

JMMB AT A GLANCE

THE FINANCIAL YEAR ENDING MARCH 31, 2005, was a period of growth and accomplishment for Jamaica Money Market Brokers Limited (JMMB) and its subsidiaries (collectively referred to as "the Group") and the Group's interest in its associated companies. The Group's profit before tax rose to a record high of J\$1.77 billion, a 16.2% increase on the thirteen months of the prior financial period.

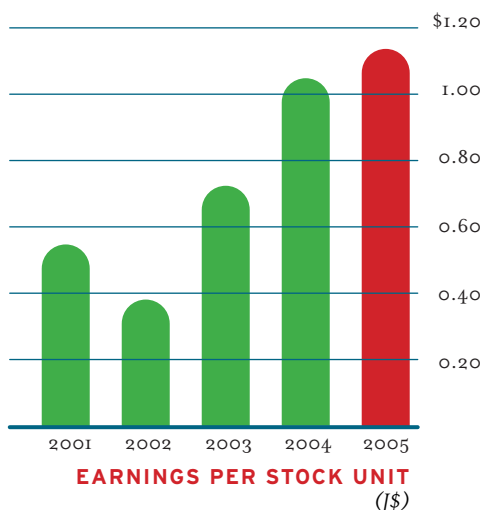
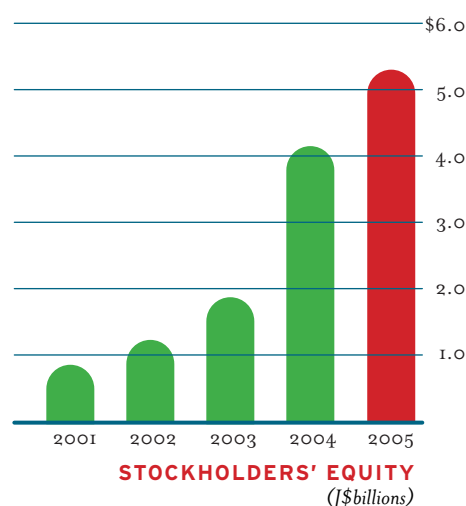
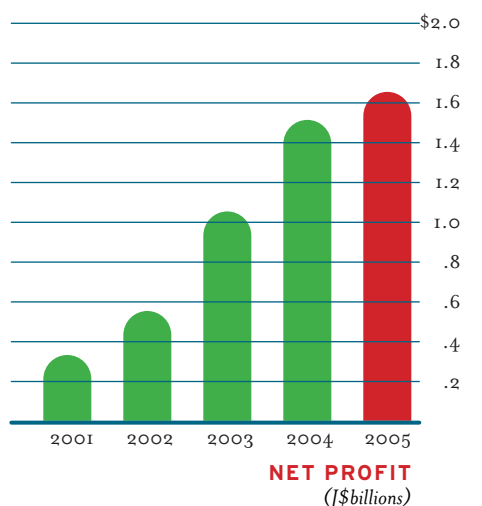
During this year, despite Jamaica's declining interest rates, net interest income increased by J\$472.58 million, or 32.8%, and operating profit grew by J\$371.65 million, a 37.6% increase over the prior period. While operating revenue net of interest expense increased by J\$576.28 million, or 29.0%, growth in administrative expenses was limited to 20.4%.

The associated companies have contributed significantly to the results of the Group, adding J\$394.90 million to profit. These

results were affected by prudent provisioning for the effects of Hurricane Ivan on Grenada bonds. In its first year of operation, Caribbean Money Market Brokers (Barbados) Limited made a profitable contribution.

When compared to the thirteen months of the prior period, the final profit attributable to the Group (J\$1.65 billion) showed a 9.5% increase. However, compared to an average twelve months of the prior period, there would have been an increase of approximately 19%.

Earnings per share for this year were J\$1.13, an increase of J\$0.10 over the prior period. The Group's asset base continues to grow and now stands at J\$63.24 billion. Group equity registered a significant increase of 29.5% over the prior period and now stands at J\$5.29 billion.



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 12th Annual General Meeting of the Company will be held in the Montego Suite at the Jamaica Pegasus Hotel, 81 Knutsford Boulevard, Kingston 5, on Thursday July 28, 2005, at 10:00 a.m., for the purpose of transacting the following business, namely:

1. To consider the Company's Audited Consolidated Accounts and the Reports of the Directors and Auditors for the year ended March 31, 2005.

To consider and (if thought fit) pass the following resolution:

"THAT the Directors' Report, the Auditors' Report and the Statements of Account of the Company for the year ended March 31, 2005 be received."

2. To approve and ratify interim dividends.

To consider and (if thought fit) pass the following resolution:

"THAT the interim dividends of \$0.08 paid on December 10, 2004, and \$0.10 paid on June 30, 2005, making a total of \$0.18 for the year, be and are hereby ratified and declared as final and that no further dividend be paid in respect of the year under review."

3. To elect directors who retire in accordance with the company's Articles of Association. The directors retiring from office by rotation pursuant to Article 105 of the Company's Articles of Association are Dr Noel A. Lyon, Mr Richard J. Trotman and Ms Marguerite Orane, who, being eligible, offer themselves for re-election.

Mr Ramasundaram Ramesh, having been appointed to the Board since the last Annual General Meeting, shall retire and, being eligible, offer himself for re-election.

To consider and (if thought fit) pass the following resolutions:

- a) "THAT Dr Noel A. Lyon be and is hereby re-elected a Director of the Company."
- b) "THAT Mr Richard J. Trotman be and is hereby re-elected a Director of the Company."
- c) "THAT Ms Marguerite Orane be and is hereby re-elected a Director of the Company."
- d) "THAT Mr Ramasundaram Ramesh be and is hereby re-elected a Director of the Company."

4. To re-appoint auditors and authorise the Directors to fix the remuneration of the auditors.

To consider and (if thought fit) pass the following resolution:

"THAT KPMG Peat Marwick, Chartered Accountants, having agreed to continue in office as auditors, be and are hereby appointed auditors of the Company, to hold office until the next Annual General Meeting at a remuneration to be fixed by the Directors of the Company."

SPECIAL BUSINESS

To consider the following resolutions, which will be proposed as Ordinary Resolutions.

RETENTION OF PAR VALUE SHARES

5. "THAT pursuant to Section 37(1) of the Companies Act 2004, the Company do hereby elect to retain its existing shares with a par value of \$0.25 each, and continue to issue shares with such par value from the date of this resolution to the end of the eighteen-month period prescribed by Section 37(6) of the said Act."

NOTICE OF ANNUAL GENERAL MEETING

INCREASE IN AUTHORISED SHARE CAPITAL

6. "THAT the authorised share capital of the Company be increased from Three Hundred and Sixty-Six Million Six Hundred Thousand Dollars (\$366,600,000) divided into 1,466,400,000 ordinary stock units of \$0.25 each to Three Hundred and Ninety-One Million Six Hundred Thousand Dollars (\$391,600,000) divided into 1,566,400,000 ordinary shares of \$0.25 each by the creation of an additional 100,000,000 ordinary shares of \$0.25 each, such new shares to rank pari passu with the existing ordinary stock units of the Company."

CONVERSION OF SHARES INTO STOCK

7. "THAT the Directors be and are hereby authorised to do whatever is necessary to convert the said ordinary shares into ordinary stock units transferable in units of \$0.25, as soon as they are fully paid up."

RIGHTS ISSUE OF SHARES

8. "THAT the Directors be and are hereby authorised, if and when thought fit, to make a renounceable rights issue from the additional shares created by the increase in the authorised share capital of the Company on such terms (including proportion of new shares to be offered in relation to existing stockholders, the record date for determining eligibility of stockholders to subscribe for the rights issue, the price of each share, the offer period and any other issues that may be relevant to the said offer of shares) as the Directors shall determine."

"THAT such shares shall not rank for any dividends declared at or prior to this Annual General Meeting, but shall rank for all dividends subsequently AND THAT the Directors be authorised to dispose of the new shares not taken up by stockholders to whom the offer may be made on terms and conditions as the Directors may consider expedient AND THAT the Directors be authorised, if they deem fit, to provide that if upon such rights issue a stockholder's entitlement includes a fraction of a share, such fraction may be sold for the benefit of the Company on terms and conditions as the Directors may consider expedient."

STOCK EXCHANGES LISTINGS

9. "THAT a supplementary application for listing be made to the Jamaica Stock Exchange and Trinidad & Tobago Stock Exchange for listing of the newly issued stock."

Dated this 20th day of June, 2005

By Order of the Board



Marc S. Harrison
Company Secretary

REGISTERED OFFICE
6 Haughton Terrace
Kingston 10

NB: A member entitled to vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the company. Enclosed is a proxy form for your convenience, which must be lodged at the Office of the Registrar of the Company, Veritat Corporation, The Victoria Mutual Building, 6 Duke Street, Kingston, at least forty-eight hours before the time appointed for holding the meeting. The Proxy Form shall bear the stamp duty of \$100.00. The stamp duty may be paid by adhesive stamp(s) to be cancelled by the person executing the proxy.

DIRECTORS' REPORT

THE BOARD OF DIRECTORS

as at March 31, 2005:

Dr Noel A. Lyon

Chairman

Mr Archibald A. Campbell

Deputy Chairman

Mrs Donna Duncan-Scott

Chief Executive Officer

Mr Keith P. Duncan

President and Chief Operating Officer

Mr Dennis L. Harris

Mr V. Andrew Whyte

Mr Wayne Sutherland

Mr Richard J. Trotman

Ms Marguerite Orane

Mr Ramasundaram Ramesh

(Appointed January 18, 2005)

Mr Cedric Stewart

Staff Director/ESOP Representative

Mr Marc S. Harrison

Company Secretary

(Appointed January 18, 2005)

The Directors are pleased to present their Report for the year ended March 31, 2005. The Report represents the results for Jamaica Money Market Brokers Limited and its subsidiaries (collectively referred to as "the Group") and the Group's interest in its associated companies. These results can be compared with the thirteen-month period ending March 31, 2004.

GROUP OPERATING RESULTS

- Operating revenue net of interest expense was J\$2.57 billion, reflecting a 29.0% increase over last period.
- The Profit before income tax was J\$1.77 billion, reflecting an increase of 16.2% over last period.
- The Profit attributable to equity holders of the parent after income tax was J\$1.65 billion, reflecting an increase of 9.5% over last period.

DIVIDENDS The Directors recommend that the interim dividends paid on December 10, 2004, and June 30, 2005, be ratified and declared as final and that no further dividends be paid in respect of the year under review.

RETIRING DIRECTORS In accordance with Article 105 of the Company's Articles of Association, the Directors retiring from office by rotation are Dr Noel A. Lyon, Mr Richard J. Trotman and Ms Marguerite Orane, who, being eligible, offer themselves for re-election. Mr Ramasundaram Ramesh, having been appointed to the Board since the last Annual General Meeting, shall retire and, being eligible, offer himself for re-election.

ELECTION OF PAR The Directors propose to recommend to the stockholders the passing of a resolution at the Annual General Meeting that the Company retain its existing shares with par value and to continue to issue shares with par value for a period of up to eighteen months.

EXPANSION AND RAISING OF CAPITAL To assist the Company to raise the necessary funds to finance its regional expansion, the Directors propose to recommend to the stockholders the passing of the following resolutions at the Annual General Meeting:

INCREASE OF AUTHORISED CAPITAL That the authorised capital of the Company be increased from J\$366,600,000 to J\$391,600,000 by the creation of an additional 100,000,000 ordinary shares of J\$0.25 each.

RIGHTS ISSUE That the Directors be given the right to approve the making of a renounceable rights issue of shares and determine all the details of such issue in relation to price, ratio, date, time and any other matter relevant to the rights issue.

SUPPLEMENTARY LISTING To approve the making of supplementary applications for listing to the Jamaica Stock Exchange and the Trinidad & Tobago Stock Exchange for the newly issued stock.

AUDITORS Messrs KPMG Peat Marwick, the present Auditors, have indicated their willingness to continue in office.

The Directors wish to express their thanks to the management and all team members for the work done during the year, and to the clients for their continued support.

By Order of the Board

Dated this 20th day of June, 2005



Marc S. Harrison
Company Secretary

TABLE OF CONTENTS

JMMB At A Glance	1	Board of Directors	24-25
Notice of Annual General Meeting	2-3	Management Team	26-28
Directors' Report	4	Branch Managers	29
Ten-Year Statistical Review	6-7	Branch Information	30
Chairman's Report	8-9	Corporate Data	31
Management's Discussion & Analysis	10-13	Discover the Power	32-37
JMMB Securities Limited	14	Stockholdings	38-39
JMMB Insurance Brokers Limited	15	Auditors' Report	40
Caribbean Money Market Brokers Limited	16-17	Financial Statements and Accompanying Notes	41
Business Environment	18-20	Form of Proxy	76
Risk Management	21-22	Mission Statement	Inside Back Cover
Corporate Governance	23		

LEFT TO RIGHT Kadean Steele, Client Care Officer :: Marcia Whitaker, Branch Supervisor :: Nicola McClymont, Career Counsellor at NCU, Client ::
Patrick Panton Jr, Future Client :: Mark Harley, Maintenance Technician :: Kadian James, Client



TEN-YEAR STATISTICAL REVIEW

	Year ended 31 March 2005** (J\$'000)	13 months ended 31 March 2004** (J\$'000)	Year ended 28 February 2003** (J\$'000)	Year ended 28 February 2002** (J\$'000)	Year ended 28 February 2001* (J\$'000)
FINANCIAL DATA					
Total assets	63,244,393	61,370,724	48,945,993	39,079,097	21,238,909
Resale agreements	8,839,025	18,059,384	8,247,468	6,859,379	6,694,937
Investments	48,284,078	37,828,581	36,027,531	28,958,610	12,917,671
Other earning assets	3,425,988	3,400,938	2,164,638	1,854,618	1,211,603
Fixed assets	432,193	326,996	298,216	160,895	113,842
Repurchase agreements	54,791,793	55,185,862	46,184,956	36,692,555	20,049,321
Stockholders' equity	5,286,889	4,083,760	1,861,536	1,094,845	699,581
Funds under management	63,982,494	63,833,807	52,268,700	41,494,600	23,495,100
Operating revenue net of interest expense	2,566,810	1,990,529	1,521,068	957,155	674,641
Operating profit	1,360,517	988,866	686,748	469,483	309,758
Administrative expenses	1,206,293	1,001,663	834,320	487,672	364,883
Profit before tax	1,765,177	1,518,604	934,575	475,848	344,921
Net profit	1,648,481	1,505,213	1,038,252	488,461	331,899
Dividends (declared in respect of the fiscal year/period)	263,411	234,142	180,107	100,128	82,421
Profit retained (in respect of the fiscal year/period)	1,385,070	1,271,071	858,159	388,333	249,478
RATIOS					
Earnings per stock unit (cents)	113	103	71	38	53
Dividends per stock unit (cents)	18	16	12	7	10
Dividend payout ratio	15.9%	15.5%	17.3%	18.2%	24.8%
Return on average equity	35.2%	50.6%	68.4%	58.6%	56.8%
Return on average assets	2.6%	2.7%	2.4%	1.8%	1.8%
Stockholders' equity per stock unit (\$)	3.6	2.8	1.3	0.8	0.8
Net interest margin	24.8%	14.7%	12.7%	11.2%	11.6%
Funds under management per team member (J\$'000)	292,158	324,030	305,665	257,730	183,556
Net profit per employee (J\$'000)	7,527	7,641	6,072	3,034	2,593
Operating income per team member (J\$'000)	11,721	10,104	8,895	5,945	5,271
Operating profit per team member (J\$'000)	6,212	5,020	4,016	2,916	2,420
Administrative expenses per team member (J\$'000)	5,508	5,085	4,879	3,029	2,851
Administrative expenses to gross operating revenue	14.5%	9.7%	12.4%	10.0%	10.4%
Net profit to gross operating revenue	19.7%	14.6%	15.4%	10.0%	9.5%
Efficiency ratio (Admin exp/Operating inc)	47.0%	50.3%	54.9%	51.0%	54.1%
OTHER DATA					
Exchange rate J\$ per US\$1.00	\$61.5	\$60.9	\$53.7	\$47.5	\$45.7
Inflation rate year over year (%)	12.4%	17.3%	5.7%	8.1%	6.7%
Number of stock units at year end	1,463,386,752	1,463,386,752	1,463,386,752	1,463,386,752	856,986,752
No. of team members	219	197	171	161	128

*Consolidated figures

*IFRS compliant figures

TEN-YEAR STATISTICAL REVIEW

	Year ended 29 February 2000 (J\$'000)	Year ended 28 February 1999 (J\$'000)	Year ended 28 February 1998 (J\$'000)	Year ended 28 February 1997 (J\$'000)	Year ended 29 February 1996 (J\$'000)
FINANCIAL DATA					
Total assets	15,992,187	14,656,247	9,638,881	5,974,967	1,043,324
Resale agreements	4,752,474	8,133,830	6,085,371	4,986,904	873,261
Investments	10,443,119	5,580,476	2,320,129	536,641	47,464
Other earning assets	401,123	644,955	1,047,375	287,693	68,205
Fixed assets	80,327	75,195	78,196	72,922	43,369
Repurchase agreements	15,195,156	14,032,728	8,779,110	5,554,157	869,781
Stockholders' equity	469,482	292,602	190,887	125,451	56,900
Funds under management	20,003,668	13,200,586	11,163,217	10,396,507	4,274,055
Operating revenue net of interest expense	493,842	448,153	369,628	223,727	116,003
Operating profit	230,647	212,836	87,314	96,265	47,531
Administrative expenses	263,195	235,317	282,314	127,462	68,472
Profit before tax	231,931	160,914	90,601	102,886	50,144
Net profit	186,315	113,776	73,282	68,551	32,931
Dividends (declared in respect of the fiscal year/period)	46,578	12,061	7,846	0	3,300
Profit retained (in respect of the fiscal year/period)	139,737	101,715	65,436	68,551	29,631
RATIOS					
Earnings per stock unit (cents)	33	23	15	14	7
Dividends per stock unit (cents)	9	5	6	0	100
Dividend payout ratio	25.0%	10.6%	10.7%	0.0%	10.0%
Return on average equity	48.9%	47.1%	46.3%	75.2%	78.3%
Return on average assets	1.2%	0.9%	0.9%	2.0%	2.8%
Stockholders' equity per stock unit (\$)	0.9	1.1	1.4	38.0	17.2
Net interest margin	9.3%	9.0%	18.7%	34.0%	75.4%
Funds under management per team member (J\$'000)	190,511	133,339	118,758	135,020	62,854
Net profit per employee (J\$'000)	1,774	1,149	780	890	484
Operating income per team member (J\$'000)	4,703	4,527	3,932	2,906	1,706
Operating profit per team member (J\$'000)	2,197	2,150	929	1,250	699
Administrative expenses per team member (J\$'000)	2,507	2,377	3,003	1,655	1,007
Administrative expenses to gross operating revenue	8.1%	8.0%	44.7%	40.2%	56.1%
Net profit to gross operating revenue	5.8%	3.9%	11.6%	21.6%	27.0%
Efficiency ratio (Admin exp/Operating inc)	53.3%	52.5%	76.4%	57.0%	59.0%
OTHER DATA					
Exchange rate J\$ per US\$1.00	\$42.0	\$38.0	\$36.2	\$35.0	\$39.9
Inflation rate year over year (%)	8.2%	6.3%	8.4%	10.8%	29.9%
Number of stock units at year end	547,746,751	261,192,001	140,392,001	3,300,001	3,300,001
No. of team members	105	99	94	77	68

CHAIRMAN'S REPORT

IT IS MY PLEASURE AND PRIVILEGE to present to you the Annual Report for Jamaica Money Market Brokers Limited (JMMB), for the financial year ended March 31, 2005. Once again, JMMB has delivered a strong financial performance and achieved new firsts along the way.

On the macroeconomic scene, we welcomed relative stability as interest rates declined gradually throughout the year, with inflation largely controlled. The active hurricane season, however, gave us several close calls in Jamaica and in the nearby Caribbean territories; and, of course, there was Hurricane Ivan which delivered the greatest surprise and management test for the year.

We are proud to state that JMMB stands on even stronger footing today because of our greater geographical diversification, broader product offerings and the increased experience of our team in delivering our products to our clients.

With the launch of JMMB Insurance Brokers Limited in mid-

year, we extended the range of financial services within the Group. We see this as a strategic thrust into a new market – insurance – where our traditional focus on service to the client will deliver greater value. This brokerage provides a careful blend of newly initiated activities along with offerings that leverage strategic partnerships, and we anticipate a significant increase in value over time for this business.

The higher levels of activity and challenges were not limited to our operations in Jamaica, as Caribbean Money Market Brokers Limited (CMMB), one of our associated companies, also enjoyed organic growth sprinkled with its own share of challenges. In July, that business crossed the symbolic mark of having US\$1 billion in funds under management

and launched its full-service counterpart, Caribbean Money Market Brokers (Barbados) Limited, which opened its doors with the full complement of fixed-income and equity products to clients and to our stockholders in Barbados.



Dr Noel A. Lyon

LEFT TO RIGHT Dominique Atkinson, Future Client :: Dwight Atkinson, Senior Accounting Officer
Jewel Martin, Administrative Client Relations Officer :: Rohan Grant, Engineer, Client



CHAIRMAN'S REPORT

On the theme of strategic partnerships, JMMB completed the acquisition of a significant stake in Intercommercial Bank Limited and its subsidiary, Intercommercial Trust and Merchant Bank Limited, in Trinidad and Tobago. With this acquisition, we will broaden our offerings to clients within the financial sector of the region. We are, therefore, ideally poised to take advantage of the anticipated opportunities from the Caribbean Single Market and Economy.

At the Annual General Meeting, we will seek stockholders' approval for a renounceable rights offer of shares to assist with our regional expansion.

We look forward to JMMB being listed on the Barbados Stock Exchange during the financial year.

Along the way, we said farewell to Duhaney Smith, our Financial Controller and Company Secretary, who had been with us since 1995. We recognise him for his passion and dedication, which contributed in no small measure to our being the company we are today. We will miss him greatly.

To the full JMMB team, I extend the heartiest of thanks and ap-

preciation. You have put in a tremendous effort this year to bring us to where we are today. As we grow larger and more diverse, the challenge is to maintain and innovate our unique culture of Love, so that our clients continue to experience our passion for excellence. It is perhaps remarkable to some that we have accomplished these objectives while maintaining our commitment to ethics and integrity.

Our Board has demonstrated nothing short of extraordinary levels of dedication to their work throughout the year. They constantly maintained fresh energy and enthusiasm for the issues we faced.

As we look ahead, we expect JMMB to continue to enjoy a strong brand in our domestic and regional markets, with an emphasis on client service and strategic partnerships. Most heartily, we thank you, our stockholders and clients, for your support and business. Your expectation of excellence inspires us to reach for even higher levels of service, and the successes we share start with the high standards you set for us. We shall continue to honour that spirit in all our activities going forward.

LEFT TO RIGHT Barbara Jean Burton-Harvey, High School Teacher with Future Client :: Cecile Cooper, Business Operations Manager and Dr Noel A. Lyons, Chairman of the Board
Hjort Henry, Client :: Nickian Freeman, Nurse, Client :: Ainsley Whyte, Marketing Representative, Client



MANAGEMENT'S DISCUSSION & ANALYSIS

WE ARE PLEASED TO ANNOUNCE that Jamaica Money Market Brokers Limited (JMMB) recorded strong results for the twelve-month period ended March 31, 2005. The hard work of our team and the support of our clients have enabled JMMB to remain one of the strongest and most profitable financial institutions in Jamaica. Our profit before tax increased by 16.2% to a record high of J\$1.77 billion when compared to the thirteen-month period ended March 31, 2004. Net interest income, gains on securities traded and share of profits from associated companies were major contributors to this performance.

Despite a downward trend in interest rates, which resulted in a 21.2% drop in interest income, we were able to record a 32.8% growth, or J\$472.58 million, in net interest income over the period. Our targeted management of interest differentials was a significant contributor to this performance, as net interest margin increased from 14.7% to 24.8%.

Operating profit increased by 37.6%, from J\$988.87 million to J\$1.36 billion, validating the strength of our business model. The strong operating profit performance over the year was due to both the 29.0% increase in operating revenue net of interest expense and our commitment to controlling costs. While administrative expenses increased by 20.4% over the year, our efficiency ratio, represented by administrative expenses as a percentage of operating revenue net of interest expense improved from 50.3% to 47.0%. We will continue to focus on cost containment in an effort to further increase the efficiency of our operations.

Our asset base grew by J\$1.87 billion to end the year at J\$63.24 billion, while group equity stood at J\$5.29 billion, an increase of 29.5% over the prior period. The full year's earnings per unit of stock (EPS) increased by 9.7% from J\$1.03 to J\$1.13.



Donna Duncan-Scott

ASSOCIATED AND SUBSIDIARY COMPANIES

Our associated and subsidiary companies contributed significantly to the Group's profit. However, the share of profits of associated companies declined from J\$527.16 million in the thirteen-month prior period to J\$394.90 million. This result was affected by prudent provisioning for the effects of Hurricane Ivan on Grenada bonds. The Barbados investment, Caribbean Money Market Brokers (Barbados) Limited, was profitable in its first year of operation. We are confident that our investments in our associated and subsidiary companies will continue to deliver substantial value.

NEW ENTITIES Effective December 29, 2004, we acquired a 50% holding in Intercommercial Bank Limited and its subsidiary, Intercommercial Trust and Merchant Bank Limited (collectively referred to as "IBL"), a commercial and merchant bank in Trinidad and Tobago. JMMB purchased this interest for TT\$30 million, which was financed by a 6.5% fixed-rate, five-year US dollar facility. We are responsible for providing the strategic direction and currently give operational support to IBL. As at March 31, 2005, IBL had total assets of TT\$487.5 million. The continued expansion

LEFT TO RIGHT Rockann Lee Crawlle, Branch Supervisor :: Joya Hylton, Entrepreneur and Adam Hylton, Clients :: Patrick Panton, Senior Accounts Analyst :: Zevon Murray, Guard Michael Campbell, Guard :: Keith Duncan, President & COO with Dominique, Zachary and Justin Duncan, Future Clients :: Sonia Clough, Retail Manager, Client



MANAGEMENT'S DISCUSSION & ANALYSIS

sion in the region underscores our strategy of diversifying revenue streams.

JMMB Insurance Brokers Limited became a reality in October 2004. Through alliances with Blue Cross and Life of Jamaica, the company currently offers health and life insurance products. In the near future, JMMB Insurance Brokers will offer additional insurance solutions to our clients. This business unit will add to the suite of products to further enhance our product diversification.

We successfully opened our eighth branch in November 2004. The opening of this branch in May Pen represents our faith in the potential of the southern coast of the island. We are encouraged by the performance of this branch to date and expect good results from this investment.

PRODUCTS AND SERVICES The JMMB Select Index Fund continues to perform well, increasing in assets from J\$160.76 million to J\$418.85 million, or 160.5%, over the year. In the coming year, we expect to launch other equity products in the region as we strive to meet the financial goals of our clients. These products are expected to appeal to diverse client groups with varying investment appetites, and further enhance JMMB's recently introduced Financial Planning Services (FPS).

FPS is designed to empower our clients to realise their financial goals by introducing the principles of financial planning. JMMB is committed to this lifelong endeavour of every individual at any

stage of life. FPS is designed to deliver competitive returns while remaining true to our guiding principle of client empowerment.

To date, the response to FPS has been very encouraging, with more than seven hundred appointments for client consultations.

A media launch is expected in the first quarter of the new financial year, during which a more focused campaign will highlight the benefits of this exciting new service.

As part of the delivery of FPS, JMMB has developed a rigorous certification programme for our Client Relations Officers (CROs). These certified CROs equip JMMB with a trained team of financial planners able to work closely with our clients, with the objective of creating a step-by-step plan to meet their financial goals.

On the operations front, greater automation of our processes was a significant driving force in the improvement of our service delivery to our clients. Moneyline, our e-commerce solution, was launched during the financial year. This brings the power of the branches to wherever clients are in the world by allowing them to

- view balances and statements;
- transfer internally between accounts;
- request encashments;
- request wire transfers;
- make stock orders, and view fills;
- value portfolios; and
- request foreign currency transactions.



Keith P. Duncan

LEFT TO RIGHT Dameon Brackett, AP Terminal, Client :: Donna Sauderson, Credit Officer, Client :: Hayley Sutherland, Future Client
Danielle Terrelonge, Marketing Communications Officer and Richard Bertram, Account Executive :: Sandra Neil, Client Relations Officer



MANAGEMENT'S DISCUSSION & ANALYSIS

Further automation will remain a major initiative in the coming year. We will be looking for more efficient ways to process transactions across our branch network while enhancing client convenience.

HUMAN RESOURCES The JMMB team expanded over the year with the addition of 44 new permanent and contract team members, bringing the average number of persons employed to 236.

Our management team was augmented by the addition of eight new team leaders, namely,

- Selwyn Batchelor, Managing Director, JMMB Insurance Brokers Limited;
- Nerene Brown, Business Operations Coordinator;
- Dennis Chung, Group Financial Controller;
- Hugh Duncan, Director, Capital Markets and Business Development;
- Brando Hayden, Trading Manager;
- Glenford McLeish, Managing Director, JMMB Securities Limited;
- Fayval Williams, Chief Investment Officer; and
- Eileen Wolfe, Manager, Project Management.

Leo Williams, previously Managing Director of JMMB Securities Limited, is now the Caribbean Business Development Manager. His area of focus is to roll out the Group's equity and fixed-income products throughout the region.

The expansion at the management level will help to position

the organisation to create new and exciting products and services for both the local and international markets. Our expertise has also been broadened to execute our regional expansion.

JMMB's vision is one of becoming a world-class financial services provider. Realising this vision requires the efficient management of our various projects, and so we established a Project Management Office to guide the process of internalising the discipline of managing projects. We believe that this will lead to increased productivity and thus more timely execution and delivery of projects.

Individual development and training remain a major focus of our organisation. We spent approximately 11% of our staff costs on internal and external staff training. We currently have forty team members who are pursuing tertiary and professional accreditation, including eight team members in the Chartered Financial Analyst (CFA) programme. Through our externally reviewed certification programme, JMMB has certified twenty-three financial planners.

During the year, we completed an extensive job evaluation exercise, which was aimed at aligning job functions across the Group. We continue to focus on improving the performance management system to underscore our culture of high performance, accountability, excellence and Love.

COMMUNITY INVOLVEMENT JMMB continues to be actively involved in charitable and voluntary activities, as we recognise and accept our social responsibility to the wider community. In keeping with this principle, we provided sponsorship and donations to various community activities. Our involvement ranges from small community-enhancement projects to large-scale national endeavours. Some of the more visible projects include the following:

LEFT TO RIGHT Cathy Davis, Communications Manager :: Hjort Henry, Client :: Delories Jones, Financial Advisor :: Tahj Atkinson, Future Client :: Jennise Wedderburn, Client Care Officer



MANAGEMENT'S DISCUSSION & ANALYSIS

- a strong affiliation with the Committee for the Upliftment of the Mentally Ill (CUMI), an organisation that provides assistance to the homeless and mentally ill;
- national blood drive campaigns;
- Jamaica Cancer Society's awareness programmes;
- schools' re-building programmes, including funding assistance for classroom desks, chairs and supplies;
- street feeding programmes;
- Mustard Seed community programmes, as well as Father Holung's Missions of the Poor;
- August Town Community Development Programme; and
- Hurricane Ivan recovery programmes.

We believe that a strong leadership culture in Jamaica is vital for the growth and development of the nation. With this in mind, we hosted the Living Leadership seminar, solidifying an eight-year relationship with the organisers, Lumacore. The positive response from participants in this seminar justifies our continued support.

THE YEAR AHEAD The year ending March 2006 promises to be an exciting period for the Group. We plan to open two additional points of presence locally, one in Brown's Town and another in Santa Cruz. Our Island Life branch has outgrown its current location and will be relocated to a more spacious and convenient facility within the Island Life complex.

Regionally, we are in the process of strengthening the operations of IBL. This strategic acquisition will facilitate the development of banking products to meet the needs of our regional corporate and retail clients. Our push into merchant banking will be an

important step in rolling out our capital markets business, which we view as important to JMMB's continued growth.

One of our associate companies, Caribbean Money Market Brokers Limited (CMMB), will be opening a branch in Saint Lucia in the second quarter of the financial year. CMMB continues to explore other market opportunities in the region.

We will be placing an increased emphasis on our institutional client base. We will further cement this relationship through frequent seminars, daily and timely market information, and developing products to meet their individual needs.

JMMB's Research Team has been recognised as a source of credible economic analysis. In conjunction with CMMB, we intend to regionalise the research function to deliver Caribbean and Central American research and analysis.

We are currently establishing a Personal Portfolio Management Centre, which will be staffed with experienced portfolio managers with a mandate to attend to the special and varied needs of our clients.

We would like to take this opportunity to thank our valued clients, who continue to support us. We believe that our focus on greater client intimacy will allow us to maintain your loyalty.

We are extremely grateful to our Board, which has provided continued support, and to our dedicated team members.

Increasing stockholder value remains a priority at JMMB, and thus we would like to take this opportunity to thank you, our stockholders, who have invested a high level of confidence and trust in us. With respect to our country and our region, we will continue to promote the winning formula:

VISION + VALUES + EXPERTISE = PHENOMENAL SUCCESS

LEFT TO RIGHT Kerry-Ann Watson, Express Transactions Officer :: Tiffany Douglas-White, Credit Officer, Client :: Patrick Beech, User Support Officer :: Holston Walker, Ground Maintenance
Anthony Williams, Ground Maintenance :: Arlene Rose Lewis, MD, Client :: Sherieka Cooper, Client Care Officer



JMMB SECURITIES LIMITED

JMMB SECURITIES LIMITED (JMMBSL) COMPLETED its third full financial year on March 31, 2005. Guided by our vision to be “the home for Jamaican and Caribbean stocks and equity products”, we increased our market activity and presence by executing trades on the three major markets of the English-speaking Caribbean during the year. We also undertook a number of seminars, macroeconomic and stock-market-based presentations with other companies in the Group.

We recorded strong growth in revenues and profits over the year. Through prudent application of technology, we were able to increase the volume of transactions while improving the service levels and operating efficiency. We continue to surpass the capital adequacy requirements of the regulatory agencies under which we operate.

During the year, JMMBSL executed transactions on the Jamaica Stock Exchange valued at over J\$4.14 billion, an increase of 42.3% over the J\$2.91 billion value traded in the previous thirteen-month period. Trading with our regional stock exchange partners continued to grow, and this accounted for a significant increase in our share of the volume of the cross-listed stocks traded. This is an increasingly important segment of our business as we fulfil

our commitment to being the premier regional brokerage firm, facilitating our clients' access to regional equities and related products.

Following its launch on February 3, 2004, the JMMB Select

Index Fund, which tracks the fifteen most liquid blue-chip stocks of the Jamaica Stock Exchange Select Index, has grown to J\$418.85 million in aggregate net assets under management at March 31, 2005. This performance represents an increase of 160.5% over the prior period.

In September 2004, Glenford McLeish assumed the responsibilities of Managing Director from Leo Williams, who, as the JMMB Group's new Caribbean Business Development Manager, will pursue his passion of developing Caribbean

equity markets. He continues as a director of JMMBSL. We thank Leo for his vision and drive in establishing the company.

We at JMMBSL aim to continue our innovative thrust and will introduce equity products that will diversify our clients' portfolios and broaden JMMB's revenue base. We are grateful to our dedicated team members for their commitment to and care for our clients. Most of all, we thank our clients. We are privileged to have served you in the past and are excited about forging an even closer relationship in the future.



Glenford McLeish

LEFT TO RIGHT Kayode Thomas, Communications Representative, Client :: Keisha Crooks, Client :: Selwyn Batchelor, Managing Director, JMMB Insurance Brokers
Keesha Wallace, Supplier :: Kara Vaz, Client :: Kyle Smith, Future Client



JMMB INSURANCE BROKERS LIMITED

JMMB INSURANCE BROKERS LIMITED BEGAN operations in October 2004. The brokerage is a life and health insurance entity that provides both individual and group coverage. We design, source and provide insurance products that will best help our clients to protect income, assets and investments at those moments in life when it really matters.

The rationale for an insurance brokerage within the JMMB Group is to ensure that JMMB's products and services cover all the important elements of proper financial planning. The brokerage expands the range of financial planning services offered by JMMB through the provision of insurance and estate planning for our clients. Products and services can be mixed and matched from different insurers to satisfy quality and pricing needs.

One of our major achievements has been the development of our BlueCare Health Insurance Plan, out of an alliance forged with Blue Cross of Jamaica.

So far we have streamlined many processes in order to create a seamless partnership with our insurers, to ensure that we deliver high-quality service to our clients.

We are particularly proud of our website, www.jmmbinsurance.com, through which we have received many enquiries, and which customers have found to be informative and user-friendly. The

website is proving to be an important channel for our business, as customers are able to get estimates on different types of cover. Our "request a quote" option allows customers to determine their basic life insurance cover online without the intervention of the salesperson. This service is being enhanced and will allow for basic estate planning by the end of the new financial year.

The insurance products will include the following:

- Term Life Insurance
- Permanent Life Insurance
- Critical Illness
- Disability Income
- Income Replacement Plans
- Special Last Expense Plans
- Personal Accident Plans
- Group Life Insurance
- Individual Health Insurance
- Group Health Insurance

The brokerage operates from JMMB branches islandwide and hence our services will be easily available to our clients.

Our outlook for this year is to build on JMMB's reputation of excellent customer service, by ensuring that service is delivered by well-trained licensed insurance sales representatives.



Selwyn Batchelor

LEFT TO RIGHT Diana Burgess, Cultural & Organisational Development Specialist

Patricia Sutherland, Director, JMMBSL with Sean Green, Client and Wayne Sutherland, Director, JMMB along with Hayley and Joshua Sutherland, Future Clients
Patrice Brown, Real Estate Agent, Client with Dennis Chung, Group Financial Controller :: Glenford McLeish, Managing Director, JMMBSL :: Simone Dunbar, HR Assistant



CARIBBEAN MONEY MARKET BROKERS LIMITED

CARIBBEAN MONEY MARKET BROKERS LIMITED (CMMB) delivered another year of solid financial performance. CMMB continued its strong growth as it passed yet another important milestone of US\$1 billion in assets under management. CMMB's assets, on a consolidated basis at March 31, 2005, stood at over TT\$8.2 billion, an increase of over TT\$3 billion, or 58% year on year.

Core operating performance was also strong, as interest income increased by 55% from TT\$81 million to TT\$126 million. The contributions from new divisions were also significant. Fee income from Capital Market services increased by 228% to TT\$8.98 million, while Asset Management services contributed TT\$1.86 million to profit before tax.

The past year was not without its challenges. An active hurricane season severely affected our region, particularly Grenada, which suffered overwhelming destruction as

a result of Hurricane Ivan and was subsequently downgraded to SD (Specific Default) by Standard and Poor's. As prudence would dictate, we have provided for potential losses in Grenada that adversely affected our gains from investment securities.

Shareholders' equity strengthened from just over TT\$200 million in the prior year to over TT\$256 million at the end of this year.



Ram Ramesh

CMMB SECURITIES LIMITED This financial year was another successful one for CMMB Securities Limited (CMMBSL) in a challenging market. While the value of trading transactions on the Trinidad & Tobago Stock Exchange (TTSE) increased from TT\$5.1 billion in 2004 to TT\$6.5 billion, overall trading volumes fell by 38% to 476 million shares.

This is further evidence of the significant price increases experienced on the market for the period under review.

LEFT TO RIGHT Cherelyn Elbourne, Client Relations Officer :: Richard Trotman, Director, CMMB :: Wayne Dass, Head of Investment Management Services, CMMB



CARIBBEAN MONEY MARKET BROKERS LIMITED

On March 18, 2005, with the introduction of the Horizon Trading System, trading on the TTSE became automated. This new system is expected to provide our growing clientele with a more efficient service.

BARBADOS Caribbean Money Market Brokers (Barbados) Limited (CMMB Barbados) was officially launched on June 21, 2004. Within a short span of time, CMMB Barbados has carved a niche for itself as the first exclusive full-service money market broker in Barbados. Over the financial year, assets grew to BD\$106 million from just BD\$5.8 million in the previous year. CMMB Barbados posted a profit in its first year of operation.

We have begun offering investments in a Barbados dollar denominated fixed-income paper (FIP) and money market account (BD\$MMA). In February 2005, we began offering stock brokerage services as well.

SAINT LUCIA During the year, we had the distinction of registering as the first overseas broker dealer with the Eastern Caribbean Securities Regulatory Commission. We also became a member of the Eastern Caribbean Securities Exchange. In order to service the Organisation of Eastern Caribbean States market, we plan to open a branch in Castries, Saint Lucia. The official launch is scheduled for July 2005. We will offer investments in US dollar as well as EC dollar denominated money market instruments.

The year ahead promises to be one of regional expansion and growth as we seek to roll out our unique business model across the Caribbean.

We are truly privileged to work with a committed team that is always brimming with enthusiasm and energy, and a Board that is always supportive and encouraging of our initiatives. At CMMB, we are grateful to our clients and shareholders for their continued support during the past year and look forward to serving them all in the coming years.

LEFT TO RIGHT Robert Mayers, Managing Director, CMMB Securities :: Ram Ramesh, Managing Director and CEO, CMMB :: Vangie Bhagoo, Research Analyst



BUSINESS ENVIRONMENT

DURING JAMAICA'S FISCAL YEAR April 1, 2004, to March 31, 2005, the business environment experienced volatility as a result of Hurricanes Ivan and Charley. However, the impact of both hurricanes, while affecting macroeconomic performance, did not erode either domestic or international confidence. The macroeconomy, despite the impact of Ivan, performed well compared to the performance of fiscal 2003/04.

INTEREST RATES Interest rates (as measured by the six-month T-bill) declined to a fifteen-year low of 13.45% in March 2005. The Central Bank cut rates thirteen times during the fiscal year, citing strong foreign direct investment (FDI) inflows estimated at US\$3.5 billion over the next four years¹ and a net international reserves (NIR) of approximately US\$1.9 billion.

THE JAMAICAN CURRENCY The Jamaican currency was relatively stable over the period. The currency depreciated by a mere 0.9% for the fiscal year 2004/05. This was mainly due to the use of the Central Bank's NIR to maintain stability. The Government of Jamaica also ended its borrowing arrangement with the International Monetary Fund (IMF) by successfully paying off its debt to that organisation in March 2005.

INFLATION Inflationary pressures continued to affect the Jamaican economy. Hurricane Ivan resulted in inflationary spikes in October and November of 3.3% and 2.4%, respectively. In January and February, rates normalised to 0.0% and 0.4% in the respec-

tive months, as a result of the rebound in agriculture. However, by March, inflation increased to 1.0%, spurred by severe drought conditions and bush fires. At the end of the fiscal year, headline inflation was 13.2%. Although this compared well with the 16.8% for the prior fiscal year 2003/04, the figure was above the Central Bank's projections.

MEMORANDUM OF UNDERSTANDING Jamaica's macroeconomic stability was supported by the historic signing of the Memorandum of Understanding (MOU) between the government and public sector employees. The agreement effectively capped public sector wage growth at 3% for fiscal years 2004/05 and 2005/06. Despite pressures, the MOU appears to be holding.

The cap on wages combined with declining interest rates were positive developments for the fiscal budget. However, the negative impact of Hurricane Ivan resulted in a larger-than-targeted budget deficit of 4.8% and a reduction in the projected 2.5% gross domestic product (GDP) growth to 1.0%. Nevertheless, despite GDP being lower, it represents the sixth consecutive year of GDP growth.

OTHER RATIOS AND TARGETS Fiscal year 2004/05 saw NIR levels at US\$1.9 billion, US\$600 million above target. The debt to GDP ratio came in at 136.6%, 3.4 percentage points below that of fiscal year 2003/04 but 1.6 percentage points above the target rate.

¹ IMF Intensified Surveillance Report, February 2005.

LEFT TO RIGHT Richard Bertram, Account Executive :: Debbie Johnson, Manicurist & Reflexologist, Client
Althea Henry, Administrative Assistant, with Alvira, Client :: Bradley Bell, Contractor, Client :: Joan Edwards, Financial Planning Manager



BUSINESS ENVIRONMENT

The fiscal balance (as a percentage of GDP) came in at -4.8%, versus the target of -4.0%. The primary surplus was 11.8%, versus a target of 13.6%.

For the past fiscal year, the Planning Institute of Jamaica estimated that the services sector grew by 1.2%, while the goods producing sector declined by an estimated 0.2%, due mainly to Hurricanes Ivan and Charley. The main growth areas were manufacturing, 2.9%; construction and installation, 5.5%; and miscellaneous services, 4.4%, where most of tourism is recorded.

CREDIT RATING On December 10, 2004, Standard and Poor's (S&P) updated both its local and foreign currency sovereign credit outlook on Jamaica from "negative" to "stable". Moody's followed in April 2005 with an affirmation of its "stable" rating on Government of Jamaica foreign and local currency sovereign debt as well as foreign currency bank deposits. The S&P outlook change and Moody's affirmation mean that Jamaica should be able to access the international capital market with greater ease.

OUTLOOK In April 2005, Jamaica's 2005/06 balanced budget was presented, with the major revenue highlights being as follows:

- an increase in the standard general consumption tax (GCT) rate to 16.5%, up from 15%;
- an increase of 49.3% in the special consumption tax on cigarettes; and
- an increase in the income tax threshold.

The balanced budget targets assume more aggressive collections of taxes going forward.

The government intends to borrow approximately J\$139.1 billion this fiscal year. They plan to access the local market for J\$107.6 billion and the external market for approximately US\$500 million.

Jamaica's large current account deficit will again likely be financed by large foreign direct investment inflows (approximately US\$3.5 billion over the next four years). The major targets for these investments will be mining, tourism and construction. The government's projected economic growth target for fiscal 2005/06 is 3.6%; inflation is projected at 9.0%; NIR at US\$1.93 billion; debt to GDP ratio of 125.7%; and the primary surplus at 13.8%.

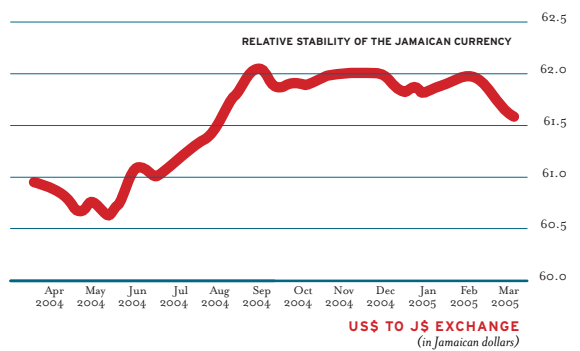
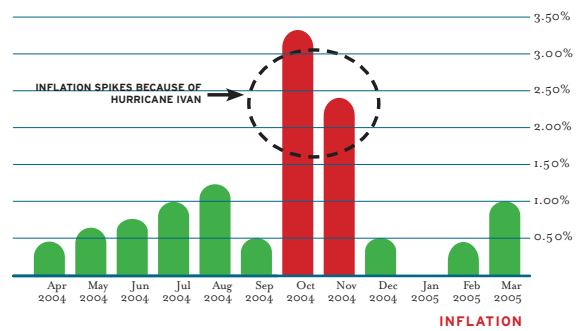
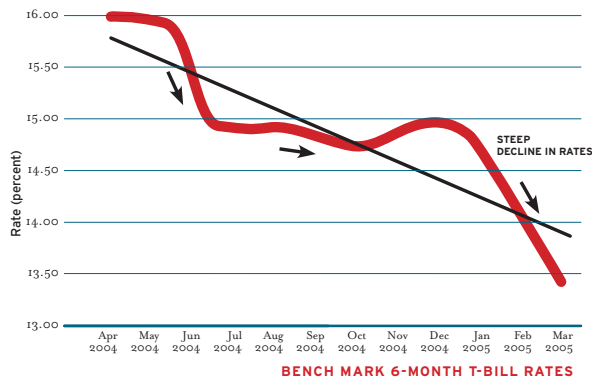
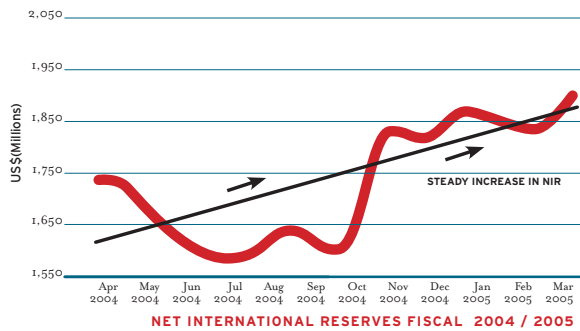
Despite the positive developments, there are significant challenges ahead in the business environment. Jamaica is a small open economy susceptible to shocks. As such, rising oil prices, negative geopolitical events and an active hurricane season pose significant risks to the consolidation of the gains already made.

The economic cost of crime (estimated at 2.5% of GDP in 2001), especially on the productive sector, remains a threat to growth and development in the medium to long term. However, the continuance of proper monetary and fiscal management, the decline in interest rates, the maintenance of the MOU, and the aggressive collection of tax revenues should contribute towards the goal of achieving a balanced budget.

LEFT TO RIGHT Nathan Hall, Disbursement Officer :: Carolyn DaCosta, Technical Operations & Compliance Manager :: Gloria Holt, Founding Member
Leon Vaughan, MD, Client and Joan Edwards, Financial Planning Manager



BUSINESS ENVIRONMENT



LEFT TO RIGHT Sasha-Gay Thomason, Receptionist :: Mark Willoughby, Catering Services :: Shanielle Ledgister-Stiff, Future Client :: Janet Patrick, Chief Accountant
Nicole Broadbelt, Client & Mother with Brianna Elliot and Gregory Elliot, Insurance Relations Officer :: Pat Salter, Recording Secretary, JMMB Securities Ltd and JMMB Insurance Brokers Ltd



RISK MANAGEMENT

JMMB IS THE LEADING INVESTMENT INSTITUTION in Jamaica and, as such, effective risk management is critical to our success. We have devoted significant resources to improving the measurement and management of market, liquidity, credit and operational risks. Policies and procedures have been developed to manage these risks, and our rigorous internal risk management practices exceed the industry's regulatory requirements. We are committed to continuously benchmarking with international best practices, thus ensuring the protection of capital.

The JMMB Risk Management Department is the hub of risk management within the JMMB Group. The risk management function of our subsidiaries and associated companies across the Caribbean is continuously supported as part of the Group's strategic expansion plan. The structure of risk management is displayed as Chart I.

The ultimate authority on risk management within the Group is the Board, through its Risk Subcommittee. This committee meets quarterly and reviews and approves policies, procedures and limits. At the management level, the Risk Management Committee meets every two weeks to

manage the firm-wide risk exposure on an ongoing basis. The risk management staff constantly monitors the risk exposure and implements the risk management policy. A risk-conscious culture is the foundation for our risk management processes.

MARKET RISK Market risk is the risk that the economic value of an investment will decline due to negative movements in the underlying market risk factors. The three principal market risk factors

for JMMB are interest rates, foreign exchange and equity.

JMMB uses the Value at Risk (VaR) methodology to actively measure and monitor our market risk exposure. VaR provides aggregate risk statistics on potential investment losses based on a defined probability for a specified period. It is the most effective tool used for measuring market risk and has been widely adopted by major

global investment firms. VaR is used to assess the risk contribution and correlation at the sub-portfolio and position levels.

Risk analysis at JMMB is closely integrated with our investment decision-making process. Stress and scenario tests are done on a

CHART 1



LEFT TO RIGHT Nikian Freeman, Nurse, Client :: Kara Vaz, Client :: Steven Livingston, Express Transaction Officer
Marsha Gaye-Hibbert, Administrative Client Relations Officer :: Natalie Brown, Client Care Officer :: Josuha Sutherland, Future Client



RISK MANAGEMENT

regular basis to complement VaR statistics. Back testing is also conducted routinely to ensure the model's accuracy.

JMMB has adopted the international best practice of using economic capital as the base to support our business activities. Economic capital excludes illiquid capital items, such as fixed assets, deferred tax and ownership of associated companies. This proves to be a more suitable base for measuring risk capacity. The capital adequacy level, capital allocation and risk limits are established by utilising economic capital rather than accounting capital.

LIQUIDITY RISK Liquidity risk is the financial risk that arises from the difficulty of selling an asset at a reasonable price or borrowing from the capital market at the normal cost. In our day-to-day operations, we analyse the funding profile of different types of clients, and have implemented a funding strategy to achieve the targeted composition of clients. Our liquidity risk management system is being further enhanced and is targeted for completion within the first quarter of the new financial year.

CREDIT RISK Credit risk refers to the potential loss in capital as a result of counterparties' failure to fulfil their actual or implied contractual obligations. Credit risk arises in JMMB's investment activities where counterparties have contractual arrangements to repay at a specified period in the future. To mitigate this risk, we have adopted international best practices to evaluate, measure and monitor credit risk. The CAMELS methodology is presently used to evaluate the credit soundness of counterparties and to determine credit limits, based on available qualitative and quantitative data.

Over the financial year, the Risk Management Department has undertaken several initiatives to control and effectively monitor our credit exposure. Institutional and retail clients are required to provide margins for reverse repo transactions and promissory notes, and these margins are required to be maintained throughout the life of the agreement. The margin policy developed and adopted exceeds the guidelines set by our regulator, the Financial Services Commission, as well as other major international firms.

LEFT TO RIGHT Melonie McKay, Branch Supervisor :: Nicola McClymont, Career Counselor at NCU, Client :: Gianni Crawlle, Future Client
Ruel Willoughby, Special Projects Officer :: Princess Scott, Client :: Marsha Tobisch, Client Relations Officer



CORPORATE GOVERNANCE

THE BOARD OF DIRECTORS has four subcommittees, namely Risk, Finance, Audit and Human Resources. Each subcommittee meets quarterly and is chaired by an independent Director and consists of other members of the Board and senior management.

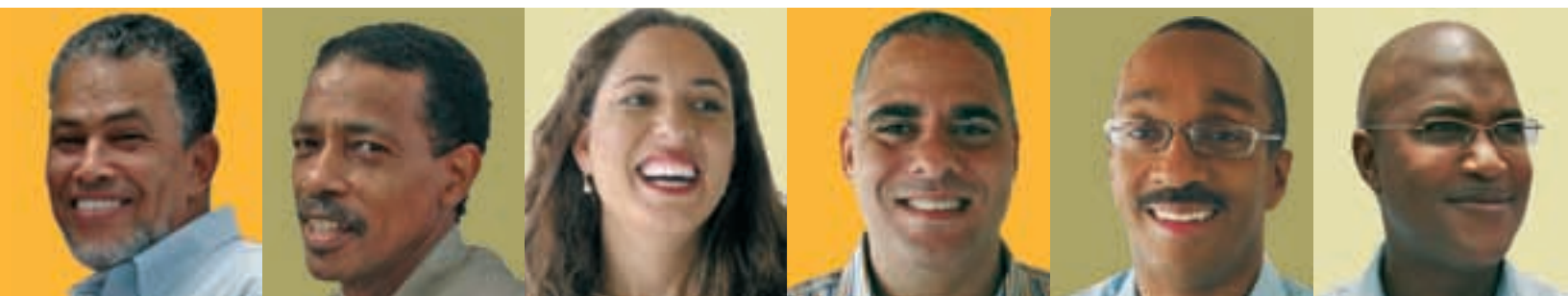
The Board subcommittees work with internally appointed Management Committees, which meet fortnightly and are charged with the responsibility of implementing the decisions of the Board.

INDEPENDENT DIRECTORS	RISK	FINANCE	AUDIT	HUMAN RESOURCES
Archibald A. Campbell	✓	Chairman	Chairman	
Dennis L. Harris		✓	✓	
V. Andrew Whyte	✓	✓	✓	
Richard J. Trotman	Chairman			
Marguerite Orane				Chairman

LEFT TO RIGHT Keanu Leith, Future Client :: Everton Francis, Client & Supplier :: Blair McClooney, Human Resources, Client
Nicolette Dundas, Financial Advisor :: Marcia Whitaker, Branch Supervisor



BOARD OF DIRECTORS



NOEL A. LYON, PhD, CHAIRMAN Dr Noel A. Lyon is the Chairman of JMMB and its associated company, Caribbean Money Market Brokers Limited in Trinidad. He is also the Chairman of Jamaica Venture Fund. He is a graduate of Harvard Graduate School of Arts and Sciences, where he earned his PhD in Economics in 1969.

ARCHIBALD A. CAMPBELL, MSc, FCA, DEPUTY CHAIRMAN Mr Campbell is a graduate of the University of the West Indies, where he read for both his BSc. Accounting and his MSc Accounting degrees. He lectures in undergraduate and graduate courses in the Department of Management Studies at the University of the West Indies. He is a fellow of the Institute of Chartered Accountants of Jamaica as well as a member of the Council of the Institute.

DONNA K. DUNCAN-SCOTT, CFA®, MBA, CEO Mrs Duncan-Scott became Managing Director of JMMB in 1998 after the passing of Joan Duncan. A trained industrial engineer, she earned her MBA from the University of Western Ontario in Canada. She went on to gain her Chartered Financial Analyst accreditation in 1999.

KEITH P. DUNCAN, CFA®, PRESIDENT & COO In 2000, Mr Duncan became Deputy Managing Director. He completed his undergraduate studies in Economics at the University of Western Ontario in Canada and gained his Chartered Financial Analyst accreditation in 2001. Mr. Duncan is Chairman of the National Youth Service Board and also Director of the Petroleum Corporation of Jamaica.

DENNIS L. HARRIS, FCCA, DIRECTOR A certified accountant, Dennis Harris is the Regional Finance Director for Courts in the Caribbean with responsibility for Finance, IT and Treasury. Mr Harris also serves as a Director on the Board of Courts (Jamaica) Limited.

V. ANDREW WHYTE, MBA, DIRECTOR Mr Whyte is the Finance Manager at the Jamaica Producers Group where his responsibilities include treasury and management of the Group's investment portfolio. He also possesses extensive banking experience. He studied Chemical Engineering at the Illinois Institute of Technology and later gained his MBA at the University of Illinois at Chicago.

ABOVE LEFT TO RIGHT: Noel A. Lyon, Chairman :: Archibald Campbell, Director :: Donna Duncan-Scott, CEO :: Keith P. Duncan, President & COO
Dennis Harris, Director :: V. Andrew Whyte, Director



BOARD OF DIRECTORS



WAYNE SUTHERLAND, MBA, DIRECTOR Mr Sutherland earned a BSc in Physics and Computer Sciences from the University of the West Indies and an MBA from the Columbia Business School in New York. He is Managing Director of Jamaica Venture Fund and also holds directorships on the boards of Intercommercial Bank Limited and Devon House Development Limited. He served as a Director of the Securities Commission between 1993 and 2001.

RICHARD J. TROTMAN, MSc, CA, DIRECTOR Mr Trotman is the Executive Vice President and Chief Operating Officer at Clico Investment Bank Limited in Trinidad. A graduate of the University of the West Indies, he holds both a BSc and an MSc in Accounting. Mr Trotman is a member of the Institute of Chartered Accountants of Trinidad and Tobago.

MARGUERITE R. ORANE, MBA, DIRECTOR Ms Orane is co-founder of Growth Facilitators, a partnership dedicated to improving the quality of life for people in the Caribbean. Ms Orane gained her BSc in Management Studies from the University of the West Indies and her MBA from the Harvard Business School.

RAM RAMESH, CFA®, MBA, DIRECTOR Mr Ramesh is the Managing Director and CEO of Caribbean Money Market Brokers Limited. Mr Ramesh is the author of the book *Financial Analyst's Indispensable Pocket Guide*. He holds a BSc in Engineering and an MBA from India. He is also a CFA® charter holder.

CEDRIC STEWART, MSc, STAFF DIRECTOR/ESOP REPRESENTATIVE Mr Stewart is an experienced personal financial planner and advisor with special strengths in interacting with credit and finance companies. Currently, Mr Stewart serves as Manager at JMMB Tropical Plaza. He read for his MSc degree in Economics and Finance at the University of Kiev (Ukraine).

MARC S. HARRISON, GENERAL COUNSEL AND COMPANY SECRETARY Mr Harrison is a member of the Jamaica Bar Association and the Jamaica Advocates Association. Mr Harrison attained his Bachelor of Law Degree at the University of the West Indies and a Certificate of Legal Education from the Norman Manley Law School, Kingston, Jamaica.

ABOVE LEFT TO RIGHT: Wayne Sutherland, Director :: Richard J. Trotman, Director :: Marguerite R. Orane, Director :: Ram Ramesh, Director
Cedric Stewart, Director :: Marc Harrison, General Counsel & Company Secretary



MANAGEMENT TEAM



DONNA K. DUNCAN-SCOTT, CFA®, MBA, CEO Mrs Duncan-Scott is a trained industrial engineer. She earned her MBA from the Richard Ivey School of Business at the University of Western Ontario in Canada and went on to gain her Chartered Financial Analyst accreditation in 1999.

SELWYN BATCHELOR, MANAGING DIRECTOR, JMMB INSURANCE BROKERS LIMITED Selwyn Batchelor completed his BSc degree in Marine Biology at the University of the West Indies and is a Chartered Life Underwriter. Mr. Batchelor gained his Chartered Financial Consultant accreditation in 2003 through the Life Underwriters Association in conjunction with the University of Toronto.

ANDRE BELLO, MARKETING MANAGER Mr Bello received his BSc from the University of the West Indies, St Augustine, Trinidad, and his MBA from Andrews University.

DENNIS CHUNG, GROUP FINANCIAL CONTROLLER Mr Chung is a Certified Public Accountant and holds an MSc in Accounting. He is a Fellow and Council Member of the Institute of Chartered Accountants of Jamaica

CECILE COOPER, BUSINESS OPERATIONS MANAGER Mrs Cooper has a Diploma in Insurance from the College of Insurance and Professional Studies as well as the Associate of the Chartered Insurance Institute designation and the Chartered Insurance designation. In 2001, she received her Executive MBA from Florida International University.

CAROLYN DaCOSTA, TECHNICAL OPERATIONS AND COMPLIANCE MANAGER Ms DaCosta read for her undergraduate degree at the University of the West Indies and later studied at the Manchester Business School, where she gained her MBA in Finance.

ABOVE LEFT TO RIGHT : Donna Duncan-Scott, CEO :: Selwyn Batchelor, Managing Director JMMBIB :: Andre Bello, Marketing Manager
Dennis Chung, Group Financial Controller :: Cecile Cooper, Business Operations Manager :: Carolyn DaCosta, Technical Operations & Compliance Manager



MANAGEMENT TEAM



KEITH P. DUNCAN, CFA, PRESIDENT AND COO Mr Duncan completed his undergraduate studies in Economics at the University of Western Ontario in Canada and gained his Chartered Financial Analyst accreditation in 2001.

KISHA ANDERSON, SPECIAL ASSISTANT TO THE PRESIDENT Kisha Anderson received her BSc in Environmental Sciences from UWI and has attended several professional training courses with the Jamaica Institute of Management, the American Management Association, Euromoney and Talent Plus.

MARC S. HARRISON, GENERAL COUNSEL AND COMPANY SECRETARY Mr Harrison attained his Bachelor of Law Degree at the University of the West Indies and a Certificate of Legal Education from the Norman Manley Law School, Kingston, Jamaica.

BRANDO HAYDEN, TRADING MANAGER Mr Hayden is a graduate of the City University of New York (Baruch College), with

a BBA in Finance, and New York University, with a MBA in Finance and International Business.

AARON HOU, RISK MANAGER Mr Hou is accredited as a Chartered Financial Analyst by the Association for Investment Management and Research and is certified as a Financial Risk Manager by the Global Association of Risk Professionals. He received an MBA in Finance and Corporate Accounting from the University of Rochester and an MSc in Quantitative Methods and Modelling from the Zicklin School of Business at Baruch College.

HUGH DUNCAN, DIRECTOR, CAPITAL MARKETS AND BUSINESS DEVELOPMENT Mr Duncan holds a MBA from Concordia University and a Bachelor of Commerce degree from Sir George Williams University, Montreal, Canada.

DEAN JOHNSON, SENIOR SYSTEMS ANALYST Mr Johnson holds a BSc from the University of the West Indies and an MBA from the University of Western Ontario in Canada.

ABOVE LEFT TO RIGHT Keith Duncan, Chief Operations Officer :: Kisha Anderson, Special Assistant to the President :: Marc Harrison, General Counsel JMMB
Brando Hayden, Trading Manager :: Aaron Hou, Risk Manager :: Hugh Duncan, Director, Capital Markets and Business Development :: Dean Johnson, Senior Systems Analyst



MANAGEMENT TEAM



GLENFORD McLEISH, MANAGING DIRECTOR, JMMB SECURITIES LIMITED Mr. McLeish completed his BSc degree in Management Studies at the University of the West Indies and Masters in Business Administration from Manchester Business School & University of Wales graduating with Merit.

JANET PATRICK, CHIEF ACCOUNTANT Ms Patrick is a Chartered Financial Accountant and holds a degree in Business Administration (Accounting) from the College of Arts Science and Technology, Jamaica.

SHELDON POWE, CHIEF INFORMATION OFFICER A graduate of the University of the West Indies, Mr Powe completed his MSc in Industrial and Systems Engineering at the University of Florida.

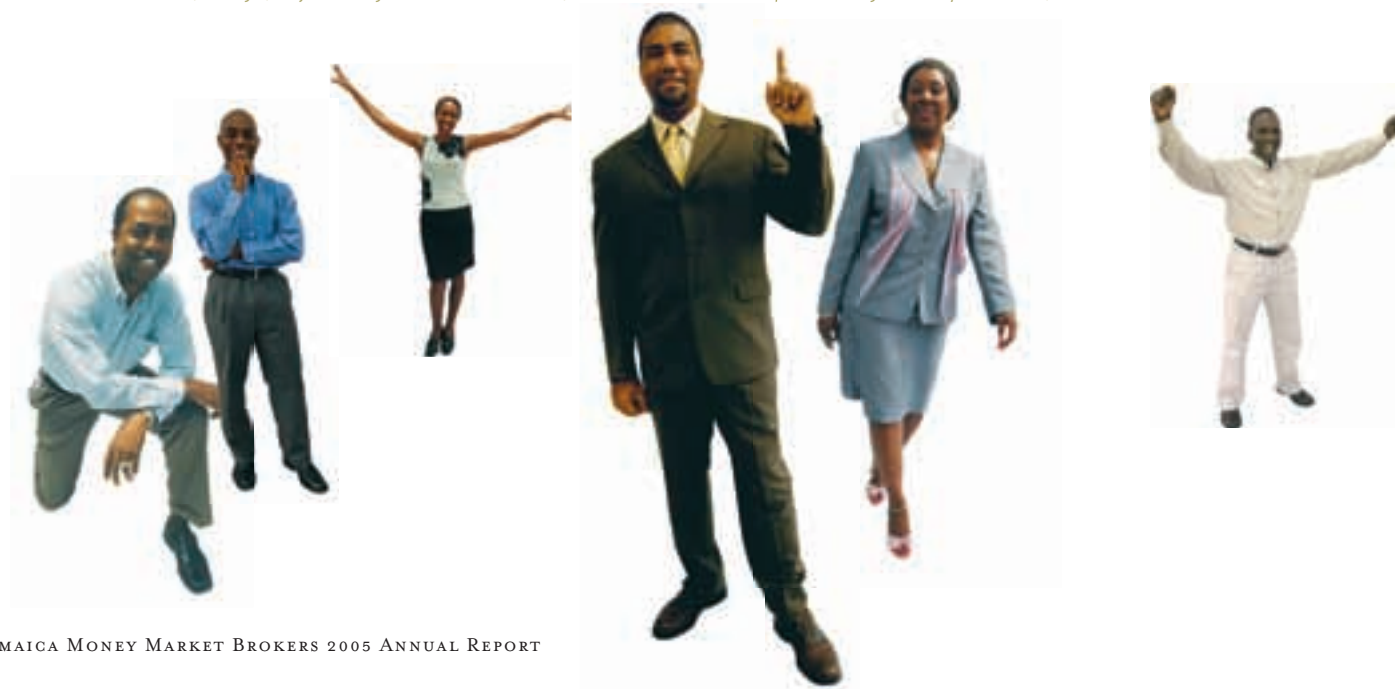
PAUL TAYLOR, CORPORATE SALES MANAGER A graduate of the University of the West Indies, Mr Taylor holds an Executive MBA in Finance, International Business and Technology Management. He also holds a BSc (Hons) in Management Studies and Economics from the same institution.

EILEEN WOLFE, MANAGER, PROJECT MANAGEMENT Ms Wolfe earned a Bachelor of Arts degree with a double major in Music (Piano) and English Literature. In 1989, she earned the Management Consulting designation as a Certified Management Consultant (CMC).

LEO A. WILLIAMS, CARIBBEAN BUSINESS DEVELOPMENT MANAGER He earned his MBA from the Wharton School at the University of Pennsylvania in 1989. He holds an MSc in Systems Engineering from the Moore School and an MA in International Studies from the School of Arts and Sciences also at the University of Pennsylvania.

FAYVAL WILLIAMS, CHIEF INVESTMENT OFFICER Ms Williams has an MBA from the Wharton Business School at the University of Pennsylvania. She graduated with a Bachelor's degree in Economics from Harvard University, Cambridge, Massachusetts.

ABOVE LEFT TO RIGHT Glenford McLeish, Managing Director JMMBSL :: Janet Patrick, Chief Accountant :: Sheldon Powe, Chief Information Officer :: Paul Taylor, Corporate Sales Manager
Eileen Wolfe, Manager, Project Management :: Leo Williams, Caribbean Business Development Manager :: Fayval Williams, Chief Investment Officer



BRANCH MANAGERS



TEVERLY GRAY, MANAGER, PORTMORE BRANCH Teverley Gray serves as Manager at JMMB Portmore Branch. She completed her BSc degree in Finance at the University of Technology and is currently pursuing her Chartered Financial Analyst accreditation.

LORNA HALL, MANAGER, MONTEGO BAY BRANCH Lorna Hall serves as Manager at JMMB Montego Bay. She holds a BBA degree from the University of Technology and an MBA from Nova Southeastern University. Lorna also holds a diploma in Marketing, University of Technology.

LANCELOT HENRY, MANAGER, MAY PEN BRANCH Mr Henry serves as Manager of JMMB May Pen. He completed his Diploma in Education and BSc degree at the University of the West Indies and holds a MBA from the Nova Southeastern University. He is also a Chartered Life Underwriter.

SASHA MULAI, MANAGER, ISLAND LIFE MALL BRANCH Sasha Mulai graduated from the University of West Indies where she pursued a BSc degree in International Relations and also holds an

MBA in General Management from the Mona School of Business, University of the West Indies.

JACQUELINE MULLINGS, MANAGER, MANDEVILLE BRANCH Ms Mullings chose Nova Southeastern University to study for her postgraduate and undergraduate degrees in Business Administration, and also pursued studies at the then West Indies College (now Northern Caribbean University) and Polytechnic of East London.

CEDRIC STEWART, MANAGER, TROPICAL PLAZA BRANCH Mr Stewart read for his MSc degree in Economics and Finance at the University of Kiev (Ukraine).

HORACE WILDES, MANAGER, OCHO RIOS BRANCH Mr Wildes is a graduate of Nova Southeastern University where he read for his BSc (Professional Management) and MBA degrees. He also holds a Diploma in Business Education from the University of Technology.

ABOVE LEFT TO RIGHT Teverly Gray, Portmore Branch Manager :: Lorna Hall, Montego Bay Branch Manager :: Lancelot Henry, May Pen Branch Manager
Sasha Mulai, Island Life Branch Manager :: Jacqueline Mullings, Mandeville Branch Manager :: Cedric Stewart, Tropical Plaza Branch Manager :: Horace Wildes, Ocho Rios Branch Manager
MISSING Yolanda Johnson, Houghton Terrace Branch Manager



BRANCH INFORMATION

Haughton

6 Haughton Terrace
Kingston 10
Tel: (876) 920 5050
Fax: (876) 920 7281
Yolanda Johnson, Manager

Island Life Mall

6 St Lucia Avenue
Kingston 5
Tel: (876) 926 3684
Fax: (876) 960 3927 / 960 4455
Sasha Mulai, Manager

Tropical Plaza

Shop #2 Constant Spring Road
Kingston 10
Tel: (876) 929 8358 / 968 7395
Fax: (876) 968 3803
Cedric Stewart, Manager

Portmore

47-48 West Trade Way
Portmore Town Centre
Portmore, St Catherine
Tel: (876) 939 3205 / 939 3206
Fax: (876) 939 3207
Teverly Gray, Manager

Mandeville

4 Perth Road
Mandeville, Manchester
Tel: (876) 625 2351 / 625 4450-2
Fax: (876) 625 2352
Jacqueline Mullings, Manager

Montego Bay

Unit # 19
Montego Bay Shopping Centre
Howard Cooke Boulevard
Montego Bay, St James
Tel: (876) 979 6052 / 979 6055
Fax: (876) 979 1566
Lorna Hall, Manager

Ocho Rios

Office #4
Ocean Village Shopping Centre
Ocho Rios, St Ann
Tel: (876) 795 3627 / 795 3542
Fax: (876) 795 3886
Horace Wildes, Manager

May Pen

Shop 28B
Bargain Village Plaza
35 Main Street
May Pen, Clarendon
Tel: (876) 786 0101 / 786 0853
Fax: (876) 786 3660
Lancelot Henry, Manager

Client Care Centre

Toll Free
Within Jamaica: 1 888 GET JMMB
(1 888 438 5662)
1 888 YES JMMB
(1 888 937 5662)

From the
USA & Canada: 1 877 533 5662

From the UK: 0 800 9176040
Website: www.jmmb.com
Email: info@jmmb.com

LEFT TO RIGHT Carmen Green, Senior Accounts Analyst :: Nickeisha Powe, Client Care Officer and Garfield McRae, Utilities Officer :: Jodi-Ann Clough, UWI Student, Client Tracy Naraysingh and Nadia James, Client Relations Officers



CORPORATE DATA

SUBSIDIARY COMPANIES

JMMB SECURITIES LIMITED

6 Haughton Terrace, Kingston 10, Jamaica

Website: www.jmmbsecurities.com

Email: info@jmmbsecurities.com

Board of Directors

Dr Noel A. Lyon, *Chairman*

Donna Duncan-Scott

Keith P. Duncan

Archibald Campbell

Leo A. Williams

Patricia Sutherland

Robert Mayers

Glenford McLeish, *Managing Director*

Marc S. Harrison, *Company Secretary*

Pat Salter, *Recording Secretary*

JMMB INSURANCE BROKERS LIMITED

Shop # 2 Tropical Plaza

12 1/2 - 14 Constant Spring Road,

Kingston 10, Jamaica

Website: www.jmmbinsurance.com

Email: info@jmmbinsurance.com

Board of Directors

Dr Noel A. Lyon, *Chairman*

Donna Duncan-Scott

Keith P. Duncan

Cecile Cooper

Selwyn Batchelor, *Managing Director*

Archibald A. Campbell

Marc S. Harrison, *Company Secretary*

Pat Salter, *Recording Secretary*

ASSOCIATED COMPANIES

CARIBBEAN MONEY MARKET BROKERS LIMITED

1 Richmond Street

Ground Floor, Furness Court

Independence Square

Port of Spain, Trinidad and Tobago

Tel: (868) 623 7815

Fax: (868) 624 4544

Unit 01, Gulf City Shopping Plaza

La Romaine

San Fernando

Trinidad and Tobago

Tel: (868) 657 2662

Fax: (868) 653 4871

CMMB SECURITIES LIMITED

1 Richmond Street

Ground Floor, Furness Court

Independence Square

Port of Spain, Trinidad and Tobago

Tel: (868) 623 7815

Fax: (868) 624 4544

CARIBBEAN MONEY MARKET BROKERS (BARBADOS) LIMITED

1 White Park Road

St Michael

Barbados

Tel: (246) 426 2020

Fax: (246) 426 2058

INTERCOMMERCIAL BANK LIMITED

DSM Plaza

Old Southern Main Road

Chaguanas, Trinidad and Tobago

Tel: (868) 665 4425

Fax: (868) 665 6663

JAMAICA MONEY MARKET BROKERS LIMITED DATA

Auditors

KPMG Peat Marwick

6 Duke Street

Kingston, Jamaica

Internal Auditors

PricewaterhouseCoopers

Scotiabank Centre

Corner of Duke and Port Royal Streets

Kingston, Jamaica

Registrar & Transfer Agents

Veritat Corporation

6 Duke Street

Kingston, Jamaica

Registered Office

6 Haughton Terrace

Kingston 10, Jamaica

Local Bankers

National Commercial Bank Jamaica Limited

RBTT Bank Jamaica Limited

Citibank, N.A.

Attorneys-at-Law

Hart Muirhead Fatta

2 St Lucia Avenue

Kingston 5, Jamaica

Myers Fletcher & Gordon

21 East Street

Kingston, Jamaica

Marc S. Harrison

6 Haughton Terrace

Kingston 10, Jamaica

LEFT TO RIGHT Ricardo Martin, Operations Contractor :: Royburn Robinson, Client :: Georgia Trieb, Investment Analyst :: Kyle Tingle, Future Client



SMART

AT JMMB, WE HAVE HARNESSSED THE TALENTS AND CREATIVE ENERGIES OF THE BRIGHTEST MINDS AVAILABLE. We recognise the inextricable link between sound investment advice, financial knowledge and insight of the individual giving that advice. This is why we consider it our solemn duty to provide our clients with the best financial expertise to help them achieve their goals. Our recruiting procedures utilise psychometric and other aptitude tests to ensure that we hire the persons who provide the best fit and are able to deliver the best results.

We are committed to world-class excellence. Our Client Relations Officers either hold tertiary qualifications or are actively pursuing higher education. We are proud to have on staff three qualified Chartered Financial Analysts (CFAs) and eight others studying for accreditation. Last year, 11% of staff costs were spent on training for team members.

LEFT TO RIGHT Suzanne Hendricks, Junior Human Resources Assistant :: Charmaine Brooks, Training Specialist :: Mark Harley, Maintenance Technician, Engineering, Client
Ricardo Chambers, Security :: Doreen Roberts, Manager, Client :: April Lawful, Financial Advisor



LOVING

THE HEART OF THIS BUSINESS IS LOVE: unconditional love and mutual respect. Love motivates us to serve our clients, who are a special part of our family. Our driving force is to provide opportunities for team members to expand their potential, recognise the power within, and enhance their ability to fully express and manifest this power to benefit the individual, the organisation, the client and the society. In the process, all individual and organisational goals are achieved.

JMMB takes the care of each team member seriously. By employing a holistic approach to employee satisfaction, we bring to life the vision of love. We provide for our team members, a nursery for the care of their children between the ages of three months and five years; a gym and sports club; an employee share-ownership plan (ESOP); profit-sharing; and health insurance.

LEFT TO RIGHT Yannike Deacon, Client Care Officer :: Sheron Battick, Client :: Gina Chang Fatt, Future Client :: Maija Causwell, Future Client :: Wendy Duncan, Client
Howard Bell, Manager, Client :: Michelle Lawrence, Client Relations Officer and Jerico Hanson, Chief Director, Client :: Frances Bello, Supplier



SERENE

OUR GOAL OF FINANCIAL WELL-BEING BEGINS HERE. FULL STOP. We realise that financial well-being is a part of each individual's life goal and we are committed to assist in this process. We are confident that our clients can achieve this goal by diligently and systematically applying the investment advice we give, by seizing the investment opportunities we recommend, and by utilising the financial services we provide. Without question, the goal of financial well-being begins with JMMB.

A holistic approach to client care is paramount in everything that we do. No financial plan should be without all the elements of sound planning. Among these elements are insurance and investment options that seek to protect income as well as provide financial support in times of crisis. FPS is designed to meet the specific needs of each client. Enhancing JMMB's FPS is the BlueCare Plan from JMMB Insurance Brokers Limited, in partnership with Blue Cross. The Plan offers three options, each of which covers medical, surgical, drugs, dental and optical health-care services for our clients.

LEFT TO RIGHT DeJennae Harvey, Future Client :: Mark James-Robinson, Systems Analyst, Client :: Ian Martin, Operations Contractor :: Jeri Burton, Relief Client Relations Officer
Donna Duncan-Scott, CEO with Justin, Zachary and Dominic Duncan, Future Clients



VISIONARY

OUR VISION AND EXPERIENCE HAVE SPREAD TO OTHER CARIBBEAN MARKETS, where in 2000, through a joint venture, we became active players in Trinidad and Tobago through Caribbean Money Market Brokers Limited and its equities arm, CMMB Securities Limited. By May 2004, a similar venture was started in Barbados, when Caribbean Money Market Brokers (Barbados) Limited was launched. Later in the year, we acquired a major interest in Intercommercial Bank Limited and its subsidiary, Intercommercial Trust and Merchant Bank Limited, both located in Trinidad and Tobago. The acquisition means that we now provide commercial and merchant banking services.

LEFT TO RIGHT Dellian Brown, Client :: Audrey Nembhard, Account Executive :: Christopher Bell, Contractor :: Desseree Facey, Administrative Assistant
Horace Wildes, Branch Manager, Ocho Rios and Marguerite Case, Client Care Specialist with Christopher Sibblis, Accountant, Client



REWARDING

THE DEEP SENSE OF ACCOMPLISHMENT WE GET FROM THE WORK WE DO IS SIMPLY THAT: REWARDING. We are proud of our successes, but, more importantly, are humbled by the thousands of persons who have made our success possible. This is why we give back to the communities we serve. Over the years, we have supported many and varied charities in their projects for inner-city schools, families and children. These charities include – Committee for the Upliftment of the Mentally Ill (CUMI), Brothers of the Poor, Mustard Seed community programmes and church inner-city projects. It is only by sharing our success with those in need that we can completely fulfil our mission.

LEFT TO RIGHT Clover Anderson, Marketing Communications Assistant :: Janet Anderson, Real Estate Agent, Client :: Gina & Kimberly Chang Fatt, Future Clients
Jermaine Burrell, Research Analyst :: Nana Gittens-Stronge, Administrative Assistant :: Dave Ffrench, Express Transactions Officer and Future Client



INNOVATIVE

AT JMMB, WE EMBRACE TECHNOLOGY. We regularly update our information systems and review our technology strategy to ensure that our team members and clients are using the most efficient and current tools in the market. JMMB recently launched its real-time client transaction servicing system, Moneyline. Each client now has the ability to view and manage his/her portfolio twenty-four hours a day, seven days a week. The system allows our clients to print statements, view transaction details, transfer funds between accounts, request encashments online, and buy and sell stocks. The system is user-friendly and we have received positive feedback on this new convenience.

LEFT TO RIGHT Sandra Neil, Client Relations Officer and Royburn Robinson, Client :: Mark Grant, Settlement Officer :: Josett McKoy, Client :: Rowena Minott, Client Winsome Henry, Client :: Rajiv Bakshi, Client



STOCKHOLDINGS

STOCKHOLDINGS OF DIRECTORS AND SENIOR MANAGERS AS AT MARCH 31, 2005

DIRECTORS	PERSONAL STOCKHOLDINGS	CONNECTED PARTY
Noel A. Lyon	10,000	Gracelyn O.E. Limited JVF O.E. Limited
Donna Duncan-Scott	7,878,110*	Concise O.N. Limited JVF O.N. Limited Alwyn Scott Estate Joan Duncan
Archibald A. Campbell	NIL ⁺	Odette Campbell
Keith P. Duncan	4,746,745*	Concise E.I. Limited JVF E.I. Limited Estate Joan Duncan
V. Andrew Whyte	NIL	
Marguerite Orane	NIL	
Wayne Sutherland	NIL	Concise R.I. Limited JVF R.I. Limited
Cedric Stewart	486,512*	
Richard J. Trotman	12,970	
Dennis Harris	NIL	
Ramasundaram Ramesh	5,390,349	
Marc S. Harrison	649,281*	

SENIOR MANAGERS

Aaron Hou	Nil
André Bello	910,137*
Cecile Cooper	908,951*
Sheldon Powe	4,865,324*
Dennis Chung	Nil
Carolyn DaCosta	2,000,000
Dean Johnson	633,667*
Paul Taylor	782,000*
Janet Patrick	1,337,044*
Theresa Manning	490,017
Kisha Anderson	1,250,000
Brando Hayden	20,000
Eileen Wolfe	1,000
Hugh Duncan	4,828 ⁺⁺

* Includes holdings in the Company's Employee Share Ownership Plan

⁺ Current stockholding - 6,575

⁺⁺ Hugh Duncan joined the JMMB team in April 2005

STOCKHOLDINGS

STOCKHOLDINGS OF CONNECTED PARTIES AS AT MARCH 31, 2005

CONNECTED PARTY	STOCKHOLDINGS
Gracelyn O.E. Limited	47,431,005
JVF O.E. Limited	51,896,569
JVF O.N. Limited	52,337,543
JVF E.I. Limited	52,337,543
JVF R.I. Limited	50,707,741
Concise O.N. Limited	64,469,343
Concise E.I. Limited	63,649,343
Concise R.I. Limited	62,461,632
Alwyn Scott	28,540
Estate Joan Duncan	35,477
Odette Campbell	351,402

TEN LARGEST STOCKHOLDERS AS AT MARCH 31, 2005

NAMES	STOCKHOLDINGS
CLICO Investment Bank Limited	404,409,710
Trustees JMMB ESOP	181,685,980
Colonial Life Insurance Company Limited	112,151,468
Concise E.I. Limited	63,649,343
Concise O.N. Limited	64,469,343
Concise A.V. Limited	64,469,342
Concise R.I. Limited	62,461,632
JVF E.I. Limited	52,337,543
JVF O.E. Limited	51,896,569
JVF O.N. Limited	52,337,543



KPMG Peat Marwick
Chartered Accountants
The Victoria Mutual Building
6 Duke Street
Kingston
Jamaica

P.O. Box 76
Kingston
Jamaica
Telephone +1 (876) 922-6640
Telefax +1 (876) 922-7198
+1 (876) 922-4500
email: firmmail@kpmg.com.jm

To the Members of
JAMAICA MONEY MARKET BROKERS LIMITED

Auditors' Report

We have audited the financial statements of Jamaica Money Market Brokers Limited ("the company") and the consolidated financial statements of the company and its subsidiaries ("the group") as of, and for the year ended, March 31, 2005, set out on pages 41 to 75, and have obtained all the information and explanations which we required. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on the financial statements based on our audit.

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, proper accounting records have been kept and the financial statements, which are in agreement therewith and have been prepared in accordance with International Financial Reporting Standards, give a true and fair view of the state of affairs of the company and the group as at March 31, 2005, and of the results of operations and cash flows of the group for the period then ended and comply with the provisions of the Companies Act.

June 20, 2005

KPMG Peat Marwick, a Jamaican partnership,
is the Jamaican member firm of KPMG International,
a Swiss cooperative.

Raphael E. Gordon
Patrick A. Chin
R. Tarun Handa

Caryl A. Fenton
Patricia O. Dailey-Smith
Cynthia L. Lawrence

Elizabeth A. Jones
Linroy J. Marshall
Rajan Trehan


COMPANY BALANCE SHEET

MARCH 31, 2005

	Notes	2005 (\$'000)	2004 (\$'000) (Restated)
ASSETS			
Cash and cash equivalents	4	597,482	651,984
Interest receivable		1,992,593	2,563,567
Income tax recoverable		453,165	323,131
Notes receivable	5	685,986	304,421
Other receivables	6	341,664	279,211
Resale agreements	7	8,839,025	18,059,384
Investments	8	48,050,824	37,729,987
Interest in subsidiaries	10	370,291	52,000
Interest in associated companies	11	1,273,633	932,297
Deferred tax asset	12	59,875	78,651
Computer software	13	73,072	41,531
Property, plant and equipment	14	341,904	267,631
		63,079,514	61,283,795
LIABILITIES AND STOCKHOLDERS' EQUITY			
Liabilities			
Interest payable		1,113,767	1,781,034
Accounts payable		204,858	206,390
Repurchase agreements	15	54,791,793	55,185,862
Securities sold not yet purchased	16	-	60,869
Notes payable	17	1,505,525	-
Loan payable	18	259,933	-
		57,875,876	57,234,155
Stockholders' equity			
Share capital	19	365,847	365,847
Share premium		13,775	13,775
Investment revaluation reserve		403,818	662,749
Cumulative translation reserve		192,427	113,593
Retained profits		4,227,771	2,893,676
		5,203,638	4,049,640
		63,079,514	61,283,795

The financial statements on pages 41 to 75 were approved for issue by the Board of Directors on June 20, 2005 and signed on its behalf by:


NOEL A. LYON
Chairman


KEITH P. DUNCAN
Director

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



GROUP BALANCE SHEET

MARCH 31, 2005

	Notes	2005 (\$'000)	2004 (\$'000) (Restated)
ASSETS			
Cash and cash equivalents	4	614,173	735,710
Interest receivable		1,992,593	2,563,567
Income tax recoverable		453,840	316,035
Notes receivable	5	685,986	304,421
Other receivables	6	293,569	216,915
Resale agreements	7	8,839,025	18,059,384
Investments	8	48,284,078	37,828,581
Membership share	9	15,000	15,000
Interest in associated companies	11	1,579,425	932,297
Deferred tax asset	12	54,511	71,818
Computer software	13	83,345	53,906
Property, plant and equipment	14	348,848	273,090
		63,244,393	61,370,724
LIABILITIES AND STOCKHOLDERS' EQUITY			
Liabilities			
Interest payable		1,113,767	1,781,034
Income tax payable		31,378	-
Accounts payable		247,607	259,199
Repurchase agreements	15	54,791,793	55,185,862
Securities sold not yet purchased	16	-	60,869
Notes payable	17	1,505,525	-
Loan payable	18	259,933	-
		57,950,003	57,286,964
Stockholders' equity			
Share capital	19	365,847	365,847
Share premium		13,775	13,775
Investment revaluation reserve		403,818	662,749
Cumulative translation reserve		192,427	113,593
Retained profits		4,311,022	2,927,796
		5,286,889	4,083,760
Minority interest		7,501	-
Total Equity		5,294,390	4,083,760
		63,244,393	61,370,724

The financial statements on pages 41 to 75 were approved for issue by the Board of Directors on June 20, 2005 and signed on its behalf by:

NOEL A. LYON
Chairman

KEITH P. DUNCAN
Director

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

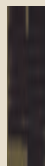
STATEMENT OF GROUP REVENUES AND EXPENSES

YEAR ENDED MARCH 31, 2005

(WITH COMPARATIVES FOR THE THIRTEEN-MONTH PERIOD ENDED 31 MARCH, 2004)

	Notes	2005 (\$'000)	2004 (\$'000) (Restated)
Net interest income and other operating revenue			
Interest income		7,693,067	9,758,663*
Interest expense		(5,781,548)	(8,319,728)
Net interest income		1,911,519	1,438,935
Gains on securities trading, net		543,278	356,462*
Fees earned from managing funds on behalf of clients		12,013	98,886
Other fees and commissions		73,343	47,172
Foreign exchange margins from cambio trading		26,657	49,074
Operating revenue net of interest expense		2,566,810	1,990,529
Administrative expenses			
- staff costs	20	(605,681)	(482,660)
- other		(600,612)	(519,003)
		(1,206,293)	(1,001,663)
Operating profit		1,360,517	988,866
Other income/(expenses)			
Dividends		8,502	-
Share of profits of associated companies		394,901	527,156
Gain/(loss) on disposal of property, plant and equipment		1,257	(1,363)
Other		-	3,945
Profit before income tax	21	1,765,177	1,518,604
Income tax	22	(113,504)	(13,391)
Profit for period		1,651,673	1,505,213
Attributable to:			
Equity holders of the parent	23	1,648,481	1,505,213
Minority interest		3,192	-
Profit for period		1,651,673	1,505,213
Earnings per stock unit	24	\$1.13	\$1.03

* After reclassifications to accord with the current year's presentation.
The accompanying notes form an integral part of the financial statements.



STATEMENT OF CHANGES IN EQUITY - COMPANY

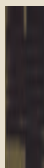
YEAR ENDED MARCH 31, 2005

(WITH COMPARATIVES FOR THE THIRTEEN-MONTH PERIOD ENDED 31 MARCH, 2004)

Company	Share capital (note 19) (\$'000)	Share premium (\$'000)	Investment revaluation reserve (\$'000)	Cumulative translation reserve (\$'000)	Retained profits (\$'000)	Total (\$'000)
Balances as at February 28, 2003						
As previously reported	365,847	13,775	(91,398)	-	1,570,657	1,858,881
Prior year adjustment [note 31(a)]	-	-	-	46,769	-	46,769
As restated	365,847	13,775	(91,398)	46,769	1,570,657	1,905,650
Unrealised gains on available-for-sale portfolio, net of taxes	-	-	754,147	-	-	754,147*
Restated profit for the period ended March 31, 2004 [note 31(b)]	-	-	-	-	1,473,748	1,473,748*
Foreign exchange translation differences [note 31(a)]	-	-	-	66,824	-	66,824*
Dividends paid (see note 25)	-	-	-	-	(150,729)	(150,729)
Restated balances as at March 31, 2004	365,847	13,775	662,749	113,593	2,893,676	4,049,640
Realised gains on available-for-sale portfolio	-	-	(4,586)	-	-	(4,586)*
Net unrealised gains and losses on available-for-sale portfolio, net of taxes	-	-	(254,345)	-	-	(254,345)*
Foreign exchange translation differences	-	-	-	78,834	-	78,834*
Profit for the year ended March 31, 2005	-	-	-	-	1,597,506	1,597,506*
Dividends paid (see note 25)	-	-	-	-	(263,411)	(263,411)
Balances at March 31, 2005	365,847	13,775	403,818	192,427	4,227,771	5,203,638

* Total recognised gains and losses: Company \$1,417,409,000 (2004: \$2,294,719,000)

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



STATEMENT OF CHANGES IN EQUITY - GROUP

YEAR ENDED MARCH 31, 2005

(WITH COMPARATIVES FOR THE THIRTEEN-MONTH PERIOD ENDED 31 MARCH, 2004)

Group	Share capital (note 19) (\$'000)	Share premium (\$'000)	Investment revaluation reserve (\$'000)	Cumulative translation reserve (\$'000)	Retained profits (\$'000)	Total attributable to equity holders of the parent (\$'000)	Minority interest (\$'000)	Total (\$'000)
Balances as at February 28, 2003:								
As previously reported	365,847	13,775	(91,398)	-	1,573,312	1,861,536	-	1,861,536
Prior year adjustment [note 31(a)]	-	-	-	46,769	-	46,769	-	46,769
As restated	365,847	13,775	(91,398)	46,769	1,573,312	1,908,305	-	1,908,305
Unrealised gains on available for sale portfolio, net of taxes	-	-	754,147	-	-	754,147	-	754,147*
Foreign exchange translation differences [note 31(a)]	-	-	-	66,824	-	66,824	-	66,824*
Restated net profit for the period ended March 31, 2004 [note 31(b)]	-	-	-	-	1,505,213	1,505,213	-	1,505,213*
Dividends paid (see note 25)	-	-	-	-	(150,729)	(150,729)	-	(150,729)
Restated balances as at March 31, 2004	365,847	13,775	662,749	113,593	2,927,796	4,083,760	-	4,083,760
Minority share of retained profits	-	-	-	-	(1,844)	(1,844)	1,844	-
Minority's investment	-	-	-	-	-	-	2,465	2,465
Realised gains on available-for-sale portfolio	-	-	(4,586)	-	-	(4,586)	-	(4,586)*
Net unrealised gains and losses on available-for-sale portfolio, net of taxes	-	-	(254,345)	-	-	(254,345)	-	(254,345)*
Profit for the year ended March 31, 2005	-	-	-	-	1,648,481	1,648,481	3,192	1,651,673*
Foreign exchange translation differences	-	-	-	78,834	-	78,834	-	78,834*
Dividends paid (see note 25)	-	-	-	-	(263,411)	(263,411)	-	(263,411)
Balances at March 31, 2005	365,847	13,775	403,818	192,427	4,311,022	5,286,889	7,501	5,294,390
Profits retained in the financial statements of:								
The company							2005 (\$'000)	2004 (\$'000)
The subsidiaries							4,227,771	2,893,676
							83,251	34,120
							4,311,022	2,927,796

* Total recognised gains and losses: Group \$1,471,576,000 (2004: \$2,326,184,000)

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



STATEMENT OF GROUP CASH FLOWS

YEAR ENDED MARCH 31, 2005

(WITH COMPARATIVES FOR THE THIRTEEN-MONTH PERIOD ENDED 31 MARCH, 2004)

	2005 (\$'000)	2004 (\$'000) (Restated)
Cash flows from operating activities		
Profit for the period	1,651,673	1,505,213
Adjustments to reconcile profit for the period to net cash provided by operating activities:		
Items not involving cash:		
Minority interest investment	2,465	-
Depreciation and amortisation	80,077	89,235
Share of net profits retained in associated companies	(387,273)	(482,186)
Gain on disposal of property, plant and equipment	(1,257)	1,363
Amortisation of bond premium	24,056	103,587
Unrealised (gain)/loss on trading securities	3,565	(174,655)
Increase in provision for bad debt	2,661	3,862
Deferred taxation	73,313	(44,657)
	1,449,280	1,001,762
Cash flows from operating assets and liabilities:		
Interest receivable	570,974	(1,245,638)
Income tax recoverable, net	(106,427)	(141,883)
Notes receivable	(381,565)	(70,561)
Other receivables	(79,315)	217,919
Interest payable	(667,267)	1,186,541
Accounts payable	(11,592)	111,945
Net cash provided by operating activities	774,088	1,060,085
Cash flows from investing activities		
Resale agreements	9,220,359	(9,811,916)
Increase in investments, net	(10,734,154)	(544,178)
Interest in associated companies	(305,791)	(17,746)
Dividend received from associated companies	-	4,642
Additions to computer software	(50,584)	(27,296)
Purchase of property, plant and equipment	(138,325)	(95,279)
Proceeds of disposal of property, plant and equipment	4,892	3,198
Net cash used by investing activities	(2,003,603)	(10,488,575)
Cash flows from financing activities		
Repurchase agreements	(394,069)	9,000,906
Notes payable	1,505,525	-
Loan payable	259,933	-
Dividends paid	(263,411)	(150,729)
Net cash provided by financing activities	1,107,978	8,850,177
Net decrease in cash and cash equivalents	(121,537)	(578,313)
Cash and cash equivalents at beginning of period	735,710	1,314,023
Cash and cash equivalents at end of period	614,173	735,710

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

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2005

1. Identification

Jamaica Money Market Brokers Limited ("the company") is incorporated and domiciled in Jamaica. It has three subsidiaries incorporated in Jamaica, and there are other subsidiaries incorporated outside of Jamaica. Three of the subsidiaries are operating (note 10). The company and its subsidiaries are collectively referred to as "group"; the group has interests in four associated companies, as detailed in note 11.

The principal activities of the group and its associated companies are securities brokering, dealing in money market instruments, commercial and merchant banking, operating foreign exchange cambios and managing funds on behalf of clients.

The company is exempt from the provisions of the Money Lending Act.

Effective for the period ended in 2004, the group changed its accounting date to March 31 from February 28, with the approval of the Commissioner, Taxpayer Audit & Assessment. These financial statements, therefore, present the financial position as at, and the results for the year ended, March 31, 2005, with comparatives as at, and for the thirteen-month period ended, March 31, 2004.

2. Statement of compliance and basis of preparation

(a) Statement of compliance:

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and its interpretations adopted by the International Accounting Standards Board ("IASB"), and the provisions of the Companies Act.

Jamaica adopted IFRS effective for financial periods beginning on or after July 1, 2002. Accordingly, the group's first financial statements prepared in accordance with IFRS were those as at, and for the thirteen-month period ended, March 31, 2004.

(b) Basis of preparation:

The financial statements are presented on the historical cost basis except for the inclusion of available-for-sale and held for trading financial assets at fair value. They are presented in thousands of Jamaica dollars (\$' 000), unless otherwise stated.

The preparation of the financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of, and disclosures related to, assets, liabilities, contingent assets and contingent liabilities at the balance sheet date and the income and expenses for the year then ended. The estimates and associated assumptions are based on historical experience and/or various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual amounts could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The significant accounting policies used in the preparation of the financial statements are summarised at note 3.

Where appropriate, comparative amounts have been re-classified and re-presented to facilitate comparability with current year amounts.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2005

3. Significant accounting policies

(a) Basis of consolidation

The consolidated financial statements combine the financial position, results of operations and cash flows of the company and its subsidiaries (note 1), and the group's interest in its associated companies.

(i) Subsidiaries

Subsidiaries are entities controlled by the company. Control exists when the company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

(ii) Associates

Associates are those entities in which the group has significant influence, but not control, over the financial and operating policies. The consolidated financial statements include the group's share of the total recognised gains and losses of associates on the equity basis, from the date that significant influence commences until the date that significant influence ceases. When the group's share of losses exceeds its interest in an associate, the group's carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the group has incurred legal or constructive obligations or made payments on behalf of an associate.

(iii) Transactions eliminated on consolidation

Intra-group balances and any unrealised gains and losses or income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with associates are eliminated to the extent of the group's interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2005

3. Significant accounting policies (cont'd)

(b) Financial instruments:

(i) General

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

For the purposes of the financial statements, financial assets have been determined to include cash and cash equivalents, notes receivable, other receivables, resale agreements and investments. Financial liabilities comprise accounts payable, repurchase agreements, notes payable, securities sold not yet purchased, and loan payable. Information relating to fair values and financial instrument risks is summarized below.

Fair values:

Fair value amounts represent estimates of the arm's length consideration that would be currently agreed between knowledgeable, willing parties who are under no compulsion to act and is best evidenced by a quoted market price, if one exists. Where quoted market prices are not available, the fair values of these instruments have been determined using a generally accepted alternative method. However, considerable judgement is required in interpreting market data to develop estimates of fair value. Accordingly, the estimates presented below are not necessarily indicative of the amounts that the group would receive on realisation of its financial assets or pay to settle its financial liabilities.

The following methods and assumptions were used to estimate the fair value of each class of financial instrument for which it is practicable to estimate that value.

<u>Financial instrument</u>	<u>Method</u>
Cash and cash equivalents, notes receivable, other receivables, resale agreements, accounts payable, and repurchase agreements	Assumed to approximate their carrying values, due to their short-term nature or the unavailability of market information.
Quoted equities	Quoted market bid prices.
Units in unit trusts	Prices quoted by unit trust managers
Non-Jamaican sovereign bonds and corporate bonds.	Estimated using mid-prices published by major overseas brokers.
Government of Jamaica securities and Bank of Jamaica certificates of deposit:	
- Traded overseas	Estimated using mid-prices published by major overseas broker.
- Other	Estimated by discounting future cash flows using balance sheet date yields of similar instruments.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2005

3. Significant accounting policies (cont'd)

(b) Financial instruments (cont'd):

(i) General (cont'd)

Fair values (cont'd):

<u>Financial instrument</u>	<u>Method</u>
Securities sold not yet purchased	Provided by broker/dealer who is counterparty.
Interest in money market fund	Assumed to be the carrying value because of the short-term nature and variable interest rate.
Notes and loan payable	Assumed to be carrying value as the coupon rate approximates the market rate.

(ii) Specific instruments

(1) Cash and cash equivalents:

Cash comprises cash in hand, demand and call deposits with banks and very short-term balances with other broker/dealers. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

Bank overdrafts that are repayable on demand and form an integral part of the group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

(2) Investments:

Investments held for trading are carried at fair value, with changes in fair value being recognised in the statement of group revenue and expenses. Where the group acquires instruments on the primary market, other than those, if any, for trading, they are classified as originated securities, and are measured at amortised cost less impairment losses. Where the group has the positive intent and ability to hold investments to maturity, they are classified as held-to-maturity investments and measured at amortised cost less impairment losses. Other investments are classified as available-for-sale ("AFS") and are stated at fair value, with gains or losses arising from changes in fair value being included in investment revaluation reserve.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2005

3. Significant accounting policies (cont'd)

(b) Financial instruments (cont'd):

(ii) Specific instruments (cont'd)

(2) Investments (cont'd):

The fair value of investments is based on their quoted market bid price, if available, at the balance sheet date without any deduction for transaction costs. Where a quoted market price is not available, fair value is estimated using a generally accepted alternative method such as discounted cash flow.

Investments are recognised or derecognised by the company on the date of settlement.

(3) Resale and repurchase agreements:

Transactions involving purchases of securities under resale agreements ('resale agreements' or 'reverse repos') or sales of securities under repurchase agreements ('repurchase agreements' or 'repos') are accounted for as short-term collateralised lending and borrowing, respectively. Accordingly, securities sold under repurchase agreements remain on the balance sheet and are measured in accordance with their original measurement principles. The proceeds of sale are reported as liabilities and are carried at amortised cost. Securities purchased under resale agreements are reported not as purchases of the securities, but as receivables and are carried in the balance sheet at amortised cost. It is the policy of the group to obtain possession of collateral with a market value in excess of the principal amount loaned under resale agreements.

Interest earned on resale agreements and interest incurred on repurchase agreements is recognised as interest income and interest expense, respectively, over the life of each agreement using the effective interest method.

(4) Other receivables:

Other receivables are stated at cost less impairment provisions.

(5) Accounts payable:

Accounts payable are stated at their cost.

(c) Property, plant and equipment:

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses [note 3(h)].

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2005

3. Significant accounting policies (cont'd)

(c) Property, plant and equipment (cont'd):

Property, plant and equipment, with the exception of freehold land, on which no depreciation is provided, are depreciated on the straight-line basis at annual rates estimated to write off the assets over their expected useful lives. The depreciation rates are as follows:

Freehold buildings	2 $\frac{1}{2}$ %
Leasehold improvements	The shorter of the estimated useful life and the period of the lease
Motor vehicles	20%
Computer equipment	33 $\frac{1}{3}$ %
Equipment (other than computers), furniture and fittings	10%

(d) Foreign currencies:

- (i) Transactions in foreign currencies are translated at the foreign exchange rate ruling at the dates of those transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rate ruling at the balance sheet date. Non-monetary assets and liabilities that are denominated in foreign currencies and are carried at historical cost are translated at the foreign exchange rate ruling at the date. Non-monetary assets and liabilities that are denominated in foreign currencies and are carried at fair value are translated to the reporting currency at the foreign exchange rates ruling at the dates that the fair values were determined.

Exchange differences arising on a monetary item that in substance, forms a part of the company's net investment in a foreign entity is included in equity in these financial statements until the disposal of the net investment, at which time they are recognised as income or expense.

Exchange differences arising on settlement of monetary items or on reporting the group's monetary items at rates different from these at which they were initially recorded during the period, or reported in previous financial statements, are recognised as income or expense in the period in which they arise.

- (ii) The assets and liabilities of foreign operations, all of which are "foreign entities", are translated into Jamaica dollars for the purpose of inclusion in these financial statements as follows:
- (1) all assets and liabilities at the rate ruling at the balance sheet date;
 - (2) all income and expense items at the exchange rate ruling at the dates of the transactions;
 - (3) the resulting exchange differences are included in equity until the disposal of the investment.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2005

3. Significant accounting policies (cont'd)

(e) Interest income and expense:

Interest income and expense are recorded on the accrual basis, except that where collectibility of interest income is considered doubtful, it is recorded when received. The amounts are determined using the original effective interest rate of the instrument calculated at the acquisition or origination date. Interest income includes the amortisation of any discount or premium, transaction costs or other differences between the initial carrying amounts calculated on an effective interest rate basis.

(f) Allowance for notes receivable losses:

The allowance for notes receivable losses is maintained at a level considered adequate to provide for probable losses. The provision is increased by amounts charged to earnings and reduced by net charge-offs. The level of allowance is based on management's evaluation of the portfolio, which takes into account prevailing and anticipated business and economic conditions and the fair value of securities held.

IFRS permits only specific loan loss provisions and requires that the future cash flows of impaired loans be discounted and, thereafter, the increase in the present value be reported as interest income.

(g) Taxation:

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the statement of revenue and expenses except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

(i) Current income tax

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

(ii) Deferred income tax

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

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2005

3. Significant accounting policies (cont'd)

(h) Impairment:

The carrying amounts of the group's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated at each balance sheet date. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the statement of revenue and expenses.

(i) Calculation of recoverable amount

The recoverable amount of the group's receivables is calculated as the present value of expected future cash flows, discounted at the original effective interest rate inherent in the asset. Receivables with a short duration are not discounted.

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

(ii) Reversals of impairment

An impairment loss in respect of a receivable is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.

In respect of other assets, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(i) Membership share:

Membership share is stated at cost less impairment provisions.

(j) Interest-bearing borrowings:

Interest-bearing borrowings [other than repos, which are described in note 3(b)(ii)(3)] are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost, with any difference between cost and redemption being recognised in the statement of revenue and expenses over the period of the borrowings on an effective interest basis.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2005

3. Significant accounting policies (cont'd)

(k) Provisions:

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

(l) Employee benefits:

Employee benefits are all forms of consideration given by the group in exchange for service rendered by employees. These include current or short-term benefits such as salaries, bonuses, NIS contributions, vacation leave; non-monetary benefits such as medical care; post-employment benefits such as pensions and other long-term employee benefits such as termination benefits.

Employee benefits that are earned as a result of past or current service are recognised in the following manner: Short-term employee benefits are recognised as a liability, net of payments made, and charged as expense. The expected cost of vacation leave that accumulates is recognised when the employee becomes entitled to the leave. Post-employment benefits are accounted for as described below. Other long-term benefits are not considered material and are charged off when incurred.

Pension scheme costs included in the statement of group revenue and expenses represent contributions to the defined-contribution scheme which the group operates to provide retirement pensions for the group's employees (note 28). Contributions to the scheme, made on the basis provided for in the rules, are accrued and charged off when due.

(m) Segment reporting:

A segment is a distinguishable component of the group that is engaged either in providing products (business segment), or in providing products within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. At this time there are no material segments into which the group's business may be broken down.

(n) Computer software:

Computer software is stated at cost less accumulated amortisation and impairment losses, if any. It is being amortised at 33 $\frac{1}{3}$ % per annum.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2005

4. Cash and cash equivalents

	<u>Company</u>		<u>Group</u>	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
	<u>(\$'000)</u>	<u>(\$'000)</u>	<u>(\$'000)</u>	<u>(\$'000)</u>
Cash	2,044	123,119	18,494	206,612
Cash equivalents	<u>595,438</u>	<u>528,865</u>	<u>595,679</u>	<u>529,098</u>
	<u>597,482</u>	<u>651,984</u>	<u>614,173</u>	<u>735,710</u>

Cash equivalents include \$5,307,266 (2004: \$4,959,268) deposited at an interest rate of 12% (2004: 12%) under an agreement with a building society which co-ordinates and administers a home ownership assistance programme on behalf of the group for its employees.

5. Notes receivable

	<u>Company and Group</u>	
	<u>2005</u>	<u>2004</u>
	<u>(\$'000)</u>	<u>(\$'000)</u>
J\$ promissory notes [0% - 19.5% (2004: 0% - 18.99%)]	303,050	224,592
US\$ promissory notes and debentures (10.6% - 11.1%)		
US\$6,231,668 [2004: (10.78%) US\$1,310,824]	<u>382,936</u>	<u>79,829</u>
	<u>685,986</u>	<u>304,421</u>

Notes receivable are scheduled to mature within one month to three years (2004: one month to three years) of the balance sheet date. Certain notes receivable are pledged as security for certain repurchase agreements (note 15). Notes receivable include an interest-free advance of \$216,000,000 to the trustees of the Group's Employee Share Ownership Plan ("ESOP"), the repayment date for which has not yet been fixed.

6. Other receivables

Other receivables:

- (a) are shown after a provision for doubtful debts of \$14,256,520 (2004: \$11,595,269);
- (b) include interest-free loans amounting to \$29,955,801 (2004: \$33,052,556) [the repayment date for this loan has not yet been fixed] to the group's employees to facilitate their participation in the ESOP. The number of shares held by the ESOP at March 31, 2005 was 181,685,980 (2004: 222,459,778); and
- (c) include \$5,567,000 due to a subsidiary, JMMB Securities Limited, by JMMB Select Index Fund Ltd.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2005

7. Resale agreements

	Company and Group	
	<u>2005</u>	<u>2004</u>
	(\$'000)	(\$'000)
Denominated in Jamaican dollars	3,490,982	11,046,109
Denominated in United States dollars		
[US\$86.1 million (2004: US\$115.1 million)]	5,288,798	7,009,721
Denominated in Pounds Sterling		
[£516,164] (2004: £32,000)]	<u>59,245</u>	<u>3,554</u>
	<u>8,839,025</u>	<u>18,059,384</u>

Certain of these securities and interest accrued thereon are pledged as security for repurchase agreements (note 15).

The securities that the group obtains as collateral under resale agreements, may be used as securities under repurchase agreements.

At the balance sheet date, the fair value of the securities obtained and held by the company under resale agreements was \$9,353,358,491 (2004: \$19,234,065,000).

Resale agreements include balances with related parties as set out in note 26.

8. Investments

	Company		Group	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Originated securities and receivables				
Certificates of deposit	11,190,753	1,243,196	11,190,753	1,243,196
Government of Jamaica securities:				
Local registered stocks	7,265,801	6,715,175	7,265,801	6,715,175
Notes and debentures	9,247,141	7,809,237	9,247,141	7,809,237
Eurobonds	<u>422,398</u>	<u>181,261</u>	<u>422,398</u>	<u>181,261</u>
	<u>28,126,093</u>	<u>15,948,869</u>	<u>28,126,093</u>	<u>15,948,869</u>
Available-for-sale securities				
Government of Jamaica securities:				
Treasury bills	123,369	-	123,369	-
Local registered stock	2,649,668	3,462,554	2,649,668	3,462,554
Notes and debentures	3,993,841	2,531,915	3,993,841	2,531,915
Eurobonds	5,792,660	7,790,421	5,792,660	7,790,421
Sovereign bonds	60,260	57,382	60,260	57,382
Quoted equities	92,730	35,372	92,730	35,372
Units in unit trusts	18,730	38,455	18,730	38,455
Money Market Fund	<u>240,900</u>	<u>1,322,645</u>	<u>240,900</u>	<u>1,322,645</u>
	<u>12,972,158</u>	<u>15,238,744</u>	<u>12,972,158</u>	<u>15,238,744</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2005

8. Investments (cont'd)

	Company		Group	
	2005	2004	2005	2004
	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Held for trading				
Government of Jamaica securities:				
Treasury bills	24,674	-	24,674	-
Local registered stocks	217,800	613	217,800	613
Notes and debentures	817,255	952,895	817,255	952,895
Eurobonds	442,616	476,871	442,616	476,871
Other sovereign bonds	135,159	440,221	135,159	440,221
Quoted equities	-	-	233,254	98,594
	<u>1,637,504</u>	<u>1,870,600</u>	<u>1,870,758</u>	<u>1,969,194</u>
Held to maturity				
Government of Jamaica securities:				
Eurobonds	4,700,569	4,671,774	4,700,569	4,671,774
Corporate Bonds	614,500	-	614,500	-
	<u>5,315,069</u>	<u>4,671,774</u>	<u>5,315,069</u>	<u>4,671,774</u>
	<u>48,050,824</u>	<u>37,729,987</u>	<u>48,284,078</u>	<u>37,828,581</u>

Investments mature, in relation to the balance sheet date, as follows:

	Company		Group	
	2005	2004	2005	2004
	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Government of Jamaica securities:				
Within 3 months	659,888	1,139,672	659,888	1,139,672
From 3 months to 1 year	4,790,229	3,238,200	4,790,229	3,238,200
From 1 year to 5 years	14,041,639	9,355,849	14,041,639	9,355,849
Over 5 years	16,206,036	20,858,995	16,206,036	20,858,995
	<u>35,697,792</u>	<u>34,592,716</u>	<u>35,697,792</u>	<u>34,592,716</u>
Certificates of deposit				
Within 3 months	2,585,988	-	2,585,988	-
From 3 months to 1 year	8,604,765	1,243,196	8,604,765	1,243,196
	<u>11,190,753</u>	<u>1,243,196</u>	<u>11,190,753</u>	<u>1,243,196</u>
Other sovereign bonds and corporate bonds:				
From 1 year to 5 years	60,260	57,382	60,260	57,382
Over 5 years	749,659	440,221	749,659	440,221
	<u>809,919</u>	<u>497,603</u>	<u>809,919</u>	<u>497,603</u>
Other (see note below)	352,360	1,396,472	585,614	1,495,066
	<u>48,050,824</u>	<u>37,729,987</u>	<u>48,284,078</u>	<u>37,828,581</u>

Note: "Other" includes quoted equities, units in unit trusts and interest in pooled money market fund for which there are no fixed maturity dates.

Government of Jamaica securities and certain other bonds are pledged as security for repurchase agreements (note 15).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2005

9. Membership Share

This represents one qualifying share held in the Jamaica Stock Exchange Limited ("JSE"), at cost. The qualifying share entitles JMMB Securities Limited to operate as a broker/dealer and be a member of the Council of the JSE. Under the JSE's constitution, its members are not entitled to dividends from JSE, and are not entitled to its residual assets or the assets of the Compensation Fund, upon a winding up or liquidation, as the assets would be required to be used for development of the securities market in Jamaica.

10. Interest in subsidiaries

			% Shareholding	Place of incorporation	Company	
					2005	2004
					(\$'000)	(\$'000)
JMMB Securities Limited:			95	Jamaica		
Shares at cost	-	equity			10,000	10,000
	-	preference			24,000	24,000
Subordinated loan					<u>8,000</u>	<u>8,000</u>
					<u>42,000</u>	<u>42,000</u>
JMMB Insurance Brokers Limited:			100	Jamaica		
Shares at cost	-	equity			10,000	10,000
Subordinated loan					<u>12,500</u>	<u>-</u>
					<u>22,500</u>	<u>10,000</u>
Jamaica Money Market Brokers (Trinidad & Tobago) Limited			100	Trinidad and Tobago		
Shares at cost	-	equity			-	-
Loan					<u>305,791</u>	<u>-</u>
					<u>370,291</u>	<u>52,000</u>

11. Interest in associated companies

	% Shareholding	Place of incorporation	Principal activities
Caribbean Money Market Brokers Limited	45	Trinidad and Tobago	Brokering, dealing in securities and money market instruments, and managing funds on behalf of clients.
CMMB Securities Limited	45	Trinidad and Tobago	Stockbroking
Caribbean Money Market Brokers (Barbados) Limited	50	Barbados	Brokering, dealing in securities and money market instruments, and managing funds on behalf of clients.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2005

11. Interest in associated companies (cont'd)

	<u>% Shareholding</u>	<u>Place of incorporation</u>	<u>Principal activities</u>
Intercommercial Bank Limited and its subsidiary, Intercommercial Trust and Merchant Bank Limited	50	Trinidad and Tobago	Commercial and Merchant banking

Caribbean Money Market Brokers (Barbados) Limited commenced operations on May 21, 2004. The acquisition of the interest in Intercommercial Bank Limited and its subsidiary, Intercommercial Trust and Merchant Bank Limited, was finalised on December 29, 2004.

The balance is made up as follows:

	<u>Company</u>		<u>Group</u>	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
	<u>(\$'000)</u>	<u>(\$'000)</u>	<u>(\$'000)</u>	<u>(\$'000)</u>
Shares, at cost	51,167	51,167	356,959	51,167
Share of post-acquisition profits	1,017,388	630,115	1,017,388	630,115
Share of investment revaluation reserves	12,651	137,422	12,651	137,422
Cumulative translation reserve	<u>192,427</u>	<u>113,593</u>	<u>192,427</u>	<u>113,593</u>
	<u>1,273,633</u>	<u>932,297</u>	<u>1,579,425</u>	<u>932,297</u>

12. Deferred tax asset

(a) Deferred tax assets/(liabilities) are attributable to the following:

	<u>Company</u>		<u>Group</u>	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
	<u>(\$'000)</u>	<u>(\$'000)</u>	<u>(\$'000)</u>	<u>(\$'000)</u>
Property, plant and equipment	(9,415)	(3,309)	(11,615)	(3,309)
Investments	(150,477)	(204,206)	(153,824)	(211,039)
Accounts payable	3,131	2,831	3,131	2,831
Interest receivable	(589,617)	(667,361)	(589,617)	(667,361)
Securities sold not yet purchased	-	20,290	-	20,290
Interest payable	371,256	593,678	371,439	593,678
Tax value of loss carry-forward	<u>434,997</u>	<u>336,728</u>	<u>434,997</u>	<u>336,728</u>
Net deferred tax assets	<u>59,875</u>	<u>78,651</u>	<u>54,511</u>	<u>71,818</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2005

12. Deferred tax asset (cont'd)

(b) Movement in temporary differences during the period:

(i) Company:

	Balance at 01. 04. 04 (\$'000)	Recognised in income (\$'000)	Recognised in equity (\$'000)	Balance at 31. 03. 05 (\$'000)
Property, plant and equipment	(3,309)	(6,106)	-	(9,415)
Investments	(204,206)	(2,277)	56,006	(150,477)
Securities sold not yet purchased	20,290	(20,290)	-	-
Interest receivable	(667,361)	77,744	-	(589,617)
Interest payable	593,678	(222,422)	-	371,256
Accounts payable	2,831	300	-	3,131
Tax value of loss carry-forward	<u>336,728</u>	<u>98,269</u>	<u>-</u>	<u>434,997</u>
Net deferred tax assets	<u>78,651</u>	<u>(74,782)</u>	<u>56,006</u>	<u>59,875</u>

(ii) Group:

	Balance at 01. 04. 04 (\$'000)	Recognised in income (\$'000)	Recognised in equity (\$'000)	Balance at 31. 03. 05 (\$'000)
Property, plant and equipment	(3,309)	(8,306)	-	(11,615)
Investments	(211,039)	1,209	56,006	(153,824)
Interest receivable	(667,361)	77,744	-	(589,617)
Securities sold not yet purchased	20,290	(20,290)	-	-
Interest payable	593,678	(222,239)	-	371,439
Accounts payable	2,831	300	-	3,131
Tax value of loss carry-forward	<u>336,728</u>	<u>98,269</u>	<u>-</u>	<u>434,997</u>
Net deferred tax assets	<u>71,818</u>	<u>(73,313)</u>	<u>56,006</u>	<u>54,511</u>

13. Computer software

	Company (\$'000)	Group (\$'000)
Cost:		
March 31, 2004	140,881	158,638
Additions	<u>46,175</u>	<u>50,584</u>
March 31, 2005	<u>187,056</u>	<u>209,222</u>
Amortisation		
March 31, 2004	99,350	104,732
Charge for the year	<u>14,634</u>	<u>21,145</u>
March 31, 2005	<u>113,984</u>	<u>125,877</u>
Net book values		
March 31, 2005	<u>73,072</u>	<u>83,345</u>
March 31, 2004	<u>41,531</u>	<u>53,906</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2005

14. Property, plant and equipment

Company

	Freehold land and buildings (\$'000)	Leasehold improvements (\$'000)	Motor vehicles (\$'000)	Computer equipment (\$'000)	Other equipment, furniture and fittings (\$'000)	Total (\$'000)
Cost:						
March 31, 2004	157,771	21,539	58,545	86,404	78,882	403,141
Additions	47,143	13,291	27,919	21,451	24,485	134,289
Disposals	-	-	(3,564)	(423)	(25)	(4,012)
March 31, 2005	<u>204,914</u>	<u>34,830</u>	<u>82,900</u>	<u>107,432</u>	<u>103,342</u>	<u>533,418</u>
Depreciation:						
March 31, 2004	8,614	19,356	17,057	63,036	27,447	135,510
Charge for the year	2,355	1,468	13,002	32,336	8,168	57,329
Eliminated on disposals	-	-	(1,325)	-	-	(1,325)
March 31, 2005	<u>10,969</u>	<u>20,824</u>	<u>28,734</u>	<u>95,372</u>	<u>35,615</u>	<u>191,514</u>
Net book values:						
March 31, 2005	<u>193,945</u>	<u>14,006</u>	<u>54,166</u>	<u>12,060</u>	<u>67,727</u>	<u>341,904</u>
March 31, 2004	<u>149,157</u>	<u>2,183</u>	<u>41,488</u>	<u>23,368</u>	<u>51,435</u>	<u>267,631</u>

Group

	Freehold land and buildings (\$'000)	Leasehold improvements (\$'000)	Motor vehicles (\$'000)	Computer equipment (\$'000)	Other equipment, furniture and fittings (\$'000)	Total (\$'000)
Cost:						
March 31, 2004	157,771	21,539	62,735	87,188	80,951	410,184
Additions	47,143	13,291	31,520	21,756	24,615	138,325
Disposals	-	-	(5,521)	(423)	(25)	(5,969)
March 31, 2005	<u>204,914</u>	<u>34,830</u>	<u>88,734</u>	<u>108,521</u>	<u>105,541</u>	<u>542,540</u>
Depreciation						
March 31, 2004	8,614	19,356	18,094	63,482	27,548	137,094
Charge for the year	2,355	1,468	14,125	32,617	8,367	58,932
Eliminated on disposals	-	-	(2,334)	-	-	(2,334)
March 31, 2005	<u>10,969</u>	<u>20,824</u>	<u>29,885</u>	<u>96,099</u>	<u>35,915</u>	<u>193,692</u>
Net book values:						
March 31, 2005	<u>193,945</u>	<u>14,006</u>	<u>58,849</u>	<u>12,422</u>	<u>69,626</u>	<u>348,848</u>
March 31, 2004	<u>149,157</u>	<u>2,183</u>	<u>44,641</u>	<u>23,706</u>	<u>53,403</u>	<u>273,090</u>

Freehold land and buildings of the company and the group include land at a cost of approximately \$86,517,000 (2004: \$50,579,000).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2005

15. Repurchase agreements

	Company		Group	
	2005	2004	2005	2004
	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Denominated in Jamaican dollars	30,969,498	26,413,989	30,969,498	26,413,989
Denominated in United States dollars				
[US\$365.2 million (2004: US\$452.7 million)]	22,442,169	27,568,984	22,442,169	27,568,984
Denominated in Pounds Sterling				
[£12.0 million (2004: £10.9 million)]	1,380,126	1,202,889	1,380,126	1,202,889
	<u>54,791,793</u>	<u>55,185,862</u>	<u>54,791,793</u>	<u>55,185,862</u>

(a) Repurchase agreements are collateralised by certain securities and other instruments held by the company (notes 5, 7 and 8).

(b) Repurchase agreements include balances with related parties as set out in note 26.

16. Securities sold not yet purchased

This represents the fair value at the balance sheet date of the securities that the company will be required to deliver when called upon to settle its obligation net of the proceeds of sale (as invested, plus earnings thereon) of securities not yet purchased.

17. Notes payable

	Company and Group	
	2005	2004
	(\$'000)	(\$'000)
(i) 8.25% US\$12,500,000 promissory note	768,125	-
(ii) 8.25% US\$12,000,000 promissory note	<u>737,400</u>	<u>-</u>
	<u>1,505,525</u>	<u>-</u>

(i) This note is unsecured and is repayable in November 2009. Interest is paid semi-annually, and may be varied at the option of the promisee, in consultation with the promisor, provided that the rate does not exceed the Central Bank of Trinidad and Tobago's 90-day Treasury bill rate.

(ii) This note is unsecured and is repayable in January 2010. Interest is paid semi-annually and may be varied at the option of the promisee, in consultation with the promisor provided that the rate does not exceed the Central Bank of Trinidad and Tobago's 90-day Treasury bill rate.

18. Loan payable

This represents the balance of US\$4,230,000 on an instalment loan, the principal of which is repayable in twenty equal quarterly instalments of US\$235,000. The loan bears interest at a fixed rate of 6.5% per annum. Certain GOJ securities owned by the company are pledged as collateral for this loan.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2005

19. Share capital

	<u>2005</u> (\$'000)	<u>2004</u> (\$'000)
Authorised:		
1,466,400,000 (2004: 1,466,400,000) ordinary stock units of \$0.25 (2004: \$0.25) each	<u>366,600</u>	<u>366,600</u>
Issued and fully paid:		
1,463,386,752 ordinary stock units	<u>365,847</u>	<u>365,847</u>

20. Staff costs

	<u>Group</u>	
	<u>2005</u> (\$'000)	<u>2004</u> (\$'000)
Salaries and benefits, including profit-related pay	459,914	352,795
Statutory payroll contributions	41,007	30,452
Pension scheme contributions	10,835	8,923
Training and development	66,814	35,230
Staff welfare	<u>27,111</u>	<u>55,260</u>
	<u>605,681</u>	<u>482,660</u>

The average number of persons employed during the year was as follows:

	<u>Company</u>		<u>Group</u>	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
Full time	216	179	227	183
Part time	<u>9</u>	<u>12</u>	<u>9</u>	<u>14</u>
	<u>225</u>	<u>191</u>	<u>236</u>	<u>197</u>

21. Profit before income tax

The following are among the items charged in arriving at profit before income tax:

	<u>Group</u>	
	<u>2005</u> (\$'000)	<u>2004</u> (\$'000)
Depreciation and amortisation	80,077	89,235
Directors' emoluments:		
Fees	6,504	5,796
Management remuneration	37,102	31,706
Auditors' remuneration	5,500	4,450
- current	275	-
- prior	-	-
Bad debts, less recoveries	13,449	7,185
Cost of public offer of shares for sale	<u>-</u>	<u>9,760</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2005

22. Income tax

- (a) Income tax is based on the profit before taxation as adjusted for tax purposes, and is made up as follows:

	<u>Group</u>	
	<u>2005</u>	<u>2004</u>
	<u>(\$'000)</u>	<u>(\$'000)</u>
(i) Current income tax		
Share of associated companies tax charge @ 30%	7,628	91,553
Subsidiary's tax charge @ 33 $\frac{1}{3}$ %	33,598	8,437
Prior year overprovision	(1,035)	-
	40,191	99,990
(ii) Deferred income tax		
Origination and reversal of temporary differences	73,313	(86,599)
	<u>113,504</u>	<u>13,391</u>

- (b) Reconciliation of effective tax rate

	<u>2005</u>		<u>2004</u>	
	<u>%</u>	<u>(\$'000)</u>	<u>%</u>	<u>(\$'000)</u>
Computed "expected" tax expense	33.33	588,392	33.33	506,201
Tax effect of treating the following items differently for financial statements than for tax reporting purposes:				
Depreciation and capital allowances	0.39	6,876	0.22	3,333
Unrealised gains/losses on investments	4.54	80,064	(0.44)	(6,618)
Tax-free income	(24.73)	(436,601)	(27.44)	(416,705)
Disallowed expenses	(0.05)	(861)	0.75	11,346
Share of profits of associated companies	(7.05)	(124,366)	(5.54)	(84,166)
Actual tax charge	<u>6.43</u>	<u>113,504</u>	<u>(0.88)</u>	<u>13,391</u>

23. Profit for period attributable to equity holders of the parent

Of the profit, \$1,597,506,000 (2004: \$1,473,748,000) is dealt with in the financial statements of the company.

24. Earnings per stock unit

Earnings per stock unit ("EPS") is computed by dividing profit attributable to equity holders of the parent of \$1,648,481,000 (2004: \$1,505,213,000) by the number of stock units in issue during the period, numbering 1,463,386,752 (2004: 1,463,386,752).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2005

25. Dividends

	<u>2005</u> (\$'000)	<u>2004</u> (\$'000)
Paid:		
Final in respect of 2003 @ 4.3 cents per stock unit	-	62,926
Interim in respect of 2004 @ 6.0 cents per stock unit	-	87,803
Final in respect of 2004 @ 10.0 cents per stock unit	146,339	-
Interim in respect of 2005 @ 8.0 cents per stock unit	<u>117,072</u>	<u>-</u>
	<u>263,411</u>	<u>150,729</u>

26. Related party balances

A related party is one which controls or exercises significant influence over, or is controlled or significantly influenced by, a group member in making financial and operating decisions, or, along with any group member, is subject to common control or significant influence. Amounts arising from transactions with related parties are set out below.

- (a) The balance sheet includes balances, arising in the normal course of business, with related parties, as follows:

	<u>Company</u>		<u>Group</u>	
	<u>2005</u> (\$'000)	<u>2004</u> (\$'000)	<u>2005</u> (\$'000)	<u>2004</u> (\$'000)
Directors				
Interest payable	(670)	-	(670)	-
Repurchase agreements	<u>(64,501)</u>	<u>(69,721)</u>	<u>(64,501)</u>	<u>(69,721)</u>
Shareholders				
Notes receivable	216,000	216,000	216,000	216,000
Repurchase agreements	(262,389)	(871,059)	(262,389)	(871,059)
Other receivables	-	35,166	-	35,166
Interest payable	<u>1,190</u>	<u>-</u>	<u>1,190</u>	<u>-</u>
Subsidiaries				
Other receivables	<u>102,172</u>	<u>76,399</u>	<u>-</u>	<u>-</u>
Associated companies				
Resale agreements	1,918,509	3,138,930	1,918,509	3,138,930
Repurchase agreements	-	(152,383)	-	(152,383)
Other receivables	17,040	9,155	17,040	9,155
Interest receivable	11,675	-	11,675	-
Interest payable	(33,800)	-	(33,800)	-
Notes payable	<u>1,505,525</u>	<u>-</u>	<u>1,505,525</u>	<u>-</u>

- (b) The statement of group revenue and expenses includes the following income earned from, and expenses incurred in, transactions with related parties, in the ordinary course of business:

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2005

26. Related party balances (cont'd)

	2005 (\$'000)	2004 (\$'000)
Directors		
Interest income	1	28,416
Interest expense	<u>441</u>	<u>193</u>
Shareholders		
Interest income	-	178,477
Interest expense	<u>1,020</u>	<u>7,028</u>
Associated companies		
Interest income	11,675	3,106
Interest expense	7,426	11,814
Consultancy fees	<u>7,623</u>	<u>11,041</u>

27. Financial instruments

(a) Fair values:

The estimated fair values of investments and their carrying values, are as follows:

Company

	2005		2004	
	Carrying value (\$'000)	Fair value (\$'000)	Carrying value (\$'000)	Fair value (\$'000)
Government of Jamaica securities	35,697,792	36,527,747	34,592,716	34,907,584
Other sovereign bonds	195,419	195,821	497,603	497,603
Corporate bonds	614,500	589,090	-	-
Quoted equities	92,730	92,730	35,372	35,372
Interest in money market fund	240,900	240,900	1,322,645	1,322,645
Units in unit trust	18,730	18,730	38,455	38,455
Certificates of deposit	<u>11,190,753</u>	<u>11,190,753</u>	<u>1,243,196</u>	<u>1,243,196</u>

Group

	2005		2004	
	Carrying value (\$'000)	Fair value (\$'000)	Carrying value (\$'000)	Fair value (\$'000)
Government of Jamaica securities	35,697,792	36,527,747	34,592,716	34,907,584
Other sovereign bonds	195,419	195,821	497,603	497,603
Corporate bonds	614,500	589,090	-	-
Quoted equities	325,984	325,984	133,966	133,966
Interest in money market fund	240,900	240,900	1,322,645	1,322,645
Units in unit trusts	18,730	18,730	38,455	38,455
Certificates of deposit	<u>11,190,753</u>	<u>11,190,753</u>	<u>1,243,196</u>	<u>1,243,196</u>

The fair value of other financial assets are not materially different from their carrying values.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2005

27. Financial instruments (cont'd)

(b) Financial instruments risks:

Exposure to credit, interest rate, foreign currency, liquidity and market risks arises in the ordinary course of the group's operations.

(i) General approach to financial instruments risk management

The company has a risk management structure comprising the Board; the Board Risk Sub-Committee; at the senior management level, the Risk Management Committee; and specialist risk management staff. This structure aims to function so as to ensure that the Board's risk appetite and the actual business risks are in substantial alignment. The Board, through the Board Risk Sub-Committee, reviews and approves risk management policies. The Risk Management Committee oversees the implementation of policies. The specialist staff use a selection of tools and methods to monitor the company's risk exposure.

(ii) Interest rate risk

Interest rate risk arises when there is a mismatch between interest-earning assets and interest-bearing liabilities which are subject to interest rate adjustment within a specified period.

The excess of short-term interest bearing liabilities over short-term interest earning assets is managed by ensuring, to the extent it is under the group's control, stability in the group's client base and investing mainly in marketable securities.

The following tables summarise the carrying amount of the balance sheet assets, liabilities and equity to arrive at the company's and group's interest rate gap, based on the earlier of contractual re-pricing and maturity dates.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2005

27. Financial instruments (cont'd)

(b) Financial instruments risks (cont'd):

(ii) Interest rate risk (cont'd)

Company

	Within 3 months (\$'000)	More than 3 months less than 12 months (\$'000)	More than 12 months (\$'000)	Non-rate sensitive (\$'000)	Total (\$'000)
2005					
Cash and cash equivalents	597,482	-	-	-	597,482
Interest receivable	-	-	-	1,992,593	1,992,593
Income tax recoverable	-	-	-	453,165	453,165
Other receivables	-	-	-	341,664	341,664
Notes receivable	623,936	62,050	-	-	685,986
Deferred tax asset	-	-	-	59,875	59,875
Resale agreements	7,148,324	1,690,701	-	-	8,839,025
Investments	13,355,830	13,602,188	20,981,346	111,460	48,050,824
Interest in subsidiaries	-	-	-	370,291	370,291
Interest in associated companies	-	-	-	1,273,633	1,273,633
Computer software	-	-	-	73,072	73,072
Property, plant and equipment	-	-	-	341,904	341,904
Total assets	21,725,572	15,354,939	20,981,346	5,017,657	63,079,514
Interest payable	-	-	-	1,113,767	1,113,767
Accounts payable	-	-	-	204,858	204,858
Notes payable	-	-	1,505,525	-	1,505,525
Loan payable	-	-	259,933	-	259,933
Repurchase agreements	42,834,388	11,957,405	-	-	54,791,793
Stockholders' equity	-	-	-	5,203,638	5,203,638
Total liabilities and stockholders' equity	42,834,388	11,957,405	1,765,458	6,522,263	63,079,514
Total interest rate sensitivity gap	(21,108,816)	3,397,534	19,215,888	(1,504,606)	-
Cumulative gap	(21,108,816)	(17,711,282)	1,504,606	-	-
2004					
Total assets	25,120,128	6,902,785	24,650,498	4,610,384	61,283,795
Total liabilities and stockholders' equity	46,415,858	8,770,004	-	6,097,933	61,283,795
Total interest rate sensitivity gap	(21,295,730)	(1,867,219)	24,650,498	(1,487,549)	-
Cumulative gap	(21,295,730)	(23,162,949)	1,487,549	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2005

27. Financial instruments (cont'd)

(b) Financial instruments risks (cont'd):

(ii) Interest rate risk (cont'd)

Group

	Within 3 months (\$'000)	More than 3 months less than 12 months (\$'000)	More than 12 months (\$'000)	Non-rate sensitive (\$'000)	Total (\$'000)
2005					
Cash and cash equivalents	614,173	-	-	-	614,173
Interest receivable	-	-	-	1,992,593	1,992,593
Income tax recoverable	-	-	-	453,840	453,840
Other receivables	-	-	-	293,569	293,569
Notes receivable	623,936	62,050	-	-	685,986
Deferred tax asset	-	-	-	54,511	54,511
Resale agreements	7,148,324	1,690,701	-	-	8,839,025
Investments	13,355,830	13,602,188	20,981,346	344,714	48,284,078
Membership share	-	-	-	15,000	15,000
Interest in associated companies	-	-	-	1,579,425	1,579,425
Computer software	-	-	-	83,345	83,345
Property, plant and equipment	-	-	-	348,848	348,848
Total assets	21,742,263	15,354,939	20,981,346	5,165,845	63,244,393
Interest payable	-	-	-	1,113,767	1,113,767
Income tax payable	-	-	-	31,378	31,378
Accounts payable	-	-	-	247,607	247,607
Notes payable	-	-	1,505,525	-	1,505,525
Loan payable	-	-	259,933	-	259,933
Repurchase agreements	42,834,388	11,957,405	-	-	54,791,793
Stockholders' equity	-	-	-	5,286,889	5,286,889
Minority interest	-	-	-	7,501	7,501
Total liabilities and stockholders' equity	42,834,388	11,957,405	1,765,458	6,687,142	63,244,393
Total interest rate sensitivity gap	(21,092,125)	3,397,534	19,215,888	(1,521,297)	-
Cumulative gap	(21,092,125)	(17,694,591)	1,521,297	-	-
2004					
Total assets	25,230,703	6,902,785	24,650,498	4,586,738	61,370,724
Total liabilities and stockholders' equity	46,415,858	8,770,004	-	6,184,862	61,370,724
Total interest rate sensitivity gap	(21,185,155)	(1,867,219)	24,650,498	(1,598,124)	-
Cumulative gap	(21,185,155)	(23,052,374)	1,598,124	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2005

27. Financial instruments (cont'd)

(b) Financial instruments risks (cont'd):

(ii) Interest rate risk (cont'd)

The following table shows the range of effective yields by the earlier of contractual re-pricing and maturity dates:

Company and Group

	Within 3 months (%)	More than 3 months, less than 12 months (%)	More than 12 months (%)
2005			
J\$ cash and cash equivalents	–	–	–
US\$ cash and cash equivalents	00.70 – 01.50	–	–
£ cash and cash equivalents	01.00	–	–
J\$ notes receivable	00.00 – 17.00	19.50	–
US\$ notes receivable	10.55 – 11.09	–	–
J\$ resale agreements	08.50 – 16.40	16.00	–
US\$ resale agreements	04.00 – 10.00	03.00 – 10.00	–
£ resale agreements	05.00 – 08.00	–	–
J\$ investments	13.83 – 29.25	13.46 – 28.50	14.13 – 24.60
US\$ investments	10.88	11.63 – 12.00	09.75 – 12.75
£ investments	–	–	10.00
Euro investment	–	–	11.00
J\$ repurchase agreements	11.00 – 17.00	07.00 – 18.00	–
US\$ repurchase agreements	01.00 – 08.00	03.00 – 08.00	–
£ repurchase agreements	02.00 – 08.00	05.00 – 07.00	–
US\$ notes payable	–	–	08.25
US\$ loan payable	–	–	06.50
2004			
J\$ cash and cash equivalents	00.00 – 15.00	–	–
US\$ cash and cash equivalents	01.00	–	–
£ cash and cash equivalents	02.00 – 03.00	02.00 – 03.00	–
J\$ notes receivable	00.00 – 18.99	–	–
US\$ notes receivable	07.55 – 12.00	–	–
J\$ resale agreements	10.00 – 35.95	–	–
US\$ resale agreements	10.00 – 35.95	15.75 – 30.00	–
J\$ investments	18.00 – 35.09	14.33 – 36.25	14.50 – 34.15
US\$ investments	10.00 – 12.00	–	04.00 – 12.00
£ investments	10.20 – 10.53	09.95	–
J\$ repurchase agreements	–	04.50 – 36.80	11.00 – 32.60
US\$ repurchase agreements	03.75 – 07.75	–	–
£ repurchase agreements	08.00 – 08.25	–	–

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2005

27. Financial instruments (cont'd)

(b) Financial instruments risks (cont'd):

(iii) Credit risk

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

The group's financial instruments that are exposed to credit risk consist primarily of interest-bearing investments, cash and cash equivalents, resale agreements and notes receivable.

The group maintains cash and cash equivalents with major financial institutions which management believes to be strong and financially sound. The majority of the group's investments are in Government of Jamaica securities.

The group obtains possession of collateral with a market value in excess of the principal amount loaned under resale agreements.

The group holds investments in the securities of other Governments, the repayment of which is dependent on the financial stability of those countries' national economies.

The group assesses, analyses and quantifies the credit risks associated with notes receivable through its internal credit rating system which assigns a credit rating to individual issuers, and determines acceptable exposure.

With the exception of investments in Government of Jamaica securities, there are no significant concentrations of credit risk.

(iv) Foreign currency risk

The group is exposed to foreign currency risk on transactions that it undertakes in foreign currencies that give rise to the net currency gains and losses recognized during the year. Such exposures comprise the assets and liabilities of the group that are not denominated in its functional currency. The group ensures that the risk is kept to an acceptable level by monitoring its value at risk exposure.

At the balance sheet date, the Jamaican dollar equivalent of net foreign currency assets/(liabilities) were as follows:

	Company and Group	
	2005 (\$'000)	2004 (\$'000)
United States dollars	40,474	58,703
Great Britain pounds	2,068	(8,771)
Euros	6,626	3,954
Trinidad and Tobago dollars	159,681	75,705
Barbados dollars	577	-
Canada dollars	<u>205</u>	<u>(85)</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2005

27. Financial instruments (cont'd)

(b) Financial instruments risks (cont'd):

(v) Market risk

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market. The market risk of the group's trading portfolio is reviewed regularly utilising Value at Risk (VaR), in addition to other quantitative and qualitative risk measures and analyses. The measures include the measurement of the portfolio's sensitivity to changes in interest rates and prices. A report summarising the VaR for the group's portfolio is submitted to the board monthly.

(vi) Liquidity risk

Liquidity risk, also referred to as funding risk, is the risk that the group will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at or close to its fair value. Prudent liquidity risk management requires the group to maintain sufficient cash and marketable securities, and have funding available through an adequate amount of committed facilities. The group manages this risk through (i) the maintenance of high levels of liquid investments and (ii) the forecasting and monitoring of the levels of cash investments and payouts.

28. Post-employment benefit

Pensions are the only post-employment benefits to which the group is committed. To better secure the payment of promised benefits, the company operates a defined-contribution pension scheme for the Group's employees who have satisfied certain minimum service requirements. The scheme is funded by equal contributions of employer and employee of 5% of pensionable salaries with an option for employees to contribute up to an additional 5% of pensionable salaries.

The scheme is administered by trustees and the assets are held separately from those of the group; some of the assets are included in funds being managed by the company [note 29(a)]. The scheme is subject to triennial actuarial valuations. The most recent actuarial valuation, which was conducted as at December 31, 2002, disclosed a surplus, which the trustees have decided will be allocated to the members' accounts.

The contributions for the period amounted to \$10,329,233 (2004: \$8,488,869) for the company and \$10,834,878 (2004: \$8,923,733) for the group.

The pension benefit is the annuity that can be purchased by the amount standing to the credit of the member's account at the date of retirement.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2005

29. Managed funds

- (a) The company acts as agent and earns fees for managing clients' funds on a non-recourse basis under a management agreement. This includes some of the assets of the company's pension fund (note 28). Although the company is the custodian of the securities in which the clients participate, it has no legal or equitable right or interest in these securities. Accordingly, the securities in which the clients' funds are invested have been excluded from these financial statements.

At March 31, 2005, for the company and the group, funds managed in this way amounted to \$9,057,441,455 (2004: \$7,826,496,419) which includes pension scheme contributions (note 28), inclusive of accrued interest, amounting to \$36,641,748 (2004: \$16,220,133) for the company and the group. The financial statements include the following assets held in/(liabilities payable to) the managed funds:

	<u>Company and Group</u>	
	<u>2005</u>	<u>2004</u>
	(\$'000)	(\$'000)
Other receivables (net)	12,404	38,757
Investments (see note 8)	240,900	1,322,645
Interest payable	(40,836)	(81,535)
Repurchase agreements	(<u>3,724,822</u>)	(<u>3,271,111</u>)

- (b) The company buys and/or negotiates promissory notes and debentures and then sells participations in them to investors, to whom it issues certificates of participation. The company has no legal or equitable right or interest in the securities sold but which remain in the company's custody for the purpose of collecting and distributing entitlements to beneficial holders; accordingly, they have been excluded from these financial statements.

At March 31, 2005, the face value of these certificates amounted to \$100,249,503 (2004: \$191,934,553) for the company and the group.

30. Commitments

- (a) Capital:

At the balance sheet date, amounts committed for capital expenditure but not contracted, for which no provision has been made in these financial statements, amounted to approximately \$Nil (2004: \$41,000,000) for the company and the group.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2005

30. Commitments (cont'd)

(b) Leases:

Commitments under non-cancellable operating lease agreements, expiring between 2005 and 2010, amounted to \$26,927,525 at March 31, 2005 (2004: \$25,521,069). The lease rentals are payable as follows:

	<u>Company and Group</u>	
	<u>2005</u>	<u>2004</u>
	(\$'000)	(\$'000)
Within one year	14,300	8,999
Subsequent years	<u>12,627</u>	<u>16,522</u>
	<u>26,927</u>	<u>25,521</u>

31. Prior year adjustment

- (a) In the prior years, the company and group had not accounted for the foreign exchange differences arising on the translation of their interest in associated companies. The differences have now been recognised and given retroactive effect.
- (b) This is an adjustment to the deferred tax calculated on zero coupon instruments in prior periods in an associated company.

32. Contingent liability

As indicated in note 29, the company's business includes managing funds on behalf of clients. The Commissioner, Taxpayer Audit and Assessment Department ("TAAD"), has written to the company advising that consideration received for this service is subject to General Consumption Tax ("GCT"). However, in common with other licensed securities dealers providing this type of service in Jamaica, the company has not charged or paid GCT on the consideration received for this service. Counsel for the Jamaica Securities Dealers Association has written to the TAAD giving reasons why the consideration concerned is not subject to GCT. Based on the foregoing, the amount of the liability, if any, in respect of the relevant periods ended on March 31, 2005 has not yet been determined.

FORM OF PROXY

I/We _____

of _____

being a member/members of JAMAICA MONEY MARKET BROKERS LIMITED hereby

appoint _____ of _____

or failing him/her _____ of _____

as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on Thursday, July 28, 2005 at 10:00 a.m. and at any adjournment thereof.

RESOLUTIONS	FOR	AGAINST
No. 1		
No. 2		
No. 3 (a) (b) (c) (d)		
No. 4		
No. 5		
No. 6		
No. 7		
No. 8		
No. 9		

Dated this _____ day of _____ 2005

Signed: _____

PLACE
STAMP
HERE
\$100

NOTES:

- In the case of a Body corporate, this form should be executed under Seal or under the hand of an officer or attorney duly authorised.
- The Form of Proxy must be completed, impressed with stamp duty of \$100 and lodged at the office of the Registrar of the Company, Veritat Corporation, The Victoria Mutual Building, 6 Duke Street, Kingston at least forty-eight hours before the time appointed for holding the meeting. The stamp duty may be paid by adhesive stamp(s), which are to be cancelled by the person executing the Proxy.
- The Proxy need not be a Member of the Company.
- In the absence of instructions, the Proxy may vote or abstain from voting as he thinks fit on any other matter which may properly come before the meeting.

