

Jamaica Public Bodies

**Estimates of Revenue and Expenditure for the Year
Ending March 2006**

**As Presented to the
House of Representatives
April 2005**

Ministry of Finance and Planning

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INTRODUCTION

Overview

Public Bodies, which comprise statutory bodies, statutory authorities and Government owned companies, are integrally involved in stimulating economic growth and supporting Government's sustainable development goals for the country. Given the size of some Public Bodies and the diverse nature of activities they undertake across various sectors of the economy, their contribution to development at both the macro- and micro-economic levels has over the years been significant.

The Government is aware of the potential for additional value to be derived from its investment in Public Bodies and has been seeking to improve governance structures within the sector in its quest for sustainable economic development. In a general way, this is expected to bolster confidence of local and foreign investors, strengthen market discipline and improve business transparency through enhanced disclosure.

Government's vision outlined in the *Public Sector Modernisation Vision and Strategy 2002-2012*, is that the financial, physical and human resources over which it has control will be managed within a framework that affords transparency, equity, best value for money and accountability. In pursuing this vision the Ministry of Finance and Planning is cognisant of the need for Public Bodies to contribute to the targeted elimination of the budget deficit, the development of transparent, fair and equitable systems that limit the scope for corrupt practices and for

Boards of Directors to take due care in discharging their fiduciary responsibilities.

Contributions by Public Bodies

The Estimates of Revenue and Expenditure of Public Bodies for the 2005/06 fiscal year indicates the significant resources under management by fifty-two (52) self-financing Public Bodies. Total human and physical capital employed within the group is expected to be 16,578 persons and \$182,800 million respectively at the end of the year. Of the physical capital employed, investment in new projects and assets is expected to exceed \$24,000 million. With these resources the group will generate revenues in excess of \$120,000 million from which surpluses/profits before tax of approximately \$18,510 million will be derived and over \$7,000 million transferred to Government in the form of corporate and other taxes.

In addition to the financial contributions, Public Bodies are integrally involved in the design and implementation of physical infrastructure programmes. Five (5) entities namely the National Housing Trust (NHT), National Water Commission (NWC), the Port Authority of Jamaica (PAJ), Airports Authority of Jamaica (AAJ) and the Urban Development Corporation (UDC) will account for approximately \$14,000 million of expenditure for the year. The NHT's expenditure includes \$1,284 million for the Inner City Housing Programme (ICHP).

The NWC's capital expenditure of \$2,498 million is substantially

earmarked for the Martha Brae to Harmony Hall and Port Antonio Water Supply projects. The PAJ's capital programme of \$1,745 million will be directed largely at projects that will expand berthing space and increase its cargo handling capacity. PAJ has in recent years been focussing attention on the expansion of the Kingston Container Terminal in its continued effort to position the port of Kingston as the leading transshipment hub in Latin America and the Caribbean region.

AAJ plans to spend \$1,993.65 million on its capital programmes, 93% of which will be spent on phase 1 of the expansion project at the Norman Manley International Airport. The UDC's capital programme is expected to cost \$2,211.23 million of which the major component is work to be executed on behalf of Government Ministries, Agencies and Departments at a cost of \$1,325.83 million. Of this amount \$860.91 million is earmarked for expenditure in the North Western Schools Programme and \$317 million for construction of the Montego Bay Sports Complex.

The HEART Trust/NTA, National Health Fund (NHF), Culture, Health, Arts, Sports and Education Fund (CHASE) will contribute to social development. The HEART Trust will complete transition to a new business model and will introduce new modalities that will make training and certification more accessible to working age Jamaicans. The NHF through the individual, institutional and other programmes will reduce the burden of health care while CHASE's programmes will be more broad-based: \$200 million will be spent on sports development,

\$126 million on education, \$100 million on health among other areas.

Transparency and Accountability

Government has legislated higher principles of corporate governance through the enactment of the Public Bodies Management and Accountability (PBMA) Act and the Companies Act 2004 by virtue of which entities in both the public and private sectors are required to comply with international best practices.

The PBMA Act requires among other things, the establishment of properly functioning audit committees in all Public Bodies, the use of corporate planning as a management tool and presentation of annual reports to Parliament within four (4) months of each year-end. For the most part, self-financing public bodies have responded positively to these requirements; 65% have established audit committees, approximately 90% prepared corporate plans for FY 2005/06 and there is agreement between Public Bodies and their auditors for annual reports to be brought up-to-date. The Ministry is cognisant of the need for full compliance and will therefore be intensifying its programme of education by way of seminars and workshops throughout the year.

Financial statements of Public Bodies for the FY 2003/04 represent the first set of accounts to be audited under the International Financial Reporting Standards (IFRS) that Jamaica adopted in 2002. At least thirty-four (34) Public Bodies have prepared financial statements that are IFRS-compliant.

Adoption of and compliance with the IFRS ensure that Public Bodies are kept abreast of international standards thus allowing for greater comparability resulting from harmonisation in the presentation of financial statements.

The adoption of the International Public Sector Accounting Standards (IPSAS) will represent a further advance towards greater comparability of financial information across jurisdictions. For Central Government Ministries, Departments and Agencies, the adoption of IPSAS is being facilitated by the move to accrual accounting, which is being implemented throughout the public sector on a phased basis. All Public Bodies, other than Government Business Enterprises (GBEs), will be required to adopt IPSAS. A Public Body classified as a GBE, must have all of the following characteristics:

- be an entity with the power to contract in its own name
- have been assigned the financial and operational authority to carry on a business
- sell goods and services, in the normal course of its business, to other entities achieving full cost recovery;
- not be reliant on continued Government funding to be a going concern; and
- be controlled by a public sector entity

Regulations to the PBMA Act

The Ministry of Finance and Planning will increase the pace at which regulations are developed in support of the Act. A draft Dividend Policy developed in FY 2004/05, takes the form of regulations and aims to clarify

Government's expectations with respect to the returns from its ownership of and investment in Public Bodies. It seeks also to establish a transparent and coherent framework, which should guide Boards of Directors, and facilitate greater accountability for the financial performance of their respective entities.

Rationalization and Restructuring

Under the Public Sector Rationalization Programme (PSRP) the Ministry of Finance and Planning continues to work with the Cabinet Office to eliminate functional redundancy and improve efficiency and effectiveness in the operations of Public Bodies. Further to last year's closure of Container Services Limited (CSL) and Metropolitan Management Transport Holdings Limited (MMTH), CSL has been placed in members' voluntary winding-up, and the MMTH is being prepared for similar action.

The following activities were completed during the year:

- **Operations divested:**
 - Rio Grande Tours Limited
 - Jamaica Unit Trust Services Limited
- **Organisations restructured:**
 - Jamaica Tourist Board
 - Tourism Product Development Company Limited
 - Coffee Industry Board
- **Operations closed and functions merged with other public sector entities:**
 - Jamaica Vacations Limited
 - River Rafting Authority

Based on the significant work in progress, several entities will be restructured and/or refocused during FY 2005/06.

The Ministry has also taken steps to wind-up Public Bodies that have been inactive. Achievements during the year are as follows:

- **Public bodies struck from Companies Register and First Notices published in the Jamaica Gazette:**
 - Premier Investments Corporation
 - Small Industries Finance Company Limited
- **Property and shareholdings transferred to active entities to facilitate winding-up:**
 - Small Enterprises Development Corporation (assets transferred to Development Bank of Jamaica Limited)
 - West Indies Sugar Company Limited
 - Clarendon Sugar Company Limited
 - Waterwell Engineering Construction Limited
 - National Sugar Farms Limited
 - Frome Monymusk Land Company

The shares of the inactive sugar entities were transferred to Sugar Company of Jamaica Holdings Limited.

HIGHLIGHTS OF CORPORATE PLANS

Office of the Prime Minister

National Housing Trust

The NHT projects a net surplus, of \$2,089 million - an improvement of 6% on the estimated outturn for FY 2004/05. This robust performance is underpinned by approximately \$3,735 million in loan interest and \$3,039 million in investment income. The costs of operations will be higher for 2005/06 as the Trust projects to spend approximately \$3,987 million to achieve its objectives. NHT will continue to have strong solvency and high liquidity levels. It expects an asset growth of over \$10,000 million at the close of FY2005/06.

The NHT projects that collections from contributors will surpass the 2004/05 estimates by approximately \$1,000 million to total \$7,201 million, and mortgage reflows of \$6,483 million, will be \$2,465 million more than last year. The improved contribution results from the Trust continuing to step up its compliance drive and delinquency reduction policy in order to reduce evasion and arrears. Mortgage repayments are also expected to increase as payments return to normal after the three-month moratorium granted to beneficiaries in the aftermath of Hurricane Ivan.

Expenditure on housing is projected at \$10,368 million, 18% more than the FY 2004/05 estimate. This should result in 7,862 benefits to contributors and take-over of 1,442 units/lots from developers. The major areas for housing expenditure include Open Market (\$2,486 million), Build on Own Land (\$546 million) and

Construction Loans (\$986 million). The Joint Mortgage Financing programme with private mortgage institutions will result in expenditure of \$1,264 million to deliver 1,264 benefits, thereby continuing the growth already being experienced as contributors continue to avail themselves of the programme's benefits. Also the Trust's involvement in the ICHP at a cost of \$1,284 million will result in the delivery of 680 housing units in Denham Town, Trench Town, Spanish Town Road, White Wing and Monaltrie.

The Trust has also earmarked \$600 million to purchase land for future development.

Urban Development Corporation

The UDC promotes urban development through planning and implementation of selected national development projects and programmes. Currently, the UDC's primary goal relates to the identification of new investment projects with significant earning possibilities. New investment opportunities are being pursued in residential, tourism attractions and commercial investment projects. A major investment initiative that is currently being finalised is the Sandals Whitehouse Hotel Project in which the UDC has a 33 1/3% shareholding.

Three (3) residential housing projects that were scheduled to commence during FY 2004/05 experienced delays in the receipt of final approvals from statutory agencies and finalisation of project financing arrangements. During FY 2005/06 the UDC expects to complete the Success South (phases 3 and 4) and Mount Edgecombe housing developments. In addition, it plans to

continue implementation of measures to contain and reduce operating costs in line with revenues generated to ensure continued profitability and viability.

UDC's investment projects for the year are estimated to cost \$860.02 million and agency projects to be managed by the Corporation on behalf of Government Ministries/Departments are budgeted at \$1,325.83 million. It will generate income totalling \$698.12 million and achieve a net surplus of \$82.38 million after offsetting operating expenses of \$615.75 million.

Ministry of Information

Broadcasting Commission

The Broadcasting Commission has budgeted a net surplus of \$0.83 million, which is slightly better than the estimated outturn of \$0.19 million for FY 2004/05. Realisation of this projection would result in this being the second year that the Commission would have financed its operations without government subventions. In FY 2003/04 the Commission received a subvention of approximately \$7.73. This year revenues are 95% contributed by licence fees from subscriber television licence (STV) providers.

A significant portion of the entity's revenues, approximately 77%, will be spent to compensate employees and to provide office space. The Commission will seek to have licensees fully compliant with industry standards and provide up-to-date relevant information in fulfilling its advisory and regulatory functions. Consequently, the majority of its resources will be spent in conducting seminars, evaluating applications, conducting surveys, monitoring the

broadcast industry and advising the Government.

Ministry of Development

Bauxite & Alumina Trading Company of Jamaica Limited

The Bauxite & Alumina Trading Company (BATCO) will continue to market the bauxite/alumina output accruing to GOJ from its partnership arrangements and to optimise overall returns from Government's investments in the sector. In this regard, the Company is expected to leverage its position within existing joint venture partnership arrangements to boost export earnings through capacity expansion and work towards maintaining Jamaica's competitive advantage in the sector.

The Company will maintain its profitable performance and is expected to realize a net profit of \$60.0 million in FY 2005/06, the same level as the previous year. The major sources of income to the company are derived from the marketing of bauxite and alumina; interest income on loans to Clarendon Alumina Production (CAP); and interest on fixed deposits. Planned capacity expansion in the sector is expected to boost commissions in the future.

BATCO's profitability and consequent build up of reserves over the years have allowed for very valuable contributions to the economy in the form of taxes, dividend distribution and bridge-financing support.

Clarendon Alumina Production Limited

Clarendon Alumina Production Limited (CAP) is the Government's

representative in the 50/50 Joint Venture with Alcoa to operate the Jamalco operations. It continues to make significant direct contributions to the national budget in respect of levy, taxes and royalties, and to the country's development through employment, infrastructure development and critical foreign currency inflows.

During FY 2005/06 the company will oversee further expansion of the operations at the Jamalco plant from an annual capacity of 1.25 million tons currently to 2.8 million tons. The expansion, which is projected to cost US\$800 million, is scheduled to commence in 2005 and should be completed in 2007. Under the terms of the agreement, Alcoa will contribute 85% of the total cost and CAP 15%, resulting in Alcoa's ownership interest increasing to no more than 70% and CAP's reducing to no less than 30%.

CAP's operations will continue to be profitable during the year as a result of anticipated improvements in respect of alumina output, production cost per ton and export sales. The output level and production cost targets are similar to those achieved for FY 2004/05; alumina sale is based on marketing contracts already in existence. Projected net profit of US\$6.59 million, represents an increase of 132% over the estimated outturn for FY 2004/05, and should continue to improve as expansion of the refinery progresses.

Jamaica Bauxite Institute

The Jamaica Bauxite Institute (JBI) will continue to play a key role in promoting the expansion/development of mining activities now underway in the industry. In this regard, technical support will be

provided for further expansion of the Jamalco plant in Clarendon, and completion of relevant agreements on the revised fiscal regime for the operations. In addition, support will be provided to: Windalco for expansion of its Kirkvine and Ewarton plants; the new owners of ALPART for the expansion of the plant at Nain; and to the St Ann Bauxite Limited (SAB), successor of Kaiser Jamaica Bauxite Company, to identify new bauxite reserve areas for proposed expansion.

The Institute will also be actively involved in promoting the implementation of the new fiscal regime governing the bauxite/alumina industry, and will continue to provide advice on the strategic management of the country's bauxite reserves.

Total revenue of \$80.82 million is required to fund the operations of JBI during the year. This represents a marginal increase of \$7.93 million or 8.9% over the \$88.75 million estimated for FY2004/05. A grant of \$61.0 million or 75% of the Institute's financing requirement is being requested from the Capital Development Fund (CDF). The balance is to be derived mainly from earnings from commercial projects and analyses.

Jamaica Bauxite Mining Limited

The Jamaica Bauxite Mining Limited (JBM) will continue to monitor the Government's interest in the operations of Windalco and St Ann Bauxite Ltd (SAB).

Consolidated profit on operations before taxes is projected at \$18.71 million compared with \$140.01 million for FY 2004/05. JBM will earn \$123.4 million

from *Use of Assets fee* in accordance with the partnership agreement with SAB.

Bauxite operations will generate operating losses of \$23.74 million compared to the estimated surplus of \$77.22 million for FY 2004/05, despite a 3% increase in revenues from alumina sales. This will arise from increased costs of sales of \$1,033.1 million, representing increased costs for caustic soda and fuel inputs, compared to \$869.33 million last year. JBM's Lydford operations are expected to return operating losses of \$17.48 million compared to losses of \$7.08 million recorded for the previous year. This result is based primarily on a projected decrease in revenues, by \$14 million, from the shipment of sugar from Port Kaiser.

Ministry of Industry and Tourism

Factories Corporation of Jamaica Limited

The Factories Corporation of Jamaica (FCJ) is the primary public sector vehicle engaged in facilitating industrial/informatic development by the provision of rental space. Jamaica's close proximity to North America and the international demand for offshore call centre facilities have resulted in the increased demand for space by the Information Communication Technology (ICT) sector. FCJ anticipates that it will be able to capitalise on this demand with the adoption of an aggressive marketing strategy. Occupancy level for the 179,317 square metre of rentable space is therefore budgeted to increase to 95% from 82% last year.

In an attempt to improve its portfolio of rentable space, the Company plans to rationalise its existing assets by disposing of those that are idle. In addition, FCJ intends to refurbish space at an ICT building at the Montego Bay Freezone. The renovation is expected to be the main component of capital expenditure, which is targeted at \$45.44 million. Also included in the capital programme is \$4.22 million for repaving of damaged roadway at the Garmex Free Zone.

It is anticipated that the strategies proposed, along with increases in rental rates will generate income of \$253.67 million from that source. This indicates growth of 11% and is projected to surpass the expected 3.65% rise in expenses and generate a surplus of \$7.33 million, compared with the estimated loss of \$9.42 million last year.

Kingston Free Zone Company Limited

As the apparel sector, continues to decline, the relocation and closure of companies from the Kingston Free Zone (KFZ) have resulted in employment level being reduced to approximately 300 workers. Approximately 45% of the companies remaining on the KFZ have been granted approved free zone status, of which 37% operate factories and 63% operate warehousing facilities.

The Company currently manages 400,000 square feet of factory space in the Free Zone and 50,000 square feet of office space in the Portmore Informatics Park. However rentable space is set to decline by 120,000 square feet, as the Port Authority of Jamaica continues the demolition of buildings to facilitate expansion of the transshipment port. This will impact negatively on the

Company's earning capacity but various efficiency measures will be employed in order to maintain profitability.

The KFZ has projected \$90.40 million for total revenue with office rental set to increase by \$6.08 million due to expected full occupancy of the Portmore Informatics Park building for the entire year. Operating expenditure at \$77.79 million is expected to be 1% above the previous year and to be within the targeted 7% inflation rate. A net profit of \$11.66 million is projected for FY 2005/06.

Montego Bay Free Zone Company Limited

Jamaica is experiencing an explosion of interest from companies abroad as a preferred location for business processes, customer contact and information technology outsourcing. Further liberalisation of the telecommunications market with the granting of two licences to connect Jamaica to the United States and other parts of the world by fibre optic cable has also created opportunities for expansion. The MBFZ currently has a heavy concentration of Information Technology operations, however the Company is encouraging diversification.

The Company is projecting occupancy levels of at least 90% and 15% for office and factory spaces respectively. Rental rates are between US\$6.50 and US\$12.00 per square feet and are competitive with similar facilities in free zones in other Caribbean territories and the United States. Revenue is projected at \$143.38 million and expenses at \$130.78 million, yielding a profit of \$12.60 million.

Micro Investment Development Agency

The Micro Investment Development Agency (MIDA) plans to continue facilitating the growth of the micro enterprise sector on a sustainable basis through the provision of wholesale credit. MIDA expects this to be achieved through a network of Community Development Funds (CDFs), which it monitors via an on-line web site and a computer linked network system.

The Company does not anticipate accessing additional funds for projected loan disbursements of \$100 million; hence the lending programme is expected to be funded entirely from reflows of \$109.80 million. The loans to be allocated should finance approximately 1,020 micro businesses, which are expected to create approximately 1,040 full and part-time jobs.

Since MIDA's funds are disbursed at discounted rates and no additional financing is expected during the year, profitability is budgeted to decline, resulting in a break-even position at the end of the year. Interest from its core activities is expected to account for \$35.30 million or 87.78% of total earnings.

In pursuing its mandate of poverty alleviation, MIDA plans to facilitate the establishment of two (2) Entrepreneurial Production Centres (EPCs) which will operate as equipment and service rental facilities for individuals to produce items such as furniture and musical computer disc. The EPCs are expected to ease the financial burden of persons unable to afford the high costs associated with purchasing certain fixed assets. It is

anticipated that the projects will be financed by the private sector and the Jamaica Social Investment Fund.

Self Start Fund

The primary business of the Self Start Fund (SSF) is to make loans and provide technical assistance to entrepreneurs to start and/or expand their businesses. However, in recent times the Fund has been unable to adequately provide the technical services for which it was established, due to resource constraints. To ensure the availability of technical training the Fund has formed a partnership with the Jamaica Business Development Centre.

Currently loans are disbursed from reflows as well as the Intech Fund. However, the SSF has budgeted for new capital to expand its loan portfolio and is projecting inflows of \$18 million from this new source. The SSF anticipates the disbursement of 100 loans valued at \$39 million of which \$10 million should be from the Intech Fund.

The SSF plans to re-establish its presence in at least nine parishes and this is expected to facilitate a larger number of loans being disbursed. The Fund also plans to implement an improved collection system. Overall, the rationalisation of operations, timely injection of new loan capital and a modification in lending rates are expected to increase the profitability of the Fund, significantly.

Ministry of Finance and Planning

Betting, Gaming and Lotteries Commission

The Betting Gaming and Lotteries Commission (BGLC) will continue to regulate the gaming industry and maximise public sector revenue. The Commission's objectives for the year will continue to be the facilitation of new forms of gaming, protecting the public from unlawful gaming practices, protecting government's revenue by acting expeditiously with regard to illegal gaming activities and motivating staff.

The strategic priorities include maximising the monitoring and regulatory capabilities of the Commission. This is expected to be achieved by ensuring that BGLC's organisational structure facilitates the highest level of efficiency and effectiveness among the staff in the conduct of their duties. Therefore, there are plans to restructure the Commission's operations as recommended by consultants PriceWaterhouseCoopers on completion of an organisational review performed recently. The key elements of the restructuring exercise are expected to include a change in the organisational chart to reflect positions based on functions rather than sectors, as well as recruitment of new staff.

Total Government revenue from betting and gaming is projected at \$4,192 million, which is \$207 million more than the estimate for the FY 2004/05. Of the total amount, \$1,274 million (60%) is budgeted for allocation to the Consolidated Fund, \$163 million to BGLC and the balance for the Jamaica

Racing Commission, the CHASE Fund as well as other targeted sporting activities.

With the expected growth of the gaming machine industry, BGLC will be required to improve its regulatory capabilities in that sub-sector. A significant aspect of this is the need for staff to be technically equipped to ensure accurate determination of Government's revenue. Therefore, there are plans to establish a Gaming Machine Technical Training Lab (GMTTL) as obtains in the USA.

Other major activities planned for the year include relocation of offices, due to the current space inadequacy and the inability to expand the present office building, to accommodate the GMTTL. The pursuit of further amendments to the BGLC Act will remain a priority for the Commission.

The activities planned, should result in operating expenses (including staff costs and depreciation) increasing by \$36.46 million to \$195.65 million. Revenues (\$178.54 million) should also show an increase, but at a much lower rate. Hence, BGLC forecasts a minimal surplus of \$1.02 million.

Caymanas Track Limited

The Caymanas Track Limited (CTL) has been slated for divestment. In light of this, the Company is unable to negotiate new contracts at this time.

Notwithstanding the current limitations, CTL expects to continue to deliver improved customer service and forecasts that the number of race-days will increase to 82 from 80. The additional number of race-days, as well as revenue-

building strategies (such as rise in the number of feeds for simulcast races and the dollar value of minimum bets) implemented during the FY 2004/05 are expected to have a positive impact on betting intake and hence total revenues. These are forecast at \$2,994.95 million, up from \$2,970.21 million last year. A net surplus of \$6.66 million is anticipated for FY 2005/06.

The 64 Off-Track Betting Parlours (OTBs), which were operational at March 31, 2005, should be maintained throughout the year.

Culture Health Arts Sports and Education Fund (CHASE)

Under the Betting Gaming and Lotteries (BGL) Act any person who receives a licence to promote a lottery is required to make contributions to certain specified causes. The contributions include a percentage of weekly gross lottery ticket sales and the value of unclaimed prizes of the licensed lottery companies. The Act stipulates the percentage allocation to four broad areas namely Sports, Education, Health, and Arts & Culture.

The CHASE Fund was incorporated to administer the proceeds from lottery companies. The Sports Development Foundation manages the allocation for sports and CHASE's Board processes applications for funding under the other major areas, which are then allocated subject to the recommendations of CHASE and the respective sector committees.

CHASE is expecting lottery inflows at the rate of \$52.50 million per month or \$630.00 million for the year. These inflows will be allocated as follows:

1. Sports Development Foundation – \$201.60 million
2. Education – \$126.00 million
3. Health – \$100.80 million
4. Arts & Culture – \$75.60 million
5. Research and Special Projects – \$126.0 million.

The surplus from operations is expected to decrease from \$14.23 million in FY 2004/05 to \$0.27 million in FY 2005/06. This is mainly due to the strengthening of the organization's administrative capability through the addition of staff and the added thrust in the area of public awareness. The method by which operations are funded may have to be re-examined in order to arrest the declining reserves occasioned by falling interest rates and increased disbursements.

During the year CHASE expects to approve projects totalling \$385.00 million in the areas of Arts and Culture, Health, and Early Childhood Education while disbursements are expected to total \$515.00 million.

Art and Culture

Approvals to December 2004 totalled \$138.47 million and disbursements are estimated to total \$109.16 million for FY 2004/05. This year CHASE anticipates that approvals will total \$110.0 million and \$130 million will be disbursed. Projects approved include the Afro-Caribbean Institute of Jamaica/Digitisation of collection, JCDC/Mento Music Development Programme and the Devon House Redevelopment Project

Health

Disbursements for FY 2004/05 are expected to amount to \$136.64 million

while approvals to date are \$175.72 million. It is expected that new projects totalling \$125.00 million will be approved in FY 2005/06 and \$155.00 million disbursed. Some key projects in this area are the Repairs to St. James and Westmoreland infirmaries and the Ministry of Health/Repairs to hospitals damaged by Hurricane Ivan.

Early Childhood Education

Key projects undertaken in this sector are the Hurricane Ivan damage relief (108 basic schools) and the Jamaica Dairy Farmers/Milk for 102 basic schools. Approvals to date total \$136.23 million while disbursements for FY 2004/05 should total \$44.42 million. This year new approvals and disbursements should total \$150 million and \$230 million respectively.

Development Bank of Jamaica Limited

The Development Bank of Jamaica Limited (DBJ) will continue to stimulate economic growth and development through investment expansion in Jamaica. This goal is expected to be achieved through the provision of medium and long-term loan financing to facilitate development and modernisation of viable enterprises in the agriculture, agro-industry, services, manufacturing and tourism sectors. The Bank provides loan financing at affordable rates of interest through a network of Approved Financial Intermediaries that include commercial and merchant banks, Peoples Co-operative Banks and credit unions.

Local loan commitments of \$1,542.1 million are forecast for the year - an increase of \$90.1 million or 6% above the estimate for last year. The sectors earmarked for allocation include tourism

- \$400 million, manufacturing - \$400 million, agro-industry - \$263 million, services - \$222.1 million, agriculture - \$220 million and mining and quarry - \$37 million. Foreign currency loan commitments will again be contained within a budget of US\$1.6 million due to competitive rates from other financial institutions. The foreign currency allocation will also be earmarked for the tourism and manufacturing sectors.

The DBJ projects revenue of \$1,927.44 million and a net profit of \$213.31 million for the year. This is \$3.31 million more than the estimated out-turn of \$210.0 million for FY 2004/05.

Financial Services Commission

Financial Services Commission (FSC) will pursue its mandate to regulate the financial sector with a view to protect customer investments. This will be facilitated through the revision and modernisation of several pieces of legislation, which are intended to improve the efficiency, and effectiveness with which it performs its functions. FSC monitors the Securities and Insurance Industries and with the passing of the Pensions Act in FY 2004/05, will assume supervisory responsibility for the Pensions Sector. The licensing of pension fund administrators and investment managers is slated for completion by December 31, 2005. Revenue from this sector is projected at \$41.28 million and will represent 89% of the \$46.15 million increase in revenue, which should move to \$286.63 million.

Although revenues are projected to rise, expenses related to monitoring of the Pensions Sector, as well as public education, are expected to surpass the

increase and result in a \$72.18 million deficit for the period. This is a deterioration of \$82.21 million on the estimated surplus, of \$10.03 million for FY 2004/05.

A total of 33 additional employees will be required to undertake the Commission's new responsibilities and capital expenditure of \$39.67 million is budgeted chiefly to facilitate accommodation. Major expenditures include \$17.73 million for leasehold improvement, \$11.73 million for furniture and equipment and \$10.21 million for computer equipment.

Jamaica Deposit Insurance Corporation

The Jamaica Deposit Insurance Corporation (JDIC) will continue to provide insurance against the loss of depositor's funds in financial institutions. This is in addition to the implementation of measures to minimise exposure to loss and contribute to the stability and confidence in Jamaica's financial system.

JDIC anticipates a growth of 33% in the Deposit Insurance Fund resulting in a balance of \$2,370.02 million at the end of the year, compared to the estimated \$1,781.70 million for FY 2004/05. The projected growth will result primarily from the net surplus of \$588.32 million expected on insurance and investment operations. The JDIC will also continue to develop plans that should facilitate accelerated growth of the Deposit Insurance Fund. The Fund is expected to increase to 1.5 % of the insured deposits in the system by the end of the year.

The JDIC plans to continue to establish and strengthen its operational capacity to conduct payouts if and when they arise and also to assess and reduce its exposure to risk. This process is inclusive of staff training in deposit insurance and other related professional activities. The Corporation also projects that it will maximize returns on investments as well as continue to increase the public awareness of deposit insurance with advertising and promotional activities. The development of more effective relationships with regulatory agencies and policyholders is also anticipated during the year.

The major initiatives targeted for action during FY 2005/06 include:

- Upgrading of payout procedures as well as the payout modular simulation exercise,
- Upgrading the Accounting, Human Resource, Information & Communication Technology Systems,
- Expanding research into the policies and structure of the Deposit Insurance Scheme and bringing critical review proposals to conclusion.
- Continuing legislative review and seeking reform to the Deposit Insurance Act.
- Operating the risk assessment framework, inclusive of the development of risk ratings for the insured institutions.

JDIC anticipates that the number of policyholders could contract due to potential for mergers between policyholders. Nevertheless, policyholders will continue to pay an annual premium of 0.15% of their total

insurable deposits into the Deposit Insurance Fund.

Jamaica Racing Commission

The Jamaica Racing Commission (JRC) anticipates a financially challenging year, but has indicated its commitment to seek new revenue opportunities while aiming to reduce cost and improving the level of customer service. To this end, the Commission plans to increase staff training and to further reduce, the turnaround times for several activities, including updating of vaccination cards for horses, the inspection of stables, hearings on the conduct of jockeys and doping offenders, the processing of claims for the Racing Industry Insurance Scheme and the clearing of races at the Track.

In order to improve operational efficiency, JRC expects to rewrite its core system software. This should enable officers at the track to access information on a real-time basis. JRC also intends to launch its website to enable online registration.

Other plans include the facilitation of training for a new batch of Jockeys beginning in January 2006. However, implementation of the Commission's plans is envisioned within the context of a projected financial deficit of \$46.96 million for FY 2005/06.

In an effort to generate additional revenues, JRC proposes to offer regional drug testing for horses and will focus on negotiating with Trinidad and Tobago. However, this initiative is not expected to impact on revenue during the budget year.

Total revenue is projected at \$52.38 million and the Commission's 39.5% share of the Local Bookmaker's Levy is expected to account for 88%. The increased revenue is anticipated consequent to an increase in the number of race-days from 80 to 82.

National Export Import Bank of Jamaica Limited

The National Export Import Bank of Jamaica Limited (Ex-Im Bank) is committed to leading the growth process through the stimulation of economic development by providing specially crafted loan products at affordable interest rates to the country's productive and export sectors. The Bank in the past has focussed its attention on the non-traditional export sectors. However, based on studies undertaken, the Tourism and Bauxite sectors have been identified as major areas from which significant export growth as well as foreign exchange earnings is projected for the country. In this regard, Ex-Im Bank continues to implement financing initiatives aimed at rehabilitating and modernizing the operations of the export sector to meet the competitive challenges of trade liberalisation and globalisation.

The Company will also be targeting greater integration with the productive sub-sector to encourage increased utilization of its loan products. Loan utilization projected for the period 2005/06 reflects moderate increases for both local and foreign currency facilities. Total foreign currency loan utilization is forecast at \$16.93 million and local currency at \$2,137 million. The medium term facilities were identified as a crucial growth area and as such greater emphasis will be placed in this area.

Net profit of \$37.49 million is projected on overall operations representing a decrease of \$4.3 million below the estimated outturn of \$41.79 million for FY 2004/05. The Bank has projected revenue of \$312.63 million, an increase of \$52.12 million or 20% over the estimate of \$260.51 million for FY 2004/05. The increase is attributed to anticipated improvements in interest income from lines of credit and medium term facilities, especially the Modernization Fund for Exporters (MFE) programme.

National Investment Bank of Jamaica Limited

The National Investment Bank of Jamaica Limited (NIBJ) will continue to invest in strategic sectors of the economy and will devote \$886 million to development projects during the year. Approximately \$597 million (67%) is earmarked for the tourism industry and \$219 million (25%) for the service sector.

Funding for the Bank's investment programme is anticipated from the following sources:

- Capital re-flows from funds on investment - \$160 million
- Equity from the Capital Development Fund - \$500 million
- Other internal resources - \$242 million

It is anticipated that operations will yield profitable results despite a \$92.09 million reduction in total revenue, which is projected at \$549.59 million. After tax profit is estimated at \$95.24 million compared to the estimate of \$282 million for FY 2004/05. The decrease in

profitability is expected, in light of the projected reduction in revenues, an increase of \$72 million in finance costs associated with loans accessed during FY 2004/05 and the re-negotiation of a large facility denominated in foreign currency.

Public Accountancy Board

The Public Accountancy Board (PAB) will continue its collaboration with the Institute of Chartered Accountants of Jamaica (ICAJ). In its effort to strengthen its regulatory activities, the ICAJ will act as agent of the PAB. During FY 2004/05 this collaboration resulted in an agreement on a system to conduct disciplinary proceedings against Registered Public Accountants (RPAs) who breach the provisions of the Act. Issues related to implementation of the new application process were also resolved during the year. Agreements in these areas will be fully implemented in FY 2005/06. In addition, particular focus will continue on monitoring the system for Continuing Professional Education for Accountants, and the development of a website for the Board, which is expected to be fully functional during the first quarter of the year.

Inflows to the Board were increased significantly during FY 2004/05 as a result of higher fees, which were introduced on January 1, 2005. In the new financial year, the Board expects to generate a small surplus even as it continues to finance its regular activities, as well as new activities aimed at regulating the accountancy profession.

Students' Loan Bureau

The Students' Loan Bureau (SLB) continues to strive for excellence and plans to embark on a 3-year programme

to improve its image, become totally customer oriented and thereby enhance its operations overall. SLB projects to disburse \$575 million in loans and to collect reflows of \$540.92 million during FY 2005/06.

One of the SLB's main focus during the year will be the reduction in loan processing time from an average 25 to 15 days. It proposes to provide opportunities for students to submit loan applications online. This is expected to minimise congestion at its offices. In order to provide such a service, there are plans to complete (at a cost of \$3.2 million) all outstanding work on the implementation of a web-enabled application system. The cost represents 16% of total capital expenditure of \$19.56 million, which it expects to spend in FY 2005/06. However, the major portion of capital expenditure is budgeted at \$11 million for the acquisition of land at Oxford Road and Kensington Crescent, on which a new office building will be constructed.

The Bureau's operations are expected to generate an improved surplus of \$404.56 million on income of \$601.36 million. This compares with \$549.28 million generated for FY 2004/05.

Sugar Company of Jamaica Limited

The Sugar Company of Jamaica Limited (SCJ) is projecting a loss of \$112.91 million for the 2004/05 crop-year ending September 30, 2005. The loss, which represents an improvement over the \$601 million loss recorded in the previous year, reflects the impact of Hurricane Ivan, drought conditions, high fuel prices, disruptions in production due to the late factory starts and labour unrest.

In order to improve its financial position for 2004/05 SCJ will continue to focus on cost controls, which should result in an operating cost per pound of sugar of US\$0.21, an improvement on the US\$0.24 for 2003/04. The technical assistance programme with Dhampur Sugar Mills, which operates in India and Nepal, will impact positively on factory repair and modernization initiatives for improved factory reliability and efficiency. Similar efficiency initiatives will be employed for field operations.

Cane production is forecast at 1,130,311 tonnes, down 3% on the previous year, while projected sugar production of 113,132 tonnes represents a 7% improvement. Projections are that it will take 10 tonnes of cane to produce one tonne of sugar compared with last year's TC/TS ratio of 11.01:1.

Capital expenditure of US\$2.06 million is projected with approximately 52% allocated to cane preparation & milling, 34% to boilers & power generation and 14% to processing. These investments will increase the extraction of juice at the mills and improve sugar recoveries. Also investments are expected in the establishment of cogeneration plants to supply steam and power needs, as SCJ reduces the dependence on fossil fuels, contributing to improved reliability and efficiency in its factories. There are also projections to acquire machinery to be used in harvesting. In keeping with its 5-year strategic plan to increase cane production, a replanting project is designed to return approximately 955 hectares of abandoned lands to cultivation.

Ministry of Labour and Social Security

National Insurance Fund

At the end of the FY 2005/06, net assets of the National Insurance Fund (NIF) are expected to grow to \$45,346.32 million, reflecting a net positive change of \$5,563.18 million or 14% compared with FY 2004/05. This projected growth rate of the Fund is lower than the estimated 22% increase for FY 2004/05 over the previous financial year. A combination of increased benefit payments for FY 2005/06 and a stock market that is expected to be less bullish than in FY 2004/05 are the main reasons for slower growth rate.

For FY 2005/06 NIF projects that 61% of its net assets will be invested in interest bearing instruments, 21% in quoted equities and the remainder in real estate, its subsidiaries and in unit trusts.

Whereas contributions are expected to improve marginally in FY 2005/06, benefits are budgeted to increase by 13% as Government seeks to improve the benefits paid to pensioners.

The Insurance Management Database is now expected to be fully operational by December 2005 as the project is approximately 75% completed. Problems are still being experienced with the systems software, however Hewlett Packard (the software developer) is trying to rectify the situation, including the pension payment and compliance modules. The population of the database should improve the Fund's ability to make projections concerning benefits and contributions resulting in greater efficiency and accuracy. Compliance

should also be greatly enhanced with the implementation of the new system resulting in improved collections. Completion of the payment module is expected to enable the issuance of cheques instead of the present pension voucher system; pensioners will also have the option of having cheques lodged to their bank account.

The Fund continues to have a strong asset base and is able to cover its benefits obligations adequately. This position should continue in the foreseeable future. The Fund has benefited greatly from a prolonged period of high interest rates during which most investments were held in interest earning instruments. An Actuarial Report will be done as soon as the Insurance Management Database is completed and this should give a clearer indication of the ability of the Fund to meet its obligations.

Ministry of Education, Youth and Culture

HEART Trust/NTA

HEART Trust/NTA expects to complete implementation of its new model this year. With an expanded client base, the new model will deliver training through institution, community, enterprise and distance based modalities. Total enrolment is projected at 84,096 compared with 57,746 for FY 2004/05.

The newly established Enterprise Based Training Department is expected to pilot activities aimed at the assessment of skills of persons already in the labour force against set standards, thereby enabling them to earn their certification directly or identify areas for specific training. The Trust has projected

additional certification levels in this area at over 60,000.

The deepening of the new model necessities a reorientation in some areas, and expansion in the operations of the Trust. With the full implementation of the new business model HEART will incur operating expenses of \$4,624.4 million and realise income of \$4,489.3 million, resulting in an operating deficit of \$135 million.

Capital expenditure of \$520 million will finance the upgrading of training institutions to facilitate the delivery of national qualifications consistent with the National Qualifications Framework. This expenditure will be financed from accumulated reserves.

Ministry of Health

Health Corporation Limited

Health Corporation Limited (HCL) has budgeted net profit of \$37.33 million based on sales of \$946.08 million along with other miscellaneous sources of income approximating \$66.25 million. This projection is better than the estimated profit of \$23.92 million for 2004/05. FY 2005/06, as with previous years, is expected to be a challenging one for HCL. The current liquidity constraint, which is severely impacting on the entity's capacity to pay suppliers, is expected to continue into the budget year. However, the entity expects that the situation will improve during the year as a result of initiatives to be undertaken by the Ministry of Health and an improved individual benefits package under the National Health Fund (NHF).

Also, HCL is anticipating improved revenues as it plans to diversify and improve income-generating sources. In this regard the incinerator services should be in full operation during FY 2005/06. Furthermore, the commercial drug windows' overall viability and efficiency will be improved by the implementation of various strategies to generate additional income. Expenditure control and containment will be exercised during the course of the financial year in keeping with the general guidelines for cost containment within the public sector.

HCL's overall performance is expected to improve as the entity plans to undertake the following:

- Implementation of a new computerized business solution, which should increase the cost efficiency of its warehouse operations;
- Phased renovation and expansion of the warehouse in order to meet international standards of Good Manufacturing Practices (GMP), reduce rental and other charges for use of warehouse space; and
- Implementation of strategies to reduce operating costs.

National Health Fund

The National Health Fund's (NHF) core mandate is to reduce the burden of health care in Jamaica. This will be achieved by the provision of benefits as follows.

Individual Benefits

Individual benefits are designed to help reduce the cost of medication prescribed to individuals suffering from specific chronic illnesses. These benefits are provided through two programmes –

NHF and JADEP (Jamaica Drugs for the Elderly Programme - previously administered by the Ministry of Health).

The NHF provides a subsidy for all persons resident in Jamaica, regardless of age, gender and income, to assist them with their purchase of prescribed drugs used in the management and treatment of fourteen (14) chronic illnesses. Approximately 1,000 items are now covered by this programme. The JADEP provides 32 drugs, free of cost to beneficiaries who suffer from eight (8) chronic illnesses.

NHF plans to spend \$64.86 million on individual benefits for this year, a 260% increase on the amount spent in FY 2004/05. The level of utilization under this programme has to date, fallen below expectation. Consequently the Fund will be embarking on a public awareness programme aimed at increasing registration and utilization of benefits available; these will include involvement in health fairs and sponsorship of a back-to-school immunization project in July/August 2005.

Institutional Benefits

The sum of \$1,147.36 million will be spent on Institutional Benefits under two categories:

Health Promotion and Protection Fund

This Fund provides financial grants for public and private sector projects in educational and primary care activities for health promotion and illness prevention.

Health Support Fund

This Fund provides financial grants for infrastructure and other development projects in the public sector in support of

the government's national healthcare policy. The PAHO Essential Public Health Functions are also used as an evaluation guide.

Trust Fund Reserve

As a part of its 25-year strategic plan, 2005-2030, the NHF will establish a Trust Fund Reserve for the NHF. The rationale for establishing this Fund is that a large part of NHF's funding is from additional tax imposed on tobacco (primarily cigarettes) and alcohol sales but with the Fund actively promoting a healthy lifestyle it is envisioned that sale of these products will decrease over time thereby affecting NHF's intake from these sources adversely. The purpose of the Trust Fund Reserve, which became effective in January 2005, is to:-

- Preserve the long-term viability, sustainability and financial independence of the Fund.
- Meet NHF's mission and mandate by increasing subsidies and adding benefits as the basis of a comprehensive National Health Insurance Plan.

Funding and Expenses

NHF receives funding from three sources:

1. 23% - Excise Tax on the consumption of tobacco and tobacco products
2. 1% - Payroll deduction collected with NIS.
3. 5% - Special Consumption Tax.

The Excise Tax is expected to yield \$1,049.90 million, the Payroll deduction \$847.00 million and the Special Consumption tax \$594.70 million.

Additional income of \$449.34 million is budgeted in the form of interest. Expenditure is projected at \$1,484.66 million with \$1,259.92 million representing benefit payments. A surplus of \$459.64 million is projected for FY 2005/06- a 26% decline compared to the estimated outturn for FY 2004/05.

Ministry of Agriculture

Agricultural Development Corporation

The Agricultural Development Corporation (ADC) is projecting a shortfall of \$31.97 million on operations, and is expected to end the year with an overall deficit of \$12.93 million, following receipt of a subvention of \$19 million from the Ministry of Agriculture. The lack of income generating projects over the years, has contributed significantly to the continued financial losses, and the deterioration of the company's assets

Agricultural Marketing Corporation

The Agricultural Marketing Corporation (AMC) is expected to realise a small surplus on operations for FY 2004/05. This is due to the removal of restrictions on its property at the Agro Export Complex on Spanish Town Road in order to accommodate a more diversified tenancy. This resulted in a sharp improvement in occupancy level for warehouse space, which is now at 95%. However, for FY 2005/06, projections are that the Corporation will return to its loss-making position, as the income generated from its main activities, while reflecting an increase, will be inadequate to cover operating expenses. A deficit on operations of \$1.0 million is projected, bringing accumulated losses

to approximately \$26.0 million at the end of the year.

Banana Industry Board

The Banana Industry Board is projecting a deficit of \$0.89 million for the crop year ending December 31, 2005. Over the last six years, the Board's viability has deteriorated, resulting in the liquidation of investments in order to support its cash flow requirements. Its main activity continues to be management of the Germ Plasm Research Project, funded through the European Union, on behalf of the Ministry of Agriculture. Additional income of \$1.0 million is projected from management fees.

Banana Insurance Fund

The Banana Insurance Fund is projecting a \$12.65 million deficit for the year ending December 2005, from total income of \$8.93 million and expenditure of \$21.58 million. This shortfall is mainly attributed to a decline in cess income due to lower banana export tonnage as a result of the devastation caused by Hurricane Ivan in September 2004. Although the Fund no longer carries reinsurance coverage, it expects that it will satisfy all hurricane and windstorm claims. Notwithstanding this however, surpluses have been declining over the years, as many of the medium and small farmers have ceased to export bananas, on which the cess is calculated.

Cocoa Industry Board

The Cocoa Industry Board (CIB) is facing a challenging year, as a result of the passing of Hurricane Ivan in October 2004. The impact on production levels and on the Board's operations will be felt during the current financial year, and full recovery of the industry will not be

achieved before 2005/06. Due to the devastating effects of the Hurricane, the Board is forecasting cocoa production at 530 tonnes, a 25% reduction below the 2003/04 level of 710 tonnes. A net surplus of \$3.1 million is projected, compared to \$23.75 million in the previous year.

The CIB undertook extensive rehabilitation efforts by providing assistance to farmers in clearing lands, and providing seedlings and other inputs following the Hurricane. For the rest of the year, it will continue efforts to promote the growing of cocoa, provide technical support and implement programmes of assistance in order to increase acreage under cultivation among current farmers. The Cocoa Rehabilitation Project jointly sponsored by the Development Bank of Jamaica has since July 2003 spent over \$3 million to provide inputs to 300 small farmers to rehabilitate over 350 hectares of cocoa farms. A similar programme was launched in June 2004 for large farmers and has seen \$10 million in loans being provided, which has resulted in 7 farmers with a total of 405 hectares being identified to participate in the programme.

The Board intends to continue its efforts to reorganize problematic cocoa groups in order to encourage increased production among them, target young farmers to ensure the survival of the industry in ensuing years and assist farmers in order to encourage them to rehabilitate their farms in order to enhance productive capacity.

Coconut Industry Board

The resurgence of lethal yellowing disease in 1996 continues to cause a high

level of uncertainty among growers in the industry. In response, the Coconut Industry Board has sought to enhance its research activities aimed at developing varieties of coconut palms, which are disease resistant and produce high yields of coconuts. Research activities will continue to be a priority for the Board, and will account for 31% of total expenditure during the year. In this regard, the Board will maintain its high level of collaboration with research organizations locally and abroad, which are engaged in activities related to coconut production, research and development.

Given the uncertainty in the industry as a result of lethal yellowing, the Board is challenged to maintain production level in the industry in order to satisfy rising demand for seedlings from overseas and coconuts to meet local demand from bottlers. Incentives are being offered to encourage farmers to remain in coconut production and the Board plans to enter into commercial production of coconut during the year.

The Board is projecting a deficit of \$11.02 million on operations, which will be financed by inflows from its Capital Fund and short-term deposits.

Coffee Industry Board

The Coffee Industry Board is projecting an operating deficit of \$63.03 million for the year ending July 31, 2005. Projected total income of \$79.73 million will be earned largely from an industry cess based on the production of coffee beans. As the industry is still recovering from the effects of Hurricane Ivan, the amount of cess collected is expected to be insufficient to cover operating expenses of \$142.75 million.

National Rums of Jamaica Limited

National Rums of Jamaica Limited (NRJ) is projecting a deficit of \$38.46 million for the financial year ending September 30, 2005 compared to a \$10.83 million surplus recorded the previous year. Although projections are that overall revenues will increase by 25%, the increasing cost of raw materials and fuel will challenge the attempts by Management to reduce expenses.

Plans to modernise and upgrade the facilities at its distilleries in order to produce branded products are expected to be implemented throughout the year. In this regard, the Company has budgeted \$14.61 million in capital expenditure, and will continue to pursue assistance through the European Union for additional resources to fund the programme.

Sugar Industry Authority

The Sugar Industry Authority (SIA) has forecast a net surplus of \$23.91 million for the year ending October 31, 2005, a decrease of \$14.97 million over the previous year. The projected income of \$270.79 million, which represents a 2% increase over 2004/05, comprises \$241.48 million guaranteed from the cess on earnings from sugar exports, and \$29.3 million from rental income, fees and miscellaneous inflows. The Sugar Industry Research Institute, a Department of SIA, will continue to make a valuable contribution to the industry, through its research, training and extension services.

Wallenford Coffee Company Limited

The operations of Wallenford Coffee Company Limited, formerly the Coffee Industry Board - Commercial Division,

will feel the effects of Hurricane Ivan throughout the year as the industry recovers from the devastation. As a result, the quantity and quality of cherries purchased and processed are likely to be lower than in previous years. Total income for the Company is projected to be 19% lower than the previous year, resulting in a \$35 million deficit. In responding to the downturn in commercial activity, the Company has taken a number of steps to reduce operating expenses as well as its overheads.

Plans are also in place for the upgrading of the Tarentum processing plant, in an effort to eliminate the processing bottlenecks experienced over the previous years.

Ministry of Commerce, Science and Technology

Bureau of Standards Jamaica

The mandate of the Bureau of Standards Jamaica (BSJ) is to ensure compliance with the Standards Act, the Processed Food Act and the Weights and Measures Act. During FY 2004/05, BSJ's efforts to fulfil this mandate included activities such as: promulgation of standards, standards compliance, the Import Monitoring Programme and enforcement of the Weights and Measures Act. In addition, the Bureau was involved in the establishment of the National Accreditation Body and it participated in International Standardization activities to support the international competitiveness of Jamaican products.

Major projects and activities that will engage the Bureau's attention and focus for 2005/06 include:

- Revision of the Weights and Measures Act
- International accreditation of Metrology laboratories under the Jamaica/Mexico Bilateral Agreement
- Establishment of a Certification body within the BSJ under the IDB/GOJ Quality Jamaica Project
- The establishment of a functional Chemical Metrology Facility
- Collaboration and cooperation with international standards organisations in the areas of institutional strengthening and capacity building.

The Bureau expects to increase its staff complement by the employment of an additional nineteen (19) members in its efforts to accomplish its programmes in a more effective manner. The technical areas will be the main beneficiaries of this thrust as BSJ seeks to strengthen the certification, compliance and enforcement functions.

BSJ plans to collect revenues of \$435.01 million to support its various activities. A net surplus of \$43.08 million is expected, representing a 45% decline on the previous year's surplus of \$79.05 million. Despite modest increases in fee income, BSJ has been experiencing major declines in interest income, due mainly to transfers of cash balances to the Government and, to a lesser extent, declining interest rates. Consequently, interest income is projected at \$11 million moving from over \$40 million in FY 2004/05.

Capital expenditure for the year is budgeted at \$48.87 million. The funds will be utilised across divisions on

expenditure such as retooling, furniture and equipment and upgrading the physical facilities. The Metrology and Testing Division will account for the bulk of funds under the capital programme, with \$21.4 million or 44% of the total capital outlay. The single largest item of expenditure is \$10 million that is budgeted for the Chemical Metrology Facility.

Petrojam Limited

Petrojam's operations during the year will continue to be challenged by developments in the international energy market, and in the competitive market environment within which it operates locally. The Company will pursue a number of strategies during the year to maintain profitable operations, and to safeguard its viability in the future.

Projections are that the price of crude oil will remain relatively high in 2005, against the background of persistently strong market conditions, continued instability in the Middle East and the impact of demand growth in China and India. However, the growth in non-OPEC production and capacity, and a gradual slowing in demand growth are expected to ease market pressures in the latter part of 2005, fuelling lower prices for 2006. Despite forecasts of lower petroleum prices, refineries such as Petrojam are expected to realise reduced margins in the medium to long term. The Company's pricing policy is further constrained by the competitiveness of the local market.

Among the initiatives to be undertaken during the year are the following: promoting the first phase of the refinery upgrade, which is expected to be completed in 2008/09; improving the

general operations of the refinery in line with world standards; and attainment of ISO Certification for the facility.

Petroleum Company of Jamaica Limited

Petroleum Company of Jamaica Limited (Petcom) is engaged in a "re-launch campaign" aimed at improving its brand image, performance and financial viability. The Company has four major product lines, with the following national market share: retail service stations (10%); liquefied petroleum products (LPG) (15%), land fuels (21%) and lubricants (3%). Its overall market share is 12%, making it the leader among the indigenous service stations.

During the year, the Company will continue to retail a range of products, with the bulk of its revenues being generated by sales of gasoline, diesel oil, and LPG. Total revenue is projected at \$5,564.33 million from the sale of 1,095,998 barrels of petroleum products, and with cost of sales of \$5,049.41 million, gross profit is projected at \$514.92 million or \$85.3 million over the previous year's estimate. Net profit after tax is projected at \$62 million or 43% higher than the estimated outturn for the previous year.

Projected capital expenditure of \$98.34 million will finance the continuing expansion of the service station network and LPG filling plants. Proposed locations for the additional five (5) service stations are: Angels Estate, Lluidas Vale, Cumberland, Georges Plain and Ocho Rios.

Petroleum Corporation of Jamaica

Petroleum Corporation of Jamaica (PCJ) will continue to provide leadership,

technical support and convene seminars/workshops in respect of exploration of renewable energy sources, environmental management and energy conservation. PCJ, through its Energy Efficiency Unit will continue to implement recommendations for energy efficiency programmes in public hospitals, educational institutions and a police station during FY 2005/06. The Unit will conduct impact assessment analyses to determine the extent to which actual energy cost and usage conform to projections. The results will be used to guide policy decisions on energy investments.

Work will continue in the development of renewable resources, particularly hydropower and liquefied natural gas, in which the Corporation will participate leading up to the commissioning of the project in 2008.

PCJ's involvement in the purchase and sale of petroleum, providing management services to its subsidiary entities and the rental of offices is projected to yield total income of \$386.12 million, with total expenses of \$324.75 million generating net profit after taxes of \$41.28 million.

Ministry of Water and Housing

Jamaica Mortgage Bank

The Jamaica Mortgage Bank (JMB) will continue to provide short term financing for residential construction and infrastructure development to the primary market and expects to make loan commitments totalling \$1,188 million and disbursements of \$1,032 million. Major disbursements to projects include Mango Walk - \$275 million;

Irvin - \$200 million; Kings Way - \$125 million; Providence Meadows - \$80 million; Orchid Estate - \$72 million, Kings Drive - \$65 million and Wedge Wood - \$60 million. These commitments will cover financing of 1,343 housing solutions (14 projects) throughout the Island.

Disbursements will be supported by JMB's cash reserves and substantial loan re-flows of \$790 million anticipated from Spanish Village, Magil Palms, Cambridge, Merrivale and L'Aventura Projects. Additionally, JMB projects to raise an additional \$500 million through a bond issue, which it plans to conduct in two tranches.

JMB continues to explore ways of making funds more accessible to approved projects while focusing on its receivables. In this regard, the Bank intends to effect closer monitoring of projects to ensure more timely completion and hence repayment.

The Bank is optimistic that there should be an increased demand for its loan funds due to the higher demand for housing units. It is noted that of the \$1,363 million originally projected for disbursement during FY 2004/05, \$869.59 million is estimated for allocation. Despite being below expectations, the level of estimated disbursements shows an improvement compared to the allocations in previous years due to the current buoyancy of the real estate market.

The JMB projects revenue of \$394.88 million and a net profit of \$108.06 million indicating a minimal reduction of \$0.24 million below the \$108.30

million estimated outturn for financial year 2004/05.

National Housing Development Corporation

NHDC is projecting losses of \$289.92 million from total income and expenditure of \$486.60 million and \$776.52 million respectively. Interest expenses of \$255.46 million in connection with loan financing for Operation Pride are expected to account for approximately 36% of total expenses. Unlike prior years, the interest on Pride loans will not be written off against the Pride Fund since the Fund has been depleted. As a result, the losses for the year will be over \$260 million more than the previous year.

During the year, the Corporation plans to design and start construction of three (3) open market schemes, and to participate in a joint venture development at Stadium Gardens. It is currently in the process of negotiating financing for these projects.

National Water Commission

The National Water Commission (NWC) will continue the process of consolidating its operations to achieve financial viability; an operating surplus of \$13.74 million is projected at year-end. Total revenues are forecast at \$9,216.11 million and direct and indirect operating costs are budgeted at \$9,202.37 million. The anticipated surplus reflects an improvement of \$680.09 million, a significant turnaround in performance compared with the deficit of \$666.36 million estimated for FY 2004/05.

Based on the 2004-2006 tariff regime granted to the NWC by the Office of Utilities Regulation (OUR) effective January 1, 2004 the Commission has re-indexed the annual Price Adjustment Mechanism and rolled it into new rates effective January 1, 2005. This is expected to result in the realization of \$1, 692.62 million in additional revenues for the Commission.

The NWC will also be seeking to continue the implementation of strategies and major activities identified in a Cabinet approved 3-year strategic action plan for the period 2004-2007. The plan summarises activities to be undertaken in order to achieve financial viability, improve service standards and provide better value to ratepayers. Major capital projects included for the 2005/06 financial year are the Martha Brae to Harmony Hall Water Supply and the Port Antonio Water and Sewerage Projects that are budgeted to cost \$1,410 million. In-house capital projects are budgeted at \$988.28 million and include the purchase of software for the upgrading of the Customer Information System, meters, pumps and plant rehabilitation and other capital projects.

Ministry of Transport and Works

Aeronautical Telecommunications Limited

Aeronautical Telecommunications Limited (Aerotel) is projecting a surplus of \$4.96 million compared to the estimated outturn of \$3.93 million for FY 2004/05. The Company's major source of income is derived from fees charged on the Aeronautical Fixed Telecommunication Network (AFTN) overflights and this is budgeted to

increase by \$13.93 million to \$136.41 million (66% of total revenues). It is also expected that a substantial amount of its income (\$43 million or 21%) will be earned from advertisements via its KOOL 97 FM radio station. Over the years, the Station has been making losses on its operations, however projections for FY 2005/06 show that the entity is expecting to earn a small profit. This is expected as the company has budgeted a 3% growth in advertising revenue.

Capital expenditure of \$30.27 million is targeted for the year with the following major outflows:

- Replacement of two existing fleet vehicles (\$6 million)
- Erection of two 200 feet towers and acquisition of two 2 kilowatt amplifiers (\$4.34 million) for installation at Spur Tree and Castle Mountain in Manchester and Portland respectively
- Acquisition of three mobile standby generators at a cost of \$2.8 million for use at Spur Tree, Castle Mountain and Bonnie Gate
- Purchase of Land at Paradise, St. James (\$2.7 million) on which an additional transmitting tower will be erected

It is expected that the capital purchases, as well as staff trained during the year, will enhance the overall efficiency and effectiveness of the Company's operations. The availability of additional equipment should result in radio coverage increasing from 80% to 85%, and the telecommunication link between the two international airports and the control centre will become even more reliable. With properly trained

employees, Aerotel will be able to continue to provide 100% of the engineering services required by its parent Company, the Civil Aviation Authority (CAA).

Airports Authority of Jamaica

The Airports Authority of Jamaica (AAJ) plans to continue its pursuit of an efficient and productive aviation sector, which will compete domestically and internationally. In doing so, the Authority will attempt to control the hazards associated with the airport environment through the informed and responsible actions of all its employees. Other objectives include:

- Increasing the revenue base at the Norman Manley International Airport (NMIA) by way of the growth of non-aeronautical income. The non-aeronautical to aeronautical revenue ratio is therefore expected to move to 40:60 from 36:64. Specifically, concession fees from operators of stores/kiosks are expected to increase by 27% based on increased sales, as well as the rental of three additional kiosks.
- Relocation of the head office to NMIA in an attempt to control rental cost.
- Greater participation in negotiations relating to Air Service Agreements (bilateral) to ensure adequate airlift into Jamaica. Emphasis will be placed on pursuing revenue opportunities on inbound flights from the United Kingdom, South Africa, China, Spain and France. These should impact on revenues beyond the budget year.

- Attaining 75% completion of required activities to obtain International Standards Organisation (ISO) 14001 Certification.
- Completing aspects of a 20-year Capital Development Programme (CDP) for expansion of NMIA. Jamaica has committed to host some of the matches in the World Cup Cricket Competition (WCCC) in 2007 hence; expansion of the Airport is critical based on the expected increase in traffic. The CDP will be undertaken in three phases (1A, 1B and 2) at a projected cost of over US\$127 million. For the budget year, AAJ intends to achieve partial completion of Phase 1A and full completion is anticipated by February 2007, before the start of the WCC in March 2007.

In light of works anticipated in relation to Phase 1A, the Authority's capital programme (including fixed assets) is estimated at \$1,994.34 million compared to an estimated \$707 million for FY 2004/05. However, actual cash expenditure is budgeted at \$1,993.6 million compared to \$702 million for the previous year. Work at NMIA is expected to account for 93% (\$1,849.81 million) of total costs. Major expenditure targets include the expansion/renovation of terminal facilities (\$1,170.48 million); upgrade of the existing pier that connects passengers to aircraft (\$148.24 million); completion of new cargo facility (\$83.72 million) and Car Park and Roadway expansion (\$176 million).

The major sources of finance are expected to be a US\$17.84 million loan from the

European Investment Bank and \$394.19 million in Airport Improvement Fees. Based on attempts to increase revenues and control costs, AAJ anticipates an operating surplus of \$47.21 million, compared to a \$73.12 million shortfall in the previous period.

Civil Aviation Authority

The Civil Aviation Authority's (CAA) mandate is to provide and regulate air navigation and all matters relating to flight safety in Jamaica, in line with the required standards and recommended practices of the International Civil Aviation Organisation (ICAO). In pursuit of its mandate, the Authority plans to continue to improve the Island's air navigation facilities. Therefore, a total of \$322.45 million is budgeted for expenditure under this programme, with focus on the following sub-projects:

- **Air Traffic Services - \$216.39 million** - Major activities include the upgrade/replacement of various communication, navigational and surveillance equipment at the Norman Manley International Airport, preparatory work associated with the construction of a new control tower at the Sangster International Airport and upgrade of the Tower Cab Simulator at the Training Institute.
- **Upgrade of equipment at local aerodromes - \$43.90 million** - Navigational aids and telecommunications equipment will be acquired for the local aerodromes in an attempt to contribute to their development.

- **Radar Training - \$13.76 million** - This sub-project began in April 2002 and is scheduled for completion during the year. Quality assurance training reviews and on-the-job training should be conducted.

The CAA anticipates a 3% increase in aircraft arrivals at both international airports. Therefore, air navigation fee, the Authority's major source of income, is projected at \$493.85 million or 92% of total operating income and is expected to surpass the \$422 million for FY 2004/05. Notwithstanding the anticipated increase in air navigation fees and the expected impact on total revenues, which should rise to \$731.81 million, CAA has budgeted a deficit of \$125.46 million. However, this compares favourably to \$172 million shortfall estimated for FY 2004/05 and is expected to result as expenses are projected to continue to exceed revenues.

Jamaica Urban Transit Company Limited

The projection for 2005/06 highlights a deficit of \$978 million for the Jamaica Urban Transit Company (JUTC), an increase of \$389 million or 66% over the estimated loss of \$589 million for FY 2004/05. Continued losses in the Company's operations are attributed primarily to inadequate revenues due to the uneconomic fare regime, falling passenger-carry as a result of competition from illegal operators, and increased operating costs as a result of the rise in fuel prices. While a number of initiatives are underway to reduce the losses on operations, these alone are not likely to move the JUTC to profitability,

without a review of the existing fare regime.

The enormous challenge from the influx of illegal operators is partly responsible for the decline in passenger-carry from 90 million in FY 2003/04 to an estimated 78 million for FY 2004/05. Improved monitoring by the Transport Authority, supported by assigned police personnel, is expected to minimise the number of illegal operators, and return passenger-carry to the 90 million mark in FY 2005/06.

While the asset base of the company has been strengthened by the formal transfer of assets previously owned by Metropolitan Management Transport Holding (MMTH), the company is expected to face continued cash flow challenges, given that fare revenue of \$2,579.49 million will finance about 72% of total expenses. Management along with the Government will continue to explore opportunities aimed at increasing revenues, reducing operating costs and improving the JUTC's operational and financial performance during the year.

Port Authority of Jamaica

The Port Authority of Jamaica (PAJ) in its effort to develop and regulate Jamaica's ports has executed several capital projects in pursuit of a modern world-class port infrastructure, to support international trade, tourism, commerce and industry. During the year, PAJ plans to access loan financing to fund a significant portion of its capital programme. Total capital expenditure of \$1,745 million is projected with \$1,170 million budgeted for completion of the Kingston Container Terminal (KCT IV) berth expansion project. This should

result in the construction of 500 metres of new berth on the North Terminal and paving of 12.9 hectares of container storage yard. Consequently container handling capacity is targeted to grow from 1.2 million tonnage equivalent units (TEUs) to 1.5 million TEUs.

Other capital projects/acquisition should include:

- 80% completion of a three-floor administration building at KCT with bus and car park as well as underground infrastructure for an automated gate system (\$170 million).
- Purchase of two additional cargo inspection X-ray (pallet) machines (\$112.98 million)
- The final payment of \$65 million for land at Fort Augusta which the PAJ recently acquired for the proposed future development of the terminal
- Rehabilitation of the harbour at Beacons Hill - \$45.60 million

There are also plans to develop the cruise ship facilities at Montego Bay and Ocho Rios and to further promote Jamaica in the international cruise ship market. PAJ anticipates that the continued development at the seaports as well as other activities, should in the short to medium term, increase its earning power and viability.

PAJ has projected a surplus of \$1,144.35 million from income of \$4,347.48 million. This is an increase of \$128.5 million over the \$1,015 surplus of \$1,015 million estimated for FY 2004/05. The improved performance should result as box moves are expected to increase by 7% to 835,215 from 777,566, with transshipment moves from

which the Authority earns the major portion of its income, accounting for 730,726 (87%).

Ports Security Corps Limited

Port Security Corps Limited (PSC) proposes to increase the training and deployment of its security personnel, based on plans to implement a sustainable counter-terrorist security programme at the Island's air and seaports. The programme is expected to result in a reduction of illegal activities at the Island's ports and is in keeping with the required international standards to increase security at ports worldwide.

PSC intends to explore the possibilities for new business from Jamaican Government entities and from ports within the CARICOM region. In addition, the Company will seek to provide identification services for seaports and other government agencies and will develop a training syllabus for a proposed Caribbean Aviation and Maritime Security Institute. In order for these to become a reality, the Company will focus its resources on establishing a training and marketing team.

PSC projects a surplus of \$16.76 million, which is an improvement on the estimated surplus of \$2.60 million for FY 2004/05. This is expected as all revenue sources are anticipated to improve due to proposed increases in rates to clients, as well as additional revenue from other sources.

Transport Authority

As the regulatory body for public transportation the Transport Authority is mandated to ensure compliance with the various regulations that it oversees. The significant growth in the number of public passenger vehicles island-wide has placed tremendous strain on the resources of the Authority employed in the monitoring and enforcement of these regulations.

The budget for FY 2005/06 highlights significant increases in capital and recurrent expenditures, reflecting the Authority's plan for major improvements in physical infrastructure, information technology and human resource development. Investments in these areas are part of a three-year programme to improve the corporate image, service delivery and enhance the capacity of the Authority to respond to developments within the transport sector.

A net surplus of \$9.15 million is projected from total income of \$331.66 million and expenses of \$322.51 million. The surplus, which is \$6.11 million more than the estimate of \$3.04 million for FY 2004/05, will be largely due to the impact of increased licence fees, which were approved by the Cabinet in 2004.

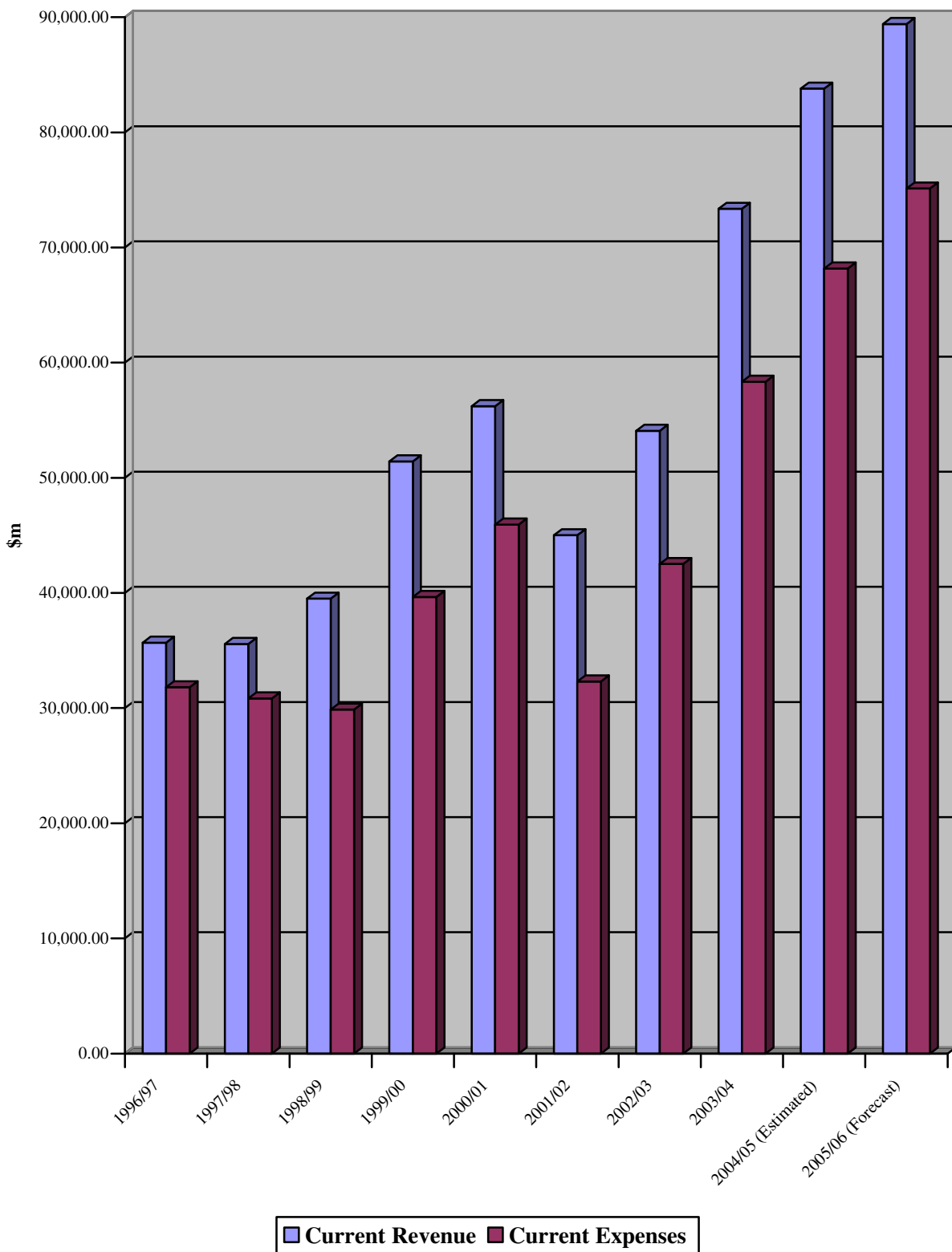
Table 1

Table 1: Selected Public Bodies Financing Plan 2005/06

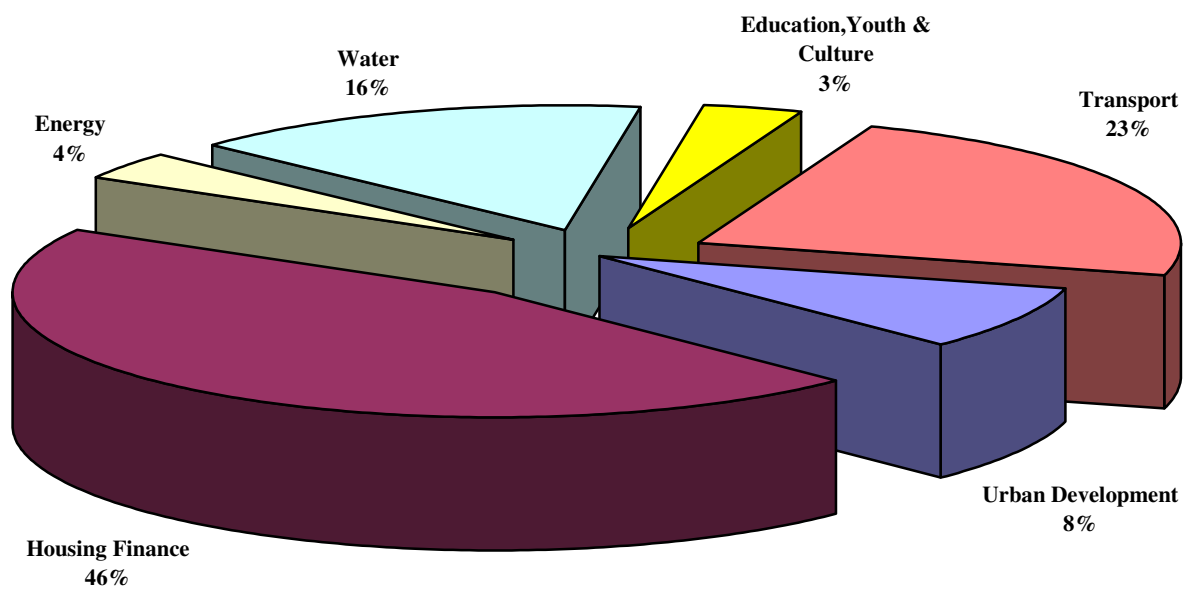
\$m

	Actual 2003/04	Estimated 2004/05	Projected 2005/06
I Operating Balance (Current Balance + Depreciation & Other Non-Cash Items)	19,287.97	19,635.19	18,776.13
II Add Capital Revenue	6,454.21	6,429.81	8,025.34
TOTAL	25,742.18	26,065.00	26,801.47
III Less Amortisation (Excluding GOJ)	1,709.69	2,048.89	2,431.29
IV Balance Available for Capital Expenditure and Investment	24,032.49	24,016.12	24,370.17
V Capital Expenditure and Investment	13,333.77	12,386.40	16,119.86
VI Percentage Financed by Internally Generated Surplus at (IV)	100.00%	100.00%	100.00%
VII Available for Financing (Balance to be Financed)	10,698.72	11,629.72	8,250.31
Financing from Other Sources:			
VIII Foreign	2,280.94	7,010.12	4,918.67
IX Domestic -Excluding GOJ	(4,519.27)	(6,797.38)	(6,216.18)
X GOJ			
- Loans	0.00	0.00	0.00
- Equity	200.00	200.00	500.00
- On-lending	294.80	52.39	0.00
- Other	3,637.66	3,742.69	2,016.78
XI Total (VIII+ IX+ X)	1,894.13	4,207.82	1,219.27
Balance (VII+ XI)	12,592.85	15,837.54	9,469.58
Used For:			
Transfers to Government	8,090.05	10,997.97	7,226.16
Working Capital -excluding cash	4,502.80	4,839.57	2,243.42

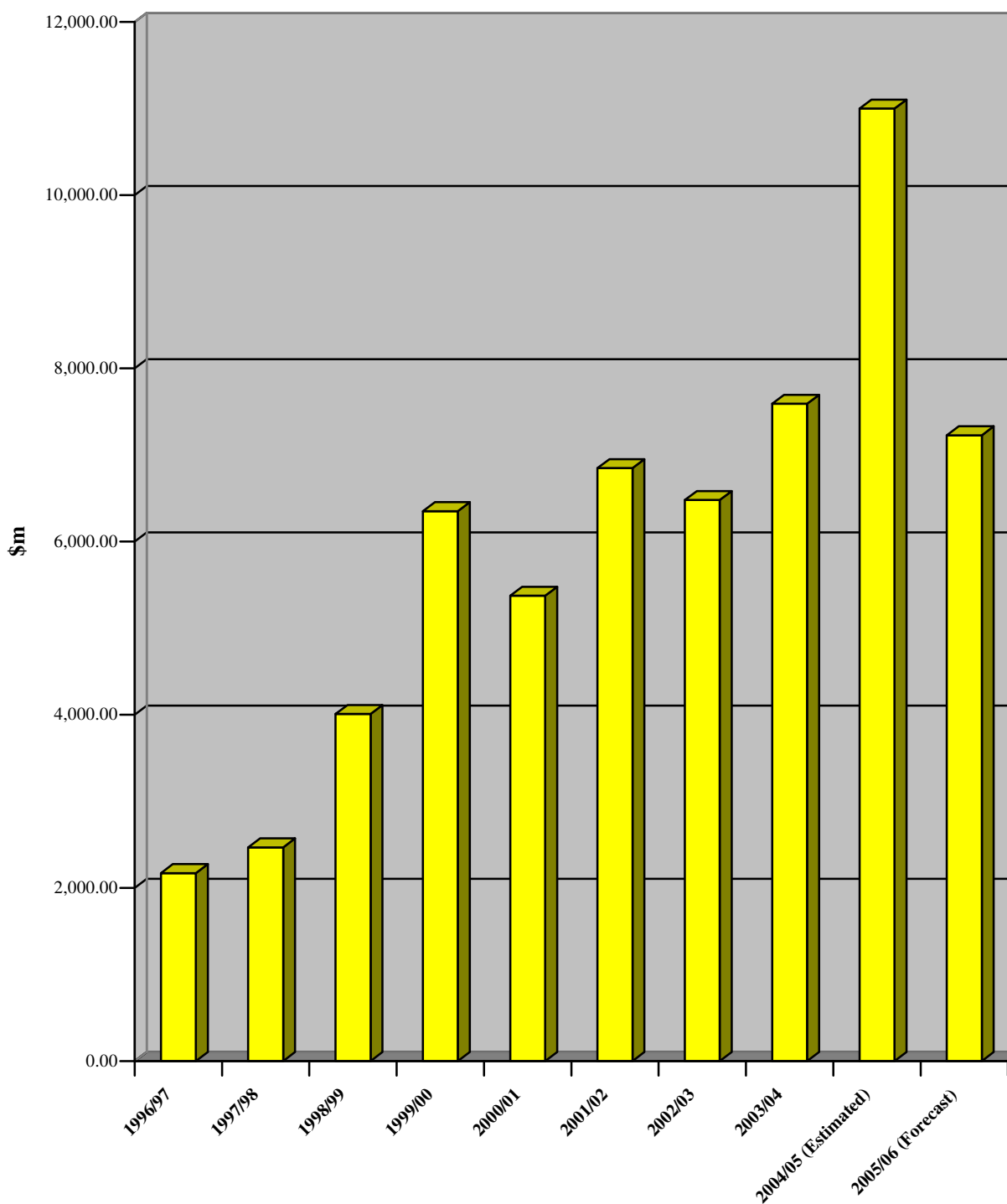
CURRENT REVENUE VS. CURRENT EXPENSES



CAPITAL EXPENDITURE



TRANSFERS TO GOVERNMENT



\$m

	Actual 2003/04	Original 2004/05	Estimated 2004/05	Projected 2005/06
Statement 'A' Flow of Funds				
1 Current Revenue	73,532.60	65,873.82	83,798.88	89,404.99
2 Current Expenses	(59,253.36)	(51,323.15)	(68,170.79)	(75,123.03)
3 Current Balance	14,279.24	14,550.67	15,628.09	14,281.97
4 Adjustments	1,344.57	3,297.23	1,842.34	4,377.06
Change in Accounts Receivable/Payable	(3,664.16)	(382.81)	(2,164.77)	(117.10)
Items not requiring outlay of cash:				
Depreciation	2,681.27	2,190.61	2,777.25	3,248.46
Other Non-Cash Items	1,696.92	1,461.69	1,278.96	1,217.96
Prior Year Adjustment	630.54	27.74	(49.10)	27.74
5 Operating Balance	15,623.81	17,847.90	17,470.42	18,659.02
6 Capital Account	(7,678.64)	(11,611.59)	(8,631.40)	(10,220.84)
Revenue	6,454.21	9,525.62	6,429.81	8,025.34
Expenditure	(12,991.60)	(17,321.48)	(12,019.97)	(15,180.48)
Investment	(342.17)	(1,201.23)	(366.43)	(939.39)
Change in Inventory	(799.08)	(2,614.51)	(2,674.81)	(2,126.32)
7 Transfers from Government	4,132.46	772.01	3,995.08	2,516.78
Loans		300.00		
Equity	200.00	200.00	200.00	500.00
On-Lending	294.80		52.39	
Other	3,637.66	272.01	3,742.69	2,016.78
8 Transfers to Government	(8,090.05)	(6,855.48)	(10,997.97)	(7,226.16)
Dividend	(25.00)	20.00		
Loan Repayments		144.00	(1,900.92)	
Corporate Taxes	(1,068.78)	(1,318.19)	(1,659.73)	(1,345.56)
Other	(6,996.27)	(5,701.29)	(7,437.32)	(5,880.60)
9 OVERALL BALANCE (5+ 6+ 7+ 8)	3,987.59	152.84	1,836.14	3,728.80
10 FINANCING (11+ 15)	(3,987.59)	(152.84)	(1,836.14)	(3,728.80)
11 Total Foreign (12+ 13+ 14)	531.68	2,827.89	4,961.24	2,487.38
12 Government Guaranteed Loans	(6.52)	2,537.58	1,443.10	111.44
Disbursement		3,463.72	2,544.46	1,283.31
Amortization	(6.52)	(926.13)	(1,101.36)	(1,171.87)
13 Direct Loans	521.24	321.19	3,460.37	2,377.03
Long Term:	1,253.82	1,005.71	1,529.09	2,030.13
Disbursement	2,263.98	820.23	2,476.62	3,289.55
Amortisation	(970.59)	185.48	(947.53)	(1,259.42)
Short Term:				
Change in Trade Credits	(732.58)	(684.53)	1,931.28	346.90
14 Change in Deposits Abroad	16.96	(30.88)	57.76	(1.09)
15 Total Domestic (16+ 17+ 18)	(4,519.27)	(2,980.73)	(6,797.38)	(6,216.18)
16 Banking System	2,002.39	142.11	(606.17)	(947.98)
Loans (Change)				
Overdraft (Change)	(82.69)	45.39	(20.53)	(288.56)
Deposits (Change)	2,085.08	96.72	(585.64)	(659.41)
17 Non-Banks (Change)	(391.30)	(177.89)	33.37	(4.20)
18 Other (Change)	(6,130.36)	(2,944.95)	(6,224.58)	(5,264.00)

National Housing Trust

The National Housing Trust (NHT) was incorporated in 1976 as a body corporate under the National Housing Trust Act. The mission of the Trust is to contribute to the improved quality of life of Jamaicans by providing quality affordable housing solutions, loans for residential purposes, financing for housing development and support for community development.

The Trust will continue to contribute to the social and infrastructural development of the country and special focus during 2005/06 will continue to be on improving the living conditions in inner city communities. The Trust has earmarked \$1,284 million for the Inner City Housing Project in addition to the \$4,670 expenditure for Build on Own Land/Home Improvement/Open Market and Scheme benefits.

The staff complement is expected to be eight hundred and seventy-six (876) represented by six hundred and eighty-five (685) permanent staff and one hundred and ninety-one (191) temporary staff.

Revenue Statement \$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
Income:			
Interest on:			
Loans to Beneficiaries	3,144.51	3,199.63	3,735.03
Investments	3,320.36	3,068.11	3,039.23
Total Interest	6,464.86	6,267.73	6,774.27
Deferred Income Realised	-	2.83	3.46
Gains on projects	141.07	-	-
Service Charge	61.47	48.09	51.00
Miscellaneous	351.71	282.73	292.27
Total Income	7,019.10	6,601.39	7,121.01
Expenses:			
Operating Expenses	1,756.31	1,722.66	1,845.35
Mortgage Expenses	-	72.14	81.15
Inner City Programme	-	68.33	81.24
Emancipation Park	-	38.76	42.43
Property Tax	-	7.32	7.32
Transfer Tax	-	99.49	89.10
Bonus on Employee Contributions	865.35	967.00	979.03
Losses on Mortgage	-	88.50	71.93
Depreciation	-	96.11	180.94
Subsidies - special projects	440.55	480.00	609.00
Provisions (recovery) - loans receivable	420.23	-	-
Total Expenditure	3,482.45	3,640.30	3,987.48
Surplus Before Exceptional Items & Taxation	3,536.65	2,961.09	3,133.52
Exceptional Items	2.31	-	-
Surplus Before Tax	3,534.34	2,961.09	3,133.52
Taxation	872.34	986.93	1,044.40
Net Surplus/(Deficit)	2,662.00	1,974.16	2,089.12

\$m

	Actual 2003/04	Original 2004/05	Estimated 2004/05	Projected 2005/06
Statement 'A' Flow of Funds				
1 Current Revenue	7,019.10	6,469.01	6,601.40	7,121.01
2 Current Expenses	(3,484.76)	(2,636.48)	(3,640.30)	(3,987.48)
3 Current Balance	3,534.34	3,832.53	2,961.09	3,133.53
4 Adjustments	675.89	(327.52)	858.25	1,019.77
Change in Accounts Receivable/Payable	419.55	(471.01)	383.90	766.90
Items not requiring outlay of cash:				
Depreciation	69.79	79.99	96.11	180.94
Other Non-Cash Items	(443.99)	63.50	378.24	71.93
Prior Year Adjustment	630.54	0.00	0.00	0.00
5 Operating Balance	4,210.23	3,505.01	3,819.34	4,153.30
6 Capital Account	852.91	(3,003.04)	(375.83)	(835.86)
Revenue	5,562.38	5,029.51	5,486.49	6,333.40
Expenditure	(4,309.30)	(5,366.22)	(4,110.12)	(5,458.39)
Investment	0.00	0.00	0.00	0.00
Change in Inventory *	(400.17)	(2,666.33)	(1,752.20)	(1,710.87)
7 Transfers from Government	0.00	0.00	0.00	0.00
Loans	-	-	-	-
Equity	-	-	-	-
On-Lending	-	-	-	-
Other	-	-	-	-
8 Transfers to Government	(872.34)	(1,066.04)	(986.93)	(1,044.40)
Dividend	-	-	-	-
Loan Repayments	-	-	-	-
Corporate Taxes	(872.34)	(1,066.04)	(986.93)	(1,044.40)
Other	-	-	-	-
9 OVERALL BALANCE (5+ 6+ 7+ 8)	4,190.80	(564.07)	2,456.58	2,273.04
10 FINANCING (11+ 15)	(4,190.80)	564.07	(2,456.58)	(2,273.04)
11 Total Foreign (12+ 13+ 14)	0.85	0.00	0.00	0.00
12 Government Guaranteed Loans	0.85	0.00	0.00	0.00
Disbursement	-	-	-	-
Amortization	0.85	0.00	0.00	0.00
13 Direct Loans	0.00	0.00	0.00	0.00
Long Term:	0.00	0.00	0.00	0.00
Disbursement	-	-	-	-
Amortisation	-	-	-	-
Short Term:				
Change in Trade Credits	-	-	-	-
14 Change in Deposits Abroad				
15 Total Domestic (16+ 17+ 18)	(4,191.65)	564.07	(2,456.58)	(2,273.04)
16 Banking System	(39.42)	564.07	(37.62)	0.00
Loans (Change)	-	-	-	-
Overdraft (Change)	-	-	-	-
Deposits (Change)	(39.42)	564.07	(37.62)	0.00
17 Non-Banks (Change)	-	-	-	-
18 Other (Change)	(4,152.23)	0.00	(2,418.96)	(2,273.04)

* Change in inventory on Statement "A" comprises: houses completed but not allocated, developed lands and stationery, while on the Balance Sheet "houses completed and developed lands" are classified as housing investment. Inventory on the Balance Sheet refers only to stationery.

\$m

Details of Revenue and Expenditure

	Actual 2003/04	Original 2004/05	Estimated 2004/05	Projected 2005/06
CURRENT REVENUE				
Interest on Loans and Investments	6,605.93	6,334.42	6,374.38	6,895.04
Deferred Income Realised	0.00	59.86	2.83	3.46
Rental Income	0.00	8.86	0.00	0.00
Service Charges	61.47	65.87	48.09	51.00
Penalties	66.82	0.00	0.00	0.00
Miscellaneous	284.89	0.00	176.09	171.50
TOTAL	7,019.10	6,469.01	6,601.40	7,121.01
CURRENT EXPENSES				
Salaries and Allowances				
A. Directors, Executive & Senior Managers	1,185.85	1,055.56	1,068.26	1,194.92
- Salaries	1,146.04	1,011.56	1,024.26	1,146.52
- Pension Fund Contributions	-	-	-	-
- Housing Allowance	-	-	-	-
- Utility Allowance	-	-	-	-
- All Others	39.81	44.00	44.00	48.40
B. Supervisory, Clerical & Production	0.00	0.00	0.00	0.00
- Wages	-	-	-	-
- Pension Fund Contributions	-	-	-	-
- Housing Allowance	-	-	-	-
- Utility Allowance	-	-	-	-
- All Others	-	-	-	-
Utilities (Electricity, Water & Telephones)	-	-	65.72	82.75
Repairs & Maintenance	113.79	136.13	164.38	160.66
Consultancy	29.88	57.72	57.72	70.09
Printing & Stationery	43.86	60.27	60.27	61.13
Advertising	30.46	18.01	18.01	21.00
General Insurance	22.15	15.00	29.72	30.60
Finance Charges	12.73	6.13	7.31	9.88
Depreciation	69.79	79.99	96.11	180.94
Loss on Mortgages	87.40	63.50	88.50	71.93
Loss on Projects	106.66	60.00	60.00	89.00
Mortgage Expense	98.57	72.15	72.15	81.15
Subsistence	-	-	50.40	33.81
Inner City Programme	-	23.33	68.33	81.24
Property Tax	7.32	7.32	7.32	7.32
Transfer Tax	91.54	99.49	99.49	89.10
Cost of Capital	739.94	600.22	967.00	979.03
Training & Seminar	-	-	28.28	30.00
Other	349.86	242.89	87.01	37.75
Project Subsidies	440.55	0.00	480.00	609.00
Office security	0.00	0.00	25.57	23.76
Emancipation Park	54.41	38.77	38.76	42.43
TOTAL	3,484.76	2,636.48	3,640.30	3,987.48

\$m

	Actual 2003/04	Original 2004/05	Estimated 2004/05	Projected 2005/06
CAPITAL REVENUE				
Contributions	6,075.73	5,223.28	6,254.00	7,201.40
Cash Grant	(513.36)	(113.34)	(767.51)	(868.00)
Other	0.00	(80.43)	0.00	0.00
TOTAL	5,562.38	5,029.51	5,486.49	6,333.40
CAPITAL EXPENDITURE				
Mortgage Loans	4,980.69	4,858.51	4,032.24	4,225.97
Employer/Employee Bonus	(865.35)	(600.22)	(158.12)	(979.03)
Acquisition of Fixed Assets	260.26	467.89	227.85	661.57
Project Financing	0.00	640.04	42.75	1,549.88
Deferred Expenditure	(66.30)	0.00	(34.60)	0.00
TOTAL	4,309.30	5,366.22	4,110.12	5,458.39

Balance Sheet
\$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
Assets			
Cash and cash equivalents	4,663.88	5,856.63	5,856.63
Interest & other receivables	1,870.82	1,886.52	1,896.57
Income tax recoverable	392.43	582.51	1,060.96
Loans receivable	40,683.47	44,756.01	50,595.88
Investment securities	13,382.24	14,097.50	15,856.42
Inventories	2,105.59	4,202.49	5,913.36
Intangible assets	34.77	-	-
Investment in associate	277.07	497.04	697.04
Retirement benefit asset	136.50	136.50	136.50
Property, plant & equipment	861.95	1,055.20	1,516.77
	64,408.73	73,070.39	83,530.12
Total Assets	64,408.73	73,070.39	83,530.12
Liabilities and Accumulated Fund			
Liabilities			
Accounts payable and accruals	953.88	1,474.83	2,533.00
Employers' contributions refundable	1.04	-	-
Bonus payable to employers	3.41	-	-
Refundable contributions	21,834.85	24,354.19	27,345.78
Deferred taxation	671.99	671.99	671.99
	23,465.17	26,501.01	30,550.77
Accumulated Fund			
Non-refundable employers' contributions	21,377.65	25,032.66	29,353.50
Fair value and other reserves	908.91	651.00	651.00
Peril reserve	911.86	925.00	925.00
Loan loss reserve	854.73	1,112.00	1,112.00
Surplus on income and expenditure account	16,890.42	18,848.72	20,937.84
	40,943.57	46,569.38	52,979.34
	64,408.73	73,070.39	83,530.11

Urban Development Corporation

The Urban Development Corporation (UDC) was incorporated under the UDC Act of 1968 to undertake urban renewal and development projects in areas specified by the Government of Jamaica. The Corporation also facilitates the development and management of lands to support social and physical advancement leading to economic growth.

During 2005/06, project works are scheduled to continue on the programme to construct 17 schools in Western Jamaica, namely Trelawny, Westmoreland, Hanover and St. James. To date, 6 have been completed and 6 are in progress. This is in addition to upgrading works that are scheduled to be undertaken at the National Stadium East Field and the Montego Bay Sports Complex. This year the UDC plans to undertake three residential housing development projects. It will also undertake upgrading and other improvement works at Dunns River Falls and Green Grotto Caves in Saint Ann.

The Corporation has projected to increase its staff complement from two hundred and forty-three to two hundred and ninety-three (293).

Profit and Loss Account \$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
Income:			
Real Estate Sales	44.57	102.32	75.58
Investment Income	46.59	155.07	208.99
Rental & Service Charges	77.43	81.22	87.59
Management Fees	239.69	213.31	268.18
Operating Property	15.35	16.69	21.13
Other Income	583.52	17.40	36.65
Total Income	1,007.15	586.01	698.12
Cost of Sales	257.20	20.47	25.32
Income after Cost of Sales	749.95	565.54	672.80
Expenses:			
Depreciation	14.09	46.24	24.00
Administrative Expenses	336.58	385.27	446.73
Finance Charges	3.22	3.31	1.56
Operating Expenses - Properties	35.87	48.87	50.51
Legal Claims	-	17.88	24.67
Other	105.83	56.50	68.27
Total Expenses	495.59	558.07	615.74
Exceptional Item	-	13.76	40.57
Surplus/(deficit) for the period	254.36	(6.29)	16.49
Net Profit	(254.36)	20.05	24.08

\$m

	Actual 2003/04	Original 2004/05	Estimated 2004/05	Projected 2005/06
Statement 'A' Flow of Funds				
1 Current Revenue	1,007.15	586.00	586.01	698.12
2 Current Expenses	(495.59)	(544.29)	(558.07)	(615.74)
3 Current Balance	511.56	41.71	27.94	82.38
4 Adjustments	(95.51)	376.92	91.19	641.49
Change in Accounts Receivable/Payable	(128.90)	330.68	70.97	617.49
Items not requiring outlay of cash:				
Depreciation	33.39	46.24	20.22	24.00
Other Non-Cash Items	0.00	-	-	-
Prior Year Adjustment	-	-	-	-
5 Operating Balance	416.05	418.63	119.13	723.87
6 Capital Account	(3,803.81)	(547.76)	(1,639.86)	(2,211.23)
Revenue	0.00	3,161.01	0.00	0.00
Expenditure	(3,668.94)	(2,770.37)	(1,554.23)	(1,351.21)
Investment	(134.87)	(938.40)	(85.63)	(860.02)
Change in Inventory	-	-	-	-
7 Transfers from Government	3,637.66	63.46	1,689.35	1,618.59
Loans	-	-	-	-
Equity	-	-	-	-
On-Lending	-	-	-	-
Other	3,637.66	63.46	1,689.35	1,618.59
8 Transfers to Government	0.00	(13.76)	0.00	0.00
Dividend	-	-	-	-
Loan Repayments	-	-	-	-
Corporate Taxes	-	(13.76)	-	0.00
Other	-	-	-	-
9 OVERALL BALANCE (5+ 6+ 7+ 8)	249.90	(79.43)	168.62	131.23
10 FINANCING (11+ 15)	(249.90)	79.43	(168.62)	(131.23)
11 Total Foreign (12+ 13+ 14)	0.00	0.00	0.00	0.00
12 Government Guaranteed Loans	0.00	0.00	0.00	0.00
Disbursement	-	-	-	-
Amortization	-	-	-	-
13 Direct Loans	0.00	0.00	0.00	0.00
Long Term:	0.00	0.00	0.00	0.00
Disbursement	-	-	-	-
Amortisation	-	-	-	-
Short Term:				
Change in Trade Credits	-	-	-	-
14 Change in Deposits Abroad	-	-	-	-
15 Total Domestic (16+ 17+ 18)	(249.90)	79.43	(168.62)	(131.23)
16 Banking System	(249.90)	(155.77)	(168.62)	(131.23)
Loans (Change)	-	-	-	-
Overdraft (Change)	-	-	-	-
Deposits (Change)	(249.90)	(155.77)	(168.62)	(131.23)
17 Non-Banks (Change)	-	-	-	-
18 Other (Change)	0.00	235.20	0.00	0.00

\$m

Details of Revenue and Expenditure

	Unaudited 2003/04	Original 2004/05	Estimated 2004/05	Projected 2005/06
CURRENT REVENUE				
Rental Income	77.43	81.22	102.32	75.58
Investment/Interest Income	46.59	155.07	155.07	208.99
Management Fees	239.69	213.31	81.22	87.59
Sale of Real Estate (Land)	44.57	102.32	213.31	268.18
Operating Property Income	15.35	16.69	16.69	21.13
Other Income	583.52	17.39	17.40	36.65
TOTAL	1,007.15	586.00	586.01	698.12
CURRENT EXPENSES				
Compensation				
A. Directors, Executive & Senior Managers	348.09	49.26	233.60	262.11
- Salaries	-	46.92	-	-
- Pension Fund Contributions	-	2.34	-	-
- Housing Allowance	-	-	-	-
- Utility Allowance	-	-	-	-
- All Others	348.09	-	233.60	262.11
B. Supervisory, Clerical & Production	0.00	241.44	0.00	0.00
- Wages	-	228.44	-	-
- Pension Fund Contributions	-	13.00	-	-
- Housing Allowance	-	-	-	-
- Utility Allowance	-	-	-	-
- All Others	-	-	-	-
Utilities (Electricity, Water & Telephones)	-	10.72	12.69	13.57
Repairs & Maintenance	-	6.15	12.48	11.34
Rental - Buildings	-	-	-	-
Rental - Equipment	-	-	-	-
Fuel	-	-	-	-
Interest	3.59	3.31	1.63	1.56
Depreciation	33.39	46.24	20.22	24.00
Cost of Sales	19.00	20.47	20.47	25.32
Taxes (Other than Income Tax)	-	0.00	-	-
Other	91.52	166.70	256.98	277.84
TOTAL	495.59	544.29	558.07	615.74
CAPITAL REVENUE				
Land Sales Receivable from GOJ	-	92.17	-	0.00
Other	0.00	3,068.84	0.00	0.00
TOTAL	0.00	3,161.01	0.00	0.00
CAPITAL EXPENDITURE				
UDC/GOJ Capital Projects	104.98	0.00	10.71	0.00
UDC Joint Venture	134.87	0.00	0.00	0.00
Agency Projects	3,388.51	2,512.74	1,516.11	1,325.83
UDC/Infrastructure Works	40.58	19.01	27.41	25.38
Other	0.00	238.62	0.00	0.00
TOTAL	3,668.94	2,770.37	1,554.23	1,351.21
INVESTMENTS				
Joint Venture Contribution & Other UDC projects	(134.87)	(938.40)	(85.63)	(860.02)
TOTAL	(134.87)	(938.40)	(85.63)	(860.02)

Balance Sheet
\$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
<i>Current Assets</i>			
Cash & Short Term Investments	1,571.59	1,740.21	1,694.67
Accounts Receivable & Prepayments	1,094.22	1,094.22	1,094.22
Maintenance	-	24.33	24.33
Owed by Regional Companies	-	(445.02)	(445.02)
	2,665.81	2,413.74	2,368.20
<i>Current Liabilities</i>			
Accounts Payable & Accruals	1,431.53	1,431.53	1,431.53
Land Acquisition Liability	0.30	0.30	0.30
Current Portion of Long Term Liabilities	-	-	-
Owed to regional companies	700.32	-	-
	2,132.15	1,431.83	1,431.83
Net Current Assets	533.66	981.91	936.37
<i>Other Assets & Accrued Charges</i>			
Land held for Development	1,593.44	1,497.42	1,497.42
Fixed Assets	2,080.03	2,112.95	2,201.37
Investment in Subsidiary Companies	5,765.78	5,765.78	5,765.79
Long-term Receivables	0.10	0.10	0.10
Deferred Expenditure/Income	2,878.71	2,878.71	2,878.71
	12,318.06	12,254.96	12,343.39
	12,851.72	13,236.87	13,279.76
Long-term Liabilities	306.76	280.95	280.94
Provision for Future Infrastructure Works	45.27	45.53	45.53
	352.03	326.48	326.47
	12,499.69	12,910.39	12,953.29
<i>Government Equity</i>			
Capital Contributions	222.79	222.79	222.79
Capital Reserves	1,791.15	2,171.92	2,171.92
Revenue reserves - Profit & Loss	10,546.89	10,574.83	10,617.73
General Reserves	229.88	229.89	229.89
Replacement Reserves	1.90	3.88	3.88
Advances on Account of Distribution to GOJ	(292.92)	(292.92)	(292.92)
	12,499.69	12,910.39	12,953.29

National Investment Bank of Jamaica Limited

The National Investment Bank of Jamaica Limited (NIBJ) is the equity, quasi-equity investment and privatisation arm of the Government. The bank is guided in its functions by its Mission Statement which aims “to foster national economic growth and sustainable development by encouraging widespread ownership through privatisation, capital mobilisation and investment in strategic sectors”.

NIBJ projects to invest \$886 million in various developmental projects and these activities are expected to be financed from the Capital Development Fund, re-flows from investments and other internally generated funds. The main areas targeted for investment are the tourism and service sectors which should account for 67% and 25% respectively.

The staff complement of the NIBJ is projected to increase from 42 to 45.

Annual Profit Plan \$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
Revenue			
Investment Income (Short-Term Investment)	183.50	223.69	182.26
Investment Income (Long-Term Investment)	151.64	382.98	286.36
Fees	80.56	2.24	30.73
Private Power Unit	17.01	14.98	14.72
Other	24.19	17.77	35.50
Total Revenue	456.90	641.66	549.57
Expenses			
Emoluments & Other Staff Costs	74.44	91.03	97.75
Legal & Professional Expenses	4.94	8.25	19.23
Office Maintenance Expenses	10.88	11.79	17.04
Utilities	1.57	3.96	5.14
Other Operating Expenses	19.54	28.12	29.37
Bad Debt Provision for Investments	(11.18)	47.50	20.00
<i>Sub - Total</i>	<i>100.17</i>	<i>190.64</i>	<i>188.53</i>
Finance & Other Charges	161.49	130.95	205.53
Total Operating Expenses	261.66	321.58	394.06
Depreciation	10.00	12.95	13.37
Total Operating Expenses (Including Depreciation)	271.66	334.54	407.43
Net Profit/ (Loss) Before Taxation	185.23	307.13	142.14
Taxation	52.74	24.36	46.91
Profit After Taxation	132.49	282.77	95.24

\$m

	Actual 2003/04	Original 2004/05	Estimated 2004/05	Projected 2005/06
Statement 'A' Flow of Funds				
1 Current Revenue	456.90	510.11	641.66	549.57
2 Current Expenses	(271.67)	(404.49)	(334.54)	(407.43)
3 Current Balance	185.22	105.62	307.13	142.14
4 Adjustments	147.15	144.26	23.78	136.07
Change in Accounts Receivable/Payable	(178.04)	103.05	(36.67)	102.70
Items not requiring outlay of cash:				
Depreciation	10.00	11.21	12.95	13.37
Other Non-Cash Items	315.19	30.00	47.50	20.00
Prior Year Adjustment	-	-	-	-
5 Operating Balance	332.37	249.88	330.91	278.21
6 Capital Account	(10.75)	(29.21)	(29.21)	(19.32)
Revenue	(1.15)	0.00	0.00	0.00
Expenditure	(9.60)	(29.21)	(29.21)	(19.32)
Investment	0.00	0.00	0.00	0.00
Change in Inventory	0.00	0.00	0.00	0.00
7 Transfers from Government	200.00	500.00	200.00	500.00
Loans	-	300.00	-	0.00
Equity (from the Capital Development Fund)	200.00	200.00	200.00	500.00
On-Lending	-	-	-	-
Other	-	-	-	-
8 Transfers to Government	0.00	164.00	(24.36)	(46.91)
Dividend	-	20.00	0.00	0.00
Loan Repayments	-	144.00	-	0.00
Corporate Taxes	-	-	(24.36)	(46.91)
Other	-	-	-	-
9 OVERALL BALANCE (5+ 6+ 7+ 8)	521.62	884.67	477.34	711.98
10 FINANCING (11+ 15)	(521.62)	(884.67)	(477.34)	(711.98)
11 Total Foreign (12+ 13+ 14)	0.00	0.00	0.00	0.00
12 Government Guaranteed Loans	0.00	0.00	0.00	0.00
Disbursement	-	-	-	-
Amortization	-	-	-	-
13 Direct Loans	0.00	0.00	0.00	0.00
Long Term:	0.00	0.00	0.00	0.00
Disbursement	-	-	-	-
Amortisation	-	-	-	-
Short Term:				
Change in Trade Credits	-	-	-	-
14 Change in Deposits Abroad	-	-	-	-
15 Total Domestic (16+ 17+ 18)	(521.62)	(884.67)	(477.34)	(711.98)
16 Banking System	(384.98)	(331.54)	(206.19)	229.07
Loans (Change)	-	-	-	-
Overdraft (Change)	-	-	-	-
Deposits (Change)	(384.98)	(331.54)	(206.19)	229.07
17 Non-Banks (Change)	-	-	(135.30)	-
18 Other (Change)	(136.64)	(553.13)	(135.85)	(941.05)
(Development Financing & Other Investment)				

\$m

Details of Revenue and Expenditure				
	Actual 2003/04	Original 2004/05	Estimated 2004/05	Projected 2005/06
CURRENT REVENUE				
Interest & Dividends	335.13	406.49	606.67	468.62
Lease & Rental	104.76	53.52	17.77	35.50
Fees - Privatisation	0.00	34.29	2.24	30.73
Management Fees	0.00	0.00	0.00	0.00
Private Power Unit	17.01	15.81	14.98	14.72
Other	0.00	0.00	0.00	0.00
TOTAL	456.90	510.11	641.66	549.57
CURRENT EXPENSES				
Compensation				
A. Directors, Executive & Senior Managers	22.81	26.89	22.97	24.35
- Salaries	20.58	24.20	20.42	21.65
- Pension Fund Contributions	1.54	1.86	1.53	1.62
- Housing Allowance	-	-	-	-
- Utility Allowance	-	-	-	-
- All Others	0.69	0.83	1.02	1.08
B. Supervisory, Clerical & Production	46.87	53.01	41.37	48.39
- Wages	40.40	46.94	35.97	42.08
- Pension Fund Contributions	4.59	4.14	3.60	4.21
- Housing Allowance	-	-	-	-
- Utility Allowance	-	-	-	-
- All Others	1.88	1.93	1.80	2.10
Utilities (Electricity, Water & Telephones)	3.21	4.65	3.96	5.14
Repairs & Maintenance	10.88	11.86	11.79	17.04
Rental - Buildings	-	-	-	-
Rental - Equipment	-	-	-	-
Interest	161.49	191.83	130.95	205.53
Depreciation	10.00	11.21	12.95	13.37
Bad Debt Provision for Investments	0.00	0.00	0.00	0.00
Other	16.41	105.04	110.56	93.62
TOTAL	271.67	404.49	334.54	407.43
CAPITAL REVENUE				
Sundries - Loan	(1.15)	0.00	-	-
CDF	-	-	-	-
Bond Issue	-	-	-	-
Other	-	-	-	-
TOTAL	(1.15)	0.00	0.00	0.00
CAPITAL EXPENDITURE				
Motor Vehicles	8.40	7.50	7.50	2.86
Furniture and Equipment	0.06	3.99	3.99	2.16
Building	-	1.30	1.30	0.33
Other	1.14	16.42	16.42	13.97
TOTAL	9.60	29.21	29.21	19.32
DEVELOPMENT FINANCING (Included in Line 18 overleaf)				
Equity Investment	-	1,572.10	1,572.00	886.00
Debt Restructuring	-	-	-	-
Guarantees	-	0.00	0.00	-
Other	-	-	-	-
TOTAL	0.00	1,572.10	1,572.00	886.00

Balance Sheet
\$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
Current Assets			
Cash in Hand & other Deposits	56.50	63.09	(332.06)
Short Term Investments	1,680.24	1,296.80	1,462.88
Receivables & Prepayments	609.84	120.04	35.40
Taxation Recoverable	108.20	-	-
Bank & Short-term Investments	21.66	-	-
	2,476.43	1,479.93	1,166.22
Current Liabilities			
Payables & Accruals	519.94	309.25	327.31
Income Tax	-	(97.70)	(50.79)
	519.94	211.55	276.52
Net Current Assets	1,956.49	1,268.38	889.70
Other Assets			
Shares - Subsidiaries	359.67	359.44	359.44
Shares, Other Deposits & Loans & Advances	3,878.10	6,417.01	7,142.79
Project Development Advance	27.50	738.19	703.99
Development in Progress	21.52	-	-
Long-Term Receivables	0.57	21.82	21.82
Deferred Tax Assets	-	(21.57)	(21.57)
Fixed Assets	129.54	258.09	264.04
	4,416.90	7,772.98	8,470.51
Net Assets	6,373.39	9,041.36	9,360.20
Long-Term Liabilities			
Advance - GOJ	1.95	2,351.10	2,162.82
Capital Investment Bonds	-	-	-
Capital Investment Bonds - Sinking Fund	-	-	-
Loan - Ministry of Finance and Planning	1,837.21	731.07	731.07
Other	1,221.64	1,649.79	1,561.69
	3,060.80	4,731.96	4,455.57
Shareholders' Equity			
Share Capital (Authorized \$2.5b)	1,435.79	2,290.79	2,790.79
Shares to be Issued	-	-	-
Advances on Shares for Equity	455.00	-	-
Capital Reserve	210.72	139.34	139.34
Retained Earnings	1,211.09	1,879.28	1,974.51
	3,312.59	4,309.40	4,904.63
	6,373.39	9,041.36	9,360.20

National Insurance Fund

The National Insurance Fund (NIF) was established under the National Insurance Act 38 of 1965. An advisory National Insurance Board, created in 1990 is responsible for managing the investment portfolio to optimise returns and provide for the disbursement of future benefits.

The main activity of the Fund is the provision of financial assistance in the form of pensions and grants to eligible persons registered under the National Insurance Scheme. In the 2003/04 financial year the Fund introduced a health benefit scheme for pensioners. The main source of income is contribution from registered/insured persons and from investments.

Most of the NIF's investments are in Government of Jamaica Securities (primarily Local Registered Stock). Approximately 61% of the net assets of the Fund are projected to be in interest earning instruments for 2005/06, (2004/05 : 65%). Quoted Equities is budgeted to be the next largest investment category at 21%, (2004/05 : 19%).

At the end of year, net assets of the Fund are expected to grow to \$45,346.32 million, reflecting a net positive change of \$5,563.18 million or 14% compared with the estimated out-turn for 2004/05.

The Ministry of Labour and Social Security engages employees of the Fund, and is reimbursed for the costs incurred. A staff complement of seventeen (17) will administer the Fund; unchanged from 2004/05 financial year.

Income and Expenditure Statement \$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
Income:			
Contributions collected by the NIS	3,491.20	4,433.32	4,500.00
Interest Income	3,799.00	3,949.88	4,112.01
Rental	185.79	228.61	262.51
Dividends	206.73	190.37	140.00
Share of profits of subsidiary and Associated Companies	-	-	-
Other	159.21	271.88	299.18
Total	7,862.54	9,074.50	9,313.70
Expenditure:			
Pension Benefits	2,761.60	3,640.42	4,200.00
National Insurance Health Benefits	39.40	282.92	323.26
National Health Fund Contributions	307.42	877.40	900.00
Administration of NIF	314.84	372.27	401.59
Other	186.89	-	-
Total	3,610.15	5,173.01	5,824.85
Gain on Investments	3,547.88	2,959.60	1,824.32
Net Income for Year	7,800.27	6,861.09	5,313.17

\$m

	Actual 2003/04	Original 2004/05	Estimated 2004/05	Projected 2005/06
Statement 'A' Flow of Funds				
1 Current Revenue	7,862.54	8,746.34	9,074.50	9,313.70
2 Current Expenses (<i>Benefit Payments incls. NHF*</i>)	(3,295.31)	(4,450.32)	(4,800.74)	(5,423.26)
3 Current Balance	4,567.23	4,296.02	4,273.76	3,890.44
4 Adjustments	(2,618.77)	(1,302.68)	(220.59)	(1,010.72)
Change in Accounts				
Receivable/Payable	(2,628.44)	(1,312.04)	(229.61)	(1,019.61)
Items not requiring outlay of cash:				
Depreciation	9.67	9.36	9.02	8.89
Other Non-Cash Items	-	-	-	-
Prior Year Adjustment	-	-	-	-
5 Operating Balance	1,948.46	2,993.34	4,053.17	2,879.72
6 Capital Account	(60.10)	(164.49)	(47.18)	(57.40)
Revenue	0.00	0.00	0.00	0.00
Expenditure	(14.72)	(14.49)	(9.41)	(15.50)
Investment	(45.38)	(150.00)	(37.77)	(41.90)
Change in Inventory	0.00	0.00	0.00	0.00
7 Transfers from Government	0.00	0.00	0.00	0.00
Loans	-	-	-	-
Equity	-	-	-	-
On-Lending	-	-	-	-
Other	-	-	-	-
8 Transfers to Government	(314.84)	(423.46)	(372.27)	(401.59)
Dividend	-	-	-	-
Loan Repayments	-	-	-	-
Corporate Taxes	-	-	-	-
Other **	(314.84)	(423.46)	(372.27)	(401.59)
9 OVERALL BALANCE (5+ 6+ 7+ 8)	1,573.52	2,405.39	3,633.72	2,420.73
10 FINANCING (11+ 15)	(1,573.52)	(2,405.39)	(3,633.72)	(2,420.73)
11 Total Foreign (12+ 13+ 14)	0.00	0.00	0.00	0.00
12 Government Guaranteed Loans	0.00	0.00	0.00	0.00
Disbursement	-	-	-	-
Amortization	-	-	-	-
13 Direct Loans	0.00	0.00	0.00	0.00
Long Term:	0.00	0.00	0.00	0.00
Disbursement	-	-	-	-
Amortisation	-	-	-	-
Short Term:				
Change in Trade Credits	-	-	-	-
14 Change in Deposits Abroad				
15 Total Domestic (16+ 17+ 18)	(1,573.52)	(2,405.39)	(3,633.72)	(2,420.73)
16 Banking System	(69.51)	0.00	39.86	0.00
Loans (Change)	-	-	-	-
Overdraft (Change)	-	-	-	-
Deposits (Change)	(69.51)	0.00	39.86	-
17 Non-Banks (Change)	-	-	-	-
18 Other (Change)	(1,504.01)	(2,405.39)	(3,673.58)	(2,420.73)

* National Health Fund

** Includes compensation and other operational expenses relating to the management of the Fund.

\$m

Details of Revenue and Expenditure

	Actual 2003/04	Original 2004/05	Estimated 2004/05	Projected 2005/06
CURRENT REVENUE				
Contributions collected by the NIS	3,491.20	4,235.23	4,433.32	4,500.00
Interest Income	3,799.00	4,180.74	3,949.88	4,112.01
Rental	185.79	215.06	228.61	262.51
Dividends	206.73	115.31	190.37	140.00
Share of Profits of Subsidiary and Associated Cos.	159.21	0.00	271.88	299.18
Other	20.61	0.00	0.44	0.00
TOTAL	7,862.54	8,746.34	9,074.50	9,313.70
CURRENT EXPENSES				
Compensation				
A. Directors, Executive & Senior Managers	0.00	0.00	0.00	0.00
- Salaries	-	-	-	-
- Pension Fund Contributions	-	-	-	-
- Housing Allowance	-	-	-	-
- Utility Allowance	-	-	-	-
- All Others	-	-	-	-
B. Supervisory, Clerical & Production	0.00	0.00	0.00	0.00
- Wages	-	-	-	-
- Pension Fund Contributions	-	-	-	-
- Housing Allowance	-	-	-	-
- Utility Allowance	-	-	-	-
- All Others	-	-	-	-
Utilities (Electricity, Water & Telephones)	-	-	-	-
Repairs & Maintenance	-	-	-	-
Rental - Buildings	-	-	-	-
Rental - Equipment	-	-	-	-
Depreciation	-	-	-	-
National Insurance Health Benefits	39.40	345.80	282.92	323.26
National Health Fund	307.42	847.05	877.40	900.00
Benefits (Pensions)	2,761.60	3,257.47	3,640.42	4,200.00
Other	186.89	-	-	-
TOTAL	3,295.31	4,450.32	4,800.74	5,423.26
CAPITAL EXPENDITURE				
Fixed Assets	14.72	14.49	9.41	15.50
TOTAL	14.72	14.49	9.41	15.50
INVESTMENT				
Purchase of Real Estate	45.38	150.00	37.77	41.90
TOTAL	45.38	150.00	37.77	41.90

Balance Sheet
\$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
Assets			
Cash & Short-term Investments	1,790.09	2,863.97	3,207.60
Mortgage Receivables	10.35	8.77	6.77
Loans Receivable	757.47	571.30	546.00
Debentures	3,135.79	4,741.60	5,048.75
Investment in Subsidiaries	642.91	648.59	648.58
Investment in Associated Company	717.70	1,002.57	1,301.76
Investment in Other Unlisted Shares	126.53	126.53	126.53
Local Registered Stock	-	-	-
Held to Maturity	2,040.59	2,040.59	1,421.19
Available for Sale	4,152.46	4,499.02	5,259.02
Originated Loans and Long Term Receivables	3,397.01	3,869.03	4,319.03
Treasury Bills	20.00	-	-
Highway 2000 Bonds	1,000.00	1,000.00	1,000.00
Other Infrastructure Bonds	200.40	200.40	200.40
Foreign Bonds and Deposits	5,056.34	5,405.00	6,061.91
Listed Ordinary Shares	4,603.04	7,454.35	9,569.76
GOJ Investment Bond	478.97	479.73	529.23
Unit Trusts	203.04	250.24	275.51
Accounts Receivable & Prepayments	1,112.00	1,387.35	2,406.96
Investment Properties	3,032.43	3,266.68	3,477.22
Fixed Assets	39.10	39.50	46.11
GOJ AIC Receivable	203.56	169.63	135.70
Total Assets	32,719.78	40,024.85	45,588.03
Current Liabilities			
Accounts Payable	195.97	241.71	241.71
	195.97	241.71	241.71
Net Total Assets	32,523.81	39,783.14	45,346.32
Capital Employed			
Accumulated Fund	32,523.81	39,783.14	45,346.32
	32,523.81	39,783.14	45,346.32

Human Employment and Resource Training Trust

The HEART Trust was established by Act 13 of 1982 with a mandate to provide skilled manpower for the labour market. This mandate was expanded in 1991 to include responsibility for national training, and the entity was renamed HEART Trust/NTA to reflect this new role. The core function of the Trust is to regulate and set standards for the technical and vocational education and training system in Jamaica, which are required for the training and certification of persons for employment. The Trust has among its broad objectives, the certification of half of the workforce by early 2008; and the increase in participation in its training programmes to 100,000 annually by that year.

During FY 2005/06 the Trust will continue to implement its New Business Model with a view to increasing access by the Jamaican labour force to improved training and certification. In addition to traditional institution based training, the focus of the New Model is being expanded to include the development of partnerships with various industry players to establish programmes of training assessment and certification at the organisational level. The Trust will also pursue distance-learning programmes as a method of delivery.

HEART is projecting a staff complement of 1,245 full time and 696 part-time employees.

Income and Expenditure Statement \$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
Income:			
Employers' 3% Contributions	2,683.61	3,066.58	4,000.78
Interest Earnings	244.08	225.67	136.55
Academy Earnings	246.65	252.74	342.68
Profit on the Sale of Fixed Assets	0.89	-	-
Miscellaneous Income	12.83	16.36	9.24
Total	3,188.06	3,561.35	4,489.25
Expenditure:			
Facilities Costs	575.87	682.30	861.54
Training Costs	1,764.43	1,865.71	2,604.28
Personnel/Administration Costs	344.82	551.40	732.34
Other Operating Costs	186.50	290.26	426.32
Refurbishing of Technical High Schools	18.80	-	-
Total	2,890.42	3,389.67	4,624.48
Surplus/(Deficit) for the Year	297.64	171.68	(135.23)
Taxation	(122.81)	-	-
Net Surplus	174.83	171.68	(135.23)

\$m

	Actual 2003/04	Original 2004/05	Estimated 2004/05	Projected 2005/06
Statement 'A' Flow of Funds				
1 Current Revenue	3,188.06	3,234.44	3,561.35	4,489.25
2 Current Expenses	(2,890.42)	(3,512.01)	(3,389.66)	(4,624.48)
3 Current Balance	297.64	(277.57)	171.69	(135.23)
4 Adjustments	108.83	485.34	163.72	191.73
Change in Accounts Receivable/Payable	47.16	339.92	0.53	1.95
Items not requiring outlay of cash:				
Depreciation	116.96	145.42	163.19	189.78
Other Non-Cash Items	(55.29)	-	-	-
Prior Year Adjustment	-	-	-	-
5 Operating Balance	406.47	207.77	335.41	56.50
6 Capital Account	(276.52)	(478.08)	(276.47)	(520.58)
Revenue	0.94	0.00	0.00	0.00
Expenditure	(272.03)	(478.40)	(268.32)	(520.50)
Investment	0.00	0.00	0.00	0.00
Change in Inventory	(5.43)	0.32	(8.15)	(0.08)
7 Transfers from Government	0.00	0.00	0.00	0.00
Loans	-	-	-	-
Equity	-	-	-	-
On-Lending	-	-	-	-
Other	-	-	-	-
8 Transfers to Government	0.00	0.00	0.00	0.00
Dividend	-	-	-	-
Loan Repayments	-	-	-	-
Corporate Taxes	-	-	-	-
Other	-	-	-	-
9 OVERALL BALANCE (5+ 6+ 7+ 8)	129.96	(270.31)	58.94	(464.08)
10 FINANCING (11+ 15)	(129.96)	270.31	(58.94)	464.08
11 Total Foreign (12+ 13+ 14)	0.00	0.00	0.00	0.00
12 Government Guaranteed Loans	0.00	0.00	0.00	0.00
Disbursement	-	-	-	-
Amortization	-	-	-	-
13 Direct Loans	0.00	0.00	0.00	0.00
Long Term:	0.00	0.00	0.00	0.00
Disbursement	-	-	-	-
Amortisation	-	-	-	-
Short Term:				
Change in Trade Credits	-	-	-	-
14 Change in Deposits Abroad	-	-	-	-
15 Total Domestic (16+ 17+ 18)	(129.96)	270.31	(58.94)	464.08
16 Banking System	(19.70)	20.40	(2.11)	(1.83)
Loans (Change)	-	-	-	-
Overdraft (Change)	-	-	-	-
Deposits (Change)	(19.70)	20.40	(2.11)	(1.83)
17 Non-Banks (Change)	-	-	-	-
18 Other (Change)	(110.26)	249.91	(56.83)	465.91

\$m

Details of Revenue and Expenditure

	Actual 2003/04	Original 2004/05	Estimated 2004/05	Projected 2005/06
CURRENT REVENUE				
3% Contribution	2,683.61	2,898.23	3,066.58	4,000.78
Academy Earnings	246.65	237.93	252.74	342.68
Grants	-	-	-	-
Interest Income	244.08	86.14	225.67	136.55
Profit on Sale of Fixed Assets	0.89	0.00	0.00	0.00
Miscellaneous Income	12.83	12.14	16.36	9.24
TOTAL	3,188.06	3,234.44	3,561.35	4,489.25
CURRENT EXPENSES				
Compensation	344.82	602.18	551.40	732.34
A. Directors, Executive & Senior Managers	0.00	0.00	0.00	
- Salaries	-	-	-	-
- Pension Fund Contributions	-	-	-	-
- Housing Allowance	-	-	-	-
- Utility Allowance	-	-	-	-
- All Others	-	-	-	-
B. Supervisory, Clerical & Production	344.82	602.18	551.40	732.34
- Wages(includes Allowances)	344.82	602.18	551.40	732.34
- Pension Fund Contributions	-	-	-	-
- Housing Allowance	-	-	-	-
- Utility Allowance	-	-	-	-
- All Others	-	-	-	-
Utilities (Electricity, Water & Telephones)	127.45	132.29	160.43	205.18
Repairs & Maintenance	97.56	119.25	75.72	94.27
Rental - Buildings	7.52	13.18	11.93	25.75
Rental - Equipment	0.20	1.98	0.30	1.45
Bank Charges & Interest	5.16	5.85	6.45	6.67
Depreciation	116.96	145.42	163.19	189.78
Training Costs *	1,435.56	1,445.65	1,294.62	1,893.20
Taxes (Other than Income Tax)	54.38	6.61	46.73	0.00
Facilities & Other Operational Costs	353.14	524.88	507.81	764.77
Subventions	347.67	514.72	571.09	711.07
TOTAL	2,890.42	3,512.01	3,389.66	4,624.48

* Includes compensation for personnel directly involved in training

\$m

	Actual 2003/04	Original 2004/05	Estimated 2004/05	Projected 2005/06
CAPITAL EXPENDITURE				
Land & Buildings	78.43	190.69	163.98	238.93
Motor Vehicles	6.01	35.76	14.85	0.00
Furniture & Computer Equipment	187.59	248.24	89.49	281.57
Library Books & Facilities	0.00	3.71	0.00	0.00
TOTAL	272.03	478.40	268.32	520.50
CAPITAL REVENUE				
Sale of Fixed Assets	0.94	-	-	-
TOTAL	0.94			

Balance Sheet
\$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
Non-Current Assets			
Property, plant and equipment	1,451.23	1,678.19	2,008.91
Construction in progress	310.40	310.40	310.40
Pension plan asset	28.25	36.00	38.03
Loans receivable	340.49	520.09	350.09
Investments	-	-	-
	2,223.86	2,544.67	2,707.42
Current Assets			
Inventories	37.08	45.22	45.30
Receivables, prepayments and deposits	180.37	189.84	189.84
Due from other agencies	10.41	-	-
Taxation recoverable	26.33	-	-
Short-Term investments	724.58	599.55	301.62
Cash at bank and in hand	58.33	28.25	30.09
	1,037.09	862.87	566.84
Current Liabilities			
Bank overdraft	19.17	-	-
Accounts payable and accruals	704.18	697.22	699.00
Tax liabilities	-	122.81	122.81
Due to other agencies	14.42	8.60	8.77
	737.77	828.63	830.58
Net Current Assets	299.33	34.24	(263.74)
	2,523.19	2,578.91	2,443.68
Equity			
Accumulated HEART Fund	2,336.54	2,503.36	2,368.14
Fair value reserve	-	0.01	0.01
Revaluation reserve	-	(0.43)	(0.43)
	2,336.54	2,502.94	2,367.71
Non Current Liabilities			
Employee benefit obligation	75.97	75.97	75.97
Deferred taxation	110.68	-	-
	186.65	75.97	75.97
	2,523.19	2,578.91	2,443.68

Petrojam Limited

Petrojam Limited was incorporated in October 1982, as a wholly owned subsidiary of the Petroleum Corporation of Jamaica. The company has two subsidiaries; Petrojam Ethanol and Petrojam (UK) Limited, but the financial positions are not consolidated. Petrojam is also a joint venture partner with Air/BP Ltd. in Jamaica Aircraft Refueling Services Ltd. (JARS), which supplies turbo fuel at Jamaica's airports.

Petrojam operates the only petroleum refinery in Jamaica and processes crude oil into various finished products including liquefied petroleum gas (LPG), auto diesel oil, turbo fuel, heavy fuel oil, asphalt, and unleaded gasoline. The company has approximately 86% of market share, and consequently satisfies a significant portion of domestic demand for petroleum products.

Petrojam imports crude oil and finished products on term supply arrangements. Crude oil is imported from Mexico and Venezuela based on term supply arrangements, while finished product imports for LPG, unleaded gasoline, distillates (ADO & jet), low sulphur heavy fuel oil (HFO) and asphalt, are sourced from Petrotrin, Trinidad. Finished product imports to sales are projected at 42% for 2005/06, and will concentrate on making supplies available during planned shutdown periods, and for products where local production is insufficient to satisfy demand.

Petrojam will retain a staff complement of one hundred and sixty one (161).

Revenue and Expenditure Account \$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
Sales Revenue	31,455.30	42,150.96	45,115.54
Cost of Sales	28,954.96	39,679.85	42,011.18
Gross Margin	2,500.34	2,471.11	3,104.36
Other Operating Income	150.10	24.13	60.83
Operating Expenses	2,032.32	2,065.31	2,627.14
Income from Operation	618.12	429.93	538.05
Interest Income	249.25	201.46	130.50
Interest Expense	0.88	0.12	-
Non-Operating (Charges)/Credits	(12.30)	13.54	-
Exchange Gain/(Loss)	(207.77)	(61.77)	(63.63)
Profit Before Taxes	646.42	583.04	604.92
Income Taxes	189.32	194.35	201.64
Profit Before Exceptional Items	457.10	388.69	403.28
Net Profit	457.10	388.69	403.28

\$m

	Actual 2003/04	Original 2004/05	Estimated 2004/05	Projected 2005/06
Statement 'A' Flow of Funds				
1 Current Revenue *	38,771.02	32,045.71	49,455.14	50,785.88
2 Current Expenses	(31,195.94)	(26,066.51)	(41,807.05)	(44,701.95)
3 Current Balance	7,575.08	5,979.20	7,648.09	6,083.93
4 Adjustments	(778.59)	927.60	(413.76)	57.24
Change in Accounts Receivable/Payable	(839.40)	868.50	(484.00)	(32.76)
Items not requiring outlay of cash:				
Depreciation	60.03	59.09	70.00	90.00
Other Non-Cash Items	0.78	-	0.24	-
Prior Year Adjustment	-	-	-	-
5 Operating Balance	6,796.49	6,906.80	7,234.33	6,141.17
6 Capital Account	(1,001.33)	(504.80)	(1,201.34)	81.16
Revenue	0.00	0.00	0.00	0.00
Expenditure	(224.31)	(550.31)	(225.23)	(563.35)
Investment	(145.08)	(81.38)	(112.35)	(37.47)
Change in Inventory	(631.95)	126.88	(863.77)	681.97
7 Transfers from Government	0.00	0.00	0.00	0.00
Loans	-	-	-	-
Equity	-	-	-	-
On-Lending	-	-	-	-
Other	-	-	-	-
8 Transfers to Government	(7,117.98)	(5,511.62)	(7,259.40)	(5,680.65)
Dividend	-	-	-	-
Loan Repayments	-	-	-	-
Corporate Taxes	(189.32)	(233.79)	(194.35)	(201.64)
Other*	(6,928.66)	(5,277.83)	(7,065.05)	(5,479.01)
9 OVERALL BALANCE (5+ 6+ 7+ 8)	(1,322.82)	890.38	(1,226.41)	541.68
10 FINANCING (11+ 15)	1,322.82	(890.38)	1,226.41	(541.68)
11 Total Foreign (12+ 13+ 14)	(755.19)	(715.41)	1,989.04	345.81
12 Government Guaranteed Loans	0.00	0.00	0.00	0.00
Disbursement	-	-	-	-
Amortization	-	-	-	-
13 Direct Loans	(772.15)	(684.53)	1,931.28	346.90
Long Term:	(39.57)	0.00	0.00	0.00
Disbursement	0.00	0.00	0.00	0.00
Amortisation	0.00	0.00	0.00	0.00
Short Term:				
Change in Trade Credits	(732.58)	(684.53)	1,931.28	346.90
14 Change in Deposits Abroad	16.96	(30.88)	57.76	(1.09)
15 Total Domestic (16+ 17+ 18)	2,078.01	(174.97)	(762.63)	(887.49)
16 Banking System	2,078.01	(174.97)	(762.63)	(887.49)
Loans (Change)	-	-	-	-
Overdraft (Change)	-	-	-	-
Deposits (Change)	2,078.01	(174.97)	(762.63)	(887.49)
17 Non-Banks (Change)	-	-	-	-
18 Other (Change)	-	-	-	-

* Includes special consumption taxes, which are reflected as "Transfers to GOJ" (Other).

\$m

Details of Revenue and Expenditure

	Actual 2003/04	Original 2004/05	Estimated 2004/05	Projected 2005/06
CURRENT REVENUE				
Sales Revenue	31,455.30	26,343.61	42,150.96	45,115.54
Other Income	137.80	54.55	37.67	60.83
Interest Income	249.25	369.72	201.46	130.50
Specific Special Consumption Duty	6,928.67	5,277.83	7,065.05	5,479.01
TOTAL	38,771.02	32,045.71	49,455.14	50,785.88
CURRENT EXPENSES				
Cost of Sales	28,954.96	23,837.35	39,679.85	42,011.18
Compensation				
A. Directors, Executive & Senior Managers	43.69	46.06	45.39	47.51
- Salaries	34.53	36.74	36.07	39.66
- Pension Fund Contributions	3.45	3.61	3.61	3.97
- Housing Allowance	-	-	-	-
- Utility Allowance	-	-	-	-
- All Others	5.71	5.71	5.71	3.88
B. Supervisory, Clerical & Production	271.78	311.16	301.95	326.38
- Wages	232.73	268.92	259.02	287.43
- Pension Fund Contributions	16.90	18.06	19.45	21.83
- Housing Allowance	-	-	-	-
- Utility Allowance	-	-	-	-
- All Others	22.15	24.18	23.48	17.12
Maintenance & Repairs	281.00	148.01	186.38	127.16
Electricity & Water	136.90	195.42	150.35	187.72
Supplies	127.46	107.62	114.00	135.39
Rentals	1.26	6.14	3.15	5.23
Taxes (Other than Corporation Tax)	25.07	33.65	34.35	32.88
Administration	478.47	563.38	519.38	638.31
Interest	0.88	-	0.12	-
Exchange Loss/(gain)	207.77	100.83	61.77	63.63
Depreciation	60.03	59.09	70.00	90.00
Commission & L/C charges	606.67	657.80	640.36	1,036.56
TOTAL	31,195.94	26,066.51	41,807.05	44,701.95

\$m

	Actual 2003/04	Original 2004/05	Estimated 2004/05	Projected 2005/06
CAPITAL EXPENDITURE				
Major Mntce Equipment	19.90	173.80	57.41	116.24
Major Mntce Storage Tanks	30.29	54.86	15.55	59.20
Motor Vehicles/Rire Trucks	3.16	26.12	0.00	31.13
Laboratory Equipment	4.72	12.48	20.85	16.60
MoBay Terminal/Jet Tank	31.48	6.13	1.10	5.88
Marine Facilities	20.19	0.00	0.00	0.00
Information & Audio-visual System	2.19	3.52	3.33	2.52
Marketing Facilities	1.19	13.28	3.05	12.28
Refinery Main Entrance	0.19	0.00	0.00	15.00
Dock Upgrade / Pipelines	0.00	27.71	-	26.92
Safety and Ind. Hygiene Programme	7.09	38.33	0.00	27.70
Pipestill Tower	18.72	-	0.00	-
Dock Crane	3.60	-	-	-
Office Renovation/Air Conditions	1.69	23.00	0.04	34.50
New Butane Sphere	13.48	57.00	37.93	-
New T-3 Tower	17.59	-	-	-
New T-5 Tower	18.10	-	-	-
Cathodic System	-	0.00	0.00	-
Instrumentation Upgrade	23.38	30.00	54.20	-
Asphalt Emulsion Plant	4.20	18.08	3.17	28.26
Barge Bunker Blender	2.30	19.00	2.44	19.00
LPG Import Meter Proving	-	3.30	0.00	-
Refinery Upgarde Project	-	40.95	0.00	128.32
Laboratory/First Aid Facilities Expansion	-	0.00	0.00	7.00
T-6 Replacement Equipment	-	0.00	25.48	-
Contingency / Miscellaneous	0.85	2.75	0.68	2.80
TOTAL	224.31	550.31	225.23	563.35
INVESTMENTS				
Investments	145.08	81.38	112.35	37.47
TOTAL	145.08	81.38	112.35	37.47

Petrojam Limited
Balance Sheet
\$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
Non-Current Assets			
Fixed Assets	1,132.67	1,287.67	1,761.00
Investment in Subsidiaries	5.01	5.01	5.01
Long-term Receivables	312.30	283.25	247.10
Pension Plan Assets	10.65	-	-
Current Assets			
Inventories	2,583.39	3,447.15	2,765.18
Cash & Cash Equivalents	3,199.37	4,003.42	4,929.51
Trade Receivables	2,477.29	3,686.77	3,838.80
Due from Group Companies	593.94	45.63	41.10
	8,853.99	11,182.97	11,574.59
Current Liabilities			
Accounts Payable	6,510.43	8,431.80	8,874.58
Current Portion of Long-term Debt	12.55	-	-
Due to Group Companies	-	29.55	24.78
Taxation Payable	42.64	170.51	130.91
	6,565.62	8,631.86	9,030.27
Net Current Assets	2,288.37	2,551.11	2,544.32
	3,749.00	4,127.04	4,557.43
Stockholders' Equity			
Capital Stock Issued	801.00	801.00	801.00
Capital Reserve	6.73	6.73	6.73
Retained Earnings	2,762.72	3,151.42	3,554.71
	3,570.45	3,959.15	4,362.44
Non-Current Liabilities			
Deferred Income Tax	135.48	135.47	162.57
Retirement Benefit Obligations	43.07	32.42	32.42
	3,749.00	4,127.04	4,557.43

Petroleum Corporation of Jamaica

The Petroleum Corporation of Jamaica (PCJ) was established by the Petroleum Act of June 1979, to promote the rational development of petroleum resources in Jamaica and to ensure that the country receives maximum chargeable benefits from the exploitation of these resources. In 1995 the Corporation was mandated to develop indigenous renewable energy resources, to prevent the adverse effect on the environment and to assist in the realisation of the goals of the Jamaica Energy Sector Policy. In this regard explorations in wind energy resulted in the establishment of Wigton Windfarm Limited in 2002/03, which was commissioned in June 2004. The search for alternative sources of energy will continue in biomass cogeneration, solar and hydropower in 2005/006.

The Corporation is also involved in the purchase and sale of petroleum, property management, rental of office spaces and the provision of management services to its subsidiaries. PCJ has three subsidiaries, Petrojam Limited, Petroleum Company of Jamaica Limited and Wigton Windfarm Limited.

PCJ is projecting a staff level of one hundred and fifteen (115).

Income and Expenditure Statement \$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
Income:			
Interest Income	49.38	5.28	5.80
Rental & Service Income	46.66	52.54	83.19
Other Income	34.78	50.65	19.89
Management Fees	10.00	10.00	10.00
Commission	271.98	358.15	267.24
Total Income	412.80	476.62	386.12
Expenses:			
General Administration	250.44	170.34	179.20
Building Maintenance	44.82	67.15	62.00
Depreciation	24.83	24.83	28.09
Project Expenses	16.92	86.33	55.46
Total Expenses	337.01	348.65	324.75
Profit/(Loss) Before Taxation	75.79	127.97	61.37
Taxation	20.89	41.99	20.09
Net Profit (Loss)	54.90	85.98	41.28

\$m

	Actual 2003/04	Original 2004/05	Estimated 2004/05	Projected 2005/06
Statement 'A' Flow of Funds				
1 Current Revenue	412.80	326.23	476.62	386.11
2 Current Expenses	(337.01)	(300.30)	(348.65)	(324.75)
3 Current Balance	75.79	25.93	127.98	61.36
4 Adjustments	161.98	46.50	(148.97)	28.09
Change in Accounts Receivable/Payable	135.27	10.60	(173.80)	0.00
Items not requiring outlay of cash:				
Depreciation	24.83	35.90	24.83	28.09
Other Non-Cash Items	1.88	-	0.00	-
Prior Year Adjustment	-	-	-	-
5 Operating Balance	237.77	72.43	(20.99)	89.45
6 Capital Account	(88.11)	(33.73)	(31.30)	(23.62)
Revenue	0.49	0.00	0.30	0.00
Expenditure	(83.36)	(33.73)	(31.60)	(23.62)
Investment	0.00	0.00	0.00	0.00
Change in Inventory	(5.23)	-	-	-
7 Transfers from Government	0.00	0.00	0.00	0.00
Loans	-	-	-	-
Equity	-	-	-	-
On-Lending	-	-	-	-
Other	-	-	-	-
8 Transfers to Government	0.00	(4.60)	(38.31)	(40.10)
Dividend	-	-	-	-
Loan Repayments	-	-	-	-
Corporate Taxes	0.00	(4.60)	(38.31)	(40.10)
Other	-	-	-	-
9 OVERALL BALANCE (5+ 6+ 7+ 8)	149.66	34.10	(90.60)	25.73
10 FINANCING (11+ 15)	(149.66)	(34.10)	90.60	(25.73)
11 Total Foreign (12+ 13+ 14)	0.00	0.00	0.00	0.00
12 Government Guaranteed Loans	0.00	0.00	0.00	0.00
Disbursement	-	-	-	-
Amortization	-	-	-	-
13 Direct Loans	0.00	0.00	0.00	0.00
Long Term:	0.00	0.00	0.00	0.00
Disbursement	-	-	-	-
Amortisation	-	-	-	-
Short Term:				
Change in Trade Credits	-	-	-	-
14 Change in Deposits Abroad				
15 Total Domestic (16+ 17+ 18)	(149.66)	(34.10)	90.60	(25.73)
16 Banking System	(34.64)	(3.80)	130.40	10.92
Loans (Change)	-	0.00	-	-
Overdraft (Change)	-	-	-	-
Deposits (Change)	(34.64)	(3.80)	130.40	10.92
17 Non-Banks (Change)	-	-	-	-
18 Other (Change)	(115.02)	(30.30)	(39.80)	(36.65)

\$m

Details of Revenue and Expenditure

	Actual 2003/04	Original 2004/05	Estimated 2004/05	Projected 2005/06
CURRENT REVENUE				
Commission on Crude	271.98	208.75	358.15	267.235
Interest	49.38	11.26	5.28	5.8
Rent & Service Income	46.65	76.31	52.54	83.189
Management Fees	10.00	10.00	10.00	10.00
Other	34.79	19.91	50.65	19.887
TOTAL	412.80	326.23	476.62	386.11
CURRENT EXPENSES				
Compensation				
A. Directors, Executive & Senior Managers	0.00	0.00	0.00	0.00
- Salaries				
- Pension Fund Contributions				
- Housing Allowance				
- Utility Allowance				
- All Others				
B. Supervisory, Clerical & Production	73.40	74.60	73.96	78.38
- Wages	53.51	74.60	73.96	78.38
- Pension Fund Contributions	2.78	0.00	-	-
- Housing Allowance	0.00	0.00	0.00	0.00
- Utility Allowance	0.00	0.00	0.00	0.00
- All Others	17.11	0.00	-	-
Utilities(Electricity, Water & Telephones)	5.08	4.99	8.08	6.08
Repairs & Maintenance	44.82	64.62	67.76	62.66
Motor Vehicle Expenses	7.93	2.28	3.31	5.16
Legal & Professional Fees	7.68	7.83	5.91	6.51
Depreciation	24.83	35.90	24.83	28.09
Projects Expenses	16.92	43.14	86.33	55.46
Advertising, PR & Community Outreach	21.33	21.51	25.00	21.51
Other	135.02	45.43	53.46	60.92
TOTAL	337.01	300.30	348.65	324.75

CAPITAL EXPENDITURE

Computers & Other Office Equipment	2.08	18.73	15.42	7.47
Motor Vehicles	4.28	-	4.84	4.50
Land & Building	57.80	-	4.69	-
Font Hill Development	19.21	15.00	6.65	11.65
TOTAL	83.36	33.73	31.60	23.62

CAPITAL REVENUE

Government Securities	0.49	-	0.30	-
TOTAL	0.49	0.00	0.30	0.00

Balance Sheet
\$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
Non-Current Assets			
Fixed Assets	157.45	167.01	162.54
Investment Properties	591.32	591.32	591.32
Investments	279.46	212.51	212.51
Biological Assets	0.67	-	-
Long-Term Receivables	1,295.79	1,356.31	1,268.03
Current Assets			
Inventories	9.60	7.00	4.60
Accounts Receivable	90.53	62.19	52.59
Taxation Recoverable	-	-	-
Cash and Deposits	182.71	39.86	18.39
	282.83	109.05	75.58
Current Liabilities			
Bank Overdraft	0.76	-	-
Accounts Payable	254.94	30.70	18.85
Current Portion of Long-Term Liabilities	18.92	-	-
Taxation Payable	17.27	40.15	20.45
	291.89	70.85	39.30
Net Current (Liabilities)/Assets	(9.06)	38.20	36.28
	2,315.63	2,365.35	2,270.68
Equity			
Contributions to Share Capital	99.66	99.66	99.66
Capital and Fair Value Reserves	608.93	608.93	608.93
Retained Earnings	263.72	347.70	388.98
	972.31	1,056.29	1,097.57
Non-Current Liabilities			
Long-Term Liabilities	1,271.74	1,237.48	1,101.53
Deferred Taxation	71.59	71.59	71.59
	2,315.63	2,365.35	2,270.68

Jamaica Mortgage Bank

The Jamaica Mortgage Bank (JMB) was established on June 2, 1971 as a private limited company under the Companies Act of 1965. However, on June 5, 1973, the Company was converted to a statutory corporation under Act of Parliament 16 of 1973. The JMB mobilises loan funds from foreign and domestic sources for onlending to public and private sector housing developers and related financial institutions. The Bank also provides mortgage insurance services.

The provision of competitive interest rates by the Bank facilitates construction of affordable housing solutions islandwide, in addition to ensuring the continued development of its primary mortgage market. The real estate market is currently experiencing a renewed level of buoyancy which augurs well for JMB since disbursements are anticipated at a higher rate during this financial year. The Bank forecasts disbursements of \$1,032 million on its primary market operations and has made provisions for the activation of the secondary mortgage programme. The projects should be funded by principal re-flows, a bond issue and internally generated funds.

The staff complement of the Bank is projected to increase from twenty-six (26) to thirty-one (31) during the year.

Operating Statement \$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
REVENUE			
Interest from Loans	158.93	194.03	254.05
Interest from Deposits	36.92	19.21	33.15
Interest from other Investments	305.23	136.20	100.53
Other	14.01	3.64	7.15
	515.09	353.08	394.88
EXPENSES			
<i>Staff costs</i>	38.65	44.10	45.55
Other administrative & general expenses	75.56	69.32	70.64
Finance Costs:			
Interest on Loans	6.73	7.32	5.20
Interest on Bonds	145.08	88.23	129.42
	266.02	208.97	250.81
Profit before taxation	249.07	144.11	144.07
Taxation	7.12	35.81	36.01
Net profit for the year	241.95	108.30	108.06
Loan Disbursements	396.26	869.59	1,032.10

\$m

	Actual 2003/04	Original 2004/05	Estimated 2004/05	Projected 2005/06
Statement 'A' Flow of Funds				
1 Current Revenue	515.09	449.27	353.09	394.88
2 Current Expenses	(266.02)	(235.52)	(244.79)	(286.82)
3 Current Balance	249.07	213.75	108.30	108.06
4 Adjustments	(70.63)	(1.47)	(52.96)	(57.20)
Change in Accounts Receivable/Payable	(80.60)	(14.67)	(11.04)	(91.61)
Items not requiring outlay of cash:				
Depreciation	5.95	7.56	6.49	9.41
Other Non-Cash Items	4.02	5.64	0.69	25.00
Prior Year Adjustment	0.00	0.00	(49.10)	-
5 Operating Balance	178.44	212.28	55.34	50.86
6 Capital Account	(5.07)	(30.10)	(53.61)	(23.50)
Revenue	0.00	0.00	0.00	0.00
Expenditure	(5.07)	(30.10)	(53.61)	(23.50)
Investment	0.00	0.00	0.00	0.00
Change in Inventory	-	-	-	-
7 Transfers from Government	0.00	0.00	0.00	0.00
Loans	-	-	-	-
Equity	-	-	-	-
On-Lending	-	-	-	-
Other	-	-	-	-
8 Transfers to Government	(32.12)	0.00	0.00	0.00
Dividend	(25.00)	-	-	-
Loan Repayments	-	-	-	-
Corporate Taxes	(7.12)	-	-	-
Other	-	-	-	-
9 OVERALL BALANCE (5+ 6+ 7+ 8)	141.25	182.18	1.73	27.36
10 FINANCING (11+ 15)	(141.25)	(182.18)	(1.73)	(27.36)
11 Total Foreign (12+ 13+ 14)	(7.07)	(6.60)	(6.60)	(6.81)
12 Government Guaranteed Loans	(7.07)	(6.60)	(6.60)	(6.81)
Disbursement	-	-	-	-
Amortization	(7.07)	(6.60)	(6.60)	(6.81)
13 Direct Loans	0.00	0.00	0.00	0.00
Long Term:	0.00	0.00	0.00	0.00
Disbursement	-	-	-	-
Amortisation	-	-	-	-
Short Term:				
Change in Trade Credits	-	-	-	-
14 Change in Deposits Abroad				
15 Total Domestic (16+ 17+ 18)	(134.18)	(175.58)	4.87	(20.55)
16 Banking System	26.34	129.80	(122.29)	35.52
Loans (Change)	-	-	-	-
Overdraft (Change)	-	-	-	-
Deposits (Change)	26.34	129.80	(122.29)	35.52
17 Non-Banks (Change)	-	-	-	-
18 Other (Change)	(160.52)	(305.38)	127.16	(56.07)

\$m

Details of Revenue and Expenditure

	Actual 2003/04	Original 2004/05	Estimated 2004/05	Projected 2005/06
CURRENT REVENUE				
Interest on Fixed Deposits	36.92	32.32	19.22	33.15
Interest on Investments	305.23	153.68	136.20	100.53
Interest on Loans & Mortgage	158.93	253.80	194.03	254.05
Other Income	14.01	9.47	3.64	7.15
TOTAL	515.09	449.27	353.09	394.88
CURRENT EXPENSES				
Compensation				
A. Directors, Executive & Senior Managers	18.97	23.60	23.10	24.77
- Salaries	16.29	19.89	19.37	20.27
- Pension Fund Contributions	0.99	1.40	1.50	1.28
- Housing Allowance	-	-	-	-
- Utility Allowance	-	-	-	-
- All Others	1.69	2.31	2.23	3.22
B. Supervisory, Clerical & Production	19.67	19.87	20.99	20.79
- Wages	16.77	16.27	16.50	16.59
- Pension Fund Contributions	1.47	1.71	1.92	1.56
- Housing Allowance	-	-	-	-
- Utility Allowance	-	-	-	-
- All Others	1.43	1.89	2.57	2.64
Utilities (Electricity, Water & Telephones)	2.67	3.11	2.90	3.13
Repairs & Maintenance	0.59	0.50	1.03	1.45
Loan Loss	-	-	-	-
Interest	6.73	5.86	7.32	5.20
Depreciation	5.95	7.56	6.49	9.41
Interest on JMB Bonds	145.08	145.42	88.07	126.46
Bond Expenses	2.15	0.64	0.17	0.00
Other	64.21	28.96	58.91	59.60
Provision for taxation	0.00	0.00	35.81	36.01
TOTAL	266.02	235.52	244.79	286.82
CAPITAL REVENUE				
Loan Repayments - Principal	-	-	-	-
TOTAL	0.00	0.00	0.00	0.00
CAPITAL EXPENDITURE				
Motor Vehicles	2.69	5.10	(2.11)	10.00
Office Equipment	(0.24)	2.00	0.33	0.00
Building Improvement	0.00	0.00	0.26	3.00
Land	0.00	10.00	-	-
Computers	2.58	7.00	0.18	10.50
Furniture & Fixtures	0.04	6.00	0.95	0.00
Housing Units/Building	-	-	54.00	0.00
TOTAL	5.07	30.10	53.61	23.50

Balance Sheet
\$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
ASSETS			
Cash & Bank	0.23	1.00	1.00
Deposits	8.21	238.95	203.44
Accounts Receivable	145.96	365.25	460.16
Investments	1,017.26	688.86	446.52
Loans receivable	1,192.75	1,392.68	1,816.61
Secondary Market	-	-	195.31
Long Term Receivable	0.03	-	-
Sinking Fund Investments	-	95.73	272.38
Deferred tax asset	10.22	10.22	10.22
Deferred expenses	-	2.59	4.59
Interest in Subsidiary	125.76	129.29	129.29
Employee benefits asset	9.38	9.38	9.38
Property, plant and equipment	139.93	192.05	206.15
Total Assets	2,649.73	3,126.00	3,755.05
LIABILITIES AND SHAREHOLDERS EQUITY			
LIABILITIES			
Accounts Payable and accrued charges	65.48	75.75	79.06
Bonds payable	500.00	750.00	1,250.00
Loans payable to Ministry of Finance	60.05	53.46	46.65
Loans JNFund Managers	-	14.31	13.79
Due to Mortgage Insurance Fund	0.01	-	-
Provisions for Losses	-	100.00	125.00
Total Liabilities	625.54	993.52	1,514.50
SHAREHOLDERS EQUITY			
Share Capital	500.00	500.00	500.00
Reserve fund	500.00	500.00	500.00
Capital Reserve	36.04	36.04	36.05
Special Reserve	340.08	340.08	340.08
Retained Profit	648.07	756.36	864.42
	2,024.19	2,132.48	2,240.55
Grand Total	2,649.73	3,126.00	3,755.05

National Housing Development Corporation

The National Housing Development Corporation Limited (NHDC) was incorporated in April 1998 as a result of the merger of Caribbean Housing Finance Corporation (CHFC), National Housing Corporation (NHC) and Operation Pride. It was established to undertake housing development and to stimulate the housing market. In addition to providing low cost housing solutions, the Corporation participates in Open Market and Joint Venture operations.

Among its objectives for the 4-year period beginning with FY2004-05 is the delivery of 32,906 housing solutions in 103 schemes island-wide.

NHDC is projecting a total staff complement of 200 persons.

Profit and Loss Account

\$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
Revenue:			
Profit on sale of properties	6.14	-	-
Interest Income - Other Mortgages	405.08	384.17	355.55
- Loans	9.83	9.41	5.74
Investment Income	51.02	40.48	50.06
Management Fees	1.42	-	-
Other Income	39.80	62.65	75.25
Total Revenue	513.29	496.71	486.60
Expenses:			
Personnel Costs	225.93	244.56	252.92
Project Expenses	23.96	10.35	10.30
Bad Debt Provision	78.18	19.57	22.00
Depreciation	17.10	13.91	13.47
Legal and Other Professional Fees	27.37	15.54	18.98
Bank and Other Finance Charges	9.48	2.48	3.36
Marketing, Public Relations & Research	8.56	12.95	13.12
Motor Vehicle Expenses & Travel	18.67	9.67	11.44
Interest Expense	96.04	95.49	70.82
Rent & Maintenance and Telephone	20.54	30.69	21.08
Pride Interest	270.41	240.14	255.46
Other	52.99	75.63	83.57
Total Expenses	849.23	770.98	776.52
Operating Profit /(Loss)	(335.94)	(274.27)	(289.92)
Exceptional Item	(311.63)	-	-
Net Loss after Exceptional Item	(647.57)	(274.27)	(289.92)
Taxation - Deferred Charge	143.72	-	-
Net Loss	(503.85)	(274.27)	(289.92)
Transfer from PRIDE Fund	620.22	-	-
Increase in Retained Profits	116.37	(274.27)	(289.92)
Retained Profits at Beginning of Year	735.54	-	-
Retained Profit at End of Year	851.91	(274.27)	(289.92)

\$m

	Audited 2003/04	Original 2004/05	Estimated 2004/05	Projected 2005/06
Statement 'A' Flow of Funds				
1 Current Revenue	513.29	564.79	496.71	486.60
2 Current Expenses	(1,160.86)	(714.31)	(770.98)	(776.52)
3 Current Balance	(647.57)	(149.52)	(274.27)	(289.92)
4 Adjustments	785.97	(124.76)	(92.33)	143.38
Change in Accounts Receivable/Payable	296.02	(12.48)	(5.19)	(13.93)
Items not requiring outlay of cash:				
Depreciation	17.21	23.16	13.91	13.47
Other Non-Cash Items	472.74	(163.18)	(101.05)	116.10
Prior Year Adjustment	0.00	27.74	0.00	27.74
5 Operating Balance	138.40	(274.28)	(366.60)	(146.54)
6 Capital Account	(192.46)	728.88	978.40	361.83
Revenue	20.46	1,335.10	943.02	1,691.94
Expenditure	(220.20)	(596.14)	154.15	(968.07)
Investment	0.00	(31.45)	(130.68)	0.00
Change in Inventory	7.28	21.37	11.91	(362.04)
7 Transfers from Government	0.00	23.75	0.00	0.00
Loans				
Equity				
On-Lending				
Other	0.00	23.75	0.00	0.00
8 Transfers to Government	0.00	0.00	(415.78)	(12.51)
Dividend				
Loan Repayments				
Corporate Taxes	0.00	0.00	(415.78)	(12.51)
Other	0.00	0.00	0.00	0.00
9 OVERALL BALANCE (5+ 6+ 7+ 8)	(54.06)	478.35	196.02	202.78
10 FINANCING (11+ 15)	54.06	(478.35)	(196.02)	(202.78)
11 Total Foreign (12+ 13+ 14)	(10.29)	(176.88)	(85.92)	(185.88)
12 Government Guaranteed Loans	0.00	(65.06)	0.00	(15.56)
Disbursement	-	-	-	-
Amortization	0.00	(65.06)	0.00	(15.56)
13 Direct Loans	(10.29)	(111.82)	(85.92)	(170.32)
Long Term:	(10.29)	(111.82)	(85.92)	(170.32)
Disbursement				
Amortisation	(10.29)	(111.82)	(85.92)	(170.32)
Short Term:				
Change in Trade Credits				
14 Change in Deposits Abroad				
15 Total Domestic (16+ 17+ 18)	64.35	(301.47)	(110.10)	(16.90)
16 Banking System	16.03	(17.42)	(72.29)	68.19
Loans (Change)				
Overdraft (Change)				
Deposits (Change)	16.03	(17.42)	(72.29)	68.19
17 Non-Banks (Change)	0.00	(298.19)	(11.09)	(82.72)
18 Other - including PRIDE Fund (Change)	48.32	14.14	(26.72)	(2.37)

\$m

Details of Revenue and Expenditure

	Audited 2003/04	Original 2004/05	Estimated 2004/05	Projected 2005/06
CURRENT REVENUE				
Sales	13.42	0.00	-	-
Cost of Sales	(7.28)	0.00	-	-
Margin on Sales	6.14	0.00	0.00	0.00
Interest Income - Other Mortgages	405.08	459.95	384.17	355.55
Interest Income - Pride Mortgages	0.00	0.00	-	-
Interest Income - Loans	9.83	9.28	9.41	5.74
Investment Income	51.02	46.57	40.48	50.06
Joint Venture Income	0.00	0.00	0.00	-
Management Fees	1.42	0.00	-	-
Other Income	39.80	48.99	62.65	75.25
TOTAL	513.29	564.79	496.71	486.60
CURRENT EXPENSES				
Compensation				
A. Directors, Executive & Senior Managers	253.26	253.78	244.56	252.92
- Salaries	210.85	210.48	213.08	206.51
- Pension Fund Contributions	-	-	-	-
- Housing Allowance	-	-	-	-
- Utility Allowance	-	-	-	-
- All Others	42.41	43.30	31.48	46.41
B. Supervisory, Clerical & Production	0.00	0.00	0.00	0.00
- Wages	-	0.00	-	-
- Pension Fund Contributions	-	-	-	-
- Housing Allowance	-	-	-	-
- Utility Allowance	-	-	-	-
- All Others	-	0.00	-	-
Interest and Fees paid on Long-Term Liabilities	366.45	256.89	335.63	326.28
Project Expenses	23.96	23.16	10.35	10.30
Bad Debt/Provision for Loss on PRIDE	389.81	22.00	19.57	22.00
Depreciation	17.21	23.16	13.91	13.47
Legal and Other Professional Fees	27.37	20.36	15.54	18.98
Bank and Other Finance Charges	9.48	18.74	2.48	3.36
Marketing, Public Relations & Research	8.56	12.95	12.95	13.12
Motor Vehicle Expenses and Travel	18.67	26.25	9.67	11.44
Rent & Maintenance and Telephone	20.54	37.25	30.69	21.08
Other	25.55	19.77	75.63	83.57
TOTAL	1,160.86	714.31	770.98	776.52

\$m

	Audited 2003/04	Original 2004/05	Estimated 2004/05	Projected 2005/06
CAPITAL REVENUE				
Sale of Fixed Assets	7.39	0.00	0.00	0.00
Purchasers' Deposits	13.07	9.76	(8.01)	99.00
Principal Repayment Mortgage Loans	0.00	0.00	705.91	702.14
TOTAL	20.46	1,335.10	943.02	1,691.94
CAPITAL EXPENDITURE				
Acquisition of Fixed Assets	9.51	30.50	(10.23)	17.27
Advances to Operation PRIDE	210.69	(371.17)	(116.09)	950.80
Other Loans, Public and Private	0.00	(232.89)	(21.83)	0.00
Interest in Joint Venture	-	-	(6.00)	-
Other	-	1,169.70	0.00	0.00
TOTAL	220.20	596.14	(154.15)	968.07
INVESTMENT				
Land for Development	0.00	(31.45)	(130.68)	0.00
TOTAL	0.00	(31.45)	(130.68)	0.00

Balance Sheet
\$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
Assets			
Cash & Investments	368.50	427.38	359.37
Receivables & Prepayments	78.17	459.76	457.20
Receivables - MOFP	401.81	373.37	373.37
Loans - Construction	307.66	295.79	295.79
- Advance to PRIDE	4,035.12	4,736.52	4,866.20
- Work in Progress - Other	30.11	16.99	379.07
- Other	42.52	204.23	204.23
- Private Sector (USAID)	50.12	36.17	36.17
- Public Sector (USAID)	15.08	14.78	14.78
- Other	-	-	-
Mortgages (net of bad debt provision)	3,529.33	2,478.60	2,178.28
Deposits	0.38	0.13	0.13
Taxation Recoverable	408.71	414.97	427.49
Staff Loans	22.87	58.02	59.93
Interest in Joint Venture	6.00	-	-
Lands Held and Development Cost	330.55	239.92	239.92
Fixed Assets - Net	83.70	68.90	72.70
	9,710.63	9,825.53	9,964.63
Liabilities and Shareholders Equity			
Liabilities			
Accounts Payable & Accruals	785.27	1,040.04	1,051.42
Taxation Payable	(39.66)	(52.43)	(52.43)
Purchasers' Deposits	99.61	91.80	190.80
Project Financing	6.95	6.93	430.98
Provident Societies Deposits	1,405.80	1,654.20	1,650.13
Long-Term Loans	-	-	-
- USAID	473.13	457.17	457.17
- JMB	31.75	27.55	23.82
- CDC	1,038.19	981.02	962.94
- NHT	2,798.40	2,778.58	2,699.05
- Capital & Credit Merchant Bank	250.00	250.00	250.00
- Victoria Mutual Building Society	300.00	300.00	300.00
- Other	0.45	0.45	0.45
	7,149.89	7,535.31	7,964.33
Net Assets	2,560.74	2,290.22	2,000.30
Shareholders' Equity			
Share Capital \$200	-	-	-
Retained Profit b/f	735.54	851.91	823.85
Reserve Fund	181.18	181.18	181.18
PRIDE Fund Reserves	246.21	-	-
Capital Reserves	1,281.44	1,281.44	1,281.44
Prior Years Adjustments	-	3.75	3.75
Current Year's Profit/(Loss)	116.37	(28.06)	(289.92)
	2,560.74	2,290.22	2,000.30
Grand Total	9,710.63	9,825.53	9,964.63

National Water Commission

The National Water Commission (NWC) was established under the provision of the National Water Authority (Amendment) Act of 1980. In 1985, the Commission was mandated to assume all the distribution aspects of water operations previously undertaken by parish councils islandwide.

The NWC will be seeking to continue the implementation of strategies and activities in its 3-year strategic action plan that are expected to result in the achievement of financial viability and improved service standards to consumers. This year major capital works to be undertaken and financed from loan inflows include the Martha Brae to Harmony Hall Water Supply and the Port Antonio Water and Sewerage Project. Inhouse capital projects that are projected to cost \$1,032 million will include plant rehabilitation and the purchase of pumps and meters, will be financed from internally generated revenues.

The Commission has projected to maintain a staff complement of 2,000 for the 2005/06 financial year.

Profit and Loss Account \$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
Income:			
Operating Income	6,124.41	7,341.98	9,074.74
Interest Income	18.17	40.55	10.00
Other Operating Income	63.65	69.03	72.37
Deferred Income	59.95	59.95	59.00
Project Management Fees	14.34	0.67	-
Gain on Disposal of Fixed Assets	0.84	11.30	-
Total Income	6,281.36	7,523.48	9,216.11
Expenses:			
Operating Expenses	5,469.88	6,017.82	6,703.54
Bank Interest	5.09	5.56	20.15
Loan Interest	175.98	150.52	428.32
Depreciation	1,549.72	1,466.66	1,576.56
Foreign Exchange Gain/(Loss)	106.71	(4.73)	8.25
Other Expenses	927.62	554.00	465.55
Total Expenses	8,235.00	8,189.83	9,202.37
Operating Surplus/(Deficit) for the Period	(1,953.64)	(666.35)	13.74

\$m

	Actual 2003/04	Original 2004/05	Estimated 2004/05	Projected 2005/06
Statement 'A' Flow of Funds				
1 Current Revenue (<i>Includes OUR k-Factor</i>)	6,281.36	7,911.24	7,523.48	9,216.11
2 Current Expenses	(8,235.00)	(7,909.31)	(8,189.83)	(9,202.37)
3 Current Balance	(1,953.64)	1.92	(666.35)	13.74
4 Adjustments	1,707.49	790.29	731.04	1,675.60
Change in Accounts Receivable/Payable	(350.00)	(384.00)	(1,160.10)	(356.33)
Items not requiring outlay of cash:				
Depreciation	1,549.72	869.00	1,466.68	1,576.53
Other Non-Cash Items	507.77	305.29	424.46	455.40
Prior Year Adjustment				
5 Operating Balance	(246.15)	792.21	64.69	1,689.34
6 Capital Account	(1,245.38)	(1,862.00)	(370.15)	(3,266.28)
Revenue	0.00	0.00	0.00	0.00
Expenditure (<i>Includes OUR k - Factor</i>)	(1,500.38)	(1,862.00)	(326.77)	(2,498.28)
Investment	0.00	0.00	0.00	0.00
Change in Inventory	255.00	0.00	(43.38)	(768.00)
7 Transfers from Government	0.00	0.00	2,053.34	(59.00)
Loans	-	-	-	-
Equity	-	-	-	-
On-Lending	-	-	-	-
Other	0.00	-	2,053.34	(59.00)
8 Transfers to Government	247.23	0.00	(1,900.92)	0.00
Dividend	-	-	-	-
Loan Repayments	-	-	(1,900.92)	-
Corporate Taxes	-	-	-	-
Other	247.23	-	-	-
9 OVERALL BALANCE (5+ 6+ 7+ 8)	(1,244.30)	(1,069.79)	(153.04)	(1,635.94)
10 FINANCING (11+ 15)	1,244.30	1,069.79	153.04	1,635.94
11 Total Foreign (12+ 13+ 14)	773.00	1,190.00	0.00	1,726.00
12 Government Guaranteed Loans	0.00	0.00	0.00	0.00
Disbursement	-	-	-	-
Amortisation	-	-	-	-
13 Direct Loans	773.00	1,190.00	0.00	1,726.00
Long Term:	773.00	1,190.00	0.00	1,726.00
Disbursement	-	-	-	1,726.00
Amortisation	773.00	1,190.00	0.00	0.00
Short Term:				
Change in Trade Credits	-	-	-	-
14 Change in Deposits Abroad	0.00	0.00	0.00	0.00
15 Total Domestic (16+ 17+ 18)	471.30	(120.21)	153.04	(90.06)
16 Banking System	471.30	29.79	153.04	(90.06)
Loans (Change)	0.00	0.00	-	-
Overdraft (Change)	(80.79)	33.34	(33.42)	(140.00)
Deposits (Change)	552.09	(3.55)	186.46	49.94
17 Non-Banks (Change)	-	-	-	-
18 Other (Change)	-	(150.00)	0.00	0.00

\$m

Details of Revenue and Expenditure

	Actual 2003/04	Original 2004/05	Estimated 2004/05	Projected 2005/06
CURRENT REVENUE				
Water	4,853.53	4,782.19	4,667.82	6,495.49
Sewerage	776.71	1,300.89	1,319.43	1,557.75
Service Charges	494.17	800.61	1,354.72	1,021.50
Other	156.95	1,027.55	181.51	141.37
TOTAL	6,281.36	7,911.24	7,523.48	9,216.11
CURRENT EXPENSES				
Compensation				
A. Directors, Executive & Senior Managers	2,927.68	2,508.10	2,230.13	2,281.93
- Salaries	2,927.68	2,508.10	2,230.13	2,281.93
- Pension Fund Contributions				
- Housing Allowance	-	-	-	-
- Utility Allowance	-	-	-	-
- All Others	-	-	-	-
B. Supervisory, Clerical & Production	192.56	86.00	68.09	65.44
- Wages				
- Pension Fund Contributions				
- Housing Allowance				
- Utility Allowance				
- All Others	192.56	86.00	68.09	65.44
Utilities (Electricity, Water & Telephones)	1,250.00	1,420.00	1,610.80	1,980.31
Repairs & Maintenance	283.22	365.00	391.36	394.49
Rental - Buildings	55.00	75.00	30.26	26.50
Rental - Equipment	45.25	206.00	120.00	60.00
Interest	181.07	325.84	156.08	448.47
Depreciation	1,549.72	869.00	1,466.68	1,576.53
Cost of Production	1,700.00	1,924.67	1,723.26	2,116.28
Other	50.50	129.70	393.18	252.42
TOTAL	8,235.00	7,909.31	8,189.83	9,202.37

\$m

	Actual 2003/04	Original 2004/05	Estimated 2004/05	Projected 2005/06
CAPITAL EXPENDITURE				
K. M. A. Water Supply	-	-	0.00	-
KMA - JABIC	0.00	-	23.80	-
Ocho Rios/St. Anns Bay Water Supply	-	-	0.00	-
Newell / Newcombe Valley Water Supply	0.00	-	0.00	-
Lucea/Great River Water Supply Project	794.00	0.00	90.10	-
Port Antonio Water Supply & Sewerage	-	1,140.00	0.94	230.00
Martha Brae/Harmony Hall Water Supply	-	-	-	1,280.00
Other Water Supply Projects/Plans	247.23	-	-	-
In-house Projects	459.15	722.00	211.93	988.28
TOTAL	1,500.38	1,862.00	326.77	2,498.28

Balance Sheet
\$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
Fixed Assets	23058.47	23467.16	22,338.62
Construction-work-in-progress	3481.16	1937.29	5,979.29
	26539.63	25404.45	28,317.91
Current Assets			
Cash & Bank Balances	236.47	50.00	-
Customers' Accounts Receivable	781.83	1,323.50	1,740.84
Inventory	640.95	684.34	1,452.34
Other Receivables & Prepayments	226.96	361.85	231.90
	1,886.21	2,419.69	3,425.08
Current Liabilities			
Bank Loan & Overdraft	214.80	181.40	41.40
Deposits & Retentions	49.57	59.51	59.51
Trade / Other Accounts Payable	1,063.98	999.68	1,377.80
Short-Term Loans and Current Portion of Long-term Loans	92.66	0.29	0.29
	1,421.01	1,240.88	1,479.00
Net Current Assets	465.20	1,178.81	1,946.08
Net Assets/(Liabilities)	27,004.83	26,583.26	30,263.99
Financed by:			
Capital Reserve	64.03	64.03	64.03
Revaluation Reserve	16,577.81	16,577.81	16,577.81
Accumulated Surplus/(Deficit)	5,366.45	4,700.08	4,713.82
	22,008.29	21,341.92	21,355.66
Deferred Income	3,017.99	5,071.34	5,012.33
Long-Term Liabilities	1,978.55	170.00	3,896.00
	4,996.54	5,241.34	8,908.33
	27,004.83	26,583.26	30,263.99

Airports Authority of Jamaica

The Airports Authority of Jamaica (AAJ) was established in accordance with the Airports Authority Act of 1974 to administer, control, manage and ensure the efficient operations of the two international airports (Norman Manley International - NMIA and Sangster International – SIA). However, the operations of SIA were divested to Montego Bay Jamaica (MBJ) during FY 2003/04 and the Authority now earns a concession fee from MBJ. The Authority is also responsible for the operations but does not own the assets of the Tinson Pen, Negril, Boscobel and Ken Jones Aerodromes.

The AAJ plans to complete 25% of the first phase of a 3-phased expansion plan for NMIA at a cost of \$1,994.34 million. Completion of this phase is anticipated by February 2007 in time for the start of the World Cup Cricket Competition in March 2007.

A staff complement of 152 persons is projected throughout most of the year but should be reduced to 140 before year-end.

Operating Statement \$m

	Unaudited 2003/04	Estimated 2004/05	Projected 2005/06
Revenue:			
Norman Manley International Airport	788.59	899.97	1,044.99
Sangster International Airport	387.92	0.00	-
WLU Concession Fees - SIA	-	373.00	402.75
WLU Concession Fees NMIA	0.00	97.27	106.65
Aerodromes	7.05	19.12	20.14
Total Revenue	1,183.56	1,389.36	1,574.53
Expenses:			
Norman Manley International	869.57	895.78	973.77
Sangster International Airport	436.08	57.35	35.00
Aerodromes	82.35	84.02	80.69
Gross Operating Surplus	-204.44	352.21	485.07
Interest Income	83.56	35.43	20.00
Other Income	5.16	5.16	21.75
	-115.72	392.80	526.82
Head Office expenses (excludes bad debt)	131.83	434.46	453.60
Other Departments	9.89	16.46	9.96
Surplus/(deficit) before bad debt provision	(257.44)	(58.12)	63.26
Increase in Provision for Bad Debt	10.40	15.00	16.05
Net Surplus / (Deficit)	(267.84)	(73.12)	47.21

\$m

	Actual 2003/04	Original 2004/05	Estimated 2004/05	Projected 2005/06
Statement 'A' Flow of Funds				
1 Current Revenue	1,272.29	1,319.39	1,429.95	1,616.28
2 Current Expenses	(1,540.13)	(1,224.86)	(1,503.07)	(1,569.07)
3 Current Balance	(267.84)	94.53	(73.12)	47.21
4 Adjustments	(111.25)	337.33	465.18	271.14
Change in Accounts Receivable/Payable	(98.86)	168.65	254.98	63.75
Items not requiring outlay of cash:				
Depreciation	161.90	153.68	209.39	213.99
Other Non-Cash Items	(174.29)	15.00	0.81	(6.60)
Prior Year Adjustment	-	-	-	-
5 Operating Balance	(379.09)	431.86	392.06	318.35
6 Capital Account	487.68	(806.47)	(704.10)	(1,993.65)
Revenue	871.10	0.00	0.00	0.00
Expenditure	(378.90)	(806.47)	(702.40)	(1,993.65)
Investment	(16.84)	0.00	0.00	0.00
Change in Inventory	12.32	0.00	(1.70)	0.00
7 Transfers from Government	294.80	184.80	52.39	457.19
Loans	-	-	-	-
Equity	-	-	-	-
On-Lending	294.80	0.00	52.39	-
Other	0.00	184.80	0.00	457.19
8 Transfers to Government	0.00	0.00	0.00	0.00
Dividend	-	-	-	-
Loan Repayments	-	-	-	-
Corporate Taxes	-	-	-	-
Other	-	-	-	-
9 OVERALL BALANCE (5+ 6+ 7+ 8)	403.39	(189.81)	(259.65)	(1,218.11)
10 FINANCING (11+ 15)	(403.39)	189.81	259.65	1,218.11
11 Total Foreign (12+ 13+ 14)	(0.30)	0.00	0.00	1,177.60
12 Government Guaranteed Loans	(0.30)	0.00	0.00	0.00
Disbursement	-	-	-	-
Amortization	(0.30)	0.00	0.00	0.00
13 Direct Loans	0.00	0.00	0.00	1,177.60
Long Term:	0.00	0.00	0.00	1,177.60
Disbursement	-	-	-	1,177.60
Amortisation	-	-	-	-
Short Term:				
Change in Trade Credits				
14 Change in Deposits Abroad	-	-	-	-
15 Total Domestic (16+ 17+ 18)	(403.09)	189.81	259.65	40.51
16 Banking System	(11.79)	69.51	79.89	(38.01)
Loans (Change)	-	-	-	-
Overdraft (Change)	(1.90)	-	12.89	(5.51)
Deposits (Change)	(9.89)	69.51	67.00	(32.50)
17 Non-Banks (Change)	(391.30)	120.30	179.76	78.52
18 Other (Change)	-	-	-	-

\$m

Details of Revenue and Expenditure

	Actual 2003/04	Original 2004/05	Estimated 2004/05	Projected 2005/06
CURRENT REVENUE				
Landing Fees	206.52	286.09	239.34	260.43
Terminal Fees	129.01	291.09	282.66	309.89
WLU Concession Fees	357.24	342.64	470.27	509.40
Security Fees	197.94	54.46	52.87	57.97
Space Rental	34.70	24.38	24.38	35.63
Concession Fees	197.16	209.74	209.74	266.37
Car Parks	12.49	12.27	12.26	27.53
Other Income	137.23	98.72	138.43	149.06
TOTAL	1,272.29	1,319.39	1,429.95	1,616.28
CURRENT EXPENSES				
Compensation				
A. Directors, Executive & Senior Managers	0.00	0.00	0.00	0.00
- Salaries	-	-	-	-
- Pension Fund Contributions	-	-	-	-
- Housing Allowance	-	-	-	-
- Utility Allowance	-	-	-	-
- All Others	-	-	-	-
B. Supervisory, Clerical & Production	0.00	0.00	0.00	0.00
- Wages	-	-	-	-
- Pension Fund Contributions	-	-	-	-
- Housing Allowance	-	-	-	-
- Utility Allowance	-	-	-	-
- All Others	-	-	-	-
Utilities(Electricity, Water & Telephones)	-	-	118.85	138.16
Repairs & Maintenance	-	-	49.09	62.41
Rental - Buildings	-	-	-	-
Rental - Equipment	-	-	2.95	2.57
Fuel	-	-	-	-
Insurance	-	-	72.28	89.88
Other	1,288.59	887.58	911.10	924.74
Interest	79.24	168.60	124.41	121.27
Depreciation	161.90	153.68	209.39	213.99
Bad Debt	10.40	15.00	15.00	16.05
Taxes (other than income tax)	-	-	-	-
TOTAL	1,540.13	1,224.86	1,503.07	1,569.07

\$m

	Actual 2003/04	Original 2004/05	Estimated 2004/05	Projected 2005/06
CAPITAL EXPENDITURE				
PROJECTS:				
Norman Manley International Airport, Airports Ltd.	-	606.58	567.00	1,849.81
Sangster International Airport	-	23.00	32.00	3.00
Aerodromes	-	52.90	2.56	20.94
Airport Reform Improvement Programme	-	-	50.88	0.00
NMIAL	-	-	43.30	101.71
Other Fixed Assets	-	123.99	6.66	18.19
Other	378.90	0.00	0.00	0.00
TOTAL	378.90	806.47	702.40	1,993.65
CAPITAL REVENUE				
	871.10	0.00	0.00	0.00
TOTAL	871.10	0.00	0.00	0.00
INVESTMENTS				
	16.84			
TOTAL	16.84	0.00	0.00	0.00

Balance Sheet
\$m

	Unaudited 2003/04	Estimated 2004/05	Projected 2005/06
<i>Current Assets</i>			
Cash	80.08	36.18	36.00
Accounts Receivable	1,236.37	1,450.00	1,450.00
Provision for Bad Debts	(1,145.98)	(1,148.95)	(1,165.00)
Short-Term Investments	549.95	347.09	301.25
Loans to Employees	0.58	0.60	0.60
Prepayments	99.05	97.00	97.00
Inventories	10.97	12.67	12.67
	831.02	794.59	732.52
<i>Current Liabilities</i>			
Bank Overdraft	2.62	15.51	10.00
Accounts Payable, Accruals & Charges	322.71	541.92	484.20
Interest on Loans On-lent	207.50	289.36	410.63
Interest on Government Loan	44.07	44.07	44.07
Loan Payable - SIA Limited	13.71	-	-
	590.61	890.86	948.90
Net Current Assets	240.41	(96.27)	(216.38)
<i>Other Assets</i>			
Investment - SIA Limited	128.41	-	-
Investment - Long - Term	0.10	0.10	0.10
Long term Receivable - (NHT 2001/04)	0.01	0.01	0.01
Fixed Assets	4,299.68	4,792.69	6,573.04
	4,428.20	4,792.80	6,573.15
	4,668.61	4,696.53	6,356.77
<i>Shareholders' Equity</i>			
Share Capital	20.09	20.09	20.09
Capital Reserves	430.35	917.62	1,353.06
Accumulated Surplus	715.04	641.92	689.13
	1,165.48	1,579.63	2,062.28
Additional Capital	55.61	55.61	55.61
Loan Advances	3,447.52	3,061.29	4,238.88
	4,668.61	4,696.53	6,356.77

Port Authority of Jamaica

The Port Authority of Jamaica (PAJ) was established under the Port Authority Act in 1972, with the mandate to develop Jamaica's ports and related facilities and to regulate the use of all port facilities. In February 2001 PAJ was given responsibility for port security and certification to meet internationally acceptable security standards. The principal activities of the PAJ are container transshipment, which provides approximately 85% of its revenue. As transshipment and cruise ship traffic increases the PAJ will continue to meet the demand for port facilities and hence make a significant contribution to economic development.

The PAJ will focus on completion of Phase 4 of the Kingston Container Terminal berth expansion project, which should result in container handling capacity increasing from 1.2 million tonnage equivalent units (TEUs) to 1.5 million TEUs.

The Authority expects to maintain a staff complement of 228 persons.

Income and Expenditure Statement \$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
Income:	0.00	0.00	0.00
Surplus from Terminal Operations	5,317.76	1,764.52	2,358.73
Wharfage Cess	252.92	183.02	184.85
Harbour Fees	282.63	288.93	294.71
Other	379.70	1,362.49	1,509.20
Total Income	6,233.00	3,598.97	4,347.48
Expenses:			
Administrative and Other	634.95	611.12	623.30
Finance Charges & Interest on Loans	597.99	617.86	807.02
Depreciation		684.46	900.00
Operating Expenses	3,772.47	218.86	313.99
Total Expenses	5,005.41	2,132.30	2,644.31
Operating Surplus	1,227.59	1,466.67	1,703.17
Share of (Losses)/Surpluses of Subsidiary Companies	(61.39)	-	-
Exchange Loss on Loans	1,013.84	450.81	558.82
	-	-	-
Surplus for the Period	152.36	1,015.85	1,144.35
Surplus at April 1,	1,488.87	1,641.23	2,657.09
Balance, March 31	1,641.23	2,657.09	3,801.44

\$m

	Actual 2003/04	Original 2004/05	Estimated 2004/05	Projected 2005/06
Statement 'A' Flow of Funds				
1 Current Revenue	6,233.00	3,711.29	3,598.97	4,347.48
2 Current Expenses	(6,080.65)	(3,324.75)	(2,583.11)	(3,203.16)
3 Current Balance	152.36	386.54	1,015.86	1,144.33
4 Adjustments	1,432.01	1,945.43	437.79	1,280.47
Change in Accounts Receivable/Payable	(257.92)	(10.01)	(774.74)	(155.65)
Items not requiring outlay of cash:				
Depreciation	621.82	750.00	684.46	900.00
Other Non-Cash Items	1,068.12	1,205.44	528.07	536.13
Prior Year Adjustment	-	-	-	-
5 Operating Balance	1,584.37	2,331.97	1,453.64	2,424.80
6 Capital Account	(2,335.69)	(4,880.79)	(4,880.75)	(1,712.40)
Revenue				
Expenditure	(2,304.79)	(4,784.04)	(4,863.22)	(1,745.10)
Investment				
Change in Inventory	(30.90)	(96.75)	(17.53)	32.70
7 Transfers from Government	0.00	0.00	0.00	0.00
Loans	-	-	-	-
Equity	-	-	-	-
On-Lending	-	-	-	-
Other	-	-	-	-
8 Transfers to Government	0.00	0.00	0.00	0.00
Dividend	-	-	-	-
Loan Repayments	-	-	-	-
Corporate Taxes	-	-	-	-
Other	-	-	-	-
9 OVERALL BALANCE (5+ 6+ 7+ 8)	(751.33)	(2,548.82)	(3,427.11)	712.40
10 FINANCING (11+ 15)	751.33	2,548.82	3,427.11	(712.40)
11 Total Foreign (12+ 13+ 14)	530.68	2,536.78	3,064.72	(569.34)
12 Government Guaranteed Loans	0.00	2,609.24	1,449.70	133.81
Disbursement	0.00	3,463.72	2,544.46	1,283.31
Amortization	0.00	(854.47)	(1,094.76)	(1,149.50)
13 Direct Loans	530.68	(72.47)	1,615.01	(703.15)
Long Term:	530.68	(72.47)	1,615.01	(703.15)
Disbursement	2,263.98	820.23	2,476.62	385.95
Amortisation	(1,733.30)	(892.70)	(861.61)	(1,089.10)
Short Term:				
Change in Trade Credits	-	-	-	-
14 Change in Deposits Abroad	-	-	-	-
15 Total Domestic (16+ 17+ 18)	220.65	12.05	362.39	(143.05)
16 Banking System	220.65	12.05	362.39	(143.05)
Loans (Change)	-	-	-	-
Overdraft (Change)	0.00	12.05	0.00	(143.05)
Deposits (Change)	220.65	0.00	362.39	0.00
17 Non-Banks (Change)	-	-	-	-
18 Other (Change)	-	-	-	-

\$m

Details of Revenue and Expenditure

	Actual 2003/04	Original 2004/05	Estimated 2004/05	Projected 2005/06
CURRENT REVENUE				
Wharfage Cess 75%	171.98	169.79	183.02	184.85
Wharfage Tax (PDC)	80.93	85.63	84.90	85.75
Harbour Fees	282.63	307.80	288.93	294.71
APM Surplus	4,293.14	1,776.49	1,764.52	2,358.73
Tug Operation	215.54	109.02	83.64	86.18
Pilotage 25% Commission	34.32	49.95	47.09	48.03
Free Zone Management	0.20	0.20	0.20	0.20
Ferry Service	0.00	0.00	0.00	0.00
Motor Vehicle and Equipment Lease	12.08	3.78	4.78	3.79
Montego Wharves	0.00	35.54	19.79	44.89
Wharf Operators 6.5%	0.00	18.64	20.09	20.49
Ocho Rios Cruise Ship Pier	0.00	9.78	3.02	(2.75)
Grant	160.88	15.79	20.42	22.74
Interest & Finance Charges	32.98	4.70	18.18	7.66
Port Antonio Marina	0.00	0.00	5.67	0.00
Sale of Asset - Gain (Navy Island)	0.00	0.00	0.00	0.00
Lease Rental	2.28	520.29	478.63	517.88
KTO Inventory Markup	0.00	39.43	41.13	42.27
Miscellaneous	522.72	4.92	47.57	3.75
Net Facility Fees	423.32	559.56	487.39	628.30
TOTAL	6,233.00	3,711.29	3,598.97	4,347.48
CURRENT EXPENSES				
Compensation				
A. Directors, Executive & Senior Managers	0.00	76.10	0.00	67.70
- Salaries	0.00	76.10	0.00	67.70
- Pension Fund Contributions	-	-	-	-
- Housing Allowance	-	-	-	-
- Utility Allowance	-	-	-	-
- All Others	-	-	-	-
B. Supervisory, Clerical & Production	440.13	344.96	466.16	379.52
- Wages	346.34	258.50	366.76	274.14
- Pension Fund Contributions	27.77	21.04	29.44	22.17
- Housing Allowance	-	-	-	-
- Utility Allowance	-	-	-	-
- All Others	66.02	65.42	69.96	83.22
Utilities (Electricity, Water & Telephones)	15.54	20.09	18.17	22.83
Repairs & Maintenance	6.29	13.16	11.25	11.70
Tug Cost - Drydocking	0.00	0.00	1.25	44.47
Fuel	0.00	7.85	13.27	3.81
Interest	597.99	610.20	617.86	807.02
Insurance	21.19	25.09	25.09	24.66
Depreciation	621.82	750.00	684.46	900.00
Other	4,377.69	1,477.30	745.61	941.44
TOTAL	6,080.65	3,324.75	2,583.11	3,203.16

\$m

	Actual 2003/04	Original 2004/05	Estimated 2004/05	Projected 2005/06
CAPITAL EXPENDITURE				
Kingston Free Zone	0.00	0.00	0.00	0.00
Montego Bay Free Zone	2.92	0.00	0.00	0.00
Montego Bay Freeport	33.83	125.06	0.00	49.30
Ocho Rios Pier	0.00	0.00	10.60	0.00
Kingston Terminal Operations	666.95	610.30	856.70	366.87
Harbours Department	13.52	29.51	13.00	45.60
Pilotage Department	1.36	0.38	0.00	0.00
Gordon Cay	1,500.30	3,899.28	3,700.00	1,200.34
Main Administration	19.36	51.57	83.70	18.00
Port Antonio Marina Project	62.95	0.00	65.00	0.00
Miscellaneous	3.60	67.94	134.22	65.00
TOTAL	2,304.79	4,784.04	4,863.22	1,745.10

Balance Sheet
\$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
Current Assets			
Cash & Bank Deposits	507.01	21.51	164.57
Accounts Receivable	1,146.70	1,953.88	2,135.29
Short-term Deposits	-	-	-
Inventories - Spares	267.25	284.78	252.08
	1,920.97	2,260.17	2,551.94
Current Liabilities			
Bank Overdraft (Unsecured)	123.11	-	-
Accounts Payable & Accruals	878.30	1,038.07	1,042.45
Current Portion of Long-Term Liabilities	1,833.75	1,526.11	1,586.89
Other	-	-	-
	2,835.16	2,564.19	2,629.34
Net Current Assets	(914.19)	(304.02)	(77.41)
Property, Plant & Equipment	15,996.76	20,175.53	21,020.63
Intangible Assets	28.06	23.95	23.95
Investment Properties	2,661.94	2,667.10	2,667.10
Investments			
Subsidiaries & Associates	159.15	148.23	110.51
EIB Bahamas/Other	276.12	432.42	448.75
Long-Term Receivables	92.30	74.26	74.26
	19,214.34	23,521.48	24,345.20
Net Assets	18,300.14	23,217.46	24,267.80
Government Equity			
Reserves	6,704.07	6,803.59	6,803.56
Retained Earnings	1,488.87	1,641.23	2,657.09
Profit & Loss Account	152.36	1,015.85	1,144.35
	8,345.31	9,460.68	10,605.00
Deferred Income	391.25	369.53	346.80
	-	-	-
Long-Term Liabilities	9,563.59	13,387.25	13,316.00
Other Liabilities	-	-	-
	9,954.84	13,756.78	13,662.80
	18,300.14	23,217.46	24,267.80

\$m

	AAJ	HEART	JMB	NHDC*	NHT
Statement 'A' Flow of Funds					
1 Current Revenue	1,272.29	3,188.06	515.09	513.29	7,019.10
2 Current Expenses	(1,540.13)	(2,890.42)	(266.02)	(1,160.86)	(3,484.76)
3 Current Balance	(267.84)	297.64	249.07	(647.57)	3,534.34
4 Adjustments	(111.25)	108.83	(70.63)	785.97	675.89
Change in Accounts					
Receivable/Payable	(98.86)	47.16	(80.60)	296.02	419.55
Items not requiring outlay of cash:					
Depreciation	161.90	116.96	5.95	17.21	69.79
Other Non-Cash Items	(174.29)	(55.29)	4.02	472.74	(443.99)
Prior Year Adjustment					630.54
5 Operating Balance	(379.09)	406.47	178.44	138.40	4,210.23
6 Capital Account	487.68	(276.52)	(5.07)	(192.46)	852.91
Revenue	871.10	0.94		20.46	5,562.38
Expenditure	(378.90)	(272.03)	(5.07)	(220.20)	(4,309.30)
Investment	(16.84)				
Change in Inventory	12.32	(5.43)		7.28	(400.17)
7 Transfers from Government	294.80				
Loans					
Equity					
On-Lending	294.80				
Other					
8 Transfers to Government			(32.12)		(872.34)
Dividend			(25.00)		
Loan Repayments					
Corporate Taxes			(7.12)		(872.34)
Other					
9 OVERALL BALANCE (5+ 6+ 7+ 8)	403.39	129.96	141.25	(54.06)	4,190.80
10 FINANCING (11+ 15)	(403.39)	(129.96)	(141.25)	54.06	(4,190.80)
11 Total Foreign (12+ 13+ 14)	(0.30)		(7.07)	(10.29)	0.85
12 Government Guaranteed Loans	(0.30)		(7.07)		0.85
Disbursement					
Amortization	(0.30)		(7.07)		0.85
13 Direct Loans				(10.29)	
Long Term:				(10.29)	
Disbursement					
Amortisation				(10.29)	
Short Term:					
Change in Trade Credits					
14 Change in Deposits Abroad					
15 Total Domestic (16+ 17+ 18)	(403.09)	(129.96)	(134.18)	64.35	(4,191.65)
16 Banking System	(11.79)	(19.70)	26.34	16.03	(39.42)
Loans (Change)					
Overdraft (Change)	(1.90)				
Deposits (Change)	(9.89)	(19.70)	26.34	16.03	(39.42)
17 Non-Banks (Change)	(391.30)				
18 Other (Change)		(110.26)	(160.52)	48.32	(4,152.23)

* Draft audited/estimated position

\$m

NIBJ	NIF	NWC	PAJ	PCJ	PETROJAM	UDC	TOTAL
456.90	7,862.54	6,281.36	6,233.00	412.80	38,771.02	1,007.15	73,532.60
(271.67)	(3,295.31)	(8,235.00)	(6,080.65)	(337.01)	(31,195.94)	(495.59)	(59,253.36)
185.22	4,567.23	(1,953.64)	152.36	75.79	7,575.08	511.56	14,279.24
147.15	(2,618.77)	1,707.49	1,432.01	161.98	(778.59)	(95.51)	1,344.57
(178.04)	(2,628.44)	(350.00)	(257.92)	135.27	(839.40)	(128.90)	(3,664.16)
10.00	9.67	1,549.72	621.82	24.83	60.03	33.39	2,681.27
315.19		507.77	1,068.12	1.88	0.78		1,696.92
							630.54
332.37	1,948.46	(246.15)	1,584.37	237.77	6,796.49	416.05	15,623.81
(10.75)	(60.10)	(1,245.38)	(2,335.69)	(88.11)	(1,001.33)	(3,803.81)	(7,678.64)
(1.15)				0.49			6,454.21
(9.60)	(14.72)	(1,500.38)	(2,304.79)	(83.36)	(224.31)	(3,668.94)	(12,991.60)
	(45.38)				(145.08)	(134.87)	(342.17)
		255.00	(30.90)	(5.23)	(631.95)		(799.08)
200.00						3,637.66	4,132.46
200.00							200.00
							294.80
						3,637.66	3,637.66
	(314.84)	247.23			(7,117.98)		(8,090.05)
							(25.00)
					(189.32)		(1,068.78)
	(314.84)	247.23			(6,928.66)		(6,996.27)
521.62	1,573.52	(1,244.30)	(751.33)	149.66	(1,322.82)	249.90	3,987.59
(521.62)	(1,573.52)	1,244.30	751.33	(149.66)	1,322.82	(249.90)	(3,987.59)
		773.00	530.68		(755.19)		531.68
							(6.52)
							(6.52)
		773.00	530.68		(772.15)		521.24
		773.00	530.68		(39.57)		1,253.82
			2,263.98				2,263.98
		773.00	(1,733.30)				(970.59)
					(732.58)		(732.58)
					16.96		16.96
(521.62)	(1,573.52)	471.30	220.65	(149.66)	2,078.01	(249.90)	(4,519.27)
(384.98)	(69.51)	471.30	220.65	(34.64)	2,078.01	(249.90)	2,002.39
		(80.79)					(82.69)
(384.98)	(69.51)	552.09	220.65	(34.64)	2,078.01	(249.90)	2,085.08
							(391.30)
(136.64)	(1,504.01)			(115.02)			(6,130.36)

\$m

	AAJ	HEART	JMB	NHDC	NHT
Statement 'A' Flow of Funds					
1 Current Revenue	1,319.39	3,234.44	449.27	564.79	6,469.01
2 Current Expenses	(1,224.86)	(3,512.01)	(235.52)	(714.31)	(2,636.48)
3 Current Balance	94.53	(277.57)	213.75	(149.52)	3,832.53
Exceptional Item (Pension Scheme Liability)					
4 Adjustments	337.33	485.34	(1.47)	(124.76)	(327.52)
Change in Accounts					
Receivable/Payable	168.65	339.92	(14.67)	(12.48)	(471.01)
Items not requiring outlay of cash:					
Depreciation	153.68	145.42	7.56	23.16	79.99
Other Non-Cash Items	15.00		5.64	(163.18)	63.50
Prior Year Adjustment				27.74	
5 Operating Balance	431.86	207.77	212.28	(274.28)	3,505.01
6 Capital Account	(806.47)	(478.08)	(30.10)	728.88	(3,003.04)
Revenue				1,335.10	5,029.51
Expenditure	(806.47)	(478.40)	(30.10)	(596.14)	(5,366.22)
Investment				(31.45)	
Change in Inventory		0.32		21.37	(2,666.33)
7 Transfers from Government	184.80			23.75	
Loans					
Equity					
On-Lending					
Other	184.80			23.75	
8 Transfers to Government					(1,066.04)
Dividend					
Loan Repayments					
Corporate Taxes					(1,066.04)
Other					
9 OVERALL BALANCE (5+ 6+ 7+ 8)	(189.81)	(270.31)	182.18	478.35	(564.07)
10 FINANCING (11+ 15)	189.81	270.31	(182.18)	(478.35)	564.07
11 Total Foreign (12+ 13+ 14)			(6.60)	(176.88)	
12 Government Guaranteed Loans			(6.60)	(65.06)	
Disbursement					
Amortization			(6.60)	(65.06)	
13 Direct Loans				(111.82)	
Long Term:				(111.82)	
Disbursement					
Amortisation				(111.82)	
Short Term:					
Change in Trade Credits					
14 Change in Deposits Abroad					
15 Total Domestic (16+ 17+ 18)	189.81	270.31	(175.58)	(301.47)	564.07
16 Banking System	69.51	20.40	129.80	(17.42)	564.07
Loans (Change)					
Overdraft (Change)					
Deposits (Change)	69.51	20.40	129.80	(17.42)	564.07
17 Non-Banks (Change)	120.30			(298.19)	
18 Other (Change)		249.91	(305.38)	14.14	

\$m

NIBJ	NIF	NWC	PAJ	PCJ	PETROJAM	UDC	TOTAL
510.11	8,746.34	7,911.24	3,711.29	326.23	32,045.71	586.00	65,873.82
(404.49)	(4,450.32)	(7,909.31)	(3,324.75)	(300.30)	(26,066.51)	(544.29)	(51,323.15)
105.62	4,296.02	1.92	386.54	25.93	5,979.20	41.71	14,550.67
144.26	(1,302.68)	790.29	1,945.43	46.50	927.60	376.92	3,297.23
103.05	(1,312.04)	(384.00)	(10.01)	10.60	868.50	330.68	(382.81)
11.21	9.36	869.00	750.00	35.90	59.09	46.24	2,190.61
30.00		305.29	1,205.44				1,461.69
							27.74
249.88	2,993.34	792.21	2,331.97	72.43	6,906.80	418.63	17,847.90
(29.21)	(164.49)	(1,862.00)	(4,880.79)	(33.73)	(504.80)	(547.76)	(11,611.59)
						3,161.01	9,525.62
(29.21)	(14.49)	(1,862.00)	(4,784.04)	(33.73)	(550.31)	(2,770.37)	(17,321.48)
	(150.00)				(81.38)	(938.40)	(1,201.23)
			(96.75)		126.88		(2,614.51)
500.00						63.46	772.01
300.00							300.00
200.00							200.00
						63.46	272.01
164.00	(423.46)			(4.60)	(5,511.62)	(13.76)	(6,855.48)
20.00							20.00
144.00							144.00
				(4.60)	(233.79)	(13.76)	(1,318.19)
	(423.46)				(5,277.83)		(5,701.29)
884.67	2,405.39	(1,069.79)	(2,548.82)	34.10	890.38	(79.43)	152.84
(884.67)	(2,405.39)	1,069.79	2,548.82	(34.10)	(890.38)	79.43	(152.84)
		1,190.00	2,536.78		(715.41)		2,827.89
			2,609.24				2,537.58
			3,463.72				3,463.72
			(854.47)				(926.13)
		1,190.00	(72.47)		(684.53)		321.19
		1,190.00	(72.47)				1,005.71
			820.23				820.23
		1,190.00	(892.70)				185.48
					(684.53)		(684.53)
					(30.88)		(30.88)
(884.67)	(2,405.39)	(120.21)	12.05	(34.10)	(174.97)	79.43	(2,980.73)
(331.54)		29.79	12.05	(3.80)	(174.97)	(155.77)	142.11
		33.34	12.05				45.39
(331.54)		(3.55)		(3.80)	(174.97)	(155.77)	96.72
							(177.89)
(553.13)	(2,405.39)	(150.00)		(30.30)		235.20	(2,944.95)

\$m

	AAJ	HEART	JMB	NHDC	NHT
Statement 'A' Flow of Funds					
1 Current Revenue	1,429.95	3,561.35	353.09	496.71	6,601.40
2 Current Expenses	(1,503.07)	(3,389.66)	(244.79)	(770.98)	(3,640.30)
3 Current Balance	(73.12)	171.69	108.30	(274.27)	2,961.09
Exceptional Item (Pension Scheme Liability)					
4 Adjustments	465.18	163.72	(52.96)	(92.33)	858.25
Change in Accounts Receivable/Payable	254.98	0.53	(11.04)	(5.19)	383.90
Items not requiring outlay of cash:					
Depreciation	209.39	163.19	6.49	13.91	96.11
Other Non-Cash Items	0.81		0.69	(101.05)	378.24
Prior Year Adjustment			(49.10)		
5 Operating Balance	392.06	335.41	55.34	(366.60)	3,819.34
6 Capital Account	(704.10)	(276.47)	(53.61)	978.40	(375.83)
Revenue				943.02	5,486.49
Expenditure	(702.40)	(268.32)	(53.61)	154.15	(4,110.12)
Investment				(130.68)	
Change in Inventory	(1.70)	(8.15)		11.91	(1,752.20)
7 Transfers from Government	52.39				
Loans					
Equity					
On-Lending	52.39				
Other					
8 Transfers to Government				(415.78)	(986.93)
Dividend					
Loan Repayments					
Corporate Taxes				(415.78)	(986.93)
Other					
9 OVERALL BALANCE (5+ 6+ 7+ 8)	(259.65)	58.94	1.73	196.02	2,456.58
10 FINANCING (11+ 15)	259.65	(58.94)	(1.73)	(196.02)	(2,456.58)
11 Total Foreign (12+ 13+ 14)			(6.60)	(85.92)	
12 Government Guaranteed Loans			(6.60)		
Disbursement					
Amortization			(6.60)		
13 Direct Loans				(85.92)	
Long Term:				(85.92)	
Disbursement					
Amortisation				(85.92)	
Short Term:					
Change in Trade Credits					
14 Change in Deposits Abroad					
15 Total Domestic (16+ 17+ 18)	259.65	(58.94)	4.87	(110.10)	(2,456.58)
16 Banking System	79.89	(2.11)	(122.29)	(72.29)	(37.62)
Loans (Change)					
Overdraft (Change)	12.89				
Deposits (Change)	67.00	(2.11)	(122.29)	(72.29)	(37.62)
17 Non-Banks (Change)	179.76			(11.09)	
18 Other (Change)		(56.83)	127.16	(26.72)	(2,418.96)

\$m

NIBJ	NIF	NWC	PAJ	PCJ	PETROJAM	UDC	TOTAL
641.66	9,074.50	7,523.48	3,598.97	476.62	49,455.14	586.01	83,798.88
(334.54)	(4,800.74)	(8,189.83)	(2,583.11)	(348.65)	(41,807.05)	(558.07)	(68,170.79)
307.13	4,273.76	(666.35)	1,015.86	127.98	7,648.09	27.94	15,628.09
23.78	(220.59)	731.04	437.79	(148.97)	(413.76)	91.19	1,842.34
(36.67)	(229.61)	(1,160.10)	(774.74)	(173.80)	(484.00)	70.97	(2,164.77)
12.95	9.02	1,466.68	684.46	24.83	70.00	20.22	2,777.25
47.50		424.46	528.07		0.24		1,278.96
							(49.10)
330.91	4,053.17	64.69	1,453.64	(20.99)	7,234.33	119.13	17,470.42
(29.21)	(47.18)	(370.15)	(4,880.75)	(31.30)	(1,201.34)	(1,639.86)	(8,631.40)
				0.30			6,429.81
(29.21)	(9.41)	(326.77)	(4,863.22)	(31.60)	(225.23)	(1,554.23)	(12,019.97)
	(37.77)				(112.35)	(85.63)	(366.43)
		(43.38)	(17.53)		(863.77)		(2,674.81)
200.00		2,053.34				1,689.35	3,995.08
200.00							200.00
							52.39
		2,053.34				1,689.35	3,742.69
(24.36)	(372.27)	(1,900.92)		(38.31)	(7,259.40)		(10,997.97)
		(1,900.92)					(1,900.92)
(24.36)				(38.31)	(194.35)		(1,659.73)
	(372.27)				(7,065.05)		(7,437.32)
477.34	3,633.72	(153.04)	(3,427.11)	(90.60)	(1,226.41)	168.62	1,836.14
(477.34)	(3,633.72)	153.04	3,427.11	90.60	1,226.41	(168.62)	(1,836.14)
			3,064.72		1,989.04		4,961.24
			1,449.70				1,443.10
			2,544.46				2,544.46
			(1,094.76)				(1,101.36)
			1,615.01		1,931.28		3,460.37
			1,615.01				1,529.09
			2,476.62				2,476.62
			(861.61)				(947.53)
					1,931.28		1,931.28
					57.76		57.76
(477.34)	(3,633.72)	153.04	362.39	90.60	(762.63)	(168.62)	(6,797.38)
(206.19)	39.86	153.04	362.39	130.40	(762.63)	(168.62)	(606.17)
		(33.42)					(20.53)
(206.19)	39.86	186.46	362.39	130.40	(762.63)	(168.62)	(585.64)
(135.30)							33.37
(135.85)	(3,673.58)			(39.80)			(6,224.58)

\$m

Statement 'A' Flow of Funds		AAJ	HEART	JMB	NHDC	NHT
1	Current Revenue	1,616.28	4,489.25	394.88	486.60	7,121.01
2	Current Expenses	(1,569.07)	(4,624.48)	(286.82)	(776.52)	(3,987.48)
3	Current Balance	47.21	(135.23)	108.06	(289.92)	3,133.53
4	Adjustments	271.14	191.73	(57.20)	143.38	1,019.77
	Change in Accounts					
	Receivable/Payable	63.75	1.95	(91.61)	(13.93)	766.90
	Items not requiring outlay of cash:					
	Depreciation	213.99	189.78	9.41	13.47	180.94
	Other Non-Cash Items	(6.60)		25.00	116.10	71.93
	Prior Year Adjustment				27.74	
5	Operating Balance	318.35	56.50	50.86	(146.54)	4,153.30
6	Capital Account	(1,993.65)	(520.58)	(23.50)	361.83	(835.86)
	Revenue				1,691.94	6,333.40
	Expenditure	(1,993.65)	(520.50)	(23.50)	(968.07)	(5,458.39)
	Investment					
	Change in Inventory		(0.08)		(362.04)	(1,710.87)
7	Transfers from Government	457.19				
	Loans					
	Equity					
	On-Lending					
	Other	457.19				
8	Transfers to Government				(12.51)	(1,044.40)
	Dividend					
	Loan Repayments					
	Corporate Taxes				(12.51)	(1,044.40)
	Other					
9	OVERALL BALANCE (5+ 6+ 7+ 8)	(1,218.11)	(464.08)	27.36	202.78	2,273.04
10	FINANCING (11+ 15)	1,218.11	464.08	(27.36)	(202.78)	(2,273.04)
11	Total Foreign (12+ 13+ 14)	1,177.60		(6.81)	(185.88)	
12	Government Guaranteed Loans			(6.81)	(15.56)	
	Disbursement					
	Amortization			(6.81)	(15.56)	
13	Direct Loans	1,177.60			(170.32)	
	Long Term:	1,177.60			(170.32)	
	Disbursement	1,177.60				
	Amortisation				(170.32)	
	Short Term:					
	Change in Trade Credits					
14	Change in Deposits Abroad					
15	Total Domestic (16+ 17+ 18)	40.51	464.08	(20.55)	(16.90)	(2,273.04)
16	Banking System	(38.01)	(1.83)	35.52	68.19	
	Loans (Change)					
	Overdraft (Change)	(5.51)				
	Deposits (Change)	(32.50)	(1.83)	35.52	68.19	
17	Non-Banks (Change)	78.52			(82.72)	
18	Other (Change)		465.91	(56.07)	(2.37)	(2,273.04)

\$m

NIBJ	NIF	NWC	PAJ	PCJ	PETROJAM	UDC	TOTAL
549.57	9,313.70	9,216.11	4,347.48	386.11	50,785.88	698.12	89,404.99
(407.43)	(5,423.26)	(9,202.37)	(3,203.16)	(324.75)	(44,701.95)	(615.74)	(75,123.03)
142.14	3,890.44	13.74	1,144.33	61.36	6,083.93	82.38	14,281.97
136.07	(1,010.72)	1,675.60	1,280.47	28.09	57.24	641.49	4,377.06
102.70	(1,019.61)	(356.33)	(155.65)		(32.76)	617.49	(117.10)
13.37	8.89	1,576.53	900.00	28.09	90.00	24.00	3,248.46
20.00		455.40	536.13				1,217.96
							27.74
278.21	2,879.72	1,689.34	2,424.80	89.45	6,141.17	723.87	18,659.02
(19.32)	(57.40)	(3,266.28)	(1,712.40)	(23.62)	81.16	(2,211.23)	(10,220.84)
							8,025.34
(19.32)	(15.50)	(2,498.28)	(1,745.10)	(23.62)	(563.35)	(1,351.21)	(15,180.48)
	(41.90)				(37.47)	(860.02)	(939.39)
		(768.00)	32.70		681.97		(2,126.32)
500.00		(59.00)				1,618.59	2,516.78
500.00							500.00
		(59.00)				1,618.59	2,016.78
(46.91)	(401.59)			(40.10)	(5,680.65)		(7,226.16)
(46.91)				(40.10)	(201.64)		(1,345.56)
	(401.59)				(5,479.01)		(5,880.60)
711.98	2,420.73	(1,635.94)	712.40	25.73	541.68	131.23	3,728.80
(711.98)	(2,420.73)	1,635.94	(712.40)	(25.73)	(541.68)	(131.23)	(3,728.80)
		1,726.00	(569.34)		345.81		2,487.38
			133.81				111.44
			1,283.31				1,283.31
			(1,149.50)				(1,171.87)
		1,726.00	(703.15)		346.90		2,377.03
		1,726.00	(703.15)				2,030.13
		1,726.00	385.95				3,289.55
			(1,089.10)				(1,259.42)
					346.90		346.90
					(1.09)		(1.09)
(711.98)	(2,420.73)	(90.06)	(143.05)	(25.73)	(887.49)	(131.23)	(6,216.18)
229.07		(90.06)	(143.05)	10.92	(887.49)	(131.23)	(947.98)
		(140.00)	(143.05)				(288.56)
229.07		49.94		10.92	(887.49)	(131.23)	(659.41)
							(4.20)
(941.05)	(2,420.73)			(36.65)			(5,264.00)

Broadcasting Commission

The Broadcasting Commission was established under the Broadcasting and the Radio Re-Diffusion (Amendment) Act of 1986. The main function of the Commission is to monitor and regulate the electronic media industry. In carrying out its function the Commission focuses on the following, which it has responsibility to administer:

- Broadcasting and Radio Re-Diffusion Act (1986)
- Television and Sound Broadcasting Regulations (1996)
- Access to Information Act (2000)
- Children's Code for Programming (2002)

The Commission derives most of its revenue from subscriber television licence fee.

The Commission has a staff complement of twenty (20) persons.

Income & Expenditure Account \$m

	Unaudited 2003/04	Estimated 2004/05	Projected 2005/06
Income:			
Licence Fee	30.32	35.49	48.00
Interest Income	2.22	1.41	1.20
Other Income	0.58	6.18	1.38
Total Income	33.12	43.08	50.58
Expenses:			
Compensation	27.23	31.20	33.58
Rental of Properties & Others	4.16	4.58	5.22
Depreciation	1.30	1.06	-
General Administration	12.16	6.05	10.95
Total Expenses	44.85	42.89	49.75
Surplus/(Deficit)	(11.73)	0.19	0.83
Government Subvention	7.73	-	-
Net Surplus/(Deficit)	(4.00)	0.19	0.83

Balance Sheet
\$m

	Unaudited 2003/04	Estimated 2004/05	Projected 2005/06
<i>Net Assets Employed</i>			
Fixed Assets	3.36	2.87	2.79
Investments	0.20	0.21	0.21
	3.56	3.08	3.00
<i>Current Assets</i>			
Cash and Bank Deposits	14.82	10.62	9.39
Receivables and Prepayments	1.12	0.37	2.00
Deferred Expenses	-	-	-
	15.95	10.99	11.39
<i>Current Liabilities</i>			
Accounts Payable	4.79	0.30	0.30
Deferred Grant	0.92	-	-
	5.71	0.30	0.30
Net Current Assets/(Liabilities)	10.24	10.69	11.09
Net Total Assets	13.79	13.76	14.09
<i>Financed by:</i>			
Deferred Credit	0.35	0.13	-
Capital Reserve	0.37	0.37	0.37
Accumulated Surplus/(Deficit)	13.07	13.26	14.09
Long-Term Loans	-	-	-
	13.79	13.76	14.09

Bauxite and Alumina Trading Company of Jamaica Limited

The Bauxite and Alumina Trading Company of Jamaica Limited (BATCO) was incorporated under the laws of Jamaica on April 6, 1977 in response to the need by the Government of Jamaica to market its output of bauxite and alumina.

The company's primary functions are:

- Marketing of bauxite and alumina on behalf of Jamaica Bauxite Mining (JBM) and Clarendon Alumina Production (CAP);
- Administering the Joint Venture Agreement with Windalco on behalf of JBM and the Partnership Agreement with St. Ann Bauxite Company;
- Supervising JBM's operations; and
- Providing general administration and accounting services for JBM.

BATCO expects to maintain a staff complement of fourteen (14).

Profit & Loss Account \$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
<i>Income</i>			
Interest on Fixed Deposits	32.96	24.48	17.22
Interest on Loan (CAP Ltd.)	46.22	52.68	59.60
Commission	38.32	38.21	42.40
Other	0.64	0.64	0.64
<i>Total Income</i>	<i>167.02</i>	<i>116.01</i>	<i>119.86</i>
<i>Expenses</i>			
Salaries	15.57	14.81	17.09
Utilities	0.48	0.54	0.40
Repairs & Maintenance	1.31	1.20	1.33
Property Rental	2.75	3.26	3.56
Depreciation	1.31	1.35	1.43
Other	5.18	5.81	7.04
<i>Total Expenses</i>	<i>26.60</i>	<i>26.97</i>	<i>30.85</i>
<i>Operating Surplus</i>	<i>140.42</i>	<i>89.04</i>	<i>89.01</i>
Taxation	19.55	29.04	29.00
<i>Surplus/(Deficit)</i>	<i>120.87</i>	<i>60.00</i>	<i>60.01</i>

Balance Sheet
\$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
Current Assets			
Cash and Cash Equivalents	506.88	332.42	388.81
Trade and other Receivables	35.72	152.95	131.77
Prepayments	0.35	-	-
Owed by Related Company	229.81	235.18	240.72
Short-Term loans	644.20	841.59	901.18
	1,416.96	1,562.14	1,662.48
Non-Current Assets			
Equipment	3.66	2.78	4.85
Investment	0.05	0.05	0.05
Long-Term Receivable	6,311.81	5,550.26	4,761.04
	6,315.52	5,553.09	4,765.94
Total Assets	7,732.48	7,115.23	6,428.42
Current Liabilities			
Payables and Accruals	125.07	149.71	130.13
Current Portion of Long-Term Loan	699.03	711.70	789.25
Owed to Related Company	111.32	167.73	229.73
Taxation	22.00	25.25	25.24
	957.42	1,054.39	1,174.35
Non-Current Liabilities			
	-	-	-
Long-Term Loan	5,612.78	4,838.57	3,971.79
Deferred Tax	18.42	18.41	18.41
	5,631.20	4,856.98	3,990.20
Capital and Reserve			
Share capital (\$100)			
Retained Profits	1,143.86	1,203.86	1,263.87
	1,143.86	1,203.86	1,263.87
Total Liabilities and Equity	7,732.48	7,115.23	6,428.42

Clarendon Alumina Production Limited

Clarendon Alumina Production Limited (CAP) was incorporated on April 11 1985, and represents the Government in a Joint Venture agreement with Alcoa in the bauxite mining and alumina refining operations at Jamalco, Clarendon. Under the terms of the joint venture agreement CAP and Alcoa each own 50% of the operations and consequently share proportionately in the alumina produced and in the cost of operating the plant. CAP's production from the plant is marketed through its agent, the Bauxite and Alumina Trading Company of Jamaica Ltd. (BATCO).

CAP initiates, executes and monitors appropriate plans and programmes to facilitate the effective and efficient performance of the Jamalco plant. This is pursued through the Executive Committee of the partnership, chaired by the Chairman of CAP; and the Operations Committee, chaired by the CEO of Jamalco. Both committees have equal representation from the joint venture partners.

CAP has a staff complement of five (5).

Profit & Loss Account US\$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
Gross Margin	29.68	36.84	41.16
Expenses			
Royalty	0.58	0.58	0.58
Commission	0.44	0.44	0.44
Administration	4.38	1.62	1.80
Other	-	-	-
	5.39	2.63	2.82
Operating Profit before financial costs and taxes	24.29	34.21	38.35
Finacial Costs			
Net foreign exchange (losses)/gains	-	-	-
Interest expense	18.97	17.57	19.09
	18.97	17.57	19.09
Profit/(Loss) before exceptional item and bauxite levy	5.32	16.64	19.26
Exceptional Item	-	(3.50)	-
Profit/(Loss) before Bauxite Levy	5.32	13.14	19.26
Bauxite levy	7.50	8.87	9.37
Deferred income tax	(0.72)	1.42	3.30
Net Profit/(Loss)	(1.46)	2.85	6.59

Balance Sheet
US\$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
NET ASSETS EMPLOYED			
Fixed Assets	182.73	186.09	238.30
Other non-current assets	36.23	23.84	12.35
Current Assets			
Inventories	19.74	21.41	22.91
Accounts Receivable	29.76	31.61	26.83
Cash and Deposits	10.39	8.51	10.93
	59.89	61.53	60.67
Current Liabilities			
Accounts Payable	19.01	19.48	20.54
Deferred income	9.54	-	-
Short term loans	35.72	30.68	28.58
	64.27	50.16	49.12
Net Current Assets	(4.38)	11.37	11.55
	214.58	221.30	262.20
FINANCED BY			
Shareholders' Equity			
Share Capital	18.00	18.06	18.08
Share Premium	49.52	55.76	57.32
Retained Earnings	1.33	4.18	10.77
	68.85	78.00	86.17
Long-Term Loans	145.73	143.30	176.03
Total Reserves & Liabilities	214.58	221.30	262.20

Jamaica Bauxite Institute

The Jamaica Bauxite Institute (JBI) was established by the Government in 1975, to deal mainly with the sovereign aspects of the Government's participation in the Bauxite/Alumina industry. The Institute's functions include the following:

- Monitor and study the aluminium industry and provide technical advice on, and personnel for, negotiation of various agreements;
- Undertake research and development activities on various problems relating to the processing of Jamaican bauxite;
- Assess and ensure rationalization in the use of Jamaica's bauxite reserves and bauxite lands; and
- Monitor and make recommendations to ensure adequate pollution controls and other environmental programmes in the industry.

In addition, the JBI has reorganized its laboratory to allow for analysis of a range of industrial and agricultural materials in addition to bauxite, its products and by-products.

The Institute also manages the Bauxite Community Development Programme (BCDP), which funds development projects aimed at generating income and employment in communities within the vicinity of bauxite and alumina operations. Both BCDP and JBI are funded from the Capital Development Fund (CDF).

JBI expects to retain a staff complement of fifty-six (56).

Income & Expenditure Account \$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
Income			
Capital Development Fund	54.00	61.30	61.00
Commercial Projects	13.63	20.00	13.62
Interest on Deposits	5.02	2.50	2.70
Bauxite Community Redev. Project Fees	1.50	1.00	1.00
Other	2.84	3.95	2.58
Total Income	76.99	88.75	80.90
Recurrent Expenses			
Compensation to Employees	56.36	62.99	59.80
Travel & Subsistence	3.38	3.46	3.76
Public Utilities	3.68	3.69	4.09
Purchase of Other Goods & Services	7.36	8.76	8.86
Special Expenditure Projects	0.60	0.31	0.55
Other	3.24	5.95	5.83
Total Expenses	74.62	85.16	82.89
Surplus/(Deficit)	2.37	3.59	(1.99)

Balance Sheet
\$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
Current Assets			
Cash and bank balances	48.39	10.78	11.78
Trade and other receivables	6.91	4.13	3.96
Prepayment	1.04	0.94	0.75
Owing by related company	0.17	6.84	6.84
Taxation recoverable	9.28	10.43	7.93
	65.79	33.12	31.26
Non-current Assets			
Property, plant and equipment	9.27	7.65	8.82
Long-term receivables	0.43	0.65	0.65
	9.70	8.30	9.47
Total Assets	75.49	41.42	40.73
Current Liabilities			
Trade and other payables	56.45	23.09	24.39
	56.45	23.09	24.39
Non-current Liabilities			
Projects funds	9.09	5.25	5.25
Deferred tax liability	0.46	-	-
	9.55	5.25	5.25
Capital and Reserves			
Share Capital (200)			
Capital reserve	5.82	5.82	5.82
Revaluation reserve	9.10	9.10	9.10
Capital grant from Capital Development Fund	7.86	7.86	7.86
Accumulated losses	(13.29)	(9.70)	(11.69)
	9.49	13.08	11.09
Total Liabilities and Equity	75.49	41.42	40.73

Jamaica Bauxite Mining Limited

Jamaica Bauxite Mining (JBM) was incorporated in February 1975. It holds equity on behalf of the Government of Jamaica in the operations of Windalco (7%) and St Ann Bauxite Limited (51%). The latter company acquired Kaiser Jamaica Company Limited in September 2004.

JBM monitors the operations of the companies in which it holds equity, to ensure that the product retains its competitive position on the world market and Government's return from its investments is maximized. JBM's non-bauxite activities include the operation of the Ocho Rios port and the maintenance of Lydford Estate in St Ann.

JBM expects to maintain a staff complement of one hundred and fifteen (115).

Profit & Loss Account \$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
Income			
Alumina Sales - Windalco	910.81	946.55	980.00
Use of Assets Fee -St Ann Bauxite Co.	121.20	123.40	123.40
Lydford Operations	129.47	143.51	135.83
Puerto Seco Operations	1.50	1.50	1.50
Other (including interest)	54.55	36.01	34.14
Total Income	1,217.53	1,250.97	1,274.87
Expenses			
Administrative Expenses:			
Salaries and Allowances	4.56	3.95	5.50
Other	7.76	1.80	4.41
Other Operating Expenses	0.10	-	-
Lydford Operations:			
Salaries & Allowances	55.17	42.30	41.66
Fuel & Power	42.49	50.83	51.30
Depreciation	7.62	8.45	8.60
Repairs & Maintenance	15.27	18.56	18.70
Other	21.68	30.45	33.05
Bauxite Trading:			
Cost of Sales - Alumina	738.34	869.33	1,003.74
Bauxite Levy, Royalty & Commission	124.05	85.29	89.20
Total Expenses	1,017.04	1,110.96	1,256.16
Operating Surplus/(Deficit)	200.49	140.01	18.71
Taxation	40.70	43.78	5.17
Net Profit	159.79	96.23	13.54

Balance Sheet
\$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
ASSETS			
<i>Current Assets</i>			
Investments and bank balances	221.27	368.32	448.29
Trade and other receivables	360.62	461.53	467.25
Inventories	59.70	144.70	191.97
Owing by related company	-	51.02	35.96
	641.59	1,025.57	1,143.47
<i>Non-current Assets</i>			
Property, plant and equipment	560.62	612.40	635.10
Long-Term receivables	3,958.38	3,896.37	3,689.00
Investment	1,045.60	1,062.72	1,069.86
	5,564.60	5,571.49	5,393.96
Total Assets	6,206.19	6,597.06	6,537.43
<i>Current Liabilities</i>			
Bank overdraft	1.18	-	-
Trade and other payables	194.18	413.80	564.44
Current portion of long-term loan	96.42	62.00	279.00
Owing to related company	118.50	235.04	235.04
Taxation	15.10	23.20	6.77
	425.38	734.04	1,085.25
<i>Non-current Liabilities</i>			
Long-Term loan	3,861.96	3,834.37	3,410.00
Deferred tax liability	76.16	75.96	75.96
	3,938.12	3,910.33	3,485.96
<i>Capital and Reserves</i>			
Share capital	10.00	10.00	10.00
Capital reserve	63.79	63.78	63.78
Revaluation reserve	56.71	56.71	56.71
Exchange equalisation reserve	1,017.55	1,031.33	1,031.32
Retained profits	694.64	790.87	804.41
	1,842.69	1,952.69	1,966.22
Total Liabilities and Equity	6,206.19	6,597.06	6,537.43

Factories Corporation of Jamaica Limited

Factories Corporation of Jamaica (FCJ) was incorporated as a wholly owned Company of the Government of Jamaica in 1987. The concept arose from the need to have all government owned garment manufacturing operations under the control of a single entity. FCJ manages and develops industrial estates and informatic space across the Island and currently owns/controls 179,317 square metres of factory space and in excess of 44.5 hectares of vacant land.

The completion and rental of a number of these facilities island-wide has given a boost to the FCJ's earning potential. During the year, occupancy level for the 179,317 square metre of rentable space is budgeted to increase to 95% from 82%.

FCJ expects to increase its staff complement from forty-two (42) to forty-three (43).

Profit & Loss Account \$m

	Unaudited 2003/04	Estimated 2004/05	Projected 2005/06
<i>Income:</i>			
Fixed Rent	166.80	173.44	200.89
Maintenance Charges	44.55	51.75	49.39
Miscellaneous Income	0.28	0.23	0.47
Investment Income	9.03	2.82	0.60
Profit (Loss) on Sale of Land	-	-	2.32
<i>Total Income</i>	220.66	228.24	253.67
<i>Expenses:</i>			
Administrative Expenses	53.72	63.00	65.66
Interest on Loans	78.58	66.80	51.75
Direct Expenses	79.07	90.66	114.08
Net Loss on Good Year Factory	16.44	17.19	14.84
<i>Total Expenses</i>	227.81	237.66	246.33
Net Profit/(Loss) Before Taxation	(7.15)	(9.42)	7.33
Corporation Tax			
Net Profit/(Loss)	(7.15)	(9.42)	7.33

Balance Sheet
\$m

	Unaudited 2003/04	Estimated 2004/05	Projected 2005/06
<i>Current Assets</i>			
Cash and Fixed Deposits	28.96	(2.69)	9.30
Accounts Receivable	49.49	98.93	62.97
Income Tax Recoverable	8.82	6.89	6.25
	87.26	103.13	78.53
<i>Current Liabilities</i>			
Accounts Payable and Accruals	105.82	87.81	66.95
Net Current Assets	(18.56)	15.32	11.57
Investment Properties	1,946.66	2,046.66	2,012.57
Long-Term Receivables	7.04	3.59	3.00
Fixed Assets	926.07	847.57	858.85
	2,879.77	2,897.82	2,874.42
Long-Term Liabilities	673.81	624.84	590.94
Long-Term Payables	3.00	113.31	112.73
Total Net Assets	2,184.40	2,174.99	2,182.32
<i>Shareholders' Equity</i>			
Share Capital	5.10	5.10	5.10
Share Premium	539.92	539.92	539.92
Capital Reserve	1,928.96	1,928.96	1,928.96
MITC Building Fund	-	-	-
Profit & Loss Account	(289.57)	(298.99)	(291.66)
	2,184.40	2,174.99	2,182.32

Kingston Free Zone Company Limited

The Kingston Free Zone Limited (KFZ) was established in February 1982 as a limited liability company and is owned 60% by Port Authority of Jamaica and 40% by the Government of Jamaica.

The Company was established to construct, manage and rent or lease office and factory spaces in the Kingston Free Zone Area, in order to promote export, generate foreign currency earnings, create new employment and facilitate the transfer of technology. Its main activity has been the management of office and factory space, which are either leased or rented.

The Company currently manages 400,000 square feet of factory space in the Zone and 50,000 square feet of office space in the Portmore Informatics Park. However, rentable space is set to decline by 120,000 square feet, as the Port Authority of Jamaica continues the demolition of factory buildings to accommodate the expansion of the transshipment port. This will impact negatively on the Company's earning capacity, but various measures will be employed in order to maintain profitability.

KFZ has a staff complement of fourteen (14).

Income & Expenditure Account \$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
<i>Income:</i>			
Building & Land Rental	82.88	82.56	56.69
Office Rental	16.38	23.34	29.43
Canteen Rental	0.65	0.66	0.08
Interest	4.14	3.30	3.00
Other	4.38	1.30	1.20
<i>Total Income</i>	<i>108.43</i>	<i>111.16</i>	<i>90.40</i>
<i>Expenditure:</i>			
Salaries and Staff Welfare	21.94	24.86	22.79
Administrative and General	43.93	35.24	37.50
Utilities	3.11	3.21	3.38
Promotion and Foreign Travel	0.10	0.25	0.25
Maintenance	6.64	7.65	7.70
Interest and Bank Charges	0.16	6.16	6.18
Depreciation & Amortisation	0.92	0.95	0.95
<i>Total Expenditure</i>	<i>76.80</i>	<i>78.32</i>	<i>78.75</i>
<i>Operating Surplus/(Deficit)</i>	<i>31.63</i>	<i>32.84</i>	<i>11.65</i>
Loss on Impairment of Fixed Assets	(104.50)	-	-
Gain/(Loss) on Revaluation of Fixed Assets	(121.22)	-	-
Income Taxes	74.27	-	-
<i>Net Surplus/(Deficit)</i>	<i>(119.82)</i>	<i>32.84</i>	<i>11.65</i>

Balance Sheet
\$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
<i>Non-Current Assets</i>			
Fixed Assets	5.01	4.06	3.11
Investment Property	209.78	209.78	209.78
	214.79	213.84	212.89
<i>Current Assets</i>			
Tax Recoverable	5.99	6.74	7.49
Related Company	-	(0.15)	-
Receivables & Prepayments	30.46	12.00	9.33
Bank & Cash	38.18	35.65	20.53
	74.63	54.24	37.35
<i>Total Assets</i>	289.42	268.08	250.24
<i>Equity and Liabilities</i>			
Shareholders' Equity	0.01	0.01	0.01
Share Premium	21.29	21.29	21.29
Capital Reserve	8.32	8.32	8.32
Accumulated Profit	56.52	89.36	101.01
	86.14	118.98	130.63
<i>Non-Current Liabilities</i>			
Deferred Tax	50.86	23.00	18.98
Shareholders' Loan	110.99	100.00	75.00
	161.85	123.00	93.98
<i>Current Liabilities</i>			
Bank Overdraft	4.61	-	-
Accounts Payable	29.13	26.10	25.63
Owing to Related Company	0.21	-	-
Current Portion of Shareholders' Loan	7.48	-	-
	41.43	26.10	25.63
	289.42	268.08	250.24

Micro Investment Development Agency Limited

In 1991 the Micro Investment Development Agency Limited (MIDA) was established to provide a focused approach to the development of the micro enterprise sector by providing or facilitating the critical inputs necessary for the growth and sustainability of the sector.

MIDA envisages continuing its current operation as a wholesaler of credit, with approximately 95% of its loan portfolio being on-lent to the Community Development Funds (CDFs). During 2005/06, the Agency plans to disburse \$100 million to finance approximately 1,020 micro businesses that should create approximately 1,040 full and part-time jobs.

MIDA's staff complement is expected to remain at eleven (11).

Income & Expenditure Account \$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
Finance Income:			
Loan Interest	37.64	35.22	35.21
Investment Interest	3.60	2.02	1.65
	41.24	37.24	36.86
Finance Costs:			
Interest and Finance Charges	0.20	1.64	1.71
GOJ's Share of Profit (25%)	4.90	0.59	0.02
	5.09	2.23	1.73
Net Finance Income	36.15	35.01	35.13
Miscellaneous Income	0.62	2.46	3.25
	36.77	37.47	38.38
Expenses:			
Salaries, Wages and Related Expenses	13.60	13.62	13.54
Utilities	0.87	1.01	1.22
Repairs & Maintenance	0.46	0.40	0.45
Office Rental	0.98	1.32	1.24
Transportation and Travelling	1.10	0.44	1.50
Depreciation	1.47	1.08	0.65
Advertising, Promotion and Entertainment	0.14	0.25	0.20
Directors' Fees	0.84	-	-
Professional, Trustee and Audit Fees	1.37	1.35	0.95
Bad Debt Provision	(2.70)	8.81	13.50
Other	3.95	7.39	5.07
Total	22.07	35.67	38.33
Net Surplus/(Deficit)	14.70	1.79	0.05
Principal Reflows	103.00	77.00	109.80
Disbursements	211.80	140.00	100.00

Balance Sheet
\$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
<i>Current Assets</i>			
Cash and Short-Term Deposits	4.78	2.55	11.91
Securities Purchased Under Resale Agreements	108.31	88.61	107.85
Other Receivables	43.47	38.21	44.25
	156.55	129.37	164.01
<i>Current Liabilities</i>			
Due to the Government of Jamaica	15.13	15.72	15.74
Other Payables	112.92	98.89	114.91
	128.05	114.61	130.65
Net Current Assets	28.51	14.76	33.36
Fixed Assets	4.88	3.94	3.29
Long-Term Receivables	291.69	330.22	297.40
<i>Portfolio Managed Funds (as per contra)</i>	173.26	170.02	173.20
	498.33	518.94	507.25
<i>Shareholders' Equity</i>			
Share Capital (\$1000)			
Grants	221.65	221.65	221.65
Retained Earnings	100.16	101.95	102.00
	321.81	323.60	323.65
Long-Term Liability	2.06	24.52	10.00
Deferred Income	1.20	0.80	0.40
<i>Portfolio Managed Funds (as per contra)</i>	173.26	170.02	173.20
	498.33	518.94	507.25

Montego Bay Free Zone Company Limited

The Montego Bay Free Zone (MBFZ) is a limited liability company incorporated in 1985 under the Companies Act and is owned jointly by Port Authority of Jamaica and the Government of Jamaica. Its principal objectives are the rental of offices and factory spaces located in the Montego Bay Export Free Zone Area. These spaces are leased from the Port Authority of Jamaica. It also acts as property manager for buildings owned by the Factories Corporation of Jamaica Limited.

The MBFZ has operated a vibrant Information Technology sector over the years while the manufacturing sector has continued to decline. The Company has however maintained its position of profitability, although at a reduced level. A profit of \$12.60 million is projected for 2005/06.

A staff complement of eleven (11) is projected throughout the year.

Income & Expenditure Account \$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
Income:			
Office Rental	91.81	99.42	115.07
Factory Rental	11.48	9.28	9.31
Fees from Factories Corporation of Jamaica	13.99	11.72	3.80
Land Lease	6.07	6.33	7.46
Canteen	-	0.31	0.74
Interest	6.90	5.51	5.00
Other	9.78	2.00	2.00
Total Income	140.03	134.57	143.38
Expenditure:			
Salaries and Staff Welfare	17.36	21.07	19.52
Administrative and General	44.26	28.42	30.67
Utilities	8.82	8.33	9.02
Promotion and Foreign Travel	0.99	0.46	1.13
Maintenance	16.36	18.71	22.08
Lease Payment	51.32	25.12	47.71
Depreciation	0.65	0.65	0.65
Total Expenditure	139.76	102.76	130.78
Operating Surplus	0.27	31.81	12.60

Balance Sheet
\$m

	Actual 2003/04	Estimated 2004/05	Projected 2005/06
Assets			
Fixed Assets	2.54	1.89	1.24
Current Assets			
Bank Balance	83.15	95.00	104.96
Accounts Receivable	4.06	4.00	3.75
	87.21	99.00	108.71
	89.75	100.89	109.95
Shareholders' Equity and Liabilities			
Issued Share Capital	0.00	0.00	0.00
Accumulated Profit	14.78	46.59	59.18
	14.78	46.59	59.18
Non-Current Liabilities			
Advances by Shareholders	35.63	10.11	2.50
Deferred Tax Liability	0.69	0.69	0.69
	36.32	10.80	3.19
Current Liabilities			
Tax Payable	2.71	7.50	6.54
Accounts Payable	15.36	14.00	15.04
Security Deposits	20.58	22.00	26.00
	38.65	43.50	47.58
	89.75	100.89	109.95

Self Start Fund

The Self Start Fund (SSF) is a company limited by guarantee. It is incorporated in Jamaica and was formed in October 1983 at the request of the Government of Jamaica.

The Company's main objectives are to promote and encourage entrepreneurship and employment opportunities in the private sector, particularly among graduates of approved Government training programmes, either individually or in groups.

The SSF is projecting improved collection levels to raise loan recovery rate to within 75–90 percent, reduce loan loss provision to below 20 percent and regain profitability and sustainability for the organisation.

A staff complement of nine (9) is projected for the year.

Profit and Loss Account \$m

	Unaudited 2003/04	Estimated 2004/05	Projected 2005/06
<i>Income</i>			
Interest on Loans	9.16	9.90	10.80
Interest on Deposits	2.14	1.67	1.84
Gain on Disposal of Fixed Assets	-	-	-
Bad Debt Recovery	0.57	1.32	1.08
Commitment Fees	1.51	3.38	3.00
Other	-	0.24	0.24
<i>Total Income</i>	13.38	16.51	16.96
<i>Expenses</i>			
Salaries & Wages	7.09	4.08	4.47
Other Staff Related Expenses	2.74	0.67	0.74
Direct Loan Expenses	0.84	1.38	0.79
Administrative Expenses	6.74	7.04	8.39
Interest on Loans & Bank Charges	0.88	1.02	1.12
Other	1.35	-	-
Depreciation & Provisions	6.85	2.05	1.16
<i>Total Expenses</i>	26.49	16.24	16.67
<i>Surplus/(Deficit) on Operations</i>	(13.11)	0.27	0.29
<i>Loan Programme:</i>			
Principal Reflows	22.66	23.88	29.25
Loan Disbursement	7.05	21.69	39.00

Balance Sheet
\$m

	Unaudited 2003/04	Estimated 2004/05	Projected 2005/06
<i>Fixed Assets</i>	10.74	11.00	11.00
<i>Investments</i>	0.13	0.70	0.72
<i>Long-term Receivables</i>	37.21	41.15	38.99
<i>Current Assets</i>			
Sundry Receivable and Prepayments	3.58	3.76	3.95
Bank Deposits	32.52	34.15	35.86
Bank	3.89	4.08	4.28
	39.99	41.99	44.09
<i>Current Liabilities</i>			
Accounts Payable	10.96	8.77	8.33
Current Portion of Long Term Loan	-	2.70	2.30
	10.96	11.47	10.63
Net Current Assets	29.03	30.52	33.46
Net Assets	77.11	83.37	84.17
<i>Financed by:</i>			
Long Term Loans	1.63	7.62	8.12
Grants	125.25	125.25	125.25
Retained Earnings	(49.77)	(49.50)	(49.20)
	77.11	83.37	84.17

Betting, Gaming and Lotteries Commission

The Betting, Gaming and Lotteries Commission (BGLC) was established in 1975 under the the Betting, Gaming and Lotteries Act. The Commission is mandated to regulate betting, gaming and the conduct of lottery activities in the Island and to increase the level of compliance with the rules and regulations through an enforcement unit.

The Commission has several strategic priorities for the financial year among which is the need to maximise its monitoring and regulatory capabilities. Accordingly, BGLC plans to construct a Technical Training Laboratory to facilitate training of staff in the technical aspects of monitoring gaming machines. The Commission also plans to improve operational efficiency by implementing recommendations from an organisational review conducted by PriceWaterhouseCoopers.

The staff complement is expected to increase by four (4) persons to sixty-two (62).

Income & Expenditure Account \$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
Income:			
Bookmakers Permits, Fees & Fines	8.29	3.18	3.46
Levy Scheme	17.52	9.28	9.00
Lottery Activities	138.99	130.38	135.32
Gaming Machines	8.11	7.97	12.01
Other	5.86	-	18.75
Total Income	178.77	150.81	178.54
Expenditure:			
Personal Emoluments	75.69	80.61	100.26
Travel and Subsistence	11.78	15.54	18.35
Supplies and Materials	2.29	1.19	3.32
Utilities and Insurances	3.95	4.43	5.55
Other Operating & Maintenance Services	22.84	23.39	38.48
Exceptional Item	71.90	34.03	29.70
Total Expenditure	188.45	159.19	195.66
Net Operating Income	(9.68)	(8.38)	(17.12)
Interest Earned	42.58	41.83	18.14
Total Net Income Before Tax	32.90	33.45	1.02
Taxation	1.07	11.15	-
Total Net Income After Tax	31.83	22.30	1.02

Balance Sheet
\$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
<i>Current Assets</i>			
Cash/Investments	149.41	157.53	52.76
Accounts Receivable	21.32	10.61	11.66
Taxes Recoverable	9.21	14.45	21.55
Other	-	1.85	5.85
	179.94	184.44	91.82
<i>Current Liabilities</i>			
Accounts Payable	34.55	15.82	18.16
Other	2.49	15.29	15.29
	37.04	31.11	33.45
Net Current Assets	142.90	153.33	58.37
Long-Term Receivables & Investments	71.37	87.96	85.46
Fixed Assets	35.30	36.93	134.12
Other Long-term Assets	6.64	6.64	6.64
Deferred Revenue	-	(6.35)	(5.06)
Total Net Assets	256.21	278.51	279.53
<i>Financed by:</i>			
Reserve for Capital Development	9.25	9.25	9.25
Reserve for Contingencies	182.70	182.70	182.70
Surplus/(Deficit)	64.26	86.56	87.58
	256.21	278.51	279.53

Caymanas Track Limited

Caymanas Track Limited (CTL) was incorporated on May 13, 1987 and is wholly owned by the Government of Jamaica through the Accountant General and the Commissioner of Lands. The Company's major activities are the promotion of local horse racing at Caymanas Park under licence, as well as simulcast horse racing. The Racing Pools was suspended in June 2003.

Efforts are being made to privatise the Company. Nevertheless, CTL will continue to offer improved services on its operations.

CTL has a staff complement of four hundred and sixty-nine (469).

Profit & Loss Account \$m

	Unaudited 2003/04	Estimated 2004/05	Budgeted 2005/06
Revenue			
Track Pari-mutuel	536.40	558.49	547.73
Off-Track Pari-mutuel	1,041.33	1,051.72	1,051.27
Simulcast	1,267.98	1,317.02	1,349.58
Racing Pools	2.28	-	-
Total Turnover	2,847.99	2,927.23	2,948.58
Purse Contribution	53.42	-	-
Investment Income	1.75	2.68	0.74
Contracted Sponsors' - Income	11.60	11.44	10.46
Other Income	56.94	28.86	35.17
Total Revenue	2,971.70	2,970.21	2,994.95
Expenses			
Dividends:			
Pari-mutuel	1,061.63	1,093.66	1,086.04
Simulcast	883.86	894.52	916.63
Racing Pools	1.14	-	-
Total Dividends	1,946.63	1,988.18	2,002.67
Direct Betting Expenses (purses, duty & commissions)	535.94	553.48	553.85
Race Day Expenses	115.86	97.93	93.35
	2,598.43	2,639.59	2,649.87
Overhead Expenses	279.90	285.32	300.05
Finance Charges	17.58	4.89	3.84
Jockeys' Health and Life Insurance Contributions	3.00	4.57	4.35
Depreciation	40.91	27.41	24.00
Bad Debt	6.34	0.15	1.00
Deferred Expenditure Written Off	5.18	5.18	5.18
Other	7.37	-	-
	360.28	327.52	338.42
Total Expenses	2,958.71	2,967.11	2,988.29
Profit/(Loss) Before Exceptional Item	12.99	3.10	6.66
Exceptional Item	(8.31)	-	-
Profit/(Loss) Before Taxation	4.68	3.10	6.66
Profit/(Loss)	4.68	3.10	6.66

Balance Sheet
\$m

	Unaudited 2003/04	Estimated 2004/05	Projected 2005/06
Net Assets Employed			
Fixed Assets			
At Cost Less Depreciation to Date	279.09	260.26	236.26
Deferred Expenses	23.17	18.12	12.94
	302.26	278.38	249.20
Current Assets			
Inventories	20.91	27.09	24.38
Trade Receivables	51.63	36.59	29.49
Cash & Short-Term Deposits	19.33	15.03	15.03
Other	(10.53)	17.71	17.70
	81.34	96.42	86.60
Current Liabilities			
Trade Payables	216.73	221.01	198.46
Deferred Income	14.55	0.22	0.22
Bank Overdraft	10.50	27.57	32.74
	241.78	248.80	231.42
Net Current Assets/(Liabilities)	(160.44)	(152.38)	(144.82)
Long Term Liabilities	28.66	9.74	9.38
Net Assets/(Liabilities)	113.16	116.26	95.00
Financed by:			
Share Capital	18.00	18.00	18.00
Capital Reserves	2.36	2.36	2.36
Revenue Reserves:			
Accumulated Profit	88.12	92.80	67.98
Net Surplus/(Deficit)	4.68	3.10	6.66
	113.16	116.26	95.00

Culture, Health, Arts, Sports, and Education Fund

The Culture, Health, Arts, Sports and Education (C.H.A.S.E.) Fund, a company limited by guarantee, was incorporated on November 22, 2002 and began operations in January 2003. It administers the proceeds from the lottery companies as set out in Betting Gaming and Lotteries Act (2002).

The Act stipulates the allocation to the various areas as follows:

- (a) Sports – 40%
- (b) Education – 25%
- (c) Health – 20%
- (d) Arts & Culture – 15%

The Sports Development Foundation manages the allocation for sports and CHASE's Board of Directors processes applications for funding under the other major programmes.

The Fund's staff complement now stands at nine (9) and is expected to increase by two (2) during the 2005/06 financial year.

Income and Expenditure Account \$m

	Audited * 2003/04	Estimated 2004/05	Projected 2005/06
Contributions			
Arts and culture fund	116.75	93.06	94.50
Health fund	155.67	124.08	126.00
Sports development fund	311.33	248.17	252.00
Early childhood education fund	194.58	155.16	157.50
	778.33	620.47	630.00
Investment Income	60.95	60.00	70.97
Total Income/Contributions	839.28	680.47	700.97
Project Expenses			
Arts and culture fund	36.07	72.82	130.00
Health fund	43.83	96.03	155.00
Sports development fund	225.80	226.71	201.60
Early childhood education fund	6.90	108.08	230.00
	312.60	503.64	716.60
Administration Fund Expenses			
Staff Cost	13.20	14.50	30.73
Travel & Entertainment	0.08	1.68	2.40
Professional Fees	2.56	4.95	4.50
Project Expenses	7.10	9.68	11.00
Advertising & Public Relations	1.36	3.62	7.95
Auditors' Remuneration	0.35	0.54	0.70
Directors Reimbursements	1.45	1.22	1.50
Depreciation	0.94	1.58	1.50
Other Operating expenses	3.94	8.00	10.42
<i>Total Administrative expenses</i>	30.98	45.77	70.70
Total Expenses	343.58	549.41	787.30
<i>Net Surplus/(Deficit) on Administration</i>	29.97	14.23	0.27
Net Increase/(Decrease) in Fund	495.70	131.06	(86.33)

Balance Sheet
\$m

	Audited * 2003/04	Estimated 2004/05	Projected 2005/06
Net Fixed Assets	4.69	7.35	8.20
Current Assets			
Accounts Receivable	47.53	50.00	50.00
Prepayments	-	0.20	0.25
Investments	444.38	570.00	482.82
Cash at Bank	1.26	2.00	2.00
Imprest	-	0.01	0.01
	493.17	622.21	535.08
Current Liabilities			
Accounts Payable	2.17	2.80	4.90
	2.17	2.80	4.90
Net Current Assets	491.00	619.41	530.18
Total Assets	495.69	626.76	538.38
Liabilities and Reserves			
Liabilities			
Sports Development Foundation	85.53	106.99	90.71
Early Childhood Education	187.68	234.76	199.04
Health	111.84	139.90	118.61
Arts and Culture	80.68	100.92	85.56
	465.73	582.56	493.91
Administration Fund	29.97	44.20	44.47
	495.69	626.76	538.38

* For first fifteen months of operations

Development Bank of Jamaica Limited

On April 1, 2000 a merger of the Agricultural Credit Bank of Jamaica Limited and the National Development Bank of Jamaica Limited, resulted in the creation of the Development Bank of Jamaica Limited (DBJ).

The Bank will continue to provide affordable loan financing to facilitate development in viable enterprises in the agriculture, agro-industrial, services, manufacturing and tourism sectors of the economy. In fulfilling its overall objectives of stimulating economic growth and facilitating development, the DBJ provides medium and long-term funding at attractive interest rates, in a timely and efficient manner.

The DBJ forecasts local loan disbursements of \$1,487.7 million and foreign currency disbursements of \$5 million. These are provided principally through the Bank's network of Approved Financial Institutions, which include commercial and merchant banks, Peoples Co-operative Banks and credit unions.

The Bank has a staff complement of seventy-six (76).

Income & Expenditure Account

\$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
Income			
Regular Programmes	959.61	819.58	827.44
GOJ Programme of Support	2,361.49	1,542.59	1,100.00
Less: Interest Payable	2,495.96	1,760.00	1,310.00
Gross Income	825.14	602.17	617.44
Expenditure:			
Staff Costs	118.55	138.24	140.17
Motor Vehicle, Travelling and Subsistence	11.95	15.87	16.98
Utilities	11.60	17.20	18.34
Motor Vehicle Expenses	12.09	16.80	17.98
Advertising & Publications	9.83	15.84	18.00
Insurance	8.33	9.02	11.00
Security	6.19	7.60	8.13
Repairs and Maintenance	14.38	14.59	17.70
Professional Fees/Legal Consultations	14.79	16.52	16.55
Audit Fees	2.50	2.75	2.95
Donations	9.42	14.09	15.08
Bad Debt Provision	157.66	30.00	30.00
Special Projects	17.77	30.00	20.00
Assistance to National Events	5.90	10.00	10.00
Depreciation	20.99	27.00	31.00
Other Costs	17.86	26.65	30.25
Total	439.81	392.17	404.13
Net Profit/(Loss)	385.33	210.00	213.31
Loan Disbursements (J\$m)	1,946.50	1,332.40	1,487.70
Loan Disbursements (US\$m)	10.60	10.00	5.00

Balance Sheet
\$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
ASSETS			
Fixed Assets	336.72	397.85	435.61
Loans to Approved Financial Institutions	4,980.78	5,881.76	6,684.79
Loans to P.C. Banks (Net)	758.62	883.85	993.85
Direct Lending	958.20	800.50	524.20
GOJ Infrastructural Programmes	9,997.99	8,290.21	6,444.21
Government Programmes	1,698.67	1,359.56	1,023.06
Loans to Other Institutions	24.92	52.70	40.00
Investments	61.85	41.10	43.27
Securities Purchased under resale agreements	45.44	35.00	50.00
KBC Retention	758.67	760.00	760.00
Retirement Benefit Asset	69.17	69.17	80.00
Due from GOJ	3,583.36	3,085.61	2,933.37
Accounts Receivable	964.88	1,000.00	800.00
Fixed Deposits	16.84	18.20	25.00
Income Tax Recoverable	50.75	53.12	0.00
Cash/Bank	215.88	59.90	135.00
Total Assets	24,522.74	22,788.53	20,972.36
LIABILITIES AND SHAREHOLDER EQUITY			
<i>Liabilities</i>			
Accounts Payable	1,575.95	955.00	755.00
Grants	10.06	9.56	9.06
Current Portion of Long-Term Loan	1,826.95	1,004.95	970.32
Short-Term Liabilities	1,067.49	444.12	624.82
KBC N. V Retention	758.66	760.00	760.00
Long-Term Loans	14,192.36	14,308.99	12,473.28
	19,431.47	17,482.62	15,592.48
<i>Shareholders equity</i>			
Issued Share Capital	30.00	30.00	30.00
Share Premium	98.86	98.86	98.86
Accumulated Surplus/(Deficit)	757.85	739.58	740.03
Revenue Reserve	2,303.73	2,490.87	2,509.74
Special Reserve	44.73	37.38	37.38
General Reserve Equalisation Fund	889.14	942.27	984.93
S.S.F.D.P.	15.94	15.94	15.94
GOJ - Grant CIDA	83.18	83.18	83.18
Fair Value Reserves	188.02	188.02	200.00
Funds for Capital	679.82	679.81	679.82
	5,091.27	5,305.91	5,379.88
	24,522.74	22,788.53	20,972.36

Financial Services Commission

The Financial Services Commission (FSC) is a statutory non-profit organization established under the Financial Services Commission Act 2001. The Commission's functions, responsibilities and powers are "for the purpose of protecting customers of financial services".

The Entity has supervisory responsibility for the unit trusts under the Unit Trusts (Amendment) Act, 2001 and for insurance companies under the Insurance Act 2001. With the passing of the Pensions Act 2005, FSC will assume monitoring of Pension Funds, from which income of \$41.28 million is anticipated.

FSC's staff complement is expected to move from eighty six (86) to one hundred and twenty two (122) employees at March 31, 2006.

Income and Expenditure Account \$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
Revenue			
Securities Fees	73.45	71.00	74.39
Insurance Fees	142.92	163.55	164.60
Pension Fees	-	-	41.28
Interest Income	9.52	5.78	6.16
Gain on Disposal of Fixed Assets	0.03	0.15	0.20
	225.91	240.48	286.63
Expenses			
Salaries, Wages & Related Expenses	136.67	166.95	265.60
Travel & Subsistence	0.15	0.07	0.23
Property Maintenance	7.49	4.42	5.26
Public Utilities & Internet	4.99	8.05	9.69
Other Operating Expenses	59.79	50.56	78.04
Total Expenses	209.08	230.05	358.81
Grants	23.03	-	-
Transfers from Reserves	2.38	-	-
Net Surplus/ (Deficit)	42.24	10.43	(72.18)

Balance Sheet
\$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
<i>Current Assets</i>			
Cash	14.65	20.26	32.26
Resale Agreements	66.00	75.00	70.33
Accounts Receivable	44.75	39.17	35.64
Taxation Recoverable	4.22	5.97	6.88
	129.63	140.40	145.12
<i>Current Liabilities</i>			
Accounts Payable	13.24	11.66	14.74
Deferred Fees	24.43	24.43	117.60
	37.67	36.09	132.34
Net Current Assets/(Liabilities)	91.96	104.32	12.79
<i>Fixed Assets</i>	25.99	24.06	43.41
Total Net Assets	117.95	128.38	56.20
<i>Financed by:</i>			
Reserves	117.95	128.38	56.20

Jamaica Deposit Insurance Corporation

The Jamaica Deposit Insurance Corporation (JDIC) was established under the Deposit Insurance Act 1998 and began operating on August 31 of the same year. The Entity is mandated to provide insurance against the loss of depositors' funds up to a maximum of \$300,000 per depositor/per institution. This is in addition to the implementation of measures to minimize its exposure to loss, and contribute to the stability and confidence in Jamaica's financial system.

The Corporation will continue to increase its efficiency in terms of strengthening its analytical capabilities, deploying newer and more appropriate technologies and simulating failure exercises in preparation for payouts if the need arise. The Corporation also expects to continue its advertising and promotional activities aimed at increasing public awareness of deposit insurance.

The staff complement is expected to increase to twenty-four (24) from twenty-two (22).

Income & Expenditure Account \$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
Income:			
Insurance Premiums	302.25	339.65	386.86
Interest	229.46	282.92	339.26
Other	2.29	0.29	-
Total Income	534.00	622.86	726.12
Expenditure:			
Salaries, Statutory Deductions and Staff Welfare	46.49	55.52	63.52
Information Technology Services & Training	-	0.48	1.93
Training	-	1.17	4.02
Directors' Fees & Meeting Costs	0.20	0.41	0.84
Audit & Accounting Fees - JDIC	0.43	0.39	0.45
Legal & Professional Fees - incl. CDIC	11.40	2.73	25.62
Utilities, Post & Bearer Services	2.44	2.51	3.52
Foreign Travel	1.48	2.01	3.22
Local Travel & M/V Expenses	0.28	0.21	0.27
Payout Simulation	-	-	2.65
Advertising, Promotion & Entertainment	9.75	11.61	16.42
Entertainment	0.09	0.21	0.21
Repairs & Maintenance	1.02	0.67	0.70
Insurance	1.00	1.39	1.80
Printing, Stationery & Office Expenses	1.65	2.26	3.03
Depreciation	3.54	3.65	5.75
Security	-	2.14	2.65
Other Expenses	0.07	0.67	1.20
Premium Refund	0.57	-	-
Total Expenditure	80.41	88.03	137.80
Operating Surplus/(Deficit)	453.59	534.83	588.32

Balance Sheet
\$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
ASSETS			
Cash at Bank	2.42	3.01	1.76
Investment in Securities	1,291.91	1,863.61	2,450.17
Accounts Receivable	98.33	92.94	122.30
Property, Plant and Equipment	55.79	52.96	60.29
	1,448.45	2,012.52	2,634.52
LIABILITIES AND SHAREHOLDERS' EQUITY			
Liabilities			
Unearned Premium Income	187.34	213.24	243.09
Accounts Payable	13.24	16.58	20.41
	200.58	229.82	263.50
Shareholders' Equity			
Share Capital	1.00	1.00	1.00
Deposit Insurance Fund	1,246.87	1,781.70	2,370.02
	1,247.87	1,782.70	2,371.02
	1,448.45	2,012.52	2,634.52

Jamaica Racing Commission

The Jamaica Racing Commission (JRC) was established on December 29, 1972 under the JRC Act (1972). Its mandate is to regulate the horseracing industry in Jamaica, ensuring its strength and credibility, thereby protecting the interest of the racing public.

The Entity forecasts capital expenditure of over \$3.0 million to rewrite its core system software, which is expected to result in greater efficiencies in its operations.

The staff complement is expected to increase from thirty-six (36) permanent employees to thirty-seven (37).

Income & Expenditure Account \$m

	Unaudited 2003/04	Estimated 2004/05	Projected 2005/06
Income:			
Bookmakers Levy	46.15	43.05	46.21
Race Day Fees	0.87	0.78	0.82
Track Licence	0.10	0.10	0.10
Recurrent Income	7.85	6.25	4.88
Other	20.31	46.36	0.37
Gross Income	75.28	96.54	52.38
Expenses:			
Personal Emoluments	41.85	46.22	46.95
Travel and Subsistence	5.41	5.29	6.90
Utilities and Insurance	4.04	4.31	4.88
Depreciation	1.53	1.93	1.93
Other Operating Expenses	15.23	12.75	16.99
Equine Sample Collection	11.27	12.16	17.85
Total Expenditure	79.33	82.66	95.50
Net Operating Income	(4.05)	13.88	(43.12)
Net Surplus/(Deficit) on Insurance Scheme	(1.25)	(1.63)	(2.00)
Net Surplus/(Deficit) on Lasix Scheme (before interest)	(1.03)	(0.27)	(0.92)
Interest expense on Lasix Scheme	(2.50)	(2.50)	(0.92)
Net Surplus/(Deficit)	(8.83)	9.48	(46.96)

Balance Sheet
\$m

	Unaudited 2003/04	Estimated 2004/05	Projected 2005/06
<i>Current Assets</i>			
Cash and Cash equivalent	5.58	1.92	2.54
Short term Investments	51.99	85.09	148.53
Accounts Receivable	17.84	7.67	9.98
	75.41	94.68	161.05
<i>Current Liabilities</i>			
Accounts Payable	77.49	84.38	149.74
Bank Overdraft	-	4.16	59.12
	77.49	88.54	208.86
Net Current Assets/(Liabilities)	(2.08)	6.14	(47.81)
Long-Term Receivables	2.32	3.38	3.20
Fixed Assets	24.67	25.04	29.57
	24.91	34.56	(15.04)
Long-Term Loan	20.00	20.00	17.06
Net Assets/(Liabilities)	4.91	14.56	(32.10)
<i>Financed by:</i>			
Surplus/(Deficit)	3.39	12.87	(34.09)
Reserve	1.52	1.69	1.99
Total Equity	4.91	14.56	(32.10)

National Export-Import Bank of Jamaica Limited

The Ex-Im Bank was incorporated as a limited liability company on February 26, 1986 and commenced operations on May 1, of the same year. The Bank provides vital financial and other support services to the productive sectors and focuses primarily on the non-traditional export sectors and other growth industries that exhibit the potential for export expansion, growth and foreign exchange earnings.

The Bank continues to implement financing initiatives aimed at rehabilitating and modernizing the operations of the export sector to meet the competitive challenges of trade liberalisation, globalization and the national economic environment. Growth areas targeted include the tourism, bauxite and information technology sectors.

The Bank's staff complement for the year is expected to be fifty-eight (58).

Profit & Loss Account \$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
Revenue:			
Interest and Charges on Lines of Credit/Facilities	93.63	83.15	135.91
Interest on Notes Discounted	65.21	64.93	54.15
Interest on Government Securities	66.79	78.06	83.78
Interest on Deposits	2.46	-	-
Other Income	115.17	34.37	38.79
Total Revenue	343.26	260.51	312.63
Expenses			
Interest & Charges on Loans/Lines of Credit	66.85	64.54	75.47
Administrative Expenses	157.77	151.59	178.92
Other Expenses	(1.92)	2.59	2.00
Total Expenses	222.70	218.72	256.39
Profit before Taxation	120.56	41.79	56.24
Taxation	23.61	-	18.75
Profit for the Year	96.95	41.79	37.49
Foreign Currency Utilization (US\$M)	11.60	8.13	16.93
Local Currency Utilization (J\$M)	2,000.00	1,836.87	2,137.00

Balance Sheet
\$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
ASSETS			
Cash and Short-Term Deposits	294.66	763.28	659.61
Accounts Receivable & Prepayments	610.04	364.84	392.89
Notes Discounted	770.67	728.22	628.25
Medium-Term MFE Receivables	263.71	227.25	473.78
Investments	499.48	135.56	135.56
Customers Liability under Letters of Credit	245.23	76.50	78.60
Long Term Receivables	6.41	-	-
Pension Assets	75.60	75.60	75.60
Property, Plant and Equipment	59.08	60.28	56.55
	2,824.88	2,431.53	2,500.84
LIABILITIES AND SHAREHOLDERS' EQUITY			
<i>Liabilities</i>			
Accounts Payable	14.71	6.98	6.98
Income Tax Payable	7.46	19.69	11.76
Due to Bank of Jamaica	144.29	31.69	25.65
Short-Term Loans and Lines of Credit	363.90	348.07	320.13
Deferred Tax Liability	25.91		
Letters of Credit	245.23	498.33	474.60
Long-Term Liability	624.62	107.82	172.73
Post Retirement Benefit Obligation	22.65	22.65	22.65
	1,448.77	1,035.23	1,034.50
Insurance Funds	8.27	8.88	8.88
<i>Shareholders' equity</i>			
Share Capital	257.74	257.74	257.74
Capital Reserve	195.84	195.84	195.84
Reserve Fund	93.14	93.14	93.14
Investment Revaluation Reserve	77.85	55.64	55.64
Revenue Reserve	743.27	785.06	822.55
	1,367.84	1,387.42	1,424.91
	2,824.88	2,431.53	2,468.29

Public Accountancy Board

The Public Accountancy Board (PAB) was established to carry out the functions of the Public Accountancy Act (PAA) of July 6, 1970. The Board is required to promote, in the public interest, acceptable standards of professional conduct among registered public accountants (RPAs) in Jamaica, and to perform other functions assigned to the Board in accordance with the provisions of the Act.

The Act was amended in February 2004 to strengthen the Board's role in promoting higher standards of public accountancy, and to improve monitoring of the practice and professional conduct of RPAs. With the amendment, the Board will also enhance its collaboration with the Institute of Chartered Accountants of Jamaica (ICAJ) in carrying out its mandate.

The Board funds its operations primarily from fees collected from RPAs. There are no full- time employees.

Income & Expenditure Account \$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
Income			
Fees:			
Practising Certificates	0.76	2.67	2.94
Registrations and Applications	0.00	0.01	0.01
Interest	0.03	0.02	0.02
Total Income	0.79	2.70	2.97
Expenses			
Auditor's Remuneration	0.08	0.09	0.10
Administrative and other Expenses	0.64	2.51	2.77
Depreciation	0.03	-	-
Total Expenses	0.76	2.60	2.87
Net Income	0.03	0.10	0.10

Balance Sheet
\$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
Assets			
Non-current assets			
Property, Plant & Equipment	-	-	-
Current Assets			
Accounts Receivable	0.26	0.22	0.22
Cash & Cash Equivalents	0.48	0.61	0.70
Total Assets	0.73	0.83	0.92
Reserves and Liabilities			
Reserves			
Accumulated Fund	0.64	0.74	0.84
Current Liabilities			
Payables and Accruals	0.10	0.09	0.08
Total Reserves & Liabilities	0.73	0.83	0.92

Students' Loan Bureau

The Students' Loan Bureau (SLB) was incorporated under the Students' Loan Fund Act (1971) to administer the Students' Loan Fund. Since August 2, 1996, the SLB entered into a Project Agreement with the International Bank for Reconstruction and Development (World Bank), whereby the Government of Jamaica transferred loan proceeds to the Bureau, on a grant basis. The grant was used to operate a revolving students' loan financial assistance scheme (the new student loan scheme), for eligible Jamaican nationals attending tertiary institutions approved by the Ministry of Education.

Prior to April 1, 2000 loans were made through Approved Financial Institutions (AFI's). However, the Bureau now has control over all aspects of the administration of the Students' Loan Scheme including managing the loan portfolios previously held by AFI's.

The SLB plans to reduce the processing time for loan applications from an average of 25 to 15 days. It also has plans to acquire land to construct a new office building.

The Bureau has a staff complement of fifty-eight (58).

Profit & Loss Account \$m

	Unaudited 2003/04	Estimated 2004/05	Projected 2005/06
Revenue			
Application Forms and Processing Fees	18.09	19.65	20.50
Interest on Bank Deposits & Staff Loan	3.19	1.90	1.65
Loan Interest	296.67	264.39	324.55
Interest on Investment	331.80	195.00	182.00
Miscellaneous Income	3.48	2.90	2.40
Transferred from Deferred Income	26.00	65.44	70.26
Total Income	679.23	549.28	601.36
Expenditure:			
Salaries & wages	50.08	55.27	66.73
Other Staff Costs	4.71	6.29	6.95
Utilities	8.91	10.32	11.90
Repairs and Maintenance	1.62	1.83	1.84
Rental (Buildings)	7.79	8.80	9.60
Rental (Equipment)	0.05	0.06	0.07
Depreciation	12.44	12.79	17.04
Administrative Expenses	19.71	11.52	7.67
Grant-In-Aid	64.12	80.00	75.00
Total Expenses	169.43	186.88	196.80
Surplus/(Deficit) before Taxation	509.80	362.40	404.56
Taxes (other than Income Tax)	2.88	3.65	4.27
Net Surplus/(Deficit)	506.92	358.75	400.29

Balance Sheet
\$m

	Unaudited 2003/04	Estimated 2004/05	Projected 2005/06
Fixed Assets	51.01	48.22	51.17
Students' Loan Advances & Accrual	2,340.94	2,664.41	3,023.04
Due from Govt. Of Jamaica	177.80	177.80	177.80
	2,569.75	2,890.43	3,252.01
Current Assets			
Other Receivables	219.66	232.46	237.50
Investments	1,193.74	1,194.00	1,188.55
Cash and Bank	18.18	2.46	2.46
	1,431.58	1,428.92	1,428.51
Total Assets	4,001.33	4,319.35	4,680.52
Current Liabilities			
Accounts Payable	59.00	59.00	59.00
Net Assets	3,942.33	4,260.35	4,621.52
Financed by:			
Loan Advances	199.20	199.20	199.20
Insurance Fund	131.51	156.22	187.36
Deferred Income	135.70	70.26	-
Government Grants	1,284.00	1,284.00	1,284.00
Accumulated Surplus	2,191.92	2,550.67	2,950.96
	3,942.33	4,260.35	4,621.52

Health Corporation of Jamaica Limited

Health Corporation Limited (HCL) was incorporated in June 1994 as a fully owned government company, to procure, store and distribute pharmaceuticals and medical supplies for government hospitals and health departments. The entity also has the responsibility to operate drug windows on a commercial basis by providing competitively priced pharmaceuticals to the Jamaican public. These activities are undertaken through its network of Drug Serve Pharmacies.

The Corporation plans to implement new areas of entrepreneurial endeavours to foster continued growth and viability.

HCL has a staff complement of one hundred and thirty (130).

Profit & Loss Account \$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
Revenue:			
Sales of Drugs:			
Hospitals & Health Departments	525.99	446.72	510.00
Other Government Departments	41.62	37.81	38.40
Drug Serv Programme	58.16	57.84	62.40
JADEP	36.80	28.63	36.00
Drug Serv Retail	225.00	246.74	292.46
Consumer Goods	0.39	-	1.93
Other	5.71	6.20	4.89
Total Sales	893.66	823.94	946.08
Less Cost of Sales	700.08	635.85	727.06
Operating Margin	193.58	188.09	219.02
Other Income			
Tender Documents	0.13	0.22	-
Income- Incinerator	-	-	52.80
Interest on Deposit & Bank A/c	2.22	2.80	2.87
Gain on Sale of Fixed Assets	0.64	0.29	-
Management Fees	1.55	1.60	1.88
Professional Fees	4.07	4.70	6.94
Miscellaneous Income	0.32	0.06	1.76
Rental	-	-	-
Realized Foreign Exchange Gain	(4.47)	46.18	-
Total Income (Net of Cost of Sales)	198.04	243.93	285.26
Operating Expenses			
Compensation to Employees	125.21	131.13	133.34
Other Operating Expenses	67.37	76.92	95.92
Total Operating Expenses	192.58	208.05	229.26
Profit Before Taxation	5.46	35.88	56.00
Taxation	1.95	11.96	18.67
Net Profit/(Loss)	3.51	23.92	37.33

Balance Sheet
\$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
ASSETS			
Non-current assets			
Property, plant & equipment	53.39	37.02	64.70
Incinerator	-	37.85	36.34
Investments	1.68	1.52	-
Deferred Tax Asset	3.93	-	-
	59.00	76.39	101.04
Current Assets			
Inventories	160.22	146.88	133.41
Trade Accounts Receivable	508.75	355.87	371.05
Other Receivables	226.32	49.62	53.90
Bank	19.29	38.41	38.95
	914.58	590.78	597.30
TOTAL ASSETS	973.58	667.17	698.34
EQUITY AND LIABILITIES			
Capital and reserves			
Share Capital	0.00	0.00	0.00
Share Premium	1.64	1.64	1.64
Retained Earnings	156.92	180.84	218.17
Shareholders' Contributions	66.65	66.65	66.65
NHF Grant	-	12.60	11.97
	225.21	261.73	298.43
Non-current liability			
Long-Term Loans	39.16	44.11	27.43
Current Liabilities			
Trade Accounts Payable	343.54	297.37	343.37
Exim Payable	123.52	55.98	-
Other Payables	242.15	7.98	29.11
	709.21	361.33	372.48
TOTAL EQUITY AND LIABILITIES	973.58	667.17	698.34

National Health Fund

The National Health Fund Act 2003 established the National Health Fund (NHF) as a statutory organization, entrusted with the mandate to reduce the burden of health care in Jamaica. The Fund started operations on April 28, 2003.

The NHF will achieve its mandate by the provision of Individual and Institutional Benefits.

- **Individual benefits** - designed to assist Jamaican residents in meeting the cost of prescribed medication for specific illnesses. These benefits are provided through two programmes – NHF and Jamaica Drugs for the Elderly Programme (JADEP)
- **Institutional benefits** - include upgrading of public pharmacies, purchasing of equipment for hospitals, research and support for a Healthy Lifestyle Programme administered by the Ministry of Health.

NHF is expecting to maintain its staff complement of thirty-three (33).

Income and Expenditure Account \$m

	Unaudited 2003/04	Estimated 2004/05	Projected 2005/06
Income:			
23% Excise	925.18	1,047.83	1,049.90
5% of Special Consumption Tax	606.40	603.09	594.70
Payroll Tax - National Insurance Scheme	306.93	800.45	847.00
Investments	16.22	313.90	449.34
Total	1,854.73	2,765.27	2,940.94
Transfer to Trust Fund	-	256.24	996.64
	1,854.73	2,509.03	1,944.30
Expenditure:			
Individual Benefits	3.67	18.02	64.86
Transaction Processing Cost	0.07	7.46	11.90
JADEP Drug Benefit	1.64	27.38	47.70
Institutional Benefits	20.29	1,672.20	1,147.36
Individual Benefits Enrolment & Distribution	4.33	10.41	2.45
Health and Customer Survey	-	0.58	20.00
Salaries & Related Costs	47.75	68.67	74.04
Staff Training & Welfare	3.10	2.82	12.40
Public Awareness Costs	24.20	44.36	61.65
Board Expenses	0.22	2.51	4.83
Financial Audit Expenses	0.60	0.60	0.72
Audit Expenses - Providers	0.21	0.41	1.04
Project Monitoring & Evaluation	-	-	4.19
Information Risk Management & Internal Audit	-	-	1.90
Insurance	0.15	0.83	0.67
Legal Fees	3.53	0.60	1.50
Depreciation	8.11	12.95	13.31
Rental - Property	3.54	4.73	5.51
Quality Management	-	1.12	0.90
Motor Vehicle	0.15	0.55	0.42
Software Maintenance	-	-	1.27
Repairs and Maintenance	0.79	0.66	1.08
Communication Expenses	1.19	2.66	3.37
Stationery and Office Supplies	3.28	1.67	1.36
Bank Charges	15.47	6.19	0.23
Other	8.50	-	-
Total	150.79	1,887.38	1,484.66
Surplus/(Deficit) for the Year	1,703.94	621.65	459.64

Balance Sheet
\$m

	Unaudited 2003/04	Estimated 2004/05	Projected 2005/06
<i>Fixed Assets</i>			
Motor Vehicles	1.56	11.39	8.59
Furniture, Fittings & Equipment	16.45	15.46	10.87
	18.01	26.85	19.46
Long - Term Receivables	30.00	34.61	17.54
Trust Fund Investments	-	256.24	1,069.87
<i>Current Assets</i>			
Inventory - Swipe Cards	8.17	6.87	6.29
Revenue Receivable	1,272.29	1,301.63	1,312.14
Processing Fee Recoverable	7.39	30.17	-
Interest Receivable	5.83	157.65	155.51
Investment	532.27	1,813.85	2,070.09
Other Receivables	9.72	87.53	4.72
Bank	35.48	3.50	61.50
	1,871.15	3,401.20	3,610.25
<i>Current Liabilities</i>			
Deferred Project Payments	-	1,120.99	589.69
Other Payables	37.22	16.08	16.08
	37.22	1,137.07	605.77
Net Current Assets	1,833.93	2,264.13	3,004.48
Net Assets/(Liabilities)	1,881.94	2,581.83	4,111.35
<i>Represented by:</i>			
Loan NIF/HCL	178.00	-	-
Trust Fund Reserve	-	256.24	1,326.12
Surplus	1,703.94	2,325.59	2,785.23
	1,881.94	2,581.83	4,111.35

Agricultural Development Corporation

The Agricultural Development Corporation (ADC) was established under the ADC Act of 1952 to encourage, assist and promote the development of agriculture in Jamaica. Its functions include facilitating the processing and marketing of agricultural produce through the use of lands owned by the ADC or managed on behalf of the Ministry of Agriculture. The Corporation is also charged with assisting the Government with formulating national policies on crop diversification, land use, and livestock development.

The Corporation's operations have contracted over the years. It now owns and manages the Amity Hall farm in St. Catherine, and manages Wallen Dairy and Minard farm on behalf of the Ministry of Agriculture. Its non-commercial programmes include research and providing advisory services to the livestock industry.

ADC has a staff complement of fifty (50) persons.

Income & Expenditure Account \$m

	Unaudited 2003/04	Estimated 2004/05	Projected 2005/06
Income:			
Sales	6.76	7.15	10.97
Management Fees	0.93	1.41	1.46
Lease/rental Income	0.66	0.83	0.83
Total Income	8.35	9.39	13.26
Expenses:			
Compensation	22.98	27.79	31.72
Utilities	2.43	2.23	2.58
Repairs and Maintenance	2.30	3.25	3.06
Motor Vehicle	-	-	-
Depreciation	0.78	0.78	0.49
Taxes other than Income Taxes	0.08	0.35	0.38
Other Expenses	4.98	4.87	7.00
Total Expenses	33.55	39.27	45.23
Surplus/(Deficit) on Operations	(25.20)	(29.88)	(31.97)
Government Subvention	17.94	17.00	19.04
Net Surplus/(Deficit)	(7.26)	(12.88)	(12.93)

Balance Sheet
\$m

	Unaudited 2003/04	Estimated 2004/05	Projected 2005/06
<i>Net Assets Employed</i>			
Fixed Assets	86.09	85.98	85.69
Work in Progress	0.15	0.15	0.16
Livestock	17.12	17.37	17.37
Investments	0.12	0.12	0.12
	103.48	103.62	103.34
<i>Current Assets</i>			
Cash and Bank Deposits	2.98	3.08	2.60
Receivables and Prepayments	37.05	25.75	24.69
Deferred Expenses	2.42	2.42	2.42
	42.45	31.25	29.71
<i>Current Liabilities</i>			
Accounts Payables	25.76	27.58	38.69
Due to Related Companies	3.97	3.97	3.97
	29.73	31.55	42.66
Net Current Assets/(Liabilities)	12.72	(0.30)	(12.95)
Net Total Assets	116.20	103.32	90.39
<i>Financed by:</i>			
Capital Grants:			
- GOJ	38.94	38.94	38.94
- United States Agricultural Export Service	3.02	3.02	3.02
- Kaiser / Alpart	5.03	5.03	5.03
Capital Reserves	83.76	83.76	83.76
Accumulated Surplus/(Deficit)	(22.36)	(35.24)	(48.17)
Long Term Loans	7.81	7.81	7.81
	116.20	103.32	90.39

Agricultural Marketing Corporation

The Agricultural Marketing Corporation (AMC) was established under the Agricultural Marketing Corporation Act 1963, which was subsequently amended in 1976. The AMC currently forms part of the Agricultural Development Corporation (ADC) Group of Companies, which evolved within the context of the rationalization of agricultural entities. Its stated objectives are: (1) to set up and maintain adequate outlets which will allow for marketing of locally grown agricultural produce; (2) to buy and sell agricultural produce; and (3) to provide facilities which permit the collection, storage, packing and processing of agricultural produce. Currently the AMC performs the last role only, which it carries out from its location at the Agro Export Centre at Spanish Town Road.

The Corporation has a staff complement of eleven (11).

Income & Expenditure Account \$m

	Unaudited 2003/04	Estimated 2004/05	Projected 2005/06
Income			
Government Grant	-	-	-
Rental/Lease	9.05	15.15	17.44
Other Recoverables	3.61	3.63	3.56
Other Receivables	0.73	0.01	-
Gross Income	13.39	18.79	21.00
Expenditure:			
Staff Costs	4.81	4.42	6.57
Rent & Utilities	5.71	5.89	6.49
Motor Vehicle Expenses	0.17	0.09	0.46
Management Fees	0.77	1.22	1.26
Advertising & Promotion	-	0.02	0.02
Insurance	3.00	2.56	2.50
Security	2.54	3.02	3.02
Repairs & Maintenance	0.96	1.13	1.15
Professional & Legal Fees	0.12	0.05	0.20
Other	0.22	0.34	0.34
Total Expenses	18.30	18.74	22.01
Net Surplus/(Deficit)	(4.91)	0.05	(1.01)

Balance Sheet
\$m

	Unaudited 2003/04	Estimated 2004/05	Projected 2005/06
Fixed Assets	170.52	170.61	174.57
Investments	0.32	0.32	0.07
Current Assets			
Receivables and Prepayments	5.48	4.39	1.45
Cash and Bank Deposits	0.39	0.31	1.02
	5.87	4.70	2.47
Current Liabilities			
Payables and Accrued Charges	23.82	17.77	20.26
	23.82	17.77	20.26
Net Current Assets	(17.95)	(13.07)	(17.79)
Total Net Assets	152.89	157.86	156.85
Financed by:			
Insurance Settlement	7.71	7.71	7.71
Capital Grants - GOJ	4.89	4.89	4.89
Capital Reserves	153.54	158.46	158.46
Capital Grants - USAID/GOJ	11.68	11.68	11.68
Accumulated Surplus/(Deficit)	(24.93)	(24.88)	(25.89)
	152.89	157.86	156.85

Banana Industry Board

The Banana Industry Board was established under the Banana Board Act of 1953 as a regulatory organization with specific responsibility for promoting the interest of the banana industry. It assists in the development of the industry and regulates the purchase, sale, export and marketing of bananas. The Board's activities have been significantly reduced over the years due to the decline in banana production, the reduction in the volume of bananas exported, and devolution of marketing activities to the Banana Export Company (BECO). The Board is now primarily engaged in administering a crop insurance scheme for growers. In addition it manages the Germ Plasm Research project on behalf of the Ministry of Agriculture.

The Board earns 87% of its income from management fees, the rental of boxing plants and properties, and interest on deposits. Its financial year runs from January to December.

The Board employs one (1) full-time and one (1) part-time person.

Income & Expenditure Account \$m

	Unaudited 2003	Estimated 2004	Projected 2005
Income:			
Rental/Leasehold	0.72	0.84	1.38
Interest on Deposits	0.27	0.50	0.45
Management Fees	0.75	1.10	1.00
Robusta Project	0.56	-	-
Plantain Project	-	0.32	-
Germ Plasm	1.86	2.76	4.09
Miscellaneous Income	0.07	0.04	0.13
Total Income	4.23	5.56	7.05
Expenses:			
Emoluments	1.21	1.55	1.55
Employer's Contributions	0.14	0.14	0.14
Directors' Fees	0.33	0.32	0.32
Utilities	0.11	0.13	0.14
General Administrative Expenses	0.30	0.43	0.30
Germ Plasm - Ministry of Agriculture	2.40	2.78	4.09
Depreciation Provision	-	0.40	0.35
Professional Services	-	0.02	0.29
Materials and Field Inputs	0.35	0.32	-
Plantain Project	-	0.28	0.36
Finance Expenses	-	0.60	0.40
Total Expenses	4.84	6.97	7.94
Net Profit/(Loss)	(0.61)	(1.41)	(0.89)

Balance Sheet
\$m

	Unaudited 2003	Estimated 2004	Projected 2005
<i>Current Assets</i>			
Bank and Cash Balances	0.13	-	0.08
Cash on Deposit	2.39	2.98	2.26
Accounts Receivable	6.32	5.41	5.01
	8.84	8.39	7.35
<i>Current Liabilities</i>			
Banco General A/C	36.36	36.36	36.36
Payables & Accruals	19.93	20.50	20.74
Provision for Doubtful Debts	3.41	3.41	3.41
	59.70	60.27	60.51
Net Current Assets	(50.86)	(51.88)	(53.16)
Investments	0.01	0.01	0.01
Fixed Assets	3.71	3.31	3.71
Total Assets	(47.15)	(48.56)	(49.45)
<i>Financed by:</i>			
Loans and Advances	20.33	20.33	20.33
Revaluation Reserve	3.43	3.43	3.43
Accumulated Deficit	(71.06)	(70.91)	(72.32)
Profit/(Loss) for the year	0.15	(1.41)	(0.89)
	(47.15)	(48.56)	(49.45)

Banana Insurance Fund

The Banana Insurance Fund (BIF) was established under the Banana Insurance Act (1945) and is managed by the Banana Industry Board. It is a mandatory insurance scheme to assist banana growers in the event of loss from hurricane or windstorm. Under the Act every banana grower is statutorily insured in respect of an assessed number of statutory units of banana cultivated. The Fund also operates an optional contractual insurance, which is available to producers for the local market.

The financial year runs from January to December.

BIF has a staff complement of ten (10).

Income & Expenditure Account \$m

	Unaudited 2003	Estimated 2004	Projected 2005
Income:			
Cess on Bananas	11.84	8.27	3.09
Contractual Insurance Premium	-	0.08	-
Investment Income	5.29	0.19	0.15
Interest on Deposits	4.66	4.07	2.85
Rent	2.17	2.36	2.83
Miscellaneous Income	-	0.05	0.01
Total Income	23.96	15.02	8.93
Expenses:			
Salaries & Staff Benefits	5.61	4.60	4.68
Employers' Contributions	0.50	0.69	0.75
Travelling & Subsistence	0.04	-	0.02
Management Fees	1.00	1.00	1.00
Motor Vehicle Expenses	0.27	0.45	0.42
Claims Administration Expenses	0.42	0.34	0.29
Windstorm	0.80	6.51	6.50
Reinsurance Premium	5.25	-	-
Professional services	0.05	0.28	0.71
Utilities	0.51	0.72	0.51
Building Maintenance	1.69	1.74	1.81
Other Administrative Expenses	0.56	0.99	0.79
Depreciation	-	1.51	1.10
Allowance in lieu of Reinsurance	-	5.50	3.00
Total Expenses	16.70	24.33	21.58
Net Profit/(Loss)	7.26	(9.31)	(12.65)

Balance Sheet
\$m

	Unaudited 2003	Estimated 2004	Projected 2005
<i>Current Assets</i>			
Bank and Cash Balances	0.64	-	-
Cash on Deposit	26.71	20.12	9.62
Accounts Receivable	5.40	4.57	3.20
	32.75	24.69	12.82
<i>Current Liabilities</i>			
Bank Overdraft	-	0.19	1.54
Accounts Payable	1.12	1.16	0.75
Provision for Doubtful Debt	1.21	1.21	1.20
	2.33	2.56	3.49
Net Current Assets	30.42	22.13	9.33
Investments	0.04	0.04	0.04
Fixed Assets	29.97	28.95	29.10
Total Assets	60.43	51.12	38.47
<i>Financed by:</i>			
<i>Accumulated Funds</i>			
Banana Insurance Fund			
General Fund	40.14	45.83	39.99
Property Maintenance Deficit	(28.14)	(28.14)	(31.61)
Net Profit/(Loss)	5.69	(9.31)	(12.65)
Revaluation Reserve	42.74	42.74	42.74
	60.43	51.12	38.47

Cocoa Industry Board

The Cocoa Industry Board (CIB) was established under the Cocoa Industry Board Act of 1957. The functions include the following: -

- promoting the interest and efficiency of the cocoa industry
- processing wet cocoa to an exportable state and exclusively managing marketing arrangements including negotiating the most favourable sale prices
- assisting the industry in growth and development
- encouraging and spearheading improvements in production

Jamaica's cocoa is recognized worldwide as a premium product based primarily on its distinct flavour and high quality. It is marketed both locally and internationally as "fine flavoured cocoa". Approximately 95% of the beans produced annually are exported to Europe, Japan and the United States of America.

CIB's financial year spans October to September.

The Board has a staff complement of sixty-five (65) employees, consisting of twenty-two (22) full-time employees and forty-three (43) seasonal production workers.

Trading & Profit & Loss Account \$m

	Audited 2002/03	Estimated 2003/04	Projected 2004/05
Sales:			
Export	92.82	102.72	62.78
Local	3.93	2.40	3.30
Total	96.75	105.12	66.08
Cost of Sales:	21.83	34.65	25.62
Gross Surplus/Deficit	74.92	70.47	40.46
Interest Income	2.07	6.09	5.40
Miscellaneous Income	1.49	1.50	0.60
Gross Income	78.48	78.06	46.46
Administrative & General Expenses:			
Administrative Expenses	11.00	9.70	9.13
Shipping & Warehouse	1.58	1.79	1.61
Fermentaries	9.27	10.10	8.12
Extension Service	0.89	1.31	1.65
Salaries and Wages	14.99	17.41	15.61
Audit Fees	0.41	0.41	0.41
Nurseries & Mount Rose Farm Expenses	0.28	0.33	0.44
Pension & Gratuity	0.60	0.88	0.19
Redundancy Expenses	0.48	0.05	-
Depreciation	1.50	1.50	1.10
Foreign Exchange (Gain)/Loss	(3.03)	(2.18)	(2.10)
Total Expenses	37.97	41.30	36.16
Surplus / (Deficit)	40.51	36.76	10.30
Farmers Final Payment	(9.84)	(9.92)	(7.21)
Net Surplus / (Deficit)	30.67	26.84	3.09

Balance Sheet
\$m

	Audited 2002/03	Estimated 2003/04	Projected 2004/05
ASSETS			
<i>Current Assets</i>			
Cash and short-term deposits	48.71	54.17	50.18
Accounts Receivable	2.97	3.38	3.89
Inventories	4.74	2.35	4.20
Income tax recoverable	1.57	1.57	1.57
	57.99	61.47	59.84
<i>Non-Current Assets</i>			
Property, plant and equipment	9.58	9.38	8.56
Investment	4.12	5.30	6.20
Post employment benefits	10.30	-	-
	23.99	14.68	14.76
Total Assets	81.98	76.15	74.60
LIABILITIES AND RESERVES			
<i>Current Liabilities</i>			
Current portion of long-term loans	14.60	-	-
Accounts Payable and Accruals	10.29	5.18	4.40
Final payment due to cocoa growers	10.02	10.03	7.22
	34.91	15.21	11.62
<i>Non-Current Liability</i>			
Long-Term Loans	5.59	1.05	-
	5.59	1.05	-
<i>Reserves</i>			
Capital reserves	-	21.57	21.57
Revenue reserves	7.70	7.70	7.70
Accumulated profits	33.78	30.62	33.71
	41.48	59.89	62.98
Total Liabilities and Reserves	81.98	76.15	74.60

Coconut Industry Board

The Coconut Industry Board was established under the Coconut Industry Control Act, 1945. The Board consists of nine members, four of whom are appointed by the Minister of Agriculture and five who are elected from among registered growers or managers of companies registered as coconut growers.

The main functions of the Board are:

- Keeping Government informed on the state of the industry and advising on any action that is necessary;
- Assisting growers to market their crop;
- Conducting research for the industry; and
- Advising growers on their agricultural problems.

The Board is also responsible for the management of the Coconut Windstorm Insurance Fund.

The financial year spans twelve (12) month from January to December.

The Board has a staff complement of thirty-seven (37).

Profit & Loss Account \$m

	Audited 2003	Estimated 2004	Projected 2005
Income:			
Coconut Shop Sales	8.09	14.08	13.63
Seed Garden Operations	-	6.83	8.94
Seedlings Sales	2.71	0.11	0.11
Cess on Coconut Products	7.43	9.54	9.50
Exports Sales	26.17	31.27	30.38
Dividend & Interest Income	-	33.74	33.87
Miscellaneous	2.60	0.81	1.32
Total Income	47.00	96.38	97.75
Expenses:			
Administration	8.23	6.57	9.04
Salaries and other staff cost	15.91	14.84	17.37
Maintenance of Motor Vehicles, Bldgs. & Equipment	3.35	2.71	3.47
Planting Programmes and other Farm-Related Expenses	12.84	30.30	30.43
Research & Development	25.20	24.94	36.84
Subsidy to Windstorm	26.11	-	0.33
Coconut Shop Expenses	7.01	11.81	12.68
Audit, Legal and Consultancy Fees	0.57	1.88	2.27
Other Cost	0.55	0.55	0.70
Depreciation	-	5.51	6.45
Total Expenses	99.77	99.11	119.58
Operating Surplus /(Deficit)	(52.77)	(2.73)	(21.83)
Finance Income	100.86	12.72	10.81
Pension Scheme Refund	1.36	-	-
Net Surplus / (Deficit)	49.45	9.99	(11.02)

Coffee Industry Board

The Coffee Industry Board (CIB) was established under the Coffee Industry Regulation Act of 1948. The mission of the Board is to encourage development of the Jamaican coffee industry, promote the welfare of persons engaged in the industry, and protect the quality and integrity of Jamaican coffee. On July 31, 2004 the Board formally relinquished its commercial activities with the separation of its Commercial Division, which became Wallenford Coffee Company Limited. As regulator of the industry, CIB issues licenses to companies, associations, and individuals who participate in coffee related activities. The Board also has responsibility for the export of coffee beans, trademark protection, the ongoing registration of the Jamaica Blue Mountain and Jamaica High Mountain Supreme mark internationally and for quality assurance.

The financial year spans August to July.

CIB has a staff complement of forty-six (46) persons.

Profit & Loss Account \$m

	Estimated 2003/04	Projected 2004/05
INCOME		
Shipping	36.85	19.79
Industry Cess	48.64	44.98
Local Cess	1.73	0.69
Green Bean Cess	20.73	12.26
Licence Fee	0.53	0.00
Other	3.62	2.01
Total Income	112.10	79.73
EXPENDITURE		
Salary & Staff Costs	62.46	54.82
Export Charges	3.30	2.75
Quality Assurance	0.29	0.64
Security	2.46	1.30
Utilities	4.24	5.01
Farms & Extension	3.86	3.67
Repairs & Maintenance	2.05	3.16
Legal Fees	8.55	15.10
Advertising & Public Relations	1.05	3.21
Professional Fees	4.29	6.43
General Insurance	1.52	3.52
Crop Insurance	31.28	29.71
Subscription	2.61	1.98
Overseas Travel	3.52	2.56
Audit Fees	1.22	2.50
Depreciation	4.23	4.24
Other	3.51	2.15
Total Expenditure	140.44	142.75
Operating Surplus/(Deficit)	(28.34)	(63.02)

National Rums of Jamaica Limited

National Rums of Jamaica Limited (NRJ) was established in 1980 as a wholly owned subsidiary of National Sugar Company Limited. The company operates two distilleries - Clarendon Distillers Limited (CDL) and Long Pond Distillers Limited (LPD) - located at Monymusk (Clarendon) and Long Pond (Trelawny), respectively. NRJ owns 51% of the shares of CDL, with minority partner, DIAGEO PLC, owning the remaining 41% shareholding.

The company produces and exports bulk column still and pot still rums primarily to the European market. In an attempt to compete in a more liberalized market, the company is in the process of developing branded and other value-added products.

The financial year runs from October to September.

NRJ currently has a staff complement of one hundred and thirty one (131).

Profit & Loss Account \$m

	Audited 2002/03	Estimated 2003/04	Projected 2004/05
Revenue			
Trading Revenue	790.28	795.23	995.88
Other Income	22.45	18.27	20.69
Total Revenue	812.73	813.50	1,016.57
Expenses			
Compensation	68.42	74.14	78.98
Cost of Sales	592.05	573.06	803.86
Utilities	21.26	22.17	27.33
Repairs and Maintenance	24.74	30.70	31.74
Rental (Building & Equipment)	3.16	3.88	4.12
Fuel	66.29	65.76	79.65
Interest	9.19	14.17	6.72
Depreciation	13.77	13.59	14.34
Taxes (other than Income Tax)	6.18	5.20	8.29
Total Expenses	805.06	802.67	1,055.03
Net Profit/(Loss)	7.67	10.83	(38.46)

Balance Sheet
\$m

	Audited 2002/03	Estimated 2003/04	Projected 2004/05
<i>Non-Current Assets</i>			
Fixed Assets	62.97	55.07	71.70
Investments	0.02	0.02	0.02
Deferred Tax Asset	9.21	9.21	9.21
Retirement Benefit Asset	18.23	18.23	18.23
	90.43	82.53	99.16
<i>Current Assets</i>			
Inventories	25.95	48.80	67.15
Receivables and Prepayments	188.65	143.74	246.38
Taxation Recoverable	2.42	2.88	0.21
Bank	20.47	50.52	32.90
	237.49	245.94	346.64
<i>Current Liabilities</i>			
Payables and Accruals	112.82	109.65	226.42
Related Parties	33.71	-	-
Bank Overdraft	9.01	-	11.98
Taxation	0.02	(2.31)	(2.55)
Short-Term Borrowings	34.75	30.00	22.50
Due to Group Companies	-	3.11	36.85
	190.31	140.45	295.20
Net Current Assets	47.18	105.49	51.44
Total Assets	137.61	188.02	150.60
<i>Financed by:</i>			
Share Capital	0.01	0.01	0.01
Capital Reserves	7.26	7.26	7.26
Retained Earnings	33.91	39.44	19.82
Minority Interest	47.03	52.35	33.51
Due to Shareholders	-	37.54	38.58
Deferred Tax Liability	0.22	0.22	0.22
Holding Company	49.18	51.20	51.20
	137.61	188.02	150.60

Sugar Company of Jamaica Limited

The Sugar Company of Jamaica Limited (SCJ) was formed in November 1993 by a consortium made up of J. Wray & Nephew Limited, Manufacturers Investments Limited and Booker Tate Limited. The three companies each held 17% equity in SCJ, with the remaining 49% being held by the Government of Jamaica (GOJ). SCJ was established to purchase the assets of the Frome, Monymusk and Bernard Lodge sugar estates and factories, which represented approximately 65% of the sugar industry's installed capacity.

In 1998, the Government became the sole shareholder of SCJ by acquiring the interests of the members of the consortium. Its stated goal was to maximize efficiency, productivity and profitability of the sugar factories, within three (3) years. The principal activities of the company are the cultivation of cane and the manufacture and sale of sugar and molasses.

SCJ's financial year runs from October to September.

The SCJ Group has a staff complement of three thousand two hundred and two (3,202) permanent and one thousand three hundred and thirty three (1,333) temporary employees.

Profit & Loss Account \$m

	Unaudited 2002/03	Estimated 2003/04	Projected 2004/05
Income:			
Sugar Income	2,472.31	3,253.01	3,507.09
Molasses Income	108.76	134.26	111.56
Other Income	2.10	45.31	36.24
Total Income	2,583.17	3,432.58	3,654.89
Expenditure:			
Estate Cane Cost	526.68	1,141.69	1,007.80
Farmers' Cane Cost	711.32	802.25	854.92
Factory Cost	709.23	854.97	720.77
Administration - Division	451.03	327.48	324.63
Divisional/Operating Cost	2,398.26	3,126.39	2,908.11
Divisional/Operating Profit/(Loss)	184.91	306.19	746.78
Head Office Expenses	220.22	221.86	198.71
Guaranteed Employment	129.30	130.34	137.16
Hurricane Repairs	-	-	45.00
Profit/(Loss) before Depreciation	(164.61)	(46.01)	365.91
Depreciation	124.12	137.98	165.33
Operating Profit	(288.73)	(183.99)	200.58
Interest Cost	518.05	417.99	313.49
Profit/(Loss) before Tax	(806.78)	(601.98)	(112.91)

Balance Sheet
\$m

	Unaudited 2002/03	Estimated 2003/04	Projected 2004/05
Fixed Assets	1,265.85	1,436.60	2,005.61
Capital Work in Progress	101.10	347.11	120.28
	1,366.95	1,783.71	2,125.89
Other Assets			
Future Crop Expenses	194.30	246.68	311.55
Current Assets			
Inventories	362.85	398.93	412.84
Future Crop Expenses (current portion)	76.40	101.51	143.01
Receivables	503.95	374.68	867.97
Cash and Deposits	110.27	337.42	705.68
	1,053.47	1,212.54	2,129.49
Current Liabilities			
Payables	3,425.01	3,761.28	4,842.21
Bank Borrowings	19.93	43.94	46.05
Short Term Loans	58.31	1,119.48	50.00
	3,503.25	4,924.70	4,938.26
Net Current Assets/(Liabilities)	(2,449.78)	(3,712.16)	(2,808.77)
Total Assets/(Liabilities)	(888.53)	(1,681.77)	(371.32)
Financed By/(Represented By):			
Share Capital	3.73	3.73	3.73
Capital Reserves	331.08	331.08	331.08
Retained Earnings/(Accumulated Deficit)	(6,485.03)	(7,087.01)	(7,199.92)
	(6,150.22)	(6,752.20)	(6,865.11)
Long Term Liabilities	6,730.38	6,539.13	7,962.49
SCJ Holdings Limited	(1,468.70)	(1,468.70)	(1,468.70)
	5,261.69	5,070.44	6,493.79
	(888.53)	(1,681.77)	(371.32)

Sugar Industry Authority

The Sugar Industry Authority (SIA) was incorporated in December 1937 in accordance with the Sugar Control Act, and is responsible for monitoring and regulating the sugar industry. Its agent, Jamaica Cane Products Sales collects and distributes the proceeds received from sugar sold under the country's preferential quota agreements. The Sugar Industry Research Institute, a department of SIA, is responsible for performing research and extension services on behalf of the industry.

The entity's financial year runs from November to October.

SIA has a staff complement of one hundred and two (102).

Income and Expenditure Account \$m

	Estimated 2003/04	Projected 2004/05
Income		
Cess	224.36	241.48
Other Income	41.22	29.31
Total Income	265.58	270.79
Expenditure:		
<i>Administration & Monitoring</i>		
Salaries & Related Costs	42.26	42.89
Other Expenses	40.08	42.59
<i>Sugar Industry Research Institute</i>		
Salaries & Related Costs	95.78	110.16
Other Expenses	31.99	28.52
Labour Costs- core sampling & scales	(14.51)	(16.32)
Core Samplers & Scales Upkeep	25.70	31.59
Accelerated Training Programme	4.40	5.40
Provision for Income Tax	-	2.05
Total Expenses	225.70	246.88
Operating Profit	39.88	23.91

Wallenford Coffee Company Limited

Wallenford Coffee Company Limited (WCC) operated as the Coffee Industry Board - Commercial Division up to July 31, 2004, when the company was formally separated from the Coffee Industry Board - Regulatory Division. The main activities are the cultivation, purchase and sale of coffee and coffee products.

The financial year runs from August to July.

WCC currently has a staff complement of seventy-eight (78).

Profit & Loss Account \$m

	Unaudited 2002/03	Estimated 2003/04	Projected 2004/05
Income			
Sales (Export)	743.25	618.85	567.58
Sales (Local)	94.35	109.16	35.14
Processing Fee	23.30	53.20	27.45
Other	50.70	99.65	83.09
Total Income	911.60	880.86	713.26
Cost of Sales & Direct Expenses	490.30	749.79	620.05
Gross Profit	421.30	131.07	93.21
Total Administrative Expenses	246.10	127.21	100.77
Net Profit Before Interest Charges	175.20	3.86	(7.56)
Finance Charges	16.20	42.87	27.60
Net Profit/(Loss)	159.00	(39.01)	(35.16)

Bureau of Standards Jamaica

The Bureau of Standards was established under The Standards Act of 1968. Its main functions are to formulate, promote and implement standards for goods, services, processes and practices. In addition the Bureau has responsibilities under the Weights and Measures Act and the Processed Foods Act.

The Bureau provides a wide range of services and facilities. It tests, analyses and certifies a variety of raw materials, components and finished products on behalf of consumers, manufacturers, national and international agencies, importers and exporters. It also provides services in the areas of quality control, calibration, metrology, training, inspection and technical information.

The Bureau's staff complement is projected to be one hundred and sixty five (165), an increase of nineteen (19) over the previous year.

Income and Expenditure Account \$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
Revenue:			
Fees	330.18	375.83	422.89
Standards Compliance	330.18	324.00	349.92
Testing & Calibration	-	27.87	33.89
Other	-	23.96	39.08
Rental Income	0.48	0.48	0.52
Government Grants	55.32	-	-
Miscellaneous	0.63	1.39	0.60
Gross Income	386.61	377.70	424.01
Expenses:			
Distribution Cost	12.64	13.13	12.73
Advertising & Promotions, Haulage	12.64	13.13	12.73
Administrative Expenses	207.49	213.73	280.37
Compensation (Salaries/Wages/Allowances)	153.58	150.52	183.14
Group & Health Insurance	5.91	6.89	9.45
Pension Fund Contributions	7.49	13.38	14.25
Travelling & Subsistence	15.18	14.84	33.26
Utilities	10.86	14.49	15.41
Stationery & Office Expenses	3.40	4.91	10.64
Board Expenses/Directors' Fee	4.58	1.88	3.24
Other Admin Expenses	6.49	6.82	10.98
Other Operating Expenses	77.93	113.22	98.48
Audit & Accounting Fees	1.53	0.99	1.30
Repairs and Maintenance	9.62	9.84	15.45
Grants Contributions & Membership	14.10	58.04	22.85
Rental of Property, Machinery & Equip.	1.93	2.14	2.31
Professional Fees	8.13	9.49	11.80
Depreciation	13.59	14.40	14.40
Security	4.57	4.06	4.10
Other Expenses	24.46	14.26	26.27
Total Expenses	298.06	340.08	391.58
Surplus/(Deficit) on Operations	88.55	37.62	32.43
Finance Cost	(0.44)	(0.18)	(0.35)
Income from Investments	70.65	41.61	11.00
Net Surplus/(Deficit)	158.76	79.05	43.08

Balance Sheet
\$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
ASSETS			
<i>Non-Current Assets</i>			
Property, Plant and Equipment	117.68	141.98	173.85
Investment Property	1.50	1.50	1.50
	119.18	143.48	175.35
<i>Current Assets</i>			
Inventories	1.01	1.40	1.63
Trade & Other Receivables	31.92	15.64	4.36
Income Tax Recoverable	27.92	38.70	41.45
Cash and Cash Equivalents	441.63	281.03	115.54
	502.48	336.77	162.98
Total Assets	621.66	480.25	338.33
EQUITY AND LIABILITIES			
<i>Equity</i>			
Capital Grants	79.27	79.27	79.27
Revenue Reserve	478.83	169.71	212.79
	558.10	248.98	292.06
<i>Current Liabilities</i>			
Trade and Other Payables	63.56	231.27	46.27
Total Equity and Liabilities	621.66	480.25	338.33

Petroleum Company of Jamaica Limited

Petroleum Company of Jamaica Limited (Petcom) was incorporated in Jamaica as a wholly owned subsidiary of the Petroleum Corporation of Jamaica (PCJ), a statutory corporation. The company operates as the retailing arm of the PCJ Group of Companies with its main activities being the marketing of petroleum products and lubricants. These functions are conducted through a network of thirty (30) service stations and eleven (11) liquefied petroleum gas (LPG) filling plants. Petcom owns and operates one service station the others are either dealer-operated or owned by PCJ.

The range of products sold by the company is marketed under the Petcom's brand name **PACE**®.

Petcom will maintain its staff complement of one hundred (100).

Profit & Loss Account \$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
<i>Sales</i>	4,500.96	5,391.64	5,564.33
<i>Cost of Sales</i>	4,203.53	4,961.96	5,049.41
Gross Margin	297.43	429.68	514.92
<i>Other Operating Income</i>	4.52	2.89	0.71
Total Income	301.95	432.57	515.63
<i>Expenses</i>	261.65	368.00	422.99
Profit before Tax	40.30	64.57	92.64
Taxation	14.61	21.52	30.87
Net Profit after Tax	25.69	43.05	61.77

Balance Sheet
\$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
Non-Current Assets			
Property, Plant and Equipment	491.50	492.25	502.27
Long-Term Receivables	3.87	3.62	2.57
	495.37	495.87	504.84
Current Assets			
Inventories	42.21	43.68	35.01
Accounts Receivable	277.79	260.04	219.01
Taxation Recoverable	2.55	-	-
Cash and Deposits	8.78	23.87	13.84
	331.33	327.59	267.86
Current Liabilities			
Accounts Payable	42.20	22.69	25.14
Due to Related Parties	332.42	317.06	185.14
Borrowings	23.35	-	-
Current Portion L/T Borrowings	-	7.02	30.38
Taxation Payable	7.42	5.50	6.30
	405.39	352.27	246.96
Net Current Assets/(Liabilities)	(74.06)	(24.68)	20.90
	421.31	471.19	525.74
Shareholders' Equity			
Share Capital (\$1,000)			
Capital Reserves	36.96	36.96	36.96
Retained Earnings	134.19	178.18	239.93
Shareholder's Loan	8.91	8.91	8.91
	180.06	224.05	285.80
Non-Current Liabilities			
Borrowings	191.55	197.44	187.47
Deferred Tax Liabilities	49.70	49.70	52.47
	241.25	247.14	239.94
	421.31	471.19	525.74

Aeronautical Telecommunications Limited

Aeronautical Telecommunications Limited (Aerotel) is a wholly owned subsidiary of the Civil Aviation Authority. The Company was established in August 1978 to perform engineering and telecommunications services on behalf of the Government of Jamaica. Aerotel plays a critical role in the preservation of life and property by providing specialised telecommunications services to the aviation industry and to users of the Jamaican Flight Information Region.

Aerotel will continue to focus on the improvement of the telecommunications link between both International airports and the Air Traffic Centre to achieve 99.7% system reliability. The Company also plans to improve radio coverage from 80% to 85% subsequent to the acquisition and installation of two 200 feet towers at Spur Tree in Manchester and Castle Mountain in Portland.

Aerotel projects a staff complement of fifty-eight (58) persons down from the fifty-nine (59) last year.

Income & Expenditure Account \$m

	Unaudited 2003/04	Estimated 2004/05	Projected 2005/06
Income			
AFTN Overflights	126.45	122.48	136.41
Advertising Income (Kool FM)	24.22	36.00	43.50
Equipment Rental & Maintenance Contracts	3.19	5.56	11.22
Other Income	52.48	50.92	16.25
Total Income	206.33	214.96	207.38
Expenses			
Salaries & Wages	50.47	59.83	52.17
Other Staff Costs	-	-	5.16
Gratuity	-	-	3.00
Travel Expenses (Staff)	1.24	2.31	2.65
Hireage & Motor Vehicle Costs	4.53	4.40	3.78
Legal & Professional Fees	2.00	1.87	5.71
Depreciation	-	4.35	14.28
Loan Interest	5.27	6.52	0.63
Utilities	1.54	1.69	8.27
CAA Maintenance	16.62	22.07	25.07
CAA Rebate	17.71	50.00	31.28
Communication	19.30	14.00	15.63
Other Expenses	38.80	42.04	32.31
Total Expenses	157.49	209.07	199.94
Surplus/(Deficit) before Taxation	48.84	5.89	7.44
Taxation	16.19	1.96	2.48
Net Surplus/(Deficit)	32.65	3.93	4.96

Balance Sheet
\$m

	Unaudited 2003/04	Estimated 2004/05	Projected 2005/06
<i>Net Assets Employed</i>			
Fixed Assets	124.36	124.97	141.08
<i>Current Assets</i>			
Accounts Receivable & Prepayments	78.12	77.91	86.70
Fixed Deposits	13.04	13.90	29.87
Cash/Bank Balances	3.39	3.00	3.75
Stock of Spares & Stationery	-	0.50	0.50
Other Debtors	0.66	0.56	0.43
Income Tax Recoverable	2.76	2.09	2.09
	97.97	97.96	123.34
<i>Current Liabilities</i>			
Other Payables	2.65	2.83	2.83
Accounts Payable, Accruals & Provisions	17.83	21.34	20.05
Taxation	18.41	23.91	27.49
	38.89	48.08	50.37
Net Current Assets	59.08	49.88	72.97
	183.44	174.85	214.05
<i>Financed by:</i>			
Share Capital	0.29	0.29	0.29
Capital Reserve	6.81	6.81	6.81
Surplus for current period	32.56	3.93	4.96
Accumulated Surplus/(Deficit)	62.35	94.91	98.84
	102.01	105.94	110.90
Amount Due to CAA	38.46	51.60	103.15
Long Term Loans	42.97	17.31	-
	183.44	174.85	214.05

Civil Aviation Authority

The Civil Aviation Authority (CAA) was established by the Civil Aviation (Amendment) Act 1995. The principal objective of the Authority is to monitor all aspects of the civil aviation industry, thereby ensuring that the public is provided with a safe, reliable and user friendly Air Transport System.

Expectations are that the Authority's capital expenditure will total \$322.45 million, which should be utilised for the improvement of the Air Navigation Services and completion of the Radar Training Project.

The Authority intends to increase its staff complement to one hundred and ninety seven (197) from the one hundred and ninety two (192) persons employed in 2004/05.

Income and Expenditure Account \$m

	Unaudited 2003/04	Estimated 2004/05	Projected 2005/06
Operating Income			
Air Navigation Fees	429.94	422.00	493.85
Permit Fees	10.91	9.00	8.79
Regulatory Fees	20.90	20.00	22.15
Pilot Licence Fees	3.56	4.00	3.97
Examination Fees	0.36	0.40	0.42
Other Operating Income	9.27	8.00	8.20
Total Operating Income	474.94	463.40	537.39
Non-operating Income	112.77	62.00	97.42
Subvention	164.91	90.50	97.00
Gross Income	752.62	615.90	731.81
Expenses:			
Director's Fees	0.28	0.40	0.86
Salaries & Wages	335.98	320.00	311.43
Other Staff Costs	95.37	93.70	75.78
Insurance	11.23	11.40	11.92
Travel Expenses (Staff)	2.24	15.00	20.39
Motor Vehicle Costs	0.70	1.40	2.00
Legal & Professional Fees	8.01	18.50	16.13
Depreciation	180.11	187.00	231.96
Loan Interest	0.27	1.20	1.50
Utilities	19.37	26.70	34.08
Rental & Leases	0.45	0.30	-
Repairs and Maintenance	43.92	62.00	72.29
Communication Charges	7.24	5.30	23.77
Other Expenses	103.10	45.00	55.18
Total Expenses	808.28	787.90	857.27
Surplus/(Deficit) before Taxation	(55.66)	(172.00)	(125.46)
Taxation			
Net Surplus/(Deficit)	(55.66)	(172.00)	(125.46)

Balance Sheet
\$m

	Unaudited 2003/04	Estimated 2004/05	Projected 2005/06
Fixed Assets	1,731.12	1,614.96	2,294.00
Retirement Benefits	28.20	28.20	28.20
Medium-term Investments	-	-	30.00
Current Assets			
Inventories	1.12	1.00	1.20
Trade Receivables	279.22	305.00	250.33
Due from Aerotel	45.49	30.00	20.00
Other Receivables and Prepayments	10.27	9.50	7.00
	336.09	345.50	278.53
Cash Resources			
Fixed Deposits	64.27	70.00	75.00
Other Cash Resources	34.48	7.36	10.27
	98.75	77.36	85.27
Current Liabilities			
Trade Payables	21.09	50.00	50.00
Accrued Expenses	48.92	59.35	60.00
Statutory & Non-Statutory Deductions	115.49	120.00	21.67
	185.50	229.35	131.67
Net Current Assets	249.34	193.51	232.14
	2,008.66	1,836.67	2,584.34
Financed by:			
Capital Grants	576.87	576.87	550.00
EDC Loan	1,097.64	1,097.65	1,097.65
Other Long Term Loan	-	-	900.00
	1,674.51	1,674.52	2,547.65
Surplus/(Deficit) - Current Year	(55.66)	(172.00)	(125.46)
Surplus/(Deficit) - B/F	(246.53)	(302.19)	(474.19)
Accumulated Surplus/(Deficit)	(302.19)	(474.19)	(599.65)
Capital Reserve	636.34	636.34	636.34
	2,008.66	1,836.67	2,584.34

Jamaica Urban Transit Company Limited

The Jamaica Urban Transit Company Limited (JUTC) was incorporated in July 1998 to provide stage and express carriage services within the Kingston Metropolitan Transport Region (KMTR). The Company provides transit services on all routes throughout the KMTR, operating through an outlet of four (4) depots.

The company currently operates a fleet of six hundred and seventeen (617) buses on sixty-eight routes and operates sub-licenses on sixteen (16) other routes.

JUTC has a staff complement of two thousand eight hundred and seventy five (2,875).

Profit & Loss Account \$m

	Unaudited 2003/04	Estimated 2004/05	Projected 2005/06
Income			
Fares	2,160.22	2,288.51	2,545.83
Charters	26.95	32.87	33.66
Other income	40.58	22.50	23.94
Total Income	2,227.75	2,343.88	2,603.43
Operating Expenses			
Staff cost	1,680.40	1,658.02	1,712.89
Training	5.30	13.65	26.64
Insurance	128.33	146.92	162.19
Security	53.09	55.30	52.85
Utilities	25.20	27.97	34.20
Fuel	366.17	394.97	608.77
Franchise Fee and Bus License	24.73	28.05	31.24
Repairs & Maintenance - Buses	162.81	205.06	401.37
- Depot	4.53	9.34	6.48
Tyres	70.69	74.09	95.79
Other	56.15	51.27	52.34
Total Operating Expenses	2,577.40	2,664.64	3,184.76
Operating Loss	(349.65)	(320.76)	(581.33)
Leases	729.40	-	-
Depot Operating Profit/(Loss)	(1,079.05)	(320.76)	(581.33)
Administrative costs	118.30	168.71	267.56
Bank Charges & Interests	161.55	100.00	129.00
Profit/(Loss) Before Subsidy	(1,358.90)	(589.47)	(977.89)
Franchise fee	(7.50)	-	-
Amortisation of deferred credit	2.10	-	-
Grant	1,201.50	-	-
Net Operating Profit/(Loss)	(162.80)	(589.47)	(977.89)

Balance Sheet
\$m

	Unaudited 2003/04	Estimated 2004/05	Projected 2005/06
Current Assets			
Cash & cash equivalents	156.42	104.60	100.00
Accounts receivable	57.10	108.10	120.00
Inventories	227.23	239.90	250.00
	440.75	452.60	470.00
Current Liabilities			
Bank overdraft	300.00	-	-
Due to subsidiary	2.07	-	-
Payables	1,557.70	1,082.70	1,682.79
	1,859.77	1,082.70	1,682.79
Net Current Liabilities	(1,419.02)	(630.10)	(1,212.79)
Jamaica Ultimate Tyre Company	21.55	21.55	21.55
Fixed Assets	4,146.32	3,836.90	3,884.00
	2,748.85	3,228.35	2,692.76
Represented by:			
Shareholders' (Deficit)/Fund			
Share capital (\$200)	0.00	0.00	0.00
Preference shares	25.00	25.00	25.00
Deferred Credit	4,112.29	3,777.80	3,442.30
Shareholders' advance	731.30	752.20	752.20
Accumulated deficit	(2,119.74)	(2,720.60)	(3,698.49)
	2,748.85	1,834.40	521.01
Loans and other Credit			
Long-term Debt	0.00	560.00	760.00
GOJ - Statutory	0.00	833.95	1,411.75
Advance Sub-Franchise Fee	0.00	0.00	0.00
	2,748.85	3,228.35	2,692.76

Ports Security Corps Limited

The Ports Security Corps (PSC) was incorporated in 1989, with a mandate, to eradicate illegal drug activity on Jamaica's air and sea ports, and manage security arrangements.

Generally, over 95% of the Company's revenue is earned from security services offered. Therefore PSC plans to continue improving its levels of service and will incorporate anti-terrorism activities in its staff training programme.

The staff level is expected to remain at six hundred and thirty-four (634).

Profit and Loss Account \$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
Revenue			
Airports Authority	117.00	135.45	179.17
Other	125.37	113.51	128.38
Total Revenue	242.37	248.96	307.55
Expenses			
Salaries Wages & Related Expenses	205.60	197.45	242.54
Uniform Medical & Other Benefits	23.51	15.83	16.64
Motor Vehicle Operating Expenses	8.81	6.76	6.76
Finance Costs	0.65	1.02	0.42
Advertising & Promotion	0.09	-	-
Depreciation	2.60	2.88	1.98
Other	22.94	22.41	22.46
Total Expenses	264.20	246.35	290.80
Profit/(Loss)	(21.83)	2.61	16.75

Balance Sheet
\$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
<i>Fixed Assets</i>	8.00	4.88	2.90
<i>Current Assets</i>			
Accounts Receivable	43.51	38.15	28.75
Cash and Equivalents	11.46	-	11.75
	54.97	38.15	40.50
<i>Current Liabilities</i>			
Bank Overdraft	0.08	2.19	-
Trade and Other Payables	120.14	95.48	81.29
Income Tax Payable	1.11	1.11	1.11
	121.33	98.78	82.40
Net Current Assets/(Liabilities)	(66.36)	(60.63)	(41.90)
Total Net Assets	(58.36)	(55.75)	(39.00)
<i>Capital Employed</i>			
Share Capital - \$4	-	-	-
Retained Earnings/(Accumulated Deficit)	(58.36)	(55.75)	(39.00)
	(58.36)	(55.75)	(39.00)

Transport Authority

The Transport Authority (TA) was established under the Transport Authority Act (1987), to regulate and monitor public passenger transport throughout the island and perform such duties as required under the Road Traffic and Public Passenger Transport Acts. Its main functions are to:

- grant licences for stage, express, contract, hackney and commercial carriages
- fix rates charged by public passenger vehicles (with the approval of the Minister)
- regulate public passenger vehicles.

Over 80% of revenue is derived from licensing, franchise and motor vehicle storage fees. The Authority operates in 4 regions - Head Office (Kingston), Western (Montego Bay), North Eastern (Ocho Rios) and Southern (Mandeville). In order to provide wider coverage in the rural areas and enforce compliance with road licensing regulations the Authority proposes to recruit forty (40) additional inspectors.

A staff complement of two hundred and ninety four (294) versus two hundred and forty-four (244) for 2004/05 will be deployed during the year.

Profit & Loss Account \$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
Income			
Franchise Fees	25.25	30.82	30.82
Processing Fees	198.71	164.28	211.43
Other Fees	20.28	73.13	82.33
Interest on Deposits	14.49	6.29	6.08
Other Income	9.98	0.75	1.00
Total Income	268.71	275.27	331.66
Expenses			
Salaries, Allowances and Benefits	164.47	181.16	212.38
Training & Public Education	6.28	5.54	9.22
Utilities	7.61	7.99	8.55
Motor Vehicle Expenses	8.00	6.44	8.89
Professional Fees	4.44	4.90	5.25
Rental	3.80	4.51	4.82
Stationery & Office Supplies	8.77	12.70	8.09
Repairs & Maintenance	6.25	4.47	4.78
Insurance	3.36	3.35	4.58
Security	19.13	17.83	19.07
Depreciation	12.58	14.64	19.23
Other Expenses	6.36	7.18	13.07
Total Expenses	251.05	270.71	317.93
Profit before Taxation	17.66	4.56	13.73
Taxation	7.10	1.52	4.58
Surplus/(Deficit)	10.56	3.04	9.15

Balance Sheet
\$m

	Audited 2003/04	Estimated 2004/05	Projected 2005/06
<i>Current Assets</i>			
Cash and Short-term Deposits	29.25	34.89	24.90
Accounts Receivable	41.19	24.38	25.28
Taxation Recoverable	0.06	-	-
Inventories	3.79	9.80	10.00
	74.29	69.07	60.18
<i>Current Liabilities</i>			
Accounts Payable and Accrued Charges	23.64	20.94	24.04
Current Portion - Bank Loan	0.66	-	-
Taxation	-	1.52	4.58
	24.30	22.46	28.62
Net Current Assets	49.99	46.61	31.56
Fixed Assets	96.09	116.31	144.58
Total Assets	146.08	162.92	176.14
<i>Financed by:</i>			
Capital Reserves	1.19	1.19	1.19
Accumulated Surplus	71.42	74.46	83.61
Prepaid Fees	72.84	87.27	91.34
Deferred Income	0.63	-	-
	146.08	162.92	176.14

