THE JAMAICA STOCK EXCHANGE LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in Jamaican Dollars)

THE JAMAICA STOCK EXCHANGE LIMITED

YEAR ENDED DECEMBER 31, 2023
(Expressed in Jamaican Dollars)

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INDEPENDENT AUDITOR'S REPORT

To the Members of The Jamaica Stock Exchange Limited

Report on the Audit of the Separate and Consolidated Financial Statements

Opinion

We have audited the separate financial statements of The Jamaica Stock Exchange Limited (the Company) and the consolidated financial statements of the Company and its subsidiaries (the Group), which comprise the separate and consolidated statements of financial position as at December 31, 2023, the separate and consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying separate and consolidated financial statements give a true and fair view of the financial position of the Company and the Group as at December 31, 2023 and of the separate and consolidated financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and the Jamaican Companies Act.

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 Company and the Group in accordance with the International Ethics Standards Board for Accountants' (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards) ("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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate and consolidated financial statements of the current period. These matters were addressed in the context of our audit of the separate and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying separate and consolidated financial statements.

Key Audit Matters (Continued)

Key audit matter	How our audit addressed the key audit matter
Valuation of financial instruments and fair value hierarchy	
As detailed in Note 8 *Investment in Securities*, the Group's investments are classified as fair value through profit and loss (FVPL), fair value through other comprehensive income (FVOCI) and at amortised cost. Valuation techniques may be subjective and involve assumptions about pricing factors. Changes in these assumptions could result in significantly different values. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole: - Level 1 categorized investment valuations are based on quoted prices (unadjusted) in active markets. - Level 2 categorized investment valuations are based on other than quoted prices included within Level 1, that are observable either directly or indirectly. - Level 3 categorized investment valuations are based on unobservable inputs for the asset. Given the inherent subjectivity in the valuation of Level 2 and Level 3 debt investments, we determined this to be a key area for our audit. The Level 2 investments at FVOCI and FVTPL as at December 31, 2023 amounted to $229.66 million. The Group has no Level 3 fair value investments.	Our audit procedures comprised, amongst others, an assessment of the methodology and the appropriateness of the valuation models and inputs used to value investments classified as FVPL and FVOCI. Our audit procedures included: ▸ Obtaining an understanding of the design and implementation of the Group's controls over the measurement and management of valuation risk including independent price verification. ▸ Testing, for a selection of pricing inputs used, that they were externally sourced and were correctly inputted into pricing models. ▸ Reperforming an independent valuation of the Group's securities with the assistance of our internal Strategy and Transactions team. ▸ Assessing the completeness and accuracy of the disclosures relating to investments to assess compliance with the disclosure requirements of IFRS.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

To The Members of The Jamaica Stock Exchange Limited (Continued)

Report on the Audit of the Separate and Consolidated Financial Statements (Continued)

Other information included in the Group's Annual Report

Other information consists of the information included in the Group's 2023 Annual Report other than the consolidated financial statements and our auditor's report thereon. Management is responsible for the other information. The Group's 2023 Annual Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated 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 consolidated financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibilities of Management and the Board of Directors for the Separate and Consolidated Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS and the Jamaican Companies Act, and for such internal control as management determines is necessary to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate and consolidated financial statements, management is responsible for assessing the Company's and the Group'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 Company or the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's and the Group's financial reporting process.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

To The Members of The Jamaica Stock Exchange Limited (Continued)

Report on the Audit of the Separate and Consolidated Financial Statements (Continued)

Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate and consolidated 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 separate and consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the separate and consolidated 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 Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 Company's and the Group'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 separate and consolidated 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 Company and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that presents a true and fair view.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

To The Members of The Jamaica Stock Exchange Limited (Continued)

Report on the Audit of the Separate and Consolidated Financial Statements (Continued)

Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements (Continued)

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors 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.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the separate and consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on additional requirements of the Jamaican Companies Act

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 by the Jamaican Companies Act, in the manner required.

The engagement partner on the audit resulting in this independent auditor's report is Kayann Sudlow.

Ernst & Young

Chartered Accountants
Kingston, Jamaica
February 29, 2024

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2023
(Expressed in Jamaican Dollars)

	Notes	2023 $'000	2022 $'000
Non-current assets			
Property and equipment	4	1,345,918	1,110,920
Intangible assets	5	241,277	197,487
Post employment benefit asset	7(b)	164,363	186,106
Investment in securities	8(a)	214,688	196,509
Long-term receivables	9	17,362	22,998
Total non-current assets		1,983,608	1,714,020
Current assets			
Income tax recoverable		17,648	26,588
Due from related parties	10(b)	6,964	4,617
Trade and other receivables	11	407,112	298,975
Investment in securities	8(b)	14,977	17,276
Government securities purchased under resale agreements	12	345,145	234,412
Certificates of deposit	13(b)	42,582	114,861
Cash and cash equivalents	13(a)	240,308	196,797
Total current assets		1,074,736	893,526
Total assets		3,058,344	2,607,546
Equity			
Share capital	14	238,146	238,146
Fair value reserve	15	26,059	13,819
Property revaluation reserve	4	618,027	488,020
Revenue reserve non-distributable	16	48,367	48,367
Revenue reserve	17	1,688,350	1,434,792
Total equity		2,618,949	2,223,144
Non-current liabilities			
Deferred tax liabilities	18	211,609	163,880
Total non-current liabilities		211,609	163,880
Current Liabilities			
Contract liabilities	32	33,451	29,880
Payables and accruals	19	194,335	190,642
Total current liabilities		227,786	220,522
Total equity and liabilities		3,058,344	2,607,546

The accompanying notes form an integral part of these consolidated financial statements.

The consolidated financial statements were approved for issue by the Board of Directors on February 29, 2024 and signed on its behalf by:

_____________________ Chairman
Julian Mair

_____________________ Managing Director
Marlene Street Forrest

THE JAMAICA STOCK EXCHANGE LIMITED

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
YEAR ENDED DECEMBER 31, 2023
(Expressed in Jamaican Dollars)

	Notes	2023 $'000	2022 $'000
Revenue			
Cess		321,682	477,497
Fee income		1,704,227	1,544,155
E-campus		41,003	35,006
Other operating income	20	118,004	104,807
		2,184,916	2,161,465
Expenses			
Staff costs	21	699,947	632,492
Property expenses		341,567	305,467
Depreciation and amortization	4,5	115,296	88,034
Advertising and promotion		131,046	125,612
Professional fees		87,792	98,737
Securities commission fees		44,517	68,573
Net impairment loss on financial assets	29(d)	22,380	3,331
E-campus		40,187	33,351
Other operating expenses		83,544	74,035
		1,566,276	1,429,632
Investment income	22(a)	63,436	31,103
Loss/(gain) on asset disposal		922	(384)
Profit before taxation	23	682,998	762,552
Taxation	24	(266,997)	(259,314)
Profit for the year	25	416,001	503,238
OTHER COMPREHENSIVE INCOME			
Items that will never be reclassified to profit or loss:			
Remeasurement of employee benefits asset	7(c)	(109,030)	87,179
Deferred income tax on item that will never be reclassified to profit or loss	18	36,343	(29,060)
Revaluation surplus on land	4	47,000	20,100
Revaluation surplus on property and equipment	4	124,510	113,620
Deferred income tax on revaluation surplus	18	(41,503)	(37,873)
		57,320	153,966
Items that may be reclassified to profit or loss:			
Changes in the fair value of debt investments at fair value through other comprehensive income	15	17,652	(31,073)
Net impairment gain	15	471	(60)
Deferred income tax on items that may be reclassified to profit or loss	18	(5,883)	10,357
		12,240	(20,776)
Other comprehensive income for the year, net of taxes		69,560	133,190
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		485,561	636,428
Earnings per stock unit	26	$0.59	$0.72

The accompanying notes form an integral part of these consolidated financial statements.

THE JAMAICA STOCK EXCHANGE LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
YEAR ENDED DECEMBER 31, 2023
(Expressed in Jamaican Dollars)

	Share Capital $'000 (Note 14)	Fair Value Reserve $'000 (Note 15)	Property Revaluation Reserve $'000 (Note 4)	Revenue Reserve Non-Distributable $'000 (Note 16)	Revenue Reserve $'000 (Note 17)	Total $'000
Balance at January 1, 2022	238,146	34,595	392,173	48,367	1,178,479	1,891,760
Profit for the year	-	-	-	-	503,238	503,238
Other comprehensive income:						
Appreciation in fair value of investments, net of taxes	-	(20,776)	-	-	-	(20,776)
Re-measurement of employees benefit assets, net of taxes	-	-	-	-	58,119	58,119
Revaluation surplus of property, plant and equipment, net of taxes	-	-	95,847	-	-	95,847
Total comprehensive income for the year	-	(20,776)	95,847	-	561,357	636,428
Dividend (Note 30)	-	-	-	-	(305,044)	(305,044)
Balance at December 31, 2022	238,146	13,819	488,020	48,367	1,434,792	2,223,144
Profit for the year	-	-	-	-	416,001	416,001
Other comprehensive income:						
Appreciation in fair value of investments, net of taxes	-	12,240	-	-	-	12,240
Re-measurement of employees benefit assets, net of taxes	-	-	-	-	(72,687)	(72,687)
Revaluation surplus of property, plant and equipment, net of taxes	-	-	130,007	-	-	130,007
Total comprehensive income for the year	-	12,240	130,007	-	343,314	485,561
Dividend (Note 30)	-	-	-	-	(89,756)	(89,756)
Balance at December 31, 2023	238,146	26,059	618,027	48,367	1,688,350	2,618,949

The accompanying notes form an integral part of these consolidated financial statements.

THE JAMAICA STOCK EXCHANGE LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2023
(Expressed in Jamaican Dollars)

	Notes	2023 $'000	2022 $'000
Cash flows from operating activities			
Profit for the year		416,001	503,238
Adjustments for:			
Depreciation of property and equipment	4	63,170	46,097
Amortisation of intangible assets	5	52,126	41,937
Loss on disposal of assets		-	391
Write off of intangible assets	5	3,949	940
Write off of property and equipment	4	-	2,960
Gain on investment through profit and loss	22(a)	(2,064)	1,843
Investment premium/discount	22(a)	554	709
Foreign exchange (loss)/gains on investments	22(a)	(10,800)	1,025
Employee benefits expense	7(c)	(18,240)	22,740
Net impairment on financial assets	29(d)	22,380	3,331
Income tax charge	24	266,997	258,914
Interest income	22(a)	(51,126)	(34,680)
Operating cash flows before movements in working capital		742,947	849,445
Increase in trade and other receivables		(128,995)	5,423
(Decrease)/increase contract liabilities		3,571	(2,924)
Increase in payables and accruals		3,693	10,210
Post employment benefit contributions	7(d)	(69,047)	(59,279)
Cash provided by operations		552,169	802,875
Income tax paid		(221,371)	(306,957)
Cash provided by operating activities		330,798	495,918
Cash flows from investing activities			
Acquisition of investment (net)		4,000	-
Certificates of deposit		72,233	(84,574)
Government securities purchased under resale agreements, net		(110,956)	56,835
Receipts from related parties		(2,347)	(4,622)
Acquisition of property and equipment	4	(89,449)	(119,485)
Acquisition of intangible assets	5	(137,075)	(105,509)
Long-term receivables		5,636	(2,174)
Interest received		50,361	33,760
Cash used in investing activities		(207,597)	(225,769)
Cash flows from financing activity			
Dividends paid	30	(89,756)	(305,044)
Cash used in financing activity		(89,756)	(305,044)
Net increase/(decrease) in cash and cash equivalents		33,445	(34,895)
Cash and cash equivalents at the beginning of the year		196,797	241,101
Effect of foreign exchange rate changes		10,066	(9,409)
Cash and cash equivalents at the end of the year	13	240,308	196,797

The accompanying notes form an integral part of these consolidated financial statements.

THE JAMAICA STOCK EXCHANGE LIMITED

SEPARATE STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2023
(Expressed in Jamaican Dollars)

	Notes	2023 $'000	2022 $'000
Non-current assets			
Property and equipment	4	1,319,723	1,098,172
Intangible assets	5	127,360	121,190
Investment in subsidiary	6	61,000	61,000
Post employment benefit asset	7(b)	135,281	134,079
Investment in securities	8(a)	41,485	37,641
Long-term receivables	9	14,653	17,623
Total non-current assets		1,699,502	1,469,705
Current assets			
Income tax recoverable		36,862	40,020
Due from related parties	10(b)	6,964	4,617
Trade and other receivables	11	112,080	91,987
Investment in securities	8(b)	11,841	10,308
Government securities purchased under resale agreements	12	18,789	18,349
Certificates of deposit	13(b)	32,000	31,770
Cash and cash equivalents	13(a)	16,101	7,385
Total current assets		234,637	204,436
Total assets		1,934,139	1,674,141
Equity			
Share capital	14	238,146	238,146
Fair value reserve	15	5,228	3,851
Property revaluation reserve	4	618,027	488,020
Revenue reserve	17	321,558	402,365
Total equity		1,182,959	1,132,382
Non-current liabilities			
Deferred tax liabilities	18	202,519	165,910
Total non-current liabilities		202,519	165,910
Current liabilities			
Due to related party	10(b)	431,915	249,455
Contract liabilities	32	13,794	11,563
Payables and accruals	19	102,952	114,831
Total current liabilities		548,661	375,849
Total equity and liabilities		1,934,139	1,674,141

The accompanying notes form an integral part of these consolidated financial statements.

The consolidated financial statements were approved for issue by the Board of Directors on February 29, 2024 and signed on its behalf by:

______________________ Chairman
Julian Mair

______________________ Managing Director
Marlene Street Forrest

THE JAMAICA STOCK EXCHANGE LIMITED

SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
YEAR ENDED DECEMBER 31, 2023
(Expressed in Jamaican Dollars)

	Notes	2023 $'000	2022 $'000
Revenue			
Cess		302,381	448,847
Fee income		378,204	306,833
E-campus		41,003	36,006
Other operating income	20	208,840	343,968
		930,428	1,134,654
Expenses			
Staff costs	21	321,724	293,677
Property expenses		162,652	145,690
Depreciation and amortization	4,5	93,508	71,074
Advertising and promotion		121,405	113,361
Professional fees		64,798	62,732
Securities commission fees		39,221	59,390
Net impairment gain on financial assets	29(d)	5,118	(423)
E-campus expenses		40,187	33,351
Other operating expenses		33,412	15,768
		882,025	794,620
Investment income	22(a)	8,907	3,957
Gain/(loss) on asset disposal		922	(297)
Profit before taxation	23	58,232	343,694
Taxation	24	(15,144)	(43,270)
Profit for the year	25	43,088	300,424
OTHER COMPREHENSIVE INCOME			
Items that will never be reclassified to profit or loss:			
Remeasurement (loss)/gain of employee benefits asset	7(c)	(51,208)	68,684
Deferred income tax on item that will never be reclassified to profit or loss	18	17,069	(22,895)
Revaluation surplus on land	4	47,000	20,100
Revaluation surplus on property and equipment	4	124,510	113,620
Deferred income tax on revaluation surplus	18	(41,503)	(37,873)
		95,868	141,636
Items that may be reclassified to profit or loss:			
Changes in the fair value of debt investments of fair value through other comprehensive income	15	2,083	(6,789)
Net impairment loss	15	(12)	(4)
Deferred income tax on items that may be reclassified to profit or loss	15,18	(694)	2,263
		1,377	(4,530)
Other comprehensive income for the year, net of taxes		97,245	137,106
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		140,333	437,530

The accompanying notes form an integral part of these consolidated financial statements.

THE JAMAICA STOCK EXCHANGE LIMITED

SEPARATE STATEMENT OF CHANGES IN EQUITY
YEAR ENDED DECEMBER 31, 2023
(Expressed in Jamaican Dollars)

	Share Capital $'000 (Note 14)	Fair Value Reserve $'000 (Note 15)	Property Revaluation Reserve $'000 (Note 4)	Revenue Reserve $'000 (Note 17)	Total $'000
Balance at January 1, 2022	238,146	8,381	392,173	361,196	999,896
Profit for the year	-	-	-	300,424	300,424
Other comprehensive income:					
Appreciation in fair value of investments, net of taxes	-	(4,530)	-	-	(4,530)
Remeasurement of employee benefits assets, net of taxes	-	-	-	45,789	45,789
Revaluation of land and building, net of taxes	-	-	95,847	-	95,847
Total comprehensive income for the year	-	(4,530)	95,847	346,213	437,530
Dividend (Note 30)	-	-	-	(305,044)	(305,044)
Balance at December 31, 2022	238,146	3,851	488,020	402,365	1,132,382
Profit for the year	-	-	-	43,088	43,088
Other comprehensive income:					
Appreciation in fair value of investments, net of taxes	-	1,377	-	-	1,377
Remeasurement of employee benefits assets, net of taxes	-	-	-	(34,139)	(34,139)
Revaluation of land and building, net of taxes	-	-	130,007	-	130,007
Total comprehensive income for the year	-	1,377	130,007	8,949	140,333
Dividend (Note 30)	-	-	-	(89,756)	(89,756)
Balance at December 31, 2023	238,146	5,228	618,027	321,558	1,182,959

The accompanying notes form an integral part of these consolidated financial statements.

THE JAMAICA STOCK EXCHANGE LIMITED

SEPARATE STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2023
(Expressed in Jamaican Dollars)

	Notes	2023 $'000	2022 $'000
Cash flows from operating activities			
Profit for the year		43,088	300,424
Adjustments for:			
Depreciation of property and equipment	4	56,898	38,597
Amortisation of intangible assets	5	36,610	32,477
Write off of intangible property and equipment	4	3,130	2,960
Transfer of property and equipment	4	-	(37,187)
Loss on disposal of assets		-	304
Net gain on investment through profit and loss	22(a)	(1,428)	1,775
Foreign exchange gain	22(a)	(3,245)	(487)
Investment premium/discount		64	181
Post employment benefit expense	7(c)	(12,333)	11,941
Impairment loss on financial assets recognized/(reversed)	29(d)	5,118	(423)
Income tax charge	24	15,144	43,270
Interest income	22(a)	(4,298)	(5,426)
Dividend income	20	(88,000)	(243,800)
Operating cash flows before movements in working capital		50,748	144,606
Decrease/(Increase) in trade and other receivables		(24,694)	16,766
Increase/(Decrease) in contract liabilities		2,231	(2,053)
Increase/(Decrease) in trade and other payables		(11,879)	14,849
Post employment benefit contributions	7(d)	(40,077)	(33,933)
Cash provided by operations		(23,671)	140,235
Income tax paid		(505)	(109,368)
Cash (used in)/provided by operating activities		(24,176)	30,867
Cash flows from investing activities			
Government securities purchased under resale agreements		(616)	(416)
Certificates of deposit		(641)	(776)
Receipts from related parties		182,318	141,996
Acquisition of property and equipment	4	(76,396)	(111,847)
Acquisition of intangible assets	5	(78,658)	(10,776)
Long-term receivables		2,970	833
Dividend received	20	88,000	243,800
Interest received		4,356	5,227
Cash provided by investing activities		121,333	268,041
Cash flows from financing activities			
Dividend paid	30	(89,756)	(305,044)
Cash used in financing activities		(89,756)	(305,044)
Net increase/(decrease) in cash and cash equivalents		7,401	(6,136)
Cash and cash equivalents at the beginning of the year		7,385	12,456
Effect of foreign exchange rate changes		1,315	1,065
Cash and cash equivalents at the end of the year	13	16,101	7,385
Non-cash transactions:			
Intangible assets transferred (Note 5(a))		(2,205)	-

The accompanying notes form an integral part of these consolidated financial statements.

(Expressed in Jamaican Dollars)

1. **Identification and principal activities**

The Jamaica Stock Exchange Limited (the Company) is incorporated in Jamaica as a public limited liability company. The main activities of the Company are the regulation and operation of a stock exchange and the development of the stock market in Jamaica. The Company performs the twin role of regulating participants in the stock market, and operating an efficient platform on which that market trades. The Company is domiciled in Jamaica with registered office at 40 Harbour Street, Kingston, Jamaica and is listed on the Main Market of the Jamaica Stock Exchange.

The Group comprises the Company and its wholly-owned subsidiaries as detailed below:

Subsidiaries	Principal Activity
Jamaica Central Securities Depository Limited (JCSD) and its wholly-owned subsidiaries, JCSD Trustee Services Limited (Incorporated July 21, 2008) and JCSD Trustee Services (Barbados) (Incorporated December 21, 2021).	To establish and maintain a Central Securities Depository (CSD) in Jamaica to facilitate the transfer of ownership of securities by book entry, including shares, stocks, bonds or debentures of companies and other eligible securities. Its subsidiaries JCSD Trustee Services Limited provides trustee custodianship and related services. JCSD Trustee Services (Barbados) Limited provides trustee custodianship and related services.

Both the JCSD and its subsidiaries JCSD Trustee Services Limited, are incorporated and domiciled in Jamaica. The JCSD Trustee Services (Barbados) incorporated in Barbados and has not commenced operations. The Company and its subsidiaries are herein referred to as the Group.

2. **Statement of compliance and basis of preparation**

(a) Statement of compliance:

The financial statements have been prepared in accordance and comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board and comply with the provisions of the Jamaican Companies Act.

(b) Adoption of new and revised International Financial Reporting Standards:

(i) **Standards and interpretations adopted during the year**

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after January 1, 2023. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

These new standards and amendments applied for the first time in 2023 and the nature and the impact of each new standard or amendment is described below.

- **IFRS 17 Insurance Contracts (effective January 1, 2023)**
  In May 2017, the IASB issued IFRS 17 Insurance Contracts (“IFRS 17”), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation, and disclosure. IFRS 17 replaces IFRS 4 Insurance Contracts. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance, and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply.

2. **Statement of compliance and basis of preparation (continued)**

(b) Adoption of new and revised International Financial Reporting Standards (continued)

(i) **Standards and interpretations adopted during the year *(continued)***

- **IFRS 17 Insurance Contracts (effective January 1, 2023) (continued)**
  The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of IFRS 17 is the general model, supplemented by:

  - A specific adaptation for contracts with direct participation features (the variable fee approach);
  - A simplified approach (the premium allocation approach) mainly for short-duration contracts.

  The Group does not have insurance contracts therefore the amendments did not have an impact on the consolidated financial statements.

- ***Amendments to IAS 8 - Definition of Accounting Estimates (effective January 1, 2023)***
  In February 2021, the Board issued amendments to IAS 8, in which it introduces a new definition of 'accounting estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

  The amendments had no impact on the consolidated financial statements.

- ***Amendments to IAS 1 and IFRS Practice statement 2 - Disclosure of Accounting Policies (effective January 1, 2023)***
  In February 2021, the Board issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures.

  The amendments aim to help entities provide accounting policy disclosures that are more useful by:

  - Replacing the requirement for entities to disclose their 'significant accounting policies' with a requirement to disclose 'material accounting policy information', and
  - Adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

  The amendments have not had a material impact on the Group's disclosures of accounting policies.

2. **Statement of compliance and basis of preparation (continued)**

(b) Adoption of new and revised International Financial Reporting Standards (continued)

(i) **Standards and interpretations adopted during the year *(continued)***

- ***Amendments to IAS 12 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective January 1, 2023)***
In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

  The amendments had no impact on the consolidated financial statements.

- ***Amendments to IAS 12 International Tax Reform- Pillar Two Model Rules (effective January 1, 2023)***
The amendments to IAS 12 have been introduced in response to the OECD's BEPs Pillar Two Rules and includes:

  - a mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two Model rules; and

  - disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.

  The mandatory temporary exception – the use of which is required to be disclosed – applies immediately. The remaining disclosure requirements apply for annual reporting periods beginning on or after January 1, 2023, but not for any interim periods ending on or before December 31, 2023.

  The amendments had no impact on the consolidated financial statements as the Group is not in scope of the Pillar Two Model rules.

(ii) ***Standards, interpretations and amendments to existing standards that are not yet effective and have not been early adopted by the Group***

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the consolidated and separate financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

- ***Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback (effective January 1, 2024)***
In September 2022, the Board issued Lease Liability in a Sale and Leaseback (Amendments to IFRS 16).

  The amendment to IFRS 16 Leases specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

2. Statement of compliance and basis of preparation (continued)

(b) Adoption of new and revised International Financial Reporting Standards (continued)

(ii) ***Standards, interpretations and amendments to existing standards that are not yet effective and have not been early adopted by the Group (continued)***

- ***Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback (effective January 1, 2024) (continued)***
  The amendment does not prescribe specific measurement requirements for lease liabilities arising from a leaseback. The initial measurement of the lease liability arising from a leaseback may result in a seller-lessee determining 'lease payments' that are different from the general definition of lease payments in Appendix A of IFRS 16. The seller-lessee will need to develop and apply an accounting policy that results in information that is relevant and reliable in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

  A seller-lessee applies the amendment retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application (i.e., the amendment does not apply to sale and leaseback transactions entered into prior to the date of initial application). The date of initial application is the beginning of the annual reporting period in which an entity first applied IFRS 16.

  Management is in the process of assessing the impact on the consolidated financial statements.

- ***Amendments to IAS 1 - Classification of Liabilities as Current and Non-current with Covenants (effective January 1, 2024)***
  In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

  - What is meant by a right to defer settlement
  - That a right to defer must exist at the end of the reporting period
  - That classification is unaffected by the likelihood that an entity will exercise its deferral right
  - That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification
  - Disclosures

  The amendments will have no impact on the consolidated financial statements.

- ***Amendments to IAS 7 and IFRS 7 - Disclosures: Supplier Finance Arrangements (effective January 1, 2024)***
  In May 2023, the Board issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures.

  The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

2. **Statement of compliance and basis of preparation (continued)**

(b) Adoption of new and revised International Financial Reporting Standards (continued)

(ii) ***Standards, interpretations and amendments to existing standards that are not yet effective and have not been early adopted by the Group (continued)***

- ***Amendments to IAS 7 and IFRS 7 - Disclosures: Supplier Finance Arrangements (effective January 1, 2024) (continued)***
  The amendments clarify the characteristics of supplier finance arrangements. In these arrangements, one or more finance providers pay amounts an entity owes to its suppliers. The entity agrees to settle those amounts with the finance providers according to the terms and conditions of the arrangements, either at the same date or at a later date than on which the finance providers pay the entity's suppliers.

  Management is in the process of assessing the impact on the consolidated financial statements.

- ***Amendments to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (deferred indefinitely)***
  In December 2015, the IASB decided to defer the effective date of the amendments until such time as it has finalised any amendments that result from its research project on the equity method. Early application of the amendments is still permitted.

  The amendments address the conflict between IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture.

  The amendments clarify that a full gain or loss is recognised when a transfer to an associate or joint venture involves a business as defined in IFRS 3 Business Combinations. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognised only to the extent of unrelated investors' interest in the associate or joint venture.

  The amendments will have no impact on the consolidated financial statements.

- ***Amendments to IAS 21 – Lack of exchangeability (effective January 1, 2025)***
  In August 2023, the Board issued Lack of Exchangeability (Amendments to IAS 21). The amendment to IAS 21 specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

  A currency is considered to be exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations.

  If a currency is not exchangeable into another currency, an entity is required to estimate the spot exchange rate at the measurement date. An entity's objective in estimating the spot exchange rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. The amendments note that an entity can use an observable exchange rate without adjustment or another estimation technique.

  The Group will assess the impact of adopting these amendments on the consolidated financial statements.

2. **Statement of compliance and basis of preparation (Continued)**

(c) Basis of measurement and functional currency

The Group's consolidated financial statements have been prepared on the historical cost basis, except for financial assets classified as fair value through profit and loss and fair value through other comprehensive income and freehold land and buildings that are measured at revalued amounts or fair values as set out in the accounting policies at Notes 3(h) and 3(d), respectively. Historical cost is generally based on the fair value of the consideration given in exchange for assets. Unless otherwise stated, the financial statements are presented in thousands of Jamaica dollars ($'000). The Jamaican dollar is the functional and presentation currency of the Group and Company.

(d) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the effective date of acquisition and up to the effective date of disposal as appropriate. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interest even if this results in the non-controlling interest having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss. It is then considered in the determination of goodwill.

2. **Statement of compliance and basis of preparation (Continued)**

(d) Basis of consolidation (continued)

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of IFRS 9, it is measured at fair value at each reporting date and changes in fair value shall be recognised in the profit and loss. Contingent consideration that is classified as equity is not re-measured and subsequent settlement is accounted for within equity.

(e) Accounting estimates and judgements

The preparation of the financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of, and disclosures related to, assets, liabilities, contingent assets and contingent liabilities at the reporting date and the income and expenses for the year then ended. The estimates and associated assumptions are based on historical experience and/or various other factors that are believed to be reasonable under the circumstances. Actual amounts could differ from these estimates.

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

Judgements made by management in the application of IFRS that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next financial year are discussed below:

- Allowance for credit losses

  The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held, if any, or other credit enhancements that are integral to the contractual terms.

  ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

  For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

2. **Statement of compliance and basis of preparation (Continued)**

(e) Accounting estimates and judgements (continued)

- Allowance for credit losses (continued)

  For debt instruments at fair value through OCI, the Group applies the general approach for calculating the ECL considers changes to the borrower and credit risk related variables such as changes in the probability of default (PD) and loss given default (GD), exposure amounts, collateral values, migration of default probabilities and internal credit risk ratings and supportable forward, looking information, including macroeconomic factors. It is the Group's policy to measure ECLs on such financial instruments at FVOCI and amortised cost on a 12-month basis.

  At year end, the loss allowance provision recognised in respect of trade receivables of the Group amounted to $81.41 million (2022: $60.55 million) and for the Company $13.69 million (2022: $9.09 million), in respect of repurchase agreements, $6.64 million (2022: $4.67 million) for the Group and $0.23 million (2022: $0.38 milion), in respect to cash and cash equivalents for the Group and for the Company nil (2022: $3.28 million for the Group and $3.29 million for the Company), in respect of certificates of deposit, $1.05 million (2022: $1.99 million) for the Group and $0.66million (2022: $0.33 milion) for Company and in relation to bonds measured at FVOCI, $2.29 million for the Group and $0.17million for the Company (2022: $1.82 million for the Group and $0.13 million for the Company).

- Fair value of financial instruments

  As described in Note 29, management uses its judgment in selecting appropriate valuation techniques to determine fair values of financial assets. Valuation techniques commonly used by market practitioners supported by appropriate assumptions are applied by the Group. The financial assets of the Group at the end of the reporting period stated at fair value determined in this manner amounted to $229.66 million (2022: $213.78 million) and $53.32 million for the Company (2022: $47.95 million) (Note 8).

  Had the fair value of these securities been 2% higher or lower the fair value reserve for the Group would increase/decrease by $4.59 million (2022: $4.28 million) and $1.06 million for the Company (2022: $0.96 million).

- Employee benefits
  As disclosed in Note 7, the Group operates a defined benefit pension plan. The retirement benefit asset disclosed in the consolidated statement of financial position for the Group is $164.36 million (2022: $186.11 million) and Company $135.28 million (2022: $134.08 million). The defined benefits plan is subject to estimates in respect of periodic costs which costs are dependent on returns on assets, future discount rates, rates of salary increases and inflation rate in respect of the pension plan.

  The estimated return on pension assets assumption is determined by considering long-term historical returns, asset allocation and future estimates of long-term investment returns. The Group estimates the appropriate discount rate annually which rate is used to determine the present value of estimated cash outflows expected to be required to settle the pension and post-retirement benefit obligations. Actuaries are contracted in this regard.

2. **Statement of compliance and basis of preparation (Continued)**

(e) Accounting estimates and judgements (continued)

- Employee benefits (continued)

  To determine the appropriate discount rate in the absence of high quality corporate bonds, the interest rate on government bonds that have maturities approximating the related pension liabilities was considered.

  Note 7(i) gives details of sensitivity analysis in respect of the above.

- Fair value of land and buildings

  Included in the statement of financial position are land and buildings with a carrying value of $1,155.90 million (2022: $941.00 million) at fair value as determined by an external valuator less accumulated depreciation (Note 4).

  The Group engaged an external valuation specialist to determine the appropriate valuation techniques and inputs for fair value measurements.

- Residual value and expected useful life of property and equipment

  The residual value and the useful life of each asset are reviewed at least at each financial year-end, and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate. The useful life of an asset is defined in terms of the asset's expected utility to the Group.

- Taxes

  Uncertainties exist with respect to the interpretation of tax regulations and the amount and timing of future taxable income. The Group establishes provisions, based on reasonable estimates taking cognizance of possible differing interpretations of tax regulations by the taxable entity and the relevant tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the Group.

  Deferred tax assets are recognized for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. (See Notes 18 and 24).

  It is reasonably possible, based on existing knowledge, that outcomes within the next financial year that are different from these assumptions could require a material adjustment to the carrying amounts reflected in the financial statements.

3. **Material accounting policies**

(a) Foreign currencies

The financial statements are presented in Jamaican dollars, the currency of the primary economic environment in which the Group operates (its functional currency).

In preparing the financial statements of the Group, transactions in currencies other than the Group's functional currency, the Jamaican dollar, are recorded at the rates of exchange prevailing on the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items, are recognised in profit or loss in the period in which they arise. The gain or loss on the change in fair value is treated in line with the recognition of the gain or loss on change in fair value of the item; i.e. translation differences on items whose fair value gain or loss is recognized in OCI or profit and loss are also recognized in OCI or profit or loss respectively.

(b) Current vs. non-current classification

The Group presents assets and liabilities in the consolidated statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3. **Material accounting policies (Continued)**

(c) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group's Board of Directors determines the policies and procedures for recurring fair value measurement, such as property, plant and equipment (specifically land and buildings).

External valuers are involved for valuation of significant assets, such as property, plant and equipment (specifically land and buildings). Involvement of external valuers is decided upon annually. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. At each reporting date, the Group analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies.

The Group, in conjunction with the external valuers, also compares each of the changes in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

3. **Material accounting policies (Continued)**

(c) Fair value measurement (continued)

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(d) Property and equipment

Land and buildings held for use in the supply of goods or services, or for administrative purposes, are stated in the statement of financial position at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the end of each reporting period.

Land and buildings held for use in the supply of goods or services, or for administrative purposes, are stated in the statement of financial position at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the end of each reporting period.

Any revaluation increase arising on the revaluation of such land and buildings is recognised in other comprehensive income and accumulated in property revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously expensed. A decrease in carrying amount arising on the revaluation of such land and buildings is recognised in profit or loss to the extent that it exceeds the balance, if any, held in properties revaluation reserve relating to a previous revaluation of that asset. Depreciation on revalued buildings is recognised in profit or loss. Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in property revaluation reserve is transferred directly to revenue reserve.

Furniture and fixtures, office equipment, computer hardware and motor vehicles held for use in the supply of services, or for administrative purposes, are stated in the consolidated statement of financial position at cost, less accumulated depreciation and impairment losses.

Properties in the course of construction for supply of goods and services or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees, and for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property and equipment when completed and ready for intended use.

3. **Material accounting policies (Continued)**

(d) Property and equipment (continued)

Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Freehold land and capital work-in-progress are not depreciated.

Depreciation is recognised so as to write off the cost of property and equipment (other than freehold land, land improvements and work-in-progress) less residual values, over their useful lives, using the straight-line method.

The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

(e) Intangible assets

(i) Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

(ii) Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit or loss when the asset is derecognised.

(f) Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

3. **Material accounting policies (Continued)**

(g) Impairment of tangible and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately in profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

(h) Employee benefit costs

Pension obligations

The Group operates a defined benefit pension plan. The cost of providing benefits is determined using the Projected Unit Credit Method with actuarial valuations being carried out at the end of each reporting period.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets, are recognised immediately in the statement of financial position with a corresponding debit or credit to retained earnings through the statement of profit or loss and other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

3. **Material accounting policies (Continued)**

(h) Employee benefit costs (continued)

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation under expenses in consolidated statement of profit or loss and other comprehensive income:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements
- Net interest expense or income

(i) Financial assets and liabilities

Financial assets comprise cash and cash equivalents, government securities purchased under resale agreements, investment securities, due from related parties and receivables. Financial liabilities comprise payables, contract liabilities and due to related parties.

(i) Recognition

The Group initially recognises financial instruments on the date at which the Group becomes a party to the contractual provisions of the instrument, i.e., the date that they are originated.

(ii) Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or have expired.

The Group enters into transactions whereby it transfers assets but retains either all or a portion of the risks and rewards of the transferred assets. If all or substantially all risks and rewards are retained, then the transferred assets are not derecognised. Transfers of assets with retention of all or substantially all risks and rewards include, for example, repurchase transactions.

3. **Material accounting policies (Continued)**

(i) Financial assets and liabilities (Continued)

(iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments
The initial recognition and subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost - Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the consolidated statement of profit or loss and other comprehensive income.
-
  - Fair Value through other comprehensive Income (FVOCI) - Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognized in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the consolidated statement of profit or loss.

  - Fair value through profit and loss (FVPL) - Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

The measurement of financial assets subsequent to initial recognition depends upon their classification as set out in Note 3(i)(iv) below.

Financial liabilities are measured at amortised cost after initial recognition, using the effective interest rate method, with interest expense recognised on an effective yield basis except where the recognition of interest would be immaterial.

3. **Material accounting policies (Continued)**

(i) Financial assets and liabilities (continued)

(iv) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss); and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Group reclassifies debt investments when its business model for managing those assets changes.

(v) Identification and measurement of impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. See Note 29(d) for further details.

Impairment losses on assets carried at amortised cost are measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against loans and receivables.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the statement of profit or loss, to the extent that the carrying value of the asset does not exceed its amortized cost at the reversal date.

3. **Material accounting policies (Continued)**

(i) Financial assets and liabilities (continued)

(v) Identification and measurement of impairment (continued)

Impairment losses on debt instrument securities measured at FVOCI are recognised by transferring the cumulative loss that has been recognised directly in other comprehensive income in equity to profit or loss. The cumulative loss that is removed from equity and recognised in profit or loss is the difference between the acquisition cost, net of any principal repayment and amortisation, and the current fair value, less any impairment loss previously recognised in profit or loss.

If, in a subsequent period, the fair value of an impaired debt security increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed, with the amount of the reversal recognised in profit or loss. However, any subsequent recovery in the fair value of an impaired FVOCI security is recognised in other comprehensive income.

(j) Repurchase and reverse repurchase agreements

Securities sold under agreements to repurchase the asset at a fixed price on a future date (repurchase agreements) and securities purchased under agreements to resell the asset at a fixed price on a future date (reverse repurchase agreements) are treated as collateralised financing transactions. In the case of reverse repurchase agreements, the underlying asset is not recognized in the Group's consolidated financial statements; in the case of repurchase agreements the underlying collateral is not derecognized from the Group's consolidated financial statements but is segregated as pledged assets. The difference between the sale/purchase and repurchase/resale price is treated as interest and accrued over the life of the agreements using the effective interest method.

(k) Investment in subsidiary

Investment in subsidiary is stated at cost in the separate financial statements of the Company.

(l) Taxation

Income tax expense represents the sum of tax current and deferred tax.

(i) Current tax

Current tax is based on taxable profit for the year. Taxable profit differs from the profit as reported in the consolidated statement of profit or loss and other comprehensive income because of items of income or expenses that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

3. **Material accounting policies (Continued)**

(l) Taxation (continued)

(ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

(iii) Current and deferred tax for the year

Current tax is accrued and recognised in profit or loss. Deferred taxes are recognised in net profit or loss except, when they relates to items that are recognised in other comprehensive income or directly in equity in which case the deferred taxes are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

3. **Material accounting policies (Continued)**

(m) Related party transactions and balances

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”, that is, the company).

(a) A person or a close member of that person’s family is related to the Company if that person:

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

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

(i) The entity and the Company 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.
(v) The entity is a post-employment benefit plan established for the benefit of employees of either the company or an entity 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).

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

(n) Revenue recognition

(i) Cess income

Cess income which is based on a percentage of the value of business done through brokers of the Group and derived from levies on investors, is accounted for on the accruals basis and is recognized at a point in time. There are no expected significant revenue reversals associated with this revenue stream.

(ii) Fee income

Fee income derived from annual listing fees charged to listed companies is accounted for on the accruals basis and is recognized over time. Fee income also includes initial listing fees paid by entities wishing to be listed on the Stock Exchange. These are accounted for when they become due. The annual listing fee is paid by entity listed on the stock exchange which gives them the privilege of their shares being traded on the exchange to provide them with capital.

Fee income of the subsidiaries include:

Membership fees
These are annual fees charged to the brokers and institutional investors who participate in the Jamaica Central Securities Depository (JCSD) and are accounted for on the accrual basis and recognized over time.

Account maintenance fees
These are monthly fees charged to the brokers and institutional investors who participate in the JCSD and are accounted for on the accrual basis and are recognized over time.

3. **Material accounting policies (Continued)**

(n) Revenue recognition (continued)

(ii) Fee income (Continued)

User fees
These include charges per transaction for deposits, withdrawals and delivery orders (trades), and are accounted for on the accrual basis and are recognized at a point time.

Trustee service fee
These include service fees charged for the provision of trustee services, company management, custodianship and related services and are accounted for on the accrual basis. Trustee services and company management are recognised over time. Retail repurchase fees are at a point in time. There are no expected significant revenue reversals associated with this revenue stream.

(iii) E-campus income

This represents revenue generated from JSE offering of post graduate certificate and diploma courses, to professionals and is accounted for on the accrual basis. The recognition pattern for E-campus income includes income recognised at a point in time and also over time.

(iv) Members/dealers license fee

These are fees levied on members/dealers annually. Additionally, an initial fee determined on the basis of a bid is payable by new dealers subject to approval by the Board of Directors. The recognition pattern for this income stream is over time.

(v) Other operating income:

This includes income related to other services and events of the Group such as website charges and conferences and is accounted for on the accrual basis.

(vi) Investment income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of the income can be measured reliably. Interest income is accrued on a time basis and is recognised in the statement of comprehensive income, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(o) Contract liabilities:

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract

4. **Property and equipment**

The Group

	Freehold land $'000	Freehold buildings $'000	Furniture & fixtures $'000	Office equipment $'000	Computer hardware $'000	Motor vehicles $'000	Work-in-progress $'000	Total $'000
Cost or fair value								
January 1, 2022	205,600	566,600	26,610	101,316	113,203	3,678	37,625	1,054,632
Additions	-	25,693	6,460	35,364	20,277	7,500	24,191	119,485
Disposal	-	-	-	-	(23,948)	-	-	(23,948)
Transfers	-	23,552	-	-	-	-	(23,552)	-
Reclassifications (Note 5)	-	-	141	32,436	4,610	-	-	37,187
Write off	-	-	-	-	-	-	(2,960)	(2,960)
Revaluation	20,100	99,455	-	-	-	-	-	119,555
December 31, 2022	225,700	715,300	33,211	169,116	114,142	11,178	35,304	1,303,951
Additions	-	27,175	1,539	21,935	13,526	-	25,274	89,449
Disposals	-	-	-	-	-	(3,678)	-	(3,678)
Transfers	-	34,790	-	-	-	-	(34,790)	-
Reclassifications (Note 5(a))	-	-	3,200	30,103	3,906	-	-	37,209
Revaluation	47,000	105,965	-	-	-	-	-	152,965
December 31, 2023	272,700	883,230	37,950	221,154	131,574	7,500	25,788	1,579,896
Depreciation								
January 1, 2022	-	-	15,597	77,422	87,959	3,678	-	184,656
Charge for year (Note 23)	-	14,165	2,064	13,888	15,605	375	-	46,097
Disposal	-	-	-	-	(23,557)	-	-	(23,557)
Revaluation	-	(14,165)	-	-	-	-	-	(14,165)
December 31, 2022	-	-	17,661	91,310	80,007	4,053	-	193,031
Charge for year (Note 23)	-	18,545	2,743	27,961	12,421	1,500	-	63,170
Disposal	-	-	-	-	-	(3,678)		(3,678)
Revaluation	-	(18,545)	-	-	-	-	-	(18,545)
December 31, 2022	-	-	20,404	119,271	92,428	1,875	-	233,978
Carrying amounts								
December 31, 2023	272,700	883,230	17,546	101,883	39,146	5,625	25,788	1,345,918
December 31, 2022	225,700	715,300	15,550	77,806	34,135	7,125	35,304	1,110,920

4. **Property and equipment (Continued)**

The Company

	Freehold land $'000	Freehold buildings $'000	Furniture & fixtures $'000	Office equipment $'000	Computer hardware $'000	Motor vehicles $'000	Work-in-progress $'000	Total $'000
Cost or fair value								
January 1, 2022	205,600	566,600	20,243	75,816	67,227	3,678	37,625	976,789
Additions	-	25,693	1,643	33,137	19,683	7,500	24,191	111,847
Disposals	-	-	-	-	(12,423)	-	-	(12,423)
Transfers	-	23,552	-	-	-	-	(23,552)	-
Reclassifications (Note 5)	-	-	141	32,436	4,610	-	-	37,187
Write off	-	-	-	-	-	-	(2,960)	(2,690)
Revaluation	20,100	99,455	-	-	-	-	-	119,555
December 31, 2022	225,700	715,300	22,027	141,389	79,097	11,178	35,304	1,229,995
Additions	-	27,175	945	12,417	10,585	-	25,274	76,396
Disposals	-	-	-	-	-	(3,678)	-	(3,678)
Transfers	-	34,790	-	-	-	-	(34,790)	-
Reclassifications (Note 5(a))	-	-	2,875	23,762	3,906	-	-	30,543
Revaluation	47,000	105,965	-	-	-	-	-	152,965
December 31, 2023	272,700	883,230	25,847	177,568	93,588	7,500	25,788	1,486,221
Depreciation								
January 1, 2022	-	-	11,287	55,036	49,509	3,678	-	119,510
Charge for year (Note 23)	-	14,165	1,442	11,587	11,028	375	-	38,597
Disposal	-	-	-	-	(12,119)	-	-	(12,119)
Revaluation adjustment	-	(14,165)	-	-	-	-	-	(14,165)
December 31, 2022	-	-	12,729	66,623	48,418	4,053	-	131,823
Charge for year (Note 23)	-	18,545	1,834	24,198	10,821	1,500	-	56,898
Disposals	-	-	-	-	-	(3,678)	-	(3,678)
Revaluation adjustment	-	(18,545)	-	-	-	-	-	(18,545)
December 31, 2023	-	-	14,563	90,821	59,239	1,875	-	166,498
Carrying amounts								
December 31, 2023	272,700	883,230	11,284	86,747	34,349	5,625	25,788	1,319,723
December 31, 2022	225,700	715,300	9,298	74,766	30,679	7,125	35,304	1,098,172

4. **Property and equipment (Continued)**

The Group's policy is to record its land and building at fair value. Consequently freehold land and buildings are included at valuation based on fair market value (See Note 3(d)) as expressed by external professional valuators, Easton Douglas Consultants Limited in December 2023.

The fair value was determined based on the cost approach that reflects the prices of properties comparable in quality and location.

Had the land and buildings been measured on a historical cost basis, their carrying amount would have been as follows:

	2023 $'000	2022 $'000
Freehold land	43,997	43,997
Freehold buildings	349,497	287,532

The following useful lives are used in the calculation of depreciation of property and equipment:

Buildings	-	40 years
Furniture and fixtures	-	10 years
Office equipment	-	5 years
Computer hardware	-	5 years
Motor vehicles	-	5 years

No depreciation is provided on freehold land, land improvements and work-in-progress.

Property revaluation reserve

The property revaluation reserve represents the fair value gains and losses arising on the revaluation of land and buildings that have been recognised in other comprehensive income.

	The Group and the Company	
	2023 $'000	2022 $'000
Balance at January 1	488,020	392,173
Net gain arising on revaluation of land and buildings	171,510	133,720
Deferred tax adjustments on buildings	(41,503)	(37,873)
Balance at December 31	618,027	488,020

5. Intangible assets

	The Group				The Company			
	Computer Software $'000	Computer Software Development Project $'000	Programmes Total $'000	Total $'000	Computer Software $'000	Computer Software Development Projects $'000	Programmes Total $'000	Total $'000
Cost								
1-Jan-22	239,240	86,283	-	325,523	179,344	70,158	-	249,502
Additions	21,729	80,725	3,055	105,509	6,844	37,434	3,055	47,333
Transfers	25,464	(25,464)	-	-	14,125	(14,125)	-	-
Reclassification (Note 4)	-	(37,187)	-	(37,187)	-	(36,557)	-	(36,557)
Write off	-	(940)	-	(940)	-	-	-	-
31-Dec-22	286,433	103,417	3,055	392,905	200,313	56,910	3,055	260,278
Additions	6,465	123,726	6,884	137,075	4,386	67,388	6,884	78,658
Reclassification (Note 5(a))	8,273	(45,789)	306	(37,210)	2,259	(35,313)	306	(32,748)
Write off	-	(3,949)	-	(3,949)	-	(3,130)	-	(3,130)
31-Dec-23	301,171	177,405	10,245	488,821	206,958	85,855	10,245	303,058
Amortisation								
1-Jan-22	153,481	-	-	153,481	106,611	-	-	106,611
Charge for the year	41,852	-	85	41,937	32,392	-	85	32,477
31-Dec-22	195,333	-	85	195,418	139,003	-	85	139,088
Charge for the year	50,588	-	1,538	52,126	35,072	-	1,538	36,610
31-Dec-23	245,921	-	1,623	247,544	174,075	-	1,623	175,698
Carrying amounts								
31-Dec-23	55,250	177,405	8,622	241,277	32,883	85,855	8,622	127,360
31-Dec-22	91,098	103,417	2,970	197,487	61,310	56,910	2,970	121,190

(a) In 2023, this represents for the Group, assets reclassified from intangibles to property and equipment of $37.21 million and for the Company, reclassifications of $30.54 million to property and equipment and transfers of $2.20 million to related companies.

(b) Amortisation of the computer software and programme costs are calculated based on an estimated useful life of 2 - 5 years. Amortisation is not calculated on computer software in development.

6. Investment in subsidiary

	The Company	
	2023 $'000	2022 $'000
Shares at cost in Jamaica Central Securities Depository Limited	61,000	61,000

(Expressed in Jamaican Dollars)

7. **Employee benefits**

The Group operates a defined benefit pension plan for its employees. The plan is open to all permanent employees and is administered by Victoria Mutual Pensions Management Limited. The plan is funded by employee contributions of 5% of pensionable salary, with an option for additional voluntary contributions of up to 8.4% of pensionable salary. The companies in the Group contribute to the plan at rates determined periodically by external actuarial valuations (currently 18.2% of pensionable salary) (2022: 15.7%) to meet the obligations of the plan.

Pension benefits are determined on the basis of 2% of final annual pensionable salary times pensionable years of service.

The Trustees administer an irrevocable trust for providing pensions and other benefits to employees of The Jamaica Stock Exchange Limited and Jamaica Central Securities Depository Limited (the employers). The benefits are provided in accordance with the provisions of the rules of The Jamaica Stock Exchange Superannuation Pension Plan (the Plan) (formerly Jamaica Stock Exchange Pension Scheme) and funding as recommended by the actuaries to meet past and future liabilities of the Plan.

Contributions are received from The Jamaica Stock Exchange Limited and Jamaica Central Securities Depository Limited on behalf of the employees who are eligible for membership. Management determines the level of contribution required to the Plan on the recommendation of the Trustees. The Trustees make and approve changes by the Investment Manager, Custodian/Trustee, Actuary, Plan Administrator and Investment Consultant; monitor and review performance of the Investment Manager at least quarterly; review the Plan's performance on a quarterly basis and approve any deviation from investment policy; review the actuarial valuation, changes in methods and assumptions and their impact upon the Plan; and review investment policies and principles at least annually.

Performance targets are set to achieve appropriate investment asset mix and diversification, rate of return above inflation and rate of return above a benchmark portfolio constructed on specified market indices and Government instruments. The primary objective of the Plan is to maximize the benefit paid to members at retirement through optimisation of returns on investments within constraint of risk exposure in the asset mix strategy. The asset mix of the Plan consists of long-term asset mix strategy with average equity content providing that the equity component is well diversified. The Plan is exposed to interest rate risk, inflation and changes in life expectancy for pensioners. Note 7(g) details the Plan’s exposure in respect of various financial assets.

The most recent triennial actuarial funding valuation was carried out at December 31, 2021, by Duggan Consulting Limited, a qualified actuary. The valuation indicated that the Plan was adequately funded with funding ration of 95% to finance past service liabilities. The present value of the defined benefit obligation and the related current service costs and past service costs have been measured using the projected unit credit method. In addition, an IAS 19 valuation was carried out as at December 31, 2023.

(a) Principal assumptions used for the purpose of the actuarial valuations:

Financial Assumptions

	2023	**2022**
Discount rate	11.0%	13.0%
Expected rate of future salary increases	9.0%	6.5%
Administrative expenses	1.5%	1.2%

The weighted average duration of the defined benefit obligation as at December 31, 2023 is 10.8 years (2022: 11.3 years) for the Group and 10.8 years (2022: 10.6 years) for the Company.

7. **Employee benefits (Continued)**

(a) Principal assumptions used for the purpose of the actuarial valuations: (continued)

Mortality
American 1994 Group Annuitant Mortality (GAM94) table with 5-year mortality improvement.

Demographic assumptions
Demographic assumptions include an assumed retirement age of 60 years for all employees (which is the normal retirement age). Assumptions regarding future mortality are based on American 1994 Corporation Annuitant Mortality (GAM94) table with 5-year mortality improvement. No assumption was made for termination and death prior to retirement.

(b) Amount included in the separate and consolidated statement of financial position in respect of the Plan:

	The Group		The Company	
	2023	**2022**	**2023**	**2022**
	$'000	**$'000**	**$'000**	**$'000**
Fair value of plan assets	1,013,170	880,655	708,549	624,454
Present value of defined benefit obligations	(848,807)	(542,151)	(573,268)	(384,428)
Effect of asset ceiling	-	(152,398)	-	(105,947)
Net asset in the statement of financial position	164,363	186,106	135,281	134,079

(c) Amounts recognised in profit or loss and other comprehensive income in respect of the Plan:

	The Group		The Company	
	2023	**2022**	**2023**	**2022**
	$'000	**$'000**	**$'000**	**$'000**
Items in profit or loss:				
Current service costs	13,033	27,253	9,226	15,175
Interest costs	69,731	62,300	49,709	42,915
Return on plan assets	(101,004)	(66,813)	(71,268)	(46,149)
Net expense (income) for the year recognised in profit	(18,240)	22,740	(12,333)	11,941
Items in other comprehensive income (OCI)				
Re-measurements change in demographic assumptions	131	-	(746)	-
Re-measurements loss/(gain) in financial assumptions	123,559	(345,847)	83,281	(224,575)
Re-measurements - Experience adjustments and change in asset ceiling	(14,660)	258,668	(31,327)	155,891
Total re-measurements for OCI	109,030	(87,179)	51,208	(68,684)
	90,790	(64,439)	38,875	(56,743)

7. Employee benefits (Continued)

(d) Movement in the net asset recognised in the separate and consolidated statement of financial position:

	The Group		The Company	
	2023	**2022**	**2023**	**2022**
	$'000	**$'000**	**$'000**	**$'000**
Net asset at start of year	186,106	62,388	134,079	43,403
Benefit expense	18,240	(22,740)	12,333	(11,941)
profit or loss and OCI	(109,030)	87,179	(51,208)	56,743
Contributions by Company	69,047	59,279	40,077	33,933
Net asset at end of year	164,363	186,106	135,281	122,138

(e) Changes on the present value of the defined benefit obligations:

	The Group		The Company	
	2023	**2022**	**2023**	**2022**
	$'000	**$'000**	**$'000**	**$'000**
Opening defined benefit obligations	542,151	729,370	384,428	507,417
Service cost	13,033	27,253	9,226	15,175
Interest cost	69,731	62,300	49,709	42,915
Members' contributions	43,294	38,261	25,430	23,224
Benefits paid/deferred benefits (net)	(11,881)	(8,591)	(4,225)	(3,827)
Re-measurements change in demographic assumptions	131	-	(746)	-
Re-measurements loss/(gain) in financial assumptions	123,559	(345,847)	83,281	(224,575)
Re-measurement loss	68,789	39,405	26,165	24,099
Closing defined benefit obligations	848,807	542,151	573,268	384,428

(f) Changes in fair value of plan assets:

	The Group		The Company	
	2023	**2022**	**2023**	**2022**
	$'000	**$'000**	**$'000**	**$'000**
Opening fair value of plan assets	880,655	791,758	624,454	550,820
Members' contributions	43,294	38,261	25,430	23,224
Employer's contributions	69,047	59,279	40,077	33,933
Interest income on plan assets	120,816	66,813	85,041	46,149
Benefits paid	(11,881)	(8,591)	(4,225)	(3,827)
Re-measurements – experience adjustment	(88,761)	(66,865)	(62,228)	(25,845)
Closing fair value of plan assets	1,013,170	880,655	708,549	624,454

7. **Employee benefits (Continued)**

(g) The fair value of Plan assets is analysed as follows:

	The Group		The Company	
	2023	**2022**	**2023**	**2022**
	$'000	**$'000**	**$'000**	**$'000**
Corporate bonds	295,371	295,059	206,760	209,220
Equity investments	349,953	297,729	244,966	211,113
Foreign currency bonds	55,381	72,442	38,767	51,367
Government of Jamaica securities	31,814	23,068	22,270	16,357
Repurchase agreements	58,366	11,040	40,856	7,828
Unit trust	101,868	94,204	71,308	66,798
Certificates of deposit	17,783	39,101	12,448	27,726
Others	104,867	48,012	73,407	34,045
Adjustment	(2,233)	-	(2,233)	-
Fair value of plan assets	1,013,170	880,655	708,549	624,454

(h) The history of experience adjustments is as follows:

	The Group Defined Benefit Pension Plan				
	2023	**2022**	**2020**	**2020**	**2019**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**
Present value of defined benefit obligation	(848,807)	(542,151)	(729,370)	(574,803)	(530,632)
Fair value of plan assets	1,013,170	880,655	791,758	677,232	660,742
Effect of asset ceiling	-	(152,398)	-	-	-
Surplus in the plan	164,363	186,106	62,388	102,429	130,110
Experience adjustments on plan liabilities	(34,798)	(304,297)	55,203	(33,468)	42,816
Experience adjustments on plan assets	88,761	64,720	15,384	92,190	(81,487)

	The Company Defined Benefit Pension Plan				
	2023	**2022**	**2021**	**2020**	**2019**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**
Present value of defined benefit obligation	(573,268)	(384,428)	(507,417)	(410,745)	(386,115)
Fair value of plan assets	708,549	624,454	550,820	483,939	480,789
Effect of asset ceiling	-	(105,947)	-	-	-
Surplus in the plan	135,281	134,079	43,403	73,194	94,674
Re-measurement gain/(loss) on obligation for OCI	(21,053)	(199,219)	30,096	(27,139)	31,354
Re-measurement gain/(loss) on assets for OCI	(62,228)	24,588	16,459	69,563	(62,673)

7. **Employee benefits (Continued)**

(i) Sensitivity analyses

1. Discount rate

	2023			
	Group		Company	
	1% decrease in Discount rate Assumption $'000	1% increase in Discount rate Assumption $'000	1% decrease in Discount rate Assumption $'000	1% increase in Discount rate Assumption $'000
Defined benefit obligation	115,689	(91,826)	68,687	(55,105)

	2022			
	Group		Company	
	1/2% decrease in Discount rate Assumption $'000	1/2% increase in Discount rate Assumption $'000	1/2% decrease in Discount rate Assumption $'000	1/2% increase in Discount rate Assumption $'000
Defined benefit obligation	591,003	(500,891)	416,658	(357,033)

2. Salary Assumption

	2023			
	Group		Company	
	1% decrease in Salary Assumption $'000	1% increase in Salary Assumption $'000	1% decrease in Salary Assumption $'000	1% increase in Salary Assumption $'000
Defined benefit obligation	52,230	(60,360)	29,659	(33,838)

	2022			
	Group		Company	
	1/2% decrease in Salary Assumption $'000	1/2% increase in Salary Assumption $'000	1/2% decrease in Salary Assumption $'000	1/2% increase in Salary Assumption $'000
Defined benefit obligation	(519,815)	567,113	(370,731)	399,587

7. **Employee benefits (Continued)**

(i) Sensitivity analyses (continued)

3. Actuarial losses on defined benefit obligation arising from:

	Group		Company	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Financial assumptions	(123,559)	345,847	(83,281)	224,575
Experience adjustments	88,761	(41,550)	52,228	(25,356)
Total actuarial (losses)/gain	(34,798)	304,297	(31,053)	199,219

The Group and the Company expect to make contributions of $136.30 million and $77.30 million, respectively, (2022: $84.50 million and $36.30 million, respectively) to the defined benefit plan during the next financial year.

The Plan assets do not include any of the Group's own financial instruments, nor any property occupied by or other assets used by the Group.

8. **Investment in securities**

(a) Non-current:

	The Group		The Company	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Investment in securities at FVOCI:				
Victoria Mutual Building Society FR 10% Note 2026 (2022:FR 7% note 2024)	54,671	49,625	-	-
GOJ US$ 8% Global Bond 2039 (nominal Value of US$540,000 for the Group and US$190,000 for the Company)	160,017	146,884	41,485	37,641
	214,688	196,509	41,485	37,641

Included in the investment balances above is interest receivable in the amount of $4.71 million for the Group and $1.62 million for the Company (2023: $4.78 million for the Group and $0.68 million for the Company).

(b) Current:

	The Group		The Company	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Investment in securities at FVOCI:				
GOJ variable rate benchmark investment Notes 8.16% (2023)	-	4,067	-	-
Investment in securities at FVPL:				
Investment in Unit Trust	14,977	13,209	11,841	10,308
	14,977	17,276	11,841	10,308

8. **Investment in securities (Continued)**

(c) Movement in investment in securities:

	The Group		The Company	
	2023 $'000	**2022 $'000**	**2023 $'000**	**2022 $'000**
The movement for the year in debt instrument financial assets is as follows:				
Balance at January 1	213,785	242,473	47,949	57,272
Additions	45,000	-	-	-
Foreign exchange gain	718	4,937	1,930	(578)
Investment premium/discount	(554)	(709)	(64)	(181)
Fair value gains/losses through OCI	17,652	(1,843)	2,083	(1,775)
Movement in fair value of debt instrument financial assets	2,064	(31,073)	1,428	(6,789)
Disposal of investments	(49,000)	-	-	-
Balance at December 31	229,665	213,785	53,326	47,949

9. **Long-term receivables**

These represent loans granted to employees predominantly for motor vehicle purchases. The loans are repayable by monthly installments and are for a period of 5 years. These loans carry an interest rate of 10% per annum. The current portion of these loans, due within twelve months from the end of the reporting period, amounting to $15.61 million (2022: $11.86 million) for the Group and $11.16 million (2022: $9.00 million) for the Company is included in other receivables (Note 11). Management has determined that any ECL on these loans would be immaterial to the consolidated financial statements.

Set out below is the movement in the loan receivables:

	The Group		The Company	
	2023 $'000	**2022 $'000**	**2023 $'000**	**2022 $'000**
Loans receivable	32,967	34,859	25,811	26,627
Less: Current portion included in receivables (Note 11)	(15,605)	(11,861)	(11,158)	(9,004)
Net long-term portion	17,362	22,998	14,653	17,623

10. **Related party transactions/balances**

(a) During the year, the Group and the Company had the following transactions with related parties in the normal course of business.

	The Group		The Company	
	2023 $'000	**2022 $'000**	**2023 $'000**	**2022 $'000**
Subsidiary				
Jamaica Central Securities Depository Limited				
Lease payments	-	-	4,109	4,109
Professional fees	-	-	2,403	3,118
Related party				
JSE Compensation Fund				
Administrative fee	23,117	24,352	23,117	24,352

(b) Amount due from/(to) related parties

	The Group		The Company	
	2023 $'000	**2022 $'000**	**2023 $'000**	**2022 $'000**
Amount due to related party:				
Jamaica Central Securities Depository Limited	-	-	(431,915)	(249,455)
JSE Compensation Fund	636	1,308	636	1,308
Jamaica Social Stock Exchange	6,328	3,309	6,328	3,309
	6,964	4,617	6,964	4,617

(c) Dividend received during the year

During the year, dividend of $88.0 million (2022: $243.80 million) was received from the Company's subsidiary (Note 20).

(d) Compensation of key management personnel

The remuneration of management during the year were as follows:

	The Group		The Company	
	2023 $'000	**2022 $'000**	**2023 $'000**	**2022 $'000**
Short-term benefits	129,836	122,683	68,997	65,114
Post employment benefits	19,218	15,325	9,991	7,984
	149,054	138,008	78,988	73,098

10. **Related party transactions/balances (Continued)**

(e) Loans to related parties

	The Group		The Company	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Loans to key management personnel	5,273	6,607	5,200	6,332

11. **Trade and other receivables**

	The Group		The Company	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Cess receivable	51,262	40,595	48,676	37,917
Fees receivable	247,373	160,919	-	-
E-campus	7,304	5,793	7,304	5,793
Registrar service fee	62,456	47,757	-	-
Other	70,572	64,154	52,481	44,825
	438,967	319,218	108,461	88,535
Less: Loss allowance (Note 29(d))	(81,411)	(60,553)	(13,689)	(9,088)
	357,556	258,665	94,772	79,447
Prepayments	49,556	40,310	17,308	12,540
	407,112	298,975	112,080	91,987

The average credit period on services is 30 days. No interest is charged on the trade and other receivables in accordance with the Group's policy.

12. **Government securities purchased under resale agreements**

The Group entered into repurchase agreements collaterised by the Government of Jamaica securities. These agreements may result in credit exposure in the event that the counterparties of these transactions are unable to fulfill their contractual obligations. The fair value of collateral pursuant to repurchase agreements is $347.78 million for the Group and $18.84 million for the Company (2022: $237.42 million for the Group and $18.35 million for the Company).

	The Group		The Company	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Jamaican dollar denominated	243,390	143,473	18,840	18,224
United States dollar denominated US$683,554 and $ NIL Company (2022: $626,487 Group and $Nil Company)	104,987	93,948	-	-
Interest receivable	3,410	1,664	183	163
Less: loss allowances (Note 29(d))	(6,642)	(4,673)	(234)	(38)
	345,145	234,412	18,789	18,349

12. **Government securities purchased under resale agreements (Continued)**

The weighted average effective interest rates on repurchase agreements held during the year were:

	The Group		The Company	
	2023	**2022**	**2023**	**2022**
	%	**%**	**%**	**%**
Jamaican dollar denominated	4.95	4.69	5.55	4.51
United States dollar denominated	2.20	2.47	-	-

13. **Cash and cash equivalents**

For the purpose of the consolidated statement of cash flows, cash and cash equivalents include cash on hand and in banks.

(a) Cash and cash equivalents

At the reporting date as shown in the statement of cash flows can be reconciled to the related items in the consolidated statement of financial position as follows:

	The Group		The Company	
	2023	**2022**	**2023**	**2022**
	$'000	**$'000**	**$'000**	**$'000**
Cash on hand and in banks	71,490	38,156	16,101	7,385
Certificates of deposit	169,779	161,754	-	-
Interest receivables	2,331	162	-	-
Less: loss allowance (Note 29(d))	(3,292)	(3,275)	-	-
	240,308	196,797	16,101	7,385

Cash at bank earns interest at floating rates based on daily bank deposit rates. Of the $71.49 million (2022: $38.16 million) for the Group and $16.10 million (2022: $7.39 million) for the Company, $7.09 million for the Group (2022: $3.94 million) and $0.49 million for the Company (2022: $0.27 million) are held in USD, with an interest rate of 0.05% (2022: 0.05%) for the Group and 0.05% (2022: 0.05%) for the Company, while $64.40 million (2022: $34.22 million) for the Group and $15.61 million (2022: $7.12 million) for the Company are held in JMD, and are non-interest bearing.

A letter of guarantee was established on December 25, 2002 in the amount of $10.00 million to be expired on December 25, 2025 in favour of Bank of Jamaica.

Certificates of deposit grouped with cash and cash equivalents days to maturity are 90 days or less.

13. **Cash and cash equivalents (continued)**

(b) Certificates of deposit

Certificate of deposits under this grouping days to maturity is greater than 90 days.

	The Group		The Company	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Certificates of deposit	43,205	115,438	32,281	31,640
Interest receivables	428	1,409	381	459
Less: loss allowance (Note 29(d))	(1,051)	(1,986)	(662)	(329)
	42,582	114,861	32,000	31,770

The Group entered into certificates of deposit collaterised by the VMBS mortgage portfolio and Citi Bank. These agreements may result in credit exposure in the event that the counter-parties of these transactions are unable to fulfill their contractual obligations.

The weighted average effective interest rates on certificates of deposit held during the year were:

	The Group		The Company	
	2023 %	2022 %	2023 %	2022 %
Jamaican dollar denominated	5.05	3.53	2.20	2.70

14. **Share capital**

	2023 $'000	2022 $'000
Authorised:		
2,400,000,000 ordinary shares of no par value (2020: 2,400,000,000)		
100,000,000 preference shares of no par value (2020: 100,000,000)		
Issued capital:		
701,250,000 ordinary stocks of no par value (2020: 701,250,000)		
Nil preference shares of no par value		
Issued capital:		
At January 1 and December 31 - ordinary stocks	238,146	238,146

15. Fair value reserve

The reserve represents the fair value adjustment relating to investment in securities (Note 8).

	The Group		The Company	
	2023	**2022**	**2023**	**2022**
	$'000	**$'000**	**$'000**	**$'000**
Balance at January 1	13,819	34,595	3,851	8,381
Net gain/(loss) arising on revaluation of FVOCI	17,652	(31,073)	2,083	(6,789)
Deferred tax adjustments on FVOCI:				
financial assets (Note 18)	(5,883)	10,357	(694)	2,263
Net impairment investments (Note 29(d))	471	(60)	(12)	(4)
	12,240	(20,776)	1,377	(4,530)
Balance at December 31	26,059	13,819	5,228	3,851

The fair value reserve represents the cumulative gains and losses arising on the revaluation of FVOCI financial assets that have been recognised in other comprehensive income, net of amounts reclassified to profit or loss when those assets have been disposed of or are determined to be impaired.

16. Revenue reserve – Non Distributable

In order to provide custody services to its clients, JCSD Trustee Services Limited (the "subsidiary") is required by the Financial Services Commission to have a minimum of $50 million as Non-Distributable Capital. Consequently, during the year ended December 31, 2015, in order to meet this requirement, the subsidiary received approval from the Board of Directors to transfer $48.37 million from Revenue Reserves to Revenue Reserves – Non-Distributable.

17. Revenue reserve

Reflected in the consolidated financial statements of the Group:

	2023	**2022**
	$'000	**$'000**
Parent company	321,558	402,365
Subsidiaries	1,365,403	1,031,323
Intercompany lease elimination	1,389	1,104
	1,688,350	1,434,792

18. **Deferred tax**

	The Group		The Company	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Deferred tax assets	54,373	61,541	41,538	35,173
Deferred tax liabilities	(265,982)	(225,421)	(244,057)	(201,083)
Net position at the end of the year	(211,609)	(163,880)	(202,519)	(165,910)

The movement in the net deferred tax position was as follows:

	The Group		The Company	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
At January 1	(163,880)	(106,904)	(165,910)	(100,499)
Credited/(Charged) to income for the year (Note 24)	(36,686)	(400)	(11,481)	(6,906)
Charged to equity	(5,160)	(66,933)	(24,434)	(60,768)
Charged to fair value reserve for the year (Note 15)	(5,883)	10,357	(694)	2,263
At December 31	(211,609)	(163,880)	(202,519)	(165,910)

The following are the deferred tax assets and deferred tax liabilities recognised by the Group during the year:

Deferred tax assets

	The Group			
	Accrued Vacation $'000	Tax Loss $'000	Capital Allowance in excess of Depreciation $'000	Total $'000
At January 1, 2022	10,567	-	37,834	48,401
Credited/(Charged) to income for the year	1,064	-	12,076	13,140
At December 31, 2022	11,631	-	49,910	61,541
Credited to income for the year	573	15,276	(23,017)	(7,168)
At December 31, 2023	12,204	15,276	26,893	54,373

18. **Deferred tax (Continued)**

Deferred tax assets (continued)

	The Company			
	Accrued Vacation $'000	**Capital Allowance in excess of Depreciation $'000**	**Tax Loss $'000**	**Total $'000**
At January 1, 2022	6,987	27,696	-	34,683
Credited to income for the year	1,107	(617)	-	490
At December 31, 2022	8,094	27,079	-	35,173
Credited/(Charged) to income for the year	(152)	(8,759)	15,276	6,365
At December 31, 2023	7,942	18,320	15,276	41,538

Deferred tax liabilities

	The Group				
	Interest receivable $'000	**Unrealised gains in investment in securities $'000**	**Retirement Benefit Asset $'000**	**Property Revaluation Reserve $'000**	**Total $'000**
January 1, 2022	(1927)	(17,293)	(20,798)	(115,287)	(115,305)
Charged to income for the year	(1,361)	-	(12,179)	-	13,540
Charged to equity for the year	-	-	(29,060)	(37,873)	(66,933)
Charged to fair value reserve (Note 15)	-	10,357	-	-	10,357
December 31, 2022	(3,288)	(6,936)	(62,037)	(153,160)	(225,421)
Credited/(Charged) to income for the year	(422)	-	(29,096)	-	(29,518)
Credited/(Charged) to equity for the year			36,343	(41,503)	(5,160)
Charged to fair value reserve (Note 15)	-	(5,883)	-	-	(5,883)
December 31, 2023	(3,710)	(12,819)	(54,790)	(194,663)	(265,982)

18. **Deferred tax (Continued)**

Deferred tax liabilities (continued)

	The Company				
	Interest receivable $'000	Unrealised gains in investment in securities $'000	Retirement Benefit Asset $'000	Property Revaluation Surplus $'000	Total $'000
January 1, 2022	(367)	(5,060)	(14,468)	(115,287)	(135,182)
Credited/(Charged) to income for the year	(65)	-	(7,331)	-	(7,396)
Credited/(Charged) to equity for the year	-	-	(22,895)	(37,873)	(60,768)
Credited to fair value reserve (Note 15)	-	2,263	-	-	2,263
December 31, 2022	(432)	(2,797)	(44,694)	(153,160)	(201,083)
Credited/(Charged) to income for the year	(376)	-	(17,470)	-	(17,846)
Credited/(Charged) to equity for the year	-	-	17,069	(41,503)	(24,434)
Credited to fair value reserve (Note 15)	-	(694)	-	-	(694)
December 31, 2023	(808)	(3,491)	(45,095)	(194,663)	(244,057)

Subject to agreement with the Taxpayer Audit and Assessment Department, loss available for indefinite carry forward and offset against future profits amount to approximately $45,828,000 for the Company (2022: Nil for the Company). A deferred tax asset was recognised in respect of this loss.

19. **Payables and accruals**

	The Group		The Company	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Trade payables	114,693	105,274	59,007	68,728
Accruals	66,204	69,024	43,945	46,103
Other payables	13,438	16,344	-	-
Payables and accruals	194,335	190,642	102,952	114,831

No interest is charged on the payables balance. The Group has financial risk management policies to ensure that all payables are paid within the agreed credit terms.

20. Other operating income

	The Group		The Company	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Regional conference	48,737	36,832	48,737	36,832
Administrative fee	23,117	24,352	23,117	24,352
Dividend income	-	-	88,000	243,800
Other	46,150	43,623	48,986	38,984
	118,004	104,807	208,840	343,968

Included in other income of the Company in an amount of $88 million (2022: $243.80 million) representing dividend income received from its subsidiary during the year.

21. Staff costs

	The Group		The Company	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Salaries and other employee benefits	664,861	536,469	321,057	254,020
Statutory contributions	53,326	73,283	13,000	27,716
Charge on pension plan (Note 7(c))	(18,240)	22,740	(12,333)	11,941
	699,947	632,492	321,724	293,677

22. Investment income

		The Group		The Company	
		2023 $'000	2022 $'000	2023 $'000	2022 $'000
(a)	Investment income includes:				
	Interest income	51,126	34,680	4,298	5,426
	Foreign exchange gain	10,800	(1,025)	3,245	487
	Investment premium/discount	(554)	(709)	(64)	(181)
	Fair value gain through profit and loss	2,064	(1,843)	1,428	(1,775)
		63,436	31,103	8,907	3,957
(b)	Investment income earned, analysed by category of financial asset is as follows:				
	Receivables at amortised cost (Loans and receivables)	22,974	20,477	1,963	2,896
	Debt instruments at FVOCI	40,462	10,626	6,944	1,061
		63,436	31,103	8,907	3,957

23. Profit before taxation

Profit before taxation is stated after taking account of the following:

	The Group		The Company	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Income:				
Interest	51,126	34,680	4,298	5,426
Expenses:				
Directors' fees	25,777	24,043	21,369	19,536
Key management emoluments	31,977	31,971	29,049	29,219
Audit fees	7,900	6,803	4,600	3,959
Depreciation of property and equipment	63,170	46,097	56,898	38,597
Amortisation of intangible assets	52,126	41,937	36,610	32,477

24. Taxation

Recognised in profit or loss

(i) The charge for the year represents

	The Group		The Company	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Current tax				
· Current tax charge	223,892	257,983	-	36,102
· Prior year under/(over) statement	6,419	931	3,663	262
Deferred tax (Note 18)	36,686	400	11,481	6,906
	266,997	259,314	15,144	43,270

(ii) The charge for the year is reconciled to the profit as per the statement of comprehensive income as follows:

	The Group		The Company	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Profit before tax	682,998	762,552	58,232	343,694
Tax at the domestic income tax rate of 33⅓%	227,666	254,184	19,411	114,565
Tax effect of items that are not deductible in determining taxable profits	20,808	14,504	21,403	7,730
Prior year (over)/understatement	6,419	931	3,663	262
Effect of income not taxable		-	(29,333)	(81,267)
Other	12,104	(10,305)	-	1,980
	266,997	259,314	15,144	43,270

25. Profit of the Group for the year

Reflected in the financial statements of the:

	The Group	
	2023 $'000	2022 $'000
Parent company	43,088	300,424
Subsidiaries	460,628	446,146
Less Dividend paid to parent company	(88,000)	(243,800)
Lease elimination	285	468
	416,001	503,238

26. **Earnings per stock unit**

The basic earnings per stock units is calculated by dividing the profit by the weighted average number of ordinary stock unit.

	The Group	
	2023	**2022**
Profit ($'000)	416,001	503,238
Weighted average number of ordinary stock units	701,250,000	701,250,000
Basic earnings per stock unit	$0.59	$0.72

27. **Segment reporting**

The Group's operations are organized into four main business segments as follows:

(a) Exchange operations – The operation and regulation of the stock exchange.
(b) JCSD services – Services in connection with transferring and holding of securities, shares, stocks, bonds, debentures and registrar services.
(c) Investments – Income derived from investing activities of the Group.
(d) Trustee, custodianship, company management and other activities.

The Group's operations are located solely in Jamaica.

	2023					
	Exchange operations $'000	**JCSD Services $'000**	**Investment other $'000**	**Trustees Services $'000**	**Eliminations $'000**	**Group $'000**
Over time	377,424	112,722	-	152,358	-	642,504
Point in time	553,004	510,476	63,436	668,407	(189,475)	1,605,848
Revenue - external	930,428	623,198	63,436	820,765	(189,475)	2,248,352
Segment result/ Profit before taxation	58,232	275,582	-	474,806	(125,622)	682,998
Taxation						(266,997)
Profit for the year						416,001
Other information						
Depreciation and amortisation	93,508	17,914	-	3,874	-	115,296
Assets						
Segment assets	1,934,139	903,855	-	995,755	(775,405)	(3,058,344)
Liabilities						
Segment liabilities	751,180	312,608	-	90,228	(714,621)	439,395
Capital expenditure	76,396	12,470	-	583	-	89,449

27. **Segment reporting (Continued)**

	2022					
	Exchange operations $'000	**JCSD Services $'000**	**Investment other $'000**	**Trustees Services $'000**	**Eliminations $'000**	**Group $'000**
Over time	308,887	94,620	-	159,806	-	563,313
Point in time	825,767	680,082	31,103	522,022	(460,822)	1,598,152
Revenue - external	1,134,654	774,702	31,103	681,828	(460,822)	2,161,637
Segment result/ Profit before taxation	343,694	446,759	-	351,076	(378,977)	762,552
Taxation	-	-	-	-	-	(259,314)
Profit for the year						503,238
Other information						
Depreciation and amortisation	71,073	12,811	-	4,149	-	88,033
Assets						
Segment assets	1,674,141	653,067	-	675,276	(394,938)	2,607,546
Liabilities						
Segment liabilities	541,759	127,320	-	49,098	(333,776)	384,401
Capital expenditure	148,395	2,936		4,702	-	156,033

28. **Commitments**

Capital commitments:

Capital commitments which were authorized and contracted for as at December 31, 2023, amounted to \$92.22 million for the Group and \$23.75 million for the Company in relation to expenditure associated with the implementation of data commercialization and short selling. (2022: \$131.04 million for the Group and Company \$63.10 million).

29. **Financial instruments**

(a) Capital risk management:

The capital structure of the Group consists of equity attributable to the shareholders of the parent company comprising issued capital, reserves, and retained earnings.

The Group's objectives when managing its capital structure, which is a broader concept than the equity on the face of the separate and consolidated statement of financial position are:

i) To safeguard the Group's ability to continue as a going concern so that it can continue to provide returns for stockholders and benefits for other stakeholders; and
ii) To maintain a strong capital base to support the business development.

The Group's overall strategy remains unchanged from 2022.

The Company is subject to externally imposed capital requirements (capital in excess of \$50 million). The subsidiary has complied with this requirement (Note 16).

29. **Financial instruments (Continued)**

(b) Financial risk management objectives

The Group's Investment Management Committee is responsible for recommending to the Board of Directors, through the Audit Committee, uniform investment decisions, policies and procedures for the operations of the Group. The Management Committee are to receive and review data on current market conditions and economic outlook; review various risk reports submitted including fair value, credit risk, liquidity risk, market risk, and review monthly report on portfolios and establish quarterly investment portfolio strategies. The Group does not enter into or trade financial investments, including derivative financial instruments for speculative purposes.

(c) Market risk

The Group's investment activities expose it primarily to the financial risks of changes in foreign currency exchange rates, interest rates and credit risk. The Group manages its risk through extensive research and monitors the risk exposures on the local and international markets.

There has been no change to the manner in which the Group manages and measures this risk.

Foreign currency risk management

The Group undertakes certain investment transactions denominated in currencies other than the Jamaican dollar. Exchange rate exposures are managed within approved policy parameters and maintaining a manageable balance in the types of investments.

The following balances held in United States dollars are included in these consolidated financial statements:

	The Group		The Company	
	2023 $'000	**2022 $'000**	**2023 $'000**	**2022 $'000**
Investment in securities	160,017	146,884	41,485	37,641
Government securities purchased under resale agreements	104,987	93,948	-	-
Cash and cash equivalents	7,092	3,940	495	270
	272,096	244,772	41,980	37,911

Sensitivity analysis

The Group's investment portfolio is exposed to the United States dollar. The Group's sensitivity to a 1% appreciation or 4% depreciation in the Jamaican dollar against the United States dollar is the sensitivity rate used when reporting foreign currency risk internally to the key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates.

29. **Financial instruments (Continued)**

(c) Market risk (Continued)

Sensitivity analysis (continued)

The sensitivity of the 1% (2022: 1%) appreciation or 4% (2022: 4%) depreciation in the Jamaican dollar against the United States dollar exposure would be a decrease in profit of the Group by $10.88 million (2022: $2.45 million) or an increase of $2.72 million (2022: $9.79 million) respectively; and for the Company, $0.42 million (2022: J$0.38 million) decrease or $1.68 million (2022: $1.52 million) increase.

The analysis is done on the same basis as 2022 and assumes that all other variables, in particular interest rate, remain constant.

Interest rate risk management

The Group's exposure to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note. Interest rate sensitivity analysis has been determined based on the exposure to interest rates for the Group's investment in securities at the end of reporting period as these are substantially the interest sensitive instrument impacting financial results. For floating rate financial assets and financial liabilities, the analysis assumes the amount outstanding at year end was outstanding for the whole year. A 25 (2022: 200) basis points increase or 25 (2022: 200) basis points decrease for local currency and 25 (2022: 50) basis points increase or 25 (2022: 50) basis points decrease for United States currency represents management's assessment of the reasonable possible change in interest rates.

Net effect on profit if market interest rates had been 200 basis points higher or lower for investment denominated in local currency and 50 basis points higher or lower for investments denominated in United States currency and all other variables were held constant is as follows:

	The Group		The Company	
	2023 **$'000**	**2022** **$'000**	**2023** **$'000**	**2022** **$'000**
Effect on profit increase 25 (2022: 200) basis points (J$)	1,202	369	127	249
Effect on profit decrease 25 (2022: 50) basis points (J$)	(1,202)	(1,477)	(127)	(997)
Effect on profit increase 25 (2022: 50) basis points (US$)	653	1,116	99	628
Effect on profit decrease 25 (2022: 50) basis points (US$)	(653)	(1,116	(99)	(628)

The Group's and the Company's sensitivity to interest rates has fluctuated during the current year as the Group had an changes in the number of variable rate financial instruments.

29. **Financial instruments (Continued)**

(d) Credit risk management

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group is guided by the investment policies and procedures of the Company. In relation to bank accounts and investment securities, the Group, as a policy, deals only with creditworthy counterparties, to minimise credit risk exposures. In addition, limits are assigned to various counterparties by the Group.

Trade receivables consist of broker members of the Group and accordingly mitigates against credit risk in relation to such receivables. In the case of other receivables, ongoing credit evaluation is performed on the financial condition of those receivables.

The carrying amount of financial assets recorded in the consolidated financial statements represents the Group's maximum exposure to credit risk.

	The Group		The Company	
	2023	**2022**	**2023**	**2022**
	$'000	**$'000**	**$'000**	**$'000**
Financial assets				
Debt investment financial assets	229,665	213,785	53,326	47,949
Long-term receivables	17,362	22,998	14,653	17,623
Trade and other receivables	357,556	258,665	94,772	79,447
Due from related parties	6,964	4,617	6,964	4,617
Government securities purchased under resale agreements	345,145	234,412	18,789	18,349
Certificates of deposit	42,582	114,861	32,000	31,770
Cash and cash equivalents	240,308	196,797	16,101	7,385
	1,239,582	1,046,135	236,605	207,140

Impairment of financial assets

The Group has three types of financial assets that are subject to the expected credit loss model:

- trade receivables
- debt investments carried at amortised cost, and
- debt investments carried at FVOCI.

While cash and cash equivalents, due from related parties and long-term receivables are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

Trade receivables

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

29. **Financial instruments (Continued)**

(d) Credit risk management (Continued)

Trade receivables (continued)

The expected credit loss rates are based on the payment profiles of sales over the period of 36 months and the corresponding historical credit losses experienced within this period. The historical rates are adjusted to reflect current and forward-looking information on the macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified Jamaica's GDP and the unemployment rate to be the most relevant factors and accordingly adjusts the historical loss rates based on the expected changes in these factors.

On this basis, the loss allowance as at December 31, 2023 and December 31, 2022 was determined as follows for trade receivables:

	The Group		The Company	
December 31, 2023	**Average Expected Credit Loss Rate**	**Adjusted Gross Carrying Amount $'000**	**Average Expected Credit Loss Rate**	**Adjusted Gross Carrying Amount $'000**
Current	0.05	200,407	0.02	58,543
30 - 60 days past due	0.08	90,255	0.05	23,621
61 - 90 days past due	0.07	32,733	0.13	2,903
91 – 180 days past due	0.3	49,232	0.26	7,155
More than 180 days past due	1.01	66,340	0.93	16,239
Total		438,967		108,461
Loss allowance (Note 11)		81,411		13,689

	The Group		The Company	
December 31, 2022	**Average Expected Credit Loss Rate**	**Adjusted Gross Carrying Amount $'000**	**Average Expected Credit Loss Rate**	**Adjusted Gross Carrying Amount $'000**
Current	0.06	171,297	0.02	62,366
30 - 60 days past due	0.09	60,655	0.09	7,149
61 - 90 days past due	0.19	13,874	0.18	3,039
91 – 180 days past due	0.36	28,013	0.38	4,295
More than 180 days past due	1.01	45,379	0.93	11,686
Total		319,218		88,535
Loss allowance (Note 11)		60,553		9,088

29. **Financial instruments (Continued)**

(d) Credit risk management (Continued)

The closing loss allowances for trade receivables as at December 31, 2023 reconcile to the opening loss allowance as follows:

	The Group		The Company	
	2023 $'000	**2022 $'000**	**2023 $'000**	**2022 $'000**
Opening loss allowance as at 1 January	60,553	78,307	9,088	17,683
Decrease in loss allowance recognised in statement of profit or loss	20,858	(3,942)	4,601	(424)
Allowance written off	-	(13,812)	-	(8,171)
At 31 December 2023 (Note 11)	81,411	60,553	13,689	9,088

All of the entity's debt investments at amortised cost and FVOCI are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months expected losses. The Group recognises the expected credit losses on the debt investments in the net impairment losses in the statement of profit and loss and OCI. Other instruments are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

Debt investments

The following table summarises the credit exposure of the Group and Company to businesses and government by sectors in respect of debt investments:

	The Group		The Company	
	2023 $'000	**2022 $'000**	**2023 $'000**	**2022 $'000**
Government of Jamaica	515,744	150,950	60,274	37,641
Corporate	269,466	570,749	43,841	60,427
	785,210	721,699	104,115	98,068

29. **Financial instruments (Continued)**

(d) Credit risk management (Continued)

The closing loss allowances for debt investment at amortised cost as at 31 December 2023 is as follows:

	The Group		The Company	
	2023 $'000	**2022 $'000**	**2023 $'000**	**2022 $'000**
Opening loss allowance as at 1 January	9,934	2,601	367	362
Increase in loss allowance recognised in statement of profit or loss (Note 12)	1,051	7,333	529	5
At 31 December 2023	10,985	9,934	896	367

Debt investments carried at FVOCI

The closing loss allowances for fair value through OCI as at December 31, 2023 is as follows:

	The Group		The Company	
	2023 $'000	**2022 $'000**	**2023 $'000**	**2022 $'000**
Opening loss allowance as at January 1	1,818	1,878	129	133
(Decrease)/increase in loss allowance recognized in other comprehensive income (Note 15)	471	(60)	(12)	(4)
	2,289	1,818	117	129

Change in loss allowance recorded in the statement of profit or loss

	The Group		The Company	
	2023 $'000	**2022 $'000**	**2023 $'000**	**2022 $'000**
Trade receivables	20,858	(3,942)	4,601	(424)
Debt securities at amortised cost	1,051	7,333	529	5
Debt securities at FVOCI	471	(60)	(12)	(4)
	22,380	3,331	5,118	(423)

29. **Financial instruments (Continued)**

(e) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate cash resources, banking facilities, and by continuously monitoring forecasts and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The following table details the Group's and the Company's contractual maturity for its non-derivative financial assets and financial liabilities. The tables below have been drawn up based on undiscounted contractual maturities of financial assets including interest that will be earned on those except where the Group and the Company anticipates that the cash flows will occur in a different period, and in the case of financial liabilities, based on the earliest date on which the Group and the Company can be required to pay.

	The Group						
	Weighted average effective Interest rate %	**Less than 1 month $'000**	**1 to 3 months $'000**	**3 months to 1 year $'000**	**1 to 5 years $'000**	**Over 5 years $'000**	**Total $'000**
2023							
Financial assets							
Non-interest bearing		81,990	798,713	-	-	-	880,703
Interest bearing							
Variable interest rate Instruments	5.12	208,818	254,699	47,591	32,928	-	544,036
Fixed interest rate Instruments	3.94	16,360	10,196	45,600	82,334	257,580	412,070
		307,168	1,063,608	93,191	115,262	257,580	1,836,809
Financial liabilities							
Non-interest bearing		160,577	33,758	-	-	-	194,335

	The Group						
	Weighted Average effective Interest rate %	**Less than 1 month $'000**	**1 to 3 months $'000**	**3 months to 1 year $'000**	**1 to 5 years $'000**	**Over 5 years $'000**	**Total $'000**
2022							
Financial assets							
Non-interest bearing		42,398	310,559	-	-	-	352,957
Interest bearing							
Variable interest rate Instruments	8.16	4,012	-	-	-	-	4,012
Fixed interest rate Instruments	4.55	234,489	213,630	90,738	95,822	238,680	873,359
		280,899	524,189	90,738	95,822	238,680	1,230,328
Financial liabilities							
Non-interest bearing		175,810	14,837	-	-	-	190,647

29. **Financial instruments (Continued)**

(e) Liquidity risk management (Continued)

	The Company						
	Weighted Average effective Interest rate %	**Less than 1 month $'000**	**1 to 3 months $'000**	**3 months to 1 year $'000**	**1 to 5 years $'000**	**Over 5 years $'000**	**Total $'000**
2023							
Financial assets							
Non-interest bearing		27,446	108,461	-	-	-	135,907
Interest bearing							
Variable interest rate	5.00	714	636	1,734	25,802	-	28,886
Fixed interest rate instruments	5.26	15,224	3,651	35,183	10,286	55,839	120,183
		43,384	112,748	36,917	36,088	55,839	284,976
Financial liabilities							
Non-interest bearing		102,955	-	-	-	-	102,955

	The Company						
	Weighted Average effective Interest rate %	**Less than 1 month $'000**	**1 to 3 months $'000**	**3 months to 1 year $'000**	**1 to 5 years $'000**	**Over 5 years $'000**	**Total $'000**
2022							
Financial assets							
Non-interest bearing		15,301	88,535	-	-	-	103,836
Interest bearing							
Variable interest rate	5.00	2,226	657	1,789	26,618	-	31,290
Fixed interest rate instruments	5.26	14,796	3,461	34,607	10,286	60,982	124,133
		32,323	92,653	36,396	36,904	60,982	259,258
Financial liabilities							
Non-interest bearing		114,831	-	-	-	-	114,831

(f) Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions have been used to measure the Group's financial instruments that are carried at fair value:

(i) Financial assets classified as debt instrument at FVOCI are measured at fair value using interpolated yields derived from quoted prices of similar instruments or broker quotes from market makers.

29. **Financial instruments (Continued)**

(f) Fair value of financial instruments (Continued)

(ii) The carrying amount of liquid assets and other assets maturing within one year is assumed to approximate their fair value. This assumption is applied to liquid assets and the other short-term elements of all other financial assets and financial liabilities.

No significant unobservable inputs were applied in the valuation of the Group's financial instruments classified as FVOCI and amortised cost.

(g) Fair value measurement recognised in the consolidated statement of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	The Group			
	2023			
	Level 1 $'000	**Level 2 $'000**	**Level 3 $'000**	**Total $'000**
Property and equipment (land and building)	-	-	1,155,930	1,155,930
Debt securities at fair value through profit or loss	-	14,977	-	14,977
Debt securities at fair value through other comprehensive income	-	214,688	-	214,688
	-	229,665	1,155,930	1,385,595

	The Group			
	2022			
	Level 1 $'000	**Level 2 $'000**	**Level 3 $'000**	**Total $'000**
Property and equipment (land and building)	-	-	941,000	941,000
Debt securities at fair value through profit or loss	-	4,067	-	4,067
Debt securities at fair value through other comprehensive income	-	209,718	-	209,718
	-	213,785	941,000	1,154,785

29. **Financial instruments (Continued)**

(g) Fair value measurement recognised in the separate statement of financial position (Continued)

	The Company			
	2023			
	Level 1 $'000	**Level 2 $'000**	**Level 3 $'000**	**Total $'000**
Property and equipment (land and building)	-	-	1,155,930	1,155,930
Debt securities at fair value through profit or loss	-	11,841	-	11,841
Debt securities at fair value through other comprehensive income	-	41,485	-	41,485
	-	53,326	1,155,930	1,209,256

	The Company			
	2022			
	Level 1 $'000	**Level 2 $'000**	**Level 3 $'000**	**Total $'000**
Property and equipment (land and building)	-	-	941,000	941,000
Debt securities at fair value through profit or loss	-	10,308	-	10,308
Debt securities at fair value through other comprehensive income	-	37,641	-	37,641
	-	47,949	941,000	988,949

Reconciliation of carrying amount for level 3 assets:

	The Group and Company	
	Level 3	
	2023 $'000	**2022 $'000**
Property and equipment (land and building) at 1 Jan 2023	941,000	772,200
Additions	61,965	49,245
Current year depreciation	18,545	14,165
Revaluation adjustments	(18,545)	(14,165)
Revaluation	152,965	119,555
	1,155,930	941,000

30. **Dividends**

During the year ended December 31, 2023, one dividend payment was declared by the Board of Directors.

- On April 27, 2023, a dividend of $0.128 per ordinary share was paid to shareholders. The total dividend paid was $89.76 million. (2022: April 25, 2022, a dividend of $0.275 per ordinary share was paid to shareholders. The total dividend paid was $192.8 million. August 30, 2022, a dividend of $0.16 per ordinary share was paid to shareholders. The total dividend paid was $112.20 million.)

31. **Compensation Fund**

The Jamaica Stock Exchange Limited Compensation Fund ("the Fund") was created by contributions of the Exchange's member-dealers for the purpose of compensating investors who may have suffered pecuniary loss as a result of a defalcation or fraudulent misuse of securities or document of title to securities. The Exchange fulfils its obligations under Sections 27 through 35 of the Securities Act by its administration of the Fund.

Section 27(2) of the Securities Act stipulates that "The assets of the Compensation Fund are the property of the recognised stock exchange but shall be –

(a) Kept separate from all other property; and
(b) Held in trust for the purposes specified in this part."

Accordingly, the assets and liabilities of the Fund are segregated from those of the Exchange and separate audited financial statements are produced for the Fund.

(a) Compensation Fund financial position

(i) Compensation Fund receipts
These are contributions by member dealers of the Stock Exchange, based on a percentage of the volume of business done by them through the Exchange, for maintaining the Contingency Reserve Fund. However, during the year there were no contributions by the member dealers as the Board was of the view that the reserve was adequate for the specific purpose.

(ii) Contingency reserve
This Fund is created out of surpluses for the purpose of providing some protection to the investing public should they suffer pecuniary loss as a result of defalcation or fraudulent misuse of securities or documents of titles to securities. Provisions in respect of the fund are in accordance with Sections 27 to 35 of The Securities Act.

At December 31, 2023, the Fund had total assets of $890.48 million (2022: $879.52 million) and net equity of $867.90 million (2022: $855.64 million).

32. **IFRS 15 Revenue from contracts with customers**

Disaggregation of revenue

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major service lines:

	The Group		The Company	
	2023	**2022**	**2023**	**2022**
	$'000	**$'000**	**$'000**	**$'000**
Cess fee	321,682	477,497	302,381	448,847
Fee income	1,704,227	1,544,155	378,204	306,833
E-campus	41,003	35,006	41,003	35,006
Other operating income	118,004	104,807	208,840	343,968
	2,184,916	2,161,465	930,428	1,134,654

Reconciliation of contract liabilities

Set out below us the reconciliation of contract liabilities with customers:

	The Group		The Company	
	2023	**2022**	**2023**	**2022**
	$'000	**$'000**	**$'000**	**$'000**
Opening balance	29,880	32,804	11,563	13,616
Additions during the year	646,504	560,390	379,655	306,834
Amount recognized as revenue	(642,933)	(563,314)	(377,424)	(308,887)
Ending balance	33,451	29,880	13,794	11,563

	The Group		The Company	
	2023	**2022**	**2023**	**2022**
	$'000	**$'000**	**$'000**	**$'000**
Revenue recognized that was included in the contract liability balance				
Fee income	639,661	558,471	374,581	304,044
E-campus	2,843	4,843	2,843	4,843
Other operating income	-	-	-	-
	642,504	563,314	377,424	308,887

32. **IFRS 15 Revenue from contracts with customers (Continued)**

Reconciliation of contract liabilities (continued)

Balance – Contract liabilities

	The Group		The Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
	33,451	29,880	13,794	11,563

Timing of revenue recognition:

	The Group		The Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
At a point in time	1,542,412	1,598,151	553,004	825,767
Over time	642,504	563,314	377,424	308,887
	2,184,916	2,161,465	930,428	1,134,654

Unsatisfied performance obligation

The following table shows unsatisfied performance obligations resulting from 105 contracts for the Group, 34 for the Company (2022: 100 contracts for the Group, 38 for the Company).

	The Group		The Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Aggregate amount of the transaction price allocated to 105 (2022:100) contracts that are partially or fully unsatisfied as at Dec 31	44,493	52,949	13,899	23,870

Management expects that 100% of the transaction price allocated to the unsatisfied contracts as of December 31, 2023, will be recognised as revenue during the next reporting period $44.49 million for the Group and $ 13.90 million for the Company (2022: $52.95 million for the Group and $23.87 million for the Company). The Group/Company amount disclosed above does not include variable consideration which is constrained.