



e-LEARNING JAMAICA COMPANY LIMITED

ANNUAL REPORT

APRIL 2014 -MARCH 2015



**THE e-LEARNING JAMAICA COMPANY LIMITED
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I. BOARD OF DIRECTORS 2014-15

Names	Organization & Position
Mrs. Yvonne McCalla Sobers Chairman	Management Consultant and Human Rights Activist
Dr. David McBean Deputy Chairman	Independent Management & Technology Consultant
Mrs. Elaine Foster-Allen	Permanent Secretary, Ministry of Education
Dr. Grace McLean	Chief Education Officer, Ministry of Education
Ms. Wahkeen Murray	Chief Technical Director, Ministry of Science, Technology, Energy and Mining
Ms. P. Audrey Budhi	Senior Director, Child Development Agency
Ms. Fae Ellington	Lecturer , Caribbean Institute of Media & Communication
Mr. Lloyd Lovindeer	Veteran Musician, Educator
Mr. Christopher Reckord	t-Tech Limited, Director of Sales & Marketing
Dr. Christine Walters	Lecturer & Health Research Scientist, Faculty of Medical Sciences, UWI, Mona
Mr. Kemar Brown	Post and Telecoms Department, Computer Services Technician
Mr. Charles Gangasingh	Attorney-at-Law
Mr. Trevor Francis	Self-employed Chartered Accountant (Jamaica) & Certified Public Accountant (USA); Consultant; Businessman
Dr. Stacey-Ann Wilson (resigned July 23, 2014)	Advisor to the Hon. Julian Robinson, Minister of State Ministry of Science, Technology, Energy & Mining





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CHAIRMAN'S REPORT

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1. BACKGROUND

The e-Learning Jamaica Company Ltd (eLJam) was established in March 2005 as a limited liability company under the Ministry with portfolio responsibility for Telecommunications, to implement e-Learning projects in collaboration with the Ministry of Education (MOE). The Company is managed by a Board of Directors appointed by the portfolio Minister.

Cabinet approval was obtained in June 2005 to implement the initial project targeted at the high schools, with the primary goal to utilize Information and Communication Technologies (ICTs) to contribute to an improvement in the quality of education in the high schools and in the level of passes in the school-leaving CXC CSEC examinations. The e-Learning High School project was developed as a joint initiative with the MOE after much consultation with principals and teachers and other stakeholders. Its components include providing digitalised instructional materials for teachers and students, computers and multimedia equipment, and training of teachers in the use of the technology in instructional delivery. An amount of US\$50 million was approved by Cabinet to be accessed from the Universal Service Fund (USF), previously the Universal Access Fund.

The period up to August 2006 was utilised to establish the organisation in thirty (30) of the initially targeted one hundred and fifty (150) education institutions and the project commenced officially in September 2006 with a one (1) year pilot project. This was aimed at testing all the planned procedures and methodologies of the project, identifying best practises and determining the support systems that have to be in place for successful project implementation. By March 2008, the scope of the project was expanded to include the eight (8) Colleges that train teachers for the high schools, and one (1) Independent High School. In addition, based on results from a technology capacity survey conducted by the MOE which became available at that time, the MOE requested that the project include ICT training and certification of all approximately eleven thousand five hundred (11,500) teachers and lecturers in the high schools and teachers colleges. However, there were significant delays causing an extension of the project timeline from August 2009 to March 2011, but mitigating strategies were put in place to ensure that the original timeframe for completing the equipment installation could still be met.

The technology portfolio was moved to the Office of the Prime Minister (OPM) in 2008 and the 3rd Board of Directors appointed to November 2010 was asked to continue to March 2011. A new Board was appointed in April 2011. However, as a result of the Public Sector restructuring recommendations, e-LJam was relocated to the MOE in June 2011, but was moved back to the technology ministry, the Ministry of Science, Technology, Energy and Mining (MSTEM) in January 2012. A new Board was appointed in February 2012 and reappointed in June 2014.

By March 2010, the scope of the project was further expanded to include the five (5) Community Colleges and fifteen (15) additional Independent High schools that assist in placement of students from the GSAT and GNAT examinations, bringing the total number of institutions to two hundred and three (203). In addition, several elements were added or amended to more meaningfully reflect the MOE's vision of a 21st century classroom and to better ensure sustainability. These included the placement of the grade 10 and 11 classrooms on the schools local area network and the provision of additional laptops and multimedia projectors to ensure that all grade 10 and 11 teachers were fully equipped to



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utilize all aspects of the technology, including the internet, in whole-class delivery. In 2011, interactive whiteboard technology was also agreed as a whole-class strategy.

The focus of the company during the period 2012-13 was in completing the High School Project for handover to the MOE by March 2013 and to develop a second project for the primary, all age and junior high schools. However, the completion of the high school project was further delayed, mainly due to delays experienced in the procurement processes, the slow pace of the building infrastructure at MOE to house the Central Repository, and the slow pace of content development. The primary schools project was also deferred pending the completion by the MOE of the development of ICT in Education Policy which was needed to give policy direction to the project, as well the piloting of revised curriculum.

The MOE requested that e-LJam defer the handover of those elements of the high school project that were completed until they were in a better position to take on the functions and bear the cost of sustaining the interventions. Further in November 2013, the MOE asked e-LJam to consider providing Equipment Management and Support Services to the MOE as the Ministry felt that e-LJam had developed expertise to enable it to provide these services efficiently and effectively. This would result in e-LJam retaining responsibility for management and ownership of all equipment and other interventions provided to the schools as well as management and ownership of the Central Repository for Educational Materials (CREM) under a service level agreement with the MOE. The Board agreed to provide the services while transferring the ownership of the tangible assets to the MOE by 'Deed of Gift'.

The MOE also requested that the Board consider partnering in a business venture which would include taking over aspects of the Media Services Unit (the Unit targeted to take over the Content Management Function of the project), and establishing a publishing arm to exploit the marketability of content developed by both entities, the proceeds of which would be shared with the MOE. The feasibility of this venture was evaluated by UTECH's College of Business and Management, Consultancy Committee who suggested that there would be no benefit to the merger, but that e-LJam should consider selling its services to the wider Caribbean and beyond. However, the option recommended did not seem attractive to the Board as no profits would be realised within the first three (3) years of operation.

During 2013-14, it was again intended to complete the high school project and hand over the assets to the MOE by March 2014. However delays were experienced in the completion of development of instructional materials for Information Technology as this contract had been transferred from UTECH to UWI, and in the procurement of parts for upgrading of the school networks, thus affecting the training of teachers that required the upgraded facilities. In addition while efforts were made to transfer the CREM equipment from MOE to allow time for provision of adequate building infrastructure at the MOE offices, the costs to relocate the equipment temporarily proved prohibitive.

The decision was finally taken by MOE in 2014-15 that the CREM equipment should be transferred to e-GovJa (formerly Fiscal Services) and negotiations for the transfer commenced during this period. The only other outstanding activities at the end of the period were the completion of the upgrade of the school networks hampered by the change in duty waiver regulations which again delayed the completion of the training of all the targeted teachers in technology integration. These activities were transferred to the provision of services to MOE to be carried out in the subsequent period 2015-16, along with the



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commissioning and execution of the final impact assessment evaluation of the project and the final audit of equipment to update the inventory of tangible assets to be transferred to MOE.

Comprehensive System Administration support continued to be provided both online and through reinforcement visits to schools. Meetings continued to be held island wide with Principals to provide updates on the various aspects of the project and to make them fully aware of the resources that had been provided and how the schools could benefit from their proper use. Most importantly, the meetings reinforced their obligations under the Memorandum of Understanding (MOU) signed with e-LJam for ensuring the safety and proper maintenance of those resources – human, technology, materials and intellectual property. Regular meetings were also held with the School e-Learning Implementation Committees (SEIMCs) to get reports on the implementation and assist in finding solutions for problems arising.

Workshops continued to be held island-wide with subject teachers to ensure full understanding of all the materials that had been provided for the various subjects and how they should be used in instructional delivery – Teacher's Instructional Materials (TIMS), Student's Instructional Materials (SIMS), Video lectures, Items (questions and answers).

Considerable effort was also placed on rolling out the CXC developed Grade 7 and 9 Diagnostic Tests to all high schools, and in ensuring a high standard of training delivery by the providers.

The project has provided instructional materials in 11 subject areas, computer and audio-visual equipment and networks, teacher training and diagnostic tests to 203 educational institutions including high schools and teachers colleges and special education schools, covering approx. 11,500 teachers and approx. 260,000 students per school year.

As at March 2015, the High School Project was considered completed, and it was planned that the equipment and other tangible assets purchased for the schools would be transferred to MOE by 'Deed of Gift' during the 2015-16 period. The total expended for the project since inception was **J\$5.08 billion or US\$56 million**, calculated using an average rate of exchange of J\$97.92: US\$1 from November 2005 to March 2015. An overview of the high school project and its impact on the education system and national development is given at **Appendix 2 to the Chairman's Report**.

It had also been intended during 2013-14 to develop and implement a pilot of a Community Model in eight (8) communities island-wide. However, in April 2013, e-LJam was asked by MSTEM to collaborate with the MOE and the Universal Service Fund (USF) to implement a Tablets in Schools (TIS) Pilot Project instead of the Community Model.

The TIS Pilot Project was expected to deliver approximately twenty-five thousand (25,000) tablet devices preloaded with apps and e-books, to students and teachers in thirty-eight (38) pre-primary, primary, secondary and tertiary schools across the island; provide access to curriculum-based apps, e-books and web resources through broadband internet and Wifi provided by the USF; train teachers in basic ICT skills and technology integration; and orient facilitators in learning centres in the immediate neighbourhoods of the pilot schools to support the access to relevant e-content by learners of all ages.



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Project set-up activities commenced in April 2013 and in December 2013, Cabinet approved the expenditure of J\$1.4billion from the USF to implement the pilot over the academic year September 2014 to June 2015 and commence the planning of the roll-out of the project to all public schools across the island. The project was designed and its implementation monitored by a joint team from MSTEM, MOE, USF and e-LJam. Working groups were established to give in-depth consideration to the strategies required with respect to - Outreach and Public Education; Security – tablets, data, person; Research, Monitoring and Evaluation; Content and School Operations.

Extensive research was carried out on similar global interventions and lessons learned brought to bear on the project design. Significant work was also done in sensitizing the parents and the school community and in developing a policy and operations manual for the project.

As at March 2015, approximately twenty three thousand seven hundred (23,700) tablets were delivered and all one thousand three hundred (1300) teachers were trained. However delays were experienced in the delivery of tablets which was not completed until February 2015. In addition, the internet connectivity provided by USF proved inadequate to support the access to content required. This stalled the intended quarterly evaluations. **Appendix 3 to the Chairman's Report** gives an overview of the TIS Pilot Project.

2. ACHIEVEMENTS APRIL 2014 to MARCH 2015

2.1 GOVERNANCE AND ADMINISTRATION

2.1.1 Portfolio Ministry

The Ministry of Science, Technology, Energy and Mining (MSTEM) continued to have portfolio responsibility for e-LJam (since January 2012).

2.1.2 Board of Directors

The Board was reappointed in June 2014 for another two (2) year term and continued to operate under the Chairmanship of Mrs. Yvonne McCalla Sobers. The Mandate, Mission and Vision of the Company is given at **Appendix 1 to the Chairman's Report**

2.1.3 Administration

During this period, all twelve (12) staff members remained in the same positions. Resources required for project implementation continued to be contracted to the project through a competitive bidding process as needed. A Consultant was contracted to conduct an organization review as a precursor to applying to the Ministry of Finance and Planning (MOFP) for an upgrade of the organisation and increase of established posts.

Due to the anticipated increase in project staff required to implement the additional project, efforts continued to be made to locate additional office space on the PCJ building and elsewhere. This however did not materialise during the period under review. Despite increases in rental and maintenance costs and the need to replace some office equipment, administrative expenses were maintained within budget.



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2.1.4 Funding and Financial Accountability

Funds continued to be disbursed from the Consolidated Fund through the portfolio Ministry to e-LJam for the High School Project. Funds for the TIS Pilot Project were disbursed by the USF under an agreed protocol.

The Audited Financial Statements, the reports on compliance with the GOJ procurement guidelines and the Directors' Reports for 2014-15 were approved by the Board and the company's shareholder, the Accountant General, in August 2015. All other statutory obligations under the FAA and Public Bodies Accountability Acts were met.

2.1.5 Public Education

A comprehensive programme was implemented including increased use of social media to promote the content on the CREM/VLE, reproduction of the corporate video, advertising using mainstream media and electronic screens in public spaces. The Jamaica Information Service (JIS) was hired to manage media placements and to assist in the production of newsletters. Plans commenced for a Ceremonial hand over of the high school project to the MOE, and heralding in the TIS Project.

TEACHER TRAINING AWARDS CEREMONY





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TEACHER TRAINING AWARDS CEREMONY (CONTUNED)



SIGNING FOR THE DEAF



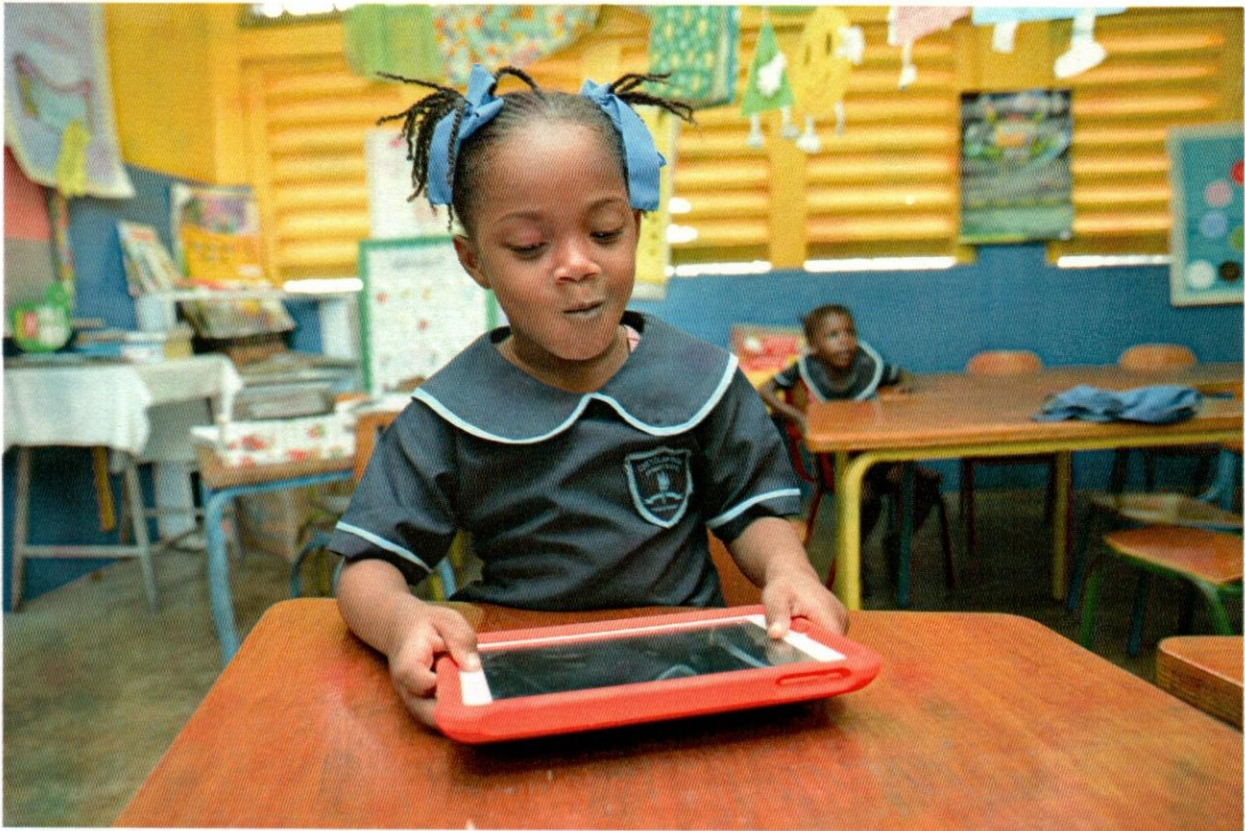
DELIVERY OF TABLETS TO CLAN CARTY PRIMARY



**DELIVERY OF TABLETS TO SALT SAVANNAH PRIMARY & INFANT
SCHOOL**



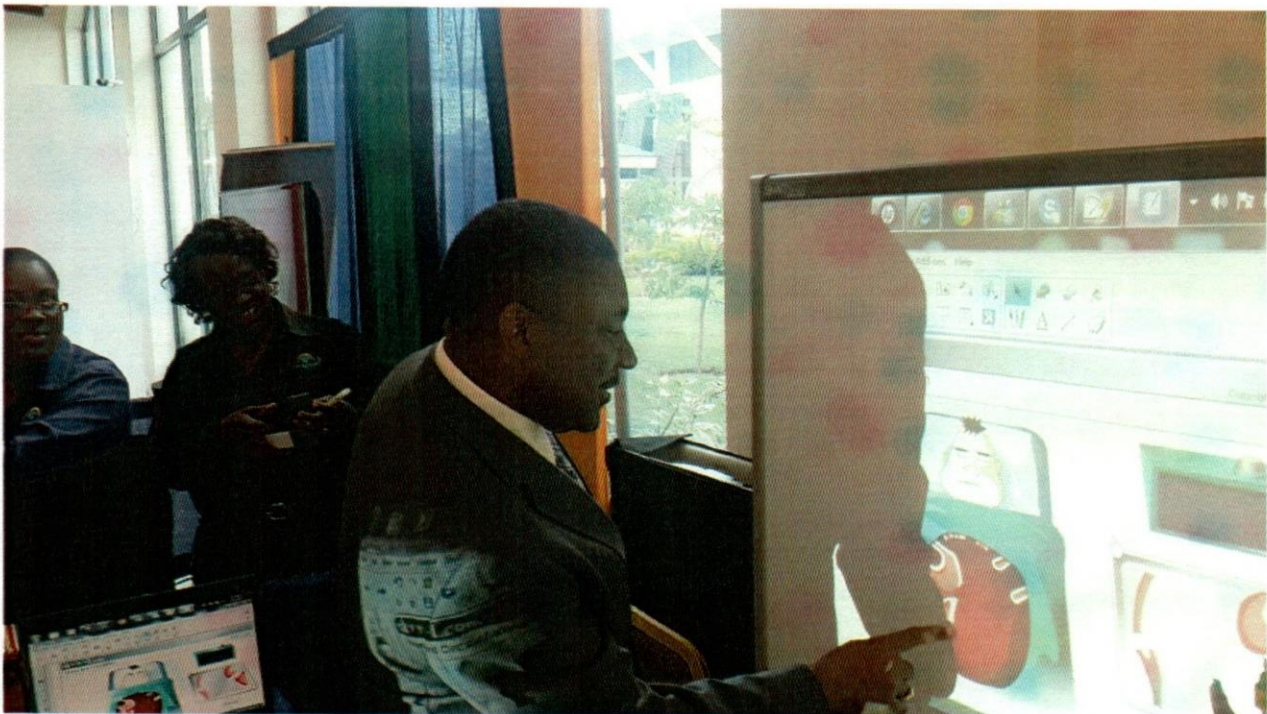
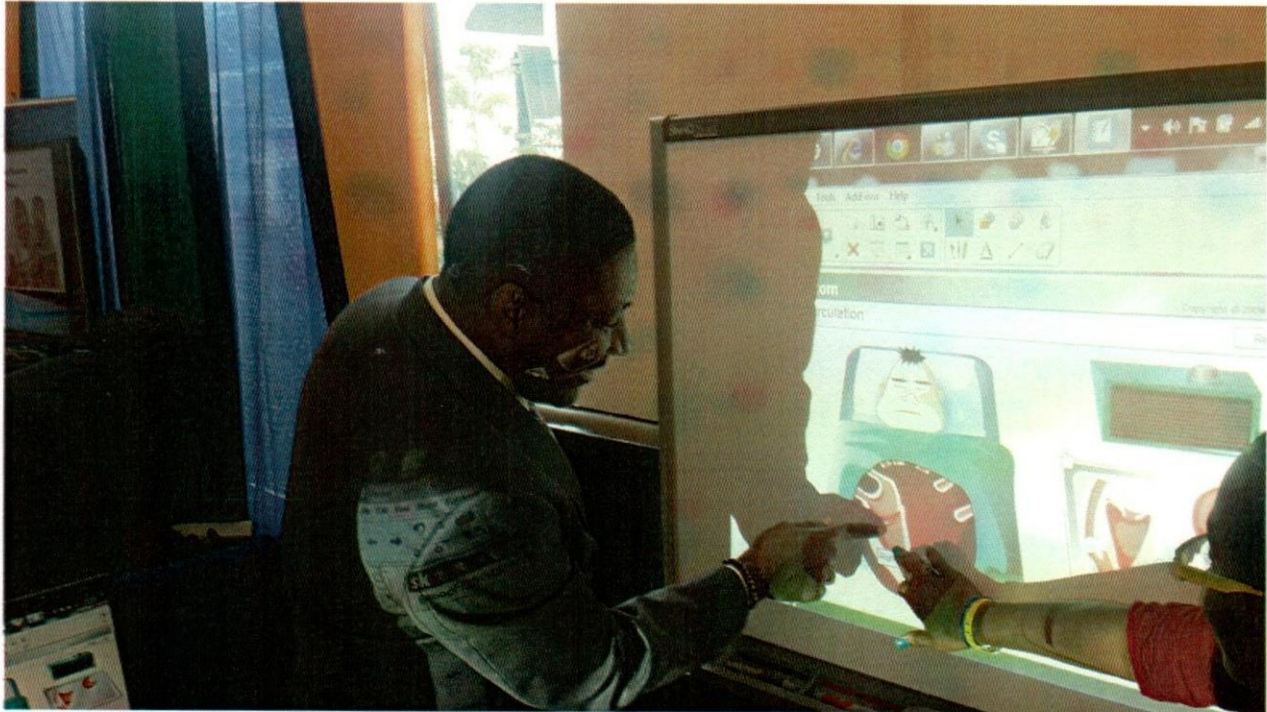
KIDS USING TABLETS



KIDS USING TABLETS (CONTINUED)



MINISTER PAULWELL USING THE SMART BOARD



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2.2 ACHIEVEMENTS FOR COMPLETION OF CARRY-OVER ACTIVITIES FOR HIGH SCHOOL PROJECT 2014-15

As at March 2015, **approximately J\$453million** of the planned **approximately \$479million** was expended on the few activities that were still outstanding and carried over to 2014-15., leaving a balance of **approximately J\$26million**. **Table 1** below highlights the achievements as at March 2015, the only outstanding activities being the full establishment of the CREM and the completion of teacher training. Funds intended for these activities will be transferred to the provision of services to the MOE.

TABLE 1 - ACHIEVEMENTS FOR COMPLETION OF CARRY-OVER ACTIVITIES AND HANDOVER OF HIGH SCHOOL PROJECT DURING 2014-15				
Component	Status as at March 2015 /Comments	Planned '000'	Actual \$'000'	Balance \$'000'
Content Development and Management	<ul style="list-style-type: none"> TIMs and SIMs for Information Technology Materials reviewed and completed in January 2015 Purchase of Learning Content Management System not feasible in the short-term, thus customisation of the existing Moodle platform was commenced, to be continued as required by MOE as part of the management services Animation of previously developed content completed as planned Maths Materials developed as planned in support of JFL High School Diploma Programme Feasibility study found plan for the establishment of a publishing arm as requested by MOE, not to be viable 	57,755	48,462	9,293
Technology Infrastructure	<ul style="list-style-type: none"> Installation of remaining 20% of fixed whiteboard completed Upgrade of school networks completed MOE indicated inability to properly support CREM equipment and requested that they be removed to e-GOVJa as initially planned by e-LJam. Negotiations with e-GovJa 	313,910	311,044	2,866

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TABLE 1 - ACHIEVEMENTS FOR COMPLETION OF CARRY-OVER ACTIVITIES AND HANDOVER OF HIGH SCHOOL PROJECT DURING 2014-15				
Component	Status as at March 2015 /Comments	Planned '000'	Actual \$'000'	Balance \$'000'
	<p>commenced</p> <ul style="list-style-type: none"> Upgrade of school networks completed, training of SA's underway 			
Teacher Training	1800 additional teachers in training, 1600 sitting exams. Had to await upgrade of school networks	21,439	17,243	4,196
Remedial	UWI Centre for disabilities completed delivery of special equipment and sign language videos to special schools except for Braille Calculator	32,504	31,542	962
Continuous Assessment	Diagnostic tests in English, mathematics, social studies and information technology administered to Grades 7 & 9 in 2014. Preparation for 2015 in progress. Activity to be transferred to support services to be provided to the MOE	28,300	20,558	7,742
School Support	Full support provided, MOU with schools monitored, equipment audits conducted, 478,733 Client response /help desk system implemented	19,075	19,020	55
Project Evaluation	Impact Assessment Evaluation Contractor hired October 2014, field work underway	5,750	5,055	695
TOTAL CARRYOVER ACTIVITIES		478,733	452,924	25,809



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2.3 ACHIEVEMENTS FOR THE TABLETS IN SCHOOLS PILOT PROJECT 2014-15

Of the approximately \$1.15million planned, approximately J\$1.138million was spent as shown in Table 2 below.

TABLE 2 - ACHIEVEMENTS FOR TABLETS IN SCHOOLS PILOT PROJECT 2014-15				
Component	Status as at March 2015 /Comments	Planned \$'000'	Actual \$'000'	Balance \$'000'
Content acquisition - apps and e-books and preloading on tablets	Free apps preloaded on tablets, contracts signed with publishers for e-books and web resources, access codes obtained, content download hampered by less than adequate internet access	103,500	103,393	107
Provision of tablets, charging carts and supporting technology	<ul style="list-style-type: none"> 23,732 tablets delivered, remainder not collected by the parents Management services supplied by suppliers monitored 	926,193	926,172	21
Training of teachers in basic ICT skills and tablet integration	<ul style="list-style-type: none"> All teachers trained in Tablet Integration and mop-up training in progress Regional trainers hired and fully operational giving on-site coaching and professional development 	28,380	25,845	2,535
Public Education and Outreach	Full PE and outreach programme implemented including <ul style="list-style-type: none"> Weekly radio drama being aired Mascot competition held, PSA re security being aired Social media active - YouTube, Facebook, blogs etc Town Hall meetings and billboard to be implemented by March 2015 Function re handover of high school project and heralding TIS project planned 	10,350	10,008	342
Implementation Support	<ul style="list-style-type: none"> Tablet in Schools Policy Manual completed and signed by parents prior to receiving tablets Additional Implementation Officers employed to provide support to the schools in the implementation of the project 	72,500	72,475	25
Project Evaluation	Contract being negotiated with Consultant to conduct situation analysis due to delays in project implementation.	9,300	0	9,300
TOTAL TIS PILOT PROJECT		1,150,223	1,137,893	12,330




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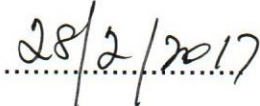
3. PROGRAMMES TARGETTED FOR FINANCIAL YEAR 2015/2016

- Given the delays experienced in the Tablets in Schools pilot project implementation,
 - ◆ conduct of a situation analysis study,
 - ◆ continuation of the pilot for a full school year September 2015 to June 2016 and
 - ◆ evaluation in July 2016
- Given the high cost associated with the provision of tablet devices to all students and teachers in the education system,
 - ◆ phase 1 of the introduction of shared tablets managed by the schools (class sets) to primary schools and infant departments, and
 - ◆ introduction of the Bring –Your-Own-Device (BYOD) strategy
- Provision of Technology Management and Support Services to MOE

4. MEDIUM TO LONG TERM FOCUS

- Phased Roll-out of the Tablets in Schools Project to remaining primary schools and infant departments, over 900 schools, 600,000 children
- Continued provision of Technology Management and Support services to MOE
- Negotiations regarding the provision of e-Learning services to other MDA's
- Marketing of Consultancy Services to bring in additional income


.....
Yvonne McCalla Sobers
Chairman


.....
Date



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APPENDIX 1

e-LJam MANDATE (expanded in March 2013)

- To implement e-Learning projects in collaboration with Government Ministries, Departments and Agencies
- To promote the integration and infusion of technology in the education system, and
- To act as the implementation arm for approved interventions funded through the Universal Service Fund (USF) established under the Telecommunications Act 2001

e-LJam VISION (revised February 2014)

To transform national learning outcomes using ICTs

e-LJam MISSION (revised February 2014)

To facilitate the development of a knowledge-based society by using ICT methodologies.

e-LJam is committed to using indigenous Jamaican ICT solutions of world class standards.



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APPENDIX 2

THE HIGH SCHOOL PROJECT

1. Purpose and Scope

The purpose of the project is to utilize current state-of-the-art ICTs in Jamaica's high schools, grades 7-11, to

- ♦ Improve the quality of education
- ♦ Enhance the learning experience
- ♦ Improve the level of passes in the CXC CSEC exam

The project began with 150 educational institutions, but has been increased to 203 educational institutions, as follows

- ♦ 166 public high schools
- ♦ 6 public special schools
- ♦ 10 teachers colleges
- ♦ 16 independent high school
- ♦ 5 community colleges (*audio-visual equipment only*)

The project covers

- ♦ Grades 7-11
- ♦ 11 subjects (*English, Maths, Chemistry, Biology, Information Technology, Spanish, Building Technology, Social Studies, Integrated Science, Physics, Geography*)
- ♦ Over 11,400 teachers and lecturers
- ♦ Over 260,000 students per year

2. Project Components

Component 1 - Instructional Materials

Acquisition / Development of a comprehensive set of standard ICT-based instructional materials for teachers and students in 11 subject areas:

- i. Teachers Instructional Materials (TIMs)
- ii. Student's Instructional Materials (SIMs)
- iii. Interactive Educational Software to improve literacy and numeracy
- iv. Item Bank (25,000 questions, multiple choice and extended questions)
- v. Video-taped Lecture Series (for 'challenging' topics)

Media

- | | |
|-----------------------------------|------------------------------|
| ♦ Exciting Text | ♦ Database resources |
| ♦ CD-ROMs | ♦ Interactive Software |
| ♦ DVDs | ♦ Video/Tele Conferencing |
| ♦ Power Point Presentations | ♦ On-line lessons, tutorials |
| ♦ Video-taped lectures | ♦ Chat rooms |
| ♦ Cable TV, 1 channel per subject | ♦ Links to other resources |



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Development Methodology

- ◆ International Standards
- ◆ Best Practices
- ◆ Expertise in instructional design
- ◆ Expertise in writing instructional material
- ◆ Expertise in writing items
- ◆ Knowledge of the technology and how it can be integrated
- ◆ Supervision
- ◆ Quality Assurance

Component 2 - Technology Infrastructure for Storage / Dissemination / Access

- i. Provision of ICT equipment and related software to schools, including computer networks connecting the remedial lab, library, staff rooms, grades 10&11 classrooms; multimedia equipment,
- ii. Establishment of a **Central Repository for Educational Materials (CREM)** at the MOE to store, reproduce, continuously update, and distribute materials, and to include a web-based repository accessible over the broad-band network
- iii. Upgrade of the Education Management Information System (EMIS) at the MOE to enhance management and administrative capability
- iv. Broad Band Internet Access (**provided by UAF Co. Ltd/USF**)

The technology deployment strategy is intended to directly impact:

- Teacher Planning and Organization Capability/Research Capability
- Subject Matter Delivery to include student interaction, group work, individual work, whole-class delivery
- Student Assessment / Immediate feedback
- Student Self-help
- School Administration
- Individual interactive learning – Remedial

The following were supplied in order to achieve the above objectives:

- Remedial/enrichment labs (desktops)
- Presentation kits for teachers in Grade 10&11 classrooms (laptop, multimedia projector and screen)
- Group type lab (mobile laptop kits)
- Computers for library, resource room (desktops/laptops)
- Computers for staff room (desk tops/laptops)
- Network connectivity and presentation bundles for grades 10 & 11
- Audio-visual equipment (multimedia projectors, document cameras, digital cameras, interactive white boards, televisions)

The average allocation of equipment per school is as follows, with the independent schools being regarded as half schools, due to their smaller size:

• Servers	1	• Scanners	2
• Desktops	56	• Digital Cameras	2
• Laptops	24	• Televisions	2
• Printers	3	• DVD/CD Players	3
• Multimedia projectors		• VCR Players	2
• & Screens	5	• Netbooks on carts	10
• Document Cameras	4	• Interactive whiteboards	2

Component 3 - Teacher Training

- i. Principals' Awareness and Orientation
- ii. Training of Teachers and Subject Tutors in Teachers Colleges in 3 phases
- iii. Modern methodologies for delivery, change management
- iv. Training and Certification in ICT skills (to international standards)
- v. Integration of ICT into the teaching/learning process (certification to ISTE standards)
- vi. Training of select group of lecturers to Masters level to ensure sustainability of the training intervention

Training Methodology

- ♦ 1 & 2 day Orientation Workshops
- ♦ Evening and Weekend Classes
- ♦ Mixed Mode - Face-to-face and distance
- ♦ Modules On-line and on CD
- ♦ Video Conferencing
- ♦ 1&1 Onsite and group reinforcement
- ♦ Onsite Evaluation

Component 4 - Remedial Support

Collaborating with existing remedial interventions providing ICT-based materials and equipment and training of tutors and support personnel

Component 5 - Continuous Assessment

Introduction of standard examinations across the system at grades 7, 8 & 9 (Grade 11 CSEC and Grade 10 CCSC tests already in place)

Project Evaluation

- i. Baseline Surveys
- ii. Programme / Project Implementation Evaluation
- iii. Impact Assessments

Methodology

- ♦ Desk Reviews
- ♦ Formative surveys - questionnaires, interviews, review of school reports
- ♦ Summative surveys - questionnaires, interviews, review of school reports
- ♦ Examination Results
- ♦ Attitude Surveys
- ♦ Skills Surveys etc

3. CHALLENGES AND MITIGATION STRATEGIES FROM INCEPTION TO MARCH 2015

The project was planned to be implemented in 3 phases:

- i. Phase 1 – Pilot project - September 2006-August 2007
- ii. Phase 2 - September 2007-August 2008
- iii. Phase 3 - September 2008-August 2009

The following outlines some of the challenges experienced to March 2013 and some of the major strategies put in place to overcome these challenges.

3.1 *Challenges to March 2015*

- i. Delays in procurement because of a protest from the bidder on the major equipment contract, delaying the pilot project by 12 months
- ii. Protracted time to arrive at agreement on the philosophical framework to govern the deployment of materials and computer technology in the school.
- iii. Unforeseen delays in finalizing the scope of work with the supplier of the computer equipment and networks due to the changed deployment strategy.
- iv. The need to reinstitute the Partners in Learning Agreement (PIL) between the Ministry of Education and Microsoft, in order to obtain budgeted rates for Schools Microsoft software licenses for the schools, further delaying the start-up of manufacture of the computers.
- v. Inordinate delays in the rate of completion of building works at the schools during the pilot of the project, initially due to pressure of work and other priorities of the MOE Building Officers.
- vi. Inability of the MOE to fund the building and electrical works in the schools after the pilot schools were completed thus affecting the rate of completion of computer network installations in the remaining 150 institutions.
- vii. Steep learning curve for local contractors to produce video lessons. However, this was deemed to be necessary in order to build capacity in Jamaica.
- viii. Lack of clarity as to whether the then UAF mandate supported the provision of certain technologies, such as interactive whiteboards, as well as teacher training, resulting in inordinate delays in submission of procurement requests for approvals.
- ix. Considerable delay in the production of teachers and students instructional materials as well as video lectures as extra care was taken in ensuring the integrity of the process and the usefulness of the materials produced.
- x. Faulty UPS units supplied by the contractor hampering the efficient running of the school network.
- xi. Less than due care being taken by some schools in securing and tracking equipment resulting in substantial losses being reported during the inventory audits undertaken in 2011 and 2012.

- xii. Inordinate delays in some procurement processes, exacerbated by the movement between Ministries (3 in the 2011)
- xiii. The need to redo the tender process for both the fixed and mobile interactive white boards as well as the tablet acquisition.
- xiv. The inordinate delays in establishing the CREM initially scheduled for completion in July 2010, due to the lack of adequate building infrastructure and management resource at the MOE and the high cost associated with relocating temporarily to Fiscal Services Limited (eGov Jamaica Limited).
- xv. The removal of tax waiver status from e-LJam and MOE, requiring payment of GCT that was not planned for and requiring the use of purchase orders from the schools for import of the tablets. The ownership of these tablets is being reviewed by the Attorney General

3.2. Mitigation Strategies to March 2015

- i. Towards the end of 2007, the decision was taken to fast-track various aspects of the project. By February 2008, audio-visual equipment was delivered to all schools, except for the 5 newly joined community colleges. This included multimedia projectors and screens, document cameras, video cameras, scanners, television, DVD /CD combos.
- ii. The MOE assigned dedicated Building Officers to the project in March 2008 and strategies were put in place to complete computer and network installation in the pilot schools by end June 2008 and in all 180 schools by August 2009 as had been originally planned. These strategies included:
 - ♦ Identification and fast tracking of schools only requiring electrical works and very little civil works (50 identified as at March 2008).
 - ♦ Focus on completing the schools needing civil works (approx. 35) in regions 1& 6 (where the pilot schools were) and to increase phase 2 schools by 10, moving this to 85.
 - ♦ Maintaining an installation completion rate of 36 schools per quarter.
- iii. However, given the lack of funding from MOE, focus had to be shifted to encouraging the remaining 150 schools to carry out the building and electrical works on their own. By June 2008, 140 schools had indicated how and when they would be able to complete the required infrastructure. As a result, the project was able to maintain and at some times exceed the installation rate, and was able to meet the original completion date of August 2009, for the computer installations and audio-visual equipment.
- iv. In December 2008, MOE undertook to fund the Electrical Consultant to inspect and sign off on the electrical work done by the schools, particularly those with faulty UPS units. This was completed by September 2009.
- v. Faulty UPS units were replaced or repaired satisfactorily by the supplier during 2010 to 2011. However, it is still necessary that the Electrical Consultant be hired to inspect the remaining schools, especially where there are indications that faulty grounding and

- inadequate transformers may have contributed to the demise of some UPS units
- vi. Regular sessions were held with Principals and Bursars, to underscore their responsibility with respect to securing and safeguarding the use of the equipment, resulting in replacement of equipment by some schools
 - vii. Regular meetings with Principals and SEIMCs, established in all schools and colleges to oversee the implementation of the project and ensure buy-in/ownership.
 - viii. Computer locks were sourced and delivered to the schools during 2011 to further assist in safe-guarding the equipment
 - ix. In early 2012, the decision was taken to identify alternate hosting services to the MOE for the Central Repository from the MOE
 - x. Visits to schools by the Implementation Officers hired to work closely with and monitor implementation of project in schools.
 - xi. Quarterly reporting by the schools as outlined in the signed MOU.
 - xii. Materials Subject Advisory Groups (SAG), including MOE subject experts, continued to review the materials to assure quality and maintenance of standards.
 - xiii. Materials Workshops held with subject teachers by the Subject Coordinators to ensure full understanding of all the content provided.
 - xiv. Full implementation of the Education Technology functions at the Teachers Colleges, responsible for ongoing training in the colleges and related schools.
 - xv. Local providers developing expertise in providing technology solutions to Jamaica's schools – HEART Trust/NTA and Mico University College (Teacher Training), UWI/JBTE and UTECH (Teacher and Student materials), CPT/ ZED/ Maykela/Orange Valley.

3.3 Some Lessons Learned

- i. The importance of collaboration / involvement of stakeholders, schools, MOE, funders, to create buy-in and ownership and provide the necessary policy guidance. The involvement of the MOE through a Memorandum of Understanding is yielding benefits of access to the experience of the Ministry's technical staff. The School Committees will ensure the timely involvement and accountability of the school leadership.
- ii. The need for continuous research and refinement and flexibility—nothing cast in stone – especially in the pilot phase, it is desirable to have the will to try out new approaches and have the capacity to act without fear of failure.
- iii. The need to use existing materials, methodologies, know-how to get materials into the schools in the short-term – need not invent the wheel – this will also allow evaluation of the interaction of teachers and students with the electronic and print resources – in general, it is a strategic goal of the project to own materials for open adaptation and dissemination.

- iv. The need to maintain focus on learning rather than technology. There is a concern that schools may be more interested in the capital acquisition than in the pursuit of project goals and objectives.
- v. The need to estimate more realistic timeframes for all activities.
- vi. The need for strategy to maintain interest – e.g. in Item writing.
- vii. The need for strategy to minimize procurement delays.
- viii. The need for experts to be allowed the time to devote to providing critical input – standards, reviews, research, building contractor approvals etc.
- ix. The need to ensure that a mechanism exists to ensure full integration of the interventions into the life of the schools.
- x. The need to ensure a significant period for assimilation, reinforcement and practice in the schools after implementation of the technology prior to the ending of the project.

3.5 Impact of the Project

As far back as 2011, anecdotal evidence and research¹ existed to support the view that this innovative project had already begun to revolutionize every aspect of the school system – teaching, learning, administration, and impact on communities and national development in the following ways:

- i. Students' quest for knowledge encouraged, increased interest in education
- ii. Teaching/learning process more exciting, especially for students who learn 'differently' or are disabled
- iii. Improved attendance at school
- iv. Significant impact on the quality, completion and timeliness of preparation of School-Based Assessments for the CXC CSEC exam
- v. Accelerated Electronic Document Preparation and Management (EDPM) due to additional resources
- vi. Increased participation of parents thru Cable TV broadcasts(PBCJ), Internet
- vii. Creation of local expertise in development of digital material and other technology-driven industries, with the possibility of exporting these services (development undertaken by local teachers and lecturers guided by UWI and UTECH)
- viii. Greater appetite for internet and data-driven services \ Increased demand for affordable computers for teachers and students
- ix. Project sought as case study for doctoral dissertations and possible replication regionally

Further, analysis of the CXC CSEC results in the 11 subjects addressed by the project shows that all subjects had higher performance in 2013 than 2005 with year on year gains in the main except for English in 2012, which seems to have been as a result of the changed syllabus. In addition, assessments at 7th and 9th grade for English and Mathematics indicate that potential for success is at least 50% greater than the highest CSEC results might suggest.

¹ Daily Gleaner March 14 2011, 'e-Learning sends grades skyrocketing' by Karen Sudu, Gleaner Writer
PhD thesis by Christine Laing, dd 2012-13 entitled "Towards a Framework for National E-Learning Implementation: A Jamaican Case Study"



The final study on the project will determine whether the following expected impact can be rightfully claimed:

- i. Majority of students utilising the content provided to improve their knowledge of the subjects covered
- ii. Majority of teachers utilizing the materials and technology in instructional delivery
- iii. Students with learning disabilities have improved access to learning
- iv. Increased participation of parents through Cable TV, broadcasts, Internet
- v. Even greater demand for internet and data-driven services and affordable computers for teachers and students
- vi. Allow e-LJam resources to be channelled into other interventions furthering the effort to leverage technology for national growth

APPENDIX 3

THE TABLET IN SCHOOLS PILOT PROJECT

1. Scope of TIS Pilot Project

The project is being implemented in:

- **38 educational institutions -**
 - 6 pre-primary schools,
 - 13 primary schools
 - 5 all age and junior schools,
 - 12 high schools
 - 1 special school and
 - 1 teachers college
- **29 community learning centres**
 - 15 Community Access Points
 - 14 Jamaican Foundation for Lifelong Learning Centres
- **covering**
 - approx. 24,000 Students
 - 1,200 Teachers
 - 142 Facilitators

2. The Technology Deployment Strategy will provide:

- i. Internet access provided by USF and telecom companies.
- ii. One tablet device per registered student in the selected schools, appropriately sized and configured to allow access to online e-learning content and pre-loaded with content and applications related to the learning objectives of the grade level of the student, and to enable tracking of the device if stolen or misplaced.
- iii. One tablet/computer device per teacher appropriately sized and configured to facilitate the integration of technology into instructional delivery.
- iv. A range of e-learning computer and multimedia devices provided to pre-primary and primary schools, to include mobile laptop kits, desktops, bank of tablets, interactive white-boards/projectors, scanners, printers and other technological devices to support teaching and learning.

3. Components of the TIS Pilot Project

- **Project Set-Up**
- **Provision of Tablets and Broadband connectivity**
- **Technology Infrastructure to pre-primary and primary schools**
- **Content Management and Delivery**
- **Teacher and Facilitator Training**
- **Implementation Support**
- **Project Monitoring and Evaluation**
- **Outreach and Public Education**

4. CHALLENGES AND MITIGATION STRATEGIES FROM INCEPTION TO MARCH 2015

4.1 Challenges to March 2015

- i. Delays in the delivery of the tablet devices in particular where delivery was halted where cases were found to be faulty and a device management system was breached very early on by a student
- ii. Several breaches of the security strategies, requiring multiple upgrades of the device management systems on the tablets
- iii. Delays in the provision of adequate internet connectivity affecting the installation of content on the tablets and the extent to which teachers and students have been able to access the content. Dongles were purchased to assist in this regard but did not prove very effective
- iv. Inability of the schools to properly carry out their role in the management of tablet repairs requiring

4.2 Mitigation Strategies to March 2015

- i. Regular meetings with Principals and Technology Management Teams (TMTs), established in the TIS Pilot schools to oversee the implementation of the project and ensure buy-in/ownership.
- ii. Visits to schools by the Implementation Officers hired to work closely with and monitor implementation of the project in the schools
- iii. Hiring of implementation assistants to carry out the tasks expected to be completed by the schools
- iv. Quarterly reporting by the schools as outlined in the signed MOU
- v. Establishment of a content reviewing process by the MOE to allow additional applications located by teachers while assuring quality and maintenance of standards

II DIRECTORS AND SENIOR EXECUTIVES COMPENSATION 2014-2015

Appendix 1

DIRECTORS COMPENSATION

2014/2015

Position of Director	Fees (\$)	Motor Vehicle Upkeep/Traveling or Value of Assigned Motor Vehicle (\$)	Honoraria (\$)	All Other Compensation including Non-Cash Benefits as applicable (\$)	Total (\$)
CHAIRMAN	162,500.00				162,500.00
DIRECTOR 1	75,000.00				75,000.00
DIRECTOR 2	37,500.00				37,500.00
DIRECTOR 3	37,500.00				37,500.00
DIRECTOR 4	90,000.00				90,000.00



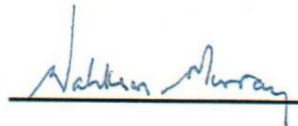
DIRECTOR 5	60,000.00				60,000.00
DIRECTOR 6	67,500.00				67,500.00
DIRECTOR 7	60,000.00				60,000.00
DIRECTOR 8	90,000.00				90,000.00
DIRECTOR 9	52,500.00				52,500.00
DIRECTOR 10	15,000.00				15,000.00
DIRECTOR 11	60,000.00				60,000.00

DIRECTOR 12	22,500.00	22,500.00
DIRECTOR 13	37,500.00	37,500.00
TOTAL		867,500.00

Notes

1. Where a non-cash benefit is received (e.g. government housing), the value of that benefit shall be quantified and stated in the appropriate column above.

CERTIFIED BY: WAHKEEN MURRAY

A handwritten signature in blue ink, appearing to read 'Wahkeen Murray', written over a horizontal line.

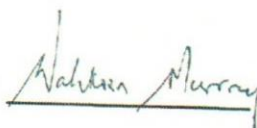
SENIOR EXECUTIVE COMPENSATION

Position of Senior Executive	Year	Salary (\$)	Gratuity of Performance Incentive (\$)	Motor Vehicle Upkeep/Travelling or Value of Assigned Motor Vehicle (\$)	Pension or Other Retirement Benefits (\$)	Other Allowances (\$) Mileage	Non-cash Benefits	Total (\$)
CEO	2014/15	4,429,800	1,107,450.00	796,500		7,620.00		6,341,370.00
Finance & Admin Manager	2014/15	2,953,200	738,300.00	796,500		173,965.60		4,661,965.60
Education Specialist	2014/15	3,433,095	858,273.75	420,000		55,434.40		4,766,803.15
Training Consultant	2014/15	2,191,360	547,840.00	420,000		176,160.00		3,335,360.00
Snr ICT Specialist	2014/15	3,433,095	858,273.75	420,000		186,997.40		4,898,366.15

Notes:

1. Where contractual obligations and allowances are stated in a foreign currency, the sum in that stated currency must be clearly provided and not the Jamaican equivalent.
2. Other allowances (including laundry, entertainment, housing, utility, etc)
3. Where a non-cash benefit is received (e.g government, housing), the value of that benefit shall be quantified and stated in the appropriate column above.

CERTIFIED BY: WAHKEEN MURRAY



COMPANY SECRETARY

III AUDITED FINANCIAL STATEMENTS TO MARCH 2015



e-LEARNING JAMAICA COMPANY LIMITED

YEAR ENDED MARCH 31, 2015

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Statement of Changes in Equity

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ADDITIONAL INFORMATION

Report - to the directors

Administrative Expenses

Project Expenses

**Chartered Accountants**

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INDEPENDENT AUDITORS' REPORT

To the members of

e-LEARNING JAMAICA COMPANY LIMITED

Report on the financial statements

We have audited the financial statements of e-Learning Jamaica Company Limited (the Company) set out on Pages 2 to 28, which comprise the statement of financial position as at March 31, 2015, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards and the requirements of the Companies Act, 2004 of Jamaica and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement in the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Partners: Fagan E. Calvert, Audley L. Gordon

CalvertGordon Associates

Report on the financial statements (Cont'd)

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at March 31, 2015, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Report on additional requirements of the Companies Act, 2004 of Jamaica

We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

In our opinion, proper accounting records have been maintained and the financial statements are in agreement therewith and give the information required in the manner so required.

CalvertGordon Associates

Chartered Accountants

Kingston, Jamaica
November 18, 2015

e-LEARNING JAMAICA COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2015

	Notes	2015 \$'000	2014 \$'000
ASSETS			
Non-current assets			
Property and equipment	5	15,612	14,521
Intangible assets	6	646	667
Total non-current assets		16,258	15,188
Current assets			
Receivables and prepayments	7	253,663	132,852
Resale agreements	8	69,227	64,344
Taxation recoverable		861	782
Cash and bank	9	219,765	137,211
Total current assets		543,516	335,189
Total assets		559,774	350,377
EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	10	-	-
Accumulated surplus		39,543	54,418
Total shareholders' equity		39,543	54,418
Non-current liabilities			
Tablets in Schools Pilot Project fund	11	62,657	98,603
e-Learning Jamaica Project fund (high schools)	12(c)	36,684	56,071
Total non-current liabilities		99,341	154,674
Current liabilities			
Payables and accruals	13	420,890	141,285
Total current liabilities		420,890	141,285
Total equity and liabilities		559,774	350,377

The financial statements on Pages 2 to 28 were approved and authorised for issue by the Board of Directors on November 18, 2015 and are signed on its behalf by:


Yvonne McCalla Sobers
Chairman, Board of Directors


Trevor H Francis
Chairman, Audit Committee

e-LEARNING JAMAICA COMPANY LIMITED
STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED MARCH 31, 2015

	<u>Notes</u>	<u>2015</u> \$'000	<u>2014</u> \$'000
Income			
Government grants:			
Operating income	14	63,199	78,205
Tablets in Schools Pilot Project	11,14	1,107,189	143,253
e-Learning Jamaica Project (High Schools)	12(c), 14	<u>469,339</u>	<u>134,517</u>
Total grants		1,639,727	355,975
Other income		<u>1,138</u>	<u>78</u>
		<u>1,640,865</u>	<u>356,053</u>
Expenses			
Tablets in Schools Pilot Project	11,20(iii)	(1,143,135)	(44,650)
e-Learning Jamaica project (High Schools) expenses	11,20(ii)	(468,726)	(299,168)
Loss on foreign exchange		(1,036)	(2,556)
Administrative and general expenses		(70,708)	(73,280)
Promotion and public education		(4,467)	(12,393)
Other operating expenses		<u>(3,001)</u>	<u>(2,058)</u>
		<u>(1,711,073)</u>	<u>(434,105)</u>
Deficit for the year before transfers	15	<u>(70,208)</u>	<u>(78,052)</u>
Deficit (Surplus) attributable to Tablets in Schools Pilot Project	11	35,946	(98,603)
Deficit attributable to e-Learning Jamaica Project (High Schools)	12(c)	<u>19,387</u>	<u>164,651</u>
LOSS FOR THE YEAR AND TOTAL COMPREHENSIVE INCOME		<u>(14,875)</u>	<u>(12,004)</u>

e-LEARNING JAMAICA COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY

YEAR ENDED MARCH 31, 2015

	Share Capital \$'000	Accumulated Surplus (Deficit) \$'000	Total \$'000
Balance at March 31, 2013	-	66,422	66,422
Total comprehensive loss for the year	-	(12,004)	(12,004)
Balance at March 31, 2014	-	54,418	54,418
Total comprehensive loss for the year	-	(14,875)	(14,875)
Balance at March 31, 2015	-	39,543	39,543

The Notes on Pages 6 to 28 form an integral part of the Financial Statements.



e-LEARNING JAMAICA COMPANY LIMITED
STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31, 2015

	<u>Notes</u>	<u>2015</u> \$'000	<u>2014</u> \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Deficit for the year		(14,875)	(12,004)
(Deficit) Surplus from Tablets in Schools Pilot Project Fund	11	(35,946)	98,603
Deficit in e-Learning Jamaica Project Fund (High Schools)	12(c)	(19,387)	(164,651)
Adjustments for:			
Depreciation	5	2,980	2,037
Amortisation	6	21	21
Net foreign exchange loss		1,036	2,556
Interest income	17	(5,250)	(4,557)
		(71,421)	(77,995)
Movements in working capital			
Increase in receivables and prepayments		(120,811)	(132,190)
Increase in payables and accruals		<u>278,569</u>	<u>2,554</u>
Net cash provided by (used in) operations		<u>86,337</u>	<u>(207,631)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of equipment	5	(4,071)	(8,630)
Increase in resale agreement		(4,367)	(5,501)
Interest received (net of withholding tax)		<u>4,655</u>	<u>5,682</u>
Net cash used in investing activities		<u>(3,783)</u>	<u>(8,449)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		82,554	(216,080)
OPENING CASH AND CASH EQUIVALENTS		<u>137,211</u>	<u>353,291</u>
CLOSING CASH AND CASH EQUIVALENTS	9	<u>219,765</u>	<u>137,211</u>



e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2015

1 IDENTIFICATION

e-Learning Jamaica Company Limited is a Government Agency, and is a limited liability company, which was incorporated under the Laws of Jamaica on July 6, 2005. The only shareholder of the Company is the Accountant-General of Jamaica, a Corporation Sole, who owns 100% of the issued shares. The Company is domiciled in Jamaica with registered offices located at the PCJ Building, 36 Trafalgar Road, Kingston 10, Jamaica.

The main activities of the Company include the management and implementation on behalf of the Government of Jamaica (GOJ) of:

- (i) The e-Learning Jamaica Project (high schools) designed to improve the quality of education throughout the school system, through the use of information and communication technology.
- (ii) The Tablets in Schools Project, designed to encourage the use of tablet devices in schools to increase learning opportunities for students.

The Company is funded principally by grants from the GOJ's Universal Service Fund (USF) and Consolidated Fund.

Except where otherwise stated, these financial statements are expressed in Jamaican Dollars.

2 ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

Standards and Disclosures affecting amounts reported in the current period (and/or prior periods)

There were no Standards and Interpretations that were applied in the year that affected the presentation and disclosures or the reporting results in these financial statements.

Standards and Interpretations affecting the reported financial performance and/or financial position

There were no Standards and Interpretations that were applicable in the year that affected reported financial performance and/or financial position.

2.1 *Standards and Interpretations adopted with no effect on financial statements*

The following new and revised Standards and Interpretations have been adopted in these financial statements. Their adoption has not had any impact on the amounts reported in these financial statements but may impact the accounting for future transactions or arrangements.

		Effective for annual period beginning on or after
IAS 32 (Revised)	Financial Instruments:	
	- Amendments to application guidance on the offsetting of financial assets and financial liabilities	January 1, 2014
IAS 36	Impairment of Financial Assets	
	- Amendments to application guidance for disclosure of the recoverable amount for non-financial assets	January 1, 2014
IAS 39	Financial Instruments: Recognition and Measurement	
	- Amendments clarifying continuation of hedge if accounting a hedging derivative is novated	January 1, 2014
IFRS 1	First-time Adoption of International Financial Reporting Standards	
	- Amendment for Government loan with a below-market rate of interest when transitioning to IFRS	July 1, 2013
IFRS 10, 12 and IAS 27	Consolidated Financial Statements, Disclosure of Interests in Other Entities, and Separate Financial Statements	
	- Amendments for investment entities	January 1, 2014
IFRIC 21	Leases	January 1, 2014

e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2015

2 ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (Cont'd)

2.2 Standards and interpretations in issue not yet effective

At the date of authorisation of these financial statements, the following Standards and Interpretations were in issue but not effective for the financial period being reported on:

		Effective for annual period beginning on or after
<u>New and Revised Standards</u>		
IAS 1	Disclosure Initiative (Amendments to IAS 1)	January 1, 2016
IAS 28, IFRS 10 and 12	Amendment to Investment Entities: Applying the Consolidation Exception	January 1, 2016
IAS 27	Amends IAS 27: Equity Method in Separate Financial Statements	January 1, 2016
IAS 28 and IFRS 10	Amendments to clarify the treatment of the sale or contribution of assets from an investor to its associates or Joint Venture	January 1, 2016
IAS 16, 24, and 38	Amendments arising from 2010 – 2012 Annual Improvements to IFRS	July 1, 2014
IAS 40, IFRS 1, 3 and 13	Amendments arising from 2011 – 2013 Annual Improvements to IFRS	July 1, 2014
IAS 9 and 34 and IFRS 5 and 7	Amendments arising from 2012 – 2014 Annual Improvements to IFRS	July 1, 2016
IAS 16 and 38	Amendments to clarify acceptable methods of depreciation and amortisation	January 1, 2016
IAS 16 and 41	Amendments to introduce the definition of and include 'bearer plants' within the scope of IAS 16	January 1, 2016
IAS 19	Employee Benefits - Amendments for employee or third parties contributions under defined benefit plans	July 1, 2014
IFRS 7 (Revised)	Financial Instruments: Disclosures - Amendments requiring disclosures about the initial application of IFRS 9	January 1, 2015 (or otherwise when IFRS 9 is first appli
IFRS 9	Financial Instruments - Classification and Measurement of financial assets	January 1, 2015
IFRS 9	Financial Instruments (2014): Finalised version of IFRS 9 which contains Accounting Requirements for Financial Instruments replacing IAS 39	January 1, 2018
IFRS 11	Accounting for Acquisitions on Interest in Joint Operations (Amendment to IFRS 11)	January 1, 2016
IFRS 14	Regulatory Deferral Accounts	January 1, 2016
IFRS 15	Revenue from Contracts with Customers	January 1, 2017



e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2015

2 ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (Cont'd)

2.2 *Standards and interpretations in issue not yet effective (Cont'd)*

New and Revised Standards and Interpretations in issue not yet effective that are relevant

The Board of Directors and management have assessed the impact of all the new and revised Standards and Interpretations in issue not yet effective and have concluded that the following are relevant to the operations of the Company:

- The amendments to *IFRS 7, Disclosures - Transfers of Financial Assets* increase the disclosure requirements for transactions involving transfers of financial assets. These amendments are intended to provide greater transparency around risk exposures when a financial asset is transferred but the transferor retains some level of continuing exposure in the asset. The amendments also require disclosures where transfers of financial assets are not evenly distributed throughout the period.

The Company does not anticipate that these amendments to IFRS 7 will have any effect on the disclosures in the financial statements.

- *IFRS 9 Financial Instruments*

IFRS 9, issued in November 2009, introduced new requirements for the classification and measurement of financial assets. IFRS 9 was amended in October 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition.

Key requirements of IFRS 9:

- All recognised financial assets that are within the scope of *IAS 39 Financial Instruments: Recognition and Measurement* are to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods.
- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires that the amount of change in the fair value of the financial liability, that is attributable to changes in the credit risk of that liability, is presented in other comprehensive income, unless the recognition of the effects of change in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to surplus or deficit. Previously, under IAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in surplus or deficit.

The directors and management anticipate that IFRS 9 will be adopted in the Company's financial statements for the annual period beginning May 1, 2015 and that the application of IFRS 9 will not impact the amounts reported in respect of the Company's financial assets and liabilities.

IFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The Standard defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. The scope of IFRS 13 is broad; it applies to both financial instrument items and non-financial instrument items for which other IFRSs require or permit fair value measurements and disclosures about fair value measurements, except in specified circumstances. In general, the disclosure requirements in IFRS 13 are more extensive than those required in the current standards. For example, quantitative and qualitative disclosures based on the three-level fair value hierarchy currently required for financial instruments only under *IFRS 7 Financial Instruments: Disclosures* will be extended by IFRS 13 to cover all assets and liabilities within its scope.

Based on the nature of the operations of the company, management does not anticipate any significant impact on the Company's financial statements upon the adoption of this Standard.

e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2015

3 SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The Company's financial statements have been prepared in accordance and comply with International Financial Reporting Standards (IFRS) and with the requirements of the Companies Act, 2004 of Jamaica.

Basis of preparation

The financial statements have been prepared under the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

The principal accounting policies are set out below and have been consistently applied.

Furniture and equipment

All furniture and equipment held for use, for administrative purposes, are stated in the statement of financial position at historical cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values, over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation methods are reviewed at each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of furniture and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on the disposal or retirement of an item of furniture and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in surplus or deficit for the year.

No depreciation is charged on furniture, computers and equipment acquired for schools participating in the e-Learning project.

Impairment of tangible assets

At the end of each reporting period, the entity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than the carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment losses are recognised immediately in surplus or deficit.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in surplus or deficit.

e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2015

3 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments

Financial instruments include transactions that give rise to both financial assets and financial liabilities.

Financial assets of the Company include any asset that is:

- (a) cash;
- (b) an equity instrument of another entity;
- (c) a contractual right:
 - (i) to receive cash or another financial asset from another entity; or
 - (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the Company.

Financial liabilities of the Company include any liability that is a contractual obligation:

- (i) to deliver cash or another financial asset to another entity; or
- (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company.

Financial assets and liabilities are recognised on the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transactions costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

The fair values of financial instruments are discussed in Note 22. Listed below are the Company's financial assets and liabilities and the specific accounting policies relating to each.

Financial assets

Financial assets are recognised and derecognised on trade date where the purchase or sale of the instrument is under a contract whose terms require delivery of the instrument within the timeframe established by regulation or convention in the market place.

The Company's financial assets are classified as 'loans and receivables' with the classification being based on the nature and purpose of the financial asset and is determined at the time of initial recognition.

(a) Loans and receivables

These are non-derivative financial assets with fixed or determinable payments and are not quoted in an active market. Loans and receivables are measured at amortised cost using the effective interest method less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees or points paid or received that form an integral part of the effective interest rate, transaction costs and other premium or discounts) through the expected life of the financial assets, or where appropriate, a shorter period to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments.

The Company's portfolio of loans and receivables comprise receivables, resale agreements and cash at bank.

3 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**Financial instruments (Cont'd)****Financial assets (Cont'd)****(b) Resale agreements**

Securities purchased under agreements to resell them on a specified future date and at a specified price ("resale agreements") are accounted for as short-term collateralised lending classified as loans and receivables (see Note 3(a)) and the underlying asset is not recognised in the Company's financial statements.

The difference between the purchase price and the amount receivable on resale is recognised as interest income over the term of the agreement using the effective interest method. It is the policy of the Company to obtain possession of collateral with a market value equal to, or in excess of, the principal amount loaned and interest to be earned.

(c) Cash and cash equivalents

Cash comprises cash on hand and in banks. Cash equivalents are short-term highly liquid instruments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term commitments rather than for investments or other purposes.

(d) Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired where there is objective evidence that, as a result of one or more events that have occurred after initial recognition of the financial assets, the estimated future cash flows of the asset have been affected.

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

Objective evidence of impairment for a receivable includes the Company's past experience of collecting payments, an increase in the number of delayed payments past the average credit period of 90 days.

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate (See Effective interest method above).

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return of a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

For financial assets measured at amortised cost, if in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through surplus or deficit to the extent that the carrying amount of the financial assets at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.



e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2015

3 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Financial assets (Cont'd)

(e) Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in surplus or deficit.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified according to the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

These are classified as "other financial liabilities".

Financial liabilities are initially measured at fair value, net of transaction costs (where applicable). They are subsequently re-measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis except for short-term liabilities when the recognition of interest would be immaterial.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate transaction costs and other premiums and discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

The Company's financial liabilities comprise amounts due to e-Learning Jamaica Project Fund and payables.

(a) Related party balances and transactions

A party is related to the Company if:

- (i) directly, or indirectly through one or more intermediaries, the party:
 - controls, is controlled by, or is under common control with, the Company (this includes parent, subsidiaries and fellow subsidiaries);
 - has an interest in the entity that gives it significant influence over the Company; or
 - has joint control over the Company;
- (ii) the party is an associate of the Company;
- (iii) the party is a joint venture in which the Company is a venturer;
- (iv) the party is a member of the key management personnel of the Company or its parent;



e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2015

3 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Financial liabilities and equity instruments (Cont'd)

Financial liabilities (Cont'd)

(a) Related party balances and transactions (Cont'd)

- (v) the party is a close member of the family of any individual referred to in (i) or (iv);
- (vi) the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
- (vii) the party is a post-employment benefit plan for the benefit of employees of the Company, or of any entity that is a related party of the Company.

Related party transactions are recorded in accordance with the policies of the Company.

(b) Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in surplus or deficit.

Employee benefits

Leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. An accrual is made for the estimated liability for annual leave for services rendered by employees up to the end of the reporting period.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

Government Grants

Revenue in respect of Government Grants are recognised when received.

e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2015

3 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Revenue recognition (Cont'd)

Interest income

Interest revenue is recognised when it is probable that the economic benefit will flow to the Company and the amount of revenue can be measured reliably.

Interest income is accrued on a time basis by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Foreign currencies

The financial statements are presented in Jamaican dollars, the currency of the primary economic environment in which the Company operates (its functional currency).

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency, are recorded at the rates of exchange prevailing on the dates of those transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing when the fair value was determined. Non-monetary items that are measured in terms of historical costs in foreign currency are not retranslated.

Exchange differences are recognised in surplus or deficit in the period in which they arise.

4 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in Note 3, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Critical judgments in applying accounting policies

Management believes there are no judgements made that had a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainties

Management believes there were no key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.



e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2015

5 PROPERTY AND EQUIPMENT

	Leasehold Improvements \$'000	Furniture, Fixtures, and Equipment (Office) \$'000	Computers and Software (Office) \$'000	Totals \$'000
At cost				
April 1, 2013	966	10,494	9,990	21,450
Additions	-	2,311	6,319	8,630
Write-offs	-	(1,077)	-	(1,077)
March 31, 2014	966	11,728	16,309	29,003
Additions	-	393	3,678	4,071
Disposals	-	(28)	-	(28)
March 31, 2015	<u>966</u>	<u>12,093</u>	<u>19,987</u>	<u>33,046</u>
Depreciation				
April 1, 2013	(634)	(4,960)	(7,928)	(13,522)
Charge for year	(97)	(1,363)	(577)	(2,037)
Eliminated on write off	-	1,077	-	1,077
March 31, 2014	(731)	(5,246)	(8,505)	(14,482)
Charge for year	(96)	(1,157)	(1,727)	(2,980)
Eliminated on write off	-	28	-	28
March 31, 2015	<u>(827)</u>	<u>(6,375)</u>	<u>(10,232)</u>	<u>(17,434)</u>
Net Book Value				
March 31, 2015	<u>139</u>	<u>5,718</u>	<u>9,755</u>	<u>15,612</u>
March 31, 2014	<u>235</u>	<u>6,482</u>	<u>7,804</u>	<u>14,521</u>

The following useful lives are used in the calculation of depreciation:

Leasehold improvements	10 years
Furniture, fixtures, and equipment	10 years
Computers and software	5 years



e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2015

6 INTANGIBLE ASSETS – e-LEARNING JAMAICA PROJECT

The carrying amounts for intangible assets for the years included in these financial statements as at March 31, 2015 are reconciled as follows:

	<u>Jingle</u> \$'000	<u>Logo</u> \$'000	<u>Video</u> \$'000	<u>Total</u> \$'000
At cost				
Balance at April 1, 2014 and March 31, 2015	<u>630</u>	<u>200</u>	<u>560</u>	<u>1,390</u>
Accumulated amortization				
Balance at April 1, 2013	(107)	(35)	(560)	(702)
Charge for year	<u>(16)</u>	<u>(5)</u>	<u>-</u>	<u>(21)</u>
Balance at March 31, 2014	(123)	(40)	(560)	(723)
Charge for year	<u>(16)</u>	<u>(5)</u>	<u>-</u>	<u>(21)</u>
Balance at March 31, 2015	<u>(139)</u>	<u>(45)</u>	<u>(560)</u>	<u>(744)</u>
Carrying amount				
As at March 31, 2015	<u>491</u>	<u>155</u>	<u>-</u>	<u>646</u>
As at March 31, 2014	<u>507</u>	<u>160</u>	<u>-</u>	<u>667</u>

7 RECEIVABLES AND PREPAYMENTS

	<u>2015</u> \$'000	<u>2014</u> \$'000
Grant funds receivable – Universal Service Fund	251,337	130,000
Other receivable	42	-
Staff loans	1,380	403
Prepayment	<u>904</u>	<u>2,449</u>
	<u>253,663</u>	<u>132,852</u>

8 RESALE AGREEMENTS

	<u>2015</u> \$'000	<u>2014</u> \$'000
Government of Jamaica – 7.50% Benchmark Investment Note 2017	68,306	63,939
Interest receivable	<u>921</u>	<u>405</u>
	<u>69,227</u>	<u>64,344</u>

These securities mature within one to three months after year end with interest rates of 6.60% (2014: 7%) per annum.





e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2015

9 CASH AND CASH EQUIVALENTS

	Interest Rate <u>Per Annum</u> %	<u>2015</u> \$'000	<u>2014</u> \$'000
Cash and cash equivalents comprise:			
Bank of Nova Scotia Jamaica Limited:			
J\$ Current Account	-	217,775	26,319
US\$ Savings Account (US\$0.887 million (2014: US\$1.012 million))	0.20	1,979	110,885
Petty cash		<u>11</u>	<u>7</u>
		<u>219,765</u>	<u>137,211</u>

Included in the general funds of the Company are e-Learning Jamaica Project funds (High Schools) amounting to \$160.26 million (2014: \$15.894 million), Tablets in Schools Pilot Project funds amounting to \$Nil (2014: \$98.603 million).

10 SHARE CAPITAL

	<u>2015</u> \$'000	<u>2014</u> \$'000
Stated capital		
Issued and fully paid – April 1 and March 31*		
100 ordinary shares	<u>-</u>	<u>-</u>

* Because of rounding to the nearest thousand, the carrying value of ordinary shares in the amount of \$100 is not reflected.

The total authorised number of ordinary shares is 100 shares (2014: 100). The Company has one class of shares which carry no right to fixed income.

11 TABLETS IN SCHOOLS PILOT PROJECT FUND

The Tablets in School Pilot Project is being implemented by the Company on behalf of GOJ and is funded by the Universal Service Fund (Note 1). Funds received are used to finance approved project activities. Movement of the fund during the year is as follows:

(a)	<u>2015</u> \$'000	<u>2014</u> \$'000
Balance at the beginning of the year	<u>98,603</u>	<u>-</u>
Transactions during the year:		
Government grant received from Universal Service Fund	<u>1,107,189</u>	<u>143,253</u>
Other expenditure	(108,535)	(44,650)
Capital expenditure	<u>(1,034,600)</u>	<u>-</u>
Total Expenditure (Note 20 (iii))	<u>(1,143,135)</u>	<u>(44,650)</u>
Increase (Decrease) for the year	<u>(35,946)</u>	<u>98,603</u>
Balance at the end of the year	<u>62,657</u>	<u>98,603</u>

The fund balance is represented by cash at bank. (Note 9).





e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2015

11 TABLETS IN SCHOOLS PILOT PROJECT FUND (Cont'd)

(b) Tablets, software, content and equipment

	<u>2015</u>
	\$'000
At cost	
April 1	
Addition	1,034,600
Write-offs	(1,190)
Recoveries	<u>-</u>
	<u>1,033,410</u>

These represent items of tablets, software, content and equipment acquired by the Company from grants received from the Government of Jamaica (GOJ) Universal Service Fund (formerly the Universal Access Fund). These assets were distributed to various schools island wide participating in the e-Learning project.

12 E-LEARNING JAMAICA PROJECT FUND (High Schools)

(a) Computers, software, furniture, fixtures and equipment – Schools

	<u>2015</u>	<u>2014</u>
	\$'000	\$'000
At Cost:		
April 1	2,664,429	2,568,139
Addition	339,726	96,224
Write-offs	-	(1,509)
Recoveries	<u>-</u>	<u>1,575</u>
Cumulative as at March 31	<u>3,004,155</u>	<u>2,664,429</u>

These represent items of computers, software, furniture, fixtures and equipment acquired by the Company from grants received from the Government of Jamaica (GOJ) Universal Service Fund (formerly the Universal Access Fund) and Consolidated Fund. These assets were distributed to various schools island wide participating in the e-Learning project.

(b) Project expenses

The project has incurred expenditure other than for capital items included in (a) above as follows:

	<u>Instructional</u>	<u>Teacher</u>	<u>Continuous</u>	<u>Other</u>	<u>Totals</u>
	<u>Materials</u>	<u>Training</u>	<u>Assessment</u>	<u>\$'000</u>	<u>\$'000</u>
	\$'000	\$'000	\$'000	\$'000	\$'000
April 1, 2013	297,267	446,605	67,953	119,417	931,242
Expensed for the year	<u>136,324</u>	<u>10,054</u>	<u>17,904</u>	<u>38,662</u>	<u>202,944</u>
Cumulative as at March 31, 2014	433,591	456,659	85,857	158,079	1,134,186
Expensed for the year	<u>49,725</u>	<u>18,598</u>	<u>20,555</u>	<u>60,122</u>	<u>149,000</u>
Cumulative as at March 31, 2015	<u>483,316</u>	<u>475,257</u>	<u>106,412</u>	<u>218,201</u>	<u>1,263,186</u>

Included in Instructional Material is an amount of \$321.00 million (2014: \$305.54 million) relating to instructional manuals for teachers and students (TIMS and SIMS), video lecture series and item bank developed for eleven subject areas for which the copyright has been obtained.



e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2015

12 E-LEARNING JAMAICA PROJECT FUND (Cont'd)

(c) Project fund

	2015 \$'000	2014 \$'000
Balance at beginning of the year	56,071	220,722
Transactions for year:		
Government grant from Consolidated Fund	464,109	130,000
Interest income	5,230	4,517
	469,339	134,517
Expenditure	(149,000)	(202,944)
Capital expenditure	(339,726)	(96,224)
Total expenditure (Note 20 (ii))	(488,726)	(299,168)
Decrease for the year	(19,387)	(164,651)
Balance at end of the year	36,684	56,071
The Fund balance is represented by:		
	2015 \$'000	2014 \$'000
Intangible assets (Note 6)	646	667
Due from/(to) e-Learning Jamaica Company Limited	1,026	(24,834)
Resale Agreement (7.50% Benchmark Investment Note 2017) (Note 8)	69,227	64,344
Payables	(194,475)	-
Cash and cash equivalents (Note 9)	160,260	15,894
	36,684	56,071

The e-Learning Jamaica Project is being implemented by the Company on behalf of GOJ. (Note 1). Funds received are used to finance approved project activities. The amount of \$1.03 million (2014: \$24.834 million) due from the Company at the end of the reporting period represents funds received to finance foreign currency liabilities of the Company that were deposited to the Project's US\$ savings account as a hedge against foreign exchange rate fluctuation. The above fund balance is represented by cash at bank (Note 9).





e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2015

13 PAYABLES AND ACCRUALS

	<u>2015</u>	<u>2014</u>
	<u>\$'000</u>	<u>\$'000</u>
Foreign payables – e-Learning projects (Note 13 (i))	238,703	105,442
Local payables	7,650	8,762
Accruals	24,348	15,181
Staff costs	735	749
Statutory deductions	1,661	5,422
GCT payable	68,849	-
Retentions on contracts – e-Learning projects (US\$0.678 million (2014: US\$0.014) (Note 13 (ii)))	78,034	1,462
Performance bond (US\$0.038 million)	-	3,656
Bid security (US\$0.006 million)	<u>690</u>	<u>611</u>
Total	<u>420,690</u>	<u>141,265</u>

(i) Foreign payables comprise:

	<u>2015</u>	<u>2015</u>	<u>2014</u>	<u>2014</u>
	<u>US\$'000</u>	<u>JS\$'000</u>	<u>US\$'000</u>	<u>JS\$'000</u>
Supplier				
The Mico Foundation	303	34,818	358	39,226
Dell World Trade	1,063	122,299	90	9,861
Medianet	-	-	18	1,972
HEART NTA	6	686	6	657
Illuminat	-	-	166	18,188
JBTE Foundation	-	-	247	27,063
Other foreign payables	<u>703</u>	<u>80,900</u>	<u>77</u>	<u>8,475</u>
Total	<u>2,075</u>	<u>238,703</u>	<u>962</u>	<u>105,442</u>

(ii) Retentions on contracts represents amounts of ten per cent (10%) retained from contractors' fees billed to date for the defects liability period under their contracts.

14 GOVERNMENT GRANTS

This represents contributions received from the Government of Jamaica (GOJ) to finance capital and general operating expenses of the Company, and costs incurred in respect of projects the Company manages on behalf of GOJ. (Note 1).

15 SURPLUS (DEFICIT) FOR THE YEAR

The following are among the items charged in arriving at the surplus (deficit) for the year:

	<u>2015</u>	<u>2014</u>
	<u>\$'000</u>	<u>\$'000</u>
Directors' emoluments:		
Fees	868	907
Executive remuneration (Note 19)	24,004	23,719
Auditors' remuneration - current year	725	485
- prior year	80	264
Depreciation and amortisation	<u>3,001</u>	<u>2,058</u>





e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2015

16 OTHER INCOME

	<u>2015</u>	<u>2014</u>
	<u>\$'000</u>	<u>\$'000</u>
Interest income on staff loans	20	40
Other income	<u>1,118</u>	<u>38</u>
	<u>1,138</u>	<u>78</u>

17 FINANCE INCOME

	<u>2015</u>	<u>2014</u>
	<u>\$'000</u>	<u>\$'000</u>
Interest income from cash and cash equivalents	347	190
Interest income on financial assets carried at amortised cost	<u>4,903</u>	<u>4,367</u>
	<u>5,250</u>	<u>4,557</u>

18 TAXATION

There is no current tax charge as the Company is exempt from income tax under Section 12 (b) of the Income Tax Act.

19 RELATED PARTY TRANSACTIONS

Key management compensation is as follows:

	<u>2015</u>	<u>2014</u>
	<u>\$'000</u>	<u>\$'000</u>
Salaries and related expenses	16,441	16,441
Gratuity	4,110	4,110
Travelling	<u>3,453</u>	<u>3,168</u>
	<u>24,004</u>	<u>23,719</u>

20 EXPENSES BY NATURE

(i) Total administrative and other operating expenses:

	<u>2015</u>	<u>2014</u>
	<u>\$'000</u>	<u>\$'000</u>
Directors' fees	868	907
Rent, maintenance and parking fees	5,836	7,502
Auditors' remuneration - current year	725	485
- prior year	80	264
Employees benefits (See Note 21)	53,806	50,916
Other expenses	<u>9,393</u>	<u>13,206</u>
	70,708	73,280
Promotion and public education	4,467	12,393
Depreciation and amortisation	<u>3,001</u>	<u>2,058</u>
	<u>78,176</u>	<u>87,731</u>



e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2015

20 EXPENSES BY NATURE (Cont'd)

(ii) Total direct e-Learning Jamaica Project (High Schools) expenses:

	<u>2015</u>	<u>2014</u>
	\$'000	\$'000
Instructional materials	49,725	136,324
Teacher training	18,598	10,054
Technology infrastructure in schools	335,905	130,143
Project evaluation	5,616	-
Continuous assessment	20,555	17,904
Remedial	43,542	4,743
Subscription: Caribbean Knowledge Learning Network	14,785	-
	<u>488,726</u>	<u>299,168</u>

(iii) Total direct Tablets in Schools Pilot Project expenses:

	<u>2015</u>	<u>2014</u>
	\$'000	\$'000
Survey and implementation support	21,546	8,624
ICT teacher training	21,935	21,698
Integration training	1,955	304
Electricity grant	2,239	2,155
Staffing and administration costs	51,289	11,869
Content – Educational materials	103,393	-
Public relation costs	9,571	-
Provision of tablets	906,455	-
School equipment	24,752	-
	<u>1,143,135</u>	<u>44,650</u>

21 STAFF COSTS

The aggregate costs of employees were as follows:

	<u>2015</u>	<u>2014</u>
	\$'000	\$'000
Salaries and related expenses	42,825	41,724
Travelling and subsistence	7,347	6,812
Medical and other staff benefits	3,634	2,380
	<u>53,806</u>	<u>50,916</u>

e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2015

22 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 3 to the financial statements.

Categories of financial instruments

The following table sets out the financial instruments as at the end of the reporting period:

	<u>2015</u>	<u>2014</u>
	\$'000	\$'000
Financial Assets (at amortised cost)		
Current assets		
Resale agreement	69,227	64,344
Receivables (excluding prepayments)	252,759	130,403
Cash and bank	<u>219,765</u>	<u>137,211</u>
Total	<u>541,751</u>	<u>331,958</u>
Financial Liabilities (at amortised cost)		
Due to e-Learning Jamaica Project Fund	99,341	154,674
Payables	<u>325,812</u>	<u>141,285</u>
Total	<u>425,153</u>	<u>295,959</u>

Financial risk management policies and objectives

The Company's activities expose it to a variety of financial risks. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

The Company's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Company regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice.

The Board of Directors is ultimately responsible for the establishment and oversight of the Company's risk management framework. The Board provides principles for overall risk management, as well as policies covering specific areas, such as market risk (including foreign currency risk, interest rate risk, and other price

(a) Market risk

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market. Except in respect of foreign currencies, as disclosed in Note (22 (a) (i)) below the Company has no exposure to market risk.

There has been no change to the Company's exposure to market risks or the manner in which they are managed.

e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2015

22 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT (Cont'd)

Financial risk management policies and objectives (Cont'd)

(a) Market risk (Cont'd)

Exposures are measured using sensitivity analyses indicated below.

(i) Foreign exchange risk management

The Company undertakes certain transactions denominated in currencies other than the Jamaican dollar resulting in exposures to exchange rate fluctuations.

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Management consistently monitors the Company's exposure in this regard.

The following balances held in United States dollars are included in these financial statements at the end of the reporting period:

	<u>Assets</u>		<u>Liabilities</u>		<u>Net (Liabilities) Assets</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
JMD	1,979	110,885	(287,688)	(105,442)	(285,709)	5,443

Foreign currency sensitivity

The following table details the sensitivity to a 1% revaluation and 10% devaluation (2014: 1% revaluation and 15% devaluation) in the Jamaican dollar against the relevant foreign currencies. The rates above the are sensitivity rates used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates in the short term. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for the percentage change in foreign currency rates above.

If the Jamaican dollar strengthens by 1% or weakens by 10% (2014: strengthens by 1% or weakens by 15%) against the relevant foreign currency, surplus or deficit will decrease or increase by:

	<u>Revaluation</u>				<u>Devaluation</u>			
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	%	JS'000	%	JS'000	%	JS'000	%	JS'000
Surplus or deficit	+1	2,857	+1	2,433	-10	(28,571)	-15	(36,365)

The movements in sensitivity are mainly attributable to the exposure outstanding on bank balances and payables in the respective foreign currency at year end in the Company.

Management of foreign currency risk

Management manages its foreign exchange risk by ensuring that the net exposure in foreign assets and liabilities is kept to an acceptable level by monitoring currency positions.

e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2015

22 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT (Cont'd)

Financial risk management policies and objectives (Cont'd)

(a) Market risk (Cont'd)

(ii) Interest rate risk management

Interest rate risk is the potential that the value of a financial instrument will fluctuate due to changes in market interest rates as a result of cash flow or fair value interest rate risk. Financial instruments subject to fixed interest rates are exposed to fair value interest rate risk while those subject to floating interest rates are exposed to cash flow risk.

Included in the table are the Company's financial assets and financial liabilities at carrying amounts categorised by the earlier of contractual repricing or maturity date.

The following tables summarise the Company's exposure to interest rate risks:

	2015				Total \$'000
	Terms to Maturity				
	Within 1 Month	1 – 3 Months	3 – 12 Months	Non-interest Bearing	
	\$'000	\$'000	\$'000	\$'000	
Assets					
Receivables	-	-	1,380	251,379	252,759
Resale agreements	-	69,227	-	-	69,227
Cash and bank balances	<u>1,979</u>	<u>-</u>	<u>-</u>	<u>217,786</u>	<u>219,765</u>
Total assets	<u>1,979</u>	<u>69,227</u>	<u>1,380</u>	<u>469,165</u>	<u>541,751</u>
Due to e-Learning Jamaica Project Fund	-	-	-	(99,341)	(99,341)
Accounts payable	<u>-</u>	<u>-</u>	<u>-</u>	<u>(325,812)</u>	<u>(325,812)</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(425,153)</u>	<u>(425,153)</u>
Interest rate sensitivity gap	<u>1,979</u>	<u>69,227</u>	<u>1,380</u>	<u>44,012</u>	<u>116,598</u>
Cumulative gap	<u>1,979</u>	<u>71,206</u>	<u>72,586</u>	<u>116,598</u>	<u>-</u>

e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2015

22 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT (Cont'd)

Financial risk management policies and objectives (Cont'd)

(a) Market risk (Cont'd)

(ii) Interest rate risk management (Cont'd)

	2014				Total \$'000
	Terms to Maturity			Non-interest	
	Within 1 Month \$'000	1 – 3 Months \$'000	3 – 12 Months \$'000	Bearing \$'000	
Assets					
Receivables	-	-	403	130,000	130,403
Resale agreements	-	64,344	-	-	64,344
Cash and bank balances	110,885	-	-	26,326	137,211
Total assets	110,885	64,344	403	156,326	331,958
Due to e-Learning Jamaica Project Fund	-	-	-	(154,674)	(154,674)
Accounts payable	-	-	-	(141,285)	(141,285)
Total liabilities	-	-	-	(295,959)	(295,959)
Interest rate sensitivity gap	110,885	64,344	403	(139,633)	35,999
Cumulative gap	110,885	175,229	175,632	35,999	-

(b) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company.

Financial assets that potentially subject the Company to concentration of credit risk consist principally of cash at bank, receivables and resale agreements. The maximum exposure to credit risk is the amount of approximately \$541.751 million (2014: \$331.958 million) disclosed under 'categories of financial instruments' above and the Company holds no collateral in this regard. The directors believe that the credit risks associated with these financial instruments are minimal.

In respect of resale agreements, collateral is held for all resale agreements.

In respect of cash and bank balances, the Company minimises the risk by limiting its obligations to major banks. The carrying amount of cash and bank deposits (excluding cash in hand) totalling \$219.754 million (2014: \$137.204 million) at year end represents the Company's minimum exposure to this class of financial asset.

Receivables are inclusive of staff loans which are repaid by way of salary deductions.

e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2015

22 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT (Cont'd)

Financial risk management policies and objectives (Cont'd)

(c) Liquidity risk management

Liquidity risk, also referred to as funding risk, is the risk that the Company will encounter difficulty in meeting commitments associated with financial instruments. Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents, and the availability of funding through an adequate amount of committed facilities. The Company manages its liquidity risk by continuously monitoring future cash flows.

The following tables detail the Company's remaining contractual undiscounted payments to maturity for its financial liabilities with agreed repayment periods where applicable. The tables have been drawn up based on the undiscounted cash flows of financial liabilities. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

	2015				Total \$'000
	Within 1 Month \$'000	1 – 3 Months \$'000	3 – 12 Months \$'000	1 – 5 Years \$'000	
Assets					
Receivables	128,415	70,708	53,636	-	252,759
Resale agreements	-	69,418	-	-	69,418
Cash and bank balances	<u>219,765</u>	-	-	-	<u>219,765</u>
Total financial assets	<u>348,180</u>	<u>140,126</u>	<u>53,636</u>	<u>-</u>	<u>541,942</u>
Liabilities					
Due to e-Learning Jamaica Project Fund	-	-	-	99,341	99,341
Accounts payable	<u>247,217</u>	-	<u>78,595</u>	-	<u>325,812</u>
Total financial liabilities	<u>247,217</u>	<u>-</u>	<u>78,595</u>	<u>99,341</u>	<u>425,153</u>

	2014				Total \$'000
	Within 1 Month \$'000	1 – 3 Months \$'000	3 – 12 Months \$'000	1 – 5 Years \$'000	
Assets					
Receivables	-	-	130,403	-	130,403
Resale agreements	-	64,344	-	-	64,344
Cash and bank balances	<u>137,211</u>	-	-	-	<u>137,211</u>
Total financial assets	<u>137,211</u>	<u>64,344</u>	<u>130,403</u>	<u>-</u>	<u>331,958</u>
Liabilities					
Due to e-Learning Jamaica Project Fund	-	-	-	154,674	154,674
Accounts payable	<u>139,823</u>	-	<u>1,462</u>	-	<u>141,285</u>
Total financial liabilities	<u>139,823</u>	<u>-</u>	<u>1,462</u>	<u>154,674</u>	<u>295,959</u>

e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2015

22 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT (Cont'd)

Financial risk management policies and objectives (Cont'd)

(d) Fair value of financial assets and financial liabilities

Fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. A market price, where an active market (such as a recognized stock exchange) exists, is the best evidence of the fair value of a financial instrument. Where market prices are not available for the financial assets and liabilities of the Company, fair values in the financial statements have been presented using various estimation techniques based on market conditions existing at the end of the reporting period. Generally, judgement is necessarily required in interpreting market data to develop estimates of fair value. Accordingly, the estimates presented in these financial statements are not necessarily indicative of the amounts that the Company would realise in a current market exchange.

The following methods and assumptions have been used in determining the fair values of financial assets and financial liabilities:

- (i) The carrying values of cash and bank balances, receivables, and payables reflect the appropriate fair values because of the short-term maturity of these instruments.
- (ii) The fair value of amounts due to e-Learning Jamaica Project Fund cannot be determined as these amounts have no set terms of repayment. The fair values have been assumed to be the amounts payable on demand (the carrying value).

Fair value measurements recognised in the Statement of Financial Position

There were no financial instruments that were measured at fair value subsequent to initial recognition.

23 OPERATING LEASE MANAGEMENT

The Company occupies office space under an operating lease with lease term of two years.

At the end of the reporting period, future minimum lease payments are as follows:

	<u>2015</u> \$'000	<u>2014</u> \$'000
Within one year	734	3,550

Lease payments recognised as expense during the year amounted to \$0.816 million (2014: \$7.348 million).

24 COMMITMENTS

At the end of the reporting period the Company has commitments totaling US\$0.252 million (2014: US\$2.204 million) and J\$10.98 million (2014 - J\$2.952 million).

ADDITIONAL INFORMATION



REPORT TO THE DIRECTORS OF

e-LEARNING JAMAICA COMPANY LIMITED

ON

ADDITIONAL INFORMATION

Our examination of the financial statements of the Company for the year ended March 31, 2015, was intended primarily for the purpose of formulating an opinion on those financial statements taken as a whole. The additional information presented in pages 2 and 3 has been taken from the accounting and other records of the Company and is not necessary to give a true and fair view of the financial position of the Company, or its financial performance and cash flows for the year then ended. Such information has not been subjected to sufficient tests and other auditing procedures to enable us to express an opinion as to the fairness of all the details included therein, and accordingly we do not express an opinion on the additional information.

Calvert Gordon Associates
Chartered Accountants

Kingston, Jamaica,
November 18, 2015



e-LEARNING JAMAICA COMPANY LIMITED

ADMINISTRATIVE EXPENSES

YEAR ENDED MARCH 31, 2015

	<u>2015</u>	<u>2014</u>
	\$'000	\$'000
Administrative and general expenses		
Directors' fees	868	907
Salaries, wages and related expenses	50,172	48,536
Medical and other staff benefits	3,634	2,380
Rent and parking fees	898	818
Maintenance	4,567	6,684
Insurance	600	557
Office expenses	1,969	1,460
Foreign travel	1,235	430
Conference and seminars	3,316	8,007
Meeting expenses	1,106	1,204
Printing, stationery and software maintenance	371	524
Telephone	387	607
Courier	204	117
Audit fees - current year	725	485
- prior year	80	264
Security	99	96
Bank charges	311	137
Subscription	<u>166</u>	<u>67</u>
	<u>70,708</u>	<u>73,280</u>
Promotion costs		
Promotion and public education	<u>4,467</u>	<u>12,393</u>
Other operating expenses		
Depreciation on property and equipment	2,980	2,037
Amortisation on intangible assets	<u>21</u>	<u>21</u>
	<u>3,001</u>	<u>2,058</u>
	<u>78,176</u>	<u>87,731</u>



e-LEARNING JAMAICA COMPANY LIMITED

PROJECT EXPENSES

YEAR ENDED MARCH 31, 2015

	<u>2015</u>	<u>2014</u>
	<u>\$'000</u>	<u>\$'000</u>
Instructional materials		
Materials development and planning		
LCMS Consultant	526	4,797
Meeting expense	-	911
Instructional technology	2,952	2,147
Standard specification Phases I and II	4,260	6,574
Subject coordinators/SAGS	<u>12,496</u>	<u>11,988</u>
	<u>20,234</u>	<u>26,417</u>
Instructional manuals for teachers and students		
Materials, training and installation	-	1,162
Materials purchased	-	13,109
Purchase of base materials	-	1,153
Customisation writing Phases I and II	<u>15,460</u>	<u>54,746</u>
	<u>15,460</u>	<u>70,170</u>
Item bank		
Item writing payment	1,640	1,069
Item review payment	<u>1,347</u>	<u>935</u>
	<u>2,987</u>	<u>2,004</u>
Lecture series	<u>606</u>	<u>16,077</u>
Materials management		
Photocopying	6,324	6,827
Delivery to schools	-	4,459
School visits	-	12
Implementation management meeting expenses	-	21
Advertisements	-	2,952
Evaluation and monitoring	2,661	3,481
Implementation officers	<u>1,453</u>	<u>3,904</u>
	<u>10,438</u>	<u>21,656</u>
Total Instructional materials	<u>49,725</u>	<u>136,324</u>



e-LEARNING JAMAICA COMPANY LIMITED

PROJECT EXPENSES

YEAR ENDED MARCH 31, 2015

	<u>2015</u> \$'000	<u>2014</u> \$'000
Teacher training		
Methodology		
Methodology and integration	<u>2,467</u>	<u>954</u>
	<u>2,467</u>	<u>954</u>
ICT training		
Consultant fees – HEART/NTA Trust	2,200	603
Workshops, travelling and subsistence	<u>3,745</u>	<u>259</u>
	<u>5,945</u>	<u>862</u>
Teachers' college intervention	<u>4,925</u>	<u>-</u>
Implementation management		
Photocopying, printing and stationery	3,540	4,279
Meeting expense	-	12
Teacher training meetings and workshops	267	-
Advertising	-	42
Procurement - Implementation officers and advertisement	<u>1,454</u>	<u>3,905</u>
	<u>5,261</u>	<u>8,238</u>
Total Teacher training	<u>18,598</u>	<u>10,054</u>
Technology infrastructure		
Schools		
Network infrastructure	7,725	3,809
Computer equipment and locks	248,390	17,976
White board and class presentation	43,253	77,222
Furniture and equipment	1,094	894
Software Microsoft licence*	<u>9,278</u>	<u>3,437</u>
	<u>309,740</u>	<u>103,338</u>
Total Technology infrastructure b/f	<u>309,740</u>	<u>103,338</u>

* The current year amount includes payment for licences expiring September 2015.

e-LEARNING JAMAICA COMPANY LIMITED

PROJECT EXPENSES

YEAR ENDED MARCH 31, 2015

	<u>2015</u>	<u>2014</u>
	\$'000	\$'000
Total Technology infrastructure c/f	<u>309,740</u>	<u>103,336</u>
Implementation management		
Photocopying, printing and stationery	9,158	8,448
Insurance	7,076	7,062
Technology infrastructure meetings	189	28
School visits	712	707
Training technology	290	-
Implementation officer	1,560	3,892
Audit equipment/materials	<u>7,180</u>	<u>6,668</u>
	<u>26,165</u>	<u>26,805</u>
Total Technology infrastructure	<u>335,905</u>	<u>130,143</u>
Project evaluation		
Other expenses	<u>5,616</u>	<u>-</u>
Total Project evaluation	<u>5,616</u>	<u>-</u>
Continuous assessment		
Meeting expenses	493	44
Procurement cost	-	476
Consultant fees	<u>20,062</u>	<u>17,384</u>
Total Continuous assessment	<u>20,555</u>	<u>17,904</u>
Remedial		
Volunteer programme	-	965
Special school intervention	43,542	3,262
Procurement costs	<u>-</u>	<u>516</u>
Total Remedial	<u>43,542</u>	<u>4,743</u>
Caribbean Knowledge Learning Network (CKLN)	<u>14,785</u>	<u>-</u>

IV PROCUREMENT AUDIT AS AT MARCH 2015



E-LEARNING JAMAICA COMPANY LIMITED

**REPORT FOR COMPLIANCE WITH
THE GOVERNMENT OF JAMAICA PROCUREMENT GUIDELINES**

FOR PERIOD APRIL 1, 2014 TO MARCH 31, 2015

REPORT OF FACTUAL FINDINGS

Chartered Accountants

Suite 110 City Centre Building
P.O. Box 60, Montego Bay
Jamaica, W.I.
Tel: 876 952 4713- 4
Fax 876 979 0246

7 West Avenue
P.O. Box 13, Kingston 4
Jamaica, W.I.
Tel: 876 922 6825
Fax 876 922 7673

Report of Factual Findings

The Directors
e-Learning Jamaica Company Limited
PCJ Building – Ground Floor
36 Trafalgar Road
KINGSTON 10

Dear Sirs:

In accordance with the terms of reference dated July 16, 2015 that you agreed with us, we provide our Report of Factual Findings. You requested certain procedures to be carried out in connection with your Compliance with the Government of Jamaica Procurement Guidelines during the period April 1, 2014 to March 31, 2015, in accordance with the guidelines of the Ministry to Finance Circular #9 dated March 13, 2014.

Objective

Our engagement was a compliance verification which is an engagement to perform certain agreed-upon procedures with regard to the Compliance with the Government of Jamaica Procurement Guidelines. The objective of this compliance verification is for us to carry out certain procedures to which we have agreed and to submit to you a report of factual findings with regard to the procedures performed.

Standards and Ethics

Our engagement was undertaken in accordance with the International Standard on Related Services ('ISRS') 4400 Engagements to perform Agreed-upon Procedures regarding Financial Information as promulgated by the International Federation of Accountants (IFAC).

Procedures Performed

As requested, the procedures performed were as follows:

1. We inquired about the procurement policies that are in place for the procurement of goods and services and ascertain from management that the company utilizes the Government of Jamaica Procurement Guidelines manual and evidence of the implementation of the policies therein.
2. We inquired of management that a Procurement Committee has been established and determine whether it is operating in accordance with the Government of Jamaica Procurement Guidelines.
3. We reviewed minutes of Committee meetings held throughout the period of being reviewed.
4. We reviewed the quarterly reports submitted to the Office of the Contractor General to ensure they are completed in accordance with the Government of Jamaica Procurement Guidelines and were submitted on a timely basis.

Partners: Fagan E. Calvert, Audley L. Gordon

CalvertGordon Associates

5. We obtained a listing of all contracts for procurement of goods and services in excess of J\$250,000.

We examined tender documents for six (6) contracts to ascertain the following:

- Whether procurement was by limited tender procedures from qualified National Contracts Commission (NCC) registered contractors.
 - That all bidders had a valid Tax Compliance Certificate (TCC)
 - Contractors submitted tender securities (Where applicable)
 - That proposals received met the requirements as stipulated in the tender documents submitted by the company.
 - That advertisement was done through the appropriate medium based on the value of the contract in accordance with the Government of Jamaica Procurement guidelines.
6. We reviewed documentation to ascertain that the receiving and opening of tenders was done as stipulated in the tender documents and in accordance with the Government of Jamaica Procurement Guidelines.
7. We reviewed the contract awarding and authority to accept tender process and ensure this is done in accordance with the Government of Jamaica Procurement Guidelines.

Sources of Information

We performed our procedures on the basis of information provided to us by you, response to specific questions asked by us, information obtained / extracted from your records.

Factual Findings

With respect to items 1 through 7 above, no exceptions were noted. The procurement procedures carried out by e-Learning Jamaica Limited during the period April 1, 2014 to March 31, 2015 were in accordance with the Government of Jamaica Procurement Guidelines.

Because the procedures performed by us did not constitute either an audit or a review made in accordance with International Standards on Auditing or International Standards on Review Engagements, we do not express any assurance on the factual findings in connection with the Company's compliance with the Government of Jamaica Procurement Guidelines.

Had we performed additional procedures or had we performed an audit or review of the financial statements of the Beneficiary in accordance with International Standards on Auditing, other matters might have come to our attention that would have been reported to you.

Use of this Report

This Report is solely for the purpose set forth above under objective.

This report is prepared solely for your own confidential use and solely for the purpose of submission by you to the appropriate Government Agencies. This report may not be relied upon by you for any other purpose, nor may it be distributed to any other parties.

We look forward to discussing our Report with you and would be pleased to provide any further information or assistance which may be required.

CalvertGordon Associate
Chartered Accountants

Kingston, Jamaica
November 18, 2015



Board of Directors Listing for 2014 /15

Names	Organization & Position
Mrs. Yvonne McCalla Sobers Chairman	Management Consultant and Human Rights Activist
Dr. David McBean Deputy Chairman	Independent Management & Technology Consultant
Mrs. Elaine Foster-Allen	Permanent Secretary Ministry of Education
Dr. Grace McLean	Chief Education Officer, Ministry of Education
Ms. Wahkeen Murray	Chief Technical Director Ministry of Science, Technology, Energy and Mining
Ms. P. Audrey Budhi	Senior Director Child Development Agency
Ms. Fae Ellington	Lecturer Caribbean Institute of Media & Communication
Mr. Lloyd Lovindeer	Veteran Musician, Educator
Mr. Christopher Reckord	T-Tech Limited, Director of Sales & Marketing
Dr. Christine Walters	Lecturer & Health Research Scientist Faculty of Medical Sciences UWI, Mona
Mr. Kemar Brown	Post and Telecoms Department, Computer Services Technician
Mr. Charles Gangasingh	Attorney-at-Law
Mr. Trevor Francis	Self-employed Chartered Accountant (Jamaica) & Certified Public Accountant (USA); Consultant; Businessman