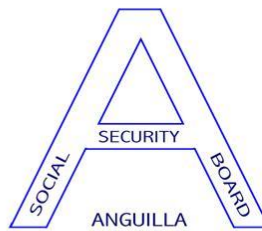
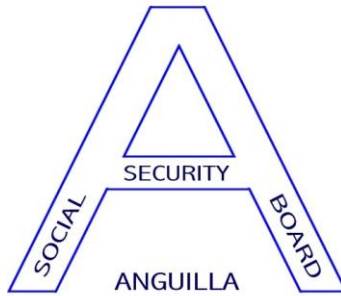




“Social Security: A Symbol of Strength and Endurance”



2005 Annual Report



OUR VISION

To be the leading financial services institution, providing quality social and economic benefits and other financial services through a professional knowledgeable staff for the well-being of all stakeholders.

OUR MISSION

To be a customer-driven, future-focused, knowledge-based, financial services organization, providing protection of Anguilla's workers and their families by delivering timely social security benefits and other financial services, through a competent, knowledgeable staff and prudent financial management.

Cover Photo:

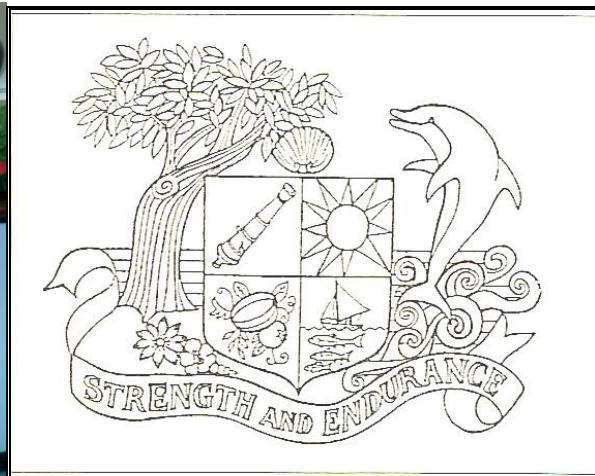
“The Mahogany Tree” Courtesy of Heritage Collection Museum,
Photo by Anthony Green

“Social Security: A Symbol of Strength and Endurance”

The majestic Mahogany Tree is recognized as one of the most hardy and beautiful to be found in Anguilla and throughout the Caribbean. One such tree, located at the island's main crossroads in The Quarter and simply known as "The Mahogany Tree", was celebrated as the island's oldest living tree, perhaps over three hundred years old. The famous landmark served as a meeting place and was known and revered by all Anguillians. The island's Coat of Arms (below) after the historic 1967 Revolution, which led to the separation of Anguilla from the proposed Associated State of St. Kitts-Nevis-Anguilla, contains an image of that tree together with the motto "Strength and Endurance". The road where it stood is still known as "Mahogany Tree Road" even though the great tree fell in November 1971.

Like the Mahogany Tree, the Social Security System is a Symbol of Strength and Endurance. It withstood its torrid baptism of fire in the early 1980's, and has steadily gained acceptance as a reliable provider of meaningful social security benefits and guardian of national savings. Today, as it approaches its 25th anniversary of service to the people of Anguilla, it is financially strong and sustainable, as evidenced by successive actuarial studies.

The sculpture below was carved by Mr. Courtney Devonish from wood from "The Mahogany Tree" and titled "A Nation Strong" as a tribute to the island of Anguilla and its people. It is displayed at the Social Security Office lobby.



“Social Security: A Symbol of Strength and Endurance”

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PREFACE

The year 2005 was the twenty-fourth year of operation of the Anguilla Social Security System and could be termed as another successful one. This report provides a review of the operations of the Board for the financial year under review. It includes the audited Financial Statements, statistical analyses and tables with details on the overall performance of the Social Security System.

2005 PERFORMANCE HIGHLIGHTS

- Reserves of the Fund reached \$140.5M, an increase of \$15.6M (12.5%) over 2004.
- 877 new employed persons, 132 new employers and 113 new self-employed persons were registered.
- Benefit expenditure totaled \$5.0M compared to \$4.5M in 2004.
- 2,950 benefit claims were received; 2,310 were paid; 400 were denied and 240 were pending.
- Investment Income totaled \$7.8M.
- Contribution Income increased by 19.1% from \$14.1M in 2004 to \$16.8M.
- Total Income increased by 14.4% from \$21.6M in 2004 to \$24.7M.

2004 AT A GLANCE

- Contribution Income totaled \$14.1M, an increase of \$1.5M (11.8%).
- Investment Income increased by \$1.3M (21.8%). The overall yield on the Fund was 6.7%.
- Total Income increased from \$18.8M in 2003 to \$21.6M in 2004, an increase of \$2.8M (13.0%).
- Reserves increased by 12.4% from \$111.1M to \$124.8M.
- New Annual Employee Registrations increased by 34.8% from 443 to 597.
- Claims received during the year totaled 2,453, a decrease of 4.3% from 2,564 in 2003.

CHAIRMAN'S STATEMENT



The financial performance of the Anguilla Social Security Board (SSB) improved in 2005, arising from double-digit economic growth in 2004 and 2005. This followed several years of sluggish and erratic economic performance. The improvement is evidenced mainly in the growth of Contribution Income reflecting a significant increase in employment and wage and salary increases.

Contribution Income in 2005 grew by 19.4%, exceeding the 10.9% GDP growth. Investment income grew modestly by 6.2%. Combined growth was 14.81% also exceeding 2005 GDP growth. It is expected that high growth is to be maintained in the immediate future. This augurs well for the long-term growth and sustainability of the Social Security Fund.

The 11.3% growth in Benefit Expenditure in 2005 was lower than the growth rate of Contribution Income. This should not be unexpected, because the Social Security System in its 24th year of operations is still relatively young and is just beginning to mature.

The financial efficiency of the administration of the Social Security System can be gauged by the ratio of administrative costs to total income. After several years in which the ratio moved upwards or fell insignificantly, 2005 saw a significant reversal of the trend. Administrative expenditure as a ratio of total income fell by 13.2% in 2005. It stood at 16.7% in 2004 and fell to 14.5% in 2005.

The changes in the financial and growth ratios of the Social Security Fund were not all positive. The performance of overseas investments declined in 2005 compared to 2004. This fuelled an 11.94% decline in the nominal rate of return of the Fund from 6.7% in 2004 to 5.9% in 2005. The Investment Committee and the Board have begun to focus greater attention on a more activist approach to managing the Fund's investments for growth, safety and stability. It will be necessary to sustain this approach, as the Fund is projected to grow rapidly for a number of years to come.

“Social Security: A Symbol of Strength and Endurance”

The Social Security System continued to effectively discharge its mandate during the year and to maintain high standards. As a result, the public's confidence in the organization remained strong and its image was further strengthened. The interventions by the Social Security Development Fund in the social sector contributed greatly to the SSB maintaining a strongly positive image.

The main area in which the SSB's performance was disappointing, during the year, was in the extension of coverage to the self-employed. The self-employed constitute a significant segment of the labour force. In the second year of coverage under the Social Security System, less than \$100,000 was collected in contributions in 2005 from this group. The Board will have to seriously consider invoking the compulsory clauses of the enabling legislation and other strategies to pressure the self-employed to "get on board" and begin contributing to the Fund. Failure to achieve high participation by the self-employed will negatively impact the Non-contributory Age Pension programme in the long run, because self-employed outside of the Social Security System could end up requiring financial support in their old age.

2005 continued and built on the success achieved in 2004. In the immediate future, the SSB will need to develop a new strategic plan. It should address unemployment benefits, employment injury and compliance by the self-employed among other issues. It should also address the institutional requirements for a fast developing institution in an environment of rapid growth and change and thereby ensure that the Social Security System remains **A Symbol of Strength and Endurance**.

Fabian Marcel Fahie

2005 IN REVIEW – By the DIRECTOR OF SOCIAL SECURITY



2005 was, in financial terms, a very good year for the System. In fact, it was described as “the very best year yet” in the Actuarial Report on the operations of the Social Security System as at December 31, 2005. The economy has continued to grow rapidly, so much so that the Government has declared a moratorium on the approval of major projects for the next 24 months. Since the performance of the Social Security System is directly dependent on the performance of the economy, its financial performance was also very good. Contribution Income surpassed that for 2004 by \$2.7M, or 19.1%. Investment Income amounted to \$7.8M, and Other Income \$0.14M. Total Income was \$24.7M, or \$3.1M more than that for 2004. Benefit Expenditure was just over \$5M. Administrative Expenditure was constant (at \$3.7M) when compared with 2004, representing greater efficiencies of operations. Total Expenditure was \$9.0M, producing a net surplus of \$15.7M to reserves. Reserves at the end of 2005 totaled \$140.5M.

The Social Security Fund continued to recover from, and indeed to reverse the effects of, the shocks experienced in 2001 and 2002 when the Fund Ratio (Reserve-Expenditure Ratio or number of years of annual expenditure in the Fund) declined suddenly. 2005 was the third consecutive year in which this ratio has increased, providing further evidence of the System’s sustainability. These performance indicators all prove that the Social Security System is indeed **A Symbol of Strength and Endurance**.

In non-financial terms, 2005 was also an eventful year for the System. Although the list below is not exhaustive, it provides an indication of the level of activity during 2005:

- The Social Security Board (SSB) brought in Occupational Health and Safety Expert, Mr. Horace Brennan, and hosted, with the Labour Office and the Ministry of Health, a Workshop on Occupational Health and Safety. Recommendations were drawn up for implementation at the various worksites, and by Government’s Labour Office. Safe workplaces mean safe work, and healthy workers not only work more productively and longer thus paying more in contributions, they also claim less benefits for sickness and disability.

“Social Security: A Symbol of Strength and Endurance”

- The SSB led in the area of Corporate Governance, organizing the first national workshop on Corporate Governance to consider Draft Corporate Governance Guidelines for the Caribbean. A Public Relations Committee was established.
- The Director presented a paper on HIV/AIDS at the ISSA/CARICOM Meeting of Heads of Social Security in the BVI. The recommendations were subsequently adopted as SSB policy on the issue, with the SSB committing to being pro-active in tackling the various faces of the pandemic.
- Also at that meeting, the Director presented a paper “Building Philanthropic Bridges” which showed how the SSB was building such bridges through its Social Security Development Fund and through its relationship with the Anguilla Community Foundation. The meeting agreed that regional social security systems should try to follow Anguilla’s example.
- The SSB has been a critical player in deliberations on the introduction of a National Health Fund in Anguilla, with the Chairman and Director being members of the Project Team and SSB’s Actuary provided actuarial input and advice. The Director and PS Health visited Belize, Aruba and Curacao to examine the systems there. It is expected that when the National Health Fund is introduced, the SSB will play a significant role.
- Several members of staff completed or are completing SSB-sponsored higher education. The Performance Development and Review System was implemented and should help to provide individual and sectional improvements. A Salaries Review exercise has been completed and is being implemented.
- The SSB was one of the corporate sponsors of the 3rd Tranquility Jazz Festival, the Anguilla Tennis Academy and the 2nd National Development Conference, and additionally provided support for a number of entities and events.
- The SSB sought and received proposals to assist in the implementation of the Balanced Scorecard, a performance management system, in 2006.
- The SSB invited firms to bid for the contract to provide external audit services, and engaged KPMG as its new external auditors.
- The SSB ordered a stand-by generator to provide back-up electricity for its office complex.
- The Director was appointed to head a Committee on Social Security Research which has been working with the ECCB to establish and pursue a research agenda. The Research and Development Officer, with her regional colleagues, was charged with gathering information on the following: Public and Private Pension Arrangements in the OECS; Monetary Policy and Market Development; and Administration of Social Security Systems with a view to advancing collaboration and harmonizing efforts.

“Social Security: A Symbol of Strength and Endurance”

- The annual SSB-sponsored Anguilla Day Walter G. Hodge Memorial Lecture was delivered in June by Dr. Oluwakemi Linda Banks.
- The SSB celebrated the 25th Anniversary of the Passage of the Social Security Act 1980 with a ceremony at the House of Assembly during Social Security Week in November, during which those persons who were Members of the House of Assembly at that time were honoured. The annual Social Security Lecture was also delivered that evening by Dr. Vanus James.
- Computerized Contribution Statements, previously distributed on request, were widely issued to contributors for the first time.

The year's performance on a whole was very pleasing and I must express my appreciation to those who have contributed in some way. The employers and employed persons, and more recently self-employed persons, must be commended for their support. The Government of Anguilla continues to be committed to ensuring that the Social Security System is indeed **a Symbol of Strength and Endurance**. The Minister, Honourable Victor F. Banks, must be commended for his abiding interest, involvement and support. The Chairman and Members of the Board and of its various Committees have shown dedication to the advancement and proper functioning of the Social Security System. Management and Staff have shown dedication, commitment, and high levels of performance, and further have shown a preparedness to move the institution to higher levels of service excellence and corporate governance in the immediate future. To all these stakeholders, I say thanks, and ask for your continued support in the years ahead as we pledge to continue building a Strong, Enduring Social Security System for Anguilla and its people.

May God bless us all!

Timothy A. Hodge

“Social Security: A Symbol of Strength and Endurance”

BOARD MEMBERSHIP

During 2005, the membership of the Board consisted of:

- | | |
|------------------------|---|
| Mr. Fabian M. Fahie | - Government Representative, Chairman |
| Mr. Jeffrey Carty | - Employers' Representative, Deputy Chairman |
| Mr. Stanley E. Reid | - Government's Representative |
| Mrs. Patricia Adams | - Employees' Representative (served up to August) |
| Ms. Connie Brooks | - Employers' Representative |
| Mrs. Ernie Hodge-Carty | - Employees' Representative (served up to August) |
| Mr. Timothy A. Hodge | - Director of Social Security |
| | |
| Mrs. Brenda Richardson | - Employees' Representative (from August) |
| Mr. Lynrod Brooks | - Government's Representative (from August) |

Mrs. Maglan Richardson, Assistant Director Human Resources and Corporate Services served as Board Secretary.

INVESTMENT COMMITTEE MEMBERSHIP

The Social Security Fund Investment Committee members during 2005 were:

- Mr. Willis Hodge, Independent Member, Chairman
- Mr. Sheldon Rogers, Independent Member
- Mr. Fabian M. Fahie, Chairman Social Security Board, Member
- Mr. Carl Harrigan, Director of Finance, Member
- Mr. Timothy Hodge, Director of Social Security, Member

Mrs. Dorice Fleming, Manager Finance, served as Secretary to the Investment Committee.

ECONOMIC ENVIRONMENT

The Social Security System's performance is closely linked to the overall economic performance of the island. Accordingly, an overview of the economic environment in which the System operated during 2005 is presented below. The information was extracted from the country report for Anguilla in the Eastern Caribbean Central Bank's Annual Economic and Financial Review for the Financial Year ended 31st March 2006. Anguilla is a member territory of the Eastern Caribbean Central Bank.

The economy of Anguilla experienced another year of double-digit growth, 10.9% in 2005 following growth of 16.4% in 2004. This compares with consecutive years of double-digit growth averaging 13.0% in 1985 to 1988. The performance in 2005 stemmed from robust activity in both construction and tourism. The consumer price index rose by 3.2% on an end-of-period basis. A larger overall deficit was recorded in the fiscal operations of the central government, reflecting an

“Social Security: A Symbol of Strength and Endurance”

increase in capital expenditure. In the banking system monetary liabilities, domestic credit and net foreign assets increased, liquidity remained at a high level and interest rates were stable. Preliminary estimates indicate an overall balance of payments surplus on external accounts, mainly influenced by higher inflows on the capital and financial account.

The economic expansion is expected to continue in 2006, primarily driven by robust construction in both the private and public sectors and an increase in tourism activity. The overall fiscal balance is projected to shift to a surplus, on account of an increase in grant receipts. Labour shortages, high oil prices and strong demand for scarce primary resources are the main risks to the positive outlook for the real sector.

HUMAN RESOURCES

The Anguilla Social Security Board is committed to the development of a knowledgeable and highly skilled workforce. In making human resource development a priority, the Board continues to facilitate the training of staff at every level in a number of areas. During the period under review, members of staff participated in and attended university education, local, regional and international meetings, seminars, workshops and conferences, as well as other short-term development courses.

The staff complement in 2005 consisted of 22 permanent and 3 temporary employees.

Members of Staff attended and participated in the following during 2005:

Meetings/Seminars/Conferences/Workshops

- 2nd Caribbean Corporate Governance Forum, St. Kitts, 8 – 9 March.
- ECCB/Social Security Systems Meeting, St. Kitts, 10 – 11 March.
- CARICOM Pension Education Forum, Bermuda, 6 – 8 April.
- Balanced Scorecard Seminar, Washington DC, 10 – 13 April.
- 11th CAOSA Technical Meeting, St. Kitts, 19 – 21 April.
- Investment Seminar, Barbados, 7 – 11 June.
- ISSA & CARICOM Heads of Social Security Meeting, BVI, 4 – 8 July.
- The XVIIth World Congress on Safety & Health at Work, Orlando, 18 – 22 September.
- Pension Funds and Financial Markets Course, Mexico City, 26 – 30 September.
- ISSA Workshop on Investments, Mexico, 26 – 30 September.
- ECCB/Social Security Directors and Research Officers Meeting, St. Kitts, 9 – 12 October.
- CISS General Assembly, Argentina, 7 – 10 November.

Training Programmes

Training Programmes Completed

- Four members of staff (Yolanda Gumbs, Assistant Director Policy & Compliance, Liston Adams and Elkin Richardson, Inspectors, and Rosanna Browne, Research & Development Officer) graduated after studies in the Executive Diploma in Management – Social Security, with the Centre for Management Development, University of the West Indies, Barbados.
- Dorice Fleming, Manager Accounts and Finance, completed her Masters in Accounts & Financial Management by distance education with the Keller Graduate School of Management of Devry University.
- Pauleta Gumbs, Operations Officer, completed a Bachelor of Arts Degree in Communications Studies by distance education with the University of Maryland.
- Jacqueline Reid, Operations Officer, completed a Bachelor of Arts Degree in Liberal Studies by distance education with the Thomas Edison State College, New Jersey.

Board-approved Long-term Training (On-going)

- Maglan Richardson, Assistant Director Human Resources & Corporate Communications, is pursuing certification with the Association of Chartered Certified Accountants (ACCA).
- Bertha Gumbs, Systems Administrator, is pursuing a Bachelors Degree in Management Information Systems by distance education with the American College of Computer & Information Systems.
- Brenda Hughes, Compliance Officer, is pursuing a BSBA in Organizational Management by distance education with Thomas Edison State College, New Jersey.
- Denise Buchanan, Operations Officer, is pursuing a Bachelors Degree in Human Resource Management by distance education with Penn State University.
- Kimberly Reid, Accounts Clerk is pursuing a Bachelors Degree in Management Studies by distance education with the University of the West Indies.

Local Short-Term Courses Attended

- 4-week modular course in Computer Applications for Business.
- One Operations Officer and three Operations Clerks attended a 6-week modular course in Conversational Spanish.
- Productivity, Performance & Pay Workshop.
- Time Management Workshop.
- Projecting a High Self-esteem and a Powerful Self-Image Workshop.
- Computer Audit Workshop.

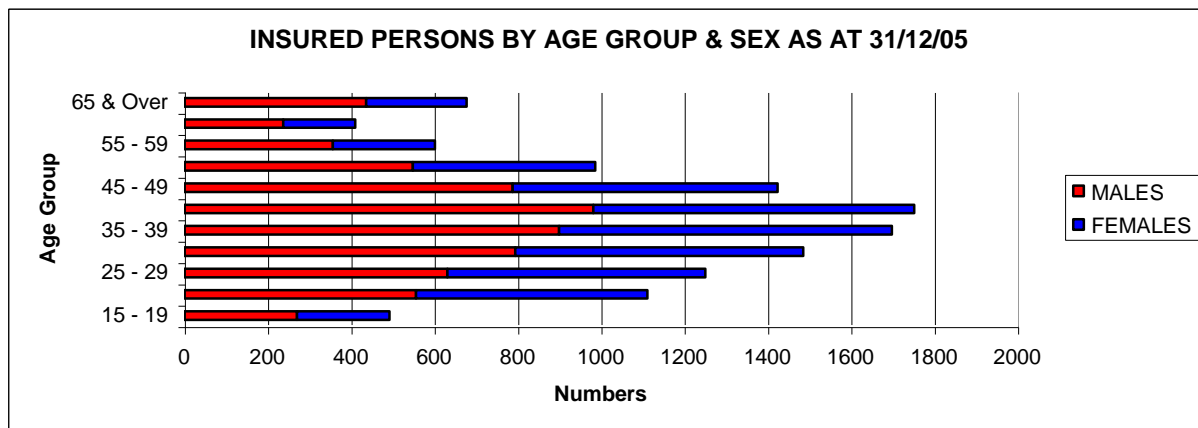
STATISTICAL REVIEW

REGISTRATIONS

Employees

In 2005, the total number of persons registered for Social Security was 877, an increase of 46.9% when compared to 597 in 2004. Registrations for 2005 were the highest in any year since the period when mass registrations were made at the social security system's inception (1981-82). This brought the total insured persons on register to 11,897 (which include active, inactive, residents, non-residents and deceased persons), an increase of 7.9% from 11,026 the previous year. Males continue to dominate, with 60.8% of new registrations, while females accounted for 39.2%. Of the cumulative total at year-end 2005, males accounted for 54.7% and females 45.3%. Of the total insured population, 6,144 persons were active at year-end.

Chart 1



Employers

New employer registrations for 2005 totaled 132, reflecting an increase of 24.5% over last year's 106. This brought the cumulative total on register to 2,116. Of this amount, 747 (33.5%) employers were active during the period under review. Consistent with the trend over the years, the Personal & Household Services industry continues to dominate employer registrations, accounting for 38 (28.8%), followed by the Construction industry with 24 (18.2%), Restaurants & Bars with 14 (10.6%) and Retail Trade and Hotels & Guesthouses both with 13 (9.9%).

The Self-Employed

Although coverage of the self-employed remains quite a challenge for the Social Security Board two years after coverage was extended to this category of workers, there continues to be a growing increase in registrations annually. New self-employed registrations totaled 113 during the period under review, 39 or 52.7% more than the 74 registrations in 2004. This brought the overall total of the self-employed on register at year-end 2005 to 241 persons.

BENEFITS

The Fund continues to provide benefits to the insured workers of Anguilla and their families. The benefits offered provide partial compensation at those times when workers are unable to work due to sickness, maternity, invalidity or old age, and survivor's benefit and funeral grant to their families in the case of the death of the insured person.

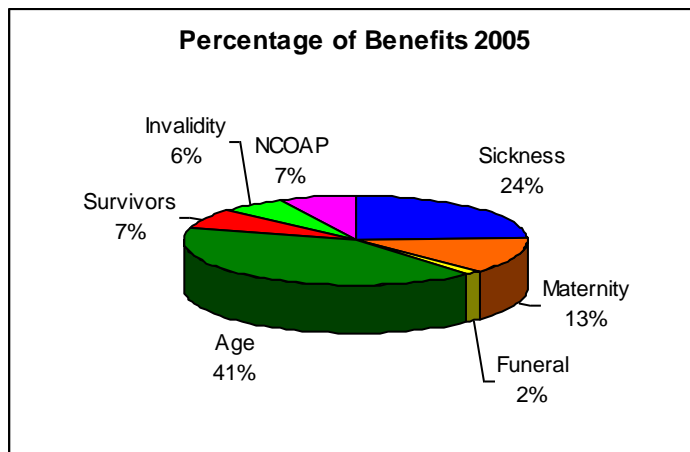
Social Security benefits are grouped into two branches called Short-term and Long-term Benefits. Short-term benefits include Sickness, Maternity (allowance & grant) and Funeral. Long-term benefits include Age, Survivors, Invalidity (pension & grant) and Non-Contributory Old Age Pension.

In 2005 a total of \$5.03M was paid out in benefits, compared to \$4.52M the previous year. This reflects an increase in benefit payments of 11.1%. Short-term Branch expenditure increased by 14.0% to \$1.96M, while Long-term Branch expenditure increased by 9.6% to \$3.07M.

PENSIONS IN PAYMENT

As at 31st December 2005, there were 466 pensioners on record. 226 persons were in receipt of Age Pension, 34 persons in receipt of Invalidity Benefit, 128 persons in receipt of Non-Contributory Old Age Pension and 78 persons in receipt of Survivor's Pension (5 widowers, 38 widows and 35 dependent children). All long-term benefits are payable for the remainder of the lives of the beneficiaries, with the exception of dependent children, which is payable until age 15 or 18 if the child is still a student.

Chart 2



FINANCIAL OPERATIONS

CONTRIBUTION INCOME

In 2005, contribution income totaled \$16.8M reflecting a \$2.7M (19.4%) increase compared to \$14.1M in 2004. Contribution income accounted for 68.1% of total income for the period under review. Self-employed contributions increased by \$26,078 (36.8%) to \$96,944 from \$70,866 in 2004, and accounted for 0.6% of total contribution income. There were no voluntary contributions made during 2005.

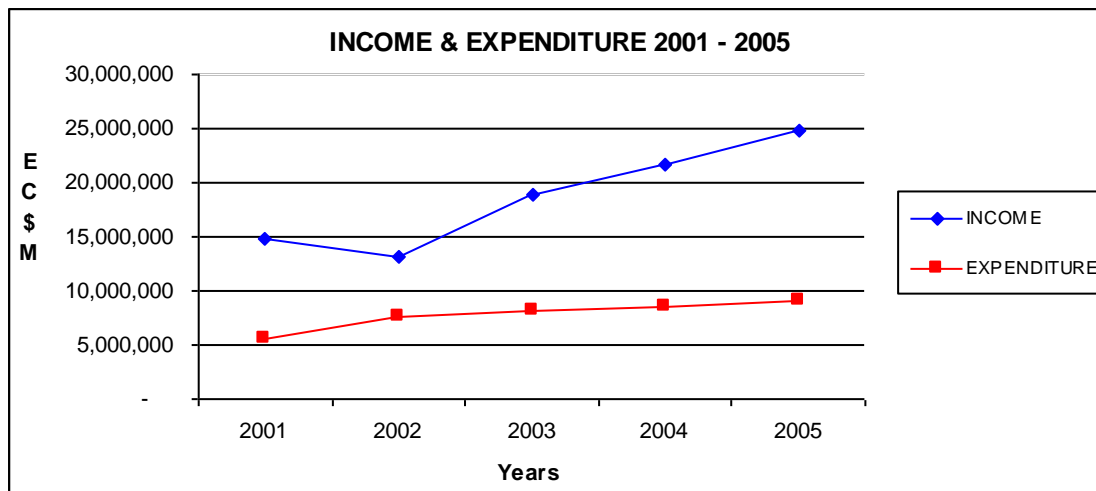
INVESTMENT INCOME

The growth of the Fund is dependent on the Board’s ability to collect contributions, the effective management of its operations, and its prudent investment decisions. The Board’s ability to diversify its investment portfolio and to grow existing reserves is critical to the sustainability of the Fund.

Investment income totaled \$7.8M in 2005 compared to \$7.3M in 2004, an increase of 6.8%. Net rental income from commercial units was \$121,486, a slight increase of 2.4% compared to \$118,495 in 2004. A net gain of \$1.3M on overseas investments (US & International) was realized, a 19% decrease from \$1.6M in 2004.

The overall nominal rate of return of the Fund in 2005 decreased to 5.9% from 6.7% in 2004.

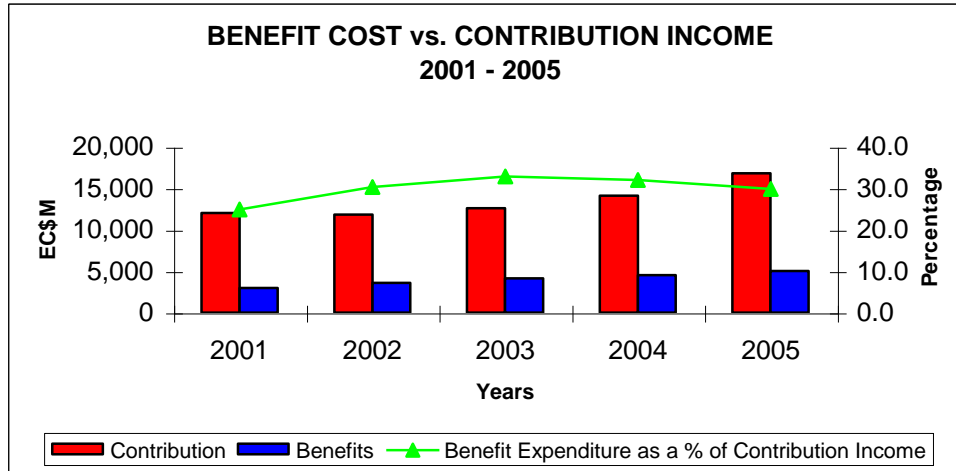
Chart 3



BENEFIT EXPENDITURE

Total Benefit Expenditure for 2005 increased by 11.3% to \$5.0M, compared to \$4.5M in 2004. Of the total benefits paid, expenditure of the Short-term Branch increased by 14.0% to \$2.0M compared to \$1.7M in 2004. Expenditure in the Long-term Branch totaled \$3.1M, an increase of 9.6% from \$2.8M the previous year. A review of the past five years showed a steady upward trend in total benefit expenditure.

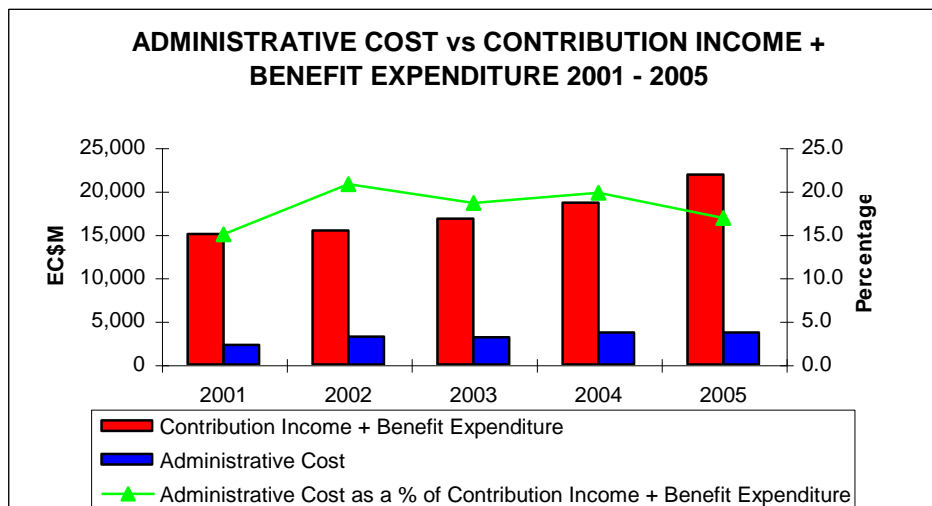
Chart 4



ADMINISTRATIVE EXPENDITURE

In 2005, administrative expenditure decreased marginally to \$3.59M from \$3.60M in 2004, and was equivalent to 14.5% of total income as compared with 16.67% in 2004. As a percentage of contribution income plus benefit expenditure, administrative expenditure was equivalent to 16.4%, down from 19.2% in 2004.

Chart 5



“Social Security: A Symbol of Strength and Endurance”

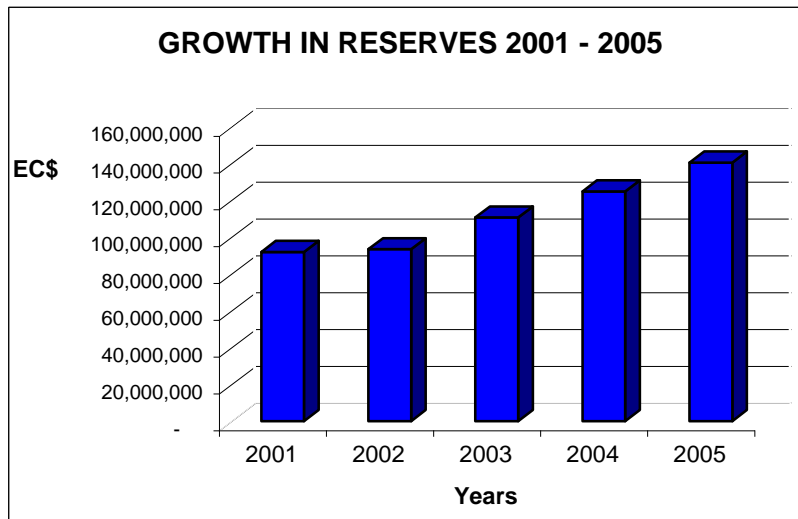
GROWTH IN RESERVES

The Social Security Fund's growth is critical to ensuring its sustainability. The Board has a fiduciary responsibility to manage the Fund in a prudent and effective manner to enable the institution to meet its mandate of paying long-term benefits well into the future. In 2005, the Fund continued to show significant growth and stood at \$140.5M at year-end, reflecting an increase of 12.5% (\$15.6M) when compared to \$124.8M in 2004. This could be attributed to the strength of the economy resulting in continued increase in contributions, and returns on invested capital.

During the period under review, total income grew by \$3.1M (14.4%) to \$24.7M from \$21.6M in 2004. Total expenditure for the same period grew by \$0.4M (4.7%) to \$9.0M from \$8.6M the previous year. In 2005, net income totaled \$15.7M reflecting growth of \$2.7M (20.8%) when compared to \$13.0M in 2004.

Reserves of the Short-term Benefits Branch declined marginally by \$8,589 (0.33%) from \$2.59M in 2004 to \$2.58M in 2005, the fourth successive year of such decline. On the other hand, reserves of the Long-term Benefits Branch continued steady growth, increasing to \$135.6M, an increase of \$15.5M (12.9%) when compared to \$120.0M in 2004. The Contingencies Reserve remained stable at \$1.3M during the period under review. The Social Security Development Fund increased to \$1.0M, including the Permanent Endowment Reserve which was increased to \$0.5M in 2005.

Chart 6



SOCIAL SECURITY DEVELOPMENT FUND (SSDF)

The Anguilla Social Security Board is a financial institution with a social responsibility, and recognizes that it has an important role to play in the social and economic development of the island. To this end, the Board has been the sponsor of many social development projects over the years, through its contributions to and active association with programmes and organizations geared towards achieving improved standards in health, education, sports, industry, youth and community development.

The Social Security Development Fund (SSDF) was established in 1986 for the purpose of funding such social projects as the Board may select, subject to the prior approval of the Minister responsible for Social Security. It is funded by 3.75% of contribution income and a percentage of investment income based on the balance in the Development Fund at the end of the preceding year. In 2005 a total of \$315,566 was spent on projects. The Board, through the Social Security Development Fund, participated in the Caribbean Conference on Philanthropy, Jamaica, 23 – 26 February, and the Annual Community Foundations Meeting, St. Croix, 1 – 4 June.

Table 1
Social Security Development Fund (SSDF) Projects 2005

PROJECT NAME	EXPENDITURE EC\$
Camp Be Aware (Environmental Camp)	8,065
Anguilla Tennis Academy	67,205
Sports Project	9,203
Anguilla Race Against AIDS	2,688
Tranquility Jazz Festival	134,410
Nursing Education Scholarship	3,995
HIV/AIDS	50,000
Anguilla National Creative Arts Association	40,000
TOTAL	315,566

STATISTICAL DIGEST

Table 2
Annual Registration of Employees by Sex - 2005

AGE GROUPS	MALES	%	FEMALES	%	TOTAL	%
15 - 19	142	16.2	104	11.9	246	28.1
20 - 24	68	7.8	51	5.8	119	13.6
25 - 29	73	8.3	50	5.7	123	14.0
30 - 34	62	7.1	37	4.2	99	11.3
35 - 39	58	6.6	34	3.9	92	10.5
40 - 44	52	5.9	29	3.3	81	9.2
45 - 49	29	3.3	20	2.3	49	5.6
50 - 54	27	3.1	9	1.0	36	4.1
55 - 59	11	1.3	8	0.9	19	2.2
60 - 64	11	1.3	2	0.2	13	1.5
TOTALS	533	60.8	344	39.2	877	100.0

Table 3
Tabulation of All Insured Persons by Sex as at 31st December 2005

AGE GROUPS	MALES	%	FEMALES	%	TOTAL	%
15 - 19	271	2.3	222	1.9	493	4.1
20 - 24	557	4.7	555	4.7	1112	9.3
25 - 29	632	5.3	619	5.2	1251	10.5
30 - 34	795	6.7	691	5.8	1486	12.5
35 - 39	900	7.6	799	6.7	1699	14.3
40 - 44	982	8.3	771	6.5	1753	14.7
45 - 49	789	6.6	636	5.3	1425	12.0
50 - 54	549	4.6	438	3.7	987	8.3
55 - 59	357	3.0	245	2.1	602	5.1
60 - 64	238	2.0	173	1.5	411	3.5
65 & Over	437	3.7	241	2.0	678	5.7
TOTALS	6,507	54.7	5,390	45.3	11,897	100.0

Table 4
Registration of Employees by Gender 2001 - 2005

YEAR	MALE	%	FEMALE	%	TOTAL AT YEAR-END	TOTAL ON REGISTER*	TOTAL ** ACTIVE
2001	229	47.7	251	52.3	480	9,714	5,186
2002	128	46.7	146	53.3	274	9,988	4,982
2003	236	53.3	207	46.7	443	10,430	5,099
2004	317	53.2	279	46.8	597	11,026	5,554
2005	533	60.8	344	39.0	877	11,897	6,144

*Include all persons who have ever registered with the System – active, inactive, deceased, pensioners, resident and overseas

**2001 – 2003 figures revised

Table 5
New Registration of Employers by Industry - 2005

ILO CODE	INDUSTRY	NO.	%
13	Fishing	2	1.5
31	Manufacturing of Food, Beverage & Tobacco	1	0.8
32	Textile, Wearing apparel and Leather Industries	3	2.3
33	Mfg of Wood & Wood Products incl. Furniture	1	0.8
38	Mfg of Fabricated Metal Products, Machinery & Equip.	1	0.8
39	Other Manufacturing Industries	1	0.8
41	Electricity, Gas & Steam	3	2.3
42	Water Works & Supply	1	0.8
50	Construction	24	18.2
62	Retail Trade	13	9.8
63	Hotels & Guest Houses	13	9.8
64	Restaurant & Bars	14	10.6
65	Night Clubs	1	0.8
71	Transport & Storage	3	2.3
72	Communication	2	1.5
81	Financial Institutions	4	3.0
83	Real Estate & Business Services	3	2.3
93	Social & Related Community Services	3	2.3
94	Recreational & Cultural Services	1	0.8
95	Personal & Household Services	38	28.8
TOTAL		132	100.0

Please note that Employer Registrations include Self-Employed Registrations

Table 6
Registration of the Self-Employed by Industry as at 31st December 2005

ILO CODE	INDUSTRY	NO.	%
13	Fishing	1	0.9
32	Textile, Wearing Apparel and Leather Industries	1	0.9
33	Manufacture of wood and Wood Products Including Furniture	2	1.8
39	Other Manufacturing Industries	2	1.8
41	Electricity, Gas, Steam	1	0.9
50	Construction	20	17.7
62	Retail Trade	11	9.7
63	Hotel & Guest Houses	2	1.8
64	Restaurant & Bars	9	8.0
71	Transport & Storage	12	10.6
81	Financial Institutions	1	0.9
83	Real Estate & Business Services	9	8.0
93	Social & Related Community Services	7	6.2
94	Recreational & Cultural Services	1	0.9
95	Personal & Household Services	34	30.1
TOTAL		113	100.0

Table 7
Registration of Employers 2001 - 2005

YEAR	NEWLY REGISTERED EMPLOYERS	EMPLOYERS REGISTERED AT YEAR-END	ACTIVE EMPLOYERS AT YEAR-END
2001	98	1,695	566
2002	86	1,790	591
2003	79	1,865	614
2004	106	1,980	667
2005	132	2,116	747

Table 8
Claims Received - 2005

TYPE	# RECEIVED	# PAID	# DENIED	# PENDING AT 31/12/05
SICKNESS BENEFIT	2573	1986	397	190
MATERNITY BENEFIT	129	117	1	11
MATERNITY GRANT	149	135	0	14
FUNERAL	27	27	0	0
AGE PENSION	29	23	0	6
AGE GRANT	3	3	0	0
SURVIVORS PENSION	20	11	0	9
SURVIVORS GRANT	2	1	0	1
INVALIDITY PENSION	5	4	0	1
INVALIDITY GRANT	1	1	0	0
NON-CONTRIBUTORY OLD AGE PENSION	12	2	2	8
TOTALS	2,950	2,310	400	240

Table 9
Claims Brought Forward from Years Prior to 2005

TYPE	CLAIMS B/F	ALLOWED OR PAID	DISALLOWED	PENDING AT 31/12/05
SICKNESS	131	78	30	23
MATERNITY	10	10		
MATERNITY GRANT	17	16		1
FUNERAL	2	2		
AGE PENSION	7	7		
AGE GRANT	3	2		1
INVALIDITY PENSION	1	1		
NON-CONTRIBUTORY OLD AGE PENSION	9	1	2	6
TOTALS	180	117	32	31

Table 10
Benefit Claims Paid by Type 2001 – 2005 (includes claims from previous years)

BENEFIT TYPE	2001	2002	2003	2004	2005
SICKNESS	1,293	1,758	1,966	1,759	2,064
MATERNITY BENEFIT	147	134	106	132	127
MATERNITY GRANTS	144	175	129	144	151
FUNERAL	19	24	25	26	29
TOTAL SHORT-TERM	1,603	2,091	2,226	2,061	2,371
AGE PENSION	25	27	22	29	30
AGE GRANT	5	9	9	7	5
SURVIVORS PENSION	17	6	13	11	11
SURVIVORS GRANT	3		2		1
INVALIDITY PENSION	14	11	9	6	5
INVALIDITY GRANT			1		1
NCOAP*		123	37	17	3
TOTAL LONG-TERM	64	176	93	70	56
TOTAL CLAIMS PAID	1,667	2,267	2,319	2,131	2,427
% CHANGE	-7.2	36.0	2.3	-8.1	13.9

* Non-Contributory Old Age Pension – introduced in 2002

Table 11
Benefit Expenditure by Type 2001 – 2005

BENEFIT TYPE	2001	2002	2003	2004	2005
SICKNESS	809,741	984,446	1,025,785	1,048,620	1,219,242
MATERNITY	566,309	514,670	492,925	592,970	654,846
FUNERAL	54,000	72,000	71,700	78,000	87,000
TOTAL SHORT-TERM	1,430,050	1,571,116	1,590,410	1,719,590	1,961,088
AGE	1,130,226	1,248,786	1,569,121	1,740,991	2,041,537
SURVIVORS	215,402	264,185	296,570	367,277	350,869
INVALIDITY	218,615	223,841	345,831	329,130	310,693
NCOAP*	-	283,557	355,125	364,206	368,399
TOTAL LONG-TERM	1,564,243	2,020,369	2,566,647	2,801,604	3,071,498
TOTAL BENEFIT EXPENSE	2,994,293	3,591,485	4,157,057	4,521,194	5,032,586
% CHANGE	10.3	19.9	15.7	8.8	11.3

* Non-Contributory Old Age Pension, introduced in 2002

Table 12
Consolidated Income & Expenditure Account
Five-Year Comparative Analysis 2001 – 2005

INCOME	2001	2002	2003	**2004	2005
CONTRIBUTION	12,018,078	11,846,152	12,628,125	14,114,120	16,845,392
INVESTMENT	2,597,565	1,175,003	6,100,793	7,310,359	7,762,156
OTHER (FINES & MISC.)	76,514	107,309	84,971	169,136	140,346
OTHER (NET RENT)	93,337	95,322	112,387	118,495	121,486
TOTAL	14,785,494	13,223,786	18,926,276	21,712,110	24,869,380
EXPENSES					
ADMINISTRATIVE	2,251,489	3,202,960	3,119,162	3,598,768	3,585,093
BENEFITS	2,994,293	3,591,484	4,157,058	4,521,194	5,032,585
SSDF*	281,803	750,899	771,218	401,408	315,566
OTHER	62,104	76,110	89,083	88,318	108,094
TOTAL	5,589,689	7,621,453	8,136,521	8,609,688	9,041,338
NET YEARLY INCOME	9,195,805	5,602,333	10,789,755	13,102,422	15,828,042
% CHANGE	-2.7	-39.1	92.6	21.4	20.8
RESERVES	91,883,276	97,390,287	110,606,016	124,832,507	140,465,774
FUND RATIO	16.4	12.8	13.6	14.5	15.5

* Social Security Development Fund

** 2004 Figures Restated

Table 13
Wages by Economic Categories 2005

CATEGORIES	TOTAL WAGES	AVERAGE CONTRIBUTION WAGES	DOLLARS
Agriculture	1,007,019	17,982	91,108
Banking & Finance	11,881,774	43,364	955,716
Central & Local Government	33,100,408	28,783	3,111,779
Construction	24,924,755	21,768	2,232,947
Hotel & Restaurants	50,423,629	19,454	4,510,998
Manufacturing	2,314,726	18,371	219,495
Real Estate & Housing & Professional Services	3,646,805	30,390	282,490
Recreational & Community Services	2,057,534	23,650	181,632
Social & Community Services	14,874,085	28,278	1,313,846
Trade & Commerce	8,046,247	15,355	791,382
Transport & Communications	10,065,844	30,595	850,010
Utilities	4,982,682	35,591	434,292
Other	4,348,180	10,503	453,099
TOTAL	171,673,688		15,428,794

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