

ASSURANCE AND ADVISORY
BUSINESS SERVICES

NATIONAL BUILDING SOCIETY OF CAYMAN

Audited Financial Statements
Years ended March 31, 2003 and 2002
with Report of Independent Auditors

 **ERNST & YOUNG**

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Report of Independent Auditors

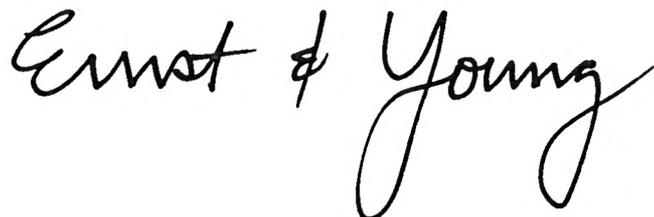
The Board of Directors and Shareholders
National Building Society of Cayman

We have audited the accompanying balance sheets of the National Building Society of Cayman as of March 31, 2003 and 2002, and the related statements of operations and accumulated deficit, shareholders' equity (deficiency) and cash flows for the years then ended. These financial statements are the responsibility of the Society's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with International Standards on Auditing. Those Standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the National Building Society of Cayman as of March 31, 2003 and 2002, and the results of its operations and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Without qualifying our opinion we draw attention to Note 1 in the financial statements. The Society has suspended its principal activity of granting loans which casts doubt about the Society's ability to continue as a going concern. Jamaica National Building Society is the majority shareholder of the Society's paid-up proprietary shares and is committed to providing financing to support its operations. Without such financial support there is substantial doubt that the Society will be able to continue as a going concern. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to amounts and classification of liabilities that may be necessary if the entity is unable to continue as a going concern.



National Building Society of Cayman

Balance Sheets (Stated in Cayman Islands Dollars)

	March 31	
	2003	2002
Assets		
Liquid funds	\$ 1,942,803	\$ 696,606
Securities held to maturity, at amortized cost	2,490,000	-
Other receivables	52,569	42,043
Loans	1,686,249	2,252,582
Interest receivable	70,104	17,310
Fixed assets	62,002	69,632
	\$ 6,303,727	\$ 3,078,173
Liabilities and shareholders' equity (deficiency)		
Liabilities:		
Savings and investment shares	\$ 3,302,035	\$ 3,149,351
Due to JNBS	2,591,719	218,339
Interest payable	35,813	50,858
Other liabilities	53,585	35,481
Total liabilities	5,983,152	3,454,029
Shareholders' equity (deficiency):		
Paid-up proprietary shares	1,376,600	1,010,600
Special Proprietary Shares Series A	300,000	-
Accumulated deficit	(1,356,025)	(1,386,456)
Total shareholders' equity (deficiency)	320,575	(375,856)
	\$ 6,303,727	\$ 3,078,173

See accompanying notes and Report of Independent Auditors.

National Building Society of Cayman

Statements of Operations and Accumulated Deficit
(Stated in Cayman Islands Dollars)

	Year ended March 31	
	2003	2002
Interest income		
Loan interest	\$ 195,968	\$ 444,835
Interest from investments and bank balances	114,568	6,513
Adjustment for interest on non-accrual basis	164,890	(46,703)
	475,426	404,645
Interest expense		
Interest on savings shares	6,435	12,322
Interest on investment shares	59,658	112,033
Other interest and bank charges	38,171	42,998
	104,264	167,353
Net interest income	371,162	237,292
Recovery (loss) due to fraud and misappropriations	14,403	(45,371)
Provision for loan losses	(173,140)	(127,300)
	212,425	64,621
Net interest income after provisions		
Other income	140,802	60,173
Operating expenses	(322,796)	(502,168)
	30,431	(377,374)
Net income (loss) for the year		
Accumulated deficit:		
At beginning of year	(1,386,456)	(1,009,082)
At end of year	\$ (1,356,025)	\$ (1,386,456)

See accompanying notes and Report of Independent Auditors.

National Building Society of Cayman

Statements of Shareholders' Equity (Deficiency) (Stated in Cayman Islands Dollars)

Years ended March 31, 2003 and 2002

	Paid-Up Proprietary Shares	Special Proprietary Shares Series A	Accumulated Deficit	Total Shareholders' Equity (Deficiency)
Balances at March 31, 2001	\$ 595,600	\$ —	\$ (1,009,082)	\$ (413,482)
Net loss	—	—	(377,374)	(377,374)
Issuance of paid-up proprietary shares	415,000	—	—	415,000
Balances at March 31, 2002	1,010,600	—	\$ (1,386,456)	(375,856)
Net income	—	—	30,431	30,431
Issuance of paid-up proprietary shares	366,000	300,000	—	666,000
Balances at March 31, 2003	<u>\$ 1,376,600</u>	<u>\$ 300,000</u>	<u>\$ (1,356,025)</u>	<u>\$ 320,575</u>

See accompanying notes and Report of Independent Auditors.

National Building Society of Cayman

Statements of Cash Flows (Stated in Cayman Islands Dollars)

	Year ended March 31	
	2003	2002
Operating activities		
Net income (loss) for the year	\$ 30,431	\$ (377,374)
Adjustments to reconcile net income (loss) to liquid funds used in operating activities:		
Depreciation	18,339	14,272
Change in provision for loan losses	173,140	127,300
Change in provision for bad debts	(27,415)	12,620
Changes in operating assets and liabilities:		
Other receivables	16,889	(27,095)
Interest receivable	(52,794)	13,772
Due to JNBS	49,380	(137,830)
Interest payable	(15,045)	(70,661)
Other liabilities	18,104	244,547
Liquid funds provided by (used in) operating activities	211,029	(200,449)
Investing activities		
Loan repayments	393,193	1,261,348
Purchase of fixed assets	(10,709)	(55,371)
Disposal of fixed assets	-	775
Liquid funds provided by investing activities	382,484	1,206,752
Financing activities		
Special Proprietary Shares Series A issued	300,000	-
Paid-up proprietary shares issued	200,000	-
Net movement in savings and investment shares	152,684	(592,540)
Liquid funds provided by (used in) financing activities	652,684	(592,540)
Net change in liquid funds during the year	1,246,197	413,763
Liquid funds:		
At beginning of year	696,606	282,843
At end of year	\$ 1,942,803	\$ 696,606

See accompanying notes and Report of Independent Auditors.

National Building Society of Cayman

Statements of Cash Flows (continued)

(Stated in Cayman Islands Dollars)

	Year ended March 31	
	2003	2002
Supplemental disclosure of cash flow information		
Interest received for the year	\$ 422,632	\$ 418,417
Interest paid for the year	\$ 116,691	\$ 238,014
Loans sold under agreement to repurchase converted into paid-up proprietary shares	\$ —	\$ 415,000
Securities held to maturity purchased through a loan from JNBS	\$ 2,490,000	\$ —
JNBS loan converted into paid-up proprietary shares	\$ 166,000	\$ —

See accompanying notes and Report of Independent Auditors.

National Building Society of Cayman

Notes to Financial Statements

March 31, 2003

1. Organization

National Building Society of Cayman (the "Society") was incorporated under The Building Societies Law (Revised) of the Cayman Islands on October 5, 1992. On May 2, 2002 the Society was granted a license under the Cayman Islands Money Services Law to carry on the business of money transmission. Its principal activities are granting home loans, operating savings accounts, providing money transfer services and trading in foreign exchange in the Cayman Islands. The Society's registered office is located at 76 Eastern Avenue, Trinity Square in the Cayman Islands and it has three employees

Effective April 11, 2003, these financial statements were authorized for issue by the Directors.

Since the year ended March 31, 2000, the Society has suffered from net losses that have deteriorated its shareholders' equity and cash liquidity. During the year ended March 31, 2003, the Society has experienced positive cash flows from operating activities of \$211,029 (2002: negative cash flow of \$200,449). Despite positive cash flow and profitable operations during the year ended March 31, 2003 the Society has suspended its principal activity of granting loans which casts doubt about the Society's ability to continue as a going concern.

On February 9, 2001, a Special General Meeting was called by the Board of Directors to approve a resolution to enable the creation of a special class of shares to be designated "Special Proprietary Shares Series A" within the framework of the rules of the Society. Under terms of the agreement, Jamaica National Building Society ("JNBS") would provide a substantial investment package to facilitate liquidity support of the Society to see to its resuscitation and viability. JNBS continues to provide interim management expertise to address the immediate issues facing the Society.

Management was contracted in March 2001 and it developed an aggressive program to implement internal controls, collection of problem assets and re-staffing of the Society with trained personnel. Following the introduction of new management, the Society has improved its liquidity by converting problem assets to cash and hiring experienced personnel. While the work of rehabilitation continues, the Society has begun to address the way forward. In June 2001, the Society signed a three-year lease in a large commercial development (Trinity Square) to house its operations. Acquisition of this facility is in keeping with a Business and Marketing Plan initiated by JNBS for the future operation of the Society. The Plan is an extensive document which further underscores the commitment of the Society to overcome the past and move confidently into the future.

JNBS continues to be committed to providing financing to support the Society's operations. During the year ended March 31, 2002, JNBS acquired the majority of the Society's paid-up proprietary shares and loans sold to JNBS under an agreement to repurchase amounting to \$415,000 were converted into paid-up proprietary shares. During the year ended March 31, 2003, JNBS acquired \$300,000 in Special Proprietary Shares Series A, \$200,000 in paid-up proprietary shares, and converted \$166,000 owing from the Society to JNBS into paid-up proprietary shares.

National Building Society of Cayman

Notes to Financial Statements (continued)

2. Significant Accounting Policies

The Society's financial statements are prepared in accordance with International Financial Reporting Standards and are stated in Cayman Islands Dollars. The following is a summary of the significant accounting and reporting policies used in preparing the financial statements.

Liquid Funds

Liquid funds include amounts due from banks on demand and short-term investments with original maturities of three months or less. Interest rates range from nil% to 11%.

Securities Held to Maturity

The Society's investments are classified as held to maturity and are carried at amortized cost. The Society has the positive intent and ability to hold to maturity all investments that are classified as held-to-maturity. Each investment is reviewed on an individual basis by management to determine if a permanent impairment exists. In the event of a permanent impairment, the decline in the investment carrying value would be recognized as an expense in the statements of operations and accumulated deficit. The Society accounts for its investing activities on a trade date basis.

Loans

Loans are recorded at their principal amount outstanding less a provision for possible loan losses. The provision is maintained at a level considered adequate to provide for potential loan losses. The level of the provision is based on management's evaluation of the loan portfolio, which takes into consideration prevailing and anticipated business and economic conditions.

When loans cannot be recovered, they are written off and charged against the provision for losses. In some cases, they are not written off until all the necessary legal procedures have been completed and the amount of the loss is finally determined. In other cases, they are written off earlier, for example when the borrower has not paid any interest or repaid any principal that was due in a specified period. At the time at which uncollectable loans are written off differs, the gross amount of loans and of the provisions for losses may vary considerably in similar circumstances.

Interest income on loans is credited to revenues based upon loan principal amounts outstanding at appropriate interest rates. When it is determined as a result of management evaluation procedures that the payment of interest or principal on a loan is doubtful of collection, the loan is placed on a non-accrual basis. Any interest accrual on a loan placed on a non-accrual basis is reversed and charged against current earnings when appropriate.

Fixed Assets and Depreciation

Fixed assets are recorded at cost, and depreciated on a straight-line basis over 5 years, except for new computer hardware and software which are depreciated over 3 years.

National Building Society of Cayman

Notes to Financial Statements (continued)

2. Significant Accounting Policies (continued)

Foreign Currencies

Balances denominated in foreign currencies at the balance sheet dates are translated at the rates of exchange ruling on that date. Transactions in foreign currencies are converted at the rates of exchange ruling on the dates of those transactions. Realised and unrealised gains and losses arising from fluctuations in exchange rates are included in the statements of operations.

Taxation

There is currently no taxation imposed on income or capital gains by the Government of the Cayman Islands. As a result, no tax liability or expense is recorded in the financial statements.

Comparative Figures

Certain comparative figures have been reclassified to conform with the current year's presentation.

3. Liquid Funds

	March 31	
	2003	2002
Cash and bank balances	\$ 1,379,349	\$ 528,147
Short-term investment	563,454	168,459
	\$ 1,942,803	\$ 696,606

Liquid funds are mainly held with two large financial institutions, one in the Cayman Islands and the other in Jamaica.

4. Securities Held to Maturity

The securities held to maturity were purchased by JNBS on behalf of the Society (see Note 14) and are comprised of a US\$2,000,000 Government of Jamaica promissory note with an interest rate of 11.25% per annum and a maturity date of July 3, 2004, and a US\$1,000,000 Government of Jamaica promissory note with an interest rate of 11.75% per annum and a maturity date of September 3, 2003.

5. Other Receivables

	March 31	
	2003	2002
Other receivables	\$ 77,351	\$ 94,240
Less provision for bad debts	(24,782)	(52,197)
	\$ 52,569	\$ 42,043

Net recoveries of other receivables of \$27,415 have been recorded as late charges in other income for the year ended March 31, 2003.

See Report of Independent Auditors.

National Building Society of Cayman

Notes to Financial Statements (continued)

6. Loans and Interest Receivable

	March 31	
	2003	2002
Mortgage loans	\$ 1,939,174	\$ 2,904,215
Less provision for loan losses:		
Beginning balance	(651,633)	(524,333)
Decrease (Increase) in provision	(173,140)	(127,300)
Charge off of loans	571,848	-
Ending balance	(252,925)	(651,633)
	\$ 1,686,249	\$ 2,252,582

The maturity distribution of the loan portfolio is as follows:

	March 31	
	2003	2002
Within 10 years	\$ 987,156	\$ 960,425
Between 10-20 years	952,018	1,943,790
	\$ 1,939,174	\$ 2,904,215

The loans bear interest generally at approximately 8% p.a. (2002: 9% p.a.). The loans are repayable in monthly installments of principal and interest, and are primarily secured by a first charge on real estate in the Cayman Islands. Approximately \$39,000 of loans outstanding at March 31, 2003 are secured by savings and investment shares. As of March 31, 2003, there was one loan carried at \$112,734 where the property offered as collateral was in the possession of the Society. The Society continues to record the loan at its net recoverable value.

Of the mortgage loans at March 31, 2003, 6% (2002: 11%) are repayable in United States Dollars with the remaining loans being repayable in Cayman Islands Dollars. The Cayman Islands dollar is tied to the United States Dollar at CI\$1.00 = US\$1.20.

Consistent with most Building Societies with similar lending and deposit-taking activities, the management of mismatched maturity positions is ultimately based on management's reasonable expectations of future events. It is reasonably possible that the expectations associated with these amounts could change in the near term (i.e., within one year) and that the effect of such changes could be material to the financial statements. It is management's belief that the Society's liquid funds together with maturing loans and securities held to maturity will be sufficient to cover any net withdrawal from savings or investment shares over the next twelve months.

There were 36 (2002: 56) loans outstanding and 2 (2002: 8) loans that were over one year in arrears at March 31, 2003.

National Building Society of Cayman

Notes to Financial Statements (continued)

6. Loans and Interest Receivable (continued)

The Directors have determined that provisions for loan losses of \$252,925 (2002: \$651,633) on loans are adequate as of March 31, 2003. The actual amounts ultimately collected are subject to the impact of future changes in business and economic conditions as well as other factors. The ultimate loan losses may vary significantly from the estimated amounts included in the accompanying financial statements and the differences could be material. The estimates are continuously reviewed and, as adjustments to these provisions become necessary, they are reflected in current operations.

The Directors have also determined that interest receivable of \$78,305 (2002: \$243,195) has been placed on a non-accrual status as of March 31, 2003.

7. Fixed Assets

	Leasehold Improve- ments	Computer Software	Computer Hardware	Fixture & Fittings	Office Equipment	Total
Cost:						
Balance at start of year	\$ 46,088	\$ 13,844	\$ 63,756	\$ 39,151	\$ 9,729	\$ 172,568
Additions	-	6,491	3,198	-	1,020	10,709
Balance at end of year	46,088	20,335	66,954	39,151	10,749	183,277
Depreciation:						
Balance at start of year	41,531	8,494	39,439	5,943	7,529	102,936
Charge for year	1,874	1,959	6,698	7,076	732	18,339
Balance at end of year	43,405	10,453	46,137	13,019	8,261	121,275
Net book value at March 31, 2003	<u>\$ 2,683</u>	<u>\$ 9,882</u>	<u>\$ 20,817</u>	<u>\$ 26,132</u>	<u>\$ 2,488</u>	<u>\$ 62,002</u>
Net book value at March 31, 2002	<u>\$ 4,557</u>	<u>\$ 5,350</u>	<u>\$ 24,317</u>	<u>\$ 33,208</u>	<u>\$ 2,200</u>	<u>\$ 69,632</u>

National Building Society of Cayman

Notes to Financial Statements (continued)

8. Savings and Investment Shares

The maturity distribution of the savings and investment shares is as follows:

	March 31	
	2003	2002
On demand	\$ 664,259	\$ 732,047
Within one year	2,637,776	2,305,254
From 1-5 years	—	112,050
	<u>\$ 3,302,035</u>	<u>\$ 3,149,351</u>

Savings shares are repayable on demand and have no voting rights.

Investment shares are repayable upon maturity and have no voting rights.

Interest paid on savings shares during the year ended March 31, 2003 ranged from 0.5% to 1% (2002: 0.4% to 3.5%).

Interest paid on investment shares during the year ended March 31, 2003 varied from 0.75% to 8% (2002: 1.3% to 9.0%).

Of the total of these accounts, 59% (2002: 55%) of the savings shares and 62% (2002: 62%) of the investment shares at March 31, 2003 are denominated in United States Dollars, with the remaining shares being denominated in Cayman Islands Dollars.

9. Share Capital

Paid-up proprietary shareholders are entitled to vote at any meeting of the Society, with each paid-up proprietary shareholder having one vote. Paid-up proprietary shares are issued in multiples of \$10 at \$1 each. Special Proprietary Shares Series A are entitled to vote at any meeting of the Society, with each share carrying five votes each and give the holder the right to appoint at least eight or 75% of the Directors of the Society. Special Proprietary Shares Series A are issued at \$10 each.

During the year ended March 31, 2002, loans sold to JNBS under an agreement to repurchase amounting to \$415,000 were converted into paid-up proprietary shares. During the year ended March 31, 2003, JNBS acquired 30,000 Special Proprietary Shares Series A for \$300,000 and 200,000 paid-up proprietary shares for \$200,000. In addition, JNBS converted \$166,000 owing from the Society to JNBS into 166,000 paid-up proprietary shares.

National Building Society of Cayman

Notes to Financial Statements (continued)

10. Other income

	Year ended March 31	
	2003	2002
Loan recoveries	\$ 78,635	\$ -
Late charges	42,231	46,448
Other revenue	7,158	9,861
Transfer fees	8,291	8,515
Foreign exchange (loss) gain	4,487	(4,651)
	\$ 140,802	\$ 60,173

11. Operating Expenses

	Year ended March 31	
	2003	2002
Staff cost excluding pension contributions	\$ 106,986	\$ 87,952
Professional fees	54,981	108,166
Other expenses	31,599	30,122
Rent	30,160	41,297
Telephone	23,919	21,220
Government licenses	19,543	17,611
Depreciation	18,339	14,272
Utilities	6,314	5,386
Printing and postage	6,103	6,576
Advertising	6,056	4,309
Insurance	5,697	5,000
Cleaning	5,654	5,700
Pension contributions	4,465	2,838
Subscriptions	2,421	3,197
Office supplies	452	3,227
Charitable contributions	99	-
Promotion and public relations	8	-
Bad debt expense	-	111,035
Computer training	-	11,737
Travel and entertainment	-	22,523
	\$ 322,796	\$ 502,168

National Building Society of Cayman

Notes to Financial Statements (continued)

12. Commitments

In the normal course of business, there are various commitments outstanding, including commitments to extend draw-downs on mortgage loans already approved, which are not reflected in these financial statements. At March 31, 2003 and 2002, the Society had no outstanding commitments for undrawn loans.

In June 2001, the Society signed a three-year operating lease in a large commercial development (Trinity Square, George Town, Grand Cayman) at a rate of \$30,160 per annum.

13. Pension Plan

All employees of the Society are eligible to enroll in the Cayman Islands Chamber of Commerce Pension Plan (the "Plan"), a defined contribution plan. Under Cayman Islands Law, the Society is obligated to contribute 5% of eligible employees salary and wages to the Plan. Included in operating expenses are pension contributions of \$4,465 (2002: \$2,838) for the year ended March 31, 2003.

14. Related Parties

Included in these financial statements are the following balances and transactions with JNBS, employees, directors, their associates, and their related companies:

	March 31	
	2003	2002
Balance sheets:		
Other receivables	\$ -	\$ 14,341
Loans	\$ -	\$ 293,091
Interest receivable	\$ -	\$ 11,469
Savings and investment shares	\$ 985,539	\$ 1,255,928
Due to JNBS	\$ 2,591,719	\$ 218,339
Interest payable	\$ -	\$ 15,937
Statements of operations:		
Interest income	\$ 39,909	\$ 19,996
Interest expense	\$ 35,554	\$ 62,497

National Building Society of Cayman

Notes to Financial Statements (continued)

14. Related Parties (continued)

The payable due to JNBS has no fixed terms of repayment.

JNBS purchased on behalf of the Society the following Government of Jamaica promissory notes and transferred these notes to the Society in return for a payable from the Society:

- a) Government of Jamaica US \$2,000,000; 11.25% p.a. Fixed Interest Rate Promissory Note to mature July 3, 2004. The Society pays 4.25% interest to JNBS on the balance due to JNBS relating to this promissory note.
- b) Government of Jamaica US \$1,000,000; 11.75% p.a. Fixed Interest Rate Promissory Note to mature September 3, 2003. The Society pays 4.75% interest to JNBS on the balance due to JNBS relating to this promissory note.

15. Regulatory Matters

The Society's license to carry on the business of money transmission subjects it to a minimum regulatory capital requirement of \$30,000 by the Cayman Islands Monetary Authority ("CIMA"). The Society is not currently subject to any other regulatory capital requirements established by CIMA. However, it is likely that in the future the Society will be required to meet certain minimum capital requirements, when proscribed by CIMA. Failure to meet these minimum capital requirements can initiate certain actions by the regulators that, if undertaken, could have a direct material effect on the Society's financial statements.

16. Financial Instruments and Associated Risks

Disclosures About Fair Value of Financial Instruments

International Accounting Standard No. 32, "Financial Instruments: Disclosure and Presentation," requires the disclosure of fair value information about financial instruments, whether or not recognized in the statements of assets and liabilities, for which it is practicable to estimate the value. The carrying amounts of all financial instruments in the statements of assets and liabilities are reasonable estimates of fair values.

Associated Risks

The Society's investment activities expose it to the various types of risk, which are associated with the financial instruments and markets in which it invests.

Market Risk

Market risk represents the potential loss that can be caused by a change in the market value of the financial instrument. The Society's exposure to market risk is determined by a number of factors, including interest rates, foreign currency exchange rates and market volatility. Management continuously monitors the Society's exposure to market risk and market risk is mitigated by the Society's positive intent to hold its significant financial instruments to maturity.

National Building Society of Cayman

Notes to Financial Statements (continued)

16. Financial Instruments and Associated Risks (continued)

Associated Risks (continued)

Credit Risk

Financial assets, which potentially expose the Society to credit risk consist principally of the Society's investments in promissory notes and its liquid funds. Until the promissory notes mature, the Society is exposed to credit risk relating to whether the issuer will meet its obligation when they come due. The Society continuously monitors its exposure to credit risk on its financial instruments.

The extent of the Society's exposure to credit risk in respect of these financial assets approximates their carrying value as recorded in the Society's balance sheets.

Interest Rate Risk

The Society's exposure to changes in interest rates relates primarily to the Society's investments in loans, promissory notes, liquid funds, investment shares and amounts due to JNBS. As discussed in Note 6, the Society is exposed to interest rate risk through its principal activity of granting long term fixed rate loans while financing itself through short term liabilities comprising investments shares. Management continuously monitors the Society's exposure to interest rate risk.

Liquidity Risk

Management believes that the Society has sufficient resources to meet the present and foreseeable needs of its business operations. Management's guiding policies are to maintain conservative levels of liquidity to ensure that the Society has the ability to meet its obligations under all conceivable circumstances.

17. Fraud and Misappropriations

Management had discovered a number of questionable practices and transactions by former personnel resulting in losses experienced by the Society in prior years. These losses have occurred from instances of non-posting to client accounts, non-performance of requested wire transfers and irreconcilable differences in savings and investments accounts.

To prevent further occurrences of defalcation and fraud, management has implemented new operational controls and an ongoing monitoring program. During the year ended March 31, 2003 the Society recovered \$14,403.

