



Inclusive
and Equitable
GROWTH
through Action and Partnership
2021 Annual Report



SOFTWARE DEVELOPMENT



We are the right technology partners for your business

LETS DO THIS TOGETHER



WHAT WE DO

LETS WORK TOGETHER



HIRE RESOURCES

Customize your technology team for your digitization projects

- ▶ Reduce Technology Gaps and Staff Turnover
- ▶ Increase Staff Retention and Productivity
- ▶ Access World Class Developers for Immediate Onboarding with Full Stack Capabilities

LETS BUILD TOGETHER



SOFTWARE DEVELOPMENT

Developing futureproof and fit-for-purpose applications

- ▶ Business Analysis
- ▶ Requirement Gathering
- ▶ Ease of use and Feature rich UI/UX (Mobile/Web)
- ▶ API & System Integrations
- ▶ Concept to code for Web, Mobile and Business Applications (inc ERP, CRM, Time & Attendance etc)
- ▶ Data Warehouse

LETS SECURE TOGETHER







CYBER SECURITY

Where cybersecurity meets application development

- ▶ Application Specific Security as a Service
- ▶ Penetration Testing
- ▶ Vulnerability Scans
- ▶ Remediation Reports and Work

Headquartered in Jamaica and part of the  **ambergroup** of companies
www.myambergroup.com

WE'RE HERE TO HELP

Email: ailsales@myambergroup.com
    or call us on +18766167661



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LARGEST
NETWORK
OF BUSINESS
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WHO WE ARE



The Private Sector Organisation of Jamaica (PSOJ) was established in 1976. It is a national organisation of private sector associations, companies and individuals working together to promote a competitive and productive private sector.

The organisation seeks to influence national policy issues of a political, social, or economic nature. The Executive Committee, under guidance from the Council, leads this process by promoting discussions with the country's Government, political directorate and the Opposition. The Organisation is also in close and constant contact with the major multi-lateral and bi-lateral agencies.



OUR VISION

We are the unifying voice of the private sector working in partnership with the public sector and civil society to achieve Vision 2030 for Jamaica.

OUR MISSION

To effectively advocate for the **implementation** of public policy that enables strong, sustainable private sector-led economic growth and development.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN: That the 34th Annual General Meeting of the Members of The Private Sector Organisation of Jamaica (PSOJ) will be held at the Jamaica Pegasus Hotel and Hybrid via Microsoft Teams on Tuesday, December 6, 2022 commencing 3:00 p.m., for the purposes of considering and if thought fit, passing the following resolutions, namely:

AS ORDINARY RESOLUTIONS:

1. To Adopt the Reports of the President and the Executive Committee

Resolution No. 1 That the Reports of the President and the Executive Committee for the year ended 31, December 2021 be and are hereby adopted.

2. To Adopt the Audited Financial Statements of Accounts etc.

Resolution No. 2 That the Audited Financial Statements of Accounts for the PSOJ and the Reports of the Auditors for the year ended 31, December 2021 be and are hereby adopted.

3. To Elect Members of the Council In accordance with Article III, Clauses 5 and 6 of the Organisation's Articles of Incorporation, the following members of the Council (being (i) one-half of the members of the Council in each of the 4 categories of membership of the Organisation as indicated, and (ii) being the members in each such category who have been longest in office since their last election) retire by rotation and being eligible to offer themselves for re-election.

Members of the Organisation should note that they are only eligible to vote for proposed members of the Council who fall in the same category of membership which they hold in the Organisation.

a. Membership Category — Organisations and Associations **Article 1, Clause 3 (a):**

"Organisations, associations, groups or bodies whether national, regional or parish representative of any service, field or interests within the Private Sector or any part thereof. This category shall

not include companies or firms primarily doing business or trading, nor shall this category include organisations, associations, groups and bodies which in the opinion of the Committee are not effectively representative of their particular field at an essentially national, regional or parish level...”.

1. Business Processing Industry Association of Jamaica
2. Council of Voluntary Social Service
3. Incorporated Masterbuilders' Association of Jamaica
4. Institute of Chartered Accountants of Jamaica
5. Jamaica Cooperative Credit Union League
6. Jamaica Customer Service Association
7. Jamaica Developers Association
8. Medical Association of Jamaica
9. The MSME Alliance
10. Small Business Association of Jamaica
11. Sugar Manufacturing Corporation of Jamaica
12. United Way of Jamaica

Resolution No. 3a (to be voted on only by Members falling in this category of membership of the Organisation)

That the above retiring members of the Council be and are hereby elected to serve as members of the Council in the category indicated.

b. Membership Category — Individuals

Article 1, Clause 3 (b):

“Individuals, whether male or female, who shall have attained the age of 18 years as at the date of application for membership and who are resident in Jamaica and who are by principal occupation members of the Private Sector, provided, however, that no person is eligible for individual membership who is a sole proprietor, controlling partner or controlling shareholder of a business, firm, company or other enterprise conducted for profit, unless such enterprise is also a Member.” [of the Organisation]

1. Christopher Reckord
2. Jason Henzell

Resolution No. 3b (to be voted on only by Members falling in this category of membership of the Organisation)

That the above retiring members of the Council be and are hereby elected to serve as members of the Council in the category indicated.

c. Membership Category — Companies etc.**Article 1, Clause 3 (c):**

“Companies, firms, partnerships, bodies or other groups, part of the Private Sector not falling within category (a) above, whose registered or main office is in Jamaica or (if abroad) who have an office and a substantial operation in Jamaica”.

1. Bank of Nova Scotia Jamaica Limited
2. CitiBank
3. Continental Baking Company Limited
4. Chukka Caribbean Adventures Limited
5. Grace Kennedy Ltd
6. Jamaica Money Market Brokers Limited
7. Jamaica Producers Group Limited
8. Sagicor Group Jamaica Limited
9. WISYNCO Group Limited
10. Red Stripe Company Limited

Resolution No. 3c (to be voted on only by Members falling in this category of membership of the Organisation)

That the above retiring members of the Council be and are hereby elected to serve as members of the Council in the category indicated.

d. Membership Category — Associate Overseas Members**Article 1, Clause 3 (d):**

“Associate Overseas members being persons, companies, firms, partnerships, associations, organisations or other groups, not resident in Jamaica, part of the Private Sector of their respective country, whose applications are approved by the Committee in its discretion.”

Resolution No. 3d (to be voted on only by Members falling in this category of membership of the Organisation)

That the above retiring members of the Council be and are hereby elected to serve as members of the Council in the category indicated.

4. To Re-appoint an Auditor for the Ensuing Year.

Resolution 4a:

That Star Dot Star Ltd/Ventry Foo Chartered Accountant having agreed to continue in office as Auditors, be and are hereby reappointed Auditors for the Company to hold office until the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Executive Committee.

5. To Consider any Other Business that may Appropriately be Transacted at an Annual General Meeting.

BY ORDER OF THE COUNCIL

A handwritten signature in black ink, appearing to read "Eva Lewis", is written over a light blue rectangular background.

Eva Lewis
HONORARY SECRETARY
November 1, 2022
39 Hope Road
Kingston 10

IMPORTANT NOTICES FOR MEMBERS

Members who shall be an organisation or a group of two or more individuals, companies, firms, establishments or bodies shall at least seventy-two hours before the commencement of the Annual General Meeting, that is, by 4:00 p.m. on Friday, December 2, 2022, give to the Honorary Secretary or other person acting on her behalf for this purpose written notice of the name and address of one person who shall have been nominated to attend the meeting on the member's behalf, and such person shall have the voting rights and any other rights and privileges of the member he represents.

Any person entitled to attend a meeting of the Organisation may attend such meeting and vote thereat, whether on a show of hands or by poll, by proxy. A proxy need not be a Member, and a form of proxy is enclosed with this Notice for your convenience. This form should be completed and deposited with the Honorary Secretary at 39 Hope Road, Kingston 10, not less than 48 hours before the meeting. The proxy form should bear stamp duty of \$100.00 before being signed. The stamp duty may be paid by adhesive stamps and cancelled by the person signing the proxy.

A Member who is in arrears with his subscription shall not be entitled to vote at any general meeting of the Organisation.

Members are reminded of the following provisions of Article III, Clause 2: "Candidates for election to the Council shall be nominated by a Member in good standing and seconded by another Member in good standing. A nominated candidate must be a Member in good standing or must represent an association, company, firm or other non-individual Member in good standing. Nominations duly signed by the proposer and the seconder shall be delivered to the Honorary Secretary of the Organisation at least fourteen (14) days before the date of the meeting. Nominations will not be permitted from the floor." Accordingly, nominations for Members of Council must be delivered to the Honorary Secretary of the Organisation **by 4:00 p.m. Wednesday, November 23, 2022.**

Council Members 2021 – 2022

Corporate:

Guardsman Group Ltd.
ICD Holdings Group Limited
J. Wray and Nephew Ltd.
Digicel Jamaica Limited
Jamaica National Building Society
PanJam Investment Limited
Radio Jamaica Limited (RJR/Gleaner Group)
Seprod Group of Companies
Victoria Mutual Building Society

Associations:

Insurance Association of Jamaica
Institute of Internal Auditors
Jamaica Bankers Association
Jamaica Computer Society
Jamaica Employers Federation
Jamaica Gasoline and Retailers Association
Jamaica Hotel and Tourist Association
Jamaica Insurance Brokers
Business Process Outsourcing
Jamaica Securities Dealers Association
The Human Resource Management Association of Jamaica
Realtors Association of Jamaica
Shipping Association of Jamaica

Individuals:

Stephen Greig
Dr. Paris Lyew-Ayee Jr.
Janet Silvera





GraceKennedy
GROUP

100



**OUR STORY IS
YOUR STORY.**

Celebrating the past. Shaping the future.



President's Report



MR. KEITH DUNCAN
President

As the country's leading umbrella organisation representing private sector bodies, associations and individuals in Jamaica, the work of The Private Sector Organisation Of Jamaica (PSOJ), continues to be impactful on matters relating to nation building, social transformation, and economic development.

In 2021, the Organisation was challenged to reiterate its commitment to sustainable national development, as the country traversed its path to recovery amidst the global turbulence resulting from the COVID-19 pandemic.

In keeping with the mandate of Inclusive and Equitable Growth through Advocacy and Action, The PSOJ remained true to its role in establishing partnerships that supported the country's fight against the pandemic while establishing a path for socio-economic growth and stability.

KEY ACHIEVEMENTS YEAR 2021

PRIVATE SECTOR VACCINE INITIATIVE

The Private Sector Vaccine Initiative (PSVI) was established as a partnership among the Government of Jamaica (GoJ) and private sector groups: The Private Sector Organisation of Jamaica (PSOJ), Jamaica Chamber of Commerce (JCC) and the Jamaica Manufacturers and Exporters Association (JMEA). The PSVI was a targeted support mechanism for the national vaccination plan (NVP) led by the Ministry of Health & Wellness (MoHW). Over 35,000 Jamaicans were vaccinated through PSVI in 2021, as the team mobilised collective resources and increased the velocity and penetration of vaccinations in the country, so Jamaica could return to a healthy and productive society.

WORKPLACE POLICY PROTOCOL FOR VACCINATION

As companies sought to establish a safe environment for its employees and customers, The PSOJ leveraged the power of our network, to develop a work place policy protocol for businesses to assist companies in creating safe workspaces.

This initiative served to underscore the role of the Organisation in being a thought leader and source for credible and insightful information required by private sector entities to bolster their operational capacity. The information was made available through a series of forums hosted by The PSOJ along with the Protocol being made available on the Organisation's digital platforms.

E-COMMERCE NATIONAL DELIVERY SOLUTION (ENDS)

In 2021, through a public-private partnership with the Ministry of National Security, we launched the E-commerce National Delivery Solution (ENDS). The ENDS programme allowed the quick-service industry to continue operating during COVID-19 curfew hours. The system was used by food-service companies, such as restaurants, supermarkets, pharmacies, and delivery providers. The program ran from March 2021 and concluded in June 2021 with the relaxing of the COVID-19 protocols by the GoJ. During the programme, a software was developed for vendors and users to use for ease of business. The programme also saw several training manuals developed for various stakeholders interfacing with the software. The programme had 774 companies/vendors registering, 450 registered delivery riders and 8,379 employees.

ECONOMIC RECOVERY

As a country we have achieved macro-economic stability and we see our economy recovering nicely from the COVID-19 pandemic.

Unemployment has been recorded at its lowest level in the country. This, however, does not negate from the challenges being faced by the private sector to source from our domestic market skilled and even unskilled labour to drive the investments and growth in businesses which is likely to put a ceiling on growth.

ADVOCACY

Advocating for the development of the private sector and issues impacting national development remains a fundamental tenet of The PSOJ, and this did not change in 2021. We spoke clearly on issues pertaining to good governance, public safety and order, and the collective societal responsibility to reduce the impact of COVID-19.

As we focused on matters of corruption, crime and public order, low productivity levels, digital transformation along with the formalisation and development of the MSME sector was the urgent need to advance action on climate change and sustainable environmental practices.

More importantly for us, nonetheless, was the unwavering commitment and involvement in being a part of the solution.

MOVING FORWARD

This commitment to a solution-oriented and collaborative approach to our national development issues has steered the modus operandi of The PSOJ and continues to do so in the strategic focus areas that we've established.

HUMAN CAPITAL DEVELOPMENT

We now need to focus on our human capital development so that we can meet the needs of the labour market. Over 62% of our workforce have no form of certification and as a country the public and private sector

must focus on training and upskilling our workforce to increase the available pool to address the needs of our growing economy. This will increase value added, productivity, increase wages and the per capita income of Jamaicans which is approximately US\$5,000 among the lowest in the region. The PSOJ looks forward to the work to be done by the GoJ under the oversight of the Education-Transformation Oversight Committee (E-TOC) as it addresses the transformation of education of our schools and our Vocational Institutions. Economic growth in Jamaica is limited by the shortfall of a trained and educated workforce. We cannot begin to address the low productivity, low standard of living and social problems of our country without making this shift in education. It is important that we address educational issues at the foundation level to prepare our young people for higher education and gain value-added skillsets where everyone can earn higher incomes.

CONSENSUS ON CRIME

Private sector players, including The PSOJ under the leadership of past President Howard Mitchell, were very strident in this process, which resulted in the establishment of the Crime Monitoring Oversight Committee (CMOC) in 2020, to which signatories included nonpartisan stakeholders from the private sector, civil society, academia, and the political directorate. CMOC is the vehicle for developing agreements and coordination around key areas of intervention to mitigate crime. As such, implementation is now critical. We want to reinforce that a framework to achieve this consensus already exists, but we acknowledge that it can be deepened and expanded.

SOCIAL AND ECONOMIC TRANSFORMATION

While The PSOJ continues to be a strident partner in efforts to eliminate our spiralling crime situation, we also acknowledge the crucial role of the private sector as drivers of social change. On this premise, Project STAR

(Social Transformation and Renewal), a social and economic development initiative, was created. Launched in July 2022, Project STAR was established by The PSOJ in partnership with the Jamaica Constabulary Force (JCF) and driven by communities to bring about societal transformation through targeted interventions in under-resourced areas of Jamaica. Project STAR has come at a time like no other. This initiative is a scalable effort that solves the problems we see as a country; it solves them at the community level while unearthing the potential of our people. Through the social and economic transformation initiatives undertaken by Project STAR, the outcome will be safer, secure, and more prosperous communities which will translate into a sustainable reduction in violence and crime. Most importantly, it's owned and driven by the people within communities. Project STAR and all our partners work with community members to implement their ideas and solutions based on their identified needs.

We are confident that this whole-of-society approach will begin to yield the results needed to move our communities and our country forward. We are inspired and encouraged by the support from our private sector stakeholders. In 2020, we appealed for private sector support through their corporate social responsibility budgets. To date, we have secured more than 80% of the amount targeted from our large corporate companies for the five-year span of the project.

At the start of 2021, we set out on a mission to facilitate inclusive and equitable growth through advocacy and action – and we remain committed to that mission and all we'll be able to accomplish as a people through our collective efforts.

Executive Director's Report



Imega Breese McNab
Executive Director

In 2021, The Private Sector Organisation of Jamaica (PSOJ) focused on strengthening the Secretariat, delivering value to members, shaping policy and supporting the national COVID-19 response and recovery initiatives. It was a celebratory year as the Organisation reflected on its 45 years of commitment to private sector-led growth, continuing to lead discussions and assist companies in navigating one of our most challenging periods.



COVID -19 Response and Recovery Projects

Over the two years of the pandemic, the private sector, through the PSOJ, contributed J\$675M to several initiatives. Of note, the Organisation was awarded during the period for the COVID-19 Response Fund and ENDS. In addition to monetary contribution, the Organisation, in partnership with other private sector partners, developed the COVID-19 Measures in the Workplace Protocols and advocated for robust PCR and antigen testing, expansion of access points for vaccination, roll out of community mobilization and targeted communication strategies and phased and controlled reopening of the school and economy.



Private Sector through the PSOJ has Contributed \$675 Million to COVID 19 Recovery Efforts

COVID-19
Response Fund

COVID-19
Private Sector
Ventilator Fund

E-Commerce
National
Delivery
Solution (ENDS)

Connect a Child

SAFESPOT Child
and Teen 24/7
helpline

UHWI COVID-19
48 Bed Field
Hospital

Private Sector
Vaccine
Initiative PSVI

Policy Development

We ensured that we continued to provide critical input on key pieces of legislation and develop policy positions in areas of national development and growth. Of note, an Energy Policy Paper was finalised and comments submitted to the Joint Select Committees on the NIDS Bill, The Sexual Harassment Act, The Electricity Act and the Cybercrimes Act. Additionally, through the Access to Finance Facilitation Panel (AFFP), a position paper was developed to guide advocacy and stakeholder engagement around Tiered, KYC and the Development Bank of Jamaica (DBJ) agreed to increase their claim's cap from 20% to 30% in line with recommendations from The PSOJ Team.

Strengthening the Secretariat

For the year, two key strategic focus areas were membership retention and engagement, and policy/position development through the seven (7) Standing Committees. As a result, two new Units were established to realize these objectives – The Membership Relations and Programmes, Policy and Research.

The Organisation continued to invest in its digital tools and subscriptions, operating virtually and improving our website to facilitate e-payments.

Membership Engagement and Support

Members are at the core of what we do, and it was important that we found ways of connecting with our members and delivering value. Given that we were in the second year of the pandemic, we continued to execute direct engagement through emails, telephone, and virtual events. We successfully engaged 550 members during the year and recruited 49 new members at a subscription value of J\$6,900,000. The Organisation executed 14 webinars, of which 1765 persons participated. Eight of these were held under the Road Map 2.0 Series. This was in addition to two (2) Conferences and 74 episodes of COVID CAST executed under the Access to Finance Panel Project, which had 4.8M views and 5800 participants, respectively.

550 ▲

Members Engaged

14 ▲

Webinars Executed

1765 ▲

Participating in
Webinars

49 @ ▲
J\$6.9M

Subscription Value

Executive Committee



Keith Duncan
President



Jackie Sharp
Vice President



John Byles
Vice President



Parris Lyew-Ayee
Vice President



Adrain Stokes
Vice President



Eva Lewis
Honorary Secretary



Frank James
Vice President



Imega Breese McNab
Executive Director



Vikram Dhiman
Honorary Treasurer

Executive Committee



William Brown
(SAJ)



Septimus Blake
(JBA)



Gloria Henry
(GSAJ)



Donovan Wignall
(MSME Alliance)



David Wan
(JEF)



Clifton Reader
(JHTA)



Andrew Manning
(MAJ)

THE 28TH INDUCTEE INTO THE PSOJ HALL OF FAME

**HON. MICHAEL LEE-CHIN OJ, LL.D.
(HON.)**

The Private Sector Organisation of Jamaica (PSOJ) is proud to induct a titan of Jamaican business into its Hall of Fame — the brilliant, charismatic and inimitable Michael Lee-Chin.

As a visionary entrepreneur, Michael Lee-Chin's philosophy of 'doing well by doing good' continues to transform companies and communities. As a philanthropist, his efforts have touched the lives of hundreds of thousands. As a 'son of the soil', he is a shining example of extraordinary success through passion, purpose and perseverance.

From his humble roots, which he credits for the confidence behind all his successes, Michael has grown to become one of the most successful businessmen in Jamaica and Canada. His achievements include being bestowed with the Order of Jamaica, one of the country's highest national honours, for his significant contribution to business and philanthropy. He was also appointed to the Order of Ontario (Canada), the province's highest civilian order, which recognizes individuals whose exceptional achievements have left a lasting legacy in the province, in Canada, and beyond. Several distinguished universities have honoured Michael with Doctor of Laws degrees, including: McMaster University, University of Toronto, Northern Caribbean University, Wilfrid Laurier University, the University of the West Indies, and York University. Notwithstanding these honours, he counts being a father of five among his top accomplishments.



Michael was born in Port Antonio, Jamaica, in 1951. After high school, he worked on a cruise ship and at an aluminium bauxite plant before applying to universities in Canada and the U.S. He was accepted into McMaster University's civil engineering programme, but after the first year of school, had no resources to pay for the remainder of his education. He wrote to then Prime Minister of Jamaica, Most Hon. Hugh Shearer ON, OJ, to request a scholarship. The Prime Minister provided the scholarship and Michael went on to complete his studies. Upon graduating, Michael returned to Jamaica and worked with the Government as a Civil Engineer, prior to exploring a career in finance in Canada.

His passion for serving clients and making them wealthy, led him to codify the 5 laws of wealth creation which has guided him ever since.

In 1983, Michael borrowed CAD\$500,000 and invested in Mackenzie Financial Corporation stock. Four years later, the stock had appreciated by 600 per cent. Michael used the profits to make his first acquisition – a small Ontario-based investment firm called AIC Limited. Within 13 years, AIC's assets under management grew from less than CAD\$1 million to over CAD\$15 billion. In 2002, AIC acquired a 75 per cent stake in National Commercial Bank Jamaica Limited (NCBJ) from Jamaica's Financial Sector Adjustment Company (FINSAC). Since that acquisition 20 years ago, NCBJ has grown from strength to strength, first becoming the largest and most profitable financial institution in Jamaica, and then becoming one of the leading financial institutions in the

English-speaking Caribbean. Today, the NCB Financial Group has a presence in over 21 territories and provides a wide array of financial products and services through its holdings in NCBJ, TFOB (2021) Limited, Clarien Group Limited and Guardian Holdings Limited.

The scholarship granted to Michael Lee-Chin to pursue his tertiary studies, has indeed paid dividends for Jamaica. The NCB Financial Group has created wealth for its shareholders based on its strong stock market performance over time, and continues to be a primary corporate contributor to Jamaica's tax revenue base. Through the N.C.B. Foundation, Michael has demonstrated his mantra "doing well by doing good". Since its inception in 2003, the Foundation has donated J\$2.4 billion to philanthropic causes, benefiting over 500,000 Jamaicans. The majority of those donations have been focused on education, related to Michael's dream of seeing all Jamaican children having an opportunity to pursue tertiary education. Beyond its contributions to education, the N.C.B. Foundation has also contributed to worthwhile initiatives such as the restoration of the Holy Trinity Cathedral, a cause that has been dear to Michael's heart, and life-saving equipment purchases for the University Hospital of the West Indies.

In 2016, Michael took his commitment to Jamaica a step further by accepting the Prime Minister's appointment to chair Jamaica's Economic Growth Council.

Today, Michael is the President and Chairman of Portland Holdings Inc., a privately held investment company that

manages public and private equity, and has an ownership interest in a collection of diversified businesses operating in sectors that include financial services, tourism, agriculture, insurance, energy and targeted radionuclide therapy, with its origins dating back to 1987.

In addition to his role as Chairman of NCB Financial Group Limited, Michael sits on various boards in Canada, Germany and throughout the Caribbean including the boards of National Commercial Bank Jamaica Limited and Guardian Holdings Limited.

Even though the best may still be yet to come, Michael has already indelibly changed the landscape around him. His lasting legacy was undoubtedly shaped by the values instilled and the lessons learned from the land of his birth. He continues to lead by being a living example of his own words: ***“Our behaviour today will be our history tomorrow. Make sure it’s well written.”***

As Hon. Michael Lee-Chin, O.J., LL.D (Hon.) is inducted into the PSOJ Hall of Fame tonight, we can all reflect on his three-part recipe for a fulfilled life: doing well, doing good for society and living a life of passion. This approach has brought Michael tremendous professional success, but its true significance can be seen in the countless lives that have been transformed, the communities that have been strengthened as a result and a nation that has been made better for it. We celebrate Michael’s numerous accomplishments and express our sincere appreciation for his remarkable leadership, vision and contribution to Jamaica.

October 2022



The PSOJ 28th Hall of Fame Inductee Michael Lee-Chin arriving on the blue carpet with his wife, Sonya Hamilton Lee-Chin.



President of the PSOJ Keith Duncan posing for a picture with his wife Wendy Duncan, Michael Lee-Chin and Sonya Hamilton.



Michael Lee-Chin is all smiles with his son Adrian Lee-Chin.



PSOJ President Keith Duncan takes a moment to greet PSOJ Vice President Jackie Sharp.



Three the hard way! Michael Lee-Chin, Kenny Benjamin and Keith Duncan are picture-perfect.



Michael Lee-Chin greeting Senator the Hon. Aubyn Hill, Minister of Industry, Investment & Commerce.



President of the PSOJ Keith Duncan with 2019 Hall of Fame Inductee Thalia Lyn, Hugh Hart and Adrian Lee-Chin.



J. Wray & Nephew's Managing Director Jean-Philippe Beyer presenting Michael Lee-Chin with an Appleton Estate 21-Year-Old Nassau Valley Cask signed bottle by Master Blender Dr Joy Spence.



Hugh Hart reading the MLC Citation before the official presentation.

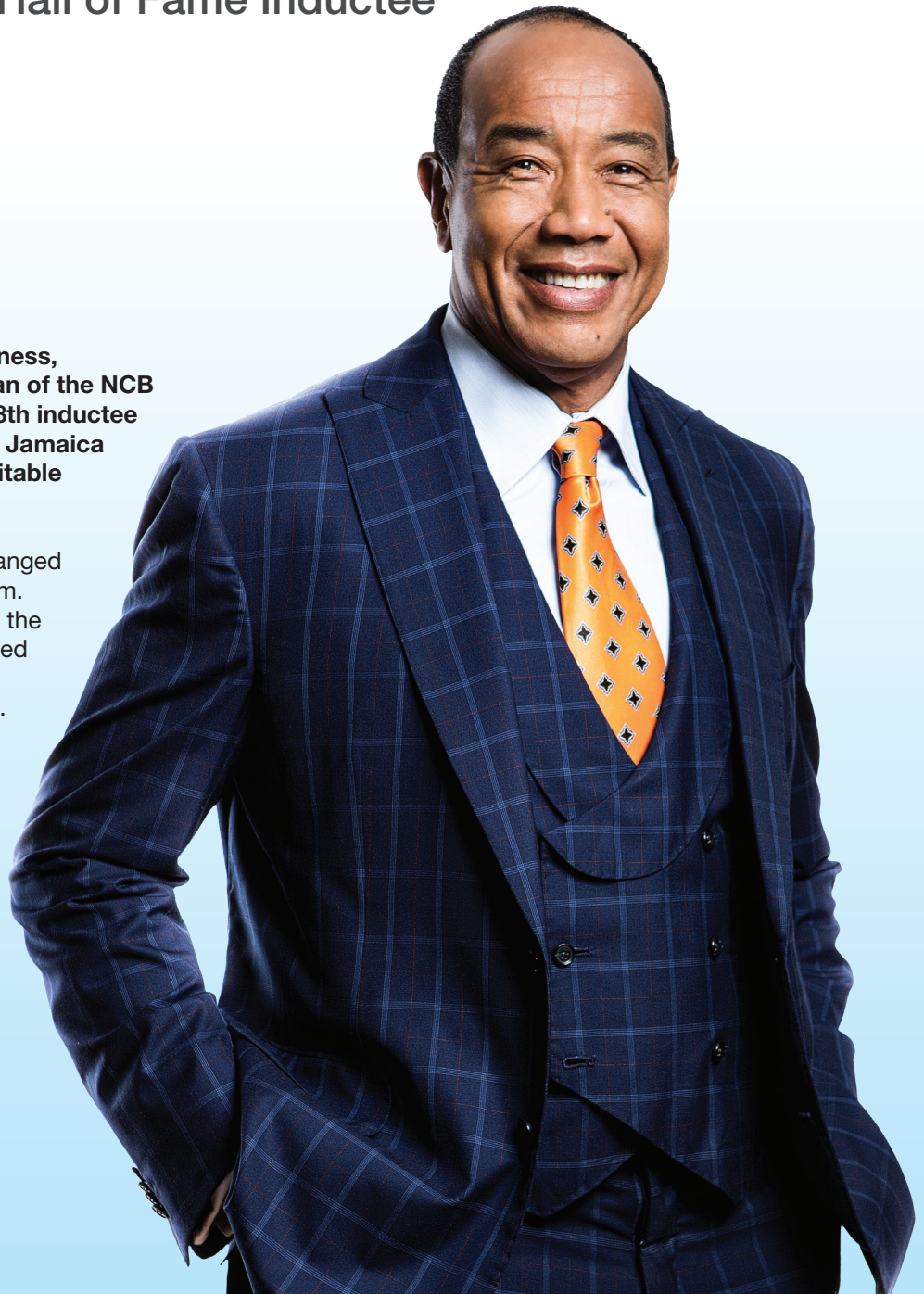
CONGRATULATIONS

Michael Lee-Chin OJ, OONT

2022 PSOJ Hall of Fame Inductee

Titan of Jamaican business, philanthropist, Chairman of the NCB Financial Group, and 28th inductee in the Private Sector of Jamaica Hall of Fame – the inimitable Michael Lee-Chin.

Michael has indelibly changed the landscape around him. His lasting legacy will be the result of the values instilled and the lessons learned from the land of his birth. He continues to lead by being a living example of his own words: “Our behaviour today will be our history tomorrow. Make sure it’s well written.”



CRIME STOP JAMAICA





Sandra Glasgow
Committee Chair

Crime Stop Jamaica, under the directorship of The Private Sector Organisation of Jamaica (PSOJ), embarked on a multi-media, multi-faceted campaign in 2021 where high-level strategies included tackling acts of crime through the reclamation of spaces within communities, repositioning Crime Stop and the Jamaica Constabulary Force as sources of support and trust and the reimagination and redefinition of what it means to be a good citizen. The **'Stand Up for Our Country'** campaign was executed via mainstream media, social media and out of home (OOH) advertising. It also included the execution of a mural in the Hannah Town community, depicting the message of trust and support among community members and the police.

The public reach and reaction were remarkable from the collateral created – television commercials, social media videos and static images, and radio and press advertisements. Over 120 television placements, 520 radio placements, 22

press ads, 3 OOH advertisements, over 3.75M reach on social media, and several media interviews. The **'Stand Up for Our Country'** Campaign not only reintroduced the Crime Stop Jamaica programme as an avenue to anonymously share information on all criminal activities; it also resonated with citizens who related to the call for action to stand against crime and violence in their community.

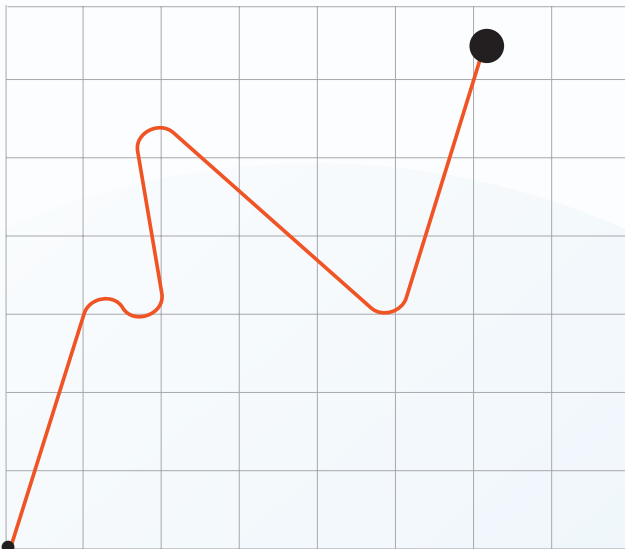
The full execution of the campaign would not have been possible without the support of our Campaign and Corporate Sponsors and the partnership of the Jamaica Constabulary Force. **'Stand Up for Our Country'** campaign was sponsored by the National Commercial Bank, Hawkeye Electronic Security Limited, Sterling Asset Management Limited, Ministry of National Security, Unicomer Jamaica, GraceKenney Limited, Jamaica Money Market Brokers, ICD Group, National Rums of Jamaica, Victoria Mutual Group and PanJam Investment Limited.

Statistics

Crime Stop received 685 tips in 2021, garnering a success rate of 1 in 8 (1 success for every 8 first tips received). The majority of tips received were regarding illegal firearms and ammunition (192), followed by gunmen (169) and wanted persons (46).



Among successes for the year, there were 67 arrests (a 34% increase compared to 2020), the majority of which were for possession of illegal firearms and ammunition (23) and possession of drugs (14). Additionally, 2021's successes included the seizure of 36 illegal firearms and 582 rounds of ammunition. The total value of the property recovered during 2021 totalled \$5,246,172, whereas \$12,691,236 worth of drugs were seized/destroyed. These successes led to a total of \$5,680,000 paid in rewards.



Funding

The National Commercial Bank (NCB) Financial Group continued its support of the Crime Stop Jamaica programme, with the agreement covering August 2021 – July 2022. Notwithstanding, four additional Corporate Sponsors were onboarded in 2021, each with a three-year term of January 2021 to December 2023; they are Sterling Asset Management Limited, J. Wray & Nephew Limited, Hawkeye Electronic Security Limited, and

GraceKennedy Limited. The Board of Directors and staff heartily thank these organisations for their support.

Additional funding was also received through interest earned on the organisation's investment fund and money raised through the partnership with BGLC (\$1M), which is now in its sixth year. The media and allied services continued to play a crucial role in the Crime Stop Jamaica programme by donating all time, space, and services free of cost.



Corporate Governance



Members

Gail Moss-Solomon

Tracy Campbell

Keri-Gaye Brown

Donovan Wignal

Simone Pearson

Robert Hamilton

Anna Harry

Kecia Taylor

Gabrielle Grant

Melanie Gilchrist

Stephen Greig

Gina Phillipps-Black

Lorna Gooden

David Hall

Twila-Mae Logan

Marlene Street Forrest

Julie Thompson-James

Roxanne Miller

Barbara Alexander

Camille Facey Committee Chair

The Committee lost its founding Chairperson with the untimely passing of Miss Greta Bogues in February 2021. Mrs. Camille Facey was appointed Interim Chair and was later confirmed in that position.

For 2021 the primary focus for the Committee was to finalise and launch the merged PSOJ Corporate Governance Code, continue its governance advocacy and use training as the primary tool to further enhance corporate governance awareness and knowledge. Work also continued in supporting the public sector and the Corporate Governance policies.

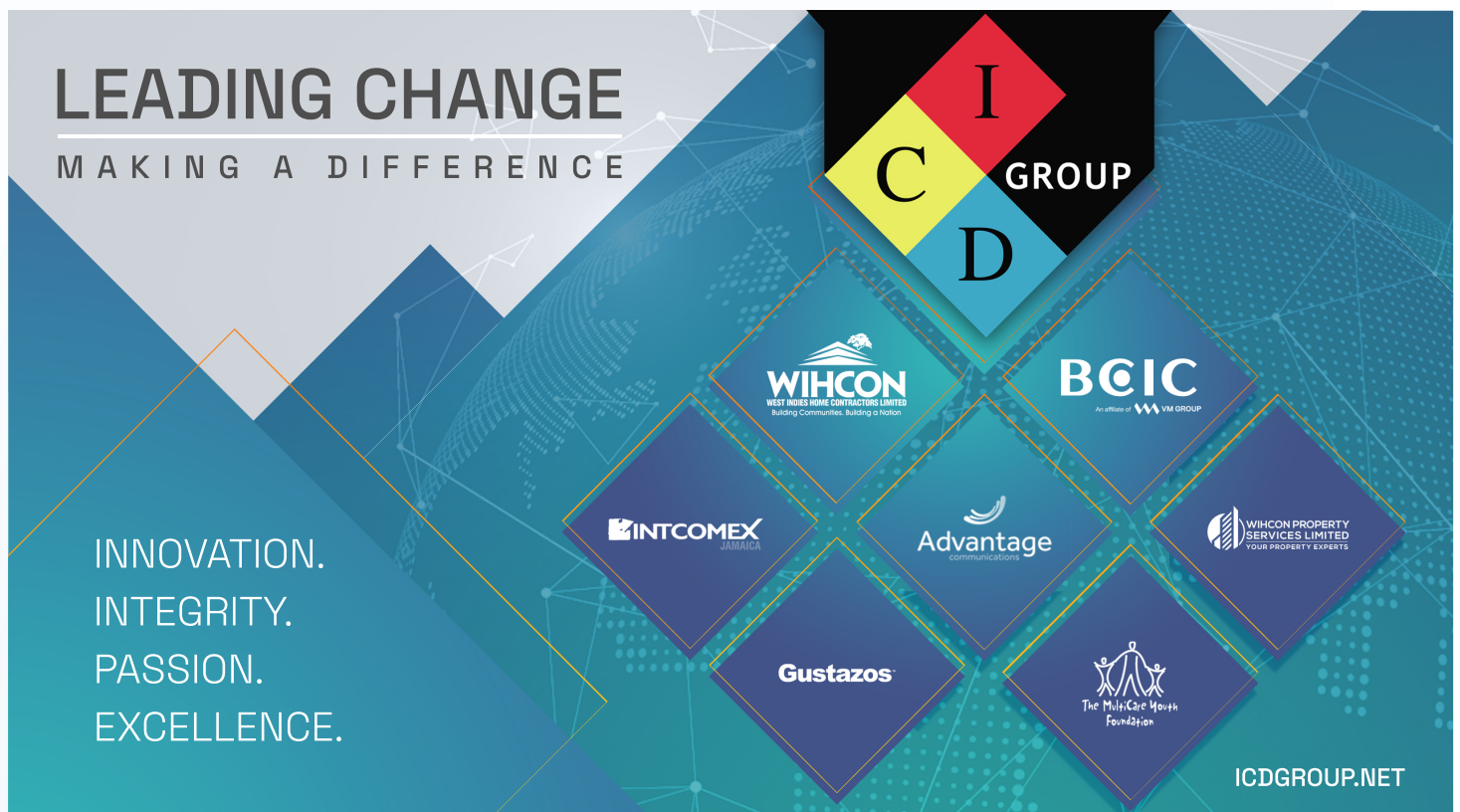
In 2021 the Committee met six (6) times for regular meetings while sub-committees relating to the Corporate Governance Index, Corporate Governance Code, the Public Bodies Corporate Governance Awards, Corporate Governance Training for MSMEs, and the JSE/PSOJ Leadership Diploma Programme met regularly. During the year, the Committee also saw one (1) change within its membership with the addition of Mrs. Carolyn Bell-Wisdom representing the Institute of Chartered Accountants of Jamaica (ICAJ).

During the review period, despite the Covid-19 pandemic, the Committee pursued the following initiatives:

- The Committee partnered with the Jamaica Stock Exchange (JSE) on the Corporate Governance Leadership Diploma training programme for Directors, which was conducted from February to May 2021. This programme provided training for another fifteen (15) persons in corporate governance who are now a part of the eligible pool of trained talent available for directorships. The listing of potential directors can be found on both the JSE and PSOJ websites.
- The Corporate Governance Implementation Oversight Committee (IOC), which consists of both public and private sector individuals, continued to provide technical corporate governance advice, quality control and to support the development of Corporate Governance policies for the public sector. Some critical documents reviewed were; a Code of Conduct and a revision of the Public Sector Board Performance Evaluation Instruments. The Code of Conduct is still with the Ministry of Finance for review of the amendments identified. The Corporate Social Responsibility framework and its related guidelines were sent to the Minister of Finance & the Public Service, Hon. Nigel Clarke for final review before submitting same to Cabinet.
- The new regulations for the Nomination, Selection and Appointment of Directors of Public Bodies were passed in December 2021.
- The Jamaica Stock Exchange (JSE) continued utilising the Corporate Governance Index (CGI) to enhance positive corporate governance practices for companies listed on both the main and junior stock exchanges. The Corporate Governance Index Review Committee, another sub-committee of the PSOJ CG Committee, assists the JSE in providing an independent review of annual Corporate Governance Index scores. Based on the 2021 review, there has been a positive increase in corporate governance practices for listed companies. Eighty-eight (88) companies were reviewed during this period, which augurs well for the growth, development, and transparency of listed companies.
- For the fourteenth year in a row, the PSOJ sponsored the 2021 PSOJ/JSE Corporate Governance Awards. NCB Financial Group Limited and Grace Kennedy Limited were the winners in the Main market, with Supreme Ventures Limited as the 2nd runner-up. In relation to the Junior market, Honey Bun was named the winner, with Lasco Financial Services as the 1st runner-up and Lasco Distributors Limited as the 2nd runner-up.

- The review of the PSOJ Main Code continued. The PSOJ Corporate Governance Main and MSME Codes were merged into one Code with different sections applicable to Family-Owned Businesses and Non-profit Organisations. This comprehensive Corporate Governance Code was completed by December 2021. This Code is expected to be launched in February 2022 and will be supported by an updated Toolkit and Handbook.

The Committee continues to positively support the PSOJ Council on Corporate Governance matters and endeavours to increase the awareness and implementation of corporate governance practices by both private and public sector entities.



ENERGY ENVIRONMENT & CLIMATE CHANGE





Eleanor Jones
Committee Chair

Members

| | |
|---------------------|-------------------|
| Alain Carreau | David Pijuan Mota |
| Andre Gordon | Earl Green |
| Ava Tomlin | Joseph Williams |
| Bela Szabo | Krishna Desai |
| Carolyn Bell-Wisdom | Levar Smith |
| Christina Chue | Nigel Davy |
| Chris Okonomah | Robert Holdsworth |
| David Barrett | Samuel Davis |
| Dr. Ava Maxam | Sean Hines |
| David Arscott | Suzanne Shaw |
| Dwayne Russell | Wayne Archibald |
| | Wesley Hughes |

The PSOJ continued to promote public-private sector dialogue and partnership on the three interrelated pillars of energy, environment, and climate change, which are critical for sustainable development.

Energy

The high cost of energy remains an ongoing concern. Therefore, the EECC built on the work undertaken in 2020 to continue to engage a wide cross-section of stakeholders to finalize the Energy Pricing Position Paper in 2021. The paper highlights several recommendations to transform the energy sector.

The National Energy Council (NEC) provides an avenue for the PSOJ to present its views on policy required for energy security, efficiency, and sustainability. However, no meetings were held during the year. As such, the PSOJ made representation for the reconvening of the NEC meetings.

The Committee reviewed the Electricity Act 2015 and submitted its findings to the Joint Select Committee of Parliament.

The Committee was re-engaged by USAID on the Public-Private Sector Alliance (PPSA) and the Jamaica Energy Resilience Alliance (JERA). The Committee was informed that the Cadmus Group had been engaged to serve as the Secretariat for the PPSA. The PSOJ was asked to review the Memorandum of Understanding (MOU) and confirm its support for the initiative.

Environment

The Committee continued to participate in policy dialogue and initiatives to manage the assets of the natural and built environment, paying particular attention to building resilience to the impact of climate change, environment, disaster risk reduction, waste management, and green investment.

National Tree Planting Initiative

The PSOJ committed to planting 500,000 trees as part of the National Tree Planting Initiative (NTPI) in support of climate mitigation and the enhancement of forest cover. PSOJ embarked on a marketing and public relations campaign to galvanize support from members and the wider business community for the NTPI.

Building Resilience to Climate Change

The Committee continued to support and promote the activities of the Climate Change Division by bringing ongoing awareness of the Green Bond Project to the private sector. Additionally, the Committee remained active, keeping abreast of the global climate agenda by participating in the Conference of the Parties (COP26) virtual panel discussion and the GCF's 4th annual Private Investment for Climate Conference (GPIC).

The national initiative for private sector engagement in adaptation includes efforts to improve the National Enabling Environment by supporting operational risk management, developing new business opportunities, and attracting and directing private infrastructure investment. The PSOJ is represented on the Steering Committee to oversee the implementation of the Climate Change National Adaptation Fund, a major grant provided to Jamaica for implementing climate change adaptation activities related to coastal protection, infrastructure for agriculture and food security, and disaster risk reduction.

LEAP member Suzanne Shaw developed a Climate-resilient Index. The Index is intended to equip businesses to better understand, identify, assess, and improve their climate resilience to remain competitive and profitable over the long term.

Green Investment

The PSOJ was represented on the Steering Committee for the Green Investment Strategy being developed through the National Environment and Planning Agency (NEPA).

The PSOJ participated in a panel discussion on Climate Change and Sustainable Development at the Summit of the Americas Dialogue 2021.

Other Activities

Presentations from organizations such as The National Conservation Trust Fund (NCTFJ) were facilitated to discuss opportunities for collaboration to help fill the funding gap for protected area management.

ECONOMIC POLICY COMMITTEE



Jeffrey Hall
Committee Co-Chair



Jacqueline Sharp
Committee Co-Chair

Members

Members

Adrian Stokes
Duncan Stewart
Jermaine Burrell
Keith Collister
Melanie Subratie
Nicholas Scott

Stefan Wright
Stephanie Abrahams
Samuel Braithwaite
Saschelle Ricketts
Tameka Walker Mowat
Natasha Richardson

In 2021, the Economic Policy Committee, co-chaired by Vice Presidents Jeffrey Hall and Jackie Sharp, continued its focus on stimulating investments, improving the ease of doing business and macro-economic conditions. Due to the ongoing pandemic, the committee increased awareness and promoted dialogue on key areas of competitiveness, investment opportunities and government-related economic policy through the Road Map to Jamaica 2.0 Virtual Series and Press Statements.

Roadmap to Jamaica 2.0 Series

The committee held four (4) Roadmap to Jamaica 2.0 forums: “Increasing Jamaica’s Competitiveness Through Labour Reform, 2021/2022 Budget and Increasing Affordable

Housing in Jamaica.” Emanating from these forums, the committee shared the recommendations with the relevant stakeholders for consideration.

Policy Interest Rates

In response to the Bank of Jamaica (BoJ) first policy interest rate adjustment in October from 0.5% to 1.50% per annum due to a 6.1% inflation in August which breached the upper limit of the BOJ target range of 4.0%– 6.0%, the committee issued a Press Statement. The Organisation voiced its concern regarding the tighter monetary policy stance in the context of adverse macroeconomic conditions arising from the COVID-19 pandemic, the government’s program to maintain a fiscal surplus, and uncertainty among economic actors about short-term price changes due to supply chain issues. The PSOJ encouraged the BOJ to utilize its unquestioned credibility to lead a communication effort that would directly emphasize the transitory nature of inflation for all economic actors. While expressly clarifying the specific economic circumstances that would give rise to further changes in the policy rate and continuing to assure the country that it stands ready to utilize effective policy tools to head off embedded inflation should that need arise.

Investment

An exploratory meeting was held with the new Dominican Republic Ambassador to Jamaica to discuss opportunities for export and investment and the hosting of a DR/Jamaica Business Roundtable.

A photograph of four diverse professionals in business attire, smiling and looking towards the camera. They are positioned around a desk with a laptop. The image is overlaid with a large, diagonal magenta graphic that divides the frame. The text 'MEMBERSHIP COMMITTEE' is written in large, white, bold, sans-serif capital letters across the lower portion of the image, partially overlapping the magenta graphic and the people.

MEMBERSHIP COMMITTEE



Yaneek Page
Committee Chair

Members

Kareen Cox

Danielle Terrelonge

Almando Cox

Claudia Bermudez

Bert Tomlinson, Jr

Venice Irving

The Membership Committee, under the chairmanship of Yaneek Page, continued to devise strategies to add value for members throughout the 2021 period. Supported by the compliment of seasoned, insightful business executives, the committee was diligent in executing its mandate of delivering impactful and engaging initiatives for members and prospects alike. The work of the committee was reflected in its support to the membership department in successfully recruiting 49 new members and retaining over 90% of the organisation's membership as of December 31, 2021.

Virtual Connect

All the primary activities of the committee remained in a virtual format for 2021. These included committee meetings, all high-level consultancy meetings, forums, and engagement sessions. The committee introduced the engagement sessions in April 2021 to reach multiple members at a given time, adding an element of networking to the interaction. These sessions were robustly supported by the membership, as they allowed them to share their challenges and accomplishments with PSOJ leadership. Several of these events were led by the President, Vice-Presidents, and the Executive Director. These engagement sessions continue to be integral to our member engagement strategy.

Bridging the Digital Divide

With its launch in October 2020, the One Laptop or Tablet per Child Initiative, a Ministry of Education and Youth-led Project to which the PSOJ is a key partner, remained one of the priorities for the membership committee. The membership department continued to procure laptops and tablets for donations to several schools across the island during the pandemic. Through the PSOJ, for 2021, there were approximately 4,200 devices procured and distributed, valued at more than \$125 million.

The background of the page is a large, slightly blurred photograph of a diverse group of people, mostly of South Asian descent, smiling and giving thumbs-up gestures. The image is split diagonally from the top left to the bottom right. The upper-left portion is tinted with a warm, yellowish-orange light, while the lower-right portion is tinted with a cooler, bluish-grey light. Overlaid on this background is the title 'HUMAN CAPITAL DEVELOPMENT COMMITTEE' in large, bold, orange-red capital letters.

HUMAN CAPITAL DEVELOPMENT COMMITTEE



**Mariame McIntosh
Robinson**
Committee Chair

Members

Claudene Lofters

Colleen Bancroft

Courtland Wilson

Dr. Carolyn Hayle

Dwayne Russell

Jacqueline Coke Lloyd

Lisandra Rickards

Maya Walrond

Melissa Anderson

Professor Dennis Gayle

Renee Morrison

Sheree Martin

The Human Capital Development Committee (HCD) continued its mandate in 2021 under the stewardship of Mariame McIntosh-Robinson. The Committee developed effective strategies to advocate for and provide oversight for human capital-related issues such as workforce development, child protection, and other development issues. The Gender and Disability Affairs is a sub-committee of the HCD and advocates for and advances issues affecting women, the disabled, and other marginalized groups in corporate Jamaica.

The Child and Teen Helpline “Safe Spot”

The Committee was instrumental in the signing and implementation of a Memorandum of Understanding (MOU) with the Office of the Children’s Advocate (OCA) and the United Nations Children’s Fund (UNICEF) Jamaica Country Office to establish the “Safe Spot” child and teen helpline. The “Safe Spot” child and teen helpline was launched in May as a multi-sectoral initiative to provide a 24-hour helpline for children adversely affected by COVID-19.

Connect A Child

With the ongoing closure of schools due to the pandemic, the Committee continued to facilitate access to devices for students through the Connect a Child initiative to bridge the digital divide. In partnership with the Ministry of Education and Youth (MOEY), Junior Achievement, National Education Trust and the Jamaica Social Stock

Exchange, J\$125,381,839 were raised, and 4,182 devices were procured.

Reopening of Schools

As we continued to grapple with the prevention and containment of the COVID-19 pandemic and the learning loss of children, the PSOJ commenced discussions and established a working group in November with UNICEF and the Ministry of Education and Youth (MOEY) to develop a Plan on the 3Rs Reopening, Recovery and Resilience in schools.

Workforce Development

To fulfil its mandate of workforce development, the Committee continued to address the skills gap issue currently affecting workforce development in Jamaica. As a result, a request for proposal was developed to commission a national skills gap assessment to achieve the following goals:

- To outline current and projected demand for skills that will be mapped to labour market supply and key skills required to advance the local economy.
- To identify the skills gap for the internationally competitive industries as identified by Vision 2030 and any emerging sectors with potential for growth and productivity.
- To map the current programs offered by local tertiary institutions against the needs of an internationally competitive industry and to identify any existing skill gaps.
- To help develop a user-friendly database or methods for robust data collection for ongoing systematic skills gap measurement and data collection sustainability.

The Gender and Disability Affairs Sub-Committee

In 2021, the Gender and Disability Affairs Sub-Committee continued to focus on strategies to address gender equality and disability issues. The subcommittee held a virtual town hall session entitled “Ability to Access: A Conversation on Disability and Inclusion”. The virtual town hall session was held to inform the government and special needs stakeholders about the steps required to create a truly inclusive workplace. The session also dissected the Disabilities Act and its accompanying regulations.

Members

Renee Morrison (Sub-Committee Chair)

Andre Gordon

Deborah Newland

Gloria Goffe

Hixwell Douglas

Mareeca Brown-Bailey

Sandra McLeish

Sandra Samuels

Sandra Swaby

Shawneil Bailey-Gordon

Thaylia Lyn

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Solution



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and
Infrastructure

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A large, faint graphic of a lightbulb is centered in the upper half of the page. The interior of the lightbulb is filled with a complex, glowing circuit board pattern in shades of blue and purple. The background of the entire page is a dark blue gradient with a network of thin, light blue lines and dots, resembling a digital or neural network. At the bottom of the page, a pair of hands is visible, cupped together, holding the text.

INNOVATION AND DIGITAL TRANSFORMATION



Members

Aden Whittaker

Amanda Collins Madden

Michele Marius

Nadeen Mathews Blair

Neil Lawrence

Stacey Hines

Trevor Forrest

Wayne Chen

Christopher Reckord

Committee Chair

In 2021, PSOJ's Innovation and Digital Transformation Committee's mandate of identifying current and emerging digital practices to increase efficiency and productivity in public and private sectors became even more relevant due to the impact of COVID-19. The committee remained focused on its approach to working assiduously at developing strategies, engaging stakeholders, and putting forward recommendations to help transform Jamaica into a digital society.

The IDT Committee is pleased to report on its unwavering commitment to the three key areas of focus which were pinpointed: digital literacy, eCommerce, and digital payment, as well as the National ID System (NIDS). The committee continues to develop effective strategies to improve Jamaica's digital infrastructure and assess and identify the current digital needs within Jamaica's business sectors to improve the country's digital ecosystem.

E-commerce National Delivery Solution (ENDS)

The IDT Committee was instrumental in developing and implementing the ENDS Programme in collaboration with the Ministry of National Security and other private sector stakeholders. On March 6, 2021, ENDS was launched as an online registration portal for compliant businesses to register online, enabling them to continue operating during COVID-19 curfew hours. Food service companies, such as restaurants, supermarkets, pharmacies, and other delivery services, used the system. Customers benefited from the ENDS program as well, which was attributed to the fact that COVID-19 regulations did not impede access to essential items and services.

National Identification System (NIDS)

The Committee established the National Identification System Subcommittee with the mission of identifying and utilizing opportunities to raise awareness about the benefits of NIDS to the private sector. The Subcommittee briefed the Parliamentary Joint Select Committee on the importance of NIDS in the digitalization process and the ease of doing business in Jamaica. The Subcommittee also contributed to the creation of recordings as part of the ongoing public communications campaign to educate and raise awareness among Jamaicans allowing them to gain an understanding of the Government NIDS initiative.

The Cybercrimes Act, 2015

The committee is also pleased to report that contributing to the legislative agenda that directly impacts the development of the information technology (IT) sector remains a key area of focus. A Subcommittee was formed to review the Cybercrimes Act of 2015, and fruitful submissions were made to Parliament, which successfully drew attention to areas for improvement in legislation that would enhance Jamaican people's protection and broaden cyber-crimes.

Digital Policy Paper "Jamaica as a Digital Society"

One of the committee's strategic goals for 2021 was to conceptualise and create a PSOJ policy document titled "Jamaica as a Digital Society." Members of the IDT Committee took a participatory approach and hosted a membership consultation session with key stakeholders such as the Micro, Small and Medium Enterprise (MSME) Alliance, Jamaica Manufacturers and Exporters Association (JMEA), Jamaica Chamber of Commerce (JCC), and Jamaica Technology and Digital Alliance (JTDA), among others, to gather a private sector perspective on what Jamaica should look like as a digital society. The committee has completed draft one of the policy paper and is working to advance its full completion in 2022.

THE PEOPLE BEHIND



OUR SUCCESS



EXECUTIVE AND ADMINISTRATIVE DEPARTMENT

From left to right: **Patrene Davis-Walcott**, Executive Administrator, **Imega Breese McNab**, Executive Director, **Shanne Thomas**, Administrative Services Officer



MARKETING DEPARTMENT

From left to right: **Tashna-Toya Edwards**, Marketing & Communications Associate, **Andre Heslop**, Marketing Coordinator, **Ammesha Brown**, Marketing & Public Relations Manager, **Kimecha Bailey**, Events & Sponsorship Officer



POLICY, PROGRAMMES AND RESEARCH DEPARTMENT

From left to right: **Nicholas Johnson**, Programmes & Research Administrator, **Antonica Clarke**, Business Support & Research Officer, **Georgette Bolton-Smith**, Policy, Programmes & Research Manager, **Melanie Dawkins**, Policy & Research Analyst, **Johnoi Elliston**, Project Coordinator





FINANCE AND OPERATIONS DEPARTMENT

From left to right: **James Sterling**, Caretaker/In-house Security, **Miki Coleman**, Senior Accountant, **Everton Myers**, Finance & Operations Manager, **Veneisha Simpson**, Accounting Officer (Receivables)



HUMAN RESOURCE DEPARTMENT

From left to right: **Winsome Millen**, Office Attendant, **Demoy Hayletts**, HR Assistant, **Britney Lothian**, Intern, **Cheryl Neil-Barnes**, Human Resource Manager



MEMBERSHIP DEPARTMENT

From left to right: **Sashana Shryer**, Member Relations Officer, **Anika Jengelley**, Member Relations Manager, **Zhane Rutherford**, Membership Services Officer



PICTORIAL REVIEW



PSOJ President, Keith Duncan and his wife, Wendy, made a J\$1 million donation towards the Connect A Child Initiative in support of the Ministry Of Education, Youth and Information's One Laptop or Tablet Per Child programme.

Joined by his son Zachary, laptops and tablets were formally presented to the students and Principals of Stony Hill Primary and Infant School & Mannings Hill Primary School.

Hon. Fayval Williams and Hon Juliet Cuthbert were present for the handover.



Thee PSOJ continued its support of the Ministry of Education Youth and Information's efforts to get children across Jamaica equipped with a laptop or tablet through the Connect A Child initiative. PSOJ Executive Director, Imega Breese McNab (right) joins NCB Foundation Chair Thalia Lyn (lwft) in presenting a tablet to a student at the Constant Spring Primary & Junior High. This formed part of the larger contribution made by the NCB Foundation to the Connect A Child Initiative where they donated over \$50 million towards the purchase of devices for children.



Dr The Honourable Christopher Tufton is joined by Chair of Logistics and Operations for Private Sector Vaccine Initiative (PSVI), Peter Melhado and Chair of the Digicel Foundation, Charmaine Daniels following donation of equipment by the Foundation towards improved delivery of vaccines through the PSVI.



The PSOJ, represented by President Keith Duncan (left) and chair of PSVI Chris Zacca joined other private sector associations in Jamaica – Jamaica Chamber of Commerce (JCC) and the Jamaica Manufacturers and Exporters Association (JMEA) in signing an MoU with the Ministry of Health & Wellness, represented by Minister of Health Dr. the Hon. Christopher Tufton, agreeing to support the Ministry's efforts to expedite vaccination of the Jamaican populace as quickly and efficiently as possible.

PSOJ Executive Director Imega Breese McNab joins Country Representative of UNICEF Jamaica, Mariko Kagoshima and Children's Advocate Diahann Gordon-Harrison for the launch of the 24/7 Teen & Child HelpLine SafeSpot.



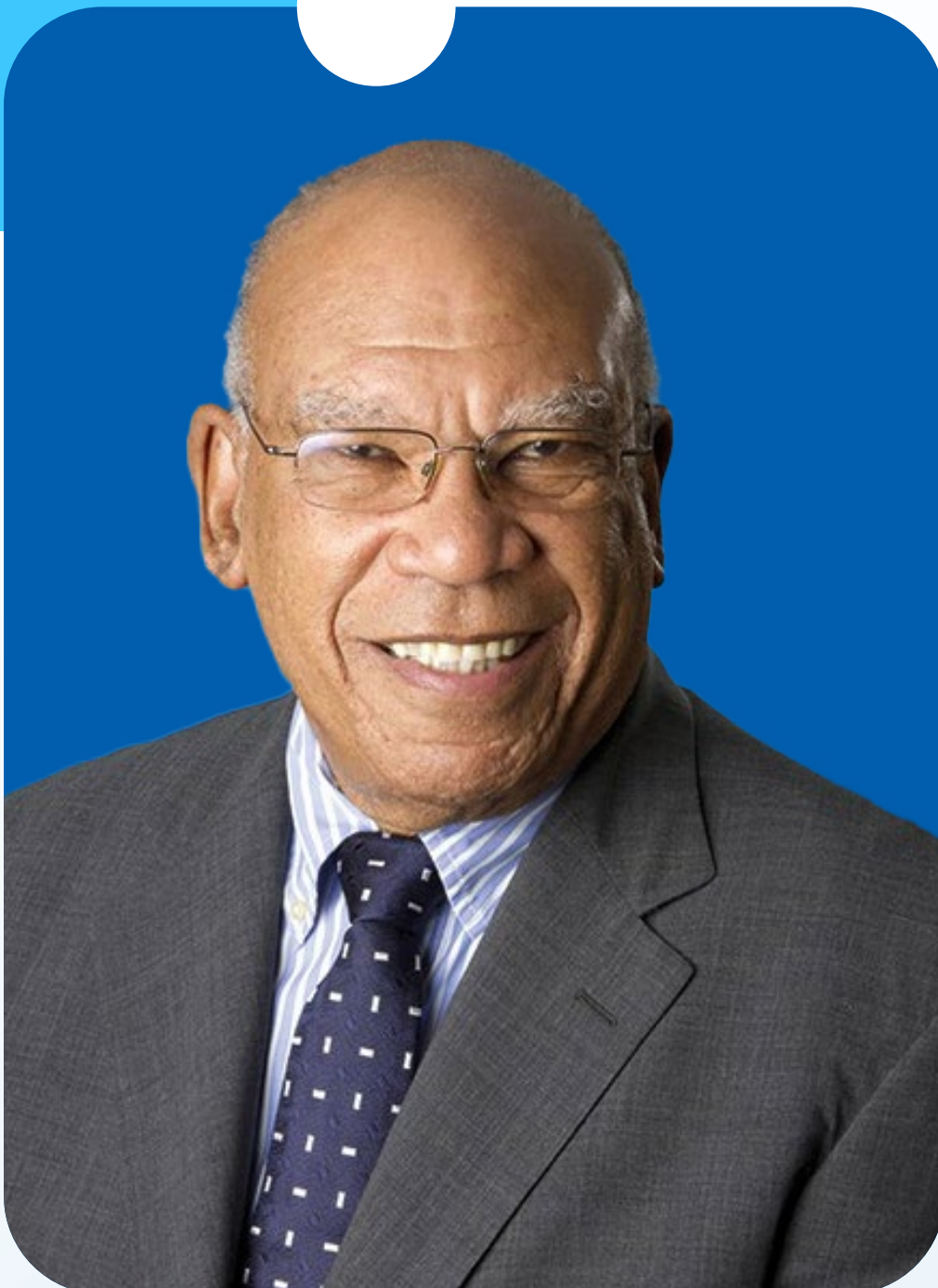
The PSOJ partnered with our member New Fortress Energy and the Forestry Department of Jamaica for the Plant Up JA campaign where members of the public received a free fruit tree seedling for every one purchased at a Forestry Department location.

The PSOJ team was on location for the planting of trees at the Mitchell Town Primary School as part of our ongoing Tree Planting Campaign aimed at planting 500,000 trees.



For the fourth consecutive year The PSOJ partnered with the Ministry of Finance and The Public Service for the Public Bodies Corporate Governance Awards. The National Health Fund (NHF) walked away as the overall winners and were presented with the inaugural Greta Bogues Award For Excellence in Corporate Governance.

In Memoriam



**PSOJ MOURNS
THE PASSING OF
DR MARSHALL
HALL, CD, OJ**

Dr. The Hon. Marshall Hall, OJ,

Dr Hall was an astute businessman who served his country with distinction in both academia and business. His passion for the growth and innovation of Jamaica's banana industry has been exemplified throughout his 25 years as Group Managing Director of Jamaica Banana Producers Association Limited (now Jamaica Producers Group). He is accredited with spearheading the resuscitation of the banana industry in St. Mary and Jamaica after hurricane Allen in 1980 and again hurricane Gilbert in 1988. His unwavering commitment to the development of Jamaica's private and public sectors is an exceptional legacy that has been etched in Jamaica's history. Jamaica has lost a true patriot who used his knowledge and expertise to further the nation's growth and development. Dr Hall will be dearly missed.



James 'Jimmy' Moss-Solomon, CD,

Mr Moss-Solomon was an astute and passionate entrepreneur, who served with distinction in the development of Jamaica's private sector. His passion for service extended to diverse private sector entities including the PSOJ where he served as Vice President from August 2000 – July 2001. During his tenure, he was forthright in his views on advancing national growth. Mr Moss-Solomon's nationalistic outlook was reflected through his strong advocacy on issues surrounding education and social upliftment while at the PSOJ. Jimmy will be missed!



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The background of the page is a blue-tinted collage of financial and business-related images. It includes a bar chart with several vertical bars of varying heights, a close-up of a pen resting on a document, a calendar page showing the month of June with dates 13, 14, 15, 16, 17, 20, and 21 visible, and a detailed spreadsheet or financial statement with columns of numbers and text. The text 'FINANCIAL STATEMENT' is overlaid in large, white, bold, sans-serif capital letters.

FINANCIAL STATEMENT

Ventry Foo, B.Sc., M.Sc., F.C.A.

Chartered Accountant,

6 Waterloo Way, Kingston 8, Jamaica, West Indies.

Telephone 755-3543, 755-3569, 755-0570, Fax 755-3968

Email: ventryfoo@yahoo.com

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November 30, 2022

To the Members of

The Private Sector Organisation of Jamaica

Report on the Audit of the Financial Statements

Opinion

I have audited the separate financial statements of The Private Sector Organisation of Jamaica set out on pages 4 to 29, which comprise the separate statements of financial position as at December 31, 2021, comprehensive income, changes in funds, cash flows for the year then ended, notes, comprising significant accounting policies and other explanatory information.

In my opinion, the accompanying separate financial statements give a true and fair view of the financial position of the Company as at December 31, 2021, and of its separate financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), and the Jamaican Companies Act.

Basis for Opinion

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

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

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

Independent Auditor's Report

To the Members of The Private Sector Organisation of Jamaica

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Independent Auditor's Report

To the Members of The Private Sector Organisation of Jamaica

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

Emphasis on matter

- Prior year comparatives have been extracted from the records of other professionals, whose report dated December 6, 2021, disclosed an unqualified report.

Report on additional matters as required by the Jamaican Companies Act

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



.....
VENTRY FOO
Kingston, Jamaica

The Private Sector Organisation of Jamaica

Financial Statements
Year ended December 31, 2021

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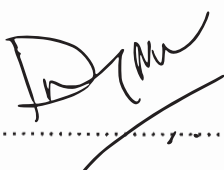
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The Private Sector Organisation of Jamaica
Statement of financial position
December 31, 2021

| | Notes | 2021 \$'000 | 2020 \$'000 |
|-------------------------------------|-------|-----------------------|-----------------------|
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | 3 | 16,630 | 16,266 |
| Investments | 4 | <u>2,476</u> | <u>2,398</u> |
| | | <u>19,106</u> | <u>18,664</u> |
| CURRENT ASSETS | | | |
| Accounts receivable | 5 | 9,408 | 4,659 |
| Taxation recoverable | | 6,465 | 6,034 |
| Due from related parties | 6 | 4,044 | 5,729 |
| Short-term investments | 7 | 59,422 | 57,049 |
| Cash and cash equivalents | 8 | <u>15,728</u> | <u>30,324</u> |
| | | <u>95,067</u> | <u>103,795</u> |
| TOTAL ASSETS | | <u>114,173</u> | <u>122,459</u> |
| EQUITY | | | |
| Fair value reserve | | (39) | (39) |
| Retained earnings | | <u>31,558</u> | <u>44,292</u> |
| | | <u>31,519</u> | <u>44,253</u> |
| NON-CURRENT LIABILITIES | | | |
| Deferred tax liability | 9 | 1,867 | 1,867 |
| Special project funds | 10 | 44,573 | 51,819 |
| Long-term loan | 11 | <u>10</u> | <u>1,820</u> |
| | | <u>46,450</u> | <u>55,506</u> |
| CURRENT LIABILITIES | | | |
| Bank loan | 12 | 7,217 | - |
| Accounts payable | 13 | <u>28,987</u> | <u>22,700</u> |
| | | <u>36,204</u> | <u>22,700</u> |
| TOTAL EQUITY AND LIABILITIES | | <u>114,173</u> | <u>122,459</u> |

The financial statements on pages 4 to 29 were approved for issue by the Board of Directors on November 30, 2022, and signed on its behalf by:


..... Director


..... Director

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

The Private Sector Organisation of Jamaica

Statement of comprehensive income

Year ended December 31, 2021

| | | 2021 \$'000 | 2020 \$'000 |
|---|------|-----------------|----------------|
| INCOME | | | |
| Subscriptions and contributions | 2(o) | 55,734 | 46,332 |
| Interest income | | 1,427 | 1,232 |
| Other income | 14 | 20,913 | 12,429 |
| | | 78,074 | 59,993 |
| EXPENDITURE | | | |
| Administrative expenses (Schedule 1) | | (93,127) | (61,578) |
| OPERATING LOSS | | (15,053) | (1,585) |
| Foreign exchange gain | | 2,319 | 1,089 |
| Impairment losses on trade receivables, net | | - | 4,330 |
| (LOSS)/PROFIT FOR THE YEAR BEFORE TAXATION | | (12,734) | 3,834 |
| TAXATION | 17 | - | (2,663) |
| (LOSS)/PROFIT FOR THE YEAR AFTER TAXATION | | (12,734) | 1,171 |

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

The Private Sector Organisation of Jamaica

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Statement of changes in equity
Year ended December 31, 2021

| | Fair value reserve | Retained earnings | Total |
|---|-----------------------|----------------------|----------|
| | \$'000 | \$'000 | \$'000 |
| Balances at December 31, 2019 | (39) | 43,121 | 43,082 |
| Profit, being total comprehensive profit for the year | - | 1,171 | 1,171 |
| Balances at December 31, 2020 | (39) | 44,292 | 44,253 |
| Loss, being total comprehensive loss for the year | - | (12,734) | (12,734) |
| Balances at December 31, 2021 | (39) | 31,558 | 31,519 |

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

The Private Sector Organisation of Jamaica
Statement of cash flows

Year ended December 31, 2021

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| | 2021 | 2020 |
|--|--------------|---------------|
| | \$'000 | \$'000 |
| CASH FLOWS (USED IN)/FROM OPERATING ACTIVITIES | | |
| (Loss)/Profit for the year | (12,734) | 1,171 |
| Adjustments for: | | |
| Depreciation | 2,662 | 2,174 |
| Gain on foreign exchange | (2,319) | (1,089) |
| Interest income | (1,427) | (1,232) |
| Taxation | - | 2,663 |
| | (13,818) | 3,687 |
| Operating profit before charges in working capital: | | |
| Accounts receivable | (4,749) | 12,329 |
| Taxation recoverable | (431) | - |
| Related party balance, net | 1,685 | 5,080 |
| Accounts payable | 6,287 | 3,242 |
| Cash from operations | (11,026) | 24,338 |
| Taxation paid | - | (213) |
| Net cash (used)/provided by operating activities | (11,026) | 24,125 |
| CASH FLOWS USED IN INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipment | (3,026) | (3,056) |
| Securities purchased under resale agreement | (54) | (13,604) |
| Investments, net | (78) | (88) |
| Interest received | 1,427 | 1,232 |
| Net cash used in investment activities | (1,731) | (15,516) |
| CASH FLOWS (USED IN)/FROM FINANCING ACTIVITIES | | |
| Special project funds payable | (7,246) | 10,175 |
| Long-term loan | (1,810) | (1,518) |
| Net cash (used in)/provided by financing activities | (9,056) | 8,657 |
| Net (decrease)/increase in cash and cash equivalents | (21,813) | 17,266 |
| Cash and cash equivalents at the beginning of the year | 30,324 | 13,058 |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | 8,511 | 30,324 |
| Comprised of: | | |
| Cash balance: | | |
| Special projects fund | 2,802 | 2,454 |
| Others | 12,926 | 27,870 |
| | 15,728 | 30,324 |
| Bank loan | (7,217) | - |
| | 8,511 | 30,324 |

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

The Private Sector Organisation of Jamaica

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Notes to the financial statements

Year ended December 31, 2021

1. CORPORATE INFORMATION

The Private Sector Organisation of Jamaica (“the Organisation”) is incorporated under the laws of Jamaica. The Organisation is limited by guarantee and does not have share capital. The liability of each member, in the event of a winding up, is limited to \$2.

The principal activity of the Organisation is to promote, advocate and encourage the principles of a competitive and productive private sector in Jamaica.

By order of the then relevant Minister of Production, Mining and Commerce, on the 9th December 1992, the Organisation was authorised under Section 20 of the Companies Act to omit the word “Limited” from its name.

The registered office of the Organisation is located at 39 Hope Road, Kingston 10.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance:

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board, and comply with the requirements of the Jamaican Companies Act.

New and amended standards that became effective during the year:

Certain new and amended standards and interpretations came into effect during the current financial year. The Organization has assessed them and has adopted those which are relevant to its financial statements.

New and amended standards issued that are not yet effective:

At the date of authorisation of these financial statements, certain new and amended standards have been issued which are not yet effective for the current financial year and which the Organisation did not early adopt. The Organisation has assessed the relevance of all such new standards, amendments and interpretations with respect to its operation and has determined that the following may be relevant:

- Amendments to IAS 1 *Presentation of Financial Statements*, will apply retrospectively for annual reporting periods beginning on or after 1 January 2023. The amendments promote consistency in application and clarify the requirements on determining if a liability is current or non-current.

Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. As part of its amendments, the requirement for a right to be unconditional has been removed and instead, now requires that a right to defer settlement must have substance and exist at the end of the reporting period.

The Private Sector Organisation of Jamaica

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Notes to the financial statements

Year ended December 31, 2021

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(a) Statement of compliance (continued):****New and amended standards issued that are not yet effective (continued):**

- Amendments to IAS 1 Presentation of Financial Statements (*continued*)

A company classifies a liability as non-current if it has a right to defer settlement for at least twelve months after the reporting period. It has now been clarified that a right to defer exists only if the company complies with conditions specified in the loan agreement at the end of the reporting period, even if the lender does not test compliance until a later date.

With the amendments, convertible instruments may become current. In light of this, the amendments clarify how a company classifies a liability that includes a counterparty conversion option, which could be recognised as either equity or a liability separately from the liability component under IAS 32. Generally, if a liability has any conversion options that involve a transfer of the company's own equity instruments, these would affect its classification as current or non-current. It has now been clarified that a company can ignore only those conversion options that are recognised as equity when classifying liabilities as current or non-current.

The Organisation is assessing the impact that the new standards and amendments may have on its future financial statements when they become effective.

(b) Basis of preparation

The financial statements are presented in Jamaica dollars (\$), which is the functional currency of the Organisation. All financial information presented in Jamaica dollars has been rounded to the nearest thousand, except when otherwise indicated.

The financial statements are prepared on the historical cost basis, modified for the inclusion of investments measured at fair value.

(c) Use of estimates and judgements:

The preparation of the financial statements to conform to IFRS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, contingent assets and contingent liabilities at the reporting date and the income and expenses for the year then ended. Actual amounts could differ from those estimates.

The Private Sector Organisation of Jamaica

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Notes to the financial statements

Year ended December 31, 2021

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)
(c) Use of estimates and judgements (continued):

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Judgements made by management in the application of IFRS that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next financial year are discussed below:

(i) Financial assets:
Judgements

For the purpose of these financial statements, judgement refers to the informed identification and analysis of reasonable alternatives, considering all relevant facts and circumstances, and the well-reasoned, objective and unbiased choice of the alternative that is most consistent with the agreed principles set out in IFRS. The key relevant judgements are as follows:

(1) Classification of financial assets:

The assessment of the business model within which assets are held and assessment of whether the contractual terms of financial asset are solely payments of principal and interest (SPPI) on the principal amount outstanding requires management to make certain judgements of its business operations.

(2) Impairment of financial assets:

Establishing the criteria for determining whether credit risk on a financial asset has increased significantly since initial recognition, determining methodology for incorporating forward-looking information into measurement of expected credit loss (ECL) and selection and approval of models used to measure ECL require significant judgement.

Key assumptions concerning the future of other sources of estimation uncertainty:
Allowance for impairment losses:

In determining amounts recorded for impairment losses of financial assets in the financial statements, management makes assumptions in determining the inputs to be used in the ECL measurement model, including incorporation of the forward- looking information.

Management also estimates the likely amount of cash flows recoverable on the financial assets in determining loss given default. The use of assumptions make uncertainty inherent in such estimates.

The Private Sector Organisation of Jamaica

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Notes to the financial statements

Year ended December 31, 2021

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)
(d) Property, plant and equipment:

- (i) Property, plant and equipment are measured at historical cost or deemed cost, less accumulated depreciation and impairment losses, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Organisation and its cost can be measured reliably. The costs of day-to-day servicing of property, plant and equipment are recognised in profit or loss.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

(ii) Depreciation:

Depreciation is computed on a straight-line basis at annual rates estimated to write down the property, plant and equipment to their estimated residual values at the end of their expected useful lives.

Annual depreciation rates are as follows:

| | |
|-----------------------------------|----------|
| Buildings | 2.5% |
| Furniture, fixtures and equipment | 10 - 20% |
| Computer equipment | 20% |

Land is not depreciated

Depreciation methods, useful lives and residual values are reassessed annually.

(e) Investments:

Investments that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss. Interest income from these financial assets is included in "Interest income" using the effective interest method.

(f) Cash and cash equivalents:

Cash and cash equivalents comprise cash at bank and in hand and short-term investments held with financial institutions with maturity dates of less than three months.

The Private Sector Organisation of Jamaica

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Notes to the financial statements

Year ended December 31, 2021

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)
(g) Accounts receivable:

Accounts receivable are measured at amortised cost, less impairment losses. An impairment loss is recognised using the expected credit loss model for the entire lifetime of such financial assets on initial recognition, and at each subsequent reporting period, even in the absence of a credit event or if a loss has not yet been incurred, considering for their measurement past events and current conditions, as well as reasonable and supportable forecasts affecting collectability [see also note 2(n)].

Accounts receivable are measured at amortised cost, less impairment losses.

(h) Related parties:

A related party is a person or entity that is related to the entity that is preparing its financial statements (referred to in IAS 24 *Related Party Disclosures* as the “reporting entity”).

(a) A person or a close member of that person’s family is related to a reporting entity if that person:

- (i) Has control or joint control over the reporting entity;
- (ii) Has significant influence over the reporting entity; or
- (iii) Is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

(b) An entity is related to a reporting entity if any of the following conditions applies:

- (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
- (vi) The entity is controlled, or jointly controlled by a person identified in (a).

The Private Sector Organisation of Jamaica

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Notes to the financial statements

Year ended December 31, 2021

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)
(h) Related parties (continued):

(b) An entity is related to a reporting entity if any of the following conditions applies (continued):

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(viii) The entity or any member of a group of which it is a part, provides key management services to the Organisation.

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

(i) Accounts payable:

Accounts payable are measured at amortised cost.

(j) Employee benefits:

The Organisation has a defined contribution pension scheme for all permanent employees, which is managed by an outside agency. The Organisation's liability is limited to its contributions which are accounted for on the accrual basis and charged to profit or loss in the period to which they relate.

(k) Provisions:

A provision is recognised in the statement of financial position when the Organisation has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the obligation.

(l) Special project funds:

Funds designated for special projects are credited to a Special Project Funds account. Approved project expenses are charged against these funds.

(m) Loans and borrowings:

After initial recognition, interest bearing loans are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective rate amortisation process.

The Private Sector Organisation of Jamaica

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Notes to the financial statements

Year ended December 31, 2021

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)
(n) Impairment:
Financial assets

The Organisation recognises loss allowances for expected credit losses (ECLs) on debt instruments that are not measured at FVTPL and financial assets measured at amortised cost.

The Organisation measures loss allowances at an amount equal to lifetime ECLs, except for the following which are measured at 12-month ECLs:

- debt investment securities that are determined to have low credit risk at the reporting date; and
- other financial instruments (other than trade receivables) on which credit risk has not increased significantly since their initial recognition.

The Organisation recognises loss allowances for expected credit losses (ECLs) on debt instruments that are not measured at FVTPL and financial assets measured at amortised cost.

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

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

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Organisation expects to receive).

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Organisation considers reasonable and supportable information relevant and available without undue cost or effort.

This includes both quantitative and qualitative information and analysis, based on the Organisation's historical experience and informed credit assessment and including forward looking information.

The Private Sector Organisation of Jamaica

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Notes to the financial statements

Year ended December 31, 2021

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) Impairment (continued):

Financial assets (continued)

The Organisation assumes that the credit risk on financial assets has increased significantly if more than 90 days past due.

The Organisation recognises loss allowances for ECLs and considers a financial asset to be in default when:

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

Credit-impaired financial assets

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

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

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is the case when the Organisation determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level. Recoveries of amounts previously written off are included in 'impairment losses on financial instruments' in the statement of profit or loss. Financial assets that are written off could still be subject to enforcement activities in order to comply with the Organisation's procedures for recovery of amounts due.

The Private Sector Organisation of Jamaica

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Notes to the financial statements

Year ended December 31, 2021

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)
(n) Impairment (continued):
Financial assets (continued)
Write-off (continued)

An allowance for impairment is established if there is objective evidence that the Organisation will not be able to collect all amounts due according to the original contractual terms. The amount of the allowance is the difference between the carrying amount and the recoverable amount.

Non-financial assets

The carrying amounts of the Organisation's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, an asset's recoverable amount is estimated at that date. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

The recoverable amount of the Organisation's assets is the greater of their fair value, less cost to sell, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is reversed, if there has been a change in the estimate used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(o) Revenue:

Revenue is measured based on the consideration specified in a contract with a customer. The Organisation recognises revenue when it transfers control over service to a customer.

The nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies are as follows:

Revenue from subscriptions and contributions is recognised at a point in time when the services are provided and have been accepted by the customer. Invoices are issued according to contract terms on a monthly basis.

The Private Sector Organisation of Jamaica

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Notes to the financial statements

Year ended December 31, 2021

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(p) Finance income:**

Net finance income comprises interest income on funds invested, material bank charges and foreign exchange gains and losses recognised in profit or loss.

Interest income is recognised in profit or loss as it accrues, taking into account the yield on the asset.

(q) Income tax:

Taxation on profit or loss for the year comprises current and deferred tax. Taxation is recognised in profit or loss, except to the extent that it relates to items recognised directly to equity, in which case it is recognised in other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

A deferred tax liability is recognised for all taxable temporary differences except to the extent that the company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

(r) Foreign currencies:

Transactions in foreign currencies are converted at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated at the foreign exchange rate ruling at the reporting date. Foreign exchange differences arising from fluctuations in exchange rates are recognised in profit or loss.

For the purpose of the statement of cash flows, all foreign currency gains and losses recognised in profit or loss are treated as cash items and included in cash flows from operating or financing activities along with movements in the principal balances.

The Private Sector Organisation of Jamaica

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Notes to the financial statements

Year ended December 31, 2021

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)
(s) Financial instruments:

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise. For the purpose of these financial statements, financial assets have been determined to include accounts receivable, due from related party, short-term investments, cash and cash equivalents and investment. Similarly, financial liabilities include special project funds and accounts payable and loans.

(i) Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Organisation becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at transaction price.

(ii) Classification and subsequent measurement
Financial assets

The financial assets that meet both of the following conditions and are not designated as at fair value through profit or loss: a) are held within a business model whose objective is to hold assets to collect contractual cash flows, and b) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are classified as “held to collect” and measured at amortised cost.

Amortised cost represents the net present value (“NPV”) of the consideration receivable or payable as of the transaction date. This classification of financial assets comprises the following captions:

- Cash and cash equivalents
- Accounts receivable
- Due from related parties
- Investments

Due to their short-term nature, the Organisation initially recognises these assets at the original invoices or transaction amount less expected credit losses.

The Private Sector Organisation of Jamaica

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Notes to the financial statements

Year ended December 31, 2021

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) Financial instruments (continued):

(ii) Classification and subsequent measurement (continued)

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as described in the particular recognition methods disclosed in their individual policy statements associated with each item.

Derecognition

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired, or the Organisation has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Organisation has transferred substantially all the risks and rewards of the asset, or (b) the Organisation has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs.

The Organisation's financial liabilities, which include accounts payable, special project funds and loans are recognised initially at fair value.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as described in the particular recognition methods disclosed in the individual policy statements associated with each item.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of profit or loss.

The Private Sector Organisation of Jamaica

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Notes to the financial statements

Year ended December 31, 2021

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)
(s) Financial instruments (continued):
(ii) Classification and subsequent measurement (continued)
Financial liabilities (continued)
Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(t) Determination of fair value:

Fair value amounts represent estimates of the arm's length consideration that would be currently agreed between knowledgeable, willing parties who are under no compulsion to act and is best evidenced by a quoted market price, if one exists. Some financial instruments lack an available trading market. These instruments have been valued using present value or other valuation techniques and the fair value shown may not necessarily be indicative of the amounts realisable in an immediate settlement of the instruments.

3. PROPERTY, PLANT AND EQUIPMENT

| | Land and Building \$'000 | Leasehold Improvements \$'000 | Furniture and equipment \$'000 | Total \$'000 |
|----------------------------------|--------------------------------|-------------------------------------|--------------------------------------|-----------------|
| Cost: | | | | |
| December 31, 2019 | 1,949 | 5,034 | 38,308 | 45,291 |
| Additions | - | - | 3,056 | 3,056 |
| December 31, 2020 | 1,949 | 5,034 | 41,364 | 48,347 |
| Additions | - | - | 3,026 | 3,026 |
| December 31, 2021 | 1,949 | 5,034 | 44,390 | 51,373 |
| Accumulated depreciation: | | | | |
| December 31, 2019 | 249 | 1,960 | 27,698 | 29,907 |
| Charge for the year | 39 | 126 | 2,009 | 2,174 |
| December 31, 2020 | 288 | 2,086 | 29,707 | 32,081 |
| Charge for the year | 39 | 126 | 2,497 | 2,662 |
| December 31, 2021 | 327 | 2,212 | 32,204 | 34,743 |
| Net book value: | | | | |
| December 31, 2021 | 1,622 | 2,822 | 12,186 | 16,630 |
| December 31, 2020 | 1,661 | 2,948 | 11,657 | 16,266 |

The Private Sector Organisation of Jamaica
Notes to the financial statements
Year ended December 31, 2021

4. INVESTMENT

| | <u>2021</u> | <u>2020</u> |
|--------------------------------------|--------------|--------------|
| | \$'000 | \$'000 |
| Designated FVTPL: | | |
| Quoted stocks- Ciboney Group Limited | 1 | 1 |
| Unit Trust | <u>2,475</u> | <u>2,397</u> |
| | <u>2,476</u> | <u>2,398</u> |

5. ACCOUNTS RECEIVABLE

| | <u>2021</u> | <u>2020</u> |
|-------------------------------------|----------------|----------------|
| | \$'000 | \$'000 |
| Trade receivable | 13,426 | 8,434 |
| Allowance for impairment losses (a) | <u>(6,383)</u> | <u>(5,295)</u> |
| Sub-total | 7,043 | 3,139 |
| Prepayments | - | 885 |
| Other receivables | <u>2,365</u> | <u>635</u> |
| | <u>9,408</u> | <u>4,659</u> |

Allowances for doubtful accounts are determined upon origination of the receivable based on a model that calculates the expected credit loss ("ECL") of the trade accounts receivable and are recognised over their term.

(a) The movement in the provision for impairment of receivables was as follows:

| | <u>2021</u> | <u>2020</u> |
|---|--------------|----------------|
| | \$'000 | \$'000 |
| Balance at beginning of the year | 5,295 | 9,625 |
| Additional/(Reversal) charge for the year | <u>1,088</u> | <u>(4,330)</u> |
| Balance at the end of the year | <u>6,383</u> | <u>5,295</u> |

The Organisation's exposure to credit and currency risks and impairment losses relating to trade and other receivables are disclosed in [note 17(a)].

The Private Sector Organisation of Jamaica
Notes to the financial statements
Year ended December 31, 2021

6. RELATED PARTY BALANCES AND TRANSACTIONS

The statement of financial position includes balances, arising in the ordinary course of business, with related parties as follows:

| | <u>2021</u> | <u>2020</u> |
|--|--------------|--------------|
| | \$'000 | \$'000 |
| Due from related parties: | | |
| Jamaica Securities Dealers Association | 769 | 441 |
| Jamaica Bankers Association | 450 | 213 |
| National Crime Prevention Fund | <u>2,825</u> | <u>5,075</u> |
| | <u>4,044</u> | <u>5,729</u> |

The amounts due from related parties are unsecured, do not attract interest and are not subject to any fixed repayment terms. The balances are expected to be settled within twelve months of the reporting date.

7. SHORT-TERM INVESTMENT

| | <u>2021</u> | <u>2020</u> |
|---------------------------------|---------------|---------------|
| | \$'000 | \$'000 |
| Short-term investment | 59,456 | 57,083 |
| Allowance for impairment losses | <u>(34)</u> | <u>(34)</u> |
| | <u>59,422</u> | <u>57,049</u> |

8. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include amounts held for special projects of \$2,801,307, (2020: \$2,454,000).

9. DEFERRED TAXATION

The net deferred tax liability is attributable to the following:

| | 2019 | Recognised in | 2020 | Recognised in | 2021 |
|----------------------------------|----------|----------------|----------------|----------------|----------------|
| | \$'000 | profit or loss | \$'000 | profit or loss | \$'000 |
| | | (note 17) | | (note 17) | |
| Tax losses | 1,215 | (1,215) | - | - | - |
| Unrealized foreign exchange gain | - | (34) | (34) | - | (34) |
| Accounts receivable | 512 | (495) | 17 | - | 17 |
| Accounts payable | 242 | (137) | 105 | - | 105 |
| Property, plant and equipment | (1,969) | 14 | (1,955) | - | (1,955) |
| | <u>-</u> | <u>(1,867)</u> | <u>(1,867)</u> | <u>-</u> | <u>(1,867)</u> |

10. SPECIAL PROJECT FUNDS

| | | 2021 | 2020 |
|---|-----|---------------|---------------|
| | | \$'000 | \$'000 |
| The European Union Banana Support Programme | (a) | 2,141 | 2,141 |
| National Business Model Competition | (b) | 1,104 | 389 |
| Mayer Matalon Biography | (c) | 24 | 24 |
| True Vision Fund | (d) | 20 | 20 |
| Public Sector Committees | (e) | 24,426 | 24,426 |
| Jamaica Accountability Meter Portal | (f) | 20,359 | 23,818 |
| Voucher for Technical Assistance Programme | (g) | 10 | 655 |
| Connect a Child Jamaica Initiative | (h) | 934 | 1,000 |
| Children's Help Line | (i) | (170) | (650) |
| Private Sector Vaccine Initiative | (j) | (4,698) | - |
| Tree planting initiative | (k) | 423 | - |
| | | <u>44,573</u> | <u>51,819</u> |

The Private Sector Organisation of Jamaica

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Notes to the financial statements

Year ended December 31, 2021

10. SPECIAL PROJECT FUNDS (CONTINUED)

- (a) On September 20, 2011, the Organisation signed an agreement with the Office of the European Union Banana Support Programme for a project titled: *St. James Youth Training and Job Placement Project*. The objective of the project is to train and certify 200 persons between the ages of 18 to 30 years old from rural communities in South St. James in ICT skills to work with call centre operations; specifically with Global Gateway Solutions in Montego Bay. The approved budget is €498,794 of which 60.15% is financed by the European Union; 30.7% financed by the Government of Jamaica through the Constituency Development Fund (CDF); and 9.15% by Global Gateway Solutions. The project was for a period of 15 months and should have been completed in December 2012. Given the delays in starting the project, the European Union approved an extension of the project closure to March 18, 2013 to enable the achievement of the project's objectives. The project has not been officially signed off by the European Union as they are in the process of completing their audit of the project. When this is completed, monies remaining will be returned and the bank accounts closed.
- (b) On January 2014, the University of Technology Jamaica, (UTECH), through the Joan Duncan School of Entrepreneurship, Ethics and Leadership (JDSEEL), the University of the West Indies Mona School of Business and Management (MSBM and Northern Caribbean University (NCU), embarked upon a noble project to promote entrepreneurship through a National Business Model Competition (NBMC). The winner of the competition will be entered in the International Business Model Competition (IBMC) in Utah, USA. The Project was completed during the year.
- (c) The Mayer Matalon Biography Fund represents funds from the Organisation member companies donated towards doing a biography in remembrance of the late Mayer Matalon.
- (d) The True Vision Fund represents Funds from member companies of the Organisation for a television program focusing on the International Monetary Fund programme in Jamaica. The project was scheduled to be aired in 2015, however, it has been delayed due to legal proceedings against the producer of the programme.
- (e) Public Sector Committees fund represents funds provided by private sector companies for which the Organisation is the custodian. The money will be used to fund the committees which were established by the government. This agreement is in effect for three (3) years.
- (f) During the year on June 2020, the PSOJ signed an agreement with the Delegation of the European Union (EU) for a project titled: The Jamaica Accountability Meter Portal (JAMP) Project for a period of 36 months. The objective of the project is to "Strengthen Public Stewardship and Accountability in Government". The project seeks to improve the longstanding, festering governance and public accountability problem, through the mainstreaming of a national parliamentary tool, that focuses on policies and systems related to public financial management and anti-corruption initiatives.
- (g) Voucher for Technical Assistance Programme (VTA Project), funded by the Development Bank of Jamaica (DBJ), provides assistance to MSMEs in strengthening their managerial and administrative abilities to improve credit worthiness. The Organisation has been contracted as project managers and funds in the account reflect the amounts to be paid for this service.

The Private Sector Organisation of Jamaica

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Notes to the financial statements

Year ended December 31, 2021

10. SPECIAL PROJECT FUNDS (CONTINUED)

- (h) This is a Private Sector/GOJ Partnership to acquire mobile devices (tablets and laptops) for children to connect remotely during the COVID-19 pandemic. A donation was made for this initiative.
- (i) This is a Private Sector/OCA/UNICEF Partnership to establish a 24-hour children's hotline. A deposit payment was made towards the initial cost of the initiative.
- (j) The Private Sector Vaccine Initiative is a collaborative project between The Ministry of Health and Wellness, The Jamaica Manufacturers and Exporters Association, The Jamaica Chamber of Commerce, and The Private Sector Organization of Jamaica. Launched in 2021, the Private Sector Vaccine Initiative is a mechanism to support Jamaica's COVID-19 vaccination efforts. The Private Sector Organization of Jamaica contributes funding to facilitate the procurement of COVID-19 vaccines.

| 11. LONG-TERM LOAN | <u>2021</u> | <u>2020</u> |
|-----------------------------|-------------|--------------|
| | \$'000 | \$'000 |
| JMMB Bank (Jamaica) Limited | 10 | 1,820 |
| Less: Current portion | = | = |
| | <u>10</u> | <u>1,820</u> |

The loan is repayable in monthly instalments by \$148,213 with interest rate of 9.85% per annum. The loan is secured on Solar Generating Equipment valued at \$7,000,000.

12. BANK LOAN

Bank loan arises from an unsecured line of credit provided by Jamaica Money Market Brokers for financing of the Private Sector Vaccination Initiative.

| 13. ACCOUNTS PAYABLE | <u>2021</u> | <u>2020</u> |
|----------------------|---------------|---------------|
| | \$'000 | \$'000 |
| Trade payables (i) | 2,523 | 2,847 |
| Accruals | <u>8,448</u> | <u>2,755</u> |
| | 10,971 | 5,602 |
| Deferred income | <u>18,016</u> | <u>17,098</u> |
| | <u>28,987</u> | <u>22,700</u> |

14. OTHER INCOME

| | <u>2021</u> | <u>2020</u> |
|------------------------|---------------|---------------|
| | \$'000 | \$'000 |
| Annual Economic Forum | 1,341 | 833 |
| Other | 9,428 | 5,378 |
| Publications | 3,780 | 1,192 |
| Rental | 927 | 1,508 |
| Seminars | 2,237 | 1,228 |
| VT A Programme Project | <u>3,200</u> | <u>2,290</u> |
| | <u>20,913</u> | <u>12,429</u> |

The Private Sector Organisation of Jamaica
Notes to the financial statements
Year ended December 31, 2021

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15. STAFF COST

Staff costs comprise the following:

| | <u>2021</u> \$'000 | <u>2020</u> \$'000 |
|--|-----------------------|-----------------------|
| Wages, salaries and statutory deductions | 53,325 | 22,310 |
| Pension costs | 1,584 | 1,030 |
| Other staff costs | <u>2,314</u> | <u>2,232</u> |
| | <u>57,223</u> | <u>25,572</u> |

16. PENSION SCHEME

The Organisation operates a defined contribution pension scheme for all employees who have satisfied certain minimum service requirements. The scheme is administered by Guardian Life Limited. During the year the Organisation's contribution totalled \$1,584,191, (2020: \$1,029,822).

17. TAXATION

Taxation is based on the profit/(loss) for the year adjusted for income tax purposes and comprises:

| | <u>2021</u> \$'000 | <u>2020</u> \$'000 |
|----------------------|-----------------------|-----------------------|
| Current tax expense: | - | 796 |
| Income Tax | - | - |
| Deferred Tax | <u>-</u> | <u>1,867</u> |
| | <u>-</u> | <u>2,663</u> |

Tax loss of \$14,992,090 is available for set off against future taxable profits.

The Private Sector Organisation of Jamaica

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Notes to the financial statements

Year ended December 31, 2021

18. FINANCIAL RISK MANAGEMENT

Exposure to various types of financial instrument risks arises in the ordinary course of the company's business. The Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework. The company's risk management policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls, and to monitor risk and adherence to limits. Risk management policies are reviewed on a regular basis and reflect changes in market conditions and the company's activities.

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

At statement of financial position's date, there was no significant concentration of credit risk and maximum exposure to credit risk is represented by the carrying amount of each financial asset.

(b) Market risk

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market price, whether those changes are caused by factors specific to the individual security or its issuer, or factors affecting all securities traded in the market. The company has no significant exposure to market risk as financial instruments subject to this risk are not material.

(i) Interest rate risk

Interest rate is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

Bank overdrafts are subjected to interest rates which may be varied with appropriate notice by the lender.

Interest rate sensitivity

There would be no material impact on operating results as financial assets and liabilities are contracted for short term duration at fixed interest rates.

The Private Sector Organisation of Jamaica

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Notes to the financial statements

Year ended December 31, 2021

18. FINANCIAL RISK MANAGEMENT (CONTINUED)**(b) Market risk (continued)****(ii) Foreign currency risk**

Foreign currency risk is the risk that the value of the financial instrument will fluctuate due to changes in foreign exchange rates.

(c) Liquidity risk

Liquidity risk, also referred to as funding risk, is the risk that the company will encounter difficulty in raising funds to meet commitments associated with financial instruments.

Liquidity risk may result from an inability to sell a financial asset quickly at, or close to, its fair value. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, and the availability of funding through an adequate amount of committed credit facilities. The company manages liquidity risk by maintaining adequate amounts of liquid financial assets of appropriate terms and currencies, by pursuing prompt payment practices and by putting in place appropriate stand-by credit arrangements.

(d) Operational risk

Operational risk is the risk of direct or indirect loss arising from a variety of causes associated with the Organisation's processes, personnel, technology and external factors, other than financial risks, such as generally accepted standards of corporate behavior. The Organisation manages operational risk so as to avoid financial loss and damage to its reputation.

(e) Capital management

The company's objectives when managing capital are to safeguard its ability to continue as a going concern, to provide returns to its stakeholders, and maintain a strong capital base to support the development of its business.

The Private Sector Organisation of Jamaica

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Notes to the financial statements

Year ended December 31, 2021

19. IMPACT OF THE COVID-19 PANDEMIC

The World Health Organisation declared the novel Coronavirus (COVID-19) outbreak a pandemic on March 11, 2020 due to its rapid spread across the globe. Jamaica has been affected by the outbreak which resulted in the Government of Jamaica declaring Jamaica a disaster area on March 13, 2020. This has disrupted the Organisation's activities, caused a downturn in the economy and significantly increased economic uncertainty. The Organisation's business activities have been impacted by significant business interruption arising from the current economic strains.

The Organisation has played a key role throughout the pandemic by channeling support from the private sector companies and other donors to the Government of Jamaica in the form of cash grants for funding of COVID-19 related projects and promotional activities geared at fighting the spread of the COVID-19 virus.

The Organisation was able to maintain its membership subscription level and have also obtained additional members.

However, the Organisation has faced some challenges due to the restrictions implemented as a result of the virus as it had to change the format of some events to an online base platform.

The Organisation expects that the COVID-19 pandemic will continue to have some adverse effects on its financial performance. Management continues to monitor the effects of the development arising from the pandemic.

SUPPLEMENTARY INFORMATION TO THE FINANCIAL STATEMENTS

OF

The Private Sector Organisation of Jamaica

Year ended December 31, 2021

I

The Private Sector Organisation of Jamaica
Income and expenditure account
Year ended December 31, 2021

| | 2021 | 2020 |
|---------------------------------------|-----------------|----------------|
| | \$'000 | \$'000 |
| INCOME | | |
| Subscriptions and contributions | 55,734 | 46,332 |
| Interest income | 1,427 | 1,232 |
| Other income | 20,913 | 12,429 |
| TOTAL INCOME | 78,074 | 59,993 |
| EXPENDITURE | | |
| Advertising | 1,449 | 1,083 |
| Auditors' remuneration | 1,179 | 1,050 |
| Bad debt | 1,088 | - |
| Bank charges | 545 | 490 |
| Depreciation | 2,662 | 2,174 |
| Donations and subscriptions | 2,547 | 1,748 |
| General consumption tax irrecoverable | 4,828 | - |
| General | 1,795 | 2,020 |
| Insurance | 571 | 565 |
| Meetings and luncheons | 695 | 857 |
| Miscellaneous | 2 | 1,346 |
| Professional services | 1,803 | 8,105 |
| Property tax | 633 | 606 |
| Publications | 3,020 | 1,204 |
| Repairs and maintenance | 3,594 | 3,922 |
| Security | 1,610 | 1,999 |
| Seminars | 2,931 | 3,188 |
| Staff costs | 57,223 | 25,572 |
| Stationery | 58 | 842 |
| Travelling and entertainment | 6 | 73 |
| Utilities | 4,888 | 4,734 |
| TOTAL EXPENSES | 93,127 | 61,578 |
| NET LOSS | (15,053) | (1,585) |

The Private Sector Organisation of Jamaica
Income tax computation
Year ended December 31, 2021
TRN #000199737-0000

| | | <u>2021</u> |
|-------------------------------------|--------------|------------------------|
| | | \$'000 |
| Net loss per financial statements | | (12,734) |
| Add : Bad debt, general provision | 1,088 | |
| Add : Depreciation | <u>2,662</u> | <u>3,749</u> |
| | | (8,985) |
| Less : Capital Allowances | | |
| Initial | | (548) |
| Annual | | <u>(2,210)</u> |
| | | (11,743) |
| Tax loss from prior year | | <u>(3,250)</u> |
| Adjusted tax losses carried forward | | <u><u>(14,993)</u></u> |



Notes



Notes



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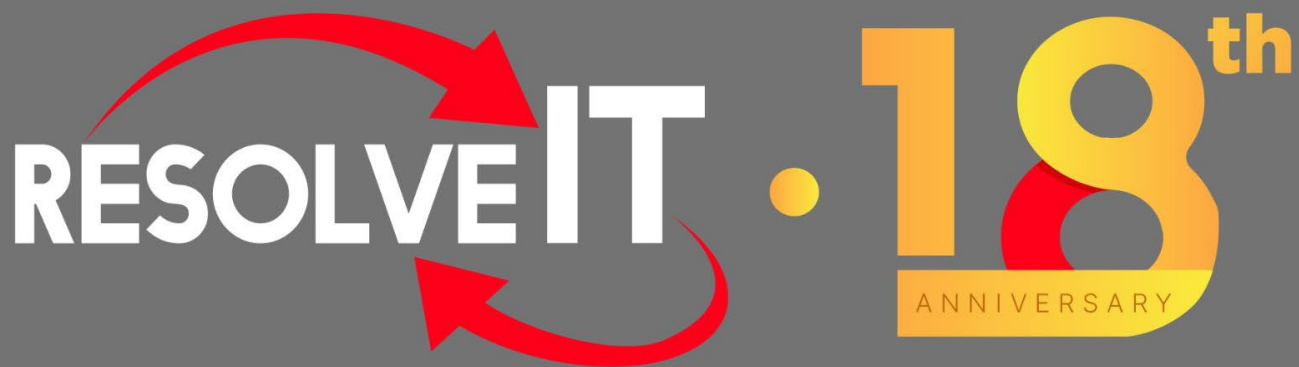
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