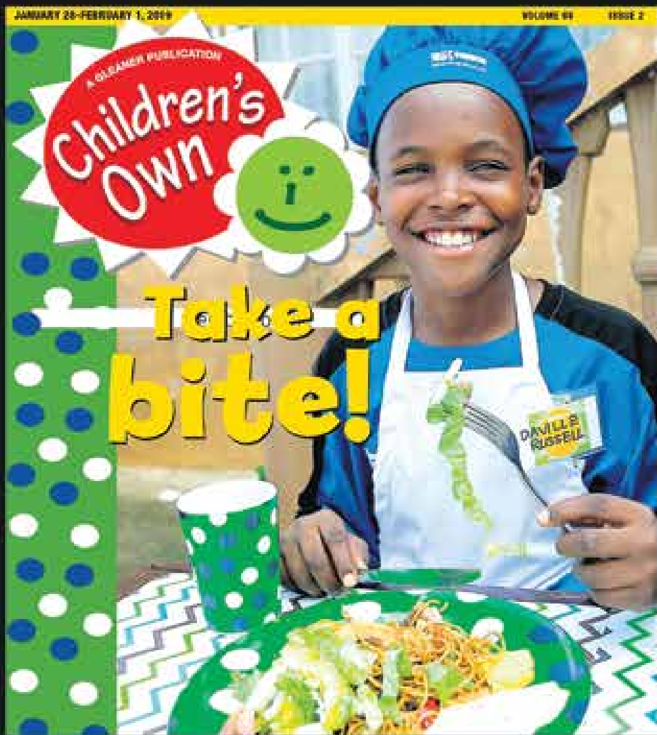

RADIO JAMAICA LIMITED

RJRGLEANER
COMMUNICATIONS GROUP

Promoting Accountability, Credibility & Transparency through Media

2018-2019 71ST ANNUAL REPORT

RADIO JAMAICA LIMITED
Broadcasting House
32 Lyndhurst Road,
P.O. Box 23,
Kingston 5, Jamaica
Telephone: (876) 926-1100-9
Fax: (876) 929-7467(General)
Fax: (876) 906-3644 (Marketing)

THE GLEANER COMPANY (MEDIA) LIMITED
Head Office
7 North Street, P.O. Box 40
Kingston, CSO
Telephone: (876) 922-3400 - 7
Fax: (876) 922-6297

MISSION STATEMENT

To be the national standard bearer in media and communications, enriching and transforming Jamaican awareness by innovatively delivering credible, world-class content on multiple platforms; always exceeding client and consumer expectations globally, through a trained and motivated team that delivers shareholder value while being committed to the good of our society.

VISION

To be the most credible, trusted, innovative and iconic Jamaican media and communications brand essential to people globally.

CORE VALUES

a) Credibility
b) Adaptability
c) Integrity
d) Innovation
e) Excellence

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Radio Jamaica Limited's 71st Annual Report

Students of the RJRGLEANER Citizens Advice Bureau Basic School proudly showing off character paintings on their hands.

Financial Statements

Directors' & CORPORATE DATA

RADIO JAMAICA LIMITED

DIRECTORS (NON- EXECUTIVE)

Joseph M. Matalon, C.D. – Chairman (Effective May 1, 2019)
Dr. Lawrence Nicholson – Deputy Chairman
Hon. Oliver F. Clarke, O.J., J.P. – Director (Chairman, resigned effective April 30, 2019)
Carl Domville
Glenworth Francis, O.D.
Andrew Leo-Rhynie
Minna Israel
Hon. Douglas Orane, C.D., J.P.
Lisa Johnston
Dr. Carol Archer
Elizabeth Jones, C.D.

DIRECTORS (EXECUTIVE)

Gary Allen, C.D., J.P. - Chief Executive Officer
Christopher Barnes, J.P. - Chief Operating Officer

COMPANY SECRETARY

Shena Stubbs Gibson, J.P.

RJRGLEANER COMMUNICATIONS GROUP

SENIOR MANAGEMENT TEAM

Gary Allen, C.D., J.P. - Managing Director/Chief Executive Officer
Christopher Barnes, J.P. - Chief Operating Officer/ Managing Director, The Gleaner Company (Media) Limited
Andrea Messam - Chief Financial Officer
Michael Henlin – Chief Technology Officer (Effective April 8, 2019)
Shena Stubbs Gibson, J.P. - Group Company Secretary/Senior Legal Officer
Claire Grant - General Manager, Television Services (September 1, 2012) and Radio Services (Effective April 8, 2019)
Dr. Dennis Howard - General Manager, Radio Services (Resigned effective March 31, 2019)
Robin Williams - Group Information Technology Manager
Roland Booth - General Manager, Multi-Media and Online Services
Tanya Smith - Group Human Resource Manager
Garfield Grandison - General Manager, The Gleaner Company (Media) Limited (Acting effective April 8, 2019)
Michele Dunkley-White – Group Financial Controller

EDITORIAL MANAGERS

Milton Walker - Group Head of News and Sports (Broadcast)
Patrick Anderson - Group Head of Sports (Broadcast) (Resigned effective July 31, 2018)
Robert Hart - Editor-in-Chief (Print and Online) (Acting effective July 1, 2018)

Directors' & CORPORATE DATA

RJRGLEANER COMMUNICATIONS GROUP

COMMERCIAL MANAGERS

Yvonne Wilks-O'Grady - Corporate Marketing Consultant
Natonia Sylva – Deputy General Manager, Marketing and Sales - Television and Radio Services (Effective April 8, 2019)
Roxanne Walters – Marketing and Sales Manager - Radio Services
Nordia Craig - Business Development & Sales Manager – Print
Suwannee Caine - Head of Marketing & Sponsorship – Print (Effective June 8, 2018)
Terri-Karelle Reid - Branding and Online Sales Manager, Gleaner Online (Resigned effective June 17, 2018)
Karma-Gaye Williams – Branding and Online Sales Manager, Gleaner Online (Effective December 3, 2018)
Burchell Gibson – Print, Plant & Circulation Manager – Print Services
Grace Salmon - Group Credit Manager (Resigned effective December 19, 2018)
Rohan Scarlett – Group Credit Manager (Effective February 4, 2019)

TECHNOLOGY MANAGERS

Michael Henlin – Group Information Technology Integration Manager (Effective April 1, 2018 and Chief Technology Officer effective May 1, 2019)
Melvis Cummings - Group Chief Engineer, Operations
Gilbert Callaghan - Print and Plant Manager (Resigned effective October 1, 2018)
Burchell Gibson – Print, Plant & Circulation Manager – Print Services
Robin Williams - Group Information Technology Manager
Roland Booth - General Manager, Multi-Media and Online Services

TELEVISION OPERATIONS

Claire Grant - General Manager, Television and Radio Services (Effective April 8, 2019)
Trevor Johnson - Deputy General Manager, Outside Broadcast Technologies - Television Jamaica Limited
Judith Alberga - Programmes Manager, Home Grown & Content Monetisation Unit
Hertha Beckmann – Programmes Manager – Television Jamaica Limited
Debbie Powell-Harris - Art Director

Directors' & CORPORATE DATA

SUBSIDIARIES' DIRECTORS

Television Jamaica Limited (TVJ)
Dr. Lawrence Nicholson - Chairman
Gary Allen, C.D., J.P. - Director
Christopher Barnes, J.P. - Director
Gregory Pullen, J.P. - Director
David Geddes - Director
Angela Patterson - Director
Hon. Oliver F. Clarke, O.J., J.P. - Ex-Officio Member (Resigned effective April 30, 2019)
Joseph M. Matalon, C.D. – Ex-Officio Member (Effective May 1, 2019)
Shena Stubbs Gibson, J.P. - Company Secretary

The Gleaner Company (Media) Limited (GCML)
Carl Domville – Chairman (Effective June 10, 2019)
Hon. Oliver F. Clarke, O.J., J.P. – Immediate Past Chairman and Director
Christopher Barnes, J.P. - Managing Director
Gary Allen, C.D., J.P. - Director
Joseph M. Matalon, C.D. - Director
Lisa Johnston - Director
Elizabeth Jones, C.D. - Director
Nadine Molloy, J.P. – Director
Dr. Lawrence Nicholson – Ex–Officio Member
Shena Stubbs Gibson, J.P. - Company Secretary

Multi-Media Jamaica Limited (MMJ)
Christopher Barnes, J.P. - Chairman
Richard McCreath - Director
Rupert Hartley - Director
Carlette DeLeon - Director
Jacquelyn Juceam - Director
Hon. Oliver F. Clarke, O.J., J.P. - Ex-Officio Member (Resigned effective April 30, 2019)
Joseph M. Matalon, C.D. – Ex-Officio Member (Effective May 1, 2019)
Dr. Lawrence Nicholson - Ex-Officio Member
Shena Stubbs Gibson, J.P. - Company Secretary

Jamaica News Network Limited (JNN)
Dr. Lawrence Nicholson - Chairman
Gary Allen, C.D., J.P. - Director
Christopher Barnes, J.P. - Director
Gregory Pullen, J.P. - Director
David Geddes - Director
Angela Patterson - Director
Hon. Oliver F. Clarke, O.J., J.P. - Ex-Officio Member (Resigned effective April 30, 2019)
Joseph M. Matalon, C.D. – Ex-Officio Member (Effective May 1, 2019)
Shena Stubbs Gibson, J.P. - Company Secretary

Reggae Entertainment Television Limited (RETV)
Dr. Lawrence Nicholson - Chairman
Gary Allen, C.D., J.P. - Director
Christopher Barnes, J.P. - Director
Gregory Pullen, J.P. -Director
David Geddes - Director
Angela Patterson - Director
Hon. Oliver F. Clarke, O.J., J.P. - Ex-Officio Member (Resigned effective April 30, 2019)
Joseph M. Matalon, C.D. – Ex-Officio Member (Effective May 1, 2019)
Shena Stubbs Gibson, J.P. - Company Secretary

Directors' & **CORPORATE DATA**

SUBSIDIARIES' DIRECTORS

Independent Radio Company Limited (IRC)
Gary Allen, C.D., J.P. - Chairman
Christopher Barnes, J.P. – Director
Dr. Dennis Howard – Director (Effective May 26, 2019)
Nadine Molloy, J.P. - Director
N. Patrick McDonald - Director
Hon. Oliver F. Clarke, O.J., J.P. - Ex-Officio Member (Resigned effective April 30, 2019)
Joseph M. Matalon, C.D. – Ex-Officio Member (Effective May 1, 2019)
Dr. Lawrence Nicholson - Ex-Officio Member
Shena Stubbs Gibson, J.P. - Company Secretary

Gleaner Online Limited (GOL)
Christopher Barnes, J.P. – Chairman
Robin Williams - Director
Richard McCreath - Director
Rupert Hartley - Director
Carlette DeLeon - Director
Jacquelyn Juceam - Director
Hon. Oliver F. Clarke, O.J., J.P. - Ex-Officio Member (Resigned effective April 30, 2019)
Joseph M. Matalon, C.D. – Ex-Officio Member (Effective May 1, 2019)
Dr. Lawrence Nicholson - Ex-Officio Member
Shena Stubbs Gibson, J.P. - Company Secretary

AUDITORS (RADIO JAMAICA LIMITED)
PwC
Scotiabank Centre
Duke Street
Kingston, Jamaica

AUDITORS (GCML)
KPMG
6 Duke Street
Kingston

BANKERS (RADIO JAMAICA LIMITED)
First Global Bank
National Commercial Bank Jamaica Limited
Sagicor Bank Jamaica Limited

BANKERS (GCML)
The Bank of Nova Scotia Jamaica Limited
National Commercial Bank Jamaica Limited

REGISTRAR AND TRANSFER AGENTS
Jamaica Central Securities Depository Limited
40 Harbour Street
Kingston,
Jamaica, W.I.

REGISTERED OFFICE
32 Lyndhurst Road
Kingston 5,
Jamaica, W.I.

Notice of MEETING

NOTICE IS HEREBY GIVEN that the Seventy-First Annual General Meeting of Radio Jamaica Limited will be held at the Jamaica Pegasus Hotel, 81 Knutsford Boulevard, Kingston 5, on **Wednesday, August 28, 2019** commencing **at 10:00 am** for the following purposes:

1. To receive the Accounts for the year ended March 31, 2019 and the reports of the Directors and Auditors thereon.

   To consider and (if thought fit) pass the following resolution:

   Resolution 1

   "**RESOLVED THAT** the Audited Accounts for the year ended March 31, 2019 together with the Reports of the Directors and Auditors thereon be and are hereby adopted"

2. To re-elect directors:

   To re-elect directors who retire from office by rotation in accordance with Article 98 of the Company's Articles of Incorporation. The directors so retiring are Lisa Johnston, Carl Domville, Hon. Oliver F. Clarke, Elizabeth Jones and Joseph M. Matalon and who, being eligible for re-election to the Board, offer themselves for re-election.

   To consider and (if thought fit) pass the following resolutions:

   Resolution 2

   "**RESOLVED THAT** retiring director Lisa Johnston be and is hereby re-elected a director of the Company."

   Resolution 3

   "**RESOLVED THAT** retiring director Carl Domville be and is hereby re-elected a director of the Company."

   Resolution 4

   "**RESOLVED THAT** retiring director Hon. Oliver F. Clarke be and is hereby re-elected a director of the Company."

   Resolution 5

   "**RESOLVED THAT** retiring director Elizabeth Jones be and is hereby re-elected a director of the Company."

   Resolution 6

   "**RESOLVED THAT** retiring director Joseph M. Matalon be and is hereby re-elected a director of the Company."

3. To fix the remuneration of the directors and to consider, and (if thought fit), pass the following resolution:

   Resolution 7

   "RESOLVED THAT the directors' fees agreed and payable for the financial year ending March 31, 2020 to all non-executive directors of the Company be and are hereby approved."

4. To re-appoint the auditors and to authorize the directors to fix their remuneration.

   To consider and (if thought fit) pass the following resolution:

   Resolution 8

   "**RESOLVED THAT** the firm PricewaterhouseCoopers having agreed to continue in office as auditors, the directors be and are hereby authorized to agree their remuneration in respect of the period ending with the conclusion of the next Annual General Meeting."

Dated this 11th day of June 2019

BY ORDER OF THE BOARD

Shena Stubbs Gibson, B.A., LL.B.
Secretary

A member entitled to attend and vote at this meeting may appoint another person as his/her proxy to attend and vote in place of him/her and such proxy need not be a member of the company. An appropriate form of proxy is enclosed. When completed, the form should be deposited with the Company Secretary at the registered office of the Company, 32 Lyndhurst Road, Kingston 5, Jamaica, not less than 48 hours before the time appointed for the meeting. The proxy form should bear stamp duty of $100.00 JMD.

Directors'
PROFILES

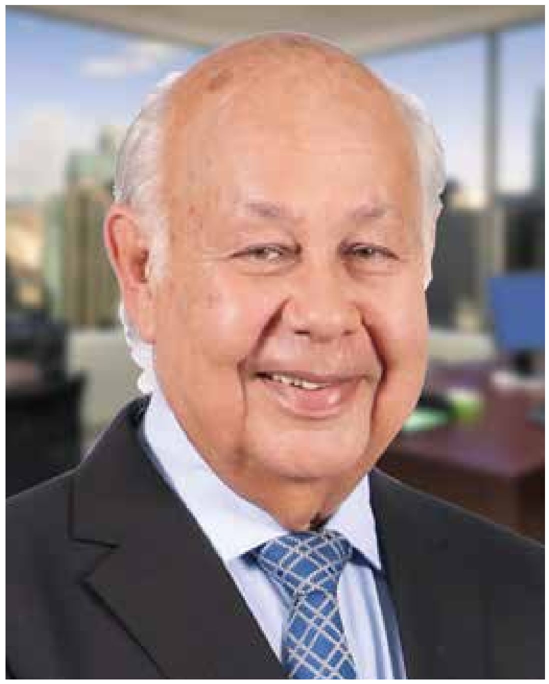
JOSEPH M. MATALON, C.D., B.Sc.

Appointed Director March 2016

Appointed Chairman May 2019

In addition to being Chairman of the Board, Mr. Matalon is also Chairman of ICD Group Holdings and a director of a number of its related companies including British Caribbean Insurance Company (BCIC) and West Indies Home Contractors (WIHCON). He is also a director and Vice Chairman of 1834 Investments Limited (formerly, The Gleaner Company Limited).

Mr. Matalon served three terms as President of the Private Sector Organization of Jamaica (PSOJ) and was inducted into the PSOJ Hall of Fame in 2018. He also served as Chairman of the Development Bank of Jamaica (DBJ) between 2007 and 2016. In 2016, he was appointed Chairman of the Office of Utilities Regulation (OUR). In 2010, Mr. Matalon was awarded the Order of Distinction in the Rank of Commander (CD), in recognition of his contribution to the public and private sectors, and to community service.



HON. OLIVER F. CLARKE, O.J., J.P., B.Sc., FCA, Hon. LLD

Appointed Director March 2016

Appointed Chairman December 2017

Resigned as Chairman April 2019

The Hon. Oliver F. Clarke is the former Chairman of the RJRGLEANER Communications Group, The Gleaner Company (Media) Limited and JN Bank. He is the Chairman of the JN Group Limited and 1834 Investments Limited (formerly, The Gleaner Company Limited) and serves on the boards of several other companies. He is a Past President of the Private Sector Organization of Jamaica (PSOJ) and was inducted into its Hall of Fame in 1997. In 1998, Mr. Clarke was awarded the Order of Jamaica (OJ). He is a graduate of the London School of Economics and is a chartered accountant and a Justice of the Peace.

LAWRENCE NICHOLSON, B.Sc., M.Sc., PhD.

Appointed Director September 2013

Appointed Deputy Chairman December 2017

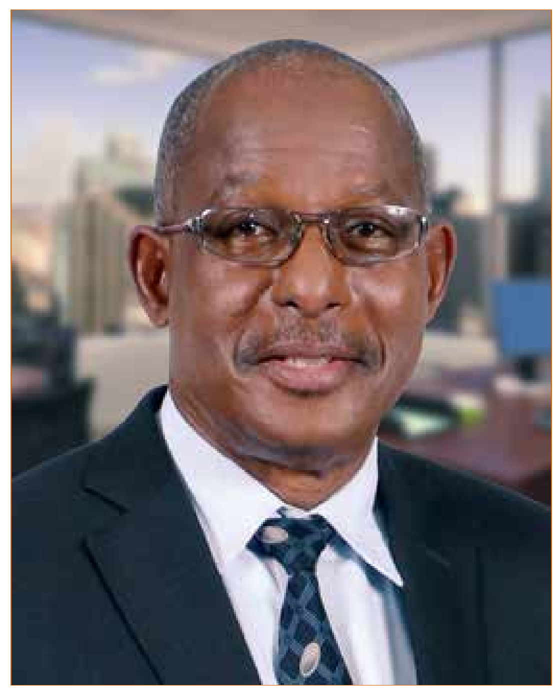
Dr. Nicholson is a Senior Lecturer in the Faculty of Social Sciences, Mona School of Business and Management (MSBM), The University of the West Indies, with over fifteen years of experience in Decision Sciences. He has served in many capacities at MSBM, including as Deputy Executive Director and head of the Decision Sciences and Information Systems Unit. Courses taught over the years include Business Statistics, Quantitative Methods and Operations Management, at both the undergraduate and graduate levels. His areas of research include supply chain management, yield management and women and family-owned businesses. He also serves as Chairman of the boards of the following subsidiaries: TVJ, RETV and JNN. He is a member of the Board's Corporate Governance Committee. Dr. Nicholson has also served as Chairman of Mona High School and is the current Chairman of the Steering Committee for the Poverty Reduction Programme. He is a committed Christian and serves as an elder at Bethany Fellowship.

GARY ALLEN, C.D. J.P., E.M.B.A.
Appointed Director June 2006
Appointed Company Managing Director October 2008
Appointed Group Chief Executive Officer April 2016

Mr. Allen is a career journalist with experience in local, regional and international media. He has served Radio Jamaica Limited for over 20 years. At the regional level, he has served the Caribbean Broadcasting Union (CBU), the Caribbean News Agency and the Caribbean Media Corporation in management positions. He is a graduate of the Caribbean School of Media and Communications, and the Mona School of Business and Management at the University of the West Indies. Mr. Allen is also a past chairman of the Media Association Jamaica Limited and the Jamaica Debates Commission. In addition to being CEO of the RJRGLEANER Communications Group, Mr. Allen also serves as President of the CBU, Vice President of the Public Media Alliance, a director of the National Crime Prevention Fund, Chairman of Independent Radio Company Limited (IRC) and as a director on the subsidiary boards of TVJ, JNN, RETV and GCML.

CHRISTOPHER BARNES, J.P., B.Sc., M.B.A
Appointed Director March 2016
Appointed Group Chief Operating Officer April 2016

Mr. Barnes is the Chief Operating Officer of Radio Jamaica Limited and Managing Director of The Gleaner Company (Media) Limited. He is Chairman of Multi-Media Jamaica Limited and Gleaner Online Limited, and a director on all other Group subsidiaries. Mr. Barnes also serves on external boards including 1834 Investments Limited (formerly, The Gleaner Company Limited), JN Life Insurance Company Limited and PanJam Investment Limited. He is the Chairman of PALS Jamaica Limited and the Media Association Jamaica Limited, and is 1st Vice President of the Inter-American Press Association. He has a Mechanical Engineering degree from Boston University and a graduate degree in Finance and International Business (M.B.A.) from McGill University.

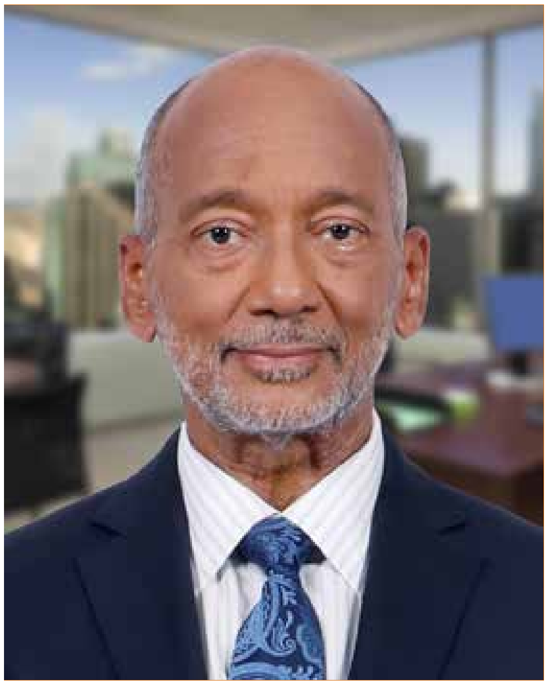


CARL DOMVILLE, B.Sc., F.C.C.A., F.C.A.
Appointed Director June 1990

Mr. Domville, a chartered accountant,

Directors'
PROFILES

is also Chairman of the Finance, Compliance and Audit Committee of the Board. He was the Chief Operating Officer and Group Treasurer of the Seprod Group of Companies (retired October 2013). He serves on the Board of Directors of Barita Investments Limited and The Gleaner Company (Media) Limited (appointed Chairman on June 10, 2019) and is a Trustee of the Superannuation Fund for Employees of Seprod Limited and Approved Organizations.



HON. DOUGLAS ORANE, C.D., J. P., B.Sc., M.B.A., LLD. (Hon)

Appointed Director March 2016

Mr. Orane, retired director of GraceKennedy Limited, and its former Chairman and Managing Director, is currently a director of other boards, including that of 1834 Investments Limited (formerly, The Gleaner Company Limited). Mr. Orane served as President of the Private Sector Organization of Jamaica from December 1992 to December 1994 and as Vice President from December 2001 to February 2003. Mr. Orane also served as an independent senator in the Jamaican parliament from 1998 to 2002 and has been appointed a member of the Governor General's Privy Council in 2009. He is an industrial engineer and a Justice of the Peace (J.P.). Mr. Orane serves as the Chairman of the Corporate Governance Committee of the Board.

LISA JOHNSTON, B.A., M.A.

Appointed Director March 2016

Mrs. Johnston is the Corporate Affairs Manager at Jamaica Producers Group Limited and is the Honorary Consul for the Republic of Costa Rica. She serves as a director of 1834 Investments Limited (formerly, The Gleaner Company Limited), the Jamaica Manufacturers' and Exporters' Association and the Consular Corps of Jamaica. She is also a member of the Jamaica Trade and Adjustment Team in the Ministry of Foreign Affairs and Foreign Trade. Mrs. Johnston is a former Galo Plaza Fellow at the Inter-American Dialogue in Washington D.C. She is a member of the Corporate Governance Committee of the Board.

CAROL ARCHER, B.A., M.A., MURP, Mphil, Ph.D.

Appointed Director March 2016

Dr. Archer is currently Associate Professor and Projects Coordinator of the Faculty of the Built Environment at the University of Technology. Prior to her appointment as Associate Professor, she served as Dean of that faculty from 2006 to 2015, as Head of School of Building and Land Management from 2004 to 2005 and as Programme Director for the Urban and Regional Planning Programme from 2000 to 2004.

Dr. Archer currently serves or has served on boards including National Housing Trust Technical Sub Committee, Scotia Jamaica Building Society, University Council of Jamaica, Town & Country Planning Authority/Natural Resource Conservation Authority (Deputy Chairman), Urban Development Corporation Subcommittee on Planning and Development, South East Regional Health Authority (Deputy Chairman), National Chest Hospital (Chairman), Council for the University of Technology, National Investment Bank of Jamaica and Water Resources Authority. Dr. Archer is also a director of 1834 Investments Limited (formerly The Gleaner Company Limited) since December 2001.

GLENWORTH FRANCIS, B.Sc., E.M.B.A

Appointed Director April 2006

Mr. Francis is the retired Group Chief Executive Officer of the Jamaica Co-operative Credit Union League. He is also a former Chairman of J.E.T.S. Limited (Operator of the MultiLink debit card network) and a former Board Member of the Credit Union Fund Management Company Limited, Quality Network Co-operative, Centralized Strategic Services Company and JaMobile Payment Services Limited (Operator of the CONEC mobile wallet). He is currently the Chairman of the Provisional Committee with governance responsibility for the People's Co-operative Bank of Jamaica. Mr. Francis is also a member of the Finance, Compliance and Audit Committee of the Board.

ANDREW LEO-RHYNIE, B.Sc., M.B.A.,

Appointed Director December 2011

Mr. Leo-Rhynie is the Managing Director of GK Capital Management Limited, the investment and advisory subsidiary of GraceKennedy Limited. He joined the GraceKennedy Financial Group in 2009 and moved to GK Insurance in 2014 in the capacity of General Manager, a post he held until March 2019. Prior to joining GraceKennedy Limited he was management consultant at Sierra Associates Limited where he provided management consulting and business valuation services to corporate clients. Mr. Leo-Rhynie holds a B.Sc in Accounting, an MBA in Finance and is a chartered business valuator. He is a member of the Finance Compliance and Audit Committee of the Board.

MINNA ISRAEL, B.Sc., M.B.A.

Appointed Director September 2012

Ms. Israel is currently Special Advisor to the Vice-Chancellor on Resource Development at The University of the

Directors'
PROFILES

West Indies, with focus on philanthropy. A former banker for over 30 years, Ms. Israel served as President & Country Head of RBC Royal Bank (Jamaica) and Managing Director of Scotiabank (Bahamas) Limited. She serves on a number of boards and organizations including First Global Bank, Cari-Med Limited, Jamaica Public Service Company Limited, Stanley Motta Limited, the Mona School of Business & Management, and the Judicial Services Commission. Ms. Israel is also a member of the Corporate Governance Committee of the Board.

ELIZABETH JONES, C.D., FCA (Ja.), FCCA (UK), B.Sc.

Appointed Director March 2016

Ms. Jones is a retired Senior Partner of KPMG in Jamaica, former Head of the firm's tax practice and past Chairman of KPMG CARICOM - a regional governance entity comprising KPMG member firms in Barbados, the Eastern Caribbean, Jamaica and Trinidad and Tobago. She is also a director of 1834 Investments Limited (formerly, The Gleaner Company Limited).

Ms. Jones has served on several tax reform committees and was seconded to the Ministry of Finance, between 1989 and 1992, as special advisor to the Minister. Ms. Jones has also served as Chairman of the Trade Board and Fiscal Services Limited and on the Committee to Review and Eliminate Waste in the Public Sector.

She has served on a Committee to review the Government of Jamaica's tax system, as a member of the Divestment Committee responsible for the divestment of Government-owned sugar factories, and as a member of the Tax Policy and Tax Administration Working Group under the Partnership for Transformation Project in Jamaica. Ms. Jones is a member of the Finance, Compliance and Audit Committee of the Board.

Chairman's STATEMENT

The Group recorded a net loss of $22 million during the 2018/2019 financial year, an improvement of $20 million when compared with the prior period's loss of $42 million. Had it not been for year-end adjustments in the amount of approximately $60 million, arising from the first-time adoption of new accounting standards and the impact of IAS 19, the Group would have recorded a profit of $38 million.

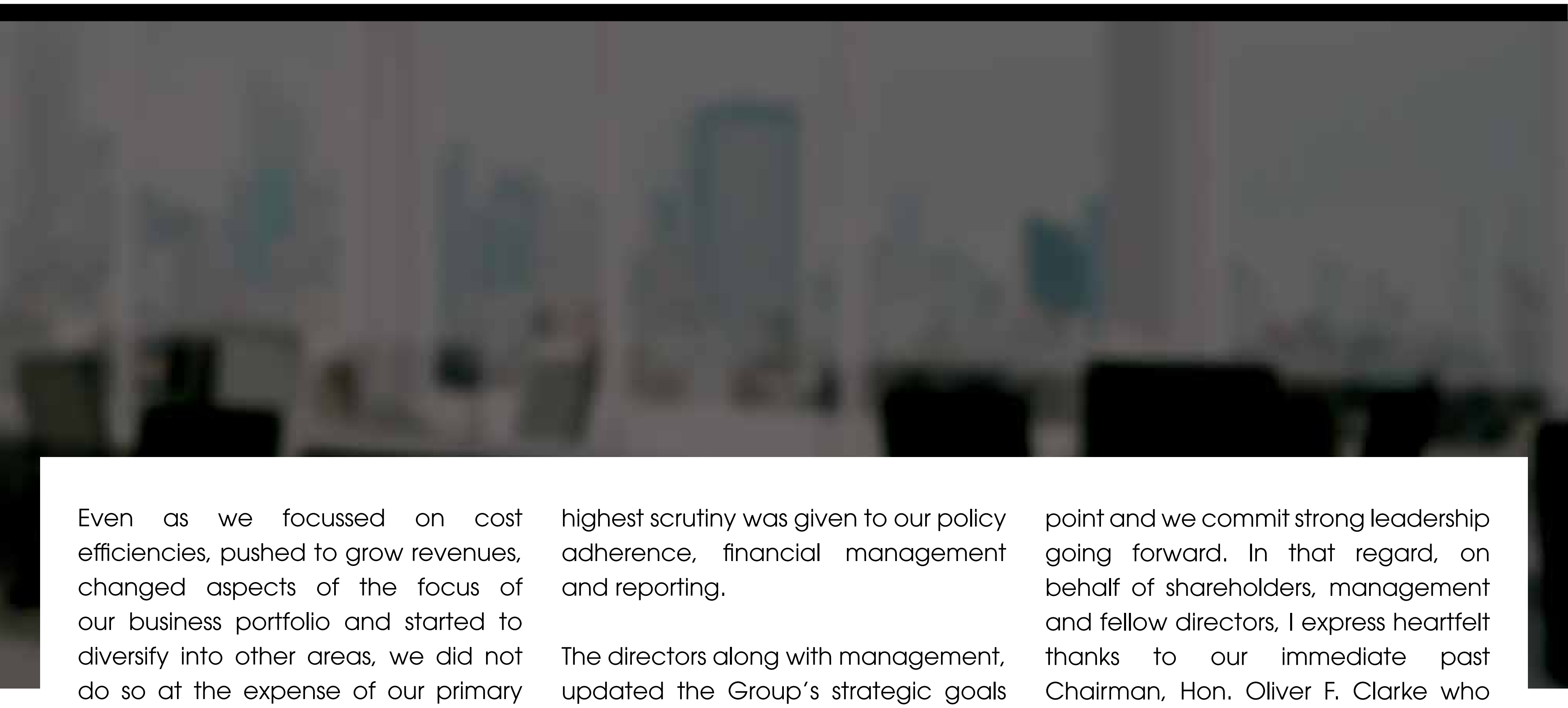
Continued cost containment and revenue improvement measures showed encouraging results, as the Group continued to make adjustments in business operations to remain viable in a rapidly changing media environment.

The improved financial performance was achieved even as the Company laid foundations for growth in its traditional media business, focusing on remaining credible, relevant and supportive of a more accountable and transparent Jamaica.

The Group was in the forefront of major developments in the country during the past year, reporting, analysing and raising relevant questions in the public sphere. During the period, the Group was also involved in recognising Jamaica's best, honouring many in a broad range of national activities, recognising excellence in sports, developing and exposing the best in our children, bringing the most outstanding local and international sporting content to our readers, listeners and viewers and holding our leaders accountable for decisions made for our nation.

Our Group makes it clear that we take our role as guardians of Jamaica's democratic traditions very seriously, especially our media freedom.

Although Jamaica slipped two places in 2018, it remains in the top ten countries in the world for press freedom. We remain committed to promoting integrity and accountability, as it relates to the governance of the country. Additionally, we believe we have a solemn duty to give voice to those who are seldom heard.



Even as we focussed on cost efficiencies, pushed to grow revenues, changed aspects of the focus of our business portfolio and started to diversify into other areas, we did not do so at the expense of our primary role of encouraging transparency, accountability and good governance in national life.

Led by Chairman of the Governance Committee, Hon. Douglas Orane, we improved our own governance practices in the Group and established a new Code of Conduct, as well as Human Resources and Whistle Blowing policies. The committee also ensured that our Board was evaluated for a second consecutive year, and is implementing recommendations from that evaluation exercise.

Our Finance Compliance and Audit Committee, chaired by Carl Domville, met five (5) times during the year and continued to ensure that the highest scrutiny was given to our policy adherence, financial management and reporting.

The directors along with management, updated the Group's strategic goals and the management team has done the necessary realignments to ensure implementation of several important components.

We continued to advocate strongly on national policy issues affecting our industry, especially the proposed Data Protection Act and the long-awaited Digital Switch Over policy position.

In many ways, we had a stronger year, paving the way for growth and expansion, than the preceding year. The confidence in the Group's future, despite the small loss incurred, led the Board to make a declaration of an interim dividend of two cents per stock unit to be paid on July 10, 2019.
Strong leadership has taken us to this point and we commit strong leadership going forward. In that regard, on behalf of shareholders, management and fellow directors, I express heartfelt thanks to our immediate past Chairman, Hon. Oliver F. Clarke who demitted office at the end of April. We thank him for his vision and direction of our Group and look forward to his future contribution as he continues to serve as a director.

As your new Chairman, I commit to continuing the push necessary to give Jamaica the strong and independent media business required to support our democracy.

....

Joseph M. Matalon,
C.D.

Managing Director's STATEMENT

The Group made significant improvement in its financial performance for the year ended March 31, 2019. Although a loss was recorded, it was an improved position over prior year. The loss was largely due to adjustments occasioned by International Accounting Standards 19 (IAS 19) and International Financial Reporting Standards 9 (IFRS 9), which together resulted in $60 million in adjustments.

Evidence of the improvement in the business' performance can be seen in the $437 million revenue growth position year-on-year, even though a significant level of revenue growth was due to the execution of the FIFA World Cup Football Tournament. The Tournament also contributed to direct expenses being $223 million higher than that recorded in the previous period under review.

The Group's performance demonstrated that with credible Jamaican content on its multiple platforms, it can remain competitive in the call on advertisers' spending and provide excellent value for money in delivering messages to the relevant target audiences.

Indeed, research carried out during the year by Marketing Strategy Limited confirmed the Group's dominance in the delivery of consistently credible and desired content through broadcast radio and television, as well as through print and online publications.

During the period under review, the Group continued to make a difference especially by "Promoting Accountability, Credibility and Transparency through Media", the theme chosen for this report. The mission was to focus on this during the year under review as we continued, without fear or favour, to seek accountability from those in leadership.

This was done through regular broadcasts and publications. However, in the year under review, the Group added significant public participation in a series of RJRGLEANER Group Town Hall meetings which brought people in authority to the public to address various issues. Fora on 'The Plans for a New Parliament Building at National Heroes Circle', 'The Future of Jamaica's Football Programme', 'Advancing the Legal Marijuana Business', and 'Academics versus Sports in Schools, were among the issues discussed, documented and represented.

As the global media eco-system continues to change to a multiplicity of sources of often confusing, uncorroborated pieces of information, the Group's role of being the country's standard bearer on all platforms for credible news and information, remained strong in 2018/2019.

The Group was highly visible in recognising more than one hundred Jamaican athletes, sports administrators and coaches who made Jamaica proud in 2018, as it again staged the RJRGLEANER National Sportsman and Sportswoman of the Year Awards ceremony. The Group honoured the best of Jamaican's contribution in nine areas of national life through the RJRGLEANER Honour Awards ceremony which saw the first "RG Platinum Award" being presented to the Jamaica Defence Force, especially for its work through the Jamaica National Service Corps, which in one year trained more than 1,000 "at-risk" youths, improved their discipline and put them on the right side for making a positive contribution to Jamaica. There were also major moments of celebration in the Gleaner/Children's Own Spelling Bee Competition and in the 50th staging of TVJ's Schools' Challenge Quiz.

All these things were done from an operations base which was continually being realigned and right-sized. The benefits of acquiring a High Definition (HD) Outside Broadcast (OB) Unit were realized as it reduced OB costs significantly during the year, especially on major projects.

In order to be prudent with cash management, the Group slowed its transition process to HD in terms of the television operations at Lyndhurst Road, even though some changes were made.

The ISSA/GraceKennedy Boys' and Girls' Championships and the FIFA World Cup Football tournament were presented in HD for those on cable and 1spotmedia who were equipped to receive HD. The production and distribution were technically sound.

The Group hopes to resume and substantially complete the transitioning of operations to a full HD facility during the 2019/2020 financial year, with the "last mile" of HD transmission to homes taking place between 2021 and 2022. There were still significant delays being experienced in this process as regulators had not, at the end of the financial year, made recommendations to policymakers on the way forward. Shareholders would be aware that the Group has for the last three years been urging the regulators and policymakers to listen to its concerns, note them and make the decisions necessary to move the businesses forward. Broadcasters continue to await these decisions. In spite of these challenges, the Group will continue to battle and will ultimately overcome.

The Group continued to do good in the community during the year under review. Work was done with churches, civic groups, other members of the private sector, schools, children's homes and infirmaries to make people's lives and experiences better. The commitment to our RJRGLEANER/Citizen's Advice Bureau Basic School on Beechwood Avenue was maintained. The Group continued to work with Food for the Poor, Missionaries of the Poor, the Mustard Seed Communities and the Golden Age Home to remain a good corporate citizen.

As the media landscape continued to change, as the Group re-organised to operate in the changing landscape, it has started to see the turnaround in business fortunes. There were new initiatives for implementation and the Group will continue to do well in the community for its corporate and our country's sake.

Finally, we ask you to remember the many from among us who did not make it with us to the new financial year. We mention: Dorraine Samuels, Kerry Magnus, Sandra Brown-Bennett, Reginald Campbell and Gilbert Newell. For their sakes, we must and will keep our flag flying proudly, successfully and profitably, so that we can independently continue "Promoting Accountability, Credibility and Transparency through Media".

....

Gary Allen,
C.D., J.P.

2018 - 2019

Management Team

1
Natonia Sylva
Deputy General Manager, Marketing and Sales
Television and Radio Services

2
Milton Walker
Group Head of News and Sports (Broadcast)

3
Roxanne Walters
Marketing and Sales Manager
Radio Services

4
Yvonne Wilks-O'Grady
Corporate Marketing Consultant

5
Gary Allen
Chief Executive Officer/
Managing Director

6
Tanya S
Group Hum

mith
nan Resource Manager

7
Melvis Cummings
Group Chief Engineer, Operations

8
Andrea Messam
Chief Financial Officer

9
Claire Grant
General Manager
Television and Radio Services

10
Trevor Johnson
Deputy General Manager
Outside Broadcast Technologies
Television Jamaica Limited

2018 - 2019
Management Team

1 **Robert Hart**
Acting Editor-in-Chief (Print and Online)

2 **Shena Stubbs Gibson**
Group Company Secretary/ Senior Legal Officer

3 **Nordia Craig**
Business Development & Sales Manager – Print

4 **Christopher Barnes**
Chief Operating Officer/ Managing Director of The Gleaner Company (Media) Limited

5 **Suwannee Caine**
Head of Marketing & Sponsorship – Print

6 **Karma-Gaye Williams**
Branding and Online Sales Manager, Gleaner Online

7 **Roland Booth**
General Manager Online & Multi-Media Services

8 **Burchell Gibson**
Print, Plant & Circulation Manager – Print Services

9 **Michele Dunkley-White**
Group Financial Controller

10 **Robin Williams**
Group Information Technology Manager

11 **Garfield Grandison**
Acting General Manager, The Gleaner Company (Media) Limited

12 **Michael Henlin**
Chief Technology Officer

Directors'
REPORT

The directors are pleased to present their report for the financial year ended March 31, 2019.

FINANCIAL RESULTS:

	$ '000'
Loss before Taxation	**(24,252)**
Taxation	**1,808**
Net Loss	**(22,444)**
Retained Earnings at the beginning of the year	**367,652**
Retained Earnings at the end of the year	**316,882**

The directors as at March 31, 2019 were as follows:

Hon. Oliver F. Clarke – Chairman (Resigned April 30, 2019)
Joseph M. Matalon (Appointed Chairman May 1, 2019)
Dr. Lawrence Nicholson – Deputy Chairman
Gary Allen- Managing Director/Chief Executive Officer
Christopher Barnes – Chief Operating Officer
Carl Domville
Glenworth Francis
Minna Israel
Andrew Leo-Rhynie
Hon. Douglas Orane
Lisa Johnston
Dr. Carol Archer
Elizabeth Jones

In accordance with Article 98 of the Company's Articles of Incorporation, the following directors will retire by rotation and being eligible, offer themselves for re-election:

Lisa Johnston
Hon. Oliver F. Clarke
Elizabeth Jones
Joseph M. Matalon
Carl Domville

The Company's auditors, PwC, have indicated a willingness to continue in office pursuant to the provisions of Section 153 of the Companies Act.

The directors wish to place on record their appreciation and recognition of the dedicated efforts and hard work given by the officers and staff of the Company and its subsidiaries.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
Dated the 6th day of June 2019

....

Joseph M. Matalon, C.D.
Chairman

MULTI-MEDIA JAMAICA LTD.
NEED EQUIPMENT TO RENT?
KIPOR GENERATOR
AUDIO VISUAL SOLUTIONS
TV Screens
LED Screens
Projectors
Projector Screens
Laptops
DJ Consoles
Speakers
Microphones
Tents
Chairs
Generators
and more
Meetings
Seminars
Office Parties
Outdoor Events
Weddings
Church Functions
School Events
and more
EVERY NEED EXCEEDED
(876) 733-2637 | (876) 733-2170
(876) 550-2457
info@multimediajamaica.com
www.multimediajamaica.com
32 Lyndhurst Road, Kingston, Jamaica WI
RJRGLEANER COMMUNICATIONS GROUP

COMPANY OVERVIEW AND PRINCIPAL ACTIVITIES

Radio Jamaica Limited ("the Company") is incorporated and domiciled in Jamaica. The Company is listed on the Jamaica Stock Exchange, and has its registered office at 32 Lyndhurst Road, Kingston 5.

These financial statements present the results and financial position of operations of the Company and its subsidiaries, which together are referred to as the RJRGLEANER Communications Group ("the Group").

The Group's primary activities are the operation of a 'free-to-air' television station, three cable television channels, five radio stations and the publication of two newspapers in print and in digital formats.

The subsidiaries are incorporated and domiciled in Jamaica, with the exception of Media Plus Limited, The Gleaner Company (USA) Limited, The Gleaner Company (UK) Limited, and Gleaner Media (Canada) Inc., which are incorporated and domiciled in St. Lucia, the United States of America, the United Kingdom and Canada, respectively. The operations of A-Plus Learning Limited and The Gleaner Online Limited are dormant.

OUR ECONOMIC ENVIRONMENT

In 2013, Jamaica launched an ambitious reform programme to stabilize the economy, reduce debt, and fuel growth. This saw the country gaining national and international support.

Public debt fell below 100 per cent of GDP in 2018/2019 and is targeted to be below 60 per cent by 2025/26.

The Group's Subsidiaries are as follows:-		
	2019	2018
Company	**% Holdings**	**% Holdings**
Television Jamaica Limited	100%	100%
Multi-media Jamaica Limited	100%	100%
Media Plus Limited and its subsidiaries	100%	100%
- Reggae Entertainment Television Limited	100%	100%
- Jamaica News Network Limited	100%	100%
The Gleaner Company (Media) Limited and its subsidiaries	100%	100%
-The Gleaner Company (USA) Limited	100%	100%
-The Gleaner Company (UK) Limited	100%	100%
-Gleaner Media (Canada) Inc	100%	100%
-Independent Radio Company Limited	100%	100%
-A-Plus Learning Limited	50%	50%
-The Gleaner Online Limited	100%	100%

The public sector net debt (excluding public sector banks) at the end of March 2019 was $1,801.0 billion (or 83.1 per cent of Gross Domestic Product (GDP); a decrease of 1.5 percentage points of GDP on March 2018.

The unemployment rate in October 2018 was 8.7 per cent, a reduction of 1.8 percentage points relative to 10.5 per cent in October 2017, and almost half the rate targeted in the IMF reform programme at the beginning of 2013.

The Jamaican economy grew 2.0 per cent year-on-year in the fourth quarter of 2018, bolstered by growth in agriculture, manufacturing, construction, mining, and quarrying activities. Preliminary estimates for the fiscal year 2019/2020 anticipate a 2.0 per cent growth in the Jamaican economy.

The rate of exchange between the benchmark United States Dollar (USD) and the Jamaican Dollar (JMD) depreciated over a year by 29 cents to JMD 126.02 at March 2019. The movement of the USD: JMD exchange rate was erratic and unpredictable during April 1, 2018 to March 31 2019, rising from a low of JMD 125.35:1 in April 2018 to a high of JMD 136.90:1 in August 2018.

Crime and violence levels remain high, emphasizing the worrying levels of organized crime, high accessibility to illegal weapons, gang feuds and unacceptably high levels of domestic violence, which are functions of poor socio-economic conditions, especially among the urban poor. Poverty is expected to decline further on rising per-capita GDP, lower unemployment, and strengthened safety nets.

FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market (including currency, fair value interest rate, cash flow interest rate and price risks), credit and liquidity risks. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

They are designed to identify and analyze these risks, to set appropriate risk controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. There has been no change to the Group's exposure to financial risks or the manner in which it manages and measures the above-mentioned risks.

The Board of Directors is ultimately responsible for the establishment and oversight of the Group's risk management framework which is conducted through the following groups:

- **Department of Finance and Administration** - responsible for managing the Group's assets and liabilities and the overall financial portfolio. It is also primarily responsible for the funding and liquidity risks of the Group. The department identifies, evaluates and hedges against financial risks in close co-operation with the Group's operating units. The credit department is primarily responsible for managing the Group's credit risk. It monitors, evaluates and monitors credit risks through the close assessment of potential and present clients.

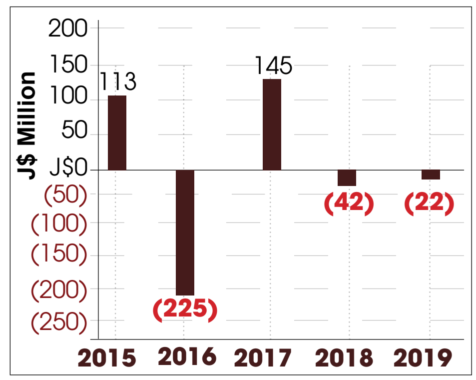
- **Finance Compliance and Audit Committee** - oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

Further details on the Group's Risk Management policies can be found in Note 3 of the Audited Financial Statements.

OUR FINANCIAL PERFORMANCE

The Group recorded an after-tax loss of $22 million representing a $20 million or 48 per cent improvement on prior year's loss. Included in this year's loss, were year-end adjustments due to the impact of the first time adoption of IFRS 9 and of IAS 19 valuations, totaling $60 million. Without these adjustments the Group would have registered a $38 million profit for the financial year which would have represented a more than 100 per cent better performance than the previous year.

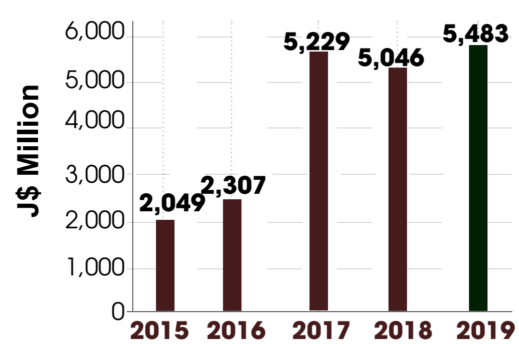
Net Profit/(Loss) After Taxes
(2015 - 2019)



REVENUES

The Group recorded a 9 per cent or $437 million increase in revenues on prior year. This was largely due to the staging of the FIFA World Cup tournament which contributed $233 million and Other Broadcast Revenues, contributing $143 million over the period. The latter related to major advertising campaigns during the 2018 Christmas season.

Gross Revenues
2015 - 2019



The Group's revenues across all reporting segments inceased on prior year with Audio Visual revenues increasing by 16 per cent, Audio by 3 per cent and Print and Other revenues increasing by 4 per cent.

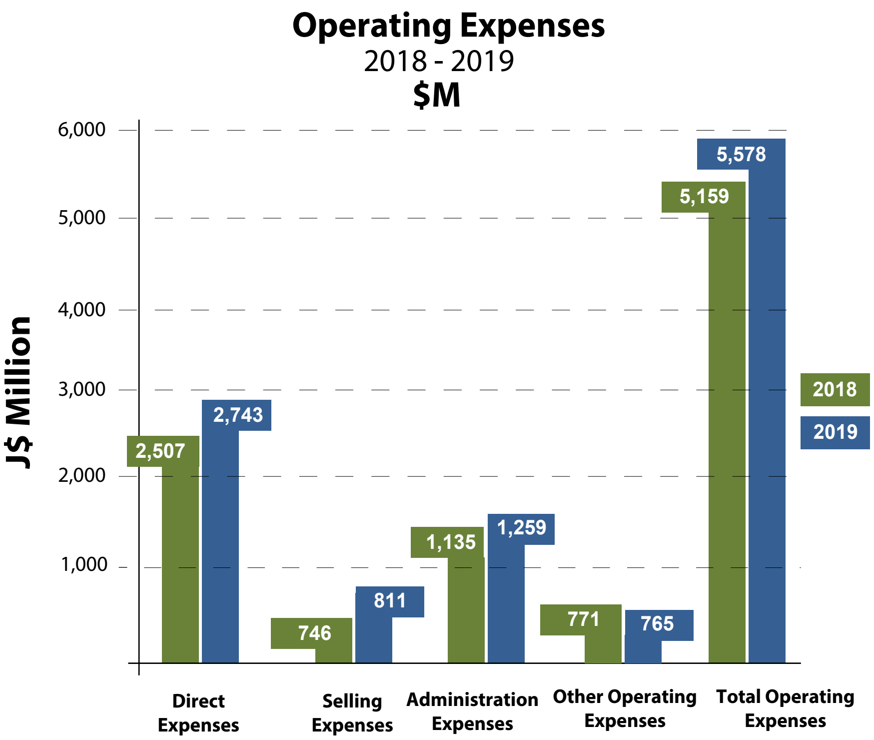
	Audio Visual	Audio	Print & Other	Year
Revenues	2,168,089	714,236	2,751,143	2018-2019
Revenues	1,871,775	694,624	2,654,846	2017-2018
INCREASE	**296,314**	**19,612**	**96,297**	
	16%	**3%**	**4%**	

OTHER OPERATING INCOME

Other Operating Income comprising Interest Income, Foreign Exchange loss/gain, Rental Income and income from sale of scrap, reduced by 3.8 per cent or $5 million due mainly to the reduction in earnings on Investment Instruments during the period.

OPERATING EXPENSES

Total Operating Expenses of $5.6 billion, including Direct, Selling, Administrative and Other Operating Expenses, increased by $419 million or 8 per cent, driven mainly by the costs associated with the FIFA World Cup of $258 million and the adjustments associated with IAS 19 and IFRS 9.



Direct Expenses rose by $236 million or 9.4 per cent including Broadcast Rights and Production fees related to the FIFA World Cup.

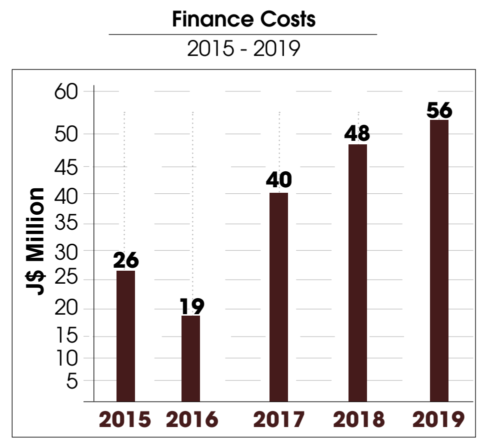
Selling Expenses of $811 million rose by $65 million or 9 per cent due to increased agency commissions arising from the revenue growth of 9 per cent.

Administrative Expenses of $1.3 billion increased by $123 million or 11 per cent when compared to prior year. This was mainly due to the IAS 19 adjustment of $47 million and the first-time adoption of IFRS 9 cost of $13 million.

Other Operating Expenses comprising of mainly Security, Electricity, Maintenance and Depreciation Costs, fell by less than 1 per cent on prior year's $771 million, due to successful cost containment measures.

FINANCE COSTS

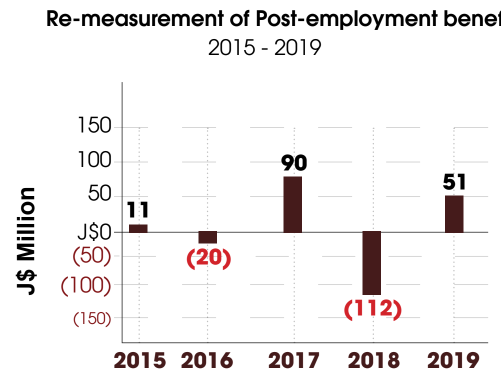
Finance Costs of $56 million rose by $8 million or 17 per cent due to increased borrowing cost from a facility used to purchase a new High Definition (HD) Outside Broadcast (OB) Truck.



TAXATION

A taxation rebate of $1.8 million compared favourably to the $13 million charged in the prior year. The improvement of $15 million was due to a reduction of deferred taxes arising from timing differences of taxable expenses.

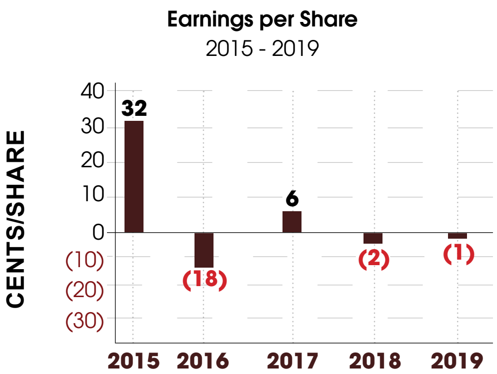
OTHER COMPREHENSIVE INCOME



The net change in Other Comprehensive Income after taxes was an improvement to $51 million reflecting a reversal of the provision of $108 million made in the previous year arising from the IAS 19 valuation.

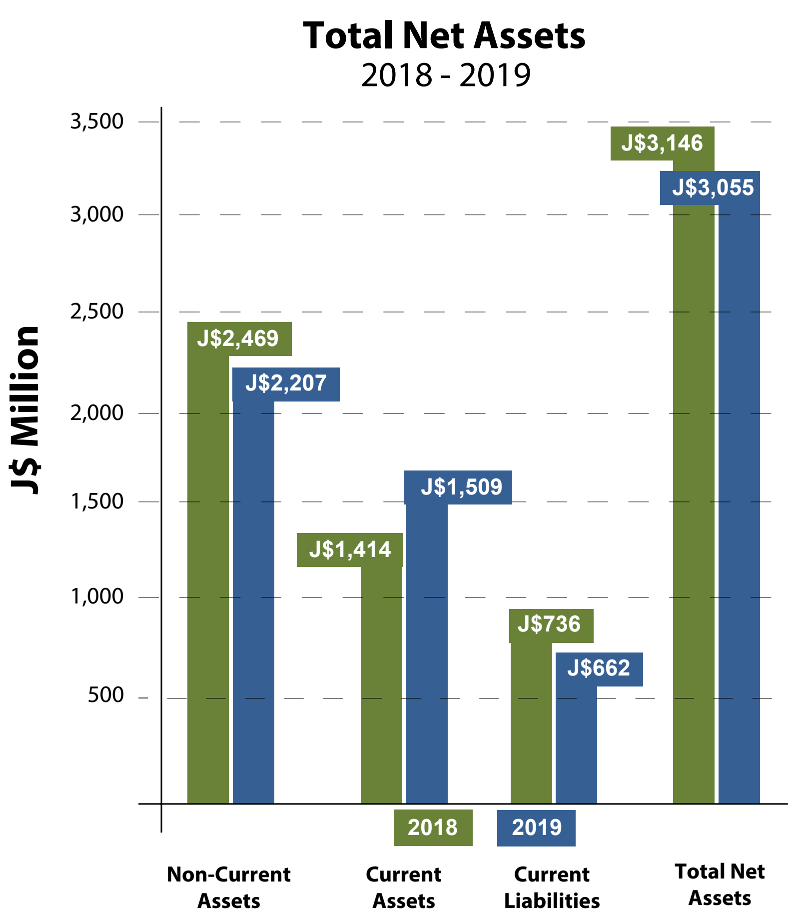
EARNINGS PER SHARE

Earnings per Ordinary Share of negative zero-point-zero one ($0.01) improved on the negative zero-point-zero two compared to ($0.02) per share loss of the previous year.



NON-CURRENT ASSETS

Non-Current Assets of $2.2 billion fell by $300 million or 12 per cent on prior year's amount of $2.5 billion. This was largely driven by the reduction in the Investment Securities of $119 million and Intangible Assets of $141 million. Investment Securities were liquidated to provide funding for capital asset purchases while Intangible Assets reduced with the airing and expiration of the FIFA World Cup Broadcast Rights.



CURRENT ASSETS

Current Assets of $1.5 billion increased by $100 million or 7.1 per cent on prior year, due mainly to a reduction in Receivables of $85 million and an increase in Cash and Short-Term Investments of $179 million.

CURRENT LIABILITIES

Payables decreased by $75 million, driven by a reduction in vacation leave liabilities ($19 million), trade ($37 million) and other payables ($44 million).

SHAREHOLDERS' EQUITY

Shareholders' Equity of $2.3 billion fell by $49 million or 2 per cent largely due to the reduction in the Retained Earnings by $50 million.

TOTAL NON-CURRENT LIABILITIES

Total Non-Current Liabilities of $700 million reduced by $43 million on the $743 million reflected in the prior year. This was driven by the reduction in long-term loans and deferred taxes.

BUSINESS SEGMENTS

The Group is organized into three main business segments based on its business activities. Operating results for each segment are used to measure performance, as management deems that information to be the most relevant in evaluating segments relative to other entities that operate within these industries. Reports from these segments are used by the Board and management in making strategic and operational business decisions. The designated segments are:-

1. **Audio Visual:** comprising the operations of the Group's free-to-air television station, cable stations and Over The Top (OTT) streaming product, 1spotmedia;

2. **Audio:** comprising the operations of the Group's radio stations and associated radio infrastructure; and

3. **Print & Others:** comprising the print, digital and multimedia operations.

STOCK PRICE AND MARKET CAPITALIZATION

As at March 31, 2019, the Company's 2,422,487,654 shares traded at $1.07 each, an increase of $0.03 on prior year's $1.04.

The Net book value per share stood at $0.97 compared to $1.00 at March 31, 2018.

INVESTMENTS

Available for Sale Investments of $17 million is made up of Global bonds ($7 million) and Corporate bonds ($10 million).

ONE CARIBBEAN MEDIA LIMITED (OCM)

The Company currently holds 48,254 shares in OCM with fair value of $9.2 million down $2.2 million on the $11.4 million in the prior year. OCM is a multi-media company which operates in Trinidad & Tobago, Barbados, Grenada, Guyana, Antigua and Barbuda and St. Lucia.

The Board is collectively responsible for promoting the success of the Company by directing and overseeing the Company's affairs.

The Company's Corporate Governance Code highlights the primary responsibilities and duties of the Board which include:

a. Setting policies, approving changes in policies, setting strategic goals and monitoring their implementation;

b. Promoting the success of the Company by directing the management of the Company; and

c. Supervising the management of the Company's affairs by requiring and receiving reports, plans, budgets and other such plans on a regular basis.

BOARD COMPOSITION

As at March 31, 2019, the Board was comprised of thirteen (13) directors and chaired by Hon. Oliver F. Clarke, O.J., J.P, a non-executive director. Mr. Clarke resigned as Chairman on April 30, 2019, but remains as a director of the Board. Mr. Joseph M. Matalon became Chairman effective May 1, 2019. Eleven (11) of the thirteen (13) board members were non-executive and eight (8) of those directors were "independent," as defined in the Company's Corporate Governance Code.

BOARD SUCCESSION

All directors are subject to election by shareholders at the first opportunity after their appointment, and to re-election thereafter, at intervals in keeping with the Company's Articles of Incorporation (Articles).

Subject to re-election/election, directors appointed to the Board may serve on the Board until he or she attains the age of seventy-eight (78) years.

BOARD COMPENSATION

The shareholders determine the remuneration of the non-executive directors within the guidelines set out in the Articles. Executive directors receive no remuneration for their directorship.

BOARD MEETINGS

Five (5) Board meetings were held between April 1, 2018 and March 31, 2019. The meeting attendance per director is reflected in the next table.

ATTENDANCE RECORD FOR BOARD MEETINGS

April 1, 2018 to March 31, 2019, five (5) meetings held

NAME OF DIRECTORS	# OF MEETINGS ATTENDED
Hon. Oliver F. Clarke O.J.	4
Joseph M. Matalon (Chairman)	3
Dr. Lawrence Nicholson (Deputy Chairman)	5
Dr. Carol Archer	4
Gary Allen	5
Christopher Barnes	5
Carl Domville	5
Glenworth Francis	5
Minna Israel	5
Lisa Johnston	4
Elizabeth Jones	5
Andrew Leo-Rhynie	5
Hon. Douglas Orane	4

BOARD EVALUATION

The Group's first Board Evaluation exercise was completed in June 2018. As a consequence of the evaluation exercise, a summary of recommendations and proposals was prepared. The summary identified nine (9) critical areas or board functions which needed to be improved and/or upgraded for the better performance of the Board. The Corporate Governance Committee continues to monitor those areas. A new evaluation exercise was completed in May 2019, and the recommendations arising there from, are being implemented.

COMMITTEES OF THE BOARD

To ensure that specific issues are subjected to in-depth and timely review, certain functions have been delegated to various board committees, which in turn, submit their recommendations or decisions to the Board. The board committees, constituted by the Board, are: the Corporate Governance Committee, the Finance, Compliance and Audit Committee and the Compensation Committee. They are described briefly below:

CORPORATE GOVERNANCE

The purpose of this committee is to strive to achieve global corporate governance best practices. The committee met three times during the period under review. The terms of reference of the committee stipulate that the committee shall be comprised of not less than four (4) members of the Board, all of whom shall be non-executive directors and the majority of whom shall be independent. The members of the committee are as follows:

Hon. Douglas Orane
(Chairman, Non-Executive)
Lisa Johnston (Non-Executive/
Independent)
Minna Israel (Non-Executive/
Independent)
Lawrence Nicholson (Non-Executive/
Independent)

Amongst other things, the committee assists the Board with:

- Organising and executing the annual review of the Board's performance and the performance of individual directors.
- Establishing, monitoring, reviewing and recommending to the Board, the corporate governance policies and procedures by which the Company and the Board shall be guided.
- Monitoring and reviewing issues regarding the Company's conduct of its business as a responsible corporate citizen and to this end to review and revise, and where necessary, create ethical standards, rules and codes for compliance with best practices, for the approval of the Board.
- Reviewing the composition, operation and effectiveness of board committees and to this end, makes recommendations to the Board to enhance performance and effectiveness.
- Seeing to the development and implementation of a board induction process which includes ensuring the orientation of new directors and appropriate training for all directors.
- Ensuring systems are in place to bring possible conflicts of interest of directors and related party transactions to the attention of the Board; in addition, making relevant proposals to the Board in accordance with the Company's corporate governance code.
- The nomination of new directors and reviewing of proposed and existing directors.

The Committee met three times during the year under review but significant work was also undertaken via the various telephony and internet platforms. The table which follows sets out the attendance of the Committee members at meetings held:

ATTENDANCE RECORD FOR CORPORATE GOVERNANCE COMMITTEE MEETINGS

April 1, 2018 to March 31, 2019, three (3) meetings held

NAME OF MEMBERS	# OF MEETINGS ATTENDED
Hon. Douglas Orane	3
Lisa Johnston	3
Dr. Lawrence Nicholson	3
Minna Israel	2

Code/ Policies

During the period under review, the Committee approved and ratified the Code of Conduct, Human Resources and Whistle Blowing policies.

The Company's Corporate Governance Code can be found on the Company's website:
https://tinyurl.com/y6joskuq

Finance, Compliance and Audit Committee (FCAC)

The FCAC met periodically during the year to review the financial performance, budgets, internal and external audit reports of the Company and to assess its operational risks and mitigation plans as well as to make recommendations to the Board for action to be taken, where necessary. The members of the committee as at March 31, 2019 were:

Carl Domville
(Chairman, Non-Executive/ Independent)

Glenworth Francis
(Non-Executive/Independent)

Andrew Leo-Rhynie
(Non-Executive/Independent)

Elizabeth Jones
(Non-Executive/Independent)

The roles and responsibilities of the FCAC include:

- Monitoring the financial objectives of the Company and the Company's financial performance.
- Reviewing strategic plans and proposed investments.
- Ensuring that the Company is compliant with the relevant reporting standards.
- Approving formal financial announcements relating to the Company's financial performance.
- Reviewing and monitoring the external auditor's independence and objectivity, as well as the effectiveness of the audit process, taking into account relevant Jamaican professional and regulatory requirements.
- Monitoring and reviewing the effectiveness of the Company's internal audit functions.
- Considering, approving and recommending to the Board, the Group's annual operating and capital budgets.

Five (5) meetings were held during the year. The attendance was as follows:

ATTENDANCE RECORD FOR FINANCE COMPLIANCE AND AUDIT COMMITTEE MEETINGS

April 1, 2018 to March 31, 2019, five (5) meetings held

NAME OF MEMBERS	# OF MEETINGS ATTENDED
Carl Domville	5
Glenworth Francis	5
Andrew Leo-Rhynie	3
Elizabeth Jones	4

Compensation Committee

This is a committee of the Board which meets on an *ad hoc* basis to review the Chief Executive Officer/Managing Director's and Chief Operating Officer's compensation package and performance goals. The Committee is comprised of the Chairman, the Immediate Past Chairman and the Chairman of the Corporate Governance Committee.

OPERATIONAL
HIGHLIGHTS

TELEVISION SERVICES

TVJ

Revenues

Television Jamaica surpassed its budgeted revenues for 2018-2019 and also for the first time achieved revenues in excess of $2 billion dollars. This performance was delivered in a period when the brand was trying to recover after a challenging World Cup revenue campaign.

World Cup

Our execution of the 2018 FIFA World Cup product was exemplary and for the first time, the World Cup was available to viewers in full HD for those who were able to access this type of signal. These viewers, while small in number, are significant stakeholders and it was important to have showcased TVJ's 2018 investment in upgraded HD capabilities.

HD Upgrade

While no further HD upgrade work was done for TV this year, the rationalisation of workflows and the benefits of the investment were completed early in the 4th quarter. Master Control, Ingest, Playout and Satellite room operations were completely integrated for all TV brands to improve resource efficiencies for better execution of the digital output of our transmitted streams.

Programmes

TVJ's Schools' Challenge Quiz (SCQ) aired its 50th season during the period in a style that was befitting of the golden anniversary the programme celebrated. Along with the 64 matches broadcast from January 14 to April 2, 2019 with the 25 preview/review shows that made up the season, there was a live launch of the season at Emancipation Park in January, repeats of 27 finals from the 1990s, airing of 4 special documentaries produced by TVJ's Home-Grown programmes department and an elaborate grand final 2-hour show against the backdrop of an engaging historic carnival layout showcasing SCQ inside the TVJ car park.

St. Jago High School was crowned champions, claiming their 5th title after defeating Kingston College which was getting to the finals for the 20th time. The significance of the 50-year milestone attracted interest in the programme from an HBO magazine programme in the USA. After months of discussions, a team came to Jamaica to see the finals and prepared an 8-minute feature for broadcast on HBO.

TVJ's Junior Schools' Challenge Quiz continued its growth, and in 2018 had two new finalists, both from the western end of the island. The final match was between Mount Airy All Age and Broughton Primary in Westmoreland and was aired on December 11, 2018. Mount Airy All Age lifted the trophy after a strong comeback in the Buzzer Challenge of the match.

Home-Grown and Content Monetisation Division

During the period, this division created numerous programmes, documentaries, short features and drama series for the station. Some of these included: 'Tailored for Taste', 'Road Trip', 'Let's Make Peace', 'SCQ documentaries', 'Real Friends', and 'Great Jamaican Stories'. A number of pilots of programmes were created and are being shopped in the market for release next year.

Cable

JNN continued to expand its local content line and added the interview news analysis programme, 'Insight' to its line-up. RETV exhibited consistent growth during the year in its broadcast revenue side, even more so than JNN.

PRINT SERVICES

For the year under review, The Gleaner Company (Media) Limited (The Gleaner), the Group's Print Services Division, planned and executed a number of initiatives aimed at maintaining the credibility and relevance of The Gleaner publications and their associated products, increasing diversity, and leveraging efficiencies.

During the year, The Gleaner continued to provide meaningful news and sports coverage islandwide, breaking stories and exposing major national issues such as improprieties at the Ministry of Science, Energy and

OPERATIONAL
HIGHLIGHTS

Technology, the inoperable national suicide hotline and the exhausting of a fund for children of the victims of the 2008 Rio Grande Valley tragedy.

In many cases, The Gleaner's reporting stimulated accountable action, such as the resignation of a high-level board chairman, a renewed commitment to the Rio Grande Valley children and plans for a new national mental health/suicide hotline.

In furthering efforts at product differentiation, a number of new editorial and advertising products were launched during the period under review. 'The Western Star' and 'Central Star' publications provided a more localised experience for readers in western and central Jamaica respectively; while the spadea and half wrap innovations in print helped advertisers reach their target audiences in exciting new ways.

In North America, 'The Weekly Gleaner' publication was re-vamped and re-designed to satisfy the needs of the Diaspora population, following closely on the re-design of the local daily publication earlier in the year.

Spadea and Half Wrap
Advertisers responded positively to the two additional options for their print messages in The Gleaner in 2018 – the spadea and half wrap

'The Exchange', a Financial Gleaner/ JNN business forum was another editorial innovation in 2018. The partnership between Financial Gleaner and Jamaica News Network (JNN) was another instance where The Group's merged resources were better used to serve targeted audiences. The programme quickly gained a reputation for being one to watch for in-depth discussions on business and economic issues. It exposed 'The Financial Gleaner' to a new market and created content for publication in the business tabloid and other sections of The Gleaner.

Economist Mark Ricketts (2nd right) responds to a question while looking on our moderator Neville Graham (left), panellist Allison Peart (second left), country managing partner and tax partner at Ernst and Young, and Keith Duncan, co-chairman of EPOC and CEO of JMMB Group, during a live taping of 'The Exchange', a Financial Gleaner - JNN business forum.

The Gleaner also remained on the cutting-edge of entertainment reporting in this financial year, continuing to cover trends and back stories in the local industry, while exposing readers to global entertainment through its coverage of events such as The Met Opera performances.

For continuing to exemplify and nurture standard-bearers in journalism, The Gleaner's Editorial team was outstanding at the annual Press Association of Jamaica National Journalism Awards, securing several awards, including, for the second consecutive year, the Young Journalist of the Year Award.

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President of the Press Association of Jamaica George Davis (third left) with members of the Gleaner's award winning team, (from left) Kareem Latouche, Nadine Wilson-Harris, 'Young Journalist of the Year' Carlene Davis, Latania-Jonelle Hall, and Gladstone Taylor.

RADIO SERVICES

RJR 94FM

Our radio services continued to give wide ranging service to the community and advertisers during the year under review. They were streamlined to be even more focused and relevant in the last few months. RJR 94FM continued to play a significant role in Jamaican life and culture. Keeping true to its general format, the station remained the source for credible news, sports, current affairs and entertainment, reaching Jamaicans at home and in the diaspora with a wide cross-section of content. The station maintained an enviable relevance as standard bearer in the media landscape expanding its reach on the various digital and social media platforms.

Changes to Programming
Children/Youth Programming

The 'KIDZONE' – which was designated for children and young people airs Saturday mornings between 9:00 – 10:00 'KIDZONE' is anchored by Dadrian Gordon during her programme, 'Frontline' which features musical selections that appeal to the youth. The formatting of the 'KIDZONE' was revised to present the following:

- Storication at 9:15am and
- RG Kids at 9:30am.

Both are targeted at the Jamaican art form of storytelling and captured the imagination of thousands.

One of the highlights of the month of May which is celebrated as Child's Month was the hosting of a live broadcast of the 'RG KIDS' show. The production was held inside the studios at 32 Lyndhurst Road, with approximately 30 children ranging from ages 6 – 12 years from a number of primary and preparatory schools in St. Catherine and the Corporate Area.

They were joined by representatives from the Chess Federation, Young Chefs, Stra8 Games, The Gleaner's Children's Own and the Institute of Jamaica Junior Centre.

JCF Now

The Jamaica Constabulary Force (JCF) joined RJR 94FM on Thursdays from 8:00pm - 9:00pm for the programme 'JCF Now', hosted by Inspector Dian Bartley and Detective Ava Lindo. The programme is an avenue for listeners to get first-hand information about the operations, initiatives and overall role of the Police.

Training

In order to improve the standards of delivery and to sharpen the broadcasting skills of presenters and producers, training sessions were conducted with veteran broadcaster and lecturer Alma Mock-Yen. The sessions covered some critical areas of broadcasting, including elements of speech, pronunciation, line editing and interviewing skills.

Special Highlights

- *RJR's 68th Anniversary*

In July 2018, RJR 94FM commemorated 68 years of broadcasting. Promotions of this milestone were featured on television, radio, in print and physical displays at Broadcasting House.

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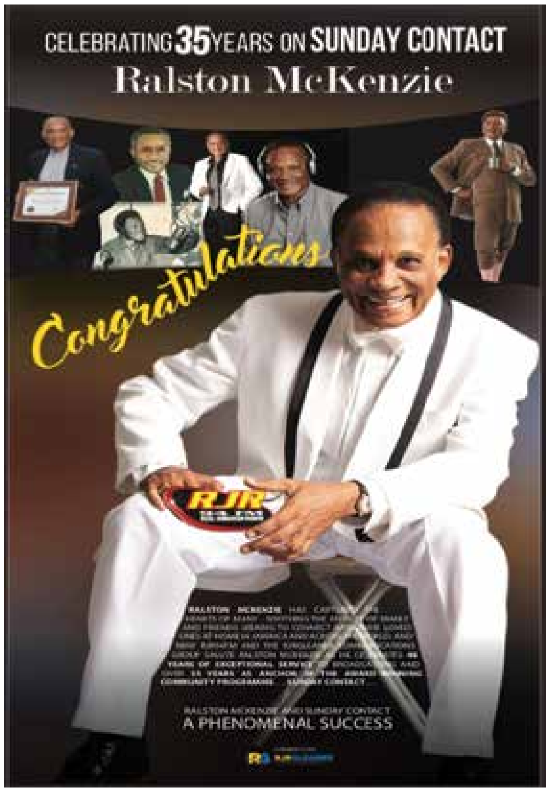
- *Celebration of Ralston McKenzie's Service on Sunday Contact*



On Sunday July 29, 2018, a live broadcast and special function were held in studio to celebrate Ralston McKenzie's 46 years on radio and his 35th anniversary as host of 'Sunday Contact'. Listeners who benefited from reconnecting with their families, media colleagues and family members were in attendance to celebrate his accomplishments. Congratulatory messages were aired on radio, television and featured in print.

- *Special Commendation*

Veteran presenter and disc jockey, Donovan Dacres, received the Badge of Honour for Long and Faithful Service to the Music Industry in the National Honours and Awards for 2018. He continues to receive positive reviews regarding his musical knowledge and skilful delivery of music content on the station.

Outside Broadcasts

Outside broadcasts constitute an important means of driving revenue on the station, as well as, community outreach. For the financial year, RJR 94FM executed almost 400 broadcasts across the island.

HITZ 92FM

The provision of consistently credible sports coverage and analysis was prominent in the station's efforts in the year. Recognizing that 2018 was a World Cup football year, meant that HITZ 92FM had to be strategic in the planning and execution of the coverage of the World Cup tournament. A synergy with the Group's television partners helped to ensure that HITZ 92FM's broadcast coverage was a memorable one. The station's involvement in the World Cup broadcast coverage, the world cup experience events and the pre and post-match discussion packages were complimented by its extensive social media presentations. The station's broadcast of the RJRGLEANER 'Sports Town Hall' meetings generated a variety of follow-up discussions in its sports discussion programmes: 'Sports Grill', 'Sports Explosion' and Girls Sports Club'.

The evaluation of HITZ 92FM's strategic programming and the audience response continued, and by mid-year revealed that the station had made some significant strides in defining and building its radio offerings for its target audience with authentic reggae. Market research conducted by Marketing Strategy Limited indicated that there was improvement in the station's listenership. The evaluation also signalled that there was a demand for more reggae music.

In 2018-2019, the music programmes on HITZ 92FM kept hitting the right notes. The strategic broadcast partnership with VP Records for their first ever radio simulcast launch of Beres Hammond's 'Never Ending' album, the live coverage of 'Reggae Sumfest,' the introduction of global taste makers; Pier Tosi from Italy and Danny Pepperseed to the programming line-up and the annual Kingston Music Week Reggae showcase event 'HITZ At Kingston 10' were just a few of the high notes for the year.

FAME 95FM

In 2018-2019, the repositioning of FAME 95FM as the premier lifestyle station continued. This was part of a direct response to the evolving listening demands of FAME listeners as well as the station's need to regain market share. The station also continued to blaze the trail with signature events, endorsements and outside broadcasts.

A 2018 listenership survey conducted by Marketing Strategy Limited revealed improvements in the listenership numbers for FAME 95FM. The station's flagship programmes remained 'FAME Full House Friday', 'The Rising', 'Day Dream' and 'OvaDrive', while 'Retroactive Wednesdays' retained its spot as the most popular themed day on radio.

POWER 106 FM

Power 106 FM continued to create a niche for itself in the talk-radio market. During the period under review, several adjustments were made to the station's broadcast day programming.

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'Independent Talk', which served the station in excess of 20 years, came to an end on April 13, 2018. This paved the way for the creation of two new and exciting programmes; 'Farm Talk' aired weekdays 5:00am – 7:00am and 'Morning Agenda' aired weekdays 7:00am – 9:00am. Some of the more salient changes on the station during the year under review, are covered below.

Farm Talk
This programme was developed from the highly successful segment of the same name from the programme, 'Independent Talk'. It delves into various issues including agronomy, farm management, market trends and current events. The programme continues to raise the bar in reporting on agricultural activities and news both locally and overseas. The programme also provides comprehensive analysis of happenings in the agricultural sector and champions the cause of farmers by challenging the existing status-quo, while providing the farming community with the necessary tools to help propel the sector forward.

Morning Agenda
'Morning Agenda' is a breath of fresh air on morning radio. Hosted by newcomers to the media landscape, attorneys-at-law, Jodi-Ann Quarrie and Danielle Archer, 'Morning Agenda' is your early-morning dose of critical, thought-provoking discussion on current and topical issues.

Real Business
Power 106 FM continued to cement its place in the media landscape as powerful business radio' and nowhere is this ethos stronger than 'Real Business,' the only offering of its kind on Jamaican radio. The programme is aired weekdays from 9:00am – 10:00am with host Ralston Hyman. 'Real Business' is designed to keep listeners abreast with the latest in stock market movements, locally and internationally, as well as providing listeners with information about how to get their own businesses up and running.

Power Talk
'Power Talk' with veteran talk show host, Ronnie Thwaites, has in the past year, become the leading show for outside broadcasts on Power 106 FM. From education to wealth management, and everything in between, organisations with conferences and other engagements continued to choose 'Power Talk' as the programme to highlight their events. In the last year, the very popular feature, 'Your Legal Corner' with Jamaican-American attorney Dahlia Walker Huntington was added to the line-up to help bolster continued connections with the Jamaican Diaspora.

Both Sides of The Story
To say that the programme 'Both Sides of the Story' is integral in keeping the lines of communication with members of the Jamaican Diaspora open, is perhaps an understatement. 'Both Sides of the Story' continued to hold true to its mantra of "keeping the connection open between Jamaicans at home and abroad."

The show is a favourite for people in the Diaspora wanting to have their events covered through outside broadcasts. Through the work of the programme's host, Dervan Malcolm on 'Both Sides of the Story' and 'The Jamaican Diaspora Live-on-Line', Power 106 FM continued to receive accolades for its coverage of Diaspora affairs.

Powerplay
'PowerPlay' with Maurice Foster moved to a new time, 7:00pm – 9:00pm weekdays to accommodate other programme changes. The advertisers did not skip a beat, since they followed suit and continued with their support of the programme. The strength of the programme continued to rest in the fact that the host, Maurice Foster, is himself, a former sportsman, having represented the country and the West Indies as a test cricketer. Foster continued to keep listeners informed about the latest news coming out of the sporting arena.

Dear Pastor
Another programme change during the past year was to the popular night programme, 'Dear Pastor,' with Reverend Dr. Aaron Dumas. The programme was reduced by thirty minutes to accommodate the new programme 'Drying Tears.' 'Drying Tears' is a production of the Universal Church and is aired Monday to Thursday 9:00pm – 9:30pm and on Friday from 11:00pm – 11:30pm. Dear Pastor is now being aired Monday to Thursday 10:00pm – 12 midnight.

MUSIC 99FM
MUSIC 99FM grew significantly both in terms of positive feedback from audiences and the programmes and features offered on the station.

These included:

- Flashing Lights – aired weekdays from 12:00 noon – 1:00pm
- Girl Power – Thursdays 10:00am – 2:00pm
- Musings – hourly

The day's programming was also segmented into five shows. These are:
- Happy Morning – 6:00am –

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10:00am

- Soul Café – 10:00am – 2:00pm
- Chill Zone – 2:00pm – 6:00pm
- Cruising – 6:00pm – midnight
- Sailing - midnight - 6:00am

The most recent addition to the Music 99 FM line up is 'The Riff' with veteran broadcaster and musicologist, Dermott Hussey. The programme proved to be a hit with listeners. 'The Riff' is aired Fridays and Sundays 6:00pm – 8:00pm.

RJR/TVJ NEWS AND SPORTS

The performance of the News and Sports teams during the year was outstanding. This outstanding performance led to the teams winning the most awards at the Caribbean Broadcasting and Press Association of Jamaica Awards. The news centre won the coveted prizes for news, sports, investigative reporting and 'Journalist of the Year.'

The news centre's current affairs offerings were expanded in both News and Sports as the unit commenced an RJRGLEANER Group Town Hall Series and produced a number of documentaries. The first in the Town Hall Series was on the proposed re-development of Heroes Circle and the proposed construction of a new parliament building. It broke all records for attendance at town hall meetings and, more critically, had a major impact on the national debate. The team also did a Town Hall meeting on ganja and the promise of a new growth industry to transform the Jamaican economy. Sports led the way with a Town Hall meeting on the state of the nation's football programme and this was followed up with another discussion: 'Sports versus Academics' in schools.

TVJ's CentreCircle programme of a stirring human interest exclusive interview with former national football player, Luton Shelton, touched many across the island and in the diaspora. It helped to raise awareness about the condition Amyotrophic Lateral Sclerosis (ALS) and raised significant financial contributions for Shelton's treatment and care. The team delivered another world class coverage of FIFA World Cup in the summer of 2018 and the ISSA/Grace Kennedy Boys' and Girls' Championships over 5 days at the end of the year.

The expanded slate of sports and current affairs programmes continued to do well. The all-female sports discussion programme, 'Girls Sports Club' did very well in its first full year of broadcasting. 'Sports Explosion' which burst unto the scene with a bang constantly generated animated discussion on sporting issues. The longstanding 'Sports Call' and 'Sports Grill' programmes not only maintained their presence on the landscape, but also attracted renewed focus from our audience.

The news centre also produced two ground-breaking documentaries on critical issues affecting Jamaicans. The first was aptly titled, 'Pothole Paradise' which featured the state of the nation's road network. The team also looked at the issue of HIV/ AIDS and the stigma often associated with the disease. Both documentaries were well received and won Press Association of Jamaica awards.

The television arm of the news centre introduced a revolution in news broadcasting in Jamaica when it produced a series of newscasts live from locations outside our studios. We presented live newscasts from the Constant Spring/Dunrobin intersection which focused on the challenges caused by the multiple road construction projects underway, in various parts of the island; another bulletin took a forensic look at the nation's environment live from the Greenwich Town Fishing Beach beside Petrojam. This innovation helped to shape the national discussion as it not only raised awareness but generated significant debate in traditional and social media for weeks. The radio arm of the news centre continued its breaking news format, beating its competitors in releasing several major stories during the year.

One of the current affairs programmes, 'That's a Rap' celebrated its 10th anniversary milestone last year.

To commemorate this achievement, the programme presented a sobering discussion on RJR 94FM on August 12, 2018 which looked at national issues. 'That's a Rap' has grown in strength and public credibility over the years, adding a number of outstanding contributors, some of whom have become household names.

The news centre took a major step when it changed the set for Prime Time News and Sports at the start of the final quarter of the year. The new set allowed the team to integrate the news and sports segments and provided much more flexibility to deliver the stories and interviews in a more comfortable position. The feedback from the public was overwhelmingly positive.

The newsroom would like to pay tribute to Dorraine Samuels who was one of the presenters for the dual anchor format on Prime Time News, introduced in 2004. For 14 years, Dorraine was the

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face of 'Prime Time News' delivering the news with grace, poise, and unmatched professionalism. She also presented radio news for decades. Her last duty at RJRGLEANER Group was her presentation of the 'Midday News' on RJR 94FM on March 8, 2018. She left a huge legacy and the RJR news centre salutes Dorraine Samuels for her nearly 40 years of service to the Group.

ONLINE AND MULTI-MEDIA SERVICES

Online and Multi-Media services continued to provide a diversified blend of audio-visual solutions, creative services, digital advertising, web services and other technology solutions to the Group.

Revenues in Multi-Media Jamaica (MMJ) were driven last year by increased audio-visual rental services including for the newly acquired LED screens.

The mobile applications (apps) for the five radio brands in the Group were updated through a partnership with Zeno Media and the feedback was positive. The advertising-supported apps provided the ability for users anywhere in the world to listen to live and recorded content from all our services.

We continued to see interest in the background music service with new products being developed to serve the market even better.

In order to drive opportunities for revenue growth, Gleaner Online (GOL) changed its online advertising model to a cost per thousand (CPM) impression approach. This brought the unit in line with the rest of the digital industry and allowed the platforms to fully re-engage with advertisers in the digital space.

GOL's revenues continued to be driven by digital advertising. It also continued to provide email and web hosting services to a number of small and medium-sized entities. There was interest in enhanced digital services, particularly email hosting services, as the market looked for more collaboration and security products.

Mobile users of the Jamaica-gleaner.com and Jamaica-star.com were treated to a major change during the period, and now experience an app-like interface when visiting those sites. This resulted in significantly more engagement on those platforms.

During the period, page views for the Jamaica Gleaner and Jamaica Star grew by 33% and 22%, respectively.

Growth on social media platforms continued. On Facebook, the Jamaica Gleaner and the Jamaica Star grew by 8% and 14%, respectively. On Twitter, the Jamaica Gleaner and the Jamaica Star grew by 7% and 8%, respectively, while on Instagram, the Jamaica Gleaner and the Jamaica Star grew by 36% and 53%, respectively.

The Gleaner and Star ePapers continued to provide subscription access to the digital replica of the print versions of the respective newspapers. During the period, the ePaper versions of the weekly Gleaner North America and United Kingdom editions along with Track and Pools, were added. They are now available at http://epaper.jamaica-gleaner.com.

INFORMATION TECHNOLOGY

The Information Technology Department undertook a number of projects during 2018/2019 with the aim of improving efficiencies with the use of more modern technology and to address the growing demands of our internal and external customers.

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A major network upgrade was completed to facilitate faster movement of audio, video and data related materials.

The TV Production Department's video-editing capabilities were enhanced with the installation of Apple iMAC Pros to support the output of full 1080P videos.

At North Street, a new editorial system which improved workflow and efficiency was installed in the newsroom. The sub editors' desk in The Gleaner was also modernized with new PC hardware and layout software. A new Time & Attendance system was implemented for Production workers, providing more accurate and timely payroll information. A new Business Intelligence (BI) system was also deployed in the Business Development and Marketing Department, which provided new and timely reporting capabilities.

ENGINEERING

During the year, the Engineering Department concentrated on consolidation and cost savings. As part of the department's cost-saving measures, 5 of the 10 Independent Radio Company Limited (IRC) transmission sites were merged with the following Radio Jamaica Limited transmission sites: Huntley, in Manchester, Birches Hill, in Hanover, Flower Hill, in St. James, Mount Airy, in Westmoreland and Cooper's Hill, in St. Andrew. Improvements were also made to the radio transmission services by replacing transmitters for RJR 94FM at Port Antonio, in Portland and Coopers Hill, in St. Andrew.

A new television transmitter was installed at Flower Hill, in St. James for CH 9 which improved coverage in areas such as Darliston, Chudleigh, Dean's Valley, Sandy Bay, Montego Bay and Falmouth.

Additionally, CH13 at the Rowlandsfield transmission site in St. Thomas is currently being relocated to a new site in Winchester, St Thomas. This change will allow for better coverage due to its higher elevation.

The news studio set was fitted with the latest Plug and Play Technology, which gave audiences a better viewing experience.

While the RJRGLEANER Group continues to diversify, the engineering team has been playing a strong research and testing role in eventually establishing a diverse network under digital switch over. A Triple Play System which will involve an internet, cable, TV and voice (phone) service, all in one integrated service, started to be examined in the year under review.

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The integration process continued between the Lyndhurst Road and North Street locations. The engineering team established a wireless system for both locations to seamlessly transfer data.

HUMAN RESOURCES

The Human Resources Department this year focused on the strategic priorities of career development and wellness. Under career development, the department led initiatives in middle management and leadership training, succession planning and recognition, job extensions, job rotations and performance management.

The department implemented several benefit and wellness programmes to include yoga, department appreciation initiatives, an extended health fair, themed fun activity days, birthday celebrations, Staff of the Quarter, financial planning seminars and more frequent health screenings.

COMMUNITY OUTREACH

As the RJRGLEANER Group continued to serve the over sixty senior citizens (males and females) at Cluster C, National Golden Age Home, the bond grew stronger last year. The many volunteers from the Group have strengthened the relationship with management, staff, caregivers and residents, making the service and care by us more appreciated.

The team continued to effect necessary repairs to common areas at the Home, to better protect residents' safety, which resulted in the crosswalk from dormitory to dormitory and recreation area being repaired, paved and painted. The clothing storage area and the dining room were renovated.

The traditional and much loved outings arranged for recreation saw the residents being treated to a day out at the Rockfort Mineral Bath; attendance at several events at the Emancipation Park and participation in events which highlighted Senior Citizens' Week, (September 23, to October 1, 2018), including a concert featuring the Fab 5 Band. What a treat!

The RJRGLEANER Citizens' Advice Bureau Basic School continued to benefit from the provision of voluntary services. Students from the basic school participated in the Basic Schools' National Sports Day held at the National Stadium and secured 2nd place, out of some 25 participating schools.

The students continued to benefit from participation in the Jamaica Cultural Development Commission's (JCDC's) Speech Festival, copping several medals during the season.

CORPORATE MARKETING

The 2018-2019 year was action packed with events and various marketing initiatives. The Corporate Marketing Unit worked closely with senior management to create and nurture relationships, while spearheading the Group's corporate Social Agenda. Within this context Corporate Social Responsibility (CSR) broadly refers to activities that are non-profit. Key focuses are community development, early education and civil society.

Coming out of the merger of RJR and The Gleaner, establishing a corporate brand became a vital aspect of the Group's overall marketing strategies. The Group's combined logo, taglines and colours were fully integrated, achieving the overarching purpose of having one distinguished brand image of the RJRGLEANER Communications Group, from which our fourteen (14) sub-brands operate.

RJRGLEANER Sports Foundation

The RJRGLEANER Sports Foundation staged the 58th National Sportsman and Sportswoman of the Year Awards in January 2019. The event continued to acknowledge and celebrate Jamaica's sporting achievements during the year. Working closely with the various Sporting Associations, the Awards grew in status and prestige which resulted in the presentation of awards in over 40 categories.

Those who were recognised included swimmer, Alia Atkinson, who was crowned 'National Sportswoman of the Year' for the third time, having won the title in 2014 and 2017.

She won three major awards – as she added to the 'RJRGLEANER Sports Foundation Award', the 'People's Choice Performance of the Year Award' and 'The Gleaner Newspaper Iconic Award'.

Joint runners-up for the "National Sportswoman of the Year Award" were Commonwealth Games gold medallists, shot putter, Danniel Thomas-Dodd and triple jumper, Kimberly Williams.

Commonwealth Games record holder in discus, Fedrick Dacres, was crowned the RJRGLEANER Sports Foundation National Sportsman of the Year. He won the award for the first time in his career. Commonwealth gold medalist, Ronald Levy, was runner-up, for the first time.

Sixteen year old Jodi-Ann Brown won the 'Victoria Mutual Y.O.U.T.H. Award', following her outstanding performance that helped Jamaica qualify for the senior FIFA Women's World Cup. The Reggae Girlz forward was selected as the best young player of the 2018 CONCACAF Women's Championship by the confederation's technical committee. She received her prize a few months after she helped the Reggae Girlz become the first Caribbean team to reach the Women's World Cup. Brown scored six times during the World Cup campaign.

'The Chairman's Award' went to chess enthusiast, Ian Wilkinson, President of the Jamaica Chess Federation for his outstanding contribution to the sport. The attorney-at-law made history when he was made an honorary vice-president of the World Chess Federation. He is the first person from the English-speaking Caribbean to hold such a position.

Sports World Magazine

One of the well-received brand extensions of the 'National Sportsman and Sportswoman of the Year Awards' has been the 'Sports World Magazine'. For the first time, the publication was printed as a 94-page tabloid on white art paper. Two thousand (2000) copies were inserted in the Sunday Gleaner and distributed to Sunday subscribers.

RJRGLEANER Cross Country Invasion

The RJRGLEANER Cross Country Invasion celebrated its 15th staging during the period under review. This national event was created to allow the Group, together with sponsors, to interact directly with customers and potential consumers. The Group executed an integrated promotional approach across its different brands as it sought to showcase its programmes and personalities to the 14 parishes.

The RJRGLEANER Cross Country Invasion partnered, once more, with Digicel Foundation to identify well-deserved community needs in parishes across the island and was able to provide assistance to fifteen (15) organisations which catered to such needs.

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PARISH	INSTITUTION & ADDRESS
St. Catherine	Linstead Hospital
Portmore	Portmore Self Help Disabilities
St. Thomas	Lyssons Centre of Excellence
Portland	Bethesda Basic School
St. Mary	Port Maria Hospital
St. Ann	Alexandria College of Continuing Education Armadale
Clarendon 1	St. Augustine Place of Safety Chapelton
Clarendon 2	Summerfield Girls Home
Manchester	Hanbury Home for Children Kendal, Shooter's Hill
St. Elizabeth	Barbary Hall Primary school
St. James	Emmanuel Youth Outreach Mount Salem, Montego Bay Learn Smart Academy Ltd., Montego Bay
Trelawny	Falmouth Gardens Basic School
Hanover	Sandy Bay Primary & Junior High School
Westmoreland	Savanna-la-mar Hospital

RJRGLEANER Pop up Café

The RJRGLEANER Pop up Café celebrated its 5th year on November 15 and 16, 2018, under the theme 'Meat & Mingle.' The event was held during the Gleaner's Restaurant Week as part of the Group's involvement in the event. Across the two days, the Group catered to advertising agencies, ordinary citizens and clients from a wide cross-section of corporate Jamaica.

On the print side, The Gleaner continued to provide news content that impacted the lives of Jamaicans, a special push was made to diversify its product offerings through a series of lifestyle events held during the year. These lifestyle events were successful in engaging key customers and raising the brand's social profile while providing unique and refreshing content for print and multimedia.

Among the most notable activities were, 'The Flair Magazine Distinguished Awards' event, which highlighted women who were positively impacting the society. Various 'Lifestyle Mingles', also provided platforms for young professionals to network and access resources crucial to their success.

For the 2018-2019 financial year, The Gleaner focused on the realignment of its operations to meet the Group's objective of self-funding company events. This objective was achieved through additional consumer interactions by hosted events and the promotion of the company's various brands while economising on spend. The structure of its marketing unit was bolstered by the addition of a Head of Marketing & Sponsorship in the first quarter of the financial year.

The unit, with inter-departmental collaboration, executed several revenue-generating events within the period including several 'Flair Social Events', 'The Gleaner's Fit 4 Life Series', 'The Gleaner's Children's Own Spelling Bee 60th Anniversary' and 'The RJRGLEANER Honour Awards'. The honour awards boasted several firsts in the

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history of the programme including an additional nomination platform, live broadcast on JNN, the addition of a sponsor's award, record ticket sales, re-positioning the gala awards event as a night function, and a re-branded top award – 'The RG Platinum Award'. 'The Star Spot the Ball Competition', which coincided with the 2018 FIFA Football World Cup, was the Company's World Cup associated consumer promotion for the financial year.

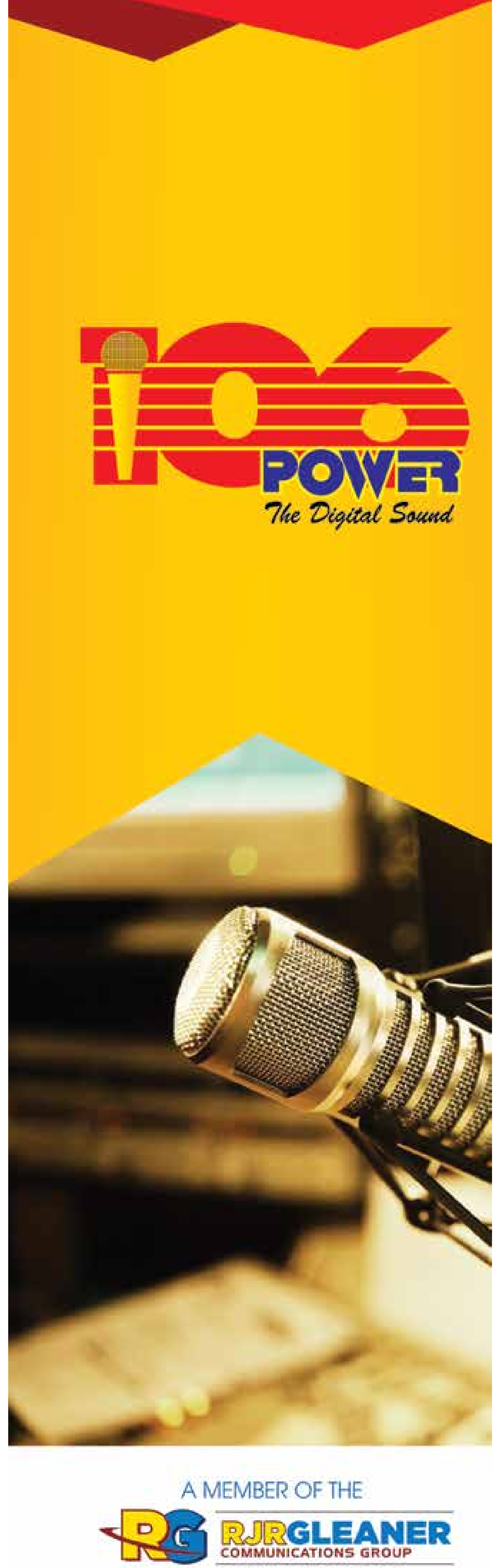
Important to the growth of the Company's brands was the consumer insights survey conducted in 2018 which was used to inform a major campaign for The Gleaner that started in the last quarter of 2019.

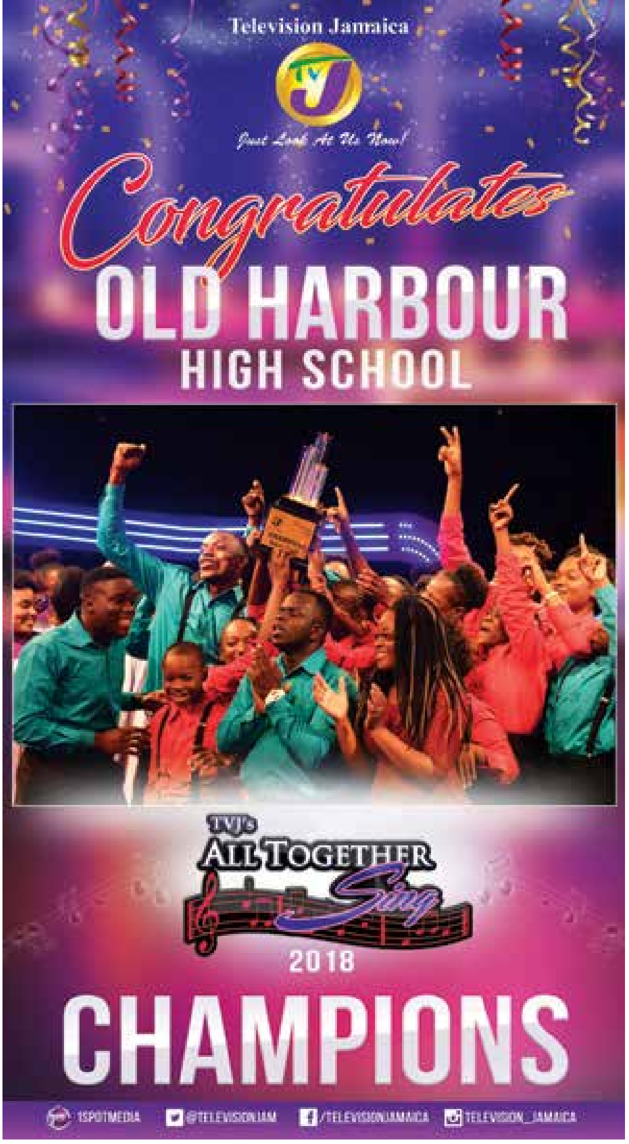
Some of the key highlights that emerged from our insights study, reinforcing that the Gleaner brand is still the preferred print brand for majority of Jamaicans. We are credible, offering a wealth of information, legendary to Jamaica, easily shareable among friends and family and the go-to brand to keep consumers informed, educated and smart.

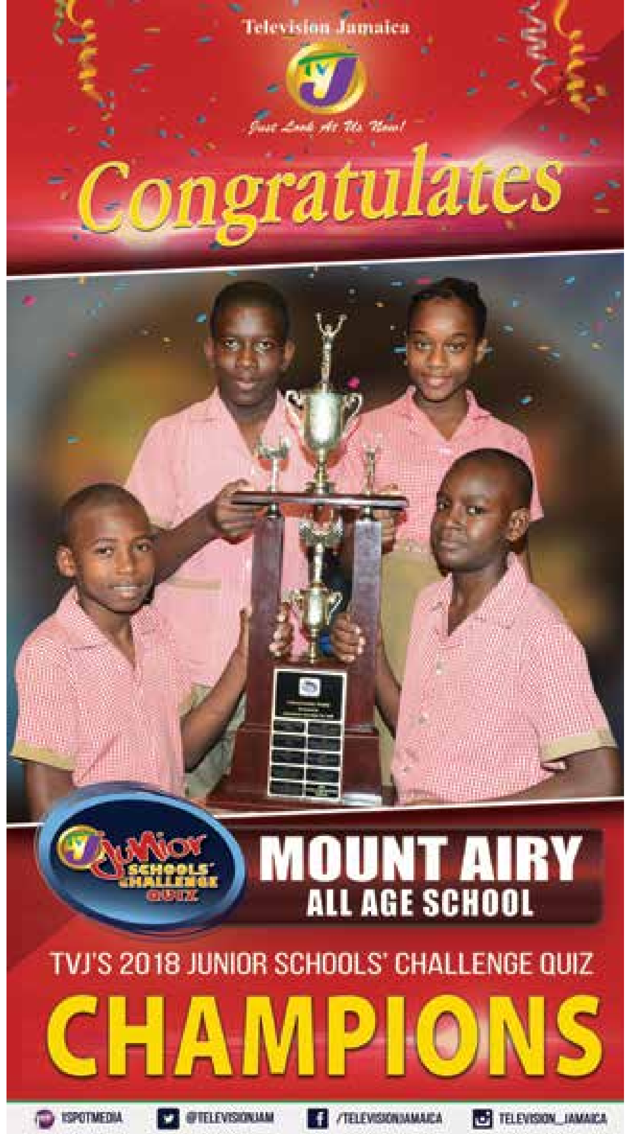
The print services division will continue to build on the successes of 2018-2019 as it looks forward to the challenges and achievements in the 2019-2020 financial year.

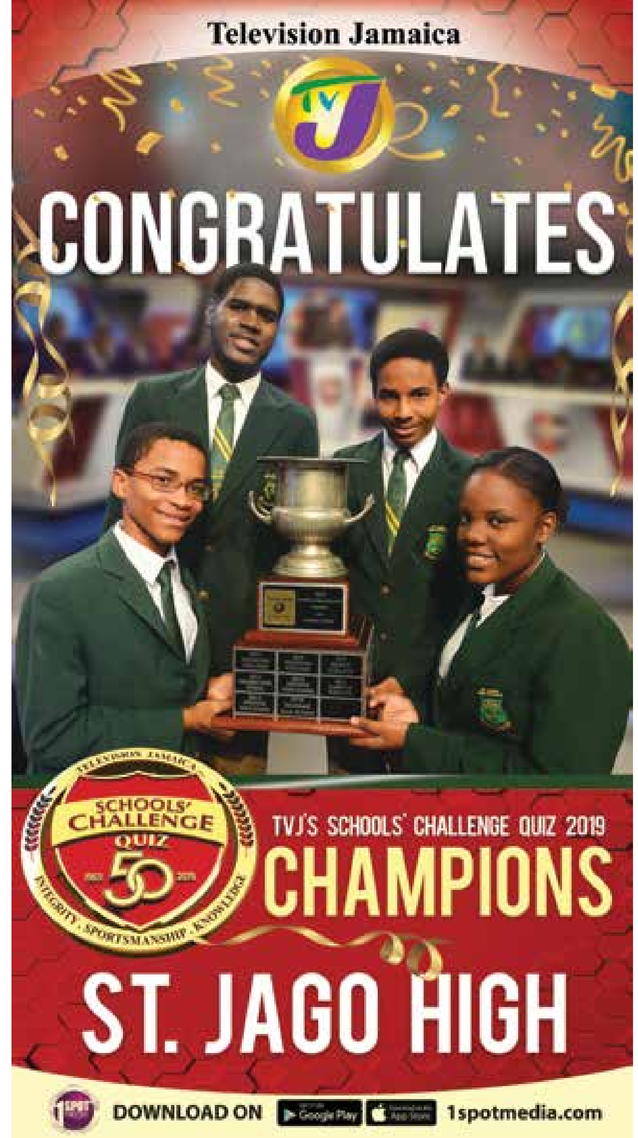
Corporate Social Responsibility (CSR)

As part of the Group's CSR agenda, numerous charitable events and activities were supported. Millions of dollars were donated in airtime to schools, churches, community-based events and other charitable organisations. In particular, the Group promoted a fundraising television campaign for both the Mustard Seed Communities and Maxfield Park Children's Home.









Hitz 92FM's Rodrick Howell and D' Essence having a light moment following an outside broadcast

FAME 95FM's Talia Soares hard at work during an outside broadcast for Caribbean Airlines

Pictorial Highlights

Champion Bees! Darian Douglas from Glenmuir High (centre) emerged as the National Champion of the 60th staging of The Gleaner's Children's Own Spelling Bee Competition. He is flanked by 2nd place speller Rhonoya Anderson from Titchfield High (left) and 3rd place speller Ashleigh Jarrett from Immaculate Conception High (right).

Dr. Amina Blackwood Meeks storytelling for the CAB Basic School students

RJRGLEANER's volunteers, Leighton Powell, Norma Brown Bell, Tanya Thurlow and Alcia Cowan sorting and packaging gifts for the Christmas treat for the CAB Basic School

The honourees at The Flair Magazine Distinguished Awards luncheon held in March 2019 at the Spanish Court Hotel in New Kingston.

Ms. Suwannee Caine, The Gleaner's Head of Marketing and Sponsorship (right) is greeted by Mr. Keith Simpson from The Waterhouse Football Club at the launch of the 2018/2019 season of the Red Stripe Premier League.

Hitz 92FM's Jenny Jenny interviews Ms. Monique Oates; Communication Manager C.A.S.E. at Denbigh 2018

RJR 94FM's Dadrian Gordon speaking with Most Honourable, Juliet Holness at the 2018 JCDC Miss Jamaica Festival Queen Coronation Show at the National Arena, Wednesday August 1, 2018.

Gerrard McDaniel interviewing representatives from Gulf Stream Petroleum during the Hotline

Emprezz Golding having a chat with Alan Magnus and Paula Ann-Porter from the Launch of the RJRGLEANER Communications Group's Cross Country Invasion at St. William Grant Park on February 15, 2019.

Pictorial Highlights

Ian Wilkinson, Q.C, recipient of the 2018 Chairman's Award being presented with the trophy by CEO of the RJRGLEANER Communications Group, Gary Allen.

The Star Spot the Ball Competition 2018 winner Ms. Lilieth Robinson (left), receives her trip to the Bahamas from Caribbean Airlines representative, Mrs. Paula-Ann Lee-Smith, at The Gleaner's North Street Head Office.

RJRGLEANER National Sportsman and Sportswoman of the Year Fedrick Dacres and Alia Atkinson posed with trophy at the 58th staging.

The Jamaica Defence Force emerged as the Red Stripe Stand Up and the RG Platinum Award winner for 2018 in the RJRGLEANER Honour Awards.

Hitz 92FM's D' Essence interviews Minister of Health; Dr. Christopher Tufton at the Civil Service Week 5K Walk Run

The Gleaner's 2018 Sumfest execution pictorial which covered various promotional activities leading up to the event (Circulation road shows) and at the festival venue on both nights (spin-the-wheel).

The RJRGLEANER Communications Group's execution at the launch of Restaurant Week 2018 saw patrons channelling their inner Picasso as part of our Gleaner Sip and Paint Activity. A few of the participants proudly displayed their masterpieces.

Fun time at the Rockfort Mineral Bath for residents of Cluster C National Golden Age Home

Kidzone live broadcast on RJR 94FM

RADIO JAMAICA LIMITED'S FINANCIAL STATEMENTS

31 MARCH 2019

Independent Auditor's Report

To the Members of Radio Jamaica Limited

Report on the audit of the consolidated and stand-alone financial statements

Our opinion

In our opinion, the consolidated financial statements and the stand-alone financial statements give a true and fair view of the consolidated financial position of Radio Jamaica Limited (the Company) and its subsidiaries (together 'the Group') and the stand-alone financial position of the Company as at 31 March 2019, and of their consolidated and stand-alone financial performance and their consolidated and stand-alone cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and with the requirements of the Jamaican Companies Act.

What we have audited

Radio Jamaica Limited's consolidated and stand-alone financial statements comprise:

- the consolidated and company statements of comprehensive income for the year ended 31 March 2019;
- the consolidated and company balance sheets as at 31 March 2019;
- the consolidated and company statements of changes in equity for the year ended 31 March 2019;
- the consolidated and company statements of cash flows for the year ended 31 March 2019; and
- the notes to the consolidated and stand-alone financial statements, which include a summary of significant accounting policies.

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 consolidated and stand-alone financial statements* section of our report.

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

Independence

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Our audit approach

Audit scope

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated and stand-alone financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including, among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

How we tailored our group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

Our 2019 audit was planned and executed having regard to the fact that the operations of the Group remain largely unchanged from the prior year.

The Group's businesses are organised into three primary segments being Audio visual, Radio and other and Print and other. Geographically, the segments are Jamaica, St. Lucia, Canada, United Kingdom and the United States of America. These entities maintain their own accounting records and report to the Group through the completion of consolidation packages. All companies located outside of Jamaica except for Media Plus Limited which is domiciled in St. Lucia are audited by non-PwC firms. All of these locations were determined to be separate components and full scope audits or specified procedures were performed.

In establishing the overall group audit strategy and plan, we determined the type of work that was needed to be performed at the components by the group engagement team and component auditors. These procedures included:

- Meeting with the management teams of the components and/or the engagement leaders of the component audit teams to discuss the approach and our expectations for the audits; and

- Reviewing the working papers of the auditors of select components. Components were selected for review based on a determined level of total assets or risk. Completion of our reviews included on site visits to the offices of the component auditors or in person meetings.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and stand-alone financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and stand-alone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters, as it pertains to the stand-alone financial statements, in our report.

Key audit matter	How our audit addressed the key audit matter
Goodwill impairment assessment ***See notes 2 and 14 of the consolidated and stand-alone financial statements for disclosures of related accounting policies, judgements and estimates.***	
The Group has goodwill of $75 million representing approximately 2.1% of the Group's total assets as at year end. **We focused on this area as the annual impairment assessment requires management judgement and estimation, particularly in relation to the estimation of future cash flows from the businesses, taking into consideration the growth rates, inflation rates, and the discount rate in the Group's impairment model.**	We evaluated management's future cash flow forecasts, and the process by which they were drawn up, including testing the underlying calculations and comparing them to the latest Board approved budgets. We compared previous forecasts to actual results to assess the performance of the business and the accuracy of forecasting. We, with the assistance of our valuation expert, challenged management's key assumptions for long term growth rates in the forecasts by comparing them to historical results, and economic and industry forecasts; and the discount rate by assessing the cost of capital for the Group. In order to do this, we: ▪ evaluated these assumptions with reference to valuations of similar companies. ▪ compared the key assumptions to externally derived data where possible, including market expectations of investment return, projected economic growth and interest rates. ▪ applied sensitivities in evaluating management's assessment of the planned growth rate in cash flows. Based on the testing performed no material adjustments to the carrying value of goodwill was considered necessary.

Other information

Management is responsible for the other information. The other information comprises the Annual Report (but does not include the consolidated and stand-alone financial statements and our auditor's report thereon), which is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and stand-alone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and stand-alone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and stand-alone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of management and those charged with governance for the consolidated and stand-alone financial statements

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

In preparing the consolidated and stand-alone financial statements, management is responsible for assessing the Group and Company'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 Group or the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group and Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and stand-alone financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and stand-alone 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 consolidated and stand-alone financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated and stand-alone 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 Group and Company'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 Group or Company'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 consolidated and stand-alone 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 Group or Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and stand-alone financial statements, including the disclosures, and whether the consolidated and stand-alone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and stand-alone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

As required by the Jamaican Companies Act, we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

In our opinion, proper accounting records have been kept, so far as appears from our examination of those records, and the accompanying consolidated and stand-alone financial statements are in agreement therewith and give the information required by the Jamaican Companies Act, in the manner so required.

The engagement partner on the audit resulting in this independent auditor's report is Leighton McKnight.

PricewaterhouseCoopers

Chartered Accountants
Kingston, Jamaica
6 June 2019

Radio Jamaica Limited
Consolidated Statement of Comprehensive Income
Year ended 31 March 2019
(expressed in Jamaican dollars unless otherwise indicated)

	Note	2019 $'000	2018 $'000
Revenue		5,482,889	5,045,577
Direct expenses		(2,742,796)	(2,506,858)
Gross Profit		2,740,093	2,538,719
Other operating income	5	126,751	132,086
Selling expenses		(811,075)	(745,820)
Administration expenses		(1,258,616)	(1,135,313)
Other operating expenses		(765,326)	(770,591)
Operating Profit		31,827	19,081
Finance costs	8	(56,079)	(47,564)
Loss before Taxation		(24,252)	(28,483)
Taxation	9	1,808	(13,307)
Net Loss		(22,444)	(41,790)
Other Comprehensive Income, net of taxes -			
Item that will not be reclassified to profit or loss -			
Re-measurements of post-employment benefits	9	50,710	(111,875)
Item that will be reclassified to profit or loss -			
Currency translation differences		564	4,201
		564	4,201
		51,274	(107,674)
TOTAL COMPREHENSIVE INCOME		28,830	(149,464)
Earnings per Ordinary Stock Unit Attributable to Stockholders of the Company	12	($0.01)	($0.02)

Radio Jamaica Limited
Consolidated Balance Sheet
31 March 2019
(expressed in Jamaican dollars unless otherwise indicated)

	Note	2019 $'000	2018 $'000
Non-Current Assets			
Fixed assets	13	1,502,555	1,515,131
Intangible assets	14	397,290	537,704
Retirement benefit assets	15	214,852	187,733
Deferred tax assets	16	52,445	68,669
Long term receivables		349	763
Investment securities	18	39,870	159,169
		2,207,361	2,469,169
Current Assets			
Inventories	19	112,424	126,324
Receivables	22	914,311	999,704
Taxation recoverable		35,767	20,557
Cash and short term investments	23	446,428	266,966
		1,508,930	1,413,551
Current Liabilities			
Payables	24	654,137	722,387
Taxation payable		7,511	13,847
		661,648	736,234
Net Current Assets		847,282	677,317
		3,054,643	3,146,486

Radio Jamaica Limited
Consolidated Balance Sheet (Continued)
31 March 2019
(expressed in Jamaican dollars unless otherwise indicated)

	Note	2019 $'000	2018 $'000
Stockholders' Equity			
Share capital	25	2,041,078	2,041,078
Foreign currency translation		1,761	1,197
Fair value reserve		(7,135)	(7,135)
Retained earnings		316,882	367,652
		2,352,586	2,402,792
Non-controlling Interests		1,948	127
Total Equity		2,354,534	2,402,919
Non-Current Liabilities			
Finance lease obligations	26	4,008	13,831
Long term loans	26	383,122	409,152
Deferred tax liabilities	16	111,612	130,142
Retirement benefit obligations	15	201,367	190,442
Total Non-Current Liabilities		700,109	743,567
		3,054,643	3,146,486

Approved for issue by the Board of Directors on 6 June 2019 and signed on its behalf by:

Dr. Lawrence Nicholson Deputy Chairman

Gary Allen Chief Executive Officer

Radio Jamaica Limited
Consolidated Statement of Changes in Equity
Year ended 31 March 2019
(expressed in Jamaican dollars unless otherwise indicated)

	Note	Number of Shares	Share Capital	Retained Earnings	Foreign Currency Translation	Fair Value Reserve	Equity Owners' Total	Non-Controlling Interests Total	Grand Total
		'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 April 2017		2,397,683	2,041,078	569,767	(3,004)	(7,135)	2,600,706	127	2,600,833
Total comprehensive income		-	-	(153,665)	4,201	-	(149,464)	-	(149,464)
Transactions with owners -									
Ordinary dividends	11	-	-	(48,450)	-	-	(48,450)	-	(48,450)
Balance at 31 March 2018		2,397,683	2,041,078	367,652	1,197	(7,135)	2,402,792	127	2,402,919
Changes on initial application of IFRS 9	29	-	-	(79,036)	-	-	(79,036)	1,821	(77,215)
Balance as at April 1 2018		2,397,683	2,041,078	288,616	1,197	(7,135)	2,323,756	1,948	2,325,704
Total comprehensive income		-	-	28,266	564	-	28,830	-	28,830
Transactions with owners -									
Ordinary dividends	11	-	-	-	-	-	-	-	-
Balance at 31 March 2019		2,397,683	2,041,078	316,882	1,761	(7,135)	2,352,586	1,948	2,354,534

Radio Jamaica Limited
Consolidated Statement of Cash Flows
Year ended 31 March 2019
(expressed in Jamaican dollars unless otherwise indicated)

	2019 $'000	2018 $'000
Cash Flows from Operating Activities		
Net loss	(22,444)	(41,790)
Items not affecting cash:		
Depreciation and amortization	499,557	255,920
Gain on disposal of fixed assets	-	(4,617)
Spares utilised	1,164	3,499
Interest income	(5,069)	(38,747)
Interest expense	56,079	47,564
Income tax charge	(1,808)	13,307
Exchange gain on foreign currency balances	3,072	16,750
Retirement benefits	8,393	17,612
Revaluation of investment securities	218	4,097
	539,162	273,595
Changes in operating assets and liabilities:		
Inventories	13,900	51,109
Receivables	85,393	(123,018)
Payables	(68,250)	(142,437)
	570,205	59,249
Income tax paid	(24,096)	(30,065)
Net cash provided by operating activities	546,109	29,184
Cash Flows from Investing Activities		
Proceeds from disposal of fixed assets	819	1,376
Purchase of fixed assets and intangibles(1)	(375,745)	(640,151)
Proceeds from long term investments	168,065	339,858
Purchase of long term investments	(70,834)	(12,505)
Interest received	5,069	38,747
Net cash used in investing activities	(272,626)	(272,675)
Cash Flows from Financing Activities		
Loans repaid	(52,712)	(51,030)
Loan acquired	13,391	412,364
Principal lease repayments	(12,137)	(28,841)
Interest paid	(39,491)	(47,564)
Dividends paid	-	(48,450)
Net cash (used in)/provided by financing activities	(90,949)	236,479
Increase/(Decrease) in cash and cash equivalents	182,534	(7,012)
Exchange losses on cash and cash equivalents	(3,072)	(16,750)
Cash and cash equivalents at beginning of year	266,966	290,728
Cash and Cash Equivalents at End of Year (Note 23)	446,428	266,966

(1) The principal non-cash transaction was the acquisition of fixed assets under finance lease of $13,079,000 (2018- $37,011,000).

Radio Jamaica Limited
Company Statement of Comprehensive Income
Year ended 31 March 2019
(expressed in Jamaican dollars unless otherwise indicated)

	Note	2019 $'000	2018 $'000
Revenue		564,822	553,783
Direct expenses		(273,516)	(270,454)
Gross Profit		291,306	283,329
Other operating income	5	84,494	85,939
Selling expenses		(98,153)	(110,103)
Administration expenses		(144,958)	(161,174)
Other operating expenses		(107,563)	(107,604)
Operating Profit/(Loss)		25,126	(9,613)
Finance costs	8	(3,923)	(4,672)
Profit/(Loss) before Taxation		21,203	(14,285)
Taxation	9	(5,648)	991
Net Profit/(Loss)		15,555	(13,294)
Other Comprehensive Income, net of taxes -			
Items that will not be reclassified to profit or loss			
Re-measurements of post-employment benefits	9	34,011	(67,662)
TOTAL COMPREHENSIVE INCOME		49,566	(80,956)

Radio Jamaica Limited
Company Balance Sheet
31 March 2019
(expressed in Jamaican dollars unless otherwise indicated)

	Note	2019 $'000	2018 $'000
Non-Current Assets			
Fixed assets	13	271,635	245,807
Retirement benefit asset	15	212,923	182,803
Deferred tax asset	16	5,239	23,979
Investment in subsidiaries	17	1,824,854	1,824,854
Investment securities	18	39,669	158,968
		2,354,320	2,436,411
Current Assets			
Inventories	19	4,424	5,656
Due from subsidiaries	20	557,706	670,963
Receivables	22	133,057	134,474
Taxation recoverable		16,303	13,700
Cash and short term investments	23	221,070	151,087
		932,560	975,880
Current Liabilities			
Payables	24	193,697	221,627
Due to subsidiaries	20	204,010	308,396
		397,707	530,023
Net Current Assets		534,853	445,857
		2,889,173	2,882,268
Equity			
Share capital	25	2,041,078	2,041,078
Fair value reserves		(7,135)	(7,135)
Retained earnings		424,958	393,706
		2,458,901	2,427,649
Non-Current Liabilities			
Long term loans	26	363,348	398,364
Retirement benefit obligations	15	66,924	56,255
		430,272	454,619
		2,889,173	2,882,268

Approved for issue by the Board of Directors on 6 June 2019 and signed on its behalf by:

Dr. Lawrence Nicholson	Deputy Chairman	Gary Allen	Chief Executive Officer

Radio Jamaica Limited
Company Statement of Changes in Equity
Year ended 31 March 2019
(expressed in Jamaican dollars unless otherwise indicated)

	Note	Number of Shares '000	Share Capital $'000	Fair Value Reserve $'000	Retained Earnings $'000	Total $'000
Balance at 1 April 2017		2,397,683	2,041,078	(7,135)	523,112	2,557,055
Total comprehensive income		-	-	-	(80,956)	(80,956)
Transactions with owners -						
Ordinary dividends	11	-	-	-	(48,450)	(48,450)
Balance at 31 March 2018		2,397,683	2,041,078	(7,135)	393,706	2,427,649
Changes on initial application of IFRS 9	29	-	-	-	(18,314)	(18,314)
Balance as at April 1, 2018		2,397,683	2,041,078	(7,135)	375,392	2,409,335
Total comprehensive income		-	-	-	49,566	49,566
Transactions with owners -						
Ordinary dividends	11	-	-	-	-	-
Balance at 31 March 2019		2,397,683	2,041,078	(7,135)	424,958	2,458,901

Radio Jamaica Limited
Company Statement of Cash Flows
Year ended 31 March 2019
(expressed in Jamaican dollars unless otherwise indicated)

	2019 $'000	2018 $'000
Cash Flows from Operating Activities		
Net profit/(loss)	15,555	(13,294)
Items not affecting cash:		
Depreciation and amortisation	20,181	25,755
Gain(loss) on disposal of fixed assets	-	(1,007)
Lease income	(9,637)	(5,430)
Dividend income	57	-
Interest income	(3,842)	(34,306)
Interest expense	3,923	4,671
Income tax (credit)/charge	5,648	(991)
Exchange loss/(gains) on foreign currency balances	11	16,079
Retirement benefits	1,079	2,565
Revaluation of investment securities	218	4,097
	33,193	(1,861)
Changes in operating assets and liabilities:		
Inventories	1,232	545
Due from subsidiaries	8,871	(264,187)
Receivables	1,417	(24,859)
Payables	(27,930)	30,171
	16,783	(260,191)
Income tax paid	(2,278)	(445)
Net cash provided/ (used in) operating activities	14,505	(260,636)
Cash Flows from Investing Activities		
Proceeds from disposal of fixed assets	568	2,215
Purchase of fixed assets	(46,577)	(21,802)
Purchase of investments	-	(12,304)
Proceeds from investments	168,065	527,219
Interest received	3,899	34,306
Net cash provided by investing activities	125,955	529,634
Cash Flows from Financing Activities		
Loans repaid	(34,770)	(20,364)
Interest paid	(35,696)	(23,119)
Dividends paid	-	(48,450)
Net cash used in financing activities	(70,466)	(91,933)
Increase in cash and cash equivalents	69,994	177,065
Exchange (loss)/gains on cash and cash equivalents	(11)	(16,079)
Cash and cash equivalents at beginning of year	151,087	(9,899)
Cash and Cash Equivalents at End of Year (Note 23)	221,070	151,087

(expressed in Jamaican dollars unless otherwise indicated)

1. Identification and Principal Activities

Radio Jamaica Limited ("the Company") is incorporated and domiciled in Jamaica. The Company is listed on the Jamaica Stock Exchange, and has its registered office at 32 Lyndhurst Road, Kingston 5.

These financial statements present the results of operations and financial position of the Company and its subsidiaries, which are collectively referred to as "the Group".

The Group's primary activities are the operation of a 'free-to-air' television station, cable television stations, radio stations and the publication of news in print and digital media.

The Group subsidiaries are as follows:

	2019	2018
Television Jamaica Limited	100%	100%
Multi-Media Jamaica Limited	100%	100%
Media Plus Limited, and its subsidiaries –	100%	100%
Reggae Entertainment Television Limited	100%	100%
Jamaica News Network Limited	100%	100%
The Gleaner Company (Media) Limited	100%	100%
The Gleaner Company (USA) Limited	100%	100%
Independent Radio Company Limited	100%	100%
A-Plus Learning Limited	50%	50%
The Gleaner Online Limited	100%	100%
The Gleaner Company (UK) Limited	100%	100%
Gleaner Media (Canada) Inc.	100%	100%

The subsidiaries are incorporated and domiciled in Jamaica, with the exception of Media Plus Limited, The Gleaner Company (USA) Limited, The Gleaner Company (UK) Limited, and Gleaner Media (Canada) Inc, which , are incorporated and domiciled in St. Lucia, United States of America, the United Kingdom and Canada, respectively.

The operations of A-Plus Learning Limited and The Gleaner Online Limited are dormant.

2. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB).These financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment securities.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Although these estimates are based on managements' best knowledge of current events and action, actual results could differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

Standards, interpretations and amendments to published standards effective in the current year

Certain new standards, interpretations and amendments to existing standards that have been published, became effective during the current financial year. The Group has assessed the relevance of all such new standards, interpretations and amendments and has put into effect the following IFRS, which are immediately relevant to its operations.

- **IFRS 9, 'Financial instruments'**, (effective for annual periods beginning on or after 1 January 2018). This standard replaces the guidance in IAS 39. It includes requirements on the classification and measurement of financial assets and liabilities; it also includes an expected credit losses model that replaces the current incurred loss impairment model.

  IFRS 9 has three classification categories for debt instruments: amortised cost, fair value through other comprehensive income ('FVOCI') and fair value through profit or loss ('FVPL'). Classification under IFRS 9 for debt instruments is based on the entity's business model for managing the financial assets and whether the contractual cash flows represent solely payments of principal and interest ('SPPI'). An entity's business model is how an entity manages its financial assets in order to generate cash flows and create value for the entity. That is, an entity's business model determines whether the cash flows will result from collecting contractual cash flows, selling financial assets or both.

  If a debt instrument is held to collect contractual cash flows, it is classified as amortised cost if it also meets the SPPI requirement. Debt instruments that meet the SPPI requirement that are held both to collect assets' contractual cash flows and to sell the assets are classified as FVOCI. Under the new model, FVPL is the residual category - financial assets should therefore be classified as FVPL if they do not meet the criteria of FVOCI or amortised cost.

  IFRS 9 introduces a new model for the recognition of impairment losses - the expected credit losses (ECL) model. The ECL model constitutes a change from the guidance in IAS 39 and seeks to address the criticisms of the incurred loss model which arose during the economic crisis. In practice, the new rules mean that entities will have to record a day 1 loss equal to the 12-month ECL on initial recognition of financial assets that are not credit impaired (or lifetime ECL for trade receivables). IFRS 9 contains a 'three stage' approach which is based on the change in credit quality of financial assets since initial recognition. Assets move through the three stages as credit quality changes and the stages dictate how an entity measures impairment losses and applies the effective interest rate method. Where there has been a significant increase in credit risk, impairment is measured using lifetime ECL rather than 12-month ECL. The model includes operational simplifications for lease and trade receivables.

2. Summary of Significant Accounting Policies (Continued)

(a) Basis of preparation (continued)

Standards, interpretations and amendments to published standards effective in the current year (continued)

- **IFRS 9 'Financial instruments' (continued)**
  The adoption of IFRS 9 from 1 January 2018 resulted in changes in accounting policies and also resulted in adjustments to the amounts recognised in the financial statements opening retained earnings. Details of the new accounting policy in relation to IFRS 9 are outlined in Note 2 (g).

- ***IFRS 15, 'Revenue from Contracts with Customers',*** (effective for the periods beginning on or after 1 January 2018). The Group adopted IFRS 15. This standard clarifies revenue recognition principles and provides a framework for recognising revenue and cash flows from service contracts from customers. IFRS 15 does not apply to the Group's primary activities.

  In accordance with the transition loss allowances in IFRS 15, the standard has been implemented using the modified retrospective method with no restatement of comparative information. There was no significant impact on the Group resulting from the implementation of the standard and consequently no transition adjustment has been recorded in the statement of equity.

- ***IFRIC 22, 'Foreign currency transactions and advance consideration',*** (effective for annual periods beginning on or after 1 January 2018). This IFRIC address foreign currency transactions or parts of transactions where there is consideration that is denominated or priced in a foreign currency. The interpretation provides guidance for when a single payment / receipt is made as well as for situations where multiple payment / receipts are made. There was no significant impact from the adoption of this amendment during the year.

2. Summary of Significant Accounting Policies (Continued)

(a) Basis of preparation (continued)

Standards, interpretations and amendments to published standards effective in the current year (continued)

- **Annual improvements 2014–2016** (effective for annual periods beginning on or after 1 January 2018) These amendments include changes from the 2014-16 cycle of the annual improvements project, that affect the following standards: IFRS 12,'Disclosure of interests in other entities' regarding clarification of the scope of the standard. These amendments should be applied retrospectively for annual periods beginning on or after 1 January 2019; and IAS 28,'Investments in associates and joint ventures' regarding measuring an associate or joint venture at fair value effective 1 January 2018. There was no significant impact from the adoption of this amendment during the year.

Standards, interpretations and amendments to published standards that are not yet effective
At the date of authorisation of these financial statements, certain new standards, amendments and interpretations to existing standards have been issued which are not effective at the date of the statement of financial position, and which the Group has not early adopted. The Group has assessed the relevance of all such new standards, interpretations and amendments, has determined that the following may be relevant to its operations, and has concluded as follows:

- **Amendments to IFRS 3 – definition of a business** (effective for annual periods beginning on or after 1 January 2020) This amendment revises the definition of a business. According to feedback received by the IASB, application of the current guidance is commonly thought to be too complex, and it results in too many transactions qualifying as business combinations. The Group is currently assessing the impact of future adoption of the new standard on its financial statements.

- **Amendment to IFRS 9, Financial instruments'**, on prepayment features with negative compensation and modification of financial liabilities (effective for annual periods beginning on or after 1 January 2019)
  This amendment confirmed two points: (1) that reasonable compensation for prepayments can be both negative or positive cash flows when considering whether a financial asset solely has cash flows that are principal and interest and (2) that when a financial liability measured at amortised cost is modified without this resulting in de-recognition, a gain or loss should be recognised immediately in profit or loss. The gain or loss is calculated as the difference between the original contractual cash flows and the modified cash flows discounted at the original effective interest rate. This means that the difference cannot be spread over the remaining life of the instrument which may be a change in practice from IAS 39. The Group is currently assessing the impact of future adoption of the new standard on its financial statements.

- **Amendments to IAS 1 and IAS 8 on the definition of material** (effective for annual periods beginning on or after 1 January 2020) These amendments to IAS 1, 'Presentation of financial statements', and IAS 8, 'Accounting policies, changes in accounting estimates and errors', and consequential amendments to other IFRSs:

  i. use a consistent definition of materiality throughout IFRSs and the Conceptual Framework for Financial Reporting;
  ii. clarify the explanation of the definition of material; and
  iii. incorporate some of the guidance in IAS 1 about immaterial information.

  The Group is currently assessing the impact of future adoption of the new standard on its financial statements.

2. Summary of Significant Accounting Policies (Continued)

(a) Basis of preparation (continued)

Standards, interpretations and amendments to published standards that are not yet effective (continued)

- **Amendments to IAS 19, 'Employee benefits' on plan amendment, curtailment or settlement'** (effective for annual periods beginning on or after 1 January 2019). These amendments require an entity to:
  - use updated assumptions to determine current service cost and net interest for the reminder of the period after a plan amendment, curtailment or settlement; and
  - recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

  The Group does not expect this amendment to have a significant impact on its operations.

- ***Amendments to IAS 28 'Investments in associates', on long term interests in associates and joint ventures*** (effective for annual periods beginning on or after 1 January 2019) These amendments clarify that companies account for long-term interests in an associate or joint venture to which the equity method is not applied using IFRS 9. The Group does not expect this amendment to have a significant impact on its operations.

- ***Annual Improvements to IFRS Standards 2015–2017 Cycle – Amendments to IAS 12 and IAS 23*,** (effective for annual periods beginning on or after 1 January 2019). These amendments include minor changes to:
  - IAS 12, 'Income taxes' - The amendments to IAS 12 clarify that all income tax consequences of dividends should be recognised in profit or loss, regardless of how the tax arises.
  - IAS 23, 'Borrowing costs' - The amendments to IAS 23 clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings.

  The Group does not expect this amendment to have a significant impact on its operations.

- **IFRIC 23, 'Uncertainty over income tax treatments'** This IFRIC clarifies how the recognition and measurement requirements of IAS 12 'Income taxes', are applied where there is uncertainty over income tax treatments. The IFRS IC had clarified previously that IAS 12, not IAS 37 'Loss allowances, contingent liabilities and contingent assets', applies to accounting for uncertain income tax treatments. IFRIC 23 explains how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. An uncertain tax treatment is any tax treatment applied by an entity where there is uncertainty over whether that treatment will be accepted by the tax authority. For example, a decision to claim a deduction for a specific expense or not to include a specific item of income in a tax return is an uncertain tax treatment if its acceptability is uncertain under tax law. IFRIC 23 applies to all aspects of income tax accounting where there is an uncertainty regarding the treatment of an item, including taxable profit or loss, the tax bases of assets and liabilities, tax losses and credits and tax rates. The Group does not expect that this amendment will have a significant impact on its operations.

2. Summary of Significant Accounting Policies (Continued)
(a) Basis of preparation (continued)

Standards, interpretations and amendments to published standards that are not yet effective (continued)

- **IFRS 16, 'Leasing'** (effective for annual periods beginning on or after 1 January 2019 with earlier application permitted if IFRS 15, 'Revenue from Contracts with Customers', is also applied.) This standard replaces the current guidance in IAS 17 and is a far reaching change in accounting by lessees in particular. Under IAS 17, lessees were required to make a distinction between a finance lease (on balance sheet) and an operating lease (off balance sheet). IFRS 16 now requires lessees to recognise a lease liability reflecting future lease payments and a 'right-of-use asset' for virtually all lease contracts. The IASB has included an optional exemption for certain short-term leases and leases of low-value assets; however, this exemption can only be applied by lessees. For lessors, the accounting stays almost the same. However, as the IASB has updated the guidance on the definition of a lease (as well as the guidance on the combination and separation of contracts), lessors will also be affected by the new standard. At the very least, the new accounting model for lessees is expected to impact negotiations between lessors and lessees. Under IFRS 16, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group don't expect this standard to have a significant impact on its operation.

There are no other IFRS or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group.

(b) Basis of consolidation

(i) Subsidiaries
Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

InterCompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and balance sheet respectively.

(ii) Change in ownership interests
The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of Radio Jamaica Limited.

2. Summary of Significant Accounting Policies (Continued)

(c) Foreign currency translation

Functional and presentation currency
Items included in the financial statements of each of the Group's entities are measured using the currency of primary economic environment in which the entity operates, referred to as the functional currency. The consolidated financial statements are presented in Jamaican dollars, which is the Company's functional and presentation currency.

Transactions and balances
Foreign currency transactions are translated into the functional currency at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from such transactions and from the translation of foreign currency monetary assets and liabilities at the year-end exchange rates are recognised in arriving at net profit or loss.

Group companies
The results and financial position of all Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) Assets and liabilities for each statement of financial position presented are translated at exchange rates ruling at the reporting date.
(ii) Income and expenses for each income statement are translated at average exchange rates.

(d) Revenue and income recognition

Revenue comprises the sale of airtime, programme material, and the rental of studios and equipment, net of General Consumption Tax. Revenue in respect of airtime and programming is recognised on performance of the underlying service. Rental income is recognised as it accrues.

Subscription revenue is recognised over the life of the subscription. Revenue received in advance is deferred to match the revenue with the future costs associated with honouring the subscription.

Interest income is recognised as it accrues unless collectability is in doubt.

Dividend income is recognised when the right to receive payment is established.

From 1 April 2018, the company adopted IFRS 15 which did not result in any adjustment to the amounts recognised in the financial statements.

2. Summary of Significant Accounting Policies (Continued)

(e) Financial instruments

A financial instrument is any contract that gives rise to both a financial asset in one entity and a financial liability or equity of another entity.

Financial assets
Classification
Equity instruments are measured at FVTPL, unless they are not held for trading purposes, in which case an irrevocable election can be made on initial recognition to measure them at FVOCI with no subsequent reclassification to profit or loss. Financial assets are measured on initial recognition at fair value and are classified as and subsequently measured either at amortised cost, at FVOCI or at FVTPL. Financial assets and liabilities are recognised when the Group becomes a party to the contractual loss allowance of the instrument. Purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset.

Classification of debt instruments
Classification and subsequent measurement of debt instruments depend on:
- the Group's business model for managing the asset; and
- the cash flow characteristics of the asset.

Based on these factors, the Group classifies its debt instruments into one of the following three measurement categories.

Measured at amortised cost
Debt instruments that are held to collect the contractual cash flows and that contain contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest. The carrying value of these financial assets at initial recognition includes any directly attributable transactions costs.

Measured at fair value through other comprehensive income
Financial assets that are held for collection of contractual cash flows and for selling the assets, where cash flows represent solely payments of principal and interest, and that are not designated at FVPL, are measured at fair value through other comprehensive income (FVOCI). Movement in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses on the instruments amortised cost which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other operating income. Interest income from these financial assets is included in "other operating income" using the effective interest rate method.

The use of designation removes or significantly reduces an accounting mismatch.

Measured at fair value through profit and loss
Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. Interest income on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recgonised in the profit or loss and presented in the profit or loss statement in the period in which it arises, unless it arises from debt instruments that were designated at fair value or which are not held for trading, in which case they are presented separately. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.

Held for trading securities are acquired principally for the purpose of selling in the short-term or if they form part of a portfolio of financial assets in which there is evidence of short-term profit taking.

2. Summary of Significant Accounting Policies (Continued)

(e) Financial instruments (continued)

Application of the Simplified Approach

For trade receivables, the company applies the simplified approach permitted by IFRS 9, which requires that the impairment loss allowance is measured at initial recognition and throughout the life of the receivables using a lifetime ECL. As a practical expedient, a loss allowance matrix is utilised in determining the lifetime ECLs for trade receivables.

The lifetime ECLs are determined by taking into consideration historical rates of default for each segment of aged receivables as well as the estimated impact of forward looking information.

The company applied IFRS 9 on 1 April 2018 and had elected not to restate comparative information in accordance with the transitional loss allowances in IFRS 9 [7.2.15]. However, with the adoption of IFRS 9 and applying the simplified approach, this result in an impact on the opening balance.

The accounting policy for trade receivables is dealt with in Note 2 (m). The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

A loss allowances for impairment losses is established where there is objective evidence that a receivable is impaired and receivables are reduced to their estimated recoverable amounts.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets.

Available-for-sale
Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period.

Financial liabilities

The Group's financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method. At the balance sheet date, the following items were classified as financial liabilities: bank overdraft, finance lease obligations, long term loans and trade payables.

2. Summary of Significant Accounting Policies (Continued)

(f) Income taxes

Taxation expense in the statement of comprehensive income comprises current and deferred tax charges.

Current tax charges are based on taxable profits for the year, which differ from the profit before tax reported because it excludes items that are taxable or deductible in other years, and items that are never taxable or deductible. The Group's liability for current tax is calculated at tax rates that have been enacted at reporting date.

Deferred tax is the tax expected to be paid or recovered on differences between the carrying amounts of assets and liabilities and the corresponding tax bases. Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Currently enacted tax rates are used in the determination of deferred income tax.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference can be controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is charged or credited to profit or loss and other comprehensive income, except where it relates to items charged or credited to equity, in which case, deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when deferred tax assets and liabilities relate to income taxes levied by the same taxation authority.

2. Summary of Significant Accounting Policies (Continued)

(g) Fixed assets

Freehold land and buildings are stated at deemed cost less subsequent depreciation for buildings. All other fixed assets are carried at historical cost less accumulated depreciation. Historical costs include expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be reliably measured. All other repairs and maintenance are charged to profit or loss during the financial period in which they were incurred.

Depreciation is calculated on the straight-line basis at rates estimated to write off the cost of the assets over their expected useful lives. Annual rates used are as follows:

Freehold buildings	2.5% and 5%
Improvements to leasehold property	2.5%
Furniture, fixtures & equipment	5 - 33⅓%
Motor vehicles	10 - 25%
Spares	20%

Land is not depreciated as it is deemed to have an indefinite life.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amounts is greater than its estimated recoverable amount.

Gains and losses on disposal of fixed assets are determined by reference to their carrying amount and are taken into account in determining profit or loss.

2. Summary of Significant Accounting Policies (Continued)

(h) Intangible assets

Goodwill

Goodwill is recorded at costs and represents the excess of the value of consideration paid over the Group's interest in net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units that are expected to benefit from the business combination in which the goodwill arose, identified according to operating segment.

Broadcast rights

Broadcast rights acquired are recognised at fair value at the acquisition date and are subsequently measured at cost. These represent the exclusive rights to broadcast FIFA events for the period 2016 to 2022. Broadcast rights have a finite useful life. Amortisation is calculated using the straight-line method to allocate the cost of the rights over their estimated contractual lives. Amortisation will commence once the first event under the rights have been broadcast.

Computer software

This represents acquired computer software licences, which are capitalised on the basis of costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of three years.

Brand and Lease

The brand and lease arising on acquisition of The Gleaner Company (Media) Limited are shown at historical cost less amortisation and impairment and are deemed to have a finite useful life. The lease is in respect of the rental of properties at rates below market rate for a period of 15 years. Amortisation is calculated using the straight-line method to allocate the cost of the intangible assets over their estimated useful lives of 15 years.

(i) Investment securities

Investment securities classified as financial assets at fair value through profit or loss and available-for-sale are carried at fair value. Realised and unrealised gains and losses arising from changes in the fair value of investments classified as financial assets at fair value through profit or loss are included in the determination of profit or loss in the period in which they arise. Unrealised gains and losses arising from changes in the fair value of investments classified as available-for-sale are recognised in other comprehensive income. When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in profit or loss.

The fair values of quoted investments are based on current bid prices. If the market for an investment is not active, the Group establishes fair value by using valuation techniques. Where fair values cannot be reliably measured, the Group carries the investment at cost.

2. Summary of Significant Accounting Policies (Continued)

(j) Retirement benefits

Pension plans

Radio Jamaica Limited operates defined benefit pension plans, the assets of which are generally held in separate trustee-administered funds. A defined benefit pension plan is one that defines an amount of benefit to be provided, usually as a function of one or more factors such as age, years of service or compensation. The asset or liability in respect of defined benefit plans is the difference between present value of the defined benefit obligation at the reporting date and the fair value of plan assets. Where a pension asset arises, the amount recognised is limited to the present value of any economic benefits available in the form of refunds from the plan or reduction in future contributions to the plan. The pension costs are assessed using the Projected Unit Credit Method. Under this method, the cost of providing pensions is charged in arriving at profit or loss so as to spread the regular cost over the service lives of the employees in accordance with the advice of the actuaries, who carry out a full valuation of the plans every year. The pension obligation is measured at the present value of the estimated future cash outflows using discount estimated rates based on market yields on government securities which have terms to maturity approximating the terms of the related liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise.

GCML operates a defined-contribution pension scheme; the assets of which were held separately from those of the Group.

Other retirement benefits

The Group provides retirement health care and life insurance to its retirees. The entitlement for these benefits is usually based on the employee remaining in services up to retirement age and the completion of a minimum period. The expected costs of these benefits are accrued over the period of employment, using a methodology similar to that for defined benefit pension plans. Valuations for these benefits are carried out annually by independent actuaries.

(k) Impairment of non-financial assets

Assets that have an indefinite useful life – for example, goodwill or intangible assets not ready for use – 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 an impairment are reviewed for possible reversal of the impairment at each reporting date.

2. Summary of Significant Accounting Policies (Continued)

(l) Inventories

Inventories are stated at the lower of cost and net realisable value. For film and books actual costs are used, while average cost are used for the other categories.

Net realisable value is the estimated proceeds of disposal in the ordinary course of business, less applicable expenses.

(m) Trade receivables

Trade receivables are carried at original invoice amount less loss allowance for impairment of these receivables. A loss allowance for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. The amount of the loss allowance is the difference between the carrying amount and the recoverable amount, being the present value of expected cash flows, discounted at the market rate of interest for similar borrowers.

Trade receivables are amounts due from customers for goods sold in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional. The company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against selling and marketing costs in the income statement. Impairment testing of trade receivables is described in Note 2(e).

(n) Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost and comprise balances which mature within 90 days of the date of acquisition, including cash and bank balances, net of bank overdrafts.

(o) Trade payables

Trade payables are stated at historical cost.

(p) Leases

Leases of fixed assets where the Group as lease has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased asset or the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term liabilities. The interest element of the finance cost is charged in arriving at profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The fixed asset acquired under a finance lease is depreciated over the shorter of the useful life of the asset or the lease term.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. The respective leased assets are included in the balance sheet based on their nature.

2. Summary of Significant Accounting Policies (Continued)

(q) Borrowings

Borrowings are recognised initially at the proceeds received, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective yield method. Any difference between proceeds (net of transaction costs) and the redemption value is recognised in arriving at profit or loss over the period of the borrowings.

(r) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any Group entity purchases the Company's equity (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received (net of any directly attributable transaction costs and income taxes) is included in equity attributable to the Company's equity holders.

(s) Dividends

Dividends are recorded as a liability in the financial statements in the period in which they have been approved by shareholders.

(t) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is the Company's Board of Directors.

3. Financial Risk Management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

The Group's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. There has been no change to the Group's exposure to financial risks or the manner in which it manages and measures the risks.

The Board of Directors is ultimately responsible for the establishment and oversight of the Group's risk management framework. The Board has established committees/departments for managing and monitoring risks, as follows:

Department of Finance and Administration

The Department of Finance and Administration is responsible for managing the Group's assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Group. The department identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The credit department is primarily responsible for managing the Group's credit risk. It evaluates monitors and manages credit risks through the close assessment of potential and present clients.

(a) Credit risk

Finance Committee

The Finance Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

An important risk for the Group is credit risk. Other significant risks include liquidity risk, market risk and other operational risk. Market risk includes currency risk, interest rate and other price risk.

The Group takes on exposure to credit risk, which is the risk that its customers, clients or counterparties will cause a financial loss for the Group by failing to discharge their contractual obligations. Credit risk is the most important financial risk for the Group's business; management therefore carefully manages its exposure to credit risk. Credit exposures arise principally from the Group's receivables from customers and investment activities. The Group structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to a single counterparty or groups of related counterparties and to industry segments.

3. Financial Risk Management (Continued)

Department of Finance and Administration (continued)

(a) Credit risk (continued)

Credit review process

The Department of Finance and Administration has overall responsibility for the ongoing analysis of the ability of customers and other counterparties to meet repayment obligations.

(i) Trade and other receivables

Trade and other receivables relate mainly to the Group’s direct customers and advertising agencies. The Group’s exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Finance Department reviews monthly all material direct client accounts with balances over 90 days. The Department of Finance and Administration has established a credit policy under which each customer is analysed individually for creditworthiness prior to the Group offering them a credit facility. Credit limits are assigned to each customer and approval is required from the Credit Manager for all direct customer transactions. The Group has procedures in place to restrict customer orders if the order will exceed their credit limits. Customers that fail to meet the Group’s benchmark creditworthiness may transact with the Group on a prepayment basis.

Customer’s credit risks are monitored according to their credit characteristics, such as whether it is an individual or Company, geographic location, industry, aging profile, and previous financial difficulties.

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The Group addresses impairment assessment in two areas: individually assessed allowances and collectively assessed allowances.

The Group’s average credit period for airing advertisements is 30 days for direct customers and 60 days for advertising agencies. The Group has provided for most receivables over 90 days based on historical experience which indicates that amounts past due beyond 90 days are generally not recoverable.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the consolidated statement of financial position without taking into account any collateral or any credit enhancements.

3. Financial Risk Management (Continued)

(a) Credit risk (continued)

(i) Trade and other receivables (continued)
Trade receivables between 60 and 90 days are provided for based on an estimate of amounts that would be irrecoverable, determined by taking into consideration past default experience, current economic conditions and expected receipts and recoveries once impaired.

(ii) Cash, deposits and investments
The Group limits its exposure to credit risk by maintaining cash, deposits and monetary investments with counterparties that have high credit quality. Accordingly, management does not expect any counterparty to fail to meet its obligations. The Finance Committee performs quarterly reviews of the investments and securities held as part of their assessment of the Group's credit risk.

Trade receivables are primarily receivable from customers in Jamaica. The credit exposure for trade receivables at their carrying amounts, as categorised by the customer sector, is as follows:

	The Group		The Company	
	2019 $'000	**2018 $'000**	**2019 $'000**	**2018 $'000**
Advertising agencies	641,336	475,147	110,998	101,894
Direct customers	328,862	474,895	-	1,384
	970,198	950,042	110,998	103,278
Less: Loss allowance for impairment	(249,165)	(164,440)	(25,664)	(10,983)
	721,033	785,602	85,334	92,295

Trade receivables loss allowance

The loss allowance as at 31 March 2019 and 1 April 2018 (on adoption of IFRS 9) was determined as follows for trade and receivables

	Group			
	Current $'000	**31 - 60 $'000**	**Over 60 days $'000**	**Total $'000**
31 March 2019				
Expected loss rate	4%	21%	61%	-
Gross carrying amount trade receivables	552,390	67,586	350,222	970,198
Loss Allowance	23,238	14,139	211,788	249,165

3. Financial Risk Management (Continued)

(a) Credit risk (continued)

	Group			
	Current $'000	**31 - 60 $'000**	**Over 60 days $'000**	**Total $'000**
1 April 2018				
Expected loss rate	5%	22%	57%	-
Gross carrying amount trade receivables	526,690	63,150	360,202	950,042
Loss Allowance	23,844	13,892	203,919	241,655

	Company			
	Current $'000	**30 - 59 $'000**	**Over 59 days $'000**	**Total $'000**
31 March 2019				
Expected loss rate	5%	22%	86%	-
Gross carrying amount trade receivables	77,268	11,747	21,983	110,998
Loss Allowance	4,211	2,579	18,874	25,664

	Company			
	Current $'000	**31 - 60 $'000**	**Over 60 days $'000**	**Total $'000**
1 April 2018				
Expected loss rate	5%	22%	87%	-
Gross carrying amount trade receivables	67,398	8,408	27,472	103,278
Loss Allowance	3,674	1,846	23,777	29,297

3. Financial Risk Management (Continued)

(a) Credit risk (continued)

The movement on the loss allowance for impairment was as follows:

	The Group		The Company	
	2019	2018	2019	2018
	$'000	$'000	$'000	$'000
At 1 April	192,210	171,889	37,855	30,795
IFRS 9 adjustment to opening balance	79,677	-	18,314	-
Loss allowance for receivables impairment	55,040	73,622	10,592	15,475
Receivables written off during the year as uncollectible	(17,346)	(19,327)	(6,165)	(3,393)
Unused amounts reversed/recovered	(24,417)	(33,974)	(5,349)	(5,022)
At 31 March	285,164	192,210	55,247	37,855

The loss allowance includes amounts relating to other receivables of $35,999,000 (2018 – $27,770,000) and $29,583,000 (2018- $26,872,000) for the Group and the Company respectively.

(b) Liquidity risk

Liquidity risk is the risk that the Group is unable to meet its payment obligations associated with its financial liabilities when they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities.

Liquidity risk management process

The Group's liquidity management process, as carried out within the Group and monitored by the Department of Finance and Administration, includes:

(i) Monitoring future cash flows and liquidity on an ongoing basis. This incorporates an assessment of expected cash flows and the availability of high grade collateral which could be used to secure funding if required.

(ii) Maintaining a portfolio of highly marketable and diverse assets that can easily be liquidated as protection against any unforeseen interruption to cash flow;

(iii) Maintaining committed lines of credit; and

(iv) Optimising cash returns on investment.

3. Financial Risk Management (Continued)

(b) Liquidity risk (continued)

Cash flows of financial liabilities

Trade payables and balances due to subsidiaries are due within one month.

The maturity profile of long term liabilities at year end based on contractual discounted payments was as follows:

	The Group			
	Within 1 Year	1 to 5 Years	Over 5 Years	Total
	$'000	$'000	$'000	$'000
	2019			
Finance lease obligations	14,913	30,087	-	45,000
Long term loans	66,323	516,306	92,402	675,031
	81,236	546,393	92,402	720,031
	2018			
Finance lease obligations	17,714	15,708	-	33,422
Long term loans	91,674	331,819	319,069	742,562
	109,388	347,527	319,069	775,984

	The Company			
	Within 1 Year	1 to 5 Years	Over 5 Years	Total
	$'000	$'000	$'000	$'000
	2019			
Long term loans	61,521	492,171	92,402	646,094
	2018			
Long term loans	73,705	317,950	319,069	710,724

Assets available to meet all liabilities, including financial liabilities, include cash and short term deposits.

3. Financial Risk Management (Continued)

(c) Market risk

The Group takes on exposure to market risk, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk mainly arise from changes in foreign currency exchange rates and interest rates. Market risk is monitored by the Department of Finance and Administration which seeks to minimise potential adverse effects on the performance of the Group by applying procedures to identify, evaluate and manage this risk, based on guidelines set by the Board of Directors.

Price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market. The movements in market prices are not expected to have a significant impact on the net results or stockholders' equity as the Group does not hold significant equity securities.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group is exposed to foreign exchange risk, arising primarily with respect to the US dollar, British pound and Canadian dollar, from commercial transactions such as the purchase of investment securities and station equipment, and the recognised assets and liabilities arising there from. The Group manages its foreign exchange risk by ensuring that the net exposure in foreign assets and liabilities is kept to an acceptable level by monitoring currency positions.

At 31 March 2019, the Group and Company had net USD dominated monetary assets carried at a Jamaican Dollar equivalent of $75,887,000 (2018 – $260,575,000) and $76,973,000 (2018 – $258,078,000) respectively. The Group and Company also had net GBP and CAD dominated monetary assets carried at a Jamaican Dollar equivalent of $6,855,000 (2018 – $12,294,000) and $4,767,000 (2018 – $5,047,000) respectively.

Foreign currency sensitivity

The sensitivity analysis represents the impact on the profit or loss due to the movement in the US dollar, GBP and CAD exchange rate if the rate adjusts for a 2% revaluation and 4% devaluation (2018 – 2% revaluation and 4% devaluation).

US dollar - The pre-tax impact on the profit or loss would amount to ($1,517,000) – revaluation, $3,035,000 – devaluation (2018 – ($5,212,000)/$10,423,000) and ($1,539,000) – revaluation and $3,079,000 – devaluation (2018 – ($5,162,000)/$10,323,000) for the Group and the Company respectively.

GBP -The pre-tax impact on the profit or loss would amount to $137,000 – revaluation, $274,000 – devaluation (2018 – ($213,000)/ $426,000) for the Group.

CAD - The pre-tax impact on the profit or loss would amount to $95,000 – revaluation, $190,000 – devaluation (2018 – ($32,000)/$65,000) for the Group.

3. Financial Risk Management (Continued)

(c) Market risk (continued)

Interest rate risk

Interest rate risk is the risk that the value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Floating rate instruments expose the Group to cash flow interest risk, whereas fixed interest rate instruments expose the Group to fair value interest risk.

The Group earns interest on its long term investments at a fixed rate with durations of between 2 and over 5 years for repricing.

The Group earns interest on its short term deposits disclosed in Note 23. As these deposits have a short term to maturity and are constantly reinvested at current market rates, they are not significantly exposed to interest rate risk.

The Group incurs interest on its borrowings disclosed in Note 26. These borrowings are at fixed rates, and expose the Group to fair value interest rate risk. Interest rate fluctuations are not expected to have a material effect on the net results or stockholders' equity. The Group analyses its interest rate exposure arising from borrowings on an ongoing basis, taking into consideration the options of refinancing, renewal of existing positions and alternative financing.

(d) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for stockholders and benefits for other stakeholders. The Board of Directors monitors the return on capital, which the Group defines as net operating income divided by total stockholders' equity. The Board of Directors also monitors the level of dividends to ordinary shareholders.

No Company within the Group is subject to externally imposed capital requirements.

(e) Fair value estimation

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.

Financial instruments that, subsequent to initial recognition, are measured at fair value are grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical instruments. The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets is the current bid price. Government of Jamaica securities and investments notes are valued using a pricing input and yields from acceptable broker yield curve. At 31 March 2019, these instruments are quoted investment securities, Government of Jamaica securities and investment notes (Note 18). The Group and Company have no financial assets grouped in Level 3.

3. Financial Risk Management (Continued)

(e) Fair value estimation (continued)

	The Group			
	Level 1	Level 2	Level 3	Total
	$'000	$'000	$'000	$'000
As at 31 March 2019				
Financial assets				
Investment securities	9,234	30,636	-	39,870
As at 31 March 2018				
Financial assets				
Investment securities	11,391	147,778	-	159,169

	The Company			
	Level 1	Level 2	Level 3	Total
	$'000	$'000	$'000	$'000
As at 31 March 2019				
Financial assets				
Investment securities	9,234	30,435	-	39,669
As at 31 March 2018				
Financial assets				
Investment securities	11,391	147,577	-	158,968

The following methods and assumptions have been used in determining fair values:

(i) The face value, less any estimated credit adjustments, for financial assets and liabilities with a maturity of less than one year are estimated to approximate their fair values. These financial assets and liabilities include cash and bank balances, short term investments, and trade receivables and payables.

(ii) The carrying values of long term loans, approximate their fair values, as these loans are carried at amortised cost reflecting their contractual obligations and the interest rates are reflective of current market rates for similar transactions.

4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

Judgements and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical judgements in applying the Company's accounting policies

In the process of applying the Group's accounting policies, management has not made any judgements that it believes would cause a significant impact on the amounts recognised in the financial statements.

(b) Key sources of estimation uncertainty

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Retirement benefit obligations

The cost of these benefits and the present value of the future obligations depend on a number of factors that are determined by actuaries using a number of assumptions. The assumptions used in determining the net periodic cost or income for retirement benefits include the expected long-term rate of return on the relevant plan assets, the discount rate, and, in the case of health benefits, the expected rate of increase in health costs. Any changes in these assumptions will impact the net periodic cost or income recorded for retirement benefits and may affect planned funding of the pension plan. The expected return on plan assets assumption is determined on a uniform basis, considering long-term historical returns, asset allocation and future estimates of long-term investment returns.

The Group determines the appropriate discount rate at the end of each year, which represents the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the retirement benefit obligations. In determining the appropriate discount rate, the Group considered interest rate of high-quality Government of Jamaica bonds that are denominated in the currency in which the benefits will be paid, and have terms to maturity approximating the terms of the related obligations. The expected rate of increase of health costs has been determined by comparing the historical relationship of the actual health cost increases with the rate of inflation. Other key assumptions for the retirement benefits are based on current market conditions.

The principal actuarial assumptions used in valuing retirement benefits are disclosed in Note 15.

Purchase price allocation

In a business combination, the acquirer must allocate the cost of the business combination at the acquisition date by recognising the acquiree's identifiable assets, liabilities and contingent liabilities at fair value at that date. The allocation is based upon certain valuations and other studies performed with the assistance of external valuation specialists. Due to the underlying assumptions made in the valuation process, the determination of those fair values requires estimations of the effects of uncertain future events at the acquisition date and the carrying amounts of some assets, such as intangible assets, acquired through a business combination could therefore differ significantly in the future.

4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty (Continued)

(b) Key sources of estimation uncertainty (continued)

Assessment of goodwill

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 2k. The assessment of goodwill impairment involves the determination of the value in use. Determination of value in use involves the estimation of future cash flows from the business taking into consideration the growth rates, inflation rates and the discount rate. Any changes in these variables would impact the value in use calculations. A 1% increase in the discount rates and a 2% reduction in the revenue growth would result in a reduction in the value in use by $103,354,000 which would not result in an impairment of goodwill of $75,002,000 (Note 14).

Income taxes

Estimates are required in determining the loss allowance for income taxes. There are some transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for possible tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax loss allowances in the period in which such determination is made.

Recognition of deferred tax assets

Deferred tax assets have not been recognised on tax losses carried forward in respect of certain subsidiaries based on management’s expectation that the subsidiaries will not generate sufficient taxable profits to utilise the tax losses carried forward (Note 16). At 31 March 2019, unrecognised deferred tax assets in respect of tax losses carried forward amounted to $55,879,000 (2018 – $59,368,000).

5. Other Operating Income

	The Group		The Company	
	2019 $’000	**2018 $’000**	**2019 $’000**	**2018 $’000**
Interest income	5,069	38,747	3,842	34,306
Net foreign exchange (loss)/gains	(3,072)	(16,750)	(11)	(16,079)
Unrealised loss on revaluation of investment securities classified as financial assets at fair value through profit or loss	(218)	(4,097)	(218)	(4,097)
Gain/(loss) on disposal of fixed assets	-	4,617	-	1,007
Rental income	46,236	47,562	63,665	63,317
Compensation for damages	3,163	1,394	391	1,182
Other income	75,573	60,613	16,825	6,303
	126,751	132,086	84,494	85,939

6. Expenses by Nature

Total direct, selling, administration and other operating expenses:

	The Group		The Company	
	2019 $'000	2018 $'000	2019 $'000	2018 $'000
Auditors' remuneration	25,249	25,791	4,665	4,691
Commissions	515,635	484,170	34,471	33,417
Depreciation and amortisation	499,557	255,920	20,181	26,154
Insurance	92,890	91,272	6,711	12,162
Programming expenses	405,016	268,367	29,707	17,864
Publicity	81,090	28,836	7,328	16,807
Repairs and maintenance	232,618	166,811	41,833	32,916
Special events	75,003	225,831	17,508	4,222
Staff costs (Note 7)	2,156,871	2,210,327	317,520	311,573
Utilities	330,958	315,769	41,090	43,142
Other[1]	1,162,926	1,085,488	103,176	146,387
	5,577,183	5,158,582	624,190	649,335

[1] Other includes legal, director's fees, bad debt, professional fees, janitorial costs, canteen expenses, transportation, market research, web, security and rental expense.

7. Staff Costs

	The Group		The Company	
	2019 $'000	2018 $'000	2019 $'000	2018 $'000
Wages and salaries	1,778,505	1,787,964	236,479	246,941
Statutory contributions	158,607	103,222	32,742	39,681
Pension benefits (Note 15)	61,889	2,090	21,025	(4,088)
Other retirement benefits (Note 15)	20,032	19,702	7,457	6,653
Other	137,838	297,349	19,817	22,386
	2,156,871	2,210,327	317,520	311,573

[2] Other includes uniform, vacation leave, health, training, life insurance.

8. Finance Costs

	The Group		The Company	
	2019 **$'000**	**2018** **$'000**	**2019** **$'000**	**2018** **$'000**
Interest expense –				
Bank borrowings	38,691	27,221	3,773	4,433
Finance leases	789	5,999	150	-
Other	16,599	14,344	-	239
	56,079	47,564	3,923	4,672

9. Taxation Expense

Taxation is computed on the profit or loss for the year adjusted for tax purposes. The charge for taxation comprises income tax at 25%:

	The Group		The Company	
	2019 **$'000**	**2018** **$'000**	**2019** **$'000**	**2018** **$'000**
Current tax	17,401	17,486	(1,755)	-
Deferred tax (Note 16)	(19,209)	(4,179)	7,403	(991)
	(1,808)	13,307	5,648	(991)

9. Taxation Expense (Continued)

The tax on the Group and the Company's profit was derived as follows. Deferred tax was derived as detailed in Note 16.

	The Group		The Company	
	2019 $'000	**2018 $'000**	**2019 $'000**	**2018 $'000**
Profit/(Loss) before taxation	(24,252)	(28,483)	21,203	(14,285)
Tax calculated at a tax rate of 25%	(6,063)	(7,121)	5,301	(3,571)
Adjusted for the effects of :				
Expenses not deductible for tax purposes	3,613	1,586	54	121
Prior year tax adjustment	(7,980)			
Tax losses utilised	-	(2,553)	-	-
Tax losses in subsidiaries	11,963	8,114	-	-
Employee tax credit	(2,899)	(4,984)	(1,013)	-
Other	(442)	18,265	1,306	2,459
	(1,808)	13,307	5,648	(991)

Tax (charge)/credit relating to components of other comprehensive income are as follows:

		Group		
		Before Tax	**Tax Effect**	**After Tax**
		$'000	**$'000**	**$'000**
Remeasurements of post-employment benefit liabilities (Note 15)	**2019**	193,756	(48,439)	145,317
Remeasurements of post-employment benefit liabilities (Note 15)	**2018**	(149,167)	37,292	(111,875)

9. Taxation Expense (Continued)

Tax (charge)/credit relating to components of other comprehensive income are as follows:

		Company		
		Before Tax	Tax Effect	After Tax
		$'000	$'000	$'000
Remeasurements of post-employment benefit liabilities (Note 15)	**2019**	67,613	(16,903)	50,710
Remeasurements of post-employment benefit liabilities (Note 15)	**2018**	(90,216)	22,554	(67,662)

10. Net Profit and Retained Earnings Attributable to Stockholders of the Company

(a) The net (loss)/profit attributable to stockholders of the Company is dealt with in the financial statements as follows:

	2019 $'000	2018 $'000
The Company	15,555	(13,294)
	15,555	(13,294)
The subsidiaries	(37,999)	(28,496)
	(22,444)	(41,790)

(b) Retained earnings are dealt with in the financial statements as follows:

	2019 $'000	2018 $'000
The Company	424,958	393,706
The subsidiaries	(108,076)	(26,054)
	316,882	367,652

11. Ordinary Dividends

	2019 $'000	2018 $'000
Interim dividends – nil (2018 – 2 cents) per stock unit	-	48,450

12. Earnings per Ordinary Stock Unit

Basic earnings per stock unit is calculated by dividing the net profit attributable to stockholders by the weighted average number of ordinary stock units in issue during the year.

	2019	2018
Net loss attributable to stockholders $'000	(22,444)	(41,790)
Weighted average number of ordinary stock units in issue ('000) after acquisition	2,397,683	2,397,683
Basic earnings per ordinary stock unit	($0.01)	($0.02)

13. Fixed Assets

	The Group								
	Freehold Land	Freehold Buildings	Improvements to Leasehold Property	Furniture, Fixtures & Equipment	Motor Vehicles	Spares	Leased Operating Assets	Work in Progress	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Cost -									
1 April 2017	56,531	387,630	134,580	1,865,453	167,218	31,509	5,562	-	2,648,483
Additions	-	1,378	-	99,426	30,379	2,431	7,143	441,731	582,488
Disposals	-	-	-	(26,964)	(19,944)	-	(5,926)	-	(52,834)
Utilisation	-	-	-	-	-	(3,977)	-	-	(3,977)
Transfers	-	2,183	-	393,297	-	-	-	(395,480)	-
31 March 2018	56,531	391,191	134,580	2,331,212	177,653	29,963	6,779	46,251	3,174,160
Additions	-	19,380	-	55,251	46,616	577	5,133	88,011	214,968
Disposals	-	-	-	(1,072)	(1,983)	-	(5,274)	-	(8,329)
Utilisation	-	-	-	(14)	-	(2,422)	-	-	(2,436)
Transfers	-	7,950	-	77,630	-	-	-	(85,580)	-
31 March 2019	56,531	418,521	134,580	2,463,007	222,286	28,118	6,638	48,682	3,378,363

13. Fixed Assets (Continued)

	The Group								
	Freehold Land	Freehold Buildings	Improvements to Leasehold Property	Furniture, Fixtures & Equipment	Motor Vehicles	Spares	Leased Operating Assets	Work in Progress	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Cost -									
31 March 2018	56,531	391,191	134,580	2,331,212	177,653	29,963	6,779	46,251	3,174,160
31 March 2019	56,531	418,521	134,580	2,463,007	222,286	28,118	6,638	48,682	3,378,363
Depreciation -									
1 April 2017	-	119,701	27,916	1,248,238	98,405	14,868	5,562	-	1,514,690
Charge for the year	-	9,830	987	141,923	39,287	1,391	4,491	-	197,909
Relieved on disposals /utilization	-	-	-	(26,659)	(19,399)	(1,586)	(5,926)	-	(53,570)
31 March 2018	-	129,531	28,903	1,363,502	118,293	14,673	4,127	-	1,659,029
Charge for the year	-	9,959	988	168,430	39,625	1,004	4,283	-	224,289
Relieved on disposals/ utilization	-	-	-	(1,072)	-	(1,164)	(5,274)	-	(7,510)
31 March 2019	-	139,490	29,891	1,530,860	157,918	14,513	3,136	-	1,875,808
Net Book Value -									
31 March 2019	56,531	279,031	104,689	932,147	64,368	13,605	3,502	48,682	1,502,555
31 March 2018	56,531	261,660	105,677	967,710	59,360	15,290	2,652	46,251	1,515,131

13. Fixed Assets (Continued)

	The Company						
	Freehold Land	Freehold Buildings	Furniture, Fixtures & Equipment	Motor Vehicles	Spares	Work in Progress	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Cost -							
1 April 2017	5,516	289,360	395,796	20,505	10,729	290	722,196
Additions	-	238	8,697	-	494	12,373	21,802
Disposals	-	-	(1,222)	(2,527)	-	-	(3,749)
Transfers	-	2,183	2,847	-	-	(5,030)	-
Utilisation	-	-	-	-	(1,484)	-	(1,484)
31 March 2018	5,516	291,781	406,118	17,978	9,739	7,633	738,765
Additions	-	-	16,463	-	486	29,628	46,577
Disposals	-	-	(1,072)	-	-	-	(1,072)
Transfers	-	6,105	6,073	-	-	(12,178)	-
Utilisation	-	-	-	-	(1,461)	-	(1,461)
31 March 2019	5,516	297,886	427,582	17,978	8,764	25,083	782,809
Depreciation -							
1 April 2017	-	99,921	348,176	16,428	9,296	-	473,821
Charge for the year	-	6,997	11,589	4,077	499	-	23,162
Relieved on disposals/utilization	-	-	(917)	(2,527)	(581)	-	(4,025)
31 March 2018	-	106,918	358,848	17,978	9,214	-	492,958
Charge for the year	-	7,111	12,877	-	193	-	20,181
Relieved on disposals/utilisation	-	-	(1,072)	-	(893)	-	(1,965)
31 March 2019	-	114,029	370,653	17,978	8,514	-	511,174
Net Book Value -							
31 March 2019	5,516	183,857	56,929	-	250	25,083	271,635
31 March 2018	5,516	184,863	47,270	-	525	7,633	245,807

The tables above include carrying values of $11,412,000 (2018: $28,170,000) for the Group representing assets being acquired under finance leases. All amounts related to finance leases are shown mainly in the 'Motor Vehicles' category of fixed assets.

14. Intangible Assets

	The Group					
	Goodwill	Broadcasting Right	Brand	Leases	Computer Software	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Cost -						
1 April 2017	75,002	61,156	221,100	141,800	99,085	598,143
Additions	-	57,283	-	-	18,713	75,996
31 March 2018	75,002	118,439	221,100	141,800	117,798	674,139
Additions	-	145,510	-	-	15,267	160,777
31 March 2019	75,002	263,949	221,100	141,800	133,065	834,916
Amortisation -						
1 April 2017	-	-	14,740	9,453	42,380	66,573
Amortisation charge	-	11,931	14,740	9,453	33,738	69,862
31 March 2018	-	11,931	29,480	18,906	76,118	136,435
Amortisation charge	-	248,928	-	25,953	26,310	301,191
31 March 2019	-	260,859	29,480	44,859	102,428	437,626
Net Book Value						
31 March 2019	75,002	3,090	191,620	96,941	30,637	397,290
31 March 2018	75,002	106,508	191,620	122,894	41,680	537,704

Broadcast rights
The Company acquired rights to broadcast FIFA events for the period 2018 to 2019 from the new rights holder.

Brand/Lease
These arose on the acquisition of GCML and represents the Gleaner brand as well as rental of properties at rental rates below market value for a period of 15 years.

Goodwill
This arose on the acquisition of GCML and is attributable to the years of creation and maintenance of internal and external business relationships, operational contracts, operating systems and general business operations. Goodwill is allocated to the print and other segment.

Impairment tests for goodwill
The Group determines whether goodwill is impaired at least on an annual basis or when events or changes in circumstances indicate the carrying value may be impaired. This requires an estimation of the recoverable amount of the cash generating unit (CGU) to which the goodwill is allocated. The recoverable amount is usually determined by reference to the value in use. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the CGU and also to choose an appropriate discount rate in order to calculate the present value of those future cash flows.

14. Intangible Assets (Continued)

Impairment tests for goodwill (continued)

The amortisation of intangible assets is included in administration expenses in profit or loss.

The recoverable amount of a CGU is determined based on value in use. These calculations use cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below. The growth rate does not exceed the long-term average growth rate for the business in which the CGU operates.

Key assumptions used for value in use calculations:

	Revenue Growth Rate	EBITDA to Revenue	Capital Expenditure to Revenue	Discount Rate
Print and other	2%	10%	1%	17.1%

	Company
	Computer Software
	$'000
Cost -	
31 March 2018 and 2019	9,251
Amortisation -	
31 March 2017	6,259
Amortisation charge	2,992
31 March 2018	9,251
Amortisation charge	-
31 March 2019	9,251
Net Book Value	
31 March 2019	-
31 March 2018	-

15. Retirement Benefits

	The Group		The Company	
	2019 $'000	**2018 $'000**	**2019 $'000**	**2018 $'000**
Amounts recognised in the balance sheet –				
Pension schemes	214,852	187,733	212,923	182,803
Other retirement benefits	(201,367)	(190,442)	(66,924)	(56,255)
Amounts recognised in profit or loss –				
Pension schemes (Note 7)	39,733	2,090	21,025	(4,088)
Other retirement benefits (Note 7)	20,033	19,702	7,457	6,653
Amounts recognised in other comprehensive income –				
Pension schemes	(65,108)	134,536	(50,066)	84,399
Other retirement benefits	(2,505)	14,632	4,718	5,817
Deferred tax	(16,903)	37,292	(11,337)	(22,554)

Pension schemes

The Company operates a defined benefit pension scheme covering all permanent employees of Radio Jamaica Limited, Multi-Media Jamaica Limited and Television Jamaica Limited.

The scheme is managed by an outside agency under a management contract, and by Trustees. The scheme is funded at 15% of pensionable salaries, being 5% by members and 10% by the sponsoring entity. Members may contribute up to an additional 5%.

The scheme is valued triennially by independent actuaries. The latest actuarial valuation was done as at 29 February 2016.

The Board of the pension fund is required by law and its articles and association to act in the interest of the fund and all relevant stakeholders. The Board of the fund is responsible for the investment policy with regard to the assets of the fund. The fund is managed by Proven Wealth Limited who has responsibilities for the general management of the portfolio of investments and the administration of the fund.

The GCML Group operates a defined contribution pension fund for employees who satisfy certain minimum service requirements.

The fund is managed and administered by JN Fund Managers Limited.

15. Retirement Benefits (Continued)

Pension schemes (continued)

The amounts recognised in the balance sheet were determined as follows:

	The Group		The Company	
	2019 $'000	2018 $'000	2019 $'000	2018 $'000
Fair value of plan assets	1,331,454	1,182,720	1,014,539	907,427
Present value of funded obligation	(1,116,602)	(994,987)	(801,616)	(724,624)
Asset in the balance sheet	214,852	187,733	212,923	182,803

The movement in the present value of the funded obligation was as follows:

	The Group		The Company	
	2019 $'000	2018 $'000	2019 $'000	2018 $'000
Balance at start of year	994,987	742,149	724,624	560,181
Current service cost	46,163	25,427	29,235	15,461
Interest cost	74,116	68,897	53,692	51,564
	1,115,266	836,473	807,551	627,206
Remeasurements -				
Experience losses/(gains)	(57,528)	2,727	(39,671)	(862)
Losses from change in financial assumptions	56,043	171,470	38,260	119,287
	(1,485)	174,197	(1,411)	118,425
Employee contributions	36,156	29,738	24,066	19,000
Benefits paid	(33,335)	(45,421)	(28,590)	(40,007)
	1,116,602	994,987	801,616	724,624

15. Retirement Benefits (Continued)

Pension schemes (continued)

The movement in the fair value of plan assets was as follows:

	The Group		The Company	
	2019 $'000	**2018 $'000**	**2019 $'000**	**2018 $'000**
Balance at start of year	1,182,720	1,064,916	907,427	822,304
Employee contributions	36,156	29,738	24,066	19,000
Employer contributions	1,743	1,592	1,079	991
Interest income on plan assets	87,981	99,330	67,239	76,281
Benefits paid	(33,335)	(45,421)	(28,590)	(40,007)
Administrative fees	(7,434)	(7,096)	(5,337)	(5,168)
Remeasurements of the plan assets	63,623	39,661	48,655	34,026
Balance at end of year	1,331,454	1,182,720	1,014,539	907,427

The amounts recognised in arriving at profit or loss were determined as follows:

	The Group		The Company	
	2019 $'000	**2018 $'000**	**2019 $'000**	**2018 $'000**
Current service cost	46,163	25,427	29,235	15,461
Interest cost	74,117	68,897	53,692	51,564
Interest income on plan assets	(87,981)	(99,330)	(67,239)	(76,281)
Administrative fees	7,434	7,096	5,337	5,168
Total included in staff costs (Note 7)	39,733	2,090	21,025	(4,088)

The amounts recognised in other comprehensive income were determined as follows:

	The Group		The Company	
	2019 $'000	**2018 $'000**	**2019 $'000**	**2018 $'000**
Remeasurements of the defined benefit obligation	(1,485)	174,197	(1,411)	118,425
Remeasurements of the plan assets	(63,623)	(39,661)	(48,655)	(34,026)
Total	(65,108)	134,536	(50,066)	84,399

15. Retirement Benefits (Continued)

Pension schemes (continued)

At the last valuation date, the present value of the defined benefit obligation was comprised of approximately $799,749,000 (2018 - $704,773,000) and $520,475,000(2018- $463,780,000) relating to active members, $79,860,000 (2018 - $82,099,000) and $61,209,000 (2018 - $63,825,000) relating to deferred members and $236,995,000 (2018- $208,114,000) and $219,933,000 (2018 - $197,019,000) relating to the members in retirement for the Group and the Company respectively.

Expected yields on fixed interest investments are based on gross redemption yields as at the balance sheet date. Expected returns on equity and property investments reflect long-term real rates of return experienced in the respective markets.

Expected employer contributions to the plan for the year ended 31 March 2019 amount to $1,770,000 for the Group and $1,040,000 for the Company.

The distribution of plan assets was as follows:

	The Group & Company	
	2019	**2018**
	%	%
Equities	45	40
Government of Jamaica securities	12	18
Certificate of deposits	5	5
US$ Investments	5	5
Corporate bonds	27	25
Other	6	7
	100	100

Plan assets include the Company's ordinary shares with a fair value of $2,065,000 (2018 - $2,624,000).

The sensitivity of the defined benefit obligation to changes in the principal assumptions is:

	The Group		
	2019		
	Impact on post-employment obligations		
	Change in assumption	**Increase in assumption**	**Decrease in assumption**
		$'000	**$'000**
Discount rate	1%	(35,526)	75,390
Future salary increases	1%	15,240	(10,291)
Pension increases	1%	49,314	(29,417)

15. Retirement Benefits (Continued)

Pension schemes (continued)

	The Group		
	2018		
	Impact on post-employment obligations		
	Change in assumption	**Increase in assumption**	**Decrease in assumption**
		$'000	**$'000**
Discount rate	1%	(132,692)	171,038
Future salary increases	1%	63,791	(54,875)
Pension increases	1%	89,233	(76,758)

The sensitivity of the defined benefit obligation to changes in the principal assumptions is:

	The Company		
	2019		
	Impact on post-employment obligations		
	Change in assumption	**Increase in assumption**	**Decrease in assumption**
		$'000	**$'000**
		$'000	**$'000**
Discount rate	1%	(95,988)	121,332
Future salary increases	1%	29,651	(26,677)
Pension increases	1%	80,519	(67,849)

	The Company		
	2018		
	Impact on post-employment obligations		
	Change in assumption	**Increase in assumption**	**Decrease in assumption**
		$'000	**$'000**
Discount rate	1%	(91,082)	115,835
Future salary increases	1%	40,084	(34,814)
Pension increases	1%	63,924	(55,296)

15. Retirement Benefits (Continued)

Pension schemes (continued)

		The Group	
		Increase Assumption by One Year	Decrease Assumption by One Year
		$'000	$'000
Life expectancy	2019	34,400	(35,100)
Life expectancy	2018	27,500	(29,800)

		The Company	
		Increase Assumption by One Year	Decrease Assumption by One Year
		$'000	$'000
Life expectancy	2019	25,800	(26,300)
Life expectancy	2018	20,900	(22,700)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position.

15. Retirement Benefits (Continued)

Other retirement benefits

In addition to pension benefits, the Group offers retiree medical and life insurance benefits that contribute to the health care and life insurance coverage of employees after retirement. The method of accounting and frequency of valuations are similar to those used for defined benefit pension schemes.

The amounts recognised in the balance sheet were determined as follows:

	The Group		The Company	
	2019 $'000	**2018 $'000**	**2019 $'000**	**2018 $'000**
Present value of unfunded obligations	201,367	190,442	66,924	56,255

The movement in the present value of unfunded obligations was as follows:

	The Group		The Company	
	2019 $'000	**2018 $'000**	**2019 $'000**	**2018 $'000**
Balance at start of year	190,442	162,068	56,255	45,137
Current service cost	5,937	4,511	3,295	2,429
Interest cost	14,095	15,191	4,162	4,224
	210,474	181,770	63,712	51,790
Remeasurements -				
Experience (gains)/losses	2,359	(2,275)	(784)	(2,212)
Gains from change in demographic assumptions	1,867	15,675	1,472	7,083
Losses from change in financial assumptions	(6,730)	1,232	4,031	946
	(2,504)	14,632	4,719	5,817
Benefits paid	(6,603)	(5,960)	(1,507)	(1,352)
Balance at end of year	201,367	190,442	66,924	56,255

15. Retirement Benefits (Continued)

Other retirement benefits (continued)

The amounts recognised in arriving at net profit or loss were as follows:

	The Group		The Company	
	2019 $'000	**2018 $'000**	**2019 $'000**	**2018 $'000**
Current service cost	5,937	4,511	3,295	2,429
Interest cost	14,095	15,191	4,162	4,224
Total included in staff costs (Note 7)	20,032	19,702	7,457	6,653

The amounts recognised in other comprehensive income were determined as follows:

	The Group		The Company	
	2019 $'000	**2018 $'000**	**2019 $'000**	**2018 $'000**
Remeasurements of the defined benefit obligation	(2,502)	14,632	4,718	5,817

At the last valuation date, the present value of the defined benefit obligation was comprised of approximately $167,557,000 (2018 - $160,852,000) and $40,888,000 (2018 - $32,239,000) relating to active members and $33,810,000 (2018 - $29,592,000) and $26,036,000 (2018 - $24,016,000) relating to the members in retirement for the Group and the Company respectively.

The sensitivity of the defined benefit obligation to changes in the principal assumptions is:

	The Group 2019		
	Impact on post-employment obligations		
	Change in assumption	**Increase in assumption $'000**	**Decrease in assumption $'000**
Discount rate	1%	(13,314)	16,667
Future salary increases	1%	233	(213)
Health inflation rate	1%	15,190	(12,343)

	GCML		
	Impact on post-employment obligations		
	Change in assumption	**Increase in assumption $'000**	**Decrease in assumption $'000**
Discount rate	1/2%	(97,000)	16,667
Health inflation rate	1/2%	108,900	108,900

15. Retirement Benefits (Continued)

Other retirement benefits (continued)

	The Group 2018		
	Impact on post-employment obligations		
	Change in assumption	Increase in assumption	Decrease in assumption
		$'000	$'000
Discount rate	1%	(108,366)	138,058
Future salary increases	1%	623	364
Health inflation rate	1%	136,283	(93,724)

	The Company 2019		
	Impact on post-employment obligations		
	Change in assumption	Increase in assumption	Decrease in assumption
		$'000	$'000
Discount rate	1%	(8,394)	10,485
Future salary increases	1%	85	(77)
Health inflation rate	1%	10,007	(8,154)

	The Company 2018		
	Impact on post-employment obligations		
	Change in assumption	Increase in assumption	Decrease in assumption
		$'000	$'000
Discount rate	1%	(7,897)	10,010
Future salary increases	1%	366	(304)
Health inflation rate	1%	8,875	(7,149)

15. Retirement Benefits (Continued)

Other retirement benefits (continued)

		The Group	
		Increase Assumption by One Year	Decrease Assumption by One Year
		$'000	$'000
Life expectancy	2019	110,285	110,285
Life expectancy	2018	115,661	(106,943)

		The Company	
		Increase Assumption by One Year	Decrease Assumption by One Year
		$'000	$'000
Life expectancy	2019	2,465	2,438
Life expectancy	2018	1,952	(1,934)

Principal actuarial assumptions used in valuing retirement benefits

The principal actuarial assumptions used were as follows:

	The Group & The Company	
	2019	2018
Discount rate	7%	7.5%
Inflation rate	5%	4.5%
Future salary increases	5%	4.5% -5.5%
Future pension increases	3%	3%
Long term increase in health cost	6%	6% - 6.5%

15. Retirement Benefits (Continued)

Risks associated with pension plans and post-employment plans

Through its defined benefit pension plan and post-employment medical plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility

The plan liabilities are calculated using a discount rate set with reference to Government of Jamaica bond yields; if plan assets underperform this yield, this will create a deficit.

As the plan matures, the Group intends to reduce the level of investment risk by investing more in assets that better match the liabilities. The Government bonds represent investments in Government of Jamaica securities.

The Group believes that due to the long-term nature of the plan liabilities, a level of continuing equity investment is an appropriate element of the Group's long term strategy to manage the plan efficiently. See below for more details on the Group's asset-liability matching strategy.

Changes in bond yields

A decrease in Government of Jamaica bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plan's bond holdings.

Inflation risk

Higher inflation will lead to higher liabilities. The majority of the plan's assets are either unaffected by fixed interest bonds meaning that an increase in inflation will reduce the surplus or create a deficit.

Life expectancy

The majority of the plan's obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plan's liabilities. This is particularly significant, where inflationary increases result in higher sensitivity to changes in life expectancy.

The Group ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the pension scheme. Within this framework, the Company's ALM objective is to match assets to the pension obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due. The Group actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the pension obligations. The Group has not changed the processes used to manage its risks from previous periods. The Group does not use derivatives to manage its risk. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets. A large portion of assets in 2019 consists of bonds and equities.

Funding levels are monitored on an annual basis and the current agreed contribution rate is 10% of pensionable salaries. The next triennial valuation is due to be completed as at 31 December 2019. The Group considers the contribution rates set at the last valuation date to be sufficient to prevent a deficit and that regular contributions, which are based on service costs, will not increase significantly.

16. Deferred Taxation

Deferred income taxes are calculated in full on all temporary differences under the liability method using a principal rate of 25%.

	The Group		The Company	
	2019 $'000	**2018 $'000**	**2019 $'000**	**2018 $'000**
Deferred income tax assets	164,193	68,669	5,239	23,979
Deferred income tax liabilities	(223,360)	(130,142)	-	-
	(59,167)	(61,473)	5,239	23,979

The movement on the deferred income tax account is as follows:

	The Group		The Company	
	2019 $'000	**2018 $'000**	**2019 $'000**	**2018 $'000**
Balance as at 1 April	(61,473)	(102,944)	23,979	434
Charged/(credited) in arriving at profit or loss	19,209	4,179	(7,403)	991
(Credited)/charged to other comprehensive income	(16,903)	37,292	(11,337)	22,554
Balance as at 31 March	(59,167)	(61,473)	5,239	23,979

	Group	
	2019 $'000	**2018 $'000**
Deferred tax assets	52,445	68,669
Deferred tax liabilities	(111,612)	(130,142)
	(59,167)	(61,473)

	Company	
	2019 $'000	**2018 $'000**
Deferred tax assets	5,239	23,979

16. Deferred Taxation (Continued)

The movement in the deferred tax assets and liabilities (prior to appropriate offsetting of balances) during the year is as follows:

	Group					
Deferred tax liabilities	**Accelerated Tax Depreciation**	**Retirement Benefit Assets**	**Unrealised Foreign Exchange Gains**	**Intangible Assets**	**Interest Receivable**	**Total**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
At 1 April 2017	55,458	74,000	808	94,977	4,162	229,405
Charged to profit or loss	9,021	(124)	5,340	-	(2,342)	11,895
Charged to other comprehensive income	-	(33,634)	-	-	-	(33,634)
At 31 March 2018	64,479	40,242	6,148	94,977	1,820	207,666
(Credited)/Credited to profit or loss	3,783	(1,910)	(4,594)	-	(443)	(3,164)
Credited to other comprehensive income	-	18,858	-	-	-	18,858
At 31 March 2019	68,262	57,190	1,554	94,977	1,377	223,360

16. Deferred Taxation (Continued)

The movement in the deferred tax assets and liabilities (prior to appropriate offsetting of balances) during the year is as follows:

	Group					
Deferred tax assets	**Retirement Benefit Obligation**	**Accelerated Tax Depreciation**	**Accrued Vacation**	**Tax Losses**	**Other**	**Total**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
At 1 April 20167	40,517	11,398	31,520	35,892	7,134	126,461
Credited to profit or loss	3,437	-	5,138	9,903	(2,404)	16,074
Credited to other comprehensive income	3,658	-	-	-	-	3,658
At 31 March 2018	47,612	11,398	36,658	45,795	4,730	146,193
Credited to profit or loss	2,175	-	(2,501)	(5,459)	21,830	16,045
Credited to other comprehensive income	1,955	-	-	-	-	1,955
At 31 March 2019	51,742	11,398	34,157	40,336	26,560	164,193

16. Deferred Taxation (Continued)

The movement in the deferred tax assets and liabilities (prior to appropriate offsetting of balances) during the year is as follows:

	Company				
Deferred tax liabilities	**Accelerated Tax Depreciation**	**Retirement Benefit Assets**	**Unrealised Foreign Exchange Gains**	**Interest Receivable**	**Total**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**
At 1 April 2017	(863)	65,531	11	2,774	67,453
(Credited)/charged to profit or loss	685	1,270	5,340	(2,342)	4,953
Credited to other comprehensive income	-	(21,100)	-	-	(21,100)
At 31 March 2018	(178)	45,701	5,351	432	51,306
(Credited)/charged to profit or loss	9,879	(5,006)	(4,594)	4,557	4,836
Charged to other comprehensive income	-	12,536	-	-	12,536
At 31 March 2019	9,701	53,231	757	4,989	68,678

	Company				
Deferred tax assets	**Retirement Benefit Obligation**	**Tax Losses**	**Accrued Vacation**	**Other**	**Total**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**
At 1 April 2017	11,285	52,230	4,372	-	67,887
Credited to profit or loss	1,325	259	643	3,717	5,944
Credited to other comprehensive income	1,454	-	-	-	1,454
At 31 March 2018	14,064	52,489	5,015	3,717	75,285
Credited/(charged) to profit or loss	1,468	(5,459)	(1,826)	3,250	(2,567)
Credited to other comprehensive income	1,199	-	-	-	1,199
At 31 March 2019	16,731	47,030	3,189	6,967	73,917

16. Deferred Taxation (Continued)

The movement in the deferred tax assets and liabilities (prior to appropriate offsetting of balances) during the year is as follows:

Deferred income tax assets/liabilities amounts which are expected to be recovered/settled within one year:

	The Group		The Company	
	2019 $'000	2018 $'000	2019 $'000	2018 $'000
Deferred income tax liabilities	18,075	7,968	5,746	5,783

Deferred income tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefit through the future taxable profits is probable. Subject to agreement with the Taxpayer Audit and Assessment Department, tax losses available for offset against future taxable profits amounted to $235,966,000 (2018 – $248,529,000) for the Group and $188,120,000 (2018 – $209,951,000) for the Company, and these losses may be carried forward indefinitely. Deferred income tax assets have not been recognised for tax losses carried forward in respect of certain subsidiaries. These tax losses amounted to $223,515,000 (2018 – $237,473,000).

17. Investment in Subsidiaries

	2019 $'000	2018 $'000
Multimedia Jamaica Limited	50	50
Television Jamaica Limited	20,002	20,002
The Gleaner Company (Media) Limited	1,392,930	1,392,930
Media Plus Limited –		
Reggae Entertainment Television Limited	174,930	174,930
Jamaica News Network Limited	236,942	236,942
	1,824,854	1,824,854

18. Investment Securities

	The Group		The Company	
	2019 $'000	2018 $'000	2019 $'000	2018 $'000
At fair value through profit or loss –				
One Caribbean Media Limited, quoted	9,234	11,384	9,234	11,384
Other	13,233	-	13,233	-
Available-for-sale (AFS) –				
Caribbean News Agency, unquoted	7	7	7	7
Global bonds	7,396	137,713	7,195	137,512
Corporate bonds	10,000	10,065	10,000	10,065
	39,870	159,169	39,669	158,968

Fair value losses in relation to the available-for-sale securities total $7,135,000 and is included in fair value reserve in shareholders equity.

Reclassification from IAS 39 to IFRS 9

The Company assessed its business model for securities within the Company's portfolio and identified certain securities which are managed separately and actively traded for capital gains. These securities which were previously classified as available for sale are reclassified to FVTPL under IFRS 9.

19. Inventories

	The Group		The Company	
	2019 $'000	2018 $'000	2019 $'000	2018 $'000
Spares	1,537	1,752	942	1,151
Film	13,556	15,494	-	-
Newsprint	43,140	56,679	-	-
Goods in transit	8,649	7,839	202	-
Books, stationery and general supplies	35,264	28,854	-	-
Consumable stores	4,979	9,354	-	-
Other	5,299	6,352	3,280	4,505
	112,424	126,324	4,424	5,656

20. Due from Subsidiaries

	2019 $'000	2018 $'000
Multi-Media Jamaica Limited	59,007	33,730
The Gleaner Company (USA) Limited	48,487	48,487
The Gleaner Company (Media) Limited	60,601	36,957
Independent Radio Jamaica	29,802	27,313
Reggae Entertainment Television Limited	72,271	50,753
Television Jamaica Limited	163,089	391,988
Jamaica News Network Limited	124,449	81,735
	557,706	670,963

Due to subsidiaries

The Gleaner Company (Media) Limited	204,010	308,396
	204,010	308,396

21. Related Party Transaction Balances

(a) Sale of services
The Company did not have any sale of services to its subsidiaries.

(b) Purchase of services

	2019 $'000	2018 $'000
Multi-Media Jamaica Limited	31,875	31,880
The Gleaner Company (Media) Limited	721	721
Jamaica News Network Limited	13,012	11,235
	45,608	43,836

(c) Rental income – The Company earns rental income from its subsidiaries as follows:

	2019 $'000	2018 $'000
Television Jamaica Limited	15,031	15,031
Multi-Media Jamaica Limited	245	245
Reggae Entertainment Television Limited	240	240
Jamaica News Network Limited	240	240
	15,756	15,756

(d) Lease income- The Company earns lease income from subsidiaries as follows:

	2019 $'000	2018 $'000
Independent Radio Company Ltd	1,759	1,796

21. Related Party Transaction Balances (Continued)

(e) Rental expense- The Company pays rental expense to its subsidiary as follows:

	2019 $'000	2018 $'000
Jamaica News Network Limited	1,953	1,953

(f) Advertising Income- The Company earns advertising from its subsidiaries as follows:

	2019 $'000	2018 $'000
The Gleaner Company (Media) Limited	-	2,640

(g) Key management compensation for the Group was as follows:

	The Group & The Company	
	2019 $'000	2018 $'000
Wages and salaries	68,564	67,192
Statutory contributions	3,995	4,022
Other	7,604	6,366
	80,163	77,580

*The figures in prior year were restated.

	The Group		The Company	
	2019 $'000	2018 $'000	2019 $'000	2018 $'000
Directors' emoluments –				
Fees	11,293	14,305	10,060	11,512
Management remuneration (included in staff costs)	40,881	43,444	40,881	43,444

22. Receivables

	The Group		The Company	
	2019 $'000	**2018 $'000**	**2019 $'000**	**2018 $'000**
Trade receivables	970,198	950,042	110,998	103,278
Prepayments	57,445	46,192	11,681	9,225
Other	171,832	195,680	65,625	59,826
	1,199,475	1,191,914	188,304	172,329
Less: Loss allowance for impairment	(285,164)	(192,210)	(55,247)	(37,855)
	914,311	999,704	133,057	134,474

23. Cash and Cash Equivalents

	The Group		The Company	
	2019 $'000	**2018 $'000**	**2019 $'000**	**2018 $'000**
Cash	282,555	173,927	120,407	120,033
Short term investments	163,873	93,039	100,663	31,054
	446,428	266,966	221,070	151,087

Cash and cash equivalents include the following for the purposes of the statement of cash flows:

	The Group		The Company	
	2019 $'000	**2018 $'000**	**2019 $'000**	**2018 $'000**
Cash	282,555	173,927	120,407	120,033
Short term investments	163,873	93,039	100,663	31,054
	446,428	266,966	221,070	151,087

(a) Cash comprises amounts held in current accounts, which currently attract interest at a rate of 0.25% - 0.40% per annum.

(b) Short term investments comprise securities purchased under resale agreements and are classified as financial assets at fair value through profit or loss.

The weighted average effective interest rate on these instruments was as follows:

	The Group		Company	
	2019	**2018**	**2019**	**2018**
	%	**%**	**%**	**%**
Jamaican dollar	1	1	1	1

(c) The Group has unsecured bank overdraft facilities. The effective interest rate on account overrun is 17.75%.

24. Payables

	The Group		The Company	
	2019 $'000	**2018 $'000**	**2019 $'000**	**2018 $'000**
Trade	213,035	249,747	50,958	87,583
Accrued vacation leave	40,339	59,295	12,756	20,068
Other accruals	173,435	148,193	43,635	27,710
Current portion of finance leases (Note 26)	13,946	15,310	-	-
Current portion of long term loans (Note 26)	37,355	50,235	34,357	33,697
Statutory deductions	54,117	30,762	10,627	10,380
Deferred Revenue	66,492	69,358	22,943	24,808
Other	55,418	99,487	18,421	17,381
	654,137	722,387	193,697	221,627

25. Share Capital

Authorised –

50,000 5% Cumulative participating preference shares

2,422,487,654 (2018 – 2,422,487,654) Ordinary shares

	2019 $'000	**2018 $'000**
Issued and fully paid –		
2,422,487,654 (2018 – 2,422,487,654) Ordinary shares of no par value	2,046,117	2,046,117
24,804,577 Treasury shares (2018 – 24,804,577) Ordinary shares of no par value	(5,039)	(5,039)
	2,041,078	2,041,078

The treasury shares are held by the RJR Employee Share Scheme.

26. Long Term Loans & Finance Leases

Long term loans

	The Group		The Company	
	2019 **$'000**	**2018** **$'000**	**2019** **$'000**	**2018** **$'000**
(a) Sagicor Bank Jamaica Limited Loan 1	360,000	386,667	360,000	386,667
(b) Sagicor Bank Jamaica Limited Loan 2	37,705	45,394	37,705	45,394
(c) First Global Bank Limited	-	15,174	-	-
(d) Jamaica Money Market Brokers	22,772	12,152	-	-
	420,477	459,387	397,705	432,061
Less: Current portion (Note 24)	(37,355)	(50,235)	(34,357)	(33,697)
	383,122	409,152	363,348	398,364

(a) This loan is repayable on a monthly basis, maturing in 30 September 2032 and attracts interest at 9% (2018 – 9.50%). It is secured by a first mortgage over commercial properties owned by the Company.
(b) This loan is repayable on a monthly basis, maturing in September 2019 and attracts interest at 9% (2018 – 9%). It is secured by a first mortgage over a commercial property owned by the Company.
(c) The loans are repayable over 5 years with total monthly instalments of $1,540,000. The loan is secured by selected properties owned by the Company and the parent (The Gleaner Company (Media) Limited) and a term deposit of $26 million held by the parent Company. The loan repayment commenced in January 2014 after a 12 month period of moratorium or principal repayments.
(d) The loan is repayable over 7 years commencing February 2019 and attracts interest at 8.75%.

26. Long Term Loans & Finance Leases (Continued)

Finance leases

Finance lease liabilities – minimum lease payments

	The Group		The Company	
	2019 $'000	**2018 $'000**	**2019 $'000**	**2018 $'000**
Not later than 1 year	13,946	15,310	-	-
Later than 1 year and not later than 5 years	4,008	13,831	-	-
	17,954	29,141	-	-
Future finance charges on finance leases	(13,946)	(15,310)	-	-
Present value of finance lease obligations	4,008	13,831	-	-

The present value of finance lease obligations is as follows:

	The Group		The Company	
	2019 $'000	**2018 $'000**	**2019 $'000**	**2018 $'000**
Not later than 1 year (Note 24)	13,946	15,310	-	-
Later than 1 year and not later than 5 years	4,008	13,831	-	-
	17,954	29,141	-	-

27. Segment Reporting

Management has determined the Group's operating segments based on the reports reviewed by the Company's Board of Directors that are used to make strategic decisions. The Group is organised and managed in three main business segments based on its business activities. Operating results for each segment are used to measure performance, as management deems that information to be the most relevant in evaluating segments relative to other entities that operate within these industries.

The designated segments are:

(a) Audio visual, comprising the operations of the Group's free-to-air television station and its cable stations;

(b) Radio and other, comprising the operations of the Group's radio stations; and

(c) Print and other, comprising the operations of the Group's print and multi-media entities.

The Group's operations are primarily located in Jamaica.

	Audio Visual	Audio	Print & Others	Sub-total	Eliminations	Total
	$'000		$'000	$'000	$'000	$'000
				2019		
Revenues	2,168,089	714,236	2,751,143	5,633,468	(150,579)	5,482,889
Operating profit	(18,094)	24,643	51,230	51,137	(25,952)	31,827
Assets	1,855,375	3,437,079	1,189,890	6,482,344	(2,766,053)	3,716,291
Liabilities	1,155,879	929,172	477,051	2,562,102	(1,200,346)	1,361,756
Capital expenditure	106,391	46,814	61,763	214,968	-	214,968
Depreciation	148,507	30,845	44,937	224,289	-	224,289
Finance costs	(35,524)	(5,777)	(14,778)	(56,079)	-	(56,079)
				2018		
Revenues	1,871,775	694,624	2,654,846	5,221,245	(175,668)	5,045,577
Operating profit	37,325	(21,886)	27,835	43,274	(24,193)	19,081
Assets	1,975,748	3,561,581	1,152,645	6,689,974	(2,807,254)	3,882,720
Liabilities	1,219,867	1,082,586	444,844	2,747,297	(1,267,496)	1,479,801
Capital expenditure	523,496	22,246	36,746	582,488	-	582,488
Depreciation	123,795	35,610	38,504	197,909	-	197,909
Finance costs	(24,893)	(6,467)	(16,204)	(47,564)	-	(47,564)

The Group's customers are mainly resident in, and operate from, Jamaica.

The result of its revenue from external customers in Jamaica is $5,393,746,000 (2018 - $4,947,980,000), and the total of revenue from external customers from other countries is $89,143,000 (2018 - $97,597,000).

The operations of The Gleaner Company (Media) Limited were acquired on 24 March 2016.

28. Contingencies

The Company and its subsidiaries are subject to various claims, disputes and legal proceedings, in the normal course of business. Loss allowance is made for such matters when, in the opinion of management and its legal counsel, it is probable that a payment will be made by the Group, and the amount can be reasonably estimated. In respect of claims asserted against the Group which has not been provided for, management is of the opinion that such claims are either without merit, can be successfully defended or will result in exposure to the Group which is immaterial to both financial position and results of operations.

29. Changes in Accounting Policies

The changes in accounting policies outlined in note 2 (a) which have resulted in changes in accounting policies and adjustments to the amounts previously recognised in the financial statements summarised in the following tables.

	Group		
	March 31, 2018 as originally presented	Transition adjustment- IFRS 9	As at April 1, 2018
	$'000		$'000
Non-Current Assets			
Fixed assets	1,515,131	-	1,515,131
Intangible assets	537,704	-	537,704
Retirement benefit assets	187,733	-	187,733
Deferred tax assets	68,669	-	68,669
Long term receivables	763	-	763
Investment securities	159,169	-	159,169
	2,469,169		2,469,169
Current Assets			
Inventories	126,324	-	126,324
Receivables	999,704	(77,215)	922,489
Taxation recoverable	20,557	-	20,557
Cash and short term investments	266,966	-	266,966
	1,413,551		1,336,336
Current Liabilities			
Payables	722,387	-	722,387
Taxation payable	13,847	-	13,847
	736,234		736,234
Net Current Assets	677,317		600,102
	3,146,486		3,069,271

29. Changes in Accounting Policies (Continued)

	Group (continued)		
	March 31, 2018 as originally presented	Transition adjustment - IFRS 9	As at April 1, 2018
	$'000		$'000
Stockholders' Equity			
Share capital	2,041,078	-	2,041,078
Foreign currency translation	1,197	-	1,197
Fair value reserve	(7,135)	-	(7,135)
Retained earnings	367,652	(77,215)	290,437
	2,402,792		2,325,577
Non-controlling Interests	127		127
Total Equity	2,402,919		2,325,704
Non-Current Liabilities			
Finance lease obligations	13,831	-	13,831
Long term loans	409,152	-	409,152
Deferred tax liabilities	130,142	-	130,142
Retirement benefit obligations	190,442	-	190,442
Total Non-Current Liabilities	743,567		743,567
	3,146,486		3,069,271

	Retained earnings $'000
Balance as of 31 March 2018	367,652
Transition adjustments on adoption of IFRS 9:	
Increase in loss allowance for trade receivables	(77,215)
Total transition adjustments	(77,215)
Balance as of 1 April 2018	290,437

29. Changes in Accounting Policies (Continued)

	Company		
	March 31, 2018 as originally presented	Transition adjustment-IFRS 9	As at April 1, 2018
	$'000		$'000
Non-Current Assets			
Fixed assets	245,807	-	245,807
Retirement benefit asset	182,803	-	182,803
Deferred tax asset	23,979	-	23,979
Investment in subsidiaries	1,824,854	-	1,824,854
Investment securities	158,968	-	158,968
	2,436,411		2,436,411
Current Assets			
Inventories	5,656	-	5,656
Due from subsidiaries	670,963	-	670,963
Receivables	134,474	(18,314)	116,160
Taxation recoverable	13,700	-	13,700
Cash and short term investments	151,087	-	151,087
	975,880		957,566
Current Liabilities			
Payables	221,627	-	221,627
Taxation payable	308,396	-	308,396
	530,023		530,023
Net Current Assets	445,857		427,543
	2,882,268		2,863,954
Equity			
Share capital	2,041,078	-	2,041,078
Fair value reserves	(7,135)	-	(7,135)
Retained earnings	393,706	(18,314)	375,392
	2,427,649		2,409,335
Non-Current Liabilities			
Long term loans	398,364	-	398,364
Retirement benefit obligations	56,255	-	56,255
	454,619		454,619
	2,882,268		2,863,954

29. Changes in Accounting Policies (Continued)

	Retained earnings $'000
Balance as of 31 March 2018	393,706
Transition adjustments on adoption of IFRS 9:	
Increase in loss allowance for trade receivables	(18,314)
Total transition adjustments	(18,314)
Balance as of 1 April 2018	375,392

SHAREHOLDINGS

TEN (10) LARGEST SHAREHOLDERS AS AT

MARCH 31, 2019

No.	Names	Shareholdings
1	Financial & Advisory Services Limited	164,845,524
2	Kaytak Investments St. Lucia Limited	148,796,235
3	GraceKennedy Pension Fund Custodian Ltd. for GraceKennedy Pension Scheme	133,814,655
4	JCSD Trustees Services Limited – Sigma Equity	116,936,408
5	Pan Caribbean Financial Services a/c# 1388842	108,385,283
6	Ideal Portfolio Services Company Limited	98,455,351
7	NCB Jamaica Limited	94,912,334
8	Prime Asset Management JPS Employees Superannuation Fund	85,556,622
9	PAM – Pooled Equity Fund	84,294,655
10	Kaytak Investments Limited	68,669,862

SHAREHOLDINGS

Declaration of number of stock units owned by directors, officers & connected persons as at **MARCH 31, 2019**

	Directors	Personal Shareholding	Shareholding of Connected Persons
1	Joseph M. Matalon	23,572,020	220,062,987
2	Hon. Oliver F. Clarke	----	211,471,053
3	Hon. Douglas Orane	823,381	171,191,154
4	Christopher Barnes	4,307,000	-----
5	Carl Domville	1,076,152	11,859
6	Gary Allen	853,228	----
7	Dr. Lawrence Nicholson	282,916	----
8	Dr. Carol Archer	58,320	----
9	Glenworth Francis	10,165	----
10	Lisa Johnston	3,732	----
11	Minna Israel	----	----
12	Andrew Leo-Rhynie	----	----
13	Elizabeth Jones	----	----

	Senior Managers	Personal Shareholding	Shareholding of Connected Persons
1	Christopher Barnes	4,307,000	----
2	Gary Allen	853,228	----
3	Claire Clarke-Grant	752,513	----
4	Shena Stubbs-Gibson	211,834	----
5	Roland Booth	201,313	----
6	Andrea Messam	86,836	----
7	Robin Williams	----	----
8	Tanya Smith	----	----
9	Dr. Dennis Howard	----	----
10	Michele Dunkley-White	----	----

FIVE YEAR FINANCIAL SUMMARY

RJRGLEANER Communications Group	2015	2016	2017	2018	2019
5 Year Analysis (2015-2019)	$M	$M	$M	$M	$M
Turnover	2,049	2,307	5,229	5,046	5,483
Profit/(Loss) before tax	139	(252)	220	(28)	(24)
Taxation	(26)	27	(75)	(13)	2
Profit/(Loss) for the Financial Year	113	(225)	145	(42)	(22)
Dividends/Capital Distribution	18	35	48	48	0
Shareholders Funds					
Capital:					
Ordinary	468	2,041	2,041	2,041	2,041
Reserves	843	382	560	362	312
	1,310	2,424	2,601	2,403	2,353
Minority Interest	0	0	0	0	2
LongTerm Liability	353	511	389	744	700
Total Funds Employed	1,664	2,935	2,990	3,146	3,055
Represented by:					
Fixed Assets & Investments	1,108	2,420	2,518	2,469	2,207
Net Current Assets	556	515	472	677	847
Net Worth	1,664	2,935	2,990	3,146	3,055
Ordinary Shares in Issue Year End	357	2,422	2,422	2,422	2,422
Dividends Per Ordinary Shares (cents)	4.91	1.45	2.00	2.00	0.00
Shareholders Funds Per Ordinary Stock Unit	4.65	1.21	1.23	1.30	1.26
Returns on Sales (Profit before tax as a % of Turnover)	6.78	(10.91)	4.20	(0.56)	(0.44)
Gearing (Net Borrowing as a % of Capital & Reserve)	26.97	21.08	14.98	30.95	29.76
Return on Net Assets (Profit after Tax as a % of Net Assets)	6.81	(7.66)	4.86	(1.33)	(0.73)

Notes

Notes

Notes

Place
$100.00
stamp here

RADIO JAMAICA LIMITED
FORM OF PROXY

I/We……………………………………………………………………………………………of……………………………………………………………

………

being a Member/Members of the above-named Company hereby appoint

……………………………………………of……………………………………………or failing him/her then,

……………………………………………… of ……………………………………………………………………………………………

As my/our proxy to vote for me/us on my/our behalf at the Seventy-First Annual General Meeting of the Company to be held on Wednesday, August 28, 2019 at 10:00am at the Jamaica Pegasus Hotel and at any adjournment thereof.

I/We desire this form to be used for/against the resolutions as indicated below.

Signed this ……………………………… day of …………………………………………………………… 2019

Signature:………

Unless otherwise directed the proxy will vote, as he thinks fit. Please indicate by inserting an "X" in the spaces below how you wish your votes to be cast. If no indication is given your Proxy will vote for or against each resolution or abstain, as he thinks fit.

RESOLUTIONS	FOR	AGAINST
RESOLUTION 1		
RESOLUTION 2		
RESOLUTION 3		
RESOLUTION 4		
RESOLUTION 5		
RESOLUTION 6		
RESOLUTION 7		
RESOLUTION 8		

(For text of Resolutions please refer to Notice of Meeting)

NOTES:

1. An instrument appointing a proxy, shall, unless the contrary is stated thereon be valid as well for any adjournment of the meeting as for the meeting to which it relates and need not be witnessed.

2. If the appointer is a corporation, this form must be under its common seal or under the hand of an officer or attorney duly authorized in writing.

3. In the case of joint holders, the vote of the senior will be accepted to the exclusion of the votes of others, seniority being determined by the order in which the names appear on the register.

4. To be valid, this form must be received by the Registrar of the Company at the address given below not less than 48 hours before the time fixed for holding the meeting or adjourned meeting.

5. The proxy form should bear stamp duty of One Hundred dollars ($100.00) which may be in the form of adhesive stamp duly cancelled by the person signing the proxy form.

REGISTRAR AND TRANSFER AGENTS

Jamaica Central Securities Depository Limited

40 Harbour Street, Kingston


1 SPOT
MEDIA
Smile Jamaica
NEWSBRI
NEWS
BE SEATED
OR
ORDER HERE
DISCOVER
THE ISLAND'S
BEST
IN ONE SPOT.
A MEMBER OF THE
RG
RJRGLEANER
COMMUNICATIONS GROUP

RJR 94FM

Power 106FM

FAME 95FM

Hitz 92FM

Music 99FM

Multi-Media Jamaica Limited

1Spotmedia

The Gleaner Company (Media) Limited

Television Jamaica Limited

Reggae Entertainment Television

Jamaica News Network

TVJ Sports Network


DANIELLE D.I. SAYS BROWN GIRLS SUFFER TOO

MONDAY STAR

www.jamaica-star.com

TALENTED YOUTHS MAKE MOTOR VEHICLE


FRIDAY

The Gleaner

Retired JDF officer is new prison boss

NEW CHINA ERA

More investments to flow into Jamaica after groundbreaking MOU signed

LNG to supply 80% of power by 2023

Radio Jamaica Limited

Broadcasting House
32 Lyndhurst Road,
P.O. Box 23,
Kingston 5, Jamaica
Telephone: (876) 926-1100-9
Fax: (876) 929-7467(General)
Fax: (876) 906-3644 (Marketing)

The Gleaner Company (Media) Limited

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