



# Jamaica Stock Exchange Monthly Regulatory Report July 2023

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## Overview

This is the Jamaica Stock Exchange's (JSE) July 2023 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.

The report also provides market education through its Market Awareness Page, which this month features understanding JSE Net Free Capital requirement.

Arising from the discharge of the abovementioned regulatory activities, the Jamaica Stock Exchange is satisfied with the state of compliance to the rules of the Exchange by Member/Dealers and Listed Companies as at the end of the month July 2023. The exception, however, relates to the timely filing of Audited and Annual Reports by listed companies and member-dealers, which is a matter that is being reviewed by the JSE.

## Member-Dealers' Reporting

In accordance with JSE Rule 209 (A) member-dealers are required to file Monthly Returns for the period ended June 30, 2023, by July 31, 2023. For the reporting period ended June 30, 2023, fourteen (14) member-dealers' Monthly Return fell due and were submitted on time.

In accordance with JSE Rule 209 (B) member-dealers are required to file Quarterly Returns for the period ended June 30, 2023, by July 31, 2023. For the reporting period ended June 30, 2023, thirteen (13) member-dealers' Quarterly Return fell due and were submitted on time.

Under JSE Rule 209 (C) member-dealers with financial year ended April 30, 2023, were required to file their Annual Returns by July 31, 2023. There were no Annual Returns due in July 2023.

The aggregate compliance rate for member-dealers' filing of financial returns due for the month ended July 2023, was 100%. For the comparative period ended July 2022, member-dealers' aggregate compliance rate was 100%.

For the reporting period ended June 2023 all member-dealers reported an Excess in Net Free Capital (ENFC). The bucket classification of each member-dealer ENFC for the reporting period ended June 2023 are represented in Table 1 below:

**Table 1**

<b>Member-Dealers' Excess Net Free Capital (ENFC) as at June 2023</b>		
<b>ENFC Range(\$M)</b>	<b># Of Member-Dealers June 2023</b>	<b># Of Member-Dealers June 2022</b>
Below 0	0	1
0 - 299	2	5
300 – 899	6	4
900 – 1,999	3	0
2,000 – 5,999	1	2
6,000 and above	2	3

## Listed Companies' Submissions

Listed Companies were required to file Unaudited Reports for the period ended May 31, 2023, by July 15, 2023. Listed Companies with year ended May 31, 2023, that selected the 60 days filing option were required to file Audited Reports by July 30, 2023. Listed Companies with year ended March 31, 2023, were required to file their Annual Reports by July 29, 2023. The filing statistics are represented in Table 2 below:

**Table 2**

Listed Companies' Financial Submissions								
July 2023					July 2022			
Reports	Total Due	Timely Filing	Late	Outstanding	Total Due	Timely Filing	Late	Outstanding
Unaudited	7	6	1	0	4	3	1	0
Audited	4	2	0	2	4	1	0	3*
Annual	12	5	0	7	12	5	0	7*

*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.*

## Market Surveillance and Compliance Activities

Market surveillance and compliance issues that were brought to the attention of the JSE for the month of July 2023 amounted to twenty-five (25) versus seventeen (17) for the comparative period. Further statistics of JSE's market surveillance and compliance activities are presented in Table 3 below.

Table 3

Market Surveillance & Compliance Log					
Total Issues		Issues Closed		Issues Unclosed	
July 2023	July 2022	July 2023	July 2022	July 2023	July 2022
25	17	15	11	10	6
Y-T-D '23	Y-T-D '22	Y-T-D '23	Y-T-D '22	Y-T-D '23	Y-T-D '22
162	216	142	175	20	41

## List of Regulatory Breaches and Enforcement Actions

The list of regulatory breaches and enforcement actions for the period ended July 2023, is represented at Table 4.

Table 4

#	Entity	Code	Rule	Details
1	CUMAX Wealth Management Limited	M/D	JSE Rule 209 (C) - Annual Returns	The firm's Annual Return for the year ended December 31, 2022, which was granted an extension relief due to challenges it had in completing its Audited Financial Statements is outstanding as at the end of July 2023.
2	JMMB Group Limited	MMC	JSE Rule 408 - Audited Annual Financial Statements	The Company's Audited Financial Statements for the period ended March 31, 2023, which became due on May 30, 2023, was submitted on July 8, 2023. Consequently, the Company was subjected to JSE Rule Appendix 3, Section 16 (vi).
3	Access Financial Services Limited	JMC	Junior Mkt Listed Co. - Violation - JSE Rule Appendix 2, Part 4 (2) (a)(i) - Audited Annual Financial Statements	The Company's Audited Financial Statements for the year ended March 31, 2023, which became due on May 30, 2023, was submitted on July 31, 2023.
4	Seprod Group Limited	MMC	JSE Rule 408 - Audited Annual Financial Statements	The Company's Audited Financial Statements for the year ended December 31, 2022, which was granted an extension relief is outstanding as at the end of July 2023.
5	Wigton Windfarm Limited	MMC	JSE Rule 408 - Audited Annual Financial Statements	The Company's Audited Financial Statements for the period ended March 31, 2023, which became due on May 30, 2023, was submitted on July 28, 2023. Consequently, the Company was subjected to JSE Rule Appendix 3, Section 16 (vi).

6	Radio Jamaica Limited	MMC	JSE Rule 408 - Audited Annual Financial Statements	The Company's Audited Financial Statements for the period ended March 31, 2023, which became due on May 30, 2023, was submitted on July 7, 2023. Consequently, the Company was subjected to JSE Rule Appendix 3, Section 16 (vi).
7	Proven Group Limited	MMC	JSE Rule 408 - Audited Annual Financial Statements	The Company's Audited Financial Statements for the period ended March 31, 2023, which became due on May 30, 2023, is outstanding as at the end of July 2023.
8	iCreate Limited	JMC	Junior Mkt Listed Co. - Violation - JSE Rule Appendix 2, Part 4 (2) (a)(i) - Audited Annual Financial Statements	The Company's Audited Financial Statements for the year ended December 31, 2022, which was granted an extension relief is outstanding as at the end of July 2023.
9	General Accident Insurance Company Limited	JMC	JSE's Junior Mkt Listed Co - Violation - Rule Appendix 2, Part 4 (1) (a) (i) - Quarterly Financial Statements	The Company's 1st Quarter Unaudited Financial Statements for the period ended March 31, 2023, which became due on May 15, 2023, was submitted on July 4, 2023. Consequently, the Company was subjected to JSE Rule Appendix 3, Section 16 (v).
10	Gwest Corporation Limited	JMC	Junior Mkt Listed Co. - Violation - JSE Rule Appendix 2, Part 4 (2) (a)(i) - Audited Annual Financial Statements	The Company's Audited Financial Statements for the year ended March 31, 2023, which became due on May 30, 2023, is outstanding as at the end of June 2023.
11	Caribbean Cement Company Limited	MMC	JSE Rule 409 - Annual Report	The Company's Annual Report for the year ended December 31, 2022, which was granted an extension relief is outstanding as at the end of July 2023.
12	iCreate Limited	JMC	JSE's Junior Market Rule	The Company's Annual Report for the year ended December 31, 2022, which was granted an

			Appendix 2, Part 4 (3) - Annual Report and Audited Financial Statements	extension is outstanding as at the end of July 2023.
13	ISP Finance Limited	JMC	JSE's Junior Market Rule Appendix 2, Part 4 (3) - Annual Report and Audited Financial Statements	The Company's Annual Report for the year ended December 31, 2022, which was granted an extension is outstanding as at the end of July 2023.
14	Jetcon Corporation Limited	JMC	JSE's Junior Market Rule Appendix 2, Part 4 (3) - Annual Report and Audited Financial Statements	The Company's Annual Report for the year ended December 31, 2022, which was granted an extension is outstanding as at the end of July 2023.
15	KLE Group Limited	JMC	JSE's Junior Market Rule Appendix 2, Part 4 (3) - Annual Report and Audited Financial Statements	The Company's Annual Report for the year ended December 31, 2022, which was granted an extension, was submitted on July 10, 2023. The Company's Annual Report was deemed to be late as it was submitted outside of the extension relief provided.
16	Seprod Group Limited	MMC	JSE Rule 409 - Annual Report	The Company's Annual Report for the year ended December 31, 2022, which was granted an extension relief is outstanding as at the end of July 2023.
17	Jamaica Broilers Group Limited	MMC	JSE Rule 408 - Audited Annual Financial Statements	The Company's Audited Financial Statements for the period ended April 29, 2023, which became due on June 28, 2023, was submitted on July 4, 2023. Consequently, the Company was subjected to JSE Rule Appendix 3, Section 16 (vi).



18	JN Fund Managers Limited	M/D	JSE Rule 209 (C) - Annual Returns	The firm's Annual Return for the year ended March 31, 2023, which became due on June 30, 2023, was submitted on July 14, 2023. Consequently, the firm was subjected to JSE Rule 211 (A).
19	Dolla Financial Services Limited	JMC	JSE Junior Market Rule Appendix 2, Part 8, 8 (c)	The Company provided notification on July 5, 2023, of dealings in its securities by a connected party on July 19, November 17, December 13 and December 14, 2022. Given JSE Junior Market Rule Appendix 2, Part 8, 9 (b), the notice to the Exchange was late.
20	JMMB Group Limited	MMC	JSE Rule 409 - Annual Report	The Company's Annual Report for the year ended March 31, 2023, which became due on July 29, 2023, is outstanding as at the end of July 2023.
21	Proven Group Limited	MMC	JSE Rule 409 - Annual Report	The Company's Annual Report for the year ended March 31, 2023, which became due on July 29, 2023, is outstanding as at the end of July 2023.
22	Radio Jamaica Limited	MMC	JSE Rule 409 - Annual Report	The Company's Annual Report for the year ended March 31, 2023, which became due on July 29, 2023, is outstanding as at the end of July 2023.
23	Wigton Windfarm Limited	MMC	JSE Rule 409 - Annual Report	The Company's Annual Report for the year ended March 31, 2023, which became due on July 29, 2023, is outstanding as at the end of July 2023.
24	Access Financial Services Limited	JMC	JSE's Junior Market Rule Appendix 2, Part 4 (3) - Annual Report and Audited	The Company's Annual Report for the year ended March 31, 2023, which became due on July 29, 2023, is outstanding as at the end of July 2023.

			Financial Statements	
25	Gwest Corporation Limited	JMC	JSE's Junior Market Rule Appendix 2, Part 4 (3) - Annual Report and Audited Financial Statements	The Company's Annual Report for the year ended March 31, 2023, which became due on July 29, 2023, is outstanding as at the end of July 2023.
26	Medical Disposables and Supplies Limited	JMC	JSE's Junior Market Rule Appendix 2, Part 4 (3) - Annual Report and Audited Financial Statements	The Company's Annual Report for the year ended March 31, 2023, which became due on July 29, 2023, is outstanding as at the end of July 2023.
27	Express Catering Limited	JMC	Junior Mkt Listed Co. - Violation - JSE Rule Appendix 2, Part 4 (2) (a)(i) - Audited Annual Financial Statements	The Company's Audited Financial Statements for the year ended May 31, 2023, which became due on July 30, 2023, is outstanding as at the end of July 2023.
28	Margaritaville (Turks) Limited	MMC	JSE Rule 408 - Audited Annual Financial Statements	The Company's Audited Financial Statements for the year ended May 31, 2023, which became due on July 30, 2023, is outstanding as at the end of July 2023.
29	Consolidated Bakeries Limited	JMC	Junior Mkt Listed Company-Violation- Appendix 2, Part 4 - Quarterly Financial Statements	The Company's 1st Quarter Financial Statements for the period ended March 31, 2023, that was filed with the JSE on May 12, 2023, did not include in the Statement of Changes in Equity the comparative period as required by IAS 34.20. The revised filing on July 3, 2023, satisfied the concern.
30	Jamaican Teas Limited	JMC	JSE's Junior Market Rule Appendix 2, Part 4 (3) -	The Company's Annual Report for the period ended September 30, 2022, which was granted an extension relief was submitted on March 17, 2023. The Company's

			Annual Report and Audited Financial Statements	Annual Report was deemed to be late as it was submitted outside of the extension relief provided.
31	Equity line Mortgage Investment Corporation	MMC	JSE Main Market Rule 407 - Quarterly Financial Statements	The Company's 1st Quarter Financial Statements for the period ended March 31, 2023, which was filed with the JSE on May 15, 2023, reflected an error in reporting the Statement of Changes in Equity, which was not in keeping with the requirements of IAS 34 - Interim Financial Reporting. The revised filing on June 13, 2023, satisfied the concern.
32	Elite Diagnostic Limited	JMC	Junior Mkt Listed Company-Violation-Appendix 2, Part 4 - Quarterly Financial Statements	The Company's 3rd Quarter Financial Statements for the period ended March 31, 2023, that was filed with the JSE on May 15, 2023, reflected variations and omissions in line items of its Statement of Cash Flows, which was not in keeping with the requirements of IAS 34 - Interim Financial Reporting. The revised filing on June 29, 2023, satisfied all concerns.

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.

## **Market Awareness Page**

### **Understanding JSE's Net Free Capital requirement.**

The JSE's Net Free Capital (NFC) requirement is a risk-based capital assessment applied to Member/Dealer (M/D) Statement of Assets, Liabilities and Equity, in keeping with JSE's requirements. It acts as an early warning indicator for the JSE, should the need arise, to engage M/Ds in respect to JSE Rule Appendix 12 - Member/Dealer's Report and Financial Information, Statement B, Footnote - Procedure for Handling Deficiencies in Member/Dealers' Net Free Capital, so that they can take the necessary measures to bolster their risk-based capital. Please note that the reporting of a deficit in NFC does not represent that a M/D has negative capital.