

# PRIVATE SECURITY REGULATION AUTHORITY

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**P.S.R.A. Annual Report  
2011-2012**





## **Executive Director's Report 2011/2012**

It was a challenging yet rewarding year with a continued push towards modernization of the structure and processes to meet strategic objectives in keeping with the Ministry of National Security mandate of public order maintenance. The basic goals were the transformation of attitudes to private security awareness; transformation of processes and procedures to ensure greater efficiency of labour and resources; improved customer service and zero tolerance for breaches.

The strategies outlined included the amendment of the PSRA Act to facilitate complete and total regulation of companies and individuals; new fee structure to generate more revenue as it had not been increased since 1999; enhanced partnership with private and public sector entities in order to improve compliance; improve the use of technology to facilitate efficiency and to continue to be customer focused for greater harmony between clients and staff.

During the period April 1, 2011 to March 31, 2012 we attained several noteworthy achievements, chief among which were a 13.9% increase in guard registration as at March 31, 2012 and a 7.9% increase in the registration of companies over the previous year. Our collaboration with the HEART Trust/NTA was also strengthened to effect standardization of training of security guards and we were able to successfully monitor the operation of several illegal companies by visiting on average four (4) non compliant companies per month.

Additionally, the electronic archiving system continued to streamline the database and eliminate manual processes, commencing January 17, 2011, we implemented flexi-time with new opening hours starting at 7:15 a.m. to improve overall service delivery. Furthermore we were able to contain all our expenses within the budget allotted and submit all the relevant reports within the prescribed timeline. We are also proud to state that 90% of all operational staff has been cross trained in various business processes which resulted in significant improvement in overall competencies.

Our statistics for the period aforementioned details that the breakdown of our clients is as follows:

- Security companies 279
- Private security officers 17,762
- Private investigators 108
- Security trainers 54

Historical data for the past five years indicate the following:

- Since 2007/2008, the number of security officers increase on average by approximately 1,000 guards each successive year.
- There has been a steady increase in private security companies registering with the PSRA since 2009/2010.

However we are not without our challenges that include:

1. The legislative framework review is still pending
2. Due to budgetary constraints there was a minimal allocation for broad based public education and awareness campaigns.
3. Higher level of compliance was not achieved as some companies indicated that failure to meet renewal deadline was caused by the inability to obtain a tax compliance certificate on schedule.
4. The delay in submission of monthly reports on the movement of security guards from company to company resulted in monitoring issues.
5. The nominal fees charged impact the ability of the PSRA to be self-reliant.
6. The penalty for breaches of the act (\$10,000) is not drastic enough to act as a deterrent.
7. Amendment to the act is desperately required to strengthen the monitoring and inspection capacity of the Authority.

Moving forward, the PSRA will continue to sensitize the private security industry and the public on its role and functions as this will ultimately reduce the incidents of breaches to the PSRA Act. By continuing its public education campaign via its website and electronic media, greater acceptance and appreciation is being achieved.



ROSALYN CAMPBELL  
EXECUTIVE DIRECTOR



### **Mission**

To monitor and regulate the operations of organizations and individuals operating in the Private Security Industry.

To facilitate a closer link between Private Security and State Security in the interest of national well-being.

### **Vision**

To promote international and professional standards and practices in the Private Security Industry.

During the 2011/2012 period the Authority continued its trust towards modernizing its structure and processes in order to meet its corporate and strategic objectives and to

contribute to the mandate of the Ministry of National Security which is to maintain public order and reduce the rate and fear of crime.

The Authority has synchronized its approach to that of its parent ministry by ensuring that its strategies and goals embrace;

1. Transforming attitudes to promote security awareness and zero tolerance
2. Transforming processes to achieve unity and coherence of effort
3. Transforming practices for greater effectiveness and efficiency

This strategic approach ensures that the PSRA positively contributes to the Ministry of National Security's Mission and Strategic Objectives.

### **Core Business**

The Authority grants, refuses, suspends or cancels licences of:

- Contract Security Organizations
- Proprietary Security Organizations
- Private Security Guards
- Private Investigators
- Security Trainers

The core business of the Authority is to consider and determine applications made under the PSRA Act for the registration, licensing and the renewal of individuals and companies. In addition the Authority;

- Grants, refuses, suspends or cancels licences issued if and where necessary,
- Monitors all the operations of private security organizations,
- Makes enquiries and collects information as it may deem necessary to carry out its functions under the Act,
- Takes any other lawful measures that it considers necessary or desirable to assist in fulfilling its functions.

Licences are granted after all criteria are met and are renewed annually on the anniversary date of initial registration.

Licences may be granted subject to any restrictions and/or conditions as may be specified in the licence. All fees must be paid and this is subject to change as prescribed by the Regulations.

## **Summary of Strategies**

In order for the Private Security Regulation Authority to achieve the mandate of the Ministry of National Security, the Authority has focused on the following strategies to ensure its relevance and sustainability in the private security industry.

- The amendment of the PSRA Act is required to create the legislative framework with particular reference to making Inspectors authorized persons, facilitate complete and total regulation of companies and individuals and include terms and conditions of employment. The amendments will seek a maximum fine between five hundred thousand dollars and one million dollars for violations by companies. Pursuant to this, the Authority has submitted a document outlining the proposed amendment to the PSRA Act to the Ministry of National Security.
- The introduction of a new fee structure to increase fees to permit the Authority, to generate more revenue and thereby reduce its 100% dependence on the national budget. The fees were last increased in 1999.
- Continue to manage all expenditure within budgetary allocations and actively reduce expenditure where possible.
- Continue to work with HEART Trust/NTA and NCTVET to expand the training mandate for the industry and ensure that all stakeholders are advised and appraised of the new competency based training standards which is required for HEART Trust /NTA certification. The standards are available on the PSRA's website.
- Enhanced partnerships with private and public sector entities in order to improve compliance to the PSRA Act and Regulations by security personnel in the Industry. The Authority currently partners with ASIS, JCF and more recently the Tourism Product Development Organization (TPDCO). The latest collaboration is spearheaded by the Executive Director who is a member of the Product Quality and Security Awareness Committee of the Ministry of Tourism. This collaboration has resulted in increased compliance of tourism entities to the PSRA Act. The Authority will seek to establish and develop greater collaboration with other relevant entities to further enhance compliance.
- The use of technology will continue be the driver to ensure the effectiveness and efficiency of the Authority. To this end, the Authority will focus on solutions to achieve its strategic objectives.
- The Authority will continue to provide an optimum customer focused atmosphere to facilitate a harmonious environment for clients and staff.

## **Description of the Organization**

### **Governance and Structure**

The Private Security Regulation Authority is a statutory body under the Ministry of National Security charged with the responsibility to monitor and regulate all stakeholders in the Private Security Industry. It is accountable to the Minister of National Security through the Chairman and the Board of Directors, appointed by the Minister.

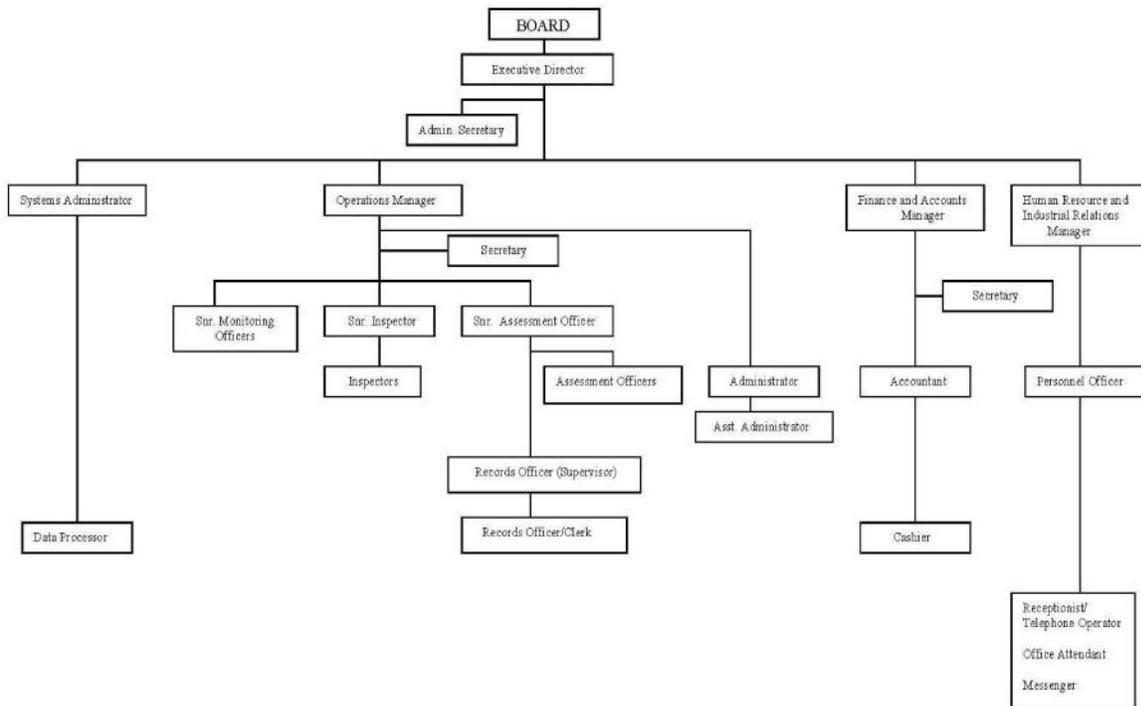
### **Board of Directors**

The PSRA is headed by a nine member Board with a Secretariat of twenty nine (29) members of staff, led by the Executive Director. The members of the Board of Directors are as prescribed in the PSRA Act 1992, representatives of the Private Security Industry, the Private Sector Organization of Jamaica, the Veterinary division of the Ministry of Agriculture, representatives of the General Legal Council and the Permanent Secretary and or his nominee. The Board oversees the operations of the Authority within the framework of the PSRA Act and Regulations.

### **Members of the Board of Directors**

Mr. Ferris Ziadie	-	Chairman
Mr. Crafton Miller		
Mr. Dennis Morgan		
Mr. Christian Tavares Finson		
Mr. Kenneth Benjamin		
Permanent Secretary or his nominee		
Dr Trudy Stewart Gaynor		
Mr. George Soutar Q. C.		
Maj. Ffrench-Campbell		

# Organization Chart

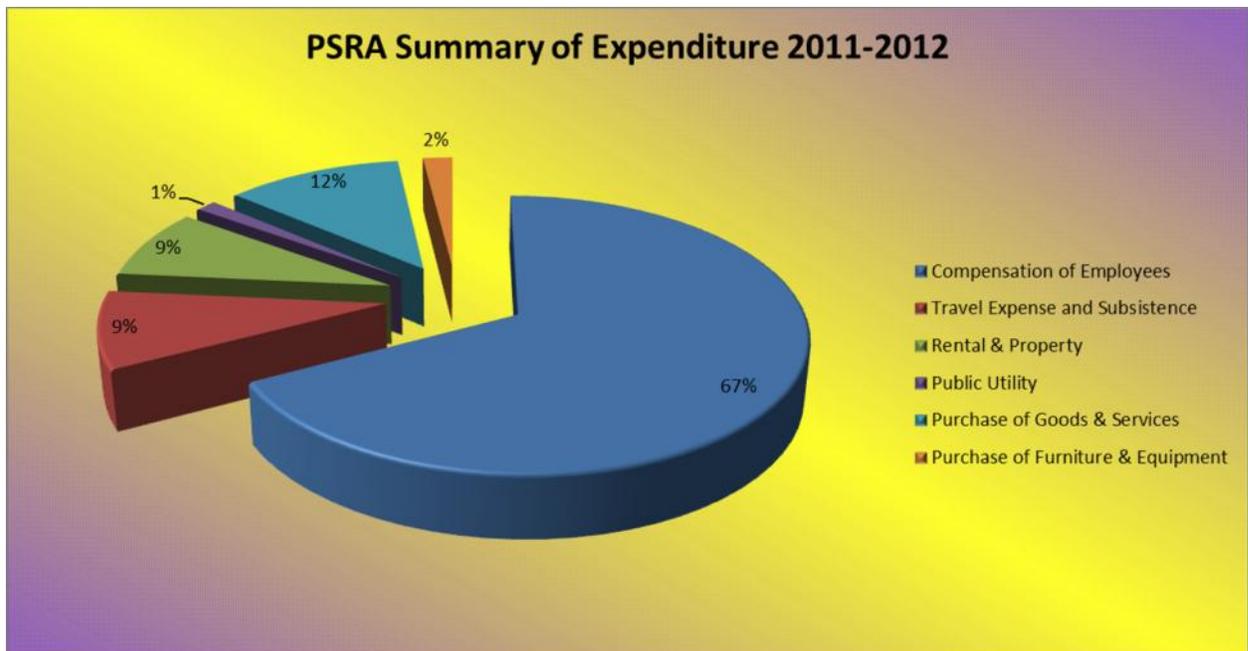


## SUMMARY OF EXPENDITURE BY OBJECT

### FINANCIAL YEAR 2011/2012

#### Summary of Expenditure (\$)

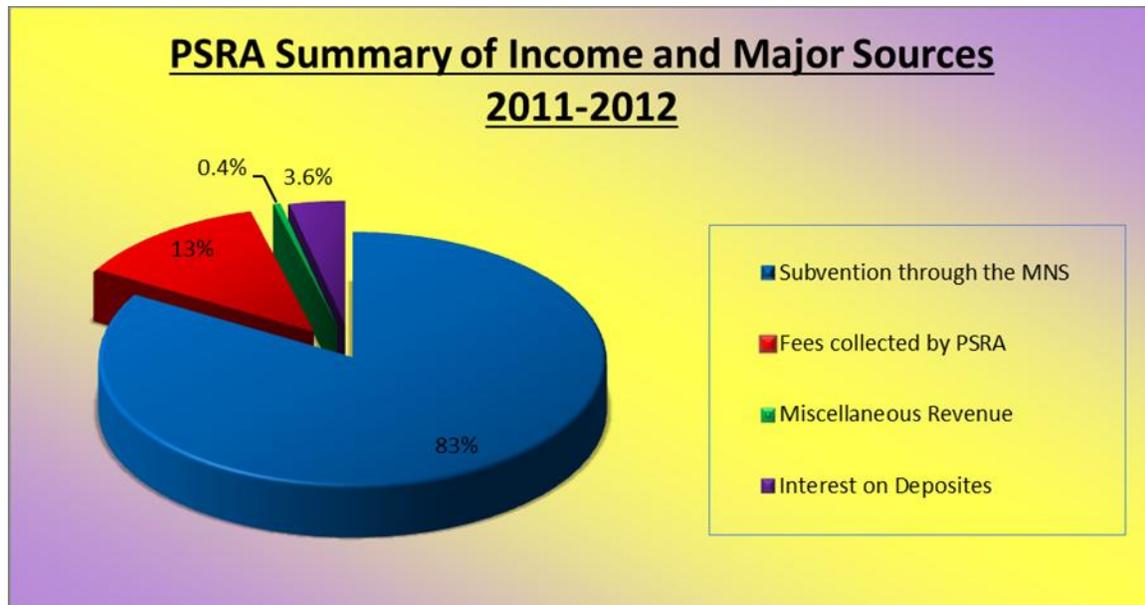
21 - Compensation of Employees	38,090,021.82
22 - Travel Expense and Subsistence	5,214,407.92
23 - Rental of Property	4,754,373.00
24 - Public Utility	755,827.56
25 - Purchase of Goods & Services	6,662,053.38
31 - Purchase of Furniture & Equipment	<u>1,110,974.22</u>
Total Expenditure	<b><u>56,587,657.90</u></b>



**SUMMARY OF INCOME AND MAJOR SOURCES**  
**FINANCIAL YEAR 2011/2012**

The funds of the authority for the financial year under review were made up of fees collected for the licensing/registration of individuals and organization under the PSRA Act, interest generated through investments, miscellaneous revenue and the annual subvention provided by Parliament.

Summary of Income (\$)	
Approved Budget 2011/2012	51,725,000.00
Subvention through MNS	49,092,879.47
Fees collected by PSRA	7,439,598.00
Miscellaneous Revenue	269,400.00
Interest on Deposits	2,137,386.07
Gross Revenue	58,939,263.54



## **Summary of Actual Performance**

### **ACHIEVEMENTS 2011/12**

- There was a **13.9%** increase in the registration of guards as at March 31,2012.
- There was a **7.9%** increase in the registration of companies over the previous year.
- All registered companies were sensitized and advised in writing of the new HEART Trust NVQJ Level 1 standards in Security Operations.
- The Authority continued its collaboration with HEART Trust/NTA to effect standardization of training for security guards.
- Local and regional meetings were attended by representatives of the Authority in an effort to work with the HEART Trust and NCTVET to expand the mandate for the industry and ensure that all stakeholders are aware of the New HEART Trust /NTA competency based training standards.
- Successfully monitored the operations of illegal companies by visiting an average of four (4) non-compliant companies per month.
- Participate in several Public Education Programmes such as the Ministry of National Security Expo in Emancipation Park and the Tourism Product Development (TPDCO) Company Limited Expo which was aimed at providing training workshops for proprietary security companies in the tourism sector.
- TPDCO meetings and presentations were made by the Operations department of the Authority on the registration process for companies and guards. This has resulted in improved compliance.
- The Authority continued its work on the Electronic Archiving System, with the goal of streamlining the data base of the registry and eliminating manual processes. The initial data to be archived comprises all information on companies and individual guards and private security stakeholders registered with the Authority since 1993.
- The Authority resubmitted the proposed Amendments to the PSRA Act to the Ministry of National Security for the requisite action.
- The Authority extended and monitored flextime with new opening hours starting at 7.15 a.m. effective January 17, 2011. The aim was to provide service to our customers based on the Customer Impact Survey Results. Excellent positive feedback was received from customers as 70% of customers utilise the early opening hours.

- The Performance Management and Appraisal System (PMAS) was fully maintained.
  
- 90% of all operational staff are cross trained in various business processes which has resulted in significant improvement in competencies. The Authority also facilitated staff development and training; currently most staff members have upgraded their qualifications to a minimum Associate Degree level.
  
- All expenditure was contained within budgetary allocations. All financial reports were done and submitted within the prescribed timelines.

# CITIZEN'S CHARTER



*This Citizen's Charter describes our commitment to service and outlines the overall standards of service you can expect to receive from The Private Security Regulation Authority (PSRA).*

## Our Purpose

The Authority considers and determines applications made under the PSRA Act for registration and licensing of Private Security Professionals and companies. It also grants, refuses, suspends or cancels licences.

We also monitor and regulate the operations of:

- Contract Security Organizations
- Proprietary Security Organizations
- Private Security Guards
- Security Trainers
- Private Investigator Organizations

## Our Customers

Private Security Guards, Security Trainers, Private Investigators, Company Directors, Managers, Consultants, Body Guards, Technicians, and Coordinators.

## Our Services

The PSRA Register and Licence stakeholders in the Private Security Industry under the PSRA Act 1992 as well as monitor and regulate the industry.

## What You Can Expect From Us

The Authority aims to exceed your expectation and:

- Is efficient, effective and accessible.
- Is honest, open and accountable for our actions.
- Provide clear and appropriate information, guidance and advice.
- Publish and update all relevant information on our website at [www.pspa.gov.jm](http://www.pspa.gov.jm).
- Respond to your letters and e-mails within five (5) working days.
- Answer all telephone calls within three (3) rings.
- Where telephone calls are more complex, we commit to call you when we have the relevant information within twenty-four (24) hours.
- Keep you informed if we cannot answer your enquiry or request immediately.

## Our Service Standards

- We act courteously and professionally.
- We listen carefully and respond to enquires and request promptly.
- We willingly assist and is responsive to your needs by providing timely oral and written advise which is clear, concise, accurate and complete.
- We deal with your concerns or complaints promptly, fairly, completely and provide timely feedback.
- We use our feedback to improve our products and services.
- We continually strive to improve or exceed our service standards.

## You can help us by:

Having all the required information, documents and completed forms when you apply for Registration, Licence or Renewal. Complete information and application forms are available on our website at [www.pspa.gov.jm](http://www.pspa.gov.jm).

## Our Feedback Commitment

The PSRA is committed to evaluating customer feedback in order to improve the quality of services provided. Feedback (Complaints, Compliments and Suggestions) is welcomed and encouraged. This can be provided to the PSRA through any of the following:

Letter, Telephone, Fax, E-mail, in person, contacts and Feedback section of the Authority's website at [www.pspa.gov.jm](http://www.pspa.gov.jm).

## CONTACT US



PRIVATE SECURITY REGULATION AUTHORITY

6th Floor, 12 Ocean Boulevard  
Kingston Mall.

Tel: 967-2522-6 Fax: 967-2478

Listed below are the operational statistics relating to the activity of the Authority in the year under review.

**APRIL 1, 2011 – MARCH 31, 2012**

<b>SECURITY COMPANIES &amp; GUARDS ON THE P.S.R.A. REGISTER</b>	<b>TOTAL</b>
<b>No. of Companies at March 31, 2012</b>	<b>279</b>
No. of New Companies Registered	41
No. of Renewed Companies Registered	145
No. of Closed Companies	4
<b>No. of Guards at March 31, 2012</b>	<b>17,762</b>
No. of Armed Guards	3,838
No. of Unarmed Guards	13,924
<b>Registration of Guards During Period</b>	<b>15,671</b>
No. of New Armed Guards	38
No. of Renewed Armed Guards	3,599
No. of New Unarmed Guards	2,310
No. of Renewed Unarmed Guards	9,562
No. of Renewed Trainer/Private Investigators	19
No. of New Trainers	6
No. of Renewed Trainers	54
No. of New Private Investigators	8
No. of Renewed Investigators	75

## **Analysis of Current Performance**

Licences are granted after all criteria are met and remain in force for a period of one year. Licences are renewed annually on the anniversary date of initial registration.

The Authority issues and renews licences on an annual basis. Licences may be granted subject to any restrictions and/or conditions as may be specified in the licence. All fees must be paid and this is subject to change as prescribed by the Regulations. Licences are issued to:

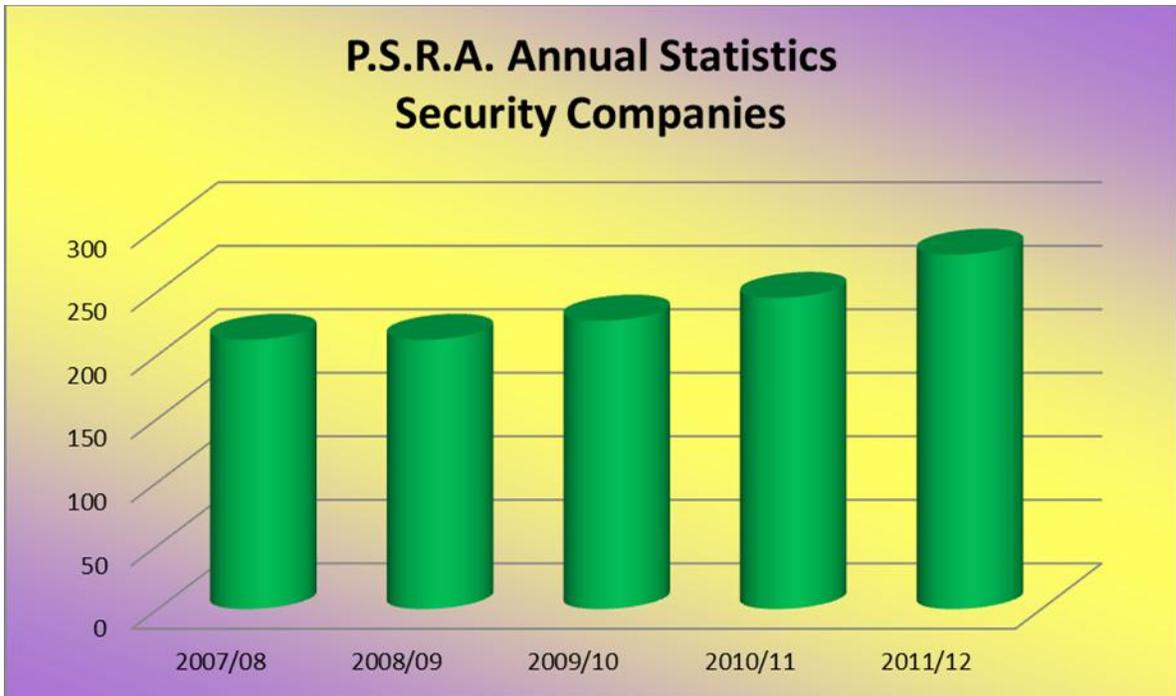
Companies  
Security Trainers  
Private Investigators  
Armed Security Guards  
Unarmed Security Guards

### **Clients as at March 31, 2012**                      **Amount**

Security Companies	279
Private Security Guards	17,762
Private Investigators/Trainers	108
Security Trainers	54

### **Historical Data**

COMPANIES		SECURITY	GUARDS
Years		Years	
2007/08	212	2007/8	12,853
2008/09	212	2008/9	13,941
2009/10	227	2009/10	14,974
2010/11	245	2010/11	16,461
2011/12	279	2011/12	17,762

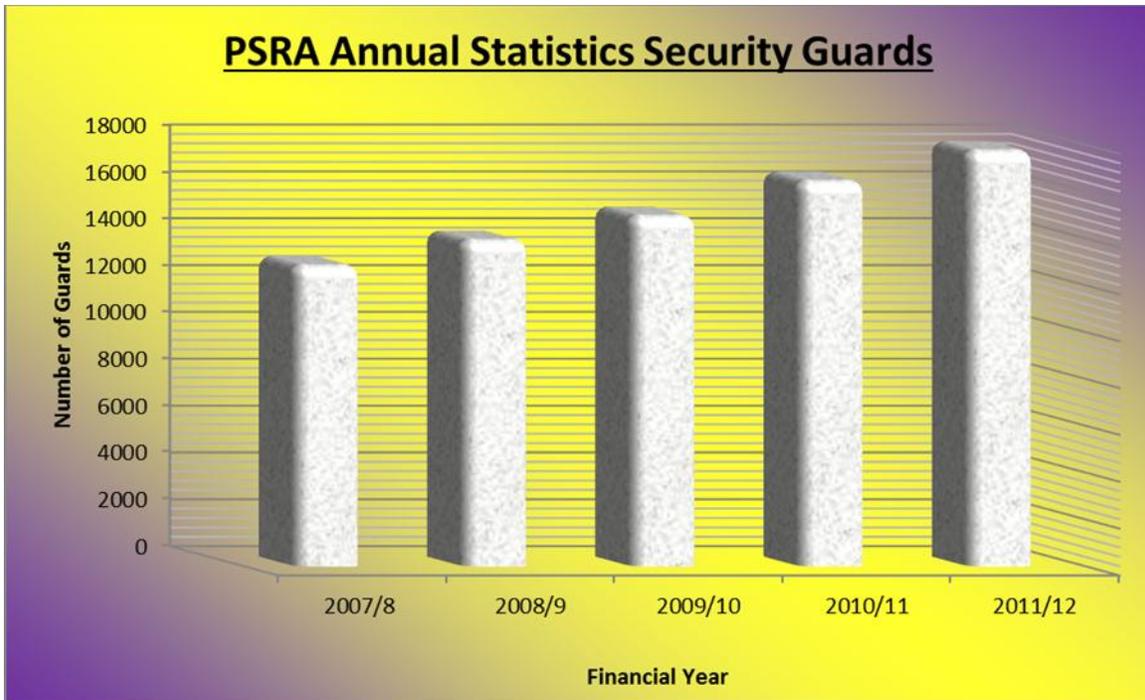


Financial Years	Security Guards
2007/08	212
2008/09	212
2009/10	227
2010/11	245
2011/12	279

A review of the number of Private Security Companies registered by the Authority over the last five years as indicated above.

In the year under review 2011/12 four (4) companies were removed from the Authority's register for various reasons such as non-renewal for two successive years and companies voluntarily ceasing operations.

There was a **7.9%** increase in 2011/2012 over the previous year in company registrations.



Financial Year	Security Guards
2007/08	12,853
2008/09	13,941
2009/10	14,974
2010/11	16,461
2011/12	17,762

Similarly there was steady growth of Private Security Guards in the industry as indicated above.

There was a **13.9%** increase in 2011/2012 over the previous year in guard registrations.



There were 13,924 (78%) unarmed security guards and 3,838 (22%) armed security guards who renewed their PSRA licences in the period April 1, 2011 to March 31, 2012.



### MNS Community Security Initiative – Emancipation Park

Activities/Programmes	Targets	Achievements
Registration of Guards.	1,000 additional security officers registered per annum.	<p>There were <b>17,762</b> security guards were on the PSRA's register @ March 31, 2012.</p> <p>This was 1,301 over the amount registered at March 31, 2011. This represents a <b>7.9% increase in registration of guards.</b></p>
Registration of Companies	13.9% Increase in company registration.	<p><b>279</b> Private security companies were on the PSRA's register @ March 31, 2012.</p> <p>There was an increase of 34 private security companies in this financial year.</p>
HEART Trust/NTA Training Collaborate and facilitate HEART Trust/NTA training in Security Operations Level 1 for security guards in the private security industry	Sensitize all security companies of the new HEART Trust training standards – NVQJ Level 1 in Security Operations.	All companies have been sensitized and advised in writing of the new HEART Trust NVQJ Level 1 standards in Security Operations
Tourism Product Development Company Interventions (TPDC)	<p>Attend all local and regional meetings.</p> <p>Conduct quarterly training workshops for security officers employed in proprietary security companies</p>	Eight (8) local meetings were attended islandwide and four (4) joint workshops facilitated.

Activities/Programmes	Targets	Achievements
Introduction of a new fee structure to increase revenue	<p>Fees should be increased to permit the Authority to generate revenue in order to reduce its dependence on the Consolidated Fund</p> <p>A new fee proposal was submitted in 2009/10 but was not endorsed</p>	<p>Proposed new Fee Structure to be resubmitted in 2012/13.</p> <p>A new proposal to be resubmitted in 2012/13</p>
Amendment to the PSRA Act and Regulations	Amendments approved.	Proposed amendments were submitted to the Ministry of National Security in 2011/12
Monitoring of illegal operations in the Private Security Industry	Visit at least five (5) non-compliant companies per month	An average of four (4) non-compliant companies were visited per month
Public education on the role and functions of the PSRA	<p>Participation in relevant events in the security industry.</p> <p>Monthly update of the website date relevant to the private security industry.</p>	<p>Relevant events were attended such as :</p> <ul style="list-style-type: none"> <li>• MNS Community Security Initiative Expo</li> <li>• MNS National Security Plan</li> <li>• MOT Quarterly Tourism Product Development quarterly meetings</li> </ul>
Provide information on the compliance of private security companies to the public	Monthly update of the PSRA Website with a list of compliant companies.	The PSRA's website was updated in a timely manner on a monthly basis.

Activities/Programmes	Targets	Achievements
Remain a Customer Focused Entity	Provide clients with a minimum of 90% in all areas of service delivery.	<p>The results of a Customer Service Impact Survey revealed an average satisfaction rate of 97%.</p> <p>Continue to provide clients with complete information on the registration process.</p> <p>Solicit feedback from clients.</p> <p>Continue to train/cross train staff to ensure optimum competency and accurate responsiveness to enquiries.</p> <p>Fully enforced Customer Service Charter.</p> <p>Revised systems and procedures to reduce processing time for applications.</p>



**National Security Plan Presentation - Mandeville**

## CHALLENGES



The legislative framework review is still incomplete; it was overtaken by more urgent priority security needs of the ministry and country.

Due to budgetary constraints no allocation was made in the budget for a public education campaign and public awareness of the roles and functions of the PSRA.

The security companies need to satisfy HEART Trust/NTA requirements to gain Accredited Training Organization (ATO) status in order to ensure that all private security guards in the industry attain the minimum standard of NVQJ Level I certification in Security Operations within the next five years.

During the year under review the Authority sought to achieve higher levels of compliance with respect to the renewal of Licences and Registration of security companies and guards operating in the industry. The chief reason indicated by companies for failure to meet annual renewal deadlines in a timely manner has been the inability of companies to obtain a Tax Compliance Certificate on schedule.

A major challenge faced by the Authority is the delay in the submission of monthly reports on the movement of security guards from company to company resulting in monitoring challenges for the Authority.

Another hurdle that the Authority faces is that it earns only nominal revenue from the existing fee structure which was last adjusted in 1999. This has negatively impacted the ability of the Authority to earn enough to be more self-reliant.

Laying matters before the Court for breaches under the Act still pose a challenge for the smooth operation of the Authority as the maximum penalty; a fine of \$10,000.00 does not serve as an adequate deterrent to companies that are operating illegally. It has also not proven prudent or beneficial and efficient for the relevant Authorities to pursue such matters as the estimated time to dispose of same before the courts is approximately two years, which results in considerable loss of productive time and financial loss.

The Amendments to the PSRA Act are desperately required by the Authority to strengthen its monitoring and inspectorate functions, legislative framework and permit the effective monitoring and inspection of companies.

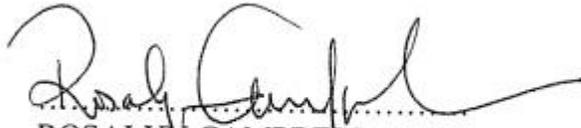
## **THE WAY FORWARD AND RECOMMENDATIONS**

- ❖ The immediate amendment of the PSRA Act to create the legislative framework with particular reference to fines, to create a maximum fine of at least \$500,000 dollars for violations by companies and up to \$25,000 for security guards and other personnel for a first offence with an increased schedule for future offences and habitual offenders
- ❖ The introduction of a new fee structure to increase fees to permit the Authority, to generate more revenue and thereby reduce its dependence on the national budget.
- ❖ Through prudent management of the financial resource we will continue to ensure that all expenditure is contained within budgetary allocations and actively seek to reduce expenditure where possible.
- ❖ The PSRA will continue to work with HEART Trust/NTA and NCTVET to achieve the training mandate for the industry and ensure that all stakeholders are advised and apprised of the new competency based training standards which is required for HEART Trust/NTA certification. The standards are available on the PSRA's website.
- ❖ Continue Partnerships with private and public entities will be enhanced in order to improve compliance to the PSRA Act and Regulations by security personnel in the Industry. The Authority currently partners with ASIS, JCF and more recently the Tourism Product Development Organization (TPDCO). The latest collaboration spearheaded by the Executive Director who is a member of the Product Quality and Security Awareness Committee of the Ministry of Tourism. This collaboration has resulted in increased compliance of tourism entities to the PSRA Act. The Authority will seek to establish and develop greater collaboration with other relevant entities to further enhance compliance.

- ❖ The Authority intends to continue to sensitize the Private Security Industry and the public on the role and functions of the PSRA. This will ultimately reduce the incidents of breaches of the PSRA Act. It will continue its public education campaign via its website, and the electronic media as funds permit.
  
- ❖ Communication will be enhanced with security companies to follow up submission of reports on relocation, termination of guards and/or the change of guards/company status in a timely way.
  
- ❖ The use of technology will continue to be the driver to ensure the effectiveness and efficiency of the Authority. To this end the Authority will acquire relevant hardware and software solutions to achieve its strategic objectives.

**MEETINGS OF THE AUTHORITY**

One regular board meeting was held during the year.



ROSALYN CAMPBELL  
EXECUTIVE DIRECTOR

# **APPENDICES**

**DIRECTORS COMPENSATION**

Position of Director	Fees \$	Motor Vehicle Upkeep/Travelling Or Value of Assigned Motor Vehicle \$	Honoraria \$	All other Compensation Including Non-Cash Benefits as Applicable \$	Total \$
Ferris Ziadie (Chairman)	12,000	N/A	N/A	N/A	12,000
Kenneth Benjamin (Board Member)	7,500	N/A	N/A	N/A	7,500
Dennis Morgan (Board Member)	7,500	N/A	N/A	N/A	7,500
George Soutar (Board Member)	7,500	N/A	N/A	N/A	7,500
Angella Buchanan (Board Member)	7,500	N/A	N/A	N/A	7,500
Trudi Stewart- Gaynor (Board Member)	7,500	N/A	N/A	N/A	7,500
Total	49,500				49,500

## SENIOR EXECUTIVE COMPENSATION

Position of Senior Executive	Year	Salary \$	Gratuity or Performance Incentive \$	Travelling Allowance or Value of Assigned Motor Vehicle \$	Pension or Other Retirement Benefits \$	Other Allowance \$	Non-Cash Benefits \$	Total \$
Executive Director (Level 11)	2011/2012	3,921,112.00	980,278.00	796,500.00	-	*134,731.25	-	5,832,621.25
Finance, Accounts Mgr. (Level 10)	2011/2012	2,454,588.00	-	420,000.00	Central Government Pension Scheme	**487,036.25	-	3,361,624.25
HR/IR Manager (Level 9)	2011/2012	2,198,198.50	513,597.88	420,000.00	-	*80,818.25	-	3,212,614.63

NB \*Lump sum annual one off payment

\*\*Seniority Allowance & annual one off lump sum payment



AUDITOR GENERAL'S DEPARTMENT  
40 KNUTSFORD BOULEVARD  
P.O. BOX 455  
KINGSTON 5  
JAMAICA

Email: [audgen@auditorgeneral.gov.jm](mailto:audgen@auditorgeneral.gov.jm)

## **INDEPENDENT AUDITOR'S REPORT**

**To the Executive Director,  
The Private Security Regulation Authority**

### **Report on the Receipts and Payments Statement**

I have audited the accompanying Receipts and Payments Statement of the Private Security Regulation Authority, set out on pages 1 to 6, which comprise the Receipts and Payments Statement for the year ended March 31, 2012 and a summary of significant accounting policies and other explanatory notes.

### **Management's Responsibility for the Receipts and Payments Statement**

Management is responsible for the preparation and fair presentation of this Receipts and Payments Statement in accordance with Cash Basis International Public Sector Accounting Standards (IPSAS). This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of a statement that is free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

My responsibility is to express an opinion on this Receipts and Payments Statement based on my audit. I conducted my audit in accordance with the auditing standards issued by the International Organization of Supreme Audit Institutions (INTOSAI). Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Receipts and Payments Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Receipts and Payments Statement, 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 Statement in order to design audit procedures that are appropriate in the circumstances.

An audit also includes evaluating the appropriateness of accounting policies used, as well as evaluating the overall presentation of the statement.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

**Opinion**

In my opinion proper accounting, records have been kept and I certify as a result of my audit, that the Receipts and Payments Statement is a fair representation of the financial transactions of the Private Security Regulation Authority for the year ended March 31, 2012 in accordance with Cash Basis International Public Sector Accounting Standards (IPSAS).

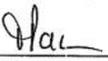
  
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Auditor General

2012/12/12.....  
Date

The Private Security Regulation Authority  
 Receipts and Payments Statement  
 For the year ended March 31, 2012

	Note	2012 \$	2011 \$
<b>Receipts</b>			
Income from operations	3	7,439,598	6,449,260
Miscellaneous Revenue		269,400	1,179,866
Subvention	5	49,092,879	45,360,028
<b>Total receipts</b>		<b>56,801,877</b>	<b>52,989,154</b>
<b>Payments</b>			
Salaries and Related Expenses	8	43,304,430	42,102,709
Rental of Property		4,754,373	4,584,390
Public Utility Service		755,828	692,644
Purchase of goods and services	9	6,662,053	4,670,389
Capital Expenses	10	1,110,974	1,314,924
<b>Total payments</b>		<b>56,587,658</b>	<b>53,365,056</b>
<b>Operating Surplus /(deficit)</b>		<b>214,220</b>	<b>(375,902)</b>
Interest Income	4	2,137,386	3,210,969
Net increase/(decrease) in cash for the year		2,351,606	2,835,067
Cash and cash equivalents at beginning of year	6	43,376,650	40,541,583
Net increase/(decrease) in cash for the year		2,351,606	2,835,067
<b>Cash and cash equivalents at end of year</b>	7	<b>45,728,256</b>	<b>43,376,650</b>

Approved for issue on behalf of the Private Security Regulation Authority on December 12,  
2014 and signed on its behalf by:

  
 \_\_\_\_\_  
 Juliet Patterson  
**Finance Manager**

  
 \_\_\_\_\_  
 Rosalyn Campbell  
**Executive Director**

## **1. Identification**

The Private Security Regulation Authority, (P.S.R.A.) is a Statutory Body under the Ministry of National Security charged with the responsibility to monitor and regulate the operations of:

- Contract Security Organizations
- Proprietary Security Organizations
- Private Security Guards
- Private Investigators
- Security Trainers

The Authority is established under the P.S.R.A. Act, 1992 and is headed by a nine member Board with a Secretariat of twenty nine (29) members of staff, led by the Executive Director who is the Secretary to the Board.

## **2. Statement of compliance, basis of preparation and significant accounting policies**

### **a) Statement of compliance**

The financial statements have been prepared in accordance with Cash Basis IPSAS *Financial Reporting under the Cash Basis of Accounting*. IPSASs are International Public Sector Accounting Standards developed by the International Public Sector Accounting Standards Board (IPSASB), an independent Board of the International Federation of Accountants (IFAC).

### **b) Basis of preparation**

The financial statements are prepared under the historical cost convention, and are presented in Jamaican dollars which is the reporting currency of the P.S.R.A.

### **c) Significant accounting policies**

#### *i. Cash and cash equivalents*

Cash and Cash Equivalents are carried in the statement of receipts and payments at cost. For the purpose of the statement, cash and cash equivalents comprise cash at bank, in hand, and deposits.

ii. *Fixed Assets*

Fixed Assets acquired are expensed in the statement of receipts and payments.

iii. *Income Recognition*

Income is recognized in the statement of receipts and payments on a cash basis.

**3. Income from Operations**

This represents fees collected from New Applicants, Renewals and Other Fees, as follows:

	<b>2012</b>	<b>2011</b>
	\$	\$
New Applicant	772,400	609,900
Renewals	5,538,798	4,870,460
Other Fees	<u>1,128,400</u>	<u>968,900</u>
	<b><u>7,439,598</u></b>	<b><u>6,449,260</u></b>

**4. Interest Income**

This represents Interest earned on Short term Deposits.

	<b>2012</b>	<b>2011</b>
	\$	\$
Interest Income	<u>2,137,386</u>	<u>3,210,969</u>
	<b><u>2,137,386</u></b>	<b><u>3,210,969</u></b>

**5. Subvention**

This represents amounts received from the Ministry of National Security during the financial year.

**6. Cash and Cash Equivalents at the beginning of the period**

	<b>2012</b>	<b>2011</b>
	\$	\$
Cash at Bank	3,829,788	2,075,644
Petty Cash	15,000	15,000
Stamp Imprest	3,000	3,000
Investments	39,528,862	38,447,939
	<u>43,376,650</u>	<u>40,541,583</u>

**7. Cash and Cash Equivalents at end of period**

	<b>2012</b>	<b>2011</b>
	\$	\$
Cash at Bank	5,937,879	3,829,788
Petty Cash	15,000	15,000
Stamp Imprest	3,000	3,000
Investments	<u>39,772,377</u>	<u>39,528,862</u>
Closing Balances	<u>45,728,256</u>	<u>43,376,650</u>

**8. Salaries and related expenses**

Salaries and related expenses comprises :

	<b>2012</b>	<b>2011</b>
	\$	\$
Salaries	38,090,022	37,232,170
Allowances and Subsistence	5,214,408	4,870,539
	<u>43,304,430</u>	<u>42,102,709</u>

**9. Purchases of Goods and Services**

This comprises the following:

	<b>2012</b>	<b>2011</b>
	\$	\$
Drugs	34,000	26,035
Food and drink	62,296	47,810
Official Publication	-	3,000
Subscription to Newspaper	91,720	79,355
Stationery and office supplies	149,134	106,118
Electrical Materials & Fittings	-	4,300
Local Consultancy Services	189,000	-
Transportation (Haulage)	-	8,000
Local Advertising	475,300	25,614
Wireless, Cable and Postal charge	21,240	12,240
Printing and photocopying services	33,176	297,855
Official entertainment	92,715	13,799
Repairs to Furniture and equipment	104,944	24,150
Repair of Motor Vehicle	-	55,969
Maintenance of Computer Hardware	324,618	124,892
Maintenance of Computer Software	1,093,064	779,928
Computer parts, supplies and cabling	1,265,957	1,117,583
Toilet Articles	36,614	31,916
Training Expenses	675,069	411,100
Janitorial Services	488,210	331,444
Licences Taxes		6,000
Crockery		560
Financial charges	10,723	25,457
Board member's fees	49,500	280,000
Locksmith Services	33,600	6,750
Purchases of other goods and services	1,431,173	850,512
	<b><u>6,662,053</u></b>	<b><u>4,670,389</u></b>

10. Fixed Assets were comprised as follows:

	<b>Fixtures &amp; Fittings \$</b>	<b>Computer Hardware \$</b>	<b>Computer Software</b>	<b>Small Equipment &amp; Appliance</b>	<b>Total \$</b>
Balance at April 1, 2011	98,953	581,708	634,263		1,314,924
Additions	-	1,032,374	-	78,600	1,110,974
Disposals	-	-	-		-
<b>Balance at March 31, 2012</b>	<b>98,953</b>	<b>1,614,082</b>	<b>634,263</b>	<b>78,600</b>	<b>2,425,898</b>