



2017-2018
ANNUAL REPORT





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Vision

A proactive world-class agency building a disaster resilient nation.

Mission Statement

ODPEM is committed to leading the process of reducing the impact of disasters on Jamaica through Comprehensive Disaster Management.

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WHO WE ARE AND WHAT WE DO

Disaster preparedness is a dynamic function, which includes the identification of disaster threats and risks throughout the country. Preparedness is the formulation of plans to create a state of readiness to meet the needs of victims when a disaster strikes.

The Office of Disaster Preparedness and Emergency Management (ODPEM) is a statutory body under the Office of Ministry of Local Government and Community Development (MLGCD) with a Board of Management overseeing its activities. The ODPEM has the unique role of being the only government agency to provide disaster management functions in Jamaica which seeks to develop and implement policies and programmes for the purpose of achieving and maintaining an appropriate state of national preparedness for natural and man-made disasters and emergency events.

Message from the Chairman of The ODPEM Board of Management

Joy Douglas



The year 2017/18 saw unprecedented manifestations of natural disasters in the Caribbean region. While Jamaica did not experience the hurricanes that resulted in the loss of life and destruction of property as did some of her neighbours, the country was reminded of the importance of individual and collective preparedness.

As Jamaica continues to experience the destructive effects of climate change, it is important that the country is equipped with integrated disaster

risk reduction mechanisms. Natural hazards and disasters continue to place a financial strain on the economy. It is therefore critical that a strong public-private sector partnership is forged to effectuate comprehensive disaster risk reduction in the country.

In keeping with its position as the lead disaster risk reduction agency with a mission of *“leading the process of reducing the impact of disaster on Jamaica through Comprehensive Disaster Management,”* the ODPEM is placing an increased emphasis on building capacity at the community level through the National Disaster Risk Management Volunteers Programme. This partnership validates community involvement and it is a necessary step in building community resilience.

The organization is also seeking to develop a structured approach to partnership with the private sector through the Private Sector Engagement Committee of the Board of Management.

The ODPEM in its unique role as Jamaica’s National Disaster Management Agency continues to evolve and remain relevant while currently undergoing an organizational review. The outcome of this review will allow for greater transparency and efficiency in the execution of its business processes and enable the organization to effectively function as the secretariat for the National Disaster Risk Management Council Chaired by Prime Minister the Most Honorable Andrew Holiness.

As the Chairman, I embrace this process as it will bring the organization in alignment with the **Disaster Risk Management Act** of 2015, and allow for a more productive, effective and efficient organization.

Message from the Director General

Major Clive Davis



The Office of Disaster Preparedness and Emergency Management (ODPEM) continues to be guided by its Vision Statement; *“A proactive world class agency building a disaster resilient nation”*.

The period saw exceptional strides being made in all areas of the organization with internal capacity building and human resource development becoming one of our primary areas of focus.

Being conscious of the role and importance of the governance structure of any successful entity, the ODPEM, saw the review and rejuvenation of the

National Disaster Risk Management Council. A secretariat was put in place to support the coordination of the revitalized Committees of the Council. From this point our support also extended to the entities of the state, non-governmental organizations and private sector entities, which comprise the National Disaster Organization. Today we boast a stronger and more cohesive team, working towards disaster risk reduction in our country.

Any achievement attributed to the Office of Disaster Preparedness and Emergency Management would not be possible without the steadfast guidance and support of the portfolio Minister, the team at the Ministry of Local Government and Community Development and the Board of Management.

The Office of Disaster Preparedness and Emergency Management not only continue to be supported by regional and international organizations and friendly governments, but also provides support to partner nations. The partnerships forged will lead to securing our mandate of protecting lives.

When all has been said, it can be agreed that the best resource that this organization has, is our staff family. These are a dedicated group of individuals who continues to go beyond the call of duty to provide service to this country, the region and the world.

The period under review was a tremendous success and we do expect that we can only grow from strength to strength “in the service of our fellow citizens”

CORPORATE SERVICES DIVISION

The Corporate Services Division comprises of Procurement, Building Maintenance, Security, Registry, Information Systems, Human Resource Department and the Rental Unit. During the financial year the division hosted several strategic sessions to formulate the ODPEM's Strategic Plan for 2018-2022. The collaborative approach facilitated the full engagement of all senior and selected middle Managers and the Strategic Plan was presented at the Board and Management Retreat held in April 2017 when the plan was accepted and approved by the Board of Management, MLGCD and the Senior Management Team.

During the financial year two staff was added to the Division to strengthen the capability of the National Disaster Risk Management Council (NDRMC) in order to enable the ODPEM to fulfill its mandate as it relates to the Committees of Council in collaboration with the Information and Training Division the NDRMC had a successful meeting on June 27, 2017. There were a number of Committees of Council which were reactivated.

The Human Resource Management Department (HRMD) was able to interview and fill all the positions that were vacant including the Marketing Manager's post which has been vacant for several years. Outstanding seniority and Lump sum payments and other allowances owed to staff for several years were also paid during the financial year.

All Mission critical system were maintained in addition to the commissioning of the National Disaster Risk Management Volunteer Programme (NDRMVP) data base which was successfully launched in collaboration with the other Divisions. The Rental unit surpassed their target in both revenue and profit. Going forward, the Division will be focusing on improving its records management especially in HRMD and also will be taking the necessary steps to conduct an organizational review which has been on the table for several years.

HUMAN RESOURCE MANAGEMENT DEPARTMENT

During the 2017/2018 financial year the Human Resource Management Department continued with its strategic management activities which included the recruitment and selection of competent staff to carry out the mandate of the organization. The following positions were filled.

- | | |
|----------------------------------|---|
| • Mitigation Programme Officer - | Mitigation Planning & Research Division |
| • Research Analyst - | Mitigation Planning & Research Division |
| • Training Manager - | Information and Training Division |
| • Audio Visual Technician - | Information and Training Division |
| • Systems Support Technician - | Information Systems Unit |
| • Information Officer - | Information and Training Division |
| • Marketing Manager - | Information and Training Division |

The organization continues to seek the approval of the Ministry of Finance and the Public Service for temporary positions to carry out tasks for positions that are not established within the organization.

Training & Development:

Staff members attended several international and local workshops and seminars in order to build their capacity in Disaster Risk Reduction/Management. Members attended the Comprehensive Disaster Risk Management Course in Japan through the Japan International Cooperation Agency (JICA)

INFORMATION AND TRAINING UNIT

National Disaster Risk Management Council Meeting

The National Disaster Risk Management Council (NDRMC) formerly the National Disaster Committee (NDC) held its 2nd meeting on Tuesday June 27, 2017 at Jamaica House. The Council consists of key stakeholders within the disaster arena, chaired by the Prime Minister of Jamaica and deputized by the Minister with responsibility for Disaster Management, in this case the Minister of Local Government and Community Development. The Council was developed to facilitate effective national coordination, preparedness, response and recovery from any disaster or emergency situation in collaboration with stakeholders. The Information and Training Unit played a key role in the planning and execution of this event.

EOC Activation for May Rains

In responding to the threat posed by a weather system forecasted to be move westward across the Island, the ODPEM activated the National Emergency Operations Centre (NEOC) as such the Information and Training Unit took on different roles during this potential emergency/disaster situation. The island experienced an onslaught of continuous heavy rainfalls reaping havoc across multiple parishes with the NEOC being activated from May 15 – 24, 2017.

Jamaica/Mexico 2017-2018 Bilateral Cooperation Programme

Dr. Carlos Miguel Valdés and his team visited Jamaica for three (3) days June 19- 23. Dr. Valdés has extensive knowledge and experience in dealing with disaster preparedness and management. He has made major contributions to seismology which includes the development of computer applications to detect earthquakes utilizing laptops.

Dr. Valdes engaged members of Jamaica's disaster sphere in a knowledge exchange workshop, imparting experience and other relevant information. In addition to the NDRMC, the Unit was involved in the planning and execution of this workshop.

NATIONAL DISASTER RISK MANAGEMENT VOLUNTEER PROGRAMME

Under the National Disaster Risk Management Volunteer Programme, the Unit was designated as the training lead to execute core disaster management courses for the volunteers. The first leg of the training was held on May 29 – 30, 2017 in St. Thomas, Eastern Jamaica. The Unit also hosted a Residential Training camp at Moorlands, Manchester from October 23 – 28, 2017.

The NDRMVP programme was officially launched in January 2018. There were four (4) Calls for volunteer's ads were published in the Gleaner and Observer on August 13, 2017.

DISASTER PREPAREDNESS & MITIGATION TOWN HALL MEETING

The Office of Disaster Preparedness and Emergency Management (ODPEM) in collaboration with the Ministry of Local Government and Community Development (MLGCD) hosted two (2) Disaster Preparedness & Mitigation Town Hall Meetings to sensitize the residents of Clarendon on best practice especially during the 2017 Hurricane Season on September 20-21, 2017.

PAHO/WHO and Ministry of Health EOC Training

The ODPEM in partnership with the Pan American Health Organization/World Health Organization and Ministry of Health organized five days Emergency Operation Centre Training focusing on health response to adverse events.

The National Disaster Risk Management Volunteer Programme (NDRMVP)



Delmares White - Director Information and Training speaking @ Training of Volunteers Graduation.

Graduation of Volunteers at Moorland Training Camp.

October 27, 2017.



Group of Volunteers on Graduation Day.



Training Manager Novia Drummonds Morgan presents award to student Earthquake Awareness Week (EAW) at Fort Charles.

Public Awareness and Education/ Disaster Preparedness Campaign

- Disaster Mitigation Town Hall Meeting – The ODPEM in partnership with the Ministry of Local Government and Community Development in an effort to increase awareness of best practices hosted Disaster Mitigation Town Hall Meetings. Meetings were held in the parishes of Clarendon and Portland.
- Earthquake Awareness Week (EAW) – The theme “Preparing for the Quake, Helps Reduce Damage after the Shakes”. The Earthquake Awareness Campaign was observed from Jan.7- 13, 2018. A Press Launch held at ODPEM on January 8, 2018. An Earthquake Drill conducted for Day for Business at FLOW JA on Jan. 11, 2018. Earthquake Awareness week was concluded with an Open Day for Schools at Fort Charles on January 17, 2018. This annual event reminds citizen of the importance of knowing what actions to take in the event of an earthquake.
- Sensitization Sessions – To prepare the nation, sensitization sessions were offered to schools, public and private agencies. Fifty-Three (53) sessions have been conducted.
- Marketing Plan – To promote brand ODPEM seek sponsorships through campaigns and media products being developed on Comprehensive Disaster Management and Disaster Risk Reduction.

The ODPEM's Library possesses a wide range of information available for public information which is provided to students and organization. This wealth of information includes the annual distribution of over 51,804 Public Education materials as well as attending several exhibitions and seminars at the following locations:

- **Earthquake Awareness Week Open Day Expo, January 17, 2018 at Port Royal**
- **National Council for Senior Citizens Health Fair, January 30, 2018 at NCU, Manchester**
- **Jamaica Fire Brigade Open Day, February 3, 2018 in St. Mary**
- **National Council for Senior Citizens Health Fair, February 5, 2018 in St. James**
- **National Council for Senior Citizens Health Fair, February 20, 2018, at Utech Kingston**
- **Shelter Management Workshop at the Jamaica Pegasus Hotel, March 20, 2018**

PROJECT DEVELOPMENT, IMPLEMENTATION, MONITORING AND EVALUATION DIVISION

Project Development, Implementation, Monitoring and Evaluation Division

The Project Development, Implementation, Monitoring and Evaluation Division is responsible for providing optimum services in the development, implementation, monitoring and evaluation of projects and programmes in fulfillment of ODPEM's core mandate to coordinate and provide services in Disaster Preparedness and Emergency Management.

National Disaster Risk Management Volunteer Programme

Purpose of Programme

The specific purpose of the project is to support the strengthening of the capacity of the local mechanism and the National Emergency Operations Centre (NEOC) and maintain a coordinated and collaborative system for volunteerism in the field of Disaster Risk Management (DRM) in Jamaica. The following outlines all the key objectives that have been achieved through the various activities that were conducted under the project, these include:

1. Improving knowledge of disaster mitigation response among target groups in the communities and the parishes.
2. Contributing to improved coordination and information exchange at the parish and national levels on disaster mitigation and response related issues.
3. Building awareness of the project and its components among target audiences, user groups, communities and parishes.

EXPECTED RESULTS

1. Increased public awareness and knowledge on disaster risk reduction towards an enhanced culture of safety.
2. Strengthened disaster risk reduction (preparedness, mitigation and response) capacities of local communities.
3. Enhanced capacity of national and parish disaster management agencies and institutions to undertake Comprehensive DRM
4. Increased access to timely, accurate and relevant information on all hazards and disaster events.

ACHEIVEMENTS:

- Developed and established database to be harmonious with existing agency-lead volunteers Programme.
- Training of 87 volunteers in a 7-day residential camp in the following areas:
 - Basic Disaster Management
 - Basic Radio Telecommunication
 - Basic Light Search and Rescue
 - Basic Fire Safety and Prevention
 - Basic Community Hazard Mapping
 - Basic Initial Damage Assessment
 - Basic Shelter and Shelter Management
 - Basic Emergency Operation Centre
 - Basic First Aid

A total of 117 volunteers were trained with a 72:28 female to male ratio.

- Physical GIS mapping of the communities of trained volunteers
- Equip trained volunteers with community disaster mitigation and recovery kits
- Parish Disaster Coordinators, Municipal Corporation Representatives, Stakeholders and ODPEM Staff trained in volunteer management

IMPROVEMENT OF EMERGENCY COMMUNICATION SYSTEM IN JAMAICA

PROJECT PURPOSE

The purpose of the project is to provide a platform for emergency/disaster communication among various critical agencies of government, first responders, major stakeholders, auxiliary services and community volunteers. The project is critical for the improvement of:

- Public Security and Safety
- Fire Rescue, Search & Rescue (marine and land) and Medical Emergencies
- Evacuation planning, communication and mobilization
- Local Emergency Operations Center
- Communities and areas prone to flooding, storm surges, landslide and other hazards

ACHIEVEMENTS:

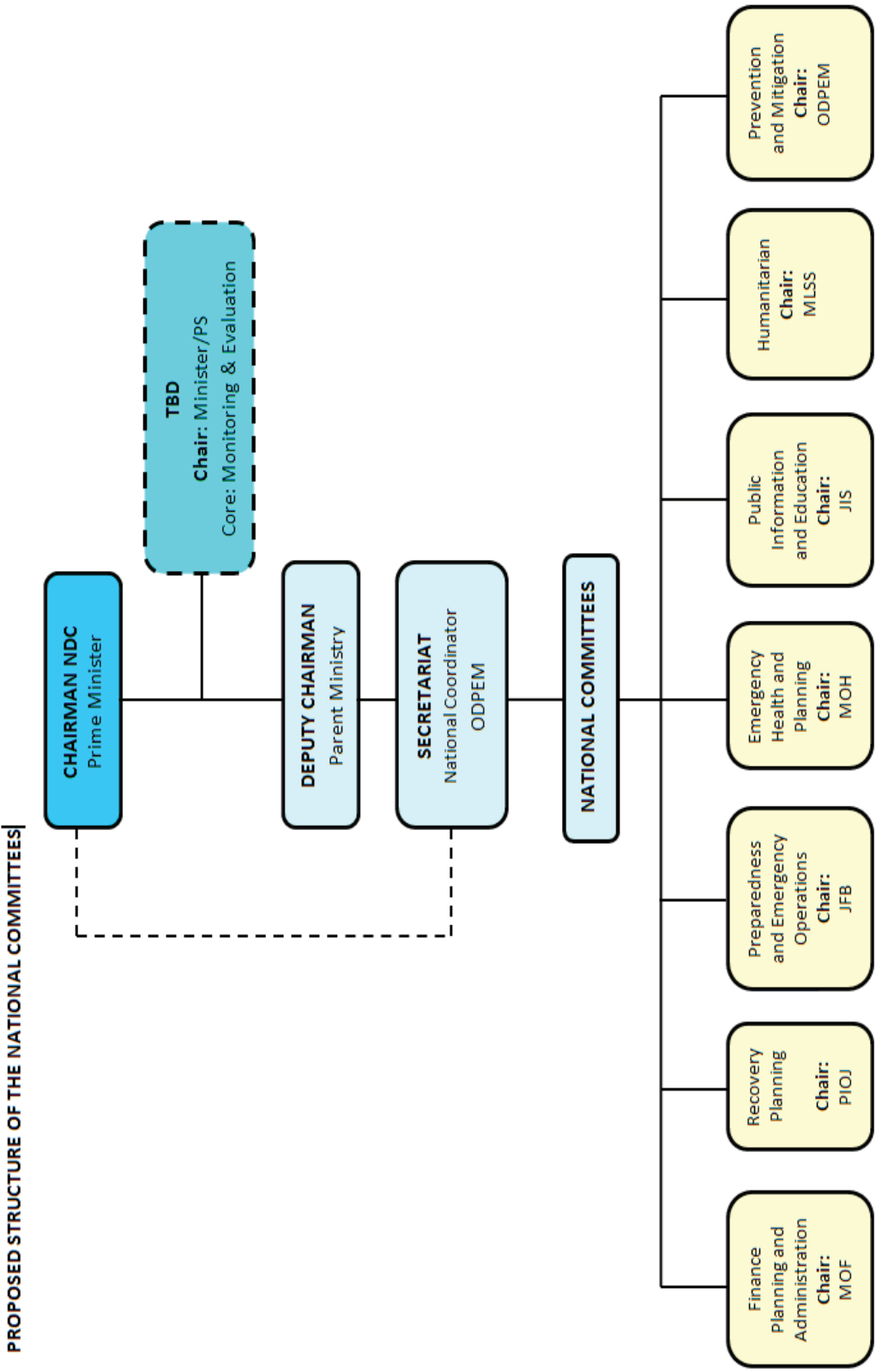
- Operations Manual completed
- Agreement between ODPEM and YACHIYO Engineering Co., Ltd signed for engineering works under the project.

Operationalization of the Disaster Risk Management Act of 2015

STRUCTURE OF THE NATIONAL DISASTER RISK MANAGEMENT COUNCIL (NDRMC)

Given the provisions of the new Disaster Risk Management Act 2015, and the approval by Council on June 27, 2017, the following represents the new structure (National Disaster Risk Management Council) to operationalize the provisions of the Act towards building a disaster resilient nation.

Figure 2: Existing National Disaster Management Framework



Under the structure of the previously named National Disaster Council (NDC), the committees were response focused by virtue of name and scope. Renaming of and restructuring of the Committees to include an additional committee is to better articulate all the aspects of disaster risk management cycle.

Table 1 below highlights name, purpose, main and new areas of focus and existing membership.

Name	Purpose	Chairman	Main/New Areas of Focus	Membership
1 Emergency Health Planning Committee	To develop systems and procedures to effectively respond to national health issues and crises	MOH	<ul style="list-style-type: none"> Emerging hazards Mass Casualty Disaster Forensics Mortuary Management Psychosocial Impacts 	Ministry with portfolio for Agriculture, Jamaica Red Cross, PAHO, JCF, JFB, JDF, ODPEM, MAJ, BSJ, St. John's Ambulance private sector ambulance service, Jamaica Medical Doctors Association, etc.
2 Preparedness and Emergency Operations Committee	To plan for the effective coordination or resources to save lives, reduce suffering and minimize damage to property and environment during adverse events.	JFB	<ul style="list-style-type: none"> Early Warning System (EWS) Search and Rescue (SAR) Damage Assessment Disaster Declaration Transportation Telecommunications Logistics Simulation Exercises Evacuation Planning Relief Clearance Debris Management Donation Management 	JCF, JDF, NWA, PAJ, JPS, NWC, NSWMA, AAJ, MAJ, PICA, JUTC, Customs, ODPEM, RADA, PCI, MSI, Telecoms Providers, Earthquake Unit, JARA, JRC, Shipping Association Ministry with responsibility for Transportation.
3 Prevention and Mitigation Committee	To develop strategies and plans to avoid hazards, mitigating impacts, reducing vulnerabilities and disaster resilience	ODPEM)	<ul style="list-style-type: none"> Disaster Risk Identification Community Resilience Planning Border Security Especially Vulnerable Areas Development Planning Food Security Business Continuity Sector Mainstreaming 	NEPA, CCD, RADA, PIOJ, Forestry Department, WRA, MGD, NSDMD, JET, JNHT, MOT, MOE, Ministries with responsibility for Housing, Environment, PSOI, ODPEM, Academia (UWI, UTECH, MCU), JCF/Customs, PICA, MOA, etc.
4 Humanitarian Assistance Committee	To ensure provision of adequate humanitarian assistance to persons impacted by adverse events.	MLSS	<ul style="list-style-type: none"> Shelter Welfare Relief Distribution Refugee 	ADRA, Jamaica Red Cross, Local Government, Food for the Poor, MOH, MOE, SDC, ODPEM, PSOI, Jamaica Chambers Commerce, etc.

Name	Purpose	Chairman	Main/New Areas of Focus	Membership
5	Public Information and Education Committee To disseminate accurate public education information and ensure speedy alert on all hazards through timely efficient and coordinated information utilizing all available medium of communication	JIS	<ul style="list-style-type: none"> • Social Media • Emergency Alert System (message dissemination) • Traditional Media 	Telecoms Providers, MOH, MSJ, MOE, MOT, MoFAFT, Broadcasting Commission, Press Association, ODPEM, Earthquake Unit, PICA, JCF, CUSTOMS, Min. of Technology, etc.
6	Recovery Planning Committee To ensure mechanisms are in place for effective restoration and improvement of livelihoods, infrastructure and organizational capacities to withstand future hazards.	PIOJ	<ul style="list-style-type: none"> • Livelihood protection • Rehabilitation • Reconstruction 	Ministries with portfolio for Agriculture, Housing, Works, Environment, Academia (UWI, UTECH, NCU), MOF, ODPEM, NWA, Local Government, JRC, MLSS, PSJO, JIE, etc.
7	Finance Planning and Administration Identification and mobilization of financial and other resources to impact disaster risk management	MOF	<ul style="list-style-type: none"> • Financial Risk Identification • Risk Transfer • Bilateral Agreements • Mutual Aid Agreements • Memorandum of Understanding • Technical Cooperation 	MoFAFT, PSJO, ODPEM, Local Government, Jamaica Chamber of Commerce, Chairpersons from each committee, etc.

Gap Analysis of First Responders in Emergency Management

The Government of Jamaica (GOJ) is in receipt of Trust Funds from the Global Facility for Disaster Risk Reduction (GFDRR) to prepare a National Audit of Disaster Preparedness in Jamaica. The Office of Disaster Preparedness and Emergency Management (ODPEM) is the implementing agency. The gap analysis of GOJ first responders in the health, security and emergency management sectors will inform future activities under the technical assistance.

This institutional gap analysis was conducted by, among other things, comparing what is explicitly stated in Jamaica's Disaster Risk Management Act 2015 with current disaster preparedness practices. The main emphasis of the institutional gap analysis for emergency preparedness was: data recording, information sharing and overall communications and resource capacity (e.g. equipping, staffing, training, budgetary allocation, organizational structures, processes, procedures).

ODPEM and the World Bank agreed that the institutions to be assessed would be the Jamaica Constabulary Force, the Jamaica Fire Brigade and the Ministry of Health who are operational first responders vis-à-vis ODPEM which provides strategic oversight and management of emergency response. The gap assessment resulted in the institutional mapping for disaster preparedness: who does what, when and how, and linkages among the key and strategic stakeholders.

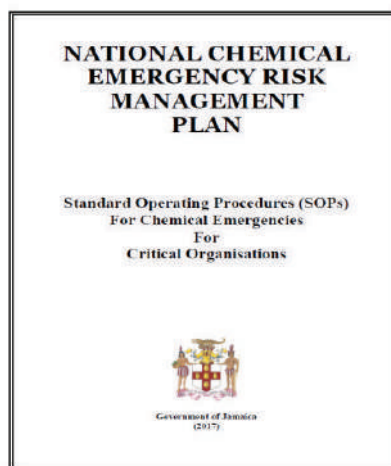
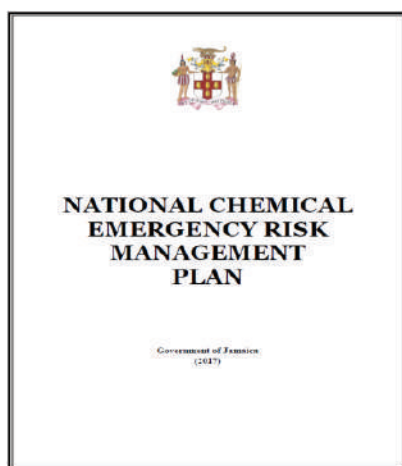
PREPAREDNESS AND EMERGENCY OPERATIONS DIVISION

The PEOD over the financial year 2017-2018 remained focused on its initiatives and programmes for strengthening preparedness and response capacities/capabilities at both local and national levels.

Development of a National Chemical Emergency Risk Management Plan and Standard Operating Procedures (SOPs) for Critical Entities

The National Chemical Emergency Risk Management Plan (NCERMP) and SOPs are documents which outlines a Risk Management Approach to Chemicals Management in Jamaica. The approach to the development of these documents was highly participatory and time consuming as they are multi- agency and stakeholder documents and required tremendous input from the parties involved. The Standard Operating Procedures for Chemical Risk Management were drafted for the following entities- ODPEM, Jamaica Fire Brigade (JFB), Jamaica Constabulary Force (JCF), National Environmental Planning Agency (NEPA), Ministry of Health (MOH) and the Municipal Corporations. The documents have been distributed.

*Emergency
Services
Application
CHEMS-*



*Chemical
Hazards
Management
Mapping
(CHEMS-Map)*

National Spatial Data Management Division

Map is a web-based application which is a composite of chemical installations across the country. Data sets for the application were acquired from various government entities and data sets which already resided in the National Spatial Data Management Division (NSDMD). The tool allows the user to conduct analysis utilizing various data sets which are critical to Emergency Response at various levels for purposes of planning, training and for response. Some key activities that the application will allow users to do are as follows:

1. Summarize Data
2. Find Locations
3. Data Enrichment
4. Analyzing Patterns
5. Using Proximity
6. Creating Buffers

Strengthening Emergency Shelter Management and Operations in Jamaica for Greater Efficiency – Shelter Rationalization

The Office of Disaster Preparedness and Emergency Management (ODPEM) as part of its mandate is in the process of revamping the National Shelter Management Programme.

Arising from the country's experience with preparations for Hurricane Matthew in 2016, some of the challenges which arose as well as the Honourable Minister of Local Government's intervention and instruction, a document entitled, "Strengthening Emergency Shelter Management and Operations in Jamaica for Greater Efficiency" was produced by the ODPEM in April 2017 with the intent to provide a strategic framework for Shelter Management in Jamaica. This document also inculcates from a strategic perspective the collection of data through surveys as carried out by the Social Development Commission (SDC) that collaborated with the ODPEM to conduct a National Shelter Audit survey (September 2017). This garnered a more current appreciation of the criteria on which shelters are selected such as the conditions and survivability of facilities used as emergency shelters, the vulnerability and safety of these facilities on activation as well as the inspection process.

Shelters provide a critical service and function and are considered a vital component of response and recovery following disaster events. Based on the extent of the disaster situation, shelters may be required from a period ranging from immediate use to long term periods (months). A National Workshop, ***Shelter Rationalisation Consultation*** was held at the Jamaica Pegasus Hotel on March 20, 2018 which brought together Ministries, Agencies and Departments (MDAs), experts in Community and Social Development, Gender Studies, Wellness and Ageing, Sustainable Development Planning, International Donor Community, representatives from selected mutual aid partners and NGOs in Jamaica.



Participants at National Shelter Rationalization Workshop March 2018



Presentation on Critical Facilities GIS Locator Rationalization Workshop March 2018

Strategic Targeting Methodology (STM) Consultation & Workshop

The ODPEM in partnership with the Caribbean Disaster Emergency Management Agency (CDEMA) and the Jamaica Red Cross (JRC) facilitated an introductory workshop and consultation on the Strategic Targeting Methodology (STM). CDEMA with the International Federal of the Red Cross (IFRC) and other partners in the region facilitated the development and pilot testing of the STM in 2016. Jamaica through the ODPEM and partners conducted a consultation/workshop in June 2017 to examine the STM alongside the ODPEM Vulnerability Ranking Index with a view of possible adaptation for our local context. The consultation was

well received by partners and concluded that critical elements of data collection, community resilience projects documentation and key indicators of vulnerability could be adapted for the Jamaican context. This would inevitably strengthen our processes for the Jamaica Building Disaster Resilient Communities Programme. Further consultation and the adaptation process will be pursued in coming years.



Participants at STM Consultation & Workshop June 2017

Sub-Regional Response Support to Hurricanes Maria and Irma 2017

Hurricanes Irma and Maria impacted several Caribbean Countries in September 2017. The category 5 hurricanes caused extensive damage and loss of lives throughout the region. Jamaica, being the focal point for the North Western Sub Regional Caribbean (which includes the countries of Haiti, Bahamas, Belize and the Turks and Caicos Islands) activated the Jamaica North-western Sub-Regional Coordination Centre (SRCC) on Saturday, September 9, 2017 at the Office of Disaster Preparedness and Emergency Management (ODPEM), 2-4 Haining Road, Kingston 5 – And offered support in various forms to the affected islands of North-western and Eastern Caribbean.

Hurricane Irma was the ninth (9) named hurricane of the 2017 Atlantic Hurricane Season. Irma reached a category five (5) hurricane on September 5, 2017 with maximum sustained winds of over 180 MPH resulting in widespread damages across the eastern and north-western Caribbean.

Hurricane Maria, the 13th named hurricane of the 2017 Atlantic Hurricane Season, became a category 5 hurricane near the Leeward Islands on Monday September 18th, 2017. Hurricane-force winds up to 150 miles (240 km) impacted a number of Caribbean Islands to include Dominica, St. Kitts and Nevis, Antigua and Barbuda and the Virgin Islands. Severe damages were noted on the Islands especially Dominica, over which the eye of Maria passed.

The Jamaica Sub Regional Coordination Centre (JSRCC) in response to both events facilitated and coordinated the following primary activities:

1. Activated JSRCC in support of CDEMA Regional Response Mechanism
2. Deployed Team Officers from Jamaica to support the CDEMA Rapid Needs Assessment Team (RNAT) Deployment to Turks & Caicos Islands (TCI)
3. Coordinated the dispatch of Relief Supplies to TCI in partnership with CDEMA and other Humanitarian Actors.
4. Facilitated the return of 185 Jamaican citizens significantly impacted in British Virgin Islands (BVI) and St. Maarten. This was executed in partnership with the Ministry of Labour & Social Security (MLSS), other Government of Jamaica entities, CDEMA and the respective countries.

5. Partnered with the Food for the Poor and the Bahamian Military to dispatch Relief Supplies to Dominica.
6. Supported the Deployment 120 Jamaica Defence Force soldiers to aid in the Relief & Security efforts in Dominica.
7. Government of Jamaica also provided cash donations in the sum of USD \$100,000 each to Dominica and Antigua & Barbuda.



Jamaica Relief Supplies SRCC Relief Deployment to Dominica

Training/Capacity Building at the Local Level across all Parishes

The ODPEM through its Regional Coordinators and partner entities support parishes in strengthening local capacities and capabilities to prepare for and respond to emergencies. These were facilitated by conducting several training and disaster management education sessions in areas such as:

1. Emergency Operations Centre Operations & Management
2. Shelter & Shelter Management
3. Initial Damage Assessment
4. First Aid
5. Search & Rescue Basic Techniques/Operations
6. Basic Incident Command System (ICS)
7. Others as requested

Conclusion

The PEOD continues to take strategic actions at building the preparedness systems and culture at all levels. A high emphasis remains on our ability to effective coordination critical functions in preparing to respond to adverse events and providing efficient and effective support to consequence management and early recovery actions.

MITIGATION, PLANNING AND RESEARCH DIVISION

The Mitigation and Research Division (MPRD) in keeping with the primary goals and objectives of the ODPEM has over the financial year 2017/18 taken steps towards achieving the Organization's mission of providing leadership in Disaster Management nationally. The MPRD provides the nexus of bridging the disaster risk research, hazard and vulnerability studies, disaster risk reduction and mitigation, response and early recovery initiatives. 'The MPRD remains steadfast in its role to 'contribute to the development of the ODPEM through the promotion of the Risk Management Framework, employing science, modern technology and relevant research working to reduce disaster risks and impacts on life, property, environment. The division is geared at providing a solid platform of the highest quality information for implementation of policies, plans and programs'.

Objectives:

1. Ensure that there is an increase of an understanding of risk through its hazard risk and vulnerability programme.
2. Strengthen Disaster Risk Information collecting and digitizing hazard information and disaster risk and hazard mapping initiatives.
3. Support NEOC response coordination and early recovery goals. *Including post disaster assessments*
4. To strengthen community resilience through capacity building while implementing micro mitigation projects in building disaster resilient communities.
5. Establish a uniformed approach to assessing and monitoring disaster risks that will inform disaster risk management planning.
6. Update the digital disaster inventory system (DESINVENTAR) to maintain a robust technical model for data information archiving and retrieval.

PROJECT IMPACT

The involvement of the MPRD in project either as an implementing entity or through management of consulting firms has strengthened the hazard and vulnerability programme of eh ODPEM. It has consistently supported and strengthened the process of understanding risk in an effort to support decisions. This is a critical step in any risk planning and decision making and feeds into goal 4 of vision 2030 and Priority one of the Sendai Framework.

Progress and Achievements over the period

NATIOANL RISK INFORMATION PLATFORM (NRIP)

The development of the Terms of Reference for the consulting firm to develop the NRIP was developed through a series of targeted stakeholder meetings and stakeholder consultation workshops. A number of representatives from various organizations and government agencies were invited to attend the stakeholder consultation workshop. Participants were targeted based on their interest in or collection of disaster risk information. These included representatives from the Tourism, health, agriculture, housing and infrastructure sectors. NGO's and professional groups sensitized include the Jamaica Institute of Engineers (JIE), Jamaica Institute of Environment Professionals (JIEP), Jamaica Red Cross, Jamaica Environment Trust (JET) and Environment Foundation of Jamaica (EFJ).

A total of three consultations were held: two national consultations with selected agencies and one all parish local consultation which included parish disaster coordinators, Ministry of Labour & Social Security (MLSS) parish managers, and directors of planning.

The platform will allow users to visualize, search and discover, conduct queries and download data relating to hazard; social, ecological, physical and economic vulnerability and loss from natural and technological hazards. The users experience will be enhanced through their ability to visualize and interact with this data through a series of map layers that can be activated and deactivated based on scenarios or analysis that the user wants to perform. Each map layer will have its supporting attribute data including links to detailed information on hazards, vulnerability and losses contained in tables, photographs and reports that provide added information for analyses for specific locations.

In addition to the map feature, National Risk Information Platform (NRIP) will provide a discussion forum for Disaster Risk Management (DRM) specialist and practitioners to share views discuss ideas and concepts and share recommendations best practices that benefit the sector.



Figure 1 NRIP National stakeholder workshop

Several individual agency meetings were held with a view to raise awareness about NRIP and solicit buy-in from agencies that will contribute data to the platform Meeting were targeted and held with the following agencies:

1. National Spatial Data Management Division
2. Ministry of Local Government and Community Development
3. Water Resources Authority
4. Mines and Geology Division
5. Disaster Risk Reduction Centre, UWI,
6. National Works Agency
7. Office of Disaster Preparedness and Emergency Management
8. National Meteorological Service
9. Earthquake Unit
10. Consultant on Safe Schools Project (MOE)
11. National Environment and Planning Agency

The meetings were very successful in gaining commitment from the agencies in contributing data to the portal. All agencies indicated their willingness to participate in the platform, and a general willingness to make their hazard, risk and vulnerability data available on the platform.

The Terms of Reference for the NRIP has been finalized in collaboration with ODPEM and the NSDMD. The Terms of reference was reviewed by ODPEM, NEPA and NSDMD. The development of the TOR was guided by research and the NRIP concept for Jamaica. The Terms of Reference Requires the Consultant to undertake specific activities in the following broad areas:

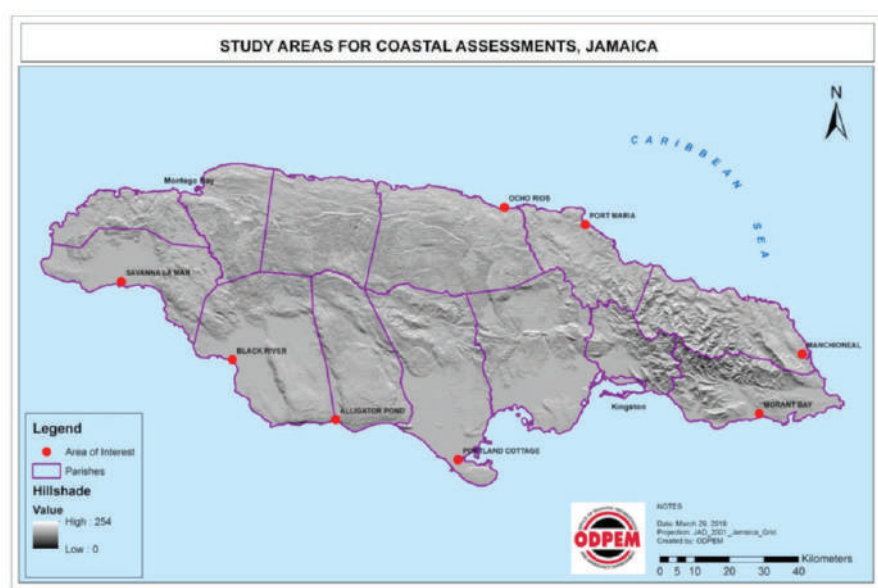
- a. Task 1: Develop the System requirements for NRIP to include the Community of Practice (COP) and Coastal Risk Atlas
- b. Task 2 : Design, develop and Implement the Platform
- c. Task 3: Data Conversion
- d. Task 4: Develop Technical and User Manuals

Parish	Location	Type of Studies to be Undertaken
St Mary	Port Maria	1. Flooding 2. Landslide 3. Storm surge and Coastal erosion 4. Ecosystems-based Adaptation
Manchester	Alligator Pond	1. Ecosystems-based Adaptation 2. Storm surge modeling/coastal erosion
St Elizabeth	Black River	Ecosystems-based Adaptation
Westmoreland	Savanna-la-Mar	Ecosystems-based Adaptation
St Thomas	Morant Bay	Ecosystems-based Adaptation
St Ann	Ocho Rios	Ecosystems-based Adaptation
Portland	Manchioneal	Ecosystems-based Adaptation
Clarendon	Portland Cottage	Ecosystems-based Adaptation

e. Task 5 : Sustainability of the platform

COASTAL ECO-BASE ASSESSMENTS AND MICRO ZONATION STUDIES

Coastal areas present a high level of vulnerability and risk because of the large number of assets and systems that are exposed and these have serious implications for economic development. In an effort to understand the underlying risks and risk factors as a precursor to implementing risk reduction solutions. To this end, hazard, vulnerability and risk assessments for coastal areas are necessary. Under the JDVRP assessments will be conducted in eight locations. Each location will benefit from micro- zonation studies as well as other assessments deemed necessary for the location. In this regard, two sets of TOR's have been prepared for: Microzonation studies and Coastal Assessments.



A Sensitization session was held for national level stakeholders to raise awareness and receive feedback about the coastal assessment. This targeted approximately 35 persons and these include representatives from the Tourism, health, agriculture, housing and infrastructure sectors. NGO's and professional groups sensitized include the Jamaica Institute of Engineers (JIE), Jamaica Institute of Environment Professionals (JIEP), Jamaica Red Cross, Jamaica Environment Trust (JET) and Environment Foundation of Jamaica (EFJ). The TOR for the Coastal Assessment is in draft and expected to be finalized by mid-May. Prior to this additional reviews will be conducted by NEPA, ODPEM and the Consultant. The TOR has been developed through consultation with key agencies with knowledge of the issues, hazards affecting the target sites as well as through research. The Terms of Reference Requires the Consultant to undertake specific activities in the following broad areas:

- a. Task 1: Hazard Assessments
- b. Task 2 : Exposure and vulnerability assessment
- c. Task 3: Risk Analysis
- d. Task 4: Coastal Assessments /Ecosystem-based Adaptation
- e. Task 5 : Risk Reduction and Adaptation plans
- f. Knowledge Transfer

MULTI HAZARD RISK ASSESSMENT (PPCR) PROJECT UPPER RIO MINHO WATERSHED.

Under the Strategic Program for Climate Resilience under the Pilot Program for Climate Resilience (PPCR), the ODPEM has responsibility to manage the Multi-hazard Risk Assessments and the development of Community Disaster Risk Management Plans for 15 communities in the Upper Rio Minho Watershed. Draft TOR's were developed and submitted to the implementing entity the Ministry of economic growth through their project Unit for the project. The procurement process is being done by the project unit in the ministry of economic growth. Technical evaluations were conducted for suitable consulting firms. The process is expected to be completed and the firms on board in the 2018 2019 financial year.

COMMUNALITY SELECTION PROCESS

STATUS OF NATIONAL COMPREHENSIVE DISASTER RISK MANAGEMENT (CDRM) POLICY FOR JAMAICA

A National Comprehensive Disaster Risk Management Policy is being developed for Jamaica. The initiative is being undertaken through a joint effort with the Office of US Foreign Disaster Assistance (OFDA) as funding partner and the ODPEM implementing agency for the development and dissemination of the policy.

The policy will provide directives aligned to the Disaster Risk Management Act 2015 and national development goals for Jamaica. The CDRM approach is one that acknowledges the co-dependent functions of mitigation, preparedness, response and recovery in disaster planning and programming at all levels. The development of a policy in this context facilitates the integration of new and emerging global trends that may influence Disaster Risk Reduction (DRR) planning and programming in Jamaica.

The CDRM Policy is being developed through a consultative process including government and non-governmental stakeholders. To date two (2) interactive stakeholder workshops have been conducted to strategize DRR and development priorities to be incorporated in the national policy. A total of eighty (80) stakeholders have been engaged. The next steps includes an upcoming Policy Review Workshop where the existing draft policy will be shared with stakeholders and amendments made towards the completion of an official first draft of the policy. The draft will then be shared with the membership of all seven (7) National Committees for review. The final draft CDRM Policy will then be shared with the National Disaster Risk Management Council (NDRMC) for approval.

MICRO MITIGATION LAYCOCK SINK HOLE REHABILITATION ST ANN

Annotto Bay Multi Hazard Plan and Strategy

The Annotto Bay Multi hazard Plan and strategy is a critical Disaster risk management tool in strengthening the DRM system and is very relevant to the disaster management system and the work of the ODPEM. The Annotto Bay Multi Hazard plan and strategy is predicated on the hazard risk and vulnerability assessment that was completed for the town of Annotto Bay. The disaster risk planning process includes:

1. Step 1: Hazard risk and vulnerability assessment. This is the first step in the disaster risk planning process and the long term strategic outcomes.
2. Step 2: The development of the action plan and disaster risk reduction strategies to address the recommendations of the HVA to reduce the impact of hazards.

This critically supports Parishes in the development of plans, tools to strengthen Planning and Disaster risk reduction initiatives and integrate DRR strategies in the Multi hazard planning programme. This will also compliment the development strategies for the parish and support recommendation for development planning, public education and awareness, and hazard assessment and data collection. The plan and strategy will commence in the following financial year 2018- 2019.

FUTURE FOCUS FOR MPRD

- a. Leading risk and vulnerability assessment, modeling, and GIS analysis and visualization.
- b. Develop information products and services that help inform disaster risk reduction decisions and humanitarian assistance initiatives at multiple levels. Recent contributions include Climate Risk Atlas.
- c. Launch Knowledge Exchange Forums.

Improve community selection and vulnerability ranking process.



*Smart decisions.
Lasting value.*

***Office of Disaster
Preparedness and Emergency
Management
Financial Statements
For the year ended
31st March 2018***

**OFFICE OF DISASTER PREPAREDNESS AND EMERGENCY MANAGEMENT
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2018**

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**REPORT OF THE INDEPENDENT AUDITORS
TO THE BOARD OF DIRECTORS OF
OFFICE OF DISASTER PREPAREDNESS AND EMERGENCY MANAGEMENT****Opinion**

We have audited the financial statements of Office of Disaster Preparedness and Emergency Management ("the Corporation"), which comprise the statement of financial position as at 31st March 2018, the statement of comprehensive income, statements of changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the Corporation's financial statements give a true and fair view of the financial position of the Corporation as at 31st March 2018, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), and the provisions of the Disaster Preparedness and Emergency Management Act 2015.

Basis for Opinion

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

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement in this other information, we are required to report that matter to those charged with governance.

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St. James

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REPORT OF THE INDEPENDENT AUDITORS
TO THE BOARD OF DIRECTORS OF
OFFICE OF DISASTER PREPAREDNESS AND EMERGENCY MANAGEMENT

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

REPORT OF THE INDEPENDENT AUDITORS
TO THE BOARD OF DIRECTORS OF
OFFICE OF DISASTER PREPAREDNESS AND EMERGENCY MANAGEMENT

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also (cont'd):

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on additional requirements of the Disaster Preparedness and Emergency Management Act 2015

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

The engagement partner on the audit resulting in this independent auditors' report is Mr. Dawkins Brown.

Crowe Horwath Jamaica



Crowe Horwath Jamaica

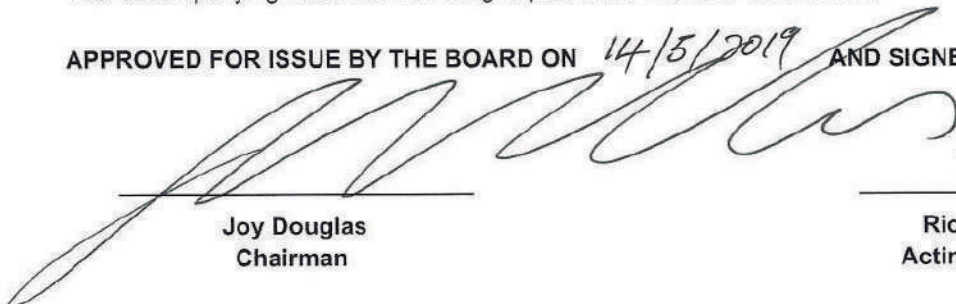
May 14, 2019

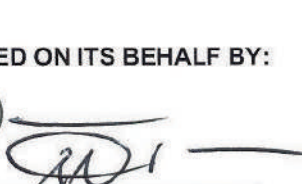
OFFICE OF DISASTER PREPAREDNESS AND EMERGENCY MANAGEMENT
STATEMENT OF FINANCIAL POSITION
AS AT 31ST MARCH 2018
(Expressed in Jamaican Dollars unless otherwise indicated)

	Notes	2018 \$	2017 \$
ASSETS			
<u>Non-Current Assets</u>			
Property, Plant and Equipment	4	233,960,259	246,740,005
Long-Term Receivables	5	5,399,215	928,505
Employee Benefit Asset	6	96,341,000	97,919,000
		<u>335,700,474</u>	<u>345,587,510</u>
<u>Current Assets</u>			
Inventories	7	176,318,286	166,513,264
Trade and Other Receivables	8	24,961,010	15,297,566
Current Portion of Long-Term Receivables	5	2,257,477	1,096,791
Taxation Recoverable		5,487,824	4,253,037
Short Term Investments	9	519,161,738	775,094,702
Cash and Cash Equivalents	10	86,912,716	68,699,264
		<u>815,099,051</u>	<u>1,030,954,624</u>
Total Assets		<u>1,150,799,525</u>	<u>1,376,542,134</u>
EQUITY AND LIABILITIES			
<u>Reserves</u>			
Capital Contributions	11	14,050,345	14,050,345
Accumulated Surplus		457,987,986	695,383,534
		<u>472,038,331</u>	<u>709,433,879</u>
<u>Funds and Non-Current Liabilities</u>			
Staff Loan Revolving Fund	12	1,928,682	1,907,291
Motor Vehicle Loan Revolving Fund	13	10,223,063	4,746,873
Designated Funds	14	436,724,898	423,425,291
Deferred Income	15	190,574,840	197,438,706
		<u>639,451,483</u>	<u>627,518,161</u>
<u>Current Liabilities</u>			
Trade and Other Payables	16	39,309,711	39,590,094
Total Equity and Liabilities		<u>1,150,799,525</u>	<u>1,376,542,134</u>

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

APPROVED FOR ISSUE BY THE BOARD ON 14/5/2019 AND SIGNED ON ITS BEHALF BY:


Joy Douglas
Chairman


Richard Thompson
Acting Director General

OFFICE OF DISASTER PREPAREDNESS AND EMERGENCY MANAGEMENT
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST MARCH 2018
(Expressed in Jamaican Dollars unless otherwise indicated)

		2018	2017
		\$	\$
Revenue:			
Government Subventions		287,780,500	277,837,217
Government Grants	17	15,086,000	15,086,000
Donations		14,966,279	25,289,914
Interest		37,688,072	36,862,107
Rental of Equipment		22,424,673	17,263,090
Grant Amortised		6,863,866	8,592,376
Other Income	18	11,602,945	7,095,353
		<u>396,412,335</u>	<u>388,026,057</u>
Expenses:			
Recurrent Expenses		260,387,015	253,526,193
Other Operating Expenses		27,118,678	19,148,826
Special Programmes		17,316,794	18,777,369
		<u>304,822,487</u>	<u>291,452,388</u>
Surplus for the Year before Transfers	19	91,589,848	96,573,669
Transfer of Interest to Designated Funds		(21,909,815)	(20,792,744)
Transfer of Interest to Staff Revolving Loans		(21,391)	(29,135)
Transfer of Interest earned on Motor Vehicle Revolving Loans		(107,016)	(116,047)
Surplus for the Year after Transfers		69,551,626	75,635,743
Other Comprehensive Income:			
<u>Item that will not be reclassified to profit or loss:</u>			
Remeasurement (Loss)/ Gain on Employee Benefit Asset		(1,578,000)	15,288,000
Total Comprehensive Income for the Year		<u>67,973,626</u>	<u>90,923,743</u>

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

OFFICE OF DISASTER PREPAREDNESS AND EMERGENCY MANAGEMENT
STATEMENT OF CHANGES IN RESERVES
FOR THE YEAR ENDED 31ST MARCH 2018
 (Expressed in Jamaican Dollars unless otherwise indicated)

	Capital Contributions	Accumulated Surplus	Total
	\$	\$	\$
Balance at 31st March 2016	14,050,345	604,459,791	618,510,136
Total Comprehensive Income for the Year	-	90,923,743	90,923,743
Balance at 31st March 2017	14,050,345	695,383,534	709,433,879
Transfer to Consolidated Fund	-	(300,000,000)	(300,000,000)
Transfer to Increase Motor Vehicle Loan	-	(5,369,174)	(5,369,174)
Total Comprehensive Income for the Year	-	67,973,626	67,973,626
Balance at 31st March 2018	14,050,345	457,987,986	472,038,331

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

OFFICE OF DISASTER PREPAREDNESS AND EMERGENCY MANAGEMENT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH 2018
(Expressed in Jamaican Dollars unless otherwise indicated)

	2018	2017
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus for the year before transfers	91,589,848	96,573,669
Adjustments to reconcile Surplus for the year to Net Cash provided by Operating Activities:		
Grant amortised	(6,863,866)	(8,592,376)
Depreciation	13,957,733	19,148,826
Interest income	<u>(37,688,072)</u>	<u>(36,862,107)</u>
Operating Cash Flow before movements in Working Capital	60,995,643	70,268,012
(Increase)/ Decrease in Current Assets:		
Inventories	(9,805,022)	664,286
Trade and Other Receivables	(13,743,536)	1,692,647
Taxation Recoverable	(1,234,787)	(783,296)
(Decrease)/Increase in Current Liabilities:		
Trade and Other Payables	<u>(280,381)</u>	<u>(9,461,325)</u>
Net cash provided by Operating Activities	<u>35,931,917</u>	<u>62,380,324</u>
Cash flows from Investing Activities:		
Long Term Receivables	(4,470,710)	465,243
Purchase of property, plant and equipment	(1,177,987)	(12,399,067)
Motor Vehicle and Staff Loan Revolving Funds	5,497,581	145,182
Interest received	40,607,478	36,862,107
Short-Term Investments	<u>255,932,964</u>	<u>(157,074,387)</u>
Net cash provided by/ (used in) Investing Activities	<u>296,389,326</u>	<u>(132,000,922)</u>
Cash flows from Financing Activities:		
Transfer to Consolidated Funds	(300,000,000)	-
Designated Funds-Net	<u>(8,738,615)</u>	<u>48,970,794</u>
Net cash (Used in)/ provided by Financing Activities	<u>(308,738,615)</u>	<u>48,970,794</u>
Net Increase/ (Decrease) in Cash and Cash Equivalents	23,582,628	(20,649,804)
Cash and Cash Equivalents at beginning of year	<u>68,699,262</u>	<u>89,349,066</u>
Cash and Cash Equivalents at end of year	<u><u>92,281,890</u></u>	<u><u>68,699,262</u></u>

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

OFFICE OF DISASTER PREPAREDNESS AND EMERGENCY MANAGEMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2018
 (Expressed in Jamaican Dollars unless otherwise indicated)

1. Identification:

The Office of Disaster Preparedness and Emergency Management ("Corporation" or "ODPEM") is a corporate body, established on June 4, 1993 under the Disaster Preparedness and Emergency Management Act, 1993. ODPEM's objectives are to advance disaster preparedness and emergency management measures in Jamaica by facilitating and coordinating the development and implementation of integrated disaster management systems. This is achieved through multi-agency cooperation of Government and Non-Governmental agencies under ODPEM's direction.

ODPEM's activities are funded mainly by the Government of Jamaica and most of its services are offered at no charge to recipients. ODPEM's head office operates from premises acquired at 2-4 Haining Road, Kingston 5. Parish activities are monitored through four (4) regional offices. ODPEM supplements its income by the rental of equipment and other activities.

ODPEM is exempt from income tax and other taxes under Section 14 and 15 of the Disaster Preparedness and Emergency Management Act and a Withholding Tax Certificate was obtained for an initial period of three years and is renewable on a triennial basis. The next date of renewal is in July 2020.

2. Adoption of Standards, Interpretations and Amendments:

The International Accounting Standards Board (IASB) issued certain new standards and interpretations as well as amendments to existing standards, which became effective during the year under review. Management has assessed the relevance of these new standards, interpretations and amendments and has adopted and applied in these financial statements, those standards which are considered relevant to its operations.

(a) Standards and interpretations in respect of published standards which are in effect:

Amendments to IAS 7: Statement of Cash Flows (Effective January 2017)

Amends IAS 7 Statement of Cash Flows to clarify that entities shall provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities.

Improvements to IFRS 2014–2016 cycle contains amendments to certain standards and interpretations and are effective for accounting periods beginning on or after January 1, 2017 and 2018. The main amendment is as follows:

Makes amendments to the following standard:

- **IFRS 12: Disclosure of Interests in Other Entities (Effective January 2017)**

Clarifies the scope of the standard by specifying that the disclosure requirements in the standard, except for those in paragraphs B10–B16, apply to an entity's interests listed in paragraph 5 that are classified as held for sale, as held for distribution or as discontinued operations in accordance with IFRS 5: *Non-current Assets Held for Sale and Discontinued Operations*.

These affected the financial statements for accounting periods beginning on or after the first day of the months stated. The adoption of these Standards and amendments had no material impact on the Corporation's financial statements.

OFFICE OF DISASTER PREPAREDNESS AND EMERGENCY MANAGEMENT
NOTES TO THE FINANCIAL STATEMENTS - (CONT'D)
FOR THE YEAR ENDED 31ST MARCH 2018
 (Expressed in Jamaican Dollars unless otherwise indicated)

2. Adoption of Standards, Interpretations and Amendments - (Cont'd);

(b) Standards and interpretations in respect of published standards that are not in effect:

Certain new, revised and amended standards and interpretations have been issued which are not yet effective for the current year and which the Corporation has not early-adopted. The Corporation has assessed the relevance of all the new standards, amendments and interpretations with respect to the Corporation's operations and has determined that the following are likely to have an effect on the Corporation's financial statements:

IFRS 9: Financial Instruments (2014) (Effective January 2018)

A finalised version of IFRS 9 which contains accounting requirements for financial instruments, replacing IAS 39 Financial Instruments: Recognition and Measurement. The standard contains requirements in the following areas:

Classification and measurement: Financial assets are classified by reference to the business model within which they are held and their contractual cash flow characteristics. The 2014 version of IFRS 9 introduces a 'fair value through other comprehensive income' category for certain debt instruments. Hence, financial assets are to be classified into three measurement categories: those measured at amortised cost, those to be measured subsequently at fair value through other profit and loss (FVPL) and those to be measured subsequently at fair value through other comprehensive income (FVOCI). Financial liabilities are classified in a similar manner to under IAS 39, however there are differences in the requirements applying to the measurement of an entity's own credit risk.

Impairment: The 2014 version of IFRS 9 introduces an 'expected credit loss' model for the measurement of the impairment of financial assets, so it is no longer necessary for a credit event to have occurred before a credit loss is recognised

Hedge accounting: Introduces a new hedge accounting model that is designed to be more closely aligned with how entities undertake risk management activities when hedging financial and non-financial risk exposures

Derecognition: The requirements for the derecognition of financial assets and liabilities are carried forward from IAS 39.

Note: Depending on the chosen approach to applying IFRS 9, the transition can involve one or more than one date of initial application for different requirements.

Management has determined that the standard is relevant to existing policies for its current operations, but has not yet assessed the impact on adoption.

IFRS 15: Revenue from Contracts with Customers (IAS 18 will be superseded by IFRS 15 Revenue from Contracts with Customers.) (Effective January 2018)

IFRS 15 provides a single, principles based five-step model to be applied to all contracts with customers.

The five steps in the model are as follows:

- Identify the contract with the customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contracts

OFFICE OF DISASTER PREPAREDNESS AND EMERGENCY MANAGEMENT
NOTES TO THE FINANCIAL STATEMENTS - (CONT'D)
FOR THE YEAR ENDED 31ST MARCH 2018
 (Expressed in Jamaican Dollars unless otherwise indicated)

2. Adoption of Standards, Interpretations and Amendments - (Cont'd);

(b) Standards and interpretations in respect of published standards that are not in effect (Cont'd):

IFRS 15: Revenue from Contracts with Customers (Cont'd)

-Recognise revenue when (or as) the entity satisfies a performance obligation.

Guidance is provided on topics such as the point in which revenue is recognised, accounting for variable consideration, costs of fulfilling and obtaining a contract and various related matters. New disclosures about revenue are also introduced.

IFRS 16: Leases (Effective January 2019)

IFRS 16 specifies how an IFRS reporter will recognise, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17.

Clarifications to IFRS 15 : Revenue from Contracts with Customers (Effective January 2018)

Amends IFRS 15 Revenue from Contracts with Customers to clarify three aspects of the standard (identifying performance obligations, principal versus agent considerations, and licensing) and to provide some transition relief for modified contracts and completed contracts.

Amendments to IAS 40: Investment Property Transfers of Investment Property (Effective January 2018)

The amendments to IAS 40 Investment Property:

- Amends paragraph 57 to state that an entity shall transfer a property to, or from, investment property when, and only when, there is evidence of a change in use. A change of use occurs if property meets, or ceases to meet, the definition of investment property. A change in management's intentions for the use of a property by itself does not constitute evidence of a change in use.
- The list of examples of evidence in paragraph 57(a) – (d) is now presented as a non-exhaustive list of examples instead of the previous exhaustive list.

Improvements to IFRS 2014–2016 cycle contains amendments to certain standards and interpretations and are effective for accounting periods beginning on or after January 1, 2017 and 2018. The main amendment is as follows:

Makes amendments to the following standard:

- **IAS 28: Investments in Associates and Joint Ventures (2011) (Effective January 2018)**

Clarifies that the election to measure at fair value through profit or loss an investment in an associate or a joint venture that is held by an entity that is a venture capital organisation, or other qualifying entity, is available for each investment in an associate or joint venture on an investment-by-investment basis, upon initial recognition

OFFICE OF DISASTER PREPAREDNESS AND EMERGENCY MANAGEMENT
NOTES TO THE FINANCIAL STATEMENTS - (CONT'D)
FOR THE YEAR ENDED 31ST MARCH 2018
 (Expressed in Jamaican Dollars unless otherwise indicated)

2. Adoption of Standards, Interpretations and Amendments - (Cont'd);

(b) Standards and interpretations in respect of published standards that are not in effect (Cont'd):

IFRIC 22: Foreign Currency Transactions and Advance Consideration (Effective January 2018)

The interpretation addresses foreign currency transactions or parts of transactions where:

- there is consideration that is denominated or priced in a foreign currency;
- the entity recognises a prepayment asset or a deferred income liability in respect of that consideration, in advance of the recognition of the related asset, expense or income; and
- the prepayment asset or deferred income liability is non-monetary.

The Interpretations Committee came to the following conclusion:

- The date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary prepayment asset or deferred income liability.
- If there are multiple payments or receipts in advance, a date of transaction is established for each payment or receipt.

Amendments to IFRS 9: Prepayment Features with Negative Compensation (Effective January 2019)

Amends the existing requirements in IFRS 9 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments.

Amendments to IAS 28: Long-term Interests in Associates and Joint Ventures (Effective January 2019)

Clarifies that an entity applies IFRS 9 Financial Instruments to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied.

Amendments to IAS 19: Plan Amendment, Curtailment or Settlement (Effective January 2019)

The amendments in Plan Amendment, Curtailment or Settlement (Amendments to IAS 19) are:

- If a plan amendment, curtailment or settlement occurs, it is now mandatory that the current service cost and the net interest for the period after the remeasurement are determined using the assumptions used for the remeasurement.
- In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling.

These affect financial statements for accounting periods beginning on or after the first day of the month stated. The Corporation is assessing the impact these amendments will have on its financial statements.

OFFICE OF DISASTER PREPAREDNESS AND EMERGENCY MANAGEMENT
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3. Statement of Compliance, Basis of Preparation and Significant Accounting Policies:

(a) Statement of Compliance and Basis of Preparation -

These financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the International Financial Reporting Committee of the IASB. They have been prepared under the historical cost convention and are expressed in Jamaican Dollars.

(b) Provisions -

Provisions are recognised when the Corporation has a present legal or constructive obligation as a result of past events, if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

(c) Property, plant and equipment -

Property, plant and equipment are stated at historical cost less depreciation less any impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied in the part will flow to the Corporation and its cost can be reliably measured. The costs of day-to-day servicing of property, plant and equipment are recognised in surplus or loss as incurred.

Depreciation of property, plant and equipment is provided on the straight-line basis calculated at annual rates estimated to write off the cost of each asset over the term of its useful life. The rates of depreciation in use are as follows:-

Buildings	2 1/2%
Furniture and Fixtures	15%
Generator	20%
Machinery and Equipment	20%
Motor Vehicles	20%
Computer Equipment	33 1/3 %

Property, plant and equipment are periodically reviewed for impairment. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down to the recoverable amount.

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining operating surplus or deficit.

(d) Inventories -

Inventories are valued at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis.

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3. Statement of Compliance, Basis of Preparation and Significant Accounting Policies (Cont'd):

(e) Trade and Other Receivables -

Trade and Other Receivables are carried at original invoice amounts less provisions made for bad debts and impairment losses. A provision for bad debts is established when there is objective evidence that the Corporation will not be able to collect all amounts due according to the original terms of the receivables. The amount of any provision is the difference between the carrying amount and the expected recoverable amount.

(f) Use of Estimates and Judgements -

Judgements and estimates are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. The Corporation makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(i) Net Realisable Value of Inventories -

Estimates of net realisable value are based on the most reliable evidence, available at the time the estimates are made, of the amounts the inventories are expected to realise. These estimates take into consideration fluctuations of price or costs directly relating to events occurring after the end of the year to the extent that such events confirm conditions existing at the reporting date.

(ii) Allowance for Impairment losses on receivables -

In determining amounts recorded for impairment losses on receivables in the financial statements, management makes judgements regarding indicators of impairments, that is whether there are indicators that suggest there may be measurable decrease in estimated future cash flow from receivables for example, through unfavourable economic conditions and default. Management apply historical loss experience to significant receivables with similar characteristics, such as credit risk, where impairment indicators are not observable in their respect.

(iii) Expected useful life and residual value of property, plant and equipment -

The expected useful life and residual life and residual value of an asset are reviewed at least at each financial year end. Useful life of an asset is defined in terms of the asset's expected utility to the Corporation.

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3. Statement of Compliance, Basis of Preparation and Significant Accounting Policies (Cont'd):

(f) Use of Estimates and Judgements cont'd -

(iv) Pension plan assets and post-retirement benefit obligation -

The cost of the benefits and the present value of pension liabilities depend on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net periodic cost (income) for pension benefits include the expected long-term rate of return on the relevant plan assets and the discount rate. Any changes in these assumptions will impact the net periodic costs/(income) recorded for pension benefits and may affect planned funding of the pension plan. The expected return on plan assets assumption is determined on a uniform basis, considering long term historical returns, asset allocation and future estimates of long-term investment returns.

The Corporation determines the appropriate discount rate at the end of each year, which represents the interest rate that should be used to determine the present obligations. In determining the appropriate discount rate, the Corporation considers interest rate of high-quality corporate bonds that are denominated in the currency in which the benefit will be paid, and that have terms to maturity approximately the terms of the related pension liability.

Other key assumptions for the pension costs and credits are based in part on current market conditions.

(g) Foreign Currency Transactions -

During the year, transactions in foreign currencies are converted into Jamaican dollars at the rates of exchange ruling on the dates of those transactions. Assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the reporting date. Gains or losses arising from fluctuation in the exchange rates are reflected in the Statement of Comprehensive Income.

(h) Impairment -

The carrying amounts of the Corporation's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or the cash-generating unit to which it belongs exceeds its recoverable amount. Impairment losses are recognised in the statement of comprehensive income.

(i) Short-Term Investments -

Transaction involving purchases of securities under resale agreement ("reverse repo or resale agreements") are accounted for as short-term collateralised lending. Short-term investments are measured at fair value by reference to quoted market prices when available. If quoted market prices are not available, then fair values are estimated on the basis of pricing models or other recognised valuation techniques.

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3. Statement of Compliance, Basis of Preparation and Significant Accounting Policies (Cont'd):

(j) Cash and Cash Equivalents -

Cash and cash equivalents are carried in the statements of financial position at cost. For the purpose of the statement of cash flows, cash and cash equivalents comprise cash on at bank, in hand current accounts held at bank, foreign and local savings accounts deposits and short-term highly liquid investments with original maturities of three months or less from the date of recognition, net of any bank overdraft.

(k) Trade and Other Payables -

Trade and other payables are stated at amortised cost.

(l) Revenue -

Revenue from Government subventions, Government grant and contributions are accounted for when received. Goods donated are accounted for at fair value, based on market value at the time of supply, and credited to contributions. Government and other grants received are deferred where the grant is represented by property, plant and equipment. Annual transfers, equivalent to depreciation charged to property, plant and equipment funded by a grant, are made from the deferred income account to the statements of comprehensive income. In all other cases grants are brought to account as revenue for the period in which they are received.

(m) Interest Income -

Interest income is recognised when earned; from placements with financial institutions and accrued on the principal outstanding on repurchase agreements.

(n) Resale Agreements -

Transactions involving purchases of securities under resale agreement ("Reverse Repo or resale agreements") are accounted for as short-term collateralised lending.

(o) Comparative Information -

Where necessary, comparative figures have been re-classified to conform to changes in presentation in the current year. In particular, comparatives have been adjusted to take into account the requirements of IFRS.

(p) Employee Benefits -

Employee benefits comprise all forms of consideration given by the Corporation in exchange for service rendered by employees. These include current or short-term benefits such as salaries, NIS contributions paid, annual vacation and non-monetary benefits such as, medical care, post-employment benefits, such as pension; other long term employee benefits such as, long service awards; and termination benefits.

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3. Statement of Compliance, Basis of Preparation and Significant Accounting Policies (Cont'd):

(p) Employee Benefits cont'd -

General benefits:

- (i) Employee benefits that are earned as a result of past or current service are recognised in the following manner: Short-term employee benefit are recognised as a liability, net of payments made, and are expensed as the related service is provided. 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 in paragraph (ii) below. Other long-term benefits, including termination benefits, which arise when either:

1. the employer decides to terminate an employee's employment before the normal retirement date, or
2. an employee decides to accept voluntary redundancy in exchange for termination benefits are accrued as they are earned and charged as expenses, unless not considered material, in which case they are charged when they fall due.

(ii) Defined benefit pension scheme:

In respect of defined-benefit arrangements, employees benefits, comprising pensions and other post- employment assets, and obligations included in the financial statements are determined by a qualified independent actuary, appointed by management. The appointed actuary's report outlines the scope of the valuation and the actuary's opinion. The actuarial valuations are conducted in accordance with IAS 19, and the financial statements reflect the Corporation's post-employment benefit assets and obligations as computed by the actuary. In carrying out their audit, the auditors rely on the work of the actuary and the actuary's report.

The Corporation's net obligation in respect of the defined-benefit pension scheme is calculated by estimating the amount of future benefit that the employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value, and any unrecognised past service costs and the fair value of scheme assets are deducted. The discount rate is the yield at the reporting date on long-term government securities that have maturity dates approximating the terms of the Corporation's obligations. The calculation is performed by an independent qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Corporation, the recognised asset is limited to the net total of any unrecognised past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan.

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NOTES TO THE FINANCIAL STATEMENTS - (CONT'D)
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 (Expressed in Jamaican Dollars unless otherwise indicated)

3. Statement of Compliance, Basis of Preparation and Significant Accounting Policies (Cont'd):
(p) Employee Benefits cont'd -
(ii) Defined benefit pension scheme:

Remeasurement of the net defined benefit liability/(asset), which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. The Corporation determines the net expense/(income) on the net defined benefit liability/(asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability/(asset), taking into account any changes in the net defined benefit liability/(asset) during the period as a result of contributions and benefit payments. Net interest expense and other expense related to defined benefit plans are recognised in profit and loss.

When the benefits of a plan are changed or when the plan is curtailed, the resulting change in benefit that relates to the past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Corporation recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Where the calculation results in a benefit to the Corporation, the recognised asset is limited to the net total of any unrecognised actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan.

(q) Related Party Balances and Transactions -

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

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

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

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

- (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

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3. Statement of Compliance, Basis of Preparation and Significant Accounting Policies (Cont'd):

(q) Employee Benefits cont'd -

- (b) An entity is related to the reporting entity if any of the following conditions applies:
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
 - (vi) The entity is controlled, or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

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

The Corporation has a related party relationship with the Government of Jamaica and its agencies, directors and other key management personnel.

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NOTES TO THE FINANCIAL STATEMENTS - (CONT'D)
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(Expressed in Jamaican Dollars unless otherwise indicated)

4. Property, Plant and Equipment:

	Buildings	Furniture & Fixtures	Computers, Machinery & Equipment	Motor Vehicles	Total
	\$	\$	\$	\$	\$
<u>At Cost or Valuation:</u>					
31st March 2016	275,402,921	16,789,271	87,315,048	24,382,257	403,889,497
Additions	-	485,220	11,913,847	-	12,399,067
31st March 2017	275,402,921	17,274,491	99,228,895	24,382,257	416,288,564
Additions	-	173,318	1,004,669	-	1,177,987
31st March 2018	275,402,921	17,447,809	100,233,564	24,382,257	417,466,551
<u>Accumulated Depreciation:</u>					
31st March 2016	45,809,831	13,348,515	70,800,435	20,440,952	150,399,733
<u>Charge for the year</u>	<u>6,900,683</u>	<u>1,337,434</u>	<u>9,211,068</u>	<u>1,699,641</u>	<u>19,148,826</u>
31st March 2017	52,710,514	14,685,949	80,011,503	22,140,593	169,548,559
<u>Charge for the year</u>	<u>6,900,686</u>	<u>1,209,951</u>	<u>5,048,166</u>	<u>798,930</u>	<u>13,957,733</u>
31st March 2018	59,611,200	15,895,900	85,059,669	22,939,523	183,506,292
<u>Net Book Value:</u>					
31st March 2018	215,791,721	1,551,909	15,173,895	1,442,734	233,960,259
31st March 2017	222,692,407	2,588,542	19,217,392	2,241,664	246,740,005
31st March 2015	229,593,090	3,440,756	16,514,613	3,941,305	253,489,764

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NOTES TO THE FINANCIAL STATEMENTS - (CONT'D)
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5. Long-Term Receivables:

	2018	2017
	\$	\$
Balance at the beginning of the year	2,025,296	2,816,117
Loans provided during the year	7,500,000	800,000
Interest earned during the year	107,016	122,752
	<u>9,632,312</u>	<u>3,738,869</u>
Less: Repayment during the year	<u>(1,975,620)</u>	<u>(1,713,573)</u>
Balance at the end of the year	7,656,692	2,025,296
Less: Current portion	<u>(2,257,477)</u>	<u>(1,096,791)</u>
Non-Current Portion	<u>5,399,215</u>	<u>928,505</u>

This represents loan granted for the purchase of motor vehicles which are repayable over twelve to thirty-six (12-36) months at an interest rate of 5% (2017: 5%) per annum on the reducing balance (Note 13).

6. Employee Benefits Asset:

Pension Benefits

The Corporation participates in a pension plan, which is administered by Guardian Life Limited, in which all permanent employees must participate. The plan, commenced on April 1, 1997 and is funded by employees contribution at 5% of salaries. Employees may elect to pay a voluntary contribution of 5%. The employer's contribution currently stands at 9.25%, as recommended by independent actuaries. Pension at normal retirement age is based on accrued pension at age 65, calculated at 2% of final pensionable salary per year of pensionable service. The most recent actuarial valuation of plan assets at the present value of the defined obligations were carried out as at March 31, 2017 by Eckler, Fellows of the Society of Actuaries.

	2018	2017
	\$	\$
Present value of funded obligations	(126,142,000)	(93,771,000)
Fair value of plan assets	<u>222,483,000</u>	<u>191,690,000</u>
Recognised pension asset, net	<u>96,341,000</u>	<u>97,919,000</u>

(i) Movement in plan assets:

	2018	2017
	\$	\$
Balance at beginning of year	191,690,000	162,230,000
Expected return on plan assets	18,435,000	14,915,000
Contributions	10,749,000	9,422,000
Benefit paid	(628,000)	(4,385,000)
Profit on plan assets	<u>2,237,000</u>	<u>9,508,000</u>
Balance at end of year	<u>222,483,000</u>	<u>191,690,000</u>

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6. Employee Benefit Asset (cont'd):

Pension Benefits (cont'd)

(ii) Movement in future obligations:

	2018	2017
	\$	\$
Balance at beginning of year	(93,771,000)	(79,595,000)
Current service cost	(5,712,000)	(4,962,000)
Employees' contributions	(4,224,000)	(3,576,000)
Interest cost	(8,883,000)	(7,223,000)
Actuarial loss on obligations	(23,093,000)	(5,723,000)
Benefits paid	198,000	4,008,000
Experience adjustments	9,343,000	3,300,000
Balance at end of year	<u>(126,142,000)</u>	<u>(93,771,000)</u>

(iii) Movement in the net asset recognised in the statement of financial position:

	2018	2017
	\$	\$
Balance at beginning of year	97,919,000	82,631,000
Pension income	3,409,000	2,354,000
Other Comprehensive income	(11,513,000)	7,088,000
Contribution paid	6,526,000	5,846,000
Balance at end of year	<u>96,341,000</u>	<u>97,919,000</u>

(iv) The amounts recognised in the profit or loss are as follows:

	2018	2017
	\$	\$
Current service cost	5,712,000	4,962,000
Interest cost	8,883,000	7,223,000
Interest Income on plan assets	(18,435,000)	(14,915,000)
Administrative expenses	430,000	376,000
Total credit	<u>(3,410,000)</u>	<u>(2,354,000)</u>

The total credit is included in the recurrent expenditure.

(v) The amounts recognised in the other comprehensive income are as follows:

	2018	2017
	\$	\$
Remeasurement loss on obligation	(13,750,000)	(2,420,000)
Remeasurement gain on plan assets	2,237,000	9,508,000
	<u>(11,513,000)</u>	<u>7,088,000</u>

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6. Employee Benefit Asset (cont'd):

Pension Benefits (cont'd)

(vi) Plan assets consists of the following:

Pooled investment fund

	<u>2018</u>		<u>2017</u>	
	<u>\$</u>	<u>%</u>	<u>\$</u>	<u>%</u>
Equities	28,044,204	36.76	21,003,320	16.90
JMD\$ Bonds	25,358,796	33.24	47,599,240	38.30
US\$ Bonds	14,334,891	18.79	18,144,880	14.60
Short term deposits	-	-	21,251,880	17.10
Income-Generating Real Estate	1,876,734	2.46	-	-
Cash and cash equivalents	6,675,375	8.75	16,280,680	13.10
	<u>76,290,000</u>	<u>100.00</u>	<u>124,280,000</u>	<u>100.00</u>

Deposit administration fund

	<u>2018</u>		<u>2017</u>	
	<u>\$</u>	<u>%</u>	<u>\$</u>	<u>%</u>
Equities	19,151,283	13.10	2,022,300	3.00
JMD\$ Bonds	7,295,031	4.99	49,209,300	73.00
US\$ Bonds	11,300,719	7.73	4,044,600	6.00
Short term deposits	6,300,918	4.31	6,066,900	9.00
Cash and cash equivalents	96,633,573	66.10	5,392,800	8.00
Real Estate	5,511,476	3.77	-	-
Cash and cash equivalents	-	-	674,100	1.00
	<u>146,193,000</u>	<u>100.00</u>	<u>67,410,000</u>	<u>100.00</u>
Total distribution of plan assets	<u>222,483,000</u>		<u>191,690,000</u>	

The expected return on plan asset was determined by considering the expected returns available on the assets underlying the current investment policy. Expected yield on fixed interest investments are based on gross redemption yields as at the reporting date. Expected returns on equity and property investments reflect long-term rates of return experienced in the respective matters.

(vii) Principal actuarial assumptions used in valuing post-employment benefits:

The five-year trend for the fair value of plan assets, the defined-benefit obligation, the surplus in the plan and experience adjustments for plan assets and liabilities are as follows:

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Fair value of plan assets	222,483,000	191,690,000	162,230,000	140,149,000	121,542,000
Present Value of Defined benefit	(126,142,000)	(93,771,000)	(79,599,000)	(73,159,000)	(65,814,000)
	<u>96,341,000</u>	<u>97,919,000</u>	<u>82,631,000</u>	<u>66,990,000</u>	<u>55,728,000</u>
Experience adjustments:					
Fair value of plan assets	2,237,000	9,508,000	7,938,000	(879,000)	(2,420,000)
Defined benefit obligation	(9,343,000)	(3,304,000)	(2,321,000)	(2,184,000)	(10,605,000)
	<u>(7,106,000)</u>	<u>6,204,000</u>	<u>5,617,000</u>	<u>(3,063,000)</u>	<u>(13,025,000)</u>

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6. Employee Benefit Asset (cont'd)

(a) Pension Benefits (cont'd)

(viii) The principal actuarial assumptions used in valuing post-employment benefits were as follows:

	2018	2017
	%	%
Discount rate	7.5	9.50
Price Inflation	4.5	6.50
Interest on refunds	6.5	8.00
Future salary increases	5.5	6.50
Future pension increases	2.25	3.25

Assumptions regarding future mortality are based on the 1994 Group Annuity Mortality Tables (GAM 94), projected to the measurement date, using the Society of Actuaries Scale AA.

7. Inventories:

	2018	2017
	\$	\$
GOJ inventory	81,238,680	71,156,650
Donated inventory	85,555,107	85,777,325
Rental inventory	9,524,499	9,579,289
	<u>176,318,286</u>	<u>166,513,264</u>

Inventories consist mainly of rental and relief supplies such as tents, beds, cots and blankets.

8. Trade and Other Receivables:

	2018	2017
	\$	\$
Accounts receivable	8,592,099	3,639,027
Interest receivable	2,377,035	5,296,441
Prepayments	1,240,088	2,102,795
Advance payments to suppliers	12,082,056	3,595,398
Other receivables	1,158,083	1,152,256
	<u>25,449,361</u>	<u>15,785,917</u>
Less: Provision for doubtful debts	<u>(488,351)</u>	<u>(488,351)</u>
	<u>24,961,010</u>	<u>15,297,566</u>

Other receivables includes \$963,662 (2017: \$1,005,472) relating to staff loans under the revolving fund (note 12) which are repayable over a maximum period of sixty (60) months at an interest rate of 3% (2017: 3%) per annum on the reducing balance basis.

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9. Short Term Investments:

	2018	2017
	\$	\$
Resale agreements	519,161,738	775,094,702
	<u>519,161,738</u>	<u>775,094,702</u>

At 31st March 2018, short term investments include \$436,542,628 (2017: \$442,802,652) funds held on behalf of the National Disaster Fund (NDF) and managed by ODPEM.

Resale agreements represent purchases of Government of Jamaica Securities under agreements that they will be resold by the entity to the brokers on specified dates at specified amounts.

Short-term investments have maturities ranging between one (1) and twelve (12) months from the acquisition date.

The market value of the underlying securities approximates the carrying value at the reporting date.

10. Cash and Cash Equivalents:

	2018	2017
	\$	\$
Main-Current Account	67,557,859	42,005,984
UNDP2/CDEMA Project- Current Account	444,151	3,204,676
Donation-Current Account	1,277,098	1,014,991
US\$ Saving Account (2018: US\$139,450; 2017 - US\$175,382)	17,568,608	22,408,607
Imprest (Cash)	65,000	65,000
	<u>86,912,716</u>	<u>68,699,258</u>

At 31st March 2018, cash and cash equivalents include \$901,819 (2017: \$901,819) which relates to the staff loan revolving fund and \$2,721,577 (2017: \$2,721,577) which relates to the motor vehicle loan revolving fund undisbursed at the year end.

11. Capital Contributions:

This represents the value of assets taken over from the Ministry of Local Government at the commencement of operations.

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12. Staff Loan Revolving Fund:

The staff loan revolving fund was established with the permission of the Ministry of Finance and Planning. Amounts borrowed by staff are repayable over a maximum period of sixty (60) months at an interest rate of 3% (2017: 3%) per annum on the reducing balance. The fund is represented by the balance, on staff loans (note 8) and undisbursed funds which are co-mingled with the Corporation's cash and cash equivalents (note 10).

	2018	2017
	\$	\$
Balance at beginning of year:		
Transferred from surplus for the year	1,907,291	1,878,156
Interest earned transferred from surplus	<u>21,391</u>	<u>29,135</u>
Balance at end of year:	<u><u>1,928,682</u></u>	<u><u>1,907,291</u></u>

13. Motor Vehicle Loan Revolving Fund:

The motor vehicle, loan revolving fund was established with the permission of the Ministry of Finance and Planning, to provide loans to staff for the purchase of motor vehicles. The loans are repayable in sixty (60) months at an interest rate of five percent (3%) per annum on the reducing balance. The fund was established from an initial contribution of \$200,000 from the Ministry of Local Government, proceeds from the disposal of the Corporation's motor vehicles and interest earned from loans made to staff. The fund is represented by the balance on long-term receivables (note 5) and undisbursed funds which are co-mingled with the Corporation's cash and cash equivalents.

	2018	2017
	\$	\$
Balance at beginning of year:		
Contribution from Ministry of Local Government	200,000	200,000
Proceeds from the disposal of motor vehicles	3,183,750	3,183,750
Interest earned	<u>1,363,123</u>	<u>1,247,076</u>
	4,746,873	4,630,826
Transfer to Increase Motor Vehicle Revolving Loan	5,369,174	-
Transfer of Interest earned transferred from surplus	<u>107,016</u>	<u>116,047</u>
Balance at end of year:	<u><u>10,223,063</u></u>	<u><u>4,746,873</u></u>

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14. Designated Funds

	Balance as at 31st March 2017	Received during the year	Interest on Investment	Payments during the year	Balance as at 31st March 2018
	\$	\$	\$	\$	\$
(i) Ministry of Finance and Planning (NDF)	(416,853,144)	51,951,488	21,909,814	54,171,818	(436,542,628)
(ii) UNDP2/CDEMA	(6,572,147)	514,401	-	6,904,278	(182,270)
	<u>(423,425,291)</u>	<u>52,465,889</u>	<u>21,909,814</u>	<u>61,076,096</u>	<u>(436,724,898)</u>

(i) This represents the unexpended portion of funds received for the National Disaster Fund and includes interest of \$21,909,814 (2017: \$20,759,648) earned on funds deposited with financial institutions. The funds will be used to facilitate rapid response to disasters.

(ii) This represents the unexpended portion of funds received from CDEMA for a Volunteer Programme.

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15. Deferred Income:

This represents a subvention received from the Government of Jamaica for use by the Corporation in the acquisition of furniture and property at 2-4 Haining Road, Kingston 5, which is the location of the Head Office. Deferred income is reduced annually by amounts equivalent to the depreciation charged on the related assets acquired.

	2018	2017
	\$	\$
Balance at beginning of year:	197,438,706	206,031,082
	197,438,706	206,031,082
Less: Amortised portion	<u>(6,863,866)</u>	<u>(8,592,376)</u>
Balance at end of year:	<u><u>190,574,840</u></u>	<u><u>197,438,706</u></u>

16. Trade and Other Payables:

	2018	2017
	\$	\$
Trade Payables	10,121,942	6,712,769
Vacation Leave	12,736,113	12,141,432
Other Payables and Accruals	<u>16,451,656</u>	<u>20,735,893</u>
	<u><u>39,309,711</u></u>	<u><u>39,590,094</u></u>

17. Government Grants:

This represents cash received from the Government of Jamaica for operational activities.

18. Other Income:

	2018	2017
	\$	\$
Other Income	11,922,704	6,145,389
(Loss)/Gain on Foreign Exchange	<u>(319,759)</u>	<u>949,964</u>
	<u><u>11,602,945</u></u>	<u><u>7,095,353</u></u>

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19. Surplus for the Year before Transfers:

Surplus for the year before transfers is stated after charging/ (crediting):

	2018	2017
	\$	\$
Director's Emoluments:		
▪ Remuneration	20,186,917	14,232,205
▪ Fees	1,225,413	1,253,284
Auditors' Remuneration	990,250	777,000
Payroll and Other Related Costs (note 20)	126,762,275	100,341,075
Depreciation	13,957,733	19,148,826
Gain on foreign exchange	<u>319,759</u>	<u>(949,964)</u>

20. Payroll and Other Related Costs:

	2018	2017
	\$	\$
Salaries, Wages and Other Staff Benefits	105,430,638	77,611,027
Statutory Contributions	11,697,613	13,308,048
Pension	<u>9,634,024</u>	<u>9,422,000</u>
	<u>126,762,275</u>	<u>100,341,075</u>

Vacation Accrued

The Corporation's vacation leave policy allows the maximum unused vacation leave carried forward for staff, not exceeding the leave entitlement of three (3) years. The charge of leave not taken by employees is recognised in the statement of comprehensive income in the period to which it relates.

21. Taxation:

The Corporation is exempt from custom duty, income tax, stamp duty, transfer tax and taxation under the Transfer Tax Act, by virtue of Section 14 and 15 of The Disaster Preparedness and Emergency Management Act 2015.

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22. Pension:

The Corporation participates in a defined contribution Pension Plan for its employees which is administered by Guardian Life Limited. The Plan is funded by contributions from employees and employer. Pension benefits are based on contributions plus accumulated interest. The Corporation's contribution during the year amounted to \$6,526,000 (2017: \$5,846,000).

23. Related Party Balances:

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

The statement of comprehensive income includes the following transactions with related parties.

	2018	2017
	\$	\$
Key management personnel compensation:		
Directors' Fees (note 19)	1,225,413	1,253,284
Management remuneration (i)	20,186,917	14,232,205
Other key management personnel compensation	<u>19,910,901</u>	<u>16,234,020</u>
	<u>41,323,231</u>	<u>31,719,509</u>

(i) Management remuneration includes salaries and other benefits for the Director General, Deputy Director General and Senior Director of Corporate Services as detailed in the disclosure.

24. Contingent Liabilities:

	2018	2017
	\$	\$
(i) Legal Claims	5,200,000	5,200,000
(ii) GCT Liability	<u>1,258,842</u>	<u>1,258,842</u>
	<u>6,458,842</u>	<u>6,458,842</u>

(i) At March 31, 2018, the Corporation is contingently liable in respect of various claims, the outcome of which cannot be determined at this time. A provision was made in accordance with the recommendation of the Corporation's legal advisors. This was based on the advisors' best estimate of the Corporation's financial exposure should the results not be in the Corporation's favour.

(ii) At March 31, 2018, the Corporation is contingently liable in respect of an assessment under Section 38 of the General Consumption Tax Act. The breakdown of which is Tax payable of \$1,040,388, Interest of \$14,415 and Penalty of \$204,039. This is based on the Commissioner General estimate of the taxable activities during the period January 1, 2016 to January 31, 2016.

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25. Financial Instruments & Financial Instruments Risk Management:

A financial instrument is a contract that gives rise to both a financial asset of one enterprise and a financial liability of another enterprise. For the purpose of the financial statements, financial assets have been determined to include cash and cash equivalents and trade and other receivables. Financial liabilities have been determined to include trade and other payables.

The activities of the Corporation expose it to certain financial risks which require evaluation, acceptance and management. Operational risks are an inevitable consequence of being in business. The Board of Directors aims to achieve an appropriate balance between risk and return and thereby minimising any potential adverse effects on the Corporation's financial performance. The Board of Directors is appointed by the Honorable Prime Minister of Jamaica and is responsible to report to the Office of the Prime Minister, Ministry of Finance and Planning. The operations of the Corporation now falls under the ambit of that Ministry of Local Government.

The main types of risk to which the Corporation is exposed are credit risk, liquidity risk and market risk. Market risk is further broken down into interest rate risk and currency risk. The management policies of the Corporation are designed to identify and analyse these risks, to set up appropriate controls, and to monitor the risks by means of up-to-date information.

The Director General has overall responsibility for the day to day management and operation of the Corporation. Through its various divisional heads, the functions of the Corporation are carried out. The internal control procedures of the Corporation are further enhanced by the Internal Audit function that reports directly to the Board of Directors.

(a) Credit risk:

Credit risk is the risk that one or both parties to a financial instrument will fail to discharge an obligation resulting in financial loss to one or both parties. The Corporation faces credit risk in respect of its accounts receivable, long term loans, cash and cash equivalents, short term investments, accounts receivable and other receivables. There was no significant concentration of credit risk and the maximum exposure to credit risk is represented by the carrying amount of the financial assets on the statement of financial position.

Credit Review Process

The Corporation generally does not require collateral in respect of accounts receivable. Accounts receivable relates mainly to the amounts due from third parties.

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25. Financial Instruments & Financial Instruments Risk Management (cont'd):

(a) Credit risk (cont'd):

Maximum Exposure to Credit Risk

	2018	2017
	\$	\$
Trade Receivables	8,592,099	3,639,027
Other Receivables	16,857,262	12,146,890
Short-Term Investments	519,161,738	775,094,702
Cash and Cash Equivalents	86,912,716	68,634,258
	<u>631,523,815</u>	<u>859,514,877</u>

(i) Trade Receivables

Trade receivable balances are not considered high risk. Management closely monitors receivables to minimise the level of bad debts. As at 31st March 2018, there was an allowance of \$488,351 (2017: \$488,351) for impairment losses on trade receivables.

(ii) Other Receivables

Other receivables includes motor vehicle revolving loan, amounts recoverable from the revenue authorities with regard to withholding tax, staff loans and other miscellaneous amounts. Credit risk with respect to these items is considered low.

(iii) Short-Term Investments and Cash and Cash Equivalents

Short-Term Investments and Cash and cash equivalents comprise current and savings accounts, and deposits held with financial institutions. The Corporation limits its exposure to credit risk by placing its cash and cash equivalents with counter-parties that have high credit quality. Accordingly, management does not expect any counter-party to fail to meet its obligations.

There has been no change in the Corporation's exposure to credit risk or the manner in which it measures and manages the risk.

(b) Liquidity risk:

Liquidity risk also referred to as funding risk, is the risk that the Corporation will encounter difficulty in raising funds to meet commitments associated with financial liabilities when they fall due and to replace funds when they are withdrawn. The consequence may be the failure to sell assets quickly at or close to fair value to meet obligations to pay creditors and also to complete projects.

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25. Financial Instruments & Financial Instruments Risk Management (cont'd):

(b) Liquidity risk:

The income generated by the Corporation represents only 4.1% (2017: 6.3%) of total income. If the Corporation was totally dependent on internally generated income, it would have faced liquidity risk in that regard. The Corporation however, is funded mainly by Government Subvention which is pre-determined in the fiscal budget. Total income is usually sufficient to cover expenses. At 31st March 2018, the Corporation's current assets exceeded its current liabilities by \$775,789,340 (2017: \$991,364,530).

Liquidity management process:

The Corporation's liquidity management process, as carried out within the Corporation and monitored by the Accounts Department, includes:

- (i) Monitoring future cash flows and liquidity on a daily basis. This incorporates an assessment of expected cash flows in relation to payment obligations.
- (ii) Monitoring Balance Sheet Liquidity ratios against internal requirements. The most important of these is to maintain limits on the ratio of net liquid assets to customer liabilities.

There has been no change in the Corporation's liquidity risk or the manner in which it measures and manages the risk.

The following are the contractual maturities of financial assets and liabilities including interest payments as at:

31st March 2018

	Carrying Amount and Contractual Cash Flow	0 - 6 months	6 - 12 months	No specific maturities
	\$	\$	\$	\$
Inventories	176,318,286	-	176,318,286	-
Trade and Other Receivables				
Trade	8,592,099	8,592,099	-	-
Other	16,857,262	-	16,857,262	-
Current Portion-Long- Term Receivables	-	-	-	-
Taxation Recoverable	5,487,824	-	-	5,487,824
Short-Term Investments	519,161,738	519,161,738	-	-
Cash and Cash Equivalents	86,912,716	-	-	86,912,716
	<u>813,329,925</u>	<u>527,753,837</u>	<u>193,175,548</u>	<u>92,400,540</u>
Trade and Other Payables				
Trade	10,121,942	-	10,121,942	-
Accruals/other payables	29,187,769	-	29,187,769	-
	<u>39,309,711</u>	<u>-</u>	<u>39,309,711</u>	<u>-</u>
Net Current Assets	<u><u>774,020,214</u></u>	<u><u>527,753,837</u></u>	<u><u>153,865,837</u></u>	<u><u>92,400,540</u></u>

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25. Financial Instruments & Financial Instruments Risk Management (cont'd):

(b) Liquidity risk (Cont'd)

The following are the contractual maturities of financial assets and liabilities including interest payments as at:

31st March 2017

	Carrying Amount and Contractual Cash Flow	0 - 6 months	6 - 12 months	No specific maturities
	\$	\$	\$	\$
Inventories	166,513,264	-	166,513,264	-
Trade and Other Receivables				
Trade	3,639,027	3,639,027	-	-
Other	11,658,539	-	11,658,539	-
Taxation Recoverable	1,096,791	-	1,096,791	-
Current Portion long-term Receivables	4,253,037	-	-	4,253,037
Short-Term Investments	775,094,702	775,094,702	-	-
Cash and cash equivalents	68,699,264	-	-	68,699,264
	<u>1,030,954,624</u>	<u>778,733,729</u>	<u>179,268,594</u>	<u>72,952,301</u>
Trade and Other Payables				
Trade	6,712,769	-	6,712,769	-
Accruals/other payables	32,877,325	-	32,877,325	-
	<u>39,590,094</u>	<u>-</u>	<u>39,590,094</u>	<u>-</u>
Net Current Assets	<u>991,364,530</u>	<u>778,733,729</u>	<u>139,678,500</u>	<u>72,952,301</u>

(c) Market Risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices. This arises mainly from changes in interest rates, foreign currency rates and equity prices. The Corporation's operations are impacted by changes in interest rates and foreign currency movements, but not by changes in equity prices. The effect of these changes however, are not considered significant.

The objective of market risk management is to monitor and control market risk exposures within acceptable parameters, while optimising the return on investments. Market risk exposures are measured using sensitivity analysis.

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25. Financial Instruments & Financial Instruments Risk Management (cont'd):

(c) Market Risk (cont'd):

(i) Interest rate risk

Interest rate risk arises when the value of a financial instrument fluctuates during a specified period due to changes in the market interest rates.

The Corporation is exposed to interest rate risk in respect of its cash on deposit and foreign currency savings account. The Corporation manages this risk by maintaining net earning assets and procuring the most advantageous interest rates. It also has a policy which requires that the maturities of interest-bearing financial instruments are closely monitored.

Financial Assets

The Corporation's interest bearing financial assets are primarily represented by instruments which are materially contracted at fixed interest rates for the duration of the term. The interest rates paid on savings accounts will fluctuate from time to time but are usually reflective of the market conditions.

At the reporting date, the interest rate profile of the Corporation's interest-bearing financial instruments were:

	Interest Rate	2018	Interest Rate	2017
	%	\$	%	\$
<u>J\$ Bank balances</u>				
Short -Term Deposits	2.75-5.65	519,161,738	4.0-6.0	775,094,702
<u>US\$ Bank balances</u>				
USD Savings Account	0.25	<u>17,568,608</u>	0.25	<u>22,408,607</u>
		<u>536,730,346</u>		<u>797,503,309</u>

Financial Liability

The Corporation has no interest-bearing liability and therefore is not exposed to interest rate risk in this regard.

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25. Financial Instruments & Financial Instruments Risk Management (cont'd):

(c) Market Risk (cont'd):

(i) Interest rate risk (cont'd)

Interest rate sensitivity analysis

There have been insignificant movements in the interest rates over the last reporting date. Movements in interest rates by the specified rates at the reporting date would have increased/(reduced) the reported surplus and accumulated fund by the amounts shown below:

	Movement	2018	Movement	2017
	%	\$	%	\$
<u>J\$ Bank balances</u>				
Short -Term Deposits	1	5,191,617	1	7,750,947
<u>US\$ Bank balances</u>				
USD Savings Account	1	175,686	1	224,086
Increase in surplus and accumulated fund		<u>5,367,303</u>		<u>7,975,033</u>

	Movement	2017	Movement	2017
	%	\$	%	\$
<u>J\$ Bank balances</u>				
Short -Term Deposits	-1	(5,191,617)	-1	(7,750,947)
<u>US\$ Bank balances</u>				
USD Savings Account	-0.5	(87,843)	-0.5	(112,043)
Increase/decrease in deficit/surplus and accumulated fund		<u>(5,279,460)</u>		<u>(7,862,990)</u>

Between April 2017 and March 2018, the interest rate on Bank of Jamaica 3 - 6 months Commercial bank decreased by 24 basis points from 3.94% to 4.18%. The rate movement subsequent to the year end is expected to be insignificant as there has been some amount of stabilizing of the rates

This analysis assumes that all other variables, in particular exchange rates, remain constant.

(ii) Foreign currency risk

Foreign currency risk is the risk that the market value of, or the cash flows from financial instruments will vary because of exchange rate fluctuations.

The Corporation is exposed to foreign currency risk due to fluctuations in exchange rates on transactions and balances that are denominated in currencies other than the Jamaican dollar. A foreign currency bank account is maintained at a level which partially meets foreign currency obligations.

The Corporation's foreign currency asset at the reporting date is as follows:

	2017	2016
	US\$	US\$
USD Savings Account	<u>139,450</u>	<u>175,382</u>

At the reporting date the Corporation does not owe any foreign currency liabilities.

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25. Financial Instruments & Financial Instruments Risk Management (cont'd):

(c) Market Risk (cont'd):

(ii) Foreign currency risk (cont'd)

Foreign Currency Sensitivity analysis

Exchange rates in terms of Jamaican Dollars which is the Corporation's reporting currency, were as follows:

	<u>US\$</u>
31st December 2018	127.72
31st March 2018	125.98
31st March 2017	128.67

Over the period March 2017 to March 2018 there was a 2.09% depreciation of the Jamaican dollar against the US dollar. Between March 2018 and December 2018 there has been a 1.37% depreciation of the Jamaican dollar against the US dollar.

The appreciation of the Jamaican dollar to the extent shown against the United States dollar would have decreased/increased income and equity by the amounts shown below.

	Movement	2018	Movement	2017
	%	J\$	%	J\$
United States dollar	4	702,744	6	1,353,984
United States dollar	-2	<u>(351,372)</u>	-1	<u>(225,664)</u>

The analysis is computed on the same basis for 2018 as for 2017 and assumes that all other variables, in particular, interest rates, remain constant.

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26. Financial Instruments & Financial Instruments Risk Management (cont'd):

(c) Market Risk (cont'd):

(ii) Foreign currency risk (cont'd)

It is not anticipated that any appreciation of the Jamaican dollar against the major currencies would be to any significant extent and this should therefore have marginal adverse effect on the Corporation's foreign currency financial instruments. Should there be an appreciation of the Jamaican dollar against the United States Dollar by say, 2% this would increase/reduce deficit/surplus and accumulated fund as shown below:

	Movement	2018	2017
	%	J\$	J\$
United States dollar	2	<u>351,372</u>	<u>451,328</u>

The analysis assumes that all other variables, in particular, interest rates, remain constant. The analysis is performed on the same basis for 2017.

(d) Operational risk:

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Corporation's processes, personnel, technology and infrastructure, and from external factors other than financial risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour.

The Corporation's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to its reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to identify operational risk is assigned to Senior Management. This responsibility is supported by overall standards for the management of operational risk in the following areas:

- Requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified.
- Requirements for the appropriate segregation of duties, including the independent authorisation of transactions.
- Requirements for the reconciliation and monitoring of transactions.
- Compliance with regulatory and other legal requirements.
- Documentations of controls and procedures.
- Requirements for the reporting of operational losses and proposed remedial action.

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25. Financial Instruments & Financial Instruments Risk Management (cont'd):

(d) Operational risk (cont'd):

- Development of contingency plans.
- Training and professional development.
- Ethical and business standards.
- Risk mitigation, including insurance where this is effective.

Compliance with the Corporation's policies is supported by a programme of periodic reviews undertaken by Internal Audit. Internal audit reports functionally to the Board of Directors and the Audit Committee to who the results of the reviews are communicated.

(e) Fair value:

Fair value is the amount for which an asset could be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. Where quoted market prices are not available, the fair values of these instruments have been determined using a generally accepted alternative method.

<u>Financial Instrument</u>	<u>Method</u>
Cash equivalents, resale	Assumed to approximate their carrying values, due to their short-term nature.
Loans and other receivables,	
Payables and short-term loans.	

(f) Capital Management:

The Corporation's objectives when managing capital are:

- (i) to safeguard the Corporation's ability to continue as a going concern; and
- (ii) to maintain a strong capital base in order to carry out its mandate

Capital adequacy is monitored by the Corporation's management on a regular basis. The Corporation's overall strategy remains unchanged for 2017.

There were no changes to the Corporation's approach to capital management during the year.

The Corporation's capital comprises:

	2018	2017
	\$	\$
Capital Contributions	14,050,345	14,050,345
Accumulated Surplus	<u>457,987,986</u>	<u>695,383,534</u>
	<u>472,038,331</u>	<u>709,433,879</u>

OFFICE OF DISASTER PREPAREDNESS AND EMERGENCY MANAGEMENT
SUPPLEMENTARY INFORMATION TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2018

I N D E X

	<u>SUPPLEMENTARY STATEMENT</u>
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REPORT OF THE INDEPENDENT AUDITORS
TO THE DIRECTORS OF
OFFICE OF DISASTER PREPAREDNESS AND EMERGENCY MANAGEMENT
ON SUPPLEMENTARY INFORMATION

The supplementary information presented on statements 2 to 4a has been taken from the accounting records of the Corporation and has been subjected to the tests and other auditing procedures applied in our examination of the financial statements of the Corporation for the year ended 31st March 2018.

In our opinion, the said information is fairly presented in all material respects in relation to the financial statements taken as a whole, although it is not necessary for a fair presentation of the state of affairs of the corporation at 31st March 2018 and of the results of its operations, its changes in reserves and its cash flows for the year then ended.

Crowe Horwath Jamaica



Crowe Horwath Jamaica

May 14, 2019

OFFICE OF DISASTER PREPAREDNESS AND EMERGENCY MANAGEMENT
SCHEDULE OF RECURRENT EXPENDITURE AND OTHER EXPENSES
FOR THE YEAR ENDED 31ST MARCH 2018

(Expressed in Jamaican Dollars unless otherwise indicated)

Recurrent:

	2018	2017
	\$	\$
Auditors' remuneration-Current Year	990,250	777,000
Auditors' remuneration-Current & Previous Year's GCT	1,239,364	142,191
Payroll and other related costs	126,762,275	100,341,075
Aid to Victims	16,285,721	43,109,498
Motor Vehicle expense	4,837,900	3,483,784
Advertising	6,737,485	5,123,734
Electricity, Water and Communication	21,285,491	16,096,729
Insurance	5,028,199	4,979,224
Office Supplies	20,799,360	9,944,639
Repairs and Maintenance	5,546,332	6,479,929
Travelling	24,456,712	27,315,831
Seminar, Entertainment and training	2,669,321	2,692,190
Dues and Subscription	5,161,542	11,014,242
Inventory Adjustments	(2,680,160)	2,604,247
Professional Fees	3,837,303	2,725,241
Bank Charges	213,339	188,121
GCT Charges	7,843,390	8,052,777
Security	1,052,394	1,311,490
Rental-Property/Land	8,320,797	7,144,251
	<u>260,387,015</u>	<u>253,526,193</u>

Other Operating Expenses:

Other Expenses	13,160,945	-
Depreciation	13,957,733	19,148,826
	<u>27,118,678</u>	<u>19,148,826</u>

Special Programmes:

Casual Labour	4,595,509	7,151,117
Project administration	10,836,593	9,439,758
Staff Welfare	1,884,692	2,186,494
	<u>17,316,794</u>	<u>18,777,369</u>

OFFICE OF DISASTER PREPAREDNESS AND EMERGENCY MANAGEMENT
SCHEDULE OF DIRECTORS' COMPENSATION
FOR THE YEAR ENDED 31ST MARCH 2018
 (Expressed in Jamaican Dollars unless otherwise indicated)

Directors' Compensation

Position of Director	2018				2017			
	Fees	Vehicle	Other	Total	Fees	Vehicle	Other	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Board Chairman	-	-	-	-	22,500	-	-	22,500
Director	104,250	23,688	-	127,938	68,250	-	-	68,250
Director	157,875	-	-	157,875	181,194	-	-	181,194
Director	40,500	-	-	40,500	63,000	-	-	63,000
Director	119,250	-	-	119,250	90,000	-	-	90,000
Director	96,000	-	-	96,000	121,500	-	-	121,500
Director	57,750	-	-	57,750	112,500	-	-	112,500
Director	72,375	-	-	72,375	58,500	-	-	58,500
Director	87,375	-	-	87,375	73,875	-	-	73,875
Director	22,875	-	-	22,875	87,750	-	-	87,750
Director	6,750	-	-	6,750	72,110	-	-	72,110
Director	54,000	-	-	54,000	4,125	-	-	4,125
Director	274,375	-	-	274,375	18,000	-	-	18,000
Other Directors	-	-	108,350	108,350	279,980	-	-	279,980
	<u>1,093,375</u>	<u>23,688</u>	<u>108,350</u>	<u>1,225,413</u>	<u>1,253,284</u>	<u>-</u>	<u>-</u>	<u>1,253,284</u>

OFFICE OF DISASTER PREPAREDNESS AND EMERGENCY MANAGEMENT
SCHEDULE OF SENIOR EXECUTIVE'S COMPENSATION
FOR THE YEAR ENDED 31ST MARCH 2018
 (Expressed in Jamaican Dollars unless otherwise indicated)

Senior Executive Compensation

	2018				
	Salary	Duty	Travelling Allowances or Value of Motor Vehicle assigned	Pension or Other Retirement Benefits	Total
	\$	\$	\$	\$	\$
<u>Position of Senior Executive</u>					
Director General	8,612,351	339,570	1,355,223	-	10,307,144
Deputy Director General	4,360,893	246,960	1,343,264	404,400	6,355,518
Senior Director Corporate Services	2,617,965	198,842	707,448		3,524,255
Senior Director MPRD	3,477,533	198,843	707,448	328,790	4,712,614
Senior Director Preparedness	2,945,234	198,843	780,172	279,741	4,203,990
Director Information and Training	2,627,194	163,170	819,619	233,665	3,843,648
Senior Director Projects	3,640,130	198,843	726,668	232,575	4,798,215
Director of Finance	<u>2,613,249</u>	<u>-</u>	<u>736,048</u>	<u>228,549</u>	<u>3,577,846</u>
Total	<u><u>30,894,550</u></u>	<u><u>1,545,071</u></u>	<u><u>7,175,890</u></u>	<u><u>1,707,720</u></u>	<u><u>41,323,231</u></u>

OFFICE OF DISASTER PREPAREDNESS AND EMERGENCY MANAGEMENT

SCHEDULE OF SENIOR EXECUTIVE'S COMPENSATION

FOR THE YEAR ENDED 31ST MARCH 2018

(Expressed in Jamaican Dollars unless otherwise indicated)

Senior Executive Compensation (cont'd)

Position of Senior Executive	2017				
	Salary	Duty	Travelling Allowances or Value of Motor Vehicle assigned	Pension or Other Retirement Benefits	Total
	\$	\$	\$	\$	\$
Director General	4,216,290	339,570	1,296,074	-	5,851,934
Deputy Director General	3,314,783	246,960	1,385,060	320,689	5,267,492
Senior Director Corporate Services	2,058,559	129,942	734,732	189,546	3,112,779
Senior Director MPRD	2,465,583	198,843	742,358	238,800	3,645,584
Senior Director Preparedness	2,291,902	198,843	783,730	222,734	3,497,209
Director Information and Training	2,106,715	163,170	775,651	206,191	3,251,727
Senior Director Projects	2,832,453	193,219	716,812	227,893	3,970,377
Director of Finance	2,189,970	-	737,566	194,871	3,122,407
Total	<u>21,476,255</u>	<u>1,470,547</u>	<u>7,171,983</u>	<u>1,600,724</u>	<u>31,719,509</u>