



# Jamaica Stock Exchange's Monthly Regulatory Report July 2021

# Jamaica Stock Exchange July 2021 Regulatory Report

## Overview

This is the Jamaica Stock Exchange's (JSE) July 2021 Monthly Regulatory Report. The report gives a synopsis of the following regulatory activities:

1. Member-dealers' reporting,
2. Listed companies' submissions,
3. Market surveillance and compliance activities,
4. Regulatory breaches and enforcement actions.

## Member-Dealers' Reporting

In accordance with JSE Rule 209 (A) member-dealers were required to file Monthly Reports for the period ended June 30, 2021, by July 31, 2021. For the reporting period, thirteen (13) Monthly Reports were due and submitted on time.

Based on JSE Rule 209 (B) member-dealers were required to file Quarterly Reports for the period ended June 30, 2021, by July 31, 2021. For the reporting period, twelve (12) Quarterly Reports were due and submitted on time.

Under JSE Rule 209 (C) member-dealers are required to file within three (3) months of the end of their financial year Audited Reports to the Exchange. For the reporting period ended July 2021, no Audited Reports were due.

The aggregate compliance rate for member-dealers' filing of financial reports due for the month ended July 31, 2021, was 100%. For the 2020 comparative reporting period, member-dealers' aggregate compliance rate was also 100%. For the reporting period ended June 30, 2021, all member-dealers satisfied the JSE's Excess Net Free Capital (ENFC) requirement as prescribed by JSE Rule Appendix 12 – Member/Dealers' Report and Financial Information, which is represented in Table 1 below.

**Table 1**

<b>Member-Dealers' Excess Net Free Capital (ENFC) as at June 30, 2021</b>		
<b>ENFC Range(\$M)</b>	<b># Of Member-Dealers June 2021</b>	<b># Of Member-Dealers June 2020</b>
Below 0	0	0
0 - 299	2	0
300 – 899	3	5
900 – 1,999	4	3
2,000 – 5,999	1	2
6,000 and above	3	3

## Listed Companies' Submissions

Listed Companies were required to file Unaudited Reports for the period ended May 31, 2021, by July 15, 2021. Listed Companies with year ended May 31, 2021, that selected the 60 -days filing option were required to file Audited Reports by July 30, 2021. Listed Companies with year ended March 31, 2021 were required to file Annual Reports by July 29, 2021. The filing statistics are represented in Table 2 below:

**Table 2**

<b>Listed Companies' Financial Submissions</b>								
<b>July 2021</b>					<b>July 2020</b>			
Reports	Total Due	Timely Filing	Late	Outstanding/ Extension Relief*	Total Due	Timely Filing	Late	Outstanding/ Extension Relief*
Unaudited	4	4	0	0	4	4	0	0
Audited	4	1	0	3*	4	1	0	3*
Annual	12	7	0	5*	12	3	0	9*

*Key: Late reports are filings after the due date that came in before the close of the month.*

*Outstanding reports are due reports that were not received as at the close of the month.*

*\* Due to the prolonged impact of the Covid-19 pandemic, the JSE made available extension relief of 45 days to Listed Companies who were required to file Audited Financial Statements and Annual Reports as at the end of the month.*

## Market Surveillance and Compliance Activities

Market surveillance and compliance issues that were brought to the attention of the JSE for the month of July 2021 amounted to nine (9) versus nineteen (19) for the comparative period. Further statistics of JSE's market surveillance and compliance activities are presented in Table 3 below.

**Table 3**

<b>Market Surveillance &amp; Compliance Log</b>					
<b>Total Issues</b>		<b>Issues Closed</b>		<b>Issues Unclosed</b>	
<b>July 2021</b>	<b>July 2020</b>	<b>July 2021</b>	<b>July 2020</b>	<b>July 2021</b>	<b>July 2020</b>
9	19	8	16	1	3
<b>Y-T-D '21</b>	<b>Y-T-D '20</b>	<b>Y-T-D '21</b>	<b>Y-T-D '20</b>	<b>Y-T-D '21</b>	<b>Y-T-D '19</b>
<b>123</b>	<b>136</b>	<b>108</b>	<b>125</b>	<b>15</b>	<b>11</b>

## **List of Regulatory Breaches and Enforcement Actions**

The list of regulatory breaches and enforcement actions for the period ended July 31, 2021, is presented at Table 4.

**Table 4**

<b>#</b>	<b>Entity</b>	<b>Code</b>	<b>Rule</b>	<b>Details</b>
1	ICreate Limited	JMC	JSE Junior Mkt - Violation - Rule Appendix 2, Part 4 (2) (a)(i) – Audited Annual Financial Statements	The Company's Audited Financial Statements for the period ended December 31, 2020, which was granted an extension relief due to the impact of COVID-19 remains outstanding as at the end of July 2021.
2	Consolidated Bakeries Jamaica Limited	JMC	JSE Junior Market Rule, Appendix 2, Part 4 (3) – Published Annual Report and Audited Financial Statements	The Company's Annual Report for the period ended December 31, 2020, which was granted an extension relief due to the impact of COVID-19 remains outstanding as at the end of July 2021.
3	Caribbean Flavours and Fragrances Limited	JMC	JSE Junior Market Rule, Appendix 2, Part 4 (3) – Published Annual Report and Audited Financial Statements	The Company's Annual Report for the period ended December 31, 2020, which was granted an extension relief due to the impact of COVID-19 remains outstanding as at the end of July 2021.
4	Derrimon Trading Company Limited	JMC	JSE Junior Market Rule, Appendix 2, Part 4 (3) – Published Annual Report and Audited Financial Statements	The Company's Annual Report for the period ended December 31, 2020, which was granted an extension relief due to the impact of COVID-19 remains outstanding as at the end of July 2021.
5	General Accident Insurance Company Jamaica Limited	JMC	JSE Junior Market Rule, Appendix 2, Part 4 (3) – Published Annual Report and Audited Financial Statements	The Company's Annual Report for the period ended December 31, 2020, which was granted an extension relief due to the impact of COVID-19 remains outstanding as at the end of July 2021.
6	ICreate Limited	JMC	JSE Junior Market Rule, Appendix 2, Part 4 (3) – Published Annual Report and Audited Financial Statements	The Company's Annual Report for the period ended December 31, 2020, which was granted an extension relief due to the impact of COVID-19 remains outstanding as at the end of July 2021.
7	Ironrock Insurance Company Limited	JMC	JSE Junior Market Rule, Appendix 2, Part 4 (3) – Published Annual Report and Audited Financial Statements	The Company's Annual Report for the period ended December 31, 2020, which was granted an extension relief due to the impact of COVID-19 remains outstanding as at the end of July 2021.
8	KLE Group Limited	JMC	JSE Junior Market Rule, Appendix 2, Part 4 (3) – Published Annual Report	The Company's Annual Report for the period ended December 31, 2020, which was granted an extension relief due to the impact of COVID-19 was filed on July 15,

			and Audited Financial Statements	2021. The Company's Annual Report was deemed to be late as it was submitted outside of the extension relief provided.
9	QWI Investments Limited	MMC	JSE Rule 407 – Quarterly Financial Statements	The Company's 3rd Quarter Financial Statements for the period ended June 30, 2020, that was filed with the JSE on July 29, 2020, had amended the classification of unrealized foreign currency translation difference, which were classified in its 1st and 2nd quarter financial statements as administration expenses, to the company's investment gains. The Company did not provide a disclosure regarding the change in classification as required by IAS 8. The issue was considered a breach of JSE Rule 407 – Quarterly Financial Statements. The Company filed an amended statement on September 12, 2020, which satisfied JSE Rule 407.
10	ICreate Limited	JMC	JSE Junior Market Rule Appendix 2, Part 4 (1)(b)(i) – Requirements for Financial Reporting.	The Company's 4th Quarter Financial Statements for the period ended December 31, 2020, that was filed with the JSE on February 16, 2021, had material discrepancies, which resulted in a refiling on February 26, 2021. The revised filing on February 26, 2021, satisfied all concerns.
11	General Accident Insurance Company Limited	JMC	JSE Junior Market Rule Appendix 2, Part 4 (1)(b)(i) – Requirements for Financial Reporting.	The Company's 4th Quarter Financial Statements for the period ended December 31, 2020, that was filed with the JSE on February 15, 2021, had a material discrepancy, which resulted in a refiling on February 23, 2021. The revised filing on February 23, 2021, satisfied all concerns.

**Code Key:**

1. JMC – Junior Market Company
2. MMC – Main Market Company
3. M/D – Member-Dealer
4. O – Others

The RMOD undertakes enforcement actions as prescribed by the JSE rules. Enforcement actions take the form of fines; suspension and delisting that are imposed on entities that are found to be in breach of the rules and regulations of JSE.