



**FIREARM LICENSING AUTHORITY**

**ANNUAL REPORT  
2019/2020**

**“FLA...Regulating with Purpose”**

# PROMOTING FIREARM SAFETY AND RESPONSIBILITY

## THE FIVE BASIC FIREARM SAFETY RULES:

1. Conduct yourself in a mature and responsible manner.
2. Treat all firearms as if they are loaded.
3. Never point a firearm at anything unless you plan to destroy it.
4. Never put your finger on the trigger unless you intend to fire the gun.
5. Know your target, and what is beyond and around the target.

Licensed holders can also ensure firearm security, and the safety of themselves and others by practicing the following safety tips:

- Be vigilant when traversing public spaces.
- Refrain from frolicking/idle activities such as excessive drinking while in possession of a firearm.
- Do not leave firearm(s) in vehicles.
- Ensure that the safety is activated on the firearm when not in use and that the muzzle is pointed in a safe direction.
- Store firearm(s) at home in a metal safe and keep it closed.
- Keep firearm(s) and ammunition out of the reach of children.

# Table of Contents

	PAGE
VISION STATEMENT.....	5
MISSION STATEMENT.....	5
CORPORATE PROFILE .....	6
ORGANIZATIONAL STRUCTURE.....	7
MESSAGE FROM THE MINISTER OF NATIONAL SECURITY.....	8
MESSAGE FROM THE CHAIRMAN OF THE BOARD.....	9-10
MESSAGE FROM THE CEO.....	11-12
CORPORATE GOVERNANCE: THE BOARD OF THE AUTHORITY.....	13
THE REVIEW BOARD.....	14
PERFORMANCE AT A GLANCE 2019/2020.....	15-18
BOARD DECISIONS.....	19
MEET OUR DIRECTORS.....	20
MEET OUR MANAGERS.....	21
THE GENERAL ADMINISTRATION DEPARTMENT.....	22-23
THE APPLICATION & CERTIFICATION DEPARTMENT.....	24-25
THE INVESTIGATION DEPARTMENT.....	26
THE COMPLIANCE & ENFORCEMENT DEPARTMENT.....	27-28
THE INFORMATION SYSTEMS & TECHNOLOGY DEPARTMENT.....	29-30
THE FINANCE & ADMINISTRATION DEPARTMENT.....	31-32
MONTEGO BAY REGIONAL OFFICE.....	33
MANDEVILLE REGIONAL OFFICE.....	34
PICTORIAL HIGHLIGHTS.....	35-36
ANNUAL COMPENSATION FOR BOARD MEMBERS.....	37
REVIEW BOARD.....	38
ANNUAL COMPENSATION FOR SENIOR MANAGEMENT.....	39
INCOME GENERATION.....	40
INCOME AND EXPENDITURE COMPARISON.....	41
FINANCIAL STATEMENTS.....	42



# Firearm Licensing Authority

## Annual Report 2019/ 2020

The purpose of this report is to provide the House of Parliament, partners, stakeholders and clients with information on the performance of the Firearm Licensing Authority (FLA) for the 2019/2020 financial year.



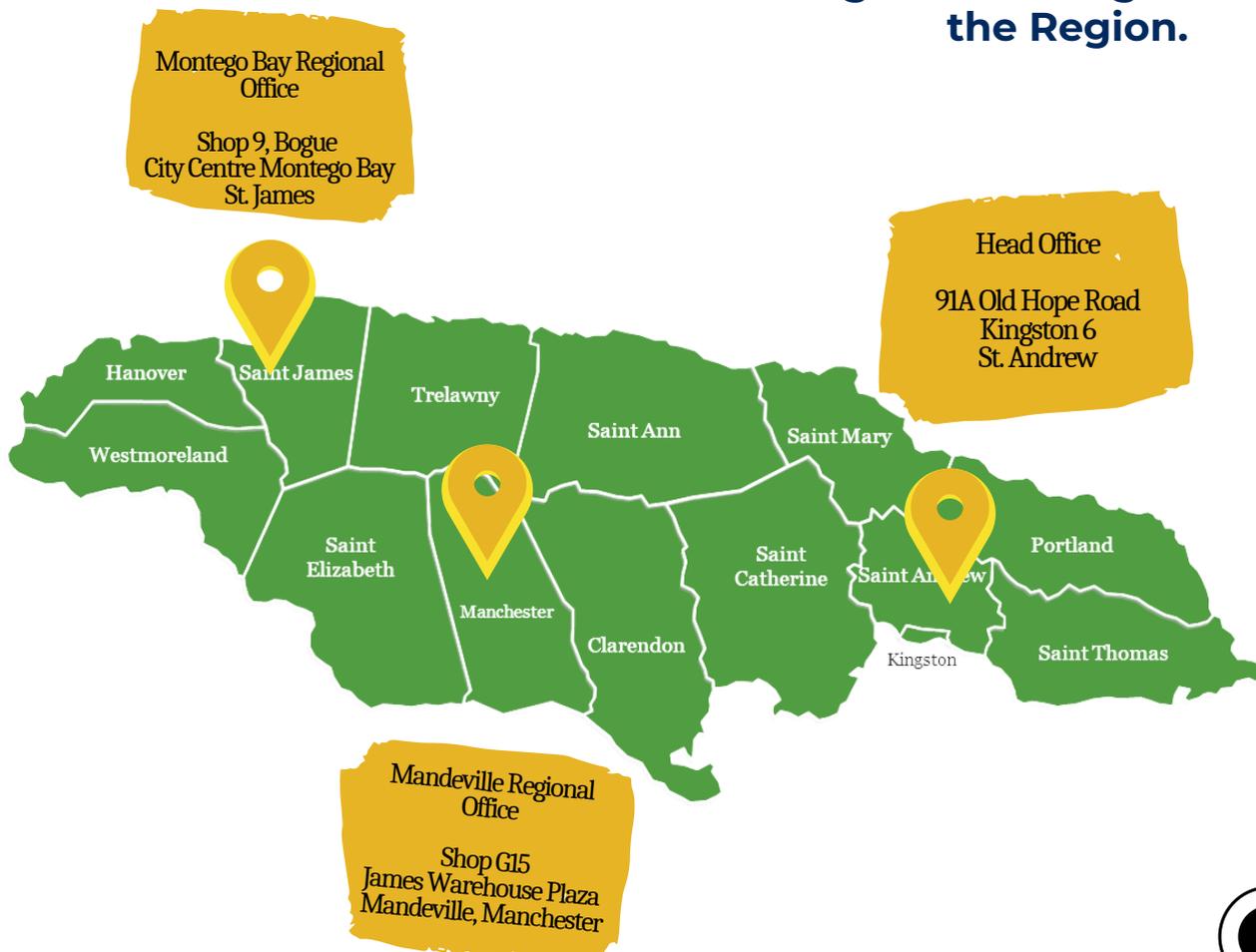
# Firearm Licensing Authority

## Mission Statement

To effectively and efficiently enforce the laws, regulations, policies and procedures governing the use of private firearms, through professional staff, partnerships and modern technologies.

## Vision Statement

To become the leading regulatory body in private firearm management and governance in the Region.



# Corporate Profile

“There is hereby established for the purposes of this Act, a body to be known as the Firearm Licensing Authority” – Firearms Act, Part V, Section 26A.1

## OUR HISTORY

The Firearms Act came into existence in 1947 and was revised in 1967. Though in a vastly different environment than what obtains today, its objective was primarily to control the manufacture, sale, purchase, importation, exportation, transshipment, disposal, possession and use of firearms and ammunition.

Under the Act, individuals were permitted to own and use firearms and ammunition after applications to the Superintendent of Police were approved. Applicants who were unsuccessful in obtaining a firearm license had the right to appeal to the Minister of National Security, who would hear the matter and provide a decision as to whether or not a license would be granted.

In 2004, Cabinet Decision 7/04 approved the revision of the policy and procedures relating to the issuing and renewing of firearm licenses. In addition, approval was given for the Firearm Licensing Authority (FLA) to carry out related functions, the allocation of funds for the acquisition of new technology for the operation of the Authority, and the issuance of the drafting instructions to the Chief Parliamentary Counsel to amend the Firearms Act accordingly.

## WHAT WE ARE NOW

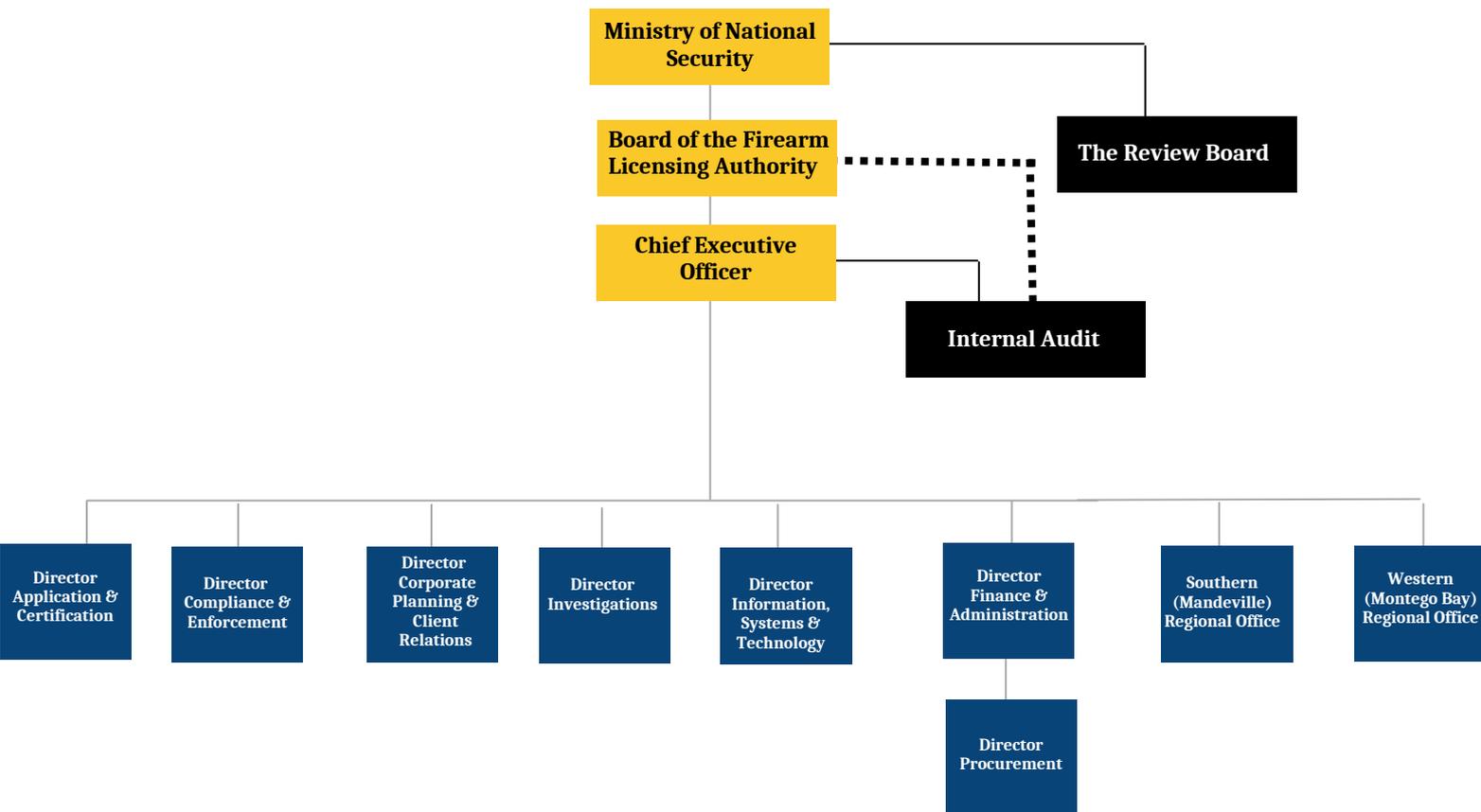
On March 1st, 2006, the Firearm Amendment Act (2005) came into operation with the establishment of the Firearm Licensing Authority as a statutory organization with reporting relationship to the Ministry of National Security.

Since its existence, the FLA’s main objective has been to implement measures that will improve the transparency, accountability and integrity of its operations. The FLA continues to improve its policies and introduce systems of accountability as technology advances and the modus operandi changes.

Throughout the years, the Firearms Act has undergone multiple revisions as the Firearm Licensing Authority (FLA) endeavors to enhance operational efficiency and adapt to an evolving mandate. Ongoing amendments aim to expand the Authority's power, granting it increased authority to regulate the private firearm industry. These changes are aligned with the overarching national objectives, as the FLA continues to fulfill its role in ensuring the responsible and safe management of firearms within Jamaica.



# Organizational Structure



## Message from the Minister of National Security



National security is one of the paramount responsibilities of the Government and by extension the Firearm Licensing Authority (FLA). Despite the many challenges encountered, the 2019/20 Financial Year was a very encouraging one as we saw the accomplishment of a number of initiatives undertaken by the Authority. Additionally, work is underway to amend legislation to the Firearms Act that would ascribe executive authority to the FLA. The legislative improvements will work in tandem with the enhancements being undertaken at the FLA, which would regularize the use of firearms and ammunition.

The Firearm Licensing Authority (FLA) is going through a process of modernization to make it fully equipped with the requisite technology and structures to manage the security apparatus in the 21<sup>st</sup> century.

Having recognized its core values in serving the country and regulating the firearm industry, while providing transparency and integrity, the Authority relaunched its Under the Law campaign in 2019, in an effort to reiterate the key responsibilities of license holders. The year also saw the installation of Bullettrax and Data Concentrate machine. With this data, the entity was able to record ballistic signatures for all bullet ejected from licensed firearm. Additionally, in 2020, the FLA attended and participated in a workshop aimed to foster regional cooperation to prevent illicit arms trafficking in the Caribbean. Further, approximately 923 unlicensed firearms were seized. No doubt, the FLA continues to champion its goal and mandate to serve the people of Jamaica through their effective and robust system which allows for the accounting of licensed firearms in the country

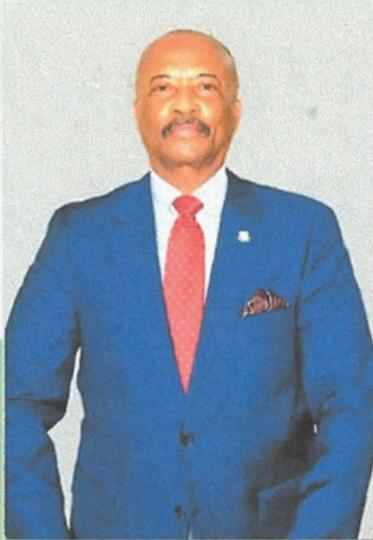
As the Minister entrusted to oversee the FLA, I must acknowledge and laud the efforts of the Board of the Authority, the CEO and management team for their diligent work and commitment to regulating with effectiveness and transparency, the private firearm industry. The Ministry of National Security will continue to support the leaders of the FLA in order to safeguard its standards.

Sincerely,

A handwritten signature in blue ink, appearing to read 'H. Chang', written over a light blue circular background.

Hon. Dr. Horace Chang, CD, MP  
**Deputy Prime Minister & Minister**

## Message from the Chairman of the Board



The FLA is integral to Jamaica's security infrastructure and is in support of the overarching strategic priority of making Jamaica safe and secure.

At the close of the financial year 2018/2019, the FLA held a strategic retreat where we revisited, reimagined, and recrafted our Core Values, Vision and Mission Statements to more accurately reflect our mandate and ensure our relevance to the national development agenda. Accordingly, we continue to develop bold goals and shape, develop and improve our policies to drive higher levels of efficacy and efficiency in order to better serve our customers.

Technology is a central tenet of our business strategy as it is used to simplify our operations and improve the quality of our service and operational efficiencies.

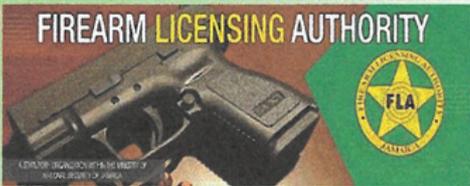
During the previous financial year, the FLA initiated the development of an enterprise online tracking system that was successfully implemented during this financial year. This centralized digital system allows applicants to track the status of their applications through the organization from anywhere in the world, and at their convenience, thus eliminating the need to call and/or write to the FLA for updates.

In the area of compliance and regulation, robust oversight backed by diligent monitoring and tracking by our team has led to improved compliance outcomes as well as reduced levels of delinquency.

Our capacity-building goal has guided our training-engagement strategy both locally and internationally. Our employees attended forums where they were exposed to international best practices; gaining valuable knowledge and insight, as evidenced by the improved overall performance of the organization.

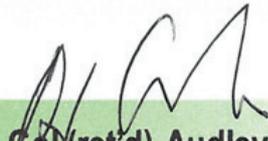
During the latter part of the year, the advent of the Covid-19 pandemic in Jamaica presented unprecedented challenges. As the governance team, we deemed the well-being of our staff of paramount importance and implemented a *work-from-home* policy to ensure their health and safety. Of equal importance, we made provision for business continuity at the headquarters and regional offices while strictly adhering to Covid-19 protocols.

Firearm Licensing Authority, 91A Old Hope Road, Kingston 6, Jamaica



The Board of the Authority redoubled its efforts to render decisions on applications, resulting in a 31% increase in Board decisions over the previous financial year. Notwithstanding, unforeseen expenditure and a fall-off in the timely renewal of licences have negatively impacted revenues and net income.

I take the opportunity to thank the CEO, management, and staff for their sterling effort in keeping the organization afloat during this challenging period even as we plan for higher performance levels in the coming financial year.

  
**Col (ret'd) Audley Carter**  
**BOARD CHAIRMAN**

# Message from the CEO



The Firearm Licensing Authority (FLA) is pleased to submit the Annual Report for the financial year 2019/20. I am particularly proud to say that we have met most of our targets, despite the challenges experienced, some of which aroused from the Coronavirus Disease 2019 (COVID-19). Notwithstanding the difficult period, the FLA was able to achieve success geared towards improving its systems of accountability and technology. As the Authority continues to evolve, it is paramount that, as the sole regulatory body of private firearms in Jamaica, our laws, policies, and procedures are in keeping with the Firearms Act and aligned with international best practices.

With this said, we utilized avenues aimed at improving our operations and, as such, visited the New York Police Department (NYPD), which has a similar licensing regime to that of the FLA, to observe procedures in the processing and assessment of firearm applications and related processes. In addition, the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF), New York Division, was explored to acquire pertinent information relating to best practices which apply to the FLA.

Indeed, some of our most significant achievements for this financial year was the modernization of our technologies such as the acquisition of a Bullettrax Machine- which digitally captures and stores in a database, the surface of a bullet in 3D- this forms part of the ballistic signature of a fired bullet, providing a topographic model of the marks around its circumference. Also, the implementation of an electronic ticketing system at our headquarters, Southern (Mandeville) and Western (Montego Bay) Regional Offices- this device traces and captures the duration of each process a customer executes from start to finish, which assists us to operate in keeping with our standard operating time. Further, this technology has increased efficiency and customer experience.

With the use of several technologically inclined methods, the Authority launched an online tracking facility. This allowed applicants of firearm licences to track their applications online and get direct updates on the progress of same from start to completion.

Taking into consideration the intricacies of the private firearm industry, and the strictness of the policies which pilot our operations, we embarked upon a public relations campaign to enlighten the general population through radio programmes such as Under the Law, which was geared towards educating persons of various sections of the Firearms Act. Also, Balancing Justice was relaunched to reiterate firearm safety and the key responsibilities of license holders.

As a part of this trajectory, we welcomed several stakeholder meetings with the view of simplifying the application processes and addressing application related concerns. These public relations efforts were carried out with the purpose of creating an environment in which licensed firearm holders and other related stakeholders will be adequately informed, which will gradually pave the path to total adherence to policies.

The FLA commissioned its first outreach Labor Day project to support and upgrade schools that required assistance. During this financial year, three (3) elementary schools—one each in Kingston, Mandeville, and Montego Bay—were renovated.

Further to the launch of an amnesty in June 2017 targeting all delinquent licensed firearm holders in June 2017, the Authority commenced a compliance drive to have delinquent licence holders regularize their firearm licences by paying all outstanding fees owed for two (2) years and more. The Authority has also taken strides to improve compliance among our licensed firearm holders by sending letters via registered mail, encouraging the holders to make provisions to renew the licences attached to their firearms, as failure to do so is a breach of the law and may result in sanctions. This initiative resulted in over five thousand (5000) letters being mailed to delinquent holders during the period of September to November 2019.

Notwithstanding the many set-backs experienced during the reporting period, we were able to turn them into opportunities for growth improving our projections in preparation for future similar occurrences.

The people of Jamaica faced unprecedented and challenging times, brought about by the novel coronavirus. In response, the staff of the FLA demonstrated a remarkable ability to pivot. Looking ahead, the FLA remains committed to fulfilling its mandate as the sole regulatory body of private firearms, as greater focus will be placed on improving its systems of accountability and transparency. Furthermore, we will continue to promote private firearm safety and responsibility while contributing our part to the national security apparatus.

Sincerely,



Shane Dalling, J.P.  
Chief Executive Officer

Firearm Licensing Authority

# Corporate Governance

## The Board of the Authority



1

### FLA Board

From left (standing):  
Mr. Glenmore Hinds and Colonel  
(Ret'd) Audley Carter– Chairman  
From left (seated):

Ms. Ena Rose, Mr. Khaleel Azan  
and Justice (Ret'd) Marva  
McIntosh

The process for appointing members to the Board adheres to the stipulations outlined in the Third Schedule of the Firearms Act, which delineates the following criteria:

“The Authority shall consist of the following persons:

- (a) A person who has retired from the post of:
  - i. Director of Public Prosecutions; or
  - ii. Senior Civil Servant.
- (b) A retired Judge of the Court of Appeal or the Supreme Court;
- (c) A retired Police Officer not below the rank of Senior Superintendent at the time of retirement; and
- (d) Two other persons who the Minister is satisfied are of high integrity and able to exercise sound judgment in fulfilling their responsibilities under this Act.”

**-The Firearms Act- Third Schedule-**

# Corporate Governance

## The Review Board



2

### Review Board

From left:  
Mrs. Caroline Hay, (Senior DPP),  
Hon. Justice (Ret'd) Seymour  
Panton and Mr. Kelso Small  
(Ret'd Superintendent of Police)

The appointment of the Review Board as stated in the Firearms Act is as follows:  
“The Review Board shall consist of-

(a) a person who has served in the post of-

(i) Director of Public Prosecutions or;

(ii) A Senior member of staff of the Office of the Director of Public Prosecutions;

(b) a person who has served as a Judge of the Court of Appeal or the Supreme Court;

(c) a person who served as an Officer of the Jamaica Constabulary Force not below the rank of Superintendent.”

**-The Firearms Act- Fourth Schedule-**

#### FUN FACT

The Review Board is independent of the Firearm Licensing Authority and reports directly to the Minister of National Security.

# Performance at a Glance

2019/2020

## FINANCIAL OVERVIEW

- Total revenue - \$670,772,167
- Total expenditure- \$658,539,070
- The Interest income-\$11,916,247
- Total surplus- \$71,904,611

## BOARD DECISION

- The Board's Decisions for the 2019/2020 Financial Year stood at 5859, reflecting a 30.5% increase when compared to 2018/2019 which had a total of 4488 board decisions- that is 1371 less decisions.

## OPERATIONAL PERFORMANCE

- No. of Renewals processed-17, 758
- No. of Recertifications processed-5,992
- No. of New Applications Processed- 3,901

# Performance at a Glance

2019/2020

## CAPACITY BUILDING

- **Study Visit to New York Police Department Gun Licensing Division, and the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)**-In May 2019, representatives from the FLA visited the New York Police Department to observe the licensing and renewal processes. The team also visited an authorized range, a dealer and a gunsmith to observe their respective operations during the visit.
- **Firearm Training Course in Barbados**- in June 2019, representatives from the FLA visited Barbados . The primary aim of the course was to strengthen the knowledge, skills and capacity needed for combating firearm related crimes as well as to bring a heightened awareness to the opening of the Caribbean INTERPOL Liaison office in Barbados and the benefits to be derived from their presence.

## CAPACITY BUILDING

- **Arms Trade Treaty Sub Regional Workshop**- in June 2019, this workshop was geared at the management of the implementation of the Arms Trade Treaty in the Caribbean region.
- **Participation in the Fifth Conference of State Parties to the Arms Trade Treaty in Geneva, Switzerland**- in August 2019, a delegation comprising of members of the Ministry National Security, Ministry Of Foreign Affairs and Foreign Trade , and the Firearm Licensing Authority participated in this conference
- **European Union Arms Trade Treaty (ATT) Outreach Project II** - in January 2020, the Authority participated in a workshop aimed to foster regional cooperation to prevent illicit arms trafficking in the Caribbean.

# Performance at a Glance

2019/2020

## COMMUNICATION AND PUBLIC AFFAIRS

- **Public Education Campaigns-** The Authority engaged in the Under the Law Initiative that educated the public on various provisions of the Firearms Act and the roles and responsibilities of Licensed Firearm Holders.

## CORPORATE SOCIAL RESPONSIBILITY

- **Launch of Domestic Violence Hotline-** In April 2019, the Authority launched a hotline number to receive domestic violence reports involving licensed firearm holders.
- **Labour Day Project-** In May 2019, the Authority launched its first Outreach Labour Day Project, which involved the renovation of three (3) basic schools, one each in the parishes of Kingston, St. James and Manchester.
- **Visit to Sunbeam Children's Home-** In December 2019, representatives of the FLA visited the Sunbeam Children's Home and donated items that were contributed by staff members

# Performance at a Glance

## 2019/2020

### TECHNOLOGY ENHANCEMENT

- **Online tracking system-** In May 2019, the FLA implemented an online tracking system which allows applicants to track their applications online.
- **Implementation of Q-logic System-** This system was implemented at the Regional Offices, to monitor, track and report our service levels to enable efficiency and improved customer experience.
- **Implementation of Bullettrax Machine-** This was implemented, enabling the Authority to capture the signature of a warhead.

### TECHNOLOGY ENHANCEMENT

- **Acquisition of Data Concentrator-** In October 2019, the FLA acquired a higher capacity Data Concentrator (Server) to handle all images acquired by both BrassTrax and the single Bullettrax machine.
- **Implementation of PBX system-** This system was implemented which allows for better management and streamlining of all incoming calls.
- **Initiation of digitization project-** E-Gov Jamaica was engaged to assist the Authority with the development and implementation of a Document Management System which will merge all applications used to assist customers daily.

# BOARD DECISIONS FOR THE PERIOD APRIL 2019 – MARCH 2020

Application Files					Miscellaneous Files				
Month	Approved	%	Denied	%	Approved	%	Revoked / Denied	%	TOTAL
2018/19	1,750	44%	2,230	56%	169	33%	339	67%	4,488
Apr-19	146	40%	222	60%	24	21%	91	79%	483
May-19	213	61%	136	39%	67	37%	115	63%	531
Jun-19	230	50%	233	50%	13	28%	34	72%	510
Jul-19	361	70%	157	30%	25	30%	59	70%	602
Aug-19	276	59%	190	41%	7	18%	31	82%	504
Sep-19	245	50%	242	50%	1	33%	2	67%	490
Oct-19	217	50%	217	50%	2	15%	11	75%	447
Nov-19	209	43%	282	57%	3	14%	18	86%	512
Dec-19	146	45%	180	55%	24	40%	36	60%	386
Jan-20	183	39%	283	61%	2	8%	22	92%	490
Feb-20	151	48%	164	52%	47	38%	77	62%	439
Mar-20	147	44%	190	56%	16	13%	112	87%	465
Total	2,524	50%	2496	50%	231	28%	608	72%	5,859

# Meet our Directors

2019/2020



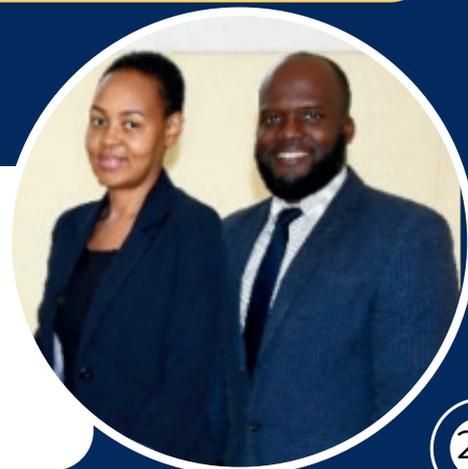
Ms. Chevanese Burke  
*Director, Western Regional  
Office (Montego Bay)*



Ms. Teslyn Golding  
*Director, Southern Regional Office  
(Mandeville)*



Standing from the left: Mr. Mervin  
McNab- Director of Investigation  
(Acting) and Ms. Letine Allen-  
Director of Special Projects  
*Head Office (Kingston)*



Standing from the left: Ms.  
Deidre Mullings- Director of  
Applications & Certification and  
Mr. Haleem Anderson- Director  
of Finance & Administration.  
*Head Office (Kingston)*

# Meet our Managers

2019/2020



From Left: Ms. Rasheeka Holt (Firearm Records and Information), Ms. Simone Thomas (Quality Control), Ms. Camille Lennox (Human Resource), Mrs. Richieka Whyte-Edwards (Applications) and Mr. Andre Morrison (Information Systems and Technology),

# Meet our Team

## General Administration



The General Administration Department, overseen by the Chief Executive Officer (CEO), encompasses various essential units including Corporate Planning and Client Relations, Internal Audit, Special Projects, and Firearm Records and Information. Its primary mandate is to ensure alignment between the Authority's strategic objectives and the operational plans of its departments and regional offices.

Moreover, the department assumes the crucial role of processing decisions made by the Board of the Authority, monitoring and evaluating the performance of each department, ensuring that targets are met to uphold the overall success of the Authority.

# Meet our Team

## General Administration

- **The Corporate Planning & Client Relations Unit:** This Unit assumes a multifaceted role within the organization, encompassing Strategic Performance Planning and Management, Corporate Services, Corporate Communications, Project Management, Client Relationships, and Stakeholder Engagement. This pivotal Unit is responsible for the development of various reports and plans, including Statistical Reports, Corporate and Operational Plans, Strategic Business Plans, Monthly and Quarterly Performance Reports for the Ministry of National Security (MNS) and the Ministry of Finance and the Public Service (MOFPS), Annual Reports, and the CEO's Board Reports. Additionally, the Unit operates a call center facility dedicated to managing the substantial volume of incoming calls daily while delivering high-quality service to customers.
- **The Internal Audit Unit:** This Unit holds the responsibility of overseeing and assessing internal processes to safeguard their integrity and alignment with their intended purposes. This entails a vigilant monitoring of procedures to ensure adherence to standards and regulations. Furthermore, the Unit serves as a valuable resource to senior management by offering recommendations for the implementation of new or revised procedures, informed by the findings of audits. These recommendations aim to enhance operational efficiency and mitigate potential risks within the organization.
- **The Firearm Records and Information Unit:** This Unit is responsible for managing, storing and maintaining records of all applications made to the Firearm Licensing Authority. It meticulously documents, manages, and monitors all activities and decisions in strict accordance with regulatory requirements and best practices in record management. The Unit is dedicated to enhancing adherence to prevailing records and archives legislation and regulations to ensure the effective and efficient management of FLA's records and information assets.
- **The Special Projects Unit:** This Unit is assigned the responsibility of resolving the backlog of applications and miscellaneous files, as well as fulfilling other duties delegated by the CEO. Presently, the Unit is actively engaged in processing and finalizing ongoing investigations related to Miscellaneous Files, which include Compliance and Enforcement (CED) files and Investigation Department files. Additionally, the Unit investigates complaints and other breaches committed by license holders.

# Meet our Team

## Application and Certification Department



The Application and Certification Department is the focal point for receiving applications and overseeing the initial vetting procedures, including interviews for licensed firearm holders and/or applicants. This is achieved through, among other things, the use of electronic fingerprinting technology and in-depth question and answer sessions with applicants and/or holders. Further, this Department communicates the outcome of an application after a decision is made by the Board of the Authority and comprises of the following units: the Applications Processing Unit, the Firearm Examination Unit and the Ballistics Unit.

### **The Applications Unit:**

- The responsibilities of this Unit extend to the collection and meticulous processing of applications, playing a crucial role in both the initial and concluding phases of the application process. Moreover, the Department manages the processing of applications for renewal and recertification, a step initiated once the holder has demonstrated to the Authority their sustained fitness and suitability for firearm ownership. Remarkably, this unit has met the organization's target of processing renewals within an average duration of twenty-five (25) minutes, ensuring efficient and timely service delivery.

# Meet our Team

## Application and Certification Department

- **The Firearm Examination Unit**

The Firearm Examination Unit holds the responsibility of conducting comprehensive inspections of firearms to verify that they have not been tampered with by the license holder. Additionally, the Department is tasked with supervising and monitoring competence assessments undertaken by firearm holders and/or applicants, ensuring they possess the necessary skills to safely and proficiently operate the approved firearm as authorized by the Board. Failure to pass this assessment results in disqualification from proceeding to the subsequent stage, which involves the purchase of a firearm.

- **The Ballistics Unit:**

The Ballistics Unit is charged with the duty of employing advanced technology such as the Bullettrax and Brasstrax machines to process, examine, and track firearm signatures and spent casings. Additionally, all licensed firearms imported into Jamaica undergo ballistic testing.

### **Highlights/Achievements:**

- **Training and Staff Development:**

1. The Director of Application and Certification along with the CEO and Director of Corporate Planning and Client Relations participated in a work study visit to the New York Police Department (NYPD): May 12 – 18, 2019 to gain increased knowledge, exposure and experience in the private firearm management and governance, laws, policies and procedures in comparison with those practiced in Jamaica.
2. The Examination & Certification Manager participated in external Firearm Training organized by the Caribbean Community (CARICOM) Implementation Agency for Crime and Security (IMPACS) and the International Criminal Police Organization (INTERPOL). The training was held in Bridgetown Barbados during the period June 24 - 26 2019.

### **Highlights/Achievements:**

- 17,758 Renewals were completed
- 5,992 Recertifications were completed
- 2,063 Declaration of Approved Firearm Sale were processed and submitted for New Licence.
- 1,510 Firearm Records were updated on the Ballistic File Management system. (This system reflects ballistic test date information used in the Licence Renewal Process).
- 1,607 Firearm Casing Signature information were updated on the BRASSTRAX Machine.

# Meet our Team

## Investigation Department



The Investigations Department endeavors to instill trust in the services offered by the Authority by conducting thorough, transparent, and impartial investigations that withstand scrutiny, all while upholding standards of professionalism and integrity. The department has undergone numerous process evaluations as part of a unified endeavor to improve productivity and enhance the efficiency of processing application files and received reports.

### **Highlights/Achievements:**

- 4,209 applications were processed and submitted to the General Administration Department for a decision of the Board.

# Meet our Team

## The Compliance & Enforcement Department



The Compliance and Enforcement Department is tasked to conduct mandatory and frequent audits of all Security Companies, approved Ranges, Dealers, Trainers and Gunsmiths. Guidance is given to these internal stakeholders in an effort to increase compliance and adherence to the Firearms Act and the Authority's regulations. Additionally, the department investigates complaints from and against Licensed Firearm Holders. As part of the audit process, the team recommends policy changes to ensure more efficient control in the discharge of the Authority's mandate.

# Meet our Team

## The Compliance & Enforcement Department

### **Highlights/Achievements:**

- 68 security companies were audited.
- 70 Principals for security companies were renewed.
- 3,705 certificates were renewed for security guards
- 7 dealers were audited
- 1 trainer was audited
- 4 audits were completed for 4 ranges
- 893 Firearms were collected
- 558 Revocation Orders were issued
- 412 Investigations were conducted
- 508 Firearms were retrieved from International Ports
- 329,250 Ammunition were retrieved from International Ports

# Meet our Team

## THE INFORMATION SYSTEMS & TECHNOLOGY DEPARTMENT (ISTD)



The Information Systems and Technology Department has the responsibility of establishing and maintaining all electronic records, software systems, computer hardware and network systems/devices, communication systems through Internet Protocol (IP) and Private Branch Exchange (PBX) telephone systems and the Authority's website. Additionally, with the increasing technological advancements and the growth and development of the authority the responsibility of the Information Systems and Technology Department is to provide leadership, guidance and support in the area of Information Technology.

# Meet our Team

## THE INFORMATION SYSTEMS & TECHNOLOGY DEPARTMENT (ISTD)

### Highlights/Achievements:

- The Firearm Reference Table (FRT) software was installed on all computers in the Ballistic Unit on March 25, 2020.
- The Licence Management System (LMS) Software was updated on February 7 and 8, 2020.
- The configuration and installation of renewal certificates for the VERITAS backup software were completed on March 5, 2020.
- A PBX Administrator training session was held with select members of the ISTD team in November 2019.
- The FLA acquired a new Server on the 16th of January 2020, through the Ministry of National Security in collaboration with Development Bank of Jamaica who created the Security Strengthening Project.
- In October 2019 FLA acquired a higher capacity Data Concentrator (Server) to handle all images acquired by both BrassTrax and the single Bullettrax machine.

# Meet our Team

## THE FINANCE & ADMINISTRATION DEPARTMENT



The Finance & Administration Department has consistently achieved its overall objective throughout the fiscal year 2019/2020, which is the efficient management of the human, financial and physical resources of the Authority. The Department is responsible for the operations of three (3) units; Finance, Human Resource Management & Development, and Procurement & Office Services.

### **The Finance Unit:**

- This unit provides prudent management of the organization's finances to ensure viability of the Authority to meet the fiscal targets set by the Ministry of Finance & the Public Service.

### **The Human Resource Management & Development Unit:**

- This unit is committed to the development and well-being of the employees of the Firearm Licensing Authority.

### **The Procurement & Office Services Unit:**

- This unit ensures the efficient distribution and use of the Authority's assets.

# Meet our Team

## THE FINANCE & ADMINISTRATION DEPARTMENT

### Highlights/Achievements:

- **Recruitment-** Twenty-three (23) persons were recruited by the Authority during the reporting period.
- **Statutory Deductions-** All deadlines were met in respect of statutory deductions, salary deductions, and reports to external parties such as the Ministry of Finance and the Public Service.
- **Occupational Health and Safety-** Twenty (20) members of staff from specialized Departments who were exposed to the handling and use of firearms on a regular basis were tested for the levels of lead in their blood. The results were within the normal levels for all members.
- **Social events** were held throughout the year in an effort to increase staff morale and build camaraderie among staff members of all three offices.
- **Staff Welfare-** A Staff loan structure was implemented to encourage staff members to increase their personal and professional development, through increased training and further education.
- **Capacity Building-** Forty-one (41) members of staff received training to enhance professional development.

# Meet our Team

## Western Regional Office (Montego Bay)



The Montego Bay Regional Office is mandated to provide services to existing and potential customers and stakeholders in the parishes of Westmoreland, Hanover, St. James, Trelawny, St. Ann and parts of St. Mary. The establishment of this office gears to facilitate the Authority's objective to increase customer satisfaction and accessibility of the services provided.

The office continues to offer the range of services provided at the headquarters. These include accepting and investigating applications for firearm licences and permits, renewing and re-certification of existing licence holders, amongst others.

### **Highlights/Achievements:**

1. Operational highlights for the period under review show:
  - Five Hundred and Five (505) new Firearm Applications were processed.
  - Eight Thousand Three Hundred and Thirty-Four (8334) Renewals were processed.
  - One Thousand Two Hundred and Twenty-Eight (1228) Recertification Interviews were conducted.
2. Cross-Training of staff was conducted in several functional areas of the organization.
3. Implementation of the Q LOGIC system that improved service levels in November 2019.

# Meet our Team

## Southern Regional Office (Mandeville)



The Mandeville Regional Office's mandate is to respond to the service needs of residents in southern Jamaica, primarily in the parishes of Manchester, Clarendon, St. Elizabeth and Southern Trelawny. Similar to the Montego Bay Regional Office, the Mandeville Regional Office offers all services offered at headquarters. However, some processes require completion at the head office for example, processing High Security Identification Cards.

### **Highlights/Achievements:**

1. Cross training of staff was conducted in several functional areas of the organization.
2. Operational highlights for the period under review show:
  - Three Hundred and Forty-One (341) New Firearm Applications were processed.
  - Four Thousand Seven Hundred and Seventy (4,770) Renewals were processed.
  - Four Thousand One Hundred and Four (4,104) licence holders were renewed.
3. Implementation of the Information Display Board (DADI) and The Q-Logic Ticketing System in November 2019.

# Pictorial Highlights



Study Visit to the New York Police Department (NYPD) | May 12-18, 2019



Labor Day Project at Osberga White Memorial Early Childhood Centre (Kingston) 2019



FLA Christmas Charity Drive- Sunbeam Children's Home



Mixology 2019

# Pictorial Highlights



Christmas Party 2019



Cardiopulmonary Resuscitation (CPR) Training 2020



The US Ambassador Donald Tapia pays the FLA a courtesy call.



Stakeholders' Meeting 2020

# Annual Compensation for Board Members

## April 2019 to March 2020

Name and Position of Board	Period	Fees (\$)	Motor Vehicle Upkeep/ Travelling (\$)	Honoraria (\$)	All Other Compensation including Non-Cash Benefits as applicable(\$)	Total (\$)
Mr. Colonel (Ret'd) Audley Carter Board Chairman	April 2019 - March 2020	1,170,000.00	642,400.00	N/A	N/A	1,812,400.00
Mr. Khaleel Azan	April 2019 - March 2020	910,500.00	642,400.00	N/A	N/A	1,552,900.00
Justice (Ret'd) Marva McIntosh	April 2019 - March 2020	910,500.00	642,400.00	N/A	N/A	1,552,900.00
Mr. Glenmore Hinds	April 2019 - March 2020	910,500.00	642,400.00	N/A	N/A	1,552,900.00
Ms. Ena Rose	April 2019 - March 2020	910,500.00	642,400.00	N/A	N/A	1,552,900.00
Total		4,812,000.00	3,212,000.00	-	-	8,024,000.00

**The appointment of the members of the Board took effect on May 21, 2018 for a period of three (3) years ending May 20, 2021.**

# Annual Compensation for Review Board Members

April 2019 to March 2020

Name and Position of Review Board	Period	Fees (\$)	Motor Vehicle Upkeep/ Travelling (\$)	Honoraria (\$)	All Other Compensation including Non-Cash Benefits as applicable(\$)	Total (\$)
Hon. Justice (Ret'd) Seymour Panton (Chairman)	April 2019 - March 2020	1,200,000.00	N/A	N/A	N/A	1,200,000.00
Snr. DPP (Ret'd) Caroline Hay	April 2019 - March 2020	1,000,000.00	N/A	N/A	N/A	1,000,000.00
SSP (Ret'd) Kelso Small	April 2019 - March 2020	1,000,000.00	N/A	N/A	N/A	1,000,000.00
TOTAL		3,200,000.00	-	-	-	3,200,000.00

# Annual Compensation for Senior Management

## April 2019 to March 2020

Name and Position of Senior Executives	Period	Salary	Gratuity or Performance Incentive	Travelling Allowance or	Pension or	Other Allowances	Non-Cash Benefits	Total
	(2019-20) (\$)	(2019-20) (\$)	(\$)	Value of Assignment of Motor Vehicle (\$)	Other Retirement Benefits (\$)	(\$)	(\$)	(\$)
Mr. Shane Dalling, Chief Executive Officer	April 2019 - March 2020	10,721,000.00	4,263,000.00	-	N/A	-	N/A	14,984,000.00
Ms. Letine Allen, Director, Special Projects	April 2019 - March 2020	4,346,000.00	992,000.00	1,697,000.00	N/A	N/A	N/A	7,035,000.00
Mr. Cleveland Crooks, Director, Compliance & Enforcement	April 2019 - March 2020	2,888,000.00	(*)	1,697,000.00	N/A	N/A	N/A	4,585,000.00
Mr. Haleem Anderson Director, Finance & Administration	April 2019 - March 2020	2,939,000.00	704,000.00	1,697,000.00	N/A	N/A	N/A	5,340,000.00
Mr. Aldean Campbell Director, Investigations	April 2019 - March 2020	3,307,000.00	827,000.00	1,377,000.00	N/A	N/A	N/A	5,511,000.00
Ms. Kimoy Gaynor - Director, Corporate Planning & Client Relations	April 2019 - March 2020	2,502,000.00	569,000.00	895,000.00	N/A	N/A	N/A	3,966,000.00
Ms. Deidre Mullings Director, Applications & Certification	April 2019 - March 2020	2,985,000.00	715,000.00	1,697,000.00	N/A	N/A	N/A	5,397,000.00
Ms. Verona Lemonius Director, Information Systems & Technology	April 2019 - February 2020	1,960,000.00	(**)	747,000.00	N/A	N/A	N/A	2,707,000.00
Ms. Denise Walfall, Director, Public Procurement	May 2019 - March 2020	2,008,000.00	(***)	895,000.00	N/A	N/A	N/A	2,903,000.00
Ms. Chevanese Burke, Regional Director, Montego Bay Regional Office	April 2019 - March 2020	3,076,000.00	699,000.00	1,697,000.00	N/A	N/A	N/A	5,472,000.00
Ms. Teslyn Golding, Regional Director, Mandeville Regional Office	April 2019 - March 2020	2,949,000.00	699,000.00	1,697,000.00	N/A	N/A	N/A	5,345,000.00
<b>Grand Total</b>		<b>\$39,681,000</b>	<b>\$9,468,000.00</b>	<b>\$14,096,000.00</b>	-	-	-	<b>\$63,245,000.00</b>

(\*) Cleveland Crooks- Director of Compliance and Enforcement, was not paid gratuity as his performance appraisal was not completed within 2019/20 period.

(\*\*) Veronica Lemonius- Director of Information Systems & Technology, did not attain the requisite 75% or above on her performance evaluation scores to be eligible for gratuity payment. Ms. Lemonius separated from the Authority on February 12, 2020.

(\*\*\*) Denise Walfall- Director of Public Procurement, was not eligible for gratuity as she commenced duties on May 14, 2018, and did not meet the required service period to be considered for gratuity payment.

# Income Generation

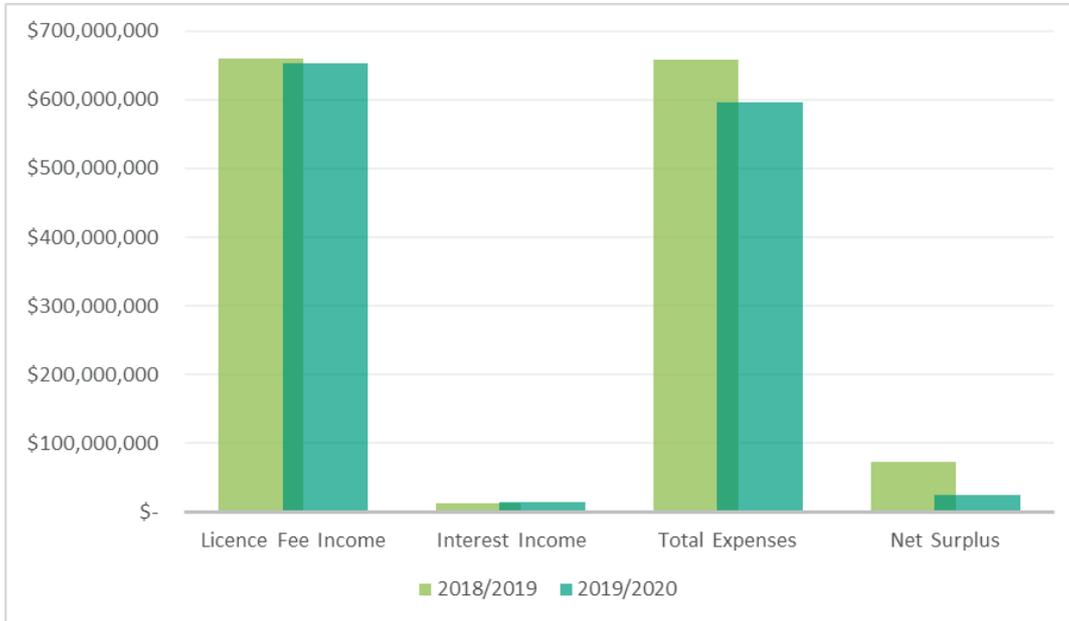
## April 2019 to March 2020

The income of the Firearm Licensing Authority is generated in respect of the following services

Core Services	Fees April 2019-March 2020
Firearm User's Licence	\$12,000.00
Firearm User's (Employee's) Certificate	\$5,000.00(+ \$500.00 per additional firearm)
Firearm User's (Special) Licence	\$12,000.00
Firearm User's (Restricted) Licence	\$12,000 (\$6,000.00 for renewals)
Firearm Dealer's Licence	\$200,000.00
Gunsmith's Licence	\$25,000.00
Appeal Fee	\$50,000.00

# Income and Expenditure Comparison

## FY 2019/20 vs. FY 2018/19



Details	Financial Year 2019/2020	Financial Year 2018/2019
Licence Fee Income	\$653,772,201	\$660,894,467
Interest income	\$14,029,648	\$11,916,247
Total Expenses	\$595,799,584	\$658,539,070
Net Surplus	\$23,806,054	\$71,904,611



# **FIREARM LICENSING AUTHORITY AUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED MARCH 31, 2020**

---



# Index

## Page

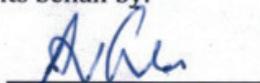
### **Independent Auditor's Report Financial Statements**

Statement of Financial Position	1
Statement of Financial Performance	2
Statement of Changes in Equity	3
Statement of Cash Flows	4
Notes to the Financial Statements	5-17

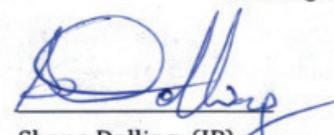
**FIREARM LICENSING AUTHORITY  
STATEMENT OF FINANCIAL POSITION  
AS AT MARCH 31, 2020**

	Note	2020 \$	2019 \$
<b>Non-current assets</b>			
Property, plant and equipment	6	172,480,056	129,939,266
Intangible assets	7	8,052,666	791,583
		<u>180,532,722</u>	<u>130,730,849</u>
<b>Current assets</b>			
Inventory	8	6,469,031	2,516,148
Receivables	9	34,797,401	37,280,599
Cash and cash equivalents	10	534,694,373	503,224,042
		<u>575,960,805</u>	<u>543,020,789</u>
<b>Total assets</b>		<u>756,493,527</u>	<u>673,751,638</u>
<b>Current liabilities</b>			
Payables	11	90,949,187	81,396,526
Employee benefits	12	33,207,196	31,922,579
		<u>124,156,383</u>	<u>113,319,105</u>
<b>Net assets</b>		<u>632,337,144</u>	<u>560,432,533</u>
<b>Equity</b>			
Accumulated surplus		<u>632,337,144</u>	<u>560,432,533</u>
<b>Total equity</b>		<u>632,337,144</u>	<u>560,432,533</u>

Approved for issue on behalf of Firearm Licensing Authority on  
its behalf by:

  
\_\_\_\_\_  
(Col. Ret'd) Audley Carter  
Chairman of the Board

May 31, 2024 and signed on

  
\_\_\_\_\_  
Shane Dalling, (JP)  
Chief Executive Officer

The accompanying notes form an integral part of the financial statements.

**FIREARM LICENSING AUTHORITY  
STATEMENT OF FINANCIAL PERFORMANCE  
YEAR ENDED MARCH 31, 2020**

		<b>2020</b>	<b>2019</b>
<b>Revenue</b>	<b>Note</b>	<b>\$</b>	<b>\$</b>
Licence fees		660,894,467	653,772,201
Storage fees		8,572,600	7,465,600
Book fees		1,305,100	750,800
<b>Total operating revenue</b>		<b>670,772,167</b>	<b>661,988,601</b>
<b>Expenses</b>			
Salaries and related costs	13	283,866,543	252,202,384
Travelling		83,390,499	67,323,338
Property related expenses		6,095,642	9,170,534
Office rental		28,793,454	29,417,872
Utilities		33,150,024	29,597,833
Board expenses		12,973,076	12,348,727
Security		39,087,945	36,758,630
Depreciation and amortization	6, 7	46,890,017	50,351,880
Motor vehicles expenses		4,156,505	3,778,012
Software maintenance,		5,693,551	5,276,414
Audit fees		206,353	206,353
Other expenses	14	83,711,789	76,849,429
Tax expenses		30,523,672	22,518,178
<b>Total operating expenses</b>		<b>658,539,070</b>	<b>595,799,584</b>
<b>Operating surplus</b>		<b>12,233,097</b>	<b>66,189,017</b>
Interest income		11,916,247	14,029,648
Gain on asset disposal		49,600	1,215,000
Miscellaneous income		1,090,229	2,372,389
		<u>13,056,076</u>	<u>17,617,037</u>
<b>Surplus for the year</b>		<b>25,289,173</b>	<b>83,806,054</b>
<b>Other comprehensive income:</b>			
Items that will not be reclassified to profit or loss:			
Special Distribution	16	-	(60,000,000)
Grant Income – IDB	17	46,615,438	-
<b>Net Surplus</b>		<b>71,904,611</b>	<b>23,806,054</b>

The accompanying notes form an integral part of the financial statements.

**FIREARM LICENSING AUTHORITY  
STATEMENT OF CHANGES IN EQUITY  
YEAR ENDED MARCH 31, 2020**

---

	Note	Accumulated Surplus \$	Total \$
<b>Balance as at March 31, 2018</b>		536,626,479	536,626,479
Transferred to Accountant General Surplus for the year		(60,000,000) 83,806,054	(60,000,000) 83,806,054
<b>Balance as at March 31, 2019</b>		<b>560,432,533</b>	<b>560,432,533</b>
Grant income – IDB Surplus for the year		46,615,438 25,289,173	46,615,438 25,289,173
<b>Balance as at March 31, 2020</b>		<b>632,337,144</b>	<b>632,337,144</b>

The accompanying notes form an integral part of the financial statements.

**FIREARM LICENSING AUTHORITY  
STATEMENT OF CASH FLOWS  
YEAR ENDED MARCH 31, 2020**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities:</b>		
Surplus for the period	25,289,173	83,806,054
<b>Items not affecting cash resources:</b>		
Depreciation & amortization	46,890,017	50,351,880
Interest income	(11,916,247)	(13,630,873)
Loss on Disposal	136,439	-
Gain on disposal	(49,600)	(1,215,000)
	<u>60,349,782</u>	<u>119,312,061</u>
<b>Changes in operating assets and liabilities:</b>		
Inventories	(3,952,883)	255,268
Receivables	2,483,198	(22,966,787)
Payables	9,552,661	27,553,770
Employee Benefits	1,284,617	14,436,666
	<u>1,284,617</u>	<u>14,436,666</u>
Net Cash provided by operating activities	<u><b>69,717,375</b></u>	<u><b>138,590,978</b></u>
<b>Cash Flows from Investing Activities:</b>		
Capital expenditure	(96,828,329)	(68,051,464)
Proceeds from sale of fixed assets	49,600	1,215,000
Interest Received	11,916,247	17,306,080
	<u>11,916,247</u>	<u>17,306,080</u>
Net cash used in investing activities	<u><b>(84,862,482)</b></u>	<u><b>(49,530,384)</b></u>
<b>Cash Flows from Financing Activities:</b>		
Asset Donated by Inter-American Development Bank	46,615,438	-
Special Distribution	-	(60,000,000)
	<u>46,615,438</u>	<u>(60,000,000)</u>
Net cash used in financing activities	<u><b>46,615,438</b></u>	<u><b>60,000,000</b></u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	31,470,331	29,060,594
Cash and cash equivalents at beginning of year	503,224,042	474,163,448
<b>Cash and cash equivalents at end of year (Note 10)</b>	<u><u><b>534,694,373</b></u></u>	<u><u><b>503,224,042</b></u></u>

The accompanying notes form an integral part of the financial statements.

**FIREARM LICENSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2020**

---

**1. IDENTIFICATION**

The Firearm Licensing Authority (FLA) was established in 2005 by an Act of Parliament; on March 1, 2006, the Firearm Amendment Act (2005) came into operation, and with it, the Firearm Licensing Authority was established as a statutory organization within the Ministry of National Security. The Act provides that the Authority is responsible for the control, manufacture, sale, purchase, importation, exportation, trans-shipment, disposal, possession and use of firearms and ammunition in Jamaica. The Authority is managed by a Board of Directors and a Chief Executive Officer, and reports to the Minister of National Security.

The functions of the Authority are:

- (a) to receive and consider applications for firearm licenses, certificates, or permits.
- (b) to grant or renew firearm licenses, certificates, or permits.
- (c) to revoke any firearm license, certificate or permit granted under this Act.
- (d) to amend the terms of a firearm license, certificate, or permit.
- (e) to receive and investigate any complaint regarding a breach of a firearm license, certificate or permit.

The Authority shall have the power to –

- (a) summon witnesses.
- (b) call for and examine documents; and
- (c) do all such other things as it considers necessary or expedient for the purpose of carrying out its functions under this Act.

**2. BASIS OF PREPARATION**

- a) These financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) and their interpretations as adopted by the International Public Sector Accounting Standards Board (IPSASB). IPSASs are based on International Financial Reporting Standards (IFRS) and are developed and issued by the IPSASB, an independent board of the International Federation of Accountants (IFAC).
- b) The financial statements are prepared under the historical cost convention and presented in Jamaican dollars which is considered the currency of the primary economic environment in which the Authority operates (“the functional currency”).

**3. ACCOUNTING JUDGEMENTS AND ESTIMATES**

The preparation of the financial statements to conform to IPSAS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, contingent assets and contingent liabilities at the balance sheet date and the revenue and expenses during the reporting period.

Judgements and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from those estimates; any adjustments that may be necessary would be reflected in the year in which actual results are known.

**FIREARM LICENSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2020**

---

**3. ACCOUNTING JUDGEMENTS AND ESTIMATES (cont'd)**

Management has not made any significant judgements in its application of accounting policies and there are no areas for which assumptions and estimates are so significant that it would cause a significant impact on the amounts recognized in the financial statements.

**4. SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies applied in the preparation of these financial statements are set out below. The policies have been consistently applied to all the years presented.

**(a) Property, plant and equipment**

Property, plant and equipment are tangible assets that are held by the Authority for use in the provision of services and for administrative purposes and are expected to be used during more than one reporting period.

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes all expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Authority and the cost of the item can be measured reliably. The carrying amount of any replaced part is derecognized. All other repairs and maintenance are charged to the Statement of Financial Performance during the financial period in which they are incurred.

Property, plant and equipment are depreciated on a straight-line basis at annual rates estimated to write off the assets over their expected useful lives. The depreciation rates are as follows:

Computer Equipment	20%
Office Equipment	20%
Office Furniture & Fixtures	10%
Motor Vehicles	20%
Leasehold Improvements	20%

**(b) Intangible assets**

Intangible assets comprise computer software deemed to have a finite useful life of five years and is measured at cost, less accumulated amortisation and accumulated impairment losses, if any.

**(c) Impairment of non-current assets**

The carrying amounts of the Authority's assets are reviewed at each financial position date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the statement of financial performance.

**FIREARM LICENSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2020**

---

**4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**(d) Inventory**

Inventory consists of materials that are used to prepare ID cards for firearm holders. Inventory is recognized at cost at the date of purchase; the cost represents the invoice value plus direct inventory-related expenses. Inventory consumed during the financial year is immediately recognized in the statement of financial performance. Any write-off down to net realizable value and any inventory losses are also recognized as an expense when they occur.

**(e) Financial instruments**

A financial instrument is any contract that gives rise to a financial asset in one entity and a financial liability or equity instrument in another entity. The authority's financial instruments at March 31, 2020 were receivables and payables.

**Financial assets**

**(i) Classification**

The Authority classifies its financial assets as loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g. trade receivables) but also incorporate other types of contractual monetary asset. The Authority's loans and receivables comprise receivables and cash and cash equivalents. They are included in current assets.

Receivables are carried at the original invoiced amount less provision for impairment. Cash and cash equivalents are carried in the Statement of Financial Position at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise short term securities, cash at bank and cash in hand.

**(ii) Recognition and measurement**

Financial assets are initially recognized at fair value plus transaction costs. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Authority has transferred substantially all risks and rewards of ownership. Loans and receivables are subsequently carried at amortized cost using the effective interest method.

Impairment provisions are recognized when there is objective evidence that the Authority will not collect all the amounts due under the receivable terms. The amount of the provision is the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

**FIREARM LICENSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2020**

---

**4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**(e) Financial instruments (cont'd)**

**Financial assets (cont'd)**

**(ii) Recognition and measurement (cont'd)**

Management assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

**Financial Liabilities**

**(i) Classification, recognition and measurement**

The Authority's financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method. At the reporting date, the Authority's financial liabilities consist of payables and employee benefits.

Payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Employee benefits represent an obligation to pay contract officers for services rendered on the Authority's behalf for the contract period. Payables and employee benefits are classified as current liabilities if payments are due within one year or less.

**(f) Employee benefits**

**(i) Vacation leave entitlements.**

Employees' entitlements to annual leave are recognized when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the year-end date.

**(ii) Gratuity**

Gratuity entitlements are recognized when they accrue to the employees based on their employment contracts. A provision is made for the estimated liability for gratuity for services rendered by employees up to the year-end date.

**(g) Revenue recognition**

Revenue is the gross inflows of economic benefits or service potential received and receivable by the Authority on its own account. Revenue is recognized only when it is probable that the economic benefits or service potential associated with the transaction will flow to the Authority and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable excluding discounts, rebates, and other sales taxes or duty. Revenue comprises fees for licenses, storage and logbooks; it is recognized in the Statement of Financial Performance when the consideration for the related fee is received.

Interest income is recognized in the Statement of Financial Performance for all interest-bearing instruments on an accrual basis unless collectability is doubtful.

**FIREARM LICENSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2020**

---

**4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**(h) General Consumption Tax & Income Tax**

Under Section 12 of the Income Tax Act, the Authority's revenue is exempt from income tax.

The Authority is designated as a Tax Withholding Entity (TWE) by the Ministry of Finance. As such, the Authority is empowered to withhold payments of General Consumption Tax from its suppliers and remit amounts to Tax Administration Jamaica by the last working day of the subsequent month.

**(i) Foreign currency translation**

Transactions in foreign currencies are converted at the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currency are translated using the exchange rate at the financial position date.

Exchange differences arising from the settlement of transactions at rates different from those at the dates of the transactions and unrealized foreign exchange differences on unsettled foreign currency monetary assets and liabilities are recognized in the Statement of Financial Performance.

**(j) Leases**

Leases of assets under which all the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognized as an expense in the period in which the termination takes place.

**(k) Related parties**

A related party is a person or entity that is related to the entity that is preparing its financial statements (the "reporting entity").

(a) A person or a close member of that person's family is related to the Authority if that person:

- i. has control or joint control over the entity.
- ii. has significant influence over the entity; or
- ii. is a member of the key management personnel of the entity or of a parent of the entity.

(b) An entity is related to the Authority if any of the following conditions apply:

- i. The Authority and the entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- iii. One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

**FIREARM LICENSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2020**

---

**4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**(k) Related parties (cont'd)**

- (b) An entity is related to the Authority if any of the following conditions applies (cont'd):
- iv. Both entities are joint venture of the same third party.
  - v. One entity is a joint venture of a third entity and the other entity is an associate of the third party.
  - vi. The entity is a post-employment benefit plan established for the benefit of employees of either the entity or an entity related to the reporting entity.
  - vii. The entity is controlled, or jointly controlled by a person identified in (a); or
  - viii. A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity)

A related party transaction is a transfer of resources, services, or obligations between related parties, regardless of whether a price is charged. The Authority has a related party relationship with the Board of Directors and key management personnel which represent certain senior officers of the Authority.

**5. FINANCIAL RISK MANAGEMENT**

The activities of the Authority expose it to a variety of financial risks that arise from its use of financial instruments. Management has overall responsibility for the establishment of the Authority's risk management framework which is based on guidelines set by the Ministry of Finance. The Authority's risk management policies are established to identify and analyze risk exposure, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The Authority is exposed through its operations to market risk (interest rate risk), credit risk and liquidity risk.

**a) Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the returns on risk. The Authority's market risk (currency risk and interest rate risk) arises from its cash and cash equivalents. Market risk exposures are measured using sensitivity analysis. All sensitivity analysis rates under IFRS 7 included in these financial statements are recommended by the Institute of Chartered Accountants of Jamaica (ICAJ).

**Interest rate risk**

Interest rate risk is the risk that the value of the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Authority's interest rate risk arises from variable rate deposits held at various financial institutions. At the reporting date, the total value of variable rate financial instruments is: **\$487,216,140 (2019: \$452,840,961)**

**FIREARM LICENSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2020**

**5. FINANCIAL RISK MANAGEMENT (cont'd)**

**a) Market Risk (cont'd)**

**Interest Rate Risk (cont'd)**

Cash flow sensitivity analysis

	Increase/(decrease) in surplus	
	2020	2019
	\$	\$
1% (2018: 0.5%) increase	4,872,161	4,528,410
1% (2018: 0.5%) decrease	(4,872,161)	(4,528,410)

**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. Credit risk arises from cash and cash equivalents. Management addresses this risk by placing cash and cash equivalents with reputable financial institutions that are believed to have minimal risk of default.

Maximum exposure to credit risk

	2020	2019
	\$	\$
Cash and cash equivalents	534,694,373	503,224,042
Receivables	<u>27,777,861</u>	<u>20,324,118</u>
	<u>562,472,234</u>	<u>523,548,160</u>

**c) Liquidity Risk**

Liquidity risk is the risk that the Authority will encounter difficulty in raising funds to meet its commitments associated with financial instruments. This risk is managed by maintaining sufficient cash and cash equivalent balances and regularly monitoring and reporting on cash and cash equivalent balances. Monitoring and reporting take the form of cash flow measurement and projections for the next day, week and month, respectively, as these are key periods of liquidity management. The starting point for those projections is an analysis of the contractual maturity of the financial liabilities and the expected collection date of the financial assets.

The Authority also has the option to request further budgetary support from the Government of Jamaica if necessary.

**FIREARM LICENSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2020**

**5. FINANCIAL RISK MANAGEMENT (cont'd)**

**c) Liquidity Risk (cont'd)**

The table below summarizes the maturity profile of the Authority's financial liabilities at March 31, 2020 based on the contractual undiscounted payments.

	Carrying Amount	Contractual Amount	Due within 3 months	Due within 1 year
	\$	\$	\$	\$
<b>March 31, 2020</b>				
Payables	90,949,187	90,949,187	90,949,187	-
Employee benefits	33,207,196	33,207,196	-	33,207,196
	<u>124,156,383</u>	<u>124,156,383</u>	<u>90,949,187</u>	<u>33,207,196</u>
<b>March 31, 2019</b>				
Payables	81,396,526	81,396,526	81,396,526	-
Employee benefits	31,922,579	31,922,579	-	31,922,579
	<u>113,319,105</u>	<u>113,319,105</u>	<u>81,396,526</u>	<u>31,922,579</u>

**6. PROPERTY, PLANT AND EQUIPMENT**

	Motor Vehicles	Office Equipment	Furniture & Fixtures	Computer Equipment	Leasehold Improvements	Total
	\$	\$	\$	\$	\$	\$
<b>Cost</b>						
At April 1, 2019	32,858,011	111,066,856	17,785,474	61,759,483	146,379,497	369,849,321
Additions	8,637,453	10,734,397	2,355,122	20,846,439	-	42,573,411
Additions-Donated	-	46,615,438	-	-	-	46,615,438
Disposals/Reclassification	(143,621)	-	-	(3,850,926)	-	(3,994,547)
At March 31, 2020	<u>41,351,843</u>	<u>168,416,691</u>	<u>20,140,596</u>	<u>78,754,996</u>	<u>146,379,497</u>	<u>455,043,623</u>
<b>Depreciation</b>						
At April 1, 2019	11,313,386	75,935,797	6,257,146	33,605,993	112,797,733	239,910,055
Charges	6,998,496	11,442,148	1,887,935	10,361,278	15,351,664	46,041,521
Disposals/Reclassification	(7,182)	-	-	(3,380,827)	-	(3,388,009)
At March 31, 2020	<u>18,304,700</u>	<u>87,377,945</u>	<u>8,145,081</u>	<u>40,586,444</u>	<u>128,149,397</u>	<u>282,563,567</u>
<b>Net Book Value</b>						
At March 31, 2020	<u>23,047,143</u>	<u>81,038,746</u>	<u>11,995,515</u>	<u>38,168,552</u>	<u>18,230,100</u>	<u>172,480,056</u>
At March 31, 2019	<u>21,544,625</u>	<u>35,131,059</u>	<u>11,528,328</u>	<u>28,153,490</u>	<u>33,581,764</u>	<u>129,939,266</u>

\*Leasehold improvements represent modifications to the offices at 91A Old Hope Road, Kingston 6, Shop # 9 Bogue City Centre, Montego Bay, and Shop G15, James Warehouse Plaza Mandeville.

**FIREARM LICENSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2020**

**7. INTANGIBLE ASSETS**

<b>Cost</b>	<b>\$</b>
At 1 April 2019	1,011,000
Reclassification	3,850,926
Additions	7,639,480
At 31 March 2020	<u><b>12,501,406</b></u>
<b>Amortisation</b>	
At 1 April 2019	219,417
Reclassification	3,380,827
Charge for the year	848,496
At 31 March 2020	<u><b>4,448,740</b></u>
<b>Net Book Value:</b>	
31 March 2020	<u><b>8,052,666</b></u>
31 March 2019	<u><b>791,583</b></u>

**8. INVENTORY**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
License cards	795,316	622,097
Other	5,673,715	1,894,051
	<u><b>6,469,031</b></u>	<u><b>2,516,148</b></u>

**9. RECEIVABLES**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Staff Receivables	16,948,126	20,755,744
Interest Receivable	2,672,250	1,496,390
Withholding Tax Receivable	7,256,270	7,268,201
prepayments	1,271,427	394,222
Other Receivables	6,649,328	7,366,042
	<u><b>34,797,401</b></u>	<u><b>37,280,599</b></u>

**FIREARM LICENSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2020**

---

**10. CASH AND CASH EQUIVALENTS**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Short term deposits	487,216,140	452,840,961
Cash at bank	47,011,073	50,215,509
Cash on hand	467,160	167,572
	<u>534,694,373</u>	<u>503,224,042</u>

Short term deposits have a tenure of 30-180 days and are at interest rates of 0.75% to 4.60% per annum.

**11. PAYABLES**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Accounts Payable	30,238,700	5,324,445
Accrued Expenses	4,172,692	25,402,989
Customer deposits	46,854,943	47,810,943
GCT Payable	7,016,496	794,535
Other Payables	2,666,356	2,063,614
	<u>90,949,187</u>	<u>81,396,526</u>

**12. EMPLOYEE BENEFITS**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Gratuity Payable	21,015,385	21,728,002
Vacation Leave Payable	11,920,942	9,859,482
Other Benefits Payable	270,869	335,095
	<u>33,207,196</u>	<u>31,922,579</u>

**13. SALARIES AND RELATED COSTS**

<b>i</b>	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Salaries and wages	227,545,112	203,465,923
Gratuity	38,663,982	32,030,546
Vacation	4,794,342	5,658,711
Employer's statutory contribution	12,863,107	11,047,204
	<u>283,866,543</u>	<u>252,202,384</u>

All employees are contractually engaged for a period of not more than three (3) years and are entitled to gratuity on this basis. Gratuity is 25% and is payable on basic salary earned for a contract period of not less than two years in the first instance and the salary element for vacation leave not taken during the contract period. However, subject to the terms of the contract and the availability of funds, gratuity may be paid annually after the first two years of continuous contract service provided that any subsequent contracts are a minimum of two years in duration.

**FIREARM LICENSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2020**

**13. SALARIES AND RELATED COSTS (cont'd)**

ii. The total number of persons employed by the Authority at the end of the year was:

	<b>2020</b>	<b>2019</b>
Permanent	149	132
Temporary	17	20
	<u>166</u>	<u>152</u>

**iii. Executive Salaries**

				<b>2020</b>	<b>2019</b>
	<b>Salary</b>	<b>Travelling</b>	<b>Gratuity</b>	<b>Total</b>	<b>Total</b>
	\$'000	\$'000	\$'000	\$'000	\$'000
Chief Executive Officer	10,721	-	4,263	14,984	10,121
Director Finance & Administration	2,939	1,697	704	5,340	4,954
Director Information Systems & Technology	1,960	747	-	2,707	3,107
Director Compliance & Enforcement	2,888	1,697	-	4,585	4,321
Director Application & Certification	2,985	1,697	715	5,397	4,957
Director Investigations	3,307	1,377	827	5,511	4,593
Director Corporate Planning & Client Relations	2,502	895	569	3,966	3,386
Director Special Projects	4,346	1,697	992	7,035	6,503
Director Public Procurement	2,008	895	-	2,903	832
Director Regional Office Montego Bay	3,076	1,697	699	5,472	4,995
Director Regional Office Mandeville	2,949	1,697	699	5,345	4,914

**FIREARM LICENSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2020**

**14. OTHER EXPENSES**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Access & License Cards	864,949	3,768,969
Accommodation	3,378,036	5,169,195
Advertising & Public Relations	2,811,731	1,438,201
Bank Charges	3,767,567	4,261,265
Cable TV Services	246,990	284,175
Cleaning & Sanitation	4,625,599	4,095,353
Computer Repairs/Maintenance	4,588,743	2,053,497
Contributions	2,561,594	1,920,497
Courier Services	419,125	357,238
Custom Fees	3,246,908	2,596,272
Delivery/Haulage Charges	563,988	276,861
Equipment Rental	-	89,326
Gun Related - Ammo etc.	265,600	867,030
Insurance	300,275	483,156
Locksmith	121,255	209,737
Membership Fees	109,132	79,280
Postal Charges	1,093,160	37,513
Printing	10,801,119	6,421,175
Professional Fees	11,663,765	8,266,738
Repairs & Maint.- Furniture & Equip.	5,330,968	3,498,618
Seminars & Conferences	183,401	796,110
Signs	11,650	50,021
Staff Meeting/Function	6,900,884	8,608,115
Staff Training	1,449,170	1,731,445
Staff Welfare	9,046,473	11,680,375
Stationery & Office Supplies	8,894,737	7,334,257
Subscriptions - Magazines/Newspapers	464,972	475,010
	<u><b>83,711,791</b></u>	<u><b>76,849,429</b></u>

**15. LEASE COMMITMENTS**

Rentals are payable by the Authority under operating lease agreements which expire within the next one to five years as follows:

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Within 1 year	28,793,454	29,158,764
Within 5 years	10,166,186	10,166,186
	<u><b>38,959,640</b></u>	<u><b>39,324,950</b></u>

**FIREARM LICENSING AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED MARCH 31, 2020**

---

**16. SPECIAL DISTRIBUTION**

Section 5 of the Public Bodies Management and Accountability Act - the Public Bodies Regulations 2015, states that the Financial Secretary may, at any time, require a self-financing public body to pay to the credit of the Consolidated Fund, at such times and in such manner as the Financial Secretary directs, such amount by way of a special financial distribution as the Financial Secretary may determine and notify to the public body.

During the financial year the Firearm Licensing Authority was not instructed to make any payments to the Accountant General's Department to provide budgetary support.

**17. GRANT INCOME - IDB**

The Inter-American Development Bank donated \$46,615,438 in grant income to purchase property, plant and equipment during the financial year.





# LOCATIONS

- 1 Firearm Licensing Authority Headquarters**  
91 A Old Hope Road, Kingston 6  
(876) 927-5159-60 / (876) 927-6057-59  
Email: info@fla.gov.jm
- 2 Montego Bay Regional Office**  
Shop #9, Bogue City Centre  
Bogue, Montego Bay, St. James  
(876) 978-0245
- 3 Mandeville Regional Office**  
Shop G15, James Warehouse Plaza,  
Mandeville, Manchester  
(876) 927-6073 / (876) 927-6075 /  
(876) 618-0487
- 4 St. Ann Regional Office**  
Lot 60, Dairy Road  
Discovery Bay, St. Ann  
(876) 670-0812 / (876) 618-2920-21



flajamaica



Firearm Licensing Authority



@FLAjamaica

website: [www.fla.gov.jm](http://www.fla.gov.jm)