEE in January 2000. The team, led by Dr. Taylor, worked under the auspices of the Jamaica Medical Assistance Committee (JaMAC). Joining Dr. Taylor at the post-surgery examination at the KPH are (from second left): Dr. Leon Vaughan, Senior Registrar, KPH; Mr. Bruce Rickards, Chairman, JaMAC; and Mrs. Elaine Robinson, President Lions Club of New Kingston.

NOTES

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