



Jamaica Stock Exchange Monthly Regulatory Report November 2023

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Overview

This is the Jamaica Stock Exchange's (JSE) November 2023 Monthly Regulatory Report. The report gives a synopsis of the following regulatory activities:

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

The report also provides market education through its Market Awareness Page, which this month features information on Quarterly Financial Statements.

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

Member-Dealers' Reporting

In accordance with JSE Rule 209 (A) member-dealers are required to file Monthly Returns for the period ended October 31, 2023, by December 1, 2023. For the reporting period ended October 31, 2023, fourteen (14) member-dealers' Monthly Return fell due and were submitted on time.

In accordance with JSE Rule 209 (B) member-dealers are required to file Quarterly Returns for the period ended October 31, 2023, by December 1, 2023. For the reporting period ended October 31, 2023, one (1) member-dealer Quarterly Return fell due and was submitted on time.

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

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

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

Table 1

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

Listed Companies' Submissions

Listed Companies were required to file Unaudited Reports for the period ended September 30, 2023, by November 14, 2023. Listed Companies with year ended September 30, 2023, were required to file their Audited Reports by November 29, 2023. Listed Companies with year ended August 31, 2023, were also required to file Audited Reports by November 29, 2023. The filing statistics are represented in Table 2 below:

Table 2

Listed Companies' Financial Submissions								
November 2023					November 2022			
Reports	Total Due	Timely Filing	Late	Outstanding	Total Due	Timely Filing	Late	Outstanding/ Extension Relief*
Unaudited	76	72	4	0	77	69	8	0
Audited	5	2	0	3	4	3	0	1*
Annual	0	0	0	0	0	0	0	0

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

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

Market Surveillance and Compliance Activities

Market surveillance and compliance issues that were brought to the attention of the JSE for the month of November 2023 amounted to Twenty-two (22). For the comparative period in 2022, the JSE identified Twenty-three (23) issues. Further statistics of JSE's market surveillance and compliance activities are presented in Table 3 below.

Table 3

Market Surveillance & Compliance Log					
Total Issues		Issues Closed		Issues Unclosed	
Nov 2023	Nov 2022	Nov 2023	Nov 2022	Nov 2023	Nov 2022
22	23	19	16	3	7
Y-T-D '23	Y-T-D '22	Y-T-D '23	Y-T-D '22	Y-T-D '23	Y-T-D '22
263	298	251	267	12	31

List of Regulatory Breaches and Enforcement Actions

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

Table 4

#	Entity	Code	Rule	Details
1	iCreate Limited	JMC	JSE's Junior Market Rule Appendix 2, Part 4 (3) - Annual Report and Audited Financial Statements	The Company's Annual Report for the year ended December 31, 2022, which was granted an extension was filed on November 2, 2023. The Company's Annual Report was deemed to be late as it was submitted outside of the extension relief provided.
2	ISP Finance Limited	JMC	JSE's Junior Market Rule Appendix 2, Part 4 (3) - Annual Report and Audited Financial Statements	The Company's Annual Report for the year ended December 31, 2022, which was granted an extension is outstanding as at the end of November 2023.
3	Margarita ville (Turks) Limited	MMC	JSE Rule 409 - Annual Report	The Company's Annual Report for the year ended May 31, 2023, which became due on September 29, 2023, is outstanding as at the end of November 2023.
4	Express Catering Limited	JMC	JSE's Junior Market Rule Appendix 2, Part 4 (3) - Annual Report and Audited Financial Statements	The Company's Annual Report for the year ended May 31, 2023, which became due on September 29, 2023, is outstanding as at the end of November 2023.
5	Jamaican Teas Limited	JMC	Junior Mkt Listed Company-Violation - Junior Market Rule Appendix 2, Part 8- Section 9 (b) and 8 (C)	The Company provided notification on August 29, 2023, of dealings in its securities by a Director on August 9, 10, 11, 16, and 17, 2023. Given JSE Junior Market Rule Part 7, 9 (b), the notice to the Exchange was late.

6	Stanley Motta Limited	MMC	JSE Rule Appendix 7, Section 9 (b) and 8 (c).	The Company provided notification on October 4, 2023, of dealings in its securities by a director on August 15 and 25, 2023. Given the JSE Rules the notice to the Exchange was late. Consequently, the Company was subjected to JSE Rule Appendix 3, Section 16 (i).
7	iCreate Limited	JMC	Jnr Mkt Listed Co - Violation - Appendix 2, Part 8 (4) (b) and (8 (c) -	The Company provided notifications on August 18, 2023, and October 6, 2023, of dealings in its securities by a Director on August 17, 2023, and June 29, 2023. Given the rules the notices to the Exchange were late.
8	Honeybun Limited	JMC	Junior Mkt Listed Co. - Violation - JSE Rule Appendix 2, Part 4 (2) (a)(i) - Audited Annual Financial Statements	The Company's Audited Financial Statements for the year ended September 30, 2023, which became due on November 29, 2023, is outstanding as at the end of November 2023.
9	Tropical Battery Limited	JMC	Junior Mkt Listed Co. - Violation - JSE Rule Appendix 2, Part 4 (2) (a)(i) - Audited Annual Financial Statements	The Company's Audited Financial Statements for the year ended September 30, 2023, which became due on November 29, 2023, is outstanding as at the end of November 2023.
10	Ironrock Insurance Company Ltd	JMC	JSE's Junior Market Rule Appendix 2, Part 4, (1) (b) (i) - Quarterly Financial Statements.	The Company's 1st Quarter Financial Statements for the period ended March 31, 2023, that was initially filed with the JSE on June 15, 2023, reflected an error in reporting the Statement of Changes in Equity. The issue was deemed to be a breach of JSE Junior Market Rule Appendix 2, Part 4, (1) (b) (i) - Quarterly Financial Statements. The revised filing satisfied all concerns.

1. JMC - Junior Market Company

2. MMC - Main Market Company

3. M/D - Member-Dealer

4. O - Others

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

Quarterly Financial Statements

The rules of the JSE requires Listed Companies to prepare Quarterly Financial Statements that are prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), interpretations issued by the Standard Interpretation Committee of the IASB and recommendations by the Institute of Chartered Accountants of Jamaica (ICAJ). Quarterly Financial Statements must include:

1. The Top Ten Shareholder Listings and a list that details the shareholding of Directors, Senior management and their connected persons.
2. The signature of two (2) or more Directors of the company, which evidences the approval of the Board of the financial statements.
3. Any supplemental information which in the opinion of the Directors is necessary for a reasonable appreciation of the results of the quarter should be included in the financial statements. This provision is consistent with IAS 34 - Interim Financial Reporting, which will be discussed further in our next monthly report.

For further information on the above please refer to **JSE Main Market Rule 407 - Quarterly Financial Statements**, and **JSE Junior Market Rule Appendix 2, Part 4 (1) - Quarterly Financial Statements**.