



**BANK OF JAMAICA**

**News Release**  
**19 March 1999**

**QUARTERLY ASSETS AND LIABILITIES OF  
LICENSEES UNDER THE FINANCIAL INSTITUTIONS ACT  
PUBLISHED PURSUANT TO SECTION 16 (6)  
AS AT 31 DECEMBER 1998  
J\$'000**

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These balances are taken from prudential returns submitted by the following licensees to the Bank of Jamaica and have been attested to by the respective managements as reflecting a true and fair representation of the affairs and condition of the licensees at the reporting date.

	BILLY CRAIG	CAP & CR	CITZ. MER	CIBC MER.	CITIFIN	CITIMER	CORP. MER.	EAGLE MER.	GRGE & BDY	INT'L TRST	ISL LIFE	ISSA TRUST	KNUTS MER.	MANF. MER.	MF&G TRUST	NCB TR & MER	PAN-CARIB	SCOTIA TRUST	TOTAL
<b>ASSETS</b>																			
<b>Cash and Bank Balances:</b>																			
Notes and Coins	988	1,447	0	2	0	0	1	0	199	2,169	20	5	10	3,708	0	100	399	3	9,051
Due From Bank of Jamaica	18,826	58,143	150,928	49,257	34,106	210,658	243,058	17,583	27,583	88,206	26,911	11,810	14,883	12,809	24,197	196,872	16,275	68,154	1,270,259
Due From Commercial Banks in Ja.	12,700	3,874	0	70,190	224	148,762	26,220	82,398	4,011	3,669	4,028	15,808	8,796	10,069	7,341	57,125	8,302	55,823	519,340
Due From Other Deposit Taking Fin. Insts. in Ja.	0	0	0	0	0	0	0	0	0	49,303	1,100	0	0	22,000	39,908	0	0	0	112,311
Due From Overseas Banks & Fin. Insts.	0	97,274	0	4,911	2,939	242,138	0	93,992	9	7,643	0	2	0	51,876	9,362	0	14,597	0	524,743
<b>Investments:</b>																			
<b>Jamaica Government Securities</b>																			
Domestic Currency	2,000	21,000	12,500	137,483	12,622	223,724	0	0	36,942	172,494	27,509	0	37,377	32,877	12,492	719,408	39,622	234,065	1,722,115
Foreign Currency	0	0	0	914	36,329	197,212	0	0	0	2,729	0	0	0	2,798	29,234	0	81,946	0	351,162
Other Public Sector Securities	0	130	429,511	0	0	0	0	402,972	739	0	129,524	0	0	0	0	0	0	0	962,876
Other Local Securities (net of prov)	0	104,049	139,372	0	15,300	0	17,977	724,753	3,403	14,513	0	2,527	219	20,539	0	5,602	2,952	0	1,051,206
Foreign Securities	0	0	0	18,888	19,200	0	0	94,620	1,611	5,559	0	0	0	0	0	0	0	0	139,878
Securities Purchased with a view to Resale	0	260,834	2,000	211,879	0	0	0	0	0	0	0	43,389	0	0	57,572	0	0	0	575,674
Loans, Advances & Discounts (net of prov)	14,166	178,053	276,625	58,483	83,494	24,228	38,377	178,737	8,880	212,429	0	40,033	46,075	220,109	187,132	334,658	81,019	366,598	2,349,096
Accounts Receivable (net of prov)	13,064	176,038	137,436	22,238	2,427	8,293	33,341	38,489	130,084	212,926	2,205	2,608	4,340	78,816	27,057	152,004	11,639	20,646	1,073,651
Fixed Assets (net of Depreciation)	9,120	54,883	34,628	841	0	136	4,822	33,845	45,141	89,120	3,396	4,954	10,425	23,783	1,119	3,890	22,517	34,345	376,965
Other Assets	2,210	1,419	31,757	1,157	49	1,272	2,423	219,556	200	637	0	2,391	1,027	2,410	715	2,475	21,228	927	291,853
Customers Liabs. for Accepts., Guarantees. & L/Cs	0	210,860	0	356	108,521	0	65,533	0	28,676	287,789	3,507	409,112	136,713	314,994	2,800	140,484	26,372	0	1,735,717
<b>TOTAL ASSETS</b>	<b>73,074</b>	<b>1,168,004</b>	<b>1,214,757</b>	<b>576,599</b>	<b>315,211</b>	<b>1,056,423</b>	<b>431,752</b>	<b>1,886,945</b>	<b>287,478</b>	<b>1,149,186</b>	<b>198,200</b>	<b>532,639</b>	<b>259,865</b>	<b>796,788</b>	<b>398,929</b>	<b>1,612,618</b>	<b>326,868</b>	<b>780,561</b>	<b>13,065,897</b>
<b>LIABILITIES</b>																			
Deposits	5,077	358,526	182,536	308,715	154,643	835,683	1,167,423	196,975	17,531	521,515	5,627	61,706	46,781	236,182	275,260	1,104,309	82,169	394,442	5,955,100
Due To Bank of Jamaica	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Borrowings:</b>																			
Due To Commercial Banks in Ja.	0	0	692,288	7,967	0	0	2,867	0	31,818	0	163,239	0	8,366	13	0	0	74,496	0	981,054
Due To Specialised Institutions	3,008	66,684	3,327	7,865	0	0	8,090	172,256	476	16,873	5,000	0	0	22,870	6,217	44,544	43,822	203	401,235
Due To Other Fin. Insts. in Ja.	215,832	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	215,832
Due To Overseas Banks & Financial Insts.	0	0	0	0	0	0	0	22,466	1,216	0	0	0	0	9,501	0	0	4,028	0	37,211
Securities Sold Under Repurchase Agreement	0	0	0	0	0	1,323	0	0	0	36,545	0	0	0	0	0	0	0	0	37,868
<b>Sundry Current Liabilities:</b>																			
Accounts Payable	2,961	13,135	3,217	1,466	709	454	0	49,207	3,051	21,829	17,282	7,578	21,303	10,085	6,666	34,066	1,727	15,282	210,018
Other	4,758	69,231	2,665	19,909	2,461	32,795	28,985	575,823	95,063	81,531	7,252	11,244	2,512	4,843	21,320	55,785	8,576	54,163	1,078,916
Accepts., Guarantees & L/Cs as per contra	0	210,860	0	356	108,521	0	65,533	0	28,676	287,789	3,507	409,112	136,713	314,994	2,800	140,484	26,372	0	1,735,717
Other Liabilities	0	0	13,096	90,483	0	0	23,243	0	0	0	0	0	0	0	0	238	0	17,814	144,874
<b>TOTAL LIABILITIES</b>	<b>231,636</b>	<b>718,436</b>	<b>897,129</b>	<b>436,761</b>	<b>266,334</b>	<b>870,255</b>	<b>1,296,141</b>	<b>1,016,727</b>	<b>177,831</b>	<b>966,082</b>	<b>201,907</b>	<b>489,640</b>	<b>215,675</b>	<b>598,488</b>	<b>312,263</b>	<b>1,379,426</b>	<b>241,190</b>	<b>481,904</b>	<b>10,797,825</b>
<b>Excess / (Shortfall) of Assets over Liabilities</b>	<b>-158,562</b>	<b>449,568</b>	<b>317,628</b>	<b>139,838</b>	<b>48,877</b>	<b>186,168</b>	<b>-864,389</b>	<b>870,218</b>	<b>109,647</b>	<b>183,104</b>	<b>-3,707</b>	<b>42,999</b>	<b>44,190</b>	<b>198,300</b>	<b>86,666</b>	<b>233,192</b>	<b>85,678</b>	<b>298,657</b>	<b>2,268,072</b>
<b>REPRESENTED BY:</b>																			
Paid Up Capital	20,960	200,000	200,000	25,000	20,000	25,672	60,000	40,551	103,385	176,071	55,000	25,000	39,533	115,007	25,000	25,148	60,000	20,000	1,236,327
Share Premium	0	0	80,000	0	0	0	0	2,178,210	0	0	0	0	0	0	0	148,029	0	0	2,406,239
<b>Reserves:</b>																			
Statutory Reserve Fund	2,438	40,289	10,030	25,000	6,499	18,005	14,037	60,000	5,252	12,796	1,114	2,968	1,994	15,906	9,260	25,148	12,061	40,000	302,797
Retained Earnings Reserve Fund	0	30,000	14,595	54,000	0	0	0	210,000	0	10,000	0	4,000	0	0	40,000	111,835	7,974	189,000	671,404
Other Reserves	0	7,670	10,214	695	0	0	0	5,881	29,822	0	1,555	932	0	17,323	0	0	0	24,639	98,731
Prior Years' Earnings/(Deficits)	-147,202	6,146	-11,121	27,306	18,655	82,999	-676,559	-1,597,940	-43,366	-2,522	-86,490	947	-5,125	6,878	57	-84,325	2,679	16,545	-2,492,438
Unappropriated Profits/(Losses)	-34,758	165,463	13,910	7,837	3,723	59,492	-261,867	-26,484	14,554	-13,241	25,114	9,152	7,788	43,186	12,349	7,357	2,964	8,473	45,012
<b>TOTAL CAPITAL</b>	<b>-158,562</b>	<b>449,568</b>	<b>317,628</b>	<b>139,838</b>	<b>48,877</b>	<b>186,168</b>	<b>-864,389</b>	<b>870,218</b>	<b>109,647</b>	<b>183,104</b>	<b>-3,707</b>	<b>42,999</b>	<b>44,190</b>	<b>198,300</b>	<b>86,666</b>	<b>233,192</b>	<b>85,678</b>	<b>298,657</b>	<b>2,268,072</b>
<b>MEMORANDUM</b>																			
Foreign Currency Loans	0	69,816	0	9,131	48,031	1,728	0	204,557	925	27,010	0	3,289	20,150	209,608	73,665	41,269	19,617	5,359	734,155
Funding by Specialised Institutions	0	0	0	3,109	0	0	0	0	0	8,116	0	0	0	23,204	0	41,269	9,241	0	84,939
Other Funding Sources	0	69,816	0	6,022	48,031	1,728	0	204,557	925	18,894	0	3,289	20,150	186,404	73,665	0	10,376	5,359	649,216
Foreign Currency Deposits	0	352,089	0	50,227	141,217	19,009	0	196,018	9,089	57,638	0	0	33,732	168,858	180,023	5,410	22,854	8,222	1,244,386
Repos on behalf of for on - trading to clients	0	3,243,722	0	5,559,204	0	0	139,764	0	2,743,603	181,524	0	0	631,268	2,746,843	436,960	0	2,985,601	6,487,670	25,156,159
Managed Funds	125,353	4,190,829	2,118,459	289,718	0	0	0	0	514,404	0	0	586,988	444,935	754,534	259,528	1,794,573	1,423,979	5,469,212	17,972,512
Investments in Connected Parties	0	0	163,138	0	34,500	0	0	748,629	0	0	0	0	0	5,680	0	5,062	0	0	957,009
Credits To Connected Parties	0	0	6,429	0	0	1,781	293,196	0	749	0	0	0	5,181	1	45,411	0	7,302	0	360,050
Other Bals. Due From Connected Parties	0	21,057	6,000	0	3,163	390,900	26,220	0	0	0	0	3,950	0	2,302	0	44,436	0	55,823	553,851
Deposits Due To Connected Parties	0	0	714,957	0	0	0	23,524	0	10,069	439,739	163,239	0	0	0	52,648	127,159	0	5,561	1,536,896
Other Bals. Due To Connected Parties	236,813	209,714	277,750	1,785	20,000	25,672	60,000	0	103,559	177,634	2,657	25,000	39,533	45,714	25,000	26,819	60,000	20,000	1,357,650
Provision For Loan Losses	378	17,634	38,901	6,075	272	0	403,536	239,149	500	61,077	0	2,361	3,295	21,531	3,261	102,085	11,463	23,960	935,478
Provisions For Other Losses	0	0	55,169	0	0	0	0	157,376	0	4,765	17,619	0	0	0	1,306	12,090	0	0	248,325

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[Key to Institutions](#)

BILLY CRAIG	-	Billy Craig Finance & Merchant Bank Ltd.
CAP & CR.	-	Capital & Credit Merchant Bank Ltd.
CITZ. MER.	-	Citizens Merchant Bank Ltd.
CIBC MER.	-	CIBC Trust & Merchant Bank Ja. Ltd.
CITIFIN	-	Citifinance Ltd.
CITIMER	-	Citimerchant Bank Ltd.
CORP. MER.	-	Corporate Merchant Bank Ltd.
EAGLE MER.	-	Eagle Merchant Bank of Ja. Ltd.
GRGE & BDY	-	George & Branday Limited
INT'L TRUST	-	International Trust & Merchant Bank Ltd.
ISL LIFE	-	Island Life Merchant Bank Ltd.
ISSA TRUST	-	Issa Trust & Merchant Bank Ltd.
KNUTS MER.	-	Knutsford Capital Merchant Bank Ltd.
MANF. MER.	-	Manufacturers Merchant Bank Ltd.
MF&G TRUST	-	MF&G Trust & Finance Ltd.
NCB TR& MER	-	NCB Trust & Merchant Bank Ltd.
PAN-CARIB	-	Pan Caribbean Merchant Bank Ltd.
SCOTIA TRST	-	Scotiabank Jamaica Trust & Merchant Bank Ltd.

[Notes:](#)

Balance Sheets exclude Securities Purchased with a View to Resale (Repo assets) on behalf of clients or for the purposes of on-trading, where relevant. Outstanding balances in respect of these transactions are included under 'Memoranda Items.'

'Credit Facilities to Connected Parties' include loans, advances, comfort letters, standby & commercial letters of credit, guarantees etc.

Other Balances due from Connected Parties' include interest and other receivables, placements, guarantees, L/Cs, etc.

Assets of Eagle Merchant Bank of Jamaica Ltd. include balances to the extent of J\$267.8mn in respect of its Cayman Branch.

On 25 September 1998, the Minister of Finance announced a decision to merge specific FINSAC controlled financial entities. This merger will involve the undermentioned licensees under the Financial Institutions Act, along with four (4) commercial banks and four (4) building societies:

- Citizens Merchant Bank Ltd.
- Corporate Merchant Bank Ltd.
- Eagle Merchant Bank Ja. Ltd.
- Horizon Merchant Bank Ltd.
- Island Life Merchant Bank Ltd.

It is the intention that the rehabilitated 'Union Bank' will be subsequently divested to private interests.

[LICENCES SURRENDERED/REVOKED UP TO DECEMBER 1998 \(Data no longer included in system totals\)](#)

Deposits of [Fidelity Finance Merchant Bank \(FFMB\)](#) were transferred to the Citizens Bank during March 1998 under an arrangement facilitated by FINSAC. FFMB's operations are in the process of being wound down, and its licence has been surrendered by the shareholders.

Deposits of [Partner Merchant Bank](#) were transferred to National Commercial Bank on 15 April 1998 under an arrangement facilitated by Financial Institutions Services Ltd. Its licence was surrendered by the shareholders.

The licence of [Barclays Finance Corporation \(BFC\)](#) was revoked on 22 June 1998.

During September 1998, deposit liabilities of [Buck Securities Merchant](#) and [Caribbean Trust Merchant Bank](#) were transferred to National Commercial Bank under an arrangement facilitated by FINSAC and their deposit taking licences were surrendered 4 September 1998 and 1 September 1998 respectively.

[OTHER NOTABLE DEVELOPMENTS UP TO DECEMBER 1998](#)

On 20 February 1998, the Minister of Finance assumed temporary management of [Caldon Finance Merchant Bank Limited](#) pursuant to Section 25 (6) of the Financial Institutions Act; and deposits were transferred to Citizens Bank during March 1998. A provisional liquidator was appointed during June 1998 and subsequently, during September 1998, the Court appointed a liquidator and a winding up order was made.

On 23 February 1998, the Minister of Finance assumed temporary management of [Corporate Merchant Bank Limited](#) pursuant to Section 25 (6) of the Financial Institutions Act. Subsequently, on 28 July 1998, the Minister of Finance made an Order under Section 25B (1) of the Financial Institutions Act vesting the shares and subordinated debt of Corporate Merchant Bank in himself.

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On 18 June 1998, Island Life Insurance Company Limited executed an agreement to sell its shareholdings in [Island Life Merchant Bank Limited](#) to FINSAC Limited. This entity is being merged with Citizens Bank.

[Billy Craig Finance & Merchant Bank](#) was acquired by Dehring Bunting and Golding Limited (DB&G) and FINSAC under a joint venture agreement signed 22 June 1998. In keeping with the terms of the agreement, capital totalling J\$231.8mn was injected by both parties after year end to clear existing deficit and meet statutory and prudential requirements.

[THE WEST INDIA COMPANY OF MERCHANT BANKERS](#)

On 27 October 1998, West India Company of Merchant Bankers Ltd (WI CO MB) transferred its deposit liabilities to Scotiabank Jamaica Trust and Merchant and surrendered its deposit taking licence.

[INTERCONTINENTAL MERCHANT BANK](#)

Deposits of Intercontinental Merchant Bank (IMB) were transferred to Citizens Bank Limited during November 1998 under an arrangement facilitated by FINSAC. Process is engaged regarding the revocation of IMB's licence.

[HORIZON MERCHANT BANK](#)

Assets and liabilities were fully assumed by Citizens Bank during November 1998. Its licence is to be surrendered.