



Department of Co-operatives and Friendly Societies (DCFS)

MINISTRY OF INDUSTRY, INVESTMENT & COMMERCE (MIIC)



Annual Report 2012/2013

MINISTRY OF INDUSTRY, INVESTMENT AND COMMERCE

DEPARTMENT OF CO-OPERATIVES & FRIENDLY SOCIETIES



VISION STATEMENT

‘TO TRANSFORM THE DEPARTMENT OF
CO-OPERATIVES AND FRIENDLY SOCIETIES
TO POSITION CO-OPERATIVES, INDUSTRIAL
& PROVIDENT AND FRIENDLY SOCIETIES
AS A VIBRANT AND VIABLE SECTOR WITHIN
JAMAICA’S SOCIO-ECONOMIC
DEVELOPMENT BY 2018.’

MINISTRY OF INDUSTRY, INVESTMENT AND COMMERCE

DEPARTMENT OF CO-OPERATIVES & FRIENDLY SOCIETIES



MISSION STATEMENT

‘TO CONTRIBUTE TO THE SOCIAL AND ECONOMIC DEVELOPMENT OF THE NATION BY FACILITATING THE ESTABLISHMENT AND REGULATION OF CO-OPERATIVES AND INDUSTRIAL & PROVIDENT SOCIETIES AS VIABLE BUSINESS ALTERNATIVES AND FRIENDLY SOCIETIES AS EFFECTIVE SOCIAL ORGANIZATIONS AND PROTECTING THE STAKEHOLDERS’ INTEREST.’

TABLE OF CONTENTS

	Page
1. CORPORATE DATA	1
2. MANAGEMENT TEAM	2
3. FOREWORD	3
4. INTRODUCTION	9
5. OVERVIEW OF DEPARTMENT'S PERFORMANCE	11
6. PERFORMANCE OF THE CREDIT UNIONS SECTORS AND CO-OPERATIVE SOCIETIES	
Credit Unions	28
Producers & Services Societies	29
Societies Registered under the Friendly Societies Act	32
Federations and Apex Body	36
7. APPENDICES	
1. Senior Executive Compensation	38
2. Societies Registered	39
3. Societies Audited	41
4. Classification of Co-operative Societies	42
5. Production of Low Land Coffee Co-operatives	43
6. Audit and Supervision Fund	44
7. Achievements for the Period	45
8. Graphical Comparison of Achievement	46
9. Map showing the Geographical Distribution of Co-operative Societies	47
10. Map showing the Geographical Distribution of Societies Registered under the Friendly Societies Act and Industrial and Provident Societies Act	48





1. CORPORATE DATA

The Department of Co-operatives and Friendly Societies (DCFS)

is a Division of the Ministry of Industry, Investment and Commerce and has been in existence since 1950. The Department has been privileged to serve under the following Ministries:

- Ministry of Agriculture
- Ministry of Parliamentary & Regional Affairs
- Ministry of Youth & Community Development
- Ministry of Local Government & Community Development
- Ministry of Local Government & Works
- Ministry of Commerce, Science and Technology (with Energy)
- Ministry of Industry, Technology, Energy and Commerce
- Ministry of Industry, Investment and Commerce.

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Sub Offices

The Department maintains two (2) Sub-offices, which facilitate the work of four (4) Inspectorate Officers with responsibilities for the parishes of St. Ann, Trelawny, St. James, Westmoreland, Hanover, St. Elizabeth, Clarendon and Manchester. These offices are located at:

The Office of The Prime Minister
10 Delisser Drive
Montego Bay, St. James
Tel: 952-7913

Rural Agricultural Development
Authority (RADA)
Barham Plaza
Mandeville P.O.
Manchester
Tel: 287-4580/3

2. MANAGEMENT TEAM



ERROL A. GALLIMORE, JP

Errol now the Registrar of Co-operative Societies & Friendly Societies joined the staff in 1980 and was assigned to the Audit Section and was promoted to Supervisor with-in a reasonable short period. He had a passion for financial matters and so he further built on the training he received on the job by doing extensive research on financial matters. It was no surprise that he worked his way to the top of the Audit Section by 1999; this position he held until he was appointed Registrar in 2010. He has studied at the Loughborough University in England, Xavier University in Canada, Management Institute for National Development as well as the Jamaica Paralegal Institute in Kingston.

SONIA V. SMITH

Sonia is currently the Director with responsibilities for the Inspectorate Section. She joined the Department in 1979 as a Co-operative Officer after graduating from the Jamaica School of Agriculture. Since then she held several positions in the Department. She possesses a wealth of knowledge gained through training in Co-operative management and development from Hungary, Israel and England. She holds a BSc. Degree in HRM, Associate Degree in Co-operative Management and a Diploma in Agriculture. She is married with six (6) daughters.

LAVERN GIBSON-ECCLESTON

Lavern, began her career at the Department as an Auditor and has moved her way up to her current position as Director of Audits and Investigations. She is accountable for the audit of the accounts of all Co-operatives and Friendly Societies, their financial management, and the investigations into fraudulent or unlawful use of these Societies' funds and assets.

She is a Professional Accountant, married and has two (2) daughters.

PAULETTE A. KIRKLAND, B.Sc., JP

Paulette, As the Director of Research, Training and Development is responsible for the provision of Co-operative Education and the facilitation of training and developmental activities of Groups seeking registration as well as registered Societies. She has been with the Department for the past fifteen (15) years and has held several positions over the period. Ms. Kirkland graduated from UWI, Mona with a BSc. in Management Studies, and also holds Post Graduate Diplomas in Human Resource and Public Sector Senior Management Development. Paulette Kirkland is a certified trainer of trainers by HEART/NTVET. She serves as a Justice of the Peace for the Parish of Kingston and is a member of the Kiwanis Club of New Kingston.

Her involvements in a number of civic duties and social activities have touched the life of many.



According to a World Bank Report on Jamaica published in 2013 on the year in review; Jamaica's most pressing challenge is its debt, which is currently estimated at 139.7% of GDP. Other critical development challenges include mitigating the medium-term effects of the global economic crisis and protecting social gains while moving towards fiscal and debt sustainability. It further highlighted that unemployment rate in Jamaica was estimated at 14.3% with youth unemployment significantly higher however; to restore self-sustaining and job-creating growth Jamaica will have to improve its international competitiveness and productivity, while also tackling urgent short-term economic and social needs.

The Department of Co-operatives and Friendly Societies (DCFS) being sentient of the critical challenges being faced by our Country had embarked on a number of strategies in order to improve the efficiency and effectiveness internally as well as externally within the Societies it regulates. The strategies applied internally included continued advocacy for approval and the implementation of reclassification

programme, the implementation of the International Standard Organization Certification, collaborating with stakeholders from the Public and Private Sectors in order to provide added support with the development of Groups and the implementation of Gender Mainstreaming Programme / Policy to facilitate the provision of equitable access to development resources and opportunities to men and women in the work place.

The strategies employed externally among the Societies regulated by the DCFS were continued advocacy for the mergers of weak entities with stronger ones; especially credit unions with a view towards enhancing economies of scale, sustainability and relevance, Cancellation of dormant and inefficiently managed societies in order to give intense focus on performing and conforming entities, the implementation of term limits for volunteers especially within the Credit Unions geared towards facilitating proper succession planning and assisting societies to amend their Rules in order to remain relevant,

DCFS Reclassification

The DCFS initially employed the strategy of reclassification in an effort to attract new qualified and competent staff to vacant post as well as retaining staff members that were becoming increasingly more qualified



with tertiary level education but had little or no scope for promotion. Thus maintaining a cadre of well trained professionals who are able to offer the type of services required within the dynamic environment which we operate.

It was expected in 2012/2013 that the re-classification exercises would have been concluded before close of the Financial Year, however several issues/challenges negatively impacted the approval process.

Cabinet decided to have the Agricultural Credit Board Act approved prior to the approval of the reclassification, implementation and activation of the reclassified structure.

To date the Bill has not been approved, it is hoped that this will come to fruition early in the new financial year.

International Standards Organization

The DCFS is one of fifteen Agencies and external Departments/Division of the Ministry of Industry, Investment and Commerce that has initiated the implementation of ISO 9001:2008 Quality Management System. This strategy was implemented because it facilitates the organization to become more customer-focused, through sustained customer satisfaction, delivering quality services and

providing support functions that meet customer's needs and expectations. It also increase the effectiveness and efficiency of the organization through continual improvement in systems and products /services quality

The DCFS staff have been attending and participating in the various activities under the guidance of Consultant, Mr. Tim. This resulted in the Permanent Secretary, Mr. Reginald Budhan congratulating the DCFS for its completion of approximately percent (29%) of the activities slated to be undertaken and is ranked among the top four (4) of the fifteen (15) entities that are currently implementing the ISO 9001 Quality Management System.

A schedule programme has been developed to treat with the implementation process as per the MIIC proposed ISO Implementation matrix schedule and to date fourteen (14) of the 28 activities have been completed. Draft of the Quality Policy Document and core processes mapped. Training for the Audit Team conducted and draft developed of the 6 Mandatory Procedures and the Quality Manual. To date, 46.4% of the overall slated activities were completed.

Collaboration with Stakeholders

The DCFS continued to collaborate to facilitate capacity building and institutional strengthening of Groups



seeking registration under the relevant Acts as well as existing Societies; through strategic alliances with a number of stakeholder Agencies, these alliances has ensured a structured development programme for entities via a collaborative approach, thereby maximising the utilization of limited resources.

The medium used to facilitate all these activities with the Citizens Security and Justice Programme (CSJP), Jamaica Social Investment Fund (JSIF) was via a signed Memorandums of Understanding (MOU).

Other agencies worked with Registered Societies to provide structural and capital support for community development. These projects and programmes were monitored by DCFS Officer through various types of interventions. The Department also collaborated with the Co-operative Development Committee in particular on activities which highlighted the Internal Year of Co-operative celebrations

CSJP/DCFS MOU

The CSJP collaborated with DCFS via MOU in order to provide effective monitoring of registered Societies as well as the provision of pre and post registration training services to Groups seeking registration as Benevolent Societies and existing Benevolent Societies

respectively. The MOU covered the period November, 2012 to September, 2013 and it projected that twenty-three (23) Groups would be beneficiaries of Pre-registration training to facilitate registration as a legal entities. It also projected that twenty-two (22) registered entities would ensure volunteers received requisite training to develop and enhance their skills sets in good governance of their entities.

The Programme included two components: Community Action and Institutional Strengthening of the Ministry of National Security (MNS). Community Action will finance services, civil works and goods in the areas of: (i) Community Mobilization and Governance; (ii) Delivery of Violence Prevention Services; (iii) Establishment of Community Multi-Purpose Centres; (iv) Development of Restorative and Community Justice Policy and Establishment of Community Justice Tribunals; (v) Social Marketing and Public Education Campaigns.

The MOU resulted in thirty-three (33) Groups receiving training to equipping them with the requisite knowledge to meet the time lines under the Registration Agreement, and sixteen (16) registered societies received training to equip their members to better manage the respective societies through the development, implementation and management of internal controls;



thereby ensuring compliance with statutory operational standards established by DCFS.

JSIF/DCFS MOU

In keeping with the mutual mandate of both the Jamaica Social Investment Fund (JSIF) and the DCFS to build institutional capacity of community based organizations. A MOU was signed on March 23, 2012; this spoke to most JSIF funded projects being spearheaded by community organizations that would produce meaningful and sustainable developmental activities. The partnership also facilitated the increase in representational power of the leadership groups to lobby for improved community infrastructure and social capital. The activities included

1. Capacity building training for 112 participants from registered and non-registered community based organizations in the twelve (12) JSIF Inner City Basic Services Project (ICBSP) sponsored communities.
2. Joint follow-up and monitoring activities of the community organisations post training.
3. Conduct capacity building training with fifteen JSIF staff members.

To date all components of the MOU were achieved to include the capacity assessment of nine Societies in the following area - Management, Organization, Networking, Financial Impact and Sustainability.

Co-operative Development Committee (CDC)

The DCFS facilitated in an aggressive manner activities in celebration of the International Year of Co-operatives (IYC) 2012 in collaboration with the CDC.

- The Co-operative Fun Day
- The Co-operative Symposium
- Denbigh 2012
- Beach Clean up Day
- Donation to State Home for Children

Gender Mainstreaming

The Government of Jamaica implemented the National Policy on Gender Equality 2011 (NPGE) which provided a framework for the elimination of gender bias and disparities in policies, programmes, plans and legislation in order to promote gender equality.

The cornerstone of Jamaica's development is our people; therefore eliminating barriers to equal participation at all levels of society for women and men will translate into meaningful and sustainable



human and national development.

In keeping with the NPGE the DCFS appointed a Gender Focal Point Representative who attended Workshops; Quarterly Reporting Meetings. The DCFS developed and approved an Action Plan to include introducing Gender Mainstreaming amongst entities registered by DCFS.

Term Limit for Volunteers

The Department continued to encourage Credit Unions in particular to amend their Rules to allow for Term Limit of Volunteers as part of good corporate governance practises.

The implementation of Term Limits will in essence:

- Mitigate the risk associated with the removal of a significant portion of the fundamental knowledge base amongst the leading decision making bodies of a Society.
- Promote organizational survival and success which is closely linked to the constant renewal of leadership thinking from time to time

The recruitment, training and development of new and 'right fit' volunteers must be encouraged and facilitated, additionally development of succession plans for the key Officers positions on various Committees is needed to ensure that

critical leadership and management skills are adequately replenished.

Regulatory Directives from the Registrar's Desk

The issuing of directives to Co-operative Societies is a long established practice over many years; the Registrar after consultation with Co-operatives or an Association of Co-operatives may issue guidelines in respect of:

- Prudential Standards to be observed by Co-operative Societies to ensure the safety and soundness of the members' funds
- Guidelines issued are consistent with International Credit Union/Co-operative safety and soundness principles or standards prescribed.

Directives Issued 2013 / 2014

- Term limits for Co-operatives
- Distribution of AGM Booklets
- Ownership of subsidiary Companies for micro-financing purposes

Pending directives for distribution

- Holding of Joint Accounts in Credit Unions
- Selling of bad debts by Credit Unions
- Fit and Proper Criteria



- Distribution of surplus with special reference to dividend

These will be circulated after further consultation with stakeholders.

Mergers

One of the strategies promoted by this Department to facilitate survival of Co-operatives within the current financial landscape is Mergers through Amalgamation or Transfer of Engagements.

The employment of the foregoing strategies has contributed to the strengthening of Societies, resulting in higher level of compliance.

CHALLENGES

- Budgetary constraints impacting on the acquisition of needy goods and services .
- Legislation regarding the amendments to the Agricultural Credit Board Act not yet passed.
- Bank Of Jamaica/Credit Union Regulations not yet passed, resulting in duplication of regulatory functions
- Societies failure to maintain proper Accounting Records; resulting in late auditing of records, hence Annual General Meetings by societies are convened past statue timelines.

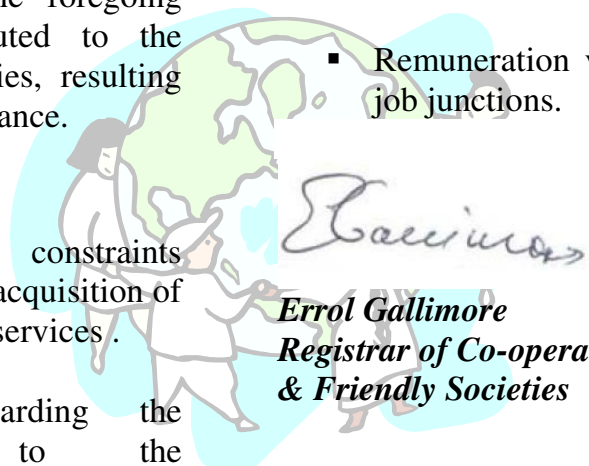
- Producers and Services Co-operative Societies negatively impacted by poor governance structures resultant in the increased work load on the DCFS Technical Officers.

- Continued non compliance within Friendly and Benevolent Societies

- Undercapitalization of Societies

- Gerontocracy in leadership

- Remuneration vs. demands of job junctions.



Errol Gallimore
Registrar of Co-operative Societies & Friendly Societies

Department of Co-operatives and Friendly Societies



The Department of Co-operatives and Friendly Societies has responsibility for administering the Co-operative Societies Act, the Friendly Societies Act and the Industrial and Provident Societies Act and their respective Regulations.

The Department's focus is to ensure stability Movements

- 541 Industrial and Provident Societies
- 156 Co-operative Societies
- 436 entities under the Friendly Societies Act to include Benevolent Societies.

The mandate of the Department is to facilitate through the following activities:

- Registration of Societies
- Registration of Rules
- Inspection and Supervision
- Annual Audits and Investigations
- Settlement of disputes
- Conducting of Inquiries
- Suspension of Registrations
- Cancellation of Registrations
- Dissolution and Liquidation
- Training and Promotion
- Development and Research
- Planning and Capacity Building Programmes

In addition, the Department monitors and assists with the development of the Co-operative Movement in keeping with Government's policies and global trends, the monitoring of the Industrial and Provident Societies and the providing of technical assistance to facilitate sustainability and social mobility of the Friendly Societies Movement.

The Department has three (3) main Sections through which its programmes are executed:

- **Inspectorate:** Ensure entities are operating in keeping with various Statutes and Regulations.
- **Audits and Investigations:** Audits annually the Financial Records and systems. Investigates reported and suspected incidences of fraud or misappropriation.
- **Research, Training and Development:** Facilitates the registration process. Effects capacity building activities for DCFS's staff, and personnel and other volunteers within the Movements. Conducts research, promotional and developmental activities.

As a Regulatory Authority the Department conducts effective monitoring and inspections to ensure:

- Compliance with standards ;



4. INTRODUCTION

- Safety and soundness of public funds invested;
- Establishment of sound internal control systems;
- Compliance with the Rules, Acts, Regulations and policies governing Societies.

As an Auditor, the Department ensures:

- Compliance with the International Accounting Standards (IFRS);
- Transparency and accountability of operations;
- Societies are appropriately advised on financial and operational conditions based on the findings from the Audit Process;
- Development of Accounting Systems
- Business plans for Groups seeking registration under the Co-operative Societies Act are assessed

As a Facilitator the Department:-

- Assesses the applications of Groups seeking registration as Co-operative Societies;
- Validates that Groups seeking registration as Benevolent Societies programmes as proposed will provide benefits to stated stakeholders/beneficiaries;

- Validates that Groups seeking registration as Industrial and Provident Societies objects are in keeping with the I & P Act.
- Ensures that Groups seeking registration as Friendly Societies are engaged in activities geared toward the relief and maintenance of members;
- Rejects applications that did not meet the required standards;
- Liaises and collaborates with external entities such as; Jamaica Social Investment Fund (JSIF), Social Development Commission (SDC), Citizen Security and Justice Programme (CSJP), and Rural Agricultural Development Authority (RADA) to acquire technical and financial support to entities on register.
- Ensures that operational assessments are conducted and appropriate feedback provided.
- Facilitates capacity building programmes.



5.1 INSPECTORATE SECTION

The following activities were accomplished for the period 2012/13.

5.1.1 Inspections

<i>Full and Partial Inspections</i>			
<i>Year</i>	<i>Projection</i>	<i>Achievement</i>	<i>% of target</i>
2012/13	122	103	84.4%

One Hundred and Three (103) Societies' operations were inspected in 2012/13 and numerous breaches of Rules, Statutes and lack of proper internal control systems were detected.

The necessary interventions were facilitated for corrective actions which included dismissal of staff and in two instances staff was legally charged by the Courts for misappropriation of funds. Where Officers on Committees were involved affidavits were secured for repayment of unaccounted funds.

5.1.2 Pre-audit Checks

<i>Pre Audits Checks</i>			
<i>Year</i>	<i>Projection</i>	<i>Achievement</i>	<i>% of target</i>
2012/13	178	98	55.1%

The objective of this activity was to facilitate the auditing of accounting records within six (6) months after

the closure of the Societies' financial year and for the convening of Societies' Annual General Meetings.

Pre-audit checks were undertaken within ninety-eight (98) Societies in 2012/13 which represented an achievement of 55.06% of projection. However, in some instances the Societies had more than one year financial audits processed.

5.1.3 Transfers and Mergers

During the period under review:-

- Churches Co-operative Credit Union amalgamated with GSB Co-operative Credit Union to form First Heritage Co-operative Credit Union on August 1, 2012. This allowed rebranding and for the Credit Union to launch with the new image while the members of both entity continued without any loss of services.
- Westmoreland Co-operative Credit Union Limited transferred all of its engagements and members to C&WJ Co-operative Credit Union on August 31, 2013.

Discussions ongoing for the following Societies:

- Kirkvine Co-operative Credit Union and Ewarton Works Employees Co-operative Credit Union;
- Montego Co-operative Credit

Department of Co-operatives and Friendly Societies



Union and Trelawny Co-operative Credit Union;

- Palisadoes Co-operative Credit Union and CG Co-operative Credit Union
- Round Hill Hotel Staff Co-operative Credit Union and SuperClub Staff Co-operative Credit Union to First Regional Co-operative Credit Union

5.1.4 Financial Assessments

<i>Financial Assessments</i>			
<i>Year</i>	<i>Projection</i>	<i>Achievement</i>	<i>% of target</i>
2012/13	34	36	106%

Thirty-four (34) Societies in 2012/13 were targeted to have their financial performances assessed however this target was surpassed resulted with Thirty Six (36) Societies or an achievement of 106% of projection.

Challenges Encountered

The major challenges experienced were related to the targets set for the Industrial and Provident (I & P) Societies. Societies were identified to be dormant as they failed to respond to the Regulatory directives issued for compliance in the filing of Statutory Returns as required by the Industrial and Provident Societies Act. Those that responded were not familiar with the Act and therefore significant time was delegated to providing technical guidance on

procedures and interpretations. Consequently, new strategies will be employed to eliminate the dormant Societies over Seven (7) years and possible workshops held to inform stakeholders on their responsibilities and obligations under the Act.

Co-operative Societies, and in particularly the Producers and Services Societies, exhibited a high level of tardiness in submitting their financials and the quality of the financials submitted were unsatisfactory when compared to the required standard established for records update prior to audit readiness. These continue to pose a serious challenge to the audit process as the Auditors have to be engaged in aspect of Accounting work before commencement of the Audit process..

Department of Co-operatives and Friendly Societies

5.2 AUDITS AND INVESTIGATIONS

The Audits and Investigations Section had a staff complement of ten (10) Officers and was able to audit a total of one hundred and twenty-one (121) Societies for the period 2012/13; ninety-nine (99) were completed internally and twenty-two (22) completed externally by the Department's panel of Auditors. These Audits represent one hundred and eighty-nine (189) financial years audited.

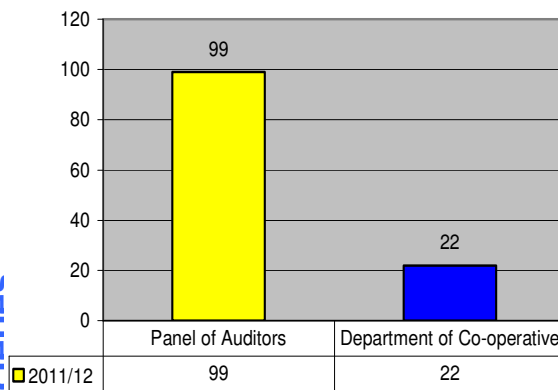
Societies registered under the



5. OVERVIEW OF THE DEPARTMENT'S PERFORMANCE

Friendly Societies Act represented a major part of the audits completed at 45%, Producers and Services 36% and Credit Unions represented 18% for 2012/13.

NUMBER OF AUDITS COMPLETED BY DEPARTMENT AND PANEL OF AUDITORS 2011/2012



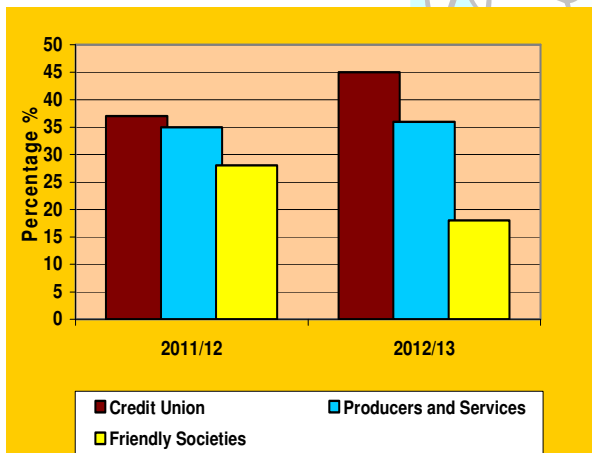
increase in the number of records received for Auditing.

Minor improvements seen in the standard of records submitted and the contributing factor is the one on one training session held with volunteers; the sessions will be increased in the coming period.

There was a reduction in the numbers of Credit Unions audited for the 2012/13 financial year due mainly to a delay in the Actuarial Valuation of the Pension Fund by the Actuaries. The Registrar granted approval for an extension of the deadline from March 31, 2013 to April 30, 2013.

5.2.1 Audits

The Section facilitated the completion of One Hundred and Eight (108) Societies' audits in the 'two years and less' category and Thirteen (13) Societies' audits completed in the 'over 2 years' category. This represents an achievement of 90% and 33% respectively of projection.



The increase in the Audits of Friendly Societies was due mainly to the focus of the Registrar to have compliance or be faced with Regulatory Sanctions. This resulted in an

Audit			
Year	Projection	Achievement	% of target
2012/13	Two Years and less		
	120	108	90%
	Over Two (2) Years		
	40	13	33%

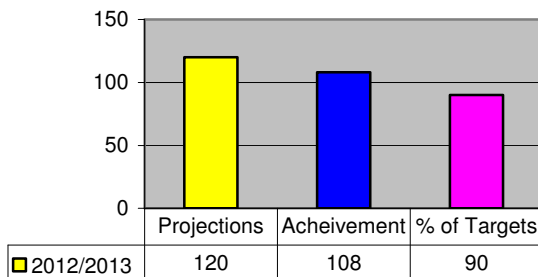
These percentages represent an



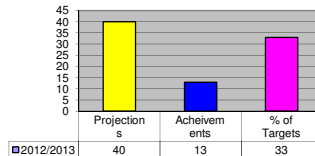
5. OVERVIEW OF THE DEPARTMENT'S PERFORMANCE

increase over the same period last year for the 'two or less' category and a decrease 'in the over two years' category.

AUDIT OF ACCOUNTS TWO (2) YEARS AND LESS 2012/2013



AUDIT OF ACCOUNTS OVER TWO (2) YEARS 2012/2013



5.2.2 Investigations

<i>Investigations</i>			
<i>Year</i>	<i>Projection</i>	<i>Achievement</i>	<i>% of target</i>
2012/13	-	3	100%

Investigations are conducted based on reported cases and as such no

projections were made for this activity; however Investigations were conducted at the following Societies:

Trelawny Co-operative Credit Union Limited: Loan Portfolio of the Society was not operating in keeping with standards, recommendation submitted to the Society for corrective actions.

JCAL Tours Co-operative Society: Investigation conducted regarding payment of Insurance cost and the issuing of letters of good standing to third parties. Recommendation made for treatment.

Jamaica Co-operative Automobile & limousine Tour Limited: Investigation conducted in collaboration with the Inspectorate Unit and the Jamaica Co-operative Credit Union League in various allegations made against staff of the Society. The Investigation revealed that while weaknesses existed in the operations of the Society, the allegations made against the staff were inaccurate.

5.2.3 Development of Accounting Systems

The objective of this activity is to develop functional accounting systems within Societies and improve the quality of book-keeping practices which would increase the number of monthly Financial Returns submitted to the Department for examination.

Department of Co-operatives and Friendly Societies



For the period 2012/2013, five (5) accounting system were developed, representing 42% achievement over target.

Development of Accounting Systems			
Year	Projection	Achievement	% of target
2012/13	12	5	41.6%

5.2.4 Assessment of Accounting System

The objective of the activity is to access the system used by the Society to determine weaknesses and adequacy. For the 2012/2013 financial years, thirty-four (34) societies were assessed representing 136% of projection.

5.2.5 Assessment of Accounting Systems			
Year	Projection	Achievement	% of target
2012/13	25	34	136%

5.2.6 Other Activities Performed by the Section

- **Assessment of Business Plans** - The assessment of business plans were done for groups seeking registration under the Co-operative Societies Act to determine the feasibility of the proposed venture before being considered for registration. Twelve (12) business plan were assessed by the Section; eight (8) were found feasible

as a business venture.

- **Review of Annual Returns and Financial Statements for Industrial and Provident Societies** - The section reviewed Annual Returns and Financial Statements for compliance with the Industrial and Provident Societies Act, International Financial Reporting Standard, Tax Laws and other Act relevant to their own operation.

It was noted from Statements reviewed, that there was a lack of knowledge on the requirements of the I & P Act as it related to membership, taxation, share capital and the filing of Annual Returns and of their own Rules.

The Section continues to educate the representative of these Societies about the requirements of the Act in order to have greater compliance.

5.3 RESEARCH, TRAINING AND DEVELOPMENT

The Research, Training and Development Section had a staff complement of nine (9) Officers for the year under review.

The main activities of the Section involved facilitating the Registration of entities under the Co-operative Societies Act, Friendly Societies Act (Benevolent, Friendly and Specially



5. OVERVIEW OF THE DEPARTMENT'S PERFORMANCE

Authorized Societies), and the Industrial and Provident Societies Act. This was achieved via activities such as group organization, group supervision, recommendation for registration and providing technical support before and after registration.

Other activities were development of Societies through the following intervention: development planning, resuscitation of Societies, training, technical support and business counselling as well as responsibility for special projects.

5.3.1 Group Organization

Group Organization			
Year	Projection	Achievement	% of target
2012/13	40	50	125%

While forty (40) groups were targeted to be organised, fifty (50) were achieved; representing 125% of target.

5.3.2 Group Supervision

Group Supervision			
Year	Projection	Achievement	% of target
2012/13	30	60	200%

In the year under review, 200% was achieved in relation to target for Group Supervision.

5.3.3 Registration of Societies

Registration of Society			
Year	Projection	Achievement	% of target
2012/13	30	43	143.33%

The figures show that a 143% achievement for the year under review.

See *Appendix II* for Societies registered over the period.

5.3.4 Development Planning, Resuscitation and Cancellation

Development Planning			
Year	Projection	Achievement	% of target
2012/13	15	8	53.33%

The table reflected 53.33% achievement target. To date eight (8) Societies are now receiving assistance in developmental activities.

The Section commanded work with two (2) Societies in order to strengthen operation in compliance of statutes:

- St. Mary Multifunction Co-operative Society
- Bellevue Benevolent Society

Department of Co-operatives and Friendly Societies



5.3.5 Appraisal of Rules

<i>Appraisal of Rules</i>			
<i>Year</i>	<i>Projections</i>	<i>Achievements</i>	<i>%of targets</i>
2012/13	40	57	142.5%

The appraisals of Rules were done in order to complement the registration process as well as to ensure compliance with Regulation.

5.3.6 Education and Training

The year 2012/13 saw a 153.8% achievement of target, as nine hundred and twenty-three (923) personnel within the Movements received training.

<i>Training of Individuals (Movements)</i>			
<i>Year</i>	<i>Individuals</i>		<i>% of target</i>
	<i>Projection</i>	<i>Achievement</i>	
2012/13	600	923	153.8%

This resulted with the facilitation of registration for thirty-six (36) organizations under the Co-operative and Friendly Societies Acts. The Department continues to collaborate with government funded and non-government organization to provide post registration training. Presently the Department has signed MOU's with Jamaica Social Investment Fund (JSIF) and Citizens Social Justice Programme (CSJP). In some instance

training was undertaken through a collaborative approach, but as per its mandate the Research, Training and Development Section had portfolio responsibility in executing the training exercises.

5.3.7 Staff (DCFS)

DCFS Staff Training

Several members of Staff participated in various training sessions. These included:

- Government Accounting
- Supervisory Management
- Certificate in Administrative Management

Technical Officers also pursued other courses. These included:

- ISO 9001:2008 Quality Management System Training for the Audit, Document and Management Teams to facilitate documentation and implementation
- Effective Technical Writing in the Workplace
- Forensic Audit and Fraud Prevention

The Department also provided In-House training, some of the topics covered were:

- Venture Capital by Credit Union
- Industrial and Provident

Department of Co-operatives and Friendly Societies



Societies

- Registration
- Conversion
- Amalgamation
- Dissolution
- Tax Compliance
- Credit Bureau Act: Implication on Co-operative Societies

Council Benevolent Society

- *Green House Production*

- Natures Queen Bee Co-operative Society
- *Bee rearing and Honey Production*
- Mile Gully PM Co-operative Society
- *Green House Production*
- Jamaica Creative Co-operative Society Ltd
- *Marketing of Craft items*

5.3.8 JSIF Launch of Project to Boost Business in J.A.

DCFS continues to collaborate with other stakeholder agencies in promoting sustainable development within Jamaica; the Jamaica Social Investment Fund (JSIF) handed over eleven (11) projects ranging from farming to craft, that were managed by Co-operative and Benevolent Societies.

- Harmons Benevolent Society
- *Green House Production.*

These projects were all located in the parish of Manchester and has provided development through employment, the provision of higher quality food and craft items; whilst assisting the Farming Community in meeting Food Safety and Traceability standards.

These received business boost under the World Bank - Rural Economic Development Initiative (REDI).

These Societies are:

- Porus Craft and Agricultural Specially Authorized Society
- *Cassava Production*
- Prospect Pig Co-operative Society
- *Pig Rearing*
- Manchester Plateau Community

Department of Co-operatives and Friendly Societies



World Bank Representative Giorgio Valentini and his team along with Ms. Francine Blackwood - DCFS



From left: Agronomist Vincent Thompson, Minister of Agriculture Roger Clarke, World Bank Representative Giorgio Valentini, Gelina Sotirova of the World Bank, Managing Director of JSIF Scarlette Gillings and Loy Malcolm, General Manager Project Implementation - JSIF.



Left to right: Stephannie Hutchinson-Ffrench, Project Manager for the Rural Economic Development Initiative (REDI), Minister Roger Clarke, Mikeal Phillips - MP Manchester North Western and Charmaine Palmer - Jamaica Greenhouse Growers Association.

5.3.9 NIC Unleashing Jamaica's Irrigation Potential

The Most Hon. Portia Simpson Miller

- Prime Minister officially commissioning the New Forrest/Duff House irrigation system in the district of New Forrest in St. Elizabeth on March 20, 2013 out of a plan initiated in 1996 to develop the Irrigation Sub-Sector, several pilot projects involving the registration of a number of Water User Association to manage prospective water systems was facilitated.

The commissioning into service, will provide a consistent and stable water system for some four hundred and ninety seven (497) farmers who are integral in terms of the development and sustainability of the Agricultural Sector.



New Forest Pump Station

5.3.10 A Collaborative Approach

Through continued collaboration with Government and Non-Government Organisations, the Department's Developmental and Capacity Programme is ongoing. Two Residential Workshops were

Department of Co-operatives and Friendly Societies



5. OVERVIEW OF THE DEPARTMENT'S PERFORMANCE

sponsored by Jamaica Social Investment Fund with a total of one hundred and fifty six (156) beneficiaries from various communities and being recipients of training focusing on:

- Financial Management
- Managing Organizational Resources
- Organizational Action Planning
- Tax Compliance
- Business Ethics and Networking.
- Procurement Guidelines

The objective of these workshops was to build capacity at the Community level thus ensuring sustainability, compliance and efficiency in operations. Forty-seven (47) persons also participated in sessions geared at equipping them with knowledge required to facilitate registration of organizations under the relevant Acts.

5.3.11 Farmers Field School Graduates

Twenty-eight (28) lead farmers selected from three (3) Irrigation Communities namely; New Forrest / Duff House, Colbeck and Yallahs Graduation Ceremony was held on June 5, 2012 at the Alhambra Inn Hotel.



Donovan Stanberry, Permanent Secretary in the Ministry of Agriculture and Fisheries, presenting Bev Lattibeaudiere her certificate at the graduation ceremony. [Source: Gleaner]

The Training Programme labelled Farmers Field School (FFS) is an approach being employed under a National Irrigation Development Programme funded through the International American Development Bank (IDB) to build the capacity of farmers.

The DCFS continues to provide support in financial and management areas to complement the learning.

5.3.12 2012 INTERNATIONAL YEAR OF CO-OPERATIVES (IYC) CELEBRATIONS

The year 2012 was designated the International Year of Co-operatives, under the theme “Cooperative Enterprises Build a Better World”; a number of activities were scheduled to celebrate the event. The Governor General, His Excellency The Most Hon. Sir Patrick Allen was the patron



5. OVERVIEW OF THE DEPARTMENT'S PERFORMANCE

for the various activities:-

- Church Service
 - January
- Fisherman's Regatta
 - June
- Co-operative Family Fun Day
 - July
- C-operative Symposium
 - July
- International Beach Clean-up Day
 - July
- Contribution to Places of Safety for Children
 - December



CDA/CDC Joint Donation being made to Homestead Place of Safety



Display of Root and Tubers at the Exhibition.



Panel of Symposium and Exhibition



Beach Clean-up activities at Old Harbour Bay Fishing Village



Jamaica 4H Club displays items made from Roots and Tubers.



5.3.13 DENBIGH 2012

Over the years, the Department has participated in the Annual Denbigh Agricultural & Industrial Showcase as a means of disseminating information on the work of the Movements and the Department to the approximately 80,000 patrons who normally participate in this three (3) days event. As a part of the International Year of Co-operatives celebrations, the Department along with various Co-operative Enterprises during the period August 4-6, 2012 participated in one of the most prestigious exhibition within the Caribbean in a bid to further promote the co-operative concept as a viable sector of the country.



DCSF Representative (Right) and members of Bucknor Concern Citizen Association Benevolent Societies displaying their craft at Denbigh 2012.

5.3.14 FUEL OF LIFE WORLD FOOD DAY - OCTOBER 12 & 16, 2012

2012 celebration was a memorable one for the Co-operative Movement as in keeping with the IYC celebration this year's theme for "World Food Day" was "Agricultural Co-operatives - key to feeding the World". The event was commemorated with the hosting of a National Ceremony and Exhibition and a Roots and Tuber Fest on October 12 and 16 respectively.



Members of Jamaica Creative Co-operative Society displaying items at Denbigh 2012

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Display of Root and Tubers at the Exhibition.

Non-Credit Union Co-operatives in the Caribbean hosted its 55th International Convention and its 41st Annual General Meeting of the Confederation at the Ritz Carlton Hotel, Montego Bay, Jamaica during the period June 23 – 26, 2012. In recognition and celebration of the International Year of Co-operatives 2012, the Convention was held under the theme, “Co-operative Enterprises Build a Better World.”

The Registrar and Senior Officers attended and participated.



Jamaica 4H Club displays items made from Roots and Tubers.

The Roots & Tuber Fest hosted by Christiana Potato Growers Co-operative was the first of its kind in the Caribbean.



Participants of CCCU: In second row from the left, Mr. Errol Gallimore, Registrar of Co-operative Societies & Friendly Societies (Jamaica), Mr. Courtney Shaw, Senior Regional Officer and Mrs. Sonia Smith, Director of Inspectorate from the Department.

5.3.15 Caribbean Confederation of Credit Union Conference 2012

The Caribbean Confederation of Credit Union (CCCU), the Apex Body for Credit Unions and other

Department of Co-operatives and Friendly Societies



5.3.16 Co-operative Friends of Jamaica assistance to Treasurer Beach Women's Group Benevolent Society



Packages donated by CFJ to TBWGBS



From left to right of this Picture is Mrs. Susan Ebanks, Ms. Rose Baillie, Mrs. Marcia Wentt-Hyman and Ms. Petra Weirich.

The relationship between the Treasurer Beach Women's Group Benevolent Society (TBWGBS) and the Co-operative Friends of Jamaica (CFJ) began in on May 27, 2008 when the CFJ visited the TBWGBS as part of a Study Tour arranged by the Department of Co-operatives and Friendly Societies (DCFS).

The members of the CFJ were impressed they all were with the tremendous impact the TBWGBS is making on the Community.

On Saturday June 30, 2012 a visit was made to the Society by Ms Rose Baillie from the CFJ and Marcia Wentt-Hyman from DCFS to hand over donation from CFJ in the form of clothing fabric to TBWGBS.



Team busy unpacking the materials donated to TBWGBS by CFJ

The donation was received by Mrs. Susan Ebanks the Treasurer for TBWGBS and the Information Technology Volunteer Ms. Petra Wiereich who both advised that the fabric would be useful to members who make clothing for sale through the TBWGBS craft shop.



5.4 COLLABORATIVE ACTIVITIES BETWEEN SECTIONS

5.4.1 Technical Support

Technical Support			
Year	Projection	Achievement	% of target
2012/13	405 Societies	433 Societies	106.9%

The execution of this activity was done on a joint basis, thus ensuring more effective use of human and capital resources of the Department.

Technical Support / guidance is offered to the Societies we regulate in order to assist with the development and implementation of appropriate systems and procedures to enhance good governance in the operation of these Societies.

5.5 ADMINISTRATION

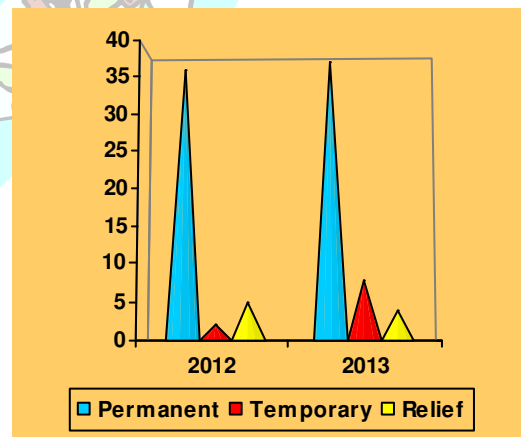
The Administration Section provided the necessary support service to enable the Department to undertake its functions.

5.1 Staff Welfare

i) Staff Complement:

- The Department ended the financial year with the following staff:

	2013
Permanent	38
Temporary	8
Relief	4



ii) Staff Turnover: Resignation, Recruitment and Transfer

In the year under review staff turnover was limited to two.



iii) Vacation Leave

The Department developed its Vacation Leave Policy, which ensured that vacation leave was taken in a timely and structured manner. During the year under review, thirty (30) persons proceeded on vacation leave.

5.5.2 Audit and Supervision Fund (ASF)

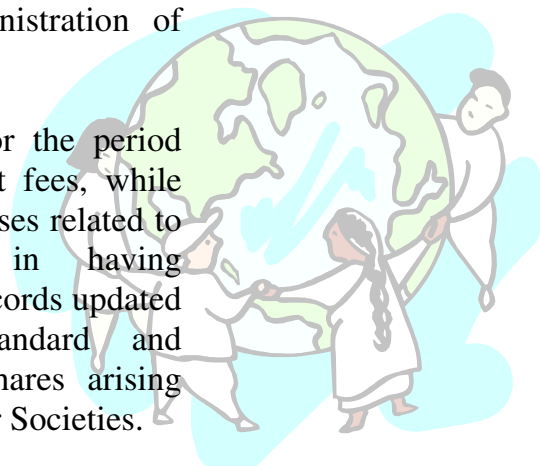
The Department in accordance with the Co-operative Societies Act has responsibility for administration of the ASF Fund.

Inflows to the Fund for the period were mainly from audit fees, while outflows were for expenses related to accounting services in having Societies' accounting records updated to audit-readiness standard and refund of members' shares arising from Liquidation of their Societies.

See *Appendix VI* for movements in the Fund for the year in review.

5.5.3 Budget

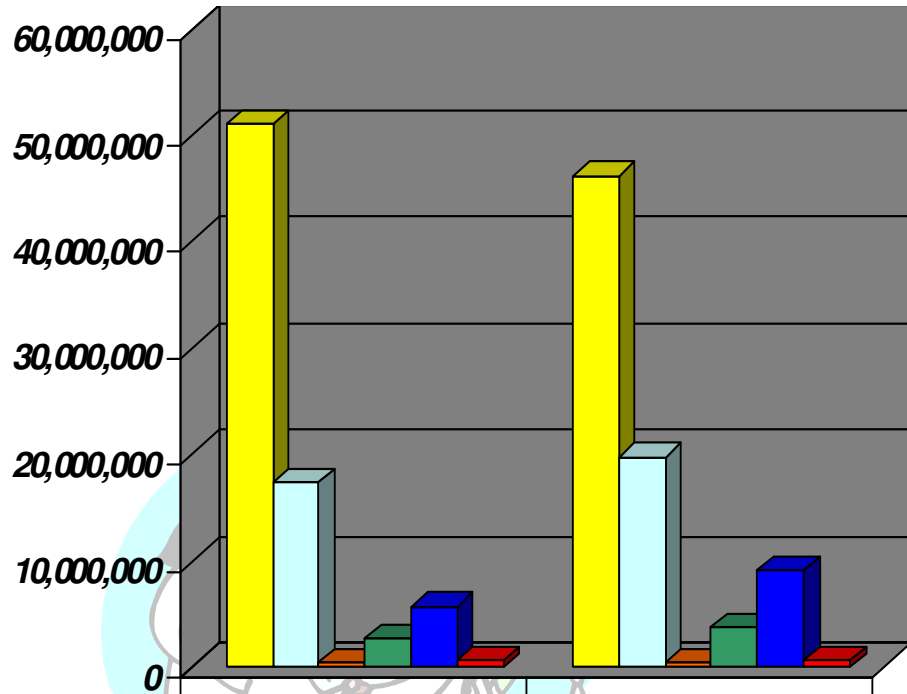
The Department's adjusted budget for 2012/13 was \$77.78 M, an increase of approximately \$3.36M or 4.5% over the prior year. The following chart and graph shows a breakdown of allocation in relation to expenditure.





5. OVERVIEW OF THE DEPARTMENT'S PERFORMANCE

Breakdown of Budgetary Allocation 2012-2013



	Allocation 2012/2013	Expenditure 2012/2013
■ Compensation	50,992,000	46,206,114.92
■ Traveling	17,351,000	19,685,982.95
■ Rental of Property	460,000	434,346.00
■ Public Utility	2,727,000	3,686,210.00
■ Purchase of Goods and Services	5,672,000	9,132,976.36
■ Purchase of Capital Goods	577,000	619,240.20



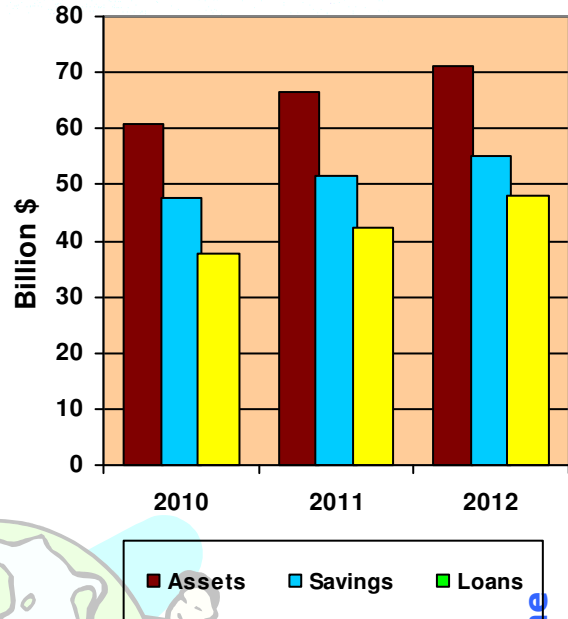
6. PERFORMANCE OF THE CREDIT UNIONS SECTORS AND CO-OPERATIVE SOCIETIES

THE CREDIT UNION SECTOR

The Credit Union Sector represents safe, sound and effective institutions that help to overcome financial market imperfection by deepening access to many who would otherwise be disenfranchised in the rather selfish, aggressive, profit-driven global financial landscape.

Preliminary reports show that as at December 2012, the Credit Union Sector achieved noteworthy growth in total loans of 13.46% moving to \$47.85 Billion Dollars. Total savings and total assets also experienced growth, achieving 6.80% and 6.73% rates of growth respectively.

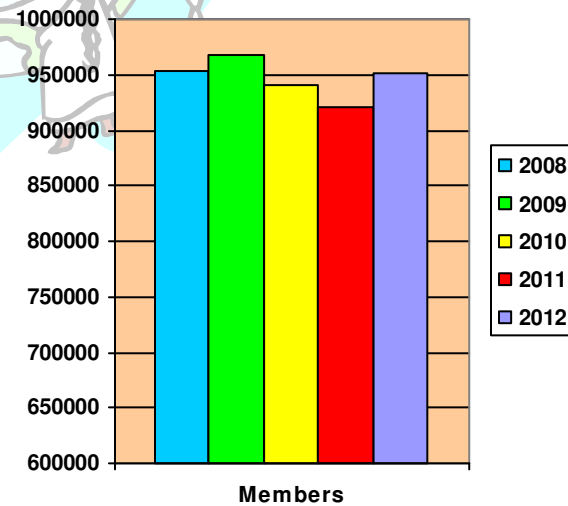
Progression over a three year period



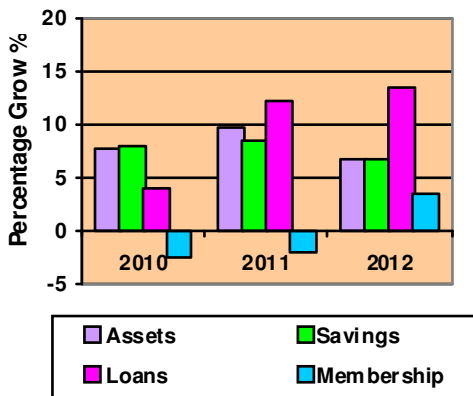
Growth in Credit Union Sector

	Total Assets	Savings	Loans	Membership
2012	6.73%	6.80%	13.46%	3.33
	71.08B	\$55.06B	47.85B	951,079
2011	9.66%	8.48%	12.28%	-2.16%
	\$66.60	\$51.55B	\$42.17B	920,408
2010	6.73%	7.89%	4.00%	-2.72%
	\$60.73B	\$47.53B	\$37.56B	940,692

Membership from 2008-2012



Percentage Growth over a three year period 2010-2012



Department of Co-operatives and Friendly Societies



6. PERFORMANCE OF THE CREDIT UNIONS SECTORS AND CO-OPERATIVE SOCIETIES

Membership by Region

Parishes	Membership	
	31.12.11	31.12.12
CLARENDON	13,000	*
HANOVER	24,255	25,913
MANCHESTER	38,989	35,860
PORTLAND	25,247	27,009
α ST. ANN & ST. MARY	47,284	51,634
ST. CATHERINE	44,687	44,151
ST ELIZABETH	31,973	33,409
ST JAMES	54,370	52,466
ST. THOMAS	21,094	20,521
TRELAWNY	28,624	30,899
WESTMORELAND	27,838	32,312
RURAL TOTAL	344,361	354,174
INTRA-PARISH	266,943	322,652
CORPORATE AREA	309,104	274,253
TOTAL JAMAICA	920,408	951,079

α First Regional Credit Union Limited

* Clarendon Parish Co-operative Credit Union Merged with C & WJ Co-operative Credit Union

[Statistic extracted from JCCUL Annual Report 2012]

6.1 PERFORMANCE OF PRODUCERS AND SERVICES CO-OPERATIVE SOCIETIES

The societies within the Producers and Services Sectors continued to struggle during the period under review.

The lack of adequate financial, human and capital resources,

adversely affected the growth and sustainability of these Societies.

The Department worked more aggressively with those Societies that demonstrated some level of stability and potential for development. Hence, focus was placed on approximately four hundred and thirty-eight (438) Societies. Technical assistance and support ranging from on-the-job training in maintenance of accounting records; upgrading of Rules, preparation of policy documents, facilitation of strategic planning sessions and retreat were provided.

Highlighted Societies:-

Cave Valley Multi-Purpose Co-operative

On February 25, 2012, the Cave Valley Multi-Purpose Co-operative Society received assistance through a Common Fund Commodity (CFC) Project and in collaboration with Wray & Nephew Jamaica hosted a Coffee and Rum Fest in Baron Hall, Cave Valley. The Fest was the first of its kind and is anticipated to be an annual occurrence. The event was well supported and witnessed exhibitions from various entities to include:-

- Department of Co-operatives and Friendly Societies
- J. Wray & Nephew Ltd.
- Wallenford Coffee



6. PERFORMANCE OF THE CREDIT UNIONS SECTORS AND CO-OPERATIVE SOCIETIES

- Jamaica Standard Products Company Ltd. (JSP)
- Central St Catherine Coffee Co-operative Society Ltd
- Frankfield JAS Coffee Cocoa Growers Co-operative Society Ltd.
- Hi-Pro Farm & Garden Ace Supercentre
- Appleton Estate Jamaica Rum
- Coffee Industry Board (CIB)
- AgroGrace Jamaica
- Salada Foods Jamaica Ltd.



Patrons at Coffee Fest

Hon. Ian Hayles - Junior Minister Ministry of Agriculture, was the keynote speaker and Mr. Jackie. O. Minott – General Manager of Jamaica Standard Product Company Ltd, Mr. Christopher Gentles - Managing Director of Coffee Industry Board, Mr. Gerald Bryan - Project Co-coordinator of CFC Project, Mr. Venroy Lindo - Chairman for St. Catherine Coffee Co-operative Society Ltd., Mr. Sydney Golbounre - Chairman for Frankfield JAS Coffee Cocoa Growers Co-operative Society Ltd. and Ms Paulette Kirkland - Director of Research, Training and Development, Department of Co-operatives and Friendly Societies.

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Hon. Ian Hayles, Minister of Agriculture addressing patrons at Coffee Fest

Overall, the event can be seen as a



Stakeholder at Cave Valley Coffee and Rum Fest toast to the future occurrence of the event



vehicle of change for the Coffee Industry in the Cave Valley Community and its environs in promoting integration amongst various stakeholders; while showcasing the diverse usage of the Coffee Beans in Agro-processing and creating a platform for social integration amongst Community people.

The hosting of 2013 Coffee and Rum Fest was eagerly anticipated.

Sip ‘N’ Surf with Frankfield JAS Coffee / Cocoa Growers Co-operative Society Ltd

The continued development and expansion of the Frankfield JAS Coffee / Cocoa Growers Co-operative Society Ltd was made possible through the proposed recent launch of the Frankfield Sip N Surf Coffee Shop/Internet Cafe.

This additional economic venture was made possible through the CFC Project entitled “Competitive Coffee Enterprises Programme” which was initiated through a collaborative approach between Jamaica and Guatemala. This project is the first of its kind within a Jamaican Coffee Co-operative and is to be replicated in the other two Co-operatives that are a part of the programme namely; Cave Valley Multipurpose Co-operative and Central St. Catherine Coffee Growers Co-operative Society Ltd.

CLASP: Making a difference

In and around Jamaica the prevalence of several homeless persons on our street is most pronounced. While these individuals may be classified as homeless there are several that are also considered to be “mentally ill”. Bred out of the need to provide the necessary rehabilitation needed to these mental ill persons within the parish of Clarendon; the Clarendon Association of Street People (CLASP) came into existence in 1995.



Volunteer and Client of CLASP

Registered under the Friendly Societies Act in 1997, this entity for the past 15 years, has impacted the lives of many mentally ill persons within the Parish most of whom are classified as Schizophrenic. From a small beginning CLASP has provided and continues to support approximately fifteen (15) inmates at once with assistance received from volunteers. The operations of CLASP is managed by a Board of nine (9) Directors and several committees and



6. PERFORMANCE OF THE CREDIT UNIONS SECTORS AND CO-OPERATIVE SOCIETIES

is in collaborations with the Mental Health Department, Food for the Poor, the Church and other corporate entities within the Parish.

As the Society continues on its path of growth one of its goals is to retrofit and renovate the establishment to facilitate increase in the number of residents and also to provide a more caring environment which is in compliance with laws and regulations. Jamaica, please support this worthy venture through your contribution of cash or kind.

to become a Fish Sanctuary. In July 2009 it was declared by the Ministry of Agriculture and Fisheries and had a name change in 2012 to the Bluefields Bay Special Fishery Conservation Area.

The Sanctuary was voluntary patrolled by local fishermen of BBFFS for one year with financial support from Bluefields Environmental Protection Association (BEPA) and Canada Jamaica Medical Assistant Society (CJMAS).

6.2 PERFORMANCE OF SOCIETIES REGISTERED UNDER THE FRIENDLY SOCIETIES ACT

6.2.1 Bluefields Bay Fishermen's Friendly Society



Eco Reef with fish

BBFFS was registered on February 15, 2006, under the Friendly Act and begun to register its environmental concerns from as early as 2007 when the Society asked for Bluefields Bay



Patrol Boat with Wardens

A patrol boat and trailer were purchased for the fish sanctuary. Grant fund was secured from Caribsave Partnership located in Barbados.

In December of 2010 a memorandum of Understanding was signed between BBFFS and Government which pave the way for a subvention received in January 2011 through the Fisheries Division to provide employment for six wardens who patrolled the sanctuary on a twenty four (24) hours

Departme
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shift system.

To date the Society has sought additional funding which enabled it to increase the staff to twelve persons including a Manager and two supervisors. This was possible through the kind sponsorship of these other partner organizations: Caribsave, Environmental Foundation of Jamaica, National Environmental and Planning Agency (NEPA) Sandals Foundation and the Marine Police. The Society now has twelve were (12) employees and their work has positively impacted the marine environment.

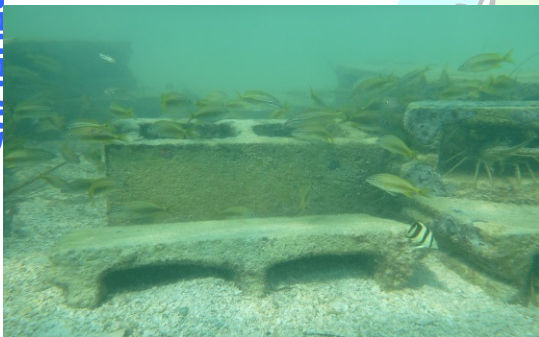
The Society's membership is currently 62 persons and its last Audit Report dated December 31, 2012 reveals that it has Total Assets of \$1,607,535.00



Female Turtle laying eggs



Baby Turtles heading to sea



Lobster Condominiums with Fish



Female Hawksbill Turtle being measured by Wardens

The Society also embarked on a Turtle Monitoring Project and from 2010 to date it has documented 89 nest and 2014 live hawksbill hatchlings safely made their way into the Caribbean Sea. Over 50 persons were directly educated on sea turtles and the importance of protecting them, and it is estimated that a further 2,000 students were reached through teachers trained in the education workshop.

6.2.2 Treasurer Beach Women's Group Benevolent Society

The year in review saw the Society implementing and administering a major grant from the Jamaica Social Investment Fund (JSIF) REDI Project which contributed to the development



6. PERFORMANCE OF THE CREDIT UNIONS SECTORS AND CO-OPERATIVE SOCIETIES

of the Craft Shop.

The Society participated in several craft fairs and held a plethora of workshops.

The Society also worked with other stakeholders in the community which resulted in Treasures beach winning the Best Community Award.



Beach Clean Up

The Society, in keeping with its commitment to environmental preservation and ecological sustainability participated in International Coastal Cleanup Day at the Billy's Bay and Ft. Charles in Treasure Beach, St. Elizabeth.

The Treasure Hunt Craft Shop



The craft shop provides income for more than 80 local artists and crafts people and for TBWG projects.

Products include: Native carved Calabash items, hand-woven baskets, hand painted tote bags, table mats & napkins, drums, crocheted hats, handmade bags, clothes and jewellery. The Craft Shop caters specifically to tourists, and advertises through such media as the Treasure Beach websites treasurebeach.net and tbwgjamaica.com.

Art Workshops and Training

The Society has conducted 18 Training Workshops and seminars and saw an average of twenty-five (25) persons attending each workshop.



This has seen community members acquiring new skills in Textile Block Printing, Painting, Book Binding, Crochet, Sewing, Paper Bead

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Societies



Making, Cheese Making and Soap Making.

Health Clinics & Medical Seminars



The Society continue to work with a group of doctors from the Hillsborough County Osteopathic Society in Florida to host health clinics first in the Women's Group house and now at clinics in nearby communities. Dermatology, gynaecology, and general health are the focus of these clinics which have benefitted hundreds of persons in the community, with the clinic in July 2012 seeing a record two hundred and fifty three (253) persons receiving medical attention from the medical team.

Bread Basket Festival / Culture Event



The Society participated in the Calabash Festival in 2012 and other cultural events at Taino Cove and 2 Seasons Guest House. The Treasurer Beach Girls' Group performed at these various events and some of our ladies made and sold desserts. The community now looks forward to buying the Society's baked goods at these events.

GOALS FOR THE FUTURE

- The Society has plans to create an Incubator / Entrepreneurial project: a cheese and soap making operation.
- Strengthen the Society's membership's ability to oversee projects that can provide sustainable income for community members.
- Continue to develop its Literacy programme as well as provide the community with important health information, advice and treatment.
- Provide programmes, seminars, opportunities and information for employment and training
- Increase education and awareness of environmental issues impacting the community



6.3 APEX & FEDERATIONS BODIES

6.3.1 National Union of Co-operative Societies (NUCS)

NUCS is the Tertiary Co-operative in Jamaica and it consists of Primary Co-operatives (consisting of individual members) and Secondary Co-operatives (consisting of Co-operative Societies as members).

The Society promotes and advances the Co-operative Movement as a system of business that has service, not profit as its prime motive.

NUCS also provides Accounting, Auditing and Management Services for the Co-operative Movement, in accordance with the Rules, Acts and Regulations.

The 37th Annual General Meeting was held on August 18, 2012 at the Sullwan Hall in Kingston with twenty-one (21) Delegates representing ten (10) Member Societies. The following were highlighted:

Membership in the Movement which numbered over 1.2 Million members; 951,079 were Credit Union Members with total Assets, Savings and Loans portfolio valued at \$71.08 Billion, \$55.06 Billion and \$47.85 Billion respectively.

The Producers and Services Co-operatives experienced several challenges in 2012 to varying degree and highlighted the operations of the following societies.

- The Jamaica Automobile and Limousine Tours Ltd.
- The Christiana Potato Growers Association
- The Jamaica Fisherman Co-operatives Union
- Flower Hill Producers Co-operative

As of December 2012 NUCS total Assets was \$33,560,597.

6.3.2 Jamaica Co-operative Credit Union League (JCCUL) Ltd

The Jamaica Co-operative Credit Union League (JCCUL) recorded growth of 1.6% in assets for 2012. This resulted from some normalcy returning to the operations of Credit Unions as they positioned themselves to service their members.

While small, this was an improvement over prior year which reflected a decline of approximately 7% or \$0.77 Billion for 2011.

The League recorded gross income of \$1.17 Billion and surplus of \$158.59 million before honoraria for 2012. [Extracted from JCCUL Annual Report 2012]

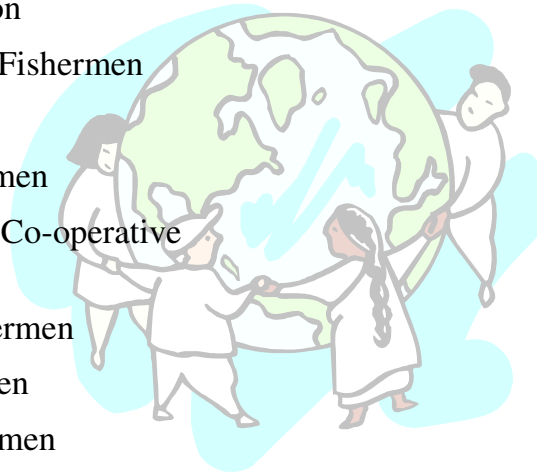


6.3.3 Jamaica Fishermen's Co-operative Union Limited (JFCU)

The JFCU held its last Annual General Meeting on February 27, 2013 at the Knutsfort Court Hotel in Kingston. Its membership was represented by delegates from its eleven member societies namely:

- Old Harbour Bay Fishermen Co-operatives
- Correctional Services Co-operative Credit Union
- North Eastern Island Fishermen
- Alloa Fishermen
- Calabash Bay Fishermen
- COK Sodality Co-operative Credit Union
- Half Moon Bay Fishermen
- Rocky Point Fishermen
- Gillings Gully Fishermen
- Montego Bay Fishermen
- Whitehouse Whitesands Fishermen

At the end of 2012 the JFCU boasted total assets of at \$85,013,672.00. Its gross profit for the year stood at \$38m and undistributed surplus at \$ 5.147,695.00.



Department of Co-operatives and Friendly Societies

APPENDIX I

SENIOR EXECUTIVE COMPENSATION

Position of Senior Executive	Year	Salary (\$)	Gratuity (\$)	Travelling Allowance or Value of Assignment of Motor Vehicle (\$)	Pension or Other Retirement Benefits (\$)	Other Allowances (\$)	Non-Cash Benefits (\$)	Total (\$)
Registrar (GMG/SEG 3)	2013	2,249,730.00	N/A	975,720.00	-	-	N/A	3,225,450.00
Director of Inspectorate	2013	1,499,251.00	N/A	514,500.00	-	-	N/A	2,013,751.00
Director of Research, Training and Development	2013	1,499,251.00	N/A	514,500.00	-	-	N/A	2,013,751.00
Director of Audits and Investigations	2013	1,757,181.00	N/A	514,500.00	-	-	N/A	2,271,681.00

Operatives and Friendly Societies

Notes

1. Where contractual obligations and allowances are stated in a foreign currency, the sum in that stated currency must be clearly provided and not the Jamaican equivalent.
2. Other Allowances (including laundry, entertainment, housing, utility, etc.)
3. Where a non-cash benefit is received (e.g. government housing), the value of that benefit shall be quantified and stated in the appropriate column above.

Societies Registered April 2012 - March 2013, under the relevant Acts.**Friendly Societies Act**

- Sunning Hill Benevolent Society
- Woodland CDC Benevolent Society
- William Knibb Experience Benevolent Society
- Highlight View Citizens Association Benevolent Society
- Annotto Bay Community Development & Environmental Benevolent Society
- Sterling Castle Heights Progressive Benevolent Society
- Watson Town Community Benevolent Society
- Jamaica Retired Correctional Officers Association
- Westmoreland Organic Farmers Society
- UNIA Resource Citizens Association Benevolent Society
- Whitehall Development Benevolent Society
- Tate Producers Benevolent Society
- Greater Maverley Consultative Committee Benevolent Society
- Homestead Citizen For Action Benevolent Society
- Friends of the Marie Atkins Night Shelter Benevolent Society
- Schwallenburgh Windalco/JBI Joint Community Council Benevolent Society
- York Town Community Foundation Benevolent Society
- Steer Town Community Development Committee Society
- Canaan Heights Development Committee Benevolent
- Seaview Gardens Community Development Committee Benevolent Society
- Mount Salem Community Development Benevolent Society
- Black Hill Community Development Committee Benevolent Society
- Jeffery Road Community Development Council Benevolent Society
- Green Pond Community Development Committee Benevolent Society



- Gayle Consultative Committee Community Development Council Benevolent Society

Co-operative Societies Act

- Huntley Castle Co-operative Society Limited
- First Heritage Co-operative Credit Union Limited
- Bethel Town Agricultural Co-operative Society Limited
- Water Wheel Agricultural Council Co-operatives Society Limited
- United Greenhouse Co-operative Society Limited
- Meylersfield Multipurpose Co-operative Society Limited
- Jamaica Recycling Co-operative Society
- St. Elizabeth Greenhouse Growers Co-operatives Society Limited
- St. Ann Agriculture Producers Co-operatives Limited
- Bernard Lodge United Progressive Farmers' Co-operative Society Limited
- Portmore Agricultural Co-operative Society Limited

Industrial & Provident Societies Act

- Emeralds Cay Management Limited
- Commercial Credit Investments Limited
- FP Services Limited
- St. Elizabeth Rice Producers Association Limited
- Spring Plain Farmers Association Limited
- Hylton's Lending Society Limited
- Raise Jamaica Limited



SOCIETIES AUDITED						
Over a two year period						
Societies	No. of Societies		External Audits		Internal Audits (DCFS)	
	11/12	12/13	11/12	12/13	11/12	12/13
Thrift & Credit	48	24	43	23	5	11
Agricultural	5	5	-	-	5	1
Housing and Land	3	5	-	-	3	1
Multi purpose / Consumer	2	6	-	-	2	6
Fishermen	10	6	-	-	10	6
Community Development	1	3	-	-	1	3
Transport	3	2	1	-	2	2
Coffee/Cocoa	6	9	-	-	6	9
Industrial	-	1	-	-	-	1
Friendly Societies	71	56	-	-	71	56
Tertiary/ Federation	3	4	2	2	1	2
Insurance	1	0	1	-	-	1
TOTAL	153	121	47	25	106	96

Department of Co-operatives and Friendly Societies



CLASSIFICATION OF CO-OPERATIVE SOCIETIES

CLASSIFICATION	2012/2013	
	Active	Inactive
1. Agricultural	37	16
<input type="checkbox"/> <i>Coffee</i>		
<input type="checkbox"/> <i>Cocoa</i>		
<input type="checkbox"/> <i>Dairy</i>		
<input type="checkbox"/> <i>Other</i>		
2. Industrial	4	5
3. Fishermen	11	2
4. Consumer	3	3
5. Multi Services	5	1
6. Credit Union	42	0
7. Housing and Land Purchases	4	4
8. Land Leasing	0	2
9. Insurance	1	0
10. Thrift	1	0
11. Transport	4	1
12. Community Development	2	2
13. Secondary	3	2
14. Tertiary	1	0
Total	118	38

Department of Co-operatives and Friendly Societies



**PURCHASES OF LOW LAND COFFEE
Form Co-operative for the Year 2012/2013**

	Boxes	Price / Box
Catadupa Coffee Coop	417.50	\$2,000
Central St. Catherine Coop	825.75	\$2,100
Darliston Coffee Coop	522.75	\$2,100
Eastern St. Ann Coffee Coop	44.00	\$1,800
Frankfield Coffee Coop	2,727.75	\$2,200
North East Clarendon Coffee Co	1,399.00	\$2,200
North Manchester Coffee Coop	331.25	\$2,000
North West St. Catherine Coop	2,051.50	\$2,200
South Clarendon Coffee Coop	133.50	\$2,000
South Manchester Coffee Coop	281.50	\$2,000
St. Elizabeth Coffee Coop	132.25	\$2,100
West St. Ann Coffee Coop	472.5	\$2,000
Total	9,339.25	

Department of Co-operatives and Friendly Societies

Figures received from Wallenford Coffee Company Limited

**AUDIT AND SUPERVISION FUND**

	\$
Adjusted Opening Balance as at 1.4.2011	24,110,540.74
Income	
Audit Fees	4,155,450.00
Liquidations	<u>Nil</u>
	28,265,990.74
Less Expenditure	
Accommodation	596,346.45
Miscellaneous	<u>3,623,224.06</u>
Closing Balance at 31.3.2012	<u>24,046,420.23</u>

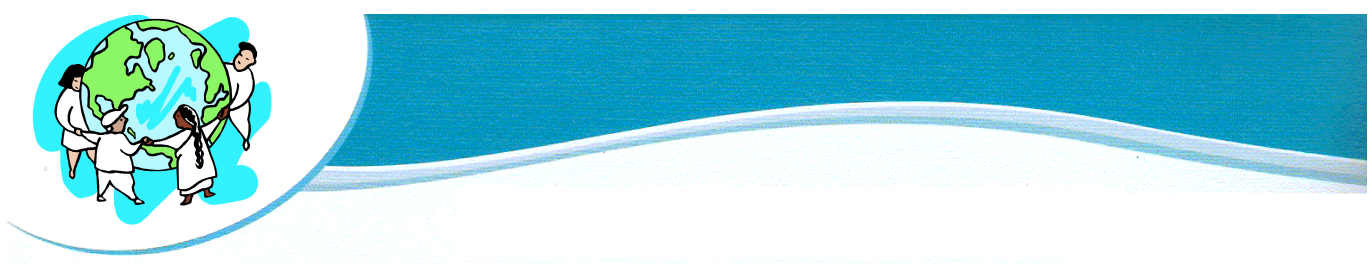




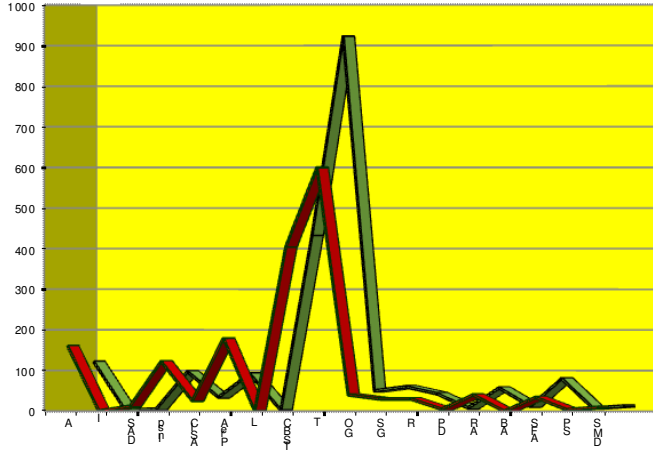
COMPARISON OF ACHIEVEMENTS FOR THE PERIOD

2012/2013

		Target	Achievement	% Achievement
ACTIVITIES		2012/2013		
Department of Co-operatives and	<i>Audits (A)</i>	160	121	75.6%
	<i>Investigations (I)</i>	-	3	100%
	<i>Development of Accounting Systems (DAS)</i>	12	5	41.6%
	<i>Inspection (Insp)</i>	122	97	79.5%
	<i>Assessment of Systems and Internal Controls (ASIC)</i>	25	34	136
	<i>Pre Audit Checks (PreA)</i>	179	92	51.7%
	<i>Liquidations / Transfer of Engagement / Enquiry (L)</i>	-	2	100%
	<i>Technical Support and Business Counselling (TSBC)</i>	405	433	106.9%
	<i>Training (T)</i>	600	923	153.8%
	<i>Group Organization (GO)</i>	40	50	125%
	<i>Group Supervision (GS)</i>	30	60	200%
	<i>Registration (R)</i>	30	43	143.33%
	<i>Development Planning (DP)</i>	15	8	53.33%
	<i>Appraisal of Rules (AR)</i>	40	57	142.5%
	<i>Assessment of Business Plan (AB)</i>	-	12	100%
	<i>Analysis of Financial Statements (AFS)</i>	34	80	235.3%
	<i>Development of Models and Systems (DMS)</i>	10	13	130%
<i>Special Project (SP)</i>	4	8	200%	



**COMPARISON OF TARGET VERSUS ACHIEVEMENTS
FOR THE PERIOD 2012/2013**



ACTIVITIES



Department
of Co-
operatives
and
Friendly
Societies

APPENDIX IX

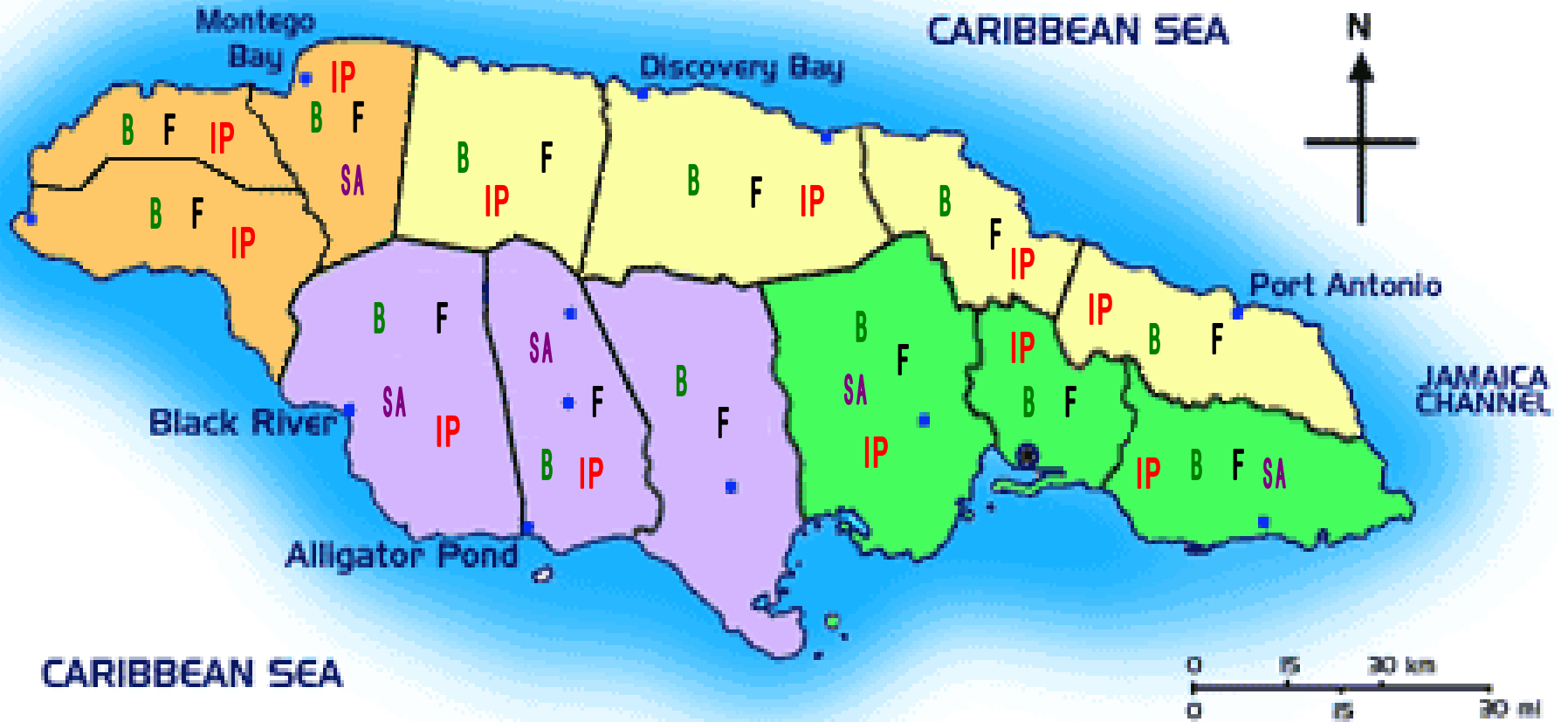
MAP SHOWING GEOGRAPHICAL DISTRIBUTION OF ACTIVE CO-OPERATIVE SOCIETIES



KEY			
	Federations		Multipurpose Co-operatives
	Agricultural Co-operatives		Thrift Co-operatives
	Fishermen Co-operatives		Community Development Co-operatives
	Insurance Co-operatives		Transport Co-operatives
	Credit Unions		Industrial Co-operatives
	Consumer Co-operatives		Information Technology Co-operatives
	Housing and Land Purchase Co-operatives		

APPENDIX X

**MAP SHOWING GEOGRAPHICAL DISTRIBUTION OF SOCIETIES REGISTERED UNDER THE FRIENDLY SOCIETIES ACT
AND INDUSTRIAL AND PROVIDENT SOCIETIES ACT**



KEY	
F	Friendly Societies
B	Benevolent Societies
SA	Special Authorised Societies
IP	Industrial And Provident Societies

DEPARTMENT OF CO-OPERATIVES AND FRIENDLY SOCIETIES (DCFS)

PHILOSOPHY

The Department is guided by a philosophy to understand and appreciate that its functions are concerned with the lives of people; the awareness of this fact is essential to the satisfactory performance of its duties in attaining the closest possible relationship with its clientele, in order to assist Societies to bring about the economical and social improvements desired. This philosophy coupled with the principles of co-operation and the Associated Practices adopted by the International Co-operative Alliance, with respect to the establishment and operation of Co-operative Societies, assist the Department in fulfilling its objectives.

The principles and practices listed below also influence Friendly Societies, which are essentially co-operative in nature.

- ◆ *Voluntary and Open Membership*
- ◆ *Democratic Membership Control*
- ◆ *Members Economic Participation*
- ◆ *Autonomy and Independence*
- ◆ *Education, Training and Information*
- ◆ *Co-operation among Co-operatives*
- ◆ *Concern for Communities*

