

2001 Annual Report



2001 Annual Report



2001

Report

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Annual Report

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ON COVER:

Top Photograph:

Police Complex - Freeport, Grand Bahama

Photo: Vincent Vaughn

Bottom Photograph:

Poinciana Hill Complex - Delancy & Meeting Streets

Photo: Vincent Vaughn



THE NATIONAL INSURANCE BOARD OF THE COMMONWEALTH OF THE BAHAMAS

P. O. Box N-7508, Nassau, Bahamas ■ Tel: (242) 502-1500 ■ Fax: (242) 322-3048 ■ E.mail: info@nib-bahamas.com

June 1st, 2002

The Honourable
Shane Gibson, M.P.
Minister of Housing & National Insurance
3rd Floor, Jumbey Village Complex
Blue Hill Road,
Nassau, Bahamas

Dear Minister Gibson:

Re: The National Insurance Board's 2001 Annual Report

In accordance with Section 44(1) of the National Insurance Act, 1972, I have the privilege of submitting to you, on behalf of the Board of Directors, the Annual Report of the Board for the year 2001.

Included with this report is the account of securities in which monies forming part of the National Insurance Fund are invested in accordance with the Third Schedule of the Act and the accounts certified by the Auditor pursuant to Section 44(1) of the National Insurance Act, 1972, together with the report of the Auditor.

Sincerely yours,

Lennox McCartney

Director

on behalf of the National Insurance Board



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MINISTER & BOARD OF DIRECTORS 2001



**Hon. Theresa
Moxey-Ingraham**
*Minister of Public Service &
Cultural Affairs &
National Insurance*



Mr. James M. Pinder
Chairman



Mrs. Wendy Craig
Deputy Chairman



Mr. Kingsley Black
Member



Archdeacon Etienne Bowleg
Member



Mr. Frank Carter
Member



Mr. John Delaney
Member



Dr. Mildred Hall-Watson
Member



Mr. Felix Stubbs
Member



Mr. Philip Stubbs
Member



Mr. Patrick Ward
Member



Mr. Raymond Winder
Member



EXECUTIVE MANAGEMENT TEAM

2001



Seated from left: Mrs. Sonia Gill, Accountant II; Mrs. Arlean Strachan, Assistant Director; Mr. Jayson Moxey, Assistant Director; and Mrs. Heather Maynard, Legal Officer (acting).

Standing from left: Mr. Anthony Curtis, Assistant Director; Mr. Whitney Patton, Chief Internal Auditor; Mr. Derek Osborne, Actuary; Mr. Lennox McCartney, Director; Mr. Van Delaney, Deputy Director; Mr. Andre Bethel, Deputy I.T. Manager; and Mr. Royston Jones, Financial Controller.

REPORT OF OPERATIONS

The income security of workers and their dependents continued to impact on the strategic objectives of the National Insurance Board during fiscal year 2001. Careful adherence to these objectives, resulted in our being able to increase benefits and improve operational efficiency. Our performance indicators continued to trend upwards relative to previous years.

With National Insurance being employment insurance, the state of the economy of The Bahamas has a direct impact on the performance of the organization. Despite the terrorist attacks in New York and Washington on September 11, 2001, which, according to the World Travel & Tourism Council, resulted in The Bahamas losing \$282.5 million and 10,200 jobs, contribution income grew to \$ 118.7 million. Meanwhile, the average yield on our investment portfolio was 6.25%.

There has been an increase in benefit payments both in the short-term and long-term branches. It is expected that this trend will continue, especially in the pensions branch, as more persons will retire having paid larger amounts of contributions on higher average insurable wages.

Administrative costs remained relatively stable, which was due mainly to the continuing concerted efforts of trying to ensure fiscal responsibility.

This Annual Report provides a review of the operations of the National Insurance Board for fiscal 2001. It includes the audited Financial Statements for the year 2001 and additional Statistical Appendixes that give details on our core activities- Registration, Contribution and Benefits - in all of our offices.

PERFORMANCE HIGHLIGHTS

Highlights of the Board's performance in fiscal year 2001 were:

- Contribution income in 2001 was \$118.7 million, compared to \$ 114.2 million in

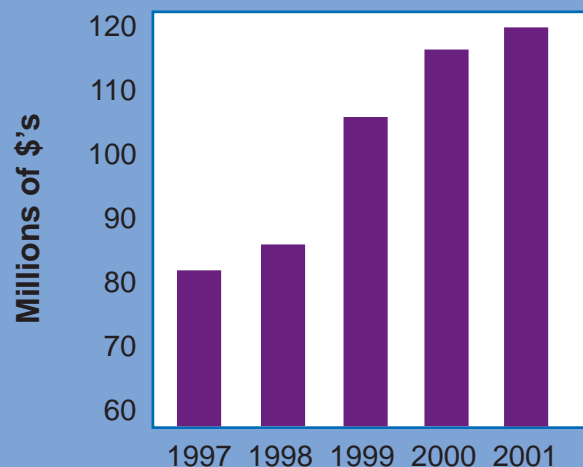
2000;

- Benefits payments in 2001 totaled \$94.8 million, up from \$88.7 in 2000;
- At the end of 2001, there were 23,352 persons on the pension register compared with 22,195 in 2000;
- Investment and property income totaled \$64.2 million in 2001, up from \$59.3 million in 2000;
- Administrative expenditure increased slightly from 10.4% of Contributions and benefits in 2000 to 10.6% of contribution and benefits in 2001.

CONTRIBUTIONS

While the economy was still somewhat buoyant, there were signals that the growth rate was contracting, and this presented a challenge for compliance. The events surrounding the terrorist attacks in the third quarter, while not devastating, did have a direct negative impact on the tourism sector in the fourth quarter.

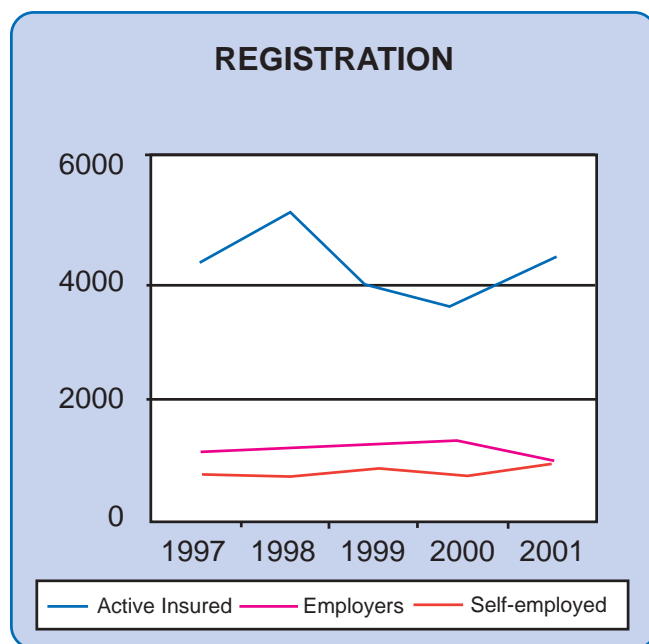
CONTRIBUTION INCOME



Despite this, however, contribution income increased to \$118.7 million, representing a 4% gain over fiscal 2000. There is still, however, a lot of work to be done to ensure that the self employed persons are brought into compliance with the program. Management is committed to aggressively monitoring this sector for it is largely persons from this group that ultimately end up on the non-contributory pension assistance payroll.

REGISTRATION

There was a 15% increase in the registration of employers, and, most notably, 53% increase of self-employed persons as compared to 2000. This can be attributed to a greater emphasis placed on securing compliance and more persons starting small businesses as an alternative to seeking employment with employers.

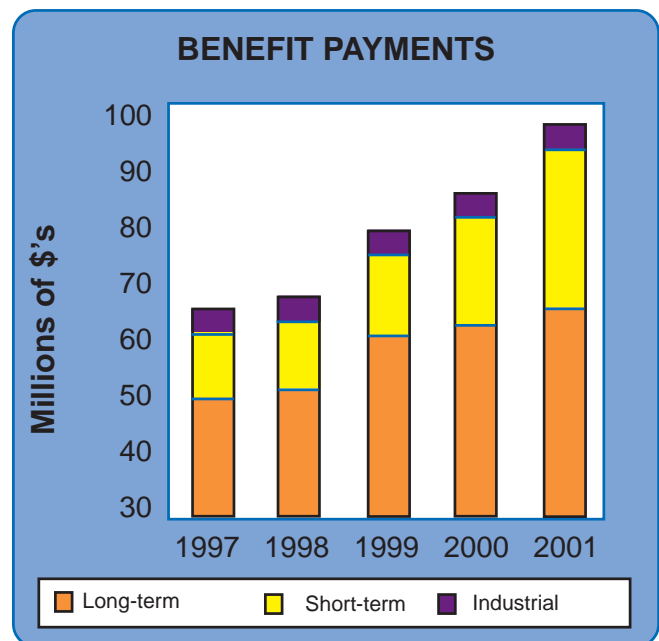


Registration of Insured Persons dropped significantly from 23,406 in 2000 to 12,891 in 2001. This was due to the large number of inactive registrants - persons registering for reasons other than employment, such as students who register for educational purposes. For those persons seeking employment for the first time, active registrants, there were only 4,401 in 2001 compared to 3,473 in 2000. This is a 27% increase over the year 2000.

BENEFITS

During the year, benefits expenditure totaled \$94.8 million, up from \$88.7 million in 2000. While there was an overall increase in the amount of claims, there was, in addition, an increase in the dollar value of pension payments.

Effective July 2001, the Old Age Non-Contributory Pension and other assistances increased from \$180 to \$200 per month while the minimum benefit pension increased from \$210 to \$230 per month.

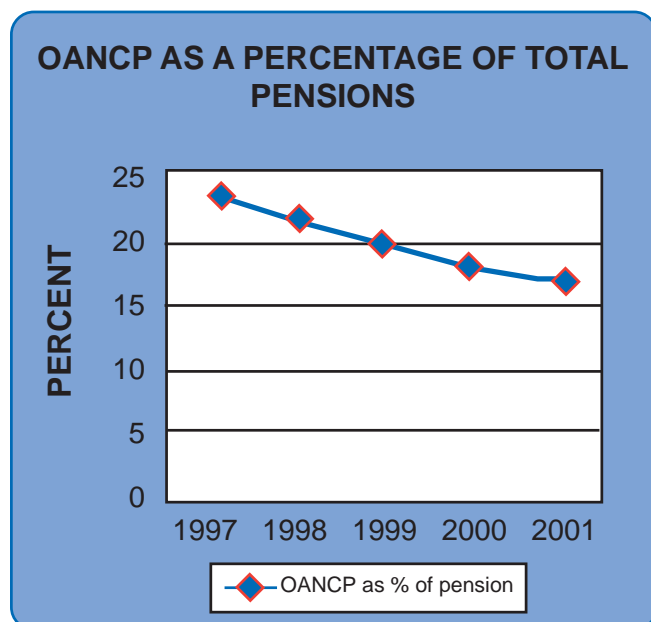


It is expected that the volume of claims, especially retirement claims, will always increase from year to year. This is caused by the fact that the population is aging and life expectancy is also increasing.

There were 2,247 new claims approved, which brought the total number of pensions claims in payment to 23,252. When compared to the 22,821 pensions in payment at the end of 2000, this represents only a 2% increase.

At its inception, the National Insurance Board inherited persons who were already in receipt of assistance pension from the government. It was anticipated that, after the first three years, most persons would have paid sufficient contributions to qualify for retirement benefit. Ultimately, all per-

sons over time would have worked at least three years, which would eliminate the number of persons receiving Old Age Non-Contributory Pension (OANCP).



However the experience was that the number of assistance pensions increased for several years. Over the last five years, however, we have seen a consistent downward trend in the amount of OANCP payments in relationship to total pension payments - from 23% in 1997 to 17% in 2001.

Management is making every attempt to ensure that this trend continues even at a faster rate by addressing some of the problems relating to obtaining accurate information of the claimant's resources.

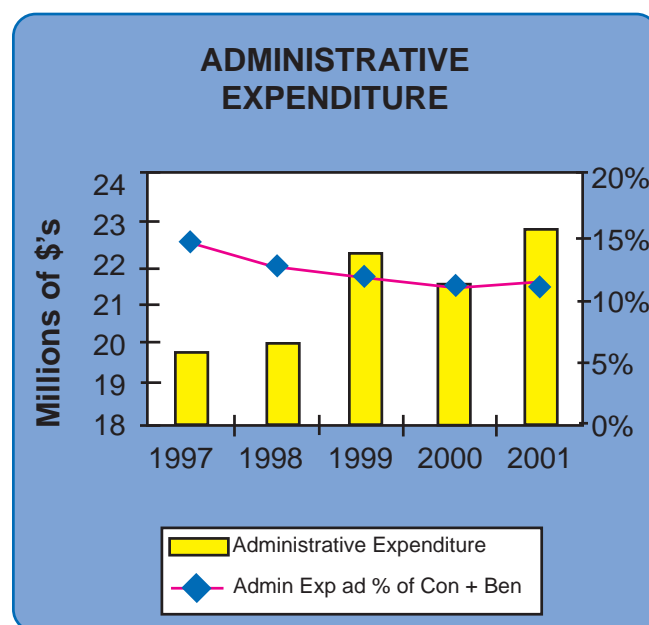
In the Short-Term benefits Branch - Sickness, Maternity, Funeral, - there were 27,201 claims approved compared with 28,017 in 2001. While there was a decline in the amount of claims approved, the payments increased from \$ 16.7 million in 2000 to \$17.5 million in 2001.

The Industrial benefits branch experienced a decline of 16.5% in the number of claims awarded and .06% decrease in the payment value - from \$5.71 million in 2000 to \$5.67 million in 2001.

ADMINISTRATIVE EXPENDITURE

Administrative expenses were \$22.8 million, which

is 10.6% of contribution income plus benefits, representing a slight increase of 0.2% from 10.4% in the previous year. This slight increase resulted mainly from the relatively low level of contribution income, which came in under projection in the aftermath of the September 11th terrorist attacks in the United States. Administrative cost, however, has been steadily declining over the last five years.



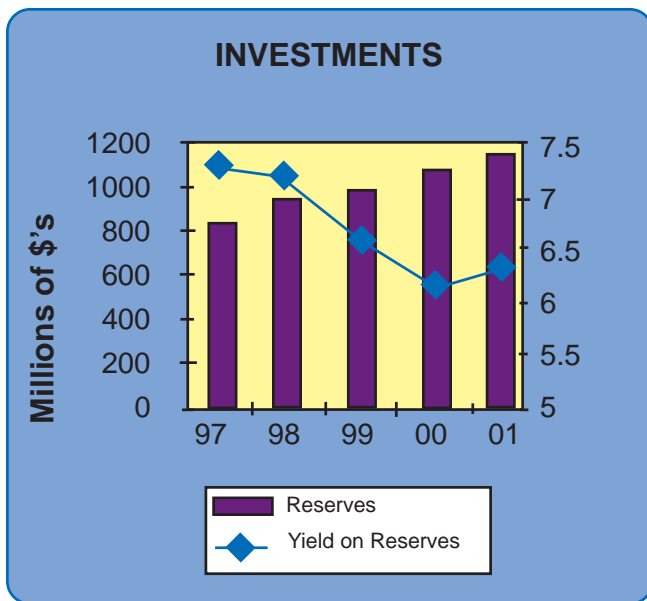
Management is deeply committed to maintaining a stringent fiscal policy while ensuring maximum efficiency of its operations.

INVESTMENT PERFORMANCE

In fiscal year 2001, the reserves grew by 7.6% to \$ 1,122.1 million. Total investment income increased by 8% from \$59.3 million in 2000 to \$64.2 million in 2001, while the yield on total assets was 6.25%, up from 6.2% in 2000.

During the year, the Board purchased 500,000 preference shares in *Caribbean Crossings*, a subsidiary of *Cable Bahamas*. It did so in its continuing efforts to take advantage of every reasonable opportunity to find meaningful equity investments.

Due to the limited investment opportunities, most of the Board's investments remain in Bahamas Government Registered Stocks, fixed deposits, and other fixed income securities.



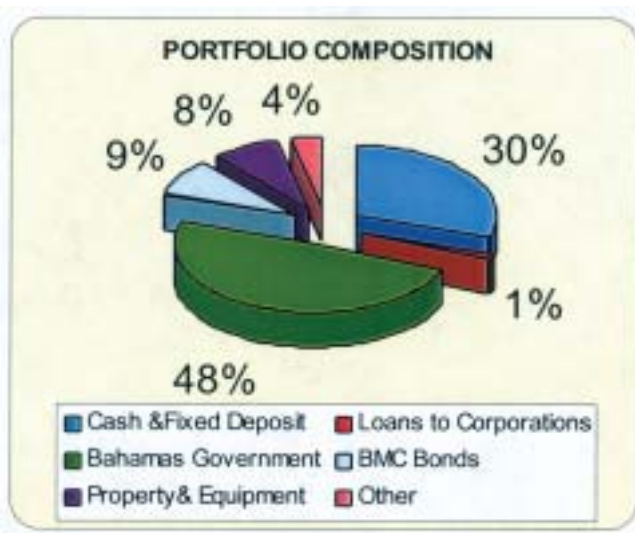
The Board has an impressive portfolio of office buildings, which provides reasonable rates of returns. During 2000 the Board entered into an agreement with the government to construct a residential complex for police officers in Freeport for \$5.3 million. The first phase of this project - the office complex to house and facilitate the various agencies and services of the Royal Bahamas Police Force- was completed and turned over to the Board in July 2001.



Police Complex in Freeport, Grand Bahama



Poincianna Hill Complex



Construction also continued on the office complexes on Poinciana Hill (between Meeting and Delancy Streets) and Thompson Boulevard to house the Ministries of Health and Education, respectively. These are all leased to the Bahamas Government for 15 years at 1 3/4 percent above the prime rate of interest.



Ministry of Education Complex

The Board is committed to health infrastructural development by providing community medical facilities throughout The Bahamas. Presently there are 17 such clinics, which brings quality health care within the reach of all Bahamians. During 2001, the South Beach clinic, which serves the people in southern section of New Providence, opened its doors to the public.



South Beach Community Clinic

While the ability to diversify our portfolio in 2001 was restricted due to the localization of investments and associated risks, the Board will continue to pursue better diversification and higher portfolio returns for the benefit of its subscribers. Approval to invest prudently overseas would support this objective.

HUMAN RESOURCES



Our efforts to improve service delivery and operational efficiency were complimented by an extensive programme of staff development, which emphasized continuous learning and technical competence. All staff members desirous of academically upgrading themselves up to the Bachelors degree can pursue such studies with the financial assistance of the Board. Management recognizes that if the Board is to successfully mount the challenges of the present and the future, it must create a learning organization.

In keeping with this philosophy, an extensive personal and interpersonal skills training programme

has begun for all managers, and will continue into next year until all persons have been trained.

During 2001, lump sum payments were paid to members of both the Public Managers Union and the Union of Public Officers in accordance with their industrial contracts.

Recognizing the need to adequately address the issue of compliance, nine Inspectors were hired. The staff complement increased to 474, up from 472 in 2000.

THE FUTURE

As the National Insurance Board moves into the new year and beyond, it remains committed to meeting the needs of all stockholders. Management and staff will continue to place high priority on serving the customers by:

- Developing the human and other organizational resources;
- Leveraging suitable information technology to drive service delivery;
- Re-engineering all processes towards greater efficiency and effectiveness;
- Timely communication of information to all stockholders;
- Reducing the time it takes for claimants to receive their entitlements;
- Increased public relations efforts to create a heightened awareness among the general populace about the benefits and services provided by the Board; and
- Further reducing administrative costs while, at the same time, increasing efficiency.

In view of the performance of 2001, the Board is convinced that it can embrace the future with confidence. It stands assured that, as it improves its internal competencies, it will deliver on the underlying promise - *securing the future for the insured population of the Commonwealth of The Bahamas.*

THE NATIONAL INSURANCE BOARD
CONSOLIDATED FINANCIAL STATEMENTS
31 DECEMBER 2001

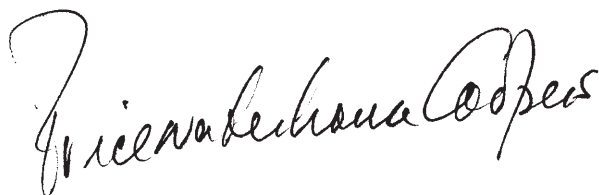
INDEPENDENT AUDITORS' REPORT

To the Board of Directors of The National Insurance Fund

We have audited the accompanying consolidated balance sheet of The National Insurance Fund (the "Fund") as of 31 December 2001 and the related consolidated statements of income and expenditure and cash flows and consolidated income and expenditure account of the benefits branches for the year then ended. These consolidated financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Fund and its subsidiary company as of 31 December 2001, and the results of their operations and their cash flows for the year then ended in accordance with International Accounting Standards and comply with The National Insurance Act and The National Insurance (Financial and Accounting) Regulations, 1974.



24 April 2002

The National Insurance Fund**2****Consolidated Balance Sheet at 31 December 2001**
(Amounts Expressed in Thousands of Bahamian dollars)

	<u>Notes</u>	<u>2001</u> \$	<u>2000</u> \$
ASSETS			
Cash in hand and at banks	3	12,266	6,339
Accounts receivable and advances	4	5,849	5,032
Accrued income receivable	5	27,062	23,766
Prepaid expenses and deposits		<u>563</u>	<u>173</u>
		<u>45,740</u>	<u>35,310</u>
Investments			
Available-for-sale investments			
Equity securities	6	8,300	6,044
Originated loans and receivables			
Certificates of deposit	7(a)	309,450	233,950
Preference shares	7(b)	6,500	1,500
Bahamas Government treasury bills	7(c)	4,976	15,885
Bahamas Government registered stocks	7(d)	514,720	530,233
Loans to Bahamas Government corporations	7(e)	12,681	22,955
Bahamas Mortgage Corporation bonds	7(f)	93,700	101,100
Bridge Authority bonds	7(g)	2,447	2,447
Bahamas Development Bank bonds	7(h)	14,000	10,000
Net investment in direct financing lease	8	3,410	3,644
Investment property	9	21,330	-
Other investments		<u>-</u>	<u>31,623</u>
Total investments		<u>991,514</u>	<u>959,381</u>
Deferred charges		594	552
Property, plant and equipment	10	<u>84,264</u>	<u>47,235</u>
Total assets		<u>1,122,112</u>	<u>1,042,478</u>

The accompanying notes are an integral part of these consolidated financial statements.

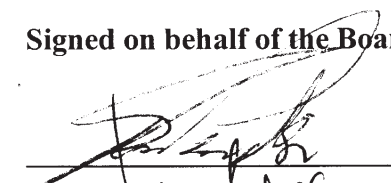
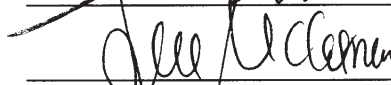
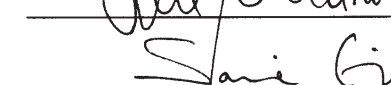
The National Insurance Fund

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Consolidated Balance Sheet at 31 December 2001
(Amounts Expressed in Thousands of Bahamian dollars)
(Continued)

	<u>Notes</u>	<u>2001</u> \$	<u>2000</u> \$
LIABILITIES			
Accounts payable and accrued expenses	11	6,298	6,979
Staff pension fund	12	15,440	13,101
Accrued benefits payable		<u>1,877</u>	<u>2,812</u>
		<u>23,615</u>	<u>22,892</u>
RESERVES			
Short-term benefits reserve	28	8,397	9,851
Pensions reserve	28	881,973	814,061
Industrial benefits reserve	28	96,483	89,124
Medical benefits reserve	28	94,723	90,087
Disablement and death benefits reserve	28	16,334	15,876
Fidelity bond	28	<u>587</u>	<u>587</u>
		<u>1,098,497</u>	<u>1,019,586</u>
Total liabilities and reserves		<u>1,122,112</u>	<u>1,042,478</u>

Signed on behalf of the Board of Directors:

	Chairman
	Director
	Acting Financial Controller
<u>24 April 2002</u>	Date

The accompanying notes are an integral part of these consolidated financial statements.

The National Insurance Fund**4**

Consolidated Statement of Income and Expenditure
For the Year Ended 31 December 2001
(Amounts Expressed in Thousands of Bahamian Dollars)

	<u>Notes</u>	<u>2001</u>	<u>2000</u>
		\$	\$
Income			
Contributions			
Employers		73,368	69,978
Insured persons		43,157	42,052
Self-employed persons		2,154	2,139
Voluntarily insured persons		<u>6</u>	<u>7</u>
		118,685	114,176
Refund of contributions		<u>(183)</u>	<u>(160)</u>
		118,502	114,016
Grant from Consolidated Fund	14	4,900	4,900
Income from investments	15	62,709	57,010
Income from property	16	1,489	2,266
Other income		<u>149</u>	<u>108</u>
Total income carried Forward		<u>187,749</u>	<u>178,300</u>

The accompanying notes are an integral part of these consolidated financial statements.

The National Insurance Fund

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Consolidated Statement of Income and Expenditure
For the Year Ended 31 December 2001
(Amounts Expressed in Thousands of Bahamian Dollars)

	<u>Notes</u>	<u>2001</u>	<u>2000</u>
		\$	\$
Total income brought forward		<u>187,749</u>	<u>178,300</u>
Expenditure			
Benefits expenditure:			
Short-term		17,491	16,723
Pensions		71,684	66,251
Industrial		3,815	3,899
Disablement and death			
benefits periodically payable		<u>1,859</u>	<u>1,813</u>
		94,849	88,686
Administrative expenditure:			
Staff salaries and allowances		13,392	12,395
Accrued vacation pay		209	96
Allowances and expenses			
of the board		69	73
Other expenses	19	7,243	6,829
Amortization		191	131
Depreciation	10	<u>1,705</u>	<u>1,690</u>
		22,809	21,214
Expenditure of the			
Medical benefit branch:			
Administrative expenditure		436	428
Depreciation	10	<u>4,009</u>	<u>-</u>
		4,445	428
Other expenditure:			
Provision for doubtful accounts		125	69
Provision for loan loss		653	654
Provision for loss on certificates			
of deposit		<u>197</u>	<u>188</u>
		975	911
Total expenditure		<u>123,078</u>	<u>111,239</u>
Excess of income over			
 expenditure credited to			
 Reserves		<u>64,671</u>	<u>67,061</u>

The accompanying notes are an integral part of these consolidated financial statements.

The National Insurance Fund

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Consolidated Cash Flow Statement

For the Year Ended 31 December 2001

(Amounts Expressed in Thousands of Bahamian Dollars)

	<u>Notes</u>	<u>2001</u>	<u>2000</u>
		\$	\$
CASH FLOWS PROVIDED BY OPERATING ACTIVITIES:			
Excess of income over expenditure		64,671	67,061
Adjustments to reconcile excess of income over expenditure to net cash provided by operating activities:			
Provision for losses		975	911
Change in unearned discounts on Bahamas Government treasury bills		32	(5)
Amortization		191	131
Depreciation		5,714	1,690
Gain on disposal of property, plant and equipment		(58)	(17)
Grant from Consolidated Fund		(4,900)	(4,900)
Interest income		(61,822)	(57,265)
Dividend income		(673)	(194)
Finance income on lease property		(332)	(366)
Income from property		(1,489)	(2,266)
Unrealised gains on equity securities		(813)	-
Operating income before working capital changes		1,496	4,780
Increase in accounts receivable and advances		(942)	(341)
(Increase) decrease in prepaid expenses and deposits		(390)	60
(Increase) decrease in accounts payable and accrued expenses		(681)	1,100
Increase in staff pension fund		2,339	1,977
Decrease in accrued benefits payable		(443)	(36)
Grant receipts from the Consolidated Fund		4,900	4,900
Net cash provided by operating activities		6,279	12,440
CASH FLOWS PROVIDED BY (USED IN) INVESTING ACTIVITIES:			
Income from property received		1,489	2,292
Repayments under direct financing lease		234	253
Placements of certificates of deposit		255,450	166,950
Proceeds from Bahamas Government treasury bills		47,621	139,563
Proceeds from Bahamas Government registered stocks		23,115	21,383
Proceeds from Bahamas Mortgage Corporation bonds		7,400	2,300
Proceeds from loans to Bahamas Government corporations		10,274	5,015
Proceeds from sale of property, plant and equipment		58	88
Investment interest received		57,789	53,548
Dividend income received		618	253
Finance income received on lease property		273	424
Renewals of certificates of deposit		(330,750)	(231,950)
Purchase of Bahamas Government treasury bills		(31,768)	(130,537)
Purchase of Bahamas Government registered stocks		(7,602)	(14,127)
Purchase of Bahamas Development Bank Bonds		(4,000)	(10,000)
Purchase of equity investments		-	(5,332)
Purchase of preference shares		(5,000)	-
Purchase of other investments		-	(1,271)
Additions to deferred charges		(233)	(169)
Purchase of property, plant and equipment		(20,144)	(17,996)
Net cash provided by (used in) investing activities		4,824	(19,313)
Net increase (decrease) in cash and cash equivalents		11,103	(6,873)
Cash and cash equivalents, beginning of year		43,339	50,212
Cash and cash equivalents, end of year	3	54,442	43,339

The accompanying notes are an integral part of these consolidated financial statements.

The National Insurance Fund

Consolidated Income and Expenditure Account of the Benefits Branches For the Year Ended 31 December 2001 (Amounts Expressed in Thousands of Bahamian dollars)

Notes	Short-term		Pensions		Benefits Branches				Death and Disablement		Fidelity Bond		Total	
	2001		2001		2001		2000		2001		2000		2001	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Income														
Contributions (net)	19,553	18,813	87,573	84,258	10,073	9,691	1,303	1,254	-	-	-	-	118,502	114,016
Grant from Consolidated Fund	-	-	4,900	4,900	-	-	-	-	-	-	-	-	4,900	4,900
Income from investments	-	-	54,431	50,121	4,480	3,619	2,791	2,160	603	-	-	-	62,709	57,010
Income from property	404	449	-	1,859	-	-	466	407	-	-	-	-	1,489	2,266
periodically payable disability and death benefits transferred from income and expenditure account of industrial benefits branch:	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disablement	-	-	-	-	-	-	-	-	1,714	-	-	-	1,714	960
Death	-	-	-	-	-	-	-	-	-	-	-	-	-	726
Part of other income of the Fund ascribed to the branch	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Income	19,957	19,262	147,905	141,165	14,553	13,310	4,560	3,848	2,317	2,347	-	-	189,463	179,986
Expenditure														
Benefits														
Sickness benefit	9,345	9,009	-	-	-	-	-	-	-	-	-	-	9,345	9,009
Maternity benefit	5,145	4,734	-	-	-	-	-	-	-	-	-	-	5,145	4,734
Funeral benefit	1,283	1,262	-	-	-	-	-	-	-	-	-	-	1,283	1,262
Sickness assistance	1,696	1,699	-	-	-	-	-	-	-	-	-	-	1,696	1,699
Retirement benefit	21	19	-	-	-	-	-	-	-	-	-	-	21	19
Invalidity benefit	-	-	39,883	36,480	-	-	-	-	-	-	-	-	39,883	36,480
Survivor's benefit	-	-	6,560	5,907	-	-	-	-	-	-	-	-	6,560	5,907
Old age non-contributory pensions	-	-	8,154	7,451	-	-	-	-	-	-	-	-	8,154	7,451
Invalidity assistance	-	-	8,692	8,508	-	-	-	-	-	-	-	-	8,692	8,508
Survivor's assistance	-	-	6,533	6,035	-	-	-	-	-	-	-	-	6,533	6,035
Medical care	-	-	1,862	1,870	-	-	-	-	-	-	-	-	1,862	1,870
Injury benefit	-	-	2,759	-	-	2,775	-	-	-	-	-	-	2,759	2,775
Disablement grant	-	-	956	-	-	1,054	-	-	-	-	-	-	956	1,054
Death Benefit	-	-	-	-	101	64	-	-	-	-	-	-	101	64
Payments of current periodically payable benefits affected during the year:	-	-	-	-	-	6	-	-	-	-	-	-	-	6
Death														
Disablement	-	-	-	-	-	-	-	-	308	290	-	-	308	290
Disablement benefit - capital value	-	-	-	-	-	-	-	-	1,551	1,523	-	-	1,551	1,523
Death benefit - capital value	-	-	-	-	-	-	-	-	1,859	1,813	-	-	1,859	1,813
Part of administrative expenditure ascribed to the branch	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Part of other expenditure ascribed to the branch	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision for loan loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision for loss on certificates of deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditure	21,508	20,452	89,708	82,829	7,241	7,386	4,476	4,45	1,859	1,813	-	-	124,792	114,925
Excess of income over expenditure for the year	(1,514)	(1,163)	58,257	58,336	7,340	5,951	121	3,405	458	534	-	-	64,671	67,061
Reserves at beginning of year	9,851	10,555	814,061	755,216	89,124	83,154	90,087	86,684	15,876	15,342	587	587	1,019,586	951,938
Adjustment to opening Reserves- cumulative effect of adopting IAS 40 & IAS 39	-	-	9,234	-	-	-	4,515	-	-	-	-	-	13,749	-
Transfers to reserves	60	59	421	509	10	19	-	-	-	-	-	-	491	587
Reserves at end of year	8,397	9,851	881,973	814,061	96,483	89,124	94,723	90,087	16,334	15,876	587	587	1,098,497	1,019,586

The National Insurance Fund**8****Notes to the Consolidated Financial Statements as at 31 December 2001
(Amounts Expressed in Thousands of Bahamian Dollars)****1. General**

The National Insurance Fund (the “Fund”) was established under The National Insurance Act, 1972 (the “Act”). The major objective of the Fund is to provide pecuniary payments in respect of:

- (a) Sickness, invalidity, maternity, retirement, death, industrial injury and disablement and death from industrial injury.
- (b) Medical care.
- (c) Social assistance for insured and other persons not qualifying for such payment as of right.
- (d) Purposes connected with or incidental to the above matters.

Income is derived from contributions and the return on investments. The daily operations of the Fund are governed by the Act and Regulations pertaining thereto and are administered by The National Insurance Board (NIB).

2. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these consolidated financials are set out below:

(a) Basis of preparation

The Fund’s consolidated financial statements have been prepared in accordance with International Accounting Standards and in compliance with The National Insurance Act, 1974 (Financial and Accounting Regulations). These consolidated financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of the consolidated financial statements in conformity with International Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Notes to the Consolidated Financial Statements as at 31 December 2001
(Amounts Expressed in Thousands of Bahamian Dollars)

2. Summary of significant accounting policies (Continued)

(a) Basis of preparation (continued)

The Fund adopted IAS 39 – Financial Instruments: Recognition and measurement and IAS 40 – Investment Property on 1 January 2001. In accordance with the transitional provisions of IAS 39, the Fund recorded a cumulative adjustment of \$1,443 to the opening balance of reserves to recognise the fair value of available-for-sale investments. In accordance with the transitional provisions of IAS 40, the Fund recorded a cumulative adjustment of \$ 12,306 to the opening balance of reserves to recognise the fair value of investment property. The aggregate amount of \$13,749 is shown as an adjustment in the consolidated income and expenditure account of the benefits branches. Further information is disclosed in the accounting policies c) Investments, f) Investment property, j) Financial instruments and in Notes 6, 9 and 26 respectively.

(b) Consolidation

The consolidated financial statements include the accounts of the Fund and its wholly-owned subsidiary, Cloughton House Limited (CHL), after the elimination of all significant intercompany balances and transactions.

(c) Investments

On 1 January 2001 the Fund adopted IAS 39 and classified its investments into the following categories: Available-for-sale investments and originated receivables. Management determines the appropriate classification of its investments at the time of purchase and re-evaluates such a designation on a regular basis. Investments intended to be held for an indefinite period or to maturity, which may be sold in response to liquidity needs and market conditions are classified as available-for-sale. Financial assets created by the Fund by providing funds directly to a debtor, with no intention of liquidating in the short term, are classified as originated loans and receivables.

All purchases and sales of investments are recognised on the trade date, which is the date the Fund commits to sell or purchase the asset. Cost of purchase includes transaction cost. Available-for-sale investments are subsequently measured at fair value, which is determined by reference to quoted market prices. Originated loans and receivables are measured at amortized cost. Realised and unrealised gains and losses arising from changes in the fair value of available-for-sale investments are included in the consolidated income and expenditure account in the period in which they arise.

Prior to the adoption of IAS 39 the fund recorded all of its investments at cost.

Notes to the Consolidated Financial Statements as at 31 December 2001
(Amounts Expressed in Thousands of Bahamian Dollars)

2. Summary of significant accounting policies (Continued)

(d) Net investment in direct financing lease

The net investment in the direct financing lease is stated at the minimum lease payments less unearned finance income.

Finance income from lease operations is recognised over the term of the lease to reflect a constant periodic rate of return on the outstanding net investment.

(e) Property, plant and equipment

Land and buildings (except for investment property) comprise mainly buildings that are significantly occupied by the Fund for administrative purposes or occupied by government to operate medical clinics. Construction in progress comprises costs incurred for the construction of medical clinics and other buildings that are incomplete at year-end. Land and construction in progress are stated at cost. All other Property, plant and equipment are stated at historical cost less depreciation.

Depreciation is calculated on the straight-line basis over their respective estimated useful lives as follows:

Buildings	40 years
Office furniture and equipment	10 years
Medical equipment	10 years
Motor vehicles	4 years
Computer hardware	5 years

Leasehold improvements are written off in the year in which they occur. Expenditures for maintenance and repairs are expensed as incurred. At the time property, plant and equipment are retired or otherwise disposed of, the cost and related accumulated depreciation are eliminated from the accounts and any profit or loss on the transaction is reflected in the consolidated income and expenditure account.

(f) Investment Property

Investment property are properties held principally for long term rental income or capital appreciation, and are stated at fair value. Fair value is determined by management and approved by the Board of Directors using the present value of future cash flows or values provided by independent appraisers. Realised and unrealised gains and losses arising from changes in the fair value of investment property are included in the consolidated income and expenditure account in the period in which they arise.

**Notes to the Consolidated Financial Statements as at 31 December 2001
(Amounts Expressed in Thousands of Bahamian Dollars)**

2. Summary of significant accounting policies (Continued)

(g) Leases

Where the Fund is the lessee, leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

Where the Fund is the lessor when assets that are leased out under finance lease, the present value of the receivables is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the terms of the lease using the net investment method, which reflects a constant periodic rate of return.

Where the Fund is the lessor and assets are leased out under operating leases, assets are included in investment property and land & buildings in the balance sheet. Rental income is recognised on a straight-line basis over the lease term.

(h) Employee benefits

All non-contractual, full-time employees of the NIB are members of the NIB Pension Plan, which is a final salary defined benefit plan. The assets of the Plan are managed by NIB and are commingled with the Board's assets.

The cost of providing pensions is charged to the income statement so as to spread the regular cost over the service lives of the employees in accordance with the advice of the actuary. An independent actuary values the Plan annually.

The pension obligation is measured at the present value of the estimated future cash outflows. Unvested past service cost is recognised on a straight-line basis over 14 years, the average period until the benefits become vested.

(i) Financial instruments

Financial instruments carried on the balance sheet include cash in hand and in banks, investments, leases, receivables, deposits and prepayments, accounts payable and accruals. The particular recognition methods adopted for significant items are disclosed in the individual policy statements associated with each item.

(j) Deferred charges

Deferred charges comprise computer software and are amortized on the straight-line basis at 20% per annum.

The National Insurance Fund

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Notes to the Consolidated Financial Statements as at 31 December 2001
(Amounts Expressed in Thousands of Bahamian Dollars)

2. Summary of significant accounting policies (Continued)

(k) Revenue recognition

- i) Contributions are accounted for on the cash basis. This basis of recognition is a departure from IAS, which requires that income be recognised on the accrual basis. Given the nature of the Fund's operations, The National Insurance Act, 1974 (Financial and Accounting Regulations) prescribes this recognition basis.
- ii) The grant from the Consolidated Fund, investment and other income are accounted for on the accrual basis.

(l) Expense recognition

Expenditure is accounted for on the accrual basis.

(m) Apportionment of income, administrative and other expenditure

- i) Section 18(1) of the Financial and Accounting Regulations, as amended in 1985, provides that the income from contributions shall be distributed among the benefit branches in the following proportions:-

Short-term benefits reserve	16.5%
Pensions reserve	73.9%
Industrial benefits reserve	8.5%
Medical benefits reserve	1.1%
	<u>100.0%</u>

- ii) Section 18(2) of the Financial and Accounting Regulations, as amended in 1985, provides that the income by way of grant out of the Consolidated Fund under Section 42(3) of the Act shall be fully credited to the pensions branch.
- iii) Section 18(3) of the Financial and Accounting Regulations, as amended in 1985, provides that income from the investment of the reserves shall be allocated to the benefits branch to which they relate.
- iv) Section 18(4) of the Financial and Accounting Regulations, as amended in 1985, provides that all other income which cannot be identified with any specific branch shall be distributed among the four benefit branches in equal parts.
- v) Section 19(2) of the Financial and Accounting Regulations, as amended in 1985, provides that the administrative expenditure of the medical benefits branch shall be ascribed to that branch and all other administrative expenditure shall be distributed among the other three branches so that the proportion allocated to a particular branch shall be equal to the proportion which the sum of the contribution income and benefit expenditure shown in the income and expenditure account of that branch bears to the sum of the contribution income and benefits expenditure of the Fund as a whole.

The National Insurance Fund

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Notes to the Consolidated Financial Statements as at 31 December 2001
(Amounts Expressed in Thousands of Bahamian Dollars)

2. Summary of significant accounting policies (Continued)

(m) Apportionment of income, administrative and other expenditure (Continued)

For the years ended 31 December 2001 and 2000, the resulting proportion of administrative expenditure ascribed to the three benefit branches is as follows:

	<u>2001</u>	<u>2000</u>
Short-term benefits reserve	17.48%	17.49%
Pensions reserve	75.16%	74.09%
Industrial benefits reserve	7.36%	8.42%
	<u>100.00%</u>	<u>100.00%</u>

- vi) Section 19(3) of the Financial and Accounting Regulations, as amended in 1985, provides that all other expenditure which is not attributable to any specific branch shall be distributed among the four benefit branches in equal parts.

(n) Cash and cash equivalents

Cash and cash equivalents are comprised of cash in hand, deposits held at call with banks, other short-term highly liquid investments and bank overdrafts. All cash and cash equivalents have maturity dates of three months or less from original date of investment.

3. Cash and cash equivalents

For purposes of the Consolidated Statement of Cash Flows cash and cash equivalents are defined as follows:

	<u>2001</u> \$	<u>2000</u> \$
Cash in hand	319	318
Cash at banks - current accounts	5,554	2,984
Cash at Central Bank of The Bahamas	<u>6,393</u>	<u>3,037</u>
Cash in hand and at banks	12,266	6,339
Add short-term investments maturing within 3 months from date of original investment:		
Certificates of deposit	37,200	37,000
Bahamas Government Treasury Bills	<u>4,976</u>	<u>-</u>
Cash and cash equivalents	<u>54,442</u>	<u>43,339</u>

The cash at the Central Bank of The Bahamas earns no interest.

The National Insurance Fund**14****Notes to the Consolidated Financial Statements as at 31 December 2001
(Amounts Expressed in Thousands of Bahamian Dollars)****4. Accounts receivable and advances**

	<u>2001</u> \$	<u>2000</u> \$
Automobile loans - staff	420	434
Computer loans - staff	115	110
Education loans - staff	167	91
Returned cheques	766	641
Advances to staff	347	326
Staff uniforms	124	-
Rent receivable	3,527	3,010
Investment property maintenance charges	736	718
Direct financing lease receivables	294	228
Miscellaneous receivables	<u>132</u>	<u>128</u>
	6,628	5,686
Less: provision for doubtful accounts	<u>(779)</u>	<u>(654)</u>
	<u>5,849</u>	<u>5,032</u>

The provision for doubtful accounts includes the total amount of the returned cheques balance.

5. Accrued income receivable

	<u>2001</u> \$	<u>2000</u> \$
Certificates of deposit	7,471	4,655
Bahamas Government registered stocks	9,707	10,091
Loans to Bahamas Government corporations	15,651	14,044
Bahamas Mortgage Corporation, Bridge Authority and Bahamas Development Bank bonds	<u>1,383</u>	<u>1,389</u>
	34,212	30,179
Less: Provision for accrued interest on loans	(6,726)	(6,073)
Provision for accrued interest on certificates of deposit	<u>(801)</u>	<u>(604)</u>
	26,685	23,502
Dividend receivable - equity investments	56	2
Finance income receivable	<u>321</u>	<u>262</u>
	<u>27,062</u>	<u>23,766</u>

The National Insurance Fund

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Notes to the Consolidated Financial Statements as at 31 December 2001
(Amounts Expressed in Thousands of Bahamian Dollars)

6. Available-for-sale investments**Equity securities**

In accordance with Section 41(6) of the Act, the following common shares are held by the Fund:

	Date(s) of Purchase	Number of Shares	Fair Value 2001	Cost 2001
Common shares:			\$	\$
Bank of The Bahamas	10/94	178,626	1,117	443
	08/00	1,035,725	6,473	5,179
		1,214,351	7,590	5,622
ICD Utilities Limited	11/96	44,840	526	269
Commonwealth Bank Ltd.	04/00	25,000	181	150
Bahamas Waste Ltd.	07/00	1,000	3	3
		1,285,191	8,300	6,044

The effect of the adoption of IAS 39 is a debit of \$1,443 to the opening balance of equity securities on 1 January 2001. Therefore the opening balance of \$7,487 below is the restated balance reflecting the fair value of the securities on 1 January 2001.

	Opening balance 1 January 2001	Additions	Unrealised Gains/(losses)	Closing balance 31 December 2001
	\$	\$	\$	\$
Bank of The Bahamas	6,679	-	911	7,590
ICD Utilities Limited	603	-	(77)	526
Commonwealth Bank Limited	202	-	(21)	181
Bahamas Waste Limited	3	-	-	3
	7,487	-	813	8,300

7. Originated loans and receivables**(a) Certificates of Deposit**

	2001 \$	2000 \$
Certificates of Deposit	312,250	236,750
Less: provision for loss on certificates of deposit	(2,800)	(2,800)
	309,450	233,950

The National Insurance Fund

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Notes to the Consolidated Financial Statements as at 31 December 2001
(Amounts Expressed in Thousands of Bahamian Dollars)

7. Originated loans and receivables (Continued)**(a) Certificates of Deposit (Continued)**

The certificates of deposit earned interest at rates of 4.50% to 6.00% (2000: 4.25% to 6.00%) per annum.

All certificates of deposit mature within 12 months of the balance sheet date. Certificates of deposit include deposits with maturity dates of 3 months or less from original date of acquisition of \$37,200 (2000: \$37,000) and are included in cash and cash equivalents for cash flow purposes (refer to Note 3).

At 31 December 2001 and 2000, the Fund held \$2.8 million in certificates of deposit with Gulf Union Bank (Bahamas) Ltd. (the Bank). On 2 October 1997, the Ministry of Finance and Planning suspended the Bank's license. Subsequently on 12 December 1997, the Supreme Court of The Commonwealth of The Bahamas ordered that the Bank be placed in provisional liquidation. On this same date the calculation of interest ceased on these deposits. As a result of this court action, the Fund established a 100% provision for the outstanding principal and accrued interest amounts.

(b) Preference shares

Preference shares comprise the following:

	Date of purchase	Number of shares	Cost 2001 \$
Cable Bahamas Limited	06/95	1,500	1,500
Caribbean Crossing Limited	06/01	500,000	5,000
		<u>501,500</u>	<u>6,500</u>

	Opening balance \$	Additions \$	Disposals \$	Closing Balance \$
Cable Bahamas Limited	1,500	-	-	1,500
Caribbean Crossing Limited	-	5,000	-	5,000
	<u>1,500</u>	<u>5,000</u>	<u>-</u>	<u>6,500</u>

The National Insurance Fund

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Notes to the Consolidated Financial Statements as at 31 December 2001
(Amounts Expressed in Thousands of Bahamian Dollars)

7. Originated loans and receivables (Continued)**(c) Bahamas Government treasury bills**

The treasury bills are discounted at rates varying from 2.50% to 2.60% per annum (2000:1.85% to 2.05%) and mature within 91 days (2000: 182 days).

<u>Value Date</u>	<u>Purchase Rate</u>	<u>Discount Rate</u>	<u>Maturity Date</u>	<u>Cost</u> \$	<u>Book Value</u> \$	<u>Face Value</u> \$
11/12/01	99.37	2.50%	12/03/02	2,981	2,986	3,000
11/12/01	99.35	2.60%	12/03/02	<u>1,987</u>	<u>1,990</u>	<u>2,000</u>
Total 2001				<u><u>4,968</u></u>	<u><u>4,976</u></u>	<u><u>5,000</u></u>
Total 2000				<u><u>15,846</u></u>	<u><u>15,885</u></u>	<u><u>16,000</u></u>

The National Insurance Fund

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Notes to the Consolidated Financial Statements as at 31 December 2001
(Amounts Expressed in Thousands of Bahamian Dollars)

7. Originated loans and receivables (Continued)

(d) Bahamas Government registered stocks

The investment in government registered stocks is at interest rates of 5.75% to 10.50% (2000: 5.75% to 10.50%) per annum, some of which are tied to the Nassau Prime Rate with maturing dates from 2002 to 2021 (2000: 2001 to 2020).

<u>Value Date</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Cost \$</u>	<u>Face Value \$</u>
27/09/91 – 01/03/96	6.125% - 6.6875%	2002	25,582	25,582
20/07/88 – 09/02/96	6.250% - 8.750%	2003	44,245	44,245
28/12/90 – 23/09/96	6.500% - 7.375%	2004	37,902	37,902
06/02/90 – 26/10/95	6.875% - 9.500%	2005	29,146	29,146
17/03/86 – 11/05/99	6.1562% - 10.50%	2006	32,864	32,864
09/05/91 – 26/02/99	5.750% - 7.000%	2007	36,639	36,639
18/03/93 – 21/12/98	5.875% - 7.187%	2008	30,041	30,041
05/10/93 – 21/10/98	6.000% - 6.8125%	2009	27,043	27,043
24/08/93 – 26/02/99	6.312% - 6.875%	2010	28,352	28,352
24/08/93 – 07/05/96	6.6875% - 7.000%	2011	19,237	19,237
08/10/87 – 05/10/95	6.750% - 8.750%	2012	16,456	16,456
15/03/88 – 25/10/00	6.2813% - 9.000%	2013	41,232	41,232
20/09/94 – 08/04/98	6.500% - 7.125%	2014	22,997	22,997
23/09/96 – 15/10/97	6.5625% - 7.1875%	2015	23,794	23,794
23/09/96 – 21/07/99	6.375% - 7.250%	2016	37,002	37,002
25/05/97 – 10/08/98	6.5625% - 7.250%	2017	19,940	19,940
10/08/98 – 21/12/01	6.4375% - 6.5938%	2018	26,864	26,864
21/07/99 – 25/10/00	6.4688%	2019	9,169	9,169
21/09/00 – 30/07/01	6.5313% - 6.500%	2020	3,505	3,505
30/07/01	6.5625%	2021	2,710	2,710
Total 2001			514,720	514,720
Total 2000			530,233	530,233

The National Insurance Fund

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Notes to the Consolidated Financial Statements as at 31 December 2001
(Amounts Expressed in Thousands of Bahamian Dollars)

7. Originated loans and receivables (Continued)

(d) Loans to Bahamas Government Corporations

These loans have been made in accordance with Section 41(6) of the Act.

	Bahamas Electricity Corporation	Water and Sewerage Corporation	Bahamas Develop- ment Bank	Bahamas Telecommu- nications Corporation	Bahamasair Holdings Limited	Total
	\$	\$	\$	\$	\$	\$
Principal balance, Beginning of year	7,187	5,159	1,053	9,556	6,000	28,955
Loans advanced, During year	-	-	-	-	-	-
Principal repayments, During year	(447)	-	(271)	(9,556)	-	(10,274)
Less: provision for Loan loss	-	-	-	-	(6,000)	(6,000)
2001 net realizable Balance	6,740	5,159	782	-	-	12,681
2000 net realizable Balance	7,187	5,159	1,053	9,556	-	22,955

(i) Bahamas Electricity Corporation (BEC)

On 1 December 1989, a loan facility of \$10,000 was approved to BEC for the purpose of expanding their power generating system in New Providence and Paradise Island. This loan has been fully drawdown. The principal, subject to a one (1) year moratorium, is repayable over twenty (20) years in equal semi-annual installments of \$524 inclusive of interest. The interest rate is fixed at half-percent (.5%) below the Nassau Prime Rate but is not to be less than 8.5% per annum. The current portion of the loan due within one year is \$485 (2000: \$447).

This loan is guaranteed by The Bahamas Government.

(ii) Water and Sewerage Corporation (WSC)

On 10 January 1984, a loan facility of \$4,296 was approved to the WSC to refinance various commercial bank loans. This loan has been fully drawdown. The principal, subject to a four (4) year moratorium, is repayable over sixteen (16) years in equal semi-annual installments of \$290 inclusive of interest. The interest rate is fixed for five (5) year periods. For the first five years it was fixed at 11.0% per annum and for each subsequent five (5) year period it is fixed at the greater of 11.0% or the Nassau Prime Rate.

**Notes to the Consolidated Financial Statements as at 31 December 2001
(Amounts Expressed in Thousands of Bahamian Dollars)**

7. Originated loans and receivables (Continued)

(e) Loans to Bahamas Government Corporations (Continued)

(ii) Water and Sewerage Corporation (WSC) (Continued)

On 6 March 1987, another loan facility of \$1,200 was approved to the WSC to enable them to carry out a water supply and sewerage rehabilitation project in New Providence. This loan has been fully drawdown. The principal, subject to a three (3) year moratorium, is payable over fifteen (15) years in equal semi-annual installments of \$71 inclusive of interest. The interest rate is fixed at half-percent (.5%) below the Nassau Prime Rate, except that should the Nassau Prime Rate fall below 9.0% the interest rate shall be adjusted to the yield on the Fund as determined by the actuary in the preceding year provided that the interest rate shall not exceed 8.5% per annum.

As of 1 July 1991 the WSC is in default of repayments of principal and interest on both loans. The principal and interest repayments unpaid since that date up to 31 December 2001, including penalty interest, amount to \$11,974 (2000: \$10,474).

Both loans are guaranteed by The Bahamas Government.

(iii) Bahamas Development Bank (BDB)

On 11 May 1984, a loan facility of \$3,500 was approved to BDB to enable them to lend to deserving borrowers in the field of agriculture, small-scale industry and fisheries. This loan has been fully drawdown and is in two parts: (a) \$3,000 and (b) \$500.

- (a) This portion of the loan was drawdown, \$1,000 in 1984 and \$2,000 in 1988. The principal, subject to a five (5) year moratorium, is repayable over fifteen (15) years in equal quarterly installments of \$31 and \$56 respectively, inclusive of interest. The interest rate on the \$1,000 is fixed at 9.5% per annum and on the \$2,000 at 1.5% below the Nassau Prime Rate at the time of disbursement in 1988, but not to exceed 9.5% per annum. The current portion of the loan due within one year is \$294 (2000: \$271).

This loan is guaranteed by The Bahamas Government.

- (b) This portion was repaid in full in May 1994.

**Notes to the Consolidated Financial Statements as at 31 December 2001
(Amounts Expressed in Thousands of Bahamian Dollars)**

7. Originated loans and receivables (Continued)

(e) Loans to Bahamas Government Corporations (Continued)

(iv) Bahamas Telecommunications Corporation (BaTelCo)

On 29 November 1988, a loan facility of \$19,000 was approved to BaTelCo. The amount of \$12,500 has been drawdown and the borrowers have opted not to make further drawdowns. The principal is repayable over twenty-five (25) years in equal quarterly installments of \$296 inclusive of interest and commenced on 1 January 1990. The interest rate is fixed at half-percent (.5%) below the Nassau Prime Rate but not less than 8.5% per annum.

This loan was paid off in full by BaTelCo on 3 July 2001, exercising its option under Section 1c(iv) of the loan agreement.

(v) Bahamasair Holdings Limited (Bahamasair)

On 4 October 1989, a loan facility of \$6,000 was approved to Bahamasair to enable them to finance capital investments and to expand their operations. This loan has been fully drawdown. The principal, subject to a two (2) year moratorium, was repayable over five (5) years in equal quarterly installments of \$371 inclusive of interest. The interest rate is fixed at half-percent (.5%) below the Nassau Prime Rate but not less than 8.5% per annum.

As of 1 July 1991, Bahamasair is in default of repayments of principal and interest. The principal and interest repayments unpaid since that date up to 31 December 2001, including penalty interest, amount to \$12,726 (2000: \$12,073).

This loan is unsecured. Full provision has been made for the principal and accrued interest at 31 December 2001 and 2000.

The National Insurance Fund

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Notes to the Consolidated Financial Statements as at 31 December 2001
(Amounts Expressed in Thousands of Bahamian Dollars)

7. Originated loans and receivables (Continued)

(f) Bahamas Mortgage Corporation bonds

<u>Series</u>	<u>Redemption Period</u>	<u>Interest Rate</u>	<u>Maturity Dates</u>	<u>Cost 2001</u> \$	<u>Cost 2000</u> \$
A	25 years	2.0000%	01/07/09 - 01/01/11	5,000	5,000
B	20 years	2.0000%	01/10/04 - 01/01/06	2,500	2,500
C	25 years	3.5000%	01/07/09 - 01/12/10	10,500	10,500
D	20 years	3.5000%	01/07/04 - 01/06/06	7,000	7,000
E	15 years	5.0000%	01/01/01 - 01/07/01	-	6,200
G	20 years	4.5000%	01/08/06 - 01/11/09	17,500	17,500
H	25 years	5.0000%	01/10/11 - 01/03/14	10,000	10,000
I	15 years	5.0000%	01/12/01 - 01/08/04	5,000	6,200
J	20 years	4.5000%	01/02/10 - 01/05/12	10,000	10,000
K	15 years	4.00 - 5.0000%	01/02/06 - 01/12/08	6,200	6,200
L	20 years	5.0000%	01/03/01 - 01/05/12	15,000	15,000
M	25 years	5.0000%	01/10/18 - 01/12/18	5,000	5,000
				<u>93,700</u>	<u>101,100</u>

The Fund is authorised to subscribe for amounts not exceeding \$114,600 (2000: \$114,600) of the total bonds issued of \$120,000. The interest rates on each series of bonds are fixed at varying percentages below the Nassau Prime Rate, except when the Nassau Prime Rate falls below 7.00% it is deemed to be 7.00%. Movement of the Nassau Prime Rate has been as follows:

01 May 1986	9.00%
27 February 1992	8.00%
14 January 1993	7.75%
01 June 1993	7.25%
17 April 1994	6.75%
01 July 1999	6.00%

The National Insurance Fund

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Notes to the Consolidated Financial Statements as at 31 December 2001
(Amounts Expressed in Thousands of Bahamian Dollars)

7. Originated loans and receivables (Continued)

(g) Bridge Authority Bonds

In accordance with Section 41 (6) of the Act, the Fund purchased bonds from the Bridge Authority for the financing of the Paradise Island Bridge. Interest is paid semi-annually and is fixed at varying percentages above the Nassau Prime Rate.

<u>Date of Purchase</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Cost 2001</u> \$	<u>Cost 2000</u> \$
24/03/99	7.250%	24/03/19	955	955
24/03/99	7.500%	24/03/24	1,025	1,025
24/03/99	7.625%	24/03/29	467	467
			<u>2,447</u>	<u>2,447</u>

(h) Bahamas Development Bank Bonds

In accordance with Section 41(6) of the Act, the Fund purchased Bahamas Development Bank bonds. The bonds are guaranteed by the Government of the Bahamas and bear interest at the prime interest rate (Series A) and 1% below prime (Series B). Bonds issued are as follows:

<u>Date of Purchase</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Cost 2001</u> \$	<u>Cost 2000</u> \$
28/11/00	6.000%	01/12/20	10,000	10,000
22/06/01	5.000%	01/06/16	4,000	-
			<u>14,000</u>	<u>10,000</u>

8. Net investment in direct financing lease

On 12 September 1996, the Fund purchased all of the authorised and issued shares of Chemical Realty (Bahamas) Holdings Limited at a cost of \$4,473. The company's sole asset was an office building in downtown Nassau. Effective 12 September 1996, the company agreed to enter into a fifteen (15) year lease with the Government of The Bahamas for the rental of the office building. At the end of the lease term, ownership of the building will be transferred to the Government of The Bahamas, which is responsible for the maintenance, insurance and taxes on the office building.

The name of the company was changed on 4 October 1996 to Claughton House Limited. The net investment is as follows:

	<u>2001</u> \$	<u>2000</u> \$
Minimum lease payments	4,849	5,359
Unearned finance income	(1,439)	(1,715)
	<u>3,410</u>	<u>3,644</u>

Claughton House Limited had a net profit of \$332 (2000: \$366) for the year.

The National Insurance Fund

Notes to Consolidated Financial Statements as at 31 December 2001

(Amounts Expressed in Thousands of Bahamian dollars)

9. Investment Property

	<u>Freeport Building</u>	<u>Farrington Rd Building</u>	<u>Wulff Road Building</u>	<u>JFK Land</u>	<u>Total</u>
	\$	\$	\$	\$	\$
Year ended 31 December 2001					
Balance at 1 January 2001	-	-	-	-	-
Effect of adopting IAS 40					
-Transfers from property, plant & equipment	-	367	313	-	680
-Transfers from other investments	5,178	-	-	3,166	8,344
-Fair value adjustments	3,210	4,459	123	4,514	12,306
Balance at 1 January 2001 as restated	<u>8,388</u>	<u>4,826</u>	<u>436</u>	<u>7,680</u>	<u>21,330</u>
Balance at end of year	<u>8,388</u>	<u>4,826</u>	<u>436</u>	<u>7,680</u>	<u>21,330</u>

The Fund adopted IAS 40 on 1 January 2001. On this date all land & buildings and other investments that met the definition of investment property were transferred to investment property at their carrying values at 1 January 2001. The effect of carrying investment properties at fair value is reflected as a credit to reserves at 1 January 2001 of \$12,306.

Operating lease agreements have been entered into or drafted for all the investment properties, except for the JFK land. The fair value of all properties was determined by calculating the present value of the expected future rental income, except for the JFK land, which was valued by an independent appraiser.

The National Insurance Fund

Notes to Consolidated Financial Statements as at 31 December 2001
(Amounts Expressed in Thousands of Bahamian dollars)

10. Property, Plant and Equipment

	Land & Buildings	Office Furniture & Equipment	Computer Hardware	Motor Vehicles	Construction in progress	Medical Equipment	Total
	\$	\$	\$	\$	\$	\$	\$
Year ended 31 December 2000							
Opening net book amount	16,396	2,131	1,031	918	10,523	-	30,999
Additions	48	239	286	144	17,280	-	17,997
Disposals	-	-	-	(654)	-	-	(654)
Recovery	-	-	-	583	-	-	583
Depreciation charge	(481)	(432)	(470)	(307)	-	-	(1,690)
Closing net book amount	15,963	1,938	847	684	27,803	-	47,235
At 31 December 2000							
Cost	20,509	7,104	5,168	1,638	27,803	-	62,222
Accumulated depreciation	(4,546)	(5,166)	(4,321)	(954)	-	-	(14,987)
Net book amount	15,963	1,938	847	684	27,803	-	47,235
Year ended 31 December 2001							
Opening net book amount	15,963	1,938	847	684	27,803	-	47,235
Additions	107	273	654	333	18,104	673	20,144
Transfers	19,188	-	-	-	(113)	2,763	21,838
Disposals	-	-	-	(336)	-	-	(336)
Recovery	761	-	-	336	-	-	1,097
Depreciation charge	(3,126)	(469)	(489)	(291)	-	(1,339)	(5,714)
Closing net book amount	32,893	1,742	1,012	726	45,794	2,097	84,264
At 31 December 2001							
Cost	39,804	7,376	5,823	1,635	45,794	3,436	103,868
Accumulated depreciation	(6,911)	(5,634)	(4,811)	(909)	-	(1,339)	(19,604)
Net book amount	32,893	1,742	1,012	726	45,794	2,097	84,264

Included in the net book value of land and buildings at 31 December 2001 and the depreciation charge for the year then ended are amounts of \$17,953 and \$2,670, respectively, which is ascribed to the Medical Benefit Branch. All medical equipment is ascribed to the Medical Benefit Branch. See Note 20 for additional information related to depreciation.

The National Insurance Fund**26****Notes to the Consolidated Financial Statements as at 31 December 2001
(Amounts Expressed in Thousands of Bahamian Dollars)****11. Accounts payable and accrued expenses**

	<u>2001</u> \$	<u>2000</u> \$
Unclaimed benefits	1,584	1,001
Creditors and accrued expenses	2,572	4,041
Accrued vacation pay	2,090	1,881
Unearned finance income	<u>52</u>	<u>56</u>
	<u>6,298</u>	<u>6,979</u>

12. Staff pension fund

Effective 1 January 1999, the NIB Pension and Provident Fund were amended. The Plan now provides full credit for years of service before 1999, a 2% accrual rate for post-1998 service, 1.67% for pre-1999 service, and is contributory, with required employee contributions of 3% of salary. The increase in the defined benefit obligation due to past service costs was \$7,688.

The amounts recognised in the balance sheet are as follows:

	<u>2001</u> \$	<u>2000</u> \$
Present value of defined benefit obligations	20,441	17,927
Less: Fair value of plan assets	<u>(15,368)</u>	<u>(13,240)</u>
	5,073	4,687
Unvested past service cost	(4,721)	(5,150)
Unrecognised actuarial gains(losses)	<u>(280)</u>	<u>324</u>
Liability/(asset) under Pension Plan	72	(139)
Assets held on behalf of the Plan	<u>15,368</u>	<u>13,240</u>
Liability as per balance sheet	<u>15,440</u>	<u>13,101</u>

The amounts recognised in the income statement are as follows:

Current service cost	726	297
Interest cost	1,233	1,115
Expected return on plan assets	(934)	(794)
Past service costs recognised	<u>429</u>	<u>429</u>
Total pension expense	<u>1,454</u>	<u>1,047</u>

The actual return on plan assets was \$931(2000: \$815).

The National Insurance Fund**27****Notes to the Consolidated Financial Statements as at 31 December 2001
(Amounts Expressed in Thousands of Bahamian Dollars)**

12. Staff Pension Fund (continued)	<u>2001</u>	<u>2000</u>
	\$	\$
Movement in net liability/(asset) recognised in the balance sheet is:		
Opening liability(asset)	(139)	37
Expense as above	1,454	1,047
Contributions paid	<u>(1,243)</u>	<u>(1,223)</u>
Liability/(asset) under Pension Plan	72	(139)
Assets held on behalf of the Plan	<u>15,368</u>	<u>13,240</u>
Liability as per balance sheet	<u>15,440</u>	<u>13,101</u>

Movement in unvested past service cost:

Opening balance	(5,150)	(5,579)
Past service cost recognised	<u>429</u>	<u>429</u>
Closing balance	<u>(4,721)</u>	<u>(5,150)</u>

The principal actuarial assumptions used for the accounting purposes were:

	<u>2001</u>	<u>2000</u>
Discount rate	6.50%	6.75%
Expected return on plan assets	6.75%	6.75%
Future salary increase (vary by age)	3.02% - 7.125%	3.40% - 7.50%

13. Fidelity bond reserve

In accordance with Section 12 of the Financial and Accounting Regulations, NIB has arranged insurance by way of a fidelity bond reserve giving cover against the risk of defalcation by cashiers, storekeepers or other custodians of the property of NIB.

There was no income or expenditure in respect of this reserve for the years ended 31 December 2001 and 2000.

14. Grant from Consolidated Fund

This grant represents an annual receipt from the Government of the Bahamas, which should be appropriated towards old-age non-contributory pension payments.

The National Insurance Fund**28****Notes to the Consolidated Financial Statements as at 31 December 2001
(Amounts Expressed in Thousands of Bahamian Dollars)****15. Income from investments**

	<u>2001</u> \$	<u>2000</u> \$
Trustee securities:		
Bahamas Government treasury bills	337	506
Bahamas Government registered stocks	<u>36,916</u>	<u>38,156</u>
	<u>37,253</u>	<u>38,662</u>
Other securities:		
Certificates of deposit	14,158	9,197
Loans to Bahamas Government corporations	2,691	3,291
Bahamas Mortgage Corporation bonds	4,137	4,455
Dividends from common and preference shares	673	194
Bridge Authority bonds	182	182
Bahamas Development Bank bonds	<u>706</u>	<u>56</u>
	<u>22,547</u>	<u>17,375</u>
Finance income on leased property CHL	332	366
Interest during construction	2,695	1,422
Available for sale investments gains	813	-
Interest income allocated to staff pension fund	<u>(931)</u>	<u>(815)</u>
	<u><u>62,709</u></u>	<u><u>57,010</u></u>

16. Income from property

	<u>2001</u> \$	<u>2000</u> \$
Rental income - Freeport office complex	700	653
- New Providence buildings	323	1,206
- Polyclinics	<u>466</u>	<u>407</u>
	<u><u>1,489</u></u>	<u><u>2,266</u></u>

17. Capital values of awards of periodically payable disablement and death benefits

Section 20(3) of the Financial and Accounting Regulations provides that the capital values of periodically payable disablement and death benefits awarded in a year is charged against the year's income in the income and expenditure account of the industrial benefits branch. It is also credited to a current account which is further credited with the income from the investment of the said reserve and debited with the actual payments of current periodical disablement and death benefits effected during the year. The balance is then transferred at the end of the year to the reserve account. The expenditure of the industrial benefit branch and the income of the disablement and death benefits reserve are eliminated in the consolidated income and expenditure account.

The National Insurance Fund**29****Notes to the Consolidated Financial Statements as at 31 December 2001
(Amounts Expressed in Thousands of Bahamian Dollars)****18. Amount invested in other assets (Refer Note 28)**

	<u>2001</u>	<u>2000</u>
	\$	\$
Cash on hand	319	318
Cash at banks - current accounts	5,554	2,984
Accounts receivable and advances	5,849	5,032
Accrued income receivable	27,062	23,766
Prepaid expenses and deposits	563	173
Deferred charges	594	552
Property, plant and equipment (excluding polyclinics for 2001)	64,214	47,235
Accounts payable and accrued expenses	(6,298)	(6,979)
Accrued benefits payable	<u>(1,877)</u>	<u>(2,812)</u>
	<u>95,980</u>	<u>70,269</u>

19. Other expenses

	<u>2001</u>	<u>2000</u>
	\$	\$
Motor vehicles	280	252
Advertising and publicity	102	149
*Staff benefits	2,728	2,357
Transportation and traveling	481	429
Rent	322	341
Printing and stationery	375	373
Utilities	713	976
Real property tax	93	52
Postage and box rental	8	11
Repairs and maintenance	885	738
Insurance	167	119
Audit fees	131	141
Janitorial	222	194
Training and scholarships	314	259
Bank charges	25	23
External security	220	236
Consultancy fees	79	50
Computer supplies	56	50
Other miscellaneous expenses	<u>42</u>	<u>79</u>
	<u>7,243</u>	<u>6,829</u>

* Includes National Insurance, Group Health Plan and Pension Plan contributions.

The National Insurance Fund

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**Notes to the Consolidated Financial Statements as at 31 December 2001
(Amounts Expressed in Thousands of Bahamian Dollars)****20. Adjustment due to change in accounting policy**

During 2001 the Fund reviewed its accounting treatment with respect to the buildings and equipment of the Medical Benefits Branch (polyclinics). These were previously carried at original cost under the head 'Other investments'. These assets have been transferred to 'Property, plant and equipment', and depreciation expense has been determined retrospectively. An amount of \$3,324 has been included in depreciation of the Medical Benefits Branch in the consolidated statement of income and expenditure representing the depreciation charge for periods prior to 2001.

21. Contingent liabilities

- (a) NIB is involved in litigation pertaining to its authority to invest in land and buildings prior to The National Insurance (Amendment) Act, 1981, which came into force on 9 November, 1981. NIB is claiming that the deed of conveyance made on 5 May 1976 for the purchase of the McAlpine building situated on Farrington Road, Nassau, between Sir Robert McAlpine & Sons (Bahamas) Limited and NIB should be rescinded and that the purported purchase price of \$1,160 which is included in property, plant and equipment, be returned to NIB. The outcome of this litigation is not presently determinable.

If the claim is upheld, NIB will be contingently liable in the sum of \$1,834 (2000: \$1,763), representing rent of premises for the period 1 April 1976 to 31 December 2001.

If the claim is denied, NIB will be contingently liable in the sum of \$512 (2000: \$482), representing real property tax charges on the property for the period 1 January 1978 to 31 December 2001.

- (b) NIB has provided commitment letters to various medical institutions and other providers of medical care to its industrial benefit claimants. Due to the nature of these commitments it is not practical to determine the possible financial effect.

22. Commitments**Capital commitments**

Capital expenditure contracted for at the balance sheet date but not recognized on the financial statements is as follows:

	<u>2001</u> \$	<u>2000</u> \$
Property, plant and equipment	<u>11,289</u>	<u>18,352</u>

Operating lease commitments – where the Fund is the lessee

The future aggregate minimum lease payments under non-cancelable operating leases are \$91(2000: \$ 154).

The National Insurance Fund**31****Notes to the Consolidated Financial Statements as at 31 December 2001
(Amounts Expressed in Thousands of Bahamian Dollars)****23. Staff**

The average number of persons employed by NIB during the year was 468 (2000: 480).

24. Actuarial review

These consolidated financial statements summarise the transactions and net assets of the Fund. They do not take account of liabilities to pay benefits in the future. The latest actuarial valuation of the Fund was done as at 31 December 1996.

25. Credit risk and concentration of credit risk

At 31 December 2001 the Fund's total exposure to credit risk was \$1,015,924 (2000: \$ 963,068). This exposure was principally concentrated with The Government of the Bahamas. As of that date, the Fund had investments, loans and accruals with The Government of the Bahamas and Government Corporations totaling \$659,540 (2000: \$ 696,236).

26. Fair value

The following table summarizes the carrying amounts and fair values of those financial assets and liabilities not presented on the Fund's consolidated balance sheet at their fair value.

Financial asset	Carrying value 2001	Fair value 2001
	<u>\$</u>	<u>\$</u>
Bahamas Government registered stock	514,720	548,983
Loans to Bahamas Government corporations	12,681	13,317
Bahamas Mortgage Corporation bonds	93,700	85,555
Bridge Authority bonds	2,447	2,663
Bahamas Development Bank bonds	14,000	13,436
Certificates of deposit	309,450	318,686

The carrying amounts of current financial assets, Bahamas Government Treasury Bills and financial liabilities represent their estimated fair values.

Fair values for all financial assets listed above are determined using the discounted amount of estimated future cash flows. The cash flows are discounted at a rate representing the market rates of similar instruments.

27. Reclassifications

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

The National Insurance Fund
Notes to Consolidated Financial Statements as at 31 December 2001
(Amounts Expressed in Thousands of Bahamian dollars)

28. Investments of the Fund Allocated to the Reserves

	Interest rate	Maturity date	Short-Term	Pensions	Industrial	Medical	Death and Disablement	Fidelity	Total
			\$	\$	\$	\$	\$	\$	\$
Central Bank of The Bahamas									
			200	4,493	-	1,000	400	300	6,393
Certificates of deposit									
Bank of the Bahamas	4.75%	01/01/02 - 09/12/02	-	-	-	43,000	-	-	43,000
Barclays Bank	5.25%	10/05/02 - 13/08/02	-	-	41,000	-	-	-	41,000
CIBC Bahamas Limited	5.75%	25/03/02 - 23/08/02	-	47,500	-	-	-	-	47,500
Citibank, N.A.	4.75%	15/03/01 - 24/12/01	-	17,200	23,000	-	-	-	40,200
Commonwealth Bank	4.25%	25/05/01 - 27/09/01	-	-	20,750	-	-	-	20,750
Finance Corporation of the Bahamas	4.75%	07/01/02 - 31/12/02	6,000	11,000	5,500	4,000	1,500	-	28,000
Gulf Union Bank (Bahamas) Ltd.	5.75%	30/09/97	-	2,800	-	-	-	-	2,800
Royal Bank of Canada	4.75%	06/03/02 - 31/12/02	-	50,500	-	-	-	-	50,500
Scotiabank (Bahamas) Ltd.	4.5%	07/02/02 - 31/12/02	-	38,000	-	-	-	-	38,000
Workers Bank Limited			-	500	-	-	-	-	500
Provision for Gulf Union Bank (Bahamas) Ltd. deposits	5.75%	06/02/02	-	(2,800)	-	-	-	-	(2,800)
			6,000	164,700	90,250	47,000	1,500	-	309,450
Bahamas Government treasury bills									
	2.50%	-	-	-	-	4,976	-	-	4,976
Bahamas Government registered stock									
	5.75%	05/03/02 - 30/07/21	-	514,720	-	-	-	-	514,720

The National Insurance Fund
Notes to Consolidated Financial Statements as at 31 December 2001
(Amounts Expressed in Thousands of Bahamian dollars)

28. Investments of the Fund Allocated to the Reserves (Continued)

	Interest rate	Maturity date	Short-Term	Pensions	Industrial	Medical	Death and Disablement	Fidelity	Total
			\$	\$	\$	\$	\$	\$	\$
Loans to Bahamas Government Corporations									
Water & Sewerage Corporation	7.22%	01/01/04 - 01/01/06	-	5,159	-	-	-	-	5,159
Bahamas Electricity Corporation	8.50%	26/01/11	-	6,740	-	-	-	-	6,740
Bahamas Development Bank	9.50%	23/05/04	-	782	-	-	-	-	782
Bahamasair Holdings Limited	8.50%	01/10/96	-	6,000	-	-	-	-	6,000
Provision for Bahamasair Holdings Limited			-	(6,000)	-	-	-	-	(6,000)
			-	12,681	-	-	-	-	12,681
Bahamas Mortgage Corporation									
Bonds	2.00%	01/07/04 - 01/12/18	-	72,300	-	7,500	13,900	-	93,700
Common shares									
Bank of The Bahamas			-	7,590	-	-	-	-	7,590
ICD Utilities			-	526	-	-	-	-	526
Commonwealth Bank			-	181	-	-	-	-	181
Bahamas Waste			-	3	-	-	-	-	3
			-	8,300	-	-	-	-	8,300
Preference shares									
Cable Bahamas			-	1,500	-	-	-	-	1,500
Caribbean Crossing			-	5,000	-	-	-	-	5,000
			-	6,500	-	-	-	-	6,500

The National Insurance Fund
Notes to Consolidated Financial Statements as at 31 December 2001
(Amounts Expressed in Thousands of Bahamian dollars)

28. Investments of the Fund Allocated to the Reserves (Continued)

	Interest rate	Maturity date	Short-Term \$	Pensions \$	Industrial \$	Medical \$	Death and Disablement \$	Fidelity \$	Total \$
Net investment in direct financing lease			-	3,410	-	-	-	-	3,410
Bridge Authority bonds	7.25% - 7.625%	24/03/19 - 24/03/29	-	2,447	-	-	-	-	2,447
Bahamas Development Bank bonds	5.00% - 6.000%	01/06/16 - 01/12/20	-	14,000	-	-	-	-	14,000
Investment Properties									
Buildings			-	-	-	7,680	-	-	7,680
Land			-	13,650	-	-	-	-	13,650
			-	13,650	-	7,680	-	-	21,330
Polyclinics			-	-	-	20,050	-	-	20,050
Amounts invested in other assets (Refer Note 18)			2,197	80,212	6,233	6,517	534	287	95,980
Less: assets allocated to the staff pension fund and included in the pensions reserve			-	(3,000)	-	-	-	-	(3,000)
Certificates of deposit			-	(12,310)	-	-	-	-	(12,310)
Bahamas Government registered stocks			-	(130)	-	-	-	-	(130)
Other assets			-	(15,440)	-	-	-	-	(15,440)
TOTAL			8,397	881,973	96,483	94,723	16,334	587	1,098,497

SECURITIES IN WHICH MONEYS FORMING PART OF THE NATIONAL INSURANCE FUND ARE INVESTED

1. Bahamas Government Registered Stock

Certificate Number	Date of Investment	Interest Rate	Cost	Face Value	Maturity Date
30-041*	01/03/96	6.25000%	162,000	162,000	05-Mar-02
30-022*	09/04/92	6.25000%	3,000,000	3,000,000	05-Mar-02
30-025*	15/04/92	6.25000%	4,420,000	4,420,000	05-Mar-02
30-034*	10/08/95	6.25000%	600,000	600,000	05-Mar-02
36-083*	09/02/96	6.87500%	2,500,000	2,500,000	18-Mar-03
28-013*	27/09/91	6.12500%	3,000,000	3,000,000	30-Jul-02
28-046*	01/03/96	6.12500%	3,000,000	3,000,000	30-Jul-02
28-014*	17/10/91	6.12500%	3,000,000	3,000,000	30-Jul-02
34-016*	07/01/93	6.68750%	2,000,000	2,000,000	06-Oct-02
34-025*	15/02/93	6.68750%	1,000,000	1,000,000	06-Oct-02
34-013*	08/10/92	6.68750%	2,000,000	2,000,000	06-Oct-02
29-028*	15/02/93	6.25000%	370,700	370,700	11-Dec-02
29-031*	25/02/93	6.25000%	449,300	449,300	11-Dec-02
29-022*	15/04/92	6.25000%	2,580,000	2,580,000	11-Dec-02
17-008	20/07/88	8.75000%	12,000,000	12,000,000	20-Jul-03
32-007*	17/08/92	6.75000%	3,000,000	3,000,000	29-Jul-03
28-009*	16/08/91	6.25000%	2,744,800	2,744,800	30-Jul-03
28-007*	01/08/91	6.25000%	7,000,000	7,000,000	30-Jul-03
29-029*	15/02/93	6.50000%	1,999,900	1,999,900	11-Dec-03
29-019*	03/02/92	6.50000%	3,000,000	3,000,000	11-Dec-03
29-018*	17/01/92	6.50000%	5,000,000	5,000,000	11-Dec-03
35-009*	16/12/92	6.75000%	4,000,000	4,000,000	16-Dec-03
35-011*	28/01/93	6.75000%	3,000,000	3,000,000	16-Dec-03
30-016*	24/03/92	6.75000%	4,000,000	4,000,000	05-Mar-04
30-030*	15/02/93	6.75000%	1,500,000	1,500,000	05-Mar-04
30-015*	18/03/92	6.75000%	4,000,000	4,000,000	05-Mar-04
36-056*	31/03/93	6.93750%	1,000,000	1,000,000	18-Mar-04
36-057*	08/04/93	6.93750%	2,000,000	2,000,000	18-Mar-04
31-011*	02/07/92	6.87500%	3,500,000	3,500,000	02-Jun-05
32-008*	17/08/92	6.81250%	5,000,000	5,000,000	29-Jul-04
32-006*	07/08/92	6.81250%	2,500,000	2,500,000	29-Jul-04
48-044*	23/09/96	6.50000%	1,972,600	1,972,600	23-Sep-04
29-030*	15/02/93	6.75000%	2,129,400	2,129,400	11-Dec-04

Certificate Number	Date of Investment	Interest Rate	Cost	Face Value	Maturity Date
29-004*	11/12/91	6.75000%	5,000,000	5,000,000	11-Dec-04
26-020*	28/12/90	7.37500%	4,500,000	4,500,000	13-Dec-04
26-030*	25/01/91	7.37500%	2,300,000	2,300,000	13-Dec-04
26-027*	07/01/91	7.37500%	2,000,000	2,000,000	13-Dec-04
23-006	06/02/90	9.50000%	5,900,000	5,900,000	06-Feb-05
36-055*	31/03/93	7.00000%	4,000,000	4,000,000	18-Mar-05
36-032*	18/03/93	7.00000%	2,901,100	2,901,100	18-Mar-05
31-007*	04/06/92	6.87500%	6,000,000	6,000,000	02-Jun-05
31-010*	12/06/92	6.87500%	3,000,000	3,000,000	02-Jun-05
31-013*	24/07/92	6.87500%	844,700	844,700	02-Jun-05
31-016*	02/12/92	6.87500%	2,000,000	2,000,000	02-Jun-05
31-019*	26/10/95	6.87500%	1,000,000	1,000,000	02-Jun-05
12-012	17/03/86	10.50000%	14,953,000	14,953,000	17-Mar-06
57-036*	11/05/99	6.15625%	819,600	819,600	11-May-06
13-003	31/07/86	8.75000%	13,826,000	13,826,000	31-Jul-06
33-011*	15/09/92	6.93750%	2,000,000	2,000,000	27-Aug-06
33-014*	08/10/92	6.93750%	269,400	269,400	27-Aug-06
48-045*	23/09/96	6.62500%	996,300	996,300	23-Sep-06
27-009*	09/05/91	7.00000%	9,767,600	9,767,600	09-May-07
43-005	20/09/94	5.75000%	19,849,800	19,849,800	20-Sep-07
42-023	25/04/94	5.87500%	5,000,000	5,000,000	25-Apr-07
56-033*	26/02/99	6.21875%	2,021,900	2,021,900	26-Feb-07
36-050*	18/03/93	7.18700%	4,098,900	4,098,900	18-Mar-08
42-052	01/03/96	6.37500%	493,200	493,200	25-Apr-08
42-055	09/10/96	6.37500%	2,000,000	2,000,000	25-Apr-08
43-006	20/09/94	5.87500%	10,281,000	10,281,000	20-Sep-08
43-057	02/09/98	5.87500%	2,000,000	2,000,000	20-Sep-08
43-058	21/12/98	5.87500%	1,120,000	1,120,000	20-Sep-08
47-037*	07/05/96	6.75000%	5,923,900	5,923,900	07-May-08
55-030*	21/10/98	6.28150%	4,123,900	4,123,900	21-Oct-08
47-038*	07/05/96	6.81250%	6,964,300	6,964,300	07-May-09
43-007	20/09/94	6.00000%	6,434,400	6,434,400	20-Sep-09
42-024	25/04/94	6.62500%	2,500,000	2,500,000	25-Apr-09
42-048	23/05/95	6.62500%	1,000,000	1,000,000	25-Apr-09
38-023*	05/10/93	6.56250%	6,467,700	6,467,700	05-Oct-09
55-031*	21/10/98	6.31250%	3,676,700	3,676,700	21-Oct-2009
46-021*	26/02/96	6.87500%	2,895,300	2,895,300	26-Feb-10
56-034*	26/02/99	6.31250%	2,260,300	2,260,300	26-Feb-10
38-024*	05/10/93	6.62500%	3,416,200	3,416,200	05-Oct-10
42-025	25/04/94	6.75000%	2,500,000	2,500,000	25-Apr-10

Certificate Number	Date of Investment	Interest Rate	Cost	Face Value	Maturity Date
42-049	23/05/95	6.75000%	1,000,000	1,000,000	25-Apr-10
42-053	01/03/96	6.75000%	3,685,000	3,685,000	25-Apr-10
45-027*	14/06/95	6.81250%	5,200,000	5,200,000	14-Jun-10
45-042*	11/02/97	6.81250%	2,000,000	2,000,000	14-Jun-10
37-025*	24/08/93	6.62500%	1,000,000	1,000,000	24-Aug-10
48-046*	23/09/96	6.87500%	2,395,400	2,395,400	23-Sep-10
38-032*	24/11/94	6.62500%	1,500,000	1,500,000	05-Oct-10
38-040*	27/12/95	6.62500%	500,000	500,000	05-Oct-10
42-054	01/03/96	7.00000%	504,500	504,500	25-Apr-11
47-039*	07/05/96	6.93750%	4,485,800	4,485,800	07-May-11
45-028*	14/06/95	6.87500%	5,200,000	5,200,000	14-Jun-11
45-035*	26/10/95	6.87500%	3,200,000	3,200,000	14-Jun-11
37-026*	24/08/93	6.68750%	5,846,600	5,846,600	24-Aug-11
37-107*	08/09/95	6.75000%	1,000,000	1,000,000	24-Aug-12
37-108*	12/09/95	6.75000%	1,000,000	1,000,000	24-Aug-12
37-110*	05/10/95	6.75000%	527,800	527,800	24-Aug-12
37-083*	24/02/95	6.75000%	7,000,000	7,000,000	24-Aug-12
15-022	08/10/87	8.75000%	2,822,500	2,822,500	08-Oct-12
15-027	29/02/88	8.75000%	1,006,000	1,006,000	08-Oct-12
15-036	06/03/91	8.75000%	500,000	500,000	08-Oct-12
15-037	16/04/91	8.75000%	2,600,000	2,600,000	08-Oct-12
46-022*	26/02/96	7.06250%	5,671,000	5,671,000	26-Feb-13
16-038	05/07/91	9.00000%	236,000	236,000	15-Mar-13
16-029	15/03/88	9.00000%	14,624,800	14,624,800	15-Mar-13
44-027*	18/05/95	7.00000%	6,031,400	6,031,400	18-May-13
58-033*	21/07/99	6.28125%	3,884,800	3,884,800	21-Jul-13
61-027	25/10/00	6.28125%	2,505,500	2,505,500	25-Oct-2013
48-048*	23/09/96	7.18750%	7,146,000	7,146,000	23-Sep-15
48-047*	23/09/96	7.06250%	8,278,000	8,278,000	23-Sep-13
46-023*	26/02/96	7.12500%	5,594,500	5,594,500	26-Feb-14
53-026*	08/04/98	6.50000%	1,738,900	1,738,900	08-Apr-2014
50-001*	22/05/97	7.06250%	3,604,200	3,604,200	22-May-14
51-023*	15/07/97	6.53125%	5,500,000	5,500,000	15-Jul-14
43-048	27/12/95	6.62500%	500,000	500,000	20-Sep-14
43-049	01/08/96	6.62500%	404,700	404,700	20-Sep-14
43-043	01/02/95	6.62500%	1,500,000	1,500,000	20-Sep-14
43-042	13/01/95	6.62500%	1,585,000	1,585,000	20-Sep-14
43-041	30/12/94	6.62500%	750,000	750,000	20-Sep-14
43-040	20/12/94	6.62500%	500,000	500,000	20-Sep-14
43-008	20/09/94	6.62500%	1,320,000	1,320,000	20-Sep-14

Certificate Number	Date of Investment	Interest Rate	Cost	Face Value	Maturity Date
49-005*	14/03/97	7.12500%	3,000,000	3,000,000	26-Feb-15
50-002*	22/05/97	7.12500%	6,133,400	6,133,400	22-May-15
51-024*	15/07/97	6.56250%	2,999,500	2,999,500	15-Jul-15
52-035*	15/10/97	7.12500%	4,515,300	4,515,300	15-Oct-15
49-025*	04/07/97	7.18750%	2,000,000	2,000,000	26-Feb-16
49-001*	27/02/97	7.18750%	4,000,000	4,000,000	26-Feb-16
49-004*	06/03/97	7.18750%	3,000,000	3,000,000	26-Feb-16
49-008*	25/03/97	7.18750%	1,500,000	1,500,000	26-Feb-16
50-003*	22/05/97	7.18750%	4,973,500	4,973,500	22-May-16
51-025*	15/07/97	6.59375%	3,571,200	3,571,200	15-Jul-16
58-034*	21/07/99	6.37500%	4,767,700	4,767,700	21-Jul-2016
48-049*	23/09/96	7.25000%	4,711,700	4,711,700	23-Sep-16
52-036*	15/10/97	7.18750%	8,478,400	8,478,400	15-Oct-16
50-004*	22/05/97	7.25000%	2,240,000	2,240,000	22-May-17
51-026*	15/07/97	6.62500%	8,453,400	8,453,400	15-Jul-17
52-037*	15/10/97	7.25000%	3,185,800	3,185,800	15-Oct-17
54-025*	10/08/98	6.56250%	6,060,600	6,060,600	10-Aug-17
54-026*	10/08/98	6.59375%	8,878,200	8,878,200	10-Aug-18
55-032*	21/10/98	6.59375%	3,722,500	3,722,500	21-Oct-18
55-036*	21/12/98	6.59375%	380,000	380,000	21-Oct-18
56-035*	26/02/99	6.56250%	1,220,000	1,220,000	26-Feb-18
58-035*	21/07/99	6.43750%	5,021,300	5,021,300	21-Jul-18
59-065*	23/11/99	6.43750%	1,717,100	1,717,100	23-Nov-18
60-041	21/09/00	6.43750%	2,925,000	2,925,000	21-Sep-18
63-004*	20/12/01	6.46875%	3,000,000	3,000,000	12-Dec-2018
58-036*	21/07/99	6.46875%	1,366,900	1,366,900	21-Jul-19
59-066*	23/11/99	6.46875%	717,100	717,100	23-Nov-19
60-042	21/09/00	6.46875%	2,736,200	2,736,200	21-Sep-19
61-028	25/10/00	6.46875%	4,348,800	4,348,800	25-Oct-19
60-043	21/09/00	6.50000%	16,300	16,300	21-Sep-20
61-029	25/10/00	6.50000%	1,595,600	1,595,600	25-Oct-20
62-062	30/07/01	6.53125%	1,892,600	1,892,600	30-Jul-20
62-063	30/07/01	6.56250%	2,709,600	2,709,600	30-Jul-20-21
Total			514,720,000	514,720,000	

* Interest rate linked to Prime

2. Equity Securities

See Note 6 of the Notes to Consolidated Financial Statements

3. Certificates of Deposit

See Note 7 (a) of the Notes to Consolidated Financial Statements

4. Preference Shares

See Note 7 (b) of the Notes to Consolidated Financial Statements

5. Bahamas Government Treasury Bills

See Note 7 (c) of the Notes to Consolidated Financial Statements

6. Bahamas Government Registered Stock

See Note 7 (d) of the Notes to Consolidated Financial Statements

7. Loans to Bahamas Government Corporations

See Note 7 (e) of the Notes to Consolidated Financial Statements

8. Bahamas Mortgage Corporation Bonds

See Note 7 (f) of the Notes to Consolidated Financial Statements

9. Bridge Authority Bonds

See Note 7 (g) of the Notes to Consolidated Financial Statements

10. Bahamas Development Bank Bonds

See Note 7 (h) of the Notes to Consolidated Financial Statements

11. Net Investment in Direct Financing Lease

See Note 8 of the Notes to Consolidated Financial Statements

12. Investment Property

See Note 9 of the Notes to Consolidated Financial Statements

STATISTICAL APPENDIX

Table	1	Registration - Employers & Self-Employed Persons
	2	Registration - Insured Persons
	3	Contribution Income
	4	Benefit & Assistance Claims Received And Awarded
	5	Short-Term Benefit & Assistance Claims Awarded
	6	Short-Term Benefit & Assistance Payments
	7	Long-Term Benefit & Assistance Claims Awarded
	8	Long-Term Benefit & Assistance Payments
	9	Industrial Benefit Claims Awarded
	10	Industrial Benefit Payments
	11	Pensions In Payment, December 2001
	12	Pensions In Payment At Year-End, 1997 to 2001
	13	Short-Term Benefits & Assistance, 1997 to 2001
	14	Long-Term Benefits & Assistance, 1997 to 2001
	15	Industrial Benefits, 1997 to 2001

Table 1. Registration-Employers & Self-Employed Persons

Island/Local Office	2001			2000		
	Employers	Self-Employed	Total	Employers	Self-Employed	Total
Abaco						
Marsh Harbour	80	77	157	77	45	122
Coopers Town	22	18	40	39	19	58
Andros						
Fresh Creek	2	9	11	4	3	7
Kemps Bay	8	32	40	13	45	58
Nicholls Town	4	12	16	7	13	20
Bimini & Berry Islands	11	19	30	10	18	28
Cat Island	13	14	27	7	11	18
Crooked Island & Acklins	1	11	12	1	9	10
Eleuthera						
Governors Harbour	17	7	24	14	14	28
Harbour Island	42	5	47	47	8	55
North Eleuthera	5	3	8	7	1	8
Rock Sound	21	10	31	28	12	40
Spanish Wells	9	13	22	13	11	24
Exuma & Ragged Island	38	12	50	29	28	57
Grand Bahama	207	113	320	233	121	354
Inagua & Mayaguana	7	11	18	4	12	16
Long Island						
Deadmans Cay	14	19	33	10	27	37
Simms	5	9	14	13	7	20
New Providence	770	848	1,618	937	408	1,345
San Salvador	4	-	4	5	1	6
Total	1,280	1,242	2,522	1,498	813	2,311

Table 2. Registration - Insured Persons

Island/Local Office	2001			2000		
	Active	Inactive	Voluntary Insured Total	Active	Inactive	Voluntary Insured Total
Abaco						
Marsh Harbour	204	340	-	201	326	-
Coopers Town	82	55	-	185	103	-
Andros						
Fresh Creek	20	39	-	10	26	-
Kemps Bay	10	27	-	18	37	-
Nicholls Town	25	48	-	22	21	-
Bimini & Berry Islands	45	74	-	127	93	-
Cat Island	24	45	-	23	15	-
Crooked Island & Acklins	3	1	-	21	2	-
Eleuthera						
Governors Harbour	42	112	-	29	62	-
Harbour Island	71	51	-	99	25	-
North Eleuthera	-	-	-	-	-	-
Rock Sound	102	109	-	76	65	-
Spanish Wells	25	78	-	18	4	-
Exuma & Ragged Island	87	30	-	61	59	-
Grand Bahama	900	1,635	-	750	1,288	-
Inagua & Mayaguana	10	43	-	7	40	-
Long Island						
Deadmans Cay	11	65	-	24	80	-
Simms	7	39	-	13	113	-
New Providence	2,725	5,666	2	1,781	17,564	1
San Salvador	8	31	-	8	9	-
Total	4,401	8,488	2	3,473	19,932	1
						23,406

Table 3. Contribution Income, 2001

Island/Local Office	Employers	Employers	Self-Employed	Voluntary Insured	Installment Agreements	Total 2001	Total 2000
Abaco							
Marsh Harbour	1,655,014	863,461	192,278	-	7,244	2,717,996	2,405,904
Coopers Town	424,721	269,210	55,007	-	10,944	759,882	778,998
Andros							
Fresh Creek	212,764	99,830	8,062	-	499	321,155	300,446
Kemps Bay	54,652	28,980	29,384	-	2,000	115,016	92,571
Nicholls Town	85,278	39,264	22,547	-	11,169	158,259	169,917
Bimini & Berry Islands	334,367	205,020	24,992	-	408	564,787	516,973
Cat Island	63,872	36,372	10,713	-	-	110,957	97,036
Crooked Island & Acklins	29,958	14,319	14,502	-	-	58,779	42,460
Eleuthera							
Governors Harbour	200,354	111,561	43,064	-	13,500	368,478	418,239
Harbour Island	284,368	161,311	24,138	-	3,037	472,854	479,589
North Eleuthera	69,203	32,777	13,637	-	2,124	117,741	121,816
Rock Sound	259,143	156,218	32,742	-	1,350	449,453	422,335
Spanish Wells	423,024	257,194	75,046	-	-	755,264	722,726
Exuma & Ragged Island	476,584	290,232	57,295	106	3,699	827,915	964,054
Grand Bahama	9,029,531	5,756,193	307,627	-	140,694	15,234,046	15,705,884
Inagua & Mayaguana	219,330	136,238	16,349	-	-	371,917	332,988
Long Island							
Deadmans Cay	86,727	47,912	94,390	-	-	229,029	248,753
Simms	75,118	45,693	43,988	-	1,622	166,420	142,130
New Providence	57,836,026	34,518,542	1,083,827	5,779	1,210,493	94,654,667	89,968,276
San Salvador	139,430	86,876	4,386	-	-	230,692	245,254
Total	71,959,464	43,157,203	2,153,973	5,884	1,408,781	118,685,305	114,176,348

Table 4. Benefit & Assistance Claims Received and Awarded

Benefit Type		Received		Awarded	
		2001	2000	2001	2000
Long-term Benefits/ Assistance	Retirement Benefit	1,367	1,185	1,171	1,072
	Invalidity Benefit	335	350	217	214
	Survivors' Benefit	527	495	389	364
	Old Age Non-Contributory Pension	314	249	216	168
	Invalidity Assistance	287	218	179	178
	Survivors' Assistance	167	110	75	63
	Total Long-term	2,997	2,607	2,247	2,059
Short-term Benefits	Sickness Benefit	20,894	22,565	19,852	20,947
	Maternity Benefit	3,314	3,218	2,954	2,841
	Maternity Grant	3,314	3,218	3,193	3,046
	Funeral Benefit	1,196	1,275	1,121	1,118
	Sickness Assistance	76	40	81	65
	Total Short-term	28,794	30,316	27,201	28,017
Industrial Benefits	Medical Care	953	1,226	667	749
	Injury Benefit	1,278	1,564	1,216	1,509
	Disablement Benefit & Grant	104	125	26	19
	Industrial Death	3	9	2	10
	Industrial Funeral	-	6	-	4
	Total Industrial	2,338	2,930	1,911	2,291

Table 5. Short-Term Benefit & Assistance Claims Awarded, 2001

Island/Local Office	Sickness Benefit	Maternity Benefit	Maternity Grant	Funeral Benefit	Sickness Assistance	Total
Abaco						
Marsh Harbour	356	61	60	22	-	499
Coopers Town	197	38	35	9	4	283
Andros						
Fresh Creek	189	19	19	5	-	232
Kemps Bay	95	12	10	6	-	123
Nicholls Town	120	14	10	10	-	154
Bimini & Berry Islands	76	13	7	8	1	105
Cat Island	44	5	4	1	1	55
Crooked Island & Acklins	-	-	-	-	-	-
Eleuthera						
Governors Harbour	282	18	16	16	-	332
Harbour Island	180	28	32	12	-	252
North Eleuthera	-	-	-	-	-	-
Rock Sound	246	11	11	10	9	287
Spanish Wells	129	13	10	6	-	158
Exuma & Ragged Island	145	21	18	12	1	197
Grand Bahama	2,060	417	525	118	5	3,125
Inagua & Mayaguana	54	6	5	2	-	67
Long Island						
Deadmans Cay	60	14	15	4	2	95
Simms	54	8	8	2	-	72
New Providence	15,496	2,250	2,400	878	58	21,082
San Salvador	69	6	8	-	-	83
Total	19,852	2,954	3,193	1,121	81	27,201

Table 6. Short-Term Benefit & Assistance Payments, 2001

Island/Local Office	Sickness Benefit	Maternity Benefit	Maternity Grant	Funeral Benefit	Sickness Assistance	Total
Abaco						
Marsh Harbour	192,230	113,071	25,600	31,213	-	362,114
Coopers Town	78,417	45,474	14,800	18,400	1,385	158,475
Andros						
Fresh Creek	89,271	24,751	7,600	15,400	-	137,021
Kemps Bay	37,472	16,454	4,400	10,500	-	68,826
Nicholls Town	34,625	20,952	4,400	10,500	-	70,477
Bimini & Berry Islands	52,193	20,939	3,600	10,500	-	87,232
Cat Island	16,956	10,860	1,600	1,500	42	30,958
Crooked Island & Acklins	13,818	3,963	2,000	4,500	-	24,281
Eleuthera						
Governors Harbour	105,652	21,796	6,800	22,500	-	156,747
Harbour Island	67,596	41,499	13,200	19,500	261	142,056
North Eleuthera	-	-	-	-	-	-
Rock Sound	93,806	11,925	4,800	15,000	1,778	127,309
Spanish Wells	76,461	20,660	2,454	6,000	-	105,575
Exuma & Ragged Island	100,120	22,835	7,200	13,900	-	144,055
Grand Bahama	1,406,027	771,030	212,400	200,100	3,311	2,592,868
Inagua & Mayaguana	27,411	5,731	2,000	3,000	-	38,142
Long Island						
Deadmans Cay	19,055	18,873	5,679	6,000	21	49,627
Simms	14,612	11,685	2,800	3,000	-	32,097
New Providence	6,891,858	3,950,678	960,069	1,304,916	14,664	13,122,184
San Salvador	27,200	11,539	2,000	-	-	40,739
Total	9,344,779	5,144,716	1,283,401	1,696,429	21,461	17,490,785

Note: Totals may not balance due to rounding

Table 7. Long-Term Benefit & Assistance Claims Awarded, 2001

Island/Local Office	Retirement Benefit	Invalidity Benefit	Survivor's Benefit	OANCP	Invalidity Assistance	Survivor's Assistance	Total
Abaco							
Marsh Harbour	31	6	7	6	2	4	56
Coopers Town	20	2	3	1	-	2	28
Andros							
Fresh Creek	4	3	1	1	2	-	11
Kemps Bay	6	1	2	1	4	2	16
Nicholls Town	17	1	3	5	7	2	35
Bimini & Berry Islands	9	2	8	5	-	-	24
Cat Island	4	-	1	5	1	1	12
Crooked Island & Acklins	4	-	1	-	1	-	6
Eleuthera							
Governors Harbour	31	1	7	1	1	1	42
Harbour Island	15	1	5	2	1	1	25
North Eleuthera	-	-	-	-	-	-	-
Rock Sound	20	5	3	3	6	1	38
Spanish Wells	17	2	2	-	-	-	21
Exuma & Ragged Island	25	-	6	7	-	-	38
Grand Bahama	156	39	57	20	12	3	287
Inagua & Mayaguana	4	-	2	1	2	-	9
Long Island							
Deadmans Cay	10	2	2	1	-	-	15
Simms	3	2	2	-	-	1	8
New Providence	793	150	277	156	137	57	1,570
San Salvador	2	-	-	1	3	-	6
Total	1,171	217	389	216	179	75	2,247

Table 8, Long-Term Benefit & Assistance Payments, 2001

Island/Local Office	Retirement Benefit	Invalidity Benefit	Survivors' Benefit	Old Age Non-Contributory Pension	Invalidity Assistance	Survivors' Assistance	Total
Abaco							
Marsh Harbour	931,251	153,352	165,187	307,140	195,200	76,668	1,828,798
Coopers Town	559,016	42,762	82,600	121,940	59,560	23,459	889,337
Andros							
Fresh Creek	195,360	18,883	53,724	109,580	62,060	21,466	461,074
Kemps Bay	536,794	52,579	97,358	295,620	183,515	27,187	1,193,054
Nicholls Town	314,387	39,844	69,983	200,960	145,720	45,138	816,033
Bimini & Berry Islands							
Bimini	232,880	13,411	79,838	125,400	40,040	10,984	502,553
Cat Island	208,147	22,707	27,726	309,675	72,460	18,775	659,490
Crooked Island & Acklins	217,824	2,640	14,118	121,100	26,340	14,049	396,071
Eleuthera							
Governors Harbour	614,892	95,420	85,257	118,420	65,120	12,335	991,445
Harbour Island	240,331	31,100	31,250	29,780	27,960	8,720	369,141
North Eleuthera	235,912	21,249	45,501	108,520	42,400	14,096	467,678
Rock Sound	496,942	105,135	74,155	156,320	165,380	54,151	1,052,084
Spanish Wells	420,702	34,713	38,004	95,760	38,760	2,260	630,199
Exuma & Ragged Island							
Exuma	604,222	35,047	82,897	223,440	116,000	45,745	1,107,350
Grand Bahama							
Grand Bahama	2,990,700	924,545	798,086	746,560	740,555	149,351	6,349,798
Inagua & Mayaguana							
Inagua	328,322	30,660	57,778	71,880	23,820	1,270	513,729
Long Island							
Deadmans Cay	481,481	38,437	62,455	260,520	122,180	34,278	999,351
Simms	264,354	15,559	23,815	145,660	52,000	25,975	527,363
New Providence							
New Providence	29,804,485	4,865,387	6,262,935	5,061,686	4,329,755	1,268,327	51,592,575
San Salvador							
San Salvador	204,862	16,156	1,781	84,980	24,600	7,516	336,895
Total	39,882,865	6,559,586	8,154,447	8,691,941	6,533,425	1,861,751	71,684,016

Note: Totals may not balance due to rounding

Table 9. Industrial Benefit Claims Awarded, 2001

Island/Local Office	Medical Care	Injury Benefit	Disablement Benefit & Grant	Industrial Death	Industrial Funeral	Total
Abaco						
Marsh Harbour	19	51	-	-	-	70
Coopers Town	5	8	-	-	-	13
Andros						
Fresh Creek	2	3	-	-	-	5
Kemps Bay		4	-	-	-	4
Nicholls Town	2	4	-	-	-	6
Bimini & Berry Islands	5	6	-	-	-	11
Cat Island	-	4	-	-	-	4
Crooked Island & Acklins	-	-	-	-	-	-
Eleuthera						
Governors Harbour	5	2	-	-	-	7
Harbour Island	2	6	-	-	-	8
North Eleuthera		-	-	-	-	-
Rock Sound	7	13	-	-	-	20
Spanish Wells	8	12	-	-	-	20
Exuma & Ragged Island	5	13	-	-	-	18
Grand Bahama	64	129	2	-	-	195
Inagua & Mayaguana	-	1	-	-	-	1
Long Island						
Deadmans Cay	1	4	-	-	-	5
Simms	2	6	-	-	-	8
New Providence	540	946	24	2		1,512
Total	667	1,216	26	2		1,911

Table 10. Industrial Benefit Payments, 2001

Island/Local Office	Medical Care	Injury Benefit	Disablement Benefit & Grant	Industrial Death	Industrial Funeral	Total
Abaco						
Marsh Harbour	-	41,116	12,609	8,006	-	61,731
Coopers Town	-	2,321	12,591	4,103	-	19,016
Andros						
Fresh Creek	-	6,287	9,532	-	-	15,819
Kemps Bay	-	2,875	4,208	2,672	-	9,755
Nicholls Town	-	7,446	9,647	-	-	17,092
Bimini & Berry Islands	-	1,708	14,610	4,920	-	21,238
Cat Island	-	1,488	7,359	5,847	-	14,694
Crooked Island & Acklins	-	-	2,280	-	-	2,280
Eleuthera						
Governors Harbour	-	790	5,885	-	-	6,675
Harbour Island	-	5,049	2,280	-	-	7,329
North Eleuthera	-	-	3,330	-	-	3,330
Rock Sound	-	8,305	9,532	6,795	-	24,632
Spanish Wells	-	5,728	11,812	-	-	17,540
Exuma & Ragged Island	-	2,656	-	-	-	2,656
Grand Bahama	6,074	134,760	69,690	17,273	-	227,797
Inagua & Mayaguana	-	261	-	-	-	261
Long Island						
Deadmans Cay	-	768	-	5,345	-	6,113
Simms	-	1,587	400	-	-	1,987
New Providence	2,753,014	731,710	1,472,213	251,800	-	5,208,737
San Salvador	-	971	4,450	1,080	-	6,501
Total	2,759,088	955,825	1,652,428	307,842	-	5,675,182

Note: Totals may not balance due to rounding

Table 11. Pensions In Payment, December 2001

Island/Local Office	Retirement Benefit	Invalidity Benefit	Survivor's Benefit	OANCP	Invalidity Assistance	Survivor's Assistance	Disablement Benefit	Industrial Death	Total
Abaco	472	58	95	181	112	53	7	5	983
Andros	349	35	80	261	179	49	4	1	958
Bimini & Berry Islands	77	5	32	57	17	6	3	1	198
Cat Island	74	7	13	133	33	11	3	2	276
Crooked Island & Acklins	77	1	6	52	11	8	1	-	156
Eleuthera	650	95	114	216	149	52	6	3	1,285
Exuma & Ragged Island	217	12	39	99	50	24	-	-	441
Grand Bahama	877	270	340	333	323	86	17	7	2,253
Inagua & Mayaguana	54	8	22	30	12	1	-	-	127
Long Island	272	21	32	166	75	29	1	2	598
New Providence	7,474	1,202	2,179	2,157	1,810	694	270	64	15,850
San Salvador & Rum Cay	67	6	1	35	11	5	1	1	127
Total	10,660	1,720	2,953	3,720	2,782	1,018	313	86	23,252

Table 12. Pensions in Payment at Year-end, 1997 - 2001

Long-term Benefits					
	2001	2000	1999	1998	1997
Retirement Benefit	10,660	9,778	9,105	8,152	7,843
Invalidity Benefit	1,720	1,607	1,517	1,373	1,332
Survivor's Benefit	2,953	2,783	2,608	2,309	2,251
Old-Age Non-Cont. Pension	3,720	3,858	4,083	4,195	4,530
Invalidity Assistance	2,782	2,744	2,750	2,647	2,635
Survivor's Assistance	1,018	1,051	1,107	1,085	1,035
Total	22,853	21,821	21,170	19,761	19,626
Industrial Benefits					
	2001	2000	1999	1998	1997
Disablement	313	288	262	245	237
Industrial Death	86	86	83	76	73
Total	399	374	345	321	310

Table 13. Short-Term Benefits & Assistance, 1997 to 2001

Amount Paid ('000s)					
	2001	2000	1999	1998	1997
Sickness Benefit	\$9,345	\$9,009	\$7,328	\$5,846	\$5,453
Maternity Benefit	\$5,145	\$4,733	\$4,270	\$3,330	\$3,438
Maternity Grant	\$1,283	\$1,262	\$1,038	\$698	\$687
Funeral Benefit	\$1,696	\$1,699	\$1,584	\$1,106	\$1,032
Sickness Assistance	\$21	\$19	\$22	\$24	\$25
Total	\$ 17,491	\$16,722	\$14,242	\$11,004	\$10,635
Number of Claims Awarded					
	2001	2000	1999	1998	1997
Sickness Benefit	19,852	20,947	18,321	18,130	16,850
Maternity Benefit	2,954	2,841	2,600	2,955	2,244
Maternity Grant	3,193	3,046	2,803	2,793	2,747
Funeral Benefit	1,121	1,118	1,007	1,107	1,032
Sickness Assistance	81	65	56	89	131
Total	27,201	28,017	24,787	25,074	23,004

Table 14. Long-Term Benefits & Assistance, 1997 to 2001

Amount Paid ('000s)				
	2001	2000	1999	1998
Retirement Benefit	\$39,883	\$36,480	\$33,639	\$27,199
Invalidity Benefit	\$6,560	\$5,907	\$5,532	\$4,442
Survivor's Benefit	\$8,154	\$7,451	\$6,855	\$5,420
Old-Age Non-Cont. Pension	\$8,692	\$8,508	\$9,176	\$8,381
Invalidity Assistance	\$6,533	\$6,035	\$6,170	\$5,189
Survivor's Assistance	\$1,862	\$1,870	\$1,956	\$1,700
Total	\$71,684	\$66,251	\$63,328	\$52,331
Number of Claims Awarded				
	2001	2000	1999	1998
Retirement Benefit	1,171	1,072	1,204	850
Invalidity Benefit	217	214	273	208
Survivor's Benefit	389	364	470	307
Old-Age Non-Cont. Pension	216	168	186	142
Invalidity Assistance	179	178	238	228
Survivor's Assistance	75	63	119	189
Total	2,247	2,059	2,490	1,924
				2,213

Table 15. Industrial Benefits, 1997 to 2001

Amount Paid ('000s)					
	2001	2000	1999	1998	1997
Medical Care	\$2,759	\$2,775	\$2,562	\$2,953	\$3,148
Injury Benefit	\$956	\$1,054	\$879	\$874	\$708
Disablement Benefit & Grant	\$1,652	\$1,587	\$1,315	\$1,074	\$939
Industrial Death	\$308	\$290	\$318	\$264	\$253
Industrial Funeral*	\$0	\$6	\$0	\$0	\$0
Total	\$5,675	\$5,712	\$5,074	\$5,165	\$5,048
Number of Claims Awarded					
	2001	2000	1999	1998	1997
Medical Care	667	749	836	1,311	977
Injury Benefit	1,216	1,509	1,372	1,679	1,204
Disablement Benefit & Grant	26	19	69	34	40
Industrial Death	2	10	9	12	10
Industrial Funeral*	-	4	-	-	-
Total	1,911	2,291	2,286	3,036	2,231

* Prior to 2000, Industrial Funeral benefits were paid as a Funeral benefit from the Short-term Benefit Branch

