

2007/2008 Annual Report



## Promoting Family Planning and Family Life Education







## MISSION STATEMENT

The mission of the National Family Planning Board is to ...enable individuals to achieve good reproductive health through the provision of high quality, voluntary Family Planning and family life education services implemented efficiently and effectively



RESEARCH CENTER FOR THE STUDY OF  
THE HISTORY OF THE UNITED STATES

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**NATIONAL FAMILY PLANNING BOARD**  
BRUNSON AVENUE, KINGSTON # 72483  
*Library*



## **MISSION STATEMENT**

The mission of the National Family Planning Board is to ...enable individuals to achieve good reproductive health through the provision of high quality, voluntary Family Planning and family life education services implemented efficiently and effectively



CLASSE DI SCIENZE FISICHE E MATEMATICHE  
E LETTERE E SCIENZE MISTE



## **ACKNOWLEDGEMENT**

The organisation acknowledges the hard work and commitment of members of staff, who have contributed significantly to the success of the various programmes that were executed during the period.

Members of Staff acknowledge with appreciation the funding provided for selected targeted activities by some international agencies.

The Directors and Staff regret the passing of the former Board Chairman Dr. Wynante Patterson who made her transition in February 2008 after a brief illness.





## MEMBERSHIP OF THE BOARD

In June 2006, the Board of Directors comprising of the following persons was appointed for three (3) years.

Dr. Wynante Patterson	-	Chairman
Dr. Tomlin Paul		
Dr. Karen Lewis-Bell		
Dr. Sandra Knight	-	
Mrs. Anya Gloudon-Nelson		
Ms. Keisha-Ann Burgher		
Mr. Andre Wedderburn		
Mrs. Jean Munroe		
Rev. Claudette Campbell		
Dr. Olivia McDonald	-	Executive Director
Mr. Gerald Wright	-	Staff Representative

Dr. Sandra Knight resigned in June 2007 for personal reasons.

Members of the Board tendered their resignation at the end of July 2007, in advance of the General Election held in September 2007.

Subsequent to September 2007, the Board's tenure was extended to 2008 January 31.

Notwithstanding the above, functions of the Board that were critical to the efficient administration of the organisation were continued during the fiscal year.

Four (4) monthly Board of Directors' meetings were held during the year.

## SUB-COMMITTEES OF THE BOARD

### 1. Audit & Finance

The committee is comprised of three Board Members, the Director of Finance and the Internal Auditor. In accordance with the Terms and Reference of the Audit Sub-Committee, four (4) meetings were held to address the following:

- the Internal Auditor's Report
- the financial statements and other financial reports

- the selection of External Auditors
- the audited statement for the financial year 2006/07 prepared by the external auditors

## **SUBCOMMITTEES OF THE BOARD CONT'D**

### **2. Publicity**

One meeting was held in July to discuss activities to celebrate the 40<sup>th</sup> Anniversary of the organisation, Family Planning Week, and the television production targeting teens 'Teen Seen'. The meeting was chaired by Dr. Tomlin Paul, Chairman.

## EXECUTIVE DIRECTOR'S REPORT

The Millennium Development Goals (MDGs) were established as common goals for the international community in the 21<sup>st</sup> Century. As such, the international community employs the MDGs as a framework for measuring development progress and achieving the goals by 2015.

A core strategy to achieve the MDGs is universal access to sexual and reproductive health services. This strategy influences the achievement of two of the eight goals. These include:

- Goal 5: Improve Maternal Health
- Goal 6: Combat HIV/AIDS

Family planning- a core component of sexual and reproductive health services- helps save women's and children's lives and preserves their health by preventing untimely and unwanted pregnancies, and reducing women's exposure to health risks associated with childbirth and abortion.

The programme ensures that high quality commodities, including male and female condoms for dual protection (pregnancy and STI/HIV prevention) are accessible and that the supply of these essential commodities is secure.

The present service delivery system is composed of several channels, which together deliver all the family planning services in Jamaica. The Ministry of Health is responsible for the services in some 340 H/Cs. However, to varying degrees, other types of service facilities participate in the system- employers through facilitating services in the workplace, private physicians, commercial pharmacies and Non-governmental organisations, example FAMPLAN, and Operation Friendship *inter alia*.

During the fiscal year, the Board established partnerships with these agencies by:

- Providing or assisting with the provision of services in the workplace, and/or
- Strengthening the capacity of other providers through collaboration in training

Complimentary programmes assisting the family planning activities include:

- Outreach activities by staff at targeted community events
- Parent education programmes some of which are implemented by the Board
- The National HIV/AIDS awareness programmes which support responsible sexual behaviour
- The Women's Centre of Jamaica Foundation whose programmes aim to delay pregnancies among adolescents and facilitate the return of teen mothers to schools
- Other youth-oriented reproductive health programmes

A major challenge during the fiscal year (like all other years) is that the propensity for accelerating momentum in the programme, especially in the area of mass media, is undermined by the unpredictability of the budget likely to be received.

## EXECUTIVE DIRECTOR'S REPORT CONT'D

Much of the budget is received for compensation of employees, leaving limited amounts for programmes. Additionally, ensuring contraceptive security requires funding of some J\$30M, and no funds were obligated in the approved budget for this line item. When costs could be recovered, the impact was not likely to be seen.

An inventory of 6 million condoms alone, costs USD180,000. This sum does not include other overseas charges for sampling and testing (to ensure that the quality meets the W.H.O standard); and local charges incurred in clearance, transportation and haulage.

Inflation rates coupled with the depreciation in the Jamaican dollar diminish the real value of monetary increases in budgetary allocation.

Despite the challenges, Jamaica ranks high in terms of the quantitative targets achieved.



**The former Chairman of the National Family Planning Board receiving a plaque from the Grabham (local Obstetric) Society in recognition of excellence in rationalisation of Population Growth, Family Life Development and Nation Building (2007)**

## INTRODUCTION

At the national level, a number of strategic objectives have been defined to guide the development of programmes and services for individuals.

These aim to:

1. **Expand access to existing but underused family planning options:**

- The prevention of unplanned pregnancies through increased acceptance of contraceptives which are not under the control of the user, and post coital methods could reduce maternal deaths and injuries caused by unsafe abortion.
- Quality family planning services, counselling and information could further reduce maternal deaths and injuries by up to a third.
- The ability of women to control their fertility is absolutely fundamental to women's empowerment and equality.

2. **Expand access to reproductive health information to adolescents and youth**

In order to protect and promote the right of adolescents to the highest attributable standard of health, adolescents need to be provided with appropriate, specific, accurate, user-friendly and accessible services to address effectively their sexual and reproductive health needs.

Programmes need to ensure that parents and persons with legal responsibilities are educated about and involved in the provision of sexual and reproductive health information to adolescents so that they can fulfill their rights and responsibilities toward adolescents.

3. **Expand access to reproductive health information to men**

Changes in men's knowledge, attitudes and behaviour are necessary conditions for achieving the harmonious partnerships of men and women

4. **Promote safe sexual behaviour, attitudes and practices to reduce the prevalence of STIs/HIV/AIDS**

The activities focus on preventive education, giving priority to high risk and vulnerable populations.

Through advocacy and policy initiatives, key capacity-building activities, health promotion/education, the Board and its stakeholders continue to collaborate in the implementation of activities to effect further reduction in unplanned pregnancies. Data to inform decision-making is collected through a monthly clinic reporting system and the use of research findings to improve the formulation of policies and the monitoring and evaluation of the programmes.

## ACHIEVEMENTS

During the fiscal year, the Board continued the implementation of its strategic objectives as outlined in the organisation's 5-year strategic plan 2006-2010. The strategic framework continues to improve the quality of life of the Jamaican people through enhanced reproductive health using the following strategic elements:-

### **Strategy 1: Expand access to existing but Underused FP options**

The strategy seeks to improve importance and correct use of underused methods such as sterilisation, intrauterine device and post coital contraceptive options for women.

The activities included the:

1. Provision of services in non-clinical setting-essentially the provision of services at the workplace. This initiative had services provided at 27 business facilities, during which, a total of 3500 persons were served.

In an effort to expand access to services, a review of the service was conducted. The review showed that the unit over the years has been adversely challenged by the withdrawal of several garment manufacturers from the Free Zone area in Kingston, where the majority of the female employees were in their reproductive years.

The service was later expanded to include the following outlets:

- JUTC 3 locations (Rockfort, Spanish Town, Portmore)
- Caribbean Broilers (Old Harbour)
- E-Services (Portmore)

2. Outreach activities to support counselling

The counsellor 'Marge Roper' provided support for individuals using a range of media:

- Telephone counselling service- (540 visits and 738 telephone calls)
- Advice column in the weekend Star which is published fortnightly. The columns provided responses to 103 letters and were cited as the source of referral for 444 of the telephone calls made for counselling.
- Radio call-in programme on Tuesdays during Hot 102's Disclosure programme

## THE MARGE ROPER COUNSELLING SERVICE PROMOTIONAL POSTER



### 3. Training of Service Providers and Caregivers

The training of service providers and caregivers through workshops continued as 1341 persons were trained as indicated below:

- 83 Private Sector physicians
- 106 Dental Nurses
- 23 NGO providers
- 155 Parents
- 134 CHA's
- 180 Males
- 109 CPE's
- 551 PHN's Midwives, Nurses & Practitioners

## **Training of Service Providers and Caregivers Cont'd**

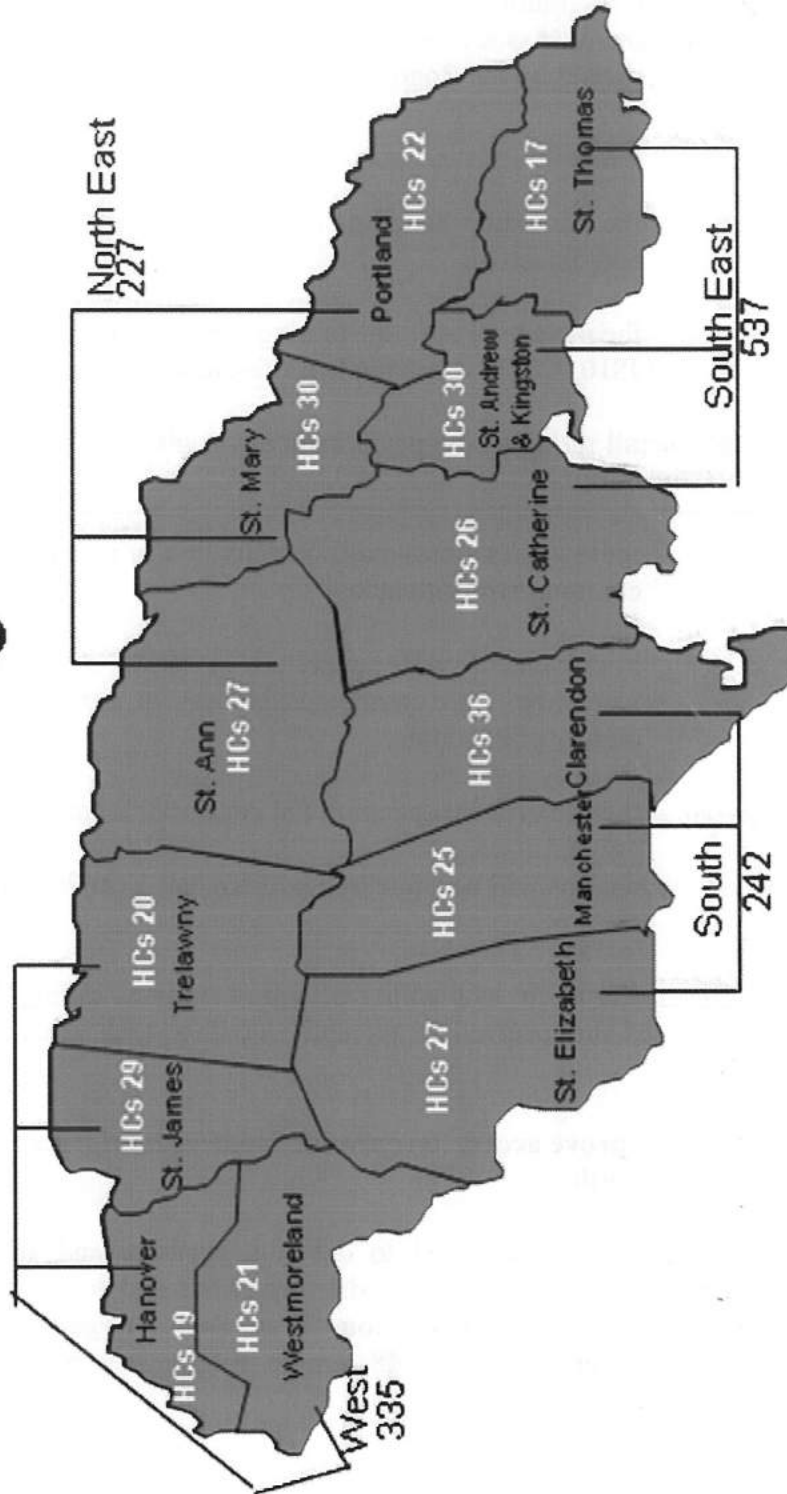
Topics presented were:

1. Reproductive Health Policy for Health Professionals – access to contraceptives by persons under 16 years
2. Overview of Contraceptive methods (Hormonal) - Update on methods and skills practice in placement of IUD
3. Emergency Contraception and Issues relating to voluntary interruption of pregnancy
4. Parental Care



# Number of persons trained by Health Region

FY07/08



HC = health care

An assessment of training programmes for 2006/07 was carried out by consultants, Trevor Hamilton & Associates to evaluate the operations, results and impact of the workshops conducted by the Board.

The report highlighted:

- the workshop handouts are very compatible with the Board's key goals and objectives.
- the per capita cost for training compares very favourably with about J\$10,000 for comparable professional training in the open market.

While the overall rating of the performance was given 97%, suggestions were made for improvements as per:-

- more workshops should be delivered in parenting and development of the community health aides
- improvement was suggested in areas such as needs assessment for workshops and comprehensiveness of certain topics addressed and the quality of handouts.
- the use of more spacious and comfortable training rooms

The recommendations will be addressed in Financial Year 2008/09's activities.

4. To ensure timely availability of contraceptives, during the fiscal year the Board procured and received contraceptives with a stock value of J\$31M.

#### **Strategy 2: Improve access to reproductive health information to adolescents and Youth**

- i) Outreach was mandated to develop, promote and support multi-channel IEC strategies to change sexual risk behaviour and reduce adolescent fertility. The popular television production 'Teen Seen', targeting teens continued for yet another year. Thirty-one 48 minute programmes were produced and aired. The issues addressed were:

- Safer Sex
- Too Young to be Stressed
- Stress, His & Hers: A Gender Perspective
- Sexual Urges of the Adolescent Male

- ii) Through continued advocacy initiatives on the guideline for access to contraceptives by minors, three workshops were held with sixty (60) dental health nurses and 23 NGO providers.
- iii) In expanding FP/FLE to adolescents through training of parents, one hundred and fifty-five (155) parents were recipients of training held at seven (7) workshops.

### **Strategy 3: Expand access to reproductive health information to men**

In collaboration with other agencies in different sectors, the organisation developed and implemented strategies to expand condom distribution through targeted community events. The following outreach activities were targeted:

1. The Sir Henry Morgan Angling Association
2. Valentine's Day street distribution- Kingston, Westmoreland and St. Ann
3. UWI/HIV AIDS Response Programme
4. Jamaica Football Federation (JEF)

In providing additional SRH educational material for young men, a DVD of a past male conference was produced with funding by the UNFPA. Footage from a forum held for males was also used in three of the "Teen Seen" programmes.

### **Strategy 4: Promote safe sexual behaviour, attitude and practices to reduce the Prevalence of STI's /HIV/AIDS**

The elements included:

1. Integrate Family Planning messages into STI/HIV/AIDS

In integrating family planning into STI/HIV/AIDS messages, NFPB participated in a presentation on "Contraceptive Counselling for persons living with HIV/AIDS" at the NHCP annual HIV Management workshop for an audience of 30 current and prospective health workers who are slated to work in the HIV treatment clinic. The attendees' areas of work were nutrition, pharmacy, nursing, clinical, contact investigation, social work, adherence counselling, dental, laboratory and medical health.

## 2. Utilisation and Coverage of the Public Sector Family Planning

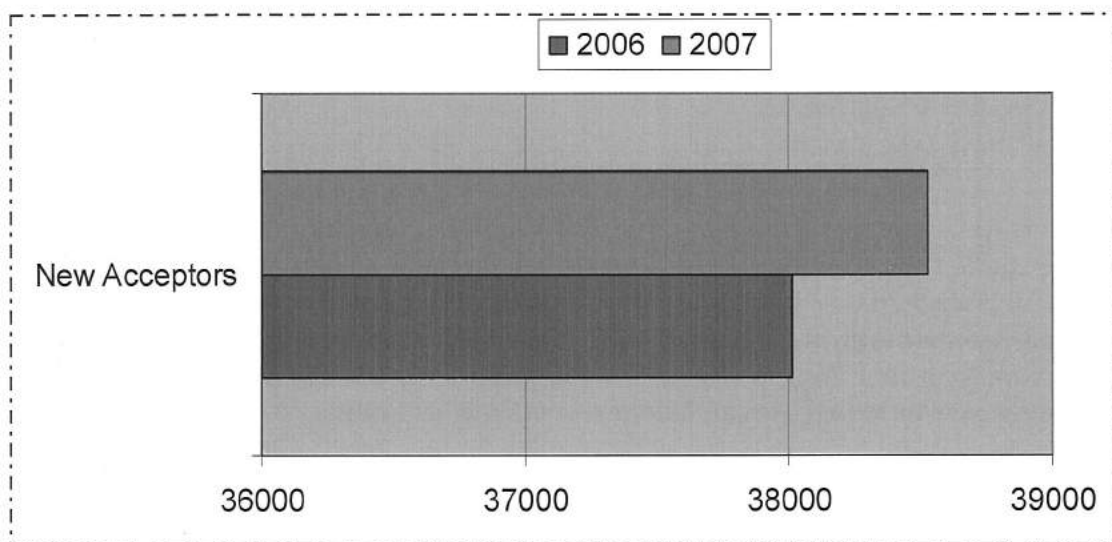
At the end of the calendar year 2007, the population of Jamaica was estimated to be approximately 2.7 million. The growth rate of 0.47 per cent remains within the targeted rate of less than 1 per cent.

The number of women in the reproductive age group (15 to 49 years), increased from 727,474 in 2006 to 736,187 in 2007. Trend analysis indicates that 69.43% of these women are in a union: 511,135. Applying the targeted contraceptive prevalence rate of 69.4% and the projection for public sector users, 111,042 persons should have sourced their contraceptives in the public sector.

The monthly clinic reporting records indicate that a total of 83,915 persons were served by the public sector. This figure is under-reported as, peripheral counts of contraceptives done at individual health centres supplied, indicated that based on the number of condoms distributed to clients, some 24,534 clients were not reported in the data supplied. An adjustment of the data, to correct for the under reporting, means that the target for the public sector may have been achieved or surpassed. It is difficult to decide as a per cent of the condom users (under reported) may have been using the condom as a secondary method for protection against sexually transmitted infections.

There were 38,527 new acceptors who sourced the method from the public sector. There is a slight increase of 1.4 percent when compared with 2006 (38,018).

**Figure 1: Total New acceptors, 2006 to 2007**



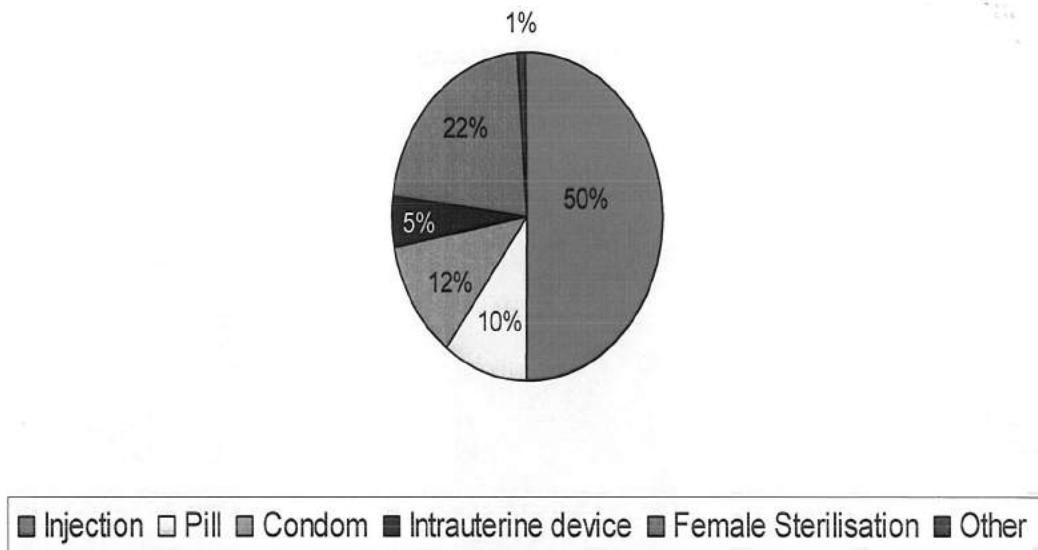
Most of the new acceptors to be recruited in the programme, will come from new entrants in the reproductive years. Research indicates that 2 per cent of the 15 to 24 age group source the method from a public sector facility. In 2007, among the under 20 female population, 7327 new acceptors were recruited. This represents approximately 6 percent of the target population, using the public sector.

The contraceptive method mix among total users is:

Users of the injection	50%
Pills	10%
Condoms	12%
Intrauterine device	5%
Female Sterilisation	22%
Other methods	1%

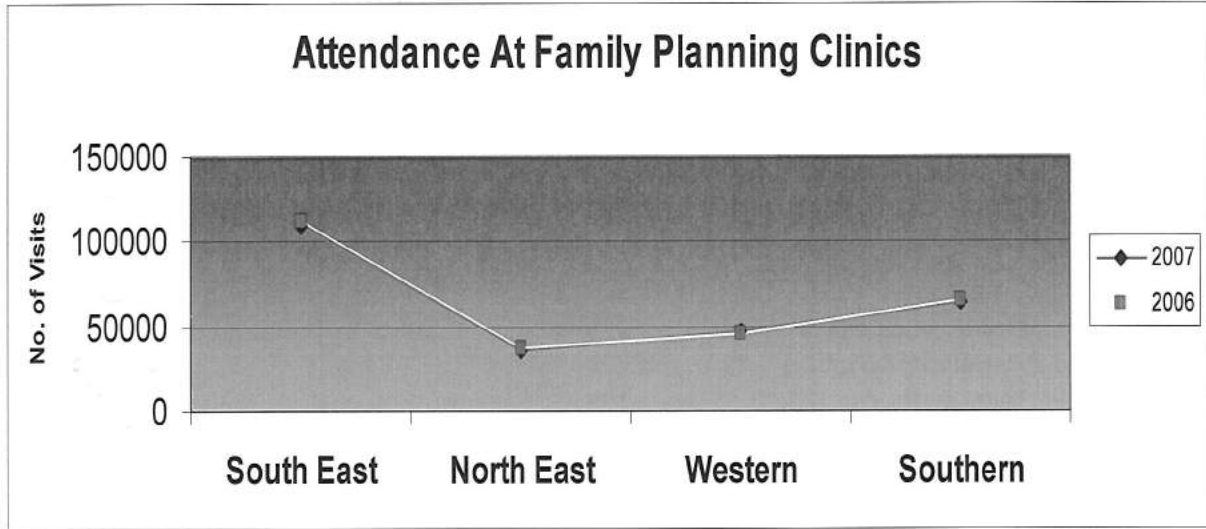
**Figure 2: Contraceptive Method Mix 2007**

**Contraceptive Method Mix**



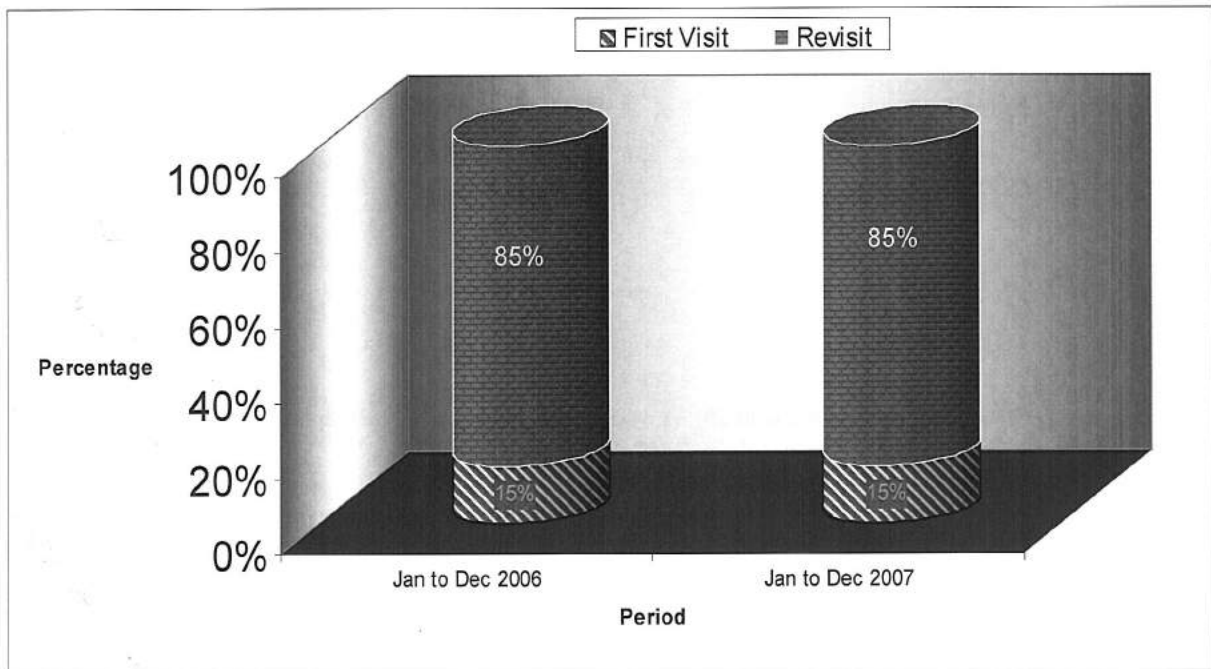
In 2007, the total attendance at public sector family planning facilities remained relatively unchanged as 258,013 total visits were reported compared with 258,083 recorded for the year 2006. The slight decline was seen among male clients as female attendance increased by 0.4 percent.

**Figure 3: Attendance at Family Planning Clinics**



Revisits continue to represent the greater proportion of attendance even though it has declined by less than 1 per cent (0.3%).

**Figure 4: Attendance at Family Planning Clinics by Type of Visit**



**Table2: Key indicators of family planning services in the public sector**

	<b>2007</b>	<b>2006</b>	<b>Difference %</b>
<b>Total attendance</b>	<b>258,013</b>	<b>258,083</b>	00
Male attendance	18,186	19,212	-5.3
Female attendance	239,827	238,871	+0.4
First visits	38,527	38,018	+1.3
Revisits	219,486	220,065	-0.3
Dual method users	54,585	45,782	+19
Post natal acceptors	24,273	24,329	-0.2

## 2. Research

### *i) The Reproductive Health Survey (RHS)*

The Statistical Institute of Jamaica (STATIN) commenced activities for the Reproductive Health Survey-the contract for which approval was given by Cabinet. This is the eighth in a series of periodic enquiries to update the measures of fertility and contraceptive use and other reproductive health issues among women aged 15-49 years and young men 15-24 years.

Pre-implementation activities for the Reproductive Health Survey were carried out during this period with the:

1. Development of the Sample Frame to determine the sample size
2. Inputs from stakeholders to achieve consensus on data needs.
3. Development of the questionnaire with the inclusion of two new modules

(Gender and Violence and HIV/AIDS and other STDs).

The inclusion of the HIV/AIDS module will provide updated information for Jamaica on the most recent international HIV/AIDS indicators used by USAID and UNAIDS.

4. Pretest training and fieldwork for the testing of the questionnaires
5. Training for a Programmer at STATIN in creating the Census and Survey Processing Systems data entry application for the questionnaires. The training was provided by the Centre for Disease Control in Atlanta.

***ii) Dual Method Use***

*A study to understand the social context in which individuals are making decisions for dual protection was conducted and completed at the end of the previous financial year. The findings were disseminated among public health nurses in the western and southern regional health authorities to complete dissemination at the regional level.*



*In this financial year, human resource and financial management was provided as support across all programme areas.*

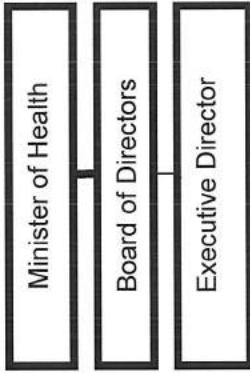
The Human Resource department implemented the following activities:-

- Performance Management Appraisal System-all staff felt that completing the exercise highlighted the importance of their role in the organisation, which they believed should enhance their performance
- Support for staff welfare, in the following areas:
  - A seminar for all staff was conducted, where the theme was “Believe in yourself and fulfilling your ultimate potential
  - Training and Development for four (4) staff members; and support to others in identifying courses for personal funding
  - A staff loan scheme was continued in keeping with guidelines approved by the Ministry of Finance and Planning
- The recognition of twenty-two (22) members of staff for services ranging from 5 to 36 years, at a luncheon. Trophies were presented to the staff of the year, and another staff member recognised for the Executive Director’s award.
- As is customary, monthly meetings were held with heads of units, senior staff, and a general staff meeting-quarterly.

The report of the financial statement provided by the external auditors is attached.

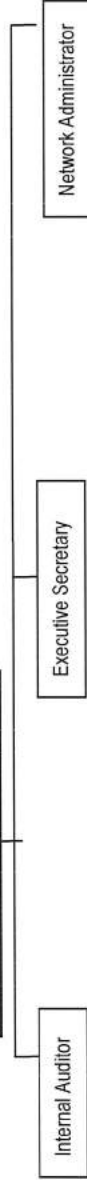


# NATIONAL FAMILY PLANNING BOARD



**MAJOR FUNCTIONS:**

- . Direction & monitoring of NFPB
- . Advising on policy positions
- . Development of strategies to achieve goals



**Outreach Programme**

- Director
- Secretary
- 2 Comm. Officers
- 1 Clinical Officer (Mobile Unit)
- 1 Information Officer (Marge Roper Counselling Services)

**MAJOR FUNCTIONS**

- Procurement & distribution of contraceptives
- Development & coordination of training programmes
- Development of information dissemination strategies to address Family Planning and reproductive health issues
- Reporting of monthly performance

**Policy Formulation Evaluation & Monitoring**

- Director
- Secretary
- Research Officer
- Library/Research Asst.
- Statistical Analyst
- 2 Field Officers

**MAJOR FUNCTIONS:**

- . Maintenance of all operating policies & procedures manual.
- . Monitoring & evaluation of the progress of National Family Planning programmes
- . Identification of Family Plng. Issues of attention
- . Assistance in the formulation of policy positions.
- . Assistance in the development of strategies to address issues.
- . Maintenance of appropriate information on reproductive health
- . Reporting of monthly performance

**Finance**

- Director
- Accounts Receivables
- A/C, Payable & Disbursement
- Accounts Clerk
- Cashier

**MAJOR FUNCTIONS:**

- Budgeting & monitoring resource usage
- Financial Management
- Reporting of monthly performance
- Maintenance of all operating policies & procedure manual

**Human Resource & Administration**

- Director
- Personnel and Administrative Officer
- Secretary
- Warehouse Manager
- 2 Warehouse Clerks
- 3 Drivers
- 2 Sidemen
- 1 Registrar
- 2 Records Clerk
- 1 Snr. Office Attendant
- 1 Telephone Operator

**MAJOR FUNCTIONS:**

- . Personnel management
- . Administration
- . Reporting of monthly Performance
- . Maintenance of all operating policies and procedures manual.



## **Appendix 11**

### **ACRONYMS**

<b>AIDS</b>	<b>Acquired Immunodeficiency Syndrome</b>
<b>ADSL</b>	<b>Asynchronous Digital Subscriber Line</b>
<b>CSPros</b>	<b>Census &amp; Survey Processing System</b>
<b>ECP</b>	<b>Emergency Contraceptive Protection</b>
<b>FP</b>	<b>Family Planning</b>
<b>FLE</b>	<b>Family Life Education</b>
<b>H/Cs</b>	<b>Health Clinics</b>
<b>HIV</b>	<b>Human Immunodeficiency Virus</b>
<b>HR</b>	<b>Human Resource</b>
<b>IEC</b>	<b>Information Education and Communication</b>
<b>IUCD</b>	<b>Intrauterine Contraceptive Device</b>
<b>MDGs</b>	<b>Millennium Development Goals</b>
<b>MOH</b>	<b>Ministry of Health</b>
<b>MCSR</b>	<b>Monthly Clinical Statistical Report</b>
<b>NFPB</b>	<b>National Family Planning Board</b>
<b>NGO</b>	<b>Non Government Organisation</b>
<b>RHS</b>	<b>Reproductive Health Survey</b>
<b>SRH</b>	<b>Sexual Reproductive Health</b>
<b>STI</b>	<b>Sexually Transmitted Infection</b>
<b>UNFPA</b>	<b>United Nations Population Fund</b>
<b>USAID</b>	<b>United Nations Agency for International Development</b>
<b>UNAIDs</b>	<b>United Nations Programme on HIV/AIDS</b>
<b>WHO</b>	<b>World Health Organisation</b>

### Appendix III

#### EMPLOYEE COMPENSATION

Below is the compensation package of the principal officers of the National Family Planning Board for the period April 1, 2007 to March 31, 2008

<b>TITLE</b>	<b>GRADE</b>	<b>TOTAL</b>
Executive Director	SEG 5	2,811,708.00
Director, Human Resource and Administration	SEG 1	1,076,895.00
Director, Policy Formulation, Monitoring & Evaluation	SEG 3	1,697,764.00
Director, Outreach	MCG/IE 5	1,326,060.00
Director, Finance	FMG/PA 2	1,463,722.00
Communication Officer (Production)	MCG/IE 4	1,103,817.00
Communication Officer (Writer)	MCG/IE 4	1,076,895.00
Personnel & Administrative Officer	GMG/AM 4	1,007,525.00
Training Officer 1	SEG 1	1,218,408.00
Training Officer 2	SEG 1	1,025,004.00
Internal Auditor	FMG/AM 3	876,461.00
Warehouse Manager	GMG/AM 3	901,342.00
Network Manager	MIS/IT 5	1,321,476.00

**National Family Planning Board  
Financial Statements  
Year Ended March 31, 2008**

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Chartered Accountants

## Independent auditors' report

**To the Directors of  
National Family Planning Board**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of National Family Planning Board, which comprise the balance sheet as at March 31, 2008, and the income statement, statement of changes in reserves and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

#### *Board's Responsibility for the Financial Statements*

The Board's management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and the National Family Planning Act. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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Member of Grant Thornton International

Partners: Kenneth L. Lewis  
Morsia E. Francis. Sixto P. Coy

## Independent auditors' report (cont'd)

To the Directors of  
National Family Planning Board

### Report on the Financial Statements (cont'd)

#### *Auditors' Responsibility (cont'd)*

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### *Modification on Grounds of Noncompliance with IAS 2 - Inventories*

Inventories included in the financial statements are stated at cost. However, IAS 2 requires inventories to be valued at the lower of cost and net realisable value (NRV). Due to the fact that inventories were acquired to be sold at a nominal value or no charge, it is impractical to calculate NRV.

#### *Opinion*

Except for the matter noted above, in our opinion, the financial statements give a true and fair view of the financial position of the Board as at March 31, 2008, and of the Board's financial performance, changes in reserves and cash flows for the year then ended in accordance with International Financial Reporting Standards.

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, and the financial statements are in agreement with the accounting records, and give the information required by the National Family Planning Act in the manner so required.

Kingston, Jamaica

August 22, 2008



Chartered Accountants

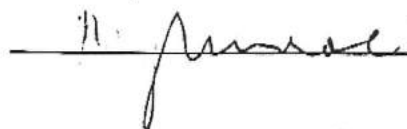
National Family Planning Board  
Financial Statements  
March 31, 2008


## Balance sheet

	Note	2008 \$	2007 \$
<b>Assets</b>			
<b>Non-current assets</b>			
Property and equipment	(5)	51,338,288	36,890,196
		<b>51,338,288</b>	<b>36,890,196</b>
<b>Current assets</b>			
Inventories	(6)	31,207,813	34,293,878
Receivables	(4 & 7)	7,007,650	6,990,568
Prepayments		316,676	382,224
Taxation recoverable	(8)	4,300,831	4,451,250
Short-term investments	(4 & 9)	142,692,372	132,001,691
Bank and cash	(4 & 10)	32,843,400	42,476,120
		<b>218,368,742</b>	<b>220,595,731</b>
<b>Total assets</b>		<b>269,707,030</b>	<b>257,485,927</b>
<b>Reserves, funds and liabilities</b>			
<b>Reserves</b>			
Capital reserve	(11)	18,956,297	18,956,297
Revaluation reserve	(12)	54,706,520	37,661,312
Accumulated surplus/(deficit)		10,095,354	(1,247,740)
<b>Total reserves</b>		<b>83,758,171</b>	<b>55,369,869</b>
<b>Funds</b>			
CDC	(13)	84,987,057	79,979,995
Donation	(14)	90,203,224	110,699,053
Reproductive health and other projects	(15)	1,941,006	5,235,368
Revolving loan interest	(16)	127,815	112,526
		<b>177,259,102</b>	<b>196,026,942</b>
<b>Current liabilities</b>			
Payables and accruals	(4 & 17)	8,689,757	6,089,116
		<b>8,689,757</b>	<b>6,089,116</b>
<b>Total funds and liabilities</b>		<b>185,948,859</b>	<b>202,116,058</b>
<b>Total reserves, funds and liabilities</b>		<b>269,707,030</b>	<b>257,485,927</b>

The attached notes on Statement VI form an integral part of these financial statements.

Approved for issue by the Board of Directors on August 22, 2008 and signed on its behalf by:

 Director

 Director  
Andre Wedderburn

National Family Planning Board  
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Year Ended March 31, 2008

## Income statement

	<u>Note</u>	<u>2008</u> \$	<u>2007</u> \$
<b>Income</b>	(3c)		
Government grants		57,331,000	49,786,264
Sale of contraceptives		2,442,744	3,626,591
CDC operations receipts	(13)	7,425,564	7,182,924
Donation operations receipts	(14)	26,733,012	26,183,823
Reproductive health and other projects receipt	(15)	15,634,740	11,687,842
Other	(18)	1,470,051	2,876,693
		<b>111,037,111</b>	<b>101,344,137</b>
CDC operations expenses	(13)	(2,418,502)	(649,248)
Donation operations expenses	(14)	(16,459,819)	(9,951,177)
Reproductive Health and other projects expenses	(15)	(17,598,087)	(12,796,385)
Administrative and other overhead expenses		(72,655,203)	(71,244,210)
Net change in contraceptive stock		(7,999,229)	(11,106,884)
<b>Operating deficit for the year</b>		<b>(6,093,729)</b>	<b>(4,403,767)</b>
Loss on disposal of equipment		(2)	(43,743)
<b>Deficit for the year before transfers</b>		<b>(6,093,731)</b>	<b>(4,447,510)</b>
Transfer of surplus from CDC operations	(13)	(5,007,062)	(6,533,676)
Net transfer of surplus from/(to) Donation Fund	(14)	20,495,829	(16,232,646)
Transfer of deficit from Reproductive Health and other projects	(15)	1,963,347	1,108,543
Transfer of interest to revolving loan interest fund	(16)	(15,289)	(10,535)
<b>Surplus/(deficit) for the year</b>	(19)	<b>11,343,094</b>	<b>(26,115,824)</b>

The attached notes on Statement VI form an integral part of these financial statements.

National Family Planning Board  
 Financial Statements  
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## Statement of changes in reserves

	Capital reserve	Revaluation reserve	Accumulated surplus/(deficit)	Total
	\$	\$	\$	\$
<b>Balance at March 31, 2006</b>	18,956,297	37,661,312	24,868,084	81,485,693
<b>Changes in reserves for 2007</b>				
Deficit for year 2007 being total recognised income and expenses	-	-	(26,115,824)	(26,115,824)
<b>Balance at March 31, 2007</b>	18,956,297	37,661,312	(1,247,740)	55,369,869
<b>Changes in reserves for 2008</b>				
Surplus on revaluation of buildings (Note 12)	-	17,045,208	-	17,045,208
Surplus for year 2008	-	-	11,343,094	11,343,094
<b>Total recognised income and expenses for year 2008</b>	-	17,045,208	11,343,094	28,388,302
<b>Balance at March 31, 2008</b>	18,956,297	54,706,520	10,095,354	83,758,171

The attached notes on Statement VI form an integral part of these financial statements.

National Family Planning Board  
 Financial Statements  
 Year Ended March 31, 2008

## Statement of cash flows

	<u>2008</u>	<u>2007</u>
	\$	\$
<b>Cash flows from operating activities:</b>		
Surplus/(deficit) for the year	11,343,094	(26,115,824)
Surplus from CDC operations (Note 13)	5,007,062	6,533,676
Net transfer (from)/to Donation Fund (Note 14)	(20,495,829)	16,232,646
Deficit from Reproductive Health and other projects (Note 15)	(1,963,347)	(1,108,543)
Revolving Loan Interest Fund (Note 16)	15,289	10,535
Adjustments for:		
Depreciation	2,951,521	3,654,308
Loss on disposal of property and equipment	2	43,743
Interest income	(14,642,138)	(15,430,479)
	<b>(17,784,346)</b>	<b>(16,179,938)</b>
Decrease/(increase) in inventories	3,086,065	(9,132,544)
Decrease/(increase) in receivables	229,215	(75,401)
Decrease/(increase) in prepayments	65,548	(40,245)
(Increase)/decrease in short-term investments	(10,690,681)	18,153,736
Increase/(decrease) in payables and accruals	2,600,641	(4,449,405)
<b>Cash used in operations</b>	<b>(22,493,558)</b>	<b>(11,723,797)</b>
Refund of withholding tax (Note 8)	3,745,556	10,171,277
<b>Net cash used in operating activities</b>	<b>(18,748,002)</b>	<b>(1,552,520)</b>
<b>Cash flows from investing activities</b>		
Additions to property and equipment (Note 5)	(354,407)	(1,768,010)
Interest received	10,800,704	11,961,463
<b>Net cash provided by investing activities</b>	<b>10,446,297</b>	<b>10,193,453</b>
<b>Cash flows from financing activity</b>		
Refund to Reproductive Health and other Projects (Note 15)	(1,331,015)	(184,800)
<b>Net cash used in financing activity</b>	<b>(1,331,015)</b>	<b>(184,800)</b>
<b>Net (decrease)/increase in bank and cash</b>	<b>(9,632,720)</b>	<b>8,456,133</b>
<b>Bank and cash at beginning of year</b>	<b>42,476,120</b>	<b>34,019,987</b>
<b>Bank and cash at end of year (Note 10)</b>	<b>32,843,400</b>	<b>42,476,120</b>

The attached notes on Statement VI form an integral part of these financial statements.

National Family Planning Board  
Financial Statements  
Year Ended March 31, 2008

## Notes to financial statements

### 1. Identification and activities

The National Family Planning Board is a statutory body incorporated under the National Family Planning Act 1970 and domiciled in Jamaica. Its registered offices are located at 5 Sylvan Avenue, Kingston 5, Jamaica, West Indies. Its main activities include preparing and promoting family and population planning programmes in Jamaica. The Board also provides programmes and services in research, project and educational materials, community outreach and clinical and counselling services, as well as procures and distributes contraceptives on behalf of the public health system in Jamaica.

The Board is funded by grants from the Government of Jamaica (GOJ). The Board also receives grants in the form of cash and kind from international funding agencies.

Except where otherwise stated, these financial statements are expressed in Jamaican Dollars.

### 2. Adoption of new and revised accounting standards

- (i) Amendments to published standards and interpretations which became effective in the current year and that are relevant to the Board's operations.

*IFRS 7 Financial Instruments: Disclosures.* This is mandatory for reporting periods beginning on 1 January 2007 or later. The new Standard replaces and amends disclosure requirements previously set out in *IAS 32 Financial Instruments: Presentation and Disclosures.*

*Amendment to IAS 1, Presentation of Financial Statements: Capital Disclosures.* The amendment requires an entity to disclose its capital management objectives, policies and procedures.

All disclosures relating to financial instruments and capital disclosures, including all comparative information, have been updated to reflect the new requirements.

The first-time application of IFRS 7 and the Amendment to IAS 1 has not resulted in any prior-period adjustments of cash flows, surplus for the year or balance sheet line items.

National Family Planning Board  
Financial Statements  
Year Ended March 31, 2008

## Notes to financial statements (cont'd)

## 2. Adoption of new and revised accounting standards (cont'd)

(ii) Standards and Interpretations issued but not yet effective.

At the date of authorisation of the financial statements, the following standards and interpretations were in issue but were not yet effective and have not been early-adopted:

<u>Title</u>	<u>Full title of Standard or Interpretation</u>	<u>Effective for accounting periods beginning on or after</u>
IAS 1	Presentation of Financial Statements: Disclosures about an enterprise's capital	1 January 2009
IAS 23	Borrowing costs (Revised)	1 January 2009
IAS 27	Consolidated and Separate Financial Statements	1 July 2009
IAS 32 and IAS 1	Amendments to Financial Statements: Presentation and IAS 1 Presentation of Financial Statements: Puttable Financial Instruments and Obligations Arising on Liquidation	1 January 2009
IFRS 2	Amendment to IFRS 2 Share-based Payment: Vesting Conditions and Cancellations	1 January 2009
IFRS 3	Business Combinations (Revised 2008)	1 July 2009
IFRS 8	Operating Segments	1 January 2009
IFRIC 12	Service Concession Arrangements	1 January 2008
IFRIC 13	Customer Loyalty Programmes	1 July 2008
IFRIC 14	IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2008

Based on the Board's current operations, management does not expect any significant impact on the Board's financial statements when these Amendments and Interpretations become effective.



**National Family Planning Board  
Financial Statements  
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## **Notes to financial statements (cont'd)**

### **3. Summary of significant accounting policies**

The significant accounting policies that have been used in the preparation of the financial statements are summarised below and have been consistently applied for all the years presented:

#### **(a) Basis of preparation**

These financial statements have been prepared in compliance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board and have been prepared under the historical cost convention except as disclosed in the accounting policies below.

#### **(b) Critical judgements and sources of estimation uncertainty**

The preparation of financial statements in accordance with International Financial Reporting Standards requires management to make estimates and assumptions that affect the amounts reported in the financial statements. These estimates are based on historical experience and management's best knowledge of current events and actions. Actual results may differ from these estimates and assumptions.

There were no critical judgements, apart from those involving estimation, that management has made in the process of applying the Board's accounting policies that have a significant effect on the amounts recognised in the financial statements.

The estimates and assumptions which have the most significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below.

##### **Depreciation of equipment**

Depreciation is provided so as to write down the respective assets to their residual values over their expected useful lives and, as such, the selection of the estimated useful lives and the expected residual values of the assets requires the use of estimates and judgements. Details of the estimated useful lives are as shown in Note 3 (d).

#### **(c) Income**

Government grants which represents subventions received from the Government of Jamaica to finance the recurrent expenditure of the Board are recognised when received. Sales of contraceptives and interest income are recognised when due. Donations are recognised when received.

National Family Planning Board  
Financial Statements  
Year Ended March 31, 2008

## Notes to financial statements (cont'd)

### 3. Summary of significant accounting policies (cont'd)

#### (d) Property and equipment

##### (i) Carrying value

Land and buildings are carried at fair value based on their use at the date of valuation less any subsequent impairment losses. Fair value is determined in valuations carried out by external professional valutors once every five (5) years, unless market-based factors indicate a risk of impairment.

Any surplus arising on revaluation is credited to revaluation reserve in reserves, unless the carrying amount of the related asset previously suffered a revaluation decrease or impairment loss. To the extent that any decrease was previously recognised in the Income Statement, a revaluation increase is recognised in the Income Statement with the remaining part of the increase recognised in reserves. Downward revaluation of an asset is recognised upon revaluation or impairment testing, with the decrease being charged against any revaluation surplus in reserves relating to this asset and any remaining decrease recognised in the Income Statement.

Equipment is carried at cost less accumulated depreciation and impairment.

##### (ii) Depreciation

Depreciation is charged on assets from the date of acquisition or valuation.

Depreciation is provided on the straight line basis at such rates as will write off the cost or valuation of assets over the period of their expected useful lives. The useful lives approximate to forty (40) years for buildings, five (5) years for furniture and fixtures, motor vehicles and equipment.

Land is not depreciated.

##### (iii) Repairs and renewals

The costs of repairs and renewals which do not increase the expected useful lives of assets or enhance their carrying value, are charged to the Income Statement when incurred.

#### (e) Inventories

Inventories represent contraceptives and contraceptive devices, which are acquired for distribution at no charge or for a nominal charge, in accordance with its mandate from the GOJ. Inventories are valued at cost, determined on a first-in-first-out (FIFO) basis. Cost comprises invoiced value plus applicable landing charges. Donated inventories are valued at the value supplied by the donor or at the cost of a similar purchased item.



## Notes to financial statements (cont'd)

### 3. Summary of significant accounting policies (cont'd)

#### (f) Foreign currency

- (i) Foreign currency balances at balance sheet date are translated at the rate of exchange ruling at that date.
- (ii) Transactions in foreign currency are converted at the rates of exchange ruling at the dates of those transactions.
- (iii) Gains or losses arising from fluctuations in foreign exchange rates are included in the Income Statement.

#### (g) Short-term investments

Short-term investments consist of investments in fixed deposits and repurchase agreements of Government of Jamaica variable and fixed rate Treasury Bills, Local Registered Stock, bonds and deposits and are classified as loans and receivable. Short-term investments are carried at amortised cost and are invested for periods of six (6) to twelve (12) months. Interest earned on investments is recognised in the Income Statement in the period when it is earned.

#### (h) Receivables

Receivables are classified as loans and receivables. These are initially recognised at original invoice amount (which represents fair value) and subsequently measured at amortised cost using the effective interest rate less provision for doubtful debt. A provision for doubtful debts is recognised when there is an indication that the debt is impaired.

#### (i) Payables and accruals

Payables and accruals are classified as financial liabilities measured at amortised cost. These are initially recognised at original invoice amount (which represents fair value) and subsequently measured at amortised cost.

#### (j) Bank and cash

Bank and cash consist of cash on hand, current and savings account balances.

#### (k) Pension costs

The Board operates a defined contribution pension scheme for its employees (Note 24). Contributions to the scheme are charged to the Income Statement in the period to which they relate. Accrued holiday pay at the end of the year is recognised in the Income Statement as employee benefits.

#### (l) Impairment

Property and equipment are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use. An impairment loss for assets carried at cost is written off in the Income Statement while for assets carried at valuation, the impairment loss is taken to the revaluation reserve to the extent that there is revaluation surplus on the asset. Any shortfall in the revaluation surplus is taken to the Income Statement.

National Family Planning Board  
Financial Statements  
Year Ended March 31, 2008

Notes to financial statements (cont'd)

5. Property and equipment comprise:

	Land and Buildings	Furniture, fixtures and equipment	Motor vehicles	Total
	\$	\$	\$	\$
Gross carrying amount	33,500,000	15,770,653	3,661,535	52,932,188
Accumulated depreciation	(1,555,000)	(10,926,029)	(1,630,922)	(14,111,951)
<b>Carrying amount at April 1, 2006</b>	<b>31,945,000</b>	<b>4,844,624</b>	<b>2,030,613</b>	<b>38,820,237</b>
Gross carrying amount	33,500,000	15,940,264	5,003,379	54,443,643
Accumulated depreciation	(2,332,500)	(12,727,223)	(2,493,724)	(17,553,447)
<b>Carrying amount at March 31, 2007</b>	<b>31,167,500</b>	<b>3,213,041</b>	<b>2,509,655</b>	<b>36,890,196</b>
Gross carrying amount	47,500,000	16,276,671	4,314,009	68,090,680
Accumulated depreciation	(93,958)	(13,991,279)	(2,667,155)	(16,752,392)
<b>Carrying amount at March 31, 2008</b>	<b>47,406,042</b>	<b>2,285,392</b>	<b>1,646,854</b>	<b>51,338,288</b>

The carrying amounts for property and equipment for the years included in these financial statements as at March 31, 2008 are reconciled as follows:

	Land and Buildings	Furniture, fixtures and equipment	Motor vehicles	Total
	\$	\$	\$	\$
<b>Carrying amount at April 1, 2006</b>	<b>31,945,000</b>	<b>4,844,624</b>	<b>2,030,613</b>	<b>38,820,237</b>
Additions	-	426,166	1,341,844	1,768,010
Cost eliminated on disposal	-	(256,555)	-	(256,555)
Depreciation charge for the year	(777,500)	(2,014,006)	(862,802)	(3,654,308)
Depreciation eliminated on disposal	-	212,812	-	212,812
<b>Carrying amount at March 31, 2007</b>	<b>31,167,500</b>	<b>3,213,041</b>	<b>2,509,655</b>	<b>36,890,196</b>
Addition	-	354,407	-	354,407
Cost eliminated on disposal	-	(18,000)	(689,370)	(707,370)
Increase in valuation	17,045,208	-	-	17,045,208
Depreciation charge for the year	(806,666)	(1,282,054)	(862,801)	(2,951,521)
Depreciation eliminated on disposal	-	17,998	689,370	707,368
<b>Carrying amount at March 31, 2008</b>	<b>47,406,042</b>	<b>2,285,392</b>	<b>1,646,854</b>	<b>51,338,288</b>

National Family Planning Board  
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Year Ended March 31, 2008

## Notes to financial statements (cont'd)

5. **Property and equipment comprise (cont'd):**

- (a) Over the years the Board has received donations of equipment and motor vehicles from donor agencies, including the United States Agency for International Development (USAID), as part of those agencies' technical assistance to the Board's family planning programmes and development. The value of the gifts has been included in Capital reserve. In addition, profits realised from the disposal of such gifts have been credited to Capital reserve (Note 11).
- (b) On February 28, 2008 land and buildings at 5 Sylvan Avenue and 14 Retirement Road were revalued on an open market value basis by an independent valuer, Allison Pitter & Co., Chartered Surveyors. The resulting increase in valuation has been credited to Revaluation reserve (Note 12).
- (c) Under the cost model the carrying amount of the revalued land and buildings at 5 Sylvan Avenue and 14 Retirement Road would be \$1,723,880 (2007 - \$1,763,680) at balance sheet date. The revalued amount includes a revaluation surplus of \$54,617,554 (2007 - \$37,572,346).
- (d) Included in land and buildings at valuation is a warehouse with a carrying amount of \$10,479,583 (2007 - \$5,602,500), [carrying amount at cost \$1,528,524 (2007 - \$1,561,651)] which was purchased with CDC funds; included in furniture and equipment are furniture with a carrying amount of \$1,734 (2007 - \$117,283) which were purchased with Donation funds.

- (e) Depreciation charge for the year represents:

	<u>2008</u>	<u>2007</u>
	£	\$
Charge on assets acquired with GOJ funds	2,694,087	3,406,259
Charge on assets acquired with CDC funds	141,875	132,500
Charge on assets acquired with Donation funds	115,559	115,549
<b>Total</b>	<b>2,951,521</b>	<b>3,654,308</b>

6. **Inventories**

	<u>2008</u>	<u>2007</u>
	£	\$
Donation - Intra uterine and external contraceptive devices and oral contraceptives		18,623,944
23,982,100		
GOJ - Oral contraceptives, and intra uterine and external contraceptive devices	7,299,038	4,980,927
CDC - Oral contraceptives	-	2,274,659
CDC - Goods-in-transit	5,284,831	3,056,192
<b>Total</b>	<b>31,207,313</b>	<b>34,293,878</b>



National Family Planning Board  
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## Notes to financial statements (cont'd)

## 7. Receivables

	<u>2008</u> \$	<u>2007</u> \$
Advances and staff loans	242,380	338,637
Interest receivable	6,219,600	5,973,303
Other	864,723	678,628
	<b>7,326,703</b>	<b>6,990,568</b>
Less: Provision for doubtful debts	319,053	-
<b>Total</b>	<b>7,007,650</b>	<b>6,990,568</b>

Included in interest receivable are amounts totalling \$674,662 (2007 - \$598,408) and \$4,841,984 (2007 - \$4,676,068) representing interest receivable on Donation Fund and CDC Fund investments, respectively (Notes 13 & 14).

All receivables are short-term and the carrying value is considered a reasonable approximation of fair value.

Receivables have been reviewed for indicators of impairment. Certain receivables were found to be impaired and the relevant provision has been recorded accordingly. None of the remaining receivables are considered past due.

## 8. Taxation recoverable

The above represents tax withheld on interest earned by the Board. During the year ended March 31, 2008 the Board received refunds amounting to \$3,745,556 (2007 - \$10,171,277) representing refund of tax withheld in prior years (Note 20).

Included in taxation recoverable are amounts totalling \$1,844,508 (2007 - \$1,767,983) and \$1,568,211 (2007 - \$1,800,787) representing taxation recoverable for the CDC Fund and Donation Fund, respectively (Notes 13 & 14).

## 9. Short-term investments

	<u>Interest rate</u> <u>per annum</u> %	<u>2008</u> \$	<u>2007</u> \$
Government of Jamaica –			
Fixed rate deposits	11.55	18,041,850	4,000,000
Variable rate deposits	12	6,576,666	19,000,000
Treasury Bills	11.70	5,844,360	9,000,000
Variable rate Local Registered Stock		-	2,000,000
Bank of Jamaica –			
Variable rate deposits	12	32,443,879	18,202,427
Certificates of Deposit		-	5,365,141
Other –			
Certificates of Deposit	8.7 – 10.15	79,785,617	74,434,123
<b>Total</b>		<b>142,692,372</b>	<b>132,001,691</b>





National Family Planning Board  
Financial Statements  
Year Ended March 31, 2008

Notes to financial statements (cont'd)

9. Short-term investments (cont'd)

Included in the above are amounts invested for the CDC Fund totalling \$64,416,739 (2007 - \$59,142,629) and the Donation Fund totalling \$62,159,921 (2007 - \$57,135,268) (Notes 13 & 14).

Interest rates on short-term investments are fixed until maturity dates of the investments, which range between April 1, 2008 and September 30, 2008. The carrying value of all investments is considered a reasonable approximation of fair value.

10. Bank and cash

	<u>Interest rate</u> % p.a	<u>2008</u> \$	<u>2007</u> \$
National Commercial Bank:			
Government of Jamaica - Current account		20,091,414	21,384,578
Donation - Current account		7,145,010	7,145,162
- Savings account	6.9	1,165,175	1,106,543
Commercial Distribution of Contraceptives (CDC)			
- US\$ Savings account (US\$41,182 (2007 - US\$40,709))	1.55	2,933,376	2,755,169
- J\$ Savings account	1.15	141,045	138,594
- J\$ Current account		1,014,391	6,299,221
UNICEF - Current account		2,173	2,173
UNFPA - Current account		344,816	3,639,180
Petty cash		6,000	5,500
<b>Total</b>		<b>32,843,400</b>	<b>42,476,120</b>

- (a) Included in GOJ current account is an amount of \$1,461,683 (2007 - \$1,461,683) representing balance of undisbursed funds received from USAID towards the Board's reproductive health project (Note 15).
- (b) Included in GOJ current account are amounts of \$3,456,404 and \$NIL (2007 - \$1,730,018 and \$19,294,849) representing amounts held on behalf of the CDC and Donation Funds, respectively (Notes 13 & 14).
- (c) Included in GOJ current account is an amount of \$132,334 (2007 - \$132,332) due to UNFPA.

The carrying value of all bank and cash balances is considered a reasonable approximation of fair value.

11. Capital reserve

	<u>2008</u> \$	<u>2007</u> \$
Balance at beginning of year representing:		
Value of equipment donated to the Board by Donor Agencies	14,035,200	14,035,200
Profit on disposal of equipment donated by Donor Agencies	4,921,097	4,921,097
<b>Balance at end of year</b>	<b>18,956,297</b>	<b>18,956,297</b>

National Family Planning Board  
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## Notes to financial statements (cont'd)

12. Revaluation reserve	<u>2008</u>	<u>2007</u>
	\$	\$
Balance at beginning of year representing:		
Surplus arising on revaluation of furniture donated to the Board	88,966	88,966
Surplus arising on revaluation of land and buildings	37,572,346	37,572,346
	<u>37,661,312</u>	<u>37,661,312</u>
Add: Increase in valuation of land and buildings	17,045,208	-
<b>Balance at end of year</b>	<b><u>54,706,520</u></b>	<b><u>37,661,312</u></b>
13. CDC fund	<u>2008</u>	<u>2007</u>
	\$	\$
Balance at beginning of year	79,979,995	73,446,319
Transactions for year:		
Receipts		
Contraceptives sales	32,890	27,848
Interest	7,245,997	7,060,480
Gain on foreign exchange	146,677	94,596
	<u>7,425,564</u>	<u>7,182,924</u>
Expenditure and net change in stock value	(2,418,502)	(649,248)
Surplus for the year	5,007,062	6,533,676
<b>Balance at end of year</b>	<b><u>84,987,057</u></b>	<b><u>79,979,995</u></b>

This Fund is represented by investments in fixed assets, inventory, interest receivable, taxation recoverable, short-term investments and bank balances (Notes 5, 6, 7, 8, 9 & 10).

National Family Planning Board  
Financial Statements  
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## Notes to financial statements (cont'd)

14. Donation fund	2008	2007
	₱	₱
Balance at beginning of year	110,699,053	94,466,407
Transactions for year:		
Receipts and donations		
Contraceptive sales	9,765,141	8,299,315
Donation – UNFPA	10,985,800	12,103,977
Interest	5,982,071	5,780,531
Expenditures and net change in stock value	26,733,012 (16,459,819)	26,183,823 (9,951,177)
Surplus for the year	10,273,193	16,232,646
Transfer to fund the Board's operations	(30,769,022)	-
Net transfer (from)/to the Donation Fund	(20,495,829)	16,232,646
<b>Balance at end of year</b>	<b>90,203,224</b>	<b>110,699,053</b>

The above represents donations received by the Board from various companies and donor agencies for use in its operations. Expenditure from this Fund is made at the Board's discretion.

This Fund is represented by fixed assets, inventory, interest receivable, taxation recoverable, short-term investments and bank balances (Notes 5, 6, 7, 8, 9 & 10).

During the year an amount was transferred from the Fund to equate the Fund to available assets.

## 15. Reproductive health and other projects fund

The above represents undisbursed balance of funds received from the United Nations International Children's Fund (UNICEF), United Nations Population Fund (UNFPA) and the United States Agency for International Development (USAID) to fund a reproductive health project and an adolescent educational project, as follows:

	UNICEF	UNFPA	USAID	TOTAL
	₱	₱	₱	₱
<b>Balance at beginning of year</b>	<b>2,173</b>	<b>3,771,512</b>	<b>1,461,683</b>	<b>5,235,368</b>
Project funds received during the year	-	15,634,740	-	15,634,740
Expenditure during year	-	(17,598,087)	-	(17,598,087)
Deficit for year	-	(1,963,347)	-	(1,963,347)
Less: Unspent advances repaid	-	1,331,015	-	1,331,015
<b>Balance at end of year</b>	<b>2,173</b>	<b>477,150</b>	<b>1,461,683</b>	<b>1,941,006</b>

Balances for UNICEF and UNFPA are represented by designated bank accounts while balance for USAID is held in the GOJ current account (Note 10).

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## Notes to financial statements (cont'd)

## 16. Revolving loan interest fund

The Board made a decision to set up a Fund to capitalise interest earned on staff loans. This Fund however, is not represented by a separate bank balance. The amount in the Fund represents accumulated interest earned to date as follows:

	<u>2008</u>	<u>2007</u>
	\$	\$
Balance at beginning of year	112,526	101,991
Interest earned during the year	15,289	10,535
<b>Balance at end of year</b>	<b>127,815</b>	<b>112,526</b>

## 17. Payables and accruals

	<u>2008</u>	<u>2007</u>
	\$	\$
Staff costs	5,032,447	4,049,592
Audit fees	520,000	498,500
Health centre deposits	1,222,458	2,003
Accruals	1,336,652	824,741
Other	578,200	714,280
<b>Total</b>	<b>8,689,757</b>	<b>6,089,116</b>

All amounts are short-term and the carrying value is considered a reasonable approximation of fair value.

## 18. Other income

	<u>2008</u>	<u>2007</u>
	\$	\$
Rental	16,000	80,000
Interest	1,414,070	2,578,933
Seminar	24,950	203,516
Miscellaneous	15,031	14,244
<b>Total</b>	<b>1,470,051</b>	<b>2,876,693</b>

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## Notes to financial statements (cont'd)

## 19. Surplus/(deficit) for the year

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

	<u>2008</u>	<u>2007</u>
	\$	\$
Depreciation (Note 5)	2,951,521	3,654,308
Directors' fees	86,750	275,500
Key management compensation (Note 23)	8,110,447	9,969,598
Auditors' remuneration	520,000 498,500	
Loss on disposal of property and equipment	2	43,743
Interest income	(14,642,138)	(15,430,479)

## 20. Finance income/(expenses)

	<u>2008</u>	<u>2007</u>
	\$	\$
Interest income on loans and receivables	14,642,138	15,430,479
Provision for bad debts (Included in administrative and other overhead expenses)	(319,053)	-
<b>Total</b>	<b>14,323,085</b>	<b>15,430,479</b>

## 21. Taxation

The Board is exempt from income tax under section (12 (b)) of the Income Tax Act and from stamp and customs duties under the National Family Planning Act, 1970.

## 22. Expenses by nature

Total administrative and other expenses:

	<u>2008</u>	<u>2007</u>
	\$	\$
Directors' fees	86,750	275,500
Key management compensation (Note 23)	8,110,447	9,969,598
Cost of inventories recognised as expense	7,999,229	11,106,884
Professional fees	119,167	135,063
Auditors' remuneration	520,000 498,500	
Advertising, promotion and mass media	8,817,183	15,749,124
Repairs and maintenance	2,349,211	2,567,019
Depreciation	2,694,087	3,406,259
Utilities	3,657,033	2,997,802
Employee benefits (Note 23)	27,734,057	25,385,441
Other administrative expenses	18,567,268	10,259,904
Project expenses	36,476,408	23,396,810
<b>Total</b>	<b>117,130,840</b>	<b>105,747,904</b>

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## Notes to financial statements (cont'd)

## 23. Employee benefits

(a) Employee benefits for non-executive staff:

	<u>2008</u>	<u>2007</u>
	\$	\$
Salaries, wages and related expenses	25,722,357	23,373,950
Pension contributions	1,359,784	1,484,341
Uniform, medical and other staff benefits	651,916	527,150
<b>Total</b>	<b>27,734,057</b>	<b>25,385,441</b>

(b) Key management compensation comprises:

	<u>2008</u>	<u>2007</u>
	\$	\$
Management remuneration	7,223,515	8,650,281
Gratuity	133,434	730,266
Pension	753,498	589,051
<b>Total</b>	<b>8,110,447</b>	<b>9,969,598</b>

## 24. Pension scheme

The Board operates a defined contribution pension scheme which is administered by Life of Jamaica Limited. The Board and the employees contribute at a rate of 10% and 5% respectively. Employees may make voluntary contributions of an additional 5%. The last actuarial valuation carried out at July 2004 made several recommendations including the recommendation that all members increase their optional contributions.

The report also recommended that a surplus of \$13.7M be carried forward unappropriated and that the retirement age be changed to between 60 and 65 for all members to be in line with the requirements of the Pensions Act. All the recommendations were accepted except the recommendation that pensions in payment should be increased by the Trustees. The matter has been discussed several times but up to report date a final decision has not been taken as the Trustees have again asked the administrators of the pension scheme to recalculate the increase using different options. Employer's contribution for the year was \$2,113,282 (2007 - \$2,073,392) (Note 23).

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## Notes to financial statements (cont'd)

### 25. Financial risk management policies

The Board's activities expose it to a variety of financial risks in respect of its financial instruments: market risk (currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Board seeks to manage these risks by close monitoring of each class of its financial instruments as follows:

#### (a) Market risk

##### (i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Board is exposed to currency risk due to fluctuations in exchange rates on transactions and balances that are denominated in currencies other than the Jamaican dollar.

Merchandise purchased from overseas suppliers utilising CDC funds are sensitive to foreign currency risks. The Board, however, attempts to manage this risk by maintaining foreign currency deposit accounts on behalf of the CDC Fund.

At balance sheet date there were net assets of approximately US\$41,182 (2007 – US\$40,243) held on behalf of the CDC Fund, maintained in a United States dollar savings account. The exchange rate applicable at balance sheet date was J\$71.23 to US\$1 (2007 – J\$67.68 to US\$1).

##### Foreign currency sensitivity

Due to the nature of the Board's operations and the very short term nature of balances denominated in currencies other than the Jamaican dollar, there is no material impact on the results of the Board's operations as a result of changes in foreign currency rates.

##### (ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Board's bank balances and short-term investments are subject to interest rate risk. However, the Board attempts to manage this risk by monitoring its interest-bearing instruments closely and procuring the most advantageous rates under contracts with interest rates that are fixed for the life of the contract, where possible.

The Board's financial assets which are subject to interest rate risk are savings and investment accounts held with financial institutions. The Board invests excess cash in short-term deposits and maintains interest-earning bank accounts with licensed financial institutions. Deposits are invested for periods of between three (3) months and one (1) year at fixed interest rates and are not affected by fluctuations in market interest rates up to the dates of maturity. Interest rates on interest-earning bank accounts are not fixed but are subject to fluctuations based on prevailing market rates. Rates on short-term investments at year end ranged between eight point seven percent (8.7%) and twelve percent (12%) while rates on interest-earning bank accounts ranged from one point one five percent (1.15%) to six point nine percent (6.9%). (Notes 9 & 10).

##### Interest rate sensitivity

Due to the fact that interest rates on the Board's short-term deposits are fixed up to maturity and interest earned from the Board's interest-earning bank accounts is immaterial, there would be no material impact on the results of the Board's operations as a result of fluctuations in interest rates.

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## Notes to financial statements (cont'd)

## 25. Financial risk management policies (cont'd)

## (a) Market risk (cont'd)

## (iii) Other price risk

Other price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market. The Board's financial instruments are substantially independent of changes in market prices as they are short term in nature.

## (b) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

The Board faces credit risk in respect of its receivables, short-term investment accounts and bank balances. The Board attempts to control credit risk related to short-term investments accounts and bank balances by maintaining such balances with licensed financial institutions considered to be stable. The Board's management considers that its financial assets that are not impaired for each of the reporting dates under review are of good credit quality. The maximum credit risk faced by the Board is the total of these balances reflected in the financial statements.

## (c) Liquidity risk

Liquidity risk is the risk that the Board will encounter difficulty in raising funds to meet its commitments associated with financial liabilities.

The Board manages its liquidity risk by maintaining an appropriate level of resources in liquid or near liquid form. The Board maintains some of its cash and short-term investments for up to 90-day periods to meet its liquidity requirements. The Board considers that all the financial assets that are not impaired for each of the reporting dates under review are of good credit quality.

An analysis of the Board's financial liabilities at year end is as follows:

	<u>2008</u>	<u>2007</u>
	\$	\$
Payables and accruals		
Within three (3) months	3,879,036	2,241,169
Within four (4) to six (6) months	567,136	943,980
Within six (6) to twelve (12) months	4,243,585	2,903,967
<b>Total</b>	<b>8,689,757</b>	<b>6,089,116</b>

## 26. Capital management

The Board obtains budgetary support from the Government of Jamaica to carry out its mandate. In addition, it obtains funds from donor agencies. If there is a surplus on its operations, this will serve to strengthen its future continuity. However, the Board's expects that it will continue to receive Government subvention to support its operations.



## Additional information

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## Auditors' report

**To the Directors of  
National Family Planning Board  
On Additional Information**

The additional information presented on pages 2 to 6 has been taken from the accounting records of the Board and has been subjected to the tests and other auditing procedures applied in our examination of the financial statements of the Board for the year ended March 31, 2008.

Except for the qualification in our report to the members, in our opinion, the said information is fairly presented in all material respects in relation to the financial statements taken as a whole, although it is not necessary for a fair presentation of the state of the Board's affairs as at March 31, 2008 or of the results of its operations or its cash flows for the year then ended.

Mair Russell Grant Thornton



Chartered Accountants

Kingston, Jamaica  
August 22, 2008

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## Administrative and other overhead expenses

	<u>2008</u>	<u>2007</u>
	\$	\$
<b>Administrative and other overhead expenses</b>		
Directors' fees	86,750	275,500
Executive remuneration	7,356,949	9,380,547
Salaries, wages and related expenses	25,722,357	23,373,950
Pension contributions	2,113,282	2,073,392
Uniform, medical and other staff benefits	651,916	527,150
Electricity and water	3,657,033	2,997,802
Telephone, postage and cables	462,998	739,159
Motor vehicle operating expenses	919,741	819,080
Repairs and maintenance	2,349,211	2,567,019
Printing and stationery	554,458	543,250
Professional fees	119,167	135,063
Audit fees	520,000	498,500
Insurance	1,165,179	1,004,525
Bank charges	64,695	61,160
Training and seminars	4,984,516	1,168,123
Advertising, promotion and mass media	8,817,183	15,749,124
Travelling, entertainment and subsistence	5,372,814	4,778,520
Depreciation	2,694,087	3,406,259
Reproductive health survey expenses	4,723,814	1,146,087
Provision for bad debts	319,053	-
<b>Total</b>	<b>72,655,203</b>	<b>71,244,210</b>
<b>Net change in contraceptives stock</b>		
Opening stock of contraceptives	4,980,927	5,301,644
Purchases	10,317,340	10,786,167
	<b>15,298,267</b>	<b>16,087,811</b>
Less: Closing stock of contraceptives	7,299,038	4,980,927
<b>Total</b>	<b>7,999,229</b>	<b>11,106,884</b>

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## Schedule of income and expenditure Commercial Distribution of Contraceptives (CDC)

	\$	<u>2008</u> \$	<u>2007</u> \$
<b>Income</b>			
Sale of contraceptives		32,890	27,848
<b>Total income</b>		<b>32,890</b>	<b>27,848</b>
<b>Less: Cost of sales</b>			
Opening stock of contraceptives	2,274,659		-
Purchases	-		2,789,498
	2,274,659		2,789,498
Less: Closing stock of contraceptives	-		2,274,659
		<b>2,274,659</b>	<b>514,839</b>
<b>Gross loss</b>		<b>(2,241,769)</b>	<b>(486,991)</b>
Interest		7,245,997	7,060,480
Gain on foreign exchange		146,677	94,596
		<b>5,150,905</b>	<b>6,668,085</b>
<b>Less: Expenses</b>			
Seminars and educational materials	-		-
Bank charges	1,968		1,909
Depreciation	141,875		132,500
<b>Total expenses</b>		<b>143,843</b>	<b>134,409</b>
<b>Surplus for the year</b>		<b>5,007,062</b>	<b>6,533,676</b>

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## Schedule of income and expenditure Donations

	\$	<u>2008</u> \$	<u>2007</u> \$
<b>Income</b>			
Sale of contraceptives		9,765,141	8,299,315
<b>Total income</b>		<b>9,765,141</b>	<b>8,299,315</b>
Less: Cost of sales			
Opening stock of contraceptives	23,982,100		19,859,690
Stock received during the year	10,985,800		12,478,734
	34,967,900		32,338,424
Less: Closing stock of contraceptives	18,623,944		23,982,100
		<b>16,343,956</b>	<b>8,356,324</b>
Gross loss		(6,578,815)	(57,009)
Donations - UNFPA		10,985,800	12,103,977
Interest		5,982,071	5,780,531
		<b>10,389,056</b>	<b>17,827,499</b>
<b>Less: Expenses</b>			
Bank charges	304		304
Depreciation	115,559		115,549
Abortion study	-		1,479,000
		<b>115,863</b>	<b>1,594,853</b>
<b>Surplus for the year</b>		<b>10,273,193</b>	<b>16,232,646</b>

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## Schedule of income and expenditure UNICEF/Adolescent Educational Project

	<u>2008</u>	<u>2007</u>
	\$	\$
<b>Income</b>		
Project funds (net receipts)	-	-
Receipts	-	5,000
<b>Total income</b>	<b>-</b>	<b>5,000</b>
<b>Less: Expenses</b>		
Design and layouts	-	168,000
Typesetting and layout	-	16,380
Bank charges	-	251
<b>Total expenses</b>	<b>-</b>	<b>184,631</b>
<b>Deficit for the year</b>	<b>-</b>	<b>(179,631)</b>

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## Schedule of income and expenditure UNFPA/Reproductive Health Project

	<u>2008</u> ₹	<u>2007</u> ₹
<b>Income</b>		
Receipts	15,634,740	11,682,842
<b>Total income</b>	<b>15,634,740</b>	<b>11,682,842</b>
<b>Less: Expenses</b>		
Project co-ordinator	1,711,268	2,339,774
Project assistant	734,660	1,750,533
Research for baseline study	60,300	-
Monitoring meeting	366,487	117,729
Publications	8,340,307	2,429,798
Review of social marketing	-	144,450
Vehicle maintenance	12,536	19,060
Sundry	482,674	508,744
Parenting	1,245,303	-
IUCD	-	289,250
Consultancy	600,000	576,680
AV materials for disables	1,380,568	3,251,742
Guidance councilors	2,663,984	1,183,994
<b>Total expenses</b>	<b>17,598,087</b>	<b>12,611,754</b>
<b>Deficit for the year</b>	<b>(1,963,347)</b>	<b>(928,912)</b>









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