Students' Loan Bureau
Financing Higher Education

ANNUAL REPORT
2017-2018

Finance your Education with a SLB LOAN!

TARGETED

Targeted Loan for Undergraduate Studies, Interest Rate **7.8% in school & 9.5% during repayment.** Up to 100% tuition fee financing. Payment before graduation is optional. Loan tenure up to 20 years.

SLB PAYS

Pay As You Study (PAYS) for Undergraduate Studies borrow up to **$1 million, 6% interest** & repay over 7 years. AFFORDABLE Monthly payments via salary deduction

POSTGRAD

Borrow up to **$1.2millio**n for Post-Graduate Studies, **9.5% interest**, repay over 5 years via salary deduction.

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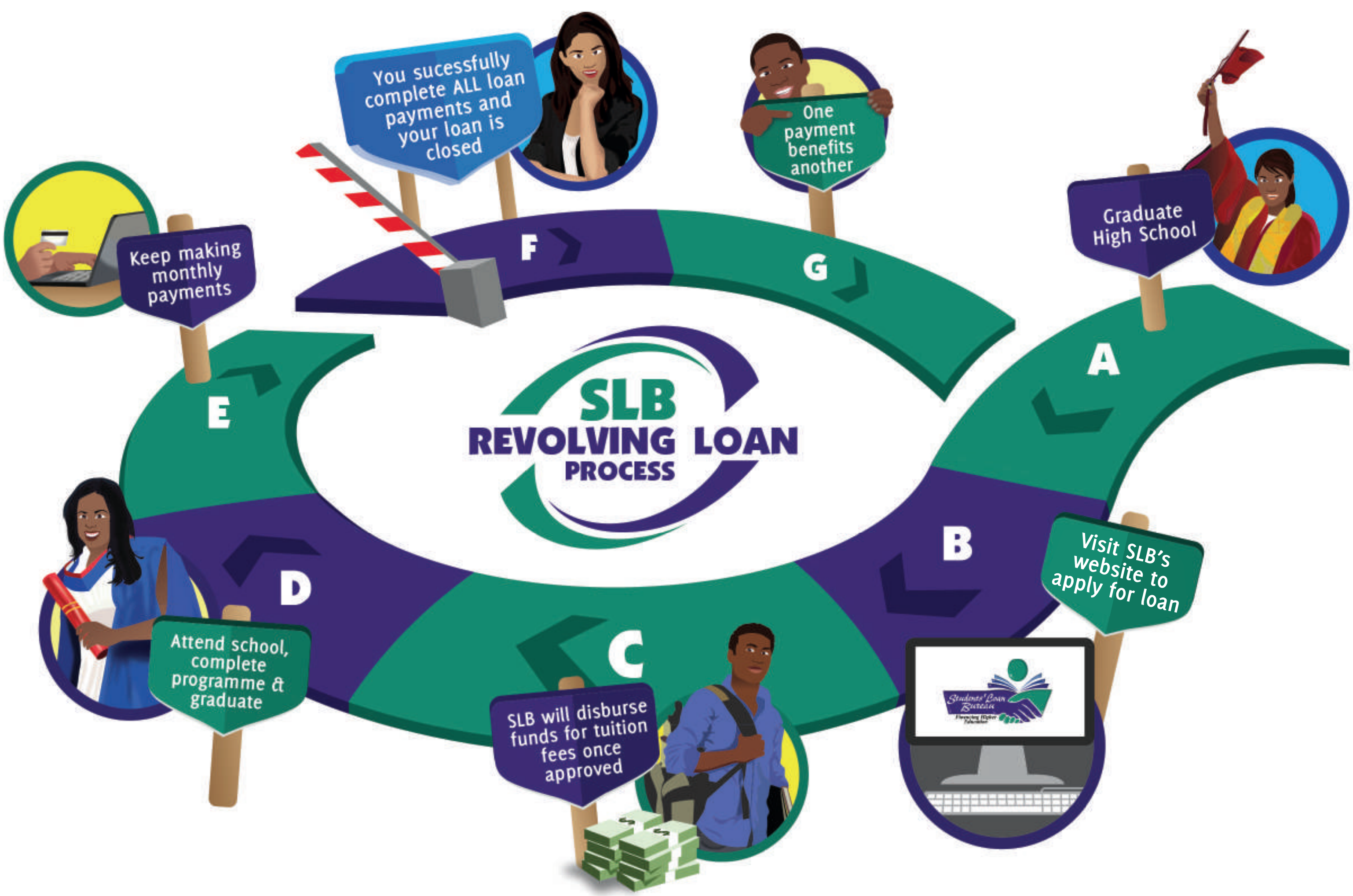

SLB
REVOLVING LOAN
PROCESS
Graduate High School
A
Visit SLB's website to apply for loan
B
SLB will disburse funds for tuition fees once approved
C
Attend school, complete programme & graduate
D
Keep making monthly payments
E
You sucessfully complete ALL loan payments and your loan is closed
F
One payment benefits another
G

Glossary of Approved Tertiary Institutions

ACADEMIC INSTITUTION	ABBREVIATION
All American Institute of Medical Sciences	AAIMS
Bethlehem Moravian College (Bethlehem Teachers' College)	BMC
Brown's Town Community College	BTCC
Caribbean Maritime University	CMU
Caribbean School of Medical Sciences Jamaica	CSMSJ
Catholic College of Mandeville	CCM
Church Teachers' College	CTC
College of Agriculture, Science and Education	CASE
Edna Manley College of the Visual and Performing Arts	EMC
Excelsior Community College	ECC
G.C. Foster College of Physical Education and Sports	GCFC
International University of the Caribbean	IUC
Jamaica Institute of Management	JIM
Jamaica Theological Seminary	JTS
Knox Community College	KCC
Management Institute for National Development	MIND
Mico University College (Mico Teachers' College)	Mico
The Moneague College (Moneague Teachers' College)	TMC
Montego Bay Community College	MBCC
Norman Manley Law School	NMLS
Northern Caribbean University	NCU
Portmore Community College	PCC
Sam Sharpe Teachers' College	SSTC
Shortwood Teachers' College	STCOLL
School of Medical Radiation Technology	SMRT
St. Joseph's Teachers' College	SJTC
University College of the Caribbean	UCC
University of Technology	Utech
University of The West Indies, Bahamas	UWI, Bahamas
University of The West Indies, Cave Hill	UWI, Cave Hill
University of The West Indies, Mona	UWI, Mona
University of The West Indies, Open Campus	UWI, Open Campus
University of The West Indies, St. Augustine	UWI, St Augustine
Vector Technology Institute	VTI
Vocational Training & Development Institute	VTDI

MISSION

To provide affordable financing to Students pursuing tertiary education, thereby contributing to national development.

VISION

To be the benchmark institution for tertiary education financing in Jamaica.

CHAIRMAN'S MESSAGE[1]

The Students' Loan Bureau (SLB) continues to play a vital role in national development by providing funding to thousands of Jamaicans each year to pursue their studies at the tertiary level. I am pleased with the work being done by the SLB in providing opportunity to all Jamaicans, and playing a critical role in improving our human capital and ultimately development of our nation.

The position of Chairman has allowed me to gain greater insight into the funding needs of tertiary students. To meet the needs of customers from diverse backgrounds today and far into the future, the SLB must balance the twin objectives of ensuring access (social) and maintaining the sustainability of the Revolving Loan Fund (financial).

"I am pleased that record collections were realized for the period under review."

In meeting the needs of the customers, the SLB's products are designed to be affordable (linked to tuition costs), customer-centric (moratorium period during in-school period) and competitive (lowest interest rates).

The SLB is committed to continuously reviewing the features of our loan products to ensure that they are competitive and continue to deliver value for our customers. We are also committed to improving our service delivery. Work is continuing to upgrade the SLB's technological infrastructure particularly as we move towards an increasingly digital age.

The SLB's sustainability will redound to the benefit of future generations of Jamaicans. To this end, the Bureau has been focusing its efforts on reducing the level of delinquency in the loan portfolio. Several policy changes have been made to make repayment more affordable and to increase the inflows to the Revolving Loan Fund. I am pleased that record collections were realized for the period under review.

On behalf of the Council, I would like to thank the SLB's management and staff, our stakeholders and most of all, our customers for their continued support. We look forward to even greater successes in the future.

Nicholas Scott
Chairman, SLB Council

Note 1: Due to the delays with the publication of this annual report, the Chairman's message is presented by the current Chairman and not from the individual who occupied the position during the reporting period.

EXECUTIVE DIRECTOR'S MESSAGE

The Students' Loan Bureau's (SLB) team remains resolute in our commitment to responding to the needs of our customers in the most efficient way, as we continue to work to enable increasing access to higher level education and training by Jamaicans, consistent with the national development plan.

Through the hard work of the staff, the SLB was successful in achieving its targets for the 2017/18 fiscal year. The approval rate for applications has been consistently high and this is expected to continue in the upcoming year as the available funds increase and we seek to make the process of accessing student loans, much easier.

Our records reveal that approximately 97% of the applications received for the 2017/18 academic year were approved and loans disbursed in the amount of $3.413 billion for the fiscal year.

"Several initiatives have been implemented to increase collections and they have been reaping positive results."

Based on the projected inflows from the Education Tax and loan repayment, the SLB will be able to continue to deliver on its mandate of providing loans to students who are in need of such financial assistance to pursue their tertiary studies.

The SLB also continues to provide a Grant-in Aid to assist those students identified as most in need of additional financial assistance with their non-tuition expenses as we seek to improve the numbers benefitting each year and the equity across tertiary institutions.

Credit risk poses one of the biggest challenges to the SLB as there are persons who borrow and are of the view that they should not repay and our efforts are continuing to target those delinquent persons with a view to collecting.

Despite the on-going challenges with delinquency, marginal improvement was noted during the review year. It is anticipated that with increasing employment opportunities and improved communication with our customers, the delinquency ratio will improve, as we seek to build greater fiscal responsibility among our customers.

Several initiatives have been implemented to increase collections and they have been reaping positive results. I am pleased to advise that the collections target for the 2017/18 review year was surpassed and a new record achieved. We continue to review the policies and put measures in place to benefit from even further improvement in this area.

The publication of the names and faces of delinquent borrowers, is utilized by the SLB as a last resort when all else fails. As an organization seeking to help to uplift our youth, we would prefer not to exercise this option, however it is of note that loan repayments increase during the publication period.

We encourage our customers to repay their loans so that SLB will not have to resort to publication of delinquent borrowers in order to collect. We invite customers to come in and speak with us where they are experiencing challenges in servicing their loans, as we continue to provide monthly data to the Credit Bureaus.

The procurement process is underway for the acquisition of a new Loans Management System to provide more robust support for SLB's expanded operations. It is anticipated that the projected timeline for implementation will be achieved, which will result in improved efficiencies and quality of service to our valued customers.

I wish to express my gratitude to the hard working management and Staff who continue to demonstrate a high level of professionalism in delivery of the service we provide, amidst the challenges. I also wish to thank the SLB Council for their guidance as we aim to discharge the organization's mandate and contribute to national development.

Monica Brown
Executive Director

CORE VALUES

Integrity

Customer Focus

Respect

Excellence

Teamwork

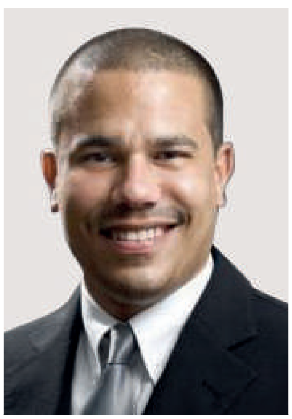
Accountability

STUDENTS' LOAN BUREAU COUNCIL[2]


Dr St Aubyn Bartlett
Chairman


Ms Monica Brown
Executive Director


Mrs Veronica Bennett-Warmington
Director


Mr Matthew Samuda
Director


Dr Lloyd Waller
Director


Mr Danieto Murray
Director


Mrs Norma Kerr-Clarke
Director


Dr Carolyn Hayle
Director


Mr Howard Chamberlain
Director


Mr Dean-Roy Bernard
Director

Note 2: Board served from June 2016 to December 2018

OPERATIONAL REPORT
2017-2018

OVERVIEW

The Student Loan Bureau's contribution to the educational development of our nation's youth continued during the 2017/18 academic year with the disbursement of loans to thousands of tertiary students. Some persons also qualified for a A Grant-in-Aid (GIA), based on application of the Means Test. Students were able to submit their applications online for the traditional Targeted loan and the organization aimed to provide decisions regarding outcome within a reasonable timeframe to allow for timely completion of the process and enable early disbursement of funds to the tertiary institutions.

The total loan portfolio amounted to \$21.626 billion (net) as at the March 2018 fiscal year, compared to \$19.608 billion as at March 2017, an increase of \$2.018 billion or 10.29% (March 2017: 12.27%).

During the 2017/18 academic year the SLB received 13,729 applications which was 235 or 1.74% more than the 13,494 submitted in the previous academic year. Of the total received for 2017/18, an amount of 13,297 or 97% were approved compared to 13,175 or 97.6% in the previous fiscal year. The actual loans disbursed during the 2017/18 academic year totaled 9,706 with a Dollar value of \$3.627 billion, an increase of \$260 million or 7.72% compared to \$3.367 billion for 2016/17.

In addition to the tuition loans provided to applicants, the SLB also provides GIA assistance to those students assessed to be most in need of additional financial assistance to defray other education related expenses, including lunch money, transportation costs and books.

Grant-in-Aid totaling \$144.86 million was disbursed to 3,382 students representing 35.95% of loan beneficiaries, for the academic year 2017/18, and was funded by the Government of Jamaica (GOJ) through an annual budget allocation. For the previous academic year 3,694 students or 38.92% of loan beneficiaries received grants amounting to \$166.6 million, based on the available funds.

The SLB operates a Revolving Loan Fund which relies heavily on loan repayment by beneficiaries as one of the primary sources of sustainability and to continue providing loans to new applicants. In recent years the organization has had to access loans from regional and domestic lending agencies to supplement the available funds for disbursing students loans. The borrowings were denominated in US\$ which have created foreign exchange risks, which are not fully covered by the GOJ's guarantee; therefore the impact of the exchange rate movements on SLB's bottom line is closely monitored. The implementation of the Special Education Tax in 2013/14, provided an additional source of funding for disbursement of student loans and the SLB continued to receive funding through the Special Education Tax during the 2017/18 review period.

The Bureau has undertaken several initiatives to increase collections, including the publication of the names and faces of some chronically delinquent borrowers in the 2018 fiscal year, which contributed to the record collections recorded for the year. The SLB also continued the sharing of data with the Credit Bureaus, increased the number of salary deductions effected as well as increased use of Debt Recovery Agents. The initiatives employed to boost collections during the fiscal year were successful.

The change in the method of interest calculation from 'Add-on' to the Reducing Balance Method (RBM) effective April 2016 resulted in a significant reduction in the interest rates charged on student loans which continues to benefit customers, particularly those who maintain their loans on a current basis.

For the fiscal year 2017/18 the SLB recorded collections of $3.213 billion, compared to $2.446 billion for year ended March 2017, which was $767 million or 31.35% higher. Despite the significant increase in collections for the review year, the delinquency rate remains relatively high. The analysis indicates that delinquency is impacted by the ability of the beneficiaries to find gainful employment in their field within a reasonable time after graduation. A number of borrowers have also reported that they are underemployed, which is directly correlated to their ability to service their loans. There are also some borrowers who refuse to repay their student loans as there is a sense of entitlement to Government's funds and these persons are being pursued with assistance from external debt collectors. The organization would benefit from strengthening of the laws governing students' loans to mandate repayment, where beneficiaries are gainfully employed.

The data reveals that applications increased marginally for the 2017/18 academic year relative to the previous year and have remained relatively flat over the past five years. The reduced enrollment in some tertiary institutions is a major contributory factor to this outcome and increasingly, some schools have been offering payment plans to students.

The applications for the Targeted loan are submitted online and efforts are continuing to improve the Information Technology system resources so as to reduce the reliance on the extensive manual processes being engaged in the application process each year. This will serve to increase operational efficiencies and improve customer service.

The SLB provides loans for both undergraduate studies as well as at the postgraduate level.

LOAN FACILITIES

The SLB offers three (3) types of loans: (1) Targeted, (2) Pay As You Study (PAYS) and (3) Postgraduate.

The Targeted loan is the traditional student loan and continues to be the most popular among applicants. This is largely due to the moratorium period provided (the in-school years) during which students are not required to start repaying their loans. Repayment is normally scheduled to commence after the scheduled graduation and a grace period is allowed. However an additional grace period is allowed for students who pursue specific programs of studies which require certification or licensing, prior to being able to practice in their particular field, before the loans become due for repayment.

The loans provided by the SLB are unsecured therefore two guarantors are normally required to undertake the risk of non-payment of the loan, i.e. the credit risk. However, one guarantor may be acceptable in some instances, subject to satisfactory assessment of their financial capability. Guarantors may be eligible individuals or corporate entities. All loans are insured against the risk of death or permanent disability, through the self-administered Insurance Fund.

The SLB continues to encourage beneficiaries and/or their parents/guardians who are able to start repaying their loans early, to do so and pay what they can during the moratorium period, to reduce the overall interest cost and the required monthly amounts when the loan enters repayment.

The Pay As You Study (PAYS) loan is offered to parents/guardians or other persons on behalf of students pursuing studies at the undergraduate level. Where the student is employed, he/she may apply directly for the PAYS loan.

Repayment of the PAYS loan commences the month following disbursement and payments are salary deducted. The policy governing the PAYS loan has been revised to allow for more affordable monthly payments along with an increased amount to deal with the rising cost in tuition. In that regard, the loan tenure was extended to 84 months, (previously 60 months) and the loan ceiling was increased from $680,000.00 to $1 million. The effective interest rate remains 6%.

The Postgraduate loan facility enables Masters and Doctoral students who are employed to obtain loans to pay their tuition fees. This loan can also be accessed by parents and other relatives who may wish to apply for the loan on behalf of their children or other relatives. Repayment of the Postgraduate loan is also salary deducted and there is no moratorium period; payment commences the month following disbursement. The interest rate on the Postgraduate loans was reduced to 9.5% on the Reducing Balance Method (RBM) from the previous 13%.

The PAYS and Postgrad Loan facilities continues to be accessed by a growing number of persons and efforts are continuing to grow these loan portfolios. The demand for the PAYS loan has increased as more applicants find this facility to be an attractive option to fund their tertiary education, in comparison to the education loans offered by other financial institutions.

SLB COUNCIL

The Council comprises of ten (10) members who provides oversight and policy direction for the SLB's operations. The Council's appointment is for a three (3) year term and there are several committees of Council who aid in the oversight function and interface directly with the management team.

ORGANIZATION STRUCTURE

During the period under review there was no change to the organization's structure. The SLB Management has the responsibility for the day to day operations of the organization and the Executive Director provides the interface between the SLB Council and Management. The operations of the SLB are discharged through the work carried out in various departments where the policy implementation takes place.

The Departments/Units are as follows:

- Loan Processing
- Loan Origination & Administration
- Loan Servicing
- Legal
- Accounts
- MIS
- Public Education & Client Relations
- Human Resource & Administration
- Risk Management Unit
- Internal Audit

The Loan Processing Department (LPD) has responsibility for the intake and processing of loan applications and directly interfaces with the customers.

The Loan Servicing Department (LSD) has as its mandate, the administration and monitoring of the loan portfolio and collection of outstanding loan amounts.

The Legal Department is responsible for the recovery of the chronically delinquent loans and works in conjunction with the Debt Recovery Agents and external attorneys in their recovery efforts.

The recent addition of a Risk Unit has enhanced the Risk Management Framework and work is continuing to build the unit so as to achieve improved management and monitoring of the SLB's risks.

The Internal Audit Department plays a critical role in ensuring compliance and contributes to the strengthening of internal controls.

The other departments/units provide critical support to the core functions of the SLB.

LOAN APPLICATIONS/ PROCESSING AND DISBURSEMENTS

The 2017/18 application intake period began on 13 February 2017 and officially closed at the end of May 2017. A total of 13,729 applications were submitted, of which 6,498 (47.34%) represented new applications and the remaining 7,231 (52.66%) were from returning students who submitted Status Report forms to renew their loans.

The out-turn for 2017/18 represented a marginal increase of (1.74%) compared to the 13,494 applications submitted in 2016/17 as shown in Table 1 overleaf.

The marginal increase in loan applications can be attributed to the extended late application period allowed as well as the increased Public Education and Awareness initiatives undertaken by the SLB during the period.

Table 1 provides trend data on loan applications received for the 5 year period 2013/14 to 2017/18, as well as the number and dollar value of loans approved/ disbursed.

Table 1a: Application and Disbursement data for the Academic Years 2013/14-2017/18

Year	Applications Received		Applications Approved		No. Disbursed	Disbursements	
	No. Received	% Change	No. Approved	% Change		$Million	% Increase/ Decrease
2017/18	13,729	1.74	13,297	0.93	9,706	3,413.00	1.37
2016/17	13,494	(0.93)	13,175	1.91	9,492	3,367.02	1.67
2015/16	13,620	(8.25)	12,928	(6.48)	10,228	3,311.80	(4.29)
2014/15	14,845	(2.95)	13,824	(5.39)	11,182	3,460.20	(1.76)
2013/14	15,297	(7.16)	14,612	(8.01)	11,512	3,522.14	4.65

Of the total applications received during the year, 13,297 or 97% were approved for loans; however loans were disbursed to the 9,706 students who completed the application process. The incomplete applications were eventually cancelled for various reasons including: failure of applicants to matriculate to their institution of choice, failure to provide all required supporting documentation to SLB and pay the relevant fees, as well as receipt of scholarships or other forms of financial assistance by some persons.

The table below reveals that the value of loans disbursed over the 5 year period increased to $3.627 billion in 2017/18, from $3.522 billion in 2013/14, representing an increase of $105 million or 2.98%. At the same time the number of loans disbursed over the 5 years reduced from 11,512 in 2013/14 to 9,701 in 2017/18 or by 18.1% as outlined in Tables 1 & 1b. The dollar value disbursed increased despite the reduction in the number of loans disbursed over the period due to the increased tuition fees charged by the tertiary institutions.

Table 1b: Number of Applications Received, Number of Loans Disbursed and $ Value Disbursed 2013/14- 2017/18

	2017/18	2016/17	2015/16	2014/15	2013/14	Change 2013/14 -2017/18	Change % 2013/14 -2017/18
						#	%
No. of Applications Received (#)	13,729	13,494	13,620	14,845	15,297	(1,568)	(18.10)
No. of Loans Disbursed (#)	9,706	9,492	10,228	11,182	11,512	(1,806)	(15.69)
Value of Loans Disbursed ($Mn)	3,627	3,367	3,311	3,460	3,522	105	2.99

LOAN DISBURSEMENTS 2017/18

For the academic year, a total of $3.627 billion was disbursed to approved tertiary institutions compared to $3,367.02 billion in 2016/17, representing an increase of $260.14 million or 7.73%, as outlined in Table 2 below.

Table 2: Disbursement Amount based on Institution - Academic Years 2017/18 and 2016/17

Institution	Amount Disbursed (2017/18) $ Million	Amount Disbursed (2016/17) $ Million	$ Million Change	% Change
UTECH	1,059.35	1,054.13	5.22	0.50
UWI, Mona & SMRT	1,316.03	1,178.74	137.29	11.65
NCU	389.2	411.26	(22.06)	(5.36)
Teachers' Colleges	206.19	178.52	27.67	15.50
Community Colleges	110.58	94.35	16.23	17.20
UWI, Regional	13.63	13.62	0.01	0.07
Other	532.18	436.40	95.78	21.95
Total	**3,627.16**	**3,367.02**	**260.14**	**7.73**

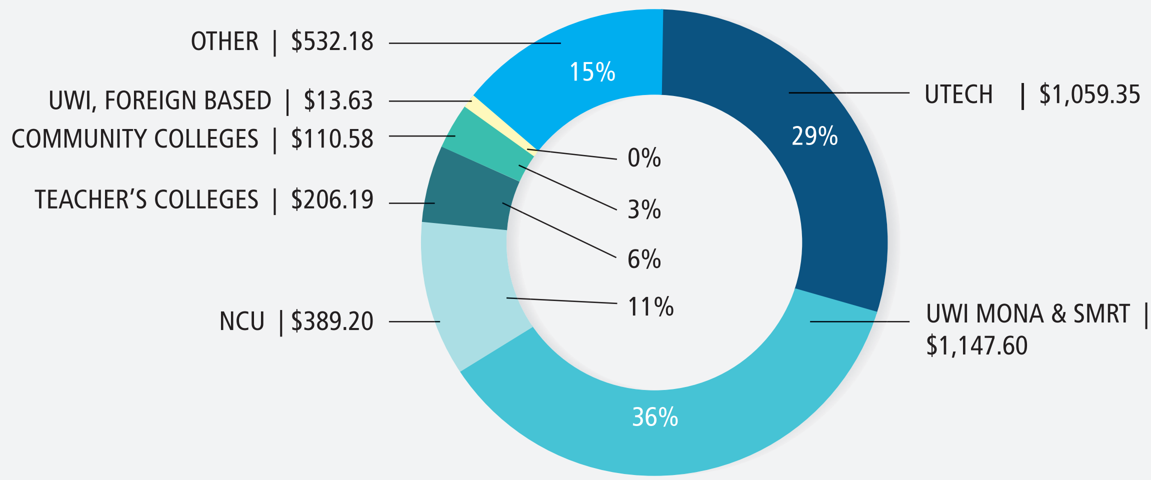
The SLB provided funding to students attending the thirty-three (33) Approved Tertiary Institutions (ATIs) during 2017/18. Of the institutions funded, the three largest accounted for approximately 76% of the funds disbursed: University of the West Indies (UWI Mona) - $1,316.03 Million or 36%, University of Technology (UTECH) - $1,059.36 Million or 29%), and Northern Caribbean University (NCU) - $389.2 Million or 11%. Teachers' Colleges, Community Colleges and regional institutions accounted for an aggregate of $330.40 Million or 9%. The 'Other' institutions accounted for $532.18 Million or 15% of the funds disbursed for the year. (Refer to Table 2 & 2a).

Table 2a: Dollar Value of Loans Disbursed, Relative (%) Share per Institution and the Number of Students Benefitting - Academic Year 2017/18

Institution	Loan Disbursed $ Million	% Share Disbursement	No. of Students	% Students
UTECH	1,059.35	29	3,054	31.48
UWI, Mona & SMRT	1,316.03	36	3,272	33.73
NCU	389.2	11	877	9.04
Teachers' Colleges	206.19	6	737	7.60
Community Colleges	110.58	3	330	3.40
UWI, Foreign Based	13.63	0	31	0.32
Other	532.18	15	1,400	14.43
Total	**3,627.16**	**100.00**	**9,701**	**100.00**

Diagram 1 below gives a pictorial presentation of the loans disbursed to the 3 largest institutions, UWI, UTECH and NCU, as well as to the Teachers' Colleges and the Community Colleges, for the review period.

Diagram 1: Relative Percentage Share of Value ($ Million) of loans Disbursed to Institutions - 2017/18



When the amount disbursed to each institution for 2017/18 compared to 2016/17 is disaggregated on the basis of the number of students benefitting from loans, the result is shown in Table 2b below:

Table 2b: The Number of Students Receiving Loans Based on Institutions (2017/18 and 2016/17)

Institution	No. of Students Receiving SLB Loans		Change	
	2017/18	2016/17	No.	%
UTECH	3,054	3,128	(74)	(2.37)
UWI, Mona & SMRT	3,272	3,106	166	5.34
NCU	877	896	(19)	(2.12)
Teachers' Colleges	737	721	16	2.22
Community Colleges	330	317	13	4.1
UWI, Foreign Based	31	31	0	0
Other	1,400	1,293	107	8.28
TOTAL	**9,701**	**9,492**	**209**	**2.2**

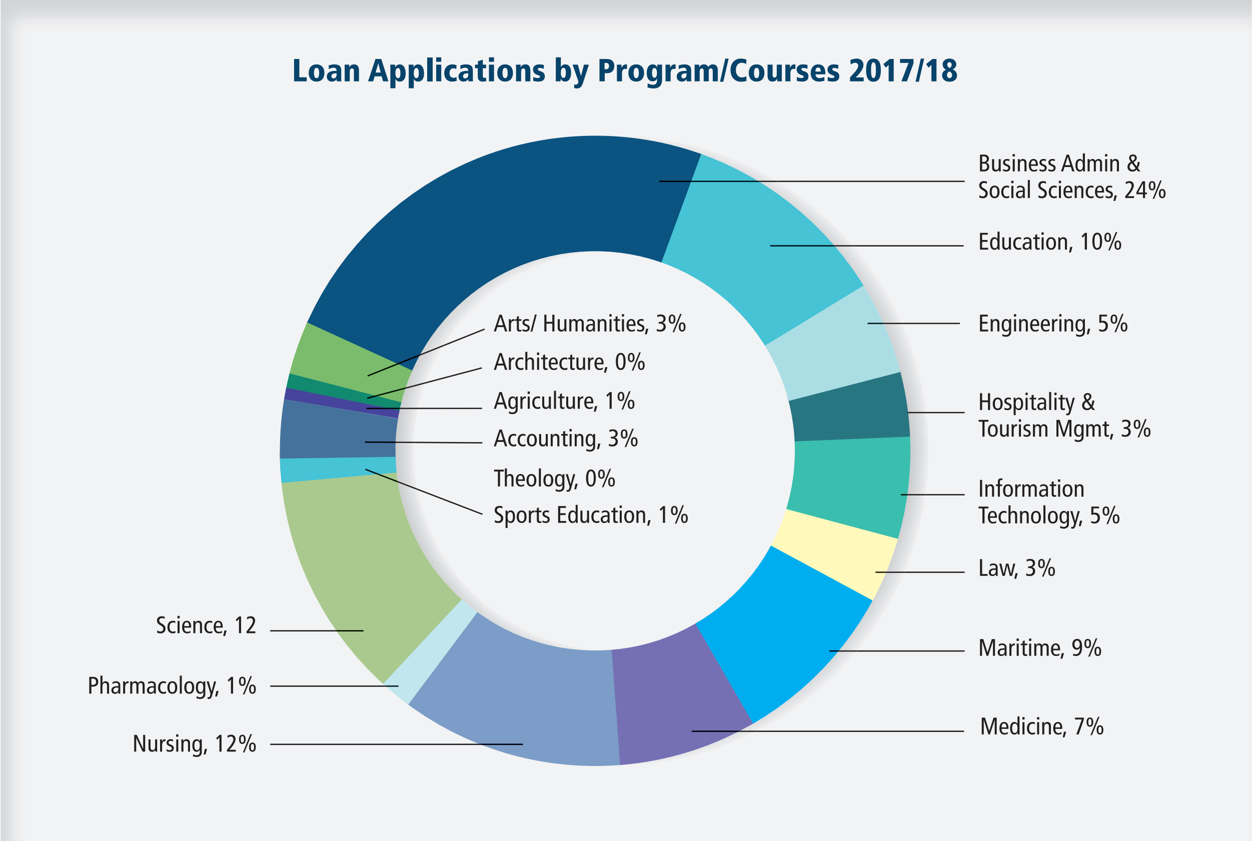
Table 2b reveals an increase in the number of students receiving loans for UWI Mona (by 166 students or 5.34%). However there was a decline in the number of UTECH students receiving loans (by 74 students or -2.37%) in 2017/18 Academic Year compared to 2016/17. There was also a decline in the number of NCU students receiving loans during the year, (decreased by 19 students or -2.12%). It was noted that there was an increase in the number of students from Community Colleges and Teachers' Colleges receiving loans (13 students or 4.10% and 16 students or 2.22% respectively). The number of students from UWI-Regional/ Foreign Based institutions remained flat, year over year. Students of 'Other' institutions receiving student loans in 2018/19 increased by 107 or 8.28% .

LOAN APPLICATIONS BY PROGRAMMES/COURSES – 2017/18

The 13,729 applications received during the 2017/18 application period are distributed across the various programmes of study as outlined in Table 3 below and Diagram 2 overleaf. The top four (4) programs were Business Administration and Social Sciences (23.66%), Sciences (11.91%), Nursing (11.50%) and Education (10.49%), which in aggregate, accounted for approximately 57.56% of the demand for the academic year.

Table 3 – Loan Applications by Programmes/Courses 2016/17 and 2017/18

Courses	2017/18 Applicants		2016/17 Applicants		Change	
	Total No.	% share	Total No.	% share	No.	%
Accounting	440	3.20	413	3.06	27	6.54
Agriculture	72	0.52	87	0.64	(15)	(17.24)
Architecture	64	0.47	60	0.44	4	6.67
Arts/Humanities	401	2.92	439	3.25	(38)	(8.66)
Bus. Admin & Social Sciences	3,248	23.66	3,174	23.53	74	2.33
Education	1,440	10.49	1,425	10.56	15	1.05
Engineering	679	4.95	699	5.18	(20)	(2.86)
Hospitality & Tourism Mgmt	442	3.22	477	3.53	(35)	(7.34)
Information Technology	746	5.43	756	5.6	(10)	(1.32)
Law	461	3.36	421	3.13	40	9.50
Maritime	1,213	8.84	923	6.84	290	31.42
Medicine	954	6.95	1,000	7.41	(46)	(4.60)
Nursing	1,579	11.50	1,495	11.08	84	5.62
Pharmacology	195	1.42	223	1.65	(28)	(12.56)
Sciences	1,635	11.91	1,742	12.92	(107)	(6.14)
Sports Education	109	0.79	100	0.74	9	9.00
Theology	51	0.37	60	0.44	(9)	(15.00)
Total	**13,729**	**100**	**13,494**	**100**	**235**	



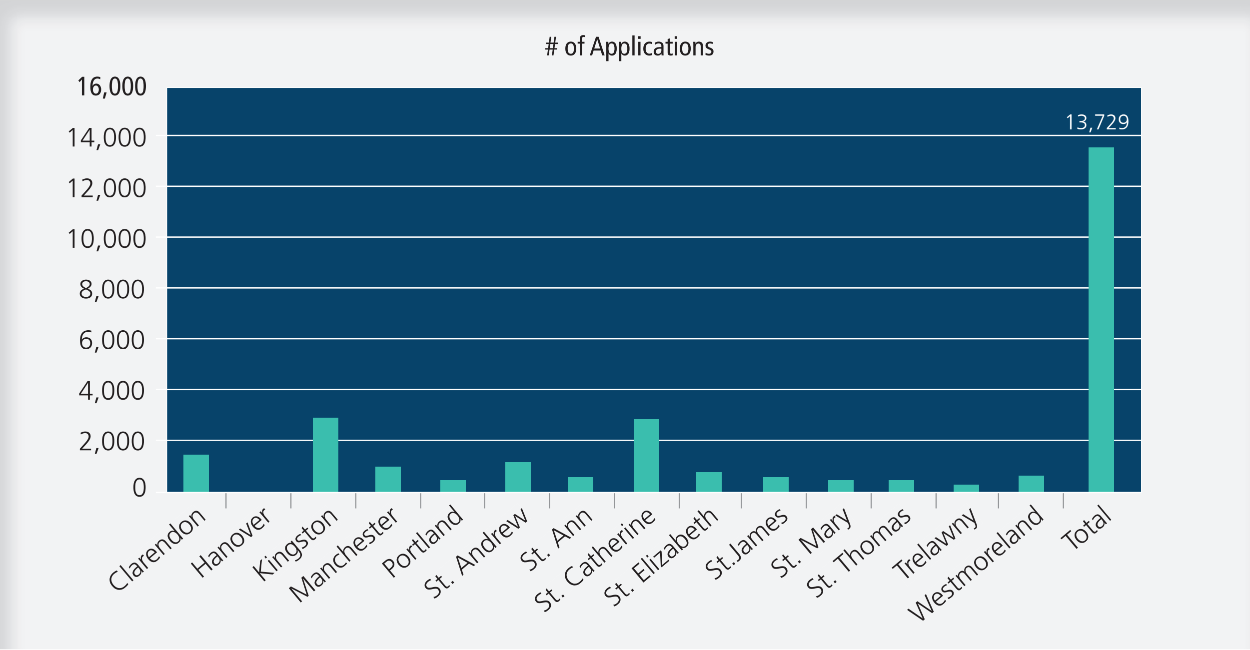
Disaggregation of the 13,729 applications by parish revealed that a total of 3,031 or 22.07% emanated from St. Catherine. This was followed by the Kingston Metropolitan Area which accounted for 3,934 or 28.6% (Kingston - 2,633 and St Andrew - 1,301). The parish of Clarendon and Manchester accounted for 1,499 (11%) and 990 (7.2%), respectively. (Refer to Table 4 and Diagram 3 overleaf).

When the application data is disaggregated on the basis of gender, it reveals a higher ratio of female applicants to males. As illustrated in Table 4, during the 2017/18 period, more females continued to access student loans for their tertiary education, relative to their male counterparts. The statistics show that the applications submitted by females totalled 9,636 and accounted for 70.18% of the overall demand in 2017/18, relative to the 9,336 or 69.18% recorded in 2016/17. Applications from male students accounted for 4,093 or 29.81% of the overall total during the 2017/18 review year (4,158 or 30.81% - 2016/17).

Table 4: Total Loan Applications Received by Parish and Gender (Comparison between 2016/17 - 2017/18)

Parish	2017/18			2016/17			% Change		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
Clarendon	1,099	400	1,499	1,121	454	1,575	(1.96)	(11.89)	(4.83)
Hanover	124	57	181	168	63	231	(26.19)	(9.52)	(21.65)
Kingston	1,783	850	2,633	1,026	469	1,495	73.78	81.24	76.12
Manchester	685	305	990	748	361	1,109	(8.42)	(15.51)	(10.73)
Portland	247	122	369	266	120	386	(7.14)	1.67	(4.40)
St. Andrew	859	442	1,301	1,070	549	1,619	(19.72)	(19.49)	(19.64)
St. Ann	466	166	632	499	218	717	(6.61)	(23.85)	(11.85)
St. Catherine	2,116	915	3,031	2,142	988	3,130	(1.21)	(7.39)	(3.16)
St. Elizabeth	586	204	790	621	229	850	(5.64)	(10.92)	(7.06)
St. James	392	151	543	353	171	524	11.05	(11.70)	3.63
St. Mary	364	142	506	356	158	514	2.25	(10.13)	(1.56)
St. Thomas	352	118	470	362	131	493	(2.76)	(9.92)	(4.67)
Trelawny	200	80	280	219	77	296	(8.68)	3.90	(5.41)
Westmoreland	363	141	504	385	170	555	(5.71)	(17.06)	(9.19)
Total	**9,636**	**4,093**	**13,729**	**9,336**	**4,158**	**13,494**	**3.21**	**(1.56)**	**1.74**

Diagram 3: Graph showing Loan Applications by Parish 2017/18



GRANT-IN-AID (GIA) DISBURSEMENTS

During the period under review the SLB continued to provide Grant-in-Aid (GIA) to the students assessed as being most in need of additional financial assistance to defray the costs of their education-related expenses. Beneficiaries are able to access grants through: automatic qualification through the application of the Means Test, recommendations from the tertiary institutions, requests from loan beneficiaries for consideration via letters to the SLB and referrals by the Appeals Committee of the SLB.

For the 2017/18 Fiscal Year, the SLB received $150 Million from the Ministry of Finance and the Public Service to fund the GIA programme. The SLB disbursed approximately $144.86 Million in Grants to 3,382 students for the Academic Year. The GIA disbursement represented a decrease of $21.74 Million or 13.05% less than the $166.6 Million disbursed to 3,694 students during the 2016/17 Academic Year (Refer Table 6 below).

Table 6: # of Students receiving Grants and the $ Value Disbursed for Academic Years 2013/14 to 2017/18

Academic Year	No. Loan Applicants received Grants	No. of Applicants change	% Change	$ Value of Grant Disbursed ($ Million)	$Million Change	% Change
2017/18	3,382	(312)	(8.45)	144.86	(21.74)	(13.05)
2016/17	3,694	665	21.95	166.6	35.7	27.27
2015/16	3,029	63	2.12	130.9	4.3	3.39
2014/15	2,966	106	3.7	126.6	3	2.42
2013/14	2,860	(772)	(21.26)	123.6	(34.6)	(21.87)

Table 6a below provides a further breakdown of disbursements of GIA on an institution basis for the 2017/18 academic year, compared to 2016/17. The table below also shows the dollar value and the number of beneficiaries awarded grants for the academic year.

Table 6a: Grant-In-Aid Disbursed by Institution during The period 2016/17-2017/18, No. of Beneficiaries and $ Value

Institution	2017/2018		2016/2017		Change		
	$Mn	No. of Students	$Mn	No. of Students	$Mn	No.of Students	% Change (per $ value)
UTECH	56.55	1210	72.4	1448	(15.85)	(238)	(21.89)
UWI, Mona & SMRT	53.08	1065	58.7	1177	(5.62)	(112)	(9.57)
NCU	15.12	314	16.55	335	(1.43)	(21)	(8.64)
Teachers' Colleges	4.52	184	4.5	182	0.02	2	0.44
Community Colleges	2.33	94	2.32	94	0.01	0	0.43
UWI, Foreign Based	0.77	17	0.57	12	0.2	5	35.09
Other	12.49	498	11.56	446	0.93	52	8.04
Total	**144.86**	**3,382**	**166.6**	**3,694**	**(21.74)**	**(312)**	**(13.05)**

The SLB continued to offer several facilities to accommodate our customers with the aim of reducing the need for them and their guarantors to visit the SLB's office to complete the application process. These included:

- The document "Drop-off" facility which facilitates the submission of documents to support loan applications without having to wait in line for the application to be processed. The documents are subsequently updated to the system and the facility was utilized by hundreds of applicants during the 2017/18 period.
- Returning SLB beneficiaries are able to complete and submit their Status Report/ Update Forms online and pay the requisite fees at any Bill Express or Paymaster location island-wide.
- The SLB continued to offer the 'On the Road' facility which takes the services to our customers at strategic locations across the island for their convenience. This service is normally offered in conjunction with the tertiary institutions who host the SLB team at their premises for the duration of the on the road service. This has proven to be quite successful over the years and many out of town applicants look forward to utilizing the facility each year.
- The "Online Guarantor" facility enables guarantors to download the relevant documents from the SLB's website - www.slbja.com, have them completed, witnessed and certified by authorized persons and submitted to the SLB. Certification of guarantor documents is done by authorized persons, such as an Attorney-at-Law, a Justice of the Peace or a Medical Doctor.
- Memoranda of Understanding (MOU) have been signed with the major tertiary institutions to improve information sharing and to provide assistance in the collection of required documents to support applications from their students and timely submission to SLB.

The above measures have served to improve the processing of applications especially during the peak period and have also helped with the crowd containment at the SLB's office.

FINANCIAL POSITION 2017/18

SLB recorded total assets of $28.808 billion for the Fiscal Year ended March 2018 compared to $25.063 billion at the end of March 2017, which represented an increase of $3.74 billion or 14.94%. A surplus of $1.146 billion was recorded for the 2017/18 Fiscal Year (2016/17:$331.853 million), after accounting for foreign exchange gain of $75.591 million compared to the foreign exchange loss of $194.280 million in 2016/17 which was incurred mainly on the non GOJ-guaranteed portion of the US$ denominated debt.

LOAN PORTFOLIO

Of the total assets of $28.808 billion as at March 31, 2018, loans issued to students amounted to $21.625 billion, (after provision for impairment), and accounted for 75.06% of total assets. This represents an increase of $2.017 billion or 10.29% over the $19.608 billion (net) as at March 31, 2017. The current portion of the Loan portfolio (due within the fiscal year) as at March 2018 was $2.751 billion or 12.70% of total loans ($2.647 billion or 13.5% March 2017). The Long Term portion was $18.873 billion or 87.27% ($16.960 billion or 86.50% March 2017).

Loans in Moratorium as at March 2018 amounted to $9.866 billion or 38% of loans (net of write-offs) in the portfolio totaling $25.926 billion (gross). This compares with $9.030 billion or 38% of the net portfolio balance as at March 31, 2017 which amounted to $23.763 billion.

LOAN REPAYMENTS/COLLECTIONS

During the year ended March 31, 2018, beneficiaries repaid $3.213 billion compared to $2.446 billion collected during the year ended March 31, 2017 and represented an increase of $766.738 million or 31.3% over the previous year. The amount collected for Financial Year 2017/18 accounted for 12.39% of the gross loans as at March 2018, compared to 10.29% as at March 2017.

The average monthly amount collected during the Fiscal Year 2017/18 was approximately $267.75 million compared to $203.83 million for the previous year. The average monthly loan repayments have increased over the years, moving from a monthly average of $107.110 million as at March 2014 to $267.75 million for year ended March 31, 2018, as highlighted in Diagram 4 below.

Diagram 4: Annual/Average Monthly Collection ($ million) for the period March 2014-March 2018

Collections continue to increase and the Bureau has noted an increasing trend in the number of SLB beneficiaries seeking to restructure or reschedule their loans and/or defer loan repayments until they become employed or are in a position to make payments.

In an effort to improve collections and reduce delinquency the SLB has embarked on several initiatives which have been yielding positive results. The initiatives include:

- Increased implementation of Salary Deduction Orders for beneficiaries employed in the Public and Private Sectors.
- Encouraging beneficiaries and/or their parents to exercise the option to commence repayment during the moratorium period (in school years) which would reduce the overall interest cost and ultimately the monthly payment upon the loan entering repayment.
- Sharing of loan balances with the licensed Credit Bureaus on a monthly basis. This measure has served as an incentive for beneficiaries to repay their loans in order to benefit from a good credit report and conduct financial transactions elsewhere.
- Encouraging early closure of loans by offering incentives such as waivers of charges and fees.
- Periodic publication of the names and faces of delinquent beneficiaries in the media.
- Increased use of TRNs to track beneficiaries and their place of employment to facilitate salary deductions.
- Partnering with relevant Public and Private Sector stakeholders with a view to strengthen the SLB's ability to collect.
- Increased restructuring of loans to facilitate more manageable monthly amounts by beneficiaries.
- Increasing the use of Debt Collectors and external Attorneys with the aim of pursuing litigation as necessary, to collect outstanding loans and reduce delinquency.
- Engagement of the developers of the Loan Management System for necessary system improvements to facilitate increased loan monitoring and collections.

The above initiatives are at various stages of implementation and have contributed to the record collections noted for the review year 2017/18.

It is anticipated that the increasing trend will continue as the SLB increases its public education and advertising campaign, to encourage beneficiaries to take responsibility for repayment of their student loans to reduce delinquency and facilitate on-lending to other students.

LOAN DELINQUENCY

Delinquency continued to be a challenge throughout the review year and the measures outlined above to increase collections are intended to positively impact delinquency over the medium to long term.

The gross loans was $25.93 billion as at March 2018 of which $8.11 billion or 31.26% was over 90 days past due and as such was recorded as delinquent, i.e. amounts past due for 90 days or more. The delinquent amount of $8.11 billion also represented 50.47% of the Loans in Repayment as at the end of March 2018.

Diagrams 4a and 4b (overleaf) show the trend in delinquency rate over the last 5 years.

Diagram 4a: Delinquency as a Percentage of Total Loans - March 2014-March 2018

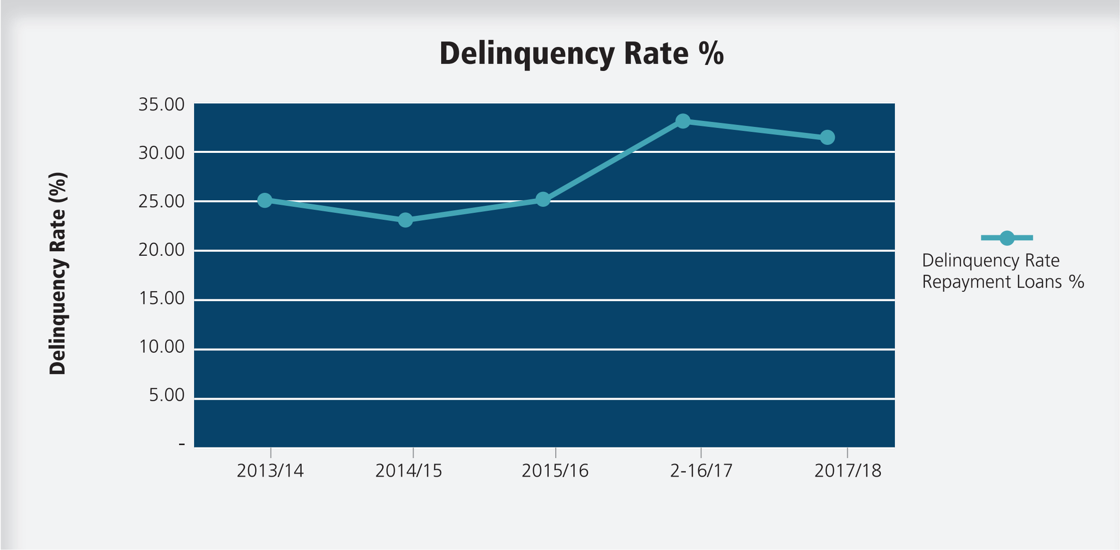
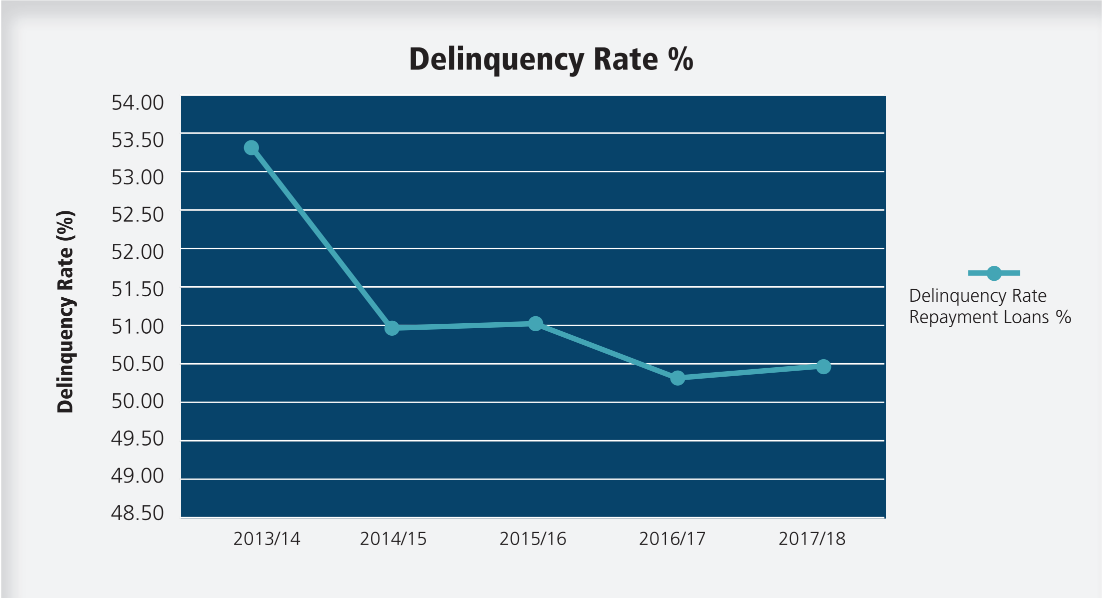


Diagram 4b: Delinquency as a Percentage of Repayment Loans - March 2014-March 2018



LOAN MANAGEMENT SYSTEM

The developers, eGov Jamaica Limited continued to provide support to the SLB to address the issues being experienced with the Loan Management System. In the meantime, project planning for the acquisition of an Enterprise Management Information System (EMIS) is progressing.

The Project planning commenced with the invitation for Expressions of Interest for a Project Manager to aid in the process of acquisition of an EMIS. The new system will allow SLB to adopt a configurable, paperless and seamless process driven, workflow-based system. It is intended that where possible, the life-cycle of each loan will be fully automated from the point of application, through to loan origination processing, disbursement, servicing and General Ledger accounting.

BUSINESS INTELLIGENCE (BI) TOOL

The procurement process for the contracting of service of a consultant for the design and development of the data warehouse commenced. The SLB is in the process of exploring several options for service providers of BI Tools software. On completion, the tool will be used for data analysis to guide management decision process and reporting and strengthen the risk management process in the organization.

DIAGNOSTIC REVIEW OF THE SLB

Maxwell Stamp PLC was contracted by the Caribbean Development Bank to conduct the review of the SLB to determine how best to "Improve the Long-term Self-Sustainability of the Students' Loan Bureau". The report was furnished in 2017 and the findings highlighted SLB's inability to maintain a revolving fund purely from collections due primarily to:

- High levels of delinquency
- Lack of adequate employment opportunities for graduates of tertiary institutions
- Low salary levels which makes it difficult for borrowers to meet their loan repayment obligations to the SLB;
- Immigration of graduates and the fact that the SLB does not have the capacity to trace, contact and collect from such borrowers who migrate; and
- Inadequate Loan Management System technologies

The SLB has been working to implement those recommendations that can be implemented in the short term and have referred to the Ministry of Finance & the Public Service for guidance on implementing those recommendations that will require approval at that level.

PUBLIC EDUCATION AND CUSTOMER FOCUSED INITIATIVES

For the Academic Year 2017/18, the SLB's public education campaign included visits to eighty-two (82) institutions inclusive of high schools, tertiary institutions, community organizations, and several public fora. This compares with the one hundred and twenty two (122), public education visits conducted during the 2016/17 as outlined in Table 7 below.

The decrease in school visits for 2017/18 is as a result of the change in strategy to shift the focus to more direct interaction with the students, rather than meeting primarily with guidance counselors. In an attempt to improve the interaction between SLB and our target market, more time is spent engaging the students.

Table 7 – Number of Institution Visits - 2014/15-2017/18

Year	No. Institutions Visited	Variance No.	Variance %
2017/18	82	(40)	(32.79)
2016/17	122	25	25.77
2015/16	97	12	14.12
2014/15	85	15	21.43

During the review period, several institutions including UWI, UTECH and NCU hosted a number of activities in which the SLB participated by making presentations and providing information not only to existing students but also to prospective students.

The organization continued to reach out to students outside of the Kingston Metropolitan Area through its "SLB On the Road" initiative. In this regard, during the months of June and July 2018, the SLB Team visited both Mandeville and Montego Bay where 860 persons were assisted with the loan application process including the submission of documents and payment of fees.

The SLB continued to maintain a presence in the media through the bi-weekly information sharing radio segment - "The SLB & You" which is aired every other Wednesday on Nationwide News Network. This medium seeks to inform and educate the general public on the SLB's loan offerings and to drive repayment. The results have been very positive, giving the general public an opportunity to have their queries responded to directly and address any concerns they may have.

There was a marked increase in our Social Media presence during the period under review with more frequent postings and responsiveness to messages and comments. The SLB made use of Instagram, Facebook and Twitter direct messages channels to provide an additional media of contact for customers during the period.

HUMAN RESOURCE AND ADMINISTRATION

The Human Resource and Administration function continued its activities through the programmes and initiatives in recruitment, performance management, employee welfare and procurement.

During the period under review, the Bureau's staff complement was 105, subsequent to approval for the position of Corporate Secretary to be added to the structure. This function was designed to provide support to the Board to ensure efficiency and good Corporate Governance.

The Performance Management Process revealed consistent performance for most employees. Overall performance was impacted by the increase in staff turnover, nonetheless, the opportunity was seized to implement several initiatives which sought to improve the level of knowledge sharing within the organization which included cross training, acting assignments and job shadowing. Training needs were assessed and several staff were provided the opportunities to further develop their skills and competence.

Several activities to enhance staff morale and camaraderie were planned and executed through the work of the Social Committee and Human Resource & Administration Department. The aim is focused on increasing productivity and fostering a positive work environment.

The Consultancy to develop manual(s) for the SLB's policies and procedures and a Records and Information Management System were also initiated during the period.

CORPORATE SOCIAL RESPONSIBILITY

The SLB has established a budget allocation with a view to strengthening the overall Corporate Social Responsibility of the organization as we seek to give back to the community that has supported the organizations growth and development over the years. The SLB has contributed to charities and will endeavor to improve this in the upcoming year.

CONCLUSION

The initiatives undertaken during the 2017/18 Fiscal Year were aimed at increasing access to student loans with efforts also focused on increasing collections and reducing delinquency so as to garner more funds to strengthen the Revolving Loan Fund and for on-lending to other students. The sharing of information with the Credit Bureaus has served to sensitize our borrowers to the necessity of being financially responsible and this has contributed to increased collections and our efforts will continue in the upcoming year.

The SLB continues to work to improve the sustainability of the Revolving Loan Fund and has been able to fulfill its commitment to approved applicants for disbursement of their tuition fees for the 2017/18 academic year. The Education Tax proceeds along with the inflows from repayments, enabled SLB's ability to fund loan applications. Although a marginal decline was recorded during the review year, the amount disbursed increased.

The SLB continues to work towards improvement in operational efficiencies and customer service and the focus remains on upgrading and strengthening of the Information Technology System so as to improve the service provided to our valued customers and stakeholders. The addition of some critical positions to the approved establishment has enabled overall improvement in operations and the work is continuing for further improvements.

Despite the challenges faced, the SLB Council, Management and Staff remain committed in the efforts to enable increased educational opportunities for our nation's youth. As we navigate an era of increased competition from other financial institutions offering education loans, the SLB will continue to leverage its position as the only institution operated solely for the provision of tertiary financing and offers a moratorium period covering the years in-school plus a further grace period to allow customers to find suitable employment.

The SLB team continues to take advantage of the successes recorded during the year and work assiduously in continuing improvements in the Bureau's operations. The need to adopt greater flexibility and creativity in rising to the demands and challenges in an ever changing environment, remains a critical part of the strategic direction of the organization as we move forward to improve service delivery to our valued customers.

AUDITED FINANCIALS

March 31, 2018

Financial Statements

Ernst & Young Chartered Accountants
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Jamaica W.I.

Tel: 876 925 2501
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INDEPENDENT AUDITOR'S REPORT

To the Council Members of the Students' Loan Bureau

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of the Students' Loan Bureau (the "Bureau"), which comprise the statement of financial position as at 31 March 2018 and the statements of comprehensive income, changes in accumulated fund and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Bureau as at 31 March 2018 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bureau in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code") and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and the Council Members for these Financial Statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Bureau's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bureau or to cease operations, or has no realistic alternative but to do so.

The Council Members are responsible for overseeing the Bureau's financial reporting process.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

To the Council Members of the Students' Loan Bureau (Continued)

Report on the Financial Statements (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Bureau's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bureau's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bureau to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that presents a true and fair view.

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INDEPENDENT AUDITOR'S REPORT (CONTINUED)

To the Council Members of the Students' Loan Bureau (Continued)

Report on the Financial Statements (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements **(Continued)**

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ernst & Young

Chartered Accountants
Kingston, Jamaica

10 August 2020

STUDENTS' LOAN BUREAU

Statement of Financial Position
As at 31 March 2018
(Expressed in Jamaican dollars unless otherwise indicated)

	Notes	2018 $'000	2017 $'000
ASSETS			
Cash and short term investments	6	5,241,013	3,693,692
Insurance fund investments	7	1,022,690	799,342
Loans, accrued interest and fee receivable	8	21,625,778	19,607,514
FSELF fund assets	9	36,715	-
Other receivables	10	62,610	21,153
Due from Government of Jamaica	11	705,773	796,397
Intangible assets	12	7,958	11,292
Property and equipment	13	105,822	133,596
Total Assets		28,808,359	25,062,986
LIABILITIES AND ACCUMULATED FUND			
Liabilities			
Other payables and accrued charges	14	123,214	171,939
Long term loans	15	5,953,137	6,443,257
Insurance fund	7	1,022,690	799,342
FSELF fund liabilities	9	36,715	-
Total Liabilities		7,135,756	7,414,538
Accumulated Fund			
Government contribution	16	12,149,880	9,272,057
Accumulated surplus		9,522,723	8,376,391
Total Accumulated Fund		21,672,603	17,648,448
Total Liabilities and Accumulated Fund		28,808,359	25,062,986

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

The financial statements were approved for issue by the Council on 10 August 2020 and signed on its behalf by:

____________________ Chairman
Mr. Nicholas Scott

____________________ Executive Director
Ms. Monica Brown, J.P.

STUDENTS' LOAN BUREAU

Statement of Comprehensive Income
Year ended 31 March 2018
(Expressed in Jamaican dollars unless otherwise indicated)

	Notes	2018 $'000	2017 $'000
Interest on student advances		1,913,332	1,903,039
Interest on short term deposits and monetary instruments		246,830	188,474
Total interest income	5(n)	2,160,162	2,091,513
Net finance cost	19	(107,812)	(369,160)
Net interest income		2,052,350	1,722,353
Grant income	20	188,288	101,388
Other income	21	597,310	449,606
		2,837,948	2,273,347
Loan loss expenses	8	(1,141,848)	(1,459,781)
Net operating surplus		1,696,100	813,566
Administration expenses	22	(552,149)	(484,856)
Surplus for year		1,143,951	328,710
Other Comprehensive Income:			
Item that will not be reclassified to surplus			
Remeasurement of pension obligation - gain	18	2,381	3,143
Total comprehensive income for the year		1,146,331	331,853

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

STUDENTS' LOAN BUREAU

Statement of Changes in Accumulated Fund
Year ended 31 March 2018
(Expressed in Jamaican dollars unless otherwise indicated)

	Notes	Capital contribution	Accumulated surplus	Total
		$'000	$'000	$'000
Balance at 1 April 2016		6,344,234	8,044,538	14,388,772
Capital contribution	16	2,927,823	-	2,927,823
Other comprehensive income for the year	18	-	3,143	3,143
Surplus for the year		-	328,710	328,710
Balance at 31 March 2017		9,272,057	8,376,391	17,648,448
Capital contribution	16	2,877,823	-	2,877,823
Other comprehensive income for the year	18	-	2,381	2,381
Surplus for the year		-	1,143,951	1,143,951
Balance at 31 March 2018		12,149,880	9,522,723	21,672,603

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

STUDENTS' LOAN BUREAU

Statement of Cash Flows
Year ended 31 March 2018
(Expressed in Jamaican dollars unless otherwise indicated)

	Notes	2018 $'000	2017 $'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus for the year		1,143,951	328,710
Adjustments for:			
Interest income		(2,160,162)	(2,091,513)
Interest expense	19	178,949	171,972
Depreciation and amortization	12,13	14,500	10,036
Remeasurement of pension obligation		2,381	3,143
Withholding tax recoverable written off		-	11,987
Loan loss expense	8	1,141,848	1,459,781
Foreign exchange (gain) loss	19	(75,591)	194,280
Loss on disposal of property and equipment		-	114
		245,876	88,510
Other accounts receivable		(16,032)	1,739
Other payables and accrued charges		(48,961)	53,867
Cash provided by operating activities		180,883	144,116
Interest received		1,379,516	1,244,905
Interest paid		(178,713)	(170,260)
Net cash provided by operating activities		1,381,686	1,218,761
CASH FLOWS FROM INVESTING ACTIVITIES			
Loans disbursed, net of repayments		(2,384,892)	(2,760,407)
Increase in short term deposits		91,769	(644,280)
FSELF Fund		(36,000)	-
Additions to intangible assets and property and equipment	12,13	(3,392)	(29,122)
Net cash used in investing activities		(2,332,515)	(3,433,809)
CASH FLOWS FROM FINANCING ACTIVITIES			
Contribution received	16	2,877,823	2,927,823
Loan repayments		(368,250)	(194,857)
FSELF Fund contribution		36,000	-
Due from Government of Jamaica		44,345	-
Net cash provided by financing activities		2,589,918	2,732,966
Net increase in cash and cash equivalents		1,639,089	517,918
Effect of exchange rates changes on cash and cash equivalents		-	2,368
Cash and cash equivalents at beginning of year		2,372,039	1,851,753
Cash and cash equivalents at end of year	6	4,011,128	2,372,039

Note 25 details the non-cash transactions which impacted the statement of cash flows.

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

1. Corporate information

The Students' Loan Bureau (the "Bureau"), which is incorporated under the Students' Loan Fund Act, is the administrator of the Students' Loan Fund. The Bureau is domiciled in Jamaica and its registered office is located at 63 – 67 Knutsford Boulevard, Kingston 5.

The main activity of the Bureau is the provision of loans to students to assist with the furtherance of their education at the tertiary level.

2. Basis of preparation

The financial statements are prepared using the historical cost basis. The financial statements are presented in Jamaican dollars ($), which is the functional currency of the Bureau.

Statement of compliance:

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Presentation of financial statements:

The Bureau presents its statement of financial position in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current).

3. Significant accounting judgements, estimates and assumptions

The preparation of the financial statements to conform to IFRS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, contingent assets and contingent liabilities at the financial position date, and the income and expense for the year then ended. Actual amounts could differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

3. Significant accounting judgements, estimates and assumptions (Continued)

Judgements made by management in the application of IFRS that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next financial year are discussed below:

(i) Allowance for impairment losses on receivables:

In determining amounts recorded for impairment losses in the financial statements, management makes judgements regarding indicators of impairment, that is, whether there are indicators that suggest there may be a measurable decrease in the estimated future cash flows from receivables, for example, based on default and adverse economic conditions. Management makes estimates of the likely estimated future cash flows from impaired receivables as well as the timing of such cash flows (Note 8).

(ii) Pension and other post-employment benefits:

The amounts recognised in the statement of financial position and comprehensive income statement for post-employment benefits are determined actuarially using several assumptions. The primary assumptions used in determining the amounts recognised include the discount rate used to determine the present value of estimated future cash flows required to settle the post-employment obligations and the expected rate of increase in medical costs for post-employment medical benefits.

The estimate of expected rate of increase in medical costs is determined based on inflationary factors. Any changes in these assumptions will affect the amounts recorded in the financial statements (Note 18).

4. Changes in accounting policies and disclosures and future changes in accounting standards

a) Standards and interpretations adopted during the year

The accounting policies adopted are consistent with those of the previous financial year for the preparation of the Bureau's annual financial statements for the year ended 31 March 2017.

The following new standards and International Financial Reporting Interpretations Committee (IFRIC) interpretations became effective in the current year but had no effect on the financial position or financial performance of the Bureau. The nature and the impact of each new standard or amendment is described below:

4. Changes in accounting policies and disclosures and future changes in accounting standards (Continued)

a) Standards and interpretations adopted during the year (Continued)

IAS 12 Recognition of Deferred Tax Assets for Unrealised Losses – Amendments to IAS 12
The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount

Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in the opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact. These amendments are effective for annual periods beginning on or after 1 January 2017 with early application permitted. If an entity applies the amendments for an earlier period, it must disclose that fact. These amendments do not have any impact on the financial statements of the Bureau.

IAS 7 *Disclosure Initiative – Amendments to IAS 7*
The amendments to IAS 7 *Statement of Cash Flows* are part of the IASB's Disclosure Initiative and help users of financial statements better understand changes in an entity's debt. The amendments require entities to provide disclosures about changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses).

These amendments are effective for annual periods beginning on or after 1 January 2017, with early application permitted. This amendment does not have any significant impact on the financial statements of the Bureau.

4. Changes in accounting policies and disclosures and future changes in accounting standards (Continued)

a) Standards and interpretations adopted during the year (Continued)

IFRS Practice Statement 2: Making Materiality Judgements- IAS 12 Recognition of Deferred Tax Assets for Unrealised Losses

Companies are permitted to apply the guidance in the Practice Statement (PS) to financial statements prepared any time after 14 September 2017.

The PS contains non-mandatory guidance to help entities making materiality judgements when preparing general purpose IFRS financial statements. The PS may also help users of financial statements to understand how an entity makes materiality judgements in preparing such financial statements.

The PS comprises guidance in three main areas:

- General characteristics of materiality,
- A four-step process that may be applied in making materiality judgements when preparing financial statements. This process describes how an entity could assess whether information is material for the purposes of recognition, measurement, presentation and disclosure.
- How to make materiality judgements in specific circumstances, namely, prior period information, errors and covenants and in the context of interim reporting. Furthermore, the PS discusses the interaction between the materiality judgements an entity is required to make and local laws and regulations.

The PS did not have any impact on the Bureau's financial statements.

b) Future changes in accounting standards and interpretations

The standards and interpretations that are issued, but not yet effective for the year ended 31 March 2018 are disclosed below. The standards below are applicable and the Bureau intends to adopt these standards, when they become effective.

IFRS 9 Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9 *Financial Instruments* that replaces IAS 39 *Financial Instruments: Recognition and Measurement* and all previous versions of IFRS 9. IFRS 9 brings together all three aspects of the accounting for the financial instruments project: classification and measurement; impairment; and hedge accounting. IFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Except for hedge accounting, retrospective application is required, but providing comparative information is not compulsory. For hedge accounting, the requirements are generally applied prospectively, with some limited exceptions.

4. Changes in accounting policies and disclosures and future changes in accounting standards (Continued)

b) Future changes in accounting standards and interpretations (continued)

IFRS 9 *Financial Instruments (continued)*

(a) Classification and measurement

Except for certain trade receivables, an entity initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Debt instruments are subsequently measured at fair value through profit or loss (FVTPL), amortised cost, or fair value through other comprehensive income (FVOCI), on the basis of their contractual cash flows and the business model under which the debt instruments are held. There is a fair value option (FVO) that allows financial assets on initial recognition to be designated as FVTPL if that eliminates or significantly reduces an accounting mismatch. Equity instruments are generally measured at FVTPL. However, entities have an irrevocable option on an instrument-by-instrument basis to present changes in the fair value of non-trading instruments in other comprehensive income (OCI) without subsequent reclassification to profit or loss. For financial liabilities designated as FVTPL using the FVO, the amount of change in the fair value of such financial liabilities that is attributable to changes in credit risk must be presented in OCI. The remainder of the change in fair value is presented in profit or loss, unless presentation in OCI of the fair value change in respect of the liability's credit risk would create or enlarge an accounting mismatch in profit or loss.

All other IAS 39 *Financial Instruments: Recognition and Measurement* classification and measurement requirements for financial liabilities have been carried forward into IFRS 9, including the embedded derivative separation rules and the criteria for using the FVO.

(b) Impairment

The impairment requirements are based on an expected credit loss (ECL) model that replaces the IAS 39 incurred loss model. The ECL model applies to debt instruments accounted for at amortised cost or at FVOCI, most loan commitments, financial guarantee contracts, contract assets under IFRS 15 *Revenue from Contracts with Customers* and lease receivables under IAS 17 *Leases* or IFRS 16 *Leases*. Entities are generally required to recognise 12-month ECL on initial recognition (or when the commitment or guarantee was entered into) and thereafter as long as there is no significant deterioration in credit risk.

4. Changes in accounting policies and disclosures and future changes in accounting standards (Continued)

b) Future changes in accounting standards and interpretations (continued)

IFRS 9 *Financial Instruments (continued)*

(b) Impairment (continued)

However, if there has been a significant increase in credit risk on an individual or collective basis, then entities are required to recognise lifetime ECL. For trade receivables, a simplified approach may be applied whereby the lifetime ECL are always recognised.

(c) Hedge accounting

Hedge effectiveness testing is prospective, without the 80% to 125% bright line test in IAS 39, and, depending on the hedge complexity, will often be qualitative. A risk component of a financial or non-financial instrument may be designated as the hedged item if the risk component is separately identifiable and reliably measureable. The time value of an option, any forward element of a forward contract and any foreign currency basis spread can be excluded from the hedging instrument designation and can be accounted for as costs of hedging. More designations of groups of items as the hedged item are possible, including layer designations and some net positions.

Management anticipate that IFRS 9 will be adopted in the Bureau's financial statements for the annual period beginning 1 April 2018 and that the application of IFRS 9 may impact the amounts reported in respect of the Bureau's financial assets and liabilities. However, management has not yet completed their analysis of the impact of the application of the amendments and hence have not yet quantified the extent of the likely impact.

IFRS 15 *Revenue from Contracts with Customers*

IFRS 15 was issued in May 2014 and establishes a new five-step model that will apply to revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in IFRS 15 provide a more structured approach to measuring and recognising revenue. The new revenue standard is applicable to all entities and will supersede all current revenue recognition requirements under IFRS. The Bureau is currently assessing the impact of IFRS 15 and plans to adopt the new standard on the required effective date.

4. Changes in accounting policies and disclosures and future changes in accounting standards (Continued)

b) Future changes in accounting standards and interpretations (continued)

IFRS 16 *Leases*
IFRS 16 was issued in January 2016 and it replaces IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under IAS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under IFRS 16 is substantially unchanged from today's accounting under IAS 17. Lessors will continue to classify all leases using the same classification principle as in IAS 17 and distinguish between two types of leases: operating and finance leases. IFRS 16 also requires lessees and lessors to make more extensive disclosures than under IAS 17. IFRS 16 is effective for annual periods beginning on or after 1 January 2019. Early application is permitted, but not before an entity applies IFRS 15. A lessee can choose to apply the standard using either a full retrospective or a modified retrospective approach. The standard's transition provisions permit certain reliefs. The Bureau has not yet completed an assessment of the potential effect of IFRS 16 on its financial statements.

4. Changes in accounting policies and disclosures and future changes in accounting standards (Continued)

b) Future changes in accounting standards and interpretations (continued)

Plan Amendment, Curtailment* or *Settlement - Amendments* to *IAS 19
The amendments to IAS 19 *Employee Benefits* address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period.

Determining the current service cost and net interest
When accounting for defined benefit plans under IAS 19, the standard generally requires entities to measure the current service cost using actuarial assumptions determined at the start of the annual reporting period. Similarly, the net interest is generally calculated by multiplying the net defined benefit liability (asset) by the discount rate, both as determined at the start of the annual reporting period. The amendments specify that when a plan amendment, curtailment or settlement occurs during the annual reporting period, an entity is required to:

- Determine current service cost for the remainder of the period after the plan amendment, curtailment or settlement, using the actuarial assumptions used to remeasure the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event

- Determine net interest for the remainder of the period after the plan amendment. curtailment or settlement using: the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event; and the discount rate used to remeasure that net defined benefit liability (asset)

Effect on asset ceiling requirements
A plan amendment, curtailment or settlement may reduce or eliminate a surplus in a defined benefit plan, which may cause the effect of the asset ceiling to change.

The amendments clarify that an entity first determines any past service cost, or a gain or loss on settlement, without considering the effect of the asset ceiling. This amount is recognised in profit or loss. An entity then determines the effect of the asset ceiling after the plan amendment, curtailment or settlement. Any change in that effect, excluding amounts included in the net interest, is recognised in other comprehensive income.

This clarification provides that entities might have to recognise a past service cost, or a gain or loss on settlement, that reduces a surplus that was not recognised before. Changes in the effect of the asset ceiling are not netted with such amounts.

4. Changes in accounting policies and disclosures and future changes in accounting standards (Continued)

b) Future changes in accounting standards and interpretations (continued)

Plan Amendment, Curtailment* or *Settlement - Amendments* to *IAS 19 (continued)
The amendments apply to plan amendments, curtailments, or settlements occurring on or after the beginning of the first annual reporting period that begins on or after 1 January 2019. Early application is permitted and should be disclosed.

These amendments are not expected to have an impact of the financial statements of the Bureau.

The Bureau has not adopted early the following new and revised IFRS's and IFRIC interpretations that have been issued but are not yet effective for 2017/2018. These amendments are not applicable to the Bureau:

- Amendments to IFRS 2: IFRS 2 Classification and Measurement of Share-based Payment Transactions - Effective for annual periods beginning on or after 1 January 2018
- IFRS 3 Business Combination - Definition of a Business - Amendments to IFRS 3 (Amendments to IFRS 3 effective for beginning of the first annual reporting period beginning on or after 1 January 2020
- IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts - Effective for annual periods beginning on or after 1 January 2018
- IFRS 17 Insurance Contracts - Effective for annual periods beginning on or after 1 January 2022
- IAS 1 and IAS 8 - Definition of Material – (Amendments are effective for annual periods beginning on or after 1 January 2020)
- IAS 40 Investment Property - Transfers of Investment Property (Amendments to IAS 40) - Effective for annual periods beginning on or after 1 January 2018
- IFRIC Interpretation 22 Foreign Currency Transactions and Advance Consideration - Effective for annual periods beginning on or after 1 January 2018
- Annual Improvements 2014-2016 Cycle (issued in December 2016) - Effective for annual periods beginning on or after 1 January 2018
- Amendments to IAS 19 - Plan Amendment, Curtailment or Settlement - Effective for annual periods beginning on or after 1 January 2019
- Amendments to IAS 28 - Long-term interests in associates and joint ventures - Effective for annual periods beginning on or after 1 January 2019
- Amendments to IFRS 9 - Prepayment Features with Negative Compensation - Effective for annual periods beginning on or after 1 January 2019

4. Changes in accounting policies and disclosures and future changes in accounting standards (Continued)

b) Future changes in accounting standards and interpretations (continued)

- IFRIC Interpretation 23 Uncertainty over Income Tax Treatments - Effective for annual periods beginning on or after 1 January 2019
- Annual Improvements 2015-2017 cycle (issued in December 2017) - Effective for annual periods beginning on or after 1 January 2019
- Amendments to IFRS 10 and IAS 28: IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint venture - The IASB has deferred the effective date of these amendments indefinitely

5. Summary of significant accounting policies

(a) Cash and cash equivalents:

Cash and cash equivalents comprise cash and bank balances and include short-term deposits and other monetary investments with original maturities of three months or less.

(b) Insurance fund:

The Bureau operates a self-administered insurance fund (the "Fund") which was established to settle outstanding debts in the event of permanent disability (both mental and physical), or death of beneficiaries.

Insurance is charged to students at 0.05% (2017: 0.05%) on initial disbursement and at 0.05% (2017: 0.05%) during the repayment period. Interest earned on insurance fund investments increases the value of the Fund. Insurance charged but not received is not included in the value of the Fund but rather accrued in loans receivable balance.

(c) Investments:

Securities purchased under repurchase agreements ('reverse repo') are short-term transactions whereby an entity buys securities and simultaneously agrees to resell the securities on a specified date and at a specified price. Title to the security is not actually transferred unless the counterparty fails to comply with the terms of the contract.

Reverse repos are accounted for as short-term collateralised lending, classified as loans and receivables and measured at amortised cost.

The difference between the sale and repurchase considerations is recognised on an accrual basis over the period of the transaction and is included in interest income.

5. Summary of significant accounting policies (Continued)

(c) Investments (continued):

Government of Jamaica ('GOJ') securities with fixed or determinable payment and fixed maturity dates that the entity has the positive intent and ability to hold to maturity are classified as held-to-maturity and are initially measured at cost and subsequently at amortised cost, using the effective interest rate method, less impairment losses (Note 5(n)).

Other investments are recognised or derecognised on the day they are transferred to/by the entity.

(d) Loans and accrued interest receivable:
Advances originated by the Bureau are classified as loans and receivables. Loans and accrued interest are stated at cost less provision for any doubtful balances. Accrued interest represents unpaid accumulated interest computed based on the rates and methods specified in (Note 5(n)).

(e) Other receivables:

Other receivables are stated at cost less impairment losses (Note 5(m)).

(f) Accounts payable:

Other payables are stated at cost representing the consideration for goods or services received by the statement of financial position date, whether or not billed.

(g) Property and equipment and depreciation:

(i) Property and equipment

Property and equipment are stated at cost less accumulated depreciation (see (ii) below) and impairment losses (Note 5(m)). The cost of replacing part of an item of property and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Bureau and its cost can be measured reliably. The costs of day-to-day servicing of property and equipment are recognised in profit or loss as incurred.

5. Summary of significant accounting policies (Continued)

(g) Property and equipment and depreciation (continued):

(ii) Depreciation:

Property and equipment are depreciated on a straight line basis at annual rates estimated to write off the assets to their estimated residual values at the end of their expected useful lives. The estimated useful lives (years) are as follows:

Leasehold improvement	10
Office furniture, fittings and equipment	3 – 10
Motor vehicles	5
Building	50

No depreciation is charged on work in progress and land.

Depreciation methods, useful lives and residual values are reassessed annually.

(h) Intangible asset:

This represents computer software and software under development and is stated at cost less accumulated amortisation and impairment losses. Amortisation is charged to profit or loss on a straight line basis over the estimated useful life of the intangible asset. Software under development is not amortised. The estimated useful life for computer software is 3 years.

Intangible assets are reviewed periodically for impairment. Where the carrying amount of an intangible asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

(i) Interest-bearing borrowings:

Interest-bearing borrowings are recognised initially at fair value, less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in profit or loss over the period of the borrowings on an effective interest basis.

5. Summary of significant accounting policies (Continued)

(j) Related parties:

A related party is a person or entity that is related to the entity that is preparing its financial statements (referred to in IAS 24 *Related Party Disclosures* as the "reporting entity").

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

(i) has control or joint control over the reporting entity;

(ii) has significant influence over the reporting entity; or

(iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

(b) An entity is related to a reporting entity if any of the following conditions applies:

(i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

5. Summary of significant accounting policies (Continued)

(j) Related parties (continued):

(b) An entity is related to a reporting entity if any of the following conditions applies: (continued)

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.

(vi) The entity is controlled, or jointly controlled by a person identified in (a).

(vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

A reporting entity is exempt from the disclosure requirements of IAS 24.18 in relation to related party transactions and outstanding balances, including commitments, with:

a) a government that has control, joint control or significant influence over the reporting entity; and

b) another entity that is a related party because the same government has control, joint control or significant influence over both the reporting entity and the other entity.

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

(k) Provisions:

A provision is recognised in the statement of financial position when the Bureau has a legal and constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the obligation.

5. Summary of significant accounting policies (Continued)

(l) Employee benefits:

The Bureau operates a defined benefit pension plan for employees meeting certain minimum service requirements.

Employee benefits comprising pensions and other post-employment assets and obligations included in these financial statements have been actuarially determined by a qualified independent actuary, appointed by management. The appointed actuary's report outlines the scope of the valuation and the actuary's opinion.

The actuarial valuations were conducted in accordance with IAS 19, and the financial statements reflect the Bureau's post-employment benefit assets and obligations as computed by the actuary. The valuation report is done annually at 31 January and updated to 31 March for any material changes.

The Bureau is the sponsoring employer in a defined benefit pension plan administered by trustees, the assets of which are held separately from those of the Bureau. The pension scheme continues to be governed by the approved trust deeds and rules, and remains under the full control of the appointed trustees.

The calculation is performed by a qualified independent actuary using the Projected Unit Credit Method. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding net interest and the return on plan assets (excluding net interest), are recognised immediately in the statement of financial position with a corresponding debit or credit to accumulated surplus through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

The Bureau's net obligation in respect of the defined benefit pension scheme is calculated by estimating the amount of future benefit that participating employees have earned in return for their service in the current and prior periods; that value is discounted to determine the present value, and the fair value of any scheme assets is deducted. To the extent that the obligation is less than the fair value of scheme assets, the asset recognized is restricted to the discounted value of future benefits available to the Bureau. The discount rate applied is the yield at the reporting date on long-term government instruments that have maturity dates approximating the terms of the Bureau's obligation.

(Expressed in Jamaican dollars unless otherwise indicated)

5. Summary of significant accounting policies (Continued)

(m) Impairment:

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

On 1 April 2016, the Students' Loan Bureau (SLB) implemented a change in the calculation of interest on student loans receivable from add-on to reducing balance method (RBM) (See Note 5) n)). In the loan repayment period, once a loan (group of loans) is assessed as impaired, appropriate provisions for probable losses must be established to cover the risk of loss. Impaired loans include but are not limited to those which are past due for more than 90 days. Loans are grouped as outlined below for purposes of provisioning and the minimum provision to be set aside, are as follows:-

Past Due Period	**Impairment Rate (%)**	
	2018	**2017**
Not yet due	-	-
Not past due	1.50	1.50
Past due 1-30 days	4	4
Past due 31-90 days	12	12
Past due 91-365 days	15	15
Past due 1-2 years	40	40
Past due 2-3 years	65	65
Past due 3-4 years	85	85

Effective 31 March 2017, delinquent loans greater than 4 years in arrears shall be written off. Loans deemed to be uncollectible must be written off in instances where they are in arrears for a period greater than or equal to 1460 days (4 years), (2017: 1,460 days (4 years)).

5. Summary of significant accounting policies (Continued)

(m) Impairment (continued):

(i) Calculation of recoverable amount:

The recoverable amount of the Bureau's receivables is calculated as the present value of expected future cash flows, discounted at the original effective interest rate inherent in the asset. Receivables with a short duration are not discounted.

Loans and advances are presented net of specific allowances for uncollectability. Specific allowances are made against the carrying amount of loans and advances that are identified as being impaired based on regular reviews of outstanding balances to reduce these loans and advances to their recoverable amounts. The expected cash flows for portfolios of similar assets are estimated based on previous experience and considering the credit rating of the underlying customers and late payments of interest or penalties. Increases in the allowance account are recognised in profit or loss.

When a loan is known to be uncollectible, that is, all the necessary legal procedures have been completed and the final loss determined, the loan is written off directly against the loan provision .

If in a subsequent period the amount of impairment loss decreases and the decrease can be linked objectively to an event occurring after the write-down, the write-down or allowance is reversed through profit or loss.

The recoverable amount of other assets is the greater of their net selling price 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 an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in profit or loss.

5. Summary of significant accounting policies (Continued)

(m) Impairment (continued):

(ii) Impairment of long-lived assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

(iii) Reversals of impairment:

An impairment loss in respect of receivables is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised. In respect of other assets, an impairment loss is reversed if there has been a change in the estimate used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized accordingly.

(n) Revenue recognition:

(i) Interest on student advances:

Interest income is recognized on the accrual basis using the effective interest rate method, except when collectability is considered doubtful. Where payment of interest income is outstanding for more than 90 days, collectability is deemed to be doubtful, interest will be taken into account on the cash basis.

5. Summary of significant accounting policies (Continued)

(n) Revenue recognition (continued):

(ii) Interest on short-term deposit and monetary instrument:

Interest is charged to students as follows:
For the targeted loan facility, principal and interest normally become due for repayment after a grace period of six months following the end of the prescribed duration of the study program. This is usually an average of three to four years. Beginning the first working day of January following the scheduled completion date of the study program, all interest accrued in the period of study is capitalized and interest is charged on the new loan balance. Effective 1 April 2016, interest was charged on the reducing balance basis. The applicable rate for the year is 7.80% charged during the beneficiary's period of study and 9.50% in the repayment period. Effective 1 April 2017, interest rate for loans to students studying Science, Technology, Engineering and Maritime and Logistics (STEM) was reduced to 6%. The standard loan tenure is 15 years, inclusive of the prescribed period of study. However, the loan tenure is extended to 20 years for persons who pursue programs of study that exceed the general 3- 4 year duration and attract higher tuition costs.

Pay As You Study (PAYS) loans commence repayment immediately with an interest charge of 6%. The standard loan tenure for PAYS loans is 7 years.

Postgraduate loans commence repayment immediately with an interest charge of 9.5%. The standard loan tenure for postgraduate loans is 5 years.

Interest income is recognised in profit or loss for all interest-bearing instruments on the accrual basis using the effective yield method based on the actual purchase price. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset (or, where appropriate, a shorter period) to the carrying amount of the financial asset. Interest income includes coupons earned on fixed income investments.

(o) Grant-in-aid income:

Grant-in-aid income allocated from amounts received from the Government of Jamaica is recognized as income in the period in which the grant is made to the qualifying students.

(p) Penalty charge:

Penalty of $750 (2017: $750) per month is charged on accounts in arrears, up to the date of write off, as outlined in the loan policy.

5. Summary of significant accounting policies (Continued)

(q) Foreign currencies:

(i) Balances denominated in foreign currencies are translated at the rates of exchange ruling at the reporting date. Transactions in foreign currencies are converted at the rates of exchange ruling on the transaction dates. Gains or losses arising from fluctuations in exchange rates are included in profit or loss.
Non-monetary assets and liabilities denominated in foreign currencies carried at fair value are translated to Jamaica dollars at foreign exchange rates ruling at the dates the values were determined.

For the purpose of the statement of cash flows, all foreign currency gains and losses recognized in profit or loss are treated as cash items and included in cash flows from operating or financing activities along with movements in the relevant balances.

(ii) That portion of the Bureau's loan advances which is repayable in United States dollars has been adjusted to reflect the increased cost of repayment of such advances caused by devaluations of the Jamaica dollar. The increased cost of repayment on the CDB Loans is recoverable from the Government of Jamaica (Refer to Note 11).

(r) Net finance costs:

Net finance costs comprise interest payable on borrowings calculated using the effective interest method, interest receivable on funds invested, material bank charges and foreign exchange gains and losses recognized in profit or loss.

(s) Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Bureau incurs in connection with the borrowing of funds.

(t) Financial instruments:

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise. For the purpose of these financial statements, financial assets have been determined to include cash and cash equivalents, short-term investments, other accounts receivable and advances and accrued interest. Similarly, financial liabilities include other payables, cess payable and loans payable.

5. Summary of significant accounting policies (Continued)

(u) Grants:

The Bureau receives funding from international lending institutions and the Government of Jamaica for special projects and on-lending.

i) Special projects:

Grants that are governed by donor-imposed stipulations, which stipulations must be complied with to the satisfaction of the donor for the project expenditure to be approved, are credited to capital grants.

When funds are spent in accordance with the donor's stipulations, the amount is charged off as special project expenses. An equivalent amount is then transferred from capital grants to the project expenditure account.

ii) On-lending:

Grants may be obtained from non-shareholders from time to time to assist with the Bureau's funding needs. These grants are recognized in the statement of comprehensive income as revenue when received except those received directly from the GOJ which are recognized in the accumulated fund as contributions.

5. Summary of significant accounting policies (Continued)

(v) Determination of fair values:

Fair value is the price that would be received to sell an asset or paid to transfer a liability between market participants at the measurement date. The fair value is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

A fair value measurement of non-financial assets takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are classified within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

▪ Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
▪ Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
▪ Level 3 – Valuation technique for which the lowest level input that is significant to the fair value measurement is unobservable.

(w) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Bureau as a lessor
Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Bureau as a lessee
Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals, if any, arising under operating leases are recognised as an expense in the period in which they are incurred.

5. Summary of significant accounting policies (Continued)

(w) Leases (continued)

The Bureau as a lessee (continued)
In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(x) Comparative information

Where necessary, comparative figures have been reclassified to conform with changes in presentation in the current year.

6. Cash and short term investments

Cash in interest-bearing accounts consist of:

	2018 $'000	2017 $'000
Cash	400,915	121,595
Short - term investments	4,840,097	3,572,097
	5,241,012	3,693,692

Cash in interest bearing accounts earns interest at a floating rate of 4.16% (2017: 6.35%) based on daily bank deposits. Short-term investments earn interest at an average rate of 4.14% for JMD (2017: 6.38%) and 1.80% USD (2017: 2.10%). These short-term investments have an average maturity of 30 – 90 days.

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	2018 $'000	2017 $'000
Cash and short term investments	5,241,012	3,693,692
Less balance with maturity dates over 90 days	(1,229,884)	(1,321,653)
	4,011,128	2,372,039

Investments with maturity dates over 90 days earn interest at an average rate of 4.97% (2017: 6.45%). These investments have an average maturity of 90 - 181 days (2017: 90 - 181 days) and are all fully backed by Government of Jamaica securities.

7. Insurance fund

	2018 **$'000**	**2017** **$'000**
Investments including withholding tax:		
Government of Jamaica (GOJ) Bonds (Note 7 (a))	54,780	54,120
Resale agreements (Note 7 (b))	967,910	745,222
	1,022,690	799,342

The Fund is maintained out of insurance premiums collected from borrowers.

(a) During 2013, the Bureau participated in the National Debt Exchange which resulted in certain GOJ bonds being exchanged for fixed rate accreting bonds issued at a discount of 20% of the original bonds. The loss arising of $13.2 million was recognized directly in the accumulated fund. Accretion of the bonds commenced in 2016/17. The bonds are classified as held-to-maturity and are scheduled to mature in August 2028.

(b) The fair value of the underlying collateral (GOJ bonds) held on securities purchased under resale agreements at 31 March 2018 amounted to $995 million (2017: $782 million).

(c) An actuarial assessment of the Fund conducted in 2015 determined that it carries a significant surplus in terms of the covered risk of student loans. In light of the assessment and by way of Resolution of the Council dated December 16, 2015, the Bureau decided that $600 million is adequate to provide coverage for the loans. The Board also authorized the conversion of $1.3 billion due to the Fund to be transferred to equity. An amount of $242.4 million representing surplus was also transferred to the accumulated fund in 2016.

7. Insurance fund (Continued)

The movement in the insurance fund balance during the year was as follows:

	2018 $'000	**2017 $'000**
Balance at beginning of the year	799,342	600,000
Premiums received	163,470	159,834
Interest earned on funds invested	61,469	54,997
Benefits paid	(1,591)	(3,502)
Withholding tax recoverable now written off	-	(11,987)
Balance at the end of the year	1,022,690	799,342

8. Loans, accrued interest and fee receivable

At 31 March 2018, the total balances receivable for advances and interest accrued under the New Student Loan Scheme are calculated based on the business rules approved by the Council.

Loans, accrued interest and fee receivable are shown net of provision for doubtful debts totaling $4.3 billion (2017: $4.2 billion).

	2018 $'000	**2017 $'000**
Principal	25,600,962	22,690,116
Interest receivable, penalty and other charges	1,322,448	1,251,658
	26,923,410	23,941,774
Less: Loans and other charges written off	(997,081)	(178,476)
	25,926,329	23,763,298
Less: Allowance for impairment loss	(4,300,551)	(4,155,784)
	21,625,778	19,607,514

8. Loans, accrued interest and fee receivable (Continued)

Loans, accrued interest and fee receivable balance is broken down as follows:

	2018 $'000	2017 $'000
Current portion	2,751,983	2,647,576
Long term portion	18,873,795	16,959,938
	21,625,778	19,607,514

The aging of loans, accrued interest and fee receivable at the reporting date:

	2018		2017	
	Gross $'000	Impairment $'000	Gross $'000	Impairment $'000
Not yet due	9,865,967	-	9,029,798	-
Neither past due nor impaired	5,342,809	82,957	4,669,765	129,351
Past due 31-90 days	2,611,705	313,431	2,605,168	312,620
Past due 91-180 days	277,009	41,565	295,879	44,382
Past due 181-365 days	1,045,290	156,939	1,543,112	231,467
Past due 1-2 years	3,953,971	1,582,084	2,488,872	995,549
Past due 2-3 years	1,433,517	933,606	1,964,514	1,276,225
Past due 3-4 years	1,396,061	1,189,969	1,166,190	1,166,190
	25,926,329	4,300,551	23,763,298	4,155,784

Allowance for impairment relates to beneficiaries who have not serviced their accounts for a protracted period of time.

The movement in the allowance for impairment in respect of loans receivables during the year was as follows:

	2018 $'000	2017 $'000
Balance at 1 April	4,155,784	2,874,479
Charge for the year	1,141,848	1,459,781
Write-offs	(997,081)	(178,476)
Balance at 31 March	4,300,551	4,155,784

9. FSELF Fund

During the financial year, the Bureau also received $36 million from the Ministry of Education under the Finalizing Students Emergency Loan Facility (FSELF) agreement with the Bureau, the University of the West Indies and the Ministry of Education. The interest rate on FSELF loans is 6%. The Bureau, under the terms of the agreement, is expected to administer the processing and disbursement of the loans approved under the FSELF facility. Loans of $7.96 million was disbursed prior to year end.

	2018 $'000	2017 $'000
Fund assets	-	-
Short term investments including interest receivable	28,431	-
Loans disbursed including fees and interest receivable	8,284	-
	36,715	-
Fund liabilities		-
Funds received	36,000	
Fee and interest earned	715	-
Balance at 31 March	36,715	-

10. Other receivables

	2018 $'000	2017 $'000
Interest receivable on short term deposits	18,561	13,137
Withholding tax recoverable	1,617	24
Advances and other receivables	42,432	7,992
	62,610	21,153

Advances and other receivables includes deposit paid for land which was reclassified from property and equipment of $20 million. See Note 13.

11. Due from Government of Jamaica

Excess of increased costs of loan advances in United States dollars are arrived at as follows:

	2018 $'000	2017 $'000
Provision for increased cost of repayment of US$ loan advances due to exchange loss - Caribbean Development Bank (CDB) Loan	705,773	796,397

12. Intangible assets

	Computer software	Software under Development	Total
	$'000	**$'000**	**$'000**
At cost:			
31 March 2016	100,149	1,000	101,149
Additions	10,043	-	10,043
Transfers	1,000	(1,000)	-
31 March 2017	111,192	-	111,192
Additions	88	-	88
31 March 2018	111,280	-	111,280
Amortisation:			
31 March 2016	99,083	-	99,083
Charge for the year	817	-	817
31 March 2017	99,900	-	99,900
Charge for the year	3,422	-	3,422
31 March 2018	103,322		103,322
Net book values:			
31 March 2018	7,958	-	7,958
31 March 2017	11,292	-	11,292

STUDENTS' LOAN BUREAU

Notes to the Financial Statements
31 March 2018
(Expressed in Jamaican dollars unless otherwise indicated)

13. Property and equipment

	Land $'000	Building $'000	Leasehold improvements $'000	Motor vehicles $'000	Office fittings $'000	Office furniture and equipment $'000	Total $'000
At cost:							
1 April 2016	-	79,409	25,988	2,907	3,357	88,766	200,427
Additions	-	-	2,823	4,028	293	11,935	19,079
Disposals	-	-	-	-	-	(844)	(844)
31 March 2017	-	79,409	28,811	6,935	3,650	99,857	218,662
Additions	-		637	-	139	2,528	3,304
Transfer	15,000	(15,000)	-	-	-	-	-
Adjustment a)	-	(20,000)	-	-	-	-	(20,000)
31 March 2018	15,000	44,409	29,448	6,935	3,789	102,385	201,966
Depreciation:							
1 April 2016	-	-	3,691	2,782	2,604	67,500	76,577
Charge for the year	-	-	2,798	67	71	6,283	9,219
Eliminated on disposals	-	-	-	-	-	(730)	(730)
31 March 2017	-	-	6,489	2,849	2,675	73,053	85,066
Charge for the year	-	893	2,919	806	80	6,380	11,078
31 March 2018	-	893	9,408	3,655	2,755	79,433	96,144
Net book values:							
31 March 2018	15,000	43,516	20,040	3,280	1,034	22,952	105,822
31 March 2017	-	79,409	22,322	4,086	975	26,804	133,596

a) Adjustment relates to the reclassification to advances and other receivables which includes deposit paid for land property and equipment of $20 million in prior years. See Note 10.

14. Other payables and accrued charges

	2018 $'000	2017 $'000
Deferred grant-in-aid (a)	59,175	97,463
Accrued charges	58,107	58,073
Other payables	5,932	16,403
	123,214	171,939

(a) This represents the unallocated balance of $150 million received from the Government of Jamaica during the 2017/18 financial year. The balance is earmarked to finance grants-in-aid to qualifying students. The Bureau received $150 million for grant-in-aid in 2016/2017.

Movements in deferred grant-in-aid consists of the following:

	2018 $'000	2017 $'000
Balance at 1 April	97,463	45,425
Amounts received for the year	150,000	150,000
Disbursements	(188,288)	(101,388)
Returned grant in aid disbursements	-	3,426
Balance 31 March	59,175	97,463

15. Long term loans

		2018 $'000	2017 $'000
Caribbean Development Bank – OCR Loan 1	(a) US$4,134,615	520,899	581,477
Caribbean Development Bank – SFR Loan 1	(b) US$12,403,846	1,562,699	1,744,430
Caribbean Development Bank – OCR Loan 2	(c) US$10,000,000	1,259,850	1,286,672
Caribbean Development Bank – SFR Loan 2	(d) US$10,000,000	1,259,850	1,286,672
PetroCaribe Development Fund (PDF)	(e) US$10,714,285	1,349,839	1,544,006
		5,953,137	6,443,257

(a) This represents balance from the US$5 million loan facility issued by the CDB and lent from the Ordinary Capital Reserves (OCR) of the bank. The purpose of the loan is to assist the Bureau in granting sub-loans to qualified beneficiaries. The loan is guaranteed by the GOJ, which also bears exchange losses incurred in respect of the loan repayments. The loan is to be repaid by the Bureau on a quarterly basis on 1 January, 1 April, 1 July and 1 October, of each year. The loan principal is due to be repaid in fifty two (52) equal or approximately equal and consecutive quarterly installments on each due date commencing on the first due date after the expiry of five (5) years following the date of the loan agreement which was 25 November 2010. The first installment of loan repayment was made in January 2016. It bears interest at 3.80% (2017: 3.30%) and there is a commitment charge of 0.25% on the undisbursed portion of the loan. This charge shall accrue from 24 January 2011, which is 60 days following the date of the first loan agreement. The commitment charges are repayable quarterly and carry same due dates as the principal and interest payments. As at 31 March 2018, the OCR portion was fully drawn down.

(b) This represents balance from the US$15 million loan facility granted by the CDB and lent from the Special Fund Resources (SFR) of the bank. The purpose and terms of the loan are the same as the loan outlined in (a) above, except that there is no commitment charge and the rate of interest is fixed at 2.50%. The first installment of loan repayment was made in January 2016.

(c) This represents drawdown from the US$10 million loan facility issued by the CDB to be lent from the OCR of the bank. The purpose of the loan is to assist the Bureau in granting loans to qualified beneficiaries. The loan is to be repaid by the Bureau on quarterly basis on 1 January, 1 April, 1 July and 1 October, of each year. The loan principal is due to be repaid in sixty (60) equal or approximately equal and consecutive quarterly installments on each due date commencing on the first due date after the expiry of five (5) years following the date of the loan agreement which was 20 February 2013. It bears interest at 3.80% (2017: 2.97%) and there is a commitment charge of 0.25% on the undisbursed portion of the loan. This charge shall accrue from 21 April 2013 which is 60 days following the date of the first loan agreement. The commitment charges are repayable quarterly and carry the same due dates as the principal and interest payments. As at 31 March 2018, the OCR portion was fully drawn down.

15. Long term loans (Continued)

(d) This represents drawdown from the US$10 million loan facility granted by the CDB to be lent from the SFR of the CDB. The purpose and terms of the loan are the same as the loan outlined in (b) above, except that there is no commitment charge and the rate of interest is fixed at 2.50%. As at 31 March 2018, the SFR portion was fully drawn down. The repayment of this loan will commence in April 2018.

(e) This represents a loan of US$12 million from the PetroCaribe Development Fund (PDF). The purpose of the loan is to assist in providing additional loans to qualified beneficiaries. The loan is not guaranteed by the GOJ and exchange losses are incurred by the Bureau, in respect of the loan repayments. It is secured by an assigned portfolio of SLB sub-loans, with current status, that were financed from the PDF loan. The value of the assigned portfolio is US$24 million. Interest is repayable quarterly on 31 March, 30 June, 30 September and 31 December, respectively. There is, however, a moratorium of five (5) years in respect of principal payments and two (2) years in respect of interest payments. The loan bears 2.50%, fixed rate of interest, per annum. The interest charge has started to accrue from 16 May 2012. The loan was fully drawn down in 2013. Repayment began in September 2017.

The long term loan principal balances are broken down as follows:

	2018 $'000	**2017 $'000**
Current portion	577,777	536,938
Long term portion	5,375,360	5,906,319
	5,953,137	6,443,257

16. Capital contribution

During the year, the Bureau received funds amounting to $2.878 billion (2016: $2.827 billion) from the Government of Jamaica. This included $70.65 million above the amounts collected from Tax Administration Jamaica from the Special Education Tax. In the prior year, the contribution included $100 million from the HEART Trust/NTA. The contributions are non-refundable and represent capital contribution by the Government of Jamaica to finance student loans.

	2018 $'000	**2017 $'000**
Balance at 1 April	9,272,057	6,344,234
Amount received for the year:		
Special Education Tax	2,807,172	2,827,823
Ministry of Finance & Planning	70,651	-
HEART Trust Contribution	-	100,000
	2,877,823	2,927,823
Balance at 31 March	12,149,880	9,272,057

17. Related party balances

The Bureau has related party relationships with the Government of Jamaica, its council members and key management personnel representing certain senior officers of the entity. Balances due to/from related parties are disclosed in the relevant notes to the financial statements (See Note 11 - Due from Government of Jamaica, Note 16 - Government Contribution, Note 17 - Employee benefits and Note 20 - Grant income).

18. Employee benefits

Students' Loan Bureau Superannuation Fund is a defined benefit pension fund which was established by Trust Deed on February 1, 1988. It is sponsored by Students' Loan Bureau (the employer) for the purpose of providing post-retirement benefits to its employees. It is administered by NCB Insurance Company Limited (fund manager) under a management agreement. The Board of Trustees is responsible for monitoring the level of funding and the risks faced by the fund.

Contributions to the fund are based on members' pensionable salary which is defined as regular gross earnings, excluding overtime pay, shift premiums, laundry allowance, reimbursable expenses and other ad hoc payments. Members are required to contribute 5% of pensionable salary, but may also make an additional voluntary contribution of up to 10%. On retirement, the pension benefit is equal to the members' average earnings in the three years prior to retirement. The maximum pension permitted by Income Tax authorities is 75% of an employee's final salary and thus a member of the plan with 37 ½ years of service or more at normal retirement date, would retire with the maximum permissible pension. Employees with shorter service would receive proportionately smaller pensions.

The employer is required to make ordinary annual contributions, as determined by the fund's actuaries, Eckler Consultants Limited, to be adequate, which in addition to the members' compulsory contributions, to provide the benefits payable by the Fund and to cover the expenses of administering the Fund. The employer is also required to make such additional contributions, as recommended by the actuaries, to fund benefits or to provide for improvements required from time to time.

(a) Defined benefit plan

(i) Plan assets and obligations are as follows:

	2018 $'000	2017 $'000
Present value of funded obligations	146,523	(145,447)
Fair value of plan assets	(254,711)	230,743
	108,188	85,296
Unrecognized amount due to limitation	(108,188)	(85,296)
Recognised asset	-	-

18. Employee benefits (Continued)

(a) Defined benefit plan (continued)

(ii) Movements in net assets are as follows:

	2018 $'000	2017 $'000
Contributions paid	(9,508)	(8,769)
Income recognized in profit or loss	11,889	11,912
Income not eligible for recognition due to limit	2,381	3,143
Other comprehensive income	(2,381)	(3,143)
Net asset at end of year	-	-

Plan assets consist of the following:

	2018 $'000	2017 $'000
Resale agreements	17,811	16,023
GOJ bonds	40,200	44,774
Corporate bonds	54,600	48,377
Certificate of deposit	12,130	19,150
Equities	108,690	82,399
Real estate	6,430	6,432
Finance lease	10,800	6,210
Cash	650	3,367
Net current assets	3,400	4,011
Fair value of plan assets	254,711	230,743

18. Employee benefits (Continued)

(a) Defined benefit plan (continued)

(iii) The fair value of the plan assets is analysed as follows:

The percentage distribution of the major categories of plan assets at the reporting date for each category is as follows:

	2018 %	2017 %
Resale agreements	6.99	6.94
GOJ bonds	15.78	19.40
Corporate bonds	21.44	20.97
Certificate of deposit	4.78	8.30
Equities	42.68	35.71
Real estate	2.52	2.79
Finance lease	4.24	2.69
Cash	0.25	1.46
Net current assets	1.32	1.74
Closing fair value of plan assets	100.00	100.00

(iv) Changes in the present value of the obligation:

	2018 $'000	2017 $'000
Present value obligation	145,447	138,750
Current service cost	8,625	9,165
Interest cost	13,196	11,907
Benefits paid and admin expenses	(15,275)	(6,353)
Employees contribution	7,713	7,473
Actuarial gain on obligation due to:		
- Experience	(20,125)	(3,722)
- Changes in financial assumptions	6,942	(11,773)
Present value of obligation	146,523	145,447

	2018 $'000	2017 $'000
The remeasurement gain (loss) on the staff pension plan comprises:		
Changes in financial assumptions	6,942	(11,773)
Experience adjustment	(20,125)	(3,722)
	(13,183)	(15,495)

18. Employee benefits (Continued)

(a) Defined benefit plan (continued)

(v) Changes in the fair value of the plan assets:

	2018 $'000	2017 $'000
Fair value of plan assets	230,743	197,703
Contributions	17,221	16,242
Expected return on plan assets	21,166	17,148
Benefits paid and administration expenses	(18,832)	(9,330)
Actuarial loss	4,413	8,980
Fair value of plan assets	254,711	230,743

(vi) Expense recognised in profit or loss:

	2018 $'000	2017 $'000
Current service cost	8,625	9,165
Interest cost	13,196	11,907
Expected return on plan assets	(21,166)	(17,148)
Administration fees	3,557	2,977
Interest on effect of asset ceiling	7,677	5,011
Expense	11,889	11,912
Change in effect of asset ceiling	15,215	21,332
	27,104	33,244
Net pension income	(27,104)	(33,244)
Actual return on plan assets	-	-

(vii) Remeasurement gains/(loss) recognised in other comprehensive income

	2018 $'000	2017 $'000
Remeasurement of the defined benefit liability	(13,183)	(15,495)
Remeasurements of the plan assets	(4,413)	(8,980)
Change in effect of asset ceiling	15,215	21,332
	(2,381)	(3,143)

(Expressed in Jamaican dollars unless otherwise indicated)

18. Employee benefits (Continued)

(a) Defined benefit plan (continued)

(viii) Principal actuarial assumptions at the statement of financial position date (expressed as weighted averages based on the assets of the plan).

	2018	**2017**
Discount rate at 31 January (Note 5(l))	8.00%	9.00%
Future salary increases	5.00%	6.00%
Future pension increases	2.50%	3.00%
Inflation	5.00%	6.00%

Assumptions regarding future mobility are based on the 1994 Group Annuity Mortality Tables ((GAM (94) (U.S. mortality tables)).

Mortality in service and retirement Attained age	**Males**	**Females**
20 – 30	0.33 – 0.71	0.20 – 0.28
30 – 40	0.71 – 0.89	0.28 – 0.50
40 – 50	0.89 – 1.70	0.50 – 0.96
50 – 60	1.70 – 5.50	0.96 – 3.96
60 – 70	5.50–14.53	3.96 – 8.63

Defined benefit obligations maturity profile:

	2018 Years	**2017 Years**
Demographic assumptions		
Average liability duration for each category of member:		
- Staff pension scheme		
Active members	25.1	25.7
Pensioners	9.3	9.5
All participants	24.5	25.2

The effect on the present value of the obligation of an increase of one year in the life expectancy is an increase of $2.0 million.

The Bureau expects to pay $9.2 million in contributions to the defined benefit plan in 2018 (2017: $9.7 million).

18. Employee benefits (Continued)

(b) Sensitivity analysis

	2018 $'000		2017 $'000	
	1% Decrease	1% Increase	1% Decrease	1% Increase
Discount rate	41,097	(29,651)	41,230	(29,903)
Pension increase	(11,549)	13,512	(11,260)	13,124
Salary escalation rate	(19,251)	23,362	(19,761)	23,890

The sensitivity analyses above have been determined based on a method that extrapolates the impact on the present value of the net defined benefit asset as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The plan is exposed to inflation, market and interest rate risk and changes in the life expectancy for pensioners. The Trustees manage the risks through constant monitoring and interactions with the fund manager

(c) Transactions with key management personnel:

Key management personnel compensation is as follows:

	2018 $'000	2017 $'000
Short-term employee benefits	50,161	32,832

19. Net finance cost

	2018 $'000	2017 $'000
Foreign exchange gains (losses), net	75,591	(194,280)
Bank charges	(4,454)	(2,908)
Interest expense - CDB loans	(141,957)	(134,083)
- PetroCaribe loan	(36,992)	(37,889)
	(107,812)	(369,160)

20. Grant income

	2018 $'000	2017 $'000
Grant in aid	188,288	101,388

Grant in aid of $188.3 million (2017: $101.3 million) was disbursed to qualifying students during the year (Refer to Notes 14 and 22).

21. Other income

	2018 $'000	2017 $'000
Loss on disposal of property and equipment	-	114
Processing fees	52,650	50,438
Penalty charges	188,221	103,430
Other	31,663	41,347
Bad debts recovered	324,776	254,277
	597,310	449,606

22. Staff costs and administrative expenses

	2018 $'000	2017 $'000
Salaries and related costs	229,058	222,878
Grant-in-aid	188,288	101,388
Rent	17,439	16,421
Repairs and maintenance	23,406	23,088
Printing and stationery	3,488	4,813
Postage	4,109	3,781
Telephone and advertising	7,056	8,048
Electricity	8,185	15,577
Insurance	660	308
Public awareness	5,786	13,082
Consulting and professional fees	1,430	8,082
Travelling expenses	1,029	895
Security	1,058	1,688
Audit fees	4,850	4,600
Depreciation and amortization	14,500	10,036
GCT expense	23,170	25,154
Withholding tax recoverable written off	-	11,987
Other expenses	18,637	13,030
Staff costs and administrative expenses	552,149	484,856

23. Commitments and contingencies

Capital commitments:

The Bureau had no capital commitments as of 31 March 2018.

Approved loan commitments:

The Bureau approves loans for each beneficiary's entire course of study but records the amounts in respect of each year as at the date of disbursement. As at 31 March 2018, the Bureau's commitment in relation to approved loans for the current and future years' disbursements are estimated at $425 million (2017: $19.3 million) and $10.41 billion (2017: $17.6 billion), respectively. The estimate for future years is based on the current year's actual fees paid and is subject to change if there is a change in the fees charged by the institution that the beneficiary attends.

Operating lease commitments

The Bureau as a lessee
During the year 2017, the Bureau entered into a new operating lease arrangement with lease term up to five years. The operating lease is in respect of its offices.

The Bureau does not have an option to purchase the leased asset at the expiry of lease period. The minimum lease payments under this contract are as follows:

	2018 **\$'000**	**2017** **\$'000**
Within 1 year	17,897	17,329
1 – 2 years	17,897	17,897
2 – 4 years	11,931	29,828
	47,725	65,054

Lease payments, excluding maintenance and electricity, are recognised by the Bureau as an expense during the year totaled $17,439,000 (2017: $16,421,000).

24. Financial risk management

Exposure to various types of financial instruments risk arises in the ordinary course of the Bureau's business. Derivative financial instruments are not presently used to reduce exposure to fluctuations in interest and foreign exchange rates.

The Bureau has exposure to credit risk, market risk, and liquidity risk from the use of financial instruments.

Senior management has responsibility for monitoring the Bureau's risk management policies and periodically report to the council members on their activities.

The risk management policies are established to identify and analyze the risks faced by the Bureau, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies are reviewed on a regular basis and reflect changes in market conditions and the Bureau's activities. The council members have monitoring oversight of the risk management policies.

(a) Credit risk:

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

The Bureau has exposure to credit risk primarily through the unsecured loans granted to individuals pursuing tertiary level education, and deposits held in financial institutions.

Balances arising from those activities are cash and cash equivalents, insurance fund, investments, loans and accrued interest receivable and other accounts receivable.

Appropriate credit procedures are in place to minimise exposure to credit risk generally. These include credit evaluations on all new applicants for loans and comprehensive procedures to pursue and recover amounts due in the event of default. Investments and cash and cash equivalents are placed with substantial financial institutions which are believed to have minimal risk of default. The maximum credit exposure is represented by the carrying amount of financial assets on the statement of financial position.

Investments and cash and cash equivalents

Investments and cash and cash equivalents are placed with counter parties who are believed to have minimal risk of default. The Bureau is precluded from investing more than thirty percent of the investment portfolio in any single financial institution.

24. Financial risk management (Continued)

(a) Credit risk (continued)

Insurance fund investments

The Bureau maintains an insurance fund supported by short-term investments. The purpose of this fund is to settle loan amounts due from beneficiaries in the event of death or permanent incapacity.

The following table summarises the Bureau's credit exposure for cash and investments at the carrying amounts, including the insurance fund, as categorised by the following:

	2018 $'000	**2017 $'000**
Cash	400,915	121,595
Government of Jamaica	54,780	54,120
Resale agreements	5,808,007	4,317,319
Total	6,263,702	4,493,034

Loans and accrued interest receivable

The Bureau's exposure to credit risk is influenced mainly by the individual characteristics of each loan beneficiary. Management has established a credit policy under which each loan applicant is analysed for need and creditworthiness prior to being granted the loan. Each loan applicant is subjected to a comprehensive review conducted using a means test. Applicants are required to have one or more qualified guarantors who will undertake to accept liability in the event that the beneficiary does not service the loan. Loan amounts are paid directly to the institution to which the applicant is enrolled. Beneficiaries enjoy a moratorium on the repayment of loan principal and interest during the period of study. Refer to Note 8 for provisions made for credit risk exposure.

Other accounts receivable

The Bureau's exposure to credit risk is also influenced by the interest that is due on the investments held with third party entities and on staff loans. These investments are placed with counter parties who are believed to have minimal risk of default.

The Bureau establishes an allowance for impairment that represents its estimate of incurred losses in respect of advances and accrued interest. Some advances and accrued interest are provided for based on an estimate of amounts that would be irrecoverable, determined by taking into consideration number of days past due, past default experience, current economic conditions and expected receipts and recoveries once impaired.

24. Financial risk management (Continued)

(b) Market risk:

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Bureau's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return, given the risk.

(i) Interest rate risk:

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Interest-bearing financial assets are primarily represented by deposits, insurance fund investments and loan advances receivable, which are materially contracted at fixed interest rates for the duration of the term.

Financial liabilities subject to interest include primarily third party loans which are contracted at both fixed and variable rates of interest.

At the reporting date the interest profile of the Bureau's interest-bearing financial instruments was:

	Carrying amount	
	2018	**2017**
	$'000	**$'000**
Fixed rate instruments:		
Financial assets	27,488,565	23,978,953
Financial liabilities	(4,172,388)	(4,575,108)
	23,316,177	19,403,845
Variable rate instruments:		
Financial liabilities	(1,780,749)	(1,868,149)

Interest rate sensitivity

The Bureau does not account for any fixed rate financial assets and liabilities at fair value. Therefore, a change in the interest rates at the reporting date would not affect the reported surplus for the year or accumulated surplus.

Cash flow sensitivity for variable rate instruments

A change of 100 basis points (2017:100 bps) in respect of interest rates would have increased or decreased profit or loss by $1.78 million (2017: $1.86 million). This analysis assumes that all other variables, in particular foreign currency rates remain constant.

24. Financial risk management (Continued)

(b) Market risk (continued):

(i) Interest rate risk (continued):

The nature of the Bureau's exposure to interest rate risk and its objectives, policies and processes for managing interest rate risk have not changed significantly from the prior period.

(ii) Foreign currency risk:

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Bureau incurs foreign currency risk primarily on borrowings that are denominated in a currency other than the Jamaican dollar. The currency transactions giving rise to this are primarily denominated in United States dollars (US$). The table below shows the Bureau's foreign currency exposure, at the reporting date in US$.

	Net foreign currency monetary (liability)/assets	
	2018	**2017**
	US$'000	**US$'000**
Long term loans	(30,714)	(32,000)
Cash and cash equivalents	2,961	2,840
	(27,753)	(29,160)

The exchange rate, in terms of Jamaica dollars, was as follows:

	J$
March 31, 2018:	125.9850
March 31, 2017:	128.6672

Sensitivity analysis

A 5% strengthening of the US$ against the Jamaican dollar would have decreased the surplus by $175 million (2017: decreased by $188 million) and a 2% weakening of US$ against the Jamaica dollar would have increased the surplus by $70 million (2017: $75 million).

24. Financial risk management (Continued)

(b) Market risk (continued):

(iii) Liquidity risk:

Liquidity risk, also referred to as funding risk, is the risk that the Bureau will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at, or close to, its fair value.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying business, the management of the Bureau aims at maintaining flexibility in funding, by keeping lines of funding available, as well as by maintaining prudent financial assets in appropriate terms and currencies.

The table below summaries the maturity profile of the Bureau's financial liabilities at 31 March 2018 based on contractual undiscounted payments (both interest and principal).

	Carrying amount $'000	Contractual cash flows $'000	0-12 months $'000	2-3 years $'000	4-5 Years $'000	6-10 and over years $'000
31 March 2018						
CDB loans	4,603,298	5,657,984	509,033	992,153	943,145	3,213,653
PetroCaribe loan	1,349,839	1,433,839	247,701	89,112	40,525	1,056,501
Accounts payable	65,107	65,107	65,107	-	-	-
	6,018,244	7,156,930	821,841	1,081,265	983,670	4,270,154
31 March 2017						
CDB loans	4,899,251	6,186,088	341,909	1,499,423	2,277,965	2,006,791
PetroCaribe loan	1,544,006	1,507,190	194,384	742,449	570,357	-
Accounts payable	113,866	113,866	113,866	-	-	-
	6,557,123	7,807,144	650,159	2,241,872	2,848,322	2,006,791

24. Financial risk management (Continued)

(c) Fair value

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. A market price, where an active market (such as a recognised 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, fair values are determined 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 Bureau would realize in a current market exchange.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- Long term fixed rate receivables are evaluated by the Bureau based on parameters such as credit worthiness of the borrowers based on payment history. Based on this evaluation, allowances are taken into account for the expected losses of these receivables. As at 31 March 2018, the carrying amounts of such receivables, net of allowances, were not materially different from their calculated fair values.
- Fair values of the Bureau's interest bearing borrowings and loans are determined by using discounted cash flow methods using a discount rate that reflects the issuer's borrowing rate as at the end of the reporting period.

The fair value measurement for the Bureau's investments and long term debt (which are both carried at amortised cost) are categorized in level 3 of the fair value hierarchy as they are measured using non-market observable inputs. Management has assessed that the carrying values of cash and short term deposits, investments, repurchase agreements, trade receivables and payables approximate their fair values largely due to the short-term nature of these instruments. Set out below is a comparison by class of the carrying amounts and fair value of the Bureau's financial instruments, other than those with carrying amounts are reasonable approximation of fair value.

	2018 Carrying Value	2018 Fair value
	$'000	$'000
Assets		
Insurance fund investments	54,780	63,270
Liabilities		
Long term loans – fixed rate loans	4,172,388	4,168,881

24. Financial risk management (Continued)

(c) Fair value (continued)

	2017 Carrying value $'000	2017 Fair Value $'000
Assets		
Insurance fund investments	54,120	56,100
Liabilities		
Long term loans – fixed rate loans	4,575,109	4,570,838

(d) Capital management

The Bureau's objectives when managing capital are to safeguard its ability to continue as a going concern in order to continue to grant loans to tertiary level students who would not be able to finance their education otherwise. The Council members, together with responsible senior management of the Bureau, monitor the operations of the Bureau.

The objective is to maintain a strong capital base so as to sustain future growth and development of the business.

There were no changes in the Bureau's approach to capital management during the year. Also, the Bureau is not exposed to any externally imposed capital requirements.

25. Non-cash transactions

The following are the non- cash transactions which impacted the statement of cash flows:

	2018 $'000	2017 $'000
Investing activities		
Interest on loans capitalized	715,568	847,582
Deposit on property and equipment	20,000	-
Financing activities		
Foreign exchange gain (loss) on CDB loan (Note 11)	46,279	(126,861)
Due from Government of Jamaica (Note 11)	(46,279)	126,861

26. Subsequent events

On 30 January 2020, the World Health Organization declared the outbreak of a novel strain of Coronavirus (COVID 19), which constituted a 'Public Health Emergency of International Concern'. This global outbreak, and the response of governments worldwide to it, has disrupted supply chains and activities across a range of industries. The extent of the impact of COVID 19 on the Bureau's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on the local economy and the Government's fiscal results, customers, employees and vendors/suppliers, all of which are uncertain.

Thus far, the Bureau has seen a significant decline in loan applications relative to the similar period last academic year. In response, the Bureau extended the application deadline for the academic year 2020/21 to August 2020, from May 2020 and some measures were implemented to incentivize prospective loan applicants. These measures include the waiver of application and processing fees.

In addition, a number of the Bureau's customers were impacted by loss of jobs across several sectors, therefore a decision was taken to defer of all loan payments for three (3) months, that is, April to June 2020, and to waive late fees for the same three-month period.

The Government of Jamaica (GOJ) announced that there will be no disbursement of the Special Education Tax (SET) contribution or grant in aid funds to the SLB for the 2020/21 financial year. The GOJ also announced that effective April 1, 2019 that the SLB will (1) reduce interest rates by 2% for all borrowers in good standing (2) give a 10% debt forgiveness to full time employees who are working with a registered charity for at least a year, and (3) apply all payments made by borrowers to the oldest past due month first.

The SLB is still considered financially stable. While there is loss of cash flow and income due to these policy changes, the SLB has determined that its strong equity is able to absorb these.

DIRECTORS COMPENSATION
APRIL 2017 - MARCH 2018

Names and Position	Fee ($)	Motor Vehicle Upkeep/ Traveling Allowance ($)	Honoraria ($)	All other Compensations including Non-Cash Benefits as applicable ($)	Total ($)
Dr. St. Aubyn Bartlett Chairman	562,100.00	100,862.00	NIL	NIL	662,962.00
Norma Kerr-Clarke Director	344,700.00	55,508.50	NIL	NIL	344,700.00
Veronica Bennett-Warmington Director	317,100.00	36,378.00	NIL	NIL	353,478.00
Danieto Murray Director	314,766.67	138,500.00	NIL	NIL	453,266.67
Howard Chamberlain Director	221,900.00	NIL	NIL	NIL	221,900.00
Matthew Samuda Director	114,880.00	NIL	NIL	NIL	114,880.00
Dr. Carolyn Hayle Director	114,100.00	NIL	NIL	NIL	114,100.00
Dr. Lloyd Waller Director	96,900.00	NIL	NIL	NIL	96,900.00
Total	**2,086,446.67**	**331,248.50**	**NIL**	**NIL**	**2,362,186.67**

EXECUTIVE COMPENSATION
APRIL 2017 - MARCH 2018

Position	Salary	Travelling Allowance	Performance Incentive	Pension	Other Allowance	Total
Monica Brown Executive Director	10,052,770.69	1,341,624.00	237,724.40	NIL	2,789,008.16	14,421,127.25
Charmaine Rose Anderson Deputy Executive Director	5,411,272.92	1,341,624.00	NIL	NIL	150,367.86	6,903,264.78
Rory White Risk Manager	3,069,879.16	NIL	75,758.46	162,232.76	212,351.74	3,520,222.12
Derrick Jemison Management Accountant	3,080,179.86	530,586.00	101,675.84	135,567.76	187,303.36	4,035,312.82
Roderick Bell Manager MIS Department	4,432,098.92	707,448.00	109,089.45	551,762.83	215,853.32	6,016,252.52
Kevin Callendar Manager Loan Processing	4,194,941.70	707,448.00	102,936.95	220,877.59	199,165.02	5,425,369.26
Cheryl Surjue Manager Loan Servicing	4,184,973.47	707,448.00	102,936.95	521,271.05	207,579.74	5,724,209.21
Janet Phillips-Cross Manager Internal Audit	3,757,639.44	707,448.00	93,940.99	187,881.96	209,942.96	4,956,853.35
Analisa Allen Manager Public Relations	232,591.77	83,845.40	NIL	NIL	27,804.44	344,241.61
Olivia Briscoe Manager Public Relations	861,254.07	258,075.20	30,389.21	66,286.94	50,206.04	1,266,211.46
Charles Cross Human Resource & Admin Mgr	2,026,072.35	415,078.00	NIL	NIL	440,288.70	2,881,439.05
Sandra McLeary Human Resource & Admin Mgr	1,342,386.85	314,285.68	NIL	NIL	57,582.60	1,714,255.13
Shellian Ogere-Edwards Attorney	1,252,546.48	230,110.77	NIL	46,970.49	112,786.50	1,642,414.24
Julianne Sharpe Attorney	729,673.63	188,272.45	NIL	NIL	31,887.62	949,833.70
Total	**44,628,281.31**	**7,533,293.50**	**854,452.25**	**1,892,851.38**	**4,892,128.06**	**59,801,006.50**

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