



e-LEARNING JAMAICA COMPANY LIMITED

ANNUAL REPORT

APRIL 2015 -MARCH 2016



**THE e-LEARNING JAMAICA COMPANY LIMITED
ANNUAL REPORT APRIL 2015 TO MARCH 2016**

Table of Contents

	Page
I. BOARD OF DIRECTORS	2
II. CHAIRMAN'S REPORT	3
III. DIRECTORS COMPENSATION	35
IV. AUDITED FINANCIAL STATEMENTS	39
V. PROCUREMENT AUDIT	83



**THE e-LEARNING JAMAICA COMPANY LIMITED
ANNUAL REPORT APRIL 2015 TO MARCH 2016**

I. BOARD OF DIRECTORS 2015-16

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





**THE e-LEARNING JAMAICA COMPANY LIMITED
ANNUAL REPORT APRIL 2015 TO MARCH 2016**

CHAIRMAN'S REPORT

1. BACKGROUND	4
2. ACHIEVEMENTS APRIL 2015 TO MARCH 2016	8
2.1. GOVERNANCE AND ADMINISTRATION	8
2.2. ACHIEVEMENTS OF HIGH SCHOOL PROJECT	17
2.3. ACHIEVEMENTS ON TABLETS IN SCHOOLS PILOT PROJECT	20
3. PROGRAMMES TARGETTED FOR FINANCIAL YEAR 2015/2016	22
4. MEDIUM TO LONG TERM FOCUS	22

Appendices

Appendix 1	e-LJam Mandate, Vision, Mission
Appendix 2	Overview on the High School Project
Appendix 3	Overview on the Tablets in Schools Pilot Project



THE e-LEARNING JAMAICA COMPANY LIMITED ANNUAL REPORT APRIL 2015 TO MARCH 2016

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. This 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 30 of the initially targeted 150 education institutions and the project commenced officially in September 2006 with a 1-year pilot project 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 widened to include the 8 Colleges that train teachers for the high schools, and 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 11,500 teachers and lecturers in the high schools and teachers colleges. However, there were significant delays which added some 12 months to the original project completion date of August 2009 and strategies were put in place during this period to mitigate these delays, including fast tracking of various aspects of the project so that the original timeframe for completing the equipment installation could still be met, while extending the timeline for the remaining aspects to March 2011.

By March 2010, the scope of the project was again widened to include the 5 Community Colleges and 15 additional independent high schools that assist in placement of students from the GSAT and GNAT examinations, bringing the total number of institutions to 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 & 11 classrooms on the schools local area network and the provision of additional laptops and multimedia projectors to ensure that all grade 10 & 11 teachers were fully equipped to 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 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. 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 e-LEARNING JAMAICA COMPANY LIMITED
ANNUAL REPORT APRIL 2015 TO MARCH 2016**

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.

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 2nd project for the primary, all age and junior high schools. However, the completion of the high school project did not materialise, 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. However the Board of Directors of e-LJam, while agreeing to provide the services, was of the view that the ownership of the assets should be transferred to the MOE by deed of gift.

The MOE also asked the Board to 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 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, the costs to relocate 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.



**THE e-LEARNING JAMAICA COMPANY LIMITED
ANNUAL REPORT APRIL 2015 TO MARCH 2016**

As at March 2015, the High School Project was considered completed and the total expended for the project since inception was **J\$4.49billion or US\$49.4 million**, calculated using an average rate of exchange of J\$90: US\$1 from November 2005 to March 2015. 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. 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**.

The MOE requested and accepted the proposal from e-LJam to provide technology management and support services to sustain the project interventions during April 2015 to March 2016. The outstanding activities from the project were transferred to this budget head, along with the 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.

During the period April 2015 to March 2016 the CREM was fully established at eGovJa and upgraded to a Virtual Learning Environment, over 2600 additional teachers were trained in Technology Integration utilizing Microsoft resources and the CXC developed Grade 7 & 9 Diagnostic Tests were administered.

In February 2016, a 'Deed of Gift' transferring ownership of the tangible assets provided to the schools was signed by e-LJam and forwarded to the MOE for signing.

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 bring them up-to-date 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.

Approximately J\$112.8 million was expended during this period, leaving a balance of approximately J\$137million from the \$250 million allocated from the consolidated fund for the period. This under-expenditure was due in the main to the delays experienced in procuring replacement equipment for the obsolete equipment at the project schools.

It had also been intended during 2013-14 to develop and implement a pilot of a Community Model in 8 communities island-wide. However, in April 2013, e-LJam was asked by MSTEM



**THE e-LEARNING JAMAICA COMPANY LIMITED
ANNUAL REPORT APRIL 2015 TO MARCH 2016**

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 some 25,000 tablet devices preloaded with apps and e-books, to students and teachers in 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.

Project set-up activities commenced in April 2013 and in December 2013, Cabinet approved the allocation 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 with respect to 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 23,700 tablets were delivered and all 1300 teachers were trained. However delays were experienced in the delivery of the 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. Due to these delays experienced it was decided to continue the pilot for another school year from September 2015 to June 2016. In November 2015, Cabinet approved an amount of **approximately J\$397 million** for the TIS Pilot Project continuation, with approximately J\$338 million to be expended to March 2016. As at March 2016, an amount of approximately **J\$251.7 million** was expended.

It was also planned that by March 2016, phase 1 of the roll-out of the project would have been designed and preparatory activities commenced to provide sets of tablets to early childhood levels and to grade 3 in primary schools to be shared among classes and providing students with access for 1/5th of the school time. The project would also promote the Bring-Your-Own Device (BYOD) Strategy to other grades. However as at March 2016 the policy directives were still being worked out by the Ministers.

Appendix 3 to the Chairman's Report gives an overview of the TIS Pilot Project.



**THE e-LEARNING JAMAICA COMPANY LIMITED
ANNUAL REPORT APRIL 2015 TO MARCH 2016**

2. ACHIEVEMENTS APRIL 2015 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 which had been transferred to the Ministry in January 2012.

2.1.2 Board of Directors

The Board was reappointed in June 2014 for a 2 year term and continued to operate under the Chairmanship of Mrs. Yvonne McCalla Sobers.

2.1.3 Administration

During this period, all 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. An organization review was carried out by a Consultant in the hope of an upgrade of the organisation and increase of established posts. The recommended organisation structure was reviewed by the Board at its Retreat in September 2015 and the proposed job descriptions were drafted and a gap analysis completed.

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. All costs proved prohibitive and it is intended to redesign the existing office space once the final staff complement is agreed. Despite increases in rental and maintenance costs and the need to replace some office equipment, administrative expenses were maintained within budget.

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 continuation 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 in December 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, reproduction of the corporate video, redesign of the e-LJam website, advertising using mainstream media and electronic screens. JIS was continued to manage media placements and to assist in the production of newsletters and considerable focus placed on a social media presence as part of the campaign to drive students to utilize content in the CREM, and on YouTube and Slideshare.

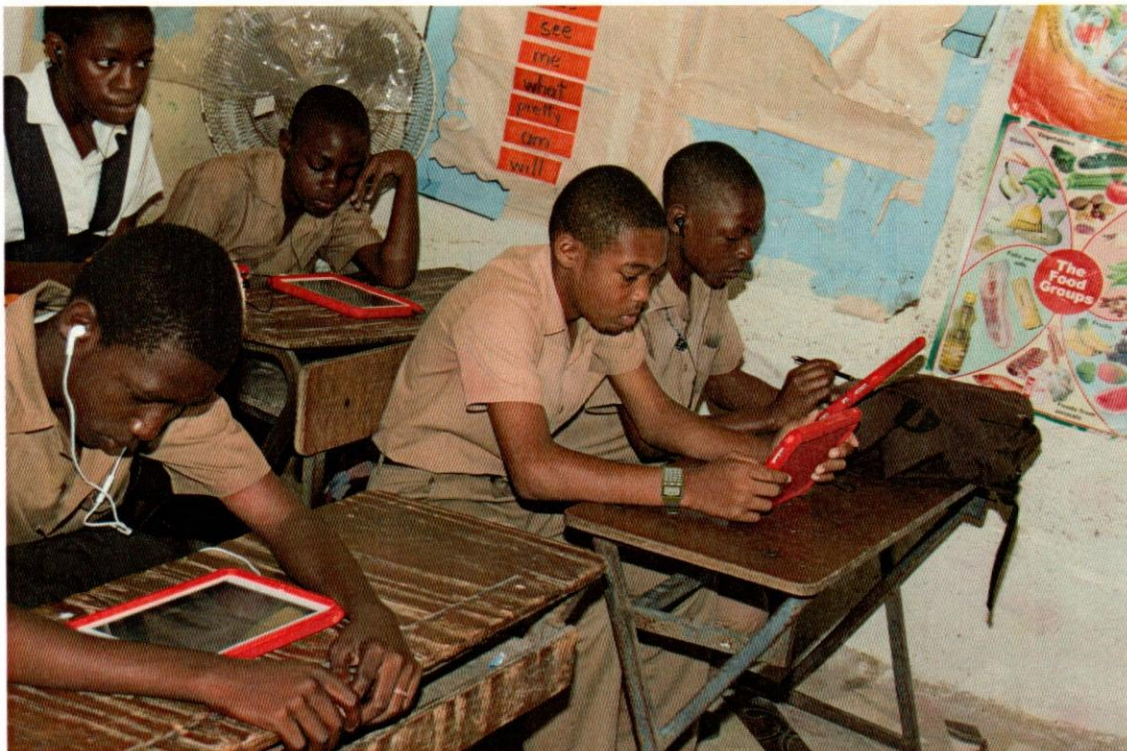
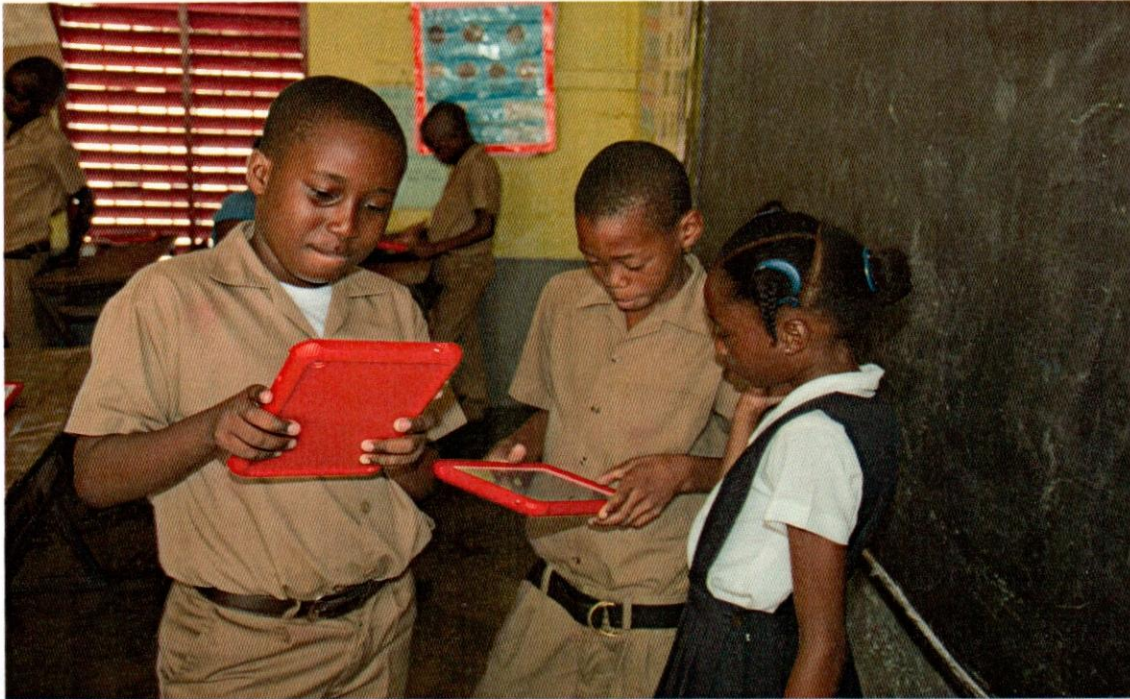


**THE e-LEARNING JAMAICA COMPANY LIMITED
ANNUAL REPORT APRIL 2015 TO MARCH 2016**

MASCOT – AT CAVALIERS PRIMARY



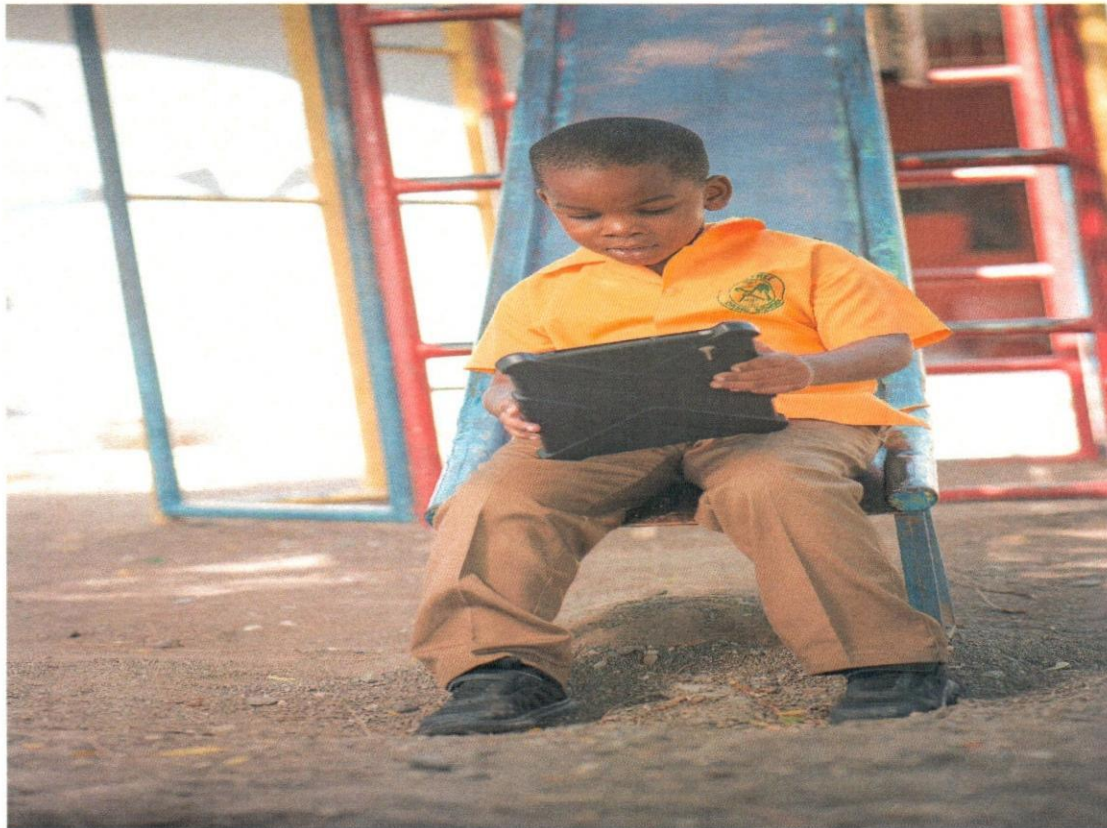
CHILDREN USING TABLETS





**THE e-LEARNING JAMAICA COMPANY LIMITED
ANNUAL REPORT APRIL 2015 TO MARCH 2016**

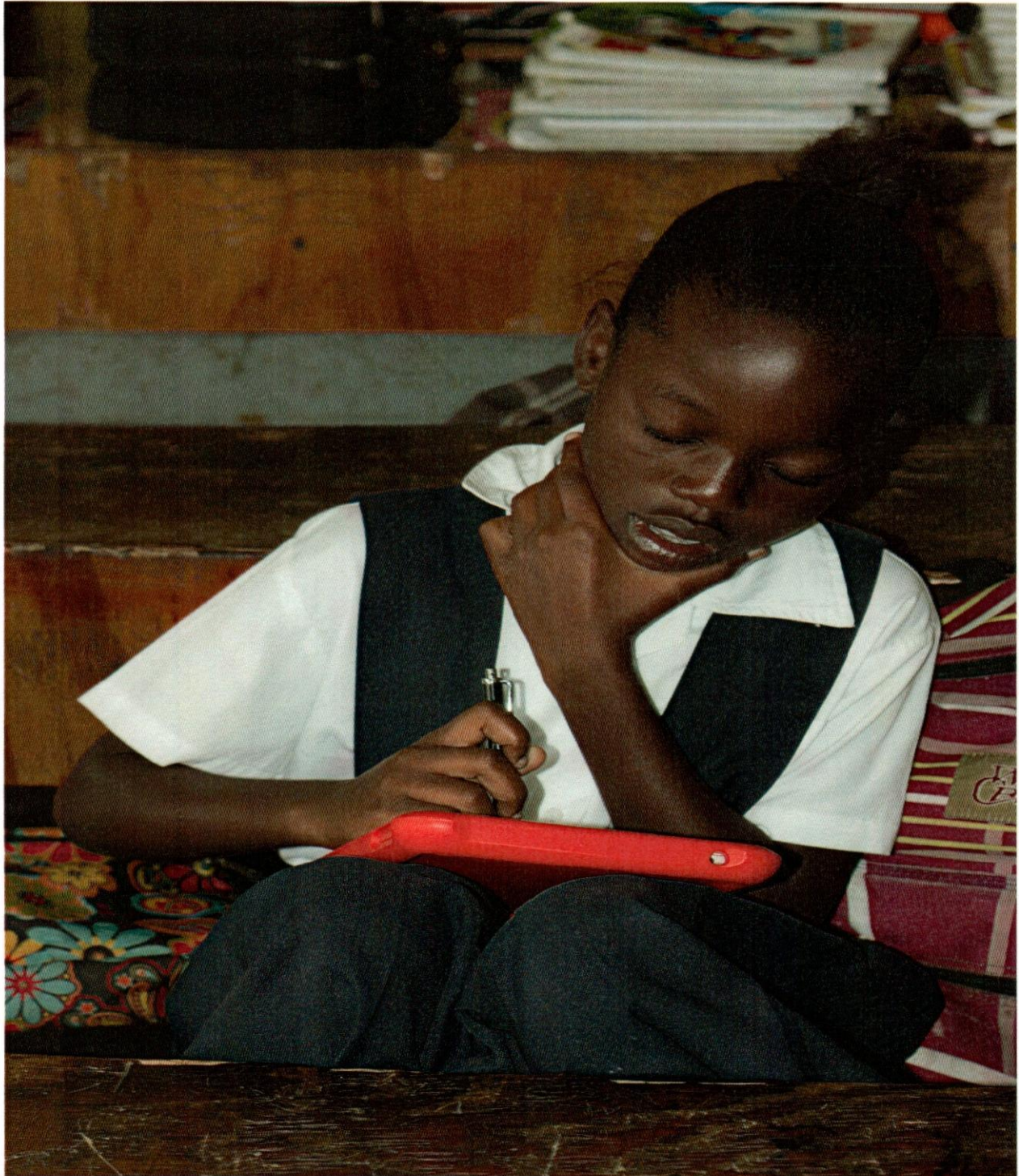
A TOUCH INTO THE FUTURE



FASCINATED MINDS



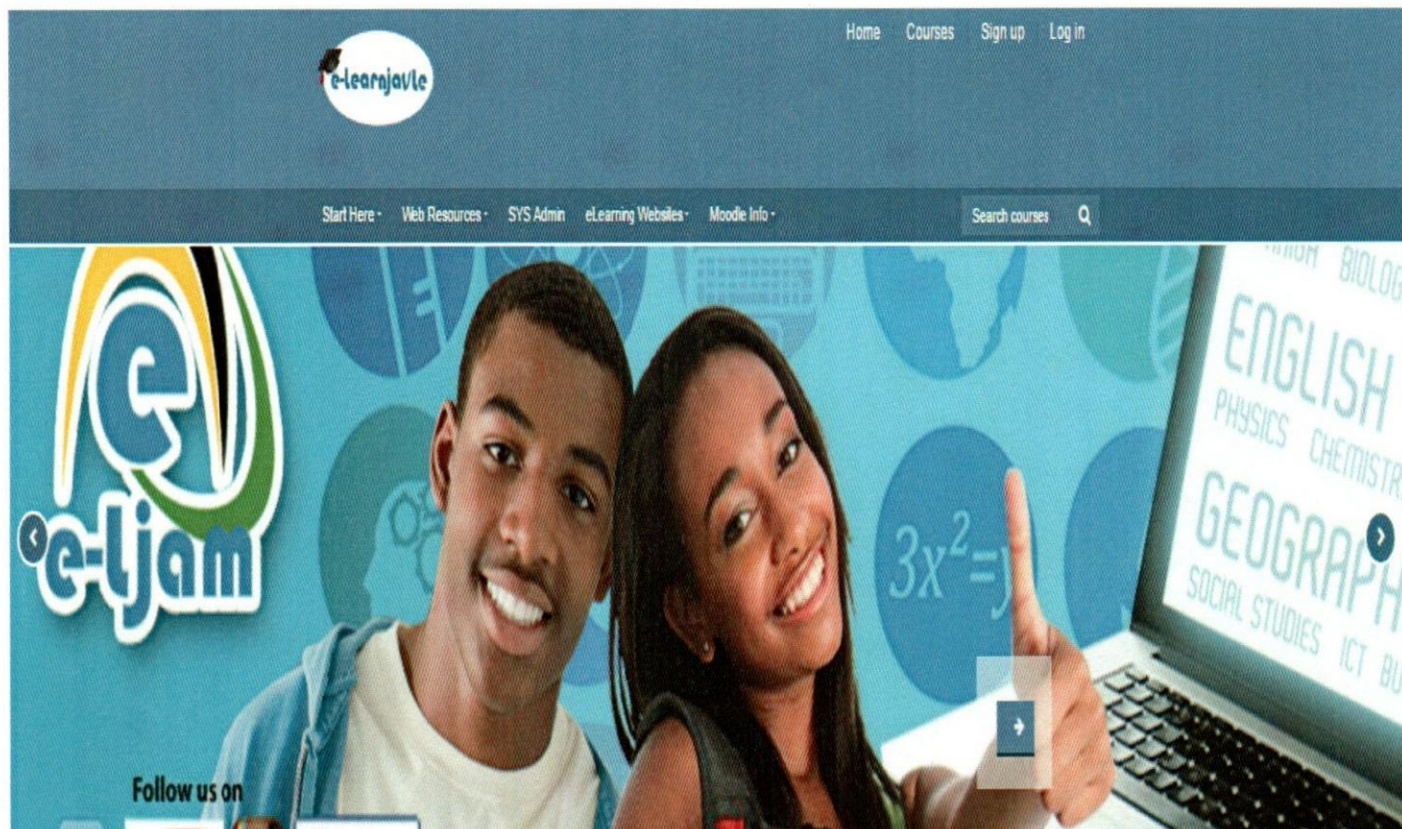
A PICTURE OF CONCENTRATION





**THE e-LEARNING JAMAICA COMPANY LIMITED
ANNUAL REPORT APRIL 2015 TO MARCH 2016**

THE VIRTUAL LEARNING ENVIRONMENT (VLE)



**COLLABORATIVE TOOLS AND
ACTIVITIES**

Work and learn together in forums, wikis, glossaries, database activities, and much more.



RESPONSIVE DESIGN

Designed to be responsive and accessible, the Moodle interface is easy to navigate on both desktop and mobile devices.



QUESTION BANK

A resource bank of questions with answers in open, essay and multiple choice formats in each subject for each grade to facilitate rapid creation and



ONLINE STUDY

A comprehensive set of instructional materials for both teachers and students for each grade (7-11) in all eleven (11) CXC-CSEC subjects.

Tech Training for teachers transforming education

July 7, 2016 eljadm



The integration of Information and Communication Technology (ICT) is clearly active in the 21st Century classroom. Over the last 10 years, e-Learning Jamaica Company Limited (e-LJam) has been training teachers in the integration of ICT in the Jamaican education system and providing ICT devices and support services (Desktop Computers and Laptops, Tablets, Smart Boards, Multimedia Projectors, Document Cameras, other audio visual equipment and Broadband Internet) to ensure successful implementation of technology within our schools. Students are also better equipped to engage in continuous learning through the use of technology. This "e-learning environment" has been realized through the implementation of e-LJam Projects 1 and 2 with our partners and key stakeholders.

Teachers in all publicly-funded high schools in Jamaica (Project 1) have been applying the knowledge and skills attained from various training programmes conducted as well as on-going workshops for teachers. The training programmes include Data Operations, MICO Technology Integration, and Microsoft Certified Educator (MCE).



**THE e-LEARNING JAMAICA COMPANY LIMITED
ANNUAL REPORT APRIL 2015 TO MARCH 2016**

A TEACHER TRAINING SESSION





**THE e-LEARNING JAMAICA COMPANY LIMITED
ANNUAL REPORT APRIL 2015 TO MARCH 2016**

2.2 ACHIEVEMENTS FOR TECHNOLOGY MNGEMENT AND SUPPORT SERVICES TO THE MINISTRY OF EDUCATION 2015-16

The expected impact of the provision of cost-effective and sustainable support to the high schools in the maintenance and enhancement of the interventions provided by the project was only partially realised as the procurement of the replacement equipment was not completed during this period. A major achievement was the transfer and upgrade of the Central Repository for the content, <http://www.elearnjave.org/> as well as the certification of additional teachers in the integration of technology in instructional delivery.

TABLE 1 – ACHIEVEMENTS FOR TECHNOLOGY MANAGEMENT AND SUPPORT SERVICES APRIL 2015-MARCH 2016

	Component	Planned Activities	Status as at March 2016 /Comments	Planned Exp. \$'000'	Actual Exp. \$'000'	Balance \$'000'
1	Content management and support	Management and provision of access to the CREM	CREM equipment relocated from MOE to eGovJa in April 2015, servers commissioned and operational in October 2015, and hosting service level monitored. Content transferred from e-LJam website during March 2016, upgraded to a virtual learning environment. Extensive use of social and traditional media to improve access to and use of the content by teachers and students.	33,496	29,053	4,443
		Administration of Diagnostic Testing	Diagnostic Tests administered in May and June 2015, in English, Maths, Integrated Science and Social Studies at grades 7 and 9, preparation for 2016 administration at end May in progress.			

**THE e-LEARNING JAMAICA COMPANY LIMITED
ANNUAL REPORT APRIL 2015 TO MARCH 2016**

**TABLE 1 – ACHIEVEMENTS FOR TECHNOLOGY MANAGEMENT AND SUPPORT SERVICES
APRIL 2015-MARCH 2016**

	Component	Planned Activities	Status as at March 2016 /Comments	Planned Exp. \$'000'	Actual Exp. \$'000'	Balance \$'000'
2	Technology Infrastructure Management and Support	<p>Equipment maintenance, upgrading and replacement through outsourced services</p> <p>Support Services to school system administrators</p> <p>Provision of Microsoft Office products through Partners In Learning agreement</p> <p>Payment for Insurance Coverage for all equipment</p>	<p>Proposal for replacement of obsolete equipment made but proposed methodology not accepted by Chief Information Officer (CIO), to be resubmitted to new Board</p> <p>Network upgrades completed and system administrators trained in the upgrade</p> <p>Payments made for licences for Microsoft office products</p> <p>Insurance coverage for all equipment purchased</p>	172,004	42,402	129,602
3	Teacher Training	<p>Training of additional 30 new Systems Administrators to cover for attrition and refresh training for others</p> <p>Technology Integration training for 2,000 teachers</p> <p>Support to Education Technologists to ensure sustainability of</p>	<p>Additional 60 school systems administrators trained and certified</p> <p>Over 2600 teachers trained in technology integration, in partnership with Microsoft, ongoing on site professional development</p> <p>Decision to partner with JTEC and EduVision to stage Education Technology Conference in October 2016, planning in</p>	17,000	16,980	20



**THE e-LEARNING JAMAICA COMPANY LIMITED
ANNUAL REPORT APRIL 2015 TO MARCH 2016**

**TABLE 1 – ACHIEVEMENTS FOR TECHNOLOGY MANAGEMENT AND SUPPORT SERVICES
APRIL 2015-MARCH 2016**

	Component	Planned Activities	Status as at March 2016 /Comments	Planned Exp. \$'000'	Actual Exp. \$'000'	Balance \$'000'
		the training interventions	progress			
4	School Support	Client Support / Helpdesk services	Help Desk fully operational and systems administrators trained to provide support at school level. Anticipated support at the MOE Regional Office level did not materialise.	22,500	22,229	271
		Audit and inventory maintenance services	4 th Annual school audit completed and inventory updated			
		Transfer of tangible assets to MOE	Deed of gift signed by e-LJam in February 2015, not yet signed by MOE as it is awaiting support funding.			
5	Project Evaluation and Documenta-tion of the high school project	Sign-off on Impact Assessment study being conducted by Kevin Morrison	Final Report accepted in July 2015.	5,000	2,182	2,818
		Complete documentation and archiving	EDuConnect contracted to document the high school project, highlighted the need for e-LJam to establish and maintain a Records & Information Management System in keeping with ISO standards. Procedure Manual and Policy Document developed and staff members trained. Impasse surrounding final output being ironed out.			
TOTAL TECHNOLOGY MANAGEMENT SERVICES 2015-16				250,000	112,846	137,154

**THE e-LEARNING JAMAICA COMPANY LIMITED
ANNUAL REPORT APRIL 2015 TO MARCH 2016**

2.3 ACHIEVEMENTS FOR THE TABLETS IN SCHOOLS PILOT PROJECT 2015-16

TABLE 2 – ACHIEVEMENTS FOR TIS PILOT PROJECT CONTINUATION APRIL 2015-MARCH 2016

	Component	Planned Activities	Status as at March 2016 / Comments	Planned Exp. \$'000'	Actual Exp. \$'000'	Balance '000'
1	Preparation of Schools	<p>Tablet recovery from schools</p> <p>Device Management Service licences renewed</p> <p>Tablet repair, replacement and upgrade, return to schools, content licence renewal and installation on tablets</p> <p>Refresher training of teachers</p> <p>Implementation Support</p> <p>Improvement in the capacity, availability and reliability of internet and Wi-Fi connectivity</p>	<p>22,780 of 23,732 tablets retrieved</p> <p>Negotiations completed with content suppliers for extension of content licences for another year</p> <p>16,985 tablets re-provisioned with updated device management systems and loaded with content returned, others being repaired, re-provisioned and loaded with content</p> <p>Training manual updated and refresher course held for all 1300 teachers</p> <p>Schools provided with updated pledge forms for students and parents to sign with respect to use and care of tablets</p> <p>Some 20% of schools provided with improved internet and WiFi connectivity, however service is proving generally unreliable.</p> <p>Caching server tested at one location, but also affected by limited WiFi.</p>	206,000	126,736	79,264
2	School Support	Monitoring and implementation support, on-site professional development	Teachers assisted on-site in accessing content and utilising technologies in instructional delivery Schools assisted in setting	110,076	103,860	6,216



**THE e-LEARNING JAMAICA COMPANY LIMITED
ANNUAL REPORT APRIL 2015 TO MARCH 2016**

TABLE 2 – ACHIEVEMENTS FOR TIS PILOT PROJECT CONTINUATION APRIL 2015-MARCH 2016

	Component	Planned Activities	Status as at March 2016 / Comments	Planned Exp. \$'000'	Actual Exp. \$'000'	Balance '000'
			up system for logging complaints, liaising with tablet suppliers and utilising the help desk Provision of management services by equipment suppliers monitored Provision of access to content monitored			
3	Public Education and Outreach	Development of Mascot Radio Drama Series Establishment of e-clubs Social media presence, Billboards, Ads, Publications, Exhibitions, Collateral Materials, Monthly Newsletter	Mascot in place, animation completed Radio Drama series aired Increased social media presence Radio and TV ads aired Exhibited at Conferences, Seminars Collateral materials dispersed 4 Newsletters published	12,924	12,934	-10
4	Project Evaluation	Completion of Situation Analysis study of initial pilot Mid and end-of-year evaluations	Situation Analysis study completed End of year evaluation being designed	9,000	8,217	783
TOTAL TIS PILOT PROJECT CONTINUATION 2015-16				338,000	251,747	86,253



**THE e-LEARNING JAMAICA COMPANY LIMITED
ANNUAL REPORT APRIL 2015 TO MARCH 2016**

3. PROGRAMMES TARGETTED FOR FINANCIAL YEAR 2016/2017

The major focus for the 2016/17 period will be as follows:

- i. Completion of the continuation of the TIS Pilot project at a cost of approximately **\$120 million** (\$88million c/f).
- ii. TIS Project Phase 1 Roll-out utilising class sets (sets of tablets to be shared) and implementing a pilot utilising the BYOD concept, estimated cost approximately **J\$1.2 billion** and including:
 - a. Transition of TIS pilot primary and pre-primary schools to class sets (27 schools);
 - b. Redistribution of remaining pilot school tablets to additional schools as class sets (30 schools); and
 - c. Planning and preparatory activities for roll-out to other schools using class sets with new tablets.
- iii. Provision of Technology Management and Support services to MOE at an estimated cost of approximately **J\$414million**.

4. MEDIUM TO LONG TERM FOCUS

- i. Phased Roll-out of the TIS Project to remaining public schools, approximately 949 public schools and departments, a total of approximately **\$4.54 billion over six (6) years**.
- ii. Continued provision of Technology Management and Support services to MOE at an approximate cost of **\$300 million per annum**.
- iii. Development and implementation of e-Learning Project for other Ministries, Departments and Agencies.
- iv. Marketing of Consultancy Services to wider Caribbean.

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Yvonne McCalla Sobers
Chairman

Date

August 24, 2016



**THE e-LEARNING JAMAICA COMPANY LIMITED
ANNUAL REPORT APRIL 2015 TO MARCH 2016**

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.



**THE e-LEARNING JAMAICA COMPANY LIMITED
ANNUAL REPORT APRIL 2015 TO MARCH 2016**

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 |

Development Methodology

- ◆ International Standards
- ◆ Best Practices



**THE e-LEARNING JAMAICA COMPANY LIMITED
ANNUAL REPORT APRIL 2015 TO MARCH 2016**

- ◆ 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		

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.

The final study² on the project highlighted the following impact:

- Greater overall access to knowledge by students and teachers.
- A more stimulating teaching and learning experience for students, teachers and parents.
- Improvements in performance in some critical subject areas such as English, Mathematics and Information Technology.
- Direct contribution to the creation of local expertise in digital materials (linked to Vision 2030 goals).
- Creation of a greater demand for internet services in schools and homes island-wide with the infusion of equipment and technologies and teacher training at all the high schools.

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"

² e-Learning High School Project Evaluation, Final Report, November 2015, Kevin St. Croix Morrison



- Direct improvements to the quality of education at the secondary level as evidenced by
 - the training of teachers,
 - the provision of equipment and technologies to schools,
 - improved materials for teachers and students, and
 - a better tracking and monitoring system for students
- General improvement in performance in the CXC CSEC examinations, especially in a significant number of non-traditional high schools.
- Marked increase in the number of students doing the exams island-wide.
- Evidence of students, teachers and parents becoming more involved in learning and teaching.

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 to March 2016

- 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. Also resulted in having to recall tablets to central venue to reload tablets with new content for the pilot continuation
- iv. Inability of the schools to properly carry out their role in the management of tablet repairs requiring
- v. High level of damages to tablets requiring extensive repairs

5. Mitigation Strategies to March 2016

- 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
- vi. Requirement of parents to pay for tablet repairs if damage come through irresponsibility

6. Lessons Learned from and Impact of the TIS Pilot

The Situational Analysis and other evaluation strategies including focus groups have identified the following:

- Need for adequate internet and Wi-Fi connectivity
- Need for the e-readiness of the selected institutions
- MOE must develop and promulgate an acceptable use policy for ICT throughout the school system
- Need for teachers and parents to be more attentive to children accessing inappropriate sites (Unnecessary expenditure on device management systems as rate of theft very low, and children manage to breach the filtering anyway)
- Need for culture/mind set change of teachers and administrators
- Importance of leadership at the school level
- Need for strong technology management support at the schools
- Need for MOE field officers to monitor usage and outcomes and to take corrective action where necessary
- Need for better communication among the stakeholders



- Need for agreement and adherence to roles and responsibilities of each of the partners
- Need for improvement in overall quality of the device in terms of hardiness/ruggedness
- Need for the development of sustainability strategy that will ensure that funds are available for maintenance and upgrade of the equipment
- Clear evidence of greater care of tablets and integration into the teaching/learning process at the lower levels
- Improved discipline, student motivation and school attendance, and literacy in some instances
- Increased engagement of students
- Increase in creativity and innovation encouraging entrepreneurship
- Improved GSAT exam results through ability to utilize web resources such as GoGSAT to study for GSAT exams
- Value of harnessing expertise and impartiality of suitably qualified persons outside of the employ of the main partners



II DIRECTORS AND SENIOR EXECUTIVES COMPENSATION 2015-2016

DIRECTORS COMPENSATION
2015/2016

Position of Director	Fees (\$)	Motor Vehicle Upkeep/Travelling or Value of Assigned Motor Vehicle (\$)	Honoraria (\$)	All Other Compensation including Non-Cash Benefits as applicable (\$)	Total (\$)
CHAIRMAN	162,500.00				162,500.00
DIRECTOR 1	22,500.00				22,500.00
DIRECTOR 2	82,500.00				82,500.00
DIRECTOR 3	67,500.00				67,500.00
DIRECTOR 4	75,000.00				75,000.00
DIRECTOR 5	52,500.00				52,500.00
DIRECTOR 6	82,500.00				82,500.00
DIRECTOR 7	82,500.00				82,500.00
DIRECTOR 8	82,500.00				82,500.00



DIRECTOR 9	45,000.00	45,000.00
DIRECTOR 10	90,000.00	90,000.00
DIRECTOR 11	82,500.00	82,500.00
TOTAL		927,500

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

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 (\$) Milage	Non-cash Benefits	Total (\$)
CEO	2015/16	5,212,389	1,303,097	1,219,656				7,735,142
Finance & Admin Manager	2015/16	3,474,926	868,732	1,219,656		126,322		5,689,636
Education Specialist	2015/16	3,941,074	985,269	643,128		23,442		5,592,913
Training Consultant	2015/16	2,932,498	733,125	643,128		62,840		4,371,591
Snr ICT Specialist	2015/16	3,941,074	985,269	643,128		107,473		5,676,944

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 2016



**e-LEARNING JAMAICA COMPANY
LIMITED**

**INDEPENDENT AUDITORS' REPORT
AND FINANCIAL STATEMENTS**

YEAR ENDED MARCH 31, 2016

(With Additional Information)



e-LEARNING JAMAICA COMPANY LIMITED

YEAR ENDED MARCH 31, 2016

CONTENTS

Independent Auditors' Report - to the members

FINANCIAL STATEMENTS

Statement of Financial Position

Statement of Comprehensive Income

Statement of Changes in Equity

Statement of Cash Flows

Notes to the Financial Statements

ADDITIONAL INFORMATION

Report - to the directors

Administrative Expenses

E-Learning Jamaica Project Fund (High Schools) Expenses

Expenses - Technology Management and Support Services



Chartered Accountants

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Page 1.1

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 31, which comprise the statement of financial position as at March 31, 2016, 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



Calvert Gordon 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, 2016, 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.

Calvert Gordon Associates
Chartered Accountants

Kingston, Jamaica
July 27, 2016



e-LEARNING JAMAICA COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2016

	Notes	2016 \$'000	2015 \$'000
ASSETS			
Non-current assets			
Property and equipment	5	16,726	15,612
Intangible assets	6	625	846
Total non-current assets		17,351	16,258
Current assets			
Receivables and prepayments	7	1,577	253,663
Resale agreements	8	73,691	69,227
Taxation recoverable		915	861
Cash and bank	9	331,940	219,765
Total current assets		408,123	543,516
Total assets		425,474	559,774
EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	10	-	-
Accumulated surplus		53,610	39,543
Total shareholders' equity		53,610	39,543
Non-current liabilities			
Tablets in Schools Pilot Project Fund	11(a)	88,443	62,657
e-Learning Jamaica Project Fund (High Schools)	12(c)	-	36,664
Technology Management and Support Services	13(c)	166,329	-
Total non-current liabilities		256,772	99,341
Current liabilities			
Payables and accruals	14	115,092	420,890
Total current liabilities		115,092	420,890
Total equity and liabilities		425,474	559,774

The Notes on Pages 6 to 31 form an integral part of the Financial Statements.

The financial statements on Pages 2 to 31 were approved and authorised for issue by the Board of Directors on July 27, 2016 and are signed on its behalf by:


 Christopher Reckard
 Chairman, Board of Directors


 Wahkeen Murray
 Director



e-LEARNING JAMAICA COMPANY LIMITED

STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED MARCH 31, 2016

	<u>Notes</u>	2016 \$'000	2015 \$'000
Income			
Government grants:			
Operating income	15	100,151	63,199
Tablets in Schools Pilot Project Fund	11,15	340,131	1,107,189
e-Learning Jamaica Project (High Schools)	12(c),15	-	469,339
Technology Management and Support Services	13(c),15	<u>245,025</u>	<u>-</u>
Total grants		685,307	1,639,727
Other income		<u>575</u>	<u>1,138</u>
		<u>685,882</u>	<u>1,640,865</u>
Expenses			
Tablets in Schools Pilot Project Fund	11,21(iii)	(314,345)	(1,143,135)
e-Learning Jamaica Project (High Schools) expenses	12,21(ii)	-	(488,726)
Technology Management and Support Services	13,21(iv)	(113,380)	-
Gain(Loss) on foreign exchange		1,294	(1,036)
Administrative and general expenses		(82,764)	(70,708)
Promotion and public education		(1,455)	(4,467)
Other operating expenses		<u>(3,734)</u>	<u>(3,001)</u>
		<u>(514,384)</u>	<u>(1,711,073)</u>
Surplus (Deficit) for the year before transfers	16	<u>171,498</u>	<u>(70,208)</u>
(Surplus) Deficit attributable to Tablets in Schools Pilot Project Fund	11(a)	(25,786)	35,946
Deficit attributable to e-Learning Jamaica Project (High Schools)	12(c)	-	19,387
Surplus attributable to Technology Management and Support Services	13(c)	<u>(131,645)</u>	<u>-</u>
PROFIT (LOSS) FOR THE YEAR AND TOTAL COMPREHENSIVE INCOME		<u>14,067</u>	<u>(14,875)</u>



e-LEARNING JAMAICA COMPANY LIMITED
STATEMENT OF CHANGES IN EQUITY
YEAR ENDED MARCH 31, 2016

	Share Capital \$'000	Accumulated Surplus (Deficit) \$'000	Total \$'000
Balance at March 31, 2014	-	54,418	54,418
Total comprehensive loss for the year	<u>-</u>	(14,875)	(14,875)
Balance at March 31, 2015	<u>-</u>	39,543	39,543
Total comprehensive profit for the year	<u>-</u>	14,067	14,067
Balance at March 31, 2016	<u><u>-</u></u>	<u>53,610</u>	<u>53,610</u>



e-LEARNING JAMAICA COMPANY LIMITED

STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31, 2016

	<u>Notes</u>	<u>2016</u> \$'000	<u>2015</u> \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit (Loss) for the year		14,067	(14,875)
Surplus (Deficit) from Tablets in Schools Pilot Project Fund	11(a)	25,786	(35,946)
Deficit in e-Learning Jamaica Project Fund (High Schools)	12(c)	-	(19,387)
Surplus in Technology Management and Support Services	13(c)	131,645	-
Adjustments for:			
Depreciation	5	3,713	2,980
Amortisation	6	21	21
Net foreign exchange (gain) loss		(1,294)	1,036
Interest income	18	(4,680)	(5,250)
		169,258	(71,421)
Movements in working capital			
Decrease (Increase) in receivables and prepayments		252,086	(120,811)
(Decrease) Increase in payables and accruals		(304,504)	278,569
Net cash provided by operations		<u>116,840</u>	<u>86,337</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of equipment	5	(4,827)	(4,071)
Increase in resale agreement		(4,925)	(4,367)
Interest received (net of withholding tax)		<u>5,087</u>	<u>4,655</u>
Net cash used in investing activities		(4,665)	(3,783)
NET INCREASE IN CASH AND CASH EQUIVALENTS		112,175	82,554
OPENING CASH AND CASH EQUIVALENTS		<u>219,765</u>	<u>137,211</u>
CLOSING CASH AND CASH EQUIVALENTS	9	<u>331,940</u>	<u>219,765</u>



e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2016

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, which ended March 31, 2015.
- (ii) The Tablets in Schools Pilot Project Fund, designed to encourage the use of tablet devices in schools to increase learning opportunities for students.
- (iii) Provision of Technology Management and Support Services with respect to the e-Learning Jamaica (High Schools) Project intervention.

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 presentation and disclosures 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 in these financial statements.

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

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

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.

		<u>Effective for annual periods beginning on or after</u>
<u>Amendments to Standards</u>		
IAS 16, 24, and 38	Amendments arising from 2010 – 2012 Annual	
IFRS 2, 3, 8 and 13	Improvements to IFRS	July 1, 2014
IAS 19	Employee Benefits	
	- Amended to clarify the requirements that relate to how contributions from employees or third parties that are linked to service should be attributed to periods of service	July 1, 2014
IAS 40, IFRS 1, 3 and 13	- Amendments arising from 2011 – 2013 Annual Improvements to IFRS	July 1, 2014

e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2016

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

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 or early adopted for the financial period being reported on:

New and Revised Standards		Effective for annual periods beginning on or after
IAS 1 (Revised)	Presentation of Financial Statements - Amendments resulting from the disclosure initiative	January 1, 2016
IAS 7 (Revised)	Statement of Cash Flows - Amendments resulting from the disclosure initiative	January 1, 2017
IAS 9 and 34 and IFRS 5 and 7	Amendments arising from Annual Improvements to IFRS 2012 – 2014 Cycle	July 1, 2016
IAS 12	Income Taxes - Amendments to clarify aspects relating to the recognition of deferred tax assets for unrealised losses	January 1, 2017
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 an include 'bearer plants' within the scope of IAS 16	January 1, 2016
IAS 19 and 34 and IFRS 5, and 7	Amendments resulting from September 2014 Annual Improvements to IFRSs	January 1, 2016
IAS 27 (Revised)	- Amendments reinstating the equity method as an accounting option for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements	January 1, 2016
IAS 39	Financial Instruments: Recognition and Measurement - Amendments to permit an entity to elect to continue to apply the hedge accounting requirements in IAS 39 for a fair value hedge of the interest rate exposure of a portion of a portfolio of financial assets or financial liabilities when IFRS 9 is applied, and to extend the fair value option to certain contracts that meet the 'own use' scope exception	Applies when IFRS 9 is applied
IFRS 7 and 9	Amendments requiring disclosures about the initial application of IFRS 9	Applies when IFRS 9 is applied
IFRS 9 (2014)	Finalised version, incorporating requirements for classification and measurement, impairment, general hedge accounting and derecognition	January 1, 2018
IFRS 10, 12 and IAS 28	Amendments regarding the application of the consolidation exception	January 1, 2016
IFRS 10 and IAS 28	- Amendments regarding the sale or contribution of assets between an investor and its associate or joint venture	Effective date deferred indefinitely
IFRS 11	Joint Arrangements - Amendments for accounting for acquisitions of interests in joint operations	January 1, 2018
IFRS 14	Regulatory Deferral Accounts	January 1, 2016
IFRS 15	Revenue from Contracts with Customers - Amendments to clarify three aspects of the standard - identifying performance obligations, principal versus agent considerations, and licensing	January 1, 2018
IFRS 16	Leases	January 1, 2019



e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2016

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

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

Effective for annual periods
beginning on or after

New and Revised Interpretations

IFRIC 18 Transfer of Assets from Customers January 1, 2017

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:

• IAS 1 Presentation of Financial Instruments

Disclosure Initiative amends IAS 1 *Presentation of Financial Statements* to address perceived impediments to preparers exercising their judgement in presenting their financial reports by making the following changes:

- Clarification that information should not be obscured by aggregating or by providing immaterial information, materiality considerations apply to the all parts of the financial statements, and even when a standard requires a specific disclosure, materiality considerations do apply;
- Clarification that the list of line items to be presented in these statements can be disaggregated and aggregated as relevant and additional guidance on subtotals in these statements and clarification that an entity's share of Other Comprehensive Income of equity-accounted associates and joint ventures should be presented in aggregate as single line items based on whether or not it will subsequently be reclassified to profit or loss;
- Additional examples of possible ways of ordering the notes to clarify that understandability and comparability should be considered when determining the order of the notes and to demonstrate that the notes need not be presented in the order so far listed in paragraph 114 of IAS 1.

The adoption of the amendments at the effective date is not expected to have a significant impact on the Company's financial statements.

• IAS 7 Statement of Cash Flows

Disclosure Initiative amends IAS 7 *Statement of Cash Flows* to clarify that entities shall provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities. The adoption of the amendments at the effective date is not expected to have a significant impact on the Company's financial statements.

- The amendments to IAS 16 *Property, Plant and Equipment* and IAS 38 *Intangible Assets* clarify that a depreciation method that is based on revenue that is generated by an activity that includes the use of an asset is not appropriate for property, plant and equipment. The amendments introduce a rebuttable presumption that an amortisation method that is based on the revenue generated by an activity that includes the use of an intangible asset is inappropriate, which can only be overcome in limited circumstances where the intangible asset is expressed as a measure of revenue, or when it can be demonstrated that revenue and the consumption of the economic benefits of the intangible asset are highly correlated.

The amendments add guidance that expected future reductions in the selling price of an item that was produced using an asset could indicate the expectation of technological or commercial obsolescence of the asset, which in turn might reflect a reduction of the future economic benefits embodied in the asset. The adoption of these amendments at the effective date is not expected to have a significant impact on the Company's financial statements.



e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2016

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

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

New and Revised Standards and Interpretations in issue not yet effective that are relevant (Cont'd)

• IFRS 9 *Financial Instruments*

A finalised version of IFRS 9 was issued in July 2014 (IFRS 9 2014) which contains accounting requirements for financial instruments, replacing IAS 39 *Financial Instruments: Recognition and Measurement*. IFRS 9 (2014) is effective for annual periods beginning on or after January 1, 2018. The standard contains requirements in the following areas:

- *Classification and measurement* - Financial assets are classified by reference to the business model within which they are held and their contractual cash flow characteristics. The 2014 version of IFRS 9 introduces a 'fair value through other comprehensive income' category for certain debt instruments. Financial liabilities are classified in a similar manner to under IAS 39; however there are differences in the requirements applying to the measurement of an entity's own credit risk.
- *Impairment* - The 2014 version of IFRS 9 introduces an 'expected credit loss' model for the measurement of the impairment of financial assets, so it is no longer necessary for a credit event to have occurred before a credit loss is recognised.
- *Hedge accounting* - Introduces a new hedge accounting model that is designed to be more closely aligned with how entities undertake risk management activities when hedging financial and non-financial risk exposures.
- *Derecognition* - The requirements for the derecognition of financial assets and liabilities are carried forward from IAS 39.

The directors and management anticipate that IFRS 9 will be adopted in the Company's financial statements and that the application of IFRS 9 may impact the amounts reported in respect of the Company's financial assets and liabilities. However, the directors and management have not yet completed their detailed analysis of the impact of the application of the amendments and hence have not yet quantified the extent of the likely impact. The Company has not adopted any of the earlier versions of IFRS 9.

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.



e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2016

3 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Furniture and equipment (Cont'd)

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.

Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Impairment of tangible and intangible 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, 2016

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. Transaction 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 23. 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.



e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2016

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, 2016

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;
- (v) the party is a close member of the family of any individual referred to in (i) or (iv);



e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2016

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 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
- (vi) 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

Government grants to support the Company's operating budget are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2016

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, 2016

5 PROPERTY AND EQUIPMENT

	Leasehold Improvements \$'000	Furniture, Fixtures, and Equipment (Office) \$'000	Computers and Software (Office) \$'000	Totals \$'000
At cost				
April 1, 2014	966	11,728	16,309	29,003
Additions	-	393	3,678	4,071
Write-offs	-	(28)	-	(28)
March 31, 2015	966	12,093	19,987	33,046
Additions	-	1,451	3,376	4,827
March 31, 2016	966	13,544	23,363	37,873
Depreciation				
April 1, 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	(827)	(6,375)	(10,232)	(17,434)
Charge for year	(97)	(1,205)	(2,411)	(3,713)
March 31, 2016	(924)	(7,580)	(12,643)	(21,147)
Net Book Value				
March 31, 2016	42	5,964	10,720	16,726
March 31, 2015	139	5,718	9,755	15,612

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, 2016

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, 2016 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, 2015 and March 31, 2016	<u>630</u>	<u>200</u>	<u>560</u>	<u>1,390</u>
Accumulated amortization				
Balance at April 1, 2014	(123)	(40)	(560)	(723)
Charge for year	(16)	(5)	-	(21)
Balance at March 31, 2015	(139)	(45)	(560)	(744)
Charge for year	(16)	(5)	-	(21)
Balance at March 31, 2016	<u>(155)</u>	<u>(50)</u>	<u>(560)</u>	<u>(765)</u>
Carrying amount				
As at March 31, 2016	<u>475</u>	<u>150</u>	<u>-</u>	<u>625</u>
As at March 31, 2015	<u>491</u>	<u>155</u>	<u>-</u>	<u>646</u>

7 RECEIVABLES AND PREPAYMENTS

	<u>2016</u> \$'000	<u>2015</u> \$'000
Grant funds receivable – Universal Service Fund	-	251,337
Other receivable	25	42
Staff loans	1,312	1,380
Prepayment	<u>240</u>	<u>904</u>
	<u>1,577</u>	<u>253,663</u>

8 RESALE AGREEMENTS

	<u>2016</u> \$'000	<u>2015</u> \$'000
Government of Jamaica – 7.50% Benchmark Investment Note 2017	73,231	68,306
Interest receivable	<u>460</u>	<u>921</u>
	<u>73,691</u>	<u>69,227</u>

These securities mature within one to three months after year end with interest rates of 5.10% (2015: 6.60%) per annum.



e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2016

9 CASH AND CASH EQUIVALENTS

	Interest Rate <u>Per Annum</u> %	<u>2016</u> \$'000	<u>2015</u> \$'000
Cash and cash equivalents comprise:			
Bank of Nova Scotia Jamaica Limited:			
J\$ Current Account		89,497	217,775
US\$ Savings Account (US\$1.993 million (2015: US\$0.017 million))		242,432	1,979
Petty cash		<u>11</u>	<u>11</u>
		331,940	219,765

Included in the general funds of the Company are e-Learning Jamaica Project Funds (High Schools) amounting to Nil (2015: \$160.28 million), Tablets in Schools Pilot Project Funds amounting to \$127.49 million (2015: Nil) and Technology Management and Support Services amounting to \$157.50 million (2015: Nil).

10 SHARE CAPITAL

	<u>2016</u> \$'000	<u>2015</u> \$'000
Stated capital		
Issued and fully paid – April 1 and March 31*		
100 ordinary shares (Owned by Accountant General)	<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 (2015: 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 Schools Pilot Project Fund is being implemented by the Company on behalf of the Government of Jamaica (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>2016</u> \$'000	<u>2015</u> \$'000
Balance at the beginning of the year	<u>62,657</u>	<u>98,603</u>
Transactions during the year:		
Government grant received from Universal Service Fund	<u>340,131</u>	<u>1,107,189</u>
Other expenditure	(146,582)	(108,535)
Capital expenditure	(167,763)	(1,034,600)
Total Expenditure (Note 21 (iii))	<u>(314,345)</u>	<u>(1,143,135)</u>
Increase (Decrease) for the year	<u>25,786</u>	<u>(35,946)</u>
Balance at the end of the year	<u>88,443</u>	<u>62,657</u>

e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2016

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

(a) (Cont'd)

The fund balance is represented by:

	<u>2016</u> \$'000	<u>2015</u> \$'000
Receivables	-	251,337
Payables	(39,026)	(188,680)
Cash and cash equivalents (Note 9)	<u>127,469</u>	<u>-</u>
	<u>88,443</u>	<u>62,657</u>

(b) Tablets, software, content and equipment

	<u>2016</u> \$'000
At cost	
April 1	1,033,410
Addition	167,763
Write-offs	(4,097)
Recoveries	<u>2,511</u>
	<u>1,199,587</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 Tablets in Schools Pilot Project Fund.

12 E-LEARNING JAMAICA PROJECT FUND (HIGH SCHOOLS)

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

	<u>2016</u> \$'000	<u>2015</u> \$'000
At cost:		
April 1	3,004,155	2,664,429
Addition	<u>-</u>	<u>339,726</u>
Cumulative as at March 31	<u>3,004,155</u>	<u>3,004,155</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.

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

(b) Project expenses

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

	Instructional Materials \$'000	Teacher Training \$'000	Continuous Assessment \$'000	Other \$'000	Totals \$'000
April 1, 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 Expensed for the year	<u>483,316</u>	<u>475,257</u>	<u>106,412</u>	<u>218,201</u>	<u>1,283,186</u>
Cumulative as at March 31, 2016	<u>483,316</u>	<u>475,257</u>	<u>106,412</u>	<u>218,201</u>	<u>1,283,186</u>

Included in Instructional Material is an amount of Nil (2015: \$321.00 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.

(c) Project fund

	2016 \$'000	2015 \$'000
Balance at beginning of the year	<u>36,684</u>	<u>56,071</u>
Transactions for year:		
Government grant from Consolidated Fund	-	464,109
Interest income	-	5,230
Transfer to Technology Management and Support Services	<u>(36,684)</u>	<u>-</u>
	<u>(36,684)</u>	<u>469,339</u>
	<u>-</u>	<u>525,410</u>
Expenditure	-	(149,000)
Capital expenditure	-	<u>(339,726)</u>
Total expenditure (Note 21 (ii))	-	<u>(488,726)</u>
Decrease for the year	-	<u>(19,387)</u>
Balance at end of the year	<u>-</u>	<u>36,684</u>



e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2016

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

(c) Project fund (Cont'd)

The Fund balance is represented by:

	2016 \$'000	2015 \$'000
Intangible assets (Note 6)	-	646
Due from/to) e-Learning Jamaica Company Limited	-	1,026
Resale Agreement (7.50% Benchmark Investment Note 2017) (Note 8)	-	69,227
Payables	-	(194,475)
Cash and cash equivalents (Note 9)	<u>-</u>	<u>180,280</u>
	<u>-</u>	<u>36,684</u>

The e-Learning Jamaica Project was implemented by the Company on behalf of GOJ (Note 1). Funds received were used to finance approved project activities. The amount of Nil (2015: \$1.03 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).

13 TECHNOLOGY MANAGEMENT AND SUPPORT SERVICES

(a) Software and equipment – Schools

	2016 \$'000	2015 \$'000
At cost:		
April 1	-	-
Addition	<u>10,754</u>	<u>-</u>
	<u>10,754</u>	<u>-</u>

These represent items of software and equipment acquired by the Company from grants received from the Government of Jamaica (GOJ) Consolidated Fund. These assets were distributed to various schools island wide that had participated in the e-Learning High Schools project.

(b) Project expenses

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

	Instructional Materials \$'000	Teacher Training \$'000	Continuous Assessment \$'000	Other \$'000	Totals \$'000
April 1, 2015	-	-	-	-	-
Expensed for the year	<u>15,561</u>	<u>23,674</u>	<u>20,501</u>	<u>42,890</u>	<u>102,626</u>
Cumulative as at March 31, 2016	<u>15,561</u>	<u>23,674</u>	<u>20,501</u>	<u>42,890</u>	<u>102,626</u>



e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2016

13 TECHNOLOGY MANAGEMENT AND SUPPORT SERVICES (Cont'd)

(c) Project fund

	<u>2016</u>	<u>2015</u>
	\$'000	\$'000
Balance at beginning of the year	-	-
Transactions for year:		
Transfer from e-Learning Jamaica Project Fund (High Schools)	<u>36,684</u>	-
Income:		
Government grant	240,345	-
Interest income	<u>4,680</u>	-
	<u>245,025</u>	-
Expenditure	102,628	-
Capital expenditure	<u>10,754</u>	-
Total expenditure (Note 21 (iv))	<u>113,380</u>	-
Increase for the year	<u>131,645</u>	-
Balance at the end of the year	<u>188,329</u>	-

The Fund balance is represented by:

	<u>2016</u>	<u>2015</u>
	\$'000	\$'000
Resale Agreement (7.50% Benchmark Investment Note 2017) (Note 8)	73,691	-
Payables	(82,867)	-
Cash and cash equivalents (Note 9)	<u>157,505</u>	-
	<u>188,329</u>	-

14 PAYABLES AND ACCRUALS

	<u>2016</u>	<u>2015</u>
	\$'000	\$'000
Foreign payables – e-Learning projects (Note 14 (i))	38,090	238,703
Local payables	14,828	7,650
Accruals	20,426	24,348
Staff costs	595	735
Statutory deductions	2,940	1,881
GCT payable	17,024	68,849
Retentions on contracts – e-Learning projects		
(US\$0.159 million (2015: US\$0.678) (Note 14 (ii)))	19,457	78,034
Bid security US\$0.006 million (2015: US\$0.006 million)	<u>732</u>	<u>690</u>
Total	<u>115,092</u>	<u>420,890</u>

e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2016

14 PAYABLES AND ACCRUALS (Cont'd)

(i) Foreign payables comprise:

	<u>2016</u>	<u>2016</u>	<u>2015</u>	<u>2015</u>
Supplier	US\$'000	J\$'000	US\$'000	J\$'000
The Mico Foundation	303	36,978	303	34,818
Dell World Trade	16	1,868	1,063	122,299
HEART NTA	-	-	6	686
Other foreign payables	<u>2</u>	<u>244</u>	<u>703</u>	<u>80,900</u>
Total	<u>321</u>	<u>38,090</u>	<u>2,075</u>	<u>238,703</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.

15 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).

16 SURPLUS (DEFICIT) FOR THE YEAR

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

	<u>2016</u>	<u>2015</u>
	\$'000	\$'000
Directors' emoluments:		
Fees	928	868
Executive remuneration (Note 20)	29,066	24,004
Auditors' remuneration - current year	775	725
- prior year	120	80
Depreciation and amortisation	3,734	3,001

17 OTHER INCOME

	<u>2016</u>	<u>2015</u>
	\$'000	\$'000
Interest income on staff loans	31	20
Other income	<u>544</u>	<u>1,118</u>
	<u>575</u>	<u>1,138</u>

18 FINANCE INCOME

	<u>2016</u>	<u>2015</u>
	\$'000	\$'000
Interest income from cash and cash equivalents	218	347
Interest income on financial assets carried at amortised cost	<u>4,464</u>	<u>4,903</u>
	<u>4,682</u>	<u>5,250</u>



e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2016

19 TAXATION

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

20 RELATED PARTY TRANSACTIONS

Key management compensation is as follows:

	<u>2016</u>	<u>2015</u>
	\$'000	\$'000
Salaries and related expenses	19,502	16,441
Gratuity	4,875	4,110
Travelling	<u>4,689</u>	<u>3,453</u>
	<u>29,066</u>	<u>24,004</u>

21 EXPENSES BY NATURE

(i) Total administrative and other operating expenses:

	<u>2016</u>	<u>2015</u>
	\$'000	\$'000
Directors' fees	928	868
Rent, maintenance and parking fees	6,768	5,836
Auditors' remuneration - current year	775	725
- prior year	120	80
Employees benefits (See Note 22)	62,685	53,806
Other expenses	<u>11,488</u>	<u>9,393</u>
	82,764	70,708
Promotion and public education	1,455	4,467
Depreciation and amortisation	<u>3,734</u>	<u>3,001</u>
	<u>87,953</u>	<u>78,176</u>

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

	<u>2016</u>	<u>2015</u>
	\$'000	\$'000
Instructional materials	-	49,725
Teacher training	-	18,598
Technology infrastructure in schools	-	335,905
Project evaluation	-	5,616
Continuous assessment	-	20,555
Remedial	-	43,542
Subscription: Caribbean Knowledge Learning Network	<u>-</u>	<u>14,785</u>
	<u>-</u>	<u>488,726</u>

e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2016

21 EXPENSES BY NATURE (Cont'd)

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

	<u>2016</u>	<u>2015</u>
	\$'000	\$'000
Survey and implementation support	50,462	21,546
ICT teacher training	5,147	21,935
Integration training	242	1,955
Electricity grant	-	2,239
Staffing and administration costs	77,775	51,289
Content – Educational materials	42,925	103,393
Public relation costs	13,057	9,571
Provision of tablets	91,993	906,455
School equipment	<u>32,744</u>	<u>24,752</u>
	<u>314,345</u>	<u>1,143,135</u>

(iv) Total Technology Management and Support Services expenses:

	<u>2016</u>	<u>2015</u>
	\$'000	\$'000
Instructional materials	15,561	-
Teacher training	23,674	-
Central repository	13,551	-
Technology infrastructure in schools	37,703	-
Project evaluation	2,182	-
Continuous assessment	20,501	-
Remedial	<u>208</u>	<u>-</u>
	<u>113,380</u>	<u>-</u>

22 STAFF COSTS

The aggregate costs of employees were as follows:

	<u>2016</u>	<u>2015</u>
	\$'000	\$'000
Salaries and related expenses	53,333	42,825
Travelling and subsistence	7,372	7,347
Medical and other staff benefits	<u>1,980</u>	<u>3,634</u>
	<u>62,685</u>	<u>53,806</u>

e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2016

23 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>2016</u>	<u>2015</u>
	\$'000	\$'000
Financial Assets (at amortised cost)		
Current assets		
Resale agreement	73,691	69,227
Receivables (excluding prepayments)	1,337	252,759
Cash and bank	<u>331,940</u>	<u>219,765</u>
Total	<u>406,968</u>	<u>541,751</u>
Financial Liabilities (at amortised cost)		
Due to e-Learning Jamaica Project Fund	256,772	99,341
Payables	<u>74,702</u>	<u>325,812</u>
Total	<u>331,474</u>	<u>425,153</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 (23 (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.

23 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:

	Assets		Liabilities		Net Assets (Liabilities)	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
JMD	242,432	1,979	(59,279)	(287,688)	183,153	(285,709)

Foreign currency sensitivity

The following table details the sensitivity to a 1% revaluation and 8% devaluation (2015: 1% revaluation and 10% devaluation) in the Jamaican dollar against the relevant foreign currencies. The rates above are the 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 8% (2015: strengthens by 1% or weakens by 10%) against the relevant foreign currency, surplus or deficit will decrease or increase by:

	Revaluation				Devaluation			
	2016 %	2016 J\$'000	2015 %	2015 J\$'000	2016 %	2016 J\$'000	2015 %	2015 J\$'000
Surplus or deficit	+1	1,832	+1	2,857	-8	(14,652)	-10	(28,571)

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.

(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.



e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2016

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

Financial risk management policies and objectives (Cont'd)

(a) Market risk (Cont'd)

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

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:

	2016				
	Terms to Maturity				Total
	Within 1 Month	1 – 3 Months	3 – 12 Months	Non-interest Bearing	
\$'000	\$'000	\$'000	\$'000	\$'000	
Assets					
Receivables	-	-	1,312	25	1,337
Resale agreements	-	73,691	-	-	73,691
Cash and bank balances	242,432	-	-	89,508	331,940
Total assets	242,432	73,691	1,312	89,533	406,968
Due to e-Learning Jamaica Project Fund	-	-	-	(256,772)	(256,772)
Accounts payable	-	-	-	(115,092)	(115,092)
Total liabilities	-	-	-	(371,864)	(371,864)
Interest rate sensitivity gap	242,432	73,691	1,312	(282,331)	35,104
Cumulative gap	242,432	316,123	317,435	35,104	-
	2015				
	Terms to Maturity				Total
	Within 1 Month	1 – 3 Months	3 – 12 Months	Non-interest Bearing	
\$'000	\$'000	\$'000	\$'000	\$'000	
Assets					
Receivables	-	-	1,380	251,379	252,759
Resale agreements	-	69,227	-	-	69,227
Cash and bank balances	1,979	-	-	217,786	219,765
Total assets	1,979	69,227	1,380	469,165	541,751
Due to e-Learning Jamaica Project Fund	-	-	-	(99,341)	(99,341)
Accounts payable	-	-	-	(325,812)	(325,812)
Total liabilities	-	-	-	(425,153)	(425,153)
Interest rate sensitivity gap	1,979	69,227	1,380	44,012	116,598
Cumulative gap	1,979	71,206	72,586	116,598	-



e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2016

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

Financial risk management policies and objectives (Cont'd)

(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 \$406,968 million (2015: \$541,751 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) totaling \$331,929 million (2015: \$219,754 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.

(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.

	2016				Total \$'000
	Within 1 Month \$'000	1 - 3 Months \$'000	3 - 12 Months \$'000	1 - 5 Years \$'000	
Assets					
Receivables	-	-	1,337	-	1,337
Resale agreements	-	73,844	-	-	73,844
Cash and bank balances	331,940	-	-	-	331,940
Total financial assets	331,940	73,844	1,337	-	407,121
Liabilities					
Due to e-Learning Jamaica Project Fund	-	-	-	256,772	256,772
Accounts payable	53,388	-	21,314	-	74,702
Total financial liabilities	53,388	-	21,314	256,772	331,474



e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2016

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

Financial risk management policies and objectives (Cont'd)

(c) Liquidity risk management (Cont'd)

	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	219,765	-	-	-	219,765
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	247,217	-	78,595	-	325,812
Total financial liabilities	<u>247,217</u>	<u>-</u>	<u>78,595</u>	<u>99,341</u>	<u>425,153</u>

(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.



e-LEARNING JAMAICA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2016

24 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>2016</u>	<u>2015</u>
	\$'000	\$'000
Within one year	734	734

Lease payments recognised as expense during the year amounted to \$0.855 million (2015: \$0.816 million).

25 COMMITMENTS

At the end of the reporting period the Company has commitments totaling US\$0.168 million (2015: US\$0.252 million) and J\$1.175 million (2015: J\$10.98 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, 2016, 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,
July 27, 2016



e-LEARNING JAMAICA COMPANY LIMITED

ADMINISTRATIVE EXPENSES

YEAR ENDED MARCH 31, 2016

	<u>2016</u>	<u>2015</u>
	\$'000	\$'000
Administrative and general expenses		
Directors' fees	928	868
Salaries, wages and related expenses	60,705	50,172
Medical and other staff benefits	1,980	3,634
Rent and parking fees	1,023	898
Maintenance	5,397	4,567
Insurance	386	600
Office expenses	4,365	1,969
Foreign travel	117	1,235
Conference and seminars	1,395	3,316
Meeting expenses	3,782	1,106
Printing, stationery and software maintenance	348	371
Telephone	672	387
Courier	153	204
Audit fees - current year	775	725
- prior year	120	80
Security	99	99
Bank charges	380	311
Subscription	<u>139</u>	<u>166</u>
	<u>82,764</u>	<u>70,708</u>
Promotion costs		
Promotion and public education	<u>1,455</u>	<u>4,467</u>
Other operating expenses		
Depreciation on property and equipment	3,713	2,980
Amortisation on intangible assets	<u>21</u>	<u>21</u>
	<u>3,734</u>	<u>3,001</u>
	<u>87,953</u>	<u>78,176</u>



e-LEARNING JAMAICA COMPANY LIMITED

E-LEARNING JAMAICA PROJECT FUND (HIGH SCHOOLS) EXPENSES

YEAR ENDED MARCH 31, 2016

	<u>2016</u> \$'000	<u>2015</u> \$'000
Instructional materials		
Materials development and planning		
LCMS Consultant		526
Instructional technology		2,952
Standard specification Phases I and II		4,260
Subject coordinators/SAGS	-	<u>12,496</u>
	-	<u>20,234</u>
Instructional manuals for teachers and students		
Customisation writing Phases I and II	-	<u>15,460</u>
	-	<u>15,460</u>
Item bank		
Item writing payment		1,640
Item review payment	-	<u>1,347</u>
	-	<u>2,987</u>
Lecture series	-	<u>606</u>
Materials management		
Photocopying		6,324
Evaluation and monitoring		2,661
Implementation officers	-	<u>1,453</u>
	-	<u>10,438</u>
Total Instructional materials	-	<u>49,725</u>



e-LEARNING JAMAICA COMPANY LIMITED

E-LEARNING JAMAICA PROJECT FUND (HIGH SCHOOLS) EXPENSES

YEAR ENDED MARCH 31, 2016

	<u>2016</u>	<u>2015</u>
	\$'000	\$'000
Teacher training		
Methodology		
Methodology and integration	-	<u>2,467</u>
	-	<u>2,467</u>
ICT training		
Consultant fees – HEART/NTA Trust		2,200
Workshops, travelling and subsistence	-	<u>3,745</u>
	-	<u>5,945</u>
Teachers' college intervention	-	<u>4,925</u>
Implementation management		
Photocopying, printing and stationery		3,540
Teacher training meetings and workshops		267
Procurement - Implementation officers and advertisement	-	<u>1,454</u>
	-	<u>5,261</u>
Total Teacher training	-	<u>18,598</u>
Technology infrastructure		
Schools		
Central repository		-
Network infrastructure		7,725
Computer equipment and locks		248,390
White board and class presentation		43,253
Furniture and equipment		1,094
Software Microsoft licence	-	<u>9,278</u>
	-	<u>309,740</u>
Total Technology infrastructure b/f	-	<u>309,740</u>



e-LEARNING JAMAICA COMPANY LIMITED

E-LEARNING JAMAICA PROJECT FUND (HIGH SCHOOLS) EXPENSES

YEAR ENDED MARCH 31, 2016

	<u>2016</u> \$'000	<u>2015</u> \$'000
Total Technology infrastructure c/f	<u>-</u>	<u>309,740</u>
Implementation management		
Photocopying, printing and stationery		9,158
Insurance		7,076
Technology infrastructure meetings		189
School visits		712
Training technology		290
Implementation officer		1,560
Audit equipment/materials	<u>-</u>	<u>7,180</u>
	<u>-</u>	<u>26,165</u>
Total Technology infrastructure	<u>-</u>	<u>335,905</u>
Project evaluation		
Other expenses	<u>-</u>	<u>5,616</u>
Total Project evaluation	<u>-</u>	<u>5,616</u>
Continuous assessment		
Meeting expenses		493
Consultant fees	<u>-</u>	<u>20,062</u>
Total Continuous assessment	<u>-</u>	<u>20,555</u>
Remedial		
Special school intervention	<u>-</u>	<u>43,542</u>
Total Remedial	<u>-</u>	<u>43,542</u>
Caribbean Knowledge Learning Network (CKLN)	<u>-</u>	<u>14,785</u>



e-LEARNING JAMAICA COMPANY LIMITED

EXPENSES - TECHNOLOGY MANAGEMENT AND SUPPORT SERVICES

YEAR ENDED MARCH 31, 2016

	<u>2016</u>	<u>2015</u>
	\$'000	\$'000
Instructional materials		
Materials development and planning		
Standard specification Phases I and II	909	
Subject coordinators/SAGS	<u>6,386</u>	<u>-</u>
	<u>7,295</u>	<u>-</u>
Instructional manuals for teachers and students		
Customisation writing Phases I and II	<u>332</u>	<u>-</u>
	<u>332</u>	<u>-</u>
Item bank		
Item writing payment	50	
Item review payment	<u>60</u>	<u>-</u>
	<u>110</u>	<u>-</u>
Materials management		
Photocopying	7,746	
Evaluation and monitoring	50	
Implementation officers	<u>28</u>	<u>-</u>
	<u>7,824</u>	<u>-</u>
Total Instructional materials	<u>15,561</u>	<u>-</u>



e-LEARNING JAMAICA COMPANY LIMITED

EXPENSES - TECHNOLOGY MANAGEMENT AND SUPPORT SERVICES

YEAR ENDED MARCH 31, 2016

	<u>2016</u> \$'000	<u>2015</u> \$'000
Teacher training		
Methodology		
Methodology and integration	<u>11,376</u>	<u>-</u>
ICT training		
Consultant fees – HEART/NTA Trust	82	
Workshops, travelling and subsistence	<u>3,784</u>	<u>-</u>
	<u>3,866</u>	<u>-</u>
Teachers' college intervention	<u>1,863</u>	<u>-</u>
Implementation management		
Photocopying, printing and stationery	6,453	
Teacher training meetings and workshops	88	
Procurement - Implementation officers and advertisement	<u>28</u>	<u>-</u>
	<u>6,569</u>	<u>-</u>
Total Teacher training	<u>23,674</u>	<u>-</u>
Central repository	<u>13,551</u>	<u>-</u>
Technology infrastructure		
Schools		
Network infrastructure	419	
Computer equipment and locks	7,583	
Software Microsoft licence	<u>7,157</u>	<u>-</u>
Total Technology infrastructure b/f	<u>15,159</u>	<u>-</u>



e-LEARNING JAMAICA COMPANY LIMITED

EXPENSES - TECHNOLOGY MANAGEMENT AND SUPPORT SERVICES

YEAR ENDED MARCH 31, 2016

	<u>2016</u> \$'000	<u>2015</u> \$'000
Total Technology infrastructure c/f	<u>15,159</u>	<u>-</u>
Implementation management		
Photocopying, printing and stationery	13,917	
Insurance	3,169	
Technology infrastructure meetings	94	
School visits	51	
Training technology	186	
Implementation officer	28	
Audit equipment/materials	<u>5,099</u>	<u>-</u>
	<u>22,544</u>	<u>-</u>
Total Technology infrastructure	<u>37,703</u>	<u>-</u>
Project evaluation		
Other expenses	<u>2,182</u>	<u>-</u>
Total Project evaluation	<u>2,182</u>	<u>-</u>
Continuous assessment		
Meeting expenses	165	
Consultant fees	<u>20,336</u>	<u>-</u>
Total Continuous assessment	<u>20,501</u>	<u>-</u>
Remedial		
Special school intervention	<u>208</u>	<u>-</u>



IV PROCUREMENT AUDIT AS AT MARCH 2016



**e-LEARNING JAMAICA COMPANY
LIMITED**

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

**FOR PERIOD APRIL 1, 2015
TO MARCH 31, 2016**



E-LEARNING JAMAICA COMPANY LIMITED

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

FOR PERIOD APRIL 1, 2015 TO MARCH 31, 2016

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 April 21, 2016 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, 2015 to March 31, 2016, 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 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 seven (7) 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, 2015 to March 31, 2016 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
July 27, 2016